



**AIB Preliminary Results 2007**  
**20th February 2008**

**HIGHLIGHTS - AIB GROUP ANNUAL RESULTS 2007**

Basic earnings per share	EUR 218.0c
less profit on disposal/development of property <sup>(1)</sup>	EUR (12.1c)
adjust for hedge volatility <sup>(2)</sup>	EUR -
<b>Adjusted basic earnings per share</b>	<b>EUR 205.9c up 13%<sup>(3)</sup></b>

Divisional operating profit performance<sup>(4)</sup>

- AIB Bank ROI up 14%
- Capital Markets up 6%
- AIB Bank UK up 20%
- Poland up 29%
- M&T US\$ contribution down 7%

Income/cost gap +3%

Cost income ratio down 1.7% to 51.8%

Bad debt provision charge 0.09%, down from 0.12% in 2006

Return on equity 21.8%

Tier 1 capital ratio 7.5%

Total dividend of EUR 79.0c, up 10%

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

'AIB delivered a strong performance in 2007, despite adverse changes in worldwide banking. This performance reflects the hard work, commitment and loyalty of our people. We are serving a growing number of customers in our high quality domestic and international franchises. The broad base and resilience of our business is a hallmark of AIB which positions us to deliver profitable growth in the more challenging operating environment for 2008'.

(1) Includes construction contract income (€ 48 million after tax) and profit on sale of 22 branches in the Republic of Ireland (€58 million after tax).

(2) The impact of hedge volatility (hedging ineffectiveness and derivative volatility) was negligible in 2007.

(3) A 13% increase compared with EUR 182.8c for the year to December 2006 (see note 15 of this release).

(4) Operating profit excludes profit from disposal of property/businesses, construction contract income and associated undertakings. The percentage increase excludes the impact of exchange rate movements on the translation of foreign locations' profit.

**Dividend**

The Board is recommending a final dividend of EUR 51.2c per share payable on 23 April 2008 to shareholders on the Company's register of members at the close of business on 29 February 2008. The final dividend, together with the interim dividend of EUR 27.8c per share, amounts to a total dividend of EUR 79.0c per share, an increase of 10% on 2006.

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