Debt Investor Update
June 2023

Members of the Irish Olympic Team and the Irish Paralympic Team pictured at the launch of Permanent TSB's title sponsorship of Team Ireland for the 2024 Games in Paris.

We are a community serving the community

permanent tsb
Group Holdings plc

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

1 **Introduction & Journey to Date**

2 **2022 & Q1'23 Highlights**

3 **Financial Performance**

4 **Ulster Bank Acquisition**

5 **Funding & Capital**

6 **Asset Quality**

7 **ESG**

8 **Appendix**

Domestically Focused Retail And SME Bank

Business Overview

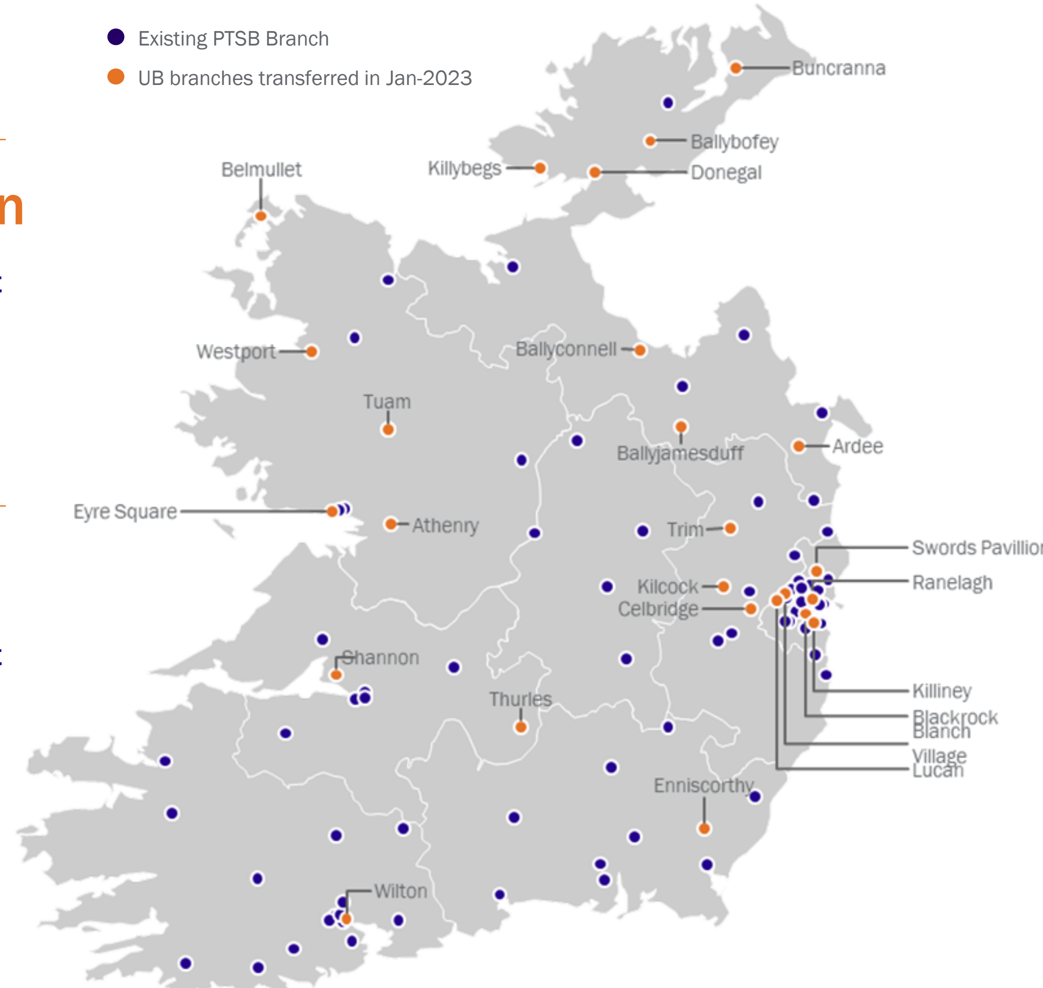
Business

€19.2bn	€9.0bn	€11.6bn
Performing Loan Book	**Current Account Balances**	**Retail Deposit Balances**

Market Share

c. 25%	13.3%	10.9%
Residential Mortgages[1]	**Current Account Balances[2]**	**Retail Deposit Balances[2]**

Branch Footprint



1. New Mortgage Market Share as at March 2023. Source: BPFI
2. Data based on balances as at December 2022. Source: Central Bank Statistics.

permanent tsb

Transformational Journey Over the Last Decade

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

	2011/2012		2016		2022
LDR%	227%	>	111%	>	90%
System Funding	€20bn	>	€1.4bn	>	€nil
Total New Lending	€0.1bn	>	€0.6bn	>	€2.8bn
Mortgage Market Share	2%	>	10%	>	18.5%
Net Interest Margin%	0.72%	>	1.48%	>	1.54%
NPL%	28%	>	28%	>	3.3%
CET1% (FL)	11.3%	>	14.9%	>	15.2%

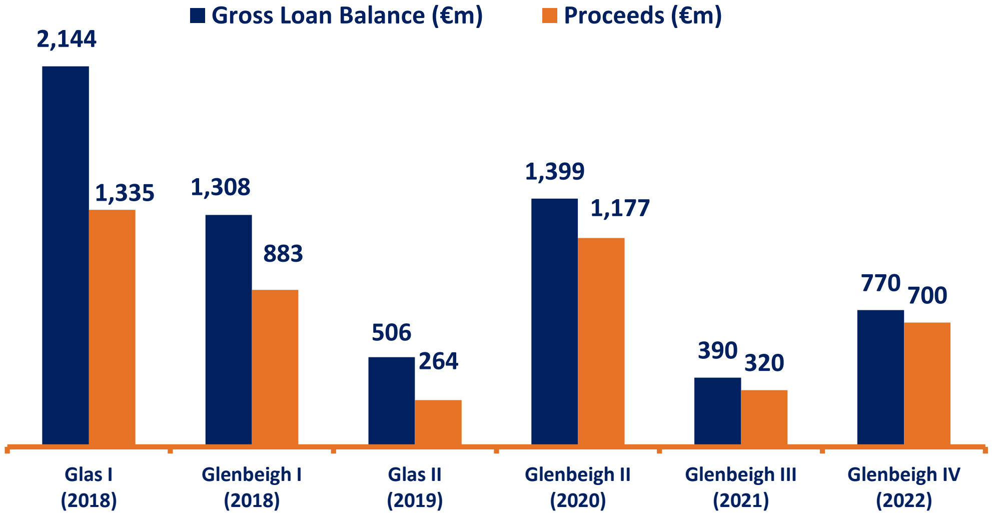
Rebuilding of the Bank is complete; now we can focus on sustainable profitable growth & expansion

permanent tsb

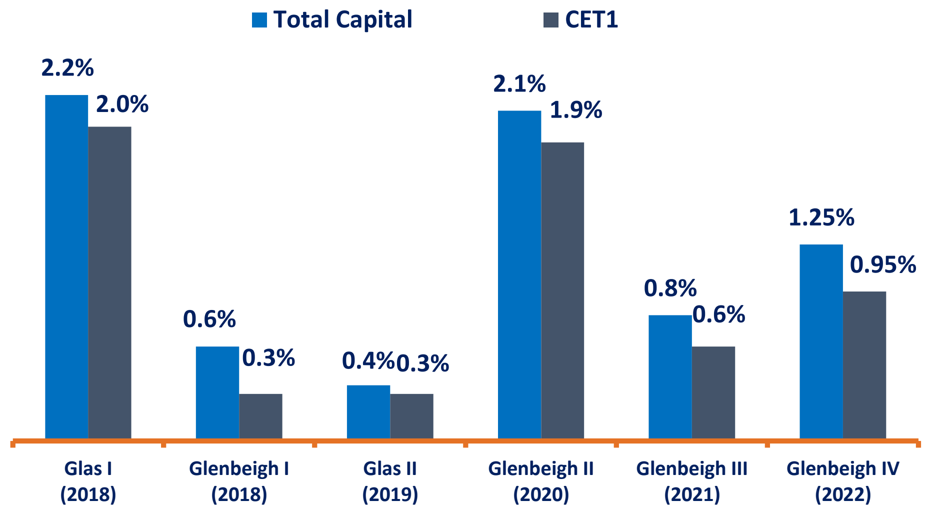
Group Deleveraging Transactions (2018-2022)

Capital Generation Across All Transactions

Deleveraging Transactions



Capital Impact (Transitional)



- Since 2018, PTSB has deleveraged c.€6.5bn of non-performing, re-performing and performing loans across six transactions.
- PTSB has received proceeds of c.€4.7bn relating to deleveraging activity, allowing the Bank to repay outstanding ECB funding.
- The quality of the overall asset book has improved as a result, with the NPL ratio improving significantly from 26% as at December 2017 to 5.14% in 2022 (post-Glenbeigh IV) and further to 3.3% at FY22 following the onboarding of Ulster Bank performing assets.

