Interim Results Announcement

30 June 2015

Bank of Ireland

For small steps, for big steps, for life

Bank of Ireland Group

1 H1 2015 Progress

Richie Boucher, CEO

2 Financial Results

Andrew Keating, CFO

H1 2015 Progress

Richie Boucher

Business Highlights

On-going delivery of strategic priorities

Bank of Ireland Group

Customers	▶ Successfully developing customer relationships; Group new lending up 50% on H1 2014 ▶ Continue to be largest lender to the Irish economy in H1 2015 ▶ Restored growth to our UK Mortgage business; lending of £1.3bn vs £0.6bn H1 2014 ▶ Reduced defaulted loans by a further €1bn in H1 2015; now down >25% from peak level
Profitability	▶ Underlying profit of €743m, >100% increase over H1 2014 ▶ Increased total income by c.19%; NIM of 2.21% in H1 2015 ▶ Significantly reduced impairment charge of 36bps (97bps in H1 2014) ▶ Increased TNAV per share by c.11% to 24.0c (Dec 14: 21.6c)
Capital	▶ Increased fully loaded CET1 ratio by 180bps to 11.1%; transitional CET1 ratio of 15.9% ▶ Successful AT1 issuance of €750m; total capital ratio of 20.7% ▶ Senior debt upgraded to Investment Grade by Moody's and Standard & Poor's ▶ On track to de-recognise the 2009 Preference Shares

Substantial increase in profitability

Increased underlying PBT by €416m

Bank of Ireland Group

	H1 2014	H1 2015
Total income	€1,475m	€1,759m
Net interest margin	2.05%	2.21%
Operating expenses	(€813m)	(€875m)
Impairment charge *Customer loans* *NAMA bonds*	 *(€444m)* *€70m*	 *(€168m)* -
Share of associates / JVs	€39m	€27m
Underlying profit before tax	**€327m**	**€743m**

- Increased underlying PBT by >100% to €743m
- Increased total income by 19% (€284m) reflecting;
  - Higher net interest income;
  - Higher fee income; and
  - Gains on liquid asset portfolio rebalancing
- NIM improved by 16 bps reflecting positive impacts of lower funding costs and new lending, partially offset by lower liquid asset yields
- Maintained tight cost control whilst continuing to invest to meet changing customer requirements
- Customer loan impairment charge declined by €276m reflecting actions taken and continued improvements in asset quality
- Underlying PBT includes additional gains of €228m (H1 2014 €140m)

Strong organic capital generation continues

Increased fully loaded CET1 ratio by 180 bps to 11.1%

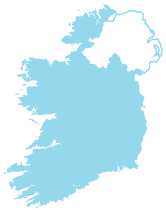
Bank of Ireland Group

	Dec 14	Jun 15
Customer loans (net)	€82.1bn	€85.3bn
Defaulted loans	€14.3bn	€13.3bn
CET1 ratios *Fully loaded (excl Prefs)* *Transitional*	 *9.3%* *14.8%*	 *11.1%* *15.9%*
Total capital ratio	18.3%	20.7%
TNAV per share	21.6c	24.0c

- Customer loans increased by c.€3.2bn (FX translation benefit €3.6bn)
  - New lending of €6.5bn during H1 2015; 50% increase on H1 2014 (€4.3bn) with strong performances in both Ireland and the UK
  - Redemptions of €6.9bn
- Defaulted loans reduced by €1.0bn in H1 2015; all asset categories reduced
- Strong organic capital generation continues in H1 2015
  - Increased fully loaded CET1 ratio by 180bps to 11.1%
  - Increased transitional CET1 ratio by 110bps to 15.9%
  - Pension deficit of €0.8bn; impacts in Q1 following Quantitative Easing fully reversed
- Increased total capital ratio to 20.7%; reflects CET1 increase and AT1 issuance of €750m in June 2015
- Increased TNAV per share by c.11%

Favourable macroeconomic environment and outlook

Bank of Ireland Group

Economic Indicators	GDP Annual Real Growth	Unemployment Rate Annual Average	Residential Property Prices National Change 12 months to June 2015
	2014: 5.2% 2015f: 5.3% 2016f: 4.8%	2014: 11.3% 2015f: 9.7% 2016f: 8.3%	2015: 10.7%
	2014: 3.0% 2015f: 2.5% 2016f: 2.4%	2014: 6.3% 2015f: 5.4% 2016f: 5.1%	2015: 3.3%

Sources: Central Statistics Office, Office for National Statistics, Nationwide, BOI Economic Research Unit (ROI Forecasts), Reuters (UK Forecasts)

Ireland - Leading bank in a growing economy with a well structured market

Bank of Ireland Group

Consumer Banking	▶ #1 or #2 positions across all principal product lines ▶ 18% growth in new mortgage lending versus H1 2014; remain commercially disciplined in the somewhat more competitive environment, which we had anticipated, as other incumbents move through their restructuring phases; successfully focussing on fixed rate products ▶ Acquired performing mortgage portfolio from IBRC ▶ 27% share of savings market
Wealth Management (incl New Ireland)	▶ Ireland's only bancassurer - 23% share of life assurance market ▶ New business up 7%, with strong performance in investment business ▶ Well positioned to benefit from favourable demographic trends and customers' increased desire for and capacity to purchase investment and protection products
Business Banking	▶ Ireland's #1 business bank; >50% market share of new SME / Agri lending ▶ New business volumes up c.20% on H1 2014; benefitting from increased business confidence ▶ Acquired performing SME loan portfolios from Danske Bank (Feb 2015) and Lloyds (Jul 2015)
Corporate & Treasury	▶ Ireland's #1 corporate bank with >30% market share ▶ Benefitting from Ireland's on-going FDI inflow - leading share of new FDI relationships ▶ Treasury business benefitting from increased customer activity / appetite for hedging solutions

Continue to be the largest lender to the Irish economy

International - delivering growth

Bank of Ireland Group

UK

- With our Post Office partner, we are a leading UK consumer bank with c.2.8m customers
  - Growth supported by the launch of "Post Office Money" brand and on-going network investment by Post Office
  - Maintaining #1 position in consumer FX
  - Good performance in other businesses
- Announcement of new long term AA partnership; complementary to Post Office partnership
  - Combines our product development capabilities with strength of AA brand membership base
- Mortgages: UK mortgage book now growing
  - New lending volumes of £1.3bn vs £0.6bn in H1 2014
  - Benefitting from improved performance via Post Office and intermediary channels
  - Further new business momentum expected into H2 2015
- Northern Ireland business seeing pick up in credit demand
- GB non-core Corporate / Business Banking: loans reduced by £0.3bn gross to £1.6bn at Jun 15

Acquisition Finance

- Book growing; new lending up >20% to €0.6bn
- Remain focused on asset selection
- Generating attractive margins and strong fee income

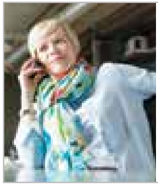
International diversification provides further attractive opportunities for growth

Investing to meet changing customer requirements, enhance customer propositions and broaden distribution

Bank of Ireland Group

ThinkBusiness.ie
Supporting Every Step

Dedicated e-portal launched to enhance Irish SME offering



Business loans up to €100k can now be approved over the phone

FX PAY
Bank of Ireland

Online platform launched to support our Irish business FX customers

life online

Launched to enhance life assurance customer experience

POST OFFICE Money

Travel Money card winning new customers

Market leading UK Mortgage platform launched; initially for intermediaries

AA

Long term financial services partnership

85 dedicated digital customer advisors - increased digitally active customer numbers by >25%

Summary

On track to deliver attractive and sustainable returns for shareholders

Bank of Ireland Group

- Irish and UK economies providing supportive backdrops for our businesses
- Strong retail & commercial franchises; diversified business model
- Capital strength with robust funding position and sources
- Commercially disciplined; strong track record of delivery
- Focused on clear set of strategic priorities

