



*30<sup>th</sup> March 2010*

## **EBS welcomes Government recapitalisation commitment**

- **EBS to implement programme of measures to reduce its recapitalisation requirement**

**Tuesday 30th March, 2010.** EBS Building Society today welcomed the Government's recapitalisation commitment which will allow the Society to continue to play a very important role in the Irish Financial Services Market. Throughout the current financial crisis EBS has performed a very proactive role and today the Society accounts for 20% of all new home loan lending, 50% of the First Time Buyers market and 20% of the retail deposit market.

The Central Bank of Ireland has carried out an assessment of the capital requirement for the Society. This included stress testing with regard to loan losses and the impact of NAMA. The Central Bank of Ireland has concluded that the Society would require a further €875m to be in place by year end to meet a base case target of 8% Core Tier 1. In addition the Central Bank of Ireland has estimated a contingent capital requirement of €120m to meet a stress test.

The recapitalisation of EBS will be the first time the Society has received Government capital, while others in the Sector have already benefited from a previous recapitalisation. EBS will seek to reduce this capital amount of €875m through a range of programmes and strategies.

EBS warmly welcomed the Minister for Finance commitment and the Society stated that it is extremely grateful to the Government for the financial support it will receive.