



**AIB 2001 Preliminary Announcement of Results
20th February 2002**

STATEMENT BY MICHAEL BUCKLEY, AIB GROUP CHIEF EXECUTIVE

"AIB Group's attributable profit in 2001 amounted to €484 million - €997 million before the exceptional item relating to the suspected fraud at Allfirst Treasury. The losses arising from the suspected fraud have been finalised at an amount of US \$691 million (€789 million).

"The periods in which the losses arose extend back to 1997. In accordance with Irish GAAP, AIB is accounting for this loss and related costs, which after tax amount to €513 million, in the 2001 accounts.

"The suspected fraud at Allfirst Treasury is now the subject of an independent investigation instituted by the AIB Board and headed by the eminent US banking figure, Eugene A. Ludwig. Mr Ludwig is due to make a report on this investigation by 9 March 2002, which will then be considered by the AIB Board. The AIB Board will make public the findings and recommendations of this investigation. Details of actions the AIB Board will take as a result of the investigation will also be released.

"Excluding the impact of the Allfirst loss, these results show that in 2001 AIB delivered:

A solid performance in a turbulent year.

A 12% rise in adjusted earnings per share.

A 13% increase in total dividend.

"The suspected fraud has been a substantial blow to all AIB stakeholders. AIB remains a well-capitalised profitable company with a thriving retail and commercial banking business. I am determined to spare no effort in repairing the damage we have suffered."

STATEMENT BY MR EUGENE A. LUDWIG, HEAD OF ALLFIRST INVESTIGATION

"The investigation is proceeding vigorously. It is my intention to report on the status of the investigation and provide findings to the AIB Board by March 9.

"My highest priority is to conduct a careful and thorough review of this situation. This includes pursuing the probability that the Bank was defrauded.

"I am satisfied that the scope of the investigation is sufficiently wide that it will allow me to establish what happened and will enable the AIB Board to take any further actions that are appropriate to protect the strength and integrity of the enterprise."