



Mike Soden
Group CEO
Bank of Ireland Group

Fox Pitt Kelton
Regency Hotel, New York
December 2nd 2003



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Background

WHO ARE WE?



A diversified financial
services company



Ireland

Bancassurance model, Retail Bank, Wholesale Bank, Corporate Bank, IBI & Davy

UK

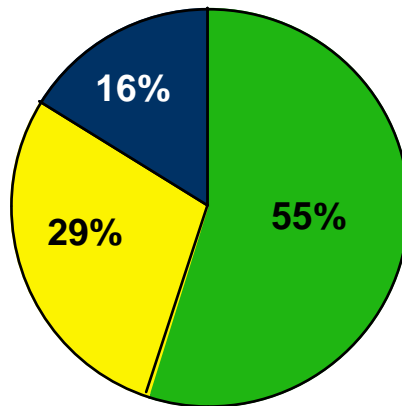
Diversified Financial Services Company: Mortgages, Business Banking & Consumer Banking

International

Fund Management Business
International Lending

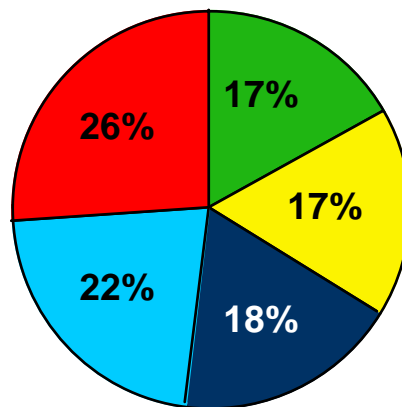


Geographic Diversification



Profit Sept 2003

- Republic Of Ireland
- UK
- Rest of World



Shareholder Base Sept 2003

- Republic Of Ireland
- UK
- Europe/Other
- US
- Retail



1783

to

2003



Ireland's Bank of the Year 2001, 2002 & 2003 The Banker Magazine

Davy's Best Equity House in Ireland 2003 Euromoney

BIAM Best Performing Managed Growth Fund 2002 BCP

Number 1 Research Team in Ireland Institutional Investor

**Financial Institution of the Year, Economist of the Year, Dealer of
the Year, Corporate Bank of the Year 2002** IACT

Chase de Vere Best Investment IFA Money Marketing Awards

Bristol and West Mortgages Best Bank Mortgage Magazine



Growing Market Shares



Market Shares - Republic of Ireland

New Mortgages	27%	Deposits	22%
Mortgage Book	19%	Credit Card Turnover	41%
Personal Loans	36%	Davy Stockbrokers	50%
Business Advances	18%	BIAM	29%
Resources	25%	Life	20%
Credit Balances	35%	FX Markets	40%



Financial Highlights

	6 months Sept 03 €m	6 months Sept 02 € m	% Change
Profit on Ordinary Activities before Exceptional Items*	642	602	7
Alternative EPS** (Cent)	52.7	49.9	6
Underlying Alternative EPS *** (Cent)	55.2	49.9	11
Dividend (Cent)	14.8	13.2	12
Shareholder Value Added* #	313	292	7
Return on Equity* #	24.3%	23.2%	
Return on Average Assets**	1.1%	1.2%	

* Excluding exceptional items, UKFS Costs €1m, State Street Profit €33m, IFA Costs €3m & Other €1m (Exit Costs €22m in Sept 02)

** Excluding Goodwill Amortisation €9m (€9m in Sept 02) and Exceptional Items above

*** Alternative EPS excluding Irish Government Levy, UKFS Sterling Profit (translation impact) & change in accounting policy

Restated per UITF Abstract 37 "Purchases and Sales of Own Shares"



Group Profit & Loss a/c

3% Positive gap between Income and Cost growth

6 months Mar 03 €m		6 months Sept 03 €m	6 months Sept 02 €m	% Change	Constant Currency %
880	Net Interest Income	852	849	-	4
583	Other Income	611	605	1	4
1,463	Total Income	1,463	1,454	1	4
848	Costs	794	814	(2)	1
44	Loan Losses	46	56	(18)	(18)
4	Associates/JVs	19	18	6	17
575	PBT Pre Exceptional	642	602	7	11



Net Interest Margin

Year End Mar 03		6 months Sept 03	6 months Sept 02 Restated
%		%	%
2.65	Domestic	2.38	2.52
1.99	Foreign	1.93	2.03
2.38	Group	2.20	2.31

- Lower interest rate environment 4 bps
- Increase in wholesale funding 4 bps
- Cost of share buyback programme 2 bps
- Faster growth in lower margin assets 1 bps



