



We are a community serving the community

Forward Looking Statements

This document contains forward-looking statements with respect to certain of the Permanent TSB Group Holdings plc's (the 'Bank') intentions, beliefs, current goals and expectations concerning, among other things, the Bank's operational results, financial condition, performance, liquidity, prospects, growth, strategies, the banking industry and future capital requirements.

The words "expect", "anticipate", "intend", "plan", "estimate", "aim", "forecast", "project", "target", "goal", "believe", "may", "could", "will", "seek", "would", "should", "continue", "assume" and similar expressions (or their negative) identify certain of these forward-looking statements but their absence does not mean that a statement is not forward looking. The forward-looking statements in this document are based on numerous assumptions regarding the Bank's present and future business strategies and the environment in which the Bank will operate in the future.

Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of the Bank to be materially different from those expressed or implied by such forward looking statements. Many of these risks and uncertainties relate to factors that are beyond the Bank's ability to control or estimate precisely, such as future global, national and regional economic conditions, levels of market interest rates, credit or other risks of lending and investment activities, competition and the behaviour of other market participants, the actions of regulators and other factors such as changes in the political, social and regulatory framework in which the Bank operates or in economic or technological trends or conditions.

Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. Nothing in this document should be considered to be a forecast of future profitability or financial position and none of the information in this document is intended to be a profit forecast or profit estimate.

The Bank expressly disclaims any obligation or undertaking to release any updates or revisions to these forward-looking statements to reflect any change in the Bank's expectations with regard thereto or any change in events, assumptions, conditions or circumstances on which any statement is based after the date of this document or to update or to keep current any other information contained in this document. Accordingly, undue reliance should not be placed on the forward-looking statements, which speak only as of the date of this document.

www.permanenttsbgroup.ie/investor-relations



Eamonn Crowley,
CEO



Declan Norgrove,
Interim CFO

Business Update

Eamonn Crowley, CEO



Strong Business Performance

Full Year 2021 Highlights



Value Creation & Strategic Priorities	€7.6 Billion Performing Assets From NatWest	<ul style="list-style-type: none"> Signed Legally Binding Agreements to acquire €7.6 billion of Performing Assets from Ulster Bank Opportunity to grow the Bank with new customers, new colleagues while supporting communities Strategic Vision 2024 Refreshed – building on the strong foundations laid over the last few years
Financial Performance	€17m Underlying Profit ¹	<ul style="list-style-type: none"> Total New Lending of €2.1bn, increased by 44% YoY, +23% versus FY'19 New Business Mortgage Market Share increased to 17.8%², +2.5% YoY Underlying NIM³ 1.76%; -3bps YoY Underlying Operating Costs⁴ Increased by 7% YoY as investment accelerated to meet demand
Asset Quality	5.5% NPL Ratio	<ul style="list-style-type: none"> NPLs €0.8bn, €0.3bn lower than FY20 NPL Ratio reduced to 5.5% from 7.6% (-2.1%). Medium Term Commitment to Low Single Digit Ratio Capital accretive NPL transaction announced in Q4'21
Capital	15.1% Pro forma CET1 Fully Loaded ⁵	<ul style="list-style-type: none"> 15.1% Pro forma CET1 Fully Loaded, in line with Dec'20 €250m Tier 2 issuance completed in May'21; 2.5x over subscribed All Capital Ratios remain above Management and Regulatory minimum

1. Underlying Profit refers to Profit before Exceptional Items and Tax

2. BPFI data at 31 December 2021

3. Underlying NIM excludes the cost of holding excess liquidity (c. 25bps in 2021)

4. Underlying Operating Costs exclude provisions for non-core items (€15m), this net provision is presented in Exceptional Items. In the prior year (FY20) Underlying Operating Costs excluded Covid-19 related expenses (€5m) and Impairment of Properties (€1m), these items were reported through Exceptional Items.

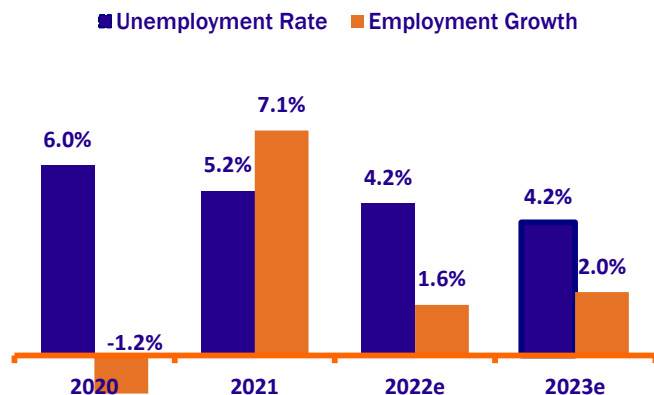
5. The Proforma CET1% Fully Loaded includes the total uplift of 0.6% from the NPL Sale in Q4'21. Receipt of funds and asset de-recognition occurred in Feb'22.

Macroeconomics Supporting Improved Outlook

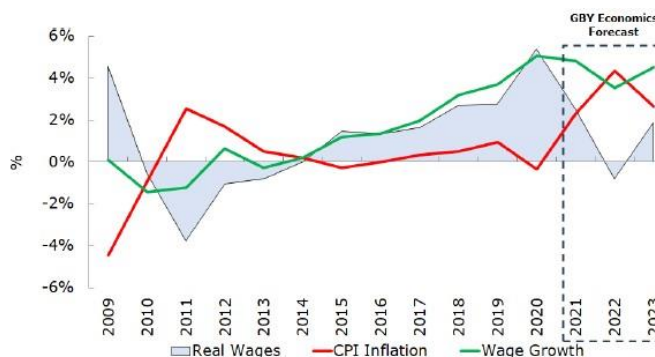
Domestic Performance Linked to Successful Easing of Restrictions



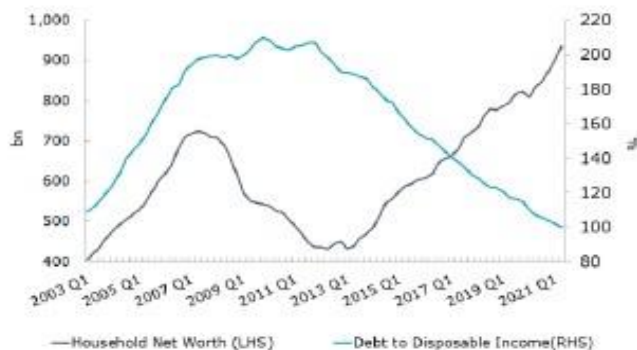
Labour Market (%)



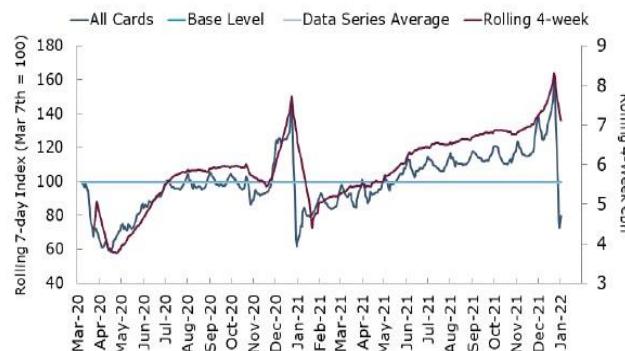
Wage Inflation(%)



Household Balance Sheets%



Card Spending Index



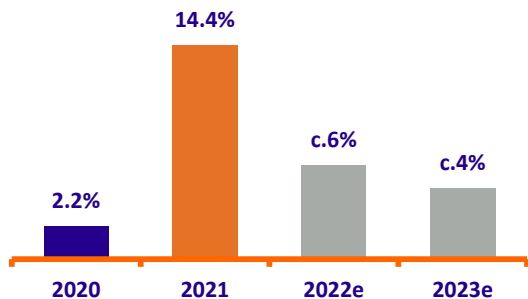
- Labour market continues to rapidly recover
- Inflationary pressure now beyond big energy and transport drivers
- As Inflation hits real earnings upwards wage inflation expected
- A Consumer led recovery
- Households are well positioned to fund continued recovery due to savings surge
- Household net worth climbed to all-time highs as disposable incomes grow
- Card spending experiences a year-long upward progression, at peak 60% above pre-pandemic levels.
- Adjusting for inflation, card spending expected to return to pre-pandemic levels

Housing Market Sentiment is Strong

Demand Continues to Exceed Supply

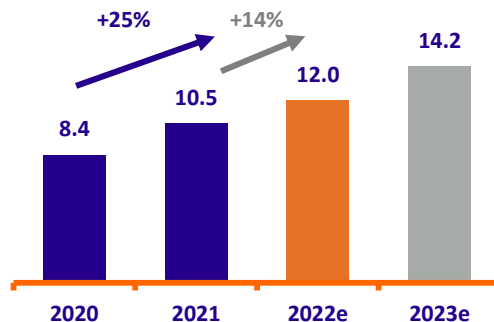


House Price Growth (%)



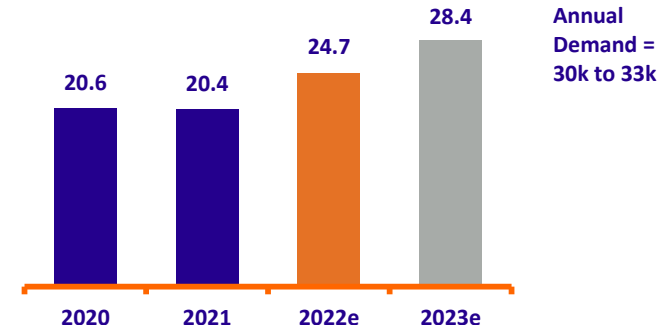
- HPI growth 14.4% FY21 with strong activity in the housing market expected to continue in FY22.

