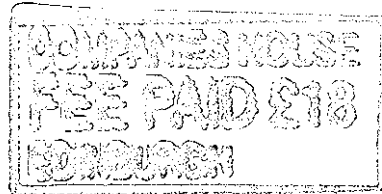


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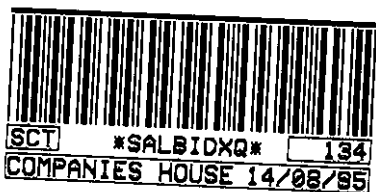
Bank of Ireland Group

Customer Value

Bank of Ireland is committed to delivering the highest standards of customer value in each of the Group's businesses.

Bank of Ireland is committed to delivering the highest standards of customer value in each of the Group's businesses. In pursuit of this objective, we are investing significant resources of energy, expertise and finance in programmes to place Bank of Ireland at the forefront in our industry for service and product innovation. Throughout the Group, special teams have been established to analyse every aspect of our relationship with our customers, from product design to branch layout, from the form and content of our communications processes to the manner in which we handle problems and complaints. The action programmes emerging from this process are already impacting favourably on both our personal and our business customers.

We recognise that the future success of the Bank will be built on customer loyalty and that loyalty must be earned. We will continue to listen and to respond to the views of our customers.





Court of Directors

Howard E Kilroy

Governor

Appointed to the Court in 1991 and Governor following the 1991 Annual General Court. A Director of the Jefferson Smurfit Group plc and CRH plc.

(Age 59)

Margaret Downes

Deputy Governor

Appointed to the Court in 1986 and appointed Deputy Governor in 1993. Former President of the Institute of Chartered Accountants in Ireland and the Federation of European Accounting Bodies. Chairman of Gallaher (Dublin) Ltd and a Director of Ardagh plc, Storehouse plc and a number of other Irish and UK companies.

(Age 62)

Patrick J A Molloy*

Group Chief Executive

Joined the Bank in 1957. Appointed an Assistant General Manager in 1975, General Manager - East in 1978 and appointed to the Court as a Managing Director in 1983 with responsibility for the Retail Division. Appointed Group Chief Executive in 1991.

(Age 57)

Maurice A Keane *

Deputy Group Chief Executive

Joined the Bank in 1958. Appointed an Assistant General Manager in 1973, General Manager Financial Control in 1978. Appointed to the Court as a Managing Director in 1983. Appointed Deputy Group Chief Executive in March 1991. Chairman of Bank of Ireland First Holdings Inc.

(Age 54)

Patrick W McDowell*

Chief Executive Retail Division

Joined the Bank in 1970. Appointed Head of Information Technology in 1978, Deputy Chief Executive Retail in 1988 and Chief Executive Retail Division in 1991. Appointed to the Court in December 1994.

(Age 55)

Michael J Meagher *

Chief Executive Corporate and Treasury Division

Appointed to the Court as a Managing Director in 1983 and as Group Chief Financial Officer in 1988. Appointed Chief Executive - Corporate and Treasury Division in 1991. Formerly Chief Executive of Ulster Investment Bank Limited and Deputy Chief Executive of Ulster Bank.

(Age 53)

David M Kennedy

Appointed to the Court in 1984 and a Deputy Governor from 1989 to 1991. Professor of Strategic Marketing in University College Dublin, a Director of a number of companies including CRH plc and the Jurys Hotel Group plc.

(Age 56)

Raymond Mac Sharry

Appointed to the Court in 1993. A former EC Commissioner for Agriculture and a former Irish Government Minister for Finance. Director of the Jefferson Smurfit Group plc, Green Property plc and Chairman of Ryanair Limited.

(Age 57)

Niall W A FitzGerald

Appointed to the Court in 1990. An Executive Director of Unilever and Vice Chairman of Unilever plc and currently responsible for its world-wide detergents operations. Also, a Director of Prudential Corporation plc.

(Age 49)

Laurence G Crowley

Appointed to the Court in 1990. Chairman of PJ Carroll Holdings plc and a Director of Rothmans International plc and a number of other companies. Executive Chairman of the Michael Smurfit Graduate School of Business at University College Dublin.

(Age 58)

E Patrick Galvin

Appointed to the Court in 1994. Chairman and Chief Executive of Waterford Crystal Ltd, a Director of Waterford Wedgwood plc and a Director of Gallaher (Dublin) Ltd.

(Age 62)

Anthony D Barry

Appointed to the Court in 1993. Chairman of CRH plc, a Director of Greencore plc and DCC plc.

(Age 60)

R Brian Williamson

Appointed to the Court in 1990. Chairman of Gerrard & National Holdings plc, a Director of the Securities and Investments Board, Fleming International High Income Investment Trust Plc. and Electra Investment Trust plc. Former Chairman of the London International Financial Futures Exchange.

(Age 50)

Mary P Redmond

Appointed to the Court in July 1994. A solicitor specialising in labour law, a member of the Labour Relations Commission and a former member of the Employment Equality Agency and the Higher Education Authority. A founder member and Chairman of the Irish Hospice Foundation.

(Age 44)

* Executive Director

Audit Committee:

Laurence G Crowley
Margaret Downes

David M Kennedy
Raymond Mac Sharry

Remuneration Committee:

Howard E Kilroy
Anthony D Barry

Margaret Downes
R Brian Williamson



*Front Row: Margaret Downes, Howard E Kilroy, Patrick J A Molloy
Second Row: Patrick W McDowell, Anthony D Barry, Michael J Meagher, David M Kennedy
Third Row: R Brian Williamson, Raymond Mac Sharry, E Patrick Galvin,
Back Row: Maurice A Keane, Niall WA FitzGerald, Laurence G Crowley, Mary P Redmond*

Governor's Statement



Howard E Kilroy

Governor

The financial results for 1994/95 represent a very satisfactory outcome to the year and reflect the commitment of Group management and staff in all business units. The strong increase in profits was driven by volume growth in the core banking businesses, lower loan loss provisions, excellent performances in the non-Bank businesses and good cost management across the Group. Profit attributable has increased by 30% and earnings per share by 26%, a very good result from the perspective of the Bank's stockholders.

	1994/95	1993/94
Profit before tax (IR£m)	321.8	277.5
Profit Attributable (IR£m)	209.2	160.8
Earnings per unit of IR£1		
Ordinary Stock (pence)	44.2	35.2
Dividend (net) (pence)	12.5	10.5

"The success of the Group is built on the loyalty and support of customers".

I am pleased to advise stockholders that the Directors have recommended a final dividend of 8.25 pence, bringing the total dividend to 12.5 pence, an increase of 19%. This follows a 14% increase in the dividend last year and results in an aggregate increase during the past three years of 45%. This level of dividend growth is justified by the earnings performance achieved during this period and fulfils a commitment to compensate for the period when dividends did not increase. Dividend growth in the five years since 1989/90 amounts to approximately 8% per annum.

Governor's Statement

The economies in which the Group operates are each showing encouraging trends despite difficult currency and interest rate markets. The Irish economy remains particularly buoyant with excellent economic performance in the past year and strong indicators for the immediate future. This is an encouraging environment for the Group and its impact can be clearly seen in lower loan losses and strong growth in lending and deposit volumes.

Each of our markets has also been characterised by intensified competition and a consequent tightening of margins. The Group has responded very well to these challenging conditions.

Maintenance of profit growth in the financial services industry against a background of continuing margin pressure will require continued development of both existing and new sources of income and strong cost management. In both respects, Bank of Ireland is well positioned. The potential of many of the Group's newer, specialist businesses to deliver earnings growth has already been demonstrated. Our achievements in cost management are evidenced by the very good cost performance in recent years and demonstrate the value of a consistent focus in this area.

Northern Ireland

The peace process leading to the cessation of violence in Northern Ireland has already delivered tangible economic and social benefits in both parts of the island. Business confidence has improved and opportunities for active economic co-operation between North and South are being explored vigorously.

Bank of Ireland is an all-Ireland bank, actively supporting business growth throughout the island. We now have an enhanced opportunity to contribute to the achievement of economic progress in Northern Ireland and thereby help to consolidate the peace. We will do so with determination.

Court Membership

I wish to express my thanks to my colleagues on the Court for their support and for their continuing dedication to the interests of the Group.

In accordance with established procedures and in order to facilitate Court renewal, it has been the practice for Non-Executive Directors who have served the Bank for a number of years to retire from the Court. Consistent with this practice, David Kennedy will retire following this year's Annual General Court.

Governor's Statement

David Kennedy has been a member of the Court for more than ten years. During that period, he has not only served the Bank as a Non-Executive Director but has also held the position of Deputy Governor and the post of Acting Group Chief Executive for a period of months immediately prior to the appointment of Patrick Molloy as Group Chief Executive. In all of these roles, we have benefited from David Kennedy's wise counsel and unstinting commitment to this Bank. I take this opportunity to offer him our grateful thanks for his contribution.

Dr Mary Redmond and Mr Patrick McDowell were co-opted to the Court during the year and their re-election as Directors will be proposed at the Annual General Court in July. Dr Redmond is a solicitor, specialising in labour law, a member of the Labour Relations Commission and a former member of the Employment Equality Agency and the Higher Education Authority. Mr McDowell is Chief Executive of the Bank's Retail Division.

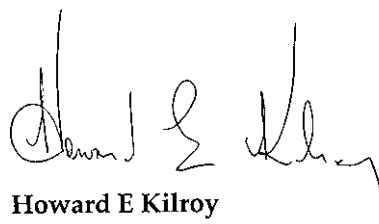
Supporting the Community

The Bank continues to provide material support to a wide range of social causes in each of its markets. In addition to extensive sponsorship of the arts and sport, the Bank has in place a contributions budget which is currently focused primarily on the problems arising from unemployment. Distribution of this budget is directed by the Social Affairs Committee which is a sub-committee of the Court.

Creating Customer Value

The success of the Group is built on the loyalty and support of customers. We do not take this support for granted and it is the Group's objective to offer superior standards of service and value in each of our businesses. To this end, throughout the past year, the Group has been engaged in a major programme to measure the changing requirements of our customers, update products and refine our delivery systems. In an increasingly crowded and competitive market-place, we are determined that Bank of Ireland will achieve clear differentiation from its competitors.

I wish to acknowledge the major contribution by staff throughout the Group both to the financial performance and to the progress of the many important change programmes currently underway.



Howard E Kilroy
Governor

Five Year Financial Summary



	Year Ended 31 March				
	1991 Restated	1992 Restated	1993 Restated	1994 Restated	1995
PROFIT AND LOSS ACCOUNTS*					
	IR£m	IR£m	IR£m	IR£m	IR£m
Profit on ordinary activities before taxation	31.8	69.6	121.2	277.5	321.8
Profit on ordinary activities after taxation	5.7	21.9	70.3	180.2	224.5
Adjusted earnings per unit of IR£1					
Ordinary Stock **	0.3p	4.2p	12.8p	35.2p	44.2p
Dividends per unit of IR£1 Ordinary					
Stock ** (net)	8.6p	8.6p	9.2p	10.5p	12.5p
BALANCE SHEETS					
Minority interest	-	0.9	1.2	1.8	1.8
Preferred stock	42.3	71.4	76.7	-	-
Subordinated liabilities	553.6	527.4	567.5	596.2	601.7
Total stockholders' funds	582.1	633.4	666.3	900.2	1,031.4
Assets	15,510.6	15,478.6	16,234.2	17,343.0	18,668.5
OPERATING RATIOS ***					
	%	%	%	%	%
Net interest margin (grossed-up)	4.0	4.1	4.1	4.3	4.1
Other income/average assets	1.5	1.6	2.1	2.2	2.0
Costs/total income (grossed-up)	62	66	66	64	64
Costs/average assets	3.4	3.7	4.0	4.0	3.8
Return on average assets	-	0.1	0.3	0.9	1.2
Return on average stockholders' funds ****	0.2	3.1	10.6	24.6	25.6
ASSET QUALITY					
Loan loss provisions/loans	2.5	2.7	2.7	2.1	1.7
Annual provisions/average loans	1.8	1.4	1.5	0.6	0.2
CAPITAL ADEQUACY RATIOS					
Tier 1 capital	5.7	7.0	6.6	7.9	8.2
Total capital	11.1	12.4	12.6	13.8	13.4

* 1994 information includes the accounts of certain group undertakings made up for periods greater than twelve months.

** Adjusted for rights issues and scrip issues.

*** Operating ratios for 1994 have been prepared on an annualised basis.

**** Profit attributable to the holders of ordinary stock as a percentage of ordinary stockholders' funds.

Group Senior Management



Left to right

Paul M D'Alton

Group Chief Financial Officer

Maurice A Keane

Deputy Group Chief Executive

Denis Hanrahan

Head of Group Corporate Development

Patrick W McDowell

Chief Executive - Retail

Michael J Meagher

Chief Executive - Corporate and Treasury

L Douglas O'Brien

*President and Chief Executive Officer
Bank of Ireland First Holdings, Inc.*

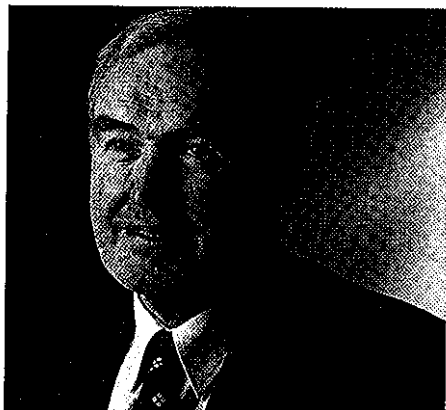
Patrick J A Molloy

Group Chief Executive



Eight

Group Chief Executive's Operating and Financial Review



Patrick J A Molloy

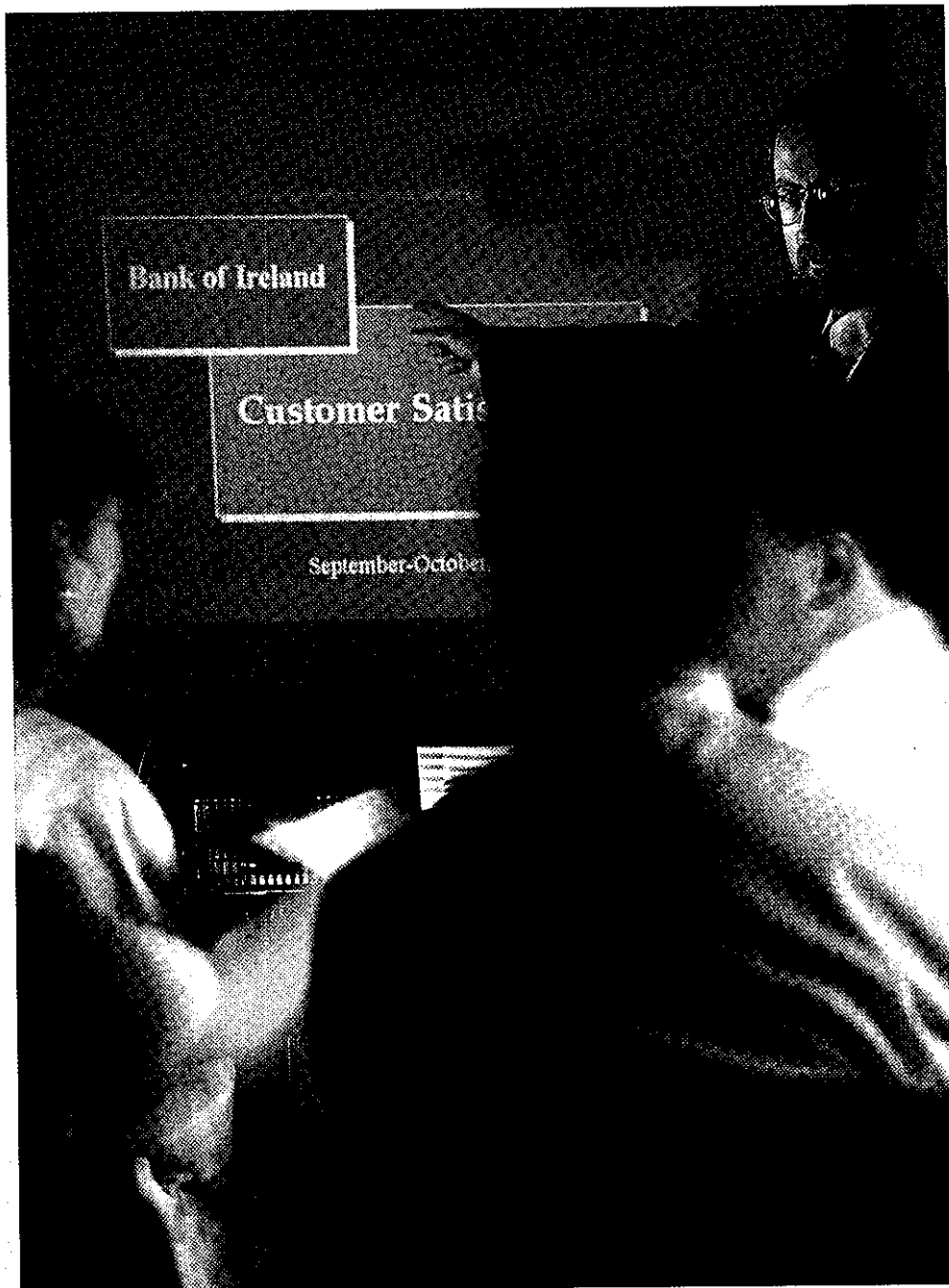
Group Chief Executive

Operating Review

The Group has achieved further very satisfactory progress during the past year. There was strong growth in new lending and in current and deposit account balances and excellent income generation in fee based businesses. These factors have enabled us to maintain total income levels despite tightening margins and an exceptional Treasury performance in the prior year. Costs were very well controlled as a result of the Group's cost management programmes. Group asset quality, which was already very satisfactory, improved further. In addition, we have made considerable progress towards the challenging goals we have set ourselves to achieve enhanced customer satisfaction.

As indicated in last year's Report and Accounts, certain 1993/94 figures are presented on an annualised basis to facilitate the recognition of underlying Group trends.

Group profit before taxation increased by 16% to IR£321.8 million. EPS, at 44.2 pence, was up by almost 26% and total assets increased to IR£18.7 billion, up 7.6% on the previous year.



COMPETITIVE POSITIONING

Some two years ago, Bank of Ireland established the Competitive Positioning team, a dedicated unit with a mission to achieve enhanced customer value throughout the Group. Following detailed research covering all aspects of customer relationships, the unit has been the catalyst for a range of new product development and customer service initiatives.

Jim Bruce, Head of Research in the unit, pictured with members of the Competitive Positioning team.

Operating Review



As a consequence of the Bank's Competitive Positioning initiative, nine task forces were formed to examine various aspects of service, product design and pricing. The Problem Handling Task Force (pictured) examined the source and principal causes of customer complaints and how they are handled. A number of important procedural changes have resulted which will impact favourably on customer service.

Members of the Problem Solving Task Force include: l/r Val Griffin, Niamh O Sióchrú, Michael Watson and Liam Glasheen.

The fall in loan losses, down from IRE59.8 million on an annualised basis last year to IRE17.1 million in the year under review, made a major contribution to the profit improvement. This was partly due to the considerable strengthening of the economies in which we operate but also owes much to the credit procedures now employed in all lending units. The continuing development of the Group's credit management procedures in recent years has had a number of beneficial effects, not least an enhanced ability to devise more innovative lending products and respond very quickly to market opportunities.

All Divisions of the Group reported increased profitability with the most significant gains being achieved in our New Hampshire businesses. It is particularly satisfying to note the proportion of total Group income being generated by more recently established businesses.

In the context of narrowing margins and increased competition in our core business, the continued growth of these business units enhances both the quality of earnings and our ability to grow income in the future.



Operating Review

GROUP PROFITS

We have set out below the Group performance by Division.

