

BANK OF IRELAND PURCHASE OF OUTSTANDING SECURITIES BY TENDER OFFERS

Bank of Ireland today announces that a subsidiary, BOI Capital Holdings Ltd, has purchased Euro and Sterling denominated Tier 1 securities from four separate securities with a face value of approximately €1.26bn. The securities were purchased between 38% and 50% of the face value of the securities in line with the previously announced minimum tender prices.

The maximum size of the tender offer by BOI Capital Holdings Ltd for two Dollar denominated Tier 1 securities has been increased from \$525m to US\$600m. This offer will expire on 16 June 2009.

Assuming the Dollar denominated offer is completed for the full amount, the combined equity accretion for the Bank of Ireland Group arising from the tender offers is expected to be circa €1 billion.

For further detail on the tender offers, including the restrictions on participation in the offers please see the applicable offer to purchase documents.

THE BANK OF IRELAND GROUP ANNOUNCES RESULTS OF AN INVITATION FOR OFFERS TO SELL SECURITIES FOR CASH

**NOT FOR DISTRIBUTION TO ANY UNITED STATES OR ITALIAN PERSON OR TO
ANY PERSON RESIDENT AND/OR LOCATED IN THE UNITED STATES OR ITALY**

03 June 2009

BOI Capital Holdings Limited (the “**Company**”) hereby announces the results of an invitation to holders of the following Securities to submit offers (“**Offers**”) to sell their holdings of the Securities listed below to the Company for cash (the “**Invitation**”).

€600,000,000 7.40 per cent. Guaranteed Step-up Callable Perpetual Preferred Securities
issued by Bank of Ireland UK Holdings plc
(the “**Series 1 Securities**”)
€600,000,000 Fixed Rate/Variable Rate Guaranteed Non-voting Non-cumulative Perpetual
Preferred Securities issued by BOI Capital Funding (No.1) LP
(the “**Series 2 Securities**”)
£350,000,000 6.25 per cent. Guaranteed Callable Perpetual Preferred Securities
issued by Bank of Ireland UK Holdings plc
(the “**Series 3 Securities**”)
£500,000,000 Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual
Preferred Securities issued by BOI Capital Funding (No. 4) LP
(the “**Series 4 Securities**”)

The Invitation by the Company to holders of the Securities constituted a separate Invitation with respect to each series of Securities. Undefined capitalised terms used in this announcement have the meanings ascribed to them in the Invitation for Offers. The Early Expiration Deadline for the Invitation expired at 4.00pm London time on 2 June 2009.

The Company is pleased to announce:

- that the Company has made an election to close the Invitation early, pursuant to the Early Expiration Option permitted in the Invitation for Offers. The Expiration Deadline is 4.00pm London time on 2 June 2009, and accordingly, the Settlement Date shall be 5 June 2009;
- that all of the Series 2 Securities, the Series 3 Securities and the Series 4 Securities tendered at the applicable purchase price have been accepted in full, 50% of the Series 1 Securities tendered at the applicable purchase price have been accepted;
- that the Series 1 Securities accepted for purchase will be prorated by a factor of 0.5; and
- that the total aggregate principal amount of securities across all Series of Securities combined accepted for purchase is approximately €1,262 million and the Maximum Invitation Amount has been increased accordingly, as permitted in the Invitation for Offers.

The Company will pay accrued and unpaid interest or distributions for the period from (and including) the most recent interest payment or distribution payment date for the Securities accepted for purchase to (but not including) the Settlement Date (“**Accrued Interest**”).

ISIN / Common Code	Outstanding Principal	Aggregate amount	Purchase Price1	Outstanding Principal
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		Amount	accepted for purchase		Amount outstanding following settlement of the Invitation
Series 1 Securities	XS0125611482 / 012561148	€600,000,000	€124,000,000	€500 per €1,000 principal amount	€476,000,000
Series 2 Securities	XS0213178295 / 021317829	€600,000,000	€249,684,000	€380 per €1,000 principal amount	€350,316,000
Series 3 Securities	XS0165122655 / 016512265	£350,000,000	£303,568,000	£420 per £1,000 principal amount	£46,432,000
Series 4 Securities	XS0268599999 / 026859999	£500,000,000	£462,710,000	£400 per £1,000 principal amount	£37,290,000

1 Includes the Early Tender Amount of €30 per €1,000 or £30 per £1,000

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER TO PURCHASE ANY SECURITIES OR A SOLICITATION OF AN OFFER TO SELL ANY SECURITIES

For further information:

A complete description of the terms and conditions of the Invitation is set out in the Invitation for Offers. Further details about the transaction can be obtained from:

The Dealer Managers:
Citigroup Global Markets Limited
 Tel: +44 (0) 20 7986 8969
 Email: liabilitymanagement.europe@citi.com

UBS Investment Bank
 Tel: +44 (0) 20 7567 0525
 Email: mark-t.watkins@ubs.com

The Tender Agent:
Lucid Issuer Services Limited
 Tel: +44 (0) 20 7704 0880
 Email: boi@lucid-is.com

A copy of the Invitation for Offers is available to eligible persons upon request from the Tender Agent.