Mortgage Market (€bn)



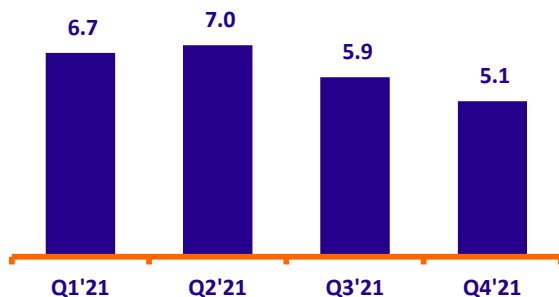
- Mortgage Market increased by 25% YoY, expected to grow c. 14% In FY22

Housing Completions (000s)

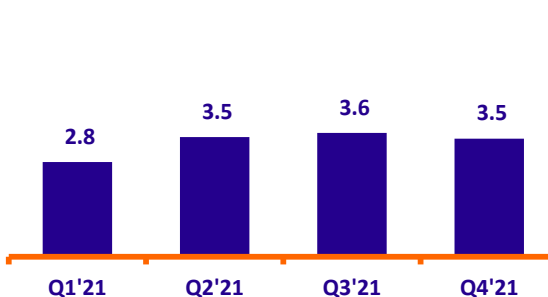


- A swift rebound in Housing Starts primes Ireland for increases in Completions.
- Total Mortgage Completions by Value were the highest levels seen since 2008

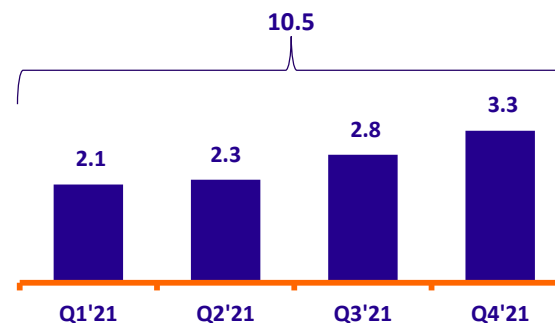
Mortgage Market Applications (€bn)



Mortgage Market Approvals (€bn)



Mortgage Market Drawdowns (€bn)

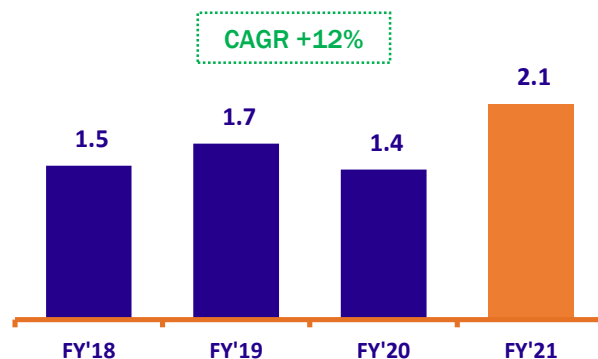


Continuing To Meet Customer Needs

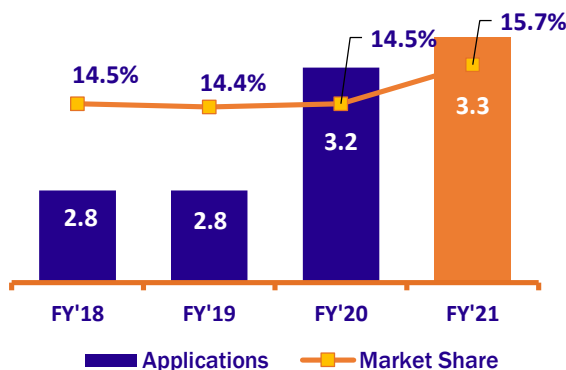
Total New Lending of €2.1 Billion



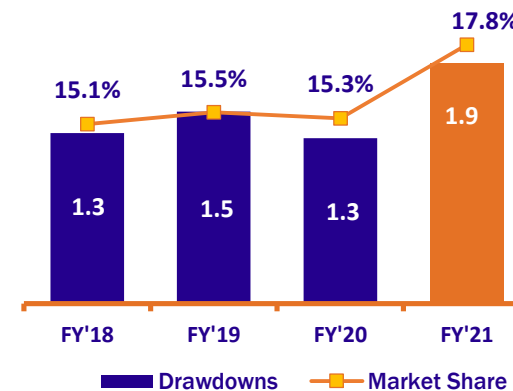
Total Customer New Lending (€bn)



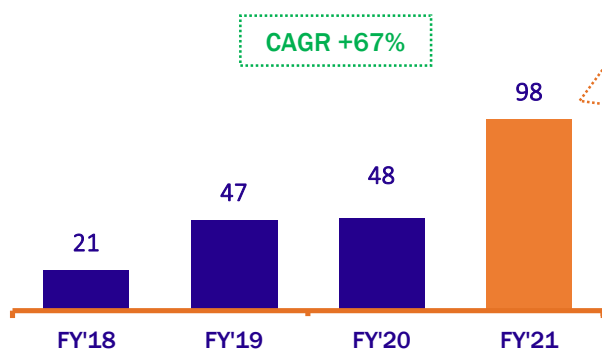
Total Mortgage Applications (€bn)¹ & Market Share (%)



Total Mortgage Drawdowns (€bn)¹ & Market Share (%)

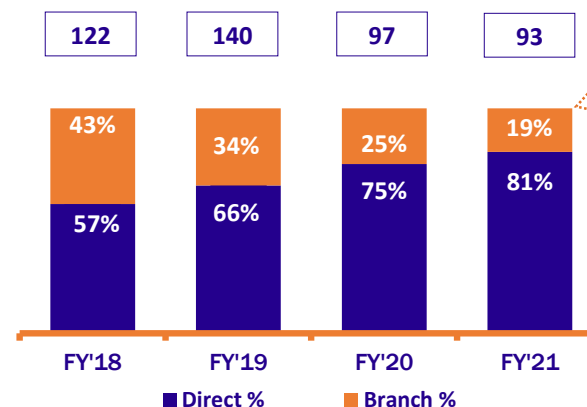


SME Lending (€m)



- Strong Performance in SME New Lending with YoY growth of 104%
- Partnering with the SBCI, €38m of Lending in 2021
- €1bn Fund available to SME Customers over the next 3 years

Personal Term Lending (€m) Channels² (%)



- New Personal Term Lending Business reduced by 4% YoY – Impacted by lower demand and Covid19
- 81% of new Term Loan Business now originating Directly³, an increase of 6 ppts YoY

A Purpose Led Strategy

Strong Ambition, Purpose And Priorities



Our Purpose



To Work Hard Every Day to Build Trust
with Our Customers - We are a
Community Serving the Community



Our Ambition

To Be Ireland's Best Personal
And Small Business Bank

Our Priorities				
Customers	Digital	Culture / Sustainability	Simplification	Profitability
Increasing Trust Advocacy & Loyalty	Enhancing Digital Capabilities	Embedding a Risk Aware, Open & Inclusive, Socially Conscious Growth Culture	Simplifying Our Business/ Customer Experience	Growing Sustainable Profitability
Foundational Capabilities				

Risk Management & Regulation

Information Security & Operational Resilience

Data & Analytics

Customers

Build Trust And Loyalty With Our Customers



Enhance
Customer Journeys



Leverage
Digital Capabilities



Re-Position
Our Brand

Delivering On Our Priorities



NPS¹ + 10
Top 2
Market
Position
(-2 pts YoY)



72 Hour
Mortgage
Approval
Decision
Time



45%
New To Bank
Mortgage
Customer
(+5% YoY)



36,000 New Current Accounts (+46% YoY)



>116m
Digital
Activity²
(+16% YoY)



570k
Active Digital
Customer³
(+14% YoY)



100m
Contactless
Payments
(+9% YoY)

Growing & Meeting Changing Customer Needs

2021

Targets

2024

1.1M

Total Customers

1.4M

780K

Current Account Customers

1.0M

73%

Digital Current Account
Customers

85%

Developing Partnerships For Our Customers



Intermediary
Partnerships
27% Broker
Market Share
(+2% YoY)



€82m⁴ Fund
Supported
Low Cost
Business Loans



Invoice Finance
Products and
Services For
Business
Customers



Merchant Solutions
Safe and easy-to-use
merchant solutions for
Business Customers



Digital
Application
Platform for
Mortgage
Customers

Accelerating Customer Digital Access And Adoption

1. Relationship Net Promoter Score (NPS) – an index ranging from -100 to 100 measuring the willingness of customers to recommend a company's products or services to others based on Kantar Survey Jan 2021.
2. Digital Activity refer to successful log-ins on both Mobile App and Desktop
3. Active Digital Customer refers to both Mobile App and Desktop users, actively engaged in the last 180 days
4. Supporting the Strategic Banking Corporation of Ireland under the Irish Governments Future Growth Loan Scheme and the Brexit Impact Loan Scheme.

Transform

Build A Sustainable Future For The Bank



Digital Development



Business Model Simplification



Embed Our Values

Delivering Digital Capability

Suite of Personal Banking Products End to End Online



Digital Current Account, Overdraft,
Credit Card, Term Loan & Deposit

Digital Mortgage Journey



Apple Pay & Google Pay

Customer Communication Management
Platform for E-Communication



Strong Customer Authentication (SCA)

Simplifying Our Business

Branch Network

Enhanced &
modernised delivering
digital services and
providing in-person
support.