- PTSB's deleveraging activity has generated additional capital across all six transactions.
- The Bank's capital level and related balance sheet strength has increased since the end of 2017 as a result and headwinds such as TME & TRIM have been negated.
- Overall, the Total Capital Ratio (on a transitional basis) improved from 18.4% as at December 2017 to 22.4% following the completion of Glenbeigh IV (H2 2022).
- The Bank's CET1 ratio (on a transitional basis) was 17.1% following completion of Glenbeigh IV, the same level as December 2017 and well above the current regulatory requirement of 8.94%.

2022 Financial Performance Summary

A Robust Financial Performance with a Positive Outlook

2022 - A Transformative year

€267m	• Profit Before Tax (PBT) reflects a purpose driven business; Underlying PBT[1] €45m & growing
18.5%	• Growing New Mortgage Business & National Market Share
1.92%	• Q4'22 NIM 1.92%, momentum in Net Interest Income; positively exposed to rising interest rates
+€2.8bn	• Continued strength in the Deposit franchise
84%	• Cost Income Ratio[2]; positive outlook for 2023, target reducing by 10 - 15ppts
3.3%	• Asset Quality remains robust; NPL Ratio 3.3%; prudently provisioned for economic cycle
28.5%	• MREL ratio, above Management & Regulatory Requirements
178%	• Liquidity coverage ratio; lower due to utilisation of excess liquidity to fund NatWest/ Ulster Bank transaction
154%	• Net stable funding ratio; well ahead of minimum 100% requirement as of June 2022
15.2%	• CET1 (Fully Loaded); 1.2% ahead of Management Medium Term Target of c.14%

FY23 and Medium Term Target Represents Higher and More Sustainable Returns

1. Underlying Profit refers to Profit before Exceptional Items and Tax
2. Cost Income Ratio is calculated as Operating Expenses (excl. Regulatory Charges and Exceptional Items) divided by Total Operating Income.

permanent tsb

A Purpose Led Strategy

Delivering our Strategy is our Focus

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

To Be Ireland's Best Personal And Small Business Bank

A Business Model With Great People and Great Tech
Building A Sustainable Bank for the Future

Digitally Led Every Day Banking with a Nationwide Community Presence	Personalised Customer Experience and Enhanced Product Offerings	A Diverse & Inclusive Workplace with Sustainability Fully Integrated

Strategic Priorities Across 4 Key Pillars

Connected Customer Experience	Cultural Evolution	Secure & Resilient Foundations	Sustainable Business Growth

With Foundational Capabilities

Risk Management & Regulation	Information Security & Operational Resilience	Data & Analytics

2023 Marks a Step-Change In Our 200 Year History

Migrating c. €6.7bn of assets from Ulster Bank

Growing Employees, from c. 2,400 colleagues to c. 3,000

Welcoming 330 New Colleagues from Ulster Bank & Thousands of New Customers

Extending our Offering to Customers with Asset Finance & Micro-SME

Increasing our Branch Network to 98

Launching New & Compelling Customer Journeys

Further Integrating our Sustainability Strategy

Activating our Olympic & Paralympic Sponsorship

Outlook – FY 2023

A Purpose Driven Strategy

Well Positioned to Drive Sustainable Profitable Growth in 2023 and Beyond

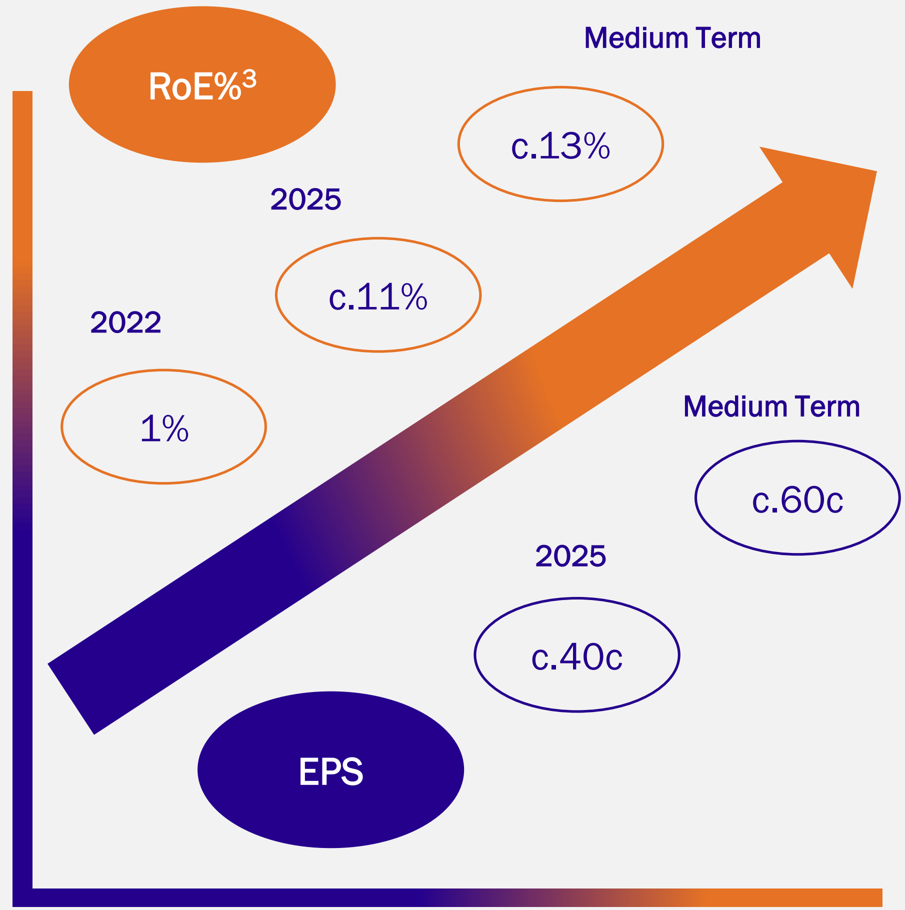
Total Income	Cost Income Ratio[1]	Cost of Risk	Underlying Profit	Underlying RoE[2]
c. €650m	<70%	c. 10 bps	>€160m	c. 7%

The Bank will provide updated guidance for the remainder of the year at its HY23 Interim Results

1. Cost Income Ratio is calculated as Operating Expenses (excl. Regulatory Charges and Exceptional Items) divided by Total Operating Income
2. RoE% calculated as Profits Attributable to Shareholders (excl. Exceptional Items) divided by Notional Equity (RWAs*Long Term CET1% requirement)

