



**Allied Irish Banks p.l.c. announces 2003 Interim Results**  
**29th July 2003**

**NOTE**

As you will see, this results announcement uses earnings per share ('EPS') and not profit before tax as the comparison for our performance over the same period last year.

This is because the completion of the M&T/Allfirst merger and related buyback of ordinary shares affects the way in which our earnings are reported, making earnings per share a more appropriate measurement of our relative performance (for further details see comment on page 10 of this document).

**Highlights - AIB Group interim results 2003**

Adjusted earnings per share	EUR	58.5c, down 5%
Reduction in other finance income (FRS 17) <sup>(1)</sup>	EUR	(2.4c)
Irish Government bank levy	EUR	(1.7c)
M&T restructuring charge	EUR	(1.5c)
Excluding the above items, the growth		
in adjusted earnings per share was 4%		

After-tax gain of € 449m on Allfirst/M&T transaction  
 Interim dividend of EUR 19.0c, up 10%  
 Buoyant growth in Irish & British banking businesses  
 Negative translation of foreign currency earnings  
 -impact of 4% on adjusted earnings per share growth

**Divisional Profit Performance**

*AIB Bank ROI up 6%*

- Banking Operations up 16% - strong loan growth and high productivity
- Ark Life down 48% (unchanged excluding 2002 SSIA impact)

*AIB Bank GB & NI up 18%*

- Strong volume growth and lower provisions

*Capital Markets up 4%*

- Good corporate banking performance offset by lower risk positions in interest rate markets

*Poland down 32%*

- Lower interest rates impact on deposit margins, improved asset quality

**AIB Group Chief Executive Michael Buckley said:**

'The merger of Allfirst and M&T Bank was successfully completed on 1 April 2003, creating a US\$ 50 billion regional bank, ranked number 18 of USA banks by asset size. We confidently look forward to a mutually rewarding partnership.'

'Underlying performance in reported earnings for the half-year has been solid but was negatively impacted by currency translation factors. Business growth in the Irish and UK markets has been particularly strong despite lower interest rates and margins and we have made notable market share gains in lending activities. In Poland profits were down due to sharply lower interest rates. Asset quality has improved further right across the business. With the substantial cash proceeds from the Allfirst/M&T transaction we repurchased almost € 750 million or approximately 6% of our shares. This will positively impact future earnings per share. Our capital position remains very strong.'

(1) Other finance income (FRS 17) from our pension fund assets reduced due to declines in stock market valuations.

### **Allied Irish Banks, p.l.c.**

Allied Irish Banks, p.l.c.(AIB Group) today announced its results for the half-year ended 30 June 2003. Basic earnings per share for the half-year amounted to EUR 50.6c,a decrease of 16%. Adjusted earnings per share decreased by 5% to EUR 58.5c. A gain of € 449 million on the Allfirst/M&T transaction was recorded in the statement of total recognised gains and losses ('STRGL') and the profit and loss account as appropriate.

### **Dividend**

The Board has declared an interim dividend of EUR 19.0c per share, an increase of 10% on the half-year ended 30 June 2002. The dividend will be paid on 26 September 2003 to shareholders on the Company's register of members at the close of business on 8 August 2003.

To download the results [Click here](#)

### ***For further information please contact:***

Declan McSweeney  
Chief Financial Officer  
AIB Group  
Bankcentre  
Ballsbridge  
Dublin 4  
Tel: +353-1-6600311 Ext 14954

or

Alan Kelly  
Head of Group Investor Relations  
AIB Group  
Bankcentre  
Ballsbridge  
Dublin 4  
Tel: +353-1-6600311 Ext 12162

or

Catherine Burke  
Head of Corporate Relations  
AIB Group  
Bankcentre  
Ballsbridge

Dublin 4  
Tel: +353-1-641 3894