Attractive and sustainable returns for shareholders

Financial Results

Andrew Keating

Group Income Statement

Underlying profit more than doubled to €743m

Bank of Ireland Group

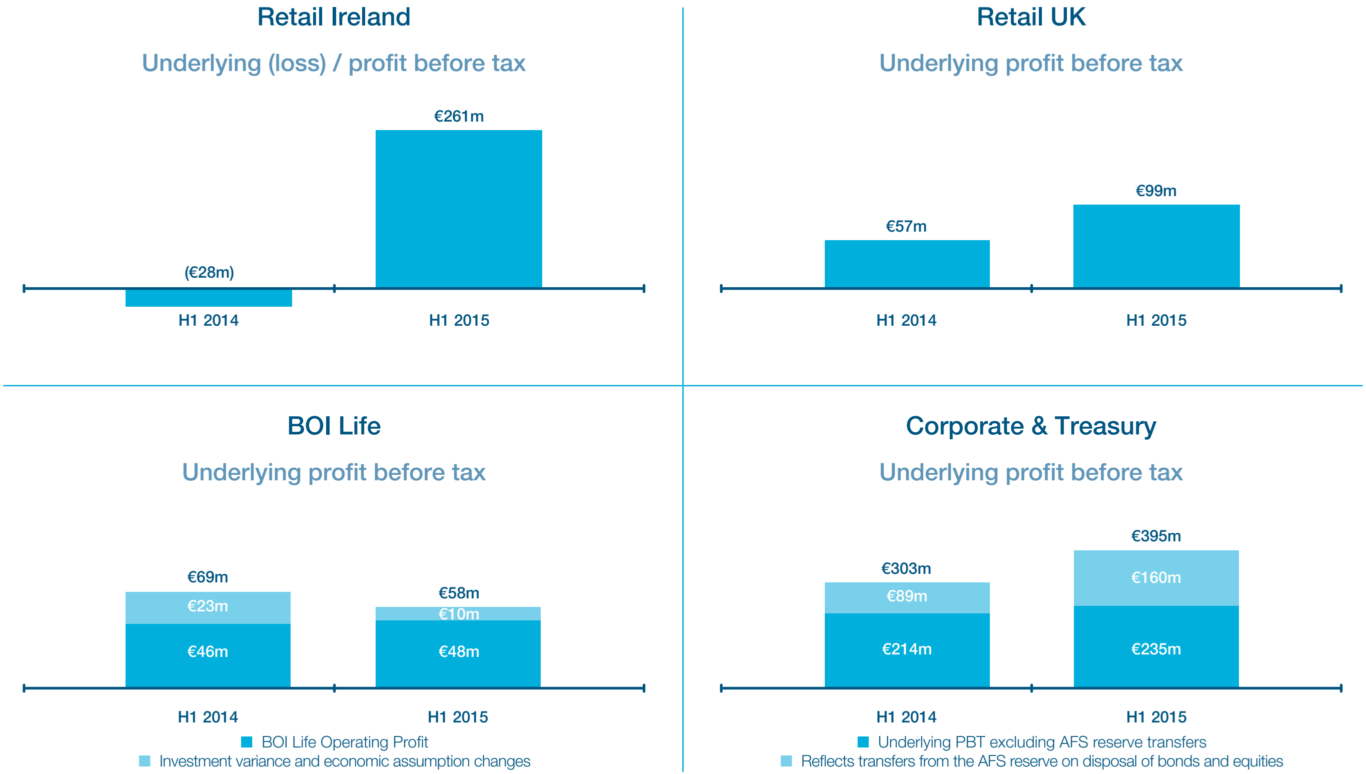
	H1 2014 (€m)	H1 2015 (€m)	% Change
Total income	1,475	1,759	19%
Net interest income	*1,161*	*1,219*	*5%*
Other income (net)	*335*	*545*	*63%*
ELG fees	*(21)*	*(5)*	*76%*
Operating expenses	(813)	(875)	(8%)
Operating profit pre-impairment	662	884	34%
Impairment charge	(374)	(168)	55%
Customer loans	*(444)*	*(168)*	*62%*
NAMA bonds	*70*	-	-
Share of associates / JVs	39	27	(31%)
Underlying profit before tax	**327**	**743**	**127%**
Non-core items	72	(18)	-
Statutory profit before tax	399	725	82%

- Underlying profit more than doubled to €743m in H1 2015
- Pre-provision operating profit up €222m (34%)
  - Increased Net interest income by €58m; higher net interest margin partially offset by lower interest earning assets
  - Other income of €545m; reflecting good momentum in our business income and additional gains
  - Lower cost / income ratio of 50% (H1 2014: 55%)
- Impairment charge reduced by >60% to €168m / 36bps
- Underlying PBT includes additional gains of €228m (H1 2014 €140m)
  - Liquid asset portfolio rebalancing (€171m)
  - Sale of investment properties / other assets (€57m)

Divisional Analysis

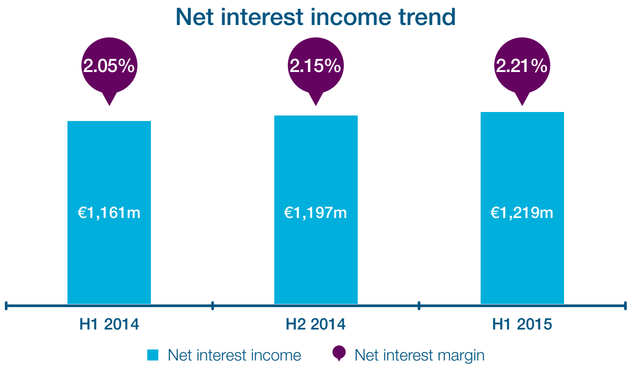
All trading divisions are contributing to the Group's profitability

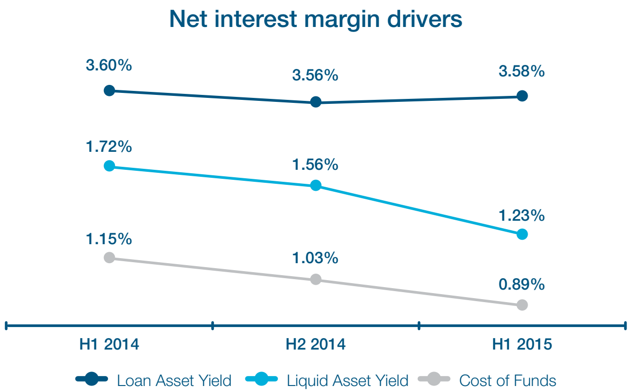
Bank of Ireland Group



Net interest income

Further growth in net interest income achieved in 2015





Net interest income - €1,219m

- Delivered net interest income growth of €22m (c.2%) vs H2 2014 reflecting NIM growth and higher interest earning assets

Average interest earning assets

- Increased to €109bn in H1 2015 from €108bn in H2 2014, driven predominantly by FX translation effects

NIM

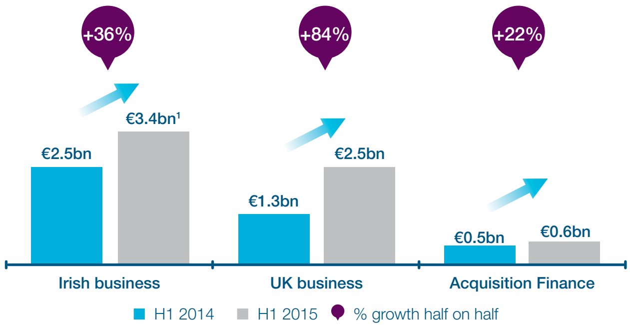
- H1 NIM improved to 2.21% reflecting;
  - Lower funding costs;
  - Positive impact of new lending volumes; partially offset by;
  - Lower yields on replacement liquid assets following bond sales / maturities
- Q2 2015 NIM was 2.17%;
  - Reflects impact of bond sales and pre-funding of planned UK mortgage growth in H1 2015
- Expect modest growth from Q2 level reflecting benefits of lower funding costs and new lending, partially offset by impact of lower liquid asset yields

Loans and advances to customers

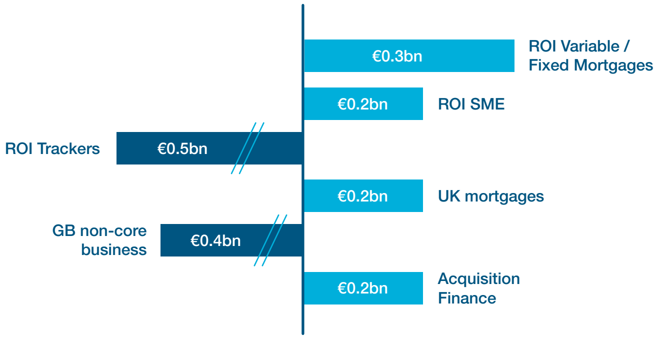
Group new lending up 50% to €6.5bn

Bank of Ireland Group

New lending volumes



Net lending growth for selected books[2]



- Customer loans (net of provisions), increased by c.€3.2bn to €85.3bn (FX translation benefit of €3.6bn)
- New lending amounted to €6.5bn[1] in H1 2015;
  - Up 50% vs H1 2014
  - Irish businesses new lending up 36%, customer credit appetite increasing as recovery continues
  - Substantial increase in UK business new lending up 84%; primarily reflects success of mortgage strategy
- Group redemptions of €6.9bn include
  - Cash payments on defaulted loans redemptions / sales €0.7bn
  - ROI tracker redemptions of €0.5bn (with a further €0.2bn reduction primarily relating to conversions to variable rate)
  - GB non-core business banking book redemptions of €0.4bn
- Confident of further progress in H2 and beyond
  - Growth in underlying economies provides supportive backdrop
  - Good momentum in our Irish and UK businesses

[1]Includes €0.5bn in respect of IBRC mortgages and Danske business portfolio acquisitions completed during H1 2015.
[2]Shows gross new lending less redemptions in H1 2015. New lending includes portfolio acquisitions.

