

'Driving Quality Revenue Growth'

Goodbody Conference

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**SPECIAL OLYMPICS
WORLD GAMES
IRELAND 2003**

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Dublin**



Bank of Ireland Group

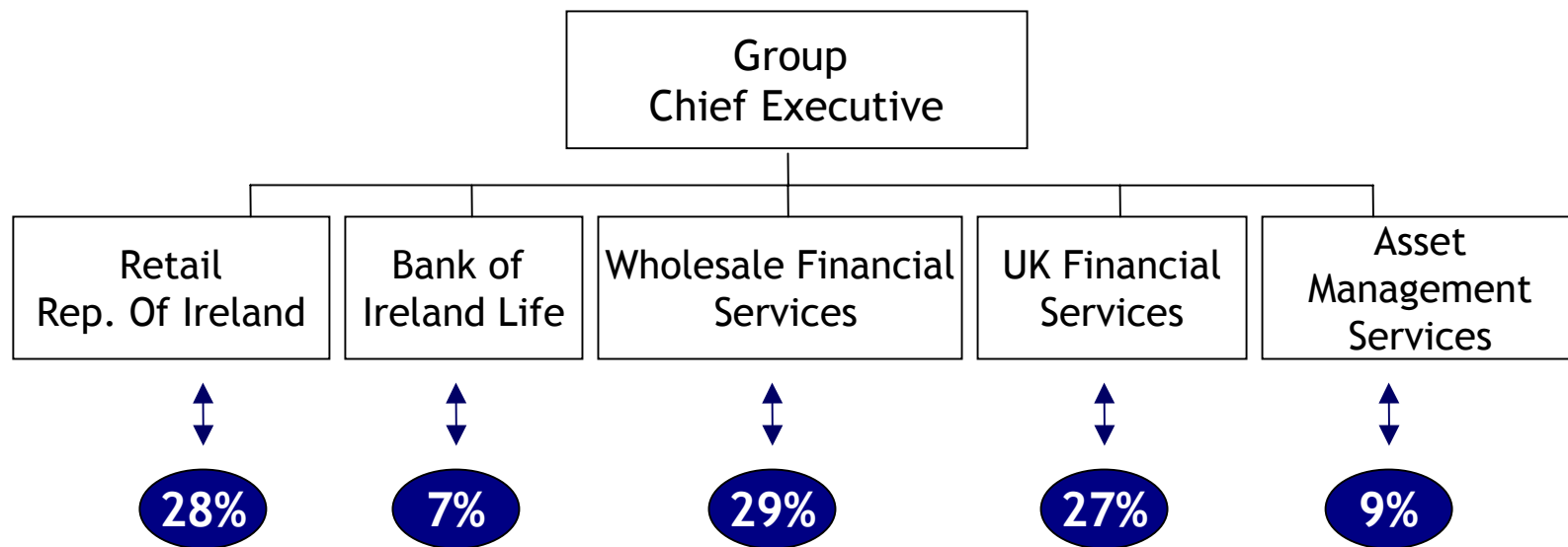


Today's Presentation

- ❑ **Bank of Ireland Group**
- ❑ **Strategic Direction**
- ❑ **Performance Overview**
- ❑ **Economic Outlook**
- ❑ **Conclusion**

