2013 Results Announcement

31 December 2013

Bank of Ireland

For small steps, for big steps, for life

Forward-looking statement

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', 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 charges, 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:

- concerns on sovereign debt and financial uncertainties in the EU and in member countries 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;
- the effects of the 2011 PCAR, the 2011 PLAR and the deleveraging reviews conducted by the Central Bank of Ireland and any further capital assessments undertaken by regulators;
- property market conditions in Ireland and the United Kingdom;
- the potential exposure of the Group to various types of market risks, such as interest rate risk, foreign exchange rate risk, credit risk and commodity price risk;
- the impact of any arrangements following the exit by the Irish Government from the EU / IMF programme;
- the availability of customer deposits at sustainable pricing levels to fund the Group's loan portfolio and the outcome of the Group's disengagement from the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009;
- deterioration in the credit quality of the Group's borrowers and counterparties, as well as increased difficulties in relation to the recoverability of loans and other amounts due from such borrowers and counterparties, have resulted in significant increases, and could result in further significant increases, in the Group's impaired loans and impairment provisions;
- implications of the Personal Insolvency Act 2012 and / or the measures introduced by the Central Bank of Ireland to address mortgage arrears on the Group's distressed debt recovery and impairment provisions;
- the performance and volatility of international capital markets;
- the effects of the Irish Government's stockholding in the Group (through the NPRFC) and possible changes in the level of such stockholding;
- the impact of further downgrades in the Group's or the Irish Government's credit ratings or outlook;
- the stability of the eurozone;
- changes in the Irish and United Kingdom banking systems;
- 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 implementation of the Single Supervisory Mechanism and establishment of the Single Resolution Mechanism and the conduct and outcome of asset quality reviews and stress tests;
- 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 implementation of the Group's revised EU Commission restructuring plan and the Group's ability to achieve net interest margin increases and cost reductions;
- the responsibility of the Group for contributing to compensation schemes in respect of banks and other authorised financial services firms in Ireland, the United Kingdom and the Isle of Man that may be unable to meet their obligations to customers;
- 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 exposure of the Group to NAMA losses in the event that NAMA has an underlying loss at the conclusion of its operations, which could adversely impact the Group's capital and results of operations;
- the impact of the implementation of significant regulatory developments such as Basel III, Capital Requirements Directive (CRD) IV, Solvency II and the Recovery and Resolution Directive;
- the impact on the Group of the Central Bank of Ireland's Balance Sheet Assessment / Asset Quality Review of the Group and the European Central Bank's Comprehensive Assessment of the Group; and
- 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.

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

1 2013 progress

Richie Boucher, CEO

2 Financial Results

Andrew Keating, CFO

3 Priorities for 2014 and beyond

Richie Boucher, CEO

2013 progress

Richie Boucher

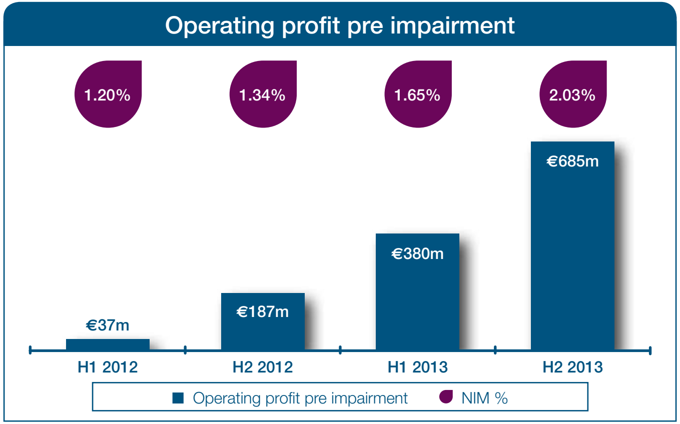
Business highlights 2013

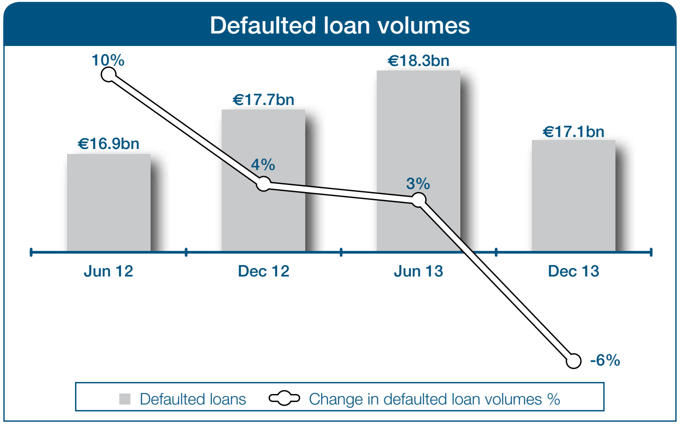
2013 - a year of further substantial progress

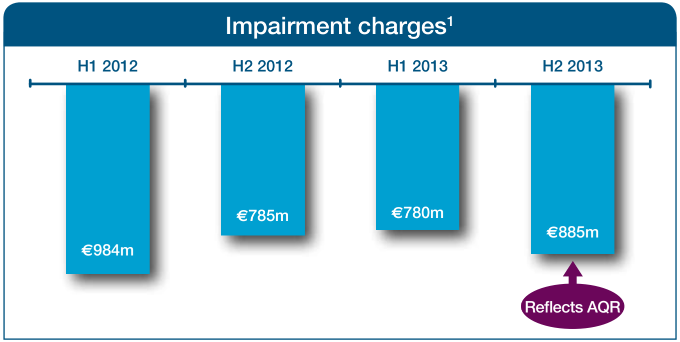
- Strategic position strengthened - New Ireland retained
- Addressed the 2009 Preference Shares "step up"
- Safely managed ELG expiry - significant economic benefits
- Taxpayers rewarded and repaid - considerable cash returns and profit for the taxpayer
- Achieved 2% NIM in H2, notwithstanding low interest rate environment
- Cost discipline maintained whilst investing in our people, businesses and infrastructure
- Accessed funding markets across the capital structure
- Asset quality - reduced defaulted loans by €1.2bn since June 2013
- Balance Sheet Assessment (BSA/AQR) addressed
- Shared solution for DB pension deficit agreed and being implemented
- 12.3% Basel III transitional CET1 ratio at January 2014
- Financial results substantially improved; c.€1 billion improvement in underlying performance
- Now profitable and generating capital in 2014

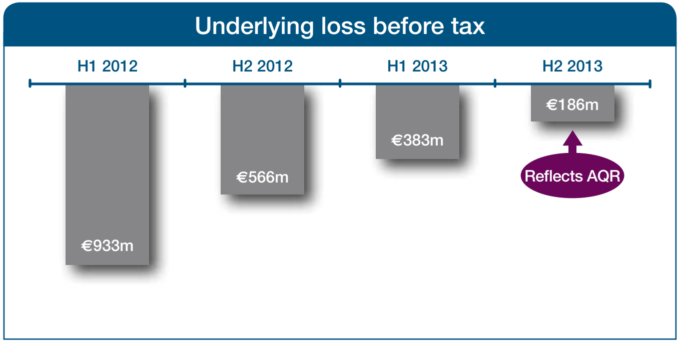
Financial highlights 2013

Underlying earnings power is being rebuilt





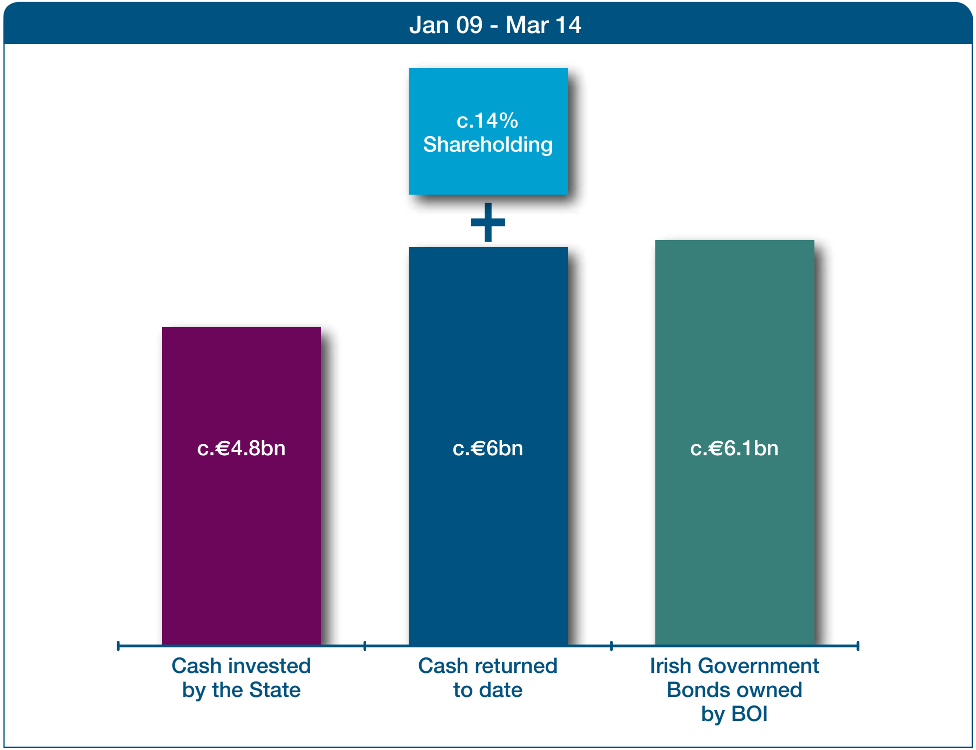




[1] Impairment charges include charges on AFS assets.

