



26th June 2012

AIB and EBS announce intention to launch Mortgage Arrears Solutions

AIB Group, including its subsidiary EBS ("AIB"), is supportive of the Government's Personal Insolvency initiative and is working to ensure full alignment with the requirements of the forthcoming legislation.

Mortgages represent a significant proportion of our customers' overall indebtedness. In this regard, the bank's priority is to implement solutions to allow homeowners remain in their homes wherever possible.

AIB has been consulting closely with Government and the Central Bank of Ireland to evaluate potential solutions based on the Keane Report. To this end, AIB confirms its intention to launch a number of longer-term solutions to assist customers who are experiencing genuine difficulty with their mortgage repayments.

AIB will work with customers to determine the most appropriate solution for their circumstances. These solutions include existing short term and the following longer term measures: Split Mortgages, Trade Down/Negative Equity Mortgages and a Voluntary Sale for Loss option. AIB is also currently piloting a Mortgage to Rent initiative in conjunction with the Department of the Environment and Cluid Housing Agency. AIB has already implemented solutions for more than 33,000 customers in difficulty.

AIB CEO, David Duffy said: "AIB's policy is to treat customers fairly and to keep borrowers in their homes as a matter of priority. Our mortgage arrears strategy will aim to provide both short term and long term, sustainable and flexible solutions for customers experiencing difficulties. AIB has trained 2,000 people to date and is now training more than 300 staff in anticipation of the launch of these long-term solutions."

AIB again strongly urges anybody facing difficulties in relation to their mortgage repayments to come and talk to us at the earliest possible opportunity. The identification of a solution for each customer will require the completion of a Standard Financial Statement (SFS) and a meeting with an AIB staff member. This will allow AIB assess each case on a consistent basis and help the bank to determine the most appropriate solution for each customer.

AIB will shortly provide contact details to customers regarding the above initiatives.