Cost / Income Ratios

Strong Cost Management Performance

6 months Mar 03 %		6 months Sept 03 %	6 months Sept 02 %
56.9	Group	53.0	54.7
61.1	Retail Republic of Ireland	60.5	60.2
57.8	Retail ROI (Including Life)	53.4	54.5
50.8	Asset Mgmt. Services	49.6	48.2
38.6	Wholesale Financial Serv.	35.9	37.2
55.9	UK Financial Services	55.1	56.4

Excludes Goodwill Amortisation but includes Income from Associates / JVs



Group Loan Book €64.6bn*

Well diversified book with no undue risk concentrations

	GROUP	R.O.I.	UK	INTERNATIONAL
	%	%	%	%
Residential Mortgages	51	17	34	-
Business & Other Services	13	6	2	5
Personal Lending	9	7	2	-
Construction & Property	7	3	3	1
Manufacturing	7	3	2	2
Other Lending	5	2	1	2
Commercial Mortgages	3	-	3	-
TMT	2	1	-	1
Agriculture	2	2	-	-
Airlines & Power	1	-	-	1
Total %	100	41	47	12

* Loans & Advances to Customers €61.5bn + Corporate Debt Securities €3.1bn



Asset Quality

Remains very satisfactory

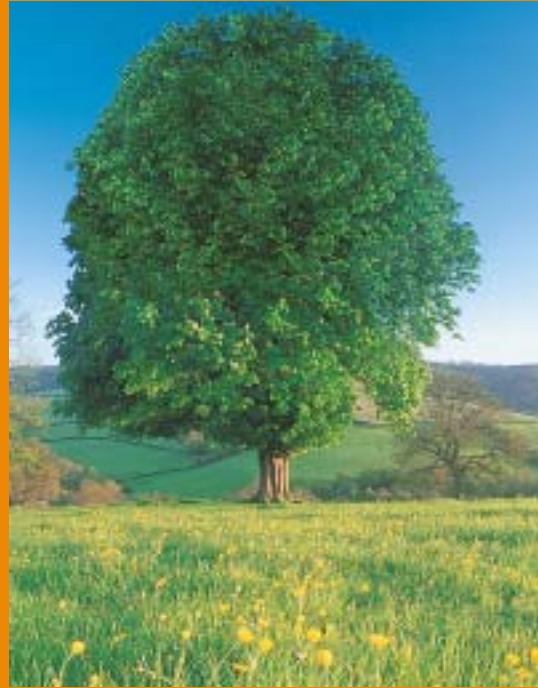
Mar 03		Sept 03	Sept 02	% Change
€320m	Balances under Provision (BUP)	€376m	€293m	28
€480m	Loan Loss Provision (LLP)*	€467m	€501m	-7
150%	Coverage Ratio (LLP/BUP)	124%	171%	
0.8%	LLP as a % of Loans	0.8%	0.9%	

* Includes non designated specific provision (NDSP) €113m (€179m Sept 02)



Profit Before Tax by Division

6 months Mar 03 €m		6 months Sept 03 €m	6 months Sept 02 €m	% Change	Constant Currency %
186	Retail Republic of Ireland	194	189	3	3
31	Bank of Ireland Life	73	56	30	30
194	Wholesale Financial Services	199	195	2	4
186	UK Financial Services	180	166	8	20
57	Asset Management Services	58	56	4	5
(47)	Group & Central	(48)	(38)	-	-
607		656	624	5	9
(32)	Grossing up	(14)	(22)	-	-
575	Pre Exceptional Profit before Tax	642	602	7	11



GR**O**WTH



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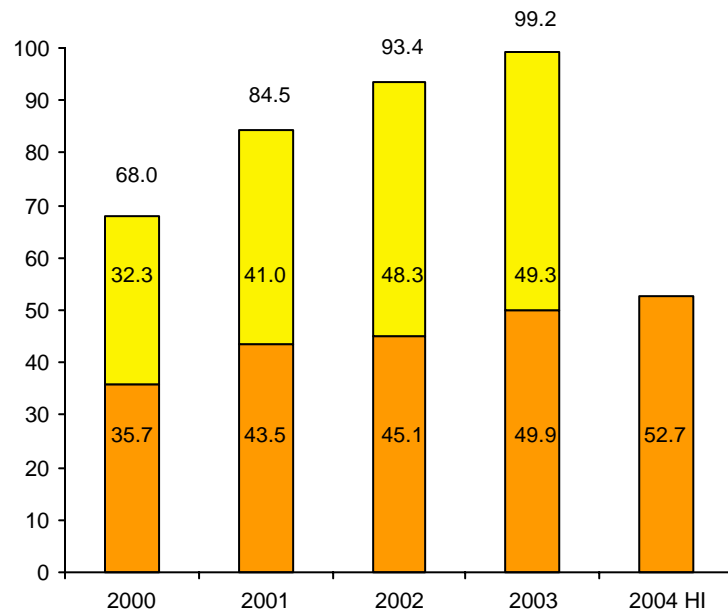
consecutive years

