



25 April 2023

AIB Group plc announces €215 million directed buyback

Off market purchase of 54,674,818 Ordinary Shares from the Minister for Finance (“Minister”)

AIB Group plc (“AIB” or the “Company”) has agreed with the Minister to make an off-market purchase for a total consideration of €215,309,433 of 54,674,818 ordinary shares of €0.625 each in the capital of AIB (“Ordinary Shares”) at a price of €3.938 per Ordinary Share, being yesterday’s closing price of the Ordinary Shares on Euronext Dublin (“Off-Market Purchase”).

The purchased Ordinary Shares represent approximately 2.05 per cent of the Company’s issued share capital. The Off-Market Purchase is expected to settle on 26 April 2023.

A contract (“Directed Buyback Contract”) between AIB and the Minister was approved by the shareholders of AIB at the Annual General Meeting held on 6 May 2021 and signed on 3 June 2021. The authority from shareholders to make off-market purchases of Ordinary Shares from the Minister (or its nominee) under the terms of the Directed Buyback Contract was renewed at the Annual General Meeting on 5 May 2022. The Off-Market Purchase has been approved by the European Central Bank.

AIB intends to cancel the 54,674,818 purchased Ordinary Shares.

Under Chapter 11 of the Irish Listing Rules and Chapter 11 of the UK Listing Rules, the Directed Buyback Contract constitutes a related party transaction. However, the Off-Market Purchase is treated as a smaller related party transaction under Irish Listing Rule 11.1.15 and UK Listing Rule 11.1.10R.

Following completion of the Off-Market Purchase:

- AIB will have in issue 2,618,753,655 Ordinary Shares (excluding treasury shares); and
- The Minister will own approximately 53.35 per cent of AIB’s issued share capital (excluding treasury shares).

Based on AIB’s capital position at 31 December 2022, AIB’s fully-loaded CET1 ratio will be reduced by approximately 40 basis points to 15.9% from the reported 16.3%.

Colin Hunt, Chief Executive Officer, commented:

“I am pleased to announce that AIB Group has agreed with the Minister for Finance to undertake a directed buyback of shares. In 2022, AIB Group returned over €1bn to the State and today’s agreement will generate a further €215m for the Irish taxpayer. It is another positive development towards normalising our share register and enhancing shareholder value for all investors.”

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Forward Looking Statements

This document contains certain forward looking statements with respect to the financial condition, results of operations and business of AIB Group and certain of the plans and objectives of the Group. 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, capital structure, Government shareholding in the Group, 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 are set out in the Principal risks on pages 23 to 25 in the 2022 Annual Financial Report. In addition to matters relating to the Group's business, future performance will be impacted by the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, the impact of higher inflation on customer sentiment and by Irish, UK and wider European and global economic and financial market considerations. Future performance will further be impacted by the direct and indirect consequences of the Russia-Ukraine war on European and global macroeconomic conditions and any enduring effects of the COVID-19 pandemic. Any forward looking statements made by or on behalf of the Group speak only as of the date they are made. The Group cautions that the list of important factors on pages 23 to 25 of the 2022 Annual Financial Report 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.