Reimbursing and rewarding taxpayer support

Bank of Ireland Group

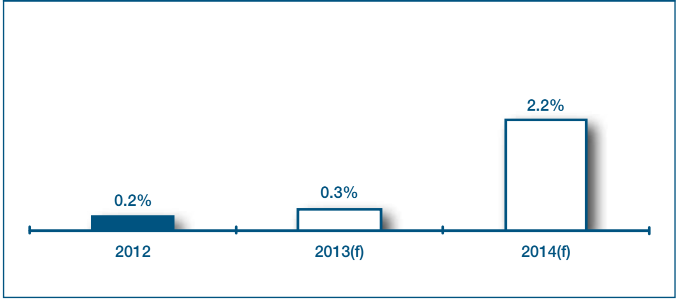


- Risk to the State dealt with - ELG expired
- Since 2009, c.€4.8bn cash invested by the State
- Cumulative c.€6bn cash returned to the State
- State continues to hold valuable c.14% equity shareholding
- IBRC promissory note structure
  - Facilitated 2012 repo transaction
  - Successfully repaid in 2013
- Group has invested in Irish Government Bonds - €6.1bn nominal value

Economic environment

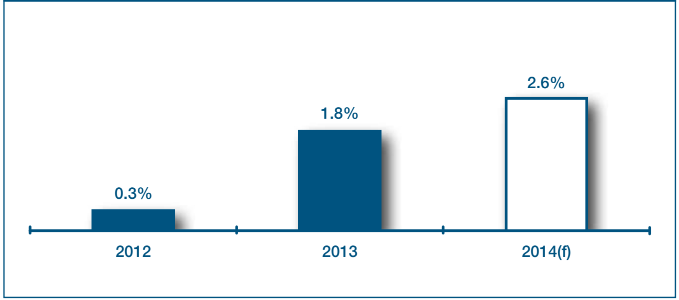
Improved economic climate with favourable outlook

ROI annual real GDP growth



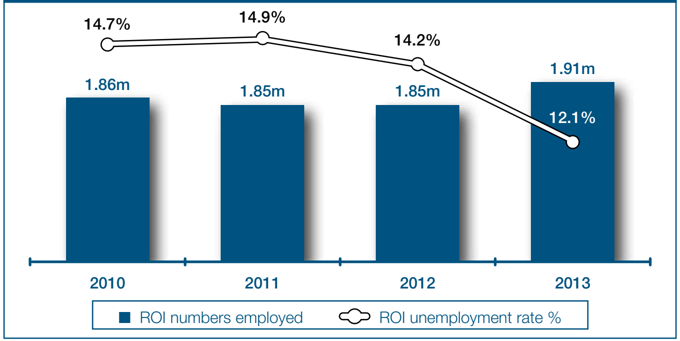
Source: CSO, Forecasts 2013-2014 Reuters Consensus

UK annual real GDP growth



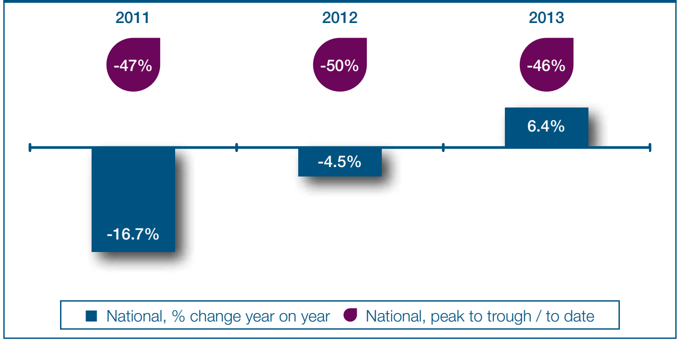
Source: ONS, Forecast 2014 Reuters Consensus

ROI numbers employed and unemployment rate



Source: CSO

ROI residential property prices



Source: CSO

Strong franchise positions - Ireland

Leading bank in a consolidating market

Bank of Ireland Group

Comprehensive multi-channel distribution platform

c.250 branches	c.1,700 Self-service devices	c.640k online customers c.50% current accounts active online	c.300k mobile customers	24 x 7

Market leading positions

Consumer Banking	Wealth Management incl. New Ireland	Business Banking	Corporate Banking
c.4 out of every 10 new mortgages in 2013	Life Assurance c.24% Market Share	Half of new non property SME lending in 2013	>30% Corporate Market share

Strong relationships with customers

c.1.6m Customers	>600k Customers	c.150k SME Customers	>50% MNC

Strong franchise positions - international diversification

Bank of Ireland Group

Challenger consumer banking franchise in GB

POST OFFICE

Trusted brand, established customer base and expanding product range

c.1.6m Post Office Savings Accounts	**c.200k Mortgages** with dedicated advisors in place	**Retail FX** Market leader with c.25% share	**c.530k + Credit Cards / Pre-paid cards / Personal Loans**	**c.550k + Insurance Policies**	**Current Accounts** Trial underway

More branches than other retail banks combined in GB

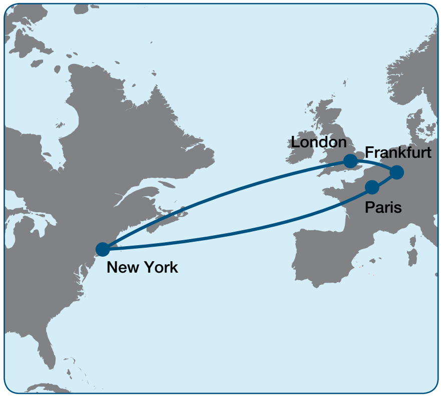
- c.11,500 Post Office branches
- c.2,400 Post Office / BOI ATMs
- Online
- Mobile
- Telephone

Full service bank in Northern Ireland

- Universal offering through 35 branches and product specialists
- Specialist motor / asset finance business

Leveraged acquisition finance

- Well recognised lead arranger / underwriter
- US / European Business
- Focused on mid-market transactions
- Expertise developed over 20 years
- Profitable with strong asset quality
- c.€3.2bn in credit facilities



Supporting and benefiting from Irish economic recovery

Bank of Ireland Group

Ambition to lend c.€33bn gross into the Irish economy, 2013 - 2017

Supporting Irish businesses

- Receiving over 1,000 credit applications per week, 85% approved
- Approved €4bn in new and increased SME lending facilities in 2013
- BOI providing over 50% of non-property SME lending in the market
- Supported almost 16,000 start up businesses in 2013 through our dedicated “start-up” business package
- Over 3,000 businesses showcased their products and services during our Enterprise Weeks in 2013
- €21bn gross new lending ambition to businesses, corporates, property & construction, 2013 - 2017

Lending to homebuyers and supporting homeowners

- Receiving over 1,000 mortgage applications per month
- Approved €2.2bn mortgage facilities in 2013
- BOI lending €0.9bn - equivalent to c.4 of every 10 mortgages
- Continuing to support mortgage customers in financial difficulty via comprehensive policies, procedures, solutions and infrastructure
- €12bn gross new lending ambition to homeowners and consumers, 2013 - 2017

Medium term targets

Delivering on our targets

Bank of Ireland Group

	Metrics	2010	Target	2013	Status
Balance Sheet	Loans and advances to customers[1]	€114bn	c.€90bn	€85bn	On track
	Group loan / deposit ratio	175%	≤120%	114%	✔
	Capital - Core / Common Equity Tier 1 ratio[2]	9.7%	Buffer maintained over regulatory minimum	12.3%	✔
	ELG covered liabilities ELG fees	€69bn €343m	Fully disengaged	€5bn €129m	✔
Profitability	Net interest margin	1.46%	>2.0%	1.84% (H2 2013 - 2.03%)	✔
	Cost / income ratio	64%	<50%	60% (H2 2013 - 53%)	On track
	Impairment charges	€1.9bn	55 - 65bps	€1.7bn	On track

[1] Loans and advances to customers are stated net of impairment provisions.

[2] CET1 ratio of 12.3% is the transitional common equity tier 1 ratio under the Basel III rules at 1 Jan 14. Core tier 1 ratio was 9.7% in 2010.

Financial Results

Andrew Keating

Group Income Statement

Bank of Ireland Group

€930m improvement in underlying performance

	Dec 12 €m	Dec 13 €m	Change €m
Net interest income	1,755	2,133	378
Other income (net)	495	642	147
ELG fees	(388)	(129)	259
Total income	**1,862**	**2,646**	**784**
Operating expenses	(1,638)	(1,581)	57
Operating profit pre impairment	**224**	**1,065**	**841**
Impairment charges[1]	(1,769)	(1,665)	104
Share of associates / JVs	46	31	(15)
Underlying loss before tax	**(1,499)**	**(569)**	**930**
Non-core items	(679)	44	723
Loss before tax	**(2,178)**	**(525)**	**1,653**

Average interest earning assets	€132bn	€115bn	(€17bn)
Net interest margin[2]	1.25%	1.84%	59bps

[1] Impairment charges include charges on AFS assets.
[2] Excluding the cost of the ELG.

