



AIB continues to offer low interest rates for Milk Quota purchases

4th May 2005

AIB today (Wednesday) launched its 2005 Milk Quota Restructuring Loan Scheme. At current interest rates, the AIB Loan Scheme is available to farmers at 3.75%* (* based on our variable prime rate at 03/05/05) - a very competitive interest rate for a Milk Quota Restructuring Loan Scheme.

The affordable acquisition of additional milk quota is of critical importance to dairy farmers who wish to expand their dairy enterprise. AIB's Milk Quota Restructuring Loan Scheme is designed to support farmers purchasing quota in this year's Restructuring Scheme. The loan provides a low cost and a flexible means of finance with repayment terms to suit individual farmers and their dairy enterprise

AIB's Quota Loan Scheme is once again one of the most competitive available to dairy farmers. Loans are designed to be as flexible as possible and borrowers can choose a repayment schedule to suit their individual cashflows. Furthermore, farmers can elect for loan terms of up to 10 years depending on individual circumstances.

Making the announcement, Michael Dowling, Head of Agri Strategy, AIB Bank said "AIB is conscious of the continuing importance of dairying within Irish Agriculture. The new policy environment makes efficiency and competitiveness more critical than ever for dairy farmers. Quota Restructuring is a key element in improving competitiveness and we are confident that our enhanced quota loan scheme will make a real contribution to that aim."

Details of the Loan Scheme and brochures are being distributed through the milk purchasing companies and also through AIB's branch network.

Lending criteria, terms and conditions apply. Allied Irish Banks, p.l.c. is regulated by the Irish Financial Services Regulatory Authority.

For further information contact:

David Rath
Manager – Agri Strategy
AIB Bank
Bankcentre
Ballsbridge
Dublin 4
Tel: 01-6414637