
THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action to be taken, you are recommended to seek your own personal financial and taxation advice from your stockbroker, solicitor, accountant, fund manager or other appropriate independent financial adviser being, in the case of shareholders resident in Ireland, an organisation or firm authorised or exempted pursuant to the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended) or the Investment Intermediaries Act 1995 (as amended) or, in the case of shareholders resident in the United Kingdom, a firm authorised under the Financial Services and Markets Act 2000 (“FSMA”), or from another appropriately authorised independent financial adviser if you are resident in a territory outside Ireland or the United Kingdom.

If you have sold or otherwise transferred all of your shares in Allied Irish Banks, p.l.c., please pass this document and accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or the transferee.



Allied Irish Banks, p.l.c. Annual General Meeting

Thursday, 27 April 2017

Notice of the Annual General Meeting of Allied Irish Banks, p.l.c. to be held at the R.D.S. Concert Hall, Ballsbridge, Dublin 4, Ireland on Thursday, 27 April 2017 at 10.00 a.m. is set out in this document, accompanying which is a Form of Proxy for use in connection with the resolutions at the meeting. To be valid, Forms of Proxy must be returned by post to Computershare Investor Services (Ireland) Limited, P.O. Box 954, Sandyford, Dublin 18, D18 Y2X6, Ireland or (during normal business hours) by hand to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, D18 Y2X6, Ireland, so as to be received not later than 10.00 a.m. on Tuesday, 25 April 2017. Alternatively you may appoint a proxy electronically, by visiting the website of the Company's Registrar; Computershare Investor Services (Ireland) Limited: www.eproxyappointment.com.

Allied Irish Banks, p.l.c.

(Registered under the Companies Act 2014 – No. 24173)

Directors

Richard Pym – *Chairman; Non-Executive Director*
Simon Ball – *Non-Executive Director*
Mark Bourke – *Chief Financial Officer*
Bernard Byrne – *Chief Executive Officer*
Thomas (Tom) Foley – *Non-Executive Director*
Peter Hagan – *Non-Executive Director*
Carolan Lennon – *Non-Executive Director*
Brendan McDonagh – *Non-Executive Director*
Helen Normoyle – *Non-Executive Director*
James (Jim) O’Hara – *Non-Executive Director*
Dr Michael Somers – *Deputy Chairman; Non-Executive Director*
Catherine Woods – *Senior Independent Non-Executive Director*

Group and Registered Office:

Bankcentre
Ballsbridge
Dublin 4
Ireland

24 March 2017

Letter from the Chairman to the shareholders of Allied Irish Banks, p.l.c. (the “Company”)

Dear Shareholder

I am pleased to invite you to attend the Annual General Meeting (“AGM”) of the Company, which will be held at the R.D.S. Concert Hall, Ballsbridge, Dublin 4 on Thursday, 27 April 2017 at 10.00 a.m.

The Notice of AGM is set out on pages 5 to 8 of this document. In addition to the Ordinary Business to be transacted at the meeting, which is referred to in Resolutions 1 to 5 in the Notice, the Directors propose that Special Business, as set out in Resolutions 6 to 9 in the Notice, be transacted at the meeting for the purposes explained below.

RESOLUTION 1

Resolution 1 proposes, following a review of the Company’s affairs, to receive the financial statements for the year ended 31 December 2016, together with the reports of the Directors and the Auditor thereon.

The financial statements for the year ended 31 December 2016 are included in the 2016 Annual Financial Report, sent to shareholders at their request and in the 2016 Shareholders’ Report sent to all shareholders. Copies of both reports will be available at the AGM. Shareholder information, including the aforementioned financial statements, is available on AIB’s website at www.aib.ie/investorrelations.

RESOLUTION 2

Resolution 2 is an ordinary resolution to declare a final dividend of 9.21 cent per ordinary share for the year ended 31 December 2016 (subject to rounding up, per holder of ordinary shares, to the nearest whole cent). The dividend is payable on 9 May 2017 to holders of ordinary shares on the Company’s register of members at close of business on 24 March 2017.

