



AIB Preliminary Results 2010

12th April 2011

AIB Group annual results 2010

Basis of presentation

The following is prepared on a continuing operations basis unless otherwise stated.

Profitability

Total AIB Group - loss for the period €10.2 billion

Continuing operations loss after taxation €10.4 billion

NAMA transfer related losses of €7.0 billion

Credit provision charge of €6.0 billion (Non NAMA €4.5 billion; NAMA €1.5 billion)

Operating profit(1) €963 million

AIB Bank ROI loss of €10.8 billion; operating profit(1) €189 million

Capital Markets profit of €71 million; operating profit(1) €577 million

AIB Bank UK loss of £1.2 billion; operating profit(1) £141 million

Asset quality(2)

Criticised loans at 30.2% of total loans

Impaired loans at 13.4% of total loans

Provisions for impairment of loans and receivables of €6.0 billion or 5.25% of average customer loans

Earnings per share

Total AIB Group - loss per share EUR (564.0c)

Statement of financial position/funding

Total assets decreased from €174 billion at 31 December 2009 to €145 billion at 31 December 2010

€18 billion of gross loans transferred to NAMA during 2010; €2 billion remaining to be transferred

Gross loans (excluding NAMA loans) decreased by €3 billion (€7 billion excluding NAMA reclassifications) in 2010 to €94 billion

Total gross loans (including NAMA loans) decreased by €24 billion in 2010

Customer deposits decreased by €22 billion in 2010 to €52 billion

Total AIB Group customer accounts 45% of funding requirement at 31 December 2010

Loan to deposit ratio of 165% compared to 123% at 31 December 2009

Capital ratios

31/12/2010

Core tier 1 ratio

4.0%

Tier 1 ratio	4.3%
Total capital ratio	9.2% (3)

(1) Operating profit before provisions and losses on transfer of loans to NAMA.

(2) Includes loans held for sale to NAMA.

(3) At 31 December 2010, the Group benefited from derogations from certain regulatory capital requirements granted on a temporary basis by the Central Bank. These derogations remained in place until the completion of the liability management exercise on 24 January 2011.

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Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934, with

respect to the financial condition, results of operations and business of the Group and certain of the plans and objectives of the Group. In particular, among other statements in this Media Release Report, with regard to management objectives, trends in results of operations, margins, risk management, competition and the impact of changes in International Financial Reporting Standards are forward-looking in nature. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'may', 'could', 'will', 'seek', 'continue', 'should', 'assume', or other words of similar meaning. Examples of forward-looking statements include among others, statements regarding the Group's future financial position, income growth, loan losses, business strategy, projected costs, capital ratios, estimates of capital expenditures, and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking information. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to the effects of the challenging economic environment, both domestically and internationally, constraints on liquidity and the challenging liquidity environment for the Group created by market reaction to factors affecting Ireland and the Irish economy, the impact of further downgrades to the Irish sovereign ratings and other country ratings, or the Group's credit ratings, the uncertainty of further extensions of the ELG Scheme, systemic risks in the markets the Group operates in, the ability to access capital to meet targeted and minimum capital requirements for the Group, customer and counterparty credit quality, the effects of AIB's participation in the Credit Institutions (Financial Support) Scheme, the National Pensions Reserve Fund Commission investments, the National Asset Management Agency programme and the ELG Scheme, conditions that may be imposed by the European Commission following consideration of the Group's restructuring plan, market risk, including non-trading interest rates, operational and reputational risks, the effects of continued volatility in credit markets, the effects of changes in valuation of credit market exposures, changes in fiscal or other policies adopted by various governments and regulatory authorities, the effects of changes in taxation or accounting standards and practices, acquisitions and disposals, the risks relating to the Group's deferred tax assets, future exchange and interest rates and the success of the Group in managing these events. Any forward-looking statements made by or on behalf of the Group speak only as of the date they are made. AIB cautions that the foregoing list of important factors is not exhaustive. Investors and others should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward-looking statement. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Media Release Report may not occur. The Group does not undertake to release publicly any revision to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date hereof.