Total income growth of €784m (42%)

- Delivered net interest income growth of €378m (22%) driven by higher NIM, partially offset by lower average interest earning assets
- Other income growth reflects business performance and some one-off items
- ELG fees reducing in line with expectations

Lower Operating expenses

- Reduced staff costs (ex pension) by 10% in 2013; c.2,000 reduction in staff numbers since Jun 12
- Partially offset by higher pension costs
- Reduced other costs by 5% in 2013; continued tight management of all costs

Impairment charges

- Defaulted loans reduced by €1.2bn since Jun 13
- Impairment charges reflect, amongst other things, consideration of AQR

Non-core items

- Gain arising from DB pension benefit solution of €274m
- Charge related to positive credit spread movements of €154m
- Restructuring costs €48m and redundancy costs €42m

Income Statement momentum

Key financial metrics continuing to improve

Bank of Ireland Group

Metrics	H1 2012 €m	H2 2012 €m	Change	H1 2013 €m	Change	H2 2013 €m	Change
Net interest income	840	915	↑	968	↑	1,165	↑
Other income (net)	247	248	-	319	↑	323	↑
ELG fees	(212)	(176)	↓	(99)	↓	(30)	↓
Total income	**875**	**987**	↑	**1,188**	↑	**1,458**	↑
Staff costs (ex pension)	(388)	(383)	↓	(351)	↓	(340)	↓
Pension costs	(57)	(13)	↓	(79)	↑	(54)	↓
Other costs	(393)	(404)	↑	(378)	↓	(379)	-
Operating profit pre impairment	**37**	**187**	↑	**380**	↑	**685**	↑
Impairment charges[1]	(984)	(785)	↓	(780)	↓	(885)	↑
Underlying loss before tax[2]	**(933)**	**(566)**	↓	**(383)**	↓	**(186)**	↓
NIM %	1.20%	1.34%	↑	1.65%	↑	2.03%	↑
Cost / income ratio	96%	81%	↓	68%	↓	53%	↓
Defaulted loans €bn	16.9bn	17.7bn	↑	18.3bn	↑	17.1bn	↓

Profitable and generating capital in 2014

[1] Impairment charges include charges on AFS assets.
[2] Includes share of associates / JVs.

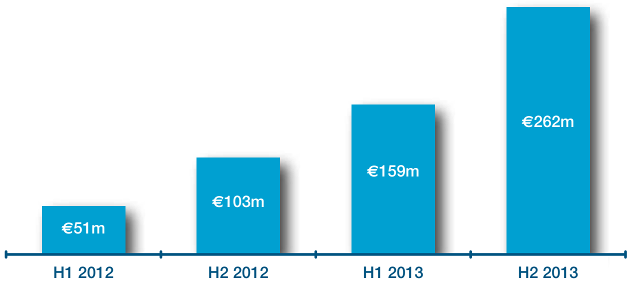
Divisional analysis

Bank of Ireland Group

All divisions are improving their performance

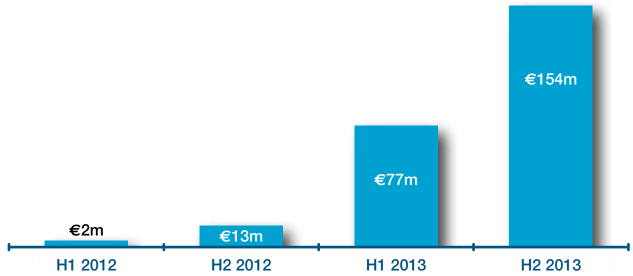
Retail Ireland

Operating profit pre impairment



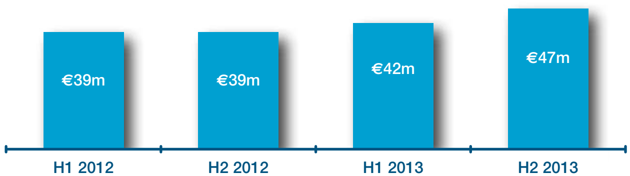
Retail UK

Operating profit pre impairment



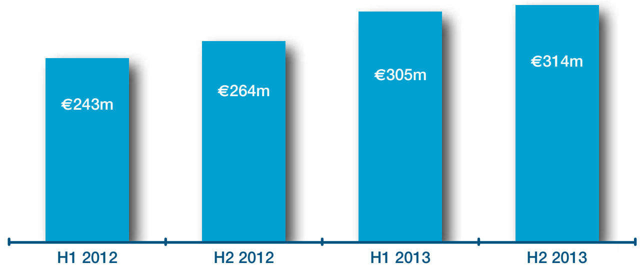
BOI Life

Operating profit



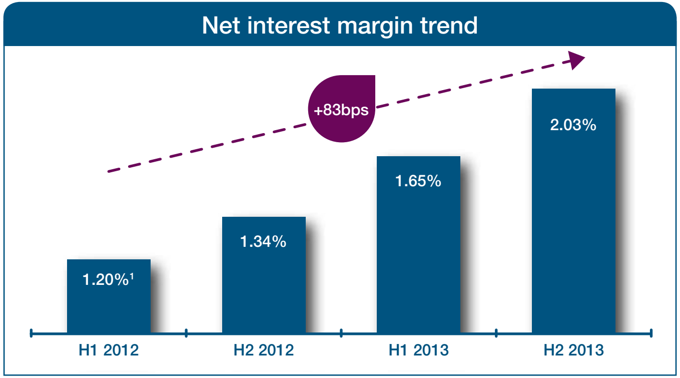
Corporate & Treasury

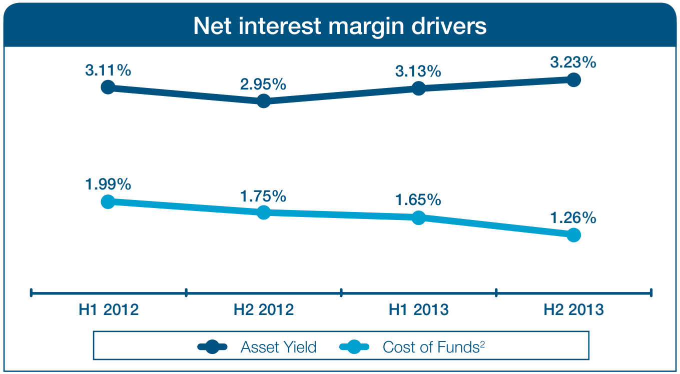
Operating profit pre impairment



Net interest margin (NIM)

NIM target of >2% achieved





[1] Includes a 3bps impact from the remeasurement of the Contingent Capital Note.
[2] Includes Credit Balances.

Significant net interest margin momentum continued

- 2% NIM achieved despite low interest rate environment
- Reflects the Group's focus on:
  - Repricing lending and deposit portfolios
  - More efficient balance sheet management
  - Reduced risk premia in the capital markets
- Exit margin broadly in line with H2 2013

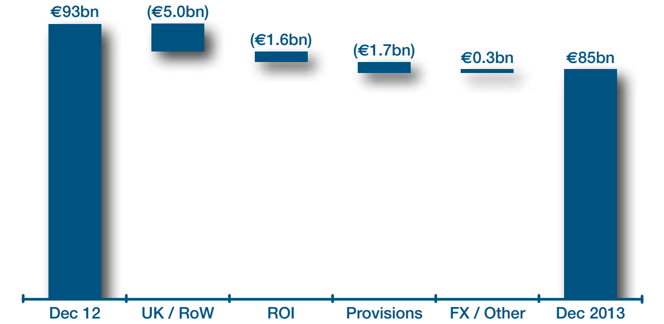
Outlook

- Recent deposit pricing has been broadly stable both in Ireland and the UK
- NIM expansion will primarily reflect the volume of new lending, where higher margins are being achieved
- Although official interest rates (€/£) are expected to remain lower for longer, over time, NIM will benefit from future rate increases

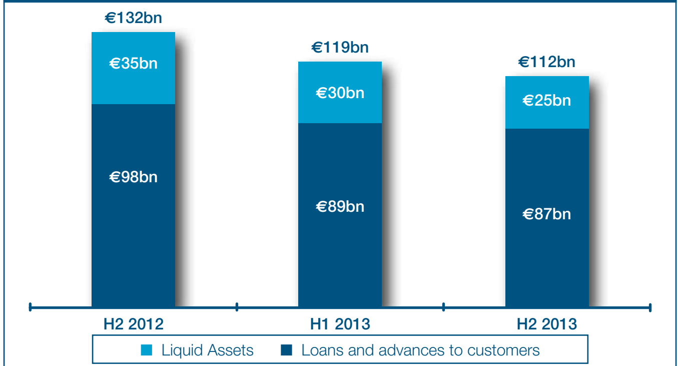
Interest earning assets

Pace of decline in loan assets is slowing

Point in time loan volumes - 2013 movements[1]



Average interest earning assets



Loan assets

- Loan asset reduction primarily reflected:
  - Planned deleveraging in 2012
  - Redemptions exceeding new lending in 2013
  - New Ireland substitution measure - Business and Corporate Banking in GB - now in run down
- Reduction has been predominantly outside ROI
- Pace of decline in loan assets is slowing
- Expect to achieve medium term target, over time:
  - Leveraging our brand, franchise and distribution
  - Supported by continuing economic recovery in our main markets

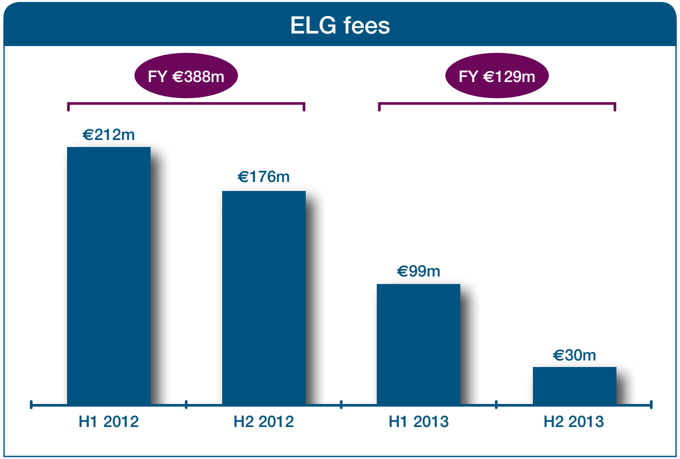
Liquid assets

- 2013 movement reflects:
  - Asset transfers to UK subsidiary, thereby reducing excess liquidity
  - Unwind of IBRC Repo transaction of €3bn

[1] Loan volumes are stated net of impairment provisions: geographic split based on location of customer.