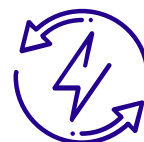
Operational Excellence

Robotics - high volume
back office tasks - driving
efficiency

E-Statements for Credit
Cards

Cyber Security & Operational Resilience

Protecting our customers
with robust and resilient
cyber-security processes



Empowering Our Colleagues

Hybrid Workforce Capability

- Organisation Redesign, 300 colleagues exit on Voluntary Severance Scheme
- Investing in new skills and capabilities
- SMART flexible ways of working for c. 1300 colleagues

Living As Leaders

- 1500 colleagues attended LIFT Ireland 'Living as Leaders', bringing our values to life (+100% YoY)

Every Voice Counts

- Employee Empowerment and Trust Category, CIPD Awards, Winner 2021
- Culture Embedding, Index Score of 71%

Diversity & Inclusion

- Female talent represents 36% of senior management - Strive towards 50:50 Gender Balance at Senior Leadership by 2025
- Gender Pay Gap 16.5% (National Average 14.4%).
- Committed to improving pay gap

Focus 2022 - 2024

- Every Day Banking – Scalable, Resilient Digital Servicing Platform for essential servicing journeys
- Further Implementation of the Banks Payment Strategy
- SME Propositions and Service Journeys
- Data & Analytics Strategy Implementation
- Diversity & Inclusion Maturity – Integration

Responsible And Sustainable Business

We Continue Doing Business In A Responsible Way



A Clear Sustainability Strategy

Underpinned by Living Our Purpose and Ensuring Strong Corporate Governance, Compliance and Fair Business Conduct

- Addressing Climate Change & Supporting the Transition to a Low Carbon Economy
- Elevating our Social Impact & Connecting with Local Communities
- Enhancing our Culture & Investing in our People
- Championing Small Business & Creating a Bank that is Fit for the Future



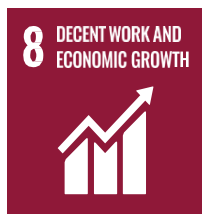
- Launched New Sustainability Strategy for the Bank in 2021

Our Impact in Action



- Signature to the Task Force on Climate-related Financial Disclosures (TCFD)
- 1% Reduction in Carbon Emission Intensity in 2021
- A cumulative reduction of 56% since 2009

Strategy Aligned to 6 of the United Nations Sustainable Development Goals (SDGs)



Elevating our Social Impact



- c. €600,000 in financial contributions to Irish community organisations
- c. €200,000 in charitable giving through the Permanent TSB Community Fund



- Accreditation to the 'Business Working Responsibly Mark'
- Winner Chambers Ireland Sustainable Business Impact Award 2021, Excellence in Community



- The First Irish Retail Bank to be Awarded the Guaranteed Irish Symbol For Contribution to Local Communities

Financial Performance

Declan Norgrove, Interim CFO



Income Statement

Higher Costs And Exceptional Items Impacting 2021 Profitability



**Grow Diversified
Income Streams**



**Efficient
Organisation**



**Capital And
Resource Allocation**

	FY21 €m	FY20 €m	YoY €m	YoY %
Net Interest Income	313	341	(28)	-8%
Fees & Commissions	35	28	7	+25%
Net Other Income	13	6	7	+117%
Operating Income	361	375	(14)	-4%
Operating Expenses ¹	(295)	(274)	(21)	-8%
Regulatory Charges	(50)	(49)	(1)	-2%
Operating Profit	16	52	(36)	-69%
Impairment Charge	1	(155)	156	-
Underlying Profit Before Exceptional Items & Tax	17	(103)	120	+117%
Exceptional Items ¹	(38)	(63)	25	+39%
Loss Before Tax	(21)	(166)	145	+87%

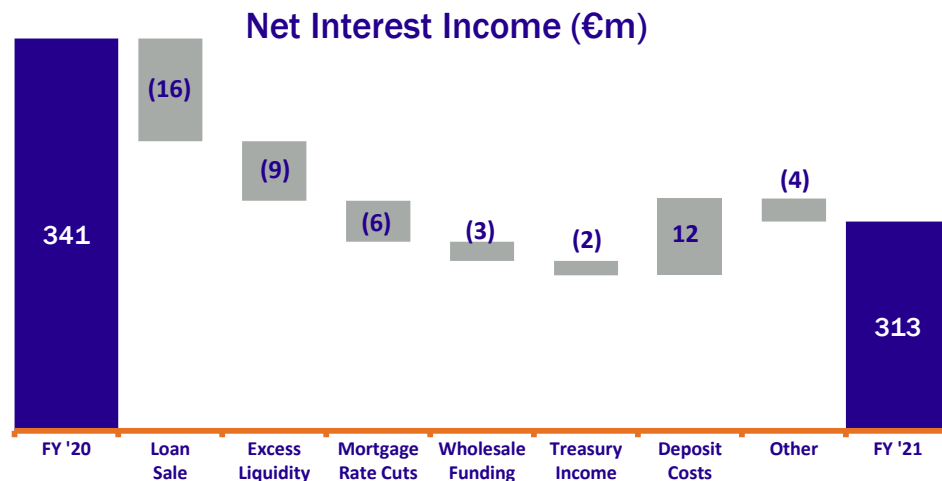
2021 Vs 2020

- **Net Interest Income** reduced by 8% YoY, primarily due to deleveraging activity, higher cost of surplus liquidity and rate reductions for existing customers
- **Fees & Commissions** increased by 25% YoY. Transactional activity has increased gradually throughout the year as restrictions eased. FY21 income back in line with pre-pandemic levels (€37m in FY19)
- **Operating Expenses** are 8% higher YoY due to the acceleration of investment in the digital transformation programme and higher depreciation YoY
- **Impairment Release** reflects the more positive recovery in the economy whilst remaining prudent in light of the uncertainty which remains

Exceptional Items (€m)	FY 21	FY 20
• NatWest/UB Transaction Costs	(28)	-
• Restructuring Cost & Other	(14)	(31)
• Provisions for Non-Core items	(15)	-
• Profit/(Loss) on Deleveraging	19	(26)
• Covid-19 costs	-	(6)
Total Exceptional Items	(38)	(63)

Net Interest Income

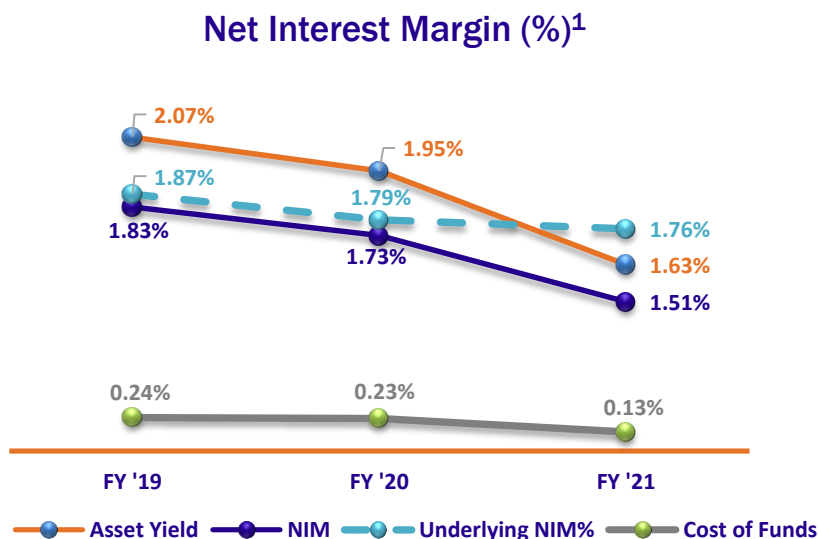
Net Interest Income 8% Lower While Actively Managing Deposit Costs



Reduction in Net Interest Income is primarily as a result of:

- Loan Sales in Q4'20 (€1.4bn) and Q4'21 (€0.4bn)
- The higher costs of holding excess liquidity
- Rate reductions for existing customers effective from Q3'20

The continued active management of the cost of Deposits has helped to partly offset the reduction in Net Interest Income.



The Underlying NIM¹ reduced slightly to 1.76% from 1.79% at FY'20 as the continued low interest rate environment impacted earnings from Treasury Assets.

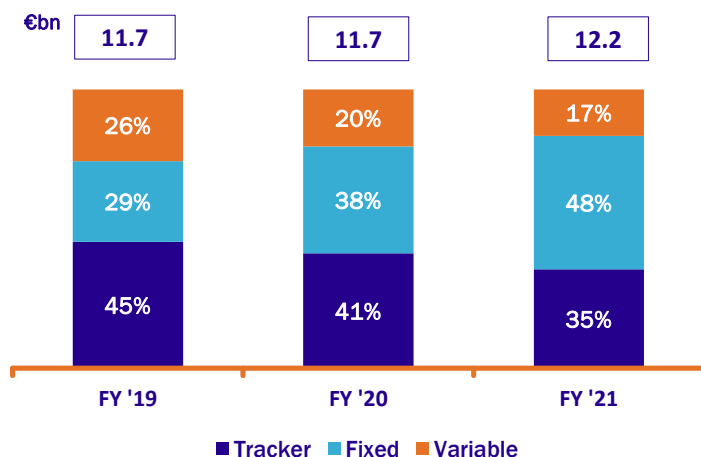
- The cost of holding excess liquidity (c.€2bn) negatively impacted the reported NIM leaving the 2021 Exit NIM at 1.51%, in line with expectations.
- Cost of Funds has reduced by 10 bps YoY as we continue to actively manage the cost of Deposits.

