



5 May 2022

AIB Group plc
€91 million Share Buyback Programme

AIB Group plc (“AIB” or the “Company”) announces the commencement of a share buyback programme whereby it will repurchase ordinary shares of AIB (the “Shares”) for up to a maximum aggregate amount of €91 million.

The share buyback programme will include (i) an on-market buyback of Shares (the “OM Buyback”) and (ii) a directed buyback of Shares from the Minister for Finance (the “Minister”) (the “Directed Buyback”) and will commence today, 5 May 2022, and may continue until 30 December 2022 subject to market conditions, the ongoing capital requirements of the business and termination provisions customary for arrangements of this nature. All Shares repurchased under the share buyback programme will be cancelled.

AIB has entered into a non-discretionary agreement with Goodbody Stockbrokers UC, acting as agent, to conduct the OM Buyback and to repurchase Shares on AIB’s behalf and to make trading decisions under the OM Buyback independently of AIB in accordance with certain pre-set parameters. These Shares will be repurchased on Euronext Dublin. Given the maximum aggregate amount of the share buyback programme and the terms of the Directed Buyback agreed with the Minister (described below), the OM Buyback is expected to be for a maximum aggregate amount of approximately €27 million.

In connection with the share buyback programme, AIB has agreed with the Minister to undertake Directed Buybacks from the Minister in such amounts that will ensure that, as the OM Buyback is implemented, the Minister’s relative shareholding in AIB does not increase as a result of any such OM Buyback. The Minister has agreed with AIB to participate in Directed Buybacks in order to avoid their percentage shareholding in AIB increasing as a result of any such OM Buyback. The Directed Buybacks are therefore expected to happen on a daily basis (at the Euronext Dublin AIB closing price on such day) when any OM Buyback occurs. For the purpose of Chapter 11 of the Euronext Dublin Rule Book: Book II (the “Irish Listing Rules”) and Chapter 11 of the UK Listing Rules, the Directed Buyback Contract between AIB and the Minister constitutes a smaller related party transaction under Irish Listing Rule 11.1.15 and UK Listing Rule 11.1.10R. The aggregate amount of any such Directed Buybacks is expected to be approximately €64 million, assuming the aggregate amount of OM Buybacks is €27 million. AIB and the Minister also retain the discretion to agree Directed Buybacks of a greater amount to reduce the Minister’s shareholding in AIB, subject to the aggregate amount of OM Buybacks and Directed Buybacks not exceeding €91 million.

The share buyback programme will be conducted initially in accordance with the Company’s on-market and directed buyback authorities as approved by shareholders at the Company’s AGM on 6 May 2021, and the continuation of the share buyback programme will be contingent on the approval of AIB shareholders of renewed repurchase authorities at the Company’s AGM later today. The OM Buyback will be conducted in accordance with the parameters prescribed by the Market Abuse Regulation 596/2014/EU, the Commission Delegated Regulation (EU) 2016/1052 and the Commission Delegated Regulation (EU) 2016/1052 (also as in force in the United Kingdom (“UK”), from time to time, including, where relevant, pursuant to the UK’s Market Abuse (Amendment) (EU Exit) Regulations 2019) as well as the applicable laws and regulations of Euronext Dublin. The maximum number of Shares that could be repurchased under the OM Buyback is 72.8 million. The purpose of the OM Buyback is to reduce the share capital of AIB.

Colin Hunt, Chief Executive Officer, commented:

"I am pleased to announce the commencement of our share buyback programme today. This positive development will enhance shareholder value for all investors. Additionally it will facilitate the repayment of funds invested into AIB on behalf of the Irish State, for which we are grateful. With a Q1 CET1 of 16.6%, AIB remains well-capitalised with a progressive dividend policy and capacity for surplus return. Throughout 2021 we accelerated the delivery of our strategy and with strong momentum in Q1 2022, we have a clear path to generating and returning shareholder value."

Details of any Shares repurchased will be notified to a Regulatory Information Service by the Company following any repurchase.

-Ends-

For further information please contact:

Donal Galvin
Chief Financial Officer
Tel: +353-1-6418300
email: donal.j.galvin@aib.ie

Niamh Hore
Head of Investor Relations
Tel: +353-1-6411817
email: niamh.a.hore@aib.ie

Paddy McDonnell
Head of Media Relations
Tel: +353-87-7390743
email: paddy.x.mcdonnell@aib.ie

Forward Looking Statement

This announcement contains forward-looking statements with respect to certain of AIB Group plc and its subsidiaries' (collectively the 'Group') plans and its current goals and expectations relating to its future financial condition and performance, the markets in which it operates and its future capital requirements. These forward-looking statements often can be identified by the fact that they do not relate only to historical or current facts. Generally, but not always, words such as 'may,' 'could,' 'should,' 'will,' 'expect,' 'intend,' 'estimate,' 'anticipate,' 'assume,' 'believe,' 'plan,' 'seek,' 'continue,' 'target,' 'goal,' 'would,' or their negative variations or similar expressions identify forward-looking statements, but their absence does not mean that a statement is not forward-looking.

Examples of forward-looking statements include, among others: statements regarding the Group's near term and longer term future capital requirements and ratios, level of ownership by the Irish Government, loan to deposit ratios, expected impairment losses, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payment of dividends, the implementation of changes in respect of certain of the Group's pension schemes, estimates of capital expenditures, discussions with Irish, United Kingdom, European and other regulators and plans and objectives for future operations. Such forward-looking statements are inherently subject to risks and uncertainties, and hence actual results may differ materially from those expressed or implied by such forward-looking statements.

Nothing in this announcement should be considered to be a forecast of future profitability, dividends or financial position of the Group and none of the information in this announcement is or is intended to be a profit forecast, dividend forecast or profit estimate. Any forward-looking statement speaks only as at the date it is made. The Group does not undertake to release publicly any revision to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date hereof.