



Making the sum worth more than the parts

Goldman Sachs European Financials Conference
15th June 2007

Introducing Bank of Ireland

Bank of Ireland Group

Brian Goggin

Retail Financial Services Ireland

Richie Boucher

- Consumer Banking
- Business Banking
- Wealth Management

Capital Markets

Denis Donovan

- Corporate Banking
- Global Markets
- Asset Management
- Corporate Finance

UK Financial Services

Des Crowley

- Mortgages
- Business Banking
- Consumer Financial Services

Year end highlights

	March 2007	March 2006	Change
Underlying profit before tax	€1700m	€1393m	↑ 22%
Underlying earnings per share	144.6c	118.5c	↑ 22%
Profit before tax	€1958m	€1524m	↑ 28%
Earnings per share	172.2c	128.5c	↑ 34%
Impairment losses	9bps	11bps	↓ 2bps
Dividend	60.4c	52.5c	↑ 15%
Return on equity	23%	24%	↓ 1%
Cost / income ratio	54%	57%	↓ 3%
Tier 1 capital ratio	8.2%	7.5%	↑ 0.7%

Note: Underlying excludes the impact of non-core items: gain on disposal of business activities/property; gross-up for policyholder tax in the Life business; investment return on treasury shares held for policyholders; hedge ineffectiveness on transition to IFRS and cost of restructuring programme.

Year end highlights

% of Group PBT by Division



Strong performance across the Group

- Retail Ireland PBT +27%
- Life operating profit +29%
- Capital Markets PBT +21%
- UK Financial Services PBT +26%

% of Group PBT by geography



Strategic Transformation Programme ahead of schedule

- Significantly exceeded annual target
 - €95m sustainable savings achieved in current year versus €75m target
- Programme to complete 1 year ahead of schedule and achieve annualised savings of €140m versus €120m

Delivery on a clear and proven strategy

	12 months to 31 March 2005	12 months to 31 March 2006	12 months to 31 March 2007
Underlying PBT	+ 5%*	+ 16%	+ 22%
Underlying EPS	+ 7%*	+ 16%	+ 22%
Impairment losses	11bps*	11 bps	9bps
Dividend	+ 10%	+ 15%	+ 15%
Return on equity	23%	24%	23%
Cost / income ratio	60%	57%	54%

Note: *Irish GAAP

Restructured, refocused and revitalised

- Delivering on a clear and proven strategy
- Considerable progress made
 - New operating model established
 - Strengthened our leading domestic franchise
 - Revitalised and refocused our UK Division
 - Established international platforms and delivering growth
- Significant growth potential across the Group

Drivers of growth

Bank of Ireland Group

Retail Financial Services Ireland

- Business Banking
 - *GROWTH DRIVER*
- Wealth Management
 - *GROWTH DRIVER*
- Consumer Banking
 - *PROTECT & STRENGTHEN*

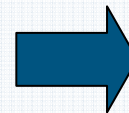
Capital Markets

- Corporate Banking
 - *GROWTH DRIVER*
- Global Markets
 - *PARTNERING FOR GROWTH*
- Asset Management
 - *STABILISE AND GROW*

UK Financial Services

- Mortgages
 - *EXTEND MARKET POSITION*
- Business Banking
 - *GROWTH DRIVER*
- Consumer Financial Services
 - *GROWTH DRIVER*

GROUP MANUFACTURING



KEY ENABLER

Bank of Ireland Group



Unlocking the value

- **Group-wide partnering**
 - Corporate Banking, Business Banking Ireland and UK, Global Markets
- **Cross-selling**
 - Broadest distribution platform in Ireland
 - Wealth Management, Business Banking, Consumer Banking
- **Leveraging innovative distribution**
 - UK Post Office
- **Driving further efficiency**
 - Increasing productivity through Group operating model

UKFS: Consumer Financial Services

Growing relationship with UK Post Office

- Contribution in year to March 2007 £41m
- POFS break-even for H2

Post Office Financial Services (POFS)

