National Treasury Management Agency

Ireland launches new Bond

The National Treasury Management Agency (NTMA) today issued €5 billion of a new bond with a maturity of just under eleven years (18 October 2020). The bond, which has a 5 per cent annual coupon, was issued at a price of €99.284 per €100 nominal to give a yield to redemption of 5.091 per cent. The yield on the new bond is 1.62 per cent higher than the yield at the equivalent maturity date on the German bond curve. When Ireland issued a new ten-year bond in June 2009 the yield was 5.932 per cent, equivalent to 2.44 per cent over the German bond.

Today's bond issue was by way of a syndicated deal involving six banks and attracted orders in excess of €7 billion for the €5 billion available for issue. Some 90 per cent of the bond was placed with pension funds, insurance companies, asset managers and banks. Reflecting the increased confidence of the international investment community in the Irish Government bond market, 86 per cent of the bond was taken up by overseas investors.

Mr. John Corrigan, Chief Executive of the NTMA said: "The successful issue of today's €5 billion bond reflects the ability of Ireland to place long term debt with stable investors for longer periods and at narrowing spreads over Germany. Today's issue accounts for 25 per cent of this year's funding programme of €20 billion and leaves the NTMA in a very comfortable position as it commences its series of eleven monthly bond auctions on Tuesday next, 19 January."

National Treasury Management Agency
Thursday, 14 January 2010

www.ntma.ie

14 January 2010

PRESS RELEASE

National Treasury Management Agency

Republic of Ireland

Aa1/AA/AA-

(neg/neg/stable)

EUR 5 billion Benchmark 5% issue due 18 October 2020

- Today, the Republic of Ireland, rated Aa1/AA/AA- (Moody's/S&P/Fitch), successfully priced a EUR 5 billion benchmark issue due 18 October 2020 via BARCLAYS CAPITAL, CALYON, CITI, DAVY, DEUTSCHE BANK AND UBS INVESTMENT BANK.

- The issue pays an annual coupon of 5% and has a reoffer price of 99.284% to give a spread of midswaps plus 150 basis points, equivalent to 162 basis points over the interpolated German Government bond curve.

- This represents the Republic's first Euro benchmark of 2010 and provides investors with a liquid current coupon security in this maturity. The longer maturity (October 2020) will ensure the bond will have a 10-year benchmark status into 2011.

- The mandate was announced at 9 am London time on Wednesday 13 January 2010. Initial price guidance of mid-swaps plus 145 to 150 basis points was announced at 10.30 am London time.

- The transaction was met with immediate interest from both international and domestic accounts, driving the total orderbook to over EUR 6 billion by 2 pm London time on Wednesday. Books for European investors closed at 5 pm London time on Wednesday, but were left open for Asia overnight.

- Total orderbooks on day two closed at EUR 7.5 billion. There was very limited switch activity, out of either Ireland or other Eurozone government bonds. Despite the spread volatility in some other Eurozone government bond markets during the course of the bookbuilding, Ireland's yield curve and the orderbook remained extremely stable. A EUR 5 billion transaction at midswaps plus 150 basis points was successfully priced at around 11am London time.

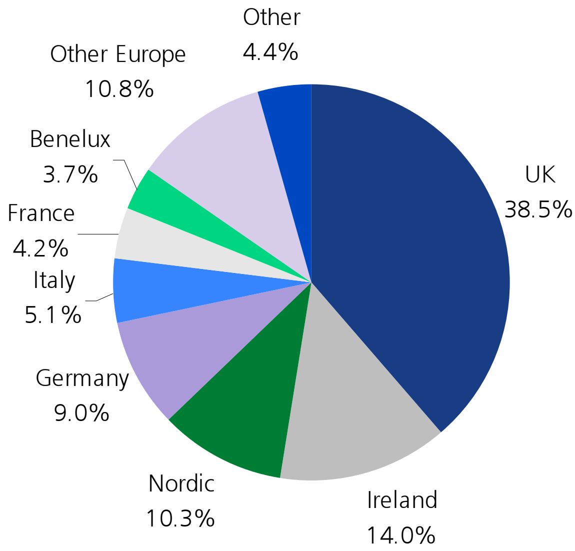
- The execution timeframe was extremely rapid highlighting the robust investor appetite for Irish Government debt and the positive underlying market tone. Despite the large volume of Eurozone government bond supply since the beginning of the year, investors remain very cash-rich and keen to add to their sovereign holdings. Higher underlying German government bond yields since their lows in December (approx 20 basis points) have helped support investor appetite.

