

OFFERING CIRCULAR



National Treasury Management Agency

IRELAND

4.00% Treasury Bond 2014

See Conditions on page 2 and 3

ISIN Code: **IE00B3KWYS29**

Settlement:

The first settlement date for this bond will be Thursday 15 January 2009 (T + 5).

The bond will be distributed across all relevant settlement systems from the account of Ireland, acting through the National Treasury Management Agency, in Euroclear and will be available in the over-night processing cycles for value Thursday 15 January 2009.

**National Treasury Management Agency
Thursday, 8 January 2009**

OFFERING CIRCULAR

CONDITIONS ATTACHED TO THE IRELAND 4.00% TREASURY BOND 2014

Issuer: Ireland acting through the National Treasury Management Agency. The principal and interest of the above bond, which is issued under the National Treasury Management Agency Act, 1990 and other statutes, will be charged on the Central Fund.

Currency: euro

Purpose of Issue: The proceeds of the issue will be used for general financing purposes of the Exchequer.

Trustee Status: The bond is an authorised investment under the Trustee (Authorised Investments) Act 1958 as amended by section 80 of the Central Bank Act 1997 of Ireland.

Taxation: Interest on the bond will be paid gross without deduction of income tax or any other deductions or withholdings.

In general, where the holder of the bond is an Irish resident taxpayer, the interest element payable on the bond is assessable to income tax, whereas any gains arising on disposal or redemption of the bond are exempt from capital gains tax. However, where the bondholder resident in Ireland is dealing in Government bonds as part of a trade, he/she is assessable to income tax or corporation tax, as the case may be, in respect of the interest element and also the gains arising on disposal or on redemption of the bond.

Section 43 of the Taxes Consolidation Act 1997 of Ireland provides that the bond and the interest payable thereon is exempt from all Irish taxation so long as it is shown that the bond is in the beneficial ownership of a person not ordinarily resident in Ireland. However, where the bond is held by or for an Irish branch or agency of a foreign financial concern, interest and gains on such bond will be chargeable to Irish tax.

In Ireland, individual purchasers should note that, where the bond is comprised in a gift or inheritance, the gift or inheritance to that extent will be exempt from capital acquisitions tax provided that the conditions for exemption set out in section 81 of the Capital Acquisitions Tax Consolidation Act 2003 of Ireland are met.

In addition, the execution of instruments for the issue and the transfer of the bond will be free of Irish stamp duty provided the conditions for exemption set out in section 85(2) and section 113 of the Stamp Duties Consolidation Act 1999 of Ireland, are met.

EU Directive on the Taxation of Savings Income: Under the terms of Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments, each EU Member State is required to provide to the tax authorities of other Member States details of payments of interest income (as defined) paid by paying agents within its jurisdiction to individuals resident in the other Member States. The Savings Tax scheme also extends to certain dependent and associated territories of Member States. In addition, the EU has entered into agreements on savings income with certain third countries, namely, Andorra, Liechtenstein, Monaco,

OFFERING CIRCULAR

San Marino and Switzerland. For a transition period, Austria, Belgium and Luxembourg, some of the dependent or associated territories as well as the third countries are allowed to apply a withholding tax instead of providing such information. These provisions apply in respect of relevant interest payments to individuals who are beneficial owners of this bond.

Interest: The interest commencement date is Thursday 15 January 2009, which is also the first settlement date. Interest on the bond will be paid annually on 15 January at a rate of 4.00%.

Interest payable will be calculated in accordance with the “actual/actual ICMA” day count convention with no adjustment to the interest calculations where 15 January is not a business day for payments.

The interest payable on each interest payment date will be based on the balance in the account (s) on the register maintained by the Central Bank and Financial Services Authority of Ireland, as at close of business on the business day preceding the interest payment date.

Principal: The principal of the bond will be repaid at par on 15 January 2014.

Business Day: A day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

Business Day Convention: The Following Business Day Convention shall apply to all payments due under this bond.

Account: It is a condition of this bond that registered holder(s) shall nominate an account in a credit institution linked to TARGET2, the payment system of the European System of Central Banks, into which all interest/redemption payments will be made. Details of the account to which such payments are to be made must be provided to the Central Bank and Financial Services Authority of Ireland (as Registrar) on the appropriate form, which is available from the Registrar, by the Registrar’s close of business in Dublin on the day of registration of the holding. Holders must notify the Registrar of any change in account details through completion and lodgment of a further copy of the form.

Settlement, Registration and Transfer: The official settlement system for Irish Government Bonds is Euroclear. The register of holders of this bond issue will be kept at the Central Bank and Financial Services Authority of Ireland. Ownership will be evidenced by entry of the name of the holder of the bond on the register. Transfer of ownership will be evidenced by book entry in any sums which are multiples of one cent.

Stock Exchange Listing: The bond will be listed on the Irish Stock Exchange.

Governing Law and Jurisdiction: Ireland.