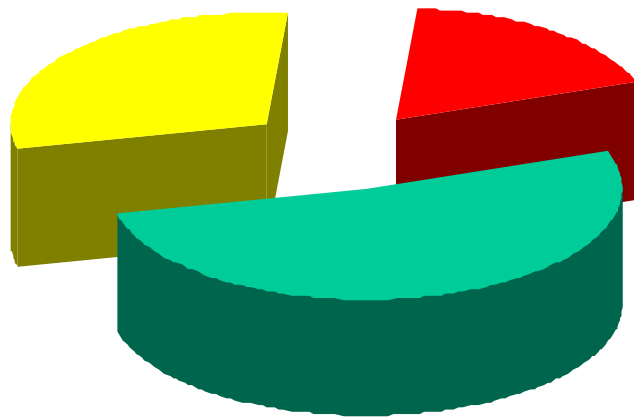


Diverse Financial Services Group



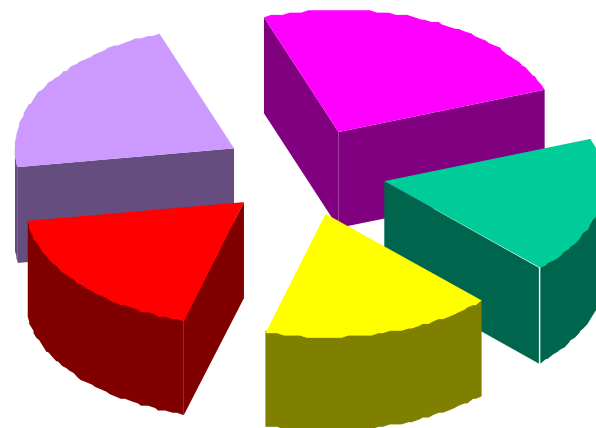
Geographic Analysis

Profit
March 2003



52%  Republic of Ireland
30%  UK
18%  Rest of the World

Shareholder Base
March 2003



18%  Republic of Ireland
17%  UK
18%  Europe / Other
22%  US
25%  Retail



Bank of Ireland Group Strategy

Deliver Growth in a Challenging Environment



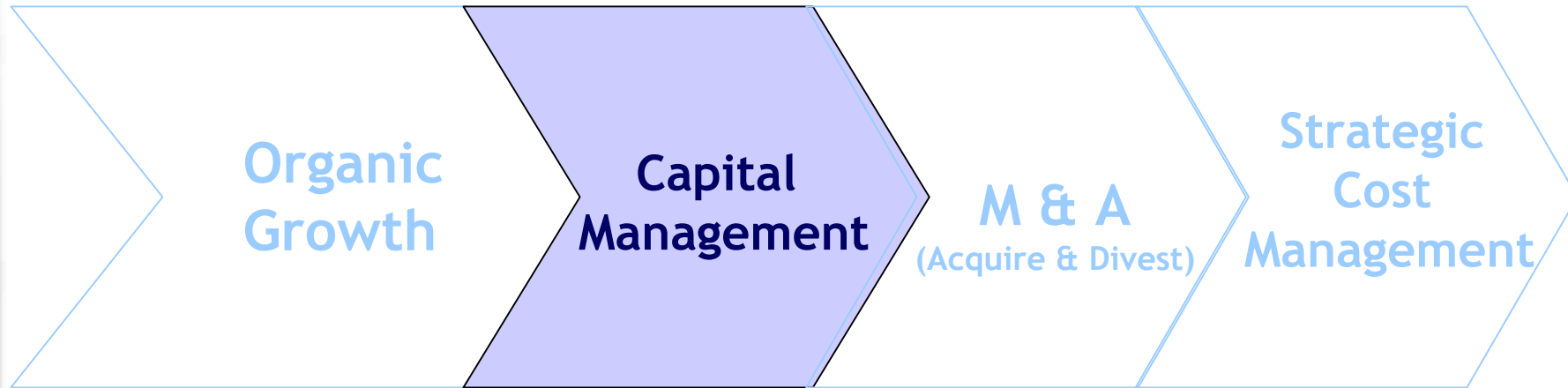
Bank of Ireland Group Strategy



- Ireland
- UK
- Fund Management



Bank of Ireland Group Strategy



Capital Management

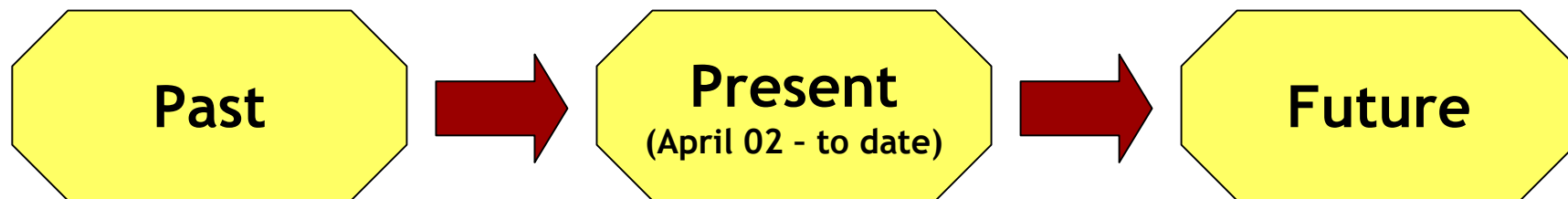
- ❑ **Optimising Capital Structure**
- ❑ **Active Portfolio Management**
- ❑ **Capital Allocation/Withdrawal to optimise returns**
- ❑ **Balance Sheet Management**