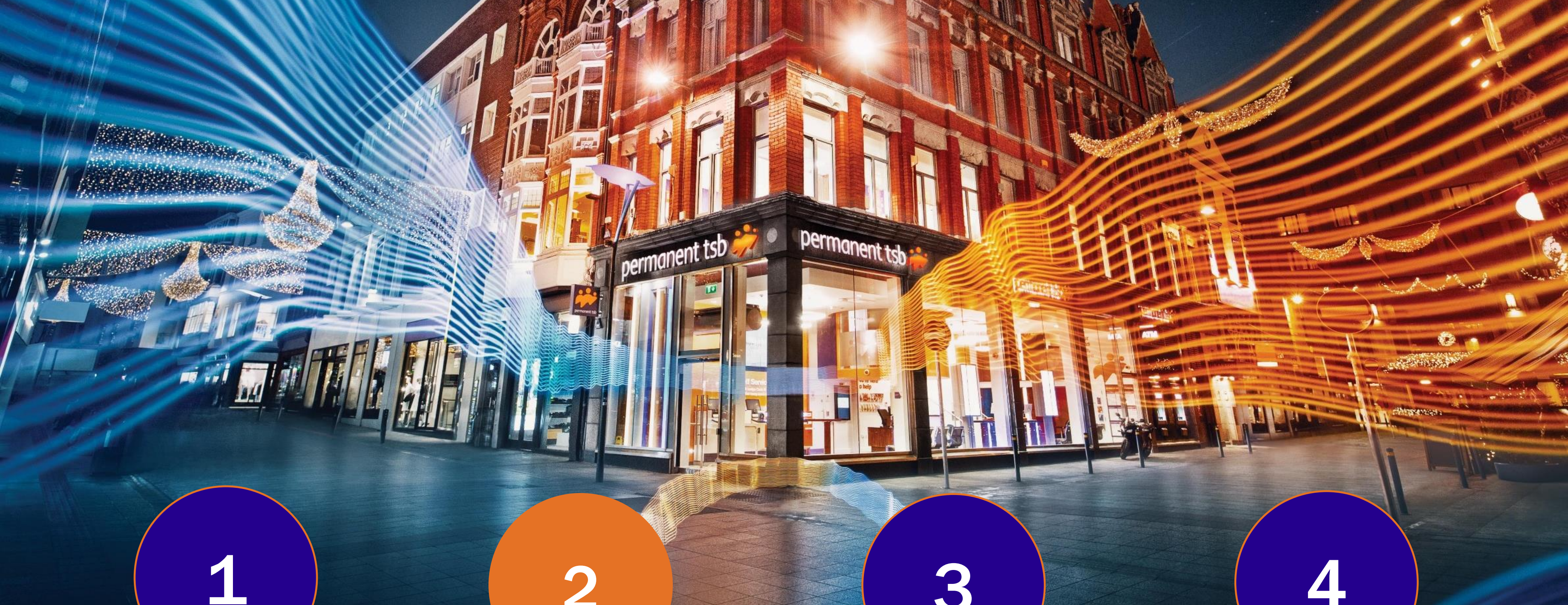
Medium Term Goals
Remain On Course to Deliver Sustainable Returns

	2022		2025
Net Interest Margin	1.54%	>	c.2.50%
Other Income	€47m	>	c.€90m
Total Income	€409m	>	c.€825m
Cost / Income Ratio[1]	84%	>	c.55%
Operating Profit[2]	€14m	>	c.€325m
Cost of Risk %	-13bps	>	c.30bps



1. Cost Income Ratio is calculated as Operating Expenses (excl. Regulatory Charges and Exceptional Items) divided by Total Operating Income
2. Operating Profits are Profits before Impairment and non-core items.
3. RoE% calculated as Profits Attributable to Shareholders (excl. Exceptional Items) divided by Notional Equity (RWAs*Long Term CET1% requirement)

permanent tsb



1 **Introduction & Journey to Date**

2 **2022 & Q1'23 Highlights**

3 **Financial Performance**

4 **Ulster Bank Acquisition**

5 **Funding & Capital**

6 **Asset Quality**

7 **ESG**

8 **Appendix**

permanent tsb

Business Performance
Q1'23 Highlights

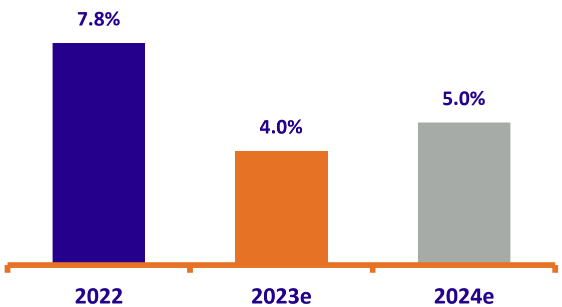
Customers	New Mortgage Lending +69% YoY	• New Mortgage Lending of €721m; +69% YoY • Acquisition of 25 Ulster Bank Branches and c. €165m SME loan accounts in Q1'23 • New Mortgage Market Share[1] of 25%, (vs 17.0% at Mar'22) • Customer Deposits of €22.3bn; €0.5bn higher than Dec'22
Financial Performance	Net Interest Income +86% YoY	• Net Interest Income +86% YoY • NIM of 2.26%; 82bps higher than Q1'22 NIM of 1.44%, 34bps higher than Q4'22 NIM of 1.92% • Strong Fees & Commissions performance; +12% YoY • Underlying Operating Expenses[2] +18% YoY, in line with Management expectations
Asset Quality	3.3% NPL Ratio	• NPLs of €0.7 billion, in line with Dec'22 • NPL Ratio of 3.3%, in line with Dec'22 • Stable Asset Quality despite volatile macroeconomic environment • Weighted Average LTV of c. 51% on Performing Loan Book of Residential Mortgages
Capital	15.2% CET1 Fully Loaded	• 15.2% CET1 Fully Loaded, in line with Dec'22 • Leverage Ratio of 7.5%; one of the highest amongst European banks • €650m MREL Senior Debt Issuance in Apr'23; 3.5x over subscribed • All Capital Ratios remain above Management and Regulatory minimum

1. BPFI data at 31 March 2023
2. Underlying Operating Expenses exclude regulatory costs

Macroeconomic Outlook

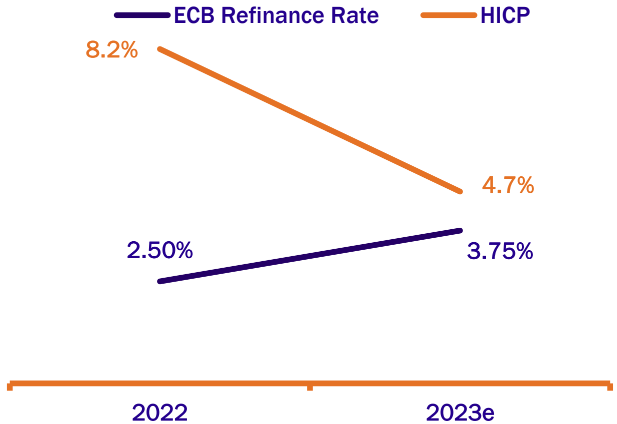
Interest Rate Rises Expected to Impact Housing Market Sentiment

House Price Growth (%)



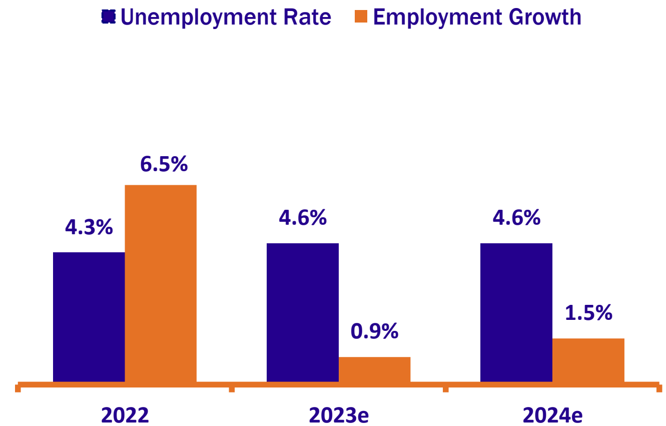
- Higher interest rates and lower household disposable income will see more moderate house price growth in FY23
- Expected reduction in Housing Completions in FY23 and FY24 should see HPI remaining positive

ECB MRO & HICP Forecast (%)



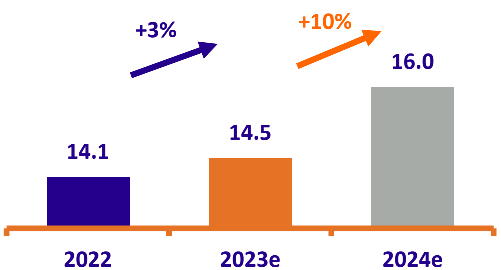
- Interest rate rises commenced in Q3'22 with Refinance rate expected to reach c.375bps by FY23
- Headline inflation peaks in 2022, estimated to reduce to c. 5% in FY23

