



Date of Release: January 19, 2009

DBRS Takes Various Rating Actions on Anglo Irish Bank plc Following Nationalisation

Industry: Fin.Svc.--Banks & Trusts

DBRS has today taken various rating actions on Anglo Irish Bank Corporation plc (Anglo Irish or the Bank). DBRS has placed certain debts, including the Bank's A (high) Long-Term Deposit and Debt rating, the "A" Dated Subordinated Debt rating and the A (high) Extendible Short-Term Notes rating, Under Review with Developing Implications. Concurrently, DBRS has placed the A (low) rating of Anglo Irish's Capital Securities Under Review with Negative Implications. Please see the full list of ratings at the end of this release. Today's rating actions do not affect the AAA long-term and R-1 (high) short-term debt ratings on securities maturing on or before 29 September 2010, which are guaranteed by the Irish government under the previously announced Credit Support Scheme of 2008.

These rating actions follow the 16 January 2009 announcement that the Government of Ireland (the Government) intends to nationalise Anglo Irish and they reflect the uncertainties regarding the specifics behind the Government's plans for Anglo Irish. Although the Government has announced that the Bank will continue to trade normally as a going concern, and has clearly stated that bondholders will be serviced, the operating plans and future business endeavours of the Bank remain unclear. Moreover, the Government has not announced the expected time duration of government ownership. These factors will be duly considered in the review.

Furthermore, the Under Review with Developing Implications status reflects the uncertain longer-term impact that recent events have had on Anglo Irish's historically solid franchise. Given the current challenges facing Anglo Irish, which include managing the impact of a rapidly weakening economic environment and certain potential governance issues, DBRS believes that recent events have further eroded investor confidence and have weakened the Bank's franchise. Although the Bank's franchise is a factor underpinning its intrinsic rating, the explicit government support is currently the most significant factor in the rating.

The Under Review with Negative Implications status on certain capital securities, including the perpetual preferred securities, reflects DBRS's concern that these securities may be used for loss-absorbing purposes. Moreover, the Negative direction of the review considers the potential that interest and dividend payments could be deferred on these instruments, in accordance with the terms of the instruments. As such, these securities are likely to be downgraded by multiple notches in the near term.



DBRS expects to resolve this review in the upcoming weeks following discussions with Irish government officials as well as with senior management of the Bank. Ratings may be confirmed, lowered or, potentially, raised as a result of this review. Given the significant expression of government support, however, ratings are unlikely to be raised to fully reflect the government ownership, as DBRS views the nationalisation as temporary. The Government has stated that it intends for Anglo Irish to return to the private sector at the appropriate time. Conversely, given the fact that DBRS views the nationalisation of Anglo Irish as a clear indication of the Irish government's support, ratings, other than the ratings of capital securities discussed above, are unlikely to be downgraded by more than one notch, even if DBRS views the Bank's intrinsic rating as materially lower. DBRS notes that the current ratings enjoy material uplift from Government support.

Notes:

The applicable methodology, Analytical Background and Methodology for European Bank Ratings, Second Edition, can be found on our website under Methodologies.

This is a Corporate (Financial Institutions) rating.

Issuer	Debt Rated	Rating Action	Rating	Trend	Latest Event
Anglo Irish Bank Corporation plc	Long-Term Debt maturing after 29 Sep 2010	Under Review - Developing	A (high)	--	Jan 19, 2009
Anglo Irish Bank Corporation plc	Long-Term Deposits maturing after 29 Sep 2010	Under Review - Developing	A (high)	--	Jan 19, 2009
Anglo Irish Bank Corporation plc	Long-Term Debt maturing on or before 29 Sep 2010	Confirmed	AAA	Stb	Jan 19, 2009
Anglo Irish Bank Corporation plc	Long-Term Deposits maturing on or before 29 Sep 2010	Confirmed	AAA	Stb	Jan 19, 2009
Anglo Irish Bank Corporation plc	Dated Subordinated Debt maturing on or before 29 Sep 2010	Confirmed	AAA	Stb	Jan 19, 2009
Anglo Irish Bank Corporation plc	Extendible Short-Term Notes	Under Review - Developing	A (high)	--	Jan 19, 2009
Anglo Irish Bank Corporation plc	Dated Subordinated Debt maturing after 29 Sep 2010	Under Review - Developing	A	--	Jan 19, 2009
Anglo Irish Bank Corporation plc	Capital Securities	Under Review - Negative	A (low)	--	Jan 19, 2009
Anglo Irish Bank Corporation plc	Short-Term Debt maturing on or before 29 Sep 2010	Confirmed	R-1 (high)	Stb	Jan 19, 2009

Copyright © 2009, DBRS Limited and DBRS, Inc. (collectively, DBRS). All rights reserved. The information upon which DBRS ratings and reports are based is obtained by DBRS from sources believed by DBRS to be accurate and reliable. DBRS does not perform any audit and does not independently verify the accuracy of the information provided to it. DBRS ratings, reports and any other information provided by DBRS are provided "as is" and without representation or warranty of any kind. DBRS hereby disclaims any representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability, fitness for any particular purpose or non-infringement of any of such information. In no event shall DBRS or its directors, officers, employees, independent contractors, agents and representatives (collectively, DBRS Representatives) be liable (1) for any inaccuracy, delay, loss of data, interruption in service, error or omission or for any damages resulting therefrom, or (2) for any direct, indirect, incidental, special, compensatory or consequential damages with respect to any error (negligent or otherwise) or other circumstance or contingency within or outside the control of DBRS or any DBRS Representative, in connection with or related to obtaining, collecting, compiling, analyzing, interpreting, communicating, publishing or delivering any such information. Ratings and other opinions issued by DBRS are, and must be construed solely as, statements of opinion and not statements of fact as to credit worthiness or recommendations to purchase, sell or hold any securities. DBRS receives compensation from issuers, insurers, guarantors and/or underwriters of debt securities for assigning ratings. This publication may not be reproduced, retransmitted or distributed in any form without the prior written consent of DBRS.



Issuer	Debt Rated	Rating Action	Rating	Trend	Latest Event
Anglo Irish Bank Corporation plc	Short-Term Deposits maturing on or before 29 Sep 2010	Confirmed	R-1 (high)	Stb	Jan 19, 2009
Anglo Irish Capital UK Limited Partnership	Perpetual Preferred Securities	Under Review - Negative	A (low)	--	Jan 19, 2009
Anglo Irish Capital UK 2 Limited Partnership	Perpetual Preferred Securities	Under Review - Negative	A (low)	--	Jan 19, 2009

For more information on this credit or on this industry, visit www.dbrs.com or contact us at info@dbrs.com.

Steven Picarillo
Senior Vice President - Financial Institutions Group
+1 212 806 3238
spicarillo@dbrs.com

Roger Lister
Chief Credit Officer - Financial Institutions Group
+1 212 806 3231
rlister@dbrs.com

David Laterza, CPA
Vice President - U.S. Financial Institutions Group
+1 212 806 3270
dlaterza@dbrs.com

Alan G. Reid
Managing Director - Financial Institutions Group
+1 212 806 3232
areid@dbrs.com