



**AIB Group Interim Results 2006**  
**1st August 2006**

**HIGHLIGHTS - AIB GROUP INTERIM RESULTS 2006**

Basic earnings per share EUR 121.2c  
less profit from Ark Life(1) EUR (18.2c)  
less profit on Bankcentre (2) EUR (11.0c)  
adjust for hedge volatility (3) under IFRS EUR 1.7c  
**Adjusted basic earnings per share EUR 93.7c up 29% (4)**

**Divisional pre-tax profit performance (5)**

- AIB Bank ROI up 19%
- Capital Markets up 58%
- or 45% on an operating profit (6) basis
- AIB Bank UK up 18%
- Poland up 62%
- M&T contribution up 11%

Income / cost gap +6%  
Cost income ratio down 2.7% to 52.4%  
Exceptionally high credit provision write-backs  
Return on equity 30.4%  
Tier 1 capital ratio 8.0%  
Interim dividend of EUR 25.3c, up 10%

**AIB Group Chief Executive Eugene Sheehy said:**

'The very strong results for the first six months of 2006 reflect buoyant well-spread growth in all our markets and the development of high quality franchises. This performance was achieved thanks to the outstanding commitment and dedication of our people throughout the group. While exceptionally good asset quality complemented the first half results, the strong operating performance and customer demand underpins confidence in the future growth and resilience of our business.'

(1) Includes the profit from Ark Life discontinued operation (€132 million after tax) and the profit on the transfer of the management of certain investment contracts to Aviva as part of the Ark disposal (€26 million after tax).

(2) Includes profit on the new Bankcentre development (€29 million after tax) and part of the profit on the disposal of the existing Bankcentre (€67 million after tax).

(3) The impact of interest rate hedge volatility (derivative ineffectiveness and volatility) under IFRS was a decrease of €19 million to profit before taxation for the half-year (€15 million after tax).

(4) A 29% increase compared with EUR 72.4c for the half-year to June 2005, which includes the earnings in 2005 from Ark Life which is now a discontinued operation.

(5) Excluding the impact of exchange rate movements on the translation of foreign locations' profit.

(6) Operating profit excludes the €26 million profit on the transfer of the management of certain investment contracts to Aviva as part of the disposal of Ark Life.

**Dividend**

The Board has declared an interim dividend of EUR 25.3c per share, an increase of 10% on the half-year ended 30 June 2005. The dividend will be paid on 26 September 2006 to shareholders on the Company's register of members at the close of business on 11 August 2006.

**For further information please contact:**

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