

NOT FOR PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, JERSEY OR REPUBLIC OF SOUTH AFRICA OR IN ANY OTHER JURISDICTION IN WHICH OFFERS OR SALES WOULD BE PROHIBITED BY APPLICABLE LAW

**The Governor and Company of the Bank of Ireland (the “Bank”)
€1.9bn Capital Package successfully executed**

4 December 2013

The Bank announced earlier today a capital package (the “Capital Package”) in relation to the 2009 Prefs, which had been agreed with the Irish State and the Central Bank of Ireland, comprising (i) the placing of new units of ordinary stock (the “Placing Stock”) to generate proceeds of c. €537 million (net of expenses) (“the Placing”), to redeem c. €537 million of the 2009 Prefs and (ii) the sale by the NPRFC of €1.3 billion 2009 Prefs to private investors.

The Bank has already announced the successful results of the Placing element of the Capital Package.

The successful sale by the NPRFC of €1.3 billion 2009 Prefs to private investors, facilitated by the Bank, has also been announced.

The €1.9bn Capital Package has now been successfully executed.

ENDS

For further information please contact:

Bank of Ireland

Andrew Keating	Group Chief Financial Officer	+353 (0)766 23 5141
Brian Kealy	Head of Capital Management	+353 (0)766 23 4719
Colin Reddy	Capital Management	+353 (0)766 23 4722
Mark Spain	Director of Group Investor Relations	+353 (0)766 23 4850
Pat Farrell	Head of Group Communications	+353 (0)766 23 4770

Appendix I: Definitions

“2009 Prefs”	the perpetual non-cumulative redeemable preference stock of €0.01 each issued by the Bank on 31 March 2009, credited as fully paid.
“Bank of Ireland” or the “Bank”	the Governor and Company of the Bank of Ireland.
the “Notes”	€1.3 billion c.10.24% perpetual non-cumulative notes secured on €1.3 billion of 2009 Prefs.

Other Information

This Announcement does not constitute an offer of securities and it is not a prospectus or a prospectus “equivalent” document.

The distribution of this Announcement and the offering of the securities referred to in this Announcement in certain jurisdictions may be restricted by law. No action has been taken by the Bank or the Joint Lead Managers that would permit an offering of such securities or possession or distribution of this Announcement or any other offering or publicity material relating to such securities in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Bank and the Joint Lead Managers to inform themselves about, and to observe, such restrictions.

This Announcement is not for publication, distribution or release, directly or indirectly, in or into the United States (including its territories and dependencies, any State of the United States and the District of Columbia). None of the securities referred to in this Announcement have been or will be registered under the US Securities Act of 1933 (as amended) (the “Securities Act”), and may not be offered or sold in the United States or to, or for the account or benefit of, US persons except subject from an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Neither this Announcement nor the information contained herein constitutes or forms part of an offer to sell or the solicitation of an offer to buy securities in the United States. There will be no public offer of any securities in the United States or in any other jurisdiction.

The price of securities and any income from them may go down as well as up and investors may not get back the full amount invested on disposal of such securities.

Neither the content of the Bank’s website nor any website accessible by hyperlinks on the Bank’s website is incorporated in, or forms part of, this Announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Lead Managers or by any of their respective affiliates or agents as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.