



AIB announces lowest ever variable mortgage rate of 3.7%
10th March 2003

AIB today announced that it has reduced its variable mortgage rate by 0.17%. The reduction will take effect from 12th March 2003 and will apply to both new and existing mortgage holders
Details of the new rate are as follows:

Interest Rate	APR	Cost per '000
3.68%	3.7%	€5.89 over 20 years

This reduction maintains AIB's current position as the most competitive mortgage provider in the marketplace.

With interest rates now at exceptionally low levels, AIB anticipates that many customers may wish to "lock in" some of the value now available. Accordingly, the Bank is introducing its lowest ever range of fixed rate options. For example it is offering a 2 year fixed rate at its standard variable rate of 3.68% (3.7% Apr), and a 1 year New Business rate at 2.95%.

The Range of fixed rates are as follows:

	New	Old	Change
1 year	2.95%	3.4%	-0.45%
2 year	3.68%	3.99%	-0.31%
3 year	3.99%	4.3%	-0.31%
4 year	4.2%	4.55%	-0.35%
5 year	4.4%	4.75%	-0.35%
10 year	5.25%	5.5%	-0.25%
Tracker < 60% LTV	3.50%	3.75%	- 0.25%
> 60% LTV	3.7%	3.95%	- 0.25%

- Ends -

Turlough Crowe
Sales & Development Manager
AIB Bank
Home Mortgages
Tel: +353-1-641 6415

Or

Trevor McEvoy
Group Press Officer
AIB Group
Bankcentre
Ballsbridge
Dublin 4
Tel: +353-1-641 4651