

Corporate Banking's Growth Strategy

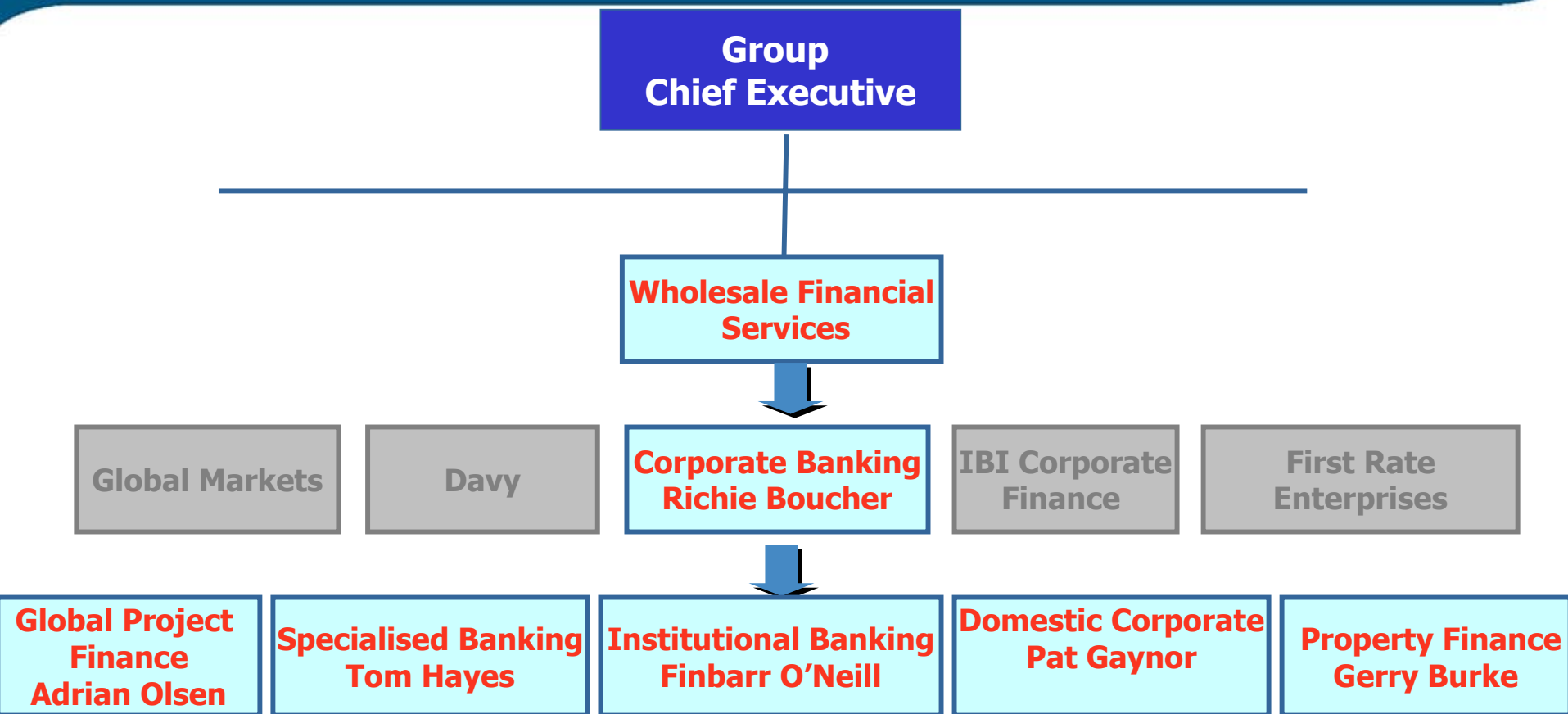
**Richie Boucher, Chief Executive
Bank of Ireland Corporate Banking**

Purpose of today's briefing:

- **To define Bank of Ireland Corporate Banking**
- **Outline Growth Strategy**



Who we are :



