

The Governor and Company of the Bank of Ireland

Redemption of the 2009 Preference Stock

23 November 2015

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### **Redemption of 2009 Prefs**

The Governor and Company of the Bank of Ireland (the 'Bank' or 'Bank of Ireland') announces that it will exercise its discretion to redeem the remaining €1.3 billion 10.25% 2009 Preference Stock (the "2009 Prefs") for €1.3 billion on 4 January 2016. The 2009 Prefs were originally issued on 31 March 2009 to the Irish State. In December 2013, the Bank facilitated the sale by the Irish State of the 2009 Prefs to private investors and the Bank committed at that stage not to redeem them prior to 1 January 2016. The redemption of the 2009 Prefs marks a further significant milestone for the Group, while honouring that commitment.

Richie Boucher, Group CEO, commented *"The redemption of the 2009 Preference Stock is an important event for the Bank of Ireland. Their redemption at the earliest possible date is beneficial for our ordinary shareholders, while honouring commitments we gave to the 2009 Preference Stock investors in 2013. The redemption represents further delivery against a key strategic priority of the Group, and is possible because of the progress we continue to make across our businesses, which is reflected in the strength of our organic capital generation."*

### **Further Details**

Bank of Ireland announces that it has received consent from the European Central Bank ('ECB'), as competent authority, under Article 78 of the Capital Requirements Regulations to redeem the remaining 1,300,000,000 units of 2009 Prefs of the Bank.

In accordance with the terms of the ECB consent, the 2009 Prefs have been de-recognised and excluded from Common Equity Tier 1 ('CET1') regulatory capital with immediate effect. As at 30 September 2015, the Bank of Ireland Group's fully loaded CET1, Transitional CET1 and Total capital ratios were:

<b>Capital Ratios</b>	<b>30 Sep 2015</b>	<b>30 Sep 2015 Excl. 2009 Prefs</b>
CET1 ratio – Transitional	15.8%	13.3%
CET1 ratio – Fully Loaded	10.6%	10.6%
Total Capital Ratio	20.7%	18.2%

The Bank hereby gives notice of its exercise of its discretion to redeem the 2009 Prefs on 4 January 2016 and to issue a redemption notice to Baggot Securities Limited, as current holder of the stock, in accordance with the relevant byelaws of the Bank.

For further information please contact:

**Bank of Ireland**

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**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.

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.