RESOLUTION 3

Resolution 3 relates to the election and re-election of Directors. Ms. Carolan Lennon and Mr. Brendan McDonagh were co-opted to the Board on 27 October 2016 and, being eligible, offer themselves for election. All other Directors will retire from office at the AGM and, being eligible, offer themselves for re-election. Notwithstanding that Dr. Michael Somers is offering himself for re-election at the AGM, if Dr. Somers is re-elected, he will continue as a Government appointed Director and his re-appointment will be in accordance with his existing terms of appointment.

The resolutions will be proposed separately, as ordinary resolutions, in respect of each Director.

Biographical information in respect of each Director is provided on pages 172 to 176 of the 2016 Annual Financial Report and on pages 19 to 23 of the 2016 Shareholders’ Report.

All Directors are experienced and knowledgeable and the Board is confident that they each bring valuable skills to the Board and provide an objective perspective.

The performance of the Directors, with the exception of Ms. Carolan Lennon and Mr. Brendan McDonagh who joined the Board on 27 October 2016, has been formally evaluated and each is considered to be effective and to demonstrate commitment to the role.

The Board is pleased to recommend the election and re-election of those Directors.

RESOLUTION 4

Resolution 4 seeks authority from shareholders to enable the Directors to fix the remuneration of the Auditor.

The Company's Auditor, Deloitte, whose audit and non-audit services are monitored by the Board Audit Committee, has indicated willingness to continue in office. This resolution gives the Directors authority to approve fees for 2017.

RESOLUTION 5

Resolution 5 proposes to receive the report on Directors' remuneration and interests for the year ended 31 December 2016, the full text of which is set out within the Directors' Remuneration Report on pages 205 to 207 of the 2016 Annual Financial Report and in summary on pages 24 and 25 of the 2016 Shareholders' Report.

This vote is advisory only and the Directors' remuneration is not conditional on the resolution being passed.

RESOLUTION 6

Resolution 6 is an ordinary resolution to authorise the Directors, until the earlier of the date of the Company's AGM in 2018 or 26 July 2018, to allot and issue new shares up to an aggregate nominal value of €565,496,091.25, being equal to approximately one third of the nominal value of the issued ordinary share capital of the Company as at the date of this document. The authority is proposed in substitution for the authority conferred on the Directors at the Company's extraordinary general meeting held on 16 December 2015.

The Directors currently have no intention to issue shares pursuant to this authority.

RESOLUTION 7

Resolution 7(a) is a special resolution to empower the Directors to allot equity securities for cash otherwise than in accordance with statutory pre-emption rights. The disapplication will be limited to the allotment of equity securities for cash (i) in connection with any rights issue (or other pro rata offer) to shareholders and (ii) otherwise in an amount up to an aggregate nominal value of €84,824,413.69 (being 5% of the nominal value of the issued ordinary share capital of the Company as at the date of this document).

Resolution 7(b) is a special resolution to empower the Directors, in addition to the authority granted under Resolution 7(a), to allot equity securities for cash otherwise than in accordance with statutory pre-emption rights in an amount up to an aggregate nominal value of €84,824,413.69 (being 5% of the nominal value of the issued ordinary share capital of the Company at the date of this document) for the purposes of what the Directors determine to be an acquisition or other specified capital investment.

The expressions "acquisition" and "specified capital investment" are defined by the Statement of Principles published in March 2015 by the Pre-Emption Group as one or more specific capital investment related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return. Items that are regarded as operating expenditure rather than capital expenditure will not typically be regarded as falling within the term "specified capital investment".

The division of the authorisation to allot equity securities into two resolutions is in conformity with the Pre-Emption Group's Monitoring Report and consistent with the good practice template resolutions as published in May 2016.

The Directors currently have no intention to issue shares pursuant to these powers, which will expire on the earlier of the date of the Company's AGM in 2018 or 26 July 2018.

RESOLUTION 8

Resolution 8 is being proposed as a special resolution. Shareholders are being asked to authorise the Company (or any subsidiary) to make market purchases of up to 10% of the Company's issued shares at the date of passing of the resolution, subject to the provisions of the Companies Act 2014 and the restrictions and provisions set out in the resolution.

The Directors do not have any current intention to exercise the authority to purchase the Company's own shares, which will expire on the earlier of the date of the AGM in 2018 or 26 July 2018.

