



**AIB announces withdrawal of Tracker Rates for new business
10th October 2008**

AIB today announces that it will no longer offer Tracker Mortgages to new mortgage applicants, effective from close of business today, Friday 10th October 2008.

For some time now the Tracker Mortgage product has been under review because of the continuing high cost of funds in the market. Tracker Mortgages are priced off the ECB rate, but funded at money market rates, which given current market conditions is unsustainable.

Existing customers with Tracker Mortgages are not affected. Customers who currently have an offer of a Tracker Mortgage, but which is not yet drawn, will still be able to avail of the Tracker Mortgage within the terms of their loan agreement.

AIB continues to offer a very attractive Standard Variable Rate Mortgage, in addition to a range of very competitive Fixed Rate options.

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