



**Merger of Allfirst Financial Inc. with M&T Bank
1st April 2003**

Allied Irish Banks, p.l.c. ("AIB") [NYSE:AIB] announces the completion of the merger of Allfirst Financial Inc. with M&T Bank Corporation ("M&T").

Details of the profit and loss account and balance sheet impact of the transaction will be communicated at the time of the 2003 interim results.

Mr. Robert Wilmers, Chairman, President and Chief Executive Officer of M&T Bank Corporation has been co-opted to the board of AIB as a Non-Executive Director, effective today and as indicated in the original merger announcement in September 2002.

AIB also announced that it intends to sell its New York Retail Branch to M&T. The Retail Branch includes consumer and small business deposits and loans. AIB will continue to provide lending, treasury and advisory services to the Not-for-Profit and Corporate sectors from its own offices throughout the U.S., including New York, Philadelphia, Atlanta, Chicago, Los Angeles and San Francisco.

Commenting on completion of the merger, AIB Group CEO, Michael Buckley said: "We are pleased to have completed the merger in line with the timeframe envisaged in the original announcement. Excellent progress has already been made in the transition of Allfirst into M&T. This long term partnership offers significant benefits to all our stakeholders and we look forward with confidence to a full and successful integration".

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