Furthermore, such purchases would be made only at price levels which the Directors considered to be in the best interests of the shareholders generally, after taking into account the Company's overall financial position. In addition, the authority being sought from shareholders will provide that the minimum price that may be paid for such shares shall not be less than the nominal value of the shares and the maximum price will be the higher of 105% of the average market price of such shares and the amount stipulated by Article 5(6) of the EU Market Abuse Regulation 2003 (No. 596/2014).

RESOLUTION 9

Resolution 9 is a special resolution authorising the Company to re-issue shares purchased by it and not cancelled as treasury shares. If granted, the minimum and maximum prices at which treasury shares may be re-issued shall be determined in accordance with the Company's Articles of Association. This authority will expire on the earlier of the date of the AGM in 2018 or 26 July 2018.

ACTION TO BE TAKEN

A Form of Proxy for use in connection with the AGM accompanies this document and I encourage you to vote by completing, signing and returning the Form of Proxy. Alternatively, you may submit your votes or appoint a proxy through the internet and instructions on how to do so are found on the reverse of the Form of Proxy. Completion and return of the Form of Proxy will not prevent a shareholder from attending and voting in person at the meeting. All proxy appointments/votes must be received by the Company's Registrar, Computershare Investor Services (Ireland) Ltd, not later than 10.00 a.m. on Tuesday, 25 April 2017.

If you wish to attend the AGM, please detach your Attendance Card from your Form of Proxy and bring it with you to the meeting.

RECOMMENDATION

The Directors believe that each of the resolutions to be proposed is in the best interests of the Company and its shareholders, and so they recommend that you vote in favour of the resolutions.

Yours sincerely,
Richard Pym
Chairman.

ALLIED IRISH BANKS, P.L.C.
NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Allied Irish Banks, p.l.c. (the “**Company**”) will be held at the R.D.S. Concert Hall, Ballsbridge, Dublin 4 on Thursday 27 April 2017 at 10.00 a.m. for the following purposes:

ORDINARY BUSINESS

RESOLUTION 1

Following a review of the Company’s affairs, to receive the financial statements for the year ended 31 December 2016, together with the reports of the Directors and Auditor thereon.

RESOLUTION 2

To declare a final dividend of 9.21 cent per ordinary share for the year ended 31 December 2016 (subject to rounding up, per holder of ordinary shares, to the nearest whole cent), payable on 9 May 2017 to holders of ordinary shares on the register of members at close of business on 24 March 2017.

RESOLUTION 3

- (i) To elect Ms. Carolan Lennon
- (ii) To elect Mr. Brendan McDonagh
- (iii) To re-elect Mr. Simon Ball
- (iv) To re-elect Mr. Mark Bourke
- (v) To re-elect Mr. Bernard Byrne
- (vi) To re-elect Mr. Tom Foley
- (vii) To re-elect Mr. Peter Hagan
- (viii) To re-elect Ms. Helen Normoyle
- (ix) To re-elect Mr. Jim O’Hara
- (x) To re-elect Mr. Richard Pym
- (xi) To re-elect Dr. Michael Somers
- (xii) To re-elect Ms. Catherine Woods

(each of which is proposed as a separate resolution).

RESOLUTION 4

To authorise the Directors to fix the remuneration of the Auditor.

RESOLUTION 5

To receive the report on Directors’ remuneration and interests for the year ended 31 December 2016 contained within the Directors’ Remuneration Report on pages 205 to 207 of the 2016 Annual Financial Report and in summary on pages 24 and 25 of the 2016 Shareholders’ Report.

SPECIAL BUSINESS

RESOLUTION 6

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

That the Directors be and are hereby authorised pursuant to and in accordance with sub-paragraph (b)(i) of Article 10 of the Articles of Association of the Company (and in revocation of and substitution for the authority conferred on the Directors at the Company’s extraordinary general meeting held on 16 December 2015) to allot relevant securities (within the meaning of Section 1021 of the Companies Act 2014) during the period commencing on the date of the passing of this Resolution and expiring at the conclusion of the annual general meeting of the Company in 2018 or 26 July 2018 (whichever shall be earlier) and for that purpose “the Section 1021 Amount” (as defined in the Articles of Association of the Company) shall be €565,496,091.25.

