



For immediate release

30th November 2010

AIB - CAPITAL REQUIREMENTS

Allied Irish Banks, p.l.c. ("AIB") [NYSE: AIB] is making the following announcement following the statements made on 28th November by the Irish Government and Central Bank of Ireland.

We note that AIB's additional capital requirement has been set at €5.265bn by the Central Bank of Ireland, to be raised by the end of February 2011. The total core tier one capital (CT1) still to be raised by AIB has been estimated by the Central Bank of Ireland at c.€9.8bn and arrived at as follows:

| <u>PCAR</u> | <u>€bn</u> |
|---|-------------------|
| 30 th March CT1 requirement | c. 4.9 |
| 30 th September additional CT1 requirement | c. 3.0 |
| 28 th November additional CT1 requirement | c. 5.3 |
| Business disposals (Poland & M&T) | c. (3.4) |
| Total | c. 9.8 |

The estimated impact of the total remaining capital injection of €9.8bn is to increase AIB's pro forma CT1 at 31st December 2010 to c.14%.

The Irish State will subscribe for the incremental capital requirement that AIB does not raise from other sources.

The terms of the support package, agreed by the Irish Government with the European Commission, European Central Bank and the IMF, also require Irish banks to undertake restructuring programmes. In AIB's case, and as previously announced, a comprehensive review process is underway that aims to define the appropriate future size, structure and strategy of the bank.

We believe that the increased capital requirements, associated liquidity benefits and accompanying statements of ongoing international support are important measures designed to restore confidence in the Irish banking system, of which AIB is confirmed as an essential part.

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