



AIB reaffirms support for farmers

5th November 2009

2009 has brought pressure on most sectors of Irish farming with the sharpest income and cashflow difficulties being experienced on dairy and tillage farms. Farm cashflow in the main has been under significant pressure since early spring. However, markets – especially in the dairy sector – are beginning to revive and the fact that the international economic situation is improving is expected to have a further strengthening effect. Furthermore, input costs continue to improve.

While there is evidence of stabilisation and strengthening of dairy commodity markets and the longer term outlook for most agricultural markets is positive, AIB accepts that the impact on Irish dairy and other farms will not be felt for some time.

AIB wishes to reassure its farming customers that where they continue to experience cashflow pressure related to the market situation, the bank will take a flexible and sympathetic approach in assisting them to finding solutions aimed at keeping their businesses sound and prepared for the future. To facilitate this, we ask farmer customers who are concerned about the months ahead to make early contact with their AIB branch which will work with them to minimise the financial impact on their farm business and household.

Michael Dowling, Head of Agri Strategy AIB, said:

“The past ten months have been among the most difficult and challenging experienced by many farmers in this industry. AIB continues to exercise flexibility in working with farmers through short-term difficulties. The bank has always taken a strategic view of farming and the current market difficulties have not coloured our view of this sector.

“We continue to encourage farmer customers who are experiencing difficulties arising out of the changed market conditions to approach their branch at an early stage to discuss their situation with a view to arriving at the most appropriate approach.”

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