Labour Market (%)

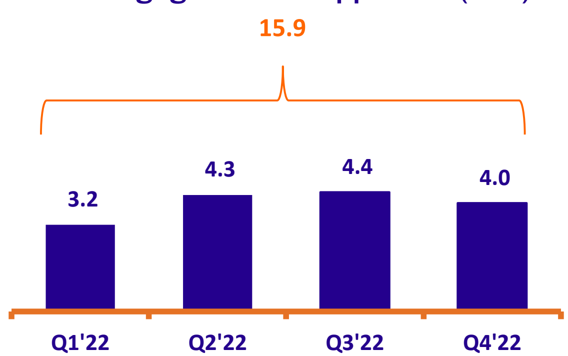


- In FY22 unemployment rate continued to fall, while employment continued to grow
- This growth is forecasted to halt in FY23 with a marginal increase in Unemployment

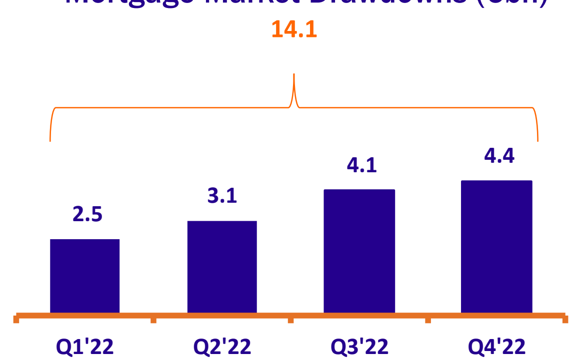
Mortgage Market (€bn)



Mortgage Market Approvals (€bn)



Mortgage Market Drawdowns (€bn)

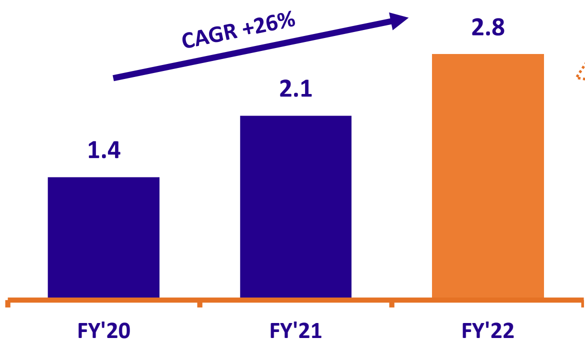


Sources: CSO, Davy, BPFI

Delivering Strong Performance For Our Customers

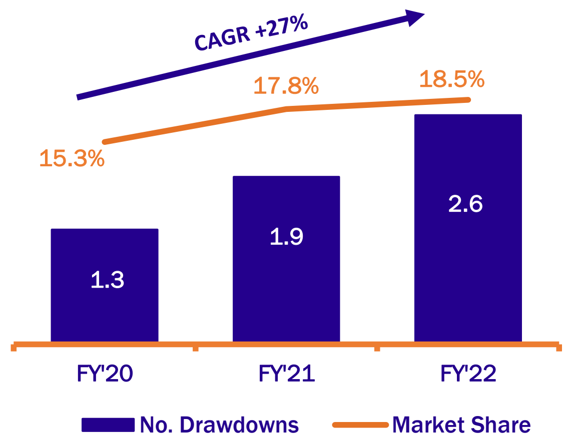
Total New Lending of €2.8 Billion + c.40% YoY

Total Customer New Lending (€bn)[1]



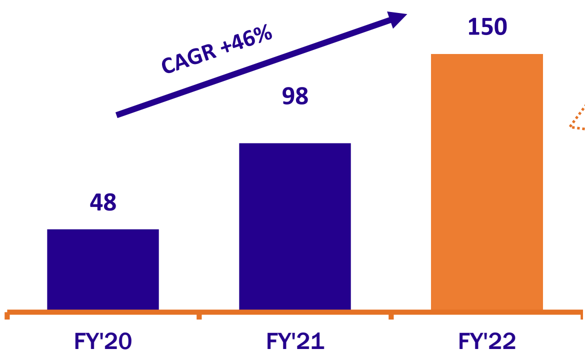
- Total New Lending of €2.8bn + c.40% YoY
- Growth across all three key lending product lines – Mortgage, SME & Personal Term Lending
- Strong pipeline of activity heading into H1'23

Mortgage Drawdowns (€bn) & Market Share[2] (%)



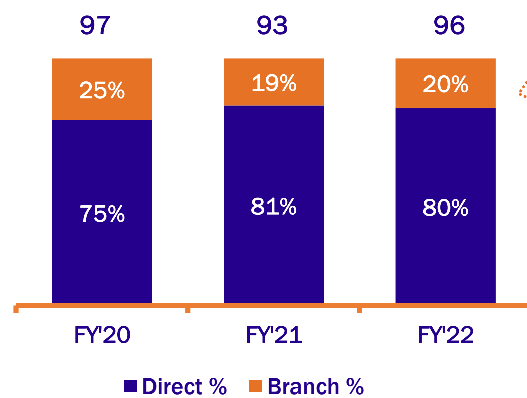
- New Mortgage Lending of €2.6bn YTD +40% YoY
- Market Share[2] increases to 18.5%
- During H1'22, Green Mortgage product launched (c. 20% of new Mortgage Lending)

SME Lending[3] (€m)



- Strong Performance in SME New Lending with YoY growth of 53%
- Total SBCI Lending of €72m of €82m Total Fund; €34m of this lending in FY22

Personal Term Lending (€m) Channels[4] (%)



- New Personal Term Lending Business increased by 3% YoY
- Credit Card balances have increased by c. 8% YoY

1. All euro amounts have been rounded to the nearest million/billion, percentage movements are calculated on absolute number
2. Source: BPFI Data at Dec 2022
3. Not inclusive of UB SME Assets which transferred in Feb '23
4. Term Loan Direct refers to originations through App, Desktop and through Open24

Transform
Building A Sustainable Future For The Bank

We Continue To Invest To Transform Our Customer & Colleague Experience

Continuing to Deliver Digital Capability	
>50%	New Current Accounts Opened Digitally
94%	Term Lending Applications Completed Digitally
Q2’22	‘Moving Bank’ Online Hub Launched
Q3’22	SME Digital Current Account Application Launched
Q4’22	Digital Joint Current Account – Launched
Q4’22	Enhanced Digital Mortgage Application (Credit Logic)

Continuous Focus On Operational Excellence	
1.4m	Credit Card Paper Statements Eliminated
113%	Growth in Robotic Process Automation
30%	Efficiency to the Formal Switching Process
85	Pages eliminated per online Current Account application
250	Pages eliminated per online Mortgage application

Making Every Day Banking Easier

Q3’22	New Online Banking Desktop Launched
H1’23	New Mobile Banking Platform – Launching
68	Number of Digital Customer Journeys

Investing In Branches & Technology

- 25 New Branches
- Branch Customer Wi-Fi Rollout
- New Branch Kiosks
- Customer Webchat

permanent tsb

Customers

Building Trust and Loyalty With Our Customers

Enhance Customer Journeys | **Leverage Digital Capabilities** | **Grow Customer Relationships**

Delivering on Our Priorities	2022	YoY
NPS[1] – Remains Stable	+10	-
New Current & Deposit Accounts	162k	+177%
New to Bank Mortgage Customers	46%	+1%
Digital Activity[2]	138m	+18%
Active Digital Customers[3]	683k	+20%
Contactless Payments	113m	+13%

'Innovative Banking Product Award' winner for Digital Current Account (2022 FS Awards[6])