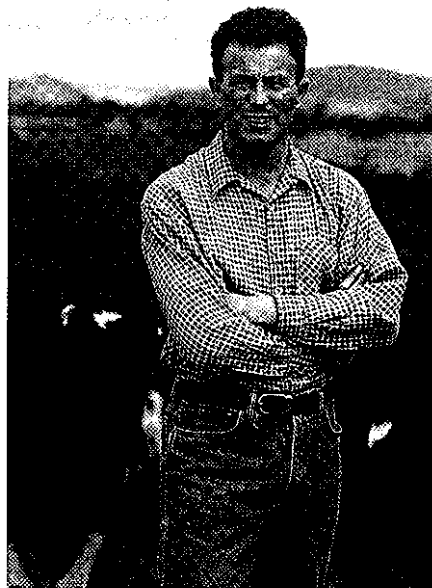
Divisional Performance (grossed up)

	1994/95	1993/94 Annualised 12 Months (Restated)
	IR£m	IR£m
Retail	170.1	155.3
Corporate and Treasury	70.4	61.2
New Hampshire	28.1	11.3
Other Group Activities	63.7	58.3
Profit before Tax	332.3	286.1
Grossing Up Adjustment	(10.5)	(13.5)
Profit on Ordinary Activities before Taxation	321.8	272.6

DIVISIONAL PERFORMANCE

RETAIL DIVISION

Pre-tax profits increased by 9.5% to IR£170.1 million. The improvement was due to a fall in loan losses, a very good improvement in profits generated by retail banking in Britain, satisfactory growth in current and deposit account balances and substantially improved lending volumes. Lending overall increased by 8% with a very satisfactory increase in the Group's mortgage sales in Ireland. Bank of Ireland had the largest share of new residential mortgages in the Irish market during the most recent twelve month period for which data are available.



Seamus Meegan is a farmer and a customer of Clanbrassil Street in Dundalk.

"I have an excellent relationship with my branch. Bank of Ireland understands the seasonal requirements of farmers and provides the kind of tailored service which people like me need"

Volume growth compensated for the contraction in margins and a satisfactory increase was achieved in non interest income. The loan loss performance was exceptionally good and costs were well managed in each of the Division's businesses.

Some important innovations were recorded during the year. Against stiff competition, Bank of Ireland, through its wholly owned subsidiary, First Rate Bureau de Change, secured an agreement with the British Post Office to supply foreign currency and travellers' cheques through its 19,000 outlets. The service was successfully pilot tested during the year and was extended to the full Post Office Counters network during March 1995. Consumer reaction to the new service has been positive and it is expected to take a substantial share of the UK personal foreign exchange business over time.



PERSONAL BANKING

Michelle Cunnane (left), pictured with Nuala Torrens, is a customer of High Street branch, Belfast.

"I find the new branch layouts particularly helpful and user friendly. I'm a busy professional and speed of service is important. My branch works well for me with no fuss or unnecessary complications".

The Retail Branch Network is being gradually re-configured to address specific customer requirements for speed of service, confidentiality and convenience.

Operating Review

A new Mortgage Service Centre commenced operations during the year and now processes all mortgages for the Group in the Republic of Ireland. The Centre has highly sophisticated technology and systems which will enhance service levels to our mortgage customers.

The Group's entry into the Direct Motor Insurance market in Ireland has also been successful. Premier Direct Insurance has achieved sales levels substantially ahead of original expectations and has captured 3% of the personal motor insurance market in its first fifteen months of operation.

Bank of Ireland International Services, the Group's international consultancy service, expanded its operations into eleven Eastern European countries and negotiated a number of significant new contracts.

Branch Banking Republic

Branch Banking performed well in a very competitive environment. Current and deposit account balances increased and there was a particularly good customer response to the long term savings products introduced during the year. Loan demand continued to recover and the mortgage market was very buoyant. However, both deposit and lending margins were narrower.

Loan losses were significantly reduced reflecting the better business environment and the very effective credit management systems

which the Bank has in place.

Branch Banking has been the focus of intensive activity to improve customer service. During the past two years, extensive surveys have been undertaken of customer behaviour and preferences and Bank of Ireland is progressively changing its products and delivery channels to meet the needs which have been identified.

The Retail Branch Network is being gradually re-configured to address specific customer requirements for speed of service, confidentiality and convenience. Some administrative functions are being centralised to allow branch staff to focus more fully on customer needs. The new branch designs and operating procedures have been the subject of much favourable customer reaction.



Service by telephone meets the needs of many customers who require maximum flexibility in their banking transactions. Cliona Shirazi (left) is one of the staff in the new telephone based customer service centre which can process a wide range of routine transactions speedily and conveniently. It operates from 8am to 8pm on weekdays and from 10am to 2pm on Saturdays and Sundays. Customer reaction to the service has been very positive.

A new service, whereby routine queries are processed and a wide range of banking transactions can be handled by telephone, has also won high praise in customer surveys.



SMALL INDUSTRY

Bank of Ireland has focused much attention on the needs of the Small Firms sector and provides a wide range of supports to new businesses.

*"The Bank of Ireland Enterprise Support Unit helped us into existence and has been very important to us as our business developed. The level of support we have received from the Bank has been a key factor in our success".
Eamon Farrell, Managing Director of Irish Flexible Packaging Limited in Carnew, Co. Wexford pictured with one of his staff, Dan McGuinness.*

Operating Review

The service is available both during and outside normal banking hours and will be extended to a large proportion of the Bank's customers in the coming year.

Bank of Ireland has been consistently innovative in its support for the Small Firms sector of the Irish economy. Shortly after the year end, the Bank launched an extensive package of special supports and subsidised lending products which place it at the forefront of the banking industry in terms of services to this sector. Central to the initiative was the appointment of a team of more than 50 small business specialists located at centres throughout the Republic of Ireland. Known as Enterprise Advisers, they will focus attention specifically on new and developing businesses.

The Bank's Enterprise Support Unit, established in 1989 to assist new business starts, had an active year and supported a significant number of new projects. The Bank also established a subsidised long-term loan fund to support the purchase of business property. By year end, more than IR£50 million had been drawn down from this fund at rates up to 3% below standard matrix rates.

Northern Ireland

The Northern Ireland businesses had another very good year and once again increased their share of the Bank's market of both resources and lending.

The cessation of violence provides exciting opportunities for the Northern Ireland economy. Bank of Ireland is well positioned to participate actively in the economic growth which should follow.

ICS Building Society

ICS had a very successful year and its financial performance compared favourably with other Irish building societies. New mortgage business increased by 16%, driven by continuing product innovation and very competitive pricing, especially for first time buyers.

ICS statutory pre-tax profit for the year to 31 December 1994 increased by 2.2% to IR£26.4 million. Total deposits grew by IR£51.3 million to IR£1,143.4 million and total mortgages outstanding increased by IR£60.5 million to IR£547.8 million.

International Banking

International Banking performed well, increased its volumes and made a very satisfactory profit contribution. First Rate Bureau de Change achieved strong profits growth.



BRANCH BANKING BRITAIN

Pictured with Robert Dunne, Bank of Ireland Marketing Manager in Britain, Dermot Gogarty (left) is Headmaster of St. John's Beaumont - a private boys preparatory school near Windsor in Berkshire, and a customer of Bank of Ireland.

"While the quality of education we provide is highly important, we are also running a complex financial business. We need a bank that is both responsive to our requirements and competitive."

Operating Review

Bank of Ireland Finance

Bank of Ireland Finance, which had a very satisfactory year, achieved strong growth in lending and had much reduced loan losses. The motor finance market was very buoyant during the year and Bank of Ireland Finance increased substantially its share of this market.

Bank of Ireland Commercial Finance

Bank of Ireland Commercial Finance continued to be the leading provider of Invoice Discounting in the Irish market. Business volumes and profits were well ahead of last year.

Credit Card Services

Strong growth was achieved; customer numbers, lending volumes and cardholder usage all increased.

Branch Banking - Britain

Profits from the Retail business in Britain showed a further substantial improvement.

Both resources and lending volumes increased, the latter very strongly. Loan losses were down sharply reflecting a strong emphasis on credit quality and some significant recoveries.

After the year end, the Bank announced the acquisition from Credit Lyonnais of two branches in prime London locations.

CORPORATE AND TREASURY DIVISION

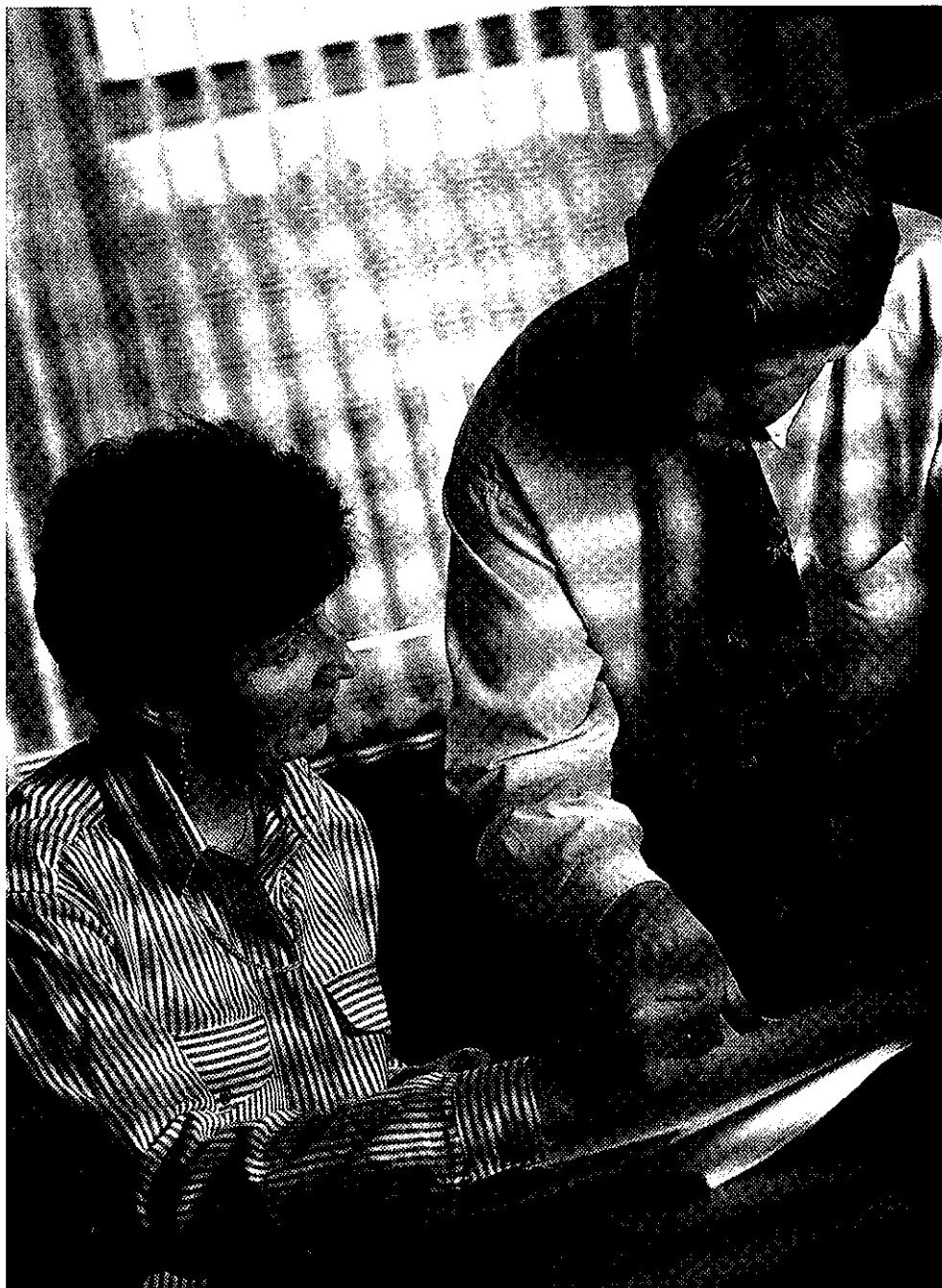
The Division achieved a good increase in profit before tax - up from IR£61.2 million in 1993/94 to IR£70.4 million, an increase of 15% - and remains the clear market leader in the provision of banking services to the corporate sector in Ireland. To maintain this leadership position, we have carried out an indepth survey of customer attitudes to the delivery of wholesale banking services. In the period ahead, we will be implementing a range of action programmes based on the survey findings and designed to further enhance the level of satisfaction among our customer base.

Corporate Banking

Corporate Banking, which is responsible for relationship management with our major corporate customers in Ireland, performed very well. Lending, which was subdued in the early part of the year, showed strong growth in the second half when a number of large transactions involving the Bank as lead or co-lead manager were concluded.

Loan margins declined in line with trends elsewhere. Asset quality is strong and there was a material reduction in the loan loss charge which benefited from recoveries.

Bank of Ireland International Finance, which is engaged in syndicated international lending and cross border structured financing, had another good year. Its profit contribution to the Group has increased in each year since its



CORPORATE BANKING

Mary Geoghegan, Payables Analyst with Northern Telecom in Galway, pictured with Enda O'Reilly, Northern Telecom's Financial Systems Analyst.

Northern Telecom was one of the first of the Bank's corporate customers to avail of CAPS - Creditor Automated Payments Service - which streamlined the company's payment system and delivered large savings in administrative costs.

Operating Review

formation in 1988. Its loan book, which is of high quality, recorded further substantial growth in the year under review.

Group Treasury

Treasury achieved excellent results in the context of the prevailing market environment which was probably the most challenging in recent memory. In contrast to the conditions in the preceding year, the financial markets were characterised by rising interest rates, falling bond prices and volatile exchange rates which made for extremely difficult trading conditions.

While the profits of Treasury were lower than the previous year, they represented a major contribution to Divisional results. It was particularly gratifying that the volume and profitability of customer business was maintained. The results achieved were satisfactory having regard to the difficult conditions which prevailed in Dublin and London for interest rate trading.

Private Banking

Demand for specialised banking services by high net worth individuals increased further and, despite entry to the market by a number of competitors, Bank of Ireland retains market leadership. Deposit and loan volumes recorded strong growth and profit contribution increased substantially.

New York

Profit was considerably higher than the previous year, assisted by improved asset quality and some loan loss recoveries. The level of new business written was very satisfactory.

Delta Equity Fund

During the past year, we committed to invest IR£10 million in the Delta Equity Fund in combination with a commitment of IR£10 million from IBI Investment Services on behalf of managed pension funds. This decision was taken in support of the initiative by the Minister for Finance to encourage pension funds to allocate a portion of their funds to venture/development capital investment.

International Financial Services Centre

1994 was a year of major achievement for the International Financial Services Centre (IFSC). The deadline for applications for new licences was extended from 1994 to the year 2000 as a result of successful negotiations by the Irish Government with the European Commission. In recent months, a major building programme has commenced on the IFSC site and the number of companies located there is expected to grow materially over the next 2 years. There was very substantial growth in the number of new licences approved for a wide range of international financial service organisations during the past year.



TREASURY

"In volatile interest rate and currency markets, real-time information updates and undoubted execution capabilities are critical needs for corporate treasurers. Bank of Ireland Group Treasury provides us with a very comprehensive professional service in this area."

George Grennan, Group Treasurer, Greencore Group PLC and Chairperson, Irish Association of Corporate Treasurers, pictured with Austin Jennings, Director of Corporate Business, Bank of Ireland Group Treasury.

Operating Review

In our view, the prospects for continued growth in the number of new projects locating in the IFSC are very bright as the undoubted attractions which Ireland offers to financial service businesses are more widely recognised.

The contribution to Group Results by our own IFSC operations continues to grow and reached record levels in the latest year. In addition, we continue to attract considerable spin-off business from other IFSC companies. We now employ a total of 330 staff on the IFSC site.

NEW HAMPSHIRE

Profit contribution after tax by the New Hampshire businesses for the twelve months to 31 March 1995, which includes a deferred tax credit of US\$8.3 million (IR£5.4 million), was IR£33.5 million (US\$51.8 million). This compares with IR£11.3 million (US\$16.6 million) in the previous 12 months.

The substantial improvement is based on a number of factors. Income showed an encouraging increase with good growth in lending stimulated by an improving economy. Significant further progress was made in reducing costs.

Asset quality is very good. The Bank has substantial bad debt cover and the loan loss charge has fallen from US\$10.3 million in 1993/94 to US\$0.7 million in the year under review.

First NH Banks is now competing very effectively in the New Hampshire financial services market. Its status as market leader with the largest network of branches and ATMs in the State gives it considerable market advantages. It has retained this status despite the extensive consolidation which has taken place in the banking industry in the region.

During the year, a number of innovative supermarket branches were opened, providing banking services during extended hours seven days a week. First NH is the only bank in the State to offer this service which has proven very popular with customers. Twelve such branches will be in operation by mid 1995.



In New Hampshire, we are delivering banking services in supermarkets, a new development in the State which has found favour with customers. By mid 1995, full service branches will be operational in 12 major shopping centres.

Operating Review

By the year end, the Group had completed the acquisition of Great Bay Bankshares Inc., a community bank with assets of some US\$ 300 million, located in the south eastern Seacoast area of New Hampshire. The incorporation of Great Bay's five branches into First NH Banks will enhance total income and strengthen the Group's franchise in an important area of the State.

OTHER GROUP ACTIVITIES

Profits from Other Group Activities increased from IR£58.3 million in 1993/94 to IR£63.7 million in the year under review. Each of the businesses included under Other Group Activities performed very well.

Lifetime Assurance

Lifetime Assurance had a satisfactory year and withstood robust competition to maintain its strong market position. Its recent focus on the pensions market resulted in strong sales of individual pensions. Sales of single premium and recurring premium assurance products were also satisfactory. Enhanced customer service, product innovation and greater product transparency are central to Lifetime's business strategy.

Investment Services

Investment Services achieved further satisfactory increases in funds under management and increased its profits. Institutional clients in the United States were, once again, an important source of new business. Total funds under management stood at IR£6.9 billion at year end, of which some IR£1.6 billion (US\$2.6 billion) was sourced from US clients. Investment Services has expanded its marketing efforts into a range of new international markets.

Bank of Ireland Securities Services

Bank of Ireland Securities Services has continued to grow its client portfolio and at year end had assets under administration of US\$26 billion. Its future potential has been greatly helped by the extension for a further five years of the period during which tax concessions will be available to companies acquiring licences to operate in the International Financial Services Centre.

Trust Services

The re-organisation of Trust Services in recent years has resulted in an enhanced service to corporate clients and an improved capability to meet the needs of personal customers. Business volumes have increased and the unit had a satisfactory year.

Operating Review

Bank of Ireland Mortgages

The UK mortgage market is currently exceptionally competitive with extensive discounting of new business. Margins have been cut to very low levels in attempts by the industry to generate activity. Within this environment, Bank of Ireland Mortgages (BIM) performed creditably. Mortgage completions in the year were STG£610 million and by year end the total loans under management exceeded STG£3 billion. BIM securitised a further STG£500 million of its loans on very attractive terms.

Davy Stockbrokers

Davy had a very good year and continues to hold the largest market share in both gilt and equity markets in Ireland. Its subsidiary in Finland, Davy Protos OY, performed well.

IBI Corporate Finance

IBI Corporate Finance had an excellent year with a much increased level of activity and was involved in most of the larger transactions which took place in the Republic of Ireland during the year. Its client service capacity has been expanded through the recruitment of additional key staff.

Financial Review



GROUP PROFIT AND LOSS ACCOUNT (non grossed up)

	1994/95	1993/94 Annualised 12 Months (Restated)	
	IR£m	IR£m	% Change
Net Interest	629.9	618.8	+1.8
Other Income	302.0	315.5	-4.3
Total Income	931.9	934.3	-0.3
Operating Expenses	594.6	599.0	-0.7
Operating Profit before Loan Losses	337.3	335.3	+0.6
Loan Losses	17.1	59.8	-71.4
Operating Profit	320.2	275.5	+16.2
Income from Associated Undertakings	(0.1)	2.5	-
Gain/Loss on Disposal of Group Undertaking	1.7	(5.4)	-
Profit on Ordinary Activities before Taxation	321.8	272.6	+18.0

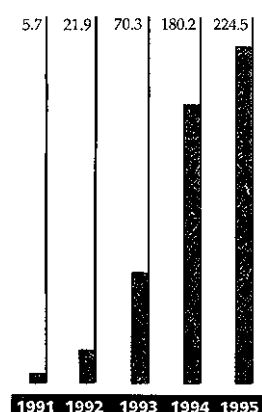
The Group net interest margin narrowed from 4.3% to 4.1% but this was offset by better lending volumes in all jurisdictions. The interest rate environment in Ireland had a particularly negative effect on deposit margins. However, volume growth resulted in the achievement of a 1.8% increase in net interest income; the increase is 3.3% when adjusted for exchange rate differences. In the Republic of Ireland, total lending increased by 12% while deposits increased by 9.1%.