- Over 140 different accounts participated in the transaction, of which 86% were outside Ireland. The strong participation from international accounts demonstrates Ireland's extensive investor reach and its minimal reliance on its domestic market.

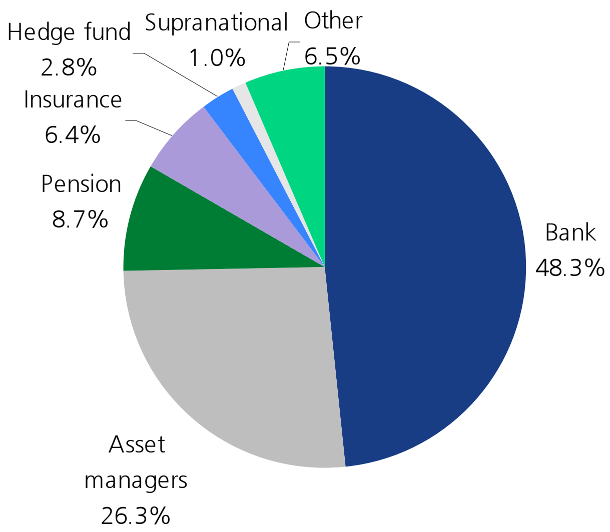
- This transaction demonstrates the improvement in investors' perception of Ireland's economic fundamentals, particularly following the budget in December 2009. As an example, Ireland's syndicated 10-year benchmark in June 2009 was priced at a re-offer spread of mid-swaps plus 215 basis points, equivalent to 244 basis points over Germany.

- Ireland has a borrowing programme of EUR 20 billion in 2010. This represents a reduction of EUR13.7 billion, or 40%, compared with 2009. With this deal Ireland has completed 25% of its borrowing programme for 2010.

- Distribution by investor location was as follows: Europe 95.6% (of which UK 38.5%, Ireland 14%, Nordic 10.3%, Germany 9%, Italy 5.1%, France 4.2%, Benelux 3.7%, Other Europe 10.8%), Other 4.4%



- Distribution by investor type was: Banks 48.3%, Asset managers 26.3%, Pensions 8.7%, Insurance 6.4%, Hedge funds 2.8%, Supranational 1%, Other 6.5%



Euro 5 billion Republic of Ireland 5% due October 2020
Final Bond Terms and Conditions

Issuer:	**Ireland acting through the National Treasury Management Agency**
Ratings:	Aa1/AA/AA- (Negative/Negative/Stable)
Status:	Senior, unsubordinated
Principal Amount:	Euro 5 Billion
Pricing Date:	14 January 2010
Settlement Date:	21 January 2010
Maturity Date:	18 October 2020
Coupon:	5.00% (Annual; payable each 18 October). Following Business Day Convention. Short first coupon on 18 October 2010. Broken amount 3.6986%.
Pricing Reference:	Mid-swaps
Mid-swap rate to the date	3.591%
Reoffer Spread to Mid-swaps:	+150bps
Reoffer Yield pa:	5.091%
Reoffer Price:	99.284%
Gross Proceeds:	Euro 4,964,200,000.00
Redemption:	100.00%
Day Count Convention:	Actual/Actual ICMA
Listing:	Irish Stock Exchange
Governing Law:	Irish
Denominations:	Registered Form in multiples of 1 Euro cent
Expenses:	Leads to pay own legal
ISIN Number:	IE00B60Z6194
Bookrunners:	Barclays Capital / Calyon / Citi / Davy / Deutsche Bank / UBS Investment bank
Co-leads:	BNP Paribas / HSBC / ING / Nomura / JP Morgan / RBS / SGCIB

National Treasury Management Agency

IRELAND

5.00% Treasury Bond 2020

See Conditions on page 2 and 3

ISIN Code: IE00B60Z6194

Settlement:
The first settlement date for this bond will be 21 January 2010 (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 21 January 2010

National Treasury Management Agency

14 January 2010

CONDITIONS ATTACHED TO THE 5.00% TREASURY BOND 18 OCTOBER 2020

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, San Marino and Switzerland. For a transition period, Austria 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 or to certain other entities as referred to in Article 4(2) of the Directive.

Interest: The interest commencement date is 21 January 2010, which is also the first settlement date. Interest on the bond will be paid annually on 18 October at a rate of 5.00% save for the first interest payment date which will be 18 October 2010 (270 days) at a rate of 3.6986 %.

Interest payable will be calculated in accordance with the "actual/actual ICMA" day count convention with no adjustment to the interest calculations where 18 October 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 18 October 2020.

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.