Operating Expenses

Cost / income ratio 50%

Bank of Ireland Group

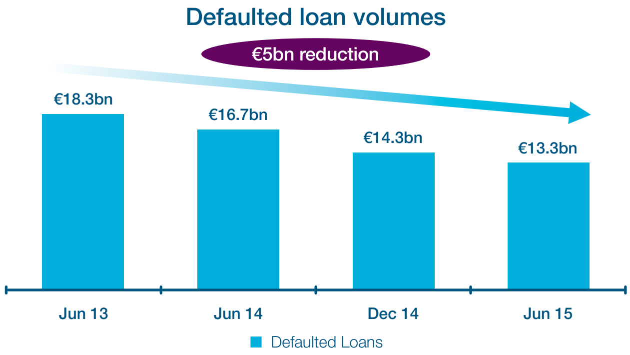
	H1 2014 (€m)	H1 2015 (€m)
Total staff costs	409	446
Staff costs	*339*	*365*
Pension Costs	*70*	*81*
Total other costs	404	429
Other costs	*386*	*411*
FSCS costs	*18*	*18*
Total operating expenses	**813**	**875**
Cost / income ratio	55%	50%

- Cost / income ratio of 50% (H1 2014: 55%)
- Operating expenses impacted by the increase in the value of sterling (c.€23m)
- Total staff costs of €446m in H1 2015
  - Staff costs increased by €26m, primarily driven by pay increases agreed as part of new Career and Reward Framework (€13m) and impact of sterling strength (€10m)
  - Pension costs were €11m higher reflecting higher service costs as a result of a reduction in discount rates in 2014 partially offset by lower interest cost
- Other costs increased in H1 2015 by €25m, of which €13m relates to the impact of sterling strength. Remaining increase reflects investment in infrastructure and technology
- Irish bank levy of €38m for 2015 will be accounted for in H2; timing and quantum of contributions to the European Single Resolution Fund and Deposit Guarantee Scheme remain uncertain

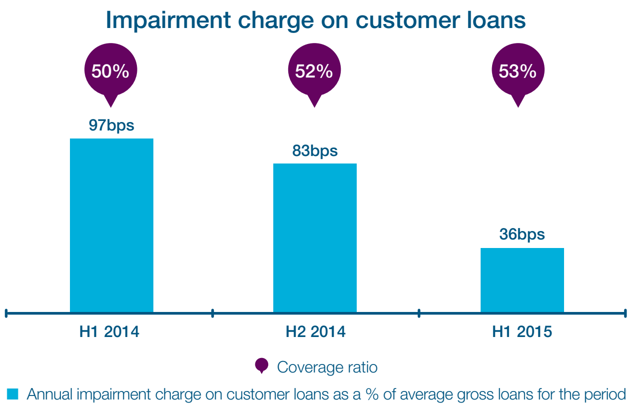
Asset Quality

Defaulted loans and impairment charge

Bank of Ireland Group



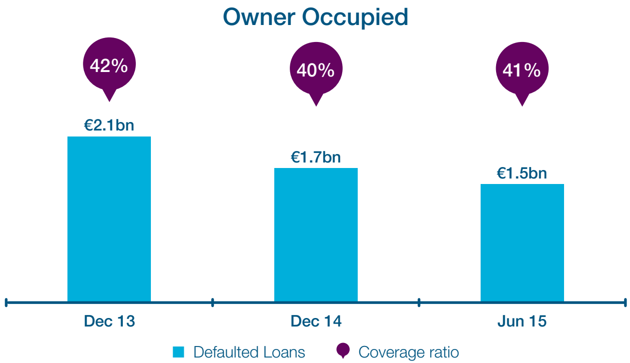
- €1bn reduction during H1 2015, notwithstanding FX translation headwinds of c.€0.4bn:
  - Reductions in all asset classes
  - €5bn or 27% reduction since peak in Jun 13
- Expect further reductions in H2 2015 and beyond; pace influenced by a range of factors

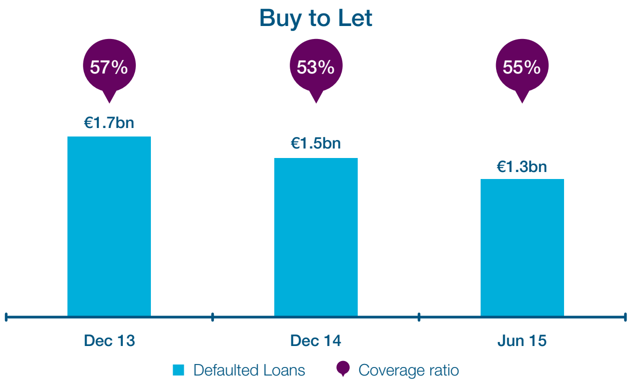


- Charge of 36 bps for H1 2015 vs 97bps in H1 2014
- Reduced charge across all loan portfolios
- Coverage ratio increased to 53% (52% at Dec 14)
- Expect H2 impairment charge to remain at broadly similar levels to H1 charge

ROI Mortgages: €25.3bn

Bank of Ireland Group





Owner Occupied: €20.0bn

- Reduced defaulted loans by 12% to €1.5bn in 2015
- Arrears at <50% of industry[1]
- BOI arrears >720 days reducing and at 40% of industry[2]
- 50% or €9.9bn of mortgages are ECB trackers (Dec 14: €10.2bn)

Buy to Let: €5.3bn

- Reduced defaulted loans by 13% to €1.3bn in 2015
- Arrears at <60% of industry[3]
- BOI arrears >720 days reducing and at 45% of industry[4]
- 72% or €3.8bn of mortgages are ECB trackers (Dec 14: €4.2bn)

Impairment credit

- Impairment credit of €32m reflects improved portfolio performance

[1]At March 2015, BOI owner occupier arrears level (based on number of accounts >90 days in arrears) was 5.15% compared to 11.10% for industry excl BOI.
[2]At March 2015, BOI owner occupier arrears (based on number of accounts >720 days in arrears) was 2.31% compared to 5.75% for the industry excl BOI.
[3]At March 2015, BOI buy to let arrears level (based on number of accounts >90 days in arrears) was 12.94% compared to 21.80% for industry excl BOI.
[4]At March 2015, BOI buy to let arrears (based on number of accounts >720 days in arrears) was 5.66% compared to 12.65% for the industry excl BOI.

Funding & Capital

Balance Sheet

Capital and Liquidity available to support growth

Bank of Ireland Group

	Dec 14 (€bn)	Jun 15 (€bn)
Customer loans	82	85
Liquid assets	25	24
BOI Life assets	16	16
Other	7	6
Total assets	**130**	**131**
Customer deposits	75	79
Wholesale funding	20	15
Private sources	*16*	*14*
Monetary authorities	*4*	*1*
BOI Life liabilities	16	16
Other	10	11
Stockholders' equity	9	9
Other equity instruments	-	1
Total liabilities	**130**	**131**

Strong liquidity ratios

- Net Stable Funding Ratio - 118%
- Liquidity Coverage Ratio - 101%
- Loan to Deposit Ratio - 108%

Customer deposits - €79bn

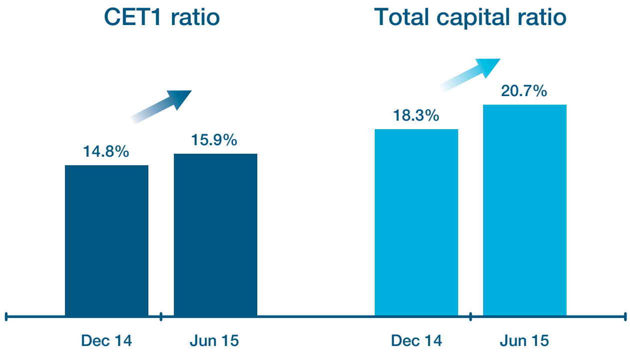
- Funding >90% of customer loans
- ROI €38bn, UK €29bn (£21bn) and Corporate €12bn
- Predominantly retail customer oriented
- Current account volumes growing with increased activity by customers and some mix change from term deposits

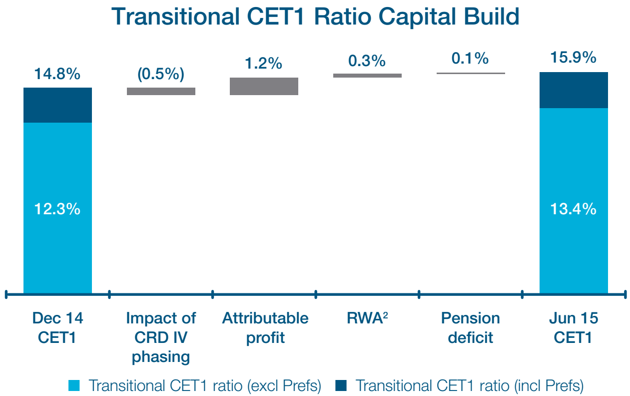
Wholesale funding - €15bn

- Continuing to access wholesale markets at lower costs
  - €2.6bn funding issuance during H1 2015
- Repaid c.€3bn of ECB funding during H1 2015
- Senior debt upgraded to Investment Grade by Moody's and Standard & Poor's

Capital[1]

On track to de-recognise 2009 Preference Shares





- Significant pace of organic capital accretion continued in H1 2015
- Robust CET1 ratios
  - Transitional CET1 ratio of 15.9%; 110bps increase during H1 2015
  - Continue to expect to maintain a buffer above a CET1 ratio of 10%, taking account of the transitional rules and our intention to de-recognise 2009 Preference Shares between Jan 16 and Jul 16
  - This provides for a meaningful buffer over regulatory requirements
  - Fully loaded CET1 ratio (excl Prefs) of 11.1%; 180bps increase in H1 2015
  - Total capital ratio of 20.7%; reflects CET1 increase and €750m of AT1 issuance in Jun 15
- Transitional leverage ratio of 7.5%; fully loaded leverage ratio (excl Prefs) of 5.4%
- RWA density of 40%[3] (46% excluding BOI Life assets)
- On track to de-recognise 2009 Preference Shares (€1.3bn) between Jan 16 and Jul 16

[1]Capital ratios have been presented including the benefit of the retained profit for the period.
[2]RWA movement is calculated on a constant currency basis.
[3]RWA density calculated as RWAs / total balance sheet assets as at June 2015.