Other income was down by 4.3% to IR£302.0 million. The decrease was primarily due to the exceptionally strong performance by Group Treasury in 1993/94 which was not repeated in the year under review.

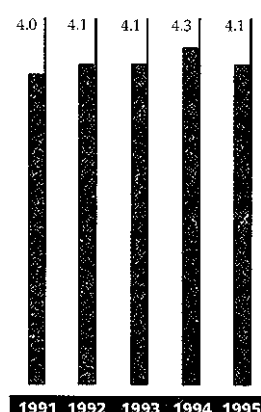
There was good cost management throughout the Group. At constant exchange rates, operating expenses increased by less than 1%, despite material business growth and an exceptional charge of IR£19.4 million against the carrying cost of Group properties.

Financial Review

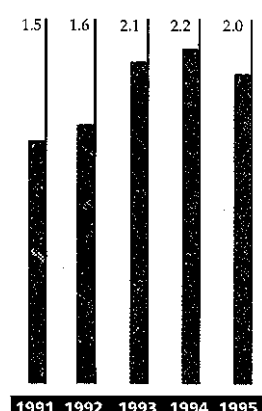
PROFIT AFTER TAXATION:
IR£m



NET INTEREST MARGIN:
(GROSSED UP) %



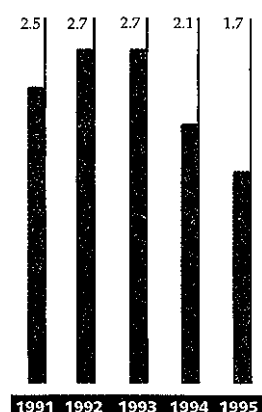
OTHER INCOME/AVERAGE ASSETS: %



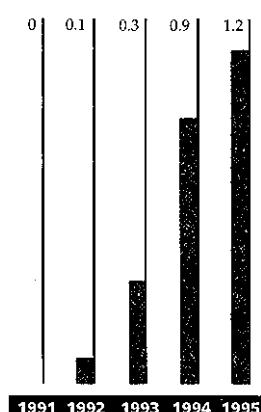
COSTS/TOTAL INCOME:
(GROSSED UP) %



LOAN LOSS PROVISIONS/ LOANS: %



RETURN ON AVERAGE ASSETS: %



There were significant further cost reductions in New Hampshire. The Group cost/income ratio was unchanged from last year at 64%.

Operating profit before loan losses increased from IR£335.3 million to IR£337.3 million, or 0.6%. The charge for loan losses is significantly down, from IR£59.8 million to IR£17.1 million. Reduced loan losses in New Hampshire and Britain and a high level of recoveries resulted in an annual provision to average loans of 0.2% compared to 0.6% in the previous year.

Balances under provision have reduced further and now stand at 2.0% of total loans compared with 3.4% last year. Total loan loss provision cover is now 86% of balances under provision compared to 63% at the end of last year.

BALANCE SHEET AND CAPITAL ADEQUACY

Total Assets (IR£bn)

	As at 31 March	
	1995	1994
Loans and Advances to Banks	2.4	1.9
Debt Securities	2.8	2.8
Loans and Advances to Customers	10.9	10.2
Other Assets	2.6	2.4
Total Assets	18.7	17.3
Risk Weighted Assets	11.9	10.7

Financial Review

Balance Sheet size increased by 7.6% to IR£18.7 billion.

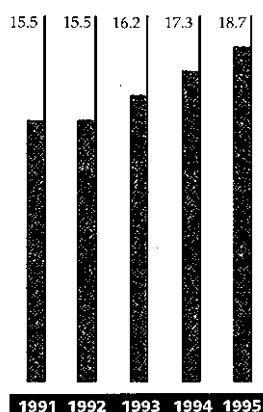
Total lending to customers increased in all jurisdictions. In the Republic of Ireland, growth of 12% was achieved. Great Britain and Northern Ireland increased by 11% and 20% respectively and lending to customers in the United States was up by 16% including the effect of the acquisition of Great Bay Bankshares, Inc.

Total Liabilities (IR£bn)

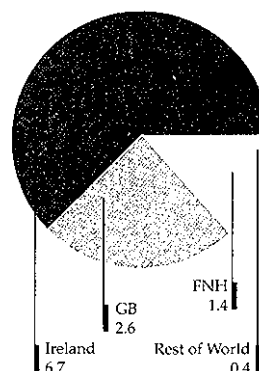
	As at 31 March	
	1995	1994
Deposits by Banks	2.1	1.5
Customer Accounts	12.0	11.4
Other Liabilities	3.6	3.5
	<u>17.7</u>	<u>16.4</u>
Total Stockholders' Funds	1.0	0.9
	<u>18.7</u>	<u>17.3</u>

Customer accounts showed good growth last year and, on a constant currency basis, were up 7.7%. Deposit levels increased in all jurisdictions, in contrast to last year when growth was recorded only in the Republic of Ireland.

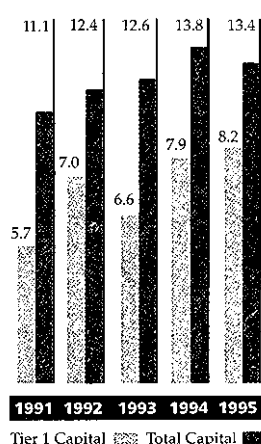
TOTAL ASSETS: IR£bn



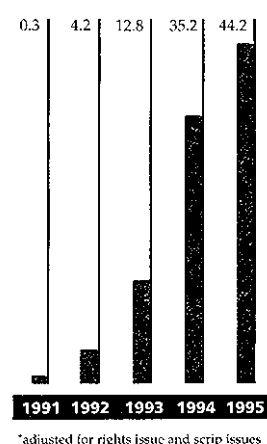
ADVANCES TO CUSTOMERS: Geographical breakdown IR£bn 1995



CAPITAL ADEQUACY RATIOS: Tier 1 Capital: % Total Capital: %



ADJUSTED EARNINGS PER UNIT OF IR£ ORDINARY STOCK*: pence



GROUP EMPLOYEE FIGURES:

Total Staff by Division and Geographical Region

RETAIL	8,503
CORPORATE AND TREASURY	453
OTHER GROUP ACTIVITIES	1,347
NEW HAMPSHIRE	1,906
REPUBLIC OF IRELAND	8,628
NORTHERN IRELAND	848
BRITAIN	725
USA AND OTHERS	2,008

TOTAL 12,209

Financial Review

Capital

Group Capital Adequacy ratios remain very strong. Tier 1 Capital was 8.2% at year end, up from 7.9% in the previous year. The Total Capital ratio fell slightly, from 13.8% to 13.4%, because of the weakness of the US\$. However, both ratios remain at very prudent levels.

The equity assets ratio at year end was 5.4% which compares with 5.1% at 31 March 1994.

RISK MANAGEMENT AND CONTROL

The Court of Directors approves policy and limits with respect to credit risk, market risk and liquidity risk and has delegated its monitoring and control responsibilities to the Group Credit Committee for credit matters and the Group Asset and Liability Committee for market risk and liquidity. Membership of these committees is comprised of senior management.

Credit Risk

Group Credit Control has specific responsibility for developing and monitoring compliance with Group credit policy and standards, as approved by the Court.

The Group Credit Committee recommends credit policy to the Court, approves individual large credits, devises sectoral guidelines and sets credit approval limits which are delegated to appropriate levels of

management. The committee reviews trends in credit quality and the adequacy of provisions.

The Group also operates sophisticated and well proven credit grading and independent review systems.

Market Risk

Market risk is the potential adverse change in the value of Group net worth arising from movements in interest rates, exchange rates or other market prices. Market risk arises from the structure of the balance sheet, the execution of customer and interbank business and proprietary trading. The Group recognises that the effective management of market risk is essential to the maintenance of stable earnings, the preservation of stockholder value and the achievement of the Group's corporate objectives.

Material exposure to market risk is permitted only in specifically designated business units, principally the Treasury areas. In other units, market risk is eliminated by way of appropriate hedging arrangements with Group Treasury.

Market risk throughout the Group is subject to centralised and independent measurement, reporting and control. Compliance with risk limits and procedures is monitored by the Group Asset and Liability Committee.

Financial Review

Group Treasury has, for the past two years, used a Value at Risk (VAR) approach to risk measurement. VAR provides a probability based estimate of the potential mark-to-market loss on a set of exposures over a defined time period. The VAR system uses over 100 market series, updated regularly, to take account of the variability of individual yield curves and the relationship within and between curves. The VAR approach is widely regarded as best practice.

In addition to the VAR methodology, the Group uses a duration based approach to risk management. This is a measure of the sensitivity of the market value of the Group's balance sheet to a defined movement in interest rates.

Liquidity

The Group's liquidity policy ensures that it has at all times sufficient cash to meet financial commitments when they arise and sufficient resources to fund any asset expansion programme which might be under consideration. It also ensures that the structure of cash flows services needs, within agreed guidelines, at an economic price.

The Group measures liquidity on an ongoing basis by reference to two measures, a flow approach which measures the maximum cumulative outflow of funds in any period, and a stock approach which measures the

ratio of liquid assets to liabilities. Both measures are subject to predetermined limits and are regularly reviewed by the Group Asset and Liability Committee.

Derivatives

A derivative is an off-balance sheet agreement which defines certain financial rights and obligations which are contractually linked to interest rates, exchange rates or other market prices. Derivatives are an efficient and cost effective means of managing market risk and limiting counterparty exposures. As such, they are an indispensable element of treasury management, both for the Group and for many of its corporate customers.

It is recognised that certain forms of derivatives can introduce risks which are difficult to measure and control. For this reason, it is Group policy to place clear boundaries on the nature and extent of its participation in derivatives markets and to apply the highest industry and regulatory standards to all aspects of its derivatives activities.

The Group's derivatives activities are governed by policies approved by the Court of Directors. These policies relate to the management of the various types of risk associated with derivatives, including market risk, liquidity risk, credit risk and legal risk. Any material change in the nature of the

Financial Review

Group's derivatives business is subject to Court approval.

The following chart represents the principal amounts of the total outstanding transactions for both exchange rate and interest rate contracts for the year ended 31 March 1995 compared to the previous year.

Exchange Rate Contracts	1995	1994
	IR£m	IR£m
Underlying principal amount	13,740.3	12,130.8
Risk weighted amount	152.9	93.4
Replacement cost	529.9	306.9

Interest Rate Contracts

Underlying principal amount	12,343.8	21,007.0
Risk weighted amount	25.2	26.8
Replacement cost	103.6	96.5

Group Financial Control, Group Internal Audit and Group Compliance

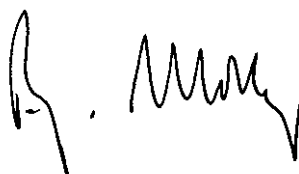
These are central control functions, independent of line management, whose roles include monitoring the Group's activities to ensure compliance with financial and operating controls.

The general scheme of risk, financial and operational controls is designed to safeguard the Group's assets while allowing sufficient operational freedom to earn a satisfactory return to Stockholders.

THE FUTURE

The Group has adapted effectively its systems and its structures to changing market conditions. This process will continue to ensure that the Group is positioned to take advantage of the very rapid pace of change in the financial services industry. We anticipate further intensification of competition but I am confident that we have the people, the products and the strategic focus to maintain and build further the strength of the Group.

Our plans to improve the standards of service and value which we offer to our customers will be critical to our future success and will distinguish Bank of Ireland from its competitors. Success will, of course, be achieved through our people and I thank them for their dedication and enthusiasm which have brought the Group to its current strong position in each of its markets.



Patrick J A Molloy

Group Chief Executive



Bank of Ireland Group

ACCOUNTS *for the year ended 31 March 1995*

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<i>Thirty-Six</i>	Statement of Directors' Responsibilities
<i>Thirty-Seven</i>	Auditors' Report
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<i>Forty-Three</i>	Group Profit and Loss Account
<i>Forty-Four</i>	Balance Sheets
<i>Forty-Six</i>	Other Primary Statements
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<i>Forty-Eight</i>	Notes to the Accounts
<i>Eighty-Five</i>	Group Profit and Loss Account (US\$, STG£ & YEN)
<i>Eighty-Six</i>	Group Balance Sheet (US\$, STG£ & YEN)
<i>Eighty-Seven</i>	Holders of Ordinary Stock, Financial Calendar
<i>Eighty-Eight</i>	Principal Business Units and Addresses

Report of the Directors



The Directors present their report together with the audited accounts for the year ended 31 March 1995.

RESULTS AND DIVIDENDS

The Group profit attributable to the Ordinary Stockholders amounted to IR£ 209.2m, after Non-Cumulative Preference Stock dividends of IR£15.0m, as set out in the Group profit and loss account on page 43.

The Directors have recommended a final dividend of 8.25p (tax credit 1.9717p) per unit of IR£1 of Ordinary Stock in respect of the year ended 31 March 1995. This payment, together with the interim dividend of 4.25p (tax credit 1.1334p) per unit of IR£1 of Ordinary Stock paid in January 1995, results in a total of 12.5p (tax credit 3.1051p) for the year ended 31 March 1995 and compares with a total of 10.5p for the previous year.

If the recommended final dividend is approved by the Ordinary Stockholders at the Annual General Court, the retained profit for the year will amount to IR£144.8m.

Under the terms of the Stock Alternative Scheme, Stockholders will be offered the choice of taking new units of Ordinary Stock in lieu of the cash element of the final dividend.

GROUP ACTIVITIES

The Bank and its group undertakings provide an extensive range of banking and other financial services. The Governor's Statement and the Group Chief Executive's Operating and Financial Review on pages 4 to 30, describe the operations and the development of the Group.

CAPITAL STOCK AND SUBORDINATED LIABILITIES

At the Annual General Court in July 1994 the Authorised Ordinary Stock was increased from 550,000,000 to 750,000,000 units of IR£1 each.

During the year, the total Ordinary Stock issued increased from 471,362,618 units of IR£1 to 475,831,913 units of IR£1. Details of the changes in the Capital Stock of the Bank and in its Subordinated Liabilities are displayed in Note 8 on pages 50 and 51 and Note 28 on pages 69 and 70 respectively. Within the year the Group redeemed US\$38m Floating Rate Capital Notes due 1997 and issued STG£100m 9.75% Subordinated Bonds due 2005.

Report of the Directors

DIRECTORS

The names of the members of the Court of Directors together with a short biographical note on each Director appear on page 2.

Mr Bernard J Breen, having reached retirement age, retired from the Court on 30 June 1994.

Dr Mary Redmond and Mr Patrick W McDowell were co-opted to the Court on 7 July 1994 and 13 December 1994 respectively. In accordance with the Bye-Laws, both retire at the forthcoming Annual General Court and being eligible, offer themselves for re-election.

Mr Laurence G Crowley and Mr R Brian Williamson retire by rotation at the Annual General Court and being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

The interests of the Directors and Secretary, in office at 31 March 1995, and of their spouses and minor children, in the Stocks issued by the Bank are shown in Note 31 on pages 77 and 78.

SUBSTANTIAL STOCKHOLDINGS

There were 31,108 registered holders of the Ordinary Stock of the Bank at 31 March 1995. An analysis of these holdings is shown on page 87.

As at 10 May 1995 the Bank had received notification of the following substantial interests in its Issued Ordinary Stock:-

NAME	%
IBI Nominees Limited*	13.9
Irish Life Assurance plc	8.0
AIB plc and subsidiaries*	7.8
Standard Life Assurance Company	3.7
Norwich Union Life Insurance Society	3.4

- * None of these stockholdings are beneficially owned by the named companies but are held on behalf of a range of clients, none of whom hold, so far as the Directors have been notified, more than 3% of the Issued Ordinary Stock.

So far as the Directors have been notified, there were no other holdings of 3% or more of the Issued Ordinary Stock of the Bank.

Report of the Directors

CORPORATE GOVERNANCE

Procedures and practices within the Group have, for many years, been consistent with the spirit of the Code of Best Practice recommended by the Cadbury Committee on the Financial Aspects of Corporate Governance published in December 1992.

The Directors reported last year on the formal review they had carried out of the Group's compliance with the Code and concluded that it fully complied with all of its then published provisions, in so far as the requirements were in accordance with Irish Company Law. Directors' fees and emoluments are detailed in accordance with the requirements of the Irish Companies Acts, 1963 to 1990 and the Statement of Best Practice on disclosure of remuneration of directors issued by the Irish Association of Investment Managers following its consideration of the Cadbury Code.

In November 1994, the Cadbury Committee working groups issued guidance on the Code of Best Practice in regard to "Going Concern and Financial Reporting". The Directors confirm that they are satisfied that the Bank and the Group have adequate resources to continue to operate for the foreseeable future and are financially sound. For this reason, they continue to adopt the going concern basis in preparing the accounts.

The Directors therefore confirm that the Group complies with all of the provisions of the Cadbury Committee's Code of Best Practice, other than internal control for which the guidance is not yet in force and aspects of the disclosure of Directors' remuneration which are not currently required under Irish law.

The auditors have reported to the Court that in their opinion the Directors' statement appropriately reflects the Group's compliance with the paragraphs of the Code specified for their review. They have also reported that the Directors' statement on Going Concern has provided the disclosures required by paragraph 4.6 of the Code, (as supplemented by the related guidance for directors), and is consistent with the information which came to their attention as a result of their audit work on the accounts.

AUDIT COMMITTEE

The Audit Committee comprises Laurence G Crowley (Chairman), Margaret Downes, David M Kennedy and Raymond Mac Sharry all of whom are Non-Executive Directors of the Bank.

The Audit Committee meets periodically with the external auditors, both with and without senior management, to discuss and review the Group's internal accounting controls, the internal audit function, the selection of accounting policies, the external audit programme, the audit report, financial reporting including annual audited accounts, statutory returns and other related matters. The Internal Auditor and the external auditors have full and unrestricted access to the Audit Committee.

Report of the Directors

REMUNERATION COMMITTEE

The Remuneration Committee, which comprises Howard E Kilroy (Chairman), Anthony D Barry, Margaret Downes and R Brian Williamson, all Non-Executive Directors of the Bank, is charged with the responsibility of recommending to the Court the remuneration of senior executives and the level of fees paid to Non-Executive Directors. The Remuneration Committee is also responsible for recommending to the Court the names of Directors for co-option to the Court.

SAFETY, HEALTH AND WELFARE AT WORK ACT, 1989

It is Group policy to attach a high priority and commitment to the safety, health and welfare of its employees and customers. The Group continues to review its compliance with the Act and where inadequacies are identified programmes of rectification are initiated. The Group's Health and Safety Consultation Group meets to discuss matters of principle covering the health and safety of employees and customers and to identify the training needs to ensure a continuing awareness in this regard. A Safety, Health and Welfare Policy Statement has been issued to all premises in accordance with the requirements of the above Act.

CLOSE COMPANY PROVISIONS

As far as the Directors are aware, the close company provisions of the Corporation Tax Act, 1976 did not apply to the Bank at 31 March 1995.

POST BALANCE SHEET EVENTS

No events of note have taken place since the end of the financial year.

BRANCHES OUTSIDE THE STATE

The Bank has established branches, within the meaning of Regulation 25 of the European Communities (Accounts) Regulations, 1993 (which gave effect to EU Council Directive 89/666/EEC), in the United Kingdom and in the United States.

AUDITORS

The Group Auditors, Price Waterhouse, have indicated their willingness to continue in office under Section 160 of the Companies Act, 1963.

Howard E Kilroy	<i>Governor</i>
Margaret Downes	<i>Deputy Governor</i>

Bank of Ireland
Head Office
Lower Baggot Street, Dublin 2
10 May 1995

Statement of Directors' Responsibilities



The following statement, which should be read in conjunction with the Auditors' Report set out on page 37, is made with a view to distinguishing for Stockholders the respective responsibilities of the Directors and of the auditors in relation to the accounts.