Bank of Ireland Group Strategy



Mergers & Acquisitions



Bank of Ireland Group Strategy



Strategic Cost Management

- ❑ Outsourcing
- ❑ Transformation
- ❑ Shared Services



Performance Overview



BOI Quality Revenue Growth 02/03

	Mar 03	Mar 02	%
	€m	€m	Change
Profit on Ordinary Activities before Exceptional Item(s)*	1,177	1,122	5
Alternative EPS** (Cent)	99.2	93.4	6
Dividend (Cent)	37.0	33.0	12
Shareholder Value Added*	562	551	2
Return on Equity *	22.2%	23.5%	
Return on Average Assets***	1.1%	1.1%	

* Excluding exceptional exit costs €164m (€154m post tax), GTP costs €37m (€30m post tax)

** Excluding Goodwill Amortisation €23m (€15m in Mar 02) and Exceptional Item above

*** Pre exceptional items and Goodwill amortisation



Profit Before Tax by Division

Double digit growth in 3 divisions

	<i>Mar 03</i>	<i>Mar 02</i>	<i>%</i>
	<i>€m</i>	<i>€m</i>	<i>Change</i>
Retail Republic of Ireland	375	321	17
Bank of Ireland Life	87	122	(29)
Wholesale Financial Services	389	355	10
UK Financial Services	352	318	11
Asset Management Services	113	126	(10)
Group & Central	<u>(85)</u>	<u>(64)</u>	-
	1,231	1,178	4
Grossing up	<u>(54)</u>	<u>(56)</u>	-
Pre Exceptional Profit before Tax	<u>1,177</u>	<u>1,122</u>	5



Asset Quality

Growth without Risk

	<i>Mar 03</i>	<i>Mar 02</i>
Balances under Provision (BUP)	€320m	€331m
Loan Loss Provision (LLP)*	€480m	€500m
Coverage Ratio (LLP/BUP)	150%	151%
LLP as a % of Loans	0.8%	0.9%

* Includes non designated specific provision (NDSP) €135m (€174m Mar 02)