Additional Information

Additional Information

Bank of Ireland Group

BOI Overview

Ireland: Leading bank in a growing economy with a well structured market

Bank of Ireland Group

Comprehensive multi-channel distribution platform

- c.250 branches
- c.1,750 Self-service devices
- Increased digitally active customer numbers by >25%
- c.335k active mobile customers
- 24 x 7

	Consumer Banking	Wealth Management incl New Ireland	Business Banking	Corporate Banking
Market leading positions	c.1 out of every 4 new mortgages in H1 2015	Life Assurance c.23% APE Market Share	#1 Business Bank >50% of new SME / Agri lending	#1 Corporate Bank >30% Corporate Market share
Strong relationships with customers	c.1.7m Customers	c.600k Customers	c.182k SME Customers	>50% FDI

BOI Overview

Attractive international franchises provide further opportunities for growth

Bank of Ireland Group

Challenger consumer banking franchise in GB

POST OFFICE Money

Trusted brands, established customer base and expanding product range

c.1.5m Savings Accounts	**c.200k Mortgage customers** with dedicated advisors and distribution partnerships in place	**Retail FX** Market leader with c.24% share c.750k Travel Money Cards issued	**c.535k Credit Cards / Personal Loans**	**c.575k Insurance Policies**	**Current Accounts** Trial underway and new propositions being developed

More branches than other retail banks combined in GB

c.11,500 Post Office branches	c.2,550 Post Office / BOI ATMs	Online	Mobile	Telephone	Strategic intermediaries

New financial services partnership

AA

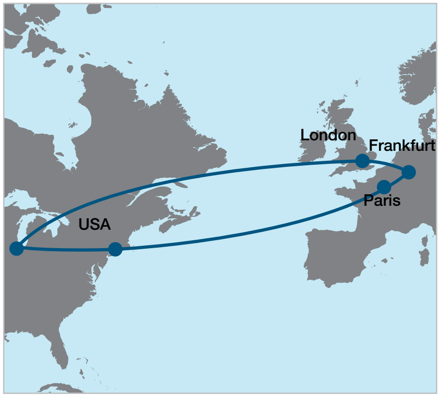
Long term financial services partnership, focussing on credit cards, personal loans, savings and mortgages

Full service bank in Northern Ireland

Universal offering through branches (36) and product specialists	Specialist motor / commercial lending business

Acquisition finance

- Well recognised lead arranger / underwriter
- European / US Business
- Focused on mid-market transactions
- Expertise developed over c.20 years
- Profitable with strong asset quality
- c.€4bn in credit facilities



BOI Overview

Income Statement[1]

Bank of Ireland Group

	y/e Dec 11 (€m)	y/e Dec 12 (€m)	y/e Dec 13 (€m)	y/e Dec 14 (€m)	Jun 15 (6 month) (€m)
Total income	2,058	1,862	2,646	2,974	1,759
Net interest income	*1,983*	*1,755*	*2,133*	*2,358*	*1,219*
Other income	*524*	*495*	*642*	*653*	*545*
ELG fees	*(449)*	*(388)*	*(129)*	*(37)*	*(5)*
Operating expenses	(1,645)	(1,638)	(1,576)	(1,635)	(875)
Bank levy[2]	-	-	-	(38)	-
Operating profit pre-impairment	413	224	1,070	1,301	884
Impairment charge	(1,971)	(1,769)	(1,665)	(472)	(168)
Customer loans	*(1,939)*	*(1,724)*	*(1,665)*	*(542)*	*(168)*
AFS[3]	*(32)*	*(45)*	*-*	*70*	*-*
Share of associates / JVs	39	46	31	92	27
Underlying (loss) / profit before tax	**(1,519)**	**(1,499)**	**(564)**	**921**	**743**
Non core items	1,329	(679)	44	(1)	(18)
Statutory (loss) / profit before tax	(190)	(2,178)	(520)	920	725
NIM	1.33%	1.25%	1.84%	2.11%	2.21%
Cost / income	79%	88%	60%	55%	50%

[1]Figures as reported, with the exception of y/e Dec 13 which includes a €5m reduction in operation expenses relating to IFRIC 21 adjustments.
[2]Irish bank levy is a 3 year levy for 2014 to 2016, that is accounted for in the second half of each year.
[3]Includes impairment charge and losses on assets sold to NAMA.

BOI Overview

Summary Balance Sheet[1]

	Dec 11 (€bn)	Dec 12 (€bn)	Dec 13 (€bn)	Dec 14 (€bn)	Jun 15 (€bn)
Net Customer Loans[2]	102	93	85	82	85
Liquid assets	31	33	27	25	24
Other assets	10	9	6	7	6
Total Assets	**143**	**135**	**118**	**114**	**115**
Customer deposits	71	75	74	75	79
Wholesale funding	51	39	27	20	15
Private Sources	*28*	*24*	*19*	*16*	*14*
Monetary Authorities	*23*	*15*	*8*	*4*	*1*
Subordinated liabilities	1	2	2	2	3
Other liabilities	10	10	7	8	8
Stockholders' equity	10	9	8	9	9
Other equity instruments	-	-	-	-	1
Total Liabilities & Stockholders' Equity	**143**	**135**	**118**	**114**	**115**
CET1 / Core Tier 1 Ratio[3]	14.3%	14.4%	12.3%	14.8%	15.9%
Total capital ratio[3]	14.7%	15.3%	14.1%	18.3%	20.7%
Loan to deposit ratio	144%	123%	114%	110%	108%

[1] Balance sheet excludes BOI Life assets and liabilities.
[2] Loans and advances to customers is stated after impairment provisions.
[3] CET1 / Core Tier 1 and total capital ratios are stated under Basel II rules as amended for PCAR requirements for 2011 - 2012 and under Basel III transitional rules for 2013 - 2015.

BOI Overview

Financial targets

Metrics	Target	H1 2015	Status
Balance Sheet			
Loans and advances to customers[1]	**c.€90bn**	€85bn	On track
Group loan / deposit ratio	**≤120%**	108%	✔
Transitional CET1 ratio	**Buffer maintained >10%**	15.9%	✔
ELG covered liabilities ELG fees	**Fully disengaged**	€1bn €5m	✔
Profitability			
Net interest margin	**>2.0%**	2.21%	✔
Cost / income ratio	**<50%**	c.50%	On track
Impairment charge[2]	**55-65bps**	36bps	✔

[1]Loans and advances to customers are stated net of impairment provisions.
[2]Annual impairment charge on customer loans as a % of average gross loans for the period.

Income Statement

Divisional performance

Bank of Ireland Group

6 months ended Jun 15	Retail Ireland (€m)	Bank of Ireland Life (€m)	Retail UK (€m)	Corporate & Treasury (€m)	Group Centre & Other (€m)	Group (€m)
Operating profit / (loss) before impairment charge	315	58	152	429	(70)	884
Impairment charge	(59)	-	(75)	(34)	-	(168)
Share of results of associates and joint ventures	5	-	22	-	-	27
Underlying profit / (loss) before tax	**261**	**58**	**99**	**395**	**(70)**	**743**

6 months ended Jun 14	Retail Ireland (€m)	Bank of Ireland Life (€m)	Retail UK (€m)	Corporate & Treasury (€m)	Group Centre & Other (€m)	Group (€m)
Operating profit / (loss) before impairment charge	236	69	152	349	(144)	662
Impairment (charge) / reversals	(285)	-	(113)	(46)	70	(374)
Share of results of associates and joint ventures	21	-	18	-	-	39
Underlying (loss) / profit before tax	**(28)**	**69**	**57**	**303**	**(74)**	**327**

Income Statement

Net interest income analysis

Bank of Ireland Group

	H1 2014			H2 2014			H1 2015		
	Average Volumes (€bn)	Gross Interest (€m)	Gross Rate (%)	Average Volumes (€bn)	Gross Interest (€m)	Gross Rate (%)	Average Volumes (€bn)	Gross Interest (€m)	Gross Rate (%)
Loans & Advances to Customers	84.2	1,517	3.60%	83.5	1,501	3.56%	84.6	1,503	3.58%
Liquid Assets	25.8	222	1.72%	24.4	192	1.56%	24.3	148	1.23%
Total Interest Earning Assets	**110.1**	**1,739**	**3.16%**	**107.9**	**1,693**	**3.11%**	**108.8**	**1,651**	**3.06%**
ROI Deposits	*23.7*	*(120)*	*(1.01%)*	*22.9*	*(90)*	*(0.78%)*	*21.9*	*(47)*	*(0.44%)*
UK Deposits	*24.3*	*(183)*	*(1.51%)*	*23.3*	*(158)*	*(1.34%)*	*25.9*	*(158)*	*(1.23%)*
C&T Deposits	*8.9*	*(47)*	*(1.06%)*	*9.3*	*(45)*	*(0.97%)*	*8.8*	*(32)*	*(0.74%)*
Current Accounts	*17.3*	-	-	*18.0*	-	-	*20.8*	-	-
Total Deposits	**74.2**	**(350)**	**(0.94%)**	**73.4**	**(293)**	**(0.79%)**	**77.5**	**(237)**	**(0.62%)**
Wholesale Funding	24.5	(135)	(1.10%)	20.4	(96)	(0.93%)	18.1	(85)	(0.95%)
Subordinated Liabilities	1.8	(93)	(10.48%)	2.5	(107)	(8.35%)	2.5	(110)	(9.02%)
Total Interest Bearing Liabilities	**83.2**	**(578)**	**(1.39%)**	**78.3**	**(496)**	**(1.26%)**	**77.2**	**(432)**	**(1.13%)**
IFRS Income Classification		(27)			(26)			(29)	
Net Interest Margin	**110.1**	**1,134**	**2.05%**	**107.9**	**1,171**	**2.15%**	**108.8**	**1,190**	**2.21%**

The yield on average interest bearing liabilities (including current accounts) for 6 months ended 30 June 2015 was 0.89% (year ended 31 December 2014; 1.09%).