Company law requires the Directors to ensure that accounts, which give a true and fair view of the state of affairs of the Bank and the Group and of the profit or loss of the Group for the year, are prepared for each financial year.

With regard to the accounts on pages 38 to 84, the Directors have determined that it is appropriate that they continue to be prepared on a going concern basis and consider that in their preparation:-

- suitable accounting policies have been selected and applied consistently;
- judgements and estimates that are reasonable and prudent have been made; and
- applicable accounting standards have been followed.

The Directors have a responsibility for ensuring that proper books of account are kept which disclose the financial position of the Bank and which enable them to confirm that the accounts comply with the Companies Acts, 1963 to 1990 and the European Communities (Credit Institutions: Accounts) Regulations, 1992. They also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Howard E Kilroy

Governor

Margaret Downes

Deputy Governor

Patrick J Molloy

Group Chief Executive

Terence H Forsyth

Secretary

Auditors' Report



Auditors' Report to the Members of the Governor and Company of the Bank of Ireland

We have audited the accounts on pages 38 to 84 which have been prepared under the historical cost convention, as modified by the revaluation of certain properties and investments, and the accounting policies on pages 38 to 42.

Respective responsibilities of Directors and Auditors

As described on page 36, the Directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Bank's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion, the accounts give a true and fair view of the state of affairs of the Bank and the Group as at 31 March 1995 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 1990 and the European Communities (Credit Institutions: Accounts) Regulations, 1992.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Bank and proper returns adequate for the purpose of our audit have been received from branches not visited by us. The balance sheet of the Bank is in agreement with the books of account.

In our opinion, the information given in the Report of the Directors on pages 32 to 35 is consistent with the accounts.

In our opinion, the balance sheet of the Bank on pages 44 and 45 does not show a financial situation which, under the provisions of the Companies (Amendment) Act, 1983, requires the convening of an extraordinary general meeting.

PRICE WATERHOUSE

Chartered Accountants and Registered Auditors

Dublin

10 May 1995

Accounting Policies



The accounts on pages 38 to 84 have been prepared under the historical cost convention as modified by the revaluation of certain properties and investments; in accordance with the Companies Acts, 1963 to 1990 and the European Communities (Credit Institutions: Accounts) Regulations, 1992 and with applicable accounting standards.

The accounts are drawn up in Irish Pounds (IR£) and except where otherwise indicated are expressed in millions. Costs, assets and liabilities are inclusive of irrecoverable value added taxes where appropriate.

The accounting policies and the presentation of financial information are consistent with those of 1994, with the exception of the treatment of assets sold under securitisation and loan transfers and the policy for capital instruments, which are set out below. The primary impact of these changes is set out in Note 1 to the accounts.

The significant accounting policies are as follows:

1 Basis of Consolidation

Assets, liabilities and results of group undertakings and the share of results of associated undertakings have been included in the consolidated accounts on the basis of accounts made up to the end of the financial year.

In the prior year the accounts of certain group undertakings which previously were made up to 31 December and 28 February, were prepared for periods greater than twelve months to bring them in line with the Bank's year end.

Investments in associated undertakings are stated at acquisition cost, less amounts written off in respect of goodwill arising on acquisition, together with the appropriate share of post-acquisition reserves.

Assets sold under securitisation and loan transfers, where no significant change results in the Group's rights or benefits relating to those assets or in the Group's exposure to the risks inherent in those benefits, continue to be consolidated on a gross basis. In cases where there is no significant change in the rights and benefits and the financing is limited to a fixed monetary ceiling, only the net amount is consolidated and linked presentation is used to show, on the face of the consolidated balance sheet, the related gross amounts.

In order to reflect the different nature of the stockholders' and policyholders' interests in the long-term assurance business, the value of the life assurance business attributable to stockholders and the assets and liabilities attributable to policyholders are classified under separate headings in the consolidated balance sheet.

Accounting Policies

1 Basis of Consolidation continued

Assets held by the Bank and certain group undertakings in their capacity as trustee and manager for investment trusts, pension schemes and unit trusts are not consolidated in the Group's accounts as the Group does not have beneficial ownership.

2 Foreign Currency Translation

Assets and liabilities in foreign currencies are translated into Irish Pounds at rates of exchange ruling at the balance sheet date or at hedge rates where appropriate. Exchange differences, arising from the application of closing rates of exchange to the opening net assets held in foreign currencies and to related foreign currency borrowings are taken directly to reserves.

Profits and losses in foreign currencies are translated into Irish Pounds at average rates of exchange for the year and the differences between average and closing rates are recorded as a movement in reserves.

All other exchange profits and losses, which arise from normal trading activities, are included in operating profits.

3 Income Recognition

Interest income is recognised as it accrues.

Fee and commission income is recognised as earned, except for fees in effect charged in lieu of interest, for which income is recognised on a level-yield basis over the life of the underlying transaction.

4 Leasing and Instalment Finance

Leasing income is recognised in proportion to the funds invested in the lease so as to give a constant rate of return over each period after taking account of taxation cash flows.

Income from instalment finance transactions, including hire purchase finance, is recognised in proportion to the balance outstanding.

5 Pensions

Contributions to the Group's defined benefit schemes are charged to the profit and loss account so as to spread the expected cost of pensions, calculated in accordance with the advice of qualified actuaries, on a systematic basis over employees' working lives. Variations from the regular cost are

Accounting Policies

5 Pensions continued

spread over the average remaining service life of relevant employees.

The costs of the Group's defined contribution schemes are charged to the profit and loss account for the period in which they are incurred.

6 Depreciation and Amortisation

Leasehold property with unexpired terms of 50 years or less is depreciated by equal annual instalments over the remaining period of the lease.

Freehold and long leasehold property is maintained in a state of good repair and the Directors consider that residual values based on prices prevailing at the time of acquisition or subsequent valuation are such that depreciation is not significant, accordingly this property is not depreciated. Computer and other equipment is depreciated by equal annual instalments over its estimated useful life.

7 Provision for Bad and Doubtful Debts

Specific provisions are made on a case by case basis for loans and advances which are recognised to be bad or doubtful as a result of the continuous appraisal of the loans and advances portfolio.

A general provision is also made against loans and advances to cover latent loan losses which are known from experience to be present in any portfolio of loans and advances but have yet to be specifically identified.

8 Deferred Taxation

Deferred taxation is recognised at the appropriate rates of tax using the liability method on timing differences between profits stated in the accounts and profits computed for taxation purposes where it is expected that a liability or asset is likely to arise in the foreseeable future. The future tax benefit relating to tax losses is not recognised unless the benefit assured is beyond reasonable doubt.

Future tax benefits associated with the general provision are not recognised.

9 Scrip Dividend

Stock issued in lieu of cash dividends, under the Stock Alternative Scheme, is issued at a value equivalent to the cash dividend foregone.

Accounting Policies

10 Debt Securities and Equity Shares

Investment Securities

Debt securities and equity shares held for use on a continuing basis in the Group's activities are classified as investment securities. Such securities and shares are stated at cost less provision for any permanent diminution in value. The cost of dated securities is adjusted for the amortisation of premiums or discounts over the period to maturity.

The amortisation of premiums or discounts is included in interest income. In those rare instances where an investment security is sold prior to maturity, profits and losses are recognised when realised.

Other Securities

Other securities are stated at market value, except for those securities maintained for the purpose of hedging, which are accounted for on the same basis as the item hedged. Securities maintained for hedging purposes which are not stated at market value are classified separately.

Changes in the market value of securities marked to market are recognised in the profit and loss account as they arise.

Profits and losses on disposal are recognised when realised and included in dealing profits, except for those securities maintained for hedging purposes, which are amortised over the lives of the underlying transaction and included in net interest income.

11 Fixed Assets

Leasehold property with unexpired terms of 50 years or less is stated at valuation or subsequent cost less accumulated depreciation. Other property is stated at valuation or subsequent cost. Computer and other equipment used by the Group is stated at cost less accumulated depreciation.

12 Other Real Estate Owned

Real estate acquired through foreclosure or other similar proceedings is stated at the lower of the loans' remaining principal or the estimated fair value of the assets acquired. The value is reviewed periodically by means of independent appraisals and management review.

13 US Purchase and Excess Mortgage Servicing Assets

Fees paid for the right to service mortgage loans are capitalised and amortised in proportion to, and over the period of, estimated net servicing income.

Accounting Policies

13 US Purchase and Excess Mortgage Servicing Assets continued

Gains on mortgage loans sold on a servicing retained basis are adjusted to yield a normal servicing fee in subsequent years. The net present value of any excess servicing is capitalised and amortised over the period of estimated servicing income.

The rate of amortisation is determined by the expected life of the mortgages and is reassessed periodically to reflect actual and anticipated prepayment experience.

14 Goodwill

Goodwill arising on acquisition of shares in group and associated undertakings, being the excess of cost over fair value of the Group's share of net tangible assets acquired, is charged against reserves in the year of acquisition. In the event of a subsequent disposal, any goodwill previously charged directly against reserves is written back and is reflected in the profit and loss account on disposal.

15 Capital Instruments

Issue expenses incurred in connection with the issue of capital instruments are deducted from the proceeds of the issue and amortised to the profit and loss account as appropriate.

16 Life Assurance Business

The life assurance assets attributable to the Group are stated in the consolidated balance sheet at the aggregate of the Group's share of the net tangible assets of the business and the Group's accrued interest in policies in force.

The Group's accrued interest in policies in force is computed annually in consultation with independent actuaries and represents the discounted present value of the surpluses attributable to the Group which will be generated in the future from existing policies. The bases adopted in the valuation incorporate planned margins over prudent best estimates of future lapse rates, mortality rates, renewal expenses and investment returns. The value has been computed in accordance with the Association of British Insurers' draft proposals on Accounting for Shareholders' Profits in Long Term Assurance Business.

The statutory life company surplus attributable to the Group, together with the annual movement in the Group's accrued interest in policies in force is included in the Group profit and loss account, grossed up for taxation at the corporation tax rate.

17 Off-Balance Sheet Instruments

Off-balance sheet instruments such as forward rate agreements, interest rate swaps, interest rate options, foreign currency options and financial futures are used throughout the Group for trading and hedging purposes. Trading items are marked to market and the resultant profits and losses taken to the profit and loss account as they arise. Profits and losses arising from hedging transactions are recognised in accordance with the underlying transactions.

Group Profit and Loss Account for the year ended 31 March 1995

	Notes	1995 IR£m	1994 Restated IR£m
INTEREST RECEIVABLE AND SIMILAR INCOME			
Interest receivable and similar income arising from debt securities		177.3	199.2
Other interest receivable and similar income		1,084.1	1,141.6
		631.5	693.6
INTEREST PAYABLE AND SIMILAR CHARGES			
		629.9	647.2
NET INTEREST INCOME			
OTHER INCOME			
Dividend income	3	0.5	0.5
Fees and commissions receivable		269.5	286.8
Fees and commissions payable		(19.3)	(27.2)
Dealing profits		19.0	42.2
Other operating income	2	32.3	33.0
		931.9	982.5
TOTAL INCOME			
OPERATING EXPENSES			
Administrative expenses	4	534.4	583.2
Depreciation and amortisation	20	60.0	45.5
Provision for bad and doubtful debts	15	17.1	69.6
Provision for contingent liabilities and commitments	27	-	3.8
Amounts written off fixed asset investments	5	0.2	-
		320.2	280.4
OPERATING PROFIT			
Income from associated undertakings		(0.1)	2.5
		320.1	282.9
Profit on disposal of group undertaking	6	1.7	-
Loss on disposal of associated undertaking	6	-	5.4
		321.8	277.5
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			
Taxation on profit on ordinary activities	7	97.3	97.3
		224.5	180.2
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			
Minority interests: equity		0.3	0.8
non-equity		-	3.4
		15.0	15.2
DIVIDENDS ON NON-EQUITY STOCK			
Non-cumulative preference stock	10	15.0	15.2
PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE ORDINARY STOCKHOLDERS			
Ordinary Dividends - Paid	10	20.2	17.7
- Proposed	10	39.3	31.8
Transfer to capital reserve	9	4.9	9.4
		144.8	101.9
INCREASE IN PROFIT AND LOSS ACCOUNT FOR THE YEAR			
Earnings per unit of IR£1 Ordinary Stock	11	44.2p	35.2p
Alternative earnings per unit of IR£1 Ordinary Stock	11		32.9p

The movement in the reserves is shown in Note 9.

Operating profit is generated entirely from continuing operations.

The profit attributable to ordinary stockholders of the Bank dealt within the accounts of the Bank amounted to IR£65.5m (1994: IR£56.7m).

The Bank has taken advantage of Regulation 5, paragraph 2 of the European Communities (Credit Institutions: Accounts) Regulations, 1992 and accordingly the profit and loss account of the Bank has not been presented separately.

The accounting policies on pages 38 to 42 and the notes on pages 48 to 84 form part of the accounts.

Howard E Kilroy	Governor
Margaret Downes	Deputy Governor
Patrick J Molloy	Group Chief Executive
Terence H Forsyth	Secretary

Balance Sheets at 31 March 1995

	Notes	The Group		The Bank	
		1995	1994 Restated	1995	1994
		IR£m	IR£m	IR£m	IR£m
ASSETS					
Cash and balances at Central Banks		103.9	138.2	71.3	72.5
Items in the course of collection from banks		299.9	323.5	247.6	273.1
Central Government and other eligible bills	12	17.2	7.1	17.1	1.9
Loans and advances to banks	13	2,425.2	1,869.5	3,298.5	3,273.0
Loans and advances to customers	14	10,794.1	10,174.3	8,485.1	7,182.4
Securitisation and loan transfers		660.2	352.4	-	-
Less: non returnable amounts		602.4	307.8	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Debt securities	14	57.8	44.6	-	-
Equity shares	16	2,821.3	2,778.3	1,329.1	1,301.7
Interest in associated undertakings	17	6.8	6.4	0.2	0.2
Shares in group undertakings	18	0.5	0.1	-	-
Tangible fixed assets	19	-	-	733.5	749.1
Other assets	20	379.2	389.6	267.8	265.4
Deferred taxation	21	1,031.5	895.5	467.6	287.8
Prepayments and accrued income	26	-	-	8.2	0.8
Life assurance assets attributable to stockholders	36	142.0	145.3	84.5	81.1
		<hr/>	<hr/>	<hr/>	<hr/>
Life assurance assets attributable to policyholders	36	57.9	49.3	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total assets		18,137.3	16,821.7	15,010.5	13,489.0
		<hr/>	<hr/>	<hr/>	<hr/>
		531.2	521.3	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total assets		18,668.5	17,343.0	15,010.5	13,489.0
		<hr/>	<hr/>	<hr/>	<hr/>

Balance Sheets at 31 March 1995

	Notes	The Group		The Bank	
		1995	1994 Restated	1995	1994
		IR£m	IR£m	IR£m	IR£m
LIABILITIES					
Deposits by banks	22	2,100.2	1,466.5	3,969.0	3,312.0
Customer accounts	23	11,985.9	11,448.7	8,227.1	7,528.3
Debt securities in issue	24	643.2	791.2	362.7	355.5
Items in the course of transmission to banks		96.8	71.4	96.8	70.5
Other liabilities	25	1,465.6	1,335.3	780.9	654.2
Proposed dividends - equity	10	39.3	31.8	39.3	31.8
Accruals and deferred income		121.6	129.9	71.4	94.5
Provision for liabilities and charges:					
- deferred taxation	26	0.3	4.2	-	-
- other provisions for liabilities and charges	27	49.5	44.5	35.3	32.6
Subordinated liabilities	28	601.7	596.2	601.7	596.2
Minority interests - equity		1.8	1.8	-	-
Called up capital stock	8	491.3	487.0	491.3	487.0
Stock premium account	9	230.8	222.2	230.8	222.2
Capital reserve	9	43.2	58.8	12.0	12.4
Profit and loss account	9	511.4	367.1	104.1	102.6
Goodwill reserve	9	(254.8)	(238.8)	(11.9)	(10.8)
Revaluation reserve	9	9.5	3.9	-	-
Total stockholders' funds including non-equity interests		1,031.4	900.2	826.3	813.4
Life assurance liabilities attributable to policyholders	36	531.2	521.3	-	-
Total liabilities		18,668.5	17,343.0	15,010.5	13,489.0
OFF-BALANCE SHEET MEMORANDUM ITEMS					
Contingent liabilities					
- acceptances and endorsements		45.6	26.5	26.6	26.5
- guarantees and assets pledged		616.5	587.7	1,041.5	1,118.1
- other contingent liabilities		-	2.3	-	-
	32	662.1	616.5	1,068.1	1,144.6
Commitments					
- commitments arising out of sale and option to resell transactions		-	-	-	-
- other commitments		4,106.4	3,893.7	3,279.6	2,962.0
	32	4,106.4	3,893.7	3,279.6	2,962.0

The accounting policies on pages 38 to 42 and the notes on pages 48 to 84 form part of the accounts.

Howard E Kilroy	Governor
Margaret Downes	Deputy Governor
Patrick J Molloy	Group Chief Executive
Terence H Forsyth	Secretary

Other Primary Statements for the year ended 31 March 1995**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	Notes	The Group		The Bank	
		1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Profit attributable to ordinary stockholders		209.2	160.8	65.5	56.7
Exchange adjustments	8,9	(16.8)	15.9	(6.8)	4.7
Revaluation (deficit)/surplus	9	(3.1)	3.9	-	-
Other		-	2.5	-	(0.3)
Total gains recognised since last annual report		<u>189.3</u>	<u>183.1</u>	<u>58.7</u>	<u>61.1</u>

RECONCILIATION OF MOVEMENT IN STOCKHOLDERS' FUNDS

	Notes	The Group		The Bank	
		1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Profit attributable to ordinary stockholders		209.2	160.8	65.5	56.7
Dividends	10	(59.5)	(49.5)	(59.5)	(49.5)
Other recognised (losses)/gains		149.7	111.3	6.0	7.2
New capital stock subscribed	8,9	(19.9)	22.3	(6.8)	4.4
Goodwill	9	11.4	101.5	11.4	101.5
Transfer from stock premium		(13.4)	(1.2)	(1.1)	-
		3.4	-	3.4	-
Opening stockholders' funds		<u>131.2</u>	<u>233.9</u>	<u>12.9</u>	<u>113.1</u>
		<u>900.2</u>	<u>666.3</u>	<u>813.4</u>	<u>700.3</u>
Closing stockholders' funds		<u>1,031.4</u>	<u>900.2</u>	<u>826.3</u>	<u>813.4</u>
Stockholders' funds:					
Equity		877.9	745.0	672.8	658.2
Non-equity		153.5	155.2	153.5	155.2
		<u>1,031.4</u>	<u>900.2</u>	<u>826.3</u>	<u>813.4</u>

NOTE OF HISTORICAL COST PROFIT AND LOSS

There is no significant difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis.

The accounting policies on pages 38 to 42 and the notes on pages 48 to 84 form part of the accounts.

Howard E Kilroy
Margaret Downes
Patrick J Molloy
Terence H Forsyth

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Deputy Governor
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Secretary

Group Cash Flow Statement for the year ended 31 March 1995



	Notes	1995 IR£m	1994 Restated IR£m
NET CASH INFLOW FROM OPERATING ACTIVITIES	29	1,316.5	103.2
Returns on investments and servicing of finance:			
Dividends received from associated undertaking		-	0.5
Ordinary dividends paid		(46.2)	(42.3)
Non-cumulative preference stock dividends paid		(15.0)	(15.2)
Preferred stock dividends paid		-	(2.6)
Interest paid on subordinated liabilities		(29.9)	(24.9)
Dividends paid to minority interests		(0.3)	(3.6)
Net cash outflow from returns on investments and servicing of finance		(91.4)	(88.1)
Taxation:			
Corporation tax and special levy on banks paid		(56.8)	(37.8)
Foreign taxes paid		(16.3)	(7.7)
Duty on certain tax based lending paid		(1.5)	(3.2)
Total taxation paid		(74.6)	(48.7)
Investing activities:			
Net (purchases)/ sales of investment debt securities		(472.4)	(42.2)
Purchase of group undertaking (net of cash and cash equivalents)		23.6	-
Purchase of associated undertaking		(0.5)	(1.2)
Sale of associated undertaking		-	26.6
Sale of group undertaking (net of cash and cash equivalents)		27.1	-
Purchases of tangible fixed assets		(68.6)	(56.0)
Sales of tangible fixed assets		8.5	9.7
Purchase of minority interest		(3.3)	-
Purchase of equity shares		(0.6)	-
Net cash outflow from investing activities		(486.2)	(63.1)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		664.3	(96.7)
Financing:			
Issue of subordinated liabilities		101.3	-
Redemption of subordinated liabilities		(24.6)	-
Redemption of preferred stock		-	(85.6)
Issue of capital stock (net of issue expenses)		5.6	99.9
Net cash inflow from financing		82.3	14.3
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		746.6	(82.4)

The accounting policies on pages 38 to 42 and the notes on pages 48 to 84 form part of the accounts.

