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Terms used and not otherwise defined in this announcement have the meaning given to such terms in the circular published by Allied Irish Banks, p.l.c. on 10 October 2017.



3 November 2017

ALLIED IRISH BANKS, P.L.C. (“AIB BANK”)

Resolution strategy for AIB Bank and its subsidiaries (“AIB” or the “AIB Group”): Results of Court Meeting and EGM

As announced on 2 October 2017, AIB Bank intends to implement a corporate reorganisation pursuant to which a new company, AIB Group plc (“**AIB HoldCo**”) will be introduced as the holding company of the AIB Group. The reorganisation will be implemented by means of a scheme of arrangement under Chapter 1 of Part 9 of the Companies Act 2014 (and a related reduction of capital of AIB Bank) (the “**Scheme**”).

Today, two meetings of AIB Bank shareholders were held in connection with the Scheme and related matters. The first meeting was a meeting, convened by the High Court of Ireland, of shareholders of AIB Bank other than AIB HoldCo (which holds one share in AIB Bank) (the “**Court Meeting**”) to approve the Scheme. The second meeting was an extraordinary general meeting of AIB Bank shareholders (the “**EGM**”) to approve certain matters related to the Scheme (including the proposed reduction of capital of AIB Bank under the Scheme) and also, on an advisory basis, the proposed reduction of capital of AIB HoldCo.

At these meetings, all resolutions were duly passed. The results of the voting on each of the resolutions are available in the Additional Information section of this announcement.

In accordance with Irish Listing Rule 6.6.2 and UK Listing Rule 9.6.2, copies of the resolutions will be submitted to the Irish Stock Exchange and the UK’s National Storage Mechanism and will shortly be available for inspection at Company Announcements Office, The Irish Stock Exchange, 28 Anglesea Street, Dublin 2 and <http://www.morningstar.co.uk/uk/NSM>.

The hearing by the High Court of Ireland to sanction the Scheme (including the related AIB Bank reduction of capital) is expected to be held on or around 6 December 2017.

- Ends -

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ADDITIONAL INFORMATION

Court Meeting

The resolution proposed at the Court Meeting held today was duly passed.

The results of the voting on the resolution are as follows:

Resolution: To approve the Scheme.

Present (in person or by proxy) and voting			Votes for Resolution				Votes against the Resolution				Votes Withheld			
	No. of Shareholders	Ordinary Shares Represented	No. of Shareholders		Ordinary Shares Represented		No. of Shareholders		Ordinary Shares Represented		No. of Shareholders		Ordinary Shares Represented	
			No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Total	1,587	2,542,814,038	1,454	91.6194%	2,542,800,690	99.9995%	133	8.3805%	13,348	0.0005%	28	N/a	578	N/a

No ordinary shares of €0.625 each in AIB Bank (“**AIB Bank Shares**”) held by AIB HoldCo were voted at the Court Meeting. The total number of Scheme Shares (i.e. issued AIB Bank Shares at the record time for entitlement to vote at the Court Meeting excluding those held by AIB HoldCo) was 2,714,381,237.

Extraordinary General Meeting

The two resolutions proposed at the Extraordinary General Meeting held today were duly passed.

The results of the voting on each resolution are as follows:

Resolution	Votes for	%	Votes against	%	Votes total	% of issued share capital	Votes withheld
1) To approve the Scheme	2,544,333,836	99.9996%	8,964	0.0004%	2,544,342,800	93.7356%	3,606,669
2) To approve, on an advisory basis, the creation of distribute reserves in AIB Group plc following implementation of the Scheme of Arrangement.	2,544,333,832	99.9996%	8,974	0.0004%	2,544,342,806	93.7356%	3,606,654

The total number of AIB Bank Shares in issue at the record time for the entitlement to vote at the EGM was 2,714,381,238.

Note regarding withheld votes

The “Vote Withheld” option is provided to enable abstention on any particular resolution. However, it should be noted that a “Vote Withheld” is not a vote in law and is not counted in the calculation of the proportion of the votes “For” and “Against” a resolution.

FORWARD-LOOKING STATEMENTS

This announcement may contain certain forward-looking statements with respect to the financial condition, results of operations and business of the AIB Group and certain plans and objectives of the AIB Bank Board or the AIB HoldCo Board. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “will”, “may”, “should”, “would”, “could”, their negative or other variations or other words of similar meaning. These statements are based on assumptions and assessments made by the AIB Bank Board or (as the case may be) the AIB HoldCo Board in light of their respective experiences and its perceptions of historical trends, current conditions, expected future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty and the factors described in the context of such forward-looking statements in this announcement could cause actual results or developments to differ materially from those expressed in, reflected or contemplated in, or implied by, such forward-looking statements. As a result, investors should not rely on such forward-looking statements in making their investment decisions. No representation or warranty is made as to the achievement or reasonableness of, and no reliance should be placed on, such forward-looking statements.

Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this announcement. None of AIB Bank, the AIB Bank Board, AIB HoldCo or the AIB HoldCo Board assume any obligation to update or correct the information contained in this announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date. Nothing contained in this announcement shall be deemed to be a forecast, projection or estimate of the future financial performance of the AIB Group except where expressly stated.

IMPORTANT NOTICES

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

The contents of this announcement are not to be construed as legal, financial or tax advice. Each prospective investor should consult his own legal adviser, financial adviser or tax adviser for legal, financial or tax advice, respectively.

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NOTICE TO OVERSEAS INVESTORS

The release, publication or distribution of this announcement and the documents referred to herein in jurisdictions other than Ireland and the United Kingdom may be restricted by law and therefore persons into whose possession any of this announcement and the documents referred to herein come should inform themselves about, and observe, any applicable restrictions or requirements. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, AIB Bank and AIB HoldCo disclaim any responsibility or liability for the violation of such requirements by any person.

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NOTICE TO INVESTORS IN THE UNITED STATES

The Scheme relates to the shares of an Irish company (a “foreign private issuer” as defined under Rule 3b-4 under the U.S. Securities Exchange Act of 1934 (the “**Exchange Act**”)) and is proposed to be made by means of a scheme of arrangement and related reduction of capital of AIB Bank provided for under, and governed by, Irish law. Neither the proxy solicitation rules nor the tender offer rules under the Exchange Act will apply to the Scheme. Accordingly, the AIB HoldCo Shares to be issued pursuant to the Scheme have not been and will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) or under the relevant securities laws of any State or territory or other jurisdiction of the United States, and are expected to be offered in the United States in reliance upon the exemption from the registration requirements of the Securities Act provided by section 3(a)(10) thereof and exemptions provided under the laws of the States of the United States in which eligible Scheme Shareholders may reside.

The AIB HoldCo Shares to be issued under or in connection with the Scheme to a Scheme Shareholder who is neither an affiliate, for the purpose of the Securities Act, of AIB Bank or AIB HoldCo on or prior to the time the Scheme becomes effective nor an affiliate of AIB HoldCo at the Scheme Effective Time would not be “restricted securities” under the Securities Act. Scheme Shareholders who are affiliates of AIB Bank or AIB HoldCo on or prior to the Scheme Effective Time or affiliates of AIB HoldCo after the Scheme Effective Time may, under Rule 145(d) under the Securities Act, be subject to timing, manner of sale and volume restrictions on the sale of AIB HoldCo Shares received in connection with the Scheme.

The Scheme is subject to the disclosure requirements and practices applicable in Ireland to schemes of arrangement and capital reductions, which differ from the disclosure and other requirements of U.S. securities laws.

None of the securities referred to in this announcement have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this announcement. Any representation to the contrary is a criminal offence in the United States.