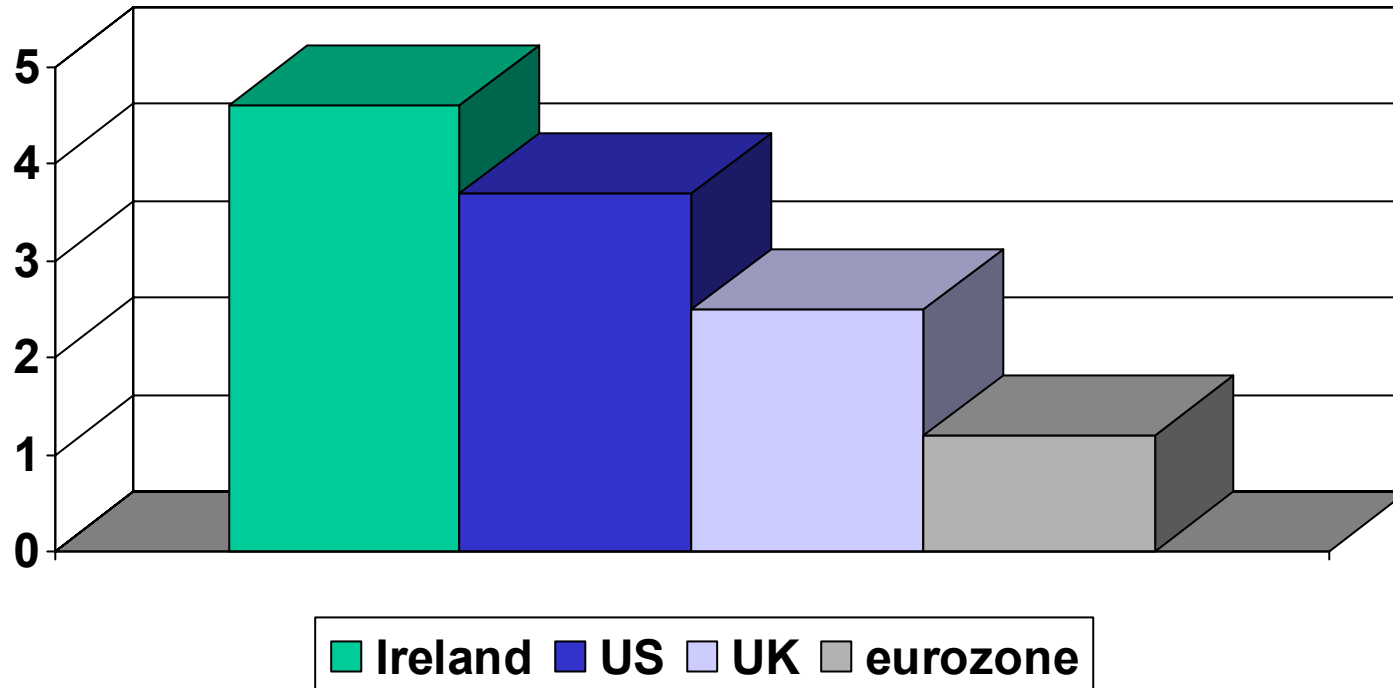
Who we are:

- 
- **2005: Multiple locations - Ireland, UK, France, Germany and US**
 - **375 staff – grown by in excess of 100 new recruits (c. 40% increase) over last 18 months**
 - **Contributes 15% to Group profits at March 2005 - strong trend continues**
 - **Focussed on building relationships in Ireland**
 - **Focussed on niche sectors outside Ireland and continued expansion internationally**



Concentration on three of the best Economies...

GDP Growth (annual average 2003-2005)



Our Strategy

- **Relationship based approach in Ireland**
- **High growth sectors internationally with focus on niche markets**
- **Skill not scale**
- **Sectoral / Product expertise**
- **One Stop Shop for customers**



1. Property Finance Group

Strategy:

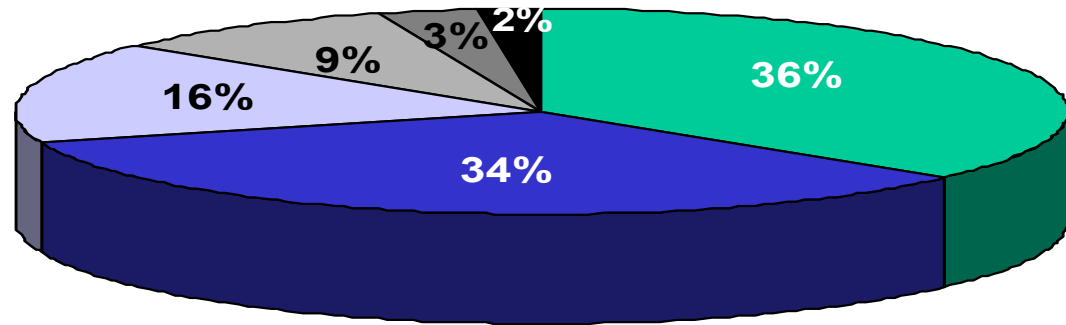
- High end niche property business
- Focused on transactions in excess of > €30m
- Arranger of deals in Ireland, UK, Europe and US
- Significant bilateral relationships

Capability and Performance:

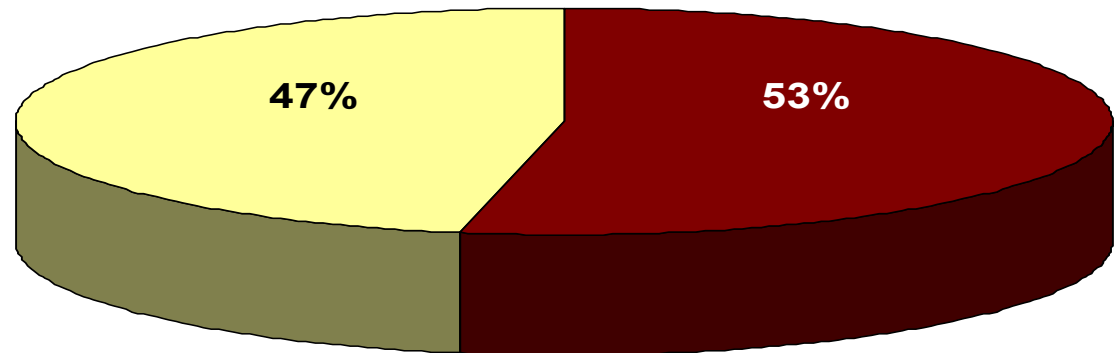
- 26 professionals – to increase further with new London based Property team before financial year end
- Profits doubled last year - strong trend to continue
- Property Finance represents 15% of our total commitments

1. Property Finance Group

Sectors



Transaction Type



Property Finance Group

Albany Homes Ltd

Irish and UK residential developments
Sole Funder: Bank of Ireland

Ballymore Properties Ltd.