Performing Residential Loan Book

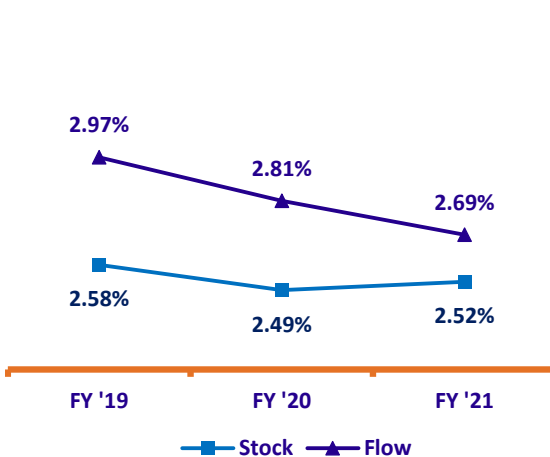
Home Loan Mortgage Book Grows 4%



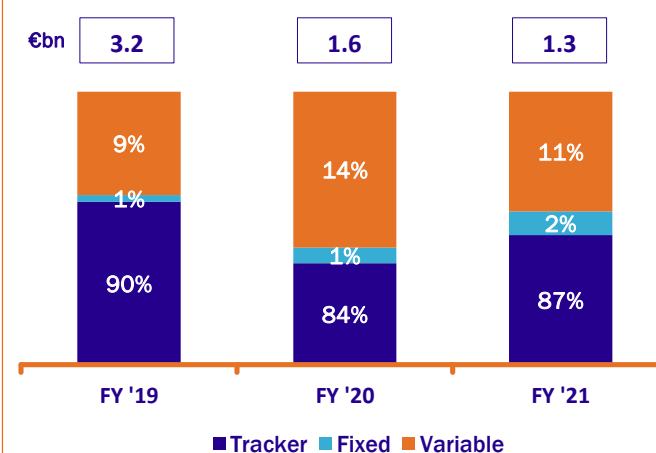
Home Loan Book by Product (Mix %)



Home Loan Yield (%)



BTL¹ Book by Product (Mix %)



Home Loan Mortgage Book has grown 4% YoY

- New Lending 45% higher YoY
- 97% of Inflows (€1.8bn) to Fixed Rate Products, Fixed Book now largest proportion of Mortgage Book (48%) +19% since FY19
- Tracker Book reduced to 35% of overall Home Loan Book, down 10% since FY19
- New Business exceeded Outflows² by 20% with 41% of outflows from Tracker Products (average yield 1.36%)

Average Home Loan New Business yield of 2.69%, a reduction of 12 Bps YoY

- The Bank introduced competitive 3 & 5 Year Rates for High Value (>250k) New Business
- Launched 4 Year Fixed Rate Only product with rates from 2.25%

€1.9bn reduction in the BTL Mortgage Book in 2 years

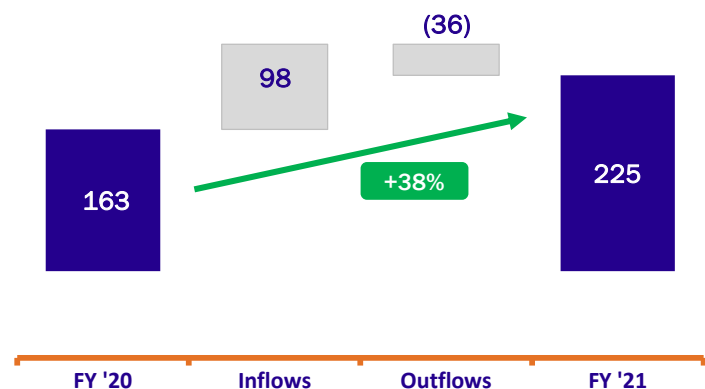
- €1.4bn Loan Sale in Q4'20 ("Glenbeigh II")
- €0.3bn reduction in BTL loan book in 2021 through Repayments & Redemptions (€0.2bn) and Net Defaults (€0.1bn)
- Average yield on Performing BTL book at Dec'21 of 1.69%; remains in line with Dec'20
- NSME/Interest Only Programme now closed

Total SME Loan Book

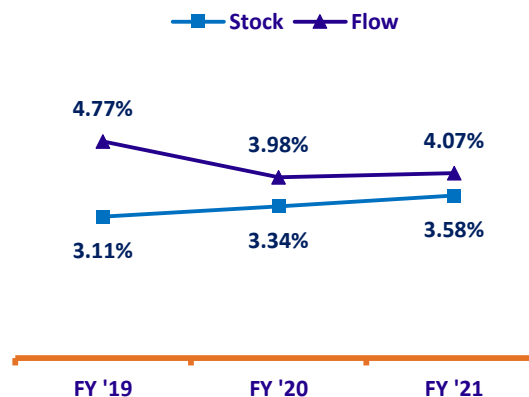
New Lending Driving 38% Growth In SME Loan Book



Total SME Book Movement (€m)¹

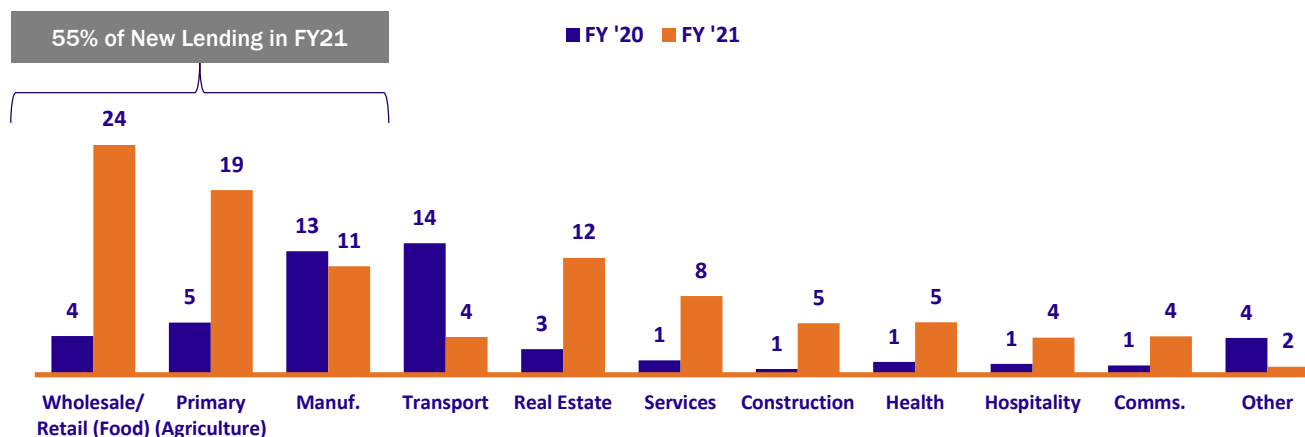


SME Yield (%)



- SME Loan Book grew 38% YoY as the pace of new lending exceeds outflows
- New Lending of €98m (+104% YoY), with a blended yield of 4.07%
- Pipeline remains strong with applications double that of prior year

Growing New SME Lending By Sector Year on Year (€m)



- 55% of New Business to Wholesale/Retail Food, Agriculture & Manufacturing Sectors (FY20 45%)
- 40% of New Lending through SBCI Future Growth Loan Scheme in 2021
- €32m Loan Fund available through the (SBCI) Brexit Impact Loan Scheme in 2022
- Plus €1 billion Loan Fund available to fund over the next 3 years

Operating Expenses

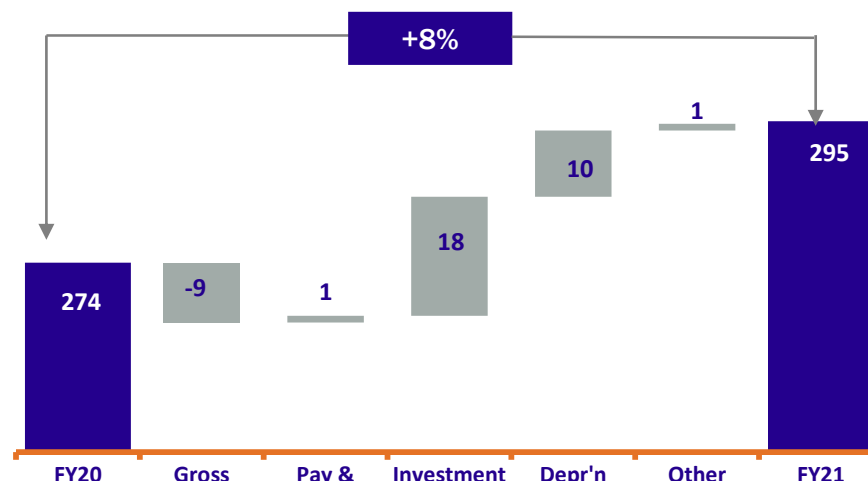
Total Underlying Operating Expenses Increase By 8%



Cost Base Analysis	FY'21 €m	FY'20 €m	YoY €m	YoY %
Staff Costs	140	148	-8	-5%
Other Costs	108	89	+19	+21%
Total Addressable Costs	248	237	+11	+5%
Depreciation	47	37	+10	+27%
Underlying Operating Expenses¹	295	274	+21	+8%
Regulatory Charges	50	49	+1	+2%
Total Underlying Operating Costs	345	323	+22	+7%

Cost Income Ratio ²	82%	73%	-	+9%
Average Staff Numbers	2,286	2,428	-143	-6%
Closing Staff Numbers ³	2,236	2,435	-199	-8%

Movement In Underlying Operating Expenses (€m)



- The Cost Income Ratio at 82% is 9 pts higher YoY, with Total Income 4% Lower and Total Costs 7% higher.
- Closing Staff Numbers of 2,236 at Dec'21 reduced by 199 FTE (8%) from 2,435 at Dec'20.