RESOLUTION 7

To consider and if thought fit to pass the following resolutions as Special Resolutions (each of which is proposed as a separate resolution):

- 7(a) That, subject to the passing of Resolution 6, the Directors be and are hereby empowered pursuant to and in accordance with sub-paragraph (b)(ii) of Article 10 of the Articles of Association of the Company to allot equity securities (within the meaning of Section 1023 of the Companies Act 2014) for cash under the authority given by Resolution 6 during the period commencing on the date of the passing of this Resolution and expiring on the conclusion of the annual general meeting of the Company in 2018 or 26 July 2018 (whichever shall be earlier) and for that purpose “the Section 1022 Amount” (as defined in the Articles of Association of the Company) shall be €84,824,413.69.
- 7(b) That, subject to the passing of Resolution 6, the Directors be and are hereby empowered pursuant to and in accordance with sub-paragraph (b)(ii) of Article 10 of the Articles of Association of the Company (and in addition to any authority granted under Resolution 7(a)) to allot equity securities (within the meaning of Section 1023 of the Companies Act 2014) for cash under the authority given by Resolution 6 during the period commencing on the date of the passing of this Resolution and expiring on the conclusion of the annual general meeting of the Company in 2018 or 26 July 2018 (whichever shall be earlier) and for that purpose “the Section 1022 Amount” (as defined in the Articles of Association of the Company) shall be €84,824,413.69, provided that the powers conferred by this Resolution shall be used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice.

RESOLUTION 8

To consider and if thought fit to pass the following resolution as a Special Resolution:

That the Company and/or any of its subsidiaries (as defined by Section 7 of the Companies Act 2014) be and they are hereby generally authorised to make market purchases or overseas market purchases (each term as defined in Section 1072 of the Companies Act 2014), of shares of any class of the Company (the ‘Share’ or ‘Shares’) on such terms and conditions and in such manner as the Directors may from time to time determine but subject to the provisions of the Companies Act 2014 and to the following restrictions and provisions:

- (a) the maximum number of Shares authorised to be acquired pursuant to the terms of this Resolution shall be such number of Shares whose aggregate nominal value shall equal 10 per cent of the aggregate nominal value of the issued share capital of the Company as at the close of business on the date of the passing of this Resolution;
- (b) the minimum price which may be paid for any Share shall be the nominal value of the Share;
- (c) the maximum price (excluding expenses) which may be paid for any Share in the Company (a ‘**Relevant Share**’) shall be the higher of:
- (i) 5 per cent above the average of the closing quotation prices of a Relevant Share on the Irish Stock Exchange for the five business days immediately preceding the day of purchase (and, in respect of any business day on which there shall be no dealing in such shares on the Irish Stock Exchange, the price which is equal to (A) the mid-point between the high and low market guide prices in respect of such shares for that business day, or (B) if there shall be only one such market guide price so published, the market guide price so published; such prices shall be as published in the Irish Stock Exchange Daily Official List (or any successor publication thereto or any equivalent publication for securities admitted to trading on the Enterprise Securities Market)); and
- (ii) the amount stipulated by Article 5(6) of the Market Abuse Regulation (No. 596/2014) or any corresponding provision of any replacement legislation, being the value of a Relevant Share calculated on the basis of the higher of the price for:
- (A) the last independent trade of; and
- (B) the highest current independent bid for;

any number of Relevant Shares on the trading venue where the purchase pursuant to the authority conferred by this Resolution will be carried out.

If the means of providing the foregoing information as to dealings and prices by reference to which the maximum price is to be determined is altered or is replaced by some other means, then a maximum price shall be determined on the basis of the equivalent information published by the relevant authority in relation to dealings on the Irish Stock Exchange or its equivalent; and

- (d) The authority hereby granted shall commence on the date of the passing of this Resolution and expire at the conclusion of the annual general meeting of the Company in 2018 and 26 July 2018 (whichever shall be earlier). The Company or any such subsidiary may before such expiry enter into a contract for the purchase of Shares which would or might be executed wholly or partly after such expiry and may complete any such contract as if the authority conferred hereby had not expired.