Development finance for residential scheme at Royal canal Park
Sole funder: Bank of Ireland

Savoy Hotel Group

Acquisition of the Savoy Hotel Group for investor consortium
Co-funder: Bank of Ireland

Shelbourne Hotel

Acquisition and re-development of Shelbourne Hotel for investor consortium
Co-arranger & co-funder: Bank of Ireland

Newbridge Town Centre

Development finance for Newbridge Town Centre, Newbridge
Sole funder: Bank of Ireland

Knightsbridge Estate

Acquisition of the Knightsbridge Estate for investor consortium
Co-funder: Bank of Ireland

Landmark Developments

Development finance for mixed use scheme at Beacon South Quarter
Arranged and Underwritten: Bank of Ireland

McInerney Holdings Plc

Acquisition of Alexander Developments
Structured & arranged by: Bank of Ireland
Co-funded by; Bank of Ireland

Shipton Securities Group

Funded development of Blackpool Retail Park
Sole funder: Bank of Ireland

2. Domestic Corporate Business

Strategy:

- Primarily privately owned and/or managed businesses operating in or out of Republic of Ireland (typical borrowing need of > €20m)
- Incorporates a team dedicated to the domestic leveraged acquisition market (typical borrowing need > €10m)
- Incorporates our Business Development team - Banked over 50% of new IDA projects / expansions over the past year

Capability and Performance:

- 29 banking professionals spread across 4 teams
- In excess of 200 customers representing 7% of our total commitments

2. Domestic Corporate Business

Some Recent Achievements:

- Funding for acquisition of Superquinn by Irish investor group solely structured and arranged in August 2005
- Overseas investment by Irish food business
- Recap of MBO in distribution sector
- Acquisition of new sites by Irish retailer
- Buy out of minorities in all Ireland service business
- Debt restructure and “hunting licence” for building materials business
- Funded acquisition by Dynasty Accessories of the Sasha retail chain to create a more broadly based Irish retail business.
- Funded Premier Group’s most recent acquisition of Nigel Lynn and Associates the largest Independent UK based finance and accountancy recruitment business
- Partnered the Newcourt Group - acquisitions designed to assist its development into a broadly based outsourcing service provider specialising in security

3. Institutional Business

Strategy:

- Major international and domestic client relationships incl. IFSC companies
- International Investment Grade lending
- Purchase of Asset Backed Securities
- Portfolio Management
- Management of syndicates - acting as Agent Bank
- Specialist Product / Policy Implementation



3. Institutional Business

Capability and Performance:

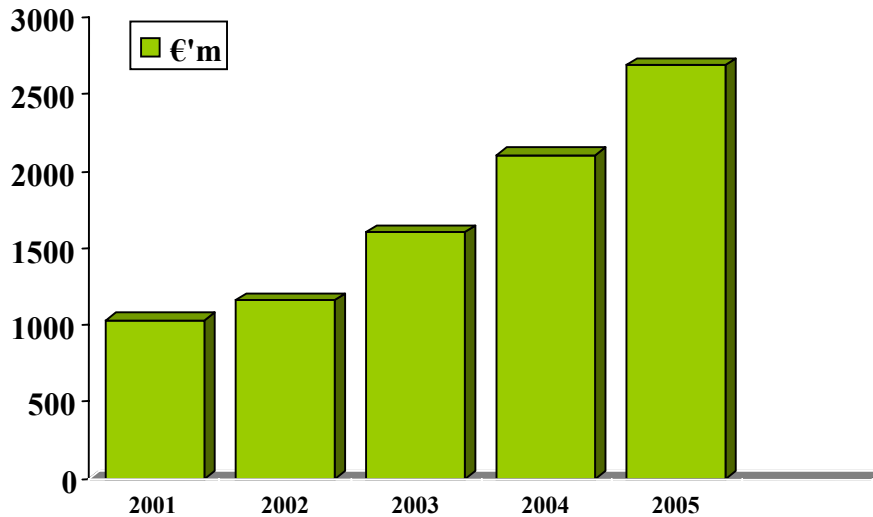
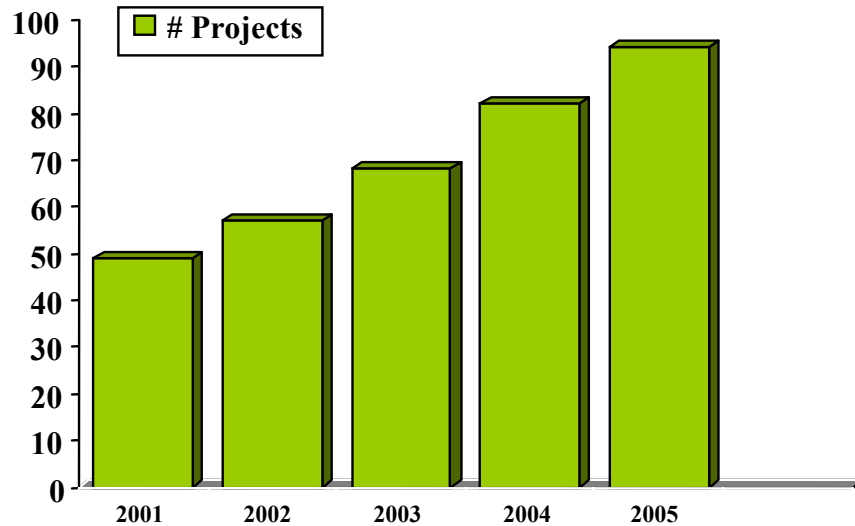
- **Global spread of business with 58 banking professionals – teams located in Dublin, London and US**
- **Largest contributor to Corporate Banking's overall income with in excess of 590 transactions representing approx. 40% of our total commitments**