PROFIT GROWTH

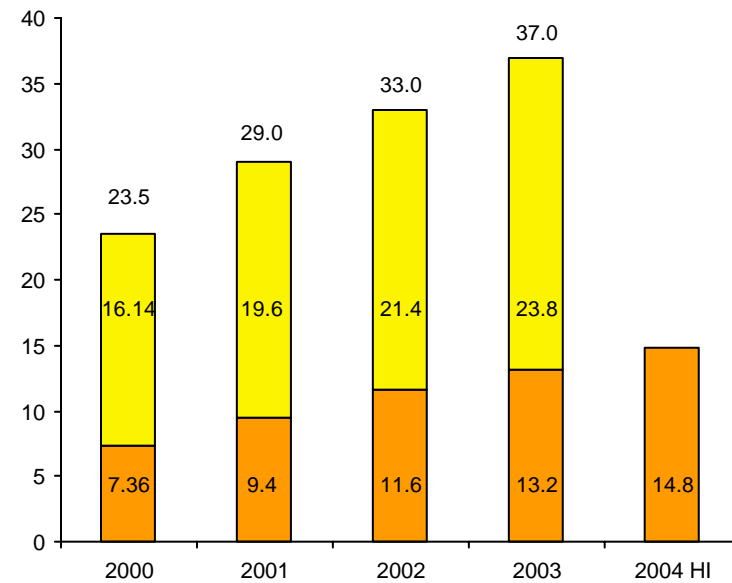


Historic Performance

Alternative EPS
5 year CAGR = 14%



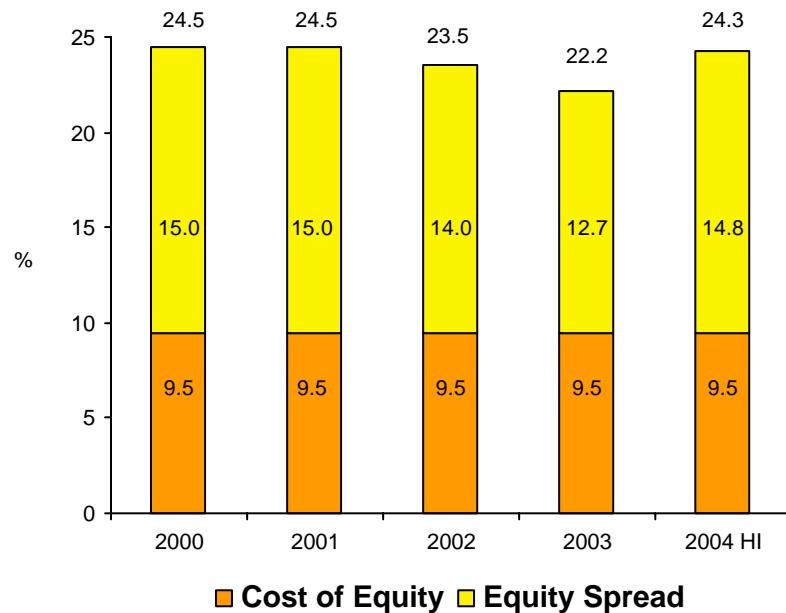
Dividend per share
5 year CAGR = 20%



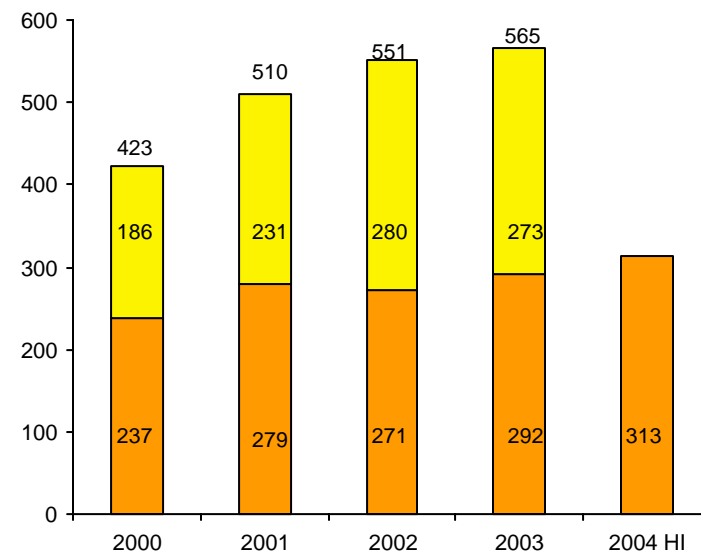


Shareholder Value Added

Return on Equity
10th year over 20%



Shareholder Value Added*
5 year CAGR = 10%
* (Excluding Exceptionals)





