



AIB and Bank of Ireland announce their intention to create a joint venture technology services company

18th June 2002

AIB Group and Bank of Ireland today announced that they have informed the European Commission of their intention to create a 50/50 joint venture (JV) technology services company. The JV will combine the two parties' respective IT infrastructures to provide IT services, on a commercial basis, including datacentre operations, networks and desktop management services. Neither bank will have access to the customer information of the other. The JV will provide services to the Irish and UK divisions of both organisations, as well as to other companies in Ireland and abroad. The formation of the new JV will require Bank of Ireland to exit its current IT joint venture with Perot Systems. The specific services that the JV will provide include:

- operational services (day to day management of customers' IT infrastructure)
- infrastructure implementation services (building new IT infrastructure solutions)
- help desk management services, and
- business continuation services (back-up facilities)

The new venture will be based in a single location and various options are currently under consideration.

The JV will employ 700 people and will have an independent CEO and management team.

A further announcement will issue in due course following the receipt of the necessary regulatory clearances and the satisfactory completion of due diligence, on which the transaction is conditional. Brian Gannon, General Manager Enterprise Networks, AIB Group said:-

"This is a logical and welcome development which will help both our organisations manage our processing costs more effectively and provide us with leading edge IT support infrastructure. We are pleased that a basis has been found for productive co-operation that does not impact on the competitive environment and has real potential to expand as a business in its own right. It is an exciting business initiative both for the organisation and our people."

Cyril Dunne, Chief Information Officer, Bank of Ireland said:-

"This JV will have the scale and the resources to compete for business in Ireland and elsewhere. Its transaction levels will compare with those of major banks in Britain and Europe and it will bring together a range of skills in both organisations that stand comparison with the best in any market."

-Ends-

For further information contact:

Ann Matthews

Media Relations Manager

Bank of Ireland

Head Office

Lower Baggot Street

Dublin 2

Tel: 01 604 3836

anne.matthews@boimail.com

Dublin 2

Catherine Burke

Head of Corporate Relations

AIB Group

Bankcentre

Ballsbridge

Dublin 4

Tel: 01 641 3894

catherine.e.burke@aib.ie

Dublin 4

Mary King

Head of Group Investor Relations

Bank of Ireland

Tel: 01 604 3501

mary.king@boimail.com

David O'Callaghan

Investor Relations Manager

AIB Group

Tel: 01 641 4191

david.a.o'callaghan@aib.ie

AIB was advised by London Technology Partners on the formation of this JV.