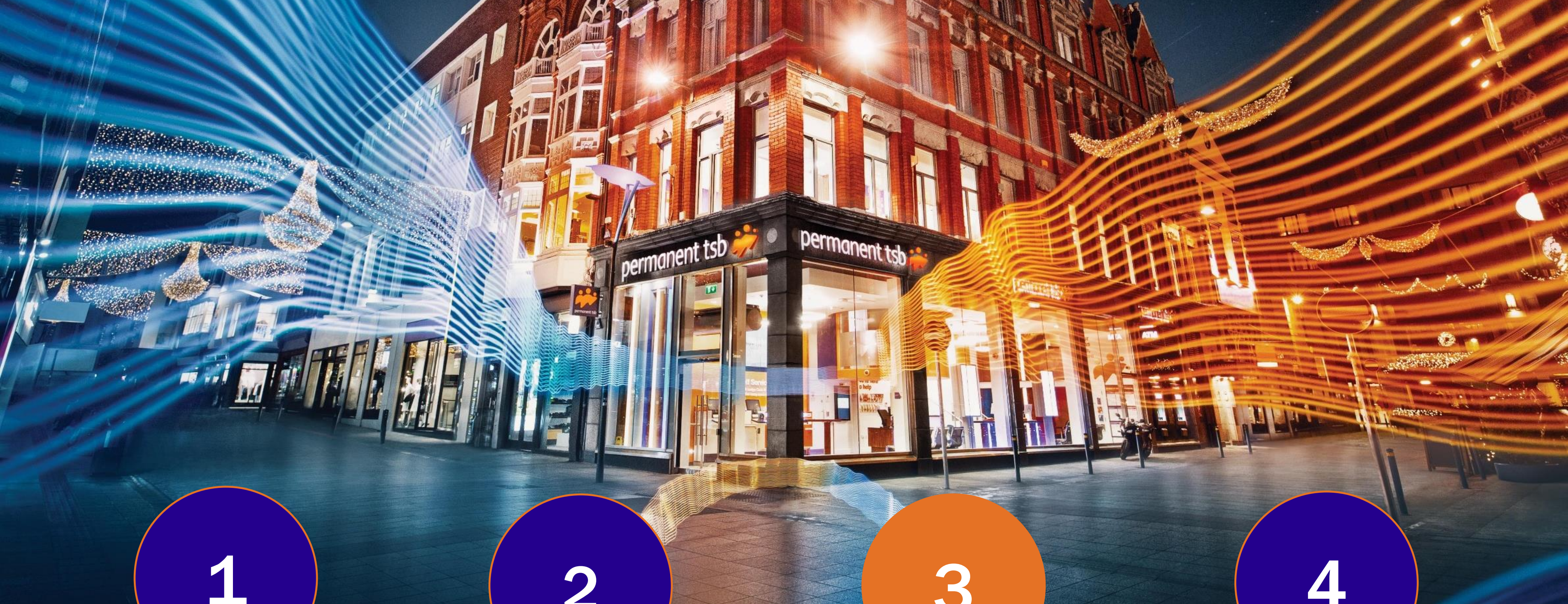
Best Mortgage for First-Time Buyers, Bonkers National Consumer Awards, 2022

A Growing Customer Base	2021	2022	YoY	2024
Total Customers	1.1m	>1.2m	+9%	1.4m
Current Account Customers	780k	870k	+12%	1.0m
Digital Current Account Customers[4]	73%	78%	+5%	85%

Strengthening Partnerships	Progress to Date
SBCI[5] Supporting Low Cost Business Loans	Total Fund €82m; Total Lending €72m
First Home Scheme (FHS) Launched for Eligible First Time Buyer (Aug 22)	>€3m Approvals c. €1m Drawdowns

Proud Sponsor of Team Ireland for Olympics & Paralympics 2024

1. Relationship Net Promoter Score (NPS) – an index ranging from -100 to +100 measuring the willingness of customers to recommend a company's products / service
2. Digital Activity is defined as successful log-ins on both mobile app and desktop
3. Active Digital Customer refers to both Mobile App and Desktop users
4. Digitally Active Retail Current Account Customers as % of Current Account Customers Registered for Online Banking
5. Supporting the Strategic Banking Corporation of Ireland under the Irish Governments Future Growth Loan Scheme and the Brexit Impact Loan Scheme
6. Presented by FS Dublin at the FS Awards in Oct'22. The FS Awards celebrate excellence in Financial Services.



1. Introduction & Journey to Date
2. 2022 & Q1'23 Highlights
3. **Financial Performance**
4. Ulster Bank Acquisition
5. Funding & Capital
6. Asset Quality
7. ESG
8. Appendix

Income Statement

A Robust Financial Performance

Grow Diversified Income Streams	Efficient Organisation	Capital And Resource Allocation

	FY 22 €m	FY 21 €m	YoY €m	YoY %
Net Interest Income	362	313	49	16%
Fees & Commissions	42	35	7	20%
Net Other Income	5	13	(8)	-60%
Operating Income	409	361	48	13%
Operating Expenses	(344)	(295)	(49)	16%
Regulatory Charges	(51)	(50)	(1)	2%
Operating Profit	14	16	(2)	-13%
Impairments[1]	31	1	30	-
Underlying Profit[2]	45	17	28	165%
Exceptional Items	222	(38)	260	-
Profit / (Loss) Before Tax	267	(21)	288	-

FY 2022 Vs FY 2021

Net Interest Income	• Supported by rising interest rate environment and migration of €5.2bn Ulster Bank assets
Fees & Commissions	• Supported by loyal customers driving higher volumes and improved activity
Operating Expenses	• Higher YoY, as previously guided, due to Ulster Bank transaction, accelerated investment spend and depreciation
Impairments[1]	• Reflects strong HPI growth, reduction in default rates and de-recognition of disposed assets during the year

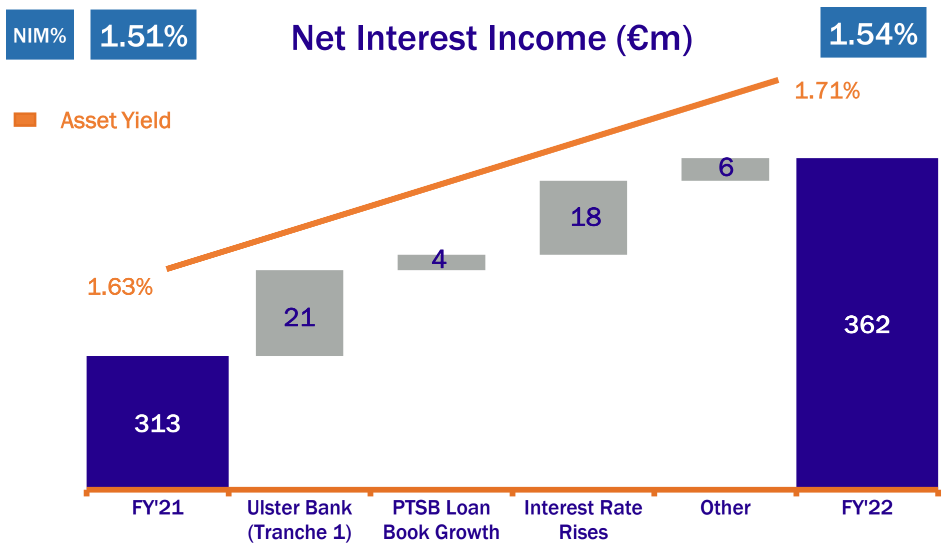
Exceptional Items (€m)	FY 22	FY 21
• NatWest/UB Transaction	239	(28)
• Restructuring Costs & Other	(13)	(14)
• Provisions for Non-Core Items[3]	(4)	(15)
• Deleveraging[4]	-	19
Total Exceptional Items	222	(38)

1. Impairment release does not include a €11m charge deducted directly from Capital regarding the application of 'NPL Provision Backstop' guidelines
2. Underlying Profit refers to Profit before Exceptional Items and Tax
3. Provisions for Non-Core Items, primarily relates to Customer Litigation Provision
4. Exceptional Items - Deleveraging includes the loss on sale from 'Glenbeigh IV' (€8m) and is offset by releases of provisions held against legacy transactions

Total Operating Income Grows +13%

Net Interest Income +16%; Fees & Commissions +20%

Net Interest Income (€m)



Net Interest Income Drivers

Volume Growth

- Net growth in existing loan book of (+€0.8bn, +7% YoY)
- Migration of Ulster Bank assets (+€5.2bn)
- Higher wholesale funding requirements to support enlarged Balance Sheet

Higher Lending Yields

- Asset Yield of 1.71% (+8 bps YoY)
- Positive Interest rate environment on Loan Book and Treasury Assets; partially offset by higher Wholesale Funding Costs
- Increasing Product Yield driving income uplift, materialising through FY23

