

ANGLO IRISH BANK

Merrill Lynch

European Financials

ANGLO
IRISH
BANK

Growth Opportunities Post Crisis?

David Drumm

Group Chief Executive

7 October 2008

www.angloirishbank.com

- **A simple business model**

- **Lending**

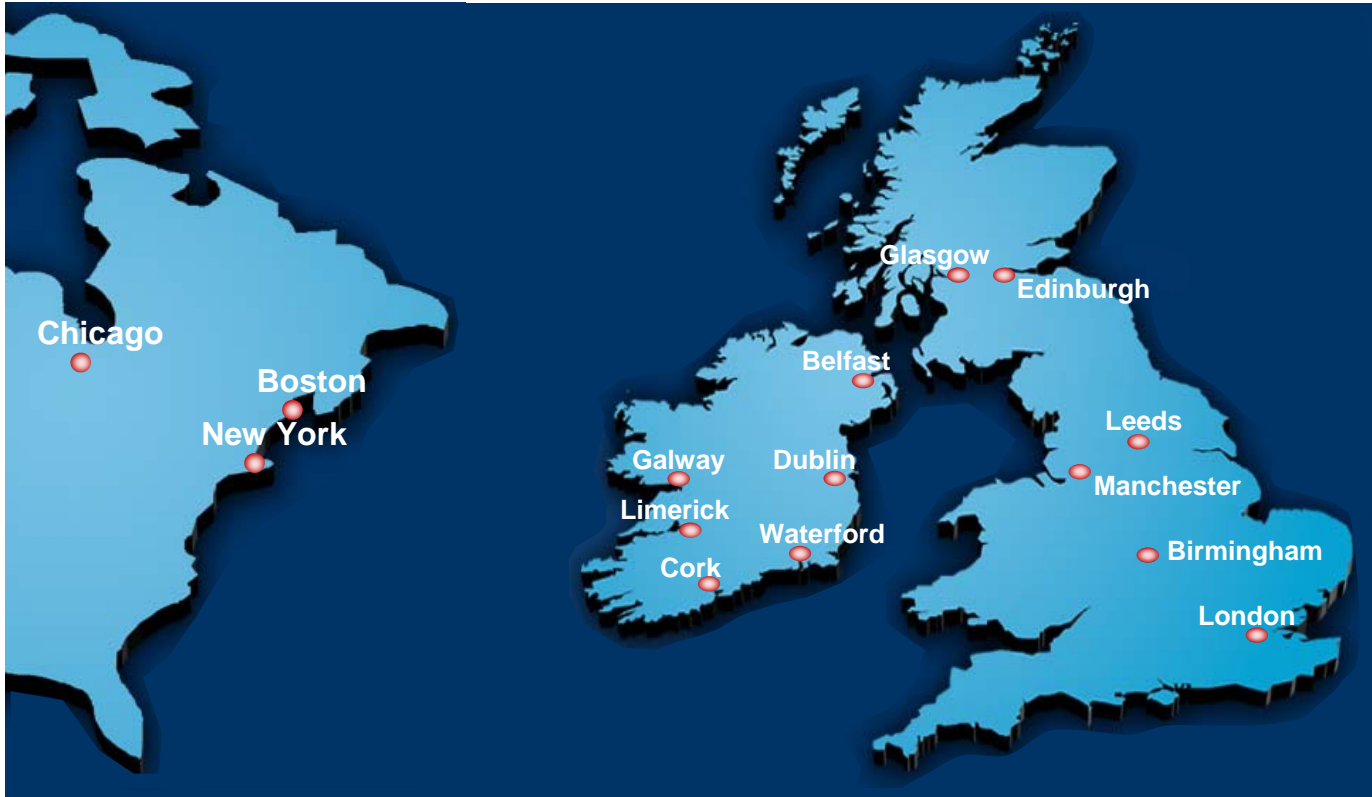
- Senior secured term lending, emphasis on cash flow
 - Relationship based
 - Central approval of every loan

- **Funding**

- Mostly customer funded
 - Wide franchise – 16 geographic markets

- **Highly capital accretive**

Evolution of Anglo – 3 Decades



Three core markets – centrally controlled

FY 2008 IMS 13 August 2008 - Key Messages

- Growth in earnings per share of c.15%
- Strong asset quality
- Broadly stable net interest margins
- Active management of cost base
- FY loan growth of c.15% - H2 c.5%
- Strong balance sheet with a significant high quality liquidity portfolio
- Significant equity capital generation - Core equity ratio c.6.0%

