

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT. SEE FURTHER "OFFER AND DISTRIBUTION RESTRICTIONS" BELOW. THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF INFORMATION THAT QUALIFIED OR MAY HAVE QUALIFIED AS INSIDE INFORMATION WITHIN THE MEANING OF ARTICLE 7(1) OF THE MARKET ABUSE REGULATION (EU) 596/2014.



**ULSTER BANK IRELAND DAC
ANNOUNCES CASH TENDER OFFERS**

29 August 2017 – Ulster Bank Ireland DAC (the "**Offeror**") announces that it has today launched invitations to holders of the bonds set out in the table below (the "**Bonds**"), issued by the Offeror, to tender any and all such Bonds for purchase by the Offeror (the "**Offers**"), subject to applicable offer and distribution restrictions.

Capitalised terms used but not defined herein shall have the meanings given to them in the tender offer memorandum dated 29 August 2017 (the "**Tender Offer Memorandum**"), which is available, subject to certain restrictions, from the Registrar whose contact details are set out below.

Bondholders are advised to read the Tender Offer Memorandum carefully for full details of, and information on the procedures for participating in, the Offers.

Description of the Bonds	ISIN	Outstanding amount	Purchase Price
STG £5,000,000 Floating Rate Subordinated Bonds	IE0004325282	STG £1,316,000 (of which STG £11,000 is currently held by First Active Treasury Limited, a member of the Royal Bank of Scotland group, and is also subject to the Offer)	50.00 per cent.
IEP £30,000,000 11.375% Subordinated Bonds	IE0004325399	EUR 38,092,142 (of which EUR 6,353,346 is currently held by First Active Treasury Limited, a member of the Royal Bank of Scotland group, and is also subject to the Offer)	160.5 per cent.
STG £20,000,000 11.75% Subordinated Bonds	IE0004325514	STG £20,000,000 (of which STG £7,940,000 is currently held by First Active Treasury Limited, a member of the Royal Bank of Scotland group, and is also subject to the Offer)	158.5 per cent.

The rationale for the Offers is to retire legacy subordinated liabilities of the Offeror. There is no obligation on Bondholders to participate in the Offers, and any decision to tender Bonds is at the sole and absolute discretion of Bondholders. The Offers will expire at 11.00 a.m. (London time) / 6.00 a.m. (New York City time) on 27 September 2017 (the "**Expiration Deadline**"), unless extended, re-opened or terminated as provided in the Tender Offer Memorandum. The deadline set by any intermediary will be earlier than this deadline.

The Offeror will announce whether it has decided to accept valid tenders of Bonds pursuant to the Offers on 27 September 2017 and, if so accepted, will also announce at such time the final aggregate nominal amount of the Bonds accepted for purchase. Subject to the terms and conditions of the Offers, the Offeror will purchase any and all of the Bonds of each Series validly offered for purchase.

The Offeror will pay, on the Settlement Date, for the Bonds of each Series accepted by it for purchase pursuant to the relevant Offer, a cash amount (the "**Purchase Consideration**") equal to the product of (i) the nominal amount of such Bonds and (ii) the relevant percentage applicable to such series of Bonds as specified in the table above (in respect of each Series, a "**Purchase Price**" and together, the "**Purchase Prices**"). The Offeror will also pay a cash amount equal to the Accrued Interest on the Bonds accepted for purchase pursuant to the Offers (the "**Accrued Interest Payment**").

The Offeror may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate the Offers at any time (subject to applicable law and as provided in the Tender Offer Memorandum). Details of any such extension, re-opening, amendment, waiver or termination will be announced as provided in the Tender Offer Memorandum as soon as reasonably practicable after the relevant decision is made.

EXPECTED TIMETABLE OF EVENTS

The times and dates below are indicative only.