ELG fees

ELG fees reduced by €259m in 2013



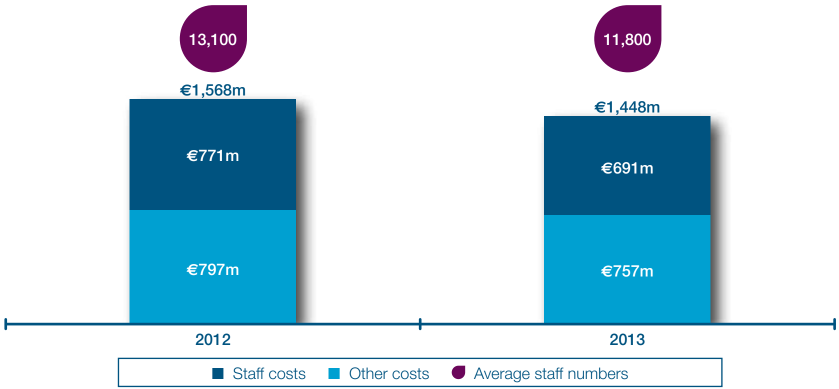
- ELG expired on 28 Mar 2013
- No adverse impact on deposit volume or pricing strategy
- ELG fees are reducing quickly, in line with expectations
- Projected average covered liabilities:
  - 2014: €4bn
  - 2015: €1.5bn
- Average fees are c.1% of covered liabilities

Operating expenses

Bank of Ireland Group

Focused on cost control - €57m cost reduction in 2013

Reduced operating costs (ex Pension) by €120m



Staff costs (ex pension)

- Reduced by €80m or 10% in 2013
- Headcount reduced by c.2,000 since Jun 12; redundancy programme on-going

Other costs

- Reduced by €40m or 5% in 2013
- Infrastructure and outsourcing contracts delivering expected benefits

Significant operating leverage

- Group continues to consolidate, standardise and simplify its operations
- Investments in people, businesses and infrastructure continuing

Pension costs

IAS19 (Revised) impact

	2012	2013
Pension costs under previous standard	102	121
Impact of revised standard	11	40
Pension Levy Recoveries	(43)	(28)
Total reported pension costs	**70**	**133**

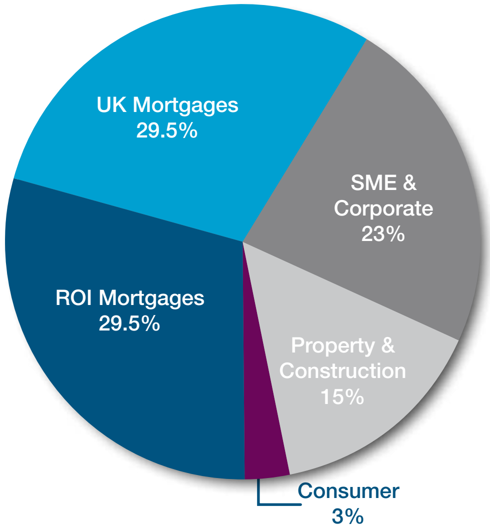
- 2013 charge reflects Dec 12 pension deficit of €1.1bn - now reduced to c.€0.8bn
- 2013 cost impacted by change in accounting rules
- Recoveries reflect trustees agreement to pass on pension levy for 2011, 2012 and 2013

Asset Quality

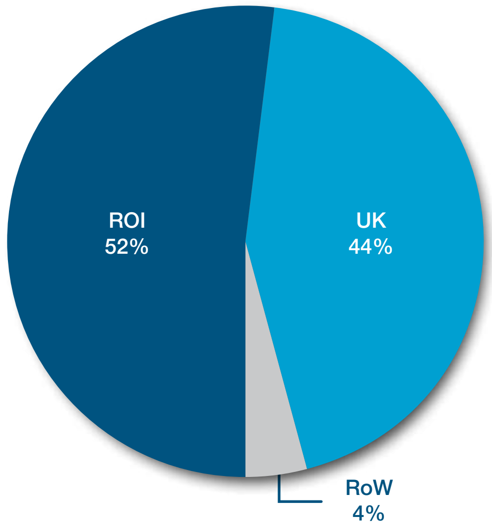
Loans and advances to customers - €93bn[1]

Bank of Ireland Group

Portfolio profile[2]



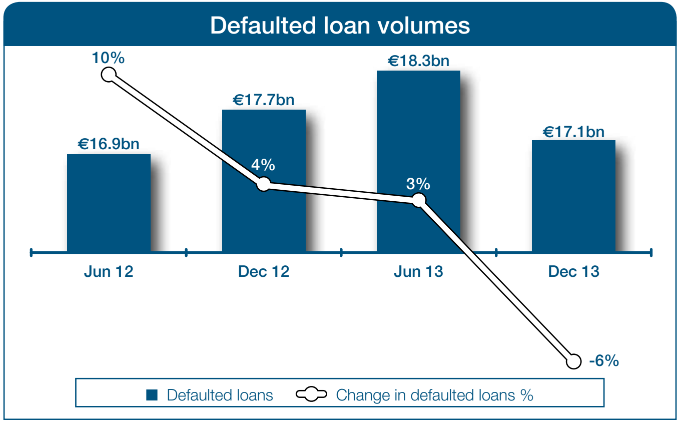
Geographic profile[2]

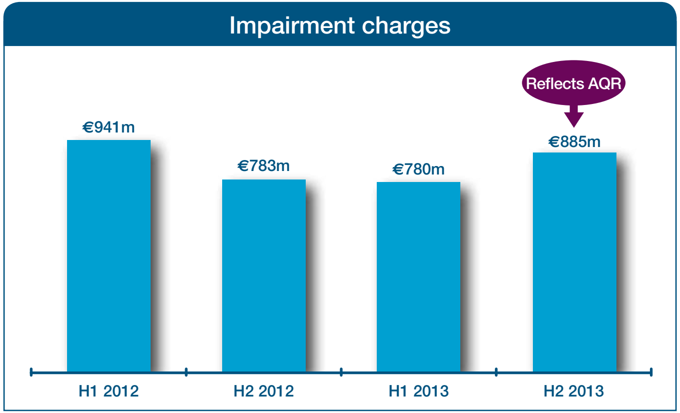


[1] Loans and advances to customers of €92.8bn at 31 Dec 13 are before impairment provision of €8.2bn.
[2] Profiles are presented net of impairment provisions; geographic profile is based on location of customer.

Defaulted loans and Impairment charges

Defaulted loan volumes reduced by €1.2bn





Defaulted loan volumes

- Reduced by €1.2bn or 6% since Jun 13
- All major asset classes improved
- Loan portfolios continue to perform in line with expectations

Impairment charges

- Impairment charges reflect, amongst other things, consideration of AQR

Outlook

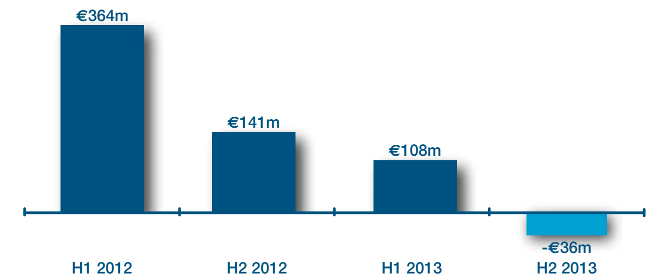
- Borrower behaviour and collections activity continue in line with our expectations
- Trend of declining defaulted loan volumes expected to continue
- Expect impairment charges to reduce from current elevated levels to more normalised levels as the Irish and UK economies recover

ROI Owner Occupied Mortgages: €20.4bn

Bank of Ireland Group

Defaulted loan volumes reduced in H2 2013 - the first time since 2008

Net change in defaulted loan volumes[2] (> 90 days past due and / or impaired)



Defaulted loans, impairment charge & provisions

	Dec 12	Jun 13	Dec 13
Total defaulted loans volume	€2.0bn	€2.2bn	€2.1bn
Defaulted loans as a % of total book	9.8%	10.5%	10.0%
Impairment charge (6 month charge)	€39m	€109m	€108m
Charge - bps (annualised)	38bps	82bps	106bps
Provision stock	€711m	€824m	€869m
Coverage ratio[4]	35%	38%	42%

Profile of assets

- 93% of loans on a capital and interest repayment basis
- 54% or €11.0bn are ECB Tracker Mortgages

Market environment

- Residential property prices[1] increased in 2013 by 6.4% at national level
- Numbers employed increased by 61k[1] people in 2013 (unemployment rate of 12.1%[1])
- Provisioning assumptions include 55% peak to trough fall (compared to actual fall of 46%[1]) plus other adjustments for forced sale discounts and disposal costs

Portfolio performance

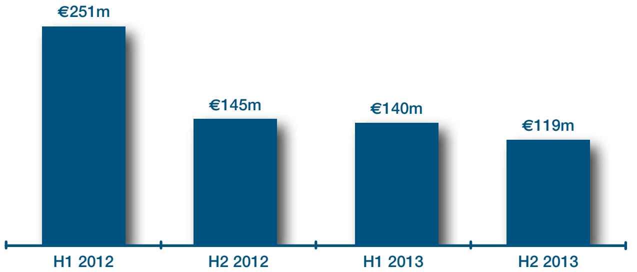
- 9 out of 10 accounts up to date
- Defaulted volumes decreased during H2 2013 for the first time since March 2008
- BOI's arrears levels - 51% of industry[3] ex BOI
- Reflects the effectiveness of BOI mortgage arrears resolution strategies and improving economic conditions
- Focused on restructuring challenged mortgages on a sustainable basis

[1] At Dec 13. Source: Central Statistics Office.
[2] December 2013 defaulted loans volume movement of €36m does not include €64m movement in relation to provisions utilised.
[3] At September 2013, BOI's arrears levels (based on number of accounts >90 days in arrears) was 7.4% compared to 14.4% for the industry ex BOI. Source: Central Bank of Ireland.
[4] Impairment provisions as a % of loans where arrears are >90 days past due and / or impaired.

