



Proposed Disposal of the M&T Shareholding

13th October 2010

Completion of Public Offering of Contingent Mandatorily Exchangeable Notes

DUBLIN, Ireland (13 October 2010) – Allied Irish Banks, p.l.c. (“AIB”) [NYSE:AIB] has completed a public offering in the United States of contingent mandatorily exchangeable notes (“Notes”) exchangeable (subject to AIB shareholder approval and certain other conditions) for the shares of common stock of M&T Bank Corporation (“M&T”) (“M&T Shares”) currently owned by AIB. AIB sold 26,700,000 Notes at US\$77.50 per Note.

Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. acted as underwriters and joint bookrunning managers for the Notes offering.

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The forward-looking statements speak only as of the date of this announcement. Except as required by the Financial Regulator, the Irish Stock Exchange, the FSA, the London Stock Exchange plc or applicable law, AIB does not have any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, further events or otherwise. AIB expressly disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained in this announcement or incorporated by reference to reflect any change in AIB’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.