Income Statement

Other income analysis (net)

Bank of Ireland Group

	H1 2014 (€m)	H1 2015 (€m)
Retail Ireland	156	167
Bank of Ireland Life	71	81
Retail UK (net)	7	5
Corporate and Treasury	66	71
Group Centre and other	(17)	(5)
Business income	**283**	**319**
Other gains		
Transfer from available for sale reserve on asset disposal	89	206
- *Sovereign bonds*	*80*	*171*
- *Other financial instruments*	*9*	*35*
Gain on disposal and revaluation of investment property	3	22
Other Valuation items		
Financial instrument valuation adjustments (CVA, DVA, FVA and other)	(15)	25
Fair value movement on Contingent Capital Note (CCN) embedded derivative	(21)	(8)
Investment variance - Bank of Ireland Life	9	10
Economic assumptions - Bank of Ireland Life	14	-
IFRS income classification	(27)	(29)
Other Income	**335**	**545**

Income Statement

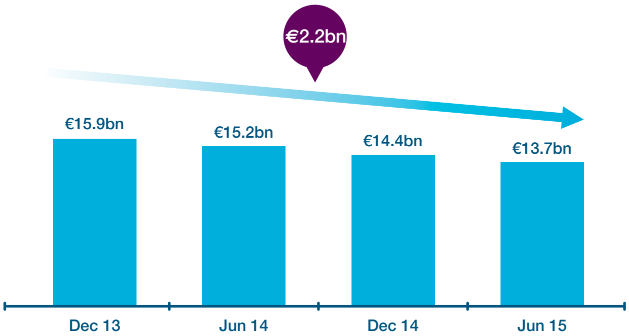
Non-core items

	H1 2014 (€m)	H1 2015 (€m)
Cost of restructuring programme	(27)	(18)
Gross-up for policyholder tax in the Life business	8	10
Gain / (Charge) arising on the movement in Group's credit spreads	8	(8)
Impact of changes to pension benefits in the Group sponsored defined benefit schemes	87	3
Payments in respect of the career and reward framework	-	(3)
Loss on liability management exercises	(3)	(1)
Investment return on treasury stock held for policyholders	-	(1)
Loss on disposal of business activities	(1)	-
Total non-core items	**72**	**(18)**

ECB tracker mortgage loan book

Bank of Ireland Group

Irish tracker book (gross)



Volume of loans

- Reduced by €0.7bn since Dec 14
- €12.2bn or 89% of trackers at Jun 15 are on a capital and interest repayment basis

Margin impacts

	Jun 2015 (bps)
Customer pay rate at Jun	112
- *ECB repo rate*[1]	*5*
- *Average fixed spread*	*107*
Cost of funds[2]	89
Net interest margin	23

Net interest margin

- Net interest margin from ECB tracker mortgages is c.23bps compared to Group net interest margin (including ECB trackers) of 221bps in H1 2015

[1]ECB repo rate at period end.
[2]Average cost of funds (annualised) to BOI in H1 2015.

Asset Quality

Profile of customer loans[1] at Jun 15 (gross)

Bank of Ireland Group

	ROI (€bn)	UK (€bn)	RoW (€bn)	Total (€bn)	Total (%)
Mortgages	25.3	28.1	-	53.4	58%
Non-property SME and corporate	12.1	4.9[2]	3.7	20.7	22%
SME	*9.5*	*2.6*	-	*12.1*	*13%*
Corporate	*2.6*	*2.3*	*3.7*	*8.6*	*9%*
Property and construction	8.5	6.4	0.2	15.1	16%
Investment property	*6.8*	*5.5*	*0.2*	*12.5*	*14%*
Land and development	*1.7*	*0.9*	-	*2.6*	*2%*
Consumer	1.5	1.7	-	3.2	4%
Customer loans (gross)	**47.4**	**41.1**	**3.9**	**92.4**	**100%**
Geographic (%)	51%	45%	4%	100%	

[1]Based on geographic location of customer.

[2]Includes €2.2bn relating to GB business and corporate loan books, which BOI is required to run down under its EU approved Restructuring Plan.

Asset Quality

Defaulted customer loans & impairment provisions

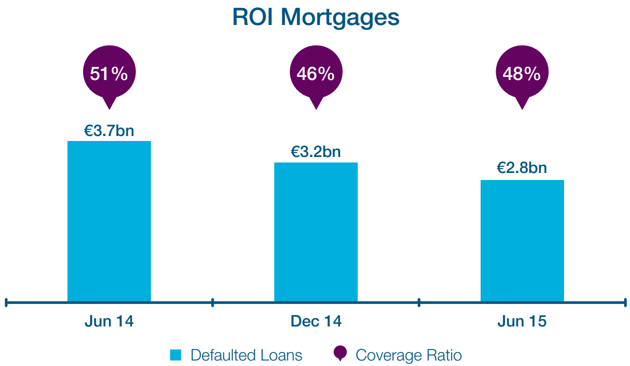
Composition (Jun 15)	Advances (€bn)	Defaulted Loans (€bn)	Defaulted Loans as % of advances	Impairment Provisions (€bn)	Impairment Provisions as % of defaulted loans
Residential mortgages	**53.4**	**3.3**	**6.2%**	**1.5**	**44%**
- *Retail Ireland*	*25.3*	*2.8*	*11.1%*	*1.4*	*48%*
- *Retail UK*	*28.1*	*0.5*	*1.8%*	*0.1*	*24%*
Non-property SME and corporate	**20.7**	**3.1**	**15.0%**	**1.6**	**52%**
- *Republic of Ireland SME*	*9.5*	*2.3*	*24.3%*	*1.2*	*52%*
- *UK SME*	*2.6*	*0.4*	*13.9%*	*0.2*	*46%*
- *Corporate*	*8.6*	*0.4*	*5.1%*	*0.2*	*59%*
Property and Construction	**15.1**	**6.8**	**44.9%**	**3.9**	**57%**
- *Investment*	*12.5*	*4.5*	*35.8%*	*2.2*	*48%*
- *Land and development*	*2.6*	*2.3*	*90.1%*	*1.7*	*75%*
Consumer	**3.2**	**0.1**	**5.3%**	**0.1**	**100%**
Total loans and advances to customers	92.4	13.3	14.4%	7.1	53%

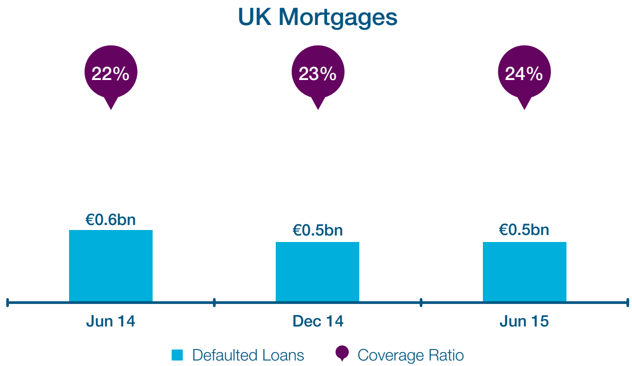
Composition (Dec 14)	Advances (€bn)	Defaulted Loans (€bn)	Defaulted Loans as % of advances	Impairment Provisions (€bn)	Impairment Provisions as % of defaulted loans
Residential mortgages	**51.0**	**3.7**	**7.3%**	**1.6**	**43%**
- *Retail Ireland*	*25.6*	*3.2*	*12.6%*	*1.5*	*46%*
- *Retail UK*	*25.4*	*0.5*	*2.0%*	*0.1*	*23%*
Non-property SME and corporate	**20.3**	**3.3**	**16.4%**	**1.7**	**51%**
- *Republic of Ireland SME*	*9.6*	*2.5*	*25.6%*	*1.3*	*51%*
- *UK SME*	*2.5*	*0.4*	*16.9%*	*0.2*	*44%*
- *Corporate*	*8.2*	*0.4*	*5.6%*	*0.2*	*54%*
Property and Construction	**15.2**	**7.1**	**46.5%**	**3.9**	**56%**
- *Investment*	*12.5*	*4.7*	*37.2%*	*2.1*	*46%*
- *Land and development*	*2.7*	*2.4*	*89.5%*	*1.8*	*74%*
Consumer	**3.0**	**0.2**	**6.4%**	**0.2**	**98%**
Total loans and advances to customers	89.5	14.3	16.0%	7.4	52%

