



9th May 2025

AIB Group raises \$750 million in new funding with latest bond issuance

Strong funding and capital positions AIB well for future growth

AIB Group yesterday successfully raised \$750 million USD from the issuance of a new bond to institutional investors offering an interest rate – or coupon - of 5.32%. The US Dollar senior non-preferred bond further supports the Group in meeting its regulatory requirements, reflecting market confidence in AIB's performance.

Demand from investors was extremely strong, peaking at over \$6.5 billion, with minimal attrition in the final order book, enabling the bank to reduce the coupon on the bond down from the originally envisaged interest rate of US Treasuries + 1.65%. The investor book consisted of high-quality orders from c.170 investors from across North America, Europe and the Asia Pacific, and marks AIB's largest ever order book on an oversubscription basis at ~8.2x.

AIB CEO Colin Hunt said: "AIB is delighted to once again see strong demand from investors for our latest bond issuance, following €800 million in green bond issuances in March, and the first Euro AT1 bond issuance of the year in Europe in January. AIB is well positioned for sustainable growth through our strong funding and capital, and this latest deal is a vote of confidence in the bank's strategy which we are implementing at pace. We continue to prioritise an enhanced focus on our customers, further greening our business and driving greater operational efficiency and resilience while delivering for our customers, our investors and the wider economy."

The lead arranger group on the issuance was Barclays, Goldman Sachs, Goodbody Stockbrokers, JP Morgan, Morgan Stanley and Wells Fargo.

- Yesterday's issuance comes after AIB Group successfully raised €700 million in January, from the AT1 first Euro AT1 bond deal of the year in Europe.
- In March, AIB raised €800m from green bond issuances, and the total proceeds raised from ESG bonds to date is €7.2bn
- Also this week, AIB completed a €1.2 billion directed share buyback with the Irish State, representing another important milestone in the process of repaying the taxpayer for their support, the normalisation of the Group's share register and enhancing liquidity in AIB shares.

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Notes to Editors:

- Senior non-preferred debt ranks senior to Tier 2 and junior to senior preferred debt in the creditor hierarchy.
- AIB Group is rated at investment grade with Moody's and Standard & Poor's (S&P).
- On 25th November 2024, S&P moved AIB's outlook to Positive from Stable and reaffirmed all ratings. The Positive outlook reflects S&P's expectation that after recording strong profitability over the past quarters, AIB should continue to post solid risk-adjusted returns over the next couple of years, despite declining interest rates.
- On 5th December 2023, Moody's revised the outlook to Positive from Stable and reaffirmed the ratings for AIB Group plc. This reflects Moody's view of improved asset quality, strong capitalisation, and significantly improved profitability.
- On 12th December 2024 AIB announced that following the Supervisory Review and Evaluation Process (SREP) performed by the European Central Bank in 2024, the Pillar 2 Capital Requirement reduced by 20bps to 2.40% from 2.60%.