



**For Immediate Release**

**8<sup>th</sup> April 2011**

**AIB – conversion of convertible non-voting shares**

Allied Irish Banks, p.l.c. (“AIB”) [NYSE:AIB] announces that following its announcement of 1<sup>st</sup> April 2011 confirming completion of the disposal of AIB’s 70.36% stake in Bank Zachodni WBK S.A. (“BZWBK”) to Banco Santander S.A. and the sale of its 50% stake in BZ WBK AIB Asset Management S.A, AIB has received a conversion notice from the National Pensions Reserve Fund Commission (“NPRFC”) requiring AIB to convert into ordinary shares the 10,489,899,564 convertible non-voting shares (“CNV shares”) issued to the NPRFC in connection with the December 2010 €3.7 billion (net of expenses) investment by the NPRFC in AIB.

As announced on 23 December 2010, the CNV shares were issued to facilitate the disposal of AIB’s interests in BZWBK and the conversion of the CNV shares into ordinary shares on a one-for-one basis will result in the NPRFC increasing its shareholding of ordinary shares from 49.9% to 92.8% of the ordinary shares of AIB, representing 11,366,120,185 ordinary shares. Following the conversion, AIB will have a total number of 12,245,852,712 ordinary shares in issue.

AIB has today applied to the Irish Stock Exchange (“ISE”) to list the new ordinary shares on the Enterprise Securities Market (“ESM”) of the ISE and to admit those new ordinary shares to trading on the ESM. It is expected that such admission will occur at 8.00 a.m. on 13<sup>th</sup> April 2011.

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