- Over 1m customers
- Significant sales traction across all product lines
- Multi-channel recruitment
- Sales effectiveness embedded in over 200 branches
- Excellent insurance renewal experience
- 650 ATMs installed

First Rate Exchange Services (FRES)

- The leading provider of retail foreign exchange services

POFS contract extended to 2020

- Focus on 3,000 high potential branches
- Dedicated financial service counters in 370 branches
- Programme of branch refurbishment
- Dedicated advisors in high potential branches
- Additional products
- Post Office website investment
- Roll-out of 4,000 ATM estate

Our partnership with the UK Post Office

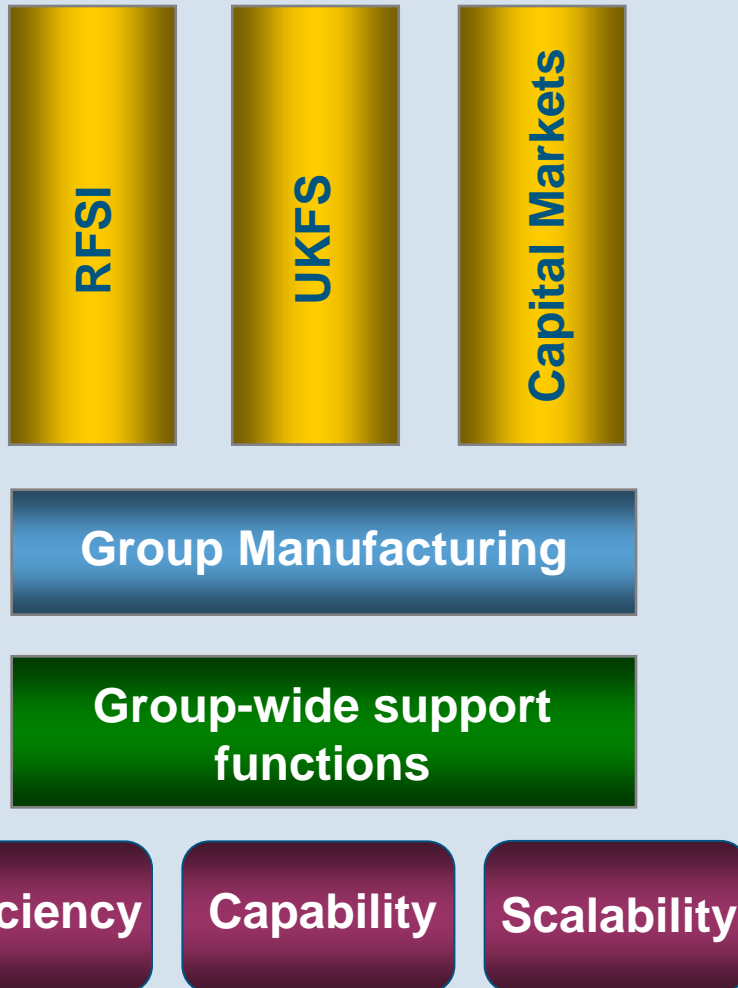
- a growing force in the provision of consumer financial services

Growing market share

- Insures 1 in 50 cars
- Insures 1 in 200 homes
- 6% share of new IASA savings flow
 - 2% share of the ATM network
- 30% share of personal foreign exchange

The new Group operating model

Group operating model



- **Cost culture embedded**
- **Group Manufacturing platform established**
 - 4,500 employees
 - Driving operational processing efficiencies by consolidating and standardising like activities
 - Credit operations
 - Contact centres
 - Payments
 - IT
 - Banking operations
 - Group services
 - Outsourcing a key enabler
 - Facilities management, technology, procurement, learning
- **Consolidation of support functions**

- Our priorities:
 - 1 Drive growth from our leading Irish franchise
 - 2 Significantly reposition the geographic earnings profile of the Group: >50% international
 - Grow United Kingdom as our second core market
 - Drive significant international expansion with a particular US focus
 - 3 Maximise efficiency from new operating model
 - Achieve mid 40's% cost / income ratio over medium term
- Positive outlook
- Strongly positioned



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