3. Institutional Business

Some Recent Achievements:

- Only 2 Private Placements executed from Ireland this year for combined value of US\$525m – successful alliance with Macquarie Securities (USA) Inc
- Appointed Agent Bank on major transactions negotiated in Irish market recently by Kerry Group Plc, Greencore Plc, NTR Group Plc
- In excess of €1bn of new Asset Backed Securities assets acquired in first five months of 2005/2006
- Secured range of new banking relationships in IFSC such as UBS; Allied World; Vicenza Life

4. Global Project Finance



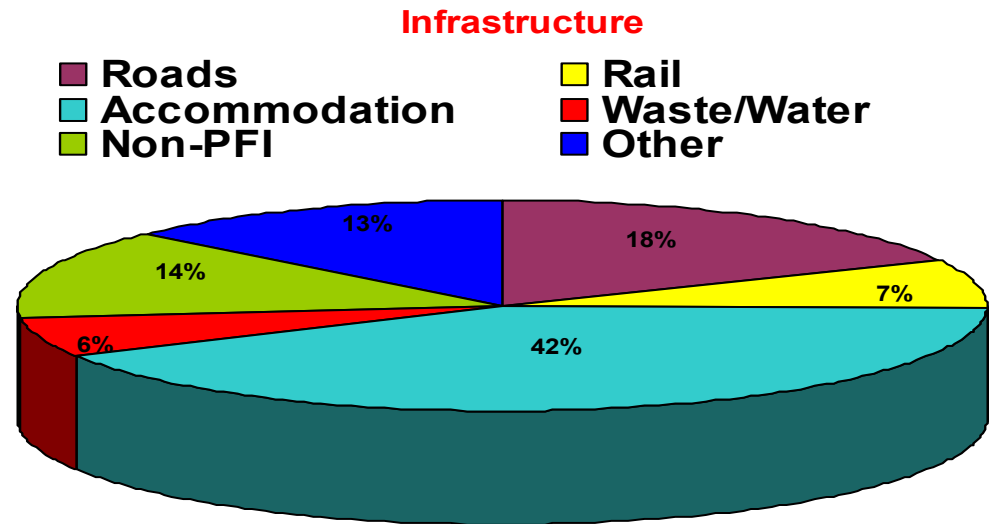
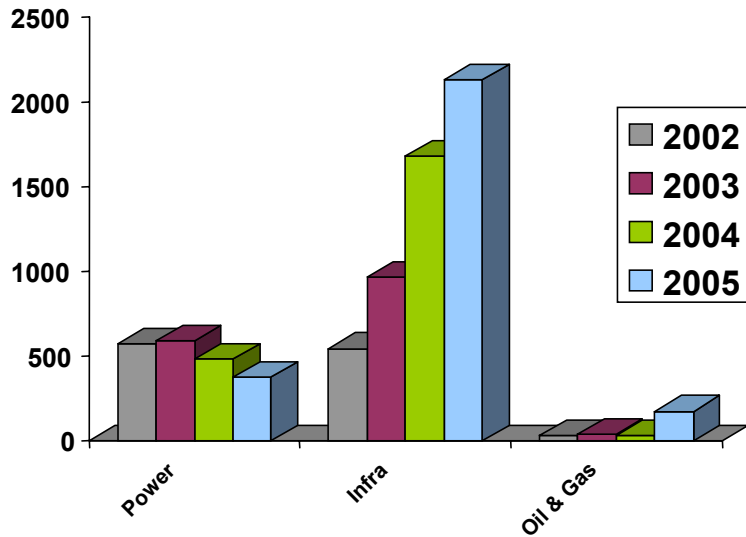
Strategy:

- Focus on infrastructure and energy (transport, accommodation, waste treatment, oil and gas, power, environmental)
- Markets : UK, Ireland, Europe, North America and Middle East

Capability and Performance

- 26 professionals in London, Dublin and US
- In excess of 100 customers representing 9% of our total commitments
- High quality arranging and underwriting capability

Year on Year Sector Mix and Current Sector Split



4. Global Project Finance

Some Recent Achievements:

Significant Lead Arranger and underwriting roles signed include:

