



**Allied Irish Banks, p.l.c. Preliminary Announcement of Results
22nd February 2005**

HIGHLIGHTS - AIB GROUP ANNUAL RESULTS 2004

Adjusted earnings per share EUR 133.1c, up 22%
- up 13% compared to 2003 base of EUR 118.0c(1)
Income / cost gap +4%
Tangible cost income ratio down 2.0% to 56.3%
Currency translation impact, -4% on adjusted EPS growth
Tangible return on equity 29.6%
Tier 1 capital ratio 7.9%
Total dividend of EUR 59.4c, up 10%
Double-digit US\$ earnings growth from M&T

EARNINGS AHEAD OF MARKET CONSENSUS DUE TO:

- Lower tax charge – effective rate 23.7%
- Strong fourth quarter business performance, notably in Capital Markets
- Technical adjustments in Ark Life including lower discount rate 7.5%

DIVISIONAL PROFIT PERFORMANCE (2)

AIB BANK ROI up 11%

After incurring €50 million investigation related charges Market share gains, loans up 30%, deposits up 16%

AIB BANK GB & NI up 16%

Loans up 29%, deposits up 15%

CAPITAL MARKETS up 30%

Strong performance in Corporate Banking, Treasury and Investment Banking

POLAND up 135%

Costs down 9%; loans up 6%, deposits up 10%

AIB GROUP CHIEF EXECUTIVE MICHAEL BUCKLEY SAID:

‘AIB had a record year in 2004. We had a great blend of earnings, strong profit growth across all geographies and a wide range of market share gains. Total shareholder return in 2004 was well ahead of our peers. The momentum in our business is excellent.’

(1) Before restructuring and early retirement costs in 2003. A base of EUR 118.0c was established for 2004 comparison with 2003. The adjusted earnings per share for 2003 including restructuring and early retirement costs was EUR 109.5c.

(2) 2003 base is before restructuring and early retirement costs, the sale of Govett and the impact of exchange rate movements on the translation of foreign locations’ profit.

Dividend

The Board is recommending a final dividend of EUR 38.5c per share payable on 28 April 2005 to shareholders on the Company’s register of members at the close of business on 4 March 2005. The final dividend, together with the interim dividend of EUR 20.9c per share, amounts to a total dividend of EUR 59.4c per share, an increase of 10% on 2003.

The Company’s dividend reinvestment plan has been suspended due to the increasing dilutive impact on earnings per share growth. Accordingly, the 2004 final dividend and future dividends will

be paid in cash to all shareholders. A special low cost dealing facility will be made available to shareholders who wish to reinvest their dividend.

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