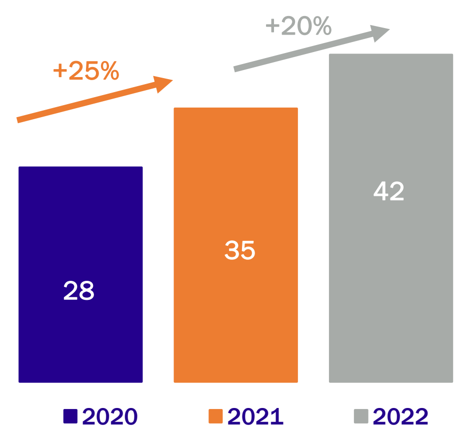
Net Interest Income - Interest Rate Sensitivity[1]

€m	-100bps	+50bps	+100bps
Euro	-53	+25	+50

Interest Rate Sensitivity based on:

- ECB MRO of 3% and ECB Deposit Rate of 2.5%
- Assets and liabilities pricing linked to market/central bank rates and reprice accordingly
- Assumes pass through to assets and liabilities
- Does not reflect Management actions in response to market conditions and should not be taken as management guidance/forecasts

Net Fees & Commission (€m)



- Upward trajectory set to continue
- Growing customer numbers will increase transactional income
- Outlook to maintain Non Interest Income to c. 10% of Total Income over the Medium Term

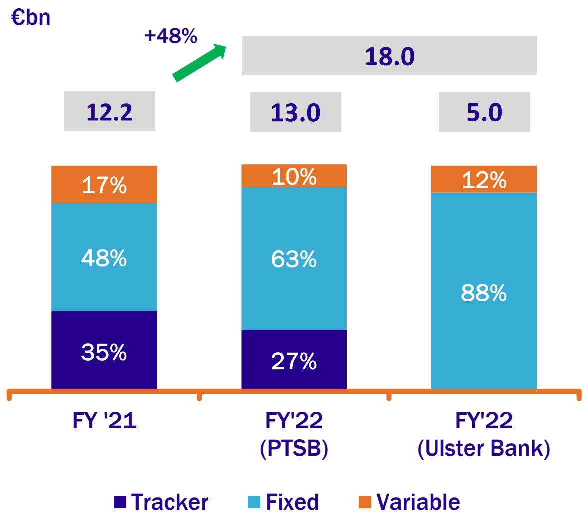
1. Based on a static Balance Sheet at Dec'22

permanent tsb

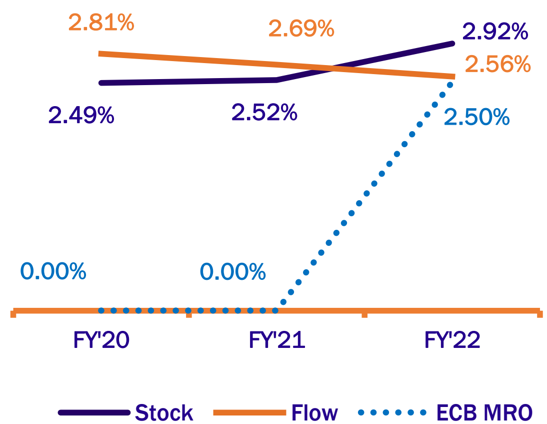
Total Performing Loan Book on Positive Growth Trajectory

Home Loan Book +48%; SME Book +59%

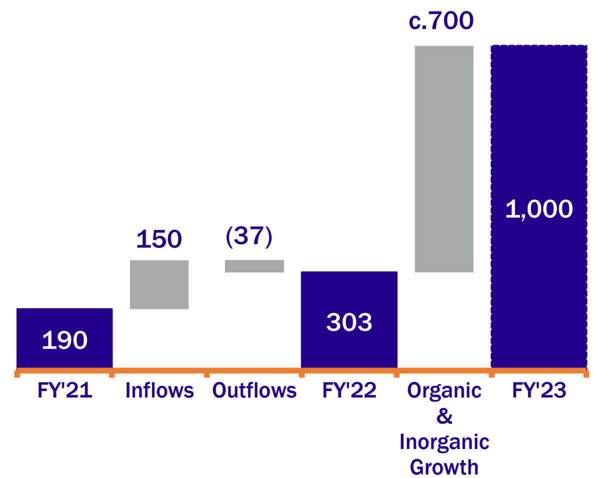
Home Loan Book by Product (Mix %)



Home Loan Yield (%)



SME Performing Book Movement[2] (€m)



- Home Loan Mortgage Book has grown 48% YoY (+€5.8bn)
- €5.0bn Ulster Bank DAC Performing Loans (12% Variable:88% Fixed)
- PTSB Organic Loan Book Growth c. 7%, strong new lending (€2.6bn), partially offset by net outflows[1] (€1.8bn)
- Flows on Book Changing Mix to 10% Variable, 63% Fixed and 27% Tracker

- New Business Yield at 2.56%, 13bps lower YoY
- Mortgage Book Rate at 2.92%. +40bps YoY
  - ECB increase of 250bps H2'22, with a further +50bps Q1'23 to 300bps
  - Tracker Mortgages reprice within 30 days; +2.5% at Dec'22
  - Avg. 1% price increase passed on to Fixed Rate mortgage products to date

- Total SME New Lending of €150m, +53% YoY
- Loan Book grew 59% as pace of new lending exceeds outflows
- Total SBCI Lending of €72m, 88% of Total Fund of €82m; €34m drawn in FY22
- €165m of micro-SME loan book migrated from Ulster Bank (Feb'23)
- c. €450m Asset Finance Book to migrate from Ulster Bank DAC in H1'23[3]
- Ambition is to grow the Total SME Book to c. €1bn by FY23[3]

1. Outflows include out-of-course Redemptions and Contractual Repayments
2. Figures Inclusive of SME Term Lending and Mortgages;
3. FY23 movements are estimates and should not be taken as management guidance

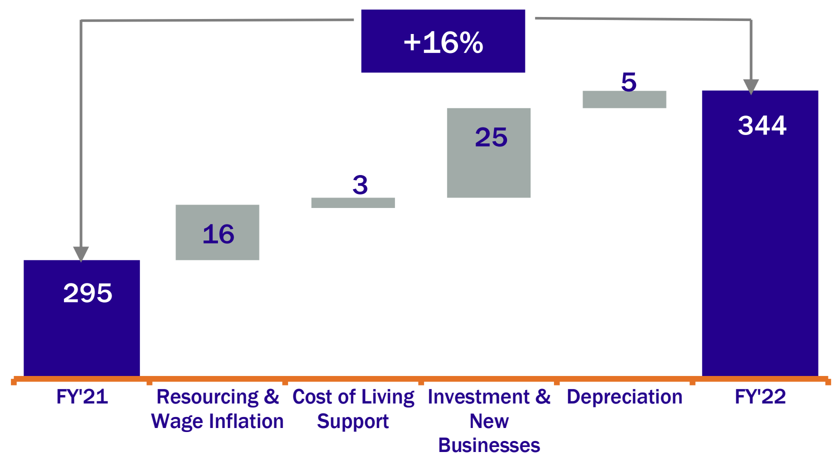
Operating Expenses

Total Underlying Operating Costs Increased By 14%

Cost Base Analysis	FY'22 €m	FY'21 €m	YoY €m	YoY %
Staff Costs[1]	164	140	+24	+17%
Other Costs	128	108	+20	+19%
Total Addressable Costs	*292*	*248*	*+43*	*+17%*
Depreciation	*52*	*47*	*+5*	*+10%*
Underlying Operating Expenses[2]	344	295	+49	+16%
Regulatory Charges	51	50	+1	+2%
Total Underlying Operating Costs	395	345	+50	+14%

Cost Income Ratio[3]	84%	82%	-	+2ppts
Average Staff Numbers[4]	2,352	2,286	+66	+3%
Closing Staff Numbers[4]	2,488	2,236	+252	+11%

Movement In Operating Expenses (€m)