ROI Buy to Let Mortgages: €6.3bn

Pace of flow into default continues to decline

Net change in defaulted loan volumes[2] (> 90 days past due and / or impaired)



Defaulted loans, impairment charge & provisions

	Dec 12	Jun 13	Dec 13
Total defaulted loans volume	€1.6bn	€1.7bn	€1.7bn
Defaulted loans volume as a % of total book	23.5%	26.1%	27.9%
Impairment charge (6 month charge)	€88m	€114m	€211m
Charge - bps (annualised)	262bps	308bps	653bps
Provision stock	€741m	€862m	€994m
Coverage ratio[5]	47%	50%	57%

Profile of assets

- 65% of loans on a capital and interest repayment basis (52% at Dec 12)
- Portfolio size has reduced by €407m or 6% in 2013
- 79% or €4.9bn are ECB Tracker Mortgages

Market environment

- Residential property prices increased in 2013
- Private rental market demonstrated further recovery in 2013 - 7.1%[1] increase in national rents during 2013
- Provisioning assumptions include 55% peak to trough fall (compared to actual fall of 46%[3]) plus other adjustments for forced sale discounts, disposal costs

Portfolio performance

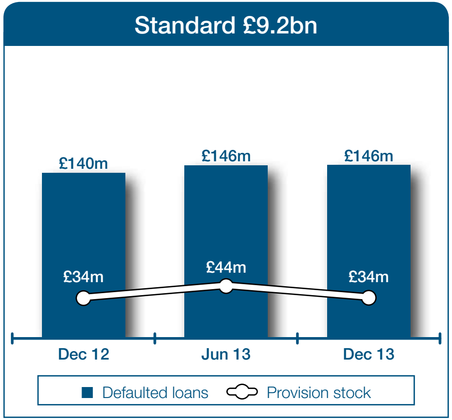
- 8 out of 10 accounts up to date
- Reduction in pace of growth of default loan volumes continues
- BOI's arrears levels - 73% of industry[4] ex BOI
- Increased repayments, as interest only periods end and customers move to fully amortising loans, being managed
- Focused on restructuring challenged mortgages on a sustainable basis

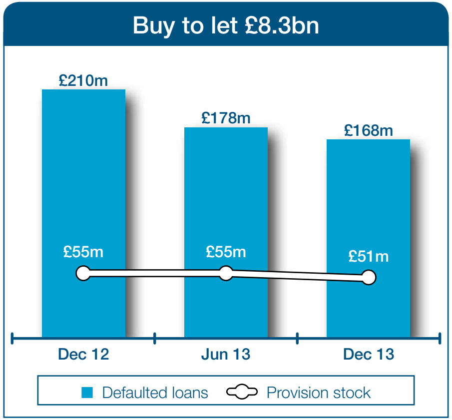
[1] Source: DAFT Rental Report Q4 2013.
[2] December 2013 defaulted loans volume movement of €119m does not include €81m movement in relation to provisions utilised.
[3] At Dec 13. Source: Central Statistics Office.
[4] At September 2013, BOI's arrears levels (based on number of accounts >90 days in arrears) was 16.6% compared to 22.6% for the industry ex BOI. Source: Central Bank of Ireland.
[5] Impairment provisions as a % of loans where arrears are >90 days past due and / or impaired.

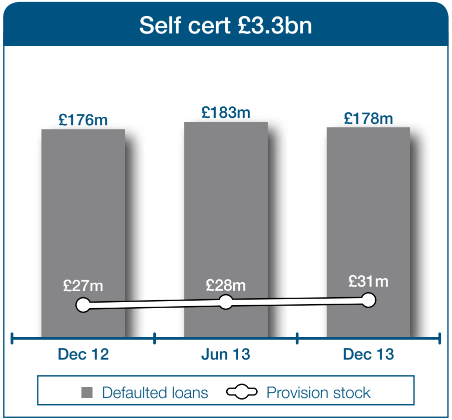
UK Residential Mortgages: £21bn / €25bn

Bank of Ireland Group

Continues to perform strongly







Impairment charge & provisions

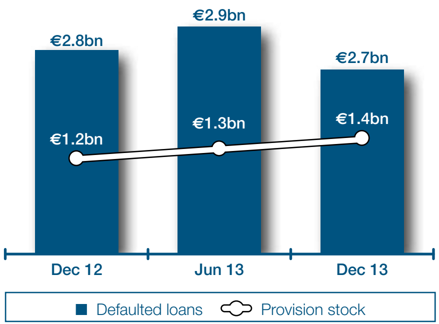
	Dec 12	Jun 13	Dec 13
Impairment charge (£) (6 month charge)	£20m	£24m	£3m
Charge - bps (annualised)	18bps	16bps	2bps
Provision stock	£116m	£127m	£116m
Coverage ratio	22%	25%	24%

- Books are performing well
- Arrears levels continue to be below the industry average
- Economic conditions continuing to improve

SME & Corporate loans: €21bn

Defaulted loans reducing

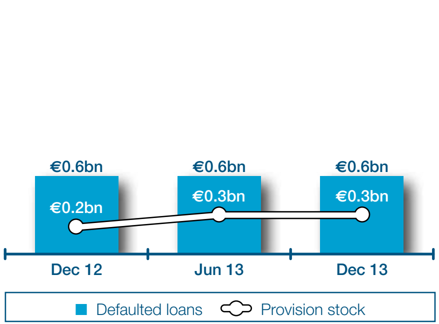
ROI SME - €10bn



	Dec 12	Jun 13	Dec 13
Impairment charge (6 month charge)	€100m	€95m	€138m
Coverage ratio	43%	46%	50%

- Signs of improvement in the SME sector; however, consumer spending is still muted
- End state strategies agreed with 9 out of 10 challenged customers

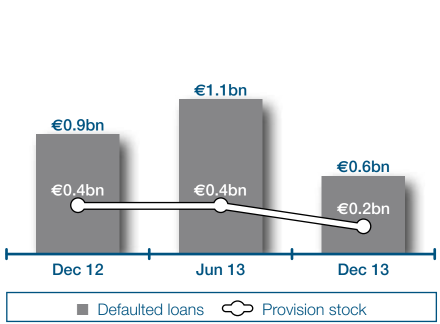
UK SME - £2bn / €3bn



	Dec 12	Jun 13	Dec 13
Impairment charge (6 month charge)	€37m	€54m	€59m
Coverage ratio	37%	43%	50%

- 2013 charge reflects a small number of large individual exposures and case specific events
- UK macro economic conditions and outlook are improving

Corporate - €8bn



	Dec 12	Jun 13	Dec 13
Impairment charge (6 month charge)	€60m	€59m	€63m
Coverage ratio	44%	40%	41%

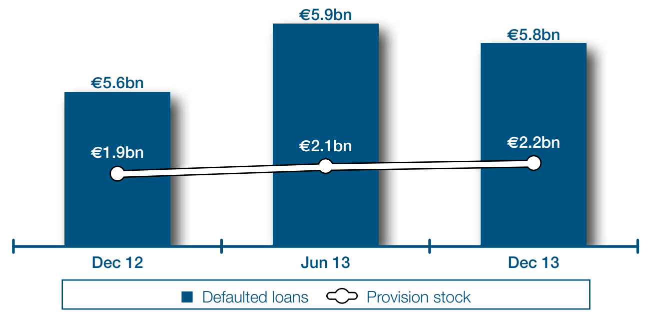
- Pace of migration into challenged portfolios has reduced significantly

Property & Construction: €16.8bn

Defaulted loans reducing

Bank of Ireland Group

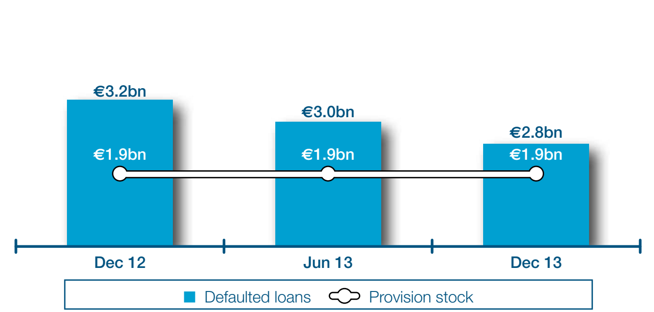
Investment property - €13.6bn



	Dec 12	Jun 13	Dec 13
Impairment charge (6 month charge)	€257m	€181m	€162m
Coverage ratio	35%	35%	38%

- Portfolio reduced by €2bn or 12% in 2013
- 49% ROI, 48% UK and 3% RoW
- 37% Retail, 16% Office, 8% Industrial, 39% Other / mixed
- ROI - activity in commercial property markets in Dublin and some other urban areas has continued to increase
- UK - London / South East continues to perform well; growing investor confidence in real estate outside of London
- Retail and industrial sectors - emerging signs of increased activity

Land and development - €3.2bn



	Dec 12	Jun 13	Dec 13
Impairment charge (6 month charge)	€153m	€110m	€130m
Coverage ratio	60%	63%	68%

- 89% is defaulted with a coverage ratio of 68%

Funding & Capital

Balance Sheet[1]

Bank of Ireland Group

Restructuring complete - capital, liquidity and infrastructure available to support planned growth