Howard E Kilroy
Margaret Downes
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Deputy Governor
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Notes to the Accounts



1 Changes to Accounting Policies

(a) Financial Reporting Standard 4 "Capital Instruments" (FRS 4)

The Group has adopted FRS 4 in presenting its results. The preferred stock dividend of IR£6.0m charged in 1994 has been reclassified to interest paid and minority interest.

The principal effect in the current year has been to reduce the reported value of the Bank's subordinated liabilities by IR£3.3m, offset by an increase in the stock premium account of IR£3.4m and to decrease Group profit before taxation by IR£0.1m. Stockholders' funds and minority interests have been analysed between equity and non-equity interests.

Prior year net income and balance sheet figures have not been restated on the basis of materiality.

(b) Financial Reporting Standard 5 "Reporting the Substance of Transactions" (FRS 5)

The Group has adopted FRS 5 in presenting its results and prior year comparatives are restated. In the past, assets sold under securitisation and loan transfers by the Bank's UK mortgage subsidiary, Bank of Ireland Home Mortgages were reported under a form of linked presentation. FRS 5 limits the transactions that may be reported under this method.

The principal effect is to increase the total assets and liabilities included in the consolidated balance sheet by IR£291.8m (1994: IR£216.3m). There is no impact on the profit and loss account other than a reclassification from other income to net interest income, costs and provisions for bad and doubtful debts amounting to IR£2.7m (1994: IR£1.2m).

2 Profit on Ordinary Activities before Taxation

The Group	1995 IR£m	1994 IR£m
The profit on ordinary activities before taxation of the Group is arrived at after charging:		
Interest paid on subordinated liabilities	30.7	25.0
Provision for severance packages	4.7	4.3
Additional provision for maintenance of group properties	1.6	7.3
Write-off in respect of low-yield expenditure on premises which had previously been capitalised and provision for premises' revaluation deficit in New Hampshire	19.4	-
Auditors' remuneration (including VAT)		
Audit work	0.9	1.0
Non-audit work	1.9	1.3
and after crediting:		
Income from listed and unlisted investments	179.4	199.7
Profits less losses on other securities	(10.3)	8.8
Profits less losses on disposal of investment securities	(0.4)	(0.6)

Included in other operating income is IR£14.8m (1994: IR£15.3m) in respect of the Group's life assurance business.

Notes to the Accounts

2 Profit on Ordinary Activities before Taxation continued

Principal rates of exchange used in the preparation of the accounts are as follows:

	31 March 1995		31 March 1994	
	Closing	Average	Closing	Average
IRE/US\$	1.6177	1.5432	1.4347	1.4396
IRE/STG£	1.0020	0.9874	0.9661	0.9568

3 Dividend Income

	1995 IR£m	1994 IR£m
The Group		
Income from equity shares	0.5	0.5

4 Administrative Expenses

	1995 IR£m	1994 IR£m
The Group		
Staff Costs		
- wages and salaries	281.0	295.3
- social security costs	24.8	24.8
- other pension costs	17.6	19.4
- staff stock issue	5.3	6.0
	328.7	345.5
Other administrative expenses	205.7	237.7
	534.4	583.2

The figure for staff stock issue represents an amount payable to Trustees on behalf of employees to acquire an issue of Ordinary Stock as provided pursuant to a resolution passed at the Annual General Court held on 11 July 1984.

5 Amounts Written Off Fixed Asset Investments

	1995 IR£m	1994 IR£m
The Group		
Investment equity shares	0.2	-

6 Profit/(Loss) on Disposal of Group and Associated Undertakings

The Bank completed the sale of British Credit Trust, its UK finance house subsidiary on 15 August 1994. A profit of IR£1.7m was realised on the sale after charging IR£2.6m to the profit and loss account which was previously written off through reserves.

Notes to the Accounts

6 Profit/(Loss) on Disposal of Group and Associated Undertakings continued

In December 1993 the Bank disposed of its holding in Development Capital Corporation Limited. A loss of IR£5.4m (after capital gains tax IR£8.5m) was incurred on this disposal.

7 Taxation on Profit on Ordinary Activities

The Group	1995 IR£m	1994 IR£m
Based on profit for the year:		
Corporation tax and special levy on banks	95.5	80.8
Tax credits applicable to distributions received	1.8	1.7
Duty on certain tax-based lending	1.7	2.8
Deferred taxation	(1.7)	11.5
Share of associated undertakings' taxation	-	0.5
	<u>97.3</u>	<u>97.3</u>

In accordance with the provisions of the Finance Act, 1992, the special levy on banks of IR£14.3m paid in 1994 will be fully set off against the Group's Irish corporation tax liability for the year ended 31 March 1995.

The tax charge for the year, at an effective rate of 30.2% is lower than the Irish Corporation tax rate of 40% mainly because of relief arising from tax based lending, the International Financial Services Centre 10% tax rate and losses brought forward in the USA which cover the FNH profits.

Included in the charge for corporation tax is IR£12.1m (1994: IR£12.8m) in respect of foreign taxation.

8 Called up Capital Stock

The Bank	1995 IR£m	1994 IR£m
Authorised		
750m units of IR£1 of Ordinary Stock	750.0	550.0
8m units of Non-Cumulative Preference Stock of US\$25 each	123.6	139.4
100m units of Non-Cumulative Preference Stock of Stg£1 each	99.8	103.5
100m units of Non-Cumulative Preference Stock of IR£1 each	<u>100.0</u>	<u>100.0</u>
	<u>1,073.4</u>	<u>892.9</u>
Allotted and fully paid		
Equity		
475.8m units of IR£1 of Ordinary Stock	475.8	471.4
Non-equity		
5m units of Non-Cumulative Preference Stock of Stg£1 each	5.0	5.1
10.5m units of Non-Cumulative Preference Stock of IR£1 each	<u>10.5</u>	<u>10.5</u>
	<u>491.3</u>	<u>487.0</u>

Notes to the Accounts

8 Called up Capital Stock continued

Ordinary Stock

The Authorised Ordinary Stock was increased to 750m units of IR£1 each at the Annual General Court held on 6 July 1994.

During the year the total Ordinary Stock issued was increased from 471,362,618 units of IR£1 each to 475,831,913 units of IR£1 each as follows:

In July 1994, 1,111,747 units of Ordinary Stock were issued to those holders of Ordinary Stock who elected, under the Stock Alternative Scheme, to receive additional units of Ordinary Stock at a price of 263p per unit, instead of all or part of the cash element of their 1993/94 final dividend.

Pursuant to a resolution passed at a meeting of the Court of Directors held on 13 September 1994, a total of 1,746,932 units of Ordinary Stock of the Bank was issued to the Trustees of the Employee Ordinary Stock Issue Scheme (Irish) and the Trustees of the Employee Ordinary Stock Issue Scheme (UK), at the price of IR270p per unit and STG263p per unit.

In January 1995, 1,007,191 units of Ordinary Stock were issued to those holders of Ordinary Stock who elected, under the Stock Alternative Scheme, to receive additional units of Ordinary Stock at a price of 288.8p per unit, instead of all or part of the cash element of their 1994/95 interim dividend.

603,425 units of Ordinary Stock were issued during the year to option holders on the exercise of options under the terms of the Senior Executive Stock Option Scheme at prices ranging between 135.83p and 208.74p.

All units of Ordinary Stock in issue carry the same voting rights. Under the Bank's Bye-Laws the aggregate voting right of any individual beneficial owner is restricted to 1% of the total Ordinary Stock in issue.

Preference Stock

The Preference Stock is non-redeemable. The holders of Preference Stock are entitled to receive a non-cumulative preferential dividend which in the case of the Sterling Preference Stock will be payable in Sterling in a gross amount of STG£1.2625 per unit and in the case of Irish Pound Preference Stock will be payable in Irish Pounds in a gross amount of IR£1.20 per unit per annum, in equal semi-annual instalments in arrears on February 20 and August 20 in each year.

On a winding up of, or other return of capital by the Bank (other than on a redemption), the Preference Stockholders will be entitled to receive an amount equal to the amount paid up on each unit of the Preference Stock held (including the premium) out of the surplus assets available for distribution to the Ordinary Stockholders.

The Preference Stockholders are not entitled to vote at any General Court except in certain exceptional circumstances when a restricted vote may apply.

The Bank has an obligation to increase or, as the case may be, decrease the cash dividend payable on each unit of Preference Stock so that the sum of the cash dividend paid or payable together with the associated dividend tax credit shall equal the appropriate gross amounts.

Notes to the Accounts

9 Reserves

	The Group IR£m	The Bank IR£m
Stock premium account	230.8	230.8
Capital reserve	43.2	12.0
Profit and loss account	511.4	104.1
Goodwill reserve	(254.8)	(11.9)
Revaluation reserve	9.5	-
At 31 March 1995	540.1	335.0
Stock premium account:		
At 31 March 1994	222.2	222.2
Exchange adjustments	(1.7)	(1.7)
Reclassification of debt issue expenses (note 1)	3.4	3.4
Premium on issue of capital stock	3.3	3.3
Premium on stock alternative scheme issue	3.7	3.7
Transfer from profit and loss account	(0.1)	(0.1)
At 31 March 1995	230.8	230.8
Capital reserve:		
At 31 March 1994	58.8	12.4
Exchange adjustments	(3.5)	(0.4)
Share of unrealised profits of group undertakings	4.9	-
Transfer to revaluation reserve	(8.7)	-
Transfer to profit and loss account	(8.3)	-
At 31 March 1995	43.2	12.0
Profit and loss account:		
At 31 March 1994	367.1	102.6
Profit for period	144.8	6.0
Exchange adjustments	(11.5)	(4.6)
Goodwill written back on disposal	2.6	-
Transfer to stock premium account	0.1	0.1
Transfer from capital reserve	8.3	-
At 31 March 1995	511.4	104.1
Goodwill reserve:		
At 31 March 1994	(238.8)	(10.8)
Goodwill written off on acquisitions	(16.0)	(1.1)
At 31 March 1995	(254.8)	(11.9)
Revaluation reserve:		
At 31 March 1994	3.9	-
Transfer from capital reserve	8.7	-
Revaluation deficit	(3.1)	-
At 31 March 1995	9.5	-

Notes to the Accounts

10 Dividends

The Bank	1995 IR£m	1994 IR£m
Equity Stock:		
1995:		
On 475,831,913 units of IR£1 of Ordinary Stock:		
Interim dividend 4.25p (Tax credit 1.1334p)	20.2	-
Final dividend 8.25p (Tax credit 1.9717p)	39.3	-
1994:		
On 471,362,618 units of IR£1 of Ordinary Stock:		
Interim dividend 3.75p (Tax credit 1.00p)	-	17.7
Final dividend 6.75p (Tax credit 1.80p)	-	31.8
	<u>59.5</u>	<u>49.5</u>

The tax credits relating to these dividends were reduced in accordance with Section 45 of the Finance Act, 1980.

Non-equity Stock:

The dividend per unit of Non-Cumulative Preference Stock of Stg£1 each was Stg£0.996684 (Tax credit Stg£0.265816) on 5.0m units. The dividend per unit of Non-Cumulative Preference Stock of IR£1 each was IR£0.947344 (Tax credit IR£0.252656) on 10.5m units.

11 Earnings Per Unit of IR£1 Ordinary Stock

The calculation of earnings per unit of IR£1 Ordinary Stock is based on the profit attributable to Ordinary Stockholders of IR£209.2m (1994: IR£160.8m) and the weighted average Ordinary Stock in issue of 473.6m units of IR£1 (1994: 456.3m units of IR£1), appropriate adjustment having been made for the changes in the Issued Ordinary Stock during each year (Note 8).

The calculation of the alternative earnings per unit of IR£1 Ordinary Stock is based on the profit attributable to Ordinary Stockholders for 1994: IR£150.3m which is after deducting the additional contribution of certain group undertakings which were previously non-coterminous. No adjustment is necessary for the year ended 31 March 1995.

Notes to the Accounts

12 Central Government and Other Eligible Bills

	1995 IR£m	1994 IR£m
The Group		
Other securities		
- government bills and similar securities	17.2	7.1
- other eligible bills	-	-
	<u>17.2</u>	<u>7.1</u>
The Bank		
Other securities		
- government bills and similar securities	17.1	1.9
- other eligible bills	-	-
	<u>17.1</u>	<u>1.9</u>

13 Loans and Advances to Banks

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Repayable on demand	94.4	44.6	153.1	394.3
Other loans and advances to banks				
Remaining maturity:				
- 3 months or less	1,985.7	1,503.7	2,508.9	2,294.3
- 1 year or less but over 3 months	323.1	302.9	492.8	297.5
- 5 years or less but over 1 year	22.8	20.2	144.7	289.0
- over 5 years	0.2	0.2	-	-
	<u>2,426.2</u>	<u>1,871.6</u>	<u>3,299.5</u>	<u>3,275.1</u>
General and specific bad and doubtful debt provisions (Note 15)	(1.0)	(2.1)	(1.0)	(2.1)
	<u>2,425.2</u>	<u>1,869.5</u>	<u>3,298.5</u>	<u>3,273.0</u>
Amounts include:				
Due from group undertakings				
- subordinated			-	-
- unsubordinated			975.4	1,935.6
			<u>975.4</u>	<u>1,935.6</u>

Notes to the Accounts

14 Loans and Advances to Customers

	The Group		The Bank	
	1995	1994	1995	1994
	IR£m	IR£m	IR£m	IR£m
Repayable on demand	981.2	1,087.7	989.5	1,057.9
Other loans and advances to customers				
Remaining maturity:				
- 3 months or less	632.8	713.4	1,314.7	870.8
- 1 year or less but over 3 months	940.5	1,080.8	1,004.5	914.1
- 5 years or less but over 1 year	2,894.7	2,325.5	2,990.3	2,675.1
- over 5 years	5,536.7	5,187.5	2,305.9	1,798.2
	<u>10,985.9</u>	<u>10,394.9</u>	<u>8,604.9</u>	<u>7,316.1</u>
General and specific bad and doubtful debt provisions (Note 15)	(191.8)	(220.6)	(119.8)	(133.7)
	<u>10,794.1</u>	<u>10,174.3</u>	<u>8,485.1</u>	<u>7,182.4</u>
Amounts include:				
Due from Group undertakings				
- subordinated			-	-
- unsubordinated			3,125.8	2,289.7
			<u>3,125.8</u>	<u>2,289.7</u>
Due from associated undertakings				
- subordinated	-	-	-	-
- unsubordinated	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The net amount of securitisation and loan transfers less non returnable amounts, IR£57.8m (1994: IR£44.6m) has a remaining maturity of over 5 years.

The Bank's UK mortgage subsidiary, Bank of Ireland Home Mortgages ("BIHM") has entered into a number of securitisation and loan transfer agreements involving the sale of discrete portfolios of mortgage loans. Up to 31 March 1995 loans totalling STG£1,445m had been transferred in this manner of which STG£962m remained outstanding at that date. Securitisation transactions represented STG£1,200m of gross transfers (STG£803m outstanding at 31 March 1995), with the purchasing companies financing the transactions by the issue of Mortgage Backed Floating Rate Notes. The remaining STG£245m of assets transferred (STG£159m outstanding at 31 March 1995) were sold to major UK financial institutions by private placement.

Loans with a capital balance of IR£57.8m, (1994: IR£44.6m) have been reported in the financial statements under linked presentation where the provisions of FRS 5 are met.

Notes to the Accounts

14 Loans and Advances to Customers continued

BIHM is not obliged to support any losses that may be suffered by the floating rate noteholders, nor does it intend to do so, with the exception of credit losses up to a specified amount. These amounts have been recorded on the balance sheet within the net amount of securitisation and loan transfers.

Additionally, the floating rate notes were issued on the basis that noteholders are only entitled to obtain payment, as to both principal and interest, to the extent that the securitisation companies' respective available resources, including funds due from customers in respect of the securitised loans, are sufficient and this is incorporated in agreements established with the noteholders.

BIHM has made an interest bearing subordinated loan to each of the securitisation companies repayable on final redemption of the floating rate notes. BIHM receives payment from the securitisation companies in respect of fees for loan administration services and the Bank receives payments under the terms of interest rate swaps written between the Bank and the securitisation companies to hedge their respective exposures to movements in interest rates arising from these transactions. In all cases the effect of the interest rate swaps between the Bank and the securitisation companies is that the securitisation companies swap all or part of the interest flows receivable from customers in respect of the securitised loans into variable rate interest flows which are designed broadly to match the interest payable to floating rate noteholders.

Under the terms of the sale agreements BIHM has the option to repurchase the mortgages when the amount outstanding on the loan portfolio falls below an agreed percentage of original sale proceeds. These amounts have been included in the net amount of securitisation and loan transfers recorded on the balance sheet. Other than these responsibilities BIHM has no commitment to repurchase the mortgages other than in certain circumstances where BIHM is in breach of warranty.

The information about securitisations recorded under linked presentation is set out in the table below:

Securitisation Company	Date of Securitisation	Gross mortgage loans IR£m	Non- returnable finance IR£m	Repurchase option IR£m	Non-recourse amounts
					First loss reserve IR£m
Residential Property Securities					
No. 3 Plc	31 August 1993	195.9	168.1	24.9	2.9
Residential Property Securities					
No. 4 Plc	20 July 1994	464.3	434.3	25.0	5.0
		660.2	602.4	49.9	7.9
				57.8	

In addition, loans and advances to customers at 31 March 1995 includes IR£300.0m of mortgage loans transferred under securitisation and loan transfer where linked presentation has not been used.

Notes to the Accounts

14 Loans and Advances to Customers continued

All the issued shares in RPS3 Plc and RPS4 Plc are held by a Trust. The Group does not own, directly or indirectly, any of the share capital of the securitisation companies or their parent companies.

Operating income includes an amount of IR£6.2m earned on assets recorded under linked presentation.