<25

POWERFUL DEMOGRAPHICS



1.1 → 1.8 million

GROWTH IN WORKFORCE

- Immigration
- Returning Emigrants
- Women in the Workforce



65000

HOUSES BUILT

5% OF HOUSING STOCK



6%

US FDI

12.5%

CORPORATE TAX RATE



Economic Outlook – Ireland

Consensus forecasts suggest steady growth

% Growth	ACTUAL		FORECAST
	2002	2003	2004
GDP	6.9	2.4	3.5
GNP	0.1	2.3	3.3
Consumer Spending	2.7	2.6	3.0
Exports	6.2	-5.4	1.3
Inflation	4.6	3.7	2.4
Unemployment	4.3	4.7	5.3

Source: Consensus



Economic Outlook – UK

Very encouraging prospects

% Growth	ACTUAL	FORECAST	
	2002	2003	2004
GDP	1.7	2.1	2.9
Consumer Spending	3.6	2.9	2.6
Inflation	2.2	2.8	2.4
Unemployment	3.1	3.1	3.1

Source: Consensus



BOI strategy



Bank of Ireland Group Strategy

Delivering against our Key Strategic Objectives

Organic Growth

Ireland

- Mortgages
- Business Banking

UK

- Personal Lending
- Business Banking
- Consumer Banking

International

- Asset Management



Organic Growth - Sept 02 v Sept 03

ROI Loan Book	19%	Resources - ROI	8%
Mortgages - ROI	29%	BIAM	1.4bn
Business Banking - ROI	14%	Total Assets	14%
UK Loan Book	13%	Risk Weighted Assets	13%
Mortgages - UK	12%	Shareholder Value Added	7%
Non Mortgage - UK	17%	Underlying Alternative EPS	11%
International Lending	11%	Progressive Dividend	12%



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International

- Asset Management

M & A

(Portfolio Management)

Acquire

- Iridian
- First Rate (FCEC)

Divest

- Active Business Services
- Perot
- State Street Alliance

Joint Venture

- New JV with UK Post Office



UK

Post Office



29 million
CUSTOMERS

16900
BRANCHES

40 million
VISITS A WEEK

125 million
STERLING INVESTMENT



Bank of Ireland Group Strategy

Delivering against our Key Strategic Objectives

Organic Growth	M & A (Portfolio Management)	Capital Management
<p>Ireland</p> <ul style="list-style-type: none"> – Mortgages – Business Banking <p>UK</p> <ul style="list-style-type: none"> – Personal Lending – Business Banking – Consumer Banking <p>International</p> <ul style="list-style-type: none"> – Asset Management 	<p>Acquire</p> <ul style="list-style-type: none"> – Iridian – First Rate (FCEC) <p>Divest</p> <ul style="list-style-type: none"> – Active Business Services – Perot – State Street Alliance <p>Joint Venture</p> <ul style="list-style-type: none"> - New JV with UK Post Office 	<p>Rolling Stock Buy Back</p> <p>Progressive Dividend</p> <p>Capital Structure</p> <p>Total Capital 10.5%</p> <p>Tier 1 Capital 7.6%</p>



Share Buyback - Sept 02 v Sept 03

Cost	382 million
Shares	37 million
EPS enhanced	2%
ROE enhanced	1%
SVA enhanced	3%



Progressive Dividend

COVER

3.0x

1999

PAYOUT

33%

2.7x

2003

37%

2.5x

TARGET

40%



Bank of Ireland Group Strategy

Delivering against our Key Strategic Objectives

Organic Growth	M & A (Portfolio Management)	Capital Management	Strategic Cost Management
<p>Ireland</p> <ul style="list-style-type: none"> – Mortgages – Business Banking <p>UK</p> <ul style="list-style-type: none"> – Personal Lending – Business Banking – Consumer Banking <p>International</p> <ul style="list-style-type: none"> – Asset Management 	<p>Acquire</p> <ul style="list-style-type: none"> – Iridian – First Rate (FCEC) <p>Divest</p> <ul style="list-style-type: none"> – Active Business Services – Perot – State Street Alliance <p>Joint Venture</p> <ul style="list-style-type: none"> - New JV with UK Post Office 	<p>Rolling Stock Buy Back</p> <p>Progressive Dividend</p> <p>Capital Structure</p> <p>Total Capital 10.5%</p> <p>Tier 1 Capital 7.6%</p>	<p>C/I Jaws Met</p> <p>Shared Services</p> <p>IFA Rationalisation</p> <p>UKFS Review</p> <p>Outsource (HP)</p>



Group C/I Jaws Met

3% positive

IFA Savings

£15 million

UKFS Review

£30 million

7 year HP contract signed

\$600 million



12

consecutive years

PROFIT GROWTH

SUSTAINABLE & QUALITY INCOME STREAMS



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