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AIB Group PLC
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AIB GROUP PLC - Q3 2026 TRADING UPDATE (UNAUDITED)

Strong Q3 performance underpinned by momentum in our business

"I am pleased to announce that the Group had another strong quarter reflecting the resilience of the Irish economy and the continued momentum in our business. Gross loans have increased by €4.0 billion since December 2025 to €76.3 billion, with new lending to September up 17% to €12.3 billion, of which 43% was green lending. While the international environment remains uncertain, our disciplined approach, market-leading franchise and strong capital position enable us to continue to support our 3.5 million customers, the communities we serve and the wider Irish economy. As we enter the final months of our current strategic cycle, we remain focused on delivering sustainable growth and shareholder returns. We look forward to updating the market on our next strategic cycle to 2030 at our 2026 Annual Financial Results in March 2027."

Colin Hunt, Chief Executive Officer

Key highlights: ***(all comparisons 9 months to Sept 2026 versus 9 months to Sept 2025 unless otherwise stated)***

- Upgraded FY26 guidance for NII, customer loans and deposits; all other guidance reiterated
- Total income increased 3% on prior year
  - Net interest income (NII) of €2.87bn, up 2%; Sept YTD NIM of 2.72%
  - Other income up 7%
- Costs[(1)] up 3%; cost income ratio (CIR) 44%; FY26 guidance unchanged at c. 2% increase
- Gross loans increased to €76.3bn, up €4.0bn or 5.6% (Dec 25: €72.3bn)
  - New lending up 17% to €12.3bn; Mortgage market share 28.4% Sept YTD[(2)]
- Strong and diversified funding
  - Continued growth in customer deposits up 2.7% to €120.4bn (Dec 25: €117.2bn)
- CET1 of 15.7%[(3)] at Sept (Jun 26: 16.1%) reflecting strong loan growth and excludes Sept YTD profit
  - Strong organic capital generation of c. 260bps
  - Comfortably ahead of regulatory requirements; P2R reduced 20bps to 2.20%
- €1bn share buyback programme announced in March continues; €740m completed to September

2026 Guidance:

- NII is expected to be > €3.85bn (previously > €3.8bn)
- Other income is expected to be c. €800m
- Costs are expected to increase c. 2%
- Cost of risk (CoR) expected to be within the range of 20-30bps
- Bank levies and regulatory fees are expected to be c. €140m
- No material exceptional items expected
- Customer loans are expected to grow by 5-6% (previously c. 5%)
- Customer deposits are expected to grow by 3-4% (previously c. 3%)
- RoTE is expected to be > 20%

2026 Medium-term targets:

- RoTE of 15%
- CET1 > 14% with a buffer over MDA of at least 250bps
- Absolute cost < €2bn with a CIR of < 50%

Medium-term targets continue to guide the business and will be refreshed for the next strategic cycle to 2030 with FY 2026 results in March 2027.

Financial Performance

The Group recorded a strong financial performance in the first nine months.

Net interest income of €2.87bn (Q3 2026: €1.0bn) was 2% higher in the nine months to September compared to the equivalent prior year period, primarily as a result of higher average volumes. Net interest margin (NIM) for September YTD was 2.72% and the Q3 2026 exit NIM was 2.79%, up from Q2 exit NIM 2.71%. For the nine months to September the deposit beta was c. 20%. For 2026 we expect NII of > €3.85bn upgraded from previous guidance of > €3.8bn based on rate assumptions of an ECB deposit rate of 2.50% and a BOE rate of 4.00% at December 2026 and a deposit beta of c. 20%. Our interest rate sensitivity at June 2026 indicates that a 100bps parallel upward shift in interest rates would increase NII by €262m[(4)] on an annualised basis.

Other income increased by 7% on the equivalent prior year period, reflecting a gain on loan portfolio and investment securities disposals. Net fee and commission income decreased by 5% driven by the transition to a flat-fee customer account model while the prior year benefitted from one-off items, partly offset by higher wealth income. For 2026, we continue to expect other income to be c. €800m.

In October following regulatory approval, Goodbody completed the previously announced acquisition of Legacy Wealth Management with AUM of £0.7bn.

Operating costs were up 3% in the nine months to September impacted by salary inflation and other employee benefits partially offset by lower average staff numbers. FTEs at end Q3 2026 were 3% lower YoY at 10,017 (Sept 25: 10,351). We continue to expect full year 2026 costs to increase by c. 2%.

Overall credit quality remained robust and a net credit impairment charge in line with expectations was recorded for the nine months. Our approach remains conservative, comprehensive and forward-looking.

Balance Sheet

Gross loans grew 5.6% or c. 5% on a constant currency basis to €76.3bn (Dec 2025: €72.3bn). The €4bn increase was driven by strong new lending of €12.3bn partly offset by redemptions of €8.7bn. Gross loans are expected to grow by 5-6% (previously c. 5%)

Total new lending for the nine months to September increased by 17% to €12.3bn.

AIB's new mortgage lending in Ireland was up 4% at €3.2bn and reflected a market share of 28.4%[(2)]. Personal lending in Ireland of €1.0bn reflected our larger customer base and our market-leading digital proposition. New lending to SMEs in Ireland of €1.2bn improved compared to the prior year.

In Capital Markets, new lending increased by 16% to €3.8bn with strong performances across corporate and property lending.

Climate & Infrastructure Capital delivered strong new lending of €2.0bn, an increase of €0.9bn following lower activity in the prior year, with 67% of new lending in Europe and the UK. This strong performance reflects the Group's continued commitment to funding the transition to renewable energy and social infrastructure.