15 Provision for Bad and Doubtful Debts

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
At beginning of year	222.7	279.7	135.8	169.4
Exchange adjustments	(9.4)	14.3	(2.9)	3.2
Charge against profits	17.1	69.6	9.3	36.6
Amounts written off	(50.7)	(145.2)	(38.6)	(82.8)
Recoveries	17.6	9.4	17.2	9.4
Group undertaking acquisition	3.4	-	-	-
Group undertaking disposal	(7.9)	-	-	-
Other movements	-	(5.1)	-	-
At end of year	192.8	222.7	120.8	135.8
Of which relates to:				
- loans and advances to banks	1.0	2.1	1.0	2.1
- loans and advances to customers	191.8	220.6	119.8	133.7
Provisions at end of year:				
- specific	108.9	146.2	78.9	107.0
- general	83.9	76.5	41.9	28.8
	192.8	222.7	120.8	135.8

Notes to the Accounts

16 Debt Securities

The Group	1995 Balance Sheet IR£m	1995 Market Value IR£m	1994 Balance Sheet IR£m	1994 Market Value IR£m
ISSUED BY PUBLIC BODIES				
Investment securities				
- government securities	992.8	973.6	925.3	919.5
- other public sector securities	0.1	0.1	0.1	0.1
	<u>992.9</u>	<u>973.7</u>	<u>925.4</u>	<u>919.6</u>
Hedged securities				
- government securities	67.4	65.7	57.7	65.1
- other public sector securities	-	-	-	-
	<u>67.4</u>	<u>65.7</u>	<u>57.7</u>	<u>65.1</u>
Other securities				
- government securities	748.2		1,002.2	
- other public sector securities	31.4		23.0	
	<u>779.6</u>		<u>1,025.2</u>	
ISSUED BY OTHER ISSUERS				
Investment securities				
- bank and building society certificates of deposits	24.0	24.0	9.4	9.4
- other debt securities	767.6	776.0	576.2	590.7
	<u>791.6</u>	<u>800.0</u>	<u>585.6</u>	<u>600.1</u>
Other securities				
- bank and building society certificates of deposits	10.2		32.3	
- other debt securities	179.6		152.1	
	<u>189.8</u>		<u>184.4</u>	
	<u>2,821.3</u>		<u>2,778.3</u>	
Due within 1 year	825.7		885.8	
Due 1 year and over	1,995.6		1,892.5	
	<u>2,821.3</u>		<u>2,778.3</u>	

Notes to the Accounts

16 Debt Securities continued

The Bank	1995 Balance Sheet IR£m	1995 Market Value IR£m	1994 Balance Sheet IR£m	1994 Market Value IR£m
ISSUED BY PUBLIC BODIES				
Investment securities				
- government securities	271.5	271.0	141.6	148.0
- other public sector securities	-	-	-	-
	<u>271.5</u>	<u>271.0</u>	<u>141.6</u>	<u>148.0</u>
Hedged securities				
- government securities	67.4	65.7	57.7	65.1
- other public sector securities	-	-	-	-
	<u>67.4</u>	<u>65.7</u>	<u>57.7</u>	<u>65.1</u>
Other securities				
- government securities	725.0		952.5	
- other public sector securities	16.7		11.7	
	<u>741.7</u>		<u>964.2</u>	
ISSUED BY OTHER ISSUERS				
Investment securities				
- bank and building society certificates of deposits	-	-	-	-
- other debt securities	6.2	5.6	7.0	6.3
	<u>6.2</u>	<u>5.6</u>	<u>7.0</u>	<u>6.3</u>
Other securities				
- bank and building society certificates of deposits	10.2		8.1	
- other debt securities	232.1		123.1	
	<u>242.3</u>		<u>131.2</u>	
	<u>1,329.1</u>		<u>1,301.7</u>	
Due within 1 year	493.9		512.5	
Due 1 year and over	835.2		789.2	
	<u>1,329.1</u>		<u>1,301.7</u>	

Notes to the Accounts

16 Debt Securities continued

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Investment securities				
- listed	1,608.7	1,485.5	277.7	148.6
- unlisted	175.8	25.5	-	-
	<u>1,784.5</u>	<u>1,511.0</u>	<u>277.7</u>	<u>148.6</u>
Hedged securities				
- listed	67.4	57.7	67.4	57.7
- unlisted	-	-	-	-
	<u>67.4</u>	<u>57.7</u>	<u>67.4</u>	<u>57.7</u>
Other securities				
- listed	758.6	1,022.0	734.2	964.8
- unlisted	210.8	187.6	249.8	130.6
	<u>969.4</u>	<u>1,209.6</u>	<u>984.0</u>	<u>1,095.4</u>
Unamortised premiums and discounts on investment securities	<u>3.6</u>	<u>10.5</u>	<u>(0.2)</u>	<u>2.6</u>
Investment securities' movements	Cost IR£m	Discount/ (Premium) IR£m	Provisions/ Write offs IR£m	Carrying Value IR£m
The Group				
At 31 March 1994	1,513.8	(2.8)	-	1,511.0
Exchange adjustments	(131.9)	0.6	-	(131.3)
Acquisitions	804.3	-	-	804.3
Disposals and redemptions	(397.6)	2.9	-	(394.7)
Amortisation of premiums and discounts	-	(4.8)	-	(4.8)
At 31 March 1995	<u>1,788.6</u>	<u>(4.1)</u>	<u>-</u>	<u>1,784.5</u>
The Bank				
At 31 March 1994	147.0	1.6	-	148.6
Exchange adjustments	(0.8)	-	-	(0.8)
Acquisitions	175.7	-	-	175.7
Disposals and redemptions	(44.1)	-	-	(44.1)
Amortisation of premiums and discounts	-	(1.7)	-	(1.7)
At 31 March 1995	<u>277.8</u>	<u>(0.1)</u>	<u>-</u>	<u>277.7</u>

Notes to the Accounts

17 Equity Shares

	1995 Balance Sheet IR£m	1995 Market Value IR£m	1994 Balance Sheet IR£m	1994 Market Value IR£m
The Group				
Investment securities				
- listed	0.1	0.1	0.1	0.1
- unlisted	5.1	5.1	4.2	4.2
	<u>5.2</u>	<u>5.2</u>	<u>4.3</u>	<u>4.3</u>
Other securities				
- listed	1.6		2.1	
- unlisted	-		-	
	<u>1.6</u>		<u>2.1</u>	
	<u>6.8</u>		<u>6.4</u>	
The Bank				
Investment securities				
- listed	0.1	0.1	0.1	0.1
- unlisted	0.1	0.2	0.1	0.1
	<u>0.2</u>	<u>0.3</u>	<u>0.2</u>	<u>0.2</u>
Other securities				
- listed	-		-	
- unlisted	-		-	
	<u>-</u>		<u>-</u>	
	<u>0.2</u>		<u>0.2</u>	
Investment securities' movements		Cost	Provisions/ Write offs	Carrying Value
		IR£m	IR£m	IR£m
The Group				
At 31 March 1994		5.3	(1.0)	4.3
Exchange adjustments		-	-	-
Acquisitions		1.2	-	1.2
Disposals		(0.5)	0.4	(0.1)
Provisions made		-	(0.2)	(0.2)
At 31 March 1995		<u>6.0</u>	<u>(0.8)</u>	<u>5.2</u>
The Bank				
At 31 March 1994 and 1995		<u>0.8</u>	<u>(0.6)</u>	<u>0.2</u>

Notes to the Accounts

18 Interests in Associated Undertakings

The Group	IR£m
At 31 March 1994	0.1
Acquisitions	0.5
Retained profits	(0.1)
	<hr/>
At 31 March 1995	0.5
	<hr/>

In presenting details of the associated undertakings of the Bank of Ireland Group the exemption permitted by Regulation 10 of the European Communities (Credit Institutions: Accounts) Regulations, 1992 has been availed of and Bank of Ireland will annex to its annual return to the Companies Office a full listing of associated undertakings.

19 Shares in Group Undertakings

The Bank	IR£m
At 31 March 1994	749.1
Exchange adjustments	(25.4)
Increase in investments	9.8
	<hr/>
At 31 March 1995	733.5
	<hr/>
Group undertakings	IR£m
- banks	519.6
- others	213.9
	<hr/>
	733.5
	<hr/>

Shares in group undertakings are stated at or under acquisition cost increased by the nominal value of scrip issues.

The Directors have considered the value, as at 31 March 1995, of all fixed assets of the Bank and are satisfied that the aggregate value of those assets on that date is not less than the aggregate amount at which they are stated in the accounts of the Bank. However, except for the revaluation of properties as set out in Note 20, this revaluation has not been reflected in these accounts.

Notes to the Accounts

19 Shares in Group Undertakings continued

The principal group undertakings at 31 March 1995 are:

Name	Principal Activity	Country of Operation/ Incorporation	Statutory Year End
Bank of Ireland Finance *	Instalment Finance	Ireland	31 March
Bank of Ireland Home Mortgages Limited	Mortgage Finance	England	31 March
Bank of Ireland First Holdings Inc.*	Banking	U.S.A.	31 March
The Investment Bank of Ireland *	Merchant Banking and Funds Management	Ireland	31 March
ICS Building Society	Building Society	Ireland	31 December
J & E Davy Holdings Limited	Stockbroking	Ireland	31 December
Lifetime Assurance Company Limited*	Life Assurance	Ireland	31 December

* Direct subsidiary of the Governor and Company of the Bank of Ireland.

All the group undertakings are included in the consolidated accounts. The Group owns 90.44% of the equity capital of J & E Davy Holdings Limited and holds 49% of its voting shares. The Group owns 100% of the equity share capital of the other principal group undertakings and 100% of the voting shares of all these undertakings and in the case of ICS Building Society, 100% of the investment shares.

The registered offices of the above undertakings are given on pages 88 to 91.

In presenting details of the principal subsidiary undertakings, the exemption permitted by Regulation 10 of the European Communities (Credit Institutions: Accounts) Regulations, 1992 has been availed of and Bank of Ireland will annex to its annual return to the Companies Office a full listing of group undertakings.

Advantage is being taken of Regulation 8.(1) of the European Communities (Credit Institutions: Accounts) Regulations, 1992 in respect of Bank of Ireland Finance Limited which will not file group accounts for the year ended 31 March 1995.

Notes to the Accounts

20 Tangible Fixed Assets

The Group	Freehold land and buildings	Leases of 50 years or more unexpired	Leases of less than 50 years unexpired	Computer and other equipment	Finance lease assets	Total
	IR£m	IR£m	IR£m	IR£m	IR£m	IR£m
Cost or valuation						
At 31 March 1994	213.0	46.2	32.9	323.0	5.7	620.8
Exchange adjustments	(5.9)	-	(1.0)	(4.6)	-	(11.5)
Acquisition/ (disposal) of group undertakings	1.4	-	(0.1)	(1.2)	-	0.1
Revaluation deficit	-	(3.1)	-	-	-	(3.1)
Additions	8.8	0.6	2.4	53.6	-	65.4
Disposals	(3.8)	(0.5)	(0.3)	(18.5)	-	(23.1)
At 31 March 1995	213.5	43.2	33.9	352.3	5.7	648.6
Accumulated depreciation and amortisation						
At 31 March 1994	15.3	0.9	8.3	202.8	3.9	231.2
Exchange adjustments	(1.3)	-	(0.6)	(4.4)	(0.1)	(6.4)
Acquisition/ (disposal) of group undertakings	-	-	-	(1.4)	-	(1.4)
Disposals	(0.2)	-	(0.1)	(13.7)	-	(14.0)
Charge for year	19.2	0.5	5.3	33.9	1.1	60.0
At 31 March 1995	33.0	1.4	12.9	217.2	4.9	269.4
Net book value						
31 March 1995	180.5	41.8	21.0	135.1	0.8	379.2
31 March 1994	197.7	45.3	24.6	120.2	1.8	389.6

Notes to the Accounts

20 Tangible Fixed Assets continued

The Bank	Freehold land and buildings	Leases of 50 years or more unexpired	Leases of less than 50 years unexpired	Computer and other equipment	Finance lease assets	Total
	IR£m	IR£m	IR£m	IR£m	IR£m	IR£m
Cost or valuation						
At 31 March 1994	148.7	17.0	24.9	238.0	2.3	430.9
Exchange adjustments	(0.8)	-	(0.6)	(1.1)	-	(2.5)
Additions	7.6	-	2.5	41.2	-	51.3
Disposals	(3.5)	-	(0.1)	(8.2)	-	(11.8)
At 31 March 1995	<u>152.0</u>	<u>17.0</u>	<u>26.7</u>	<u>269.9</u>	<u>2.3</u>	<u>467.9</u>
Accumulated depreciation and amortisation						
At 31 March 1994	7.2	0.6	6.0	150.9	0.8	165.5
Exchange adjustments	(0.1)	-	(0.2)	(0.6)	-	(0.9)
Disposals	(0.1)	-	-	(4.9)	-	(5.0)
Charge for year	<u>12.0</u>	<u>0.3</u>	<u>4.9</u>	<u>22.4</u>	<u>0.9</u>	<u>40.5</u>
At 31 March 1995	<u>19.0</u>	<u>0.9</u>	<u>10.7</u>	<u>167.8</u>	<u>1.7</u>	<u>200.1</u>
Net book value						
31 March 1995	<u>133.0</u>	<u>16.1</u>	<u>16.0</u>	<u>102.1</u>	<u>0.6</u>	<u>267.8</u>
31 March 1994	<u>141.5</u>	<u>16.4</u>	<u>18.9</u>	<u>87.1</u>	<u>1.5</u>	<u>265.4</u>

Notes to the Accounts

20 Tangible Fixed Assets continued

Property and Equipment

A revaluation of group property was carried out as at 31 March 1991 by Jones Lang Wootton who revalued all freehold and long leasehold (50 years or more unexpired) commercial properties in Ireland and the UK. The Bank's professionally qualified staff valued all short leasehold (under 50 years unexpired) and other properties. In the US, where property was revalued in November 1988, a valuation update was carried out as at 31 March 1991, which supported the carrying values. During 1994 the Bank's professionally qualified staff valued certain long leasehold properties. The basis of valuation is open market value for existing use together with the depreciated replacement cost of adaptation works where these are not adequately reflected in the open market value.

At 31 March 1995 on a historical cost basis the net book value of group property would have been included at IR£165.6m less accumulated depreciation IR£8.6m.

Depreciation on adaptation works on freehold property is based on an estimated useful life subject to a maximum period of 20 years.

The estimated useful lives of leasehold property with unexpired terms of 50 years or less and equipment by reference to which depreciation is calculated are as follows:

Leasehold property	- Unexpired term of lease
Adaptation works	- Estimated useful life subject to a maximum period of 20 years
Computers & other equipment	- 4 to 10 years.

In the year to 31 March 1995 salary and overhead costs of IR£5.6m (1994: IR£5.2m) incurred on computer software development and other projects have been capitalised and included in computer and other equipment. This expenditure is depreciated in equal annual instalments over its estimated useful life subject to a maximum period of five years.

The Group occupies properties with a net book value of IR£216.6m in the course of carrying out its own activities.

Future capital expenditure	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
- contracted but not provided in the accounts	21.4	10.9	12.5	9.9
- authorised by the Directors but not contracted	7.7	12.6	6.6	11.6

Rentals payable under non-cancellable operating leases amounted to IR£19.1m (1994: IR£23.0m) per annum. Of this amount IR£3.7m (1994: IR£0.8m) relates to leases expiring within one year, IR£2.6m (1994: IR£5.4m) relates to leases expiring in two to five years and IR£12.8m (1994: IR£16.8m) relates to leases expiring after five years.

The obligations under finance leases amount to IR£3.6m (1994: IR£5.2m) of which IR£0.7m (1994: IR£1.2m) is due within one year, IR£0.7m (1994: IR£1.3m) is due after more than one year but within five years and IR£2.2m (1994: IR£2.7m) is due after five years.

Notes to the Accounts

21 Other Assets

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Sundry debtors	668.8	672.3	135.6	89.3
Other real estate owned	6.2	14.3	-	5.3
Other	356.5	208.9	332.0	193.2
	<u>1,031.5</u>	<u>895.5</u>	<u>467.6</u>	<u>287.8</u>

22 Deposits by Banks

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Repayable on demand	156.2	154.3	322.2	289.8
Other deposits by banks				
Remaining maturity				
- 3 months or less	1,135.6	900.5	2,520.7	2,531.0
- 1 year or less but over 3 months	668.3	271.8	1,030.8	475.7
- 5 years or less but over 1 year	137.7	131.2	77.2	10.9
- over 5 years	2.4	8.7	18.1	4.6
	<u>2,100.2</u>	<u>1,466.5</u>	<u>3,969.0</u>	<u>3,312.0</u>
Amounts include:				
Due to group undertakings			1,999.3	2,137.5

23 Customer Accounts

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Repayable on demand	6,791.8	6,558.7	5,035.8	4,635.0
Other deposits with agreed maturity dates or periods of notice, by remaining maturity:				
- 3 months or less	3,447.3	3,920.9	2,060.9	2,486.3
- 1 year or less but over 3 months	1,010.4	581.3	600.0	255.5
- 5 years or less but over 1 year	587.7	300.8	434.6	130.7
- over 5 years	148.7	87.0	95.8	20.8
	<u>11,985.9</u>	<u>11,448.7</u>	<u>8,227.1</u>	<u>7,528.3</u>
Amounts include:				
Due to group undertakings			430.9	421.7
Due to associated undertakings	-	-	-	-

Notes to the Accounts

24 Debt Securities in Issue

	The Group		The Bank	
	1995	1994	1995	1994
	IR£m	IR£m	IR£m	IR£m
Debt securities in issue				
Remaining maturity				
- 3 months or less	387.9	576.2	257.7	327.9
- 1 year or less but over 3 months	98.0	33.7	95.0	27.6
- 5 years or less but over 1 year	10.0	-	10.0	-
- over 5 years	147.3	181.3	-	-
	<u>643.2</u>	<u>791.2</u>	<u>362.7</u>	<u>355.5</u>

25 Other Liabilities

	The Group		The Bank	
	1995	1994	1995	1994
	IR£m	IR£m	IR£m	IR£m
Current taxation	96.7	76.7	67.0	57.0
Notes in circulation	180.4	164.1	180.4	164.1
Other	1,188.5	1,094.5	533.5	433.1
	<u>1,465.6</u>	<u>1,335.3</u>	<u>780.9</u>	<u>654.2</u>

26 Deferred Taxation

	The Group		The Bank	
	1995	1994	1995	1994
	IR£m	IR£m	IR£m	IR£m
Taxation treatment of capital allowances:				
- finance leases	29.1	15.5	(0.5)	(0.1)
- equipment used by Group	10.3	16.4	11.2	15.4
Other short term timing differences	(39.1)	(27.7)	(18.9)	(16.1)
	<u>0.3</u>	<u>4.2</u>	<u>(8.2)</u>	<u>(0.8)</u>
At beginning of year	4.2	(5.5)	(0.8)	9.6
Exchange adjustments	(0.1)	-	-	-
Provision (utilised)/made	(1.7)	11.5	(7.2)	(10.4)
Other movements	(2.1)	(1.8)	(0.2)	-
At end of year	<u>0.3</u>	<u>4.2</u>	<u>(8.2)</u>	<u>(0.8)</u>

No account is taken of the liability to taxation which could arise if property was disposed of at its book value, as it is expected that substantially all the property will be retained by the Group.

Notes to the Accounts

27 Other Provisions for Liabilities and Charges

	Pensions obligations	Provisions for contingent liabilities and commitments	Other	Total
The Group	IR£m	IR£m	IR£m	IR£m
At 31 March 1994	10.4	3.8	30.3	44.5
Exchange adjustments	(0.3)	(0.4)	(0.7)	(1.4)
Provisions made	17.6	-	12.6	30.2
Provisions utilised	(8.5)	(0.1)	(11.9)	(20.5)
Provisions released	-	-	(3.3)	(3.3)
At 31 March 1995	19.2	3.3	27.0	49.5
The Bank				
At 31 March 1994	8.3	-	24.3	32.6
Exchange adjustments	(0.1)	-	(0.4)	(0.5)
Provisions made	10.9	0.1	6.7	17.7
Provisions utilised	(4.6)	-	(6.6)	(11.2)
Provisions released	-	-	(3.3)	(3.3)
At 31 March 1995	14.5	0.1	20.7	35.3

28 Subordinated Liabilities (Loan Capital)

	The Group		The Bank	
	1995	1994	1995	1994
	IR£m	IR£m	IR£m	IR£m
Undated Loan Capital				
US\$150.0m Undated Floating Rate Primary Capital Notes	91.3	104.6	91.3	104.6
US\$300.0m Undated Variable Rate Notes	184.4	209.1	184.4	209.1
US\$100.0m Undated Variable Rate Notes	61.4	69.7	61.4	69.7
	337.1	383.4	337.1	383.4
Dated Loan Capital				
US\$38.0m Floating Rate Capital Notes 1997	-	26.5	-	26.5
US\$95.0m Floating Rate Capital Notes 2002	58.4	66.2	58.4	66.2
YEN14.6Bn 5.65% Fixed Rate Subordinated Loan Facility 1998	72.8	82.3	72.8	82.3
US\$32.0m Floating Rate Subordinated Loan Facility 1998	19.8	22.3	19.8	22.3
YEN 3.0Bn Subordinated Loan Facility 2001	13.8	15.5	13.8	15.5
Stg£100m 9.75% Subordinated Bonds 2005	99.8	-	99.8	-
	264.6	212.8	264.6	212.8
	601.7	596.2	601.7	596.2

Notes to the Accounts

28 Subordinated Liabilities continued

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Repayable				
- in 1 year or less	-	-	-	-
- between 1 and 2 years	-	-	-	-
- between 2 and 5 years	92.6	131.1	92.6	131.1
- in 5 years or more	172.0	81.7	172.0	81.7
	<u>264.6</u>	<u>212.8</u>	<u>264.6</u>	<u>212.8</u>

On 7 December 1994 the US\$38m Floating Rate Capital Notes, due in 1997, were redeemed.