- Vancouver Airport Rail Link (Canada)
- Whistler “Sea-to-Sky” motorway (Canada)
- Arsenal FC Stadium (UK)
- Schools PFI* including Bristol, Sheffield, Darlington (UK)
- Motorways PFI* including M5 Hungary, R4 and R3/R5 Spain
- Schools PFI* including Tyrone and Omagh (Northern Ireland)

Only Irish bank to feature in Top 10 for 2004 Dealogic Project Finance Review tables for Mandated Lead Arranger and Arranger roles

* PFI – Private Finance Initiatives

5. Specialised Finance Business

Strategy:

- Diversified international business
- Focussed on niche skill based sectors
 - Leveraged Finance
 - Comprehensive Asset Based Lending (“CABL”)
 - Media
 - Maritime Industries
 - Telemedia

Capability and Performance:

- 135 banking professionals located in Dublin, London, Paris, Frankfurt and Connecticut
- In excess of 300 customers representing 28% of our total commitments

5. Specialised Finance Business

Market Positioning:

- **Leading player in European and US leveraged finance markets**
- **Burdale – leading CABL lender in UK**
- **Media Team – very strong market position in UK**
- **Film Finance – very strong market positions in UK and US**

5. Specialised Finance Business

Some Recent Achievements:

- **Media Team : UTV acquisition of The Wireless Group**
£140m debt facility arranged, structured and fully underwritten by BOI
- **Leveraged Finance Team: Arcapita acquisition of Vogica**
€55m debt facility arranged, structured and fully underwritten by BOI.
First transaction completed under Shariah law
- **Burdale : Stead & Simpson CABL facility provided**
Successful turnaround story
- **Maritime: Enterprises Shipping and Trading**

5. Specialised Finance Business

Some Recent Achievements:

Film Finance Team:

- **The Libertine [Johnny Depp]**
- **Breakfast on Pluto [Neil Jordan]**
- **Matchpoint [Woody Allen]**
- **Half Light [Demi Moore]**
- **Heidi [Max Von Sydow / Diana Rigg]**



Significant developments over last 18 months:

- **Significant recruitment in the business of specialist expertise - in excess of 100 additional staff over last 18 months**
- **Acquired Burdale Financial Holdings Limited (UK)**
- **Recruited the UK's leading media finance team**
- **Established an alliance with Macquarie Securities (USA) Inc**
- **Opened our first office in Continental Europe (Paris)**
- **Enhanced focus on Domestic Corporate and Property**
- **Extending the footprint across all sectors**



Our Approach for Growth

Ireland



Centralised relationship management support to:

- Large domestic / property companies
- Multinational companies
- IFSC/ financial services sector
- Inward investment into Ireland

International



Specialised finance on global basis:

- Property finance
- Project finance
- Leveraged and acquisition finance
- Maritime finance
- Media finance
- Telemedia finance
- Investment grade lending
- Asset based lending



Where to Next ?

Ireland



- **The best Corporate Banker for Domestic [ambitious targets to double size of business over next 5 years]**
- **Continues to be the leading banker for Multinational Companies**
- **Property business of scale**



Where to Next ?

UK



- **Leading player in Comprehensive Asset Based Lending**
- **Strong specialist niche teams**
- **Activities spanning:**
 - **Mid / Large Leveraged Acquisition Finance**
 - **Comprehensive Asset Based Lending**
 - **Investment Grade**
 - **Global Project Finance**
 - **High end Property - new presence in London by end of financial year**



Where to Next ?

Europe



- **Paris [Opened March 2005] and further european office planned to open by end of the year**
- **Strong specialist niche teams**
- **Activities spanning:**
 - **Mid / Large Leveraged Acquisition Finance**
 - **Comprehensive Asset Based Lending**
 - **Investment Grade**
 - **Global Project Finance**
 - **High end Property**



Where to Next ?

US



- Presence in Connecticut and further offices planned
- New Country Head for US appointed
- Strong specialist niche teams
- Activities spanning:
 - Comprehensive Asset Based Lending
 - Mid / Large Leveraged Acquisition Finance
 - Investment Grade
 - Global Project Finance
 - High end Property

Rest of World



- Investment Grade
- Global Project Finance



Positioned for Growth

- **Restructure complete and very successful**
 - **40% increase in specialist expertise**
- **Growth Strategy in place**
 - **Domestic business to double over next 5 years**
 - **Continued expansion of international business which will drive increased profits**
 - **Future recruitment plans – Ireland and internationally**
 - **Excellent pipeline business**



Questions and Answer Session






Premier Group
The Recruitment Specialists




wireless
group




| **ALL3MEDIA**



stead & simpson

“Bank of Ireland Corporate Banking has been a strong supporter of our business over the years. They are extremely professional and worked closely with us as arranger on our recent €255m corporate debt facility ensuring a successful outcome.”



“The relationship team at Bank of Ireland Corporate Banking worked very closely with us on our recent US\$325m Private Placement transaction. Their co-ordination with Macquarie Securities (USA) Inc was seamless and their skills, innovation and experience was crucial in ensuring a successful outcome.”

“We were very impressed with the strength of the Bank of Ireland locally backed up by its UK corporate media division.”