	Dec 10 €bn	Dec 13 €bn	Change €bn
Assets			
Loans and advances	115	85	(30)
Liquid assets	30	27	(3)
Other	9	6	(3)
Total	154	118	(36)
Liabilities			
Customer deposits	65	74	9
Wholesale funding	70	27	(43)
- Private sources	*37*	*19*	*(18)*
- Monetary Authorities	*33*	*8*	*(25)*
Other	12	9	(3)
Stockholders equity	7	8	1
Total	154	118	(36)
Loan to deposit ratio	175%	114%	(61pps)

Loans

- Planned deleveraging of loan book complete; ahead of time and below assumed cost

Customer deposits

- Increased by €9bn since 2010
- Now account for >70% of funding compared to <50% in 2010
- Predominantly retail oriented deposit base

Wholesale funding

- Reduced by €43bn since 2010
- €25bn repaid to Monetary Authorities
- Consistently accessing markets at reducing costs

Loan to deposit ratio

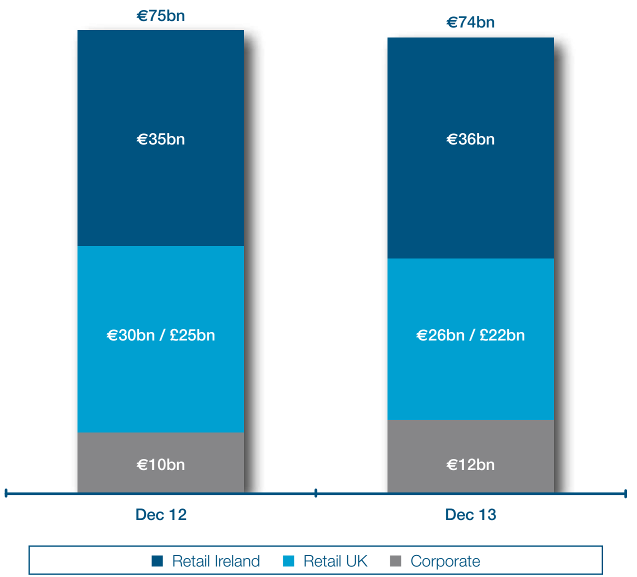
- Ratio of 114% at Dec 13
- Achieved target of ≤120%

[1] Excludes BOI Life.

Deposits

Stable retail oriented deposit franchises

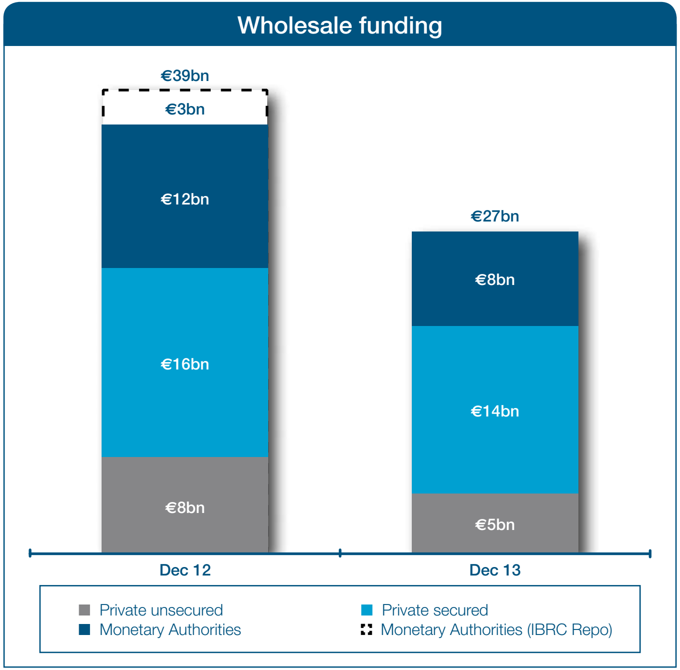
Deposit franchises



- Deposit strategies leverage the strength of our franchises and scale of our distribution
  - Retail Ireland - €1bn increase in deposit volumes
  - Retail UK - £3bn reduction in 2013 reflecting the planned reduction of excess liquidity in UK subsidiary
  - Corporate - €1.6bn increase since Dec 12
- Over 80% of deposits are sourced through our retail networks
- Optimising deposits for volume, stability and cost
- No impacts from ELG expiry in Mar 13
- Strategy remains focused on maintaining a stable granular book at economic pricing

Wholesale funding

Significantly reduced requirement



Monetary Authority funding

- €7bn of ECB funding repaid in 2013
  - IBRC Repo transaction (€3bn) terminated on a no-gain / no-loss basis in Feb 13
  - Repaid an additional €4bn of LTRO borrowings
- Remaining €8bn of borrowings at Dec 13 includes c.€4bn related to NAMA senior bonds
- All ECB drawings are covered by 3 year LTRO

Private Market Funding

- €5bn private wholesale funding repaid in 2013
- €11.6bn or 60% of private market funding has a residual term to maturity of >1 year
- Full market access
- Refinancing requirement from unsecured maturities low

Access to capital and funding markets

Bank of Ireland Group

Consistently accessing markets across the capital structure - significantly reducing cost

2013 IFR Issuer of the Year

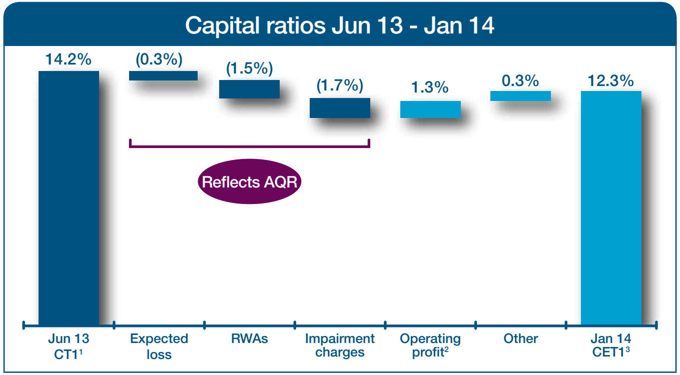
Issuance: Nov 12 - Jan 14

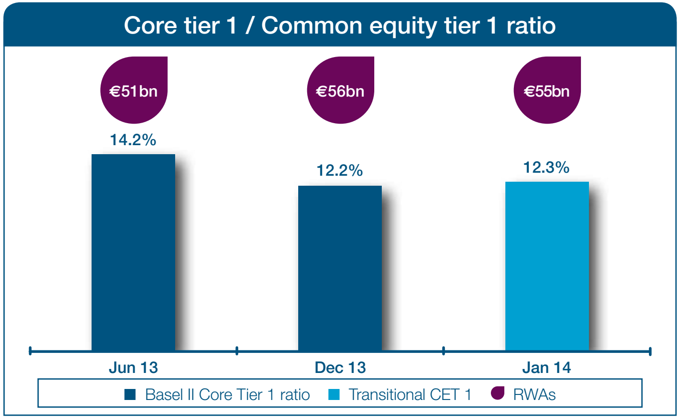
Senior secured debt	€3.0bn	▶ 4 issues ▶ 3, 5 and 7 year duration
Senior unsecured debt	€1.25bn	▶ 2 issues ▶ 3 and 5 year duration
CoCo sold to private sector	€1.0bn	▶ State aid repaid
2009 Preference Shares sold to private sector	€1.3bn	▶ State aid repaid
Common equity	€0.6bn	▶ Strong investor appetite

Capital

Robust capital ratios

Bank of Ireland Group





Balance Sheet Assessment / AQR addressed

- Updated expected loss treatment incorporated at Dec 13
- RWA - AQR adjustments applied at Dec 13
- Impairment charges reflects, amongst other things, consideration of AQR

Basel III - CET1 ratio

(including 2009 Preference Shares)

- 12.3% transitional CET1 ratio, pro-forma at Jan 14
- 9.0% fully loaded CET1 ratio, pro-forma at Dec 13

Leverage ratio - above 3%

(including 2009 Preference Shares)

- 3.7% fully loaded ratio, pro-forma at Dec 13
- 4.9% transitional ratio, pro-forma at Jan 14

Outlook

- Profitable and generating capital in 2014
- Expect to maintain a buffer above a CET1 ratio of 10% on a transitional basis

[1] CT1 refers to the core tier 1 ratio under the Basel II rules.
[2] Operating profit pre impairment charges and non-core items.
[3] CET1 ratio of 12.3% is the transitional common equity tier 1 ratio under the Basel III rules at 1 Jan 14.

Priorities for 2014 and beyond

Richie Boucher

Recap on progress - 2011 - 2013

Bank of Ireland Group

Strong track record of delivery

Restructured Balance Sheet	▶ Transformed profile, availability and cost of funding base ▶ Improved loan to deposit ratio from 175% to 114% ▶ Asset quality - reduced defaulted loans by €1.2bn since Jun 13 ▶ Shared solution to DB pension deficit agreed and being implemented ▶ Addressed 2009 Preference Shares "step up" ▶ Strengthened capital position though private sector investment and management actions	✔
Taxpayers rewarded and repaid	▶ Safely managed ELG expiry in March 2013 ▶ State aid repaid - €1bn CoCo and €1.8bn preference shares ▶ Reimbursed State c.€6bn cash; original investments €4.8bn ▶ State retains a valuable discretionary c.14% equity shareholding	✔
Confirmed strategic shape and now profitable	▶ Confirmed strategic shape - New Ireland retained ▶ Completed deleveraging ahead of time and below assumed cost ▶ Achieved 2% NIM target, notwithstanding low interest rate environment ▶ Reduced costs by over €500m from peak, whilst investing in people, businesses and infrastructure ▶ Profitable and generating capital in 2014	✔

Priorities for 2014 and beyond

Total focus on delivering these priorities

Bank of Ireland Group

Customers

- Continue to support and benefit from the Irish and UK economic recovery
- Continue to develop relationships with existing and new customers
  - Utilising our multi-product, multi-channel offering in Ireland and our partnership model in GB
  - Enhancing customer services, infrastructure and distribution platforms
  - Achieving our lending and revenue growth ambitions in Ireland, the UK and in our LAF business
- Continue to develop and provide appropriate solutions to customers in financial difficulty