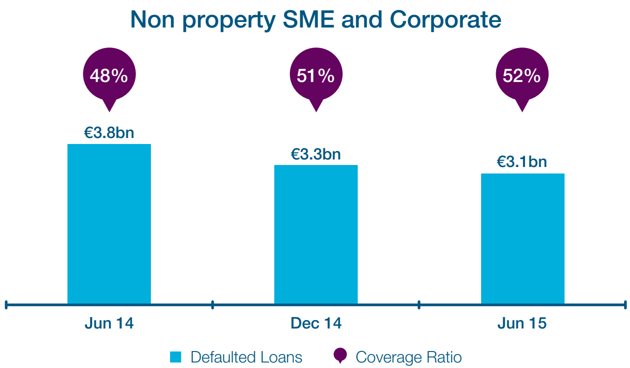
Defaulted loans by portfolio

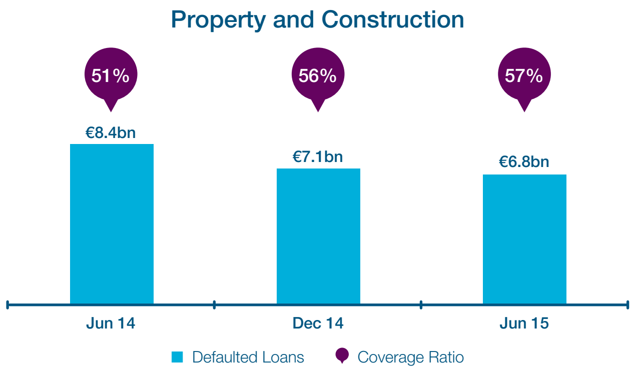
Defaulted loans reducing across all portfolios

Bank of Ireland Group





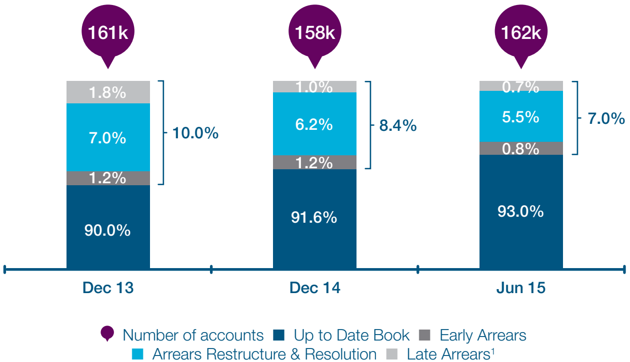




ROI Mortgage book profile

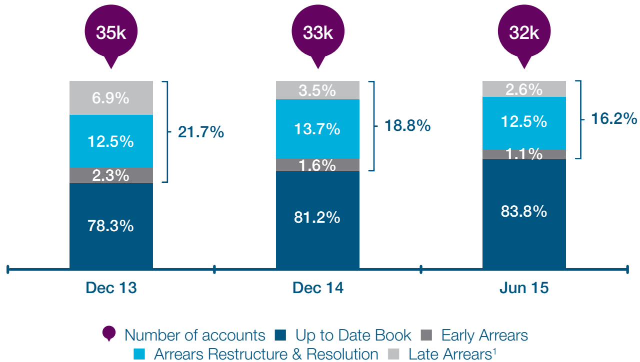
Bank of Ireland Group

ROI Owner Occupier - book profile



- 93% of mortgage accounts are in the up to date book
- 95% on a capital and interest repayment basis (Dec 14: 94%)
- Since December 2013, accounts in arrears have reduced by 29% or 4.7k accounts
- 9 out of 10 accounts in forbearance are meeting the terms of their arrangement

ROI Buy to Let - book profile

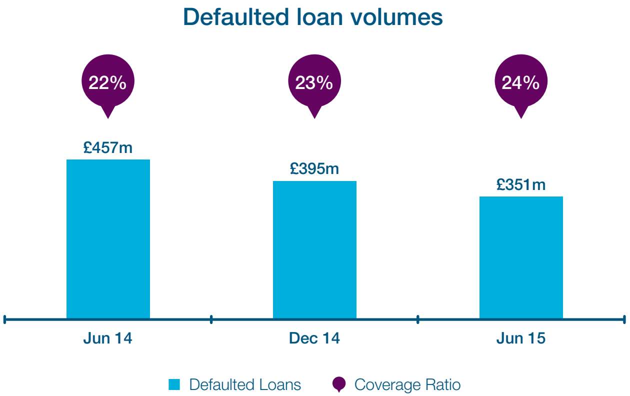


- 84% of mortgage accounts are in the up to date book
- 73% on a capital and interest repayment basis (Dec 14: 70%)
- Since December 2013, accounts in arrears have reduced by 32% or 2.4k accounts
- 9 out of 10 accounts in forbearance are meeting the terms of their arrangement

[1] Late arrears is defined as any account greater than 90 days past due, or impaired and excludes arrears restructure and resolution.

UK Residential mortgages: £20.0bn/€28.1bn

Bank of Ireland Group

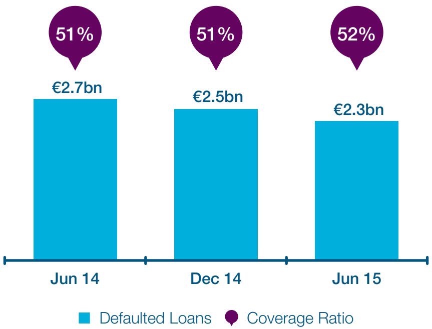


	June 14	Dec 14	June 15
Impairment charge (6-month)	(£3m)	(£3m)	(£2m)

- UK residential mortgage books continue to perform well
- Impairment reversal reflects on-going favourable economic and property market conditions and continued low level of arrears

SME & Corporate loans: €20.7bn

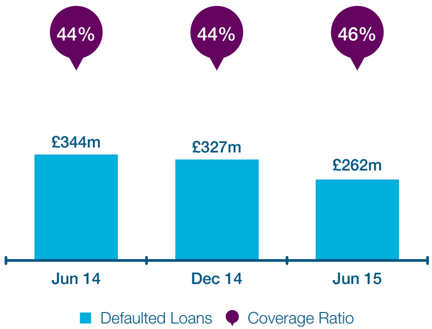
ROI SME - €9.5bn



	Jun 14	Dec 14	Jun 15
Impairment charge (6-month)	€64m	€63m	€46m

- Reduced impairment charge reflects general improvements in economic and trading conditions in the Irish SME sector
- We have restructuring and resolution arrangements in place with 9 out of 10 challenged customers; >90% of restructured customers meeting their agreed arrangements

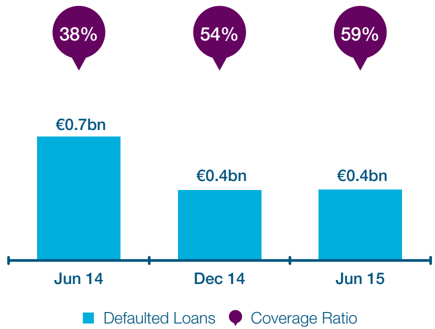
UK SME - £1.9bn / €2.6bn



	Jun 14	Dec 14	Jun 15
Impairment charge (6-month)	£17m	(£3m)	(£2m)

- H1 reversal - portfolio benefitting from continued positive macroeconomic conditions

Corporate - €8.6bn

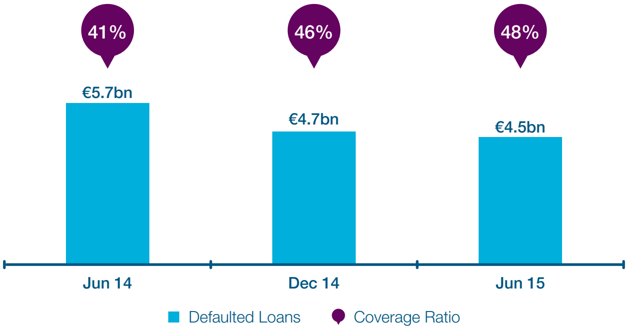


	Jun 14	Dec 14	Jun 15
Impairment charge (6-month)	€44m	€30m	€31m

- Domestic Irish and international corporate portfolios continue to perform well

Property & Construction: €15.1bn

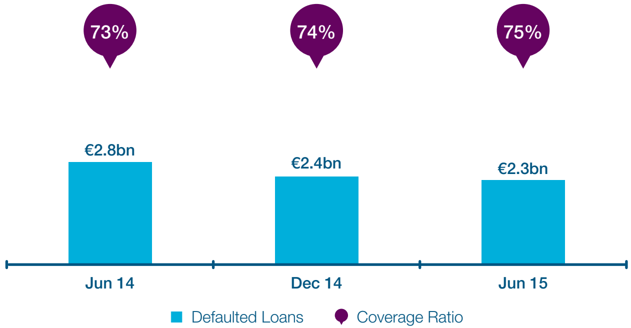
Investment Property - €12.5bn



	Jun 14	Dec 14	Jun 15
Impairment charge (6-month)	€135m	€172m	€94m

- Continued progress in reducing defaulted loans - reduction would have been c.€0.2bn higher on a constant FX basis
- Reduced charge reflects continued recovery in ROI / UK investment property markets