- €395m Total Underlying Operating Costs, +€50m YoY (+14%) in line with Managements expectations
- 84% Cost Income Ratio[3] (CIR%), +2 ppts YoY, due to planned investment and new businesses
- 2023 Outlook for the Bank's CIR% to reduce to <70% as top line income grows and costs are tightly managed

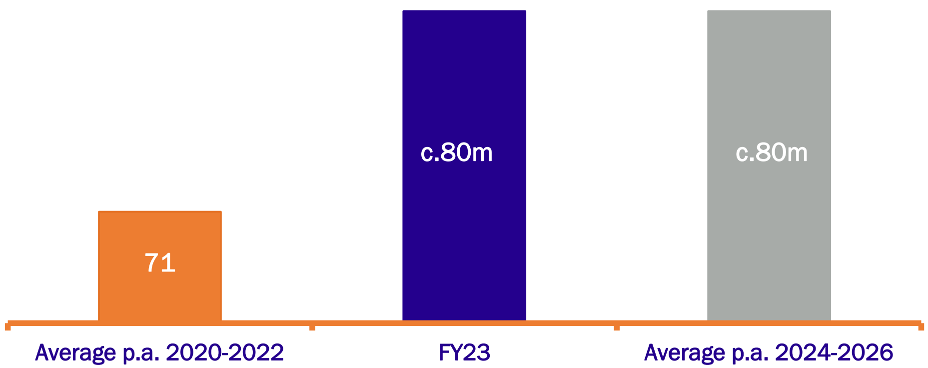
- Closing staff numbers +11% YoY, primarily in Customer Servicing, Operations and the Retail business driving higher staff costs
- Cost of living support to colleagues in the form of a one-off €1k voucher Q4'22
- Continued investment together with acquiring new business driving an increase in operating costs

1. Staff Costs include total payroll, recruitment costs, contingency workforce costs and once-off voucher payments to support inflationary pressure on staff.
2. Underlying Operating Costs exclude a €4m (2021: €15m) provision for non-core items. This net provision is presented in Exceptional Items.
3. Underlying Cost Income Ratio is calculated as Operating Expenses (excl. Regulatory Charges and Exceptional Items) divided by Total Operating Income.
4. Average and Closing staff numbers are calculated on a full time equivalent (FTE) basis and exclude FTEs working on the Ulster Bank Transaction

Continuing To Invest In Key Priorities

Maintaining Investment Spend whilst Reducing the CIR%

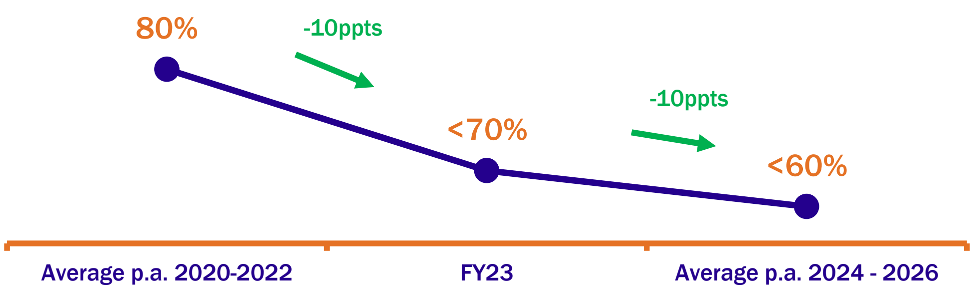
Average Annual Investment Spend (€m)



Investment 2023 – 2026 [OpEx:CapEx = 40:60]

- Commercial & Technology Investment
- Expansion of Digital Customer Journeys & Payment Options
- Investment in Brand & Sponsorship
- Cyber Security Enhancements - Strengthening Bank Defences
- Operational and Digital Resilience
- Completion of Data Centre Relocation
- Investment in Climate Risk

Cost Income Ratio Trajectory[1] (%)



Cost Income Ratio[1] 2023 - 2026

FY23	<70%
FY24 – FY26	< 60%

Achieved through Revenue Growth together with ongoing Cost Discipline in the context of inflationary pressure

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

1. Introduction & Journey to Date
2. 2022 & Q1'23 Highlights
3. Financial Performance
4. **Ulster Bank Acquisition**
5. Funding & Capital
6. Asset Quality
7. ESG
8. Appendix

permanent tsb

Transformative Transaction with Ulster Bank DAC

Asset Finance migration scheduled for July; all other asset classes now successfully migrated

Permanent TSB is acquiring

c.€6.7 billion of assets connected to **c.88k** customers from Ulster Bank

The performing non-tracker residential mortgage book of Ulster Bank **c.€6.1 billion c.67k customers**

The performing micro-SME/Business Direct loan book of Ulster Bank **c.€165 million c.3k customers**

The Lombard Asset Finance loan business of Ulster Bank **c.€450 million c.18k customers**

25 Branches
In Ulster Bank's branch network

We are also delighted to welcome over 300 new colleagues to Permanent TSB with more than 250 already transferred to date

Timelines

Transfer of **c.€5.2bn** of mortgages	Transfer of **25 branch** locations	Transfer of **c.€165m** of Micro-SME loans	Transfer of **€915m of mortgages**	Transfer of **Lombard Asset Finance business**
✓ November '22	✓ January '23	✓ February '23	✓ May 2023	H2 2023

Ulster Bank Acquisition: A Strategically Compelling Transaction

Complements The Bank's Purpose And Ambition

Customer
Trust, Advocacy, Loyalty

- Retention of 25 Ulster Bank branch locations providing customers with the certainty of access to a branch network and continued service from an established and familiar regulated entity
- Accelerates the growth of the PTSB customer base allowing the Bank to deliver an improved proposition for all customers
- Introduction of Five new Business Banking offerings in relation to Asset Finance

Superior Customer Propositions

Digital
Enhanced Digital Capability

- Increased income supporting investment in IT infrastructure
- Transfer of Asset Finance IT Infrastructure will create a digital Asset Finance solution
- Intellectual property from Ulster Bank digital channels capability through the transfer of staff

New & Enhanced Digital Journeys

Cultural
Open Inclusive Growth Culture

- Ulster Bank staff within the perimeter having the opportunity to move to PTSB (via TUPE) and retain a role in the new entity - new opportunities will be created for staff in both organisations
- Encompasses our purpose "To work hard every day to build trust with our customers – we are a community servicing a community"

Staff Benefits and greater Community Support

Simplification
Simplify Business Processes

- A transformative change opportunity to eliminate complex processes
- Productivity enhancements by combining complementary networks
- A focus on digital journeys to support the increased customer numbers and simplify operations

Cost Synergies and Productivity Enhancements

Profitability
Grow Sustainable Profitability

- Increased scale willl facilitate synergies and create a more robust balance sheet with increased income, a stable funding profile and strong/improving capital and other ratios
- Impact on Personal Banking:
    - 130k New Current Account Customers and c. 83k Savings and Deposit Accounts
    - €7.2m p.a. Repeatable Income
    - C. 22k new Revolving Credit Facilities

Increased Income and Scale

permanent tsb

1. Introduction & Journey to Date
2. 2022 & Q1'23 Highlights
3. Financial Performance
4. Ulster Bank Acquisition
5. **Funding & Capital**
6. Asset Quality
7. ESG
8. Appendix

permanent tsb

Strong Momentum on Ratings; Fitch Added

	Moody's	S&P Global	Fitch Ratings
Current Ratings	• **Permanent TSB (OpCo Senior):** A2 / Stable Outlook • **Permanent TSB Group Holdings (HoldCo Senior):** Baa2 / Positive Outlook	• **Permanent TSB (OpCo Senior):** BBB+ / Stable Outlook • **Permanent TSB Group Holdings (HoldCo Senior):** BB+ / Stable Outlook	• **Permanent TSB (OpCo Senior):** BBB- / Positive Outlook • **Permanent TSB Group Holdings (HoldCo Senior):** BB+ / Positive Outlook

