

ISIN: XS0306307694

Description: Issue of €900million floating rate notes due 2012 under the €10billion EMTN programme

ISIN: XS0306306613

Description: Issue of £250million 6.25% notes due 2012 under the €10billion EMTN programme

Transfer Order – Transfer of Assets and Liabilities of Irish Nationwide Building Society to Anglo Irish Bank

Today, 1 July 2011, the Minister for Finance (the “**Minister**”) announced the immediate transfer of all assets and liabilities of Irish Nationwide Building Society (“**INBS**”) (with the exception of certain excluded liabilities) from INBS to Anglo Irish Bank Corporation Limited (“**Anglo**”) by a transfer order (the “**INBS Transfer Order**”) made under Section 34 of the Credit Institutions (Stabilisation) Act 2010 (“**CISA**”), following prior consultation with the Central Bank of Ireland. The INBS Transfer Order facilitates the Minister’s plan to implement the reorganisation and restructuring of INBS, amongst other matters.

From today, the legal effect of the INBS Transfer Order is that Anglo has the same rights and obligations in respect of the transferred assets and liabilities of INBS as INBS had immediately before the transfer, and INBS no longer has those rights and obligations. The transferred INBS liabilities include all amounts outstanding under notes issued by INBS under its €10,000,000,000 EMTN debt programme prior to the transfer and its rights and obligations in respect of related programme documentation.

Under the terms of the INBS Transfer Order, all INBS employees have automatically transferred to Anglo, with their terms and conditions of employment safeguarded in accordance with applicable employment legislation.

The INBS Transfer Order is a reorganisation measure for the purposes of Directive 2001 / 24 / EC of the European Parliament and of the Council of 4 April 2001 (the “**CIWUD Directive**”) and the European Communities (Reorganisation and Winding-Up of Credit Institutions) Regulations 2011 of Ireland (the “**2011 Regulations**”).

Accordingly, the INBS Transfer Order is intended to have full effect in accordance with the CIWUD Directive, the 2011 Regulations and the CISA including, in particular but not limited to, Section 61 of the CISA.

At the request of the Minister, Anglo consented to the INBS Transfer Order for the purposes of implementing the steps plan for its merger with INBS in accordance with the requirements imposed by the Minister on Anglo under Section 50 of the CISA on 7 April 2011 (the “**Requirements**”).

More information about today’s announcement is available on Anglo’s website at www.angloirishbank.com.

High Level Work Out Plan

As previously announced on 11 April 2011, the Requirements obliged Anglo to implement, subject to certain conditions, certain high level steps plans based on the steps plans mentioned in the direction order made, pursuant to the CISA, by the Irish High Court in respect of Anglo on 8 February 2011 and as set out in the Requirements.

Under the Requirements, Anglo was required to draw up, in conjunction with INBS and the National Treasury Management Agency (“**NTMA**”), and subject to the prior approval of the NTMA, implement, a high level restructuring and work-out steps plan (the “**High Level Work-Out Plan**”) based on the Joint EC Restructuring and Work Out Plan for Anglo and INBS submitted to the European Commission (the “**Commission**”) on 31 January 2011 (the “**Restructuring Plan**”) (and subject to any variations to the Restructuring Plan directed and

approved by the Commission). The NTMA approved the High Level Work-Out Plan and its implementation on 20 June 2011.

Each of the Requirements (including implementation of the High Level Work-Out Plan) is a reorganisation measure for the purposes of the CIWUD Directive and the 2011 Regulations. Accordingly, as with the INBS Transfer Order, the Requirements are intended to have full effect in accordance with the CIWUD Directive, the 2011 Regulations and the CISA including, in particular but not limited to, Section 61 of the CISA.

Commission Approval of Restructuring Plan

On 29 June 2011, the Commission announced (ref: IP/11/801) that it had cleared the Restructuring Plan under EU state aid rules. It stated that the Restructuring Plan fulfils the EU criteria on restructuring aid for banks, and also stated it has approved all aid measures granted to Anglo, INBS and to the merged entity as restructuring aid and closed its investigation into the restructuring of Anglo.

More information about today's announcement can be found on Anglo's website at www.angloirishbank.com.

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