The UK continued its strong performance with new lending of £1.3bn in the first nine months driven by strong corporate and property lending.

Green and transition lending of €5.3bn accounted for 43% of new lending with c. €28bn deployed since 2019 as we continue to support our customers transition to a more sustainable future. Green mortgages represented 61% of new mortgage lending.

NPEs were €1.7bn or 2.3% of gross loans (Jun 26 €1.75bn or 2.35% of gross loans). Asset quality remains resilient and we continue to carefully manage the loan book.

Funding and Capital

Strong funding and capital ensure AIB is well-positioned for sustainable growth. Customer deposits
increased by €3.2bn or 2.7% to €120.4bn with 93% of accounts ROI-based (Dec 25: 93%). Customer deposits are expected to grow by 3-4% in 2026 (previously c. 3%).

In September, the Group raised €750m from a green senior non-preferred MREL issuance. The Group continues to have strong funding and liquidity ratios with an LDR of 62%, LCR of 178% and NSFR of 154%[(5)] at Sept 26 (Dec 25: LDR 61%, LCR 204% and NSFR 163%).

Capital remains robust and comfortably ahead of minimum requirements. The CET1 ratio at September 2026 was 15.7%[(3)] (Jun 26: 16.1%) and primarily reflects an increase in RWAs due to strong balance sheet growth. Profit for the nine months to September generated c. 260bps of CET1 and is not included in the CET1 ratio pending a final decision on payout at year end. Other factors expected to impact capital include IRB model adoption and the continued expansion of our SRT programme.

In October, AIB successfully completed its third SRT on a portfolio of project finance assets totalling c. €2.5bn. The completion of this SRT delivers a positive initial CET1 impact of c. 30bps driven by a reduction in RWAs of c. €1.2bn.

Following the Supervisory Review and Evaluation Process (SREP) performed by the ECB in 2026, AIB's Pillar 2 Requirement reduced by 20bps to 2.20% from 2.40% effective from 1 January 2027.

Shareholder distributions: Strong organic capital generation continues to support capacity for distributions. AIB has a sustainable ordinary dividend policy of 40-60% payout. Subject to annual review, the Group has capacity for further distributions above

our ordinary dividend policy range. We will maintain optionality regarding share buybacks and/or special dividends as we move towards our CET1 target of > 14%.

The €1bn share buyback programme announced on 4 March 2026 is progressing as planned with €740m completed to September. As at 3 November 2026, c. 82.8m shares have been repurchased for a total consideration of c. €849m at a volume weighted average price of €10.26 per share.

CFO update

The CFO selection process is well advanced and we will update the market in due course.

Outlook

Approaching the end of the year, we remain confident in the resilience of our business given our robust balance sheet, leading customer franchise and strong capital position. While mindful of ongoing macroeconomic and geopolitical uncertainties, we remain focused on the disciplined execution of our strategy and delivering sustainable value for all stakeholders.

As we close out the final quarter of our current strategic cycle with positive momentum, we remain focused on the strategic objectives we set while simultaneously planning for the future with ambition and determination. We look forward to updating the market on the next strategic cycle to 2030 with refreshed medium-term targets at FY 2026 results in March 2027.

ANALYST CONFERENCE CALL

Colin Hunt, CEO will host a conference call today at 08.00 GMT for 30 minutes.

CONFERENCE CALL ACCESS

Please register in advance on our website to receive the dial in details including the Conference Pin and your unique User PIN. You will be unable to access this call without your unique User PIN.

REPLAY will be available on our website until 17 November 2026.
Website: aib.ie/investorrelations

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Note: Figures presented above may be subject to rounding

Abbreviations:
NPE: Non-performing exposures
RoTE: Return on tangible equity; RoTE = (PAT-AT1) / (CET1 @14% of RWAs)
RWA: Risk-weighted assets
SRT: Significant risk transfer

(1) Costs before bank levies and regulatory fees and exceptional items

(2) Source: Mortgage drawdowns BPFI September 2026

(3) The CET1 ratio does not include profits for the nine months to September 2026 pending a final decision on payout at year end

(4) NII sensitivity at June 2026 +25bps €66m, +50bps €131m & +100bps €262m. See page 225 of the 2025 Annual Financial Report for assumptions

(5) Subject to finalisation

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For further information, please contact:
Group Investor Relations & External Communications
Niamh.a.Hore@aib.ie
Tel: + 353 86 313 5647

Investor Relations
Siobhain.m.Walsh@aib.ie

Tel: + 353 87 3956864

External Communications
Will.r.Goodbody@aib.ie
Tel: +353 86 8502204

Forward Looking Statements

This document contains certain forward looking statements with respect to the financial condition, results of operations and business of AIB Group and certain of the plans and objectives of the Group. These forward looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'may', 'could', 'will', 'seek', 'continue', 'should', 'assume', or other words of similar meaning. Examples of forward looking statements include, among others, statements regarding the Group's future financial position, capital structure, income growth, loan losses, business strategy, projected costs, capital ratios, estimates of capital expenditures, and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward looking information. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements. These are set out in the Principal risks on pages 17 to 18 in the 2025 Annual Financial Report and updated on page 30 of the Half-Year Financial Report 2026. In addition to matters relating to the Group's business, future performance will be impacted by the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively. Future performance could also be impacted by macroeconomic uncertainty, tariffs, geopolitical tensions and global conflict. Any forward looking statements made by or on behalf of the Group speak only as of the date they are made. The Group cautions that the list of important factors on pages 17 to 18 of the 2025 Annual Financial Report and updated on page 30 of the Half-Year Financial Report 2026 is not exhaustive. Investors and others should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward looking statement.

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