AIB offers 5% to SSIA savers
25th April 2006

"Are you an SSIA spender or saver or a bit of both?" That's what AIB, the SSIA market leader with a 24% market share, has asked its SSIA customers.
For three quarters of SSIA savers who say they are willing to continue saving and almost a quarter who have indicated they would like to invest their lump-sum, AIB today announces new savings and investment products, which will be available from 1st June 2006. This is another in a series of initiatives being introduced by AIB focusing on key areas of importance to personal banking customers.
The new savings products are:
The **AIB Regular Saver Account,** which carries a market leading variable rate of **5%** (ECB + 2.50%), is the ideal way for existing AIB Deposit SSIA account holders to continue saving. This attractive rate, based on 2.5% above ECB, will apply until 1st January 2008 and will then revert to the ECB rate (currently 2.5%) until the 1st January 2009. This new account will accept a regular monthly savings amount from as little as €10 and up to €300 per month and is also open to all savers, not just SSIA savers. AIB's Deposit SSIA savers will be provided with a pre-filled application form in the post four to five weeks before the maturity date of their SSIA. This will make it easy for those customers to open this account. All other customers will be able to apply for this account at any AIB branch.
On the day after maturity, the balances in all AIB Deposit SSIAs will automatically be converted to an **AIB Instant Access Account**. This will pay a variable rate of **3.25%** (ECB + 0.75%), for the three calendar months following maturity. Thereafter, this account will attract a rate that will match the ECB rate until 1st January 2008. This three month introductory rate will provide savers with time to consider what they want to do with their maturity lump sum.
AIB already offers a market-leading Online Personal Savings Plan and three and five year Special Term Accounts.
The new investment product is:
The **AIB Savings Incentive Plan (SIP)** is a new equity-based savings plan, which caters for savers who may have previously opted for the deposit route. These savers may now be keen to consider the equity alternative, perhaps for the first time, in their quest for potentially higher returns. The AIB Savings Incentive Plan will give customers a bonus on their savings at the end of five years. This bonus will equal 25% of a full year's contribution.
The bonus is available to savers who:
1. At the beginning of the AIB Savings Incentive Plan invest a lump sum equal to three times the yearly savings and
2. Make a minimum contribution of €150 per month for the first five years.

AIB's equity SSIA savers will also benefit from an additional bonus (similar to the AIB Savings Incentive Plan). They will automatically enjoy the special bonus if they meet the conditions of the AIB SIP for a further five years. In order to qualify for this bonus, savers must:
1. At the beginning of the AIB Savings Incentive Plan invest a lump sum equal to three times the yearly savings.
2. Make a contribution of between €150 and €599 per month.

This still allows the customer to withdraw a substantial amount of their accumulated savings.

For those customers who have AIB **Equity SSIAs** (PIPSSIA), they will be pleased to hear that they have outperformed Deposit SSIAs by a range of between 17%* for investors in the AIB Managed fund to 30%* for the Irish Equity fund.
*(based on both deposit and equity SSIAs commenced on 30th April 2002, up to 31st March 2006)
Hugh O'Keeffe, Head of Resources Strategy & Products, AIB Bank ROI, said:
"SSIAs have created a culture of saving in Ireland, which our research suggests will continue long past the maturity of these accounts. AIB's enhanced range of products for savers and investors further strengthens its market-leading personal banking offering. These offerings are backed by AIB's 2,000 specially trained staff in over 275 branches to guide people through their financial options as they decide what to do with their SSIA money. All in all, a very compelling proposition."
AIB will be launching initiatives in the mortgage and personal lending sector in the next few weeks, which will cater for SSIA spenders and other customers.

ENDS

For further information please contact:
Ronan Sheridan
Group Press Officer
AIB Group
Bankcentre
Ballsbridge
Dublin 4
Tel: 01 641 4651

Hugh O'Keeffe
Head of Resources Strategy & Products
AIB Bankcentre
Ballsbridge
Dublin 4
Tel: 01 641 3288

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AIB's savings and investment options:

Product Type	Lump Sum				Regular Savings			
Deposit	**Account name**	**Proposed rate**	**PricePromise**	**Payment Amounts**	**AccountName**	**Proposed rate**	**Price Promise**	**Payment Amounts**
	AIB Instant Access Account	3.25% (ECB + 0.75%) for 3 months from maturity date	ECB thereafter to 1st January 2008	Maturing funds from AIB Deposit SSIAs only	**AIB Regular Saver Account**	5% p.a. (ECB + 2.50%) until 1st January 2008	ECB thereafter to 1st January 2009	A lodgement of E10 - E300 per month only
	3-year Special Term Account	3.10% (gross equivalent 3.875%)	This rate will at least be 0.60% above ECB Refi rate until 1st January 2008.	Minimum E6,000 Maximum E25,000	**AIB Online Personal Savings Plan**	3.50% (AER 3.50% - 5.25%)	This rate will at least match the ECB Refi rate until 1st January 2007.	Minimum E20 per month MaximumE1,000 per month
	5-year Special Term Account	3.50% (gross equivalent 4.375%)	This rate will at least be 1.00% above ECB Refi rate until 1st January 2008.	Minimum E6,000 Maximum E25,000				
Equity	**A range of risk based equity products (existing)**				**A Savings Incentive Plan (SIP)**			

AIB opened 280,000 SSIAs during 2001 and 2002, the first of which mature on31st May 2006.
Research on SSIA Customer Intentions was conducted for AIB by Amarach Consulting January 2006.

AER is an abbreviation for Annual Equivalent Rate:

The A.E.R. is used to reflect a range of possible interest rate returns available on an account over the term of the account. Generally A.E.R. applies where the interest rate on an account changes over the term.