



FOR IMMEDIATE RELEASE

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AIB MORTGAGE BANK RAISES €750M THROUGH A 5-YEAR ACS BOND ISSUANCE

Allied Irish Banks, p.l.c. (“AIB”) today announces that AIB Mortgage Bank (AIBMB) raises €750m through a 5-year Asset Covered Securities (ACS) Bond Issuance, under its €20 billion Mortgage Covered Securities Programme. AIBMB is a wholly owned subsidiary of AIB.

This 5 year deal was priced at a spread over mid-swaps of 22 basis points at an absolute yield level of 0.663% with a coupon attaching of 0.625%. The deal was well received and was placed with c.80 international investors from 15 countries and was well oversubscribed.

This funding transaction is part of AIB’s continuing strategy to extend maturity and to diversify our funding and investor base.

-ENDS-

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Important Information

AIB currently has c.523 billion ordinary shares in issue, of which 99.8% are held by the Irish Strategic Investment Fund (ISIF), mainly following the issue of 500 billion ordinary shares to the National Pensions Reserve Fund Commission (the predecessor to the ISIF) in July 2011 at a price of €0.01 per share.

Copies of other relevant market disclosures can be found at the following link: investorrelations.aib.ie