- €8m Net Reduction in Staff Costs – Savings from Enterprise Transformation Programme significantly exceeded cost of wage inflation.
- The cost of Investment over the last number of years can now be seen through the Depreciation Charge of €47m, 27% higher YoY.
- €18m higher cost from Investment as we invest in key areas of demand and accelerate delivery of the Digital Banking programme

1. Underlying Operating Expenses exclude provisions for non-core items (€15m), this net provision is presented in Exceptional Items. In the prior year (FY20) Underlying Operating Expenses excluded Covid-19 related expenses (€5m) and Impairment of Properties (€1m), these items were reported through Exceptional Items.

2. Cost Income Ratio is calculated as Operating Expenses (excl. Regulatory Charges and Exceptional Items) divided by Total Operating Income.

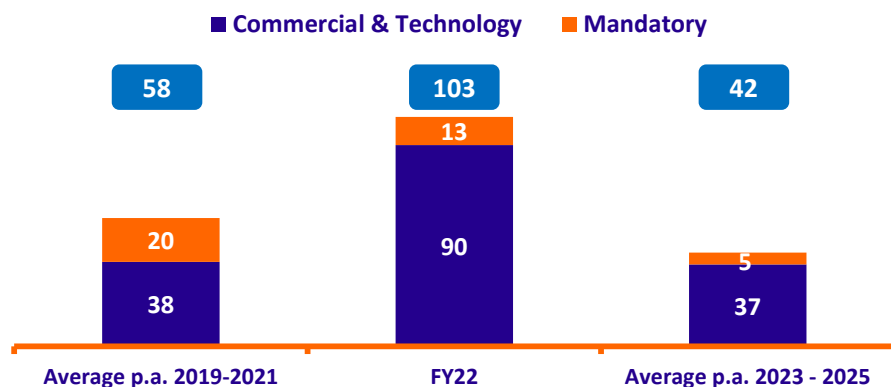
3. Closing staff numbers are calculated on a full time equivalent (FTE) basis.

Continuing To Invest In Key Strategic Priorities

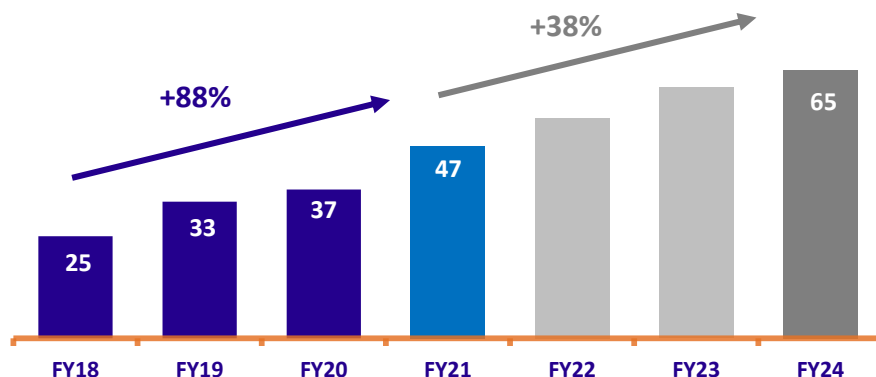
Depreciation Increasing As We Pay For Investment



Average Annual Investment Spend (€m)¹



Annual Depreciation² Trajectory (€m)



2019 - 2021

Commercial & Technology Investment ~€113m

- Modernising Architecture & Renovating Core Platforms
- Developing Digital Customer Journeys
- Deployed Digital Payment Tools (Apple Pay & Google Pay)
- Property Modernisation & Refurbishment
- Operational Resilience & Cyber Security

Regulatory & Mandatory Investment ~€60m

GDPR, PSD2, AML, Secure Customer Authentication (SCA)

2022 - 2025

Commercial & Technology Investment Planned ~€90m (FY22)

- Every Day Banking – Scalable, Resilient, Digital Servicing Platform
- Product & Service Propositions
- Brand Investment
- Data & Analytics
- Data Centre & IT Resilience

Higher Depreciation Trajectory over the next 5 years

€1m Impairment Release

Reflecting Asset Quality And Macro-Economic Factors



Impairment Release/(Charge) (€m)

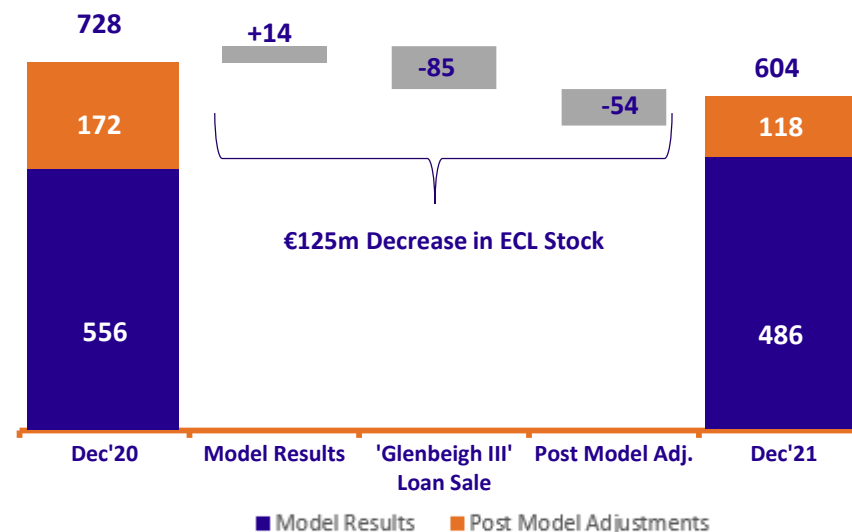
Expected Credit Loss (€'m)	FY 2021	FY 2020
Model Results	(59)	(42)
Post Model Adjustments	54	(112)
Other P&L Items	6	(1)
Total Impairment Release / (Charge)	1	(155)

Cost of Risk¹

103bps

Provision Stock (€m)

Obps



- Provision stock reflects the latest forward looking macro-economic scenarios (see table across)
- Reduction of €54m YoY in Post Model Adjustments reflects the incorporation of expert judgement at December 2021 into the Bank's modelled approach e.g. non-standard mortgage cohort
- The Bank expects a cost of risk in the low, single basis points for FY22, subject to there being no material deterioration in the economic outlook

ECL Macroeconomic Projections Average Value Over First Year of Forecast

	Base ²	Upside ³	Downside ⁴
HPI	4%	13%	-11%
Unemployment	7%	6%	12%
GDP	6%	10%	-4%
CPI	3%	2%	4%

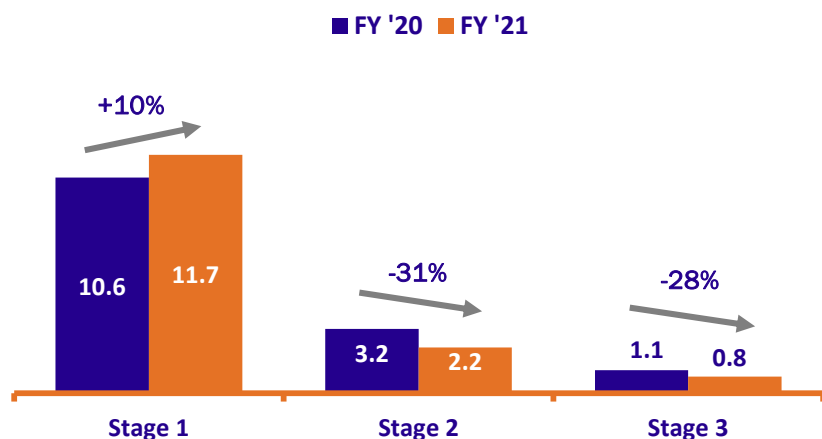
- Cost of Risk calculated as annual impairment charge / average net loans & advances for the last 12 months
- Base Scenario: The Base scenario was constructed as a 1-in-2 year outcome (50% probability that losses will be higher, 50% probability that losses will be lower)
- Upside scenario: The Upside scenario was constructed as a 1-in-20 year outcome (95% probability that losses will be higher, 5% probability that losses will be lower)
- Downside scenario: The Downside scenario was constructed as a 1-in-20 year outcome (5% probability that losses will be higher, 95% probability that losses will be lower)

Asset Quality Improving

NPL Ratio Reduced to 5.5% and Provision Coverage Broadly Stable

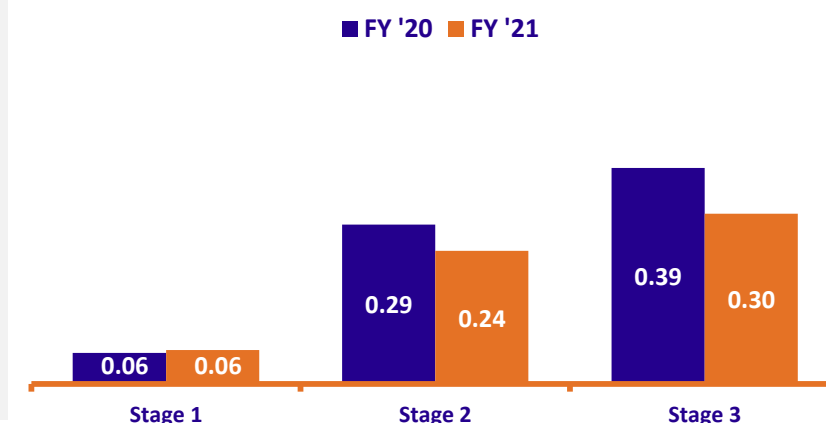


Total Loan Book By Stage (€bn)