Land and Development - €2.6bn



	Jun 14	Dec 14	Jun 15
Impairment charge (6-month)	€80m	€64m	€35m

- 90% of loans are in default with a coverage ratio of 75%

Asset Quality

Available for Sale Financial Assets

Bank of Ireland Group

Carrying Value	ROI €bn	UK €bn	Spain €bn	Other €bn	Jun 15 €bn	Dec 14 €bn
Sovereign bonds	2.6	0.7	0.3	1.7	**5.3**	**8.3**
Covered bonds	0.3	0.3	0.6	1.1	**2.3**	**2.5**
Senior debt	-	-	-	1.6	**1.6**	**2.3**
Subordinated debt	0.3	-	-	-	**0.3**	**0.2**
Asset backed securities	-	0.1	-	0.1	**0.2**	**0.3**
Total	**3.2**	**1.1**	**0.9**	**4.5**	**9.7**	**13.6**
AFS Reserve	0.5	-	-	-	**0.5**	**0.6**

Ireland

- Performance of Irish sovereign bonds - AFS reserve reduced by €0.1bn (net) in H1 2015
- In H1 2015, €1.5bn nominal value (€1.9bn fair value) of euro denominated bonds were reclassified from AFS to Held to Maturity
- NAMA subordinated bond - €0.3bn nominal value, valued at 92% (Dec 14 - 83%)
- Separately, BOI has €1.9bn of NAMA senior bonds (Dec 14: €2.4bn)

Other exposures

- Supra-national - €1.1bn
- France - €1.3bn
- Netherlands - €0.4bn
- United States - €0.2bn
- Norway - €0.2bn
- Sweden - €0.2bn
- Portugal - €0.2bn
- Italy - €0.2bn
- Other - €0.7bn (all less than €0.1bn)

Capital[1]

CET1 ratios

Bank of Ireland Group

	Transitional ratio (€bn)	Fully loaded ratio (excl Prefs) (€bn)
Total equity (excl additional Tier 1 capital)	**9.5**	**9.5**
Less 2009 Preference Shares	-	(1.3)
Deferred Tax[2]	(0.1)	(1.4)
Pension Deficit	0.4	-
Available for sale reserve	(0.4)	-
Removal of National Filters	(0.2)	-
Other Items[3]	(0.9)	(1.0)
Common Equity Tier 1 Capital	**8.3**	**5.8**
RWAs	**52.6**	**52.5**
Common Equity Tier 1 Capital	**15.9%**	**11.1%**

Basel III phasing impacts

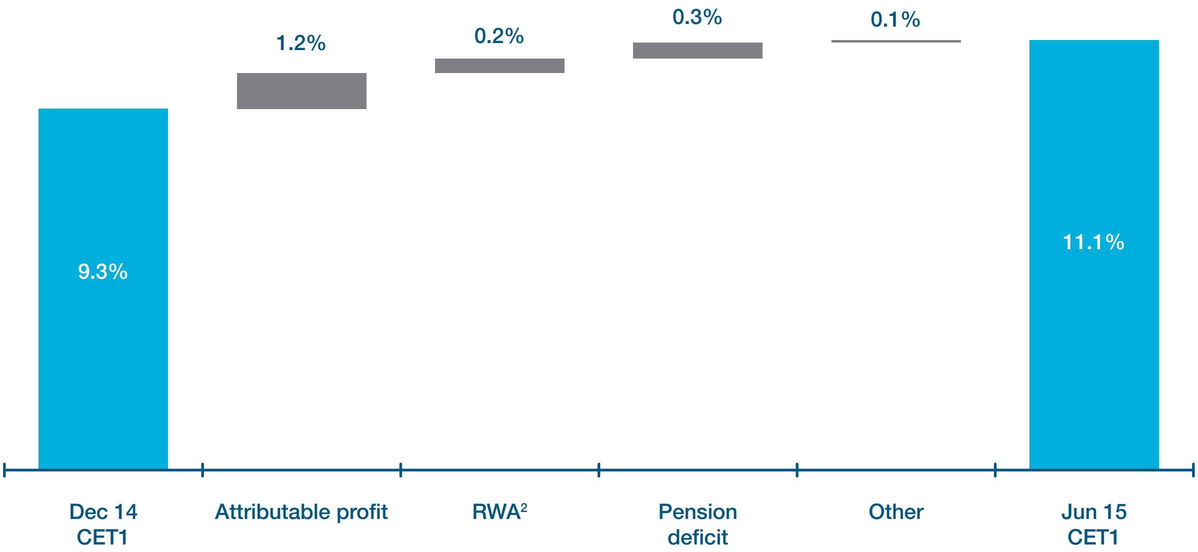
- Deferred Tax Asset - deduction is phased in at 10% per annum commencing 1 Jan 15
- Pension deficit - addback is phased out at 20% per annum commencing 1 Jan 14
- Available for sale reserve - between 2015-2018, unrealised losses and gains will be phased in at the following rates: 40%, 60%, 80%, 100%. The Group has opted to maintain its filter on both gains and losses on exposures to central governments classified in the “Available for Sale” category. The reserve is recognisable in capital under fully loaded CRD IV rules

[1]Capital ratios have been presented including the benefit of the retained profit for the period.
[2]RWA impact for deferred tax assets includes a 0% risk weighting for deferred tax assets on losses carried forward, partially offset by 250% risk weighting applied to deferred tax assets due to temporary differences.
[3]Other CET1 items primarily reflect intangibles and cash flow hedge reserve.

Fully loaded CET1 ratio (excl Prefs) capital build[1]

Increased CET1 fully loaded ratio by 180bps to 11.1%

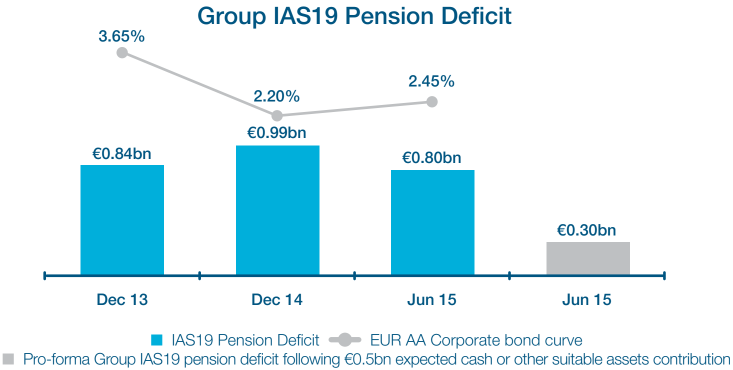
Bank of Ireland Group

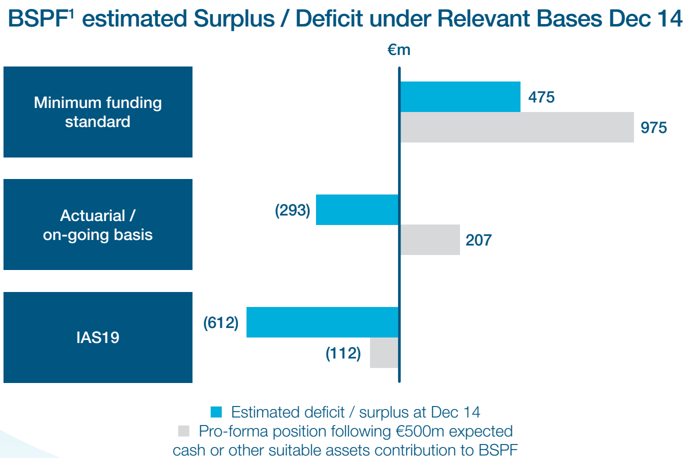


[1]Capital ratios have been presented including the benefit of the retained profit for the period.
[2]RWA movement is calculated on a constant currency basis.

Defined Benefit Pension Schemes

Bank of Ireland Group





- Group IAS19 pension deficit of €0.8bn at Jun 15 (€0.99bn at Dec 14)
- Primary drivers of the reduction in deficit were;
  - Group pension scheme assets returns were c.4% during the period
  - Euro AA Corporate Bond discount rate[2] increased from 2.20% to 2.45%, partially offset by;
  - Long term ROI inflation rate expectation increased from 1.5% to 1.8%
- IAS19 requires that rate used to discount DB pension liabilities be selected by reference to market yields on high quality corporate bonds with a corresponding duration. However, only a small number of such AA corporate bonds at the c.20 years duration, and those bonds tend to be relatively illiquid
- Announcement of the QE policy in Q1 2015 appeared to cause significant volatility in the bond market. This resulted in long duration AA corporate bond discount rates reaching an historic low of 1.4% at end Mar 15 with a resulting increase in deficit to €1.7bn. This impact on the deficit has now been reversed
- The Pension Review programmes of 2010 and 2013 resulted in significant restructurings of scheme benefits, which were accepted by staff and unions through individual member consent
  - In return for the deficit reduction achieved through these programmes, the Group agreed to increase its support for the schemes by making matching contributions. The remaining deficit-reducing contributions of €550m are expected to be made between 2016 and 2020
  - Allowing for these future contributions, the overall Group IAS 19 deficit would have been c.€0.30bn at June 15
- In addition to the IAS19 accounting valuation, the funding position of the main BSPF scheme is also measured under the Minimum Funding Standard basis and the Actuarial / on-going basis. Both of these measures showed a stronger funding position than IAS19 at Dec 14. This situation is not expected to be materially different at June 15

[1]BSPF represents approx. 75% of the overall Group DB liabilities.