Strong performance for the full year

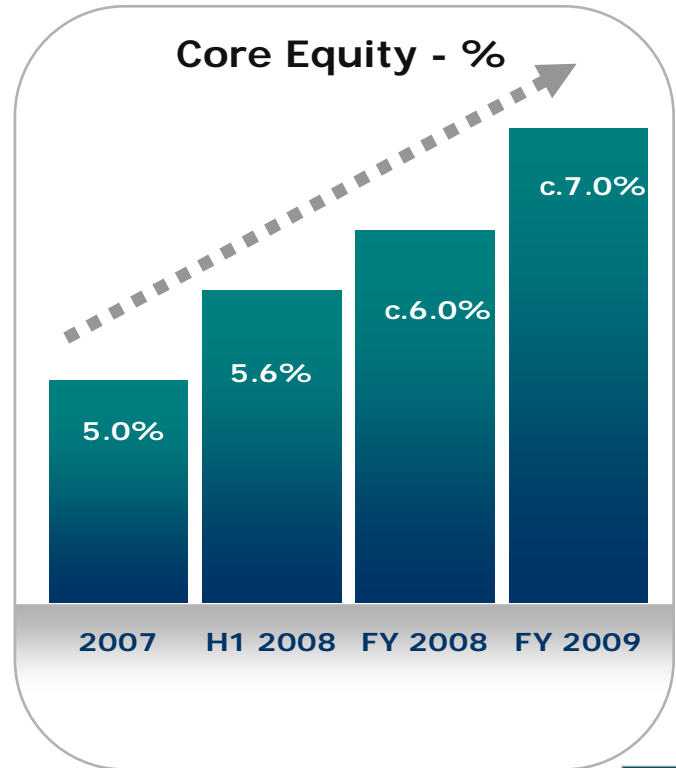


Anglo Through The Crisis

- Protect the Balance Sheet
 - Lending volumes
 - Asset Quality
- Continue funding strategy
- Maintain capital strength

Capital

- Strong internal capital generation
- FY 2008 retentions c.€1bn
- Sep 2008 core equity c.6%



No requirement for external equity capital

***Growth opportunities
Post Crisis?***



Compelling Opportunity Post Crisis

- Market shift to “Balance Sheet lenders”
- Changed competitive landscape – exit of non-bank lenders
- Franchise strength with huge organic potential in existing markets
- Disposal of non core businesses over last 3 years
- Long established, experienced management team