RESOLUTION 9

To consider and if thought fit to pass the following resolution as a Special Resolution:

That, subject to the passing of Resolution 8, for the purposes of Sections 109 and/or 1078 of the Companies Act 2014 the re-issue price range at which any treasury shares for the time being held by the Company may be re-issued (including by way of re-issue off market) shall be determined in accordance with Article 55 of the Articles of Association of the Company. The authority hereby conferred shall commence on the date of the passing of this Resolution and expire at the conclusion of the annual general meeting of the Company in 2018 or 26 July 2018 (whichever shall be earlier) and is without prejudice or limitation to any other authority of the Company to re-issue treasury shares on-market.

By order of the Board

Sarah McLaughlin
Group Company Secretary,
Allied Irish Banks, p.l.c.
Bankcentre,
Ballsbridge,
Dublin 4

24 March 2017

NOTES

Entitlement to attend and vote

1. Pursuant to Section 1095 of the Companies Act 2014, only those shareholders registered on the Company's register of members: (i) at the close of business on the day two days prior to the Annual General Meeting; or (ii) if the Annual General Meeting is adjourned, at the close of business on the day two days prior to the adjourned Annual General Meeting, shall be entitled to attend and vote at the Annual General Meeting or, if relevant, any adjournment thereof. Changes to entries on the Company's register of members after that time will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

Attending in person

2. The Annual General Meeting will be held at the R.D.S. Concert Hall, Ballsbridge, Dublin 4. If you wish to attend in person, you are recommended to attend at least 15 minutes before the time appointed for holding of the Annual General Meeting to allow time for registration. Please bring the attendance card attached to your Form of Proxy and present it at the shareholder registration desk before the commencement of the Annual General Meeting.

Appointment of proxies

3. A shareholder who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy (or more than one proxy as alternates) to attend, speak and vote instead of the shareholder. A proxy need not be a shareholder. If you wish to appoint more than one proxy please contact the Company's Registrar, Computershare Investor Services (Ireland) Limited, on +353 1 247 5411.
4. A Form of Proxy for use by shareholders is enclosed with this Notice (or is otherwise being delivered to shareholders). Completion of a Form of Proxy (or submission of proxy instructions electronically) will not prevent a shareholder from attending the Annual General Meeting and voting in person should the shareholder wish to do so.
5. To be valid, a Form of Proxy and any power or other authority under which it is executed (or a duly certified copy of any such power or authority) must be returned by post to Computershare Investor Services (Ireland) Limited, P.O. Box 954, Sandyford, Dublin 18, D18 Y2X6, Ireland or (during normal business hours) by hand to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, D18 Y2X6, Ireland, not later than 48 hours before the Annual General Meeting or adjourned Annual General Meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) at least 48 hours before the taking of the poll at which it is to be used.
6. To appoint (or remove) a proxy electronically, log on to the website of the Registrar, Computershare Investor Services (Ireland) Limited: www.eproxyappointment.com. To log in you will require your unique PIN (which will expire at the end of the voting period), your Shareholder Reference Number (SRN) and the Control Number, all of which are printed on the face of the accompanying Form of Proxy.
7. CREST members may appoint one or more proxies through the CREST electronic proxy appointment service in accordance with the procedures described in the CREST Manual. CREST Personal Members or other CREST Sponsored Members and those CREST Members who have appointed a voting service provider(s) should refer to their CREST Sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by the Company's Registrars, Computershare Investor Services (Ireland) Limited, as issuer's agent (CREST Participant ID 3RA50) by the latest time(s) for receipt of proxy appointments specified in this Notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare Investor Services (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
9. CREST members and, where applicable, their CREST Sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or Sponsored Member or has appointed a voting service provider(s), to procure that his CREST Sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST Sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996.

Issued shares and total voting rights

11. The total number of issued ordinary shares in the Company on the date of this Notice of Annual General Meeting is 2,714,381,238.
12. Voting on each of the resolutions will be decided on a poll. This means that shareholders who attend the Annual General Meeting, as well as those who are not able to attend but have sent proxy forms, may have their votes taken into account according to the number of shares they hold.
13. Resolutions 1 to 6 are ordinary resolutions and require a simple majority of votes cast (in person or by proxy) at the meeting to be passed. Resolutions 7 to 9 are special resolutions and require the approval of 75 per cent. of votes cast (in person or by proxy) at the meeting to be passed.

Shareholder information, including the Annual Financial Report, is available on AIB's website at www.aib.ie/investorrelations