



*Managing for Growth in a Complex Environment:  
Strategy & Execution*

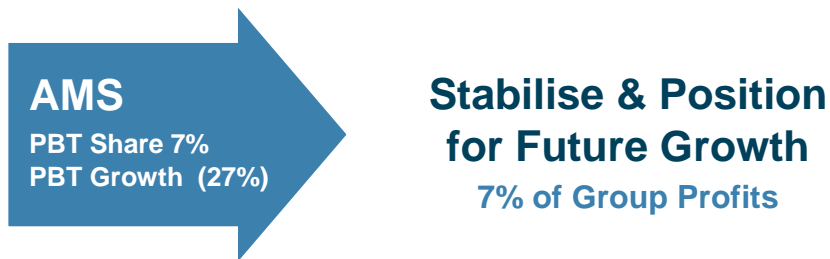
**Morgan Stanley Conference**

London

22<sup>nd</sup> March 2006

Brian Goggin  
Group Chief Executive

# Bank of Ireland – recent performance



## Performance Highlights (6 Months to 30 Sept 2005)

- PBT +8% to €665m
- EPS + 10% to 57.3x
- Dividend + 10% to 18.2c
- ROE 25%
- CI Ratio 57.4% ↓ 1.8 pts
- Impairment losses 11bp

# Strategy & execution

## Our Vision:

**“To be the number one bank in Ireland with dynamic businesses growing internationally”**

## Our Strategy:

- Maximise returns from our leading position in Ireland
- Substantially grow our businesses in the UK
- Grow our portfolio of niche, skill-based businesses internationally

# Ireland - fastest growing economy in eurozone

## Growth & Inflation

- 5% GDP growth in 2005
- 6% GDP forecasts for 2006 to 2008
- 2.2% inflation

## Demographics

- Current population 4.13m
- Population growth: 2.1% yoy (vs 0.2% in EU)
- Fastest growing age group 25-34 years +4.8% yoy

## Employment & Income

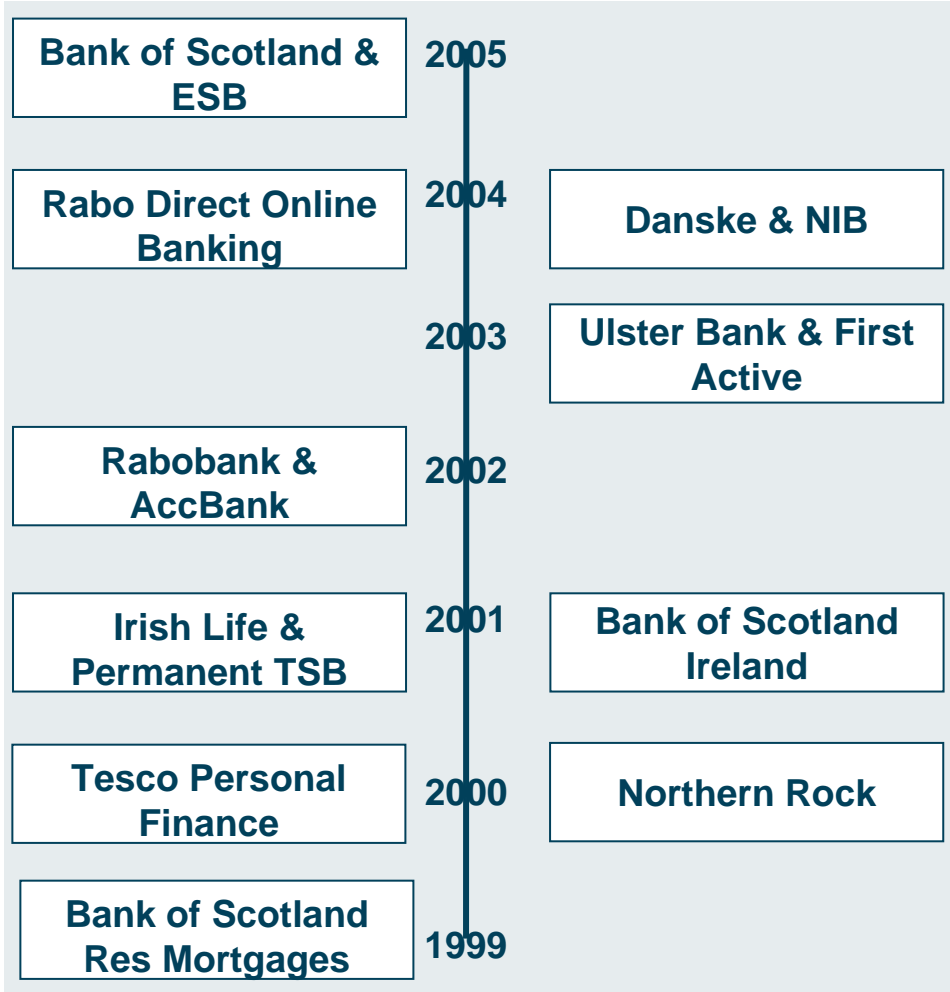
- Economy at full employment
- Numbers in employment +4.6% yoy
- Household income growth 10%