The US\$150.0m Undated Floating Rate Primary Capital Notes which were issued at par on 5 December 1985 and the US\$95.0m Floating Rate Capital Notes 2002 are subordinated in right of payment to the claims of depositors and other creditors of the Bank.

On 28 June 1988 the Bank availed of subordinated loan facilities in the principal amounts of YEN14.6Bn and US\$32.0m. The Yen facility has been translated into Irish Pounds to reflect a US\$ currency swap agreement which has been entered into by the Bank. The loan facilities are subordinated in right of payment to the claims of depositors and other unsubordinated creditors of the Bank.

On 13 June 1989 the Bank availed of a subordinated loan facility in the principal amount of YEN3.0Bn. This has been translated into Irish Pounds to reflect a dual currency swap agreement which has been entered into by the Bank. The loan facility is subordinated in right of payment to the claims of depositors and other unsubordinated creditors of the Bank.

On 5 September 1989 and 23 October 1989 respectively the Bank issued US\$300.0m and US\$100.0m Undated Variable Rate Notes. These notes constitute unsecured subordinated and conditional obligations of the Bank ranking pari passu with one another and with the US\$150.0m Undated Floating Rate Primary Capital Notes.

On 21 March 1995 the Bank issued Stg£100m subordinated bonds due 2005. The bonds constitute unsecured obligations of the Bank subordinated in right of payment to the claims of depositors and other unsubordinated creditors of the Bank and rank pari passu without any preference among themselves.

Interest rates on the floating rate and fixed rate (accommodated through swaps) subordinated liabilities are determined by reference to the London Inter-Bank Offered Rate (LIBOR).

Notes to the Accounts

29 Notes to the Cash Flow Statement

(i) Reconciliation of operating profit to net cash flow from operating activities	The Group	
	1995 IR£m	1994 Restated IR£m
Operating profit	320.2	280.4
Provision for bad and doubtful debts	34.7	79.0
Depreciation and amortisation	60.0	45.5
Amortisation of debt issue expenses	0.1	-
Interest on subordinated liabilities	30.7	25.0
Preferred stock dividends	-	2.6
Loss on sale of tangible fixed assets	0.6	1.4
Decrease in accruals and deferred income	(5.9)	(19.9)
Decrease in prepayments and accrued income	0.2	64.1
Loss/(Profit) on sale of investments	0.4	(4.6)
Increase in Lifetime Assurance assets	(14.8)	(15.3)
Increase in other assets	(142.7)	(337.5)
Increase in other liabilities (including other provisions)	108.8	304.3
Amortisation of premiums and discounts on investment securities	4.8	4.0
Amounts written off equity investments	0.2	-
Net cash inflow from trading activities	397.3	429.0
Net increase in deposits by banks	684.5	236.9
Net increase/(decrease) in customer accounts	707.5	(292.0)
Net decrease/(increase) in loans and advances to banks (greater than 3 months)	61.7	(195.7)
Net (increase)/decrease in loans and advances to customers	(822.4)	126.0
Net advances written off	(50.7)	(145.2)
Net decrease in other securities (greater than 3 months)	397.3	122.2
Net increase in notes in circulation	22.5	32.1
Net (decrease)/increase in debt securities in issue	(130.6)	16.4
Net decrease/(increase) in items in course of collection/transmission	42.6	(157.0)
Exchange movements	6.8	(69.5)
Net cash inflow from operating activities	1,316.5	103.2
(ii) Analysis of changes in cash & cash equivalents during the year		
At beginning of year	1,307.1	1,357.7
Net cash flow before adjustment for the effect of foreign exchange rate changes	746.6	(82.4)
Effect of foreign exchange rate changes	(24.7)	31.8
At end of year	2,029.0	1,307.1

Notes to the Accounts

29 Notes to Cash Flow Statement continued

	The Group	
	1995 IR£m	1994 IR£m
(iii) Analysis of cash and cash equivalents		
Cash and balances with Central Banks	103.9	138.2
Central Government and other eligible bills	7.4	0.3
Loans and advances to banks	1,650.0	1,007.1
Debt securities	267.7	161.5
	<u>2,029.0</u>	<u>1,307.1</u>

For the purposes of the cash flow statement, cash equivalents are short term highly liquid investments, which are readily convertible into known amounts of cash without notice, and which were within three months of maturity when acquired.

(iv) Analysis of changes in financing during the year ended 31 March 1995	Capital Stock (including stock premium) IR£m	Subordinated Liabilities IR£m	Preferred Stock IR£m
At 31 March 1994	709.2	596.2	-
Amortisation of debt issue expenses	(0.1)	0.1	-
Transfer from/(to) stock premium account	3.4	(3.4)	-
Cash inflow from financing	5.6	76.7	-
Stock alternative scheme issue	5.8	-	-
Effect of foreign exchange rate changes	(1.8)	(67.9)	-
At 31 March 1995	<u>722.1</u>	<u>601.7</u>	<u>-</u>
Analysis of changes in financing during the year ended 31 March 1994	Capital Stock (including stock premium) IR£m	Subordinated Liabilities IR£m	Preferred Stock IR£m
At 31 March 1993	606.0	567.5	76.7
Cash inflow/(outflow) from financing	99.9	-	(85.6)
Stock alternative scheme issue	1.6	-	-
Effect of foreign exchange rate changes	1.7	28.7	8.9
At 31 March 1994	<u>709.2</u>	<u>596.2</u>	<u>-</u>

Notes to the Accounts

29 Notes to Cash Flow Statement *continued*

(v) Acquisition of Great Bay Bankshares, Inc.

	Book Value IR£m	Adjustments IR£m	Fair Value IR£m
Tangible fixed assets	2.1	(0.5)	1.6
Loans and advances	116.7	-	116.7
Debt securities	7.4	-	7.4
Cash and cash equivalents	59.0	-	59.0
Other assets	3.7	-	3.7
Total assets	188.9	(0.5)	188.4
Deposits by banks and customer accounts	163.8	-	163.8
Other liabilities	1.8	1.3	3.1
Total liabilities	165.6	1.3	166.9
Net assets	23.3	(1.8)	21.5
Goodwill (written off against reserves)			13.9
Fair value of consideration (cash)			35.4

The acquisition of Great Bay Bankshares, Inc. took place in March 1995.

(vi) Disposal of British Credit Trust

	IR£m
Net assets disposed of:	
- Tangible fixed assets	0.1
- Loans and advances	4.0
- Cash and cash equivalents	-
- Other assets	21.3
	25.4
Gain on disposal	1.7
	27.1
Satisfied by:	
- Cash	27.1
	27.1

Notes to the Accounts

30 Segmental Analysis

Net assets are included below in order to comply with SSAP 25. The segmental allocation of liabilities necessitates the allocation of capital on a risk related basis which is in some cases necessarily subjective. The Directors believe that it is more meaningful to analyse total assets and the result of this analysis is therefore also included in the tables.

Turnover by business class is not shown.

(a) Geographical segments	Ireland	Great Britain	New Hampshire	Rest of the world	Total
1995	IR£m	IR£m	IR£m	IR£m	IR£m
Gross income					
Interest receivable	687.1	298.0	151.8	124.5	1,261.4
Dividend income	0.5	-	-	-	0.5
Fees and commissions receivable	217.8	19.2	31.1	1.4	269.5
Dealing profits	19.0	0.8	-	(0.8)	19.0
Other operating income	21.2	6.2	3.3	1.6	32.3
Total gross income	<u>945.6</u>	<u>324.2</u>	<u>186.2</u>	<u>126.7</u>	<u>1,582.7</u>
Grossed up profit on ordinary activities before taxation	<u>260.5</u>	<u>33.0</u>	<u>28.1</u>	<u>10.7</u>	<u>332.3</u>
Grossing up*					(10.5)
Profit on ordinary activities before taxation					<u>321.8</u>
Total assets	11,178.7	3,758.5	2,243.3	1,488.0	18,668.5
Net assets	<u>785.7</u>	<u>49.7</u>	<u>162.1</u>	<u>33.9</u>	<u>1,031.4</u>

Notes to the Accounts

30 Segmental Analysis continued

(a) Geographical segments	Ireland	Great Britain	New Hampshire	Rest of the world	Total
	IR£m	IR£m	IR£m	IR£m	IR£m
1994					
Gross income					
Interest receivable	712.4	324.7	191.0	112.7	1,340.8
Dividend income	0.5	-	-	-	0.5
Fees and commissions receivable	226.5	19.4	39.2	1.7	286.8
Dealing profits	34.9	4.6	0.2	2.5	42.2
Other operating income	17.1	4.7	8.8	2.4	33.0
Total gross income	<u>991.4</u>	<u>353.4</u>	<u>239.2</u>	<u>119.3</u>	<u>1,703.3</u>
Grossed up profit on ordinary activities before taxation	<u>246.9</u>	<u>28.1</u>	<u>8.6</u>	<u>7.4</u>	<u>291.0</u>
Grossing up*					<u>(13.5)</u>
Profit on ordinary activities before taxation					<u>277.5</u>
Total assets	<u>9,667.1</u>	<u>3,862.0</u>	<u>2,301.7</u>	<u>1,512.2</u>	<u>17,343.0</u>
Net assets	<u>635.0</u>	<u>68.6</u>	<u>161.1</u>	<u>35.5</u>	<u>900.2</u>

Notes to the Accounts

30 Segmental Analysis continued

(b) Business class	Retail	Corporate & Treasury	New Hampshire	Other Group Activities	Total
1995	IR£m	IR£m	IR£m	IR£m	IR£m
Grossed up profit on ordinary activities before taxation	<u>170.1</u>	<u>70.4</u>	<u>28.1</u>	<u>63.7</u>	332.3
Grossing up*					<u>(10.5)</u>
Profit on ordinary activities before taxation					<u>321.8</u>
Total assets	8,266.3	4,962.8	2,243.3	3,196.1	18,668.5
Net assets	<u>187.3</u>	<u>111.9</u>	<u>162.1</u>	<u>570.1</u>	<u>1,031.4</u>
1994	Retail	Corporate & Treasury	New Hampshire	Other Group Activities	Total
	IR£m	IR£m	IR£m	IR£m	IR£m
Grossed up profit on ordinary activities before taxation	<u>156.8</u>	<u>61.2</u>	<u>8.6</u>	<u>64.4</u>	291.0
Grossing up*					<u>(13.5)</u>
Profit on ordinary activities before taxation					<u>277.5</u>
Total assets	7,816.7	3,746.8	2,301.7	3,477.8	17,343.0
Net assets	<u>171.0</u>	<u>105.8</u>	<u>161.1</u>	<u>462.3</u>	<u>900.2</u>

* **Grossing Up**

The Group undertakes significant amounts of tax-based lending at rates which are substantially less than normal market rates in return for tax relief arising from incentives for industrial development.

Tax-based lending makes valid comparison of pre-tax performance from year to year very difficult; this problem does not arise at the after-tax level. In particular the analysis of business unit performance is distorted where such lending has been transferred from one unit to another within the Group.

Notes to the Accounts

31 Directors' Information

EMOLUMENTS	1995 IR£'000	1994 IR£'000
Emoluments for services as a Non-Executive Director, including fees of IR£163,000 (1994: IR£139,000)	176	154
Salaries and other emoluments of the Governor, Deputy Governor and Executive Directors		
- salaries	774	701
- performance related element	305	225
- pension contributions	58	55
- benefits and other emoluments	45	42
	1,182	1,023
Pensions to former Directors	349	341
	1,707	1,518

Directors' emoluments shown comprise all fees, salaries, pension contributions and other benefits and emoluments paid to Directors. The basis of the Executive Directors' remuneration and the level of their performance pay are determined by the Non-Executive members of the Court of Directors on foot of recommendations of the Remuneration Committee.

The performance related element above includes an accrual for amounts due but not paid in respect of each year. In previous years the performance related element included in Directors' remuneration was the amount paid in the year. The performance related element in respect of the year ended 31 March 1994 has been restated on the revised basis at IR£225,000, rather than IR£183,000 as shown in the 1994 accounts.

The interests of the Directors and Secretary, in office at 31 March 1995, and of their spouses and minor children, in the stocks issued by the Bank are set out below:

UNITS OF IR£1 OF ORDINARY STOCK				
	As at 31 March 1995		As at 1 April 1994 (or later date of appointment)	
	BENEFICIAL	OPTIONS	BENEFICIAL	OPTIONS
DIRECTORS				
Anthony D Barry	9,015	-	1,000	-
Laurence G Crowley	12,433	-	11,946	-
Margaret Downes*	33,719	-	32,398	-
Niall W A FitzGerald	13,033	-	12,523	-
E Patrick Galvin	1,000	-	1,000	-
Maurice A Keane*	237,013	326,407	196,272	296,407
David M Kennedy*	28,412	-	28,000	-
Howard E Kilroy	222,793	-	214,068	-
Raymond Mac Sharry	527	-	506	-
Patrick W McDowell	3,491	361,036	3,491	361,036
Michael J Meagher	193,144	270,540	184,894	200,540
Patrick J Molloy	178,563	498,082	177,822	498,082
Mary Redmond*	500	-	500	-
R Brian Williamson	12,295	-	11,814	-
SECRETARY				
Terence H Forsyth*	11,631	33,150	10,816	35,150

* Additionally these persons, as Trustees of the Bank Staff Pension Fund, had a non-beneficial interest in a total of 12,625,837 units of Ordinary Stock and also in a total of 449,700 units of Sterling Preference Stock at 31 March 1995, (at 1 April 1994, 10,620,837 units of Ordinary Stock, 442,000 units of Sterling Preference Stock and 62,500 units of Irish Pound Preference Stock).

Notes to the Accounts

31 Directors' Information continued

There have been no changes in the Directors' and Secretary's stockholdings between 31 March 1995 and 10 May 1995.

The Directors and Secretary and their spouses and minor children have no other interests in the stocks of the Bank or its group undertakings at 31 March 1995.

Senior Executive Stock Option Scheme

Under the terms of the Senior Executive Stock Option Scheme, approved by stockholders in 1986, options may be granted, at the discretion of the Directors, enabling senior executives to subscribe for specified numbers of units of Ordinary Stock. The maximum number of units of Ordinary Stock over which options may be granted under the Scheme is limited to a total of 5% of the Issued Ordinary Stock of the Bank.

At 31 March 1995, options exercisable between now and 28 November 2004, at prices ranging from 100.01p to 288.8p per unit of IR£1 Ordinary Stock, were outstanding in respect of 6,945,845 units - 1.5% of the stock in issue (1994: 6,672,003 units).

Transactions with Directors

The aggregate amounts outstanding and the number of persons concerned, as at 31 March 1995 in respect of all loans, quasi-loans and credit transactions made by the Bank to its Directors, together with loans, other than in the ordinary course of business, to two connected persons, both staff members, are shown below.

	Aggregate Amount Outstanding		Number of Persons	
	1995 IR£	1994 IR£	1995	1994
Directors				
Loans to Executive Directors on terms similar to staff loans	222,639	152,509	4	3
Other loans on normal commercial terms	643,312	3,283,480	12	10
Quasi-loans and credit transactions	-	-	None	None
	<u>865,951</u>	<u>3,435,989</u>		
Connected Persons				
Loans to staff members	100,605	62,684	2	1
Quasi-loans and credit transactions	-	-	None	None
	<u>100,605</u>	<u>62,684</u>		

None of the Directors had a beneficial interest in any material contract to which the Bank or a group undertaking was a party during the financial year.

Notes to the Accounts

32 Memorandum items, Foreign Exchange and Interest Rate Contracts

The tables below give, for the Group and Bank, the nominal principal amounts, and risk weighted amounts of off-balance sheet transactions. The nominal principal amounts indicate the volume of business outstanding at the balance sheet date and do not represent amounts at risk. The risk weighted amounts have been calculated in accordance with the Central Bank of Ireland's guidelines implementing the Basle agreement on capital adequacy (i).

	1995		1994	
	Contract Amount IR£m	Risk Weighted Amount IR£m	Contract Amount IR£m	Risk Weighted Amount IR£m
The Group				
CONTINGENT LIABILITIES:				
Acceptances and endorsements	45.6	44.1	26.5	24.9
Guarantees and irrevocable letters of credit	365.1	319.3	322.5	264.8
Performance bonds, VAT guarantees, and other transaction-related contingencies	251.4	125.2	265.2	132.0
Other contingent liabilities	-	-	2.3	1.1
Total	662.1	488.6	616.5	422.8
COMMITMENTS:				
Documentary credits and short-term trade-related transactions	20.5	7.4	21.6	7.6
Undrawn note issuance and revolving underwriting facilities	68.3	8.8	44.0	12.5
Undrawn formal standby facilities, credit lines and other commitments to lend:				
- 1 year and over	533.6	245.8	583.3	269.9
- less than 1 year (ii)	3,484.0	-	3,244.8	-
Total	4,106.4	262.0	3,893.7	290.0

Notes to the Accounts

32 Memorandum items, Foreign Exchange and Interest Rate Contracts continued

EXCHANGE RATE CONTRACTS (iii):	1995 IR£m	1994 IR£m
Underlying principal amount	13,740.3	12,130.8
Risk weighted amount	152.9	93.4
Replacement cost	529.9	306.9
INTEREST RATE CONTRACTS (iii):		
Underlying principal amount	12,343.8	21,007.0
Risk weighted amount	25.2	26.8
Replacement cost	103.6	96.5

	1995 Contract Amount IR£m	Risk Weighted Amount IR£m	1994 Contract Amount IR£m	Risk Weighted Amount IR£m
The Bank				
CONTINGENT LIABILITIES:				
Acceptances and endorsements	26.6	25.1	26.5	24.8
Guarantees and irrevocable letters of credit	792.2	547.6	855.1	576.2
Performance bonds, VAT guarantees and other transaction-related contingencies	249.3	124.1	263.0	130.9
Other contingent liabilities	-	-	-	-
Total	1,068.1	696.8	1,144.6	731.9
COMMITMENTS:				
Documentary credits and short-term trade-related transactions	19.5	6.9	20.9	7.3
Undrawn note issuance and revolving underwriting facilities	-	-	-	-
Undrawn formal standby facilities, credit lines and other commitments to lend:				
- 1 year and over	428.1	193.1	395.9	176.2
- less than 1 year (ii)	2,832.0	-	2,545.2	-
Total	3,279.6	200.0	2,962.0	183.5

Notes to the Accounts

32 Memorandum items, Foreign Exchange and Interest Rate Contracts *continued*

	1995 Contract Amount IR£m	1994 Contract Amount IR£m
INCURRED ON BEHALF OF GROUP UNDERTAKINGS		
- contingent liabilities	44.2	31.8
- commitments	20.0	11.7
	<u>64.2</u>	<u>43.5</u>
	1995 IR£m	1994 IR£m
EXCHANGE RATE CONTRACTS (iii):		
Underlying principal amount	<u>13,848.0</u>	<u>12,234.3</u>
Risk weighted amount	<u>153.6</u>	<u>97.8</u>
Replacement cost	<u>527.5</u>	<u>312.1</u>
INTEREST RATE CONTRACTS (iii):		
Underlying principal amount	<u>14,280.7</u>	<u>22,325.0</u>
Risk weighted amount	<u>29.2</u>	<u>25.7</u>
Replacement cost	<u>115.3</u>	<u>94.4</u>

Notes:

- (i) Under the Basle agreement, a credit conversion factor is applied to the contract amount to obtain the credit equivalent amount, which is then risk weighted according to counterparty.
- (ii) Undrawn loan commitments which are unconditionally cancellable at any time or which have a maturity of less than one year have a risk weighting of zero.
- (iii) For exchange rate and interest rate contracts, underlying principal amounts have been prepared on a net basis. Comparative figures have been restated accordingly. Replacement cost is obtained by marking all contracts with a positive value to market, plus an additional amount which relates to potential future credit exposure.