NPL Ratio
Reduced
By 2.1%
to 5.5%

Provisions By Stage (€bn)



Asset Quality / Coverage

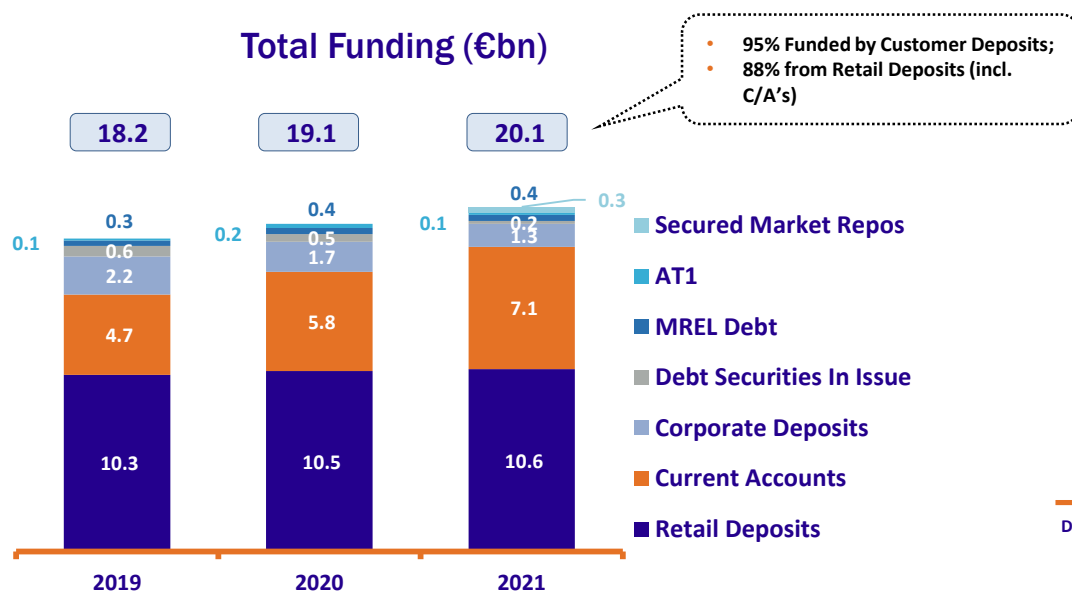
Category	Balance (€bn)	ECL (€bn)	Coverage (%)	+ / - Vs FY '20
Stage 1	11.7	0.06	0.5%	0 pts
Stage 2	2.2	0.24	10.6%	+1.6 pts
Stage 3 (NPLs)	0.8	0.30	37.3%	+3.0 pts
Total	14.7	0.60	4.1%	-0.8 pts

- Gross Performing Loans have increased by 1% in 2021 to €13.9bn
- Non Performing Loan book (stage 3) decreased by c. €0.3bn (28%) to €0.8bn, primarily driven by 'Glenbeigh III' loan sale together with Organic Cures in the year offsetting New Defaults
- Movement of c.€1bn from Stage 2 to Stage 1 reflects model refinements to BTL Capital & Interest cohort and positive outcomes from Non-Standard Mortgage review
- Remain committed to reducing NPL Ratio further in the Medium Term

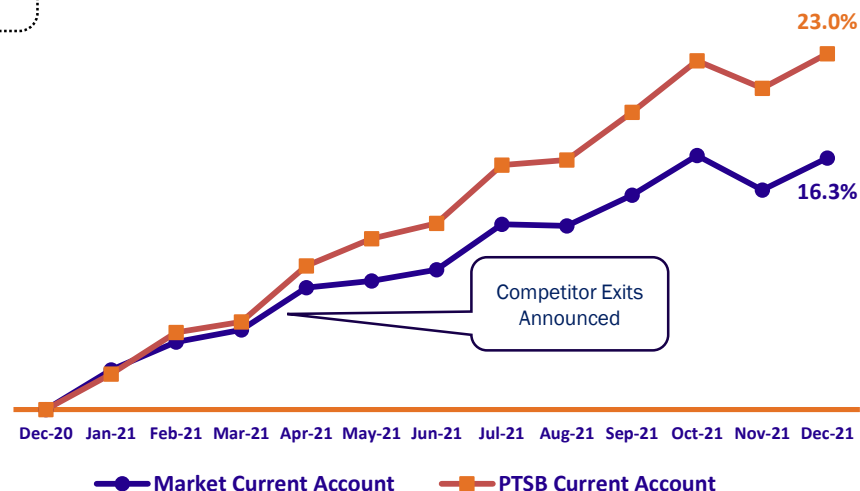
- Stage 1 & 2 Loan balances and associated ECL remained stable as new lending is offset by redemptions
- Fully Loaded Leverage Ratio remains strong at 7.1%

Strong Funding And Liquidity Position

Ratios Significantly Better Than European Peers



Current Account Increase (%) Market Growth v PTSB Growth



- Current Account balances have increased by €1.3bn (23%) in 2021
- Retail Deposits have remained broadly in line, while Corporate Deposits reduced by €0.4bn (23%) YoY
- The average volume of Excess Liquidity held with the CBI which attracted a rate of -50bps was c.€2.3bn
- Intermediate MREL target of 24.5% of Risk Weighted Assets - binding on 1 January 2022.
- December 2021 MREL ratio of 25.9% is comfortably above Management & Regulatory Requirements

Liquidity And Funding Ratio

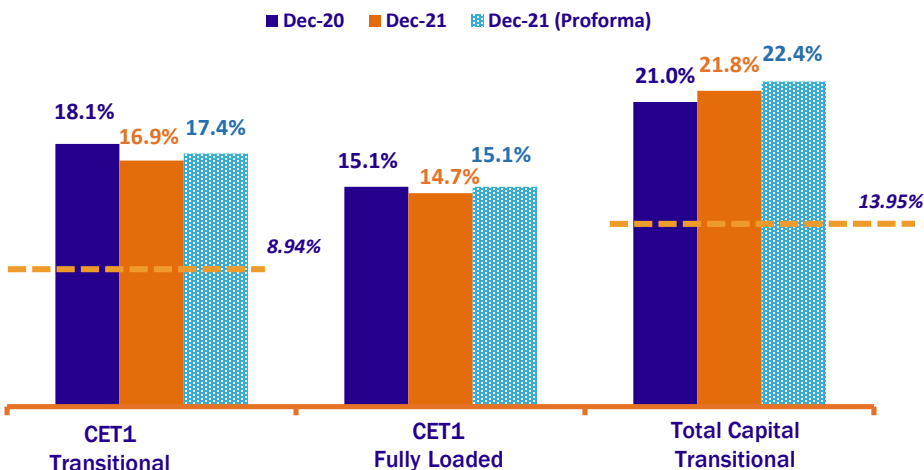
Ratio	Dec 21	European Bank Average	PTSB v European Peers
LCR ¹	274%	174%	+100%
NSFR ²	170%	126%	+44%
LDR ¹	75%	104%	-29%
Encumbrance ¹	6%	23%	-17%

Capital Ratios Remain Above Regulatory Requirements

Proforma CET1 Fully Loaded Ratio 15.1%



Regulatory Capital Ratios (%)



Proforma¹ Capital Ratios:

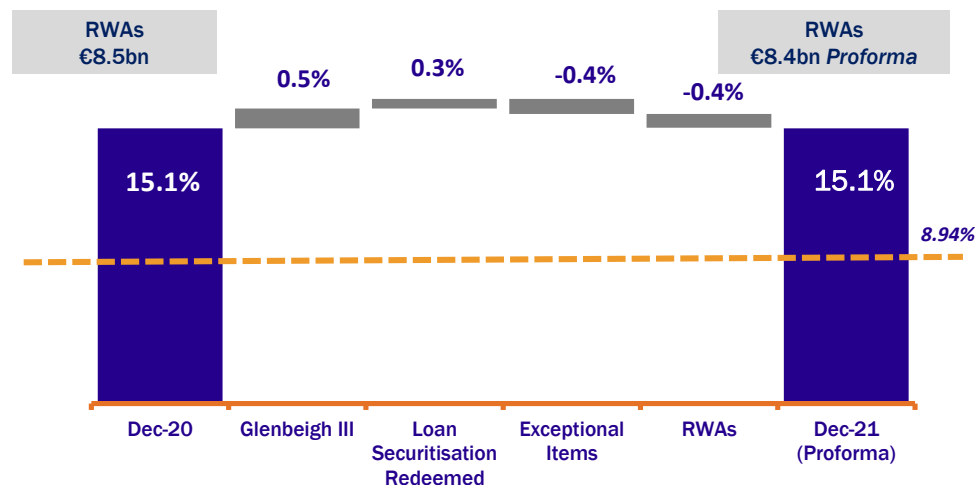
Total Capital Transitional of 22.4%, +140 bps YoY; primarily due to

- €250m Tier 2 Issuance May 21 +300 bps
- Loan Disposal "Glenbeigh III" +80 bps & Loan Securitisation Redeemed + 40 bps

Partly Offset By:

- De-recognition of €125m, 2015 AT1 -100 bps
- Higher Risk Weighted Assets -60 bps
- Exceptional Items & Prudential Filters -110 bps

CET1 Fully Loaded Ratio Movement (%)



Proforma¹ CET1 Ratio:

Fully Loaded CET1 ratio at 15.1%, in line with prior year

- Glenbeigh III Loan Disposal +50 bps
- Loan Securitisation Redeemed +30 bps

Offset By:

- Higher Risk Weighted Assets -40 bps
- Project Sun & Restructuring Costs -40 bps

Management CET1 (Fully Loaded) Long Term Target is c.14%.