Profitability

- Significantly increase our profitability
  - Growing revenues and, over time, rebuilding our balance sheet size
  - Maintaining strong cost discipline while investing further in our people, business and infrastructure
  - Reducing current elevated impairment charges to normalised levels

Capital

- Effectively manage the developing regulatory environment, including 2014 stress test
- Capital generation - priority is planned de-recognition of 2009 preference shares in 2016
- Progress to dividend capacity

Bank of Ireland Group

2013 - a year of further substantial progress

Strong Franchise Positions

Priorities are clear

Additional Information

Additional Information

Bank of Ireland Group

EU Restructuring Plan - Summary of 2013 Amendments

Strategic position enhanced through retention of New Ireland

In July 2013, the European Commission approved amendments to the Group's EU Restructuring Plan

New Ireland retained[1]

- Second largest life and pension provider in Ireland
- Distribution through comprehensive multi-channel network
- New business market share of c.24% in 2013 - serves c.600k customers

Selected activities being run off

- Business and Corporate Banking in Great Britain
  - Gross loan assets of c.€3.5bn and RWA of c.€2.6bn at Dec 13 - now in run down
- ICS Distribution Platform
  - Exit from the origination of new mortgages through ICS intermediary channel
  - Sale (or retirement) of the ICS distribution platform
  - Sale, if required by an acquirer, of up to €1.0bn of intermediary originated mortgage assets and matched deposits
- Run off activities being managed to protect the Group's capital position

Other measures

- Market opening measures prolonged to 31 Dec 16
- Ordinary Share dividend and acquisition restrictions no longer apply following reimbursement of 2009 Prefs in December 2013

[1] New Ireland will not be divested as envisaged in earlier EU Restructuring Plans.

Summary Balance Sheet

Bank of Ireland Group

Group Balance Sheet	Dec 12 €bn	Dec 13 €bn
▶ Net loans and advances to customers[1]	93	85
▶ Liquid assets	30	27
▶ IBRC repo transaction	3	-
▶ BOI Life assets	13	14
▶ Other assets	9	6
Total assets	**148**	**132**
▶ Customer deposits	75	74
▶ Wholesale funding	39	27
- Private Sources	24	19
- Monetary Authorities	12	8
- Monetary Authorities IBRC transaction	3	-
▶ BOI Life liabilities	13	14
▶ Subordinated liabilities	2	2
▶ Other liabilities	10	7
Total liabilities	**139**	**124**
▶ Stockholders' equity	9	8
Total liabilities and stockholders' equity	**148**	**132**

[1] Loans and advances to customers is stated after impairment provisions.

Loans and advances to customers

Profile at 31 December 2013[1]	ROI €bn	UK €bn	RoW €bn	Total €bn	Total %
Mortgages	26.7	25.0	-	**51.7**	*56%*
Non-property SME and corporate	12.9	5.3	3.3	**21.5**	*23%*
- SME	*10.3*	*3.3*	*-*	***13.6***	*15%*
- Corporate	*2.6*	*2.0*	*3.3*	***7.9***	*8%*
Property and construction	8.8	7.6	0.4	**16.8**	*18%*
- Investment property	*6.8*	*6.4*	*0.4*	***13.6***	*15%*
- Land and development	*2.0*	*1.2*	*-*	***3.2***	*3%*
Consumer	1.5	1.3	-	**2.8**	*3%*
Loans and advances to customers (before impairment provisions of €8.2bn)	**49.9**	**39.2**	**3.7**	**92.8**	***100%***
Geographic %	**54%**	**42%**	**4%**	**100%**	

[1] Based on geographic location of customer.

Defaulted loans & impairment provisions

Bank of Ireland Group

DEC 13

Loans and advances to customers Composition and impairment	Advances €bn	Defaulted Loans[1] €bn	Defaulted Loans as % of advances	Impairment provisions €bn	Impairment Provisions as % of defaulted loans
▶ Residential mortgages	51.7	4.4	8.5%	2.0	46%
▶ ROI	26.7	3.8	14.2%	1.9	49%
▶ UK	25.0	0.6	2.4%	0.1	24%
▶ Non-property SME and corporate	21.5	3.9	18.2%	1.9	49%
▶ ROI	10.3	2.7	26.7%	1.4	50%
▶ UK	3.3	0.6	17.1%	0.3	50%
▶ Corporate - Ireland and UK	7.9	0.6	7.5%	0.2	41%
▶ Property and construction	16.8	8.6	51.1%	4.1	48%
▶ Investment property	13.6	5.8	42.3%	2.2	38%
▶ Land and development	3.2	2.8	89.3%	1.9	68%
▶ Consumer	2.8	0.2	8.4%	0.2	90%
Total loans and advances to customers	**92.8**	**17.1**	**18.5%**	**8.2**	**48%**

DEC 12

Loans and advances to customers Composition and impairment	Advances €bn	Defaulted Loans[1] €bn	Defaulted Loans as % of advances	Impairment provisions €bn	Impairment Provisions as % of defaulted loans
▶ Residential mortgages	55.0	4.2	7.7%	1.6	37%
▶ ROI	27.5	3.6	13.1%	1.5	40%
▶ UK	27.5	0.6	2.3%	0.1	22%
▶ Non-property SME and corporate	23.0	4.4	19.0%	1.8	42%
▶ ROI	10.8	2.9	26.5%	1.2	43%
▶ UK	3.5	0.6	17.9%	0.2	37%
▶ Corporate - Ireland and UK	8.7	0.9	10.1%	0.4	44%
▶ Property and construction	19.2	8.8	46.0%	3.9	44%
▶ Investment property	15.6	5.6	35.9%	1.9	35%
▶ Land and development	3.6	3.2	89.5%	2.0	60%
▶ Consumer	3.0	0.3	9.4%	0.2	85%
Total loans and advances to customers	**100.2**	**17.7**	**17.7%**	**7.5**	**43%**

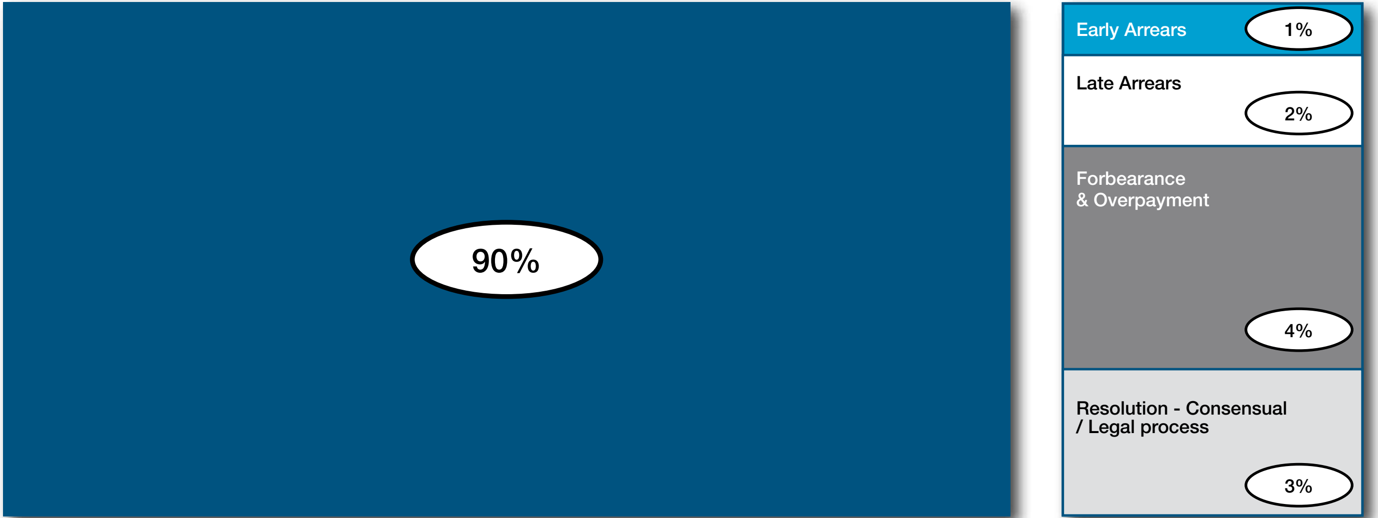
[1] 'Defaulted loans' are defined as loans with a specific impairment provision attaching to them together with loans which are more than 90 days past due.