## Spending & Saving

- Personal consumption growth 5.5%
- Personal sector credit growth 27% yoy
- 14% savings ratio

# Competition: the view from Retail Financial Services Ireland

## Competitive Landscape of Banking in Ireland



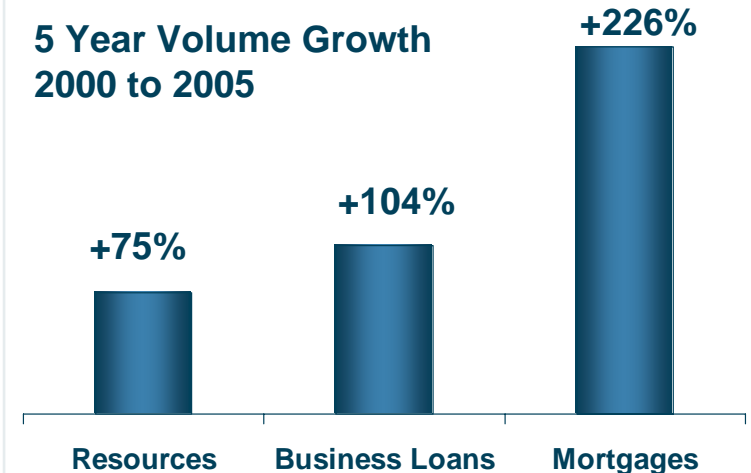
## BOI Performance to date against this backdrop

### Market Share Gains

| Business           | 2000 | 2005 | Gain |
|--------------------|------|------|------|
| Mortgages          | 18%  | 20%  | +2   |
| Life & pensions    | 19%  | 25%  | +6   |
| Resources          | 22%  | 25%  | +3   |
| Business banking * | 18%  | 20%  | +2   |

\*Estimate

### 5 Year Volume Growth 2000 to 2005



# Building on a firm foundation in Retail Ireland

## Competing from a firm foundation

- Leading distribution network
- Well established relationship management model
- Strong & responsible sales culture

Building strength at the frontline

*Customer Programme*

**Strengthening going forward**

*Strategic Transformation Programme*

Building strength at the Core



# Building strength at the frontline: Customer Programme

**All banks are not the same - our customers will see the difference!**

## **“Changing for You”**

**More frontline staff**

**Service excellence**

**3 minute queue standard**

**365 phone and online enhancements**

**Branch remodeling**

**New products**

# Building strength at the core: Strategic Transformation<sup>8</sup> Programme



- Taking out cost - building efficiency
- Significant milestones achieved
- Cost savings on target

# Looking forward with confidence

- Growth strategies delivering results
- Excellent economic growth set to continue
- Targeting double digit EPS growth



## For Further Information

### Please contact:

Geraldine Deighan

Group Investor Relations

Tel: 353-1-6043501

Fax: 353-1-6615105

E-mail: [investor.relations@boimail.com](mailto:investor.relations@boimail.com)