Summary - 2021 Outturn



Growth

- Strong Performance €2.1bn in Total New Lending, +44% YoY
- Mortgage Market Share Grew to c. 18%, clear No.3 Mortgage Provider in Ireland
- Home Loan Mortgage Book grew 4% YoY
- SME Loan Book grew 38% YoY
- Operating Income 4% lower with Fees & Commission Income strong, +25% YoY
- Non Interest Income c.10% of Total Income
- NIM c. 1.51% - Impacted by the costs of holding higher levels of excess liquidity.
- Underlying NIM c. 1.76%.

Efficiency

- Operating Expenses increased as investment in Digital Infrastructure accelerated to support growth
- The Bank will continue to make underlying cost savings to help pay for Investment
- NPL Ratio reduced to 5.5% while protecting capital
- €1m Impairment Release as Asset Quality remains good and macro-economic environment more favourable

Returns

- Return to Profitability from FY22 onwards supported by net accounting gains on the Ulster Bank transaction
- Management CET1 (Fully Loaded) Long Term Target c.14%.
- Leverage Ratio c. 7%

Medium Term Outlook

Eamonn Crowley, CEO



Transformational Journey Over the Last Decade

Consistent Progress to Becoming Ireland's Third "Pillar" Bank



	2011/2012		2016		2021
LDR%	227%	>	111%	>	75%
System Funding	€20bn	>	€1.4bn	>	€nil
Total New Lending	€0.1bn	>	€0.6bn	>	€2.1bn
Mortgage Market Share	2%	>	10%	>	18%
Underlying NIM % ¹	0.72%	>	1.48%	>	1.76%
NPL%	28%	>	28%	>	5.5%
CET1% (FL)	11.3%	>	14.9%	>	15.1%

Signed Legally Binding Agreement

Potential Acquisition of €7.6 Billion of Assets From NatWest and Ulster Bank DAC



- The Transaction envisages PTSB acquiring:
 - €7.6 billion (as of 30 June 2021) Retail and SME loans,
 - 25 branches; and
 - c.450 Ulster Bank staff may transfer to PTSB (subject to TUPE)
- As part of the consideration, NatWest will become a shareholder with 16.66% of the enlarged share capital of PTSB together with an additional cash consideration payable by PTSB
- The potential transaction is expected to be accretive to RoE with PTSB expected to hold a long term pro forma management CET1 Ratio of >14%
- Subject to regulatory engagement, PTSB does not envisage it will require additional new equity capital to complete the potential transaction

Permanent TSB will acquire

approximately **€7.6 billion** of assets from Ulster Bank



The performing non-tracker residential mortgage book of Ulster Bank (approx. €7 billion)



The performing micro-SME/Business Direct loan book of Ulster Bank (approx. €230 million)



The Lombard Asset Finance loan business of Ulster Bank (approx. €400 million)

All values are accurate as of 30th of June 2021



25 Branches

in Ulster Bank's branch network

Most importantly we look forward to welcoming hundreds of new colleagues and thousands of new customers



A Transformative Deal for Permanent TSB

+40% (approx)
in Mortgage Book

+200% (approx)
in SME Lending Book

+30% (approx)
in Branch Network

Timelines



Transfer of Mortgage Book -
end Q4 2022



Transfer of SME and Lombard businesses -
no later than H1 2023



Subject to relevant approvals



2024 Business Model

Great tech
and great
people
building a
sustainable
bank for the
future.

Digitally-Led
Everyday
Banking



Nationwide
Community
Presence



Personalised
Customer
Experiences



Enhanced
Product
Offering



Diverse &
Inclusive
Workplace

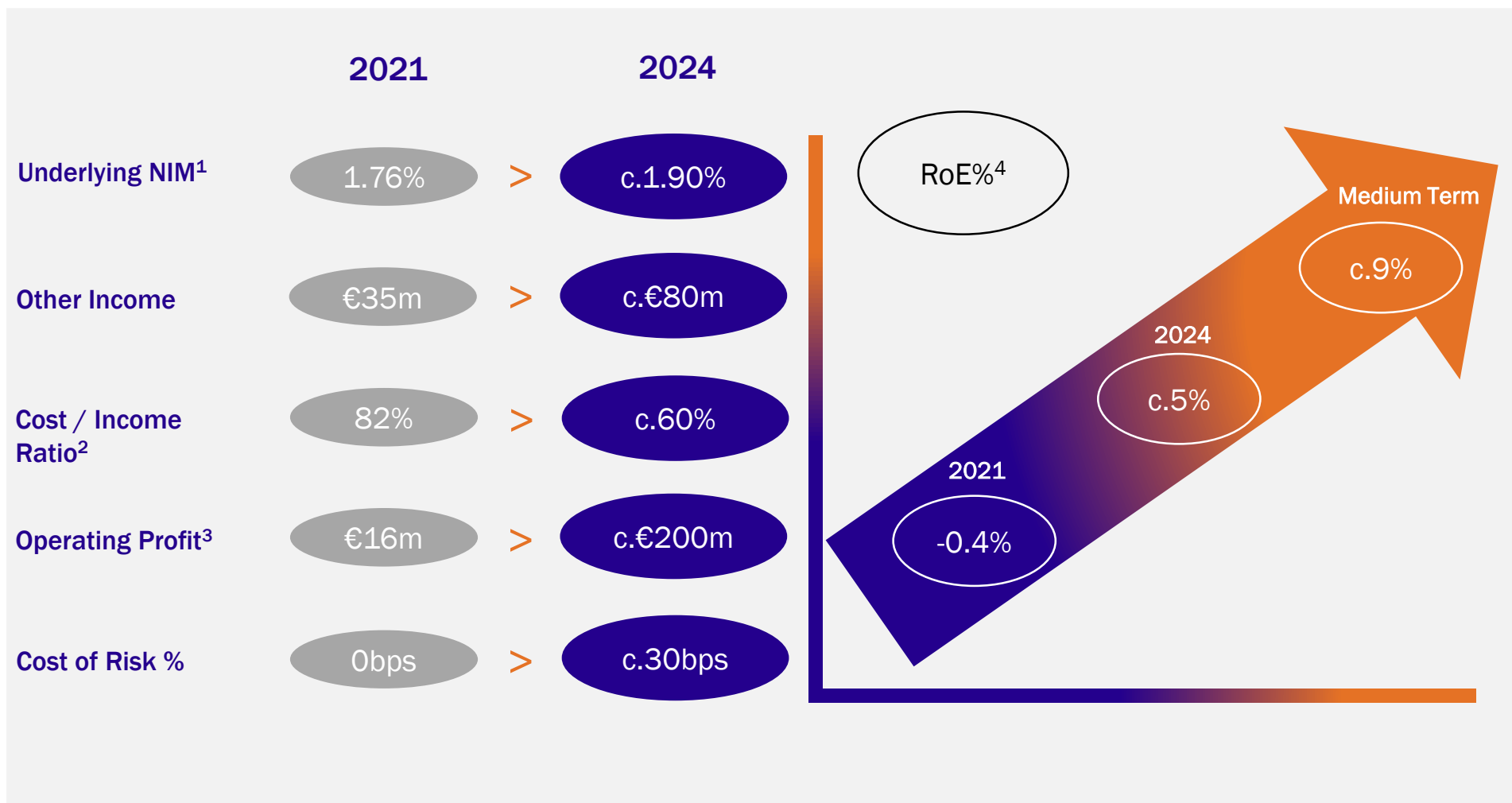


Sustainability
Fully
Integrated



Medium Term Goals

Growing Sustainable Profitability Underpinned By Ulster Bank Transaction



1. Underlying Net Interest Margin adjusts for the current cost of holding higher levels of excess liquidity. No ECB interest rate rises assumed during the period.
2. Cost / Income Ratio calculated as Total Operating Expenses (excl. Regulatory Costs) divided by Total Income
3. Operating Profits are Profits before Impairment and non-core items.
4. RoE% calculated as Profit After Tax (excl. Exceptional Items) divided by Notional Equity (RWAs*Long Term CET1% requirement)