Exchange rate and interest rate contracts are entered into for hedging and dealing purposes.

Notes to the Accounts

33 Pension Cost

The Group operates a number of defined benefit pension schemes in Ireland and overseas. The schemes are funded and the assets of the schemes are held in separate Trustee administered funds.

An independent actuarial valuation of the Bank of Ireland Staff Pensions Fund (the main scheme) was carried out by R. Watson and Sons, consulting actuaries as at 31 March 1992 using the projected unit credit method of funding. The principal assumption in the review was that the annual rate of return on new investments would be 4.0 per cent higher than the annual rate of increase in pensionable remuneration and pensions in course of payment.

The market value of the assets of the main scheme at 31 March 1992 was IR£700.0m and the actuarial value of the assets, after allowing for expected future increases in earnings and pensions, represented 115 per cent of the benefits that had accrued to members. On actuarial advice, the pension charge has been reduced for the effects of the surplus and this variation from the regular cost has been calculated by amortising the surplus over the employees' expected working lives. The surplus is being corrected by a reduction in the Bank's contribution rate to the average rate of normal contributions paid by the members to the scheme. A provision of IR£14.5m (1994: IR£8.3m) in regard to the main scheme is included in the accounts, being the excess of the accumulated pension charge over the amount funded.

The total pension charge for the Group in respect of the year ended 31 March 1995 was IR£17.6m (1994: IR£19.4m), of which IR£10.9m (1994: IR£10.5m) related to the main scheme.

34 General

- (a) In accordance with the licensing requirements of the Central Bank of Ireland, the Bank has guaranteed the liabilities of Bank of Ireland Finance Limited and The Investment Bank of Ireland Limited.
- (b) The Bank has notified the Economic Adviser, States of Jersey, that the Bank will ensure that Bank of Ireland (Jersey) Limited is always in a position to meet its liabilities for as long as the Bank continues to hold the majority of its equity capital.
- (c) The Bank has notified the Isle of Man Financial Supervision Commission that the Bank will ensure that Bank of Ireland (I.O.M.) Limited is always in a position to meet its liabilities for as long as the Bank continues to control the company either directly or indirectly.
- (d) The Bank has given undertakings to the Federal Reserve Bank of Boston in the USA to maintain certain capital ratios in Bank of Ireland First Holdings Inc.
- (e) The Bank has notified the Central Bank of Ireland that for the purposes of the European Communities (Licensing and Supervision of Credit Institutions) Regulations 1992, it guarantees the obligations in every case of IBI Corporate Finance Limited.
- (f) The Bank has provided a guarantee under Section 17 of the Companies (Amendment) Act 1986 for the following companies within the Davy Group: J & E Davy Holdings Limited, J & E Davy, Davy Holdings (International) Limited, Davy International, Davy Corporate Finance Limited and Addano Limited.
- (g) There exists a contingent liability to repay in whole or in part grants received on finance leases if certain events set out in the agreements occur.

Notes to the Accounts

34 General continued

- (h) Members of the Bank of Ireland Group are involved in litigation in Ireland, the United Kingdom and the United States involving claims by and against them arising in the ordinary course of business. Such claims have been reviewed with the relevant legal advisers and the ultimate resolution of the various legal proceedings is not expected to have a material adverse effect on the financial position of the Group or the results of its operations.

(i) Leasing and hire purchase	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Loans and advances to customers - finance leases	462.5	395.4	-	0.1
HP receivables	131.1	115.8	22.4	-
Tangible fixed assets - operating leases	23.3	28.0	2.0	-

The cost of assets acquired for finance leases and hire purchase contracts, net of grants received or receivable, amounted to IR£264.2m (1994: IR£350.7m).

Aggregate amounts receivable during the year in respect of finance leases and hire purchase contracts amounted to IR£246.6m (1994: IR£241.0m).

- (j) Assets and liabilities denominated in foreign currency

	The Group		The Bank	
	1995 IR£m	1994 IR£m	1995 IR£m	1994 IR£m
Denominated in Irish Pounds	8,512.1	7,652.8	7,237.4	6,456.3
Denominated in currencies other than Irish Pounds	10,156.4	9,690.2	7,773.1	7,032.7
Total assets	18,668.5	17,343.0	15,010.5	13,489.0
Denominated in Irish Pounds	8,964.0	8,567.0	7,511.9	7,002.7
Denominated in currencies other than Irish Pounds	9,704.5	8,776.0	7,498.6	6,486.3
Total liabilities	18,668.5	17,343.0	15,010.5	13,489.0

The difference between aggregate foreign currency assets and aggregate foreign currency liabilities does not necessarily provide any indication of the exposure to exchange risks.

Notes to the Accounts

35 Employee Information

In the year ended 31 March 1995 the average number of Group employees was 12,209 (31 March 1994: 12,169) and categorised as follows:-

	1995	1994
Retail	8,503	8,264
Corporate and Treasury	453	455
New Hampshire	1,906	2,145
Other Group Activities	1,347	1,305
	<u>12,209</u>	<u>12,169</u>

36 Life Assurance Business

The assets and liabilities of Lifetime Assurance Company Limited representing the value of the assurance business together with the policyholders' funds are:

	1995	1994
Investments:	IR£m	IR£m
- Property	29.4	22.2
- Fixed interest securities	145.1	109.8
- Other securities	366.1	388.4
- Bank balances and cash	6.9	8.7
	<u>547.5</u>	<u>529.1</u>
Value of shareholders' accrued interest	31.7	27.1
Other net assets	9.9	14.4
	<u>589.1</u>	<u>570.6</u>
Policyholders' funds	(531.2)	(521.3)
	<u>57.9</u>	<u>49.3</u>

37 The Accounts were approved by the Court of Directors on 10 May 1995.



Group Profit and Loss Account for the year ended 31 March 1995

(US\$, STG£ & YEN)

	1995 US\$m	1995 Stg£m	1995 YenBn
INTEREST RECEIVABLE AND SIMILAR INCOME:			
Interest receivable and similar income arising from debt securities	274	175	27
Other interest receivable and similar income	1,673	1,071	165
INTEREST PAYABLE AND SIMILAR CHARGES	975	624	96
NET INTEREST INCOME	972	622	96
OTHER INCOME			
Dividend income	1	-	-
Fees and commissions receivable	416	266	41
Fees and commissions payable	(30)	(19)	(3)
Dealing profits	29	19	3
Other operating income	50	32	5
TOTAL INCOME	1,438	920	142
OPERATING EXPENSES			
Administrative expenses	825	528	81
Depreciation and amortisation	93	59	9
Provision for bad and doubtful debts	26	17	3
OPERATING PROFIT	494	316	49
Income from associated undertakings	-	-	-
	494	316	49
Profit on disposal of group undertaking	3	2	-
Loss on disposal of associated undertaking	-	-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	497	318	49
Taxation on profit on ordinary activities	150	96	15
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	347	222	34
Minority interests: equity	1	-	-
non-equity	-	-	-
DIVIDENDS ON NON-EQUITY STOCK			
Non-cumulative preference stock	23	15	2
PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE ORDINARY STOCKHOLDERS	323	207	32
Ordinary Dividends - paid	31	20	3
- proposed	61	39	6
Transfer to capital reserve	8	5	1
INCREASE IN PROFIT AND LOSS ACCOUNT FOR THE YEAR	223	143	22
Earnings per unit of IR£1 Ordinary Stock	68.2c	43.6p	67.1¥

Group Balance Sheet at 31 March 1995

(US\$, STG£ & YEN)



	1995 US\$m	1995 Stg£m	1995 YenBn
ASSETS			
Cash and balances at Central Banks	168	104	15
Items in the course of collection from banks	485	300	42
Central Government and other eligible bills	28	17	3
Loans and advances to banks	3,923	2,430	342
Loans and advances to customers	17,462	10,816	1,523
Securitisation and loan transfers	1,068	662	93
Less: non returnable amounts	975	604	85
Debt securities	93	58	8
Equity shares	4,564	2,827	398
Interest in associated undertakings	11	7	1
Tangible fixed assets	1	-	-
Other assets	613	380	53
Prepayments and accrued income	1,669	1,034	145
Life assurance assets attributable to stockholders	230	142	20
	94	58	8
Life assurance assets attributable to policyholders	29,341	18,173	2,558
	859	532	75
Total assets	30,200	18,705	2,633
LIABILITIES			
Deposits by banks	3,397	2,104	296
Customer accounts	19,390	12,010	1,691
Debt securities in issue	1,041	644	91
Items in the course of transmission to banks	157	97	14
Other liabilities	2,371	1,469	207
Proposed dividends - equity	64	39	5
Accruals and deferred income	197	122	17
Provision for liabilities and charges:			
- deferred taxation	-	-	-
- other provisions for liabilities and charges	80	50	7
Subordinated liabilities	973	603	85
Minority interests - equity	3	2	-
Called up capital stock	795	492	69
Stock premium account	373	231	33
Capital reserve	70	43	6
Profit and loss account	827	512	72
Goodwill reserve	(412)	(255)	(36)
Revaluation reserve	15	10	1
Total stockholders' funds including non-equity interests	1,668	1,033	145
Life assurance liabilities attributable to policyholders	859	532	75
Total liabilities	30,200	18,705	2,633

Holders of Ordinary Stock



GEOGRAPHICAL SPREAD OF STOCKHOLDINGS

	Number	%
Republic of Ireland	26,768	86.1
Northern Ireland	1,161	3.7
Great Britain	2,794	9.0
Others	385	1.2
Total Number of Stockholdings	31,108	100.0

ANALYSIS OF STOCKHOLDINGS

Stockholding Range	Number of Stockholdings	% of Total Holders	Stock Held IR£m	% of Total Stock
Up to 500	6,973	22.4	1.5	0.3
501 to 1,000	4,616	14.8	3.4	0.7
1,001 to 5,000	13,362	43.0	30.4	6.4
5,001 to 10,000	3,191	10.3	22.2	4.7
10,001 to 50,000	2,552	8.2	47.8	10.0
Over 50,000	414	1.3	370.5	77.9
	31,108	100.0	475.8	100.0

FINANCIAL CALENDAR

Results:	Year to 31 March 1995 announced 11 May 1995 Half year to September 1995 to be announced November 1995
Annual General Court of Proprietors:	5 July 1995
Dividends	1994/95 Final dividend announced 11 May 1995. Payable 14 July 1995
- Ordinary Stock:	1995/96 Interim dividend to be announced November 1995. Payable January 1996
Dividends	Paid in equal semi-annual instalments:
- Preference Stocks:	- 20 August 1995 - 20 February 1996

Principal Business Units and Addresses



GROUP HEAD OFFICE

Lower Baggot Street, Dublin 2
Tel: (01) 6615933
Fax: (01) 6615671

Group Policy Committee
Group Chief Executive: Patrick J Molloy
Deputy Group Chief Executive: Maurice A Keane
Chief Executive Retail: Patrick W McDowell
Chief Executive Corporate & Treasury:
Michael J Meagher
Group Chief Financial Officer: Paul M D'Alton
Head of Group Corporate Development:
Denis Hanrahan

Group Secretary: Terence Forsyth
Head of Investor Relations: Michael Hillin
Head of Group Public Affairs: David Holden
Group Legal Adviser: Finbarr Murphy

RETAIL DIVISION

Lower Baggot Street, Dublin 2
Tel: (01) 6615933
Fax: (01) 6615671
Chief Executive: Patrick W McDowell

Branch Banking

Area East
2 College Green, Dublin 2
Tel: (01) 6777155
Fax: (01) 6770249
General Manager: Brian Goggin

Area South
32 South Mall, Cork
Tel: (021) 277644
Fax: (021) 272463
General Manager: Jeremiah C O'Donnell

Area West
5 Eyre Street, Galway
Tel: (091) 63037
Fax: (091) 62685
General Manager: John P McNamara

Instalment Credit/Leasing
Bank of Ireland Finance Limited
6 Burlington Road, Dublin 4
Tel: (01) 6687222
Fax: (01) 6604161
Managing Director: Desmond Crowley

Current Asset Financing
Bank of Ireland Commercial Finance Limited
Colm House, 91 Pembroke Road,
Dublin 4
Tel: (01) 6680775
Fax: (01) 6602829
Managing Director: Peadar MacCanna

International Banking
Lower Baggot Street, Dublin 2
Tel: (01) 6615933
Fax: (01) 6615101
Director of International Banking:
P J McGinley

International Consultancy
Bank Of Ireland International Services Limited
P.O. Box 3674, La Touche House,
International Financial Services Centre,
Dublin 1
Tel: (01) 6700600
Fax: (01) 6700662
Executive Director: Desmond Smyth

Building Society
ICS Building Society
25 Westmoreland Street, Dublin 2
Tel: (01) 6770983
Fax: (01) 6795941
Managing Director: Anthony B O'Connell

Credit Card Services
Bank of Ireland Credit Card Centre
P.O. Box 1102,
33/35 Nassau Street, Dublin 2
Tel: (01) 6798433
Fax: (01) 6795646
Head of Credit Card Services: Billy Saunderson

Principal Business Units and Addresses

Direct Banking

Premier Banking

Premier House,
The Square, Dublin 24
Tel: (01) 4620222
Fax: (01) 4620120
Head of Premier Banking: Adrian Hegarty

Bureau de Change

First Rate Bureau de Change Limited
88 Lower Camden Street, Dublin 2
Tel: (01) 4783155
Fax: (01) 4783992
Managing Director: Francis J Smyth

CORPORATE & TREASURY DIVISION

Lr. Baggot Street, Dublin 2
Tel: (01) 6615933
Fax: (01) 6615671
Chief Executive: Michael J Meagher

Corporate Banking

Bank of Ireland Corporate Banking
Lower Baggot Street, Dublin 2
Tel: (01) 6044000
Fax: (01) 6044025
Managing Director: James J Ruane

Group Treasury

La Touche House,
International Financial Services Centre,
Dublin 1
Tel: (01) 6700600
Fax: (01) 6700555
Managing Director: M Anthony O'Shea

Private Banking

35 Fitzwilliam Square, Dublin 2
Tel: (01) 6765566
Fax: (01) 6765462
Head of Private Banking: Michael Moriarty

International Asset Financing

Bank of Ireland International Finance Limited
La Touche House,
International Financial Services Centre,
Dublin 1
Tel: (01) 6700600
Fax: (01) 8290129
Managing Director: Brian P Collins

OTHER GROUP ACTIVITIES

Investment Services Ireland

IBI Investment Services Limited
26 Fitzwilliam Place, Dublin 2
Tel: (01) 6616433
Fax: (01) 6616688
Investment Director: William R Cotter

Securities Services

Bank of Ireland Securities Services Limited
Andersen House, 1 Harbourmaster Place,
International Financial Services Centre,
Dublin 1
Tel: (01) 6700300
Fax: (01) 8290155
Telex: (01) 90739
Managing Director: Robert Craddock

Trust Services

Bank of Ireland Trust Services
P.O. Box 843,
Head Office,
Lower Baggot Street, Dublin 2
Tel: 6615933
Fax: 6615992
Chief Manager: Enda Murphy

Life Assurance

Lifetime Assurance Co. Limited
Lifetime House,
Earlsfort Terrace, Dublin 2
Tel: (01) 7039500
Fax: (01) 6620811
Managing Director: Ruairi OFloinn

Corporate Finance

IBI Corporate Finance Limited
26 Fitzwilliam Place, Dublin 2
Tel: (01) 6616433
Fax: (01) 6616821
Managing Director: Richard Keatinge

Stockbroking

J & E Davy Holdings Limited
Davy House, 49 Dawson Street,
Dublin 2
Tel: (01) 6797788
Fax: (01) 6712704
Chairman: J Brian Davy

Principal Business Units and Addresses

NORTHERN IRELAND

Group Head Office

54 Donegall Place, Belfast BT1 5BX
Tel: (01232) 234334
Fax: (01232) 238705
General Manager: Gerard McGinn

Instalment Credit/Leasing

NIIB Group Limited
32 Central Avenue, Bangor,
Co. Down
Tel: (01247) 469415
Fax: (01247) 461434
General Manager: Eoin Sinclair

Corporate Services Debtor Financing

Treasury and International
Bank of Ireland Corporate and International Banking
7 Donegall Square Nth., Belfast BT1 5LU
Tel: (01232) 246241
Fax: (01232) 238111
Chief Executive: David McGowan

GREAT BRITAIN

Banking

34 High Street, Slough, Berkshire SL1 1ED
Tel: (01753) 517777
Fax: (01753) 550192
Director: John B Clifford

Mortgage Financing

Bank of Ireland Home Mortgages Limited
Plaza West, Bridge Street,
Reading, Berks RG1 2LZ
Tel: (01734) 393393
Fax: (01734) 587040
Managing Director: Roy Keenan

Current Asset Financing

BI Commercial Finance Limited
Alhambra House,
9 St. Michael's Rd,
Croydon, Surrey, CRO 2RA
Tel: (081) 6860900
Fax: (081) 6810232
Head of Commercial Finance: David French

Investment Services

Bank of Ireland Investment Managers Limited
36 Queen Street, London EC4R 1BN
Tel: (0171) 4898673
Fax: (0171) 4899676
Head of Client Servicing: Francis Ellison

Corporate Banking

36 Queen St., London EC4R 1BN
Tel: (0171) 2361011
Fax: (0171) 4891313
Head of Corporate Banking: Ken McCracken

London Treasury

36 Queen Street, London EC4R 1BN
Tel: (0171) 2360505
Fax: (0171) 4891122
Treasurer: Michael Sweeney

Life Assurance

Lifetime Assurance Co. Limited
34 High Street, Slough,
Berkshire SL1 1ED
Tel: (01753) 516200
Fax: (01753) 578713
Area Manager: Mark O'Brien

UNITED STATES

New Hampshire

Bank of Ireland First Holdings Inc.
1000 Elm Street, Manchester
NH 03101
Tel: (603) 634 6576
Fax: (603) 668 9534
President & Chief Executive Officer:
L Douglas O'Brien

First NH Banks

1000 Elm Street, Manchester
NH 03101
Tel: (603) 634 6576
Fax: (603) 668 9534
President & Chief Executive Officer:
L Douglas O'Brien

Principal Business Units and Addresses

First NH Investment Services

1000 Elm Street, Manchester
NH 03101

Tel: (603) 634 6790

Fax: (603) 634 6406

President & Chief Executive Officer: John I. Snow

First NH Mortgage Corporation

28 West River Road, Hooksett,
NH 03106

Tel: (603) 634 8640

Fax: (603) 669 2889

President & Chief Executive Officer:
Robert W. Brady

Massachusetts

Bank of Ireland Financial Services

60 State Street,
Boston

MA 02109

Tel: (617) 371 2575

Fax: (617) 371 2581

Senior Vice President:
John McKenna

New York

Bank of Ireland

640 Fifth Avenue, New York,
NY 10019

Tel: (212) 397 1700

Fax: (212) 586 7752

Executive Vice-President & Manager: Edward Treacy
Executive Vice President & Treasurer: Coleman Lydon

Connecticut

Bank of Ireland Asset Management Limited

Two Greenwich Plaza, Greenwich,
Connecticut, 06830

Tel: (203) 869 0111

Fax: (203) 869 0268

President: Denis Curran

OTHER LOCATIONS

Isle of Man

Bank of Ireland (IOM) Limited

PO Box 246

Christian Road, Douglas, IM99 1XF

Tel: (01624) 661102

Fax: (01624) 662786

Managing Director: Terence Hannaway

Jersey

Bank of Ireland (Jersey) Limited

Templar House

Don Road, St. Helier,

Jersey JE4 9WD, Channel Islands

Tel: (01534) 23451

Fax: (01534) 37916

Managing Director: Michael Geraghty

Frankfurt

Bank of Ireland

Rathenauplatz 1a, 60313, Frankfurt,

Tel: (069) 290578

Fax: (069) 284478

European Representative: Peter Dowd

Tokyo

Bank of Ireland

Tokyo Representative Office

IEO Building

4-6 10 Yotsuya

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Tel: (03) 5379 1354

Fax: (03) 3341 5329

Senior Representative: Dermot E Killoran