Sustained Delivery

Alternative EPS

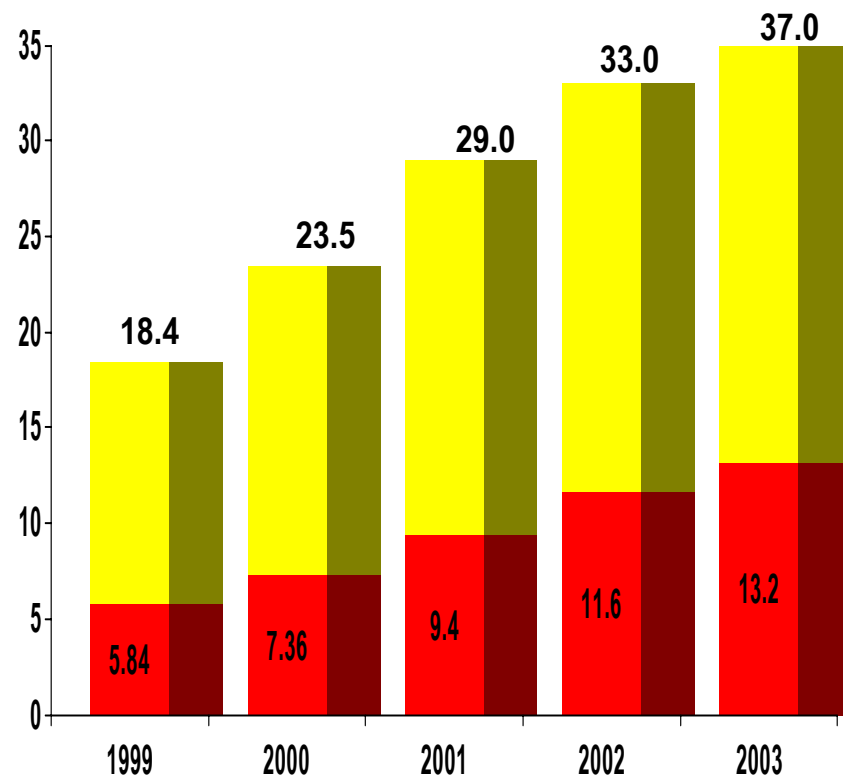
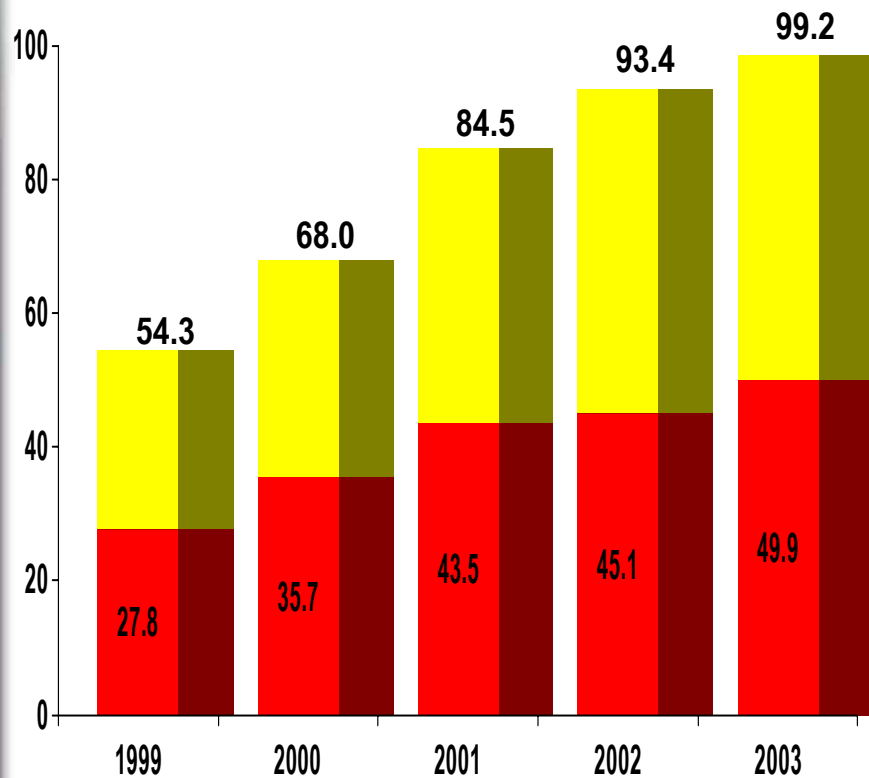
EPS: 5 year