The Invitation is subject to offer and distribution restrictions in, amongst other countries, the United States, the United Kingdom, Italy, Belgium and France as more fully set out in the

Invitation for Offers and the distribution of this announcement in those jurisdictions is restricted by the laws of such jurisdictions.

*****BANK OF IRELAND ANNOUNCES INCREASE OF MAXIMUM NOTIONAL
AMOUNT IN RELATION TO USD TENDER OFFERS*****

**NOT FOR DISTRIBUTION TO ANY PERSON RESIDENT AND/OR LOCATED IN THE
REPUBLIC OF ITALY**

For information only:

On May 19, 2009, BOI Capital Holdings Limited (the “**Purchaser**”) invited all holders of the USD securities listed below (the “**Securities**”) to offer to sell for cash their Securities in accordance with a modified Dutch auction procedure for each series of Securities (the “**Tender Offers**”).

Capital Funding (No. 2) Securities: \$800,000,000 Fixed/Floating Rate Guaranteed Non-voting Non-Cumulative Perpetual Preferred Securities [issued by BOI Capital Funding \(No. 2\) LP](#) (USG12255AA64 (RegS) / US055967AA11 (144A)) / Acceptable Bid Price range \$400 - \$450 per \$1,000 / Maximum Notional Amount \$350,000,000 [\(the “Capital Funding \(No. 2\) Securities”\)](#)

Capital Funding (No. 3) Securities: \$400,000,000 Fixed/Floating Rate Guaranteed Non-voting Non-Cumulative Perpetual Preferred Securities [issued by BOI Capital Funding \(No. 3\) LP](#) (USG12250AA77 (RegS) / US05568AAA88 (144A)) / Acceptable Bid Price range \$400 - \$450 per USD1,000 / Maximum Notional Amount \$175,000,000 [\(the “Capital Funding \(No. 3\) Securities”\)](#)

The terms of the Tender Offers are set forth in the Offer to Purchase dated May 19, 2009 (the “**Offer to Purchase**”), a copy of which is available to eligible persons only, upon request, from the Information Agent.

The Purchaser today announces that it has exercised its right to increase the “Maximum Notional Amount” (as defined in the Offer to Purchase) as follows:

- In relation to the Tender Offer for the Capital Funding (No. 2) Securities: from \$350 million to \$ 400 million; and
- In relation to the Tender Offer for the Capital Funding (No. 3) Securities: from \$175 million to \$ 200 million.

The Expiration Date is expected to be 5pm (NYT) on June 16, 2009, unless extended or earlier terminated. Announcement, in respect of each series of Securities, of the relevant Clearing Price, the pro-rata factor, if any, and the aggregate notional amount of Securities to be repurchased will be made at or around 9 a.m. (NYT) on June 17, 2009. Settlement is expected to occur on June 19, 2009.

All other terms and conditions of the Tender Offers remain as set forth in the Offer to Purchase.

Dealer Managers:

Citigroup Global Markets Limited, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom. Tel: +44 20 7986 8969/+1 212 723 6106 (collect) / +1 800 558 3475 (toll free).

UBS Securities LLC, 677 Washington Boulevard, Stamford, CT 06901-3707. Tel: +1 203 719 4210 (collect), +1 888 719 4210 (toll free).

Information Agent

Global Bondholder Services Corporation, 65 Broadway – Suite 723, New York, New York 10006. Tel: Banks and Brokers call: +1 212 430 3774 / +1 866 470 4300 (toll free).

None of the Dealer Managers, the Depositary or the Information Agent assumes any responsibility for the accuracy or completeness of the information concerning BOI Capital Holdings Limited or the Tender Offers contained in this Offer to Purchase or related documents or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information. None of the Dealer Managers, the Depositary or the Information Agent and their respective directors, employees or affiliates makes any representation or recommendation whatsoever regarding this Offer to Purchaser, or any recommendation as to whether holders should tender their Securities in the Tender Offers.

[The Tender Offers are not being made directly or indirectly into the Republic of Italy. The Tender Offers are not being made to holders of Securities in any jurisdiction where the Tender Offers would not comply with the laws of such jurisdiction.](#)