Appendix



Domestically Focused Retail And SME Bank



Business Overview

Business

€13.9bn

Performing
Loan Book

€7.1bn

Current Account
Balances

€10.6bn

Retail Deposit
Balances

Market Share

c.15%

Residential
Mortgage
Balances¹

13%

Current Account
Balances²

10%

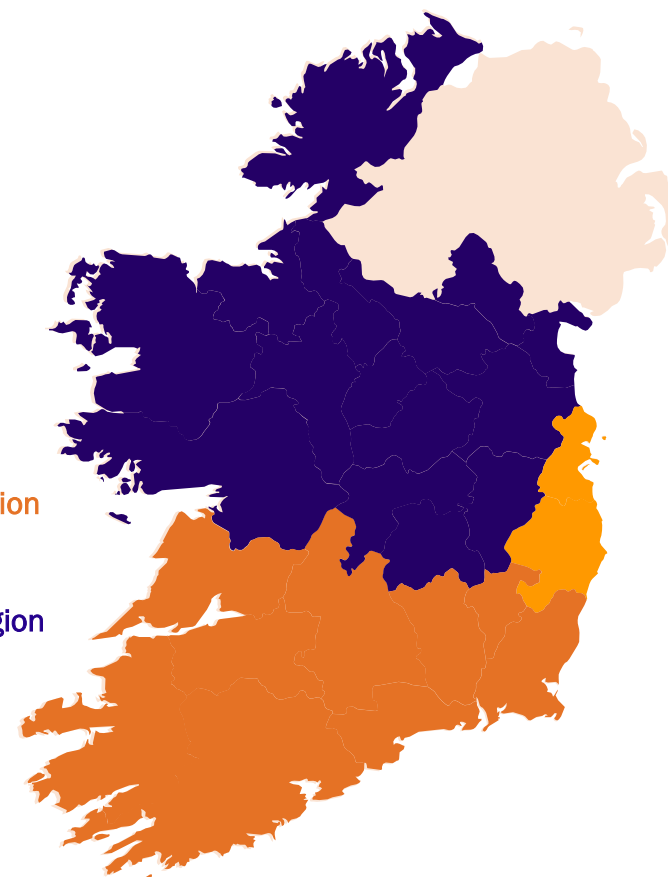
Retail Deposit
Balances²

Our Physical Landscape

Dublin Region
25 Branches

South & East Region
25 Branches

North & West Region
26 Branches



Historical Financial Information – Income Statement



€m	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Net Interest Income	313	341	356	379	407
Other Income	48	34	58	63	38
ELG Fees	-	-	-	-	(2)
Total Operating Income	361	375	414	442	443
Total Operating Expenses (Before Exceptional Items) ¹	(345)	(323)	(330)	(331)	(329)
Pre-Impairment Profit / (Loss)	16	52	84	111	114
Impairment (Charge) / Write-Back	1	(155)	(10)	(17)	(49)
(Loss) / Profit Before Exceptional Items	17	(103)	74	94	65
Exceptional Items (Net)	(38)	(63)	(32)	(91)	(13)
(Loss) / Profit Before Tax	(21)	(166)	42	3	52

Key Metrics	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Net Interest Margin	1.51%	1.73%	1.80%	1.78%	1.80%
Cost Income Ratio ¹	82%	73%	80%	75%	74%

1. Operating Expenses exclude provisions for non-core items (€15m), this net provision is presented in Exceptional Items. In the prior year (FY20) Underlying Operating Costs excluded Covid-19 related expenses (€5m) and Impairment of Properties (€1m), these items were reported through Exceptional Items.
2. Cost Income Ratio is calculated as Operating Expenses (excl. Regulatory Charges and Exceptional Items) divided by Total Operating Income

Historical Financial Information – Balance Sheet



€bn	Dec 2021	Dec 2020	Dec 2019	Dec 2018	Dec 2017
Total Loan Book (net)	14.2	14.2	15.6	15.9	18.4
Treasury Assets	6.7	5.9	3.6	3.8	3.5
Other Assets	1.3	0.8	1.1	2.1	0.9
Total Assets	22.2	20.9	20.3	21.8	22.8
ROI Retail Deposits (Incl. Current Accounts)	17.7	16.3	15.0	14.8	14.3
Corporate & Institutional	1.3	1.7	2.2	2.2	2.7
Total Customer Deposits	19.1	18.0	17.2	17.0	17.0
Wholesale Funding	0.9	0.8	0.9	2.6	3.3
ECB Funding	-	-	-	-	0.2
Other Liabilities	0.5	0.2	0.2	0.2	0.2
Total Liabilities	20.4	19.0	18.3	19.8	20.7
Total Equity (incl. AT1)	1.8	1.9	2.0	2.0	2.1
Total Equity and Liabilities	22.2	20.9	20.3	21.8	22.8
Key Metrics:					
NPLs	€0.8bn	€1.1bn	€1.1bn	€1.7bn	€5.3bn
LDR	75%	79%	91%	93%	108%
CET1 Ratio (Fully Loaded Basis)	15.3%	15.1%	14.6%	12.2%	15.0%

Interest Income Analysis



	Average Balances (€bn)		Yields (%)		Interest Income (€m)	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Tracker	6.6	8.1	1.3%	1.3%	85	104
Fixed and Variable	7.8	7.2	3.2%	3.6%	249	255
Consumer Finance	0.3	0.3	9.6%	8.4%	28	27
SME / CRE	0.2	0.2	3.8%	3.2%	9	7
Treasury Assets	6.5	4.5	-0.1%	0.1%	(7)	5
Underlying Interest Income					364	398
Deferred Acquisition Costs and Accounting Adjustments					(25)	(21)
Total Interest Income					339	376

Interest Expense Analysis



	Average Balances (€bn)		Cost of Funds (%)		Interest Expense (€m)	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Current Accounts	6.5	5.3	0.0%	0.0%	0	0
Retail Deposits	10.6	10.4	0.0%	0.1%	5	15
Corporate Deposits	1.5	1.9	0.5%	0.5%	8	10
Wholesale Funding	0.8	0.9	1.6%	1.1%	14	10
Underlying Interest Expense					26	35
Other					0	0
Total Interest Expense					26	35

Asset Quality



Loans and Advances to Customers

Measured at Amortised Cost

	31-Dec 2021 €m	31-Dec 2020 €m
Home Loans	12,568	12,338
Buy To Let	1,623	2,009
Total Residential Mortgages	14,191	14,347
SME / CRE	196	181
Consumer Finance	358	327
Total Measured at Amortised Cost	14,745	14,855

Analysed By ECL Staging

Stage 1	11,689	10,575
Stage 2	2,239	3,152
Stage 3	815	1,127
POCI	2	1
	14,745	14,855

Neither past due nor Stage 3	13,885	13,692
Past due but not stage 3	43	35
Stage 3 & POCI	817	1,128
Loss Allowance – Statement of Financial Position	14,745	14,855

Stage 1	61	55
Stage 2	238	286
Stage 3	305	387
Total Loss Allowance	604	728

NPLs and NPAs



31-Dec 21	Stage 3 Analysis				
	Home Loan €m	Buy-To-Let €m	SME/CRE €m	Consumer Finance €m	Total €m
NPL is < 90 Days	251	177	40	1	469
NPL is > 90 Days and < 1 year past due	32	89	1	6	128
NPL is 1-2 years past due	39	25	-	2	66
NPL is 2-5 years past due	36	10	-	1	47
NPL is > 5 years past due	62	38	3	2	105
POCI	-	-	-	2	2
Non-performing loans	420	339	44	14	817
Foreclosed assets ¹	4	24	-	-	28
Non-performing assets	424	363	44	14	845
Gross Loans	12,568	1,623	196	358	14,745
NPLs as % of gross loans	3.3%	20.9%	22.4%	3.9%	5.5%

31-Dec-20	Stage 3 Analysis				
	Home Loan €m	Buy-To-Let €m	SME/CRE €m	Consumer Finance €m	Total €m
NPL is < 90 Days	464	319	28	1	812
NPL is > 90 Days and < 1 year past due	42	32	1	9	84
NPL is 1-2 years past due	42	14	-	1	57
NPL is 2-5 years past due	21	4	2	1	28
NPL is > 5 years past due	89	49	4	4	146
POCI	-	-	-	1	1
Non-performing loans	658	418	35	17	1,128
Foreclosed assets ¹	5	25	-	-	30
Non-performing assets	663	443	35	17	1,158
Gross Loans	12,338	2,009	181	327	14,855
NPLs as % of gross loans	5.3%	20.8%	19.3%	5.2%	7.6%

Regulatory Capital



	31 Dec 21		31 Dec 20	
	Transitional	Fully Loaded	Transitional	Fully Loaded
	€m	€m	€m	€m
Risk Weighted Assets	8,600	8,603	8,480	8,471
Capital Resources:				
Common equity tier 1	1,457	1,265	1,535	1,282
Additional Tier 1 ¹	123	123	190	198
Tier 1 Capital	1,580	1,388	1,725	1,480
Tier 2 Capital	290	290	54	59
Total Capital	1,870	1,678	1,779	1,539
Capital Ratios:				
Common Equity Tier 1 Capital	16.9%	14.7%	18.1%	15.1%
Tier 1 Capital	18.4%	16.1%	20.3%	17.5%
Total Capital	21.8%	19.5%	21.0%	18.2%
Leverage Ratio²	7.1%	6.3%	8.2%	7.1%

	31 Dec 21		31 Dec 20	
	Transitional	Fully Loaded	Transitional	Fully Loaded
	€m	€m	€m	€m
Total Equity	1,788	1,788	1,951	1,951
Less: AT1 Capital	(123)	(123)	(245)	(245)
Adjusted Capital	1,665	1,665	1,706	1,706
Prudential Filters:				
Intangible Assets	(53)	(53)	(72)	(72)
Deferred Tax	(249)	(347)	(213)	(343)
IFRS 9 Transitional Adjustment ³	94	-	122	-
Others	-	-	(8)	(9)
Common Equity Tier 1 Capital	1,457	1,265	1,535	1,282

1. The amount of Additional Tier 1 (AT1) Capital and Tier 2 instruments included within the 2020 consolidated capital of the holding company is restricted within the limits laid down under the CRR. Effective 1 January 2018, these restrictions are now fully phased in. These restrictions do not apply in 2021 as the current AT1 and Tier2 instruments are issued out of the Holding Company (HoldCo)
2. The leverage ratio is calculated by dividing Tier 1 Capital by gross balance sheet exposure (total assets and off-balance sheet exposures).
3. The CET1 transitional impact to the Group as a result of EU Regulation 2017/2395 mitigating the impact of the introduction of IFRS 9 own funds. This was further amended by the adoption of Regulation EU 2020/873 ("CRR Quick Fix")

Thank You

End of Presentation