CAGR = 17%

Dividend

DPS: 5 year

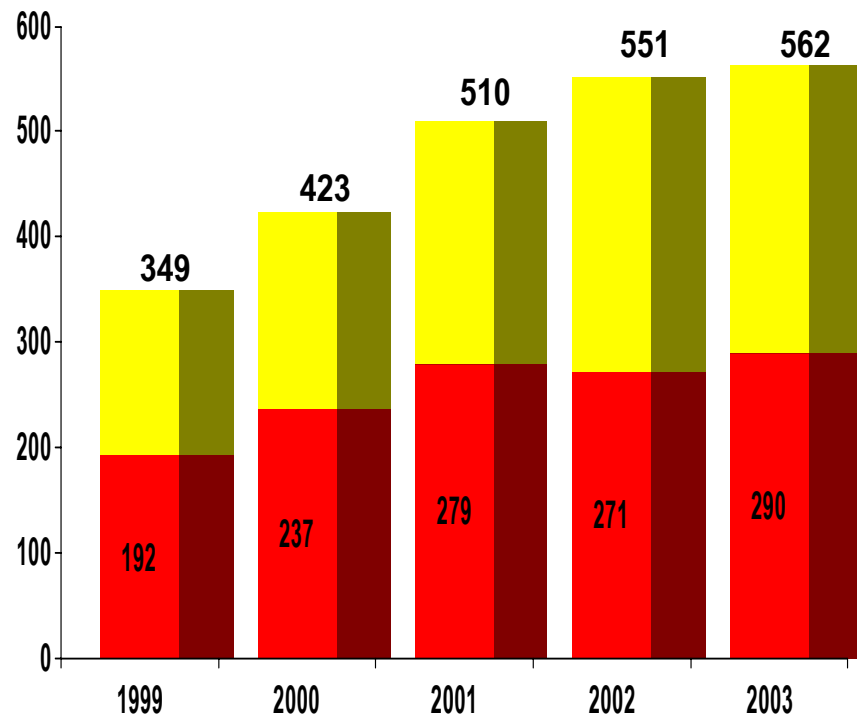
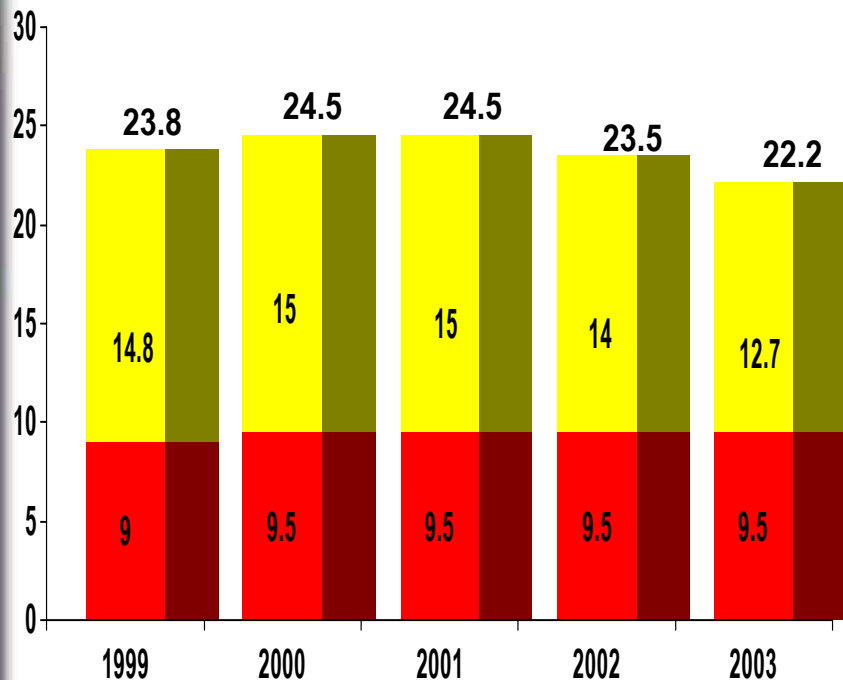
CAGR = 20%



Consistent Delivery

Return on Equity
10th year over 20%

*Shareholder Value Added**
SVA: 5 Year CAGR = 14%



■ Cost of Equity ■ Equity Spread

* Excluding Exceptionals



Example sources of future quality revenue growth

- ❑ Residential Mortgages in Ireland
- ❑ Bank of Ireland Life
- ❑ UK Financial Services
- ❑ First Rate
- ❑ Asset Management



Economic Outlook

Our Two Prominent Markets



Economic Outlook - Ireland

Solid Economic Landscape Relative to the Rest of Europe and US

Actual

Forecast

<i>% Growth</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>
GDP	5.7	6.3	3.9	4.7
GNP	4.6	0.6	2.9	3.5
Consumption	5.1	2.6	2.6	3.5
Exports	6.7	3.8	4.7	4.4
Inflation	4.9	5.0	4.0	3.1
Unemployment	3.8	4.9	4.9	5.2

Source: Consensus



Economic Outlook - UK

Above European Average

	<i>Actual</i>		<i>Forecast</i>	
<i>% Growth</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>
GDP	2.0	1.7	2.6	2.5
Consumption	4.1	3.9	2.6	2.1
Inflation	2.1	2.2	2.7	2.4
Unemployment	3.2	3.1	3.2	3.4

Source: Broker consensus



Conclusion

Bank of Ireland Group Strategy



.....Driving Quality Revenue Growth



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