Events	Times and Dates
<i>Commencement of the Offers</i>	
Offers announced. Tender Offer Memorandum sent to Bondholders.	29 August 2017
<i>Expiration Deadline</i>	
Final deadline for receipt of valid Tender Instructions by the Registrar in order for Bondholders to elect to participate in the Offers.	11.00 a.m. (London time) / 6.00 a.m. (New York City time) on 27 September 2017
<i>Announcement of Offer Results</i>	
Announcement of whether the Offeror will accept valid tenders of Bonds pursuant to the Offers and the final aggregate nominal amount of the Bonds accepted for	27 September 2017

Events**Times and Dates**

purchase (if any).

Settlement

Expected settlement date for the Offers.

29 September 2017

The above times and dates are subject to the right of the Offeror to extend, re-open, amend, and/or terminate the Offers (subject to applicable law and as provided in the Tender Offer Memorandum). Bondholders are advised to check with any bank, securities broker or other intermediary through which they hold Bonds whether such intermediary needs to receive instructions from a Bondholder before the deadlines set out above in order for that Bondholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offers. See "*Procedures for Participating in the Offers*" in the Tender Offer Memorandum.

Unless stated otherwise, announcements in connection with the Offers will be made by the posting of such announcements to the registered addresses of Bondholders and by publishing the announcement through the Companies Announcement Office of the Irish Stock Exchange and the Regulatory News Service of the London Stock Exchange. Copies of all such announcements can also be obtained from the Registrar, the contact details for which are set out below. Significant delays may be experienced where notices are sent by post and Bondholders are urged to contact the Registrar for the relevant announcements during the course of the Offers. In addition, Bondholders may contact the Dealer Manager for information using the contact details set out below.

Revocation Rights

If the Offeror (i) decreases the Purchase Consideration for any Offer or (ii) amends any Offer in any other way that, in the opinion of the Offeror (in consultation with the Dealer Manager), is materially prejudicial to Bondholders of the relevant Series that have already submitted Tender Instructions for the relevant Offer before the announcement of such amendment (which announcement shall include a statement that in the opinion of the Offeror such amendment is materially prejudicial to such Bondholders), then such Tender Instructions may be revoked at any time from the date and time of the announcement of such decrease or amendment until 4.00 p.m. (London time) / 11.00 a.m. (New York City time) on the tenth Business Day following the date on which Bondholders are notified of such announcement as set out above (subject to the earlier deadlines required by any intermediary through which Bondholders hold their Bonds). Tender Instructions will be irrevocable except in the limited circumstances described above.

Further Information

The Offeror has retained The Royal Bank of Scotland plc (trading as NatWest Markets), an affiliate of the Offeror, to act as Dealer Manager for the Offers and Computershare Investor Services (Ireland) Limited to act as Registrar.

Copies of the Tender Offer Memorandum and any related offering materials are available by contacting the Registrar at:

Computershare Investor Services (Ireland) Limited
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18, D18 Y2X6
Tel: +353 (01) 447 5468
Fax: +353 (01) 447 5571

Any questions in relation to the Offers or requests for assistance in connection with the Tender Offer Memorandum may be directed to:

Scott Forrest
Head of Debt Capital Markets & Capital Strategy
The Royal Bank of Scotland Group plc
250 Bishopsgate
London EC2M 4AA
Telephone: +44 (0) 20 7678 5313

The Royal Bank of Scotland plc (trading as NatWest Markets, as Dealer Manager)
250 Bishopsgate
London EC2M 4AA
Telephone: +44 20 7678 5405
Attention: Liability Management
Email: LiabilityManagement@natwestmarkets.com

This announcement shall not constitute an offer to sell, a solicitation to buy or an offer to purchase any Securities. The Offers are being made only pursuant to the Tender Offer Memorandum and only in such jurisdictions as is permitted under applicable law.

This announcement is released by the Offeror and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR), encompassing information relating to the Offers described above. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Brian Lynch, Group Treasurer for Ulster Bank Ireland DAC.

DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to any Offer. If any Bondholder is in any doubt as to the action it should take, it is recommended that such Bondholder seeks its own financial advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Bonds pursuant to the Offers. The distribution of this document in certain jurisdictions may be restricted by law (see "*Offer and Distribution Restrictions*" in the Tender Offer Memorandum). None of the Dealer Manager, the Registrar, or the Offeror or any other Group company makes any recommendation as to whether Bondholders should tender Bonds pursuant to the Offers and none of them has authorised any person to make any such recommendation.

OFFER AND DISTRIBUTION RESTRICTIONS

This announcement and the Tender Offer Memorandum do not constitute an invitation to participate in the Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this announcement or Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Tender Offer Memorandum comes are required by each of the Offeror, the Dealer Manager and the Registrar to inform themselves about, and to observe, any such restrictions.

Italy

None of the Offers, this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Offers have been or will be submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian laws and regulations. The Offers are being carried out in the Republic of Italy ("**Italy**") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended.

Any holder or beneficial owner of the Bonds located in The Republic of Italy may tender their Bonds for purchase in the Tender Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of 1 September

1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority. Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Bonds or the Tender Offer Memorandum.

United Kingdom

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offers is not being made by, and such documents and/or materials have not been approved by, an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**")) or persons who are existing creditors of the Offeror, including Bondholders, within Article 43(2) of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

Ireland

The Offers are not being made, directly or indirectly, to the general public in Ireland and no offers of any Bonds under or in connection with the Offers may be effected except in conformity with the provisions of Irish law including the Irish Companies Act 2014, the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland and Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation).

France

The Offers are not being made, directly or indirectly, to the public in the Republic of France ("**France**"). Neither this announcement, the Tender Offer Memorandum nor any other documents or materials relating to the Offers have been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) other than individuals, in each case acting on their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code Monétaire et Financier*, are eligible to participate in the Offers. This announcement, the Tender Offer Memorandum and any other document or material relating to the Offers have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

Belgium

Neither this announcement, the Tender Offer Memorandum nor any other documents or materials relating to the Offers have been submitted to or will be submitted for approval or recognition to the Belgian Financial Services and Markets Authority and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Article 3 of the Belgian Law of 1 April 2007 on public takeover bids, as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and neither the Tender Offer Memorandum nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than "qualified investors" within the meaning of Article 10 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets (as amended from time to time).

Jersey

This announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offers do not constitute an offer to the public in Jersey to subscribe for securities. No regulatory approval has been sought in relation to the Offers in Jersey and it must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Offeror.

The Offers are personal to the person to whom the Tender Offer Memorandum and any other documents or materials relating to the Offers are delivered by or on behalf of the Offeror, and a tender will only be accepted from such person. Neither this announcement, the Tender Offer Memorandum nor any other documents or materials relating to the Offers may be reproduced or used for any other purpose.

General

This announcement and the Tender Offer Memorandum do not constitute an offer to buy or the solicitation of an offer to sell Bonds, and tenders of Bonds in the Offers will not be accepted from Bondholders, in any circumstances in which such offer, solicitation or tender is unlawful. In those jurisdictions where the securities, blue sky or other laws require any Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in any such jurisdiction, such Offer shall be deemed to be made by the Dealer Manager or such affiliate on behalf of the Offeror in such jurisdiction.

Each Bondholder choosing to participate in the Offers will be required or deemed to give certain representations as set out in "*Procedures for Participating in the Offers*" in the Tender Offer Memorandum. Any tender of Bonds for purchase pursuant to the Offers from a Bondholder that is unable to make these representations will not be accepted. Each of the

Offeror, the Dealer Manager and the Registrar reserves the right, in their absolute discretion, to investigate, in relation to any tender of Bonds for purchase pursuant to the Offers, whether any such representation given by a Bondholder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such tender shall not be accepted.

Legal Entity Identifier: 635400KQIMALJ4XLAD78