[2]Sensitivity of the IAS19 liability to a 25bps movement in the discount rate is c.€0.4bn and sensitivity to 10bps movement in the RPI inflation assumption is c.€0.1bn.

Defined Benefit Pension Schemes

Bank of Ireland Group

- Group has developed a framework for pension funding and investment decision-making as part of a long-term plan.
- Management of Group's DB pension position involves a multi-year programme, categorised into 3 broad areas. Activity in these areas includes;

1 Review Liabilities

- Pensions Review 2010 and 2013 - shared solutions with members - successfully executed
- Pension Review programme was further extended to smaller schemes in 2014 and 2015
- A Defined Contribution ('DC') scheme was introduced in 2014 for new hires and existing hybrid scheme closed
- Further exercises to reduce volatility in liabilities have been undertaken e.g. successful enhanced transfer value pilot exercise in H1 2015

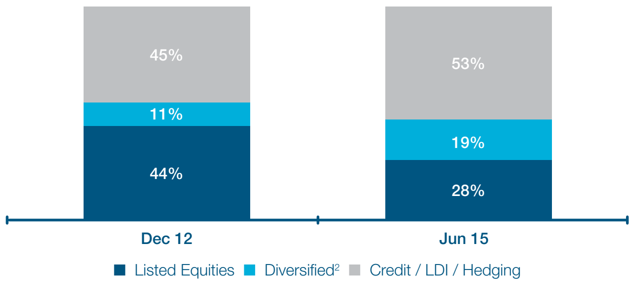
2 Increase Assets

- >€600m of deficit-reducing contributions made since 2010; further €550m expected to be made across Group schemes between 2016 and 2020
- Timing of contributions takes account of Basel III transitional capital rules
- BSPF asset returns of c.11.5% p.a. were achieved over 3 years to end 2014, with further c. 4% in H1 2015

3 Improve correlation between assets and liabilities

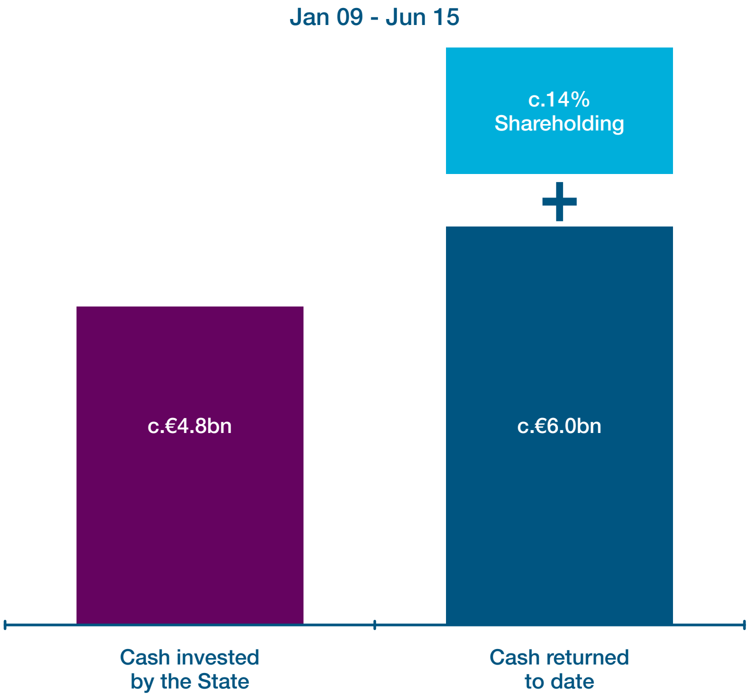
- Group has supported Trustees in diversifying asset portfolios away from listed equity into other return-seeking but less volatile asset classes e.g. 20% of return seeking assets were switched to matching assets in 2014
- Continuing programme to better match asset allocation with the nature and duration of liabilities (ref chart below)
- Since the end of Jun 15, a further €350m of liability hedging has been executed through the LDI portfolio and €270m of investment in Secure Income Assets is in train

Mix of BSPF DB Pension Scheme Assets (%)[1]



[1]Graphs shows BSPF asset allocation which is representative of the Group schemes overall.
[2]Diversified category includes Infrastructure, Private Equity, Hedge funds, Property.

Reimbursing and rewarding taxpayers support



- Risk to the State dealt with - ELG expired
- Since 2009, c.€4.8bn cash invested by the State
- Cumulative c.€6bn cash returned to the State
- State Aid repaid
- State continues to hold valuable c.14% equity shareholding
- In H1 2015, BOI paid taxes of €87m and collected taxes of €466m on behalf of the Irish State

Ordinary stockholders' equity and TNAV

Bank of Ireland Group

Movement in ordinary stockholders' equity

	2014 (€m)	2015 (€m)
Ordinary stockholders' equity at beginning of period	**6,528**	**7,392**
Movements:		
Profit attributable to stockholders	786	617
Dividends on preference stock	(141)	(137)
Foreign exchange movements	275	334
Cash flow hedge reserve movement	159	(79)
Available for sale (AFS) reserve movements	133	(122)
Remeasurement of the net defined benefit pension liability	(353)	172
Other movements	5	(3)
Ordinary Stockholders' equity at end of period	**7,392**	**8,174**

Tangible net asset value

	Dec 14 (€m)	Jun 15 (€m)
Ordinary stockholders' equity at end of period	**7,392**	**8,174**
Adjustments:		
Intangible assets and goodwill	(405)	(429)
Own stock held for benefit of life assurance policyholders	12	11
Tangible net asset value (TNAV)	**6,999**	**7,756**
Number of ordinary shares in issue at the end of the period	**32,363**	**32,363**
TNAV per share (€ cent)	**21.6c**	**24.0c**

Contact details

Bank of Ireland Group

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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 often can be identified by the fact that they do not relate only to historical or current facts. Generally, but not always, words such as 'may,' 'could,' 'should,' 'will,' 'expect,' 'intend,' 'estimate,' 'anticipate,' 'assume,' 'believe,' 'plan,' 'seek,' 'continue,' 'target,' 'goal', 'would,' 'can,' 'might,' or their negative variations or similar expressions identify forward-looking statements, but their absence does not mean that a statement is not forward looking.

Examples of forward-looking statements include among others, statements regarding the Group's near term and longer term future capital requirements and ratios, level of ownership by the Irish Government, loan to deposit ratios, expected impairment charge, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payment of dividends, the implementation of changes in respect of certain of the Group's pension schemes, estimates of capital expenditures, discussions with Irish, United Kingdom, European and other regulators and plans and objectives for future operations.

Such forward-looking statements are inherently subject to risks and uncertainties, and hence 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, the following:

- geopolitical risks which could potentially adversely impact the markets in which the Group operates;
- concerns on sovereign debt and financial uncertainties in the EU and in member countries such as Greece and the potential effects of those uncertainties on the Group;
- general and sector specific economic conditions in Ireland, the United Kingdom and the other markets in which the Group operates;
- the ability of the Group to generate additional liquidity and capital as required;
- property market conditions in Ireland and the United Kingdom;
- the potential exposure of the Group to credit risk and to various types of market risks, such as interest rate risk and foreign exchange rate risk;
- the impact on lending and other activity arising from the emerging macro prudential policies;
- the performance and volatility of international capital markets;
- the effects of the Irish Government's stockholding in the Group (through the Ireland Strategic Investment Fund) and possible changes in the level of such stockholding;
- changes in applicable laws, regulations and taxes in jurisdictions in which the Group operates particularly banking regulation by the Irish and United Kingdom Governments together with the operation of the Single Supervisory Mechanism and the establishment of the Single Resolution Mechanism;
- the impact of the continuing implementation of significant regulatory developments such as Basel III, Capital Requirements Directive (CRD) IV, Solvency II and the Recovery and Resolution Directive;
- the exercise by regulators of powers of regulation and oversight in Ireland and the United Kingdom;
- the introduction of new government policies or the amendment of existing policies in Ireland or the United Kingdom;
- the outcome of any legal claims brought against the Group by third parties or legal or regulatory proceedings or any Irish banking inquiry more generally, that may have implications for the Group;
- the development and implementation of the Group's strategy, including the Group's ability to achieve net interest margin increases and cost reductions;
- the inherent risk within the Group's life assurance business involving claims, as well as market conditions generally;
- potential further contributions to the Group sponsored pension schemes if the value of pension fund assets is not sufficient to cover potential obligations;
- the Group's ability to address weaknesses or failures in its internal processes and procedures including information technology issues and equipment failures and other operational risks;
- the Group's ability to meet customers' expectations in mobile, social, analytics and cloud technologies which have enabled a new breed of 'digital first' propositions, business models and competitors;
- uncertainty relating to the forthcoming UK European Union 'In / Out' referendum;
- failure to establish availability of future taxable profits, or a legislative change in quantum of deferred tax assets currently recognised; and
- difficulties in recruiting and retaining appropriate numbers and calibre of staff.

Nothing in this document should be considered to be a forecast of future profitability or financial position and none of the information in this document is or is intended to be a profit forecast or profit estimate. Any forward-looking statement speaks only as at the date it is 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