



Repayment of Deposit to Allied Irish Banks, p.l.c.

7th September 2000

A deposit of IR£70 million is to be repaid to Allied Irish Banks, p.l.c. ("AIB") by the Central Bank of Ireland, under the terms of an agreement reached in 1985 to help fund the costs associated with the administration of the Insurance Corporation of Ireland ("ICI").

As part of the contractual arrangements for the financing of ICI (now known as Icarom plc), AIB provided IR£70m by way of a deposit with the Central Bank of Ireland. Under the terms of the agreement, this deposit must be repaid to AIB no later than 1 October 2000.

The repayment of this deposit is a cash flow item and does not benefit AIB's profit and loss statement in 2000.