Consistent delivery for shareholders

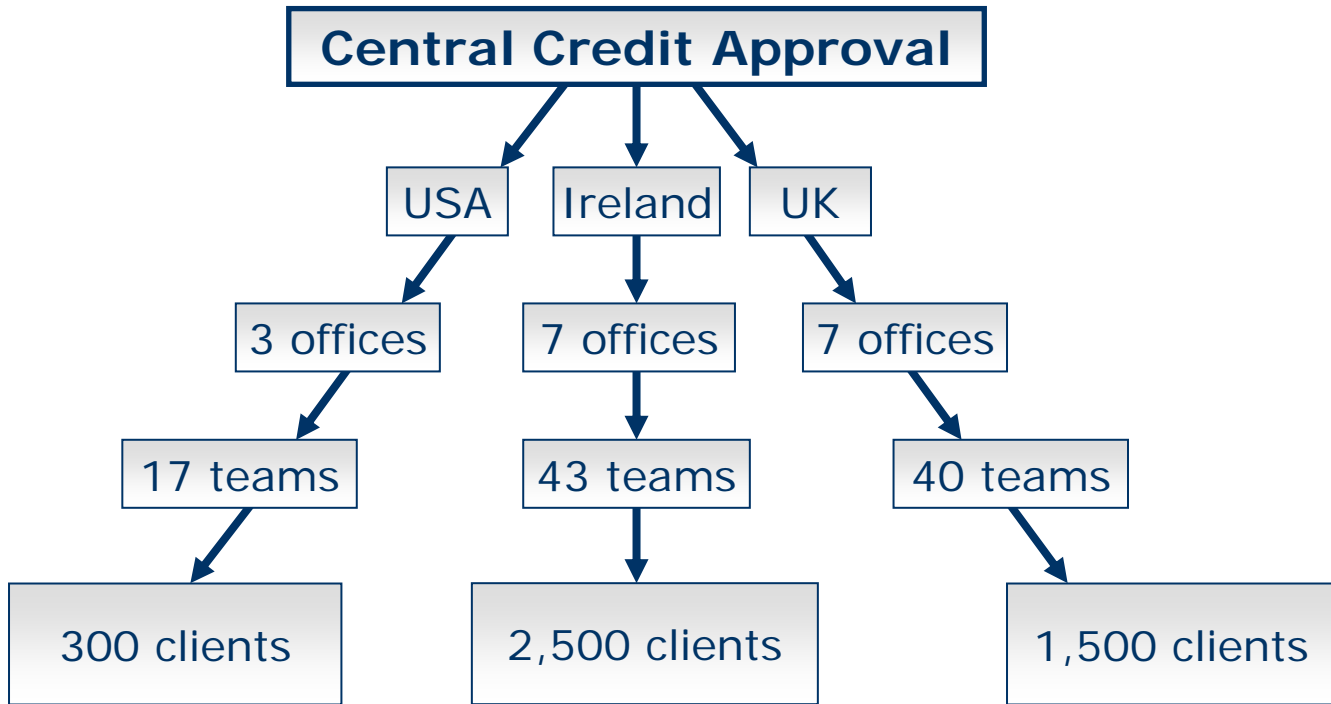


Strict Geographical Client Focus



Three core markets

Lending Organisation Structure



Consistent 'Private Banking' approach across all geographies

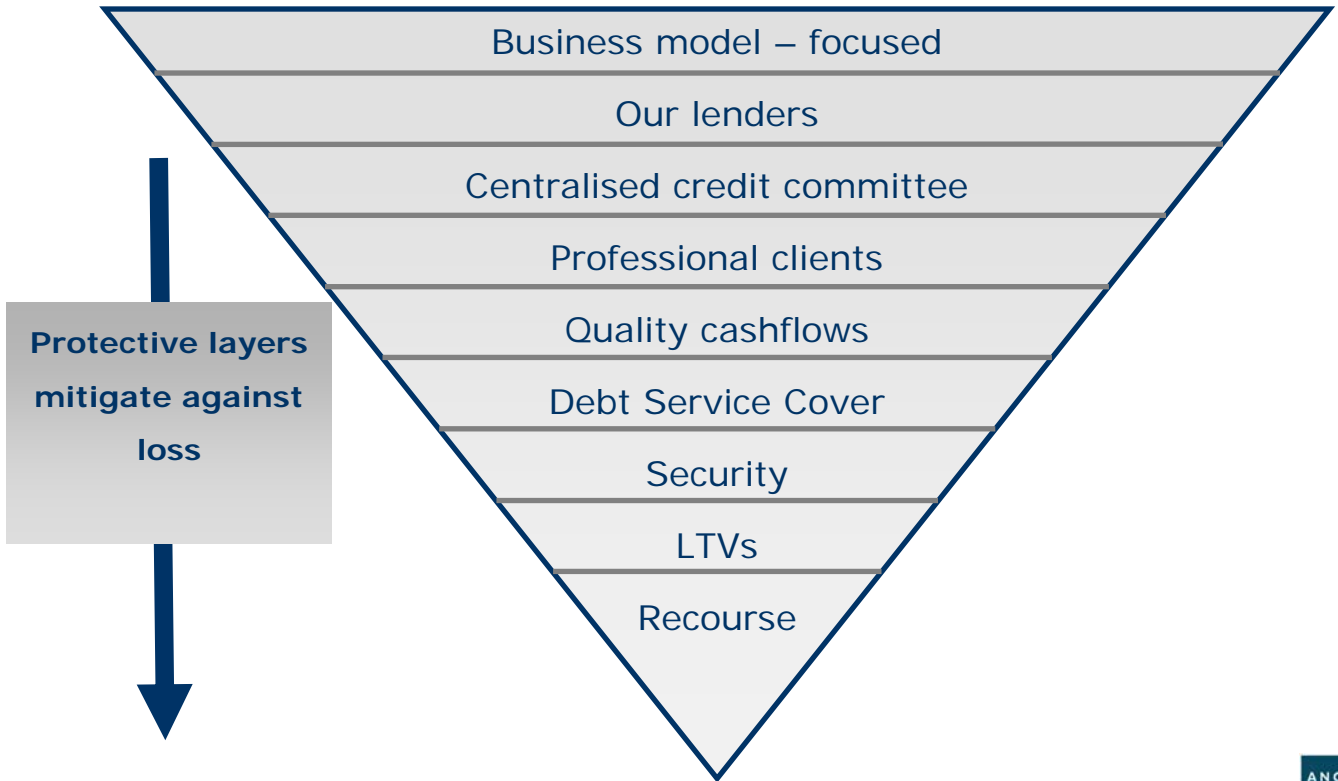
Lending Underwriting Model

- Traditional Balance Sheet lender – no transactional or 'bought' loans
- Strict focus on cash flows
- Professional experienced well capitalised client base
- All lending secured, cross collateralised with personal recourse

We lend against cashflows not asset values



Lending Fundamentals



Summary

- Resilient and strong business model
- Maintaining Balance Sheet strength through the crisis
- 25 years of performance through cycles
- Compelling opportunity post the crisis

ANGLO
IRISH
BANK



There is a
Difference