“We are delighted with the enthusiasm Bank Of Ireland has shown through out the project and we look forward to their ongoing support in the coming years as we realise our vision for Beacon South Quarter.” **Property Customer Landmark Enterprises**

“As developers of the largest retail shopping centre outside of Dublin, we are pleased to work with the Property Finance Group in Bank of Ireland Corporate Banking as sole funder on this deal.” **Whitewater S.C., Newbridge**

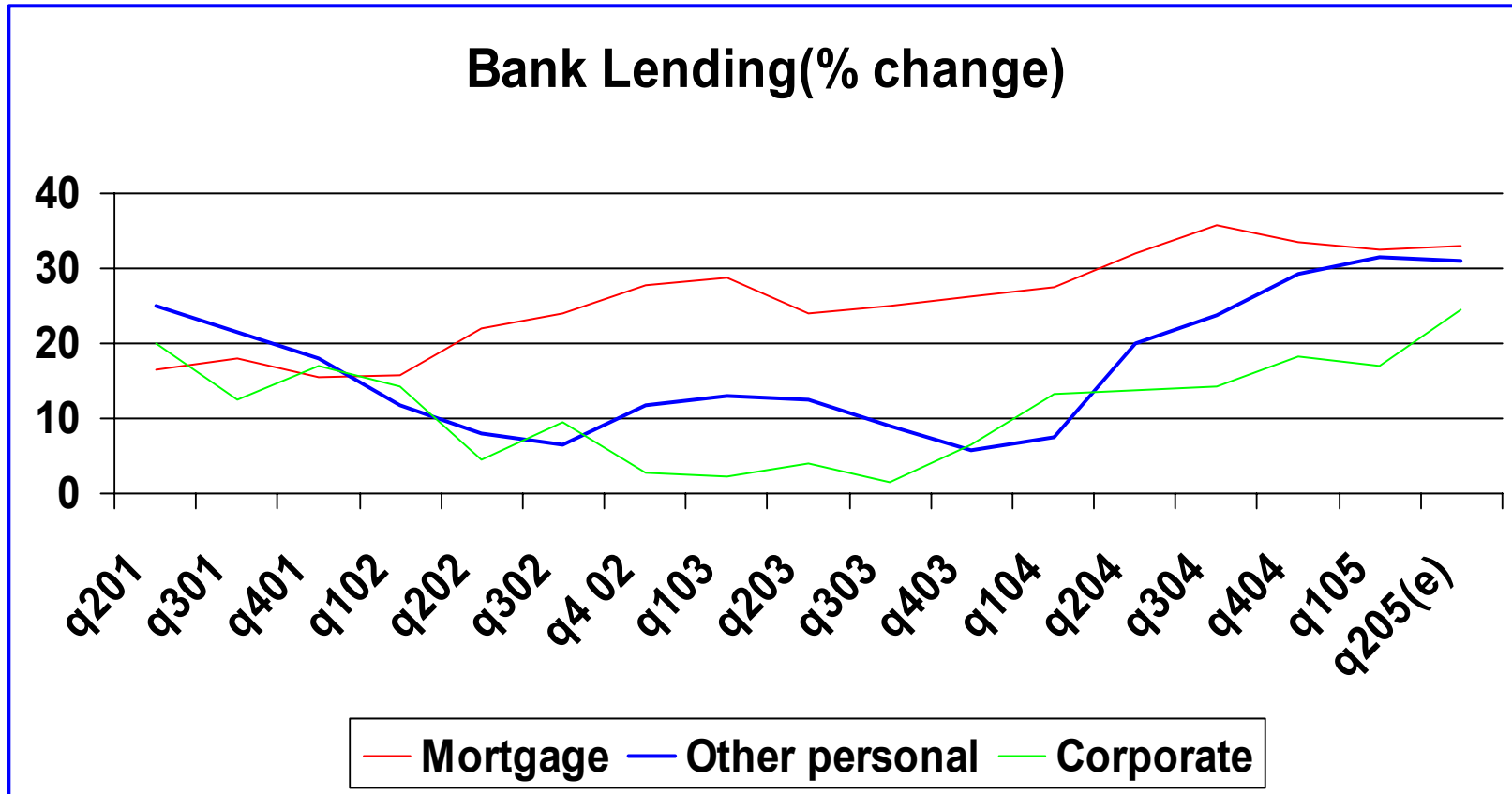
“We feel that in the 6 years we have been working together our relationship has developed strongly with mutual trust on each side & each party delivering the promises they have made” **Stead & Simpson**

“Without Burdales straightforward approach this complicated refinancing would not have happened.” **UGC**

