



29 April 2022

AIB Group plc announces the potential acquisition of Ulster Bank's tracker mortgage portfolio and confirms receipt of competition clearance for the acquisition of Ulster Bank's corporate and commercial loans

Ulster Bank tracker mortgage portfolio

AIB Group plc announces that it has entered into exclusive discussions with NatWest Group plc for the acquisition of circa €6 billion Ulster Bank performing tracker (and linked) mortgages. Any potential transaction remains subject to negotiations and agreement.

Ulster Bank corporate and commercial loans - CCPC approval

AIB Group plc confirms and welcomes the receipt of competition clearance from the Competition and Consumer Protection Commission (CCPC) on 28 April 2022 for the acquisition of c. €3.7 billion Ulster Bank performing corporate and commercial loans⁽¹⁾.

As intended AIB will commence the migration of loans on a phased basis over the coming months to ensure optimised outcomes for the c. 5,000 impacted customers.

In line with previous guidance the Group expects a CET1 reduction of c. 130bps in relation to the corporate and commercial loan book acquisition.

AIB Chief Executive, Colin Hunt, commented:

"Receipt of CCPC approval is another important milestone in AIB's inorganic strategy and follows the successful integration of Goodbody last year. We look forward to working with our new customers and equally our new colleagues from Ulster Bank as they move to AIB Group. I would like to thank everyone who has worked on this landmark transaction."

AIB will issue its Q1 Trading Update on 5 May 2022.

This announcement contains inside information.

⁽¹⁾Estimate based on the transaction had it completed on 31 December 2021

Ends

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Forward Looking Statements

This document contains certain forward looking statements with respect to the financial condition, results of operations and business of AIB Group and certain of the plans and objectives of the Group. These forward looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'may', 'could', 'will', 'seek', 'continue', 'should', 'assume', or other words of similar meaning. Examples of forward looking statements include, among others, statements regarding the Group's future financial position, capital structure, Government shareholding in the Group, income growth, loan losses, business strategy, projected costs, capital ratios, estimates of capital expenditures, and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward looking information. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements. These are set out in the Principal risks on pages 28 to 30 in the 2021 Annual Financial Report. In addition to matters relating to the Group's business, future performance will be impacted by direct and indirect impacts of the COVID-19 pandemic and by Irish, UK and wider European and global economic and financial market considerations. Any forward looking statements made by or on behalf of the Group speak only as of the date they are made. The Group cautions that the list of important factors on pages 28 to 30 of the 2021 Annual Financial Report is not exhaustive. Investors and others should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward looking statement.