ROI Owner Occupied Mortgages - book profile

Bank of Ireland Group

Up to date book
Number of Accounts (145k)

Arrears book
Number of Accounts (16k)

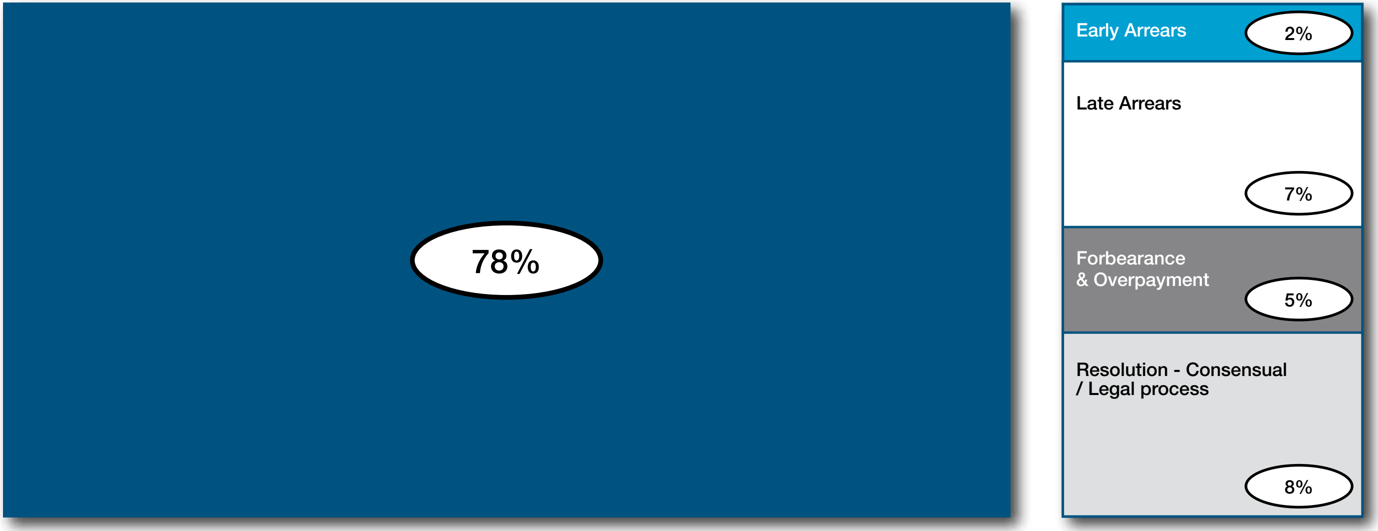


- 9 out of 10 mortgage accounts are in the up to date book
- Early arrears are customer accounts with arrears <90 days past due
- Late arrears are customers whom we continue to work with, on a case by case basis, to identify and agree a suitable forbearance or resolution strategy
- Forbearance is where a customer's mortgage contract has been revised on a case specific basis
- Overpayment reflects cases where the customer pays greater than 100% of the mortgage repayment, thus reducing their arrears
- Resolution: Consensual process is a non-legal resolution agreed with the customer such as voluntary sale or Mortgage-to-Rent
- Resolution: Legal process means the Group has initiated legal proceedings against the customer for the recovery of the debt

ROI Buy to Let Mortgages - book profile

Up to date book
Number of Accounts (27k)

Arrears book
Number of Accounts (8k)



- 8 out of 10 mortgage accounts are in the up to date book
- Early arrears are customer accounts with arrears <90 days past due
- Late arrears are customers whom we continue to work with, on a case by case, basis to identify and agree a suitable forbearance or resolution strategy
- Forbearance is where a customer’s mortgage contract has been revised on a case specific basis
- Overpayment reflects cases where the customer pays greater than 100% of the mortgage repayment, thus reducing their arrears
- Resolution: Consensual process is a non-legal resolution agreed with the customer, such as voluntary sale
- Resolution: Legal process means the Group has initiated legal proceedings against the customer for the recovery of the debt including the appointment of fixed charge receivers

Available for Sale Financial Assets

Bank of Ireland Group

Carying value	ROI €bn	UK €bn	Spain €bn	Other €bn	Dec 13 €bn	Dec 12 €bn
Sovereign Bonds	6.4	0.1	-	0.1	**6.6**	5.6
Covered Bonds	0.1	0.5	0.9	1.2	**2.7**	3.2
Senior Debt	0.8	-	-	1.5	**2.3**	1.6
Subordinated Debt	0.1	-	-	-	**0.1**	0.1
Asset Backed Securities	-	0.2	0.1	0.1	**0.4**	0.5
Total	**7.4**	**0.8**	**1.0**	**2.9**	**12.1**	**11.0**
AFS Reserve	0.6	-	(0.1)	-	**0.5**	0.2

Ireland

- Strong performance of Irish sovereign bonds - AFS reserve improved by €0.2bn in 2013
- Separately BOI has €4bn of NAMA senior bonds (31 Dec 12: €4.4bn)

Other exposures

- France - €0.6bn
- Netherlands - €0.4bn
- United States - €0.3bn
- Norway - €0.2bn
- Sweden - €0.2bn
- Italy - €0.1bn
- Other - €1.1bn

Capital: Basel III impacts

Bank of Ireland Group

	FULLY LOADED RATIO AT 31 DEC 13			TRANSITIONAL RATIO AT 1 JAN 14		
	RWAs €bn	CT1 / CET1 Capital €bn	CT1 / CET1 Ratio %	RWAs €bn	CT1 / CET1 Capital €bn	CT1 / CET1 Ratio %
Basel II ratio at 31 Dec 13	**56.4**	**6.9**	**12.2%**	**56.4**	**6.9**	**12.2%**
- Deferred Tax[1]	(1.2)	(1.5)		**(1.2)**	**-**	
- Pension Deficit	-	(0.8)		**-**	**(0.2)**	
- Available for sale reserve[2]	-	0.5		**-**	**-**	
- Significant Investments / NIAC[3]	1.3	0.1		**1.3**	**0.3**	
- Expected Loss	-	(0.2)		**-**	**0.1**	
- Removal of National Filters	-	0.2		**-**	**0.1**	
- Other items[4]	(1.7)	(0.3)		**(1.7)**	**(0.4)**	
Basel III pro-forma ratio including 2009 Preference Shares	**54.8**	**4.9**	**9.0%**	**54.8**	**6.8**	**12.3%**

- Deferred Tax Asset - deduction will be phased in at 10% per annum commencing 1 Jan 15
- Pension deficit - current addback is phased out at 20% per annum commencing 1 Jan 14

[1] 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.
[2] Basel III transitional rules in 2014 require phasing in 20% of unrealised losses and 0% of unrealised gains. Between 2015-2018 unrealised losses and gains will be phased in at the following rates: 40%, 60%, 80%, 100%.
[3] Calculated through 10% / 15% threshold deduction.
[4] RWAs; includes Basel III impact of CVA, SME reduction factor and the fixed maturity adjustment.

Divisional performance

Bank of Ireland Group

Year ended 31 December 2013	Retail Ireland €m	Bank of Ireland Life €m	Retail UK €m	Corporate & Treasury €m	Group Centre €m	Other reconciling items[1] €m	Group €m
Underlying operating profit / (loss) before impairment charges on financial assets	421	107	231	619	(310)	(3)	1,065
Impairment charges on financial assets	(1,109)	-	(424)	(132)	-	-	(1,665)
Share of results of associates and joint ventures	(9)	-	40	-	-	-	31
Underlying (loss) / profit before tax	(697)	107	(153)	487	(310)	(3)	(569)

Year ended 31 December 2012	Retail Ireland €m	Bank of Ireland Life €m	Retail UK €m	Corporate & Treasury €m	Group Centre €m	Other reconciling items[1] €m	Group €m
Underlying operating profit / (loss) before impairment charges on financial assets	154	96	15	507	(530)	(18)	224
Impairment charges on financial assets	(1,149)	-	(423)	(157)	(40)	-	(1,769)
Share of results of associates and joint ventures	6	-	40	-	-	-	46
Underlying (loss) / profit before tax	(989)	96	(368)	350	(570)	(18)	(1,499)

[1] This relates to segmental income on certain inter-segment transactions, which is eliminated at a Group level.

Other income analysis (net)

Bank of Ireland Group

Net other income	2012 €m	2013 €m
Retail Ireland	278	302
Bank of Ireland Life	133	131
Retail UK	40	3
Corporate and Treasury	147	151
Group Centre and other	(15)	5
Business Income	**583**	**592**
Other items (see below)	(88)	50
Net other income	**495**	**642**
Other items		
Transfer from available for sale reserve on asset disposal	60	50
Recovery arising from Lehman Brothers liquidation settlement	-	43
Derivative valuation items:		
- Fair value movement on Contingent Capital note embedded derivative	(22)	(11)
- Fair value movements in derivatives economically hedging the Group's Balance Sheet	(57)	(4)
- Funding valuation adjustment (FVA) on derivatives	-	(36)
Bank of Ireland Life:		
- Investment variance	21	21
- Economic assumptions	(3)	(3)
IFRS income reclassification	(87)	(10)
Total Other items	**(88)**	**50**

Non-core items

Bank of Ireland Group

Non-core items	2012 €m	2013 €m
Impact of changes to pension benefits in the Bank sponsored defined benefits scheme	-	274
Charges arising on the movement in credit spreads on the Group's own debt and deposits accounted for at 'fair value through profit or loss'	(297)	(154)
Cost of restructuring programmes		
- *Redundancy*	*(134)*	*(48)*
- *Property and other*	*(16)*	*(42)*
Gross-up for policyholder tax in the Life business	16	26
Gain on liability management exercises	69	4
Loss on deleveraging of financial assets	(326)	(3)
Loss on disposal / liquidation of business activities	(69)	(10)
Gain on Contingent Capital Note	79	-
Investment return on treasury stock held for policyholders	(1)	(3)
Total non-core items	**(679)**	**44**

Ordinary Stockholders' Equity and Tangible Net Asset Value

Bank of Ireland Group

Movement in ordinary stockholders' equity		Dec 12 €m	Dec 13 €m
Ordinary stockholders' equity at beginning of period		8,367	6,759
Movements:	Loss attributable to stockholders	(1,835)	(487)
	Dividends paid on preference stock	(196)	(240)
	Foreign exchange movements	136	(81)
	Cash flow hedge reserve movement	148	(181)
	Available for sale (AFS) reserve movements	875	317
	Pension fund obligations	(775)	(117)
	Equity issuance (net of expenses)		537
	Other movements	39	7
Ordinary stockholders' equity at end of period		**6,759**	**6,514**

Tangible net asset value		Dec 12 €m	Dec 13 €m
Ordinary Stockholders' equity at end of period		6,759	6,514
Adjustments:	Intangible assets	(362)	(368)
	Own stock held for benefit of life assurance policy holders	14	13
Tangible net asset value (TNAV)		**6,411**	**6,159**
Number of shares		30,133	32,363
TNAV per share (€ cent)		21c	19c

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