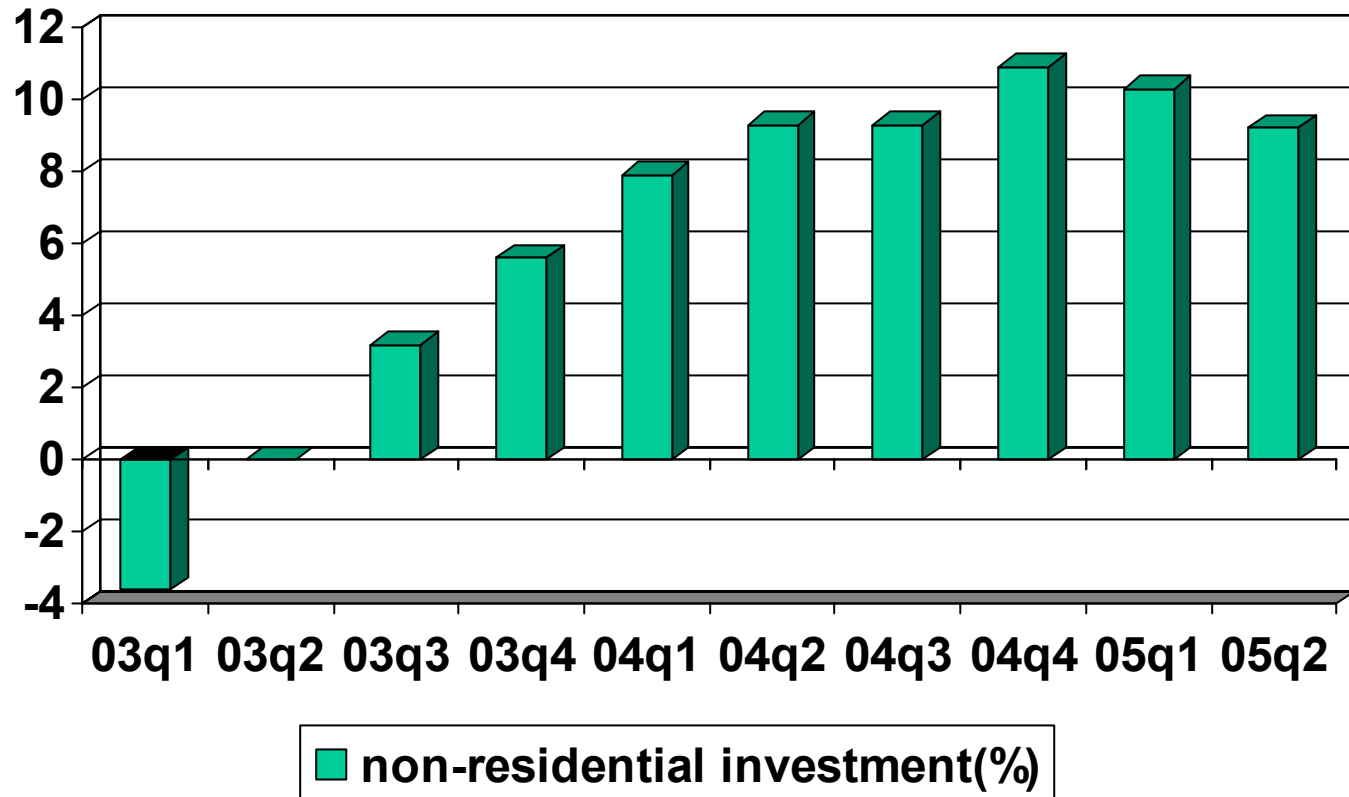
“The buy-out of Superquinn was one of the largest ever in the Irish Market and we were delighted to have Bank of Ireland Corporate Banking onboard as they played a key role in the successful completion of the transaction.” **Select Retail Holdings**

“Property Finance Group at Bank of Ireland Corporate Banking delivered on all our financing needs in a tight timeframe and with the flexibility needed to complete the deal.”
Shelbourne Hotel

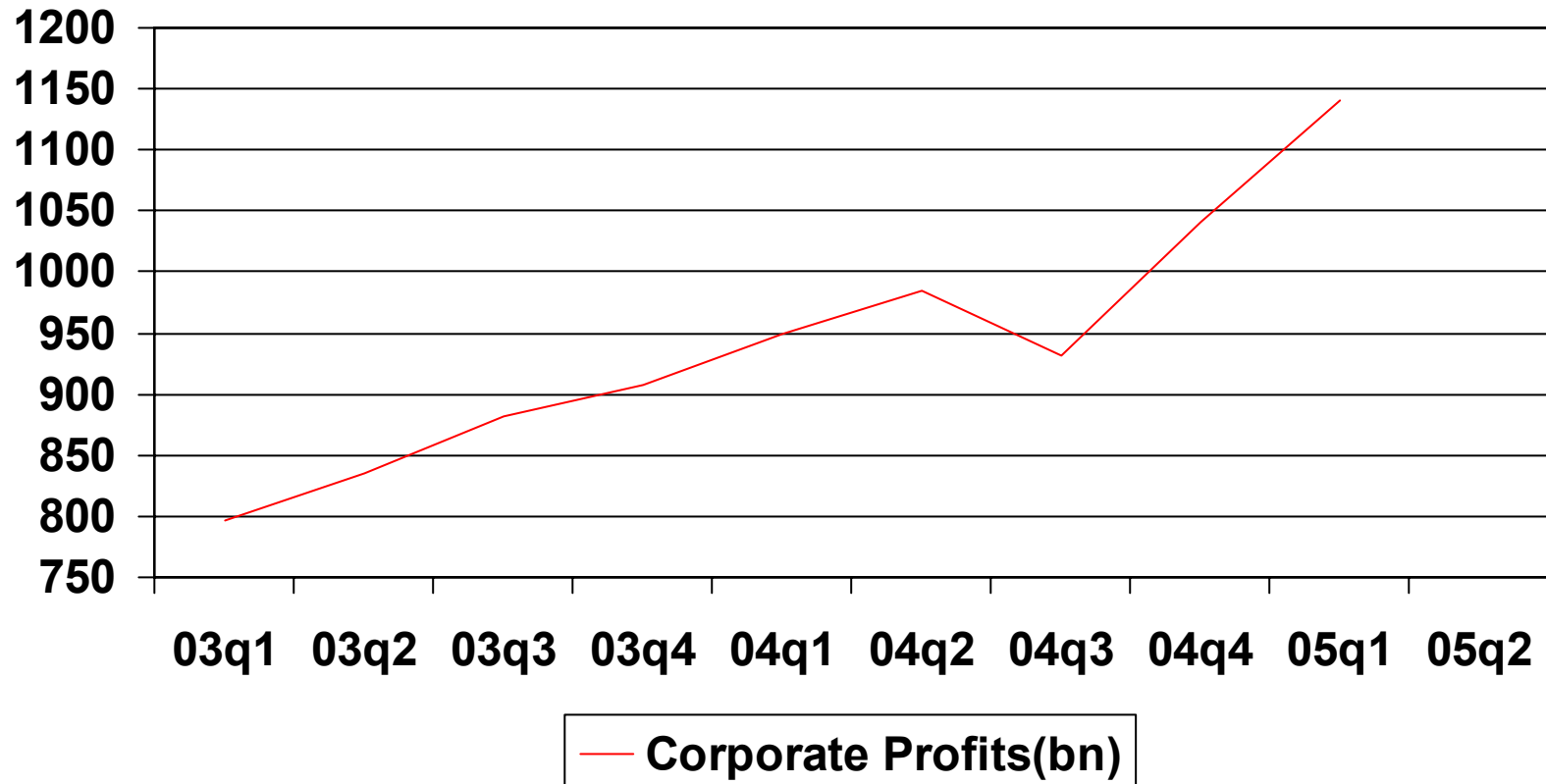
..Non-Mortgage lending buoyant in Ireland..



US Business spending growing strongly

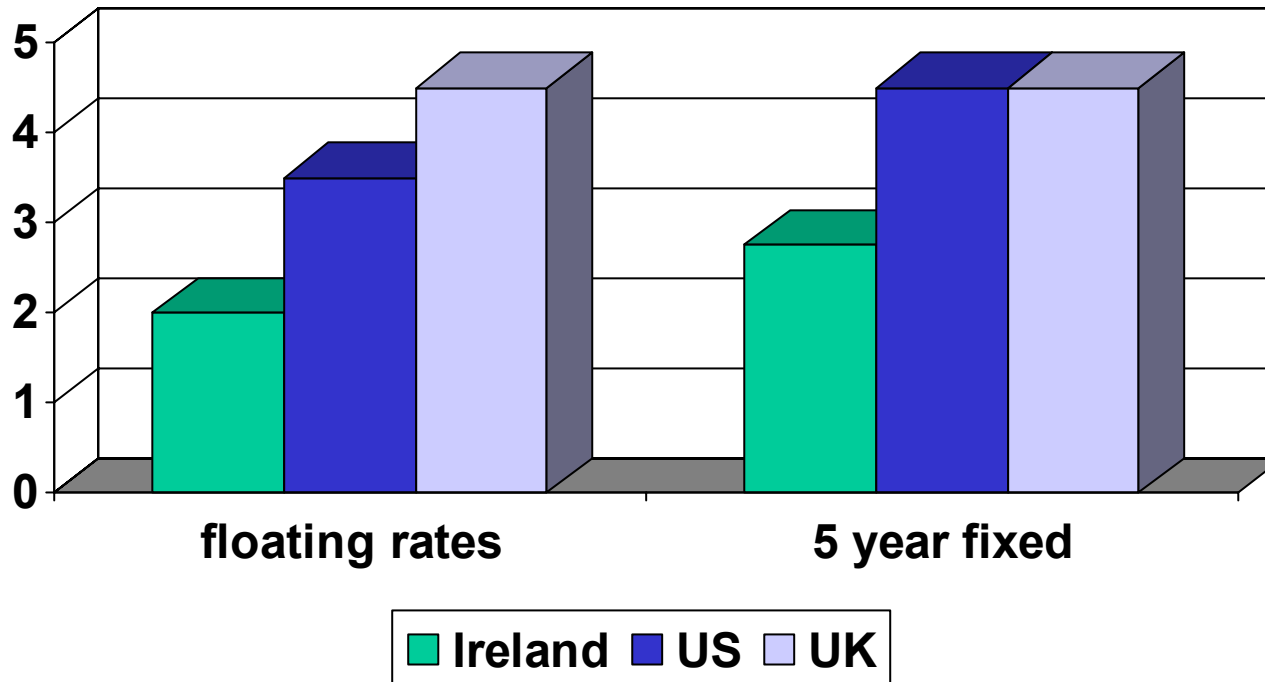


US corporate sector in healthy shape



And interest rates still very low..

Cost of Borrowing



Worse may be over for Germany..

Dax Index