Ratings' Milestones

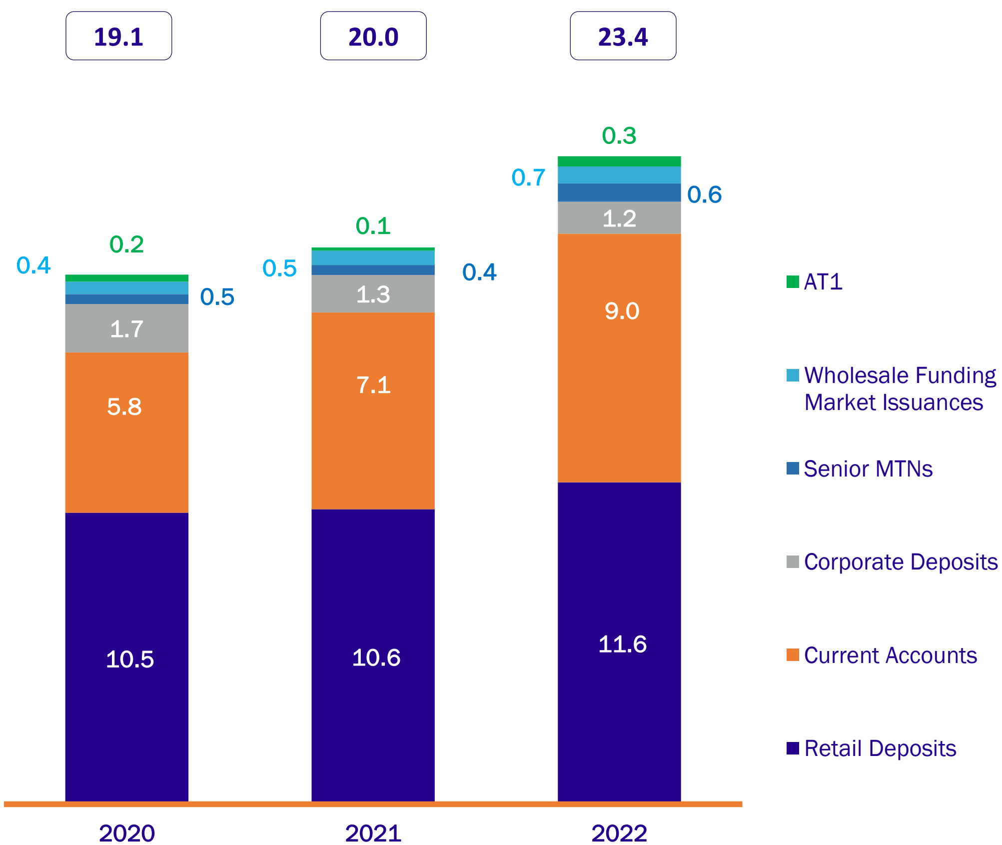
2019	2020	2021	2022	H1 2023	H2 2023+
• April: Moody's upgrades PTSB by two notches to 'Baa3', returning the Bank to Investment Grade. • December: Moody's upgrades PTSB one notch to 'Baa2'. • S&P upgrades PTSB to BBB-. Outlook remains stable.	• S&P and DBRS revise outlook to negative on deepening COVID-19 downside risks.	• Dec 21: S&P outlook upgraded from negative to Positive.	• Sept 22: Moody's upgrades PTSB 3 notches to 'A2' and PTSBGH 2 notches to 'Baa2'. Both entities now Investment Grade. • Dec 22: S&P Upgrades PTSB to BBB and affirms PTSBGH at BB-. Outlook for both remain Positive.	• March 2023: Fitch rate the Group for the first time, rating PTSB at BBB- and PTSBGH at BB+. Outlook for both entities is Positive. • June 2023: S&P upgrades PTSB to BBB+ and PTSBGH to BB+; Outlook for both entities is Stable.	• Build upon positive Fitch rating, target bringing PTSBGH to Investment Grade. • Target return of Permanent TSB Group Holdings to Investment Grade with S&P. • Consolidate Investment Grade status with Moody's.

- The Bank's OpCo is currently rated Investment Grade (IG) by S&P, Moody's and Fitch. HoldCo is rated IG with Moody's and one notch below with Fitch and S&P.
- The acquisition of the Ulster Bank assets acted as a key driver to Moody's upgrade of the HoldCo to investment grade as it addresses many of the agencies' concerns in relation to franchise strength, diversification, profitability, and growth potential. The exit of both Ulster Bank and KBC from the Irish market also cements PTSB's position as the third pillar bank in the market.
- Continued progress on NPL reductions, business and franchise growth, along with Capital & MREL optimisation will support further positive rating actions. The 2023 interim results will demonstrate the significant growth in sustainable income following the on-boarding of the Ulster Bank assets.
- Over the short to medium-term, PTSB targets bringing PTSBGH to Investment Grade status with Fitch and returning the entity to Investment Grade status with S&P, with the embedding of the Ulster Bank acquisition, increased profitability, and PTSB's increasing franchise in the market as potential upgrade drivers.

Funding And Liquidity

Retail Deposit Growth Driving Strong Funding Position

Total Funding (€bn)



Liquidity and Funding Ratios

Ratio	Dec'21	Dec'22	European Bank Average[1]	PTSB v European Peers
LCR	274%	178%	163%	+15%
NSFR	170%	154%	127%	+27%
LDR	75%	90%	109%	-19%
Encumbrance	6%	5%	28%	-23%

- Current Account balances have increased by €1.9bn (26%) since Dec'21
- Retail Deposits have increased €1.0bn (9%) since Dec'21
- 93% Funded by Customer Deposits; 88% from Retail Deposits (incl. C/A's)

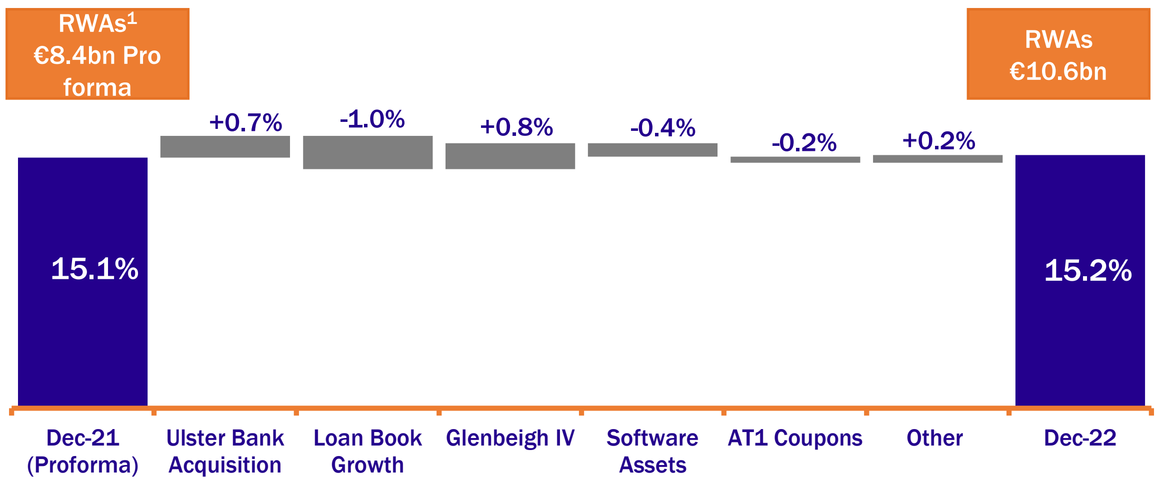
- Reduction in LCR% and NSFR% in 2022 due to utilisation of excess liquidity to fund NatWest / UB transaction; both have increased in 2023 (LCR of 192% at end Mar'23)
- Successful €650m Senior HoldCo issuance in Apr'23, following the €300m Senior HoldCo issuance in Jun'22 and €250m AT1 issuance in Oct'22
- Dec'22 MREL ratio of 28.5%, above Management & Regulatory Requirements
- Jan'24 MREL target has been set at 27.15%[2]
- c. €1bn of HoldCo Senior Issuances expected in 2023

1. European Bank Averages based on Q3 2022 EBA Risk Dashboard
2. Does not include CCyB. In June 2023, the Central Bank of Ireland announced that the CCyB rate will be: 0.50% applicable on 15 June 2023, 1.00% on 24 November 2023, and 1.50% on 7 June 2024

Capital Ratios

Fully Loaded CET1 Ratio Increased by 10bps across 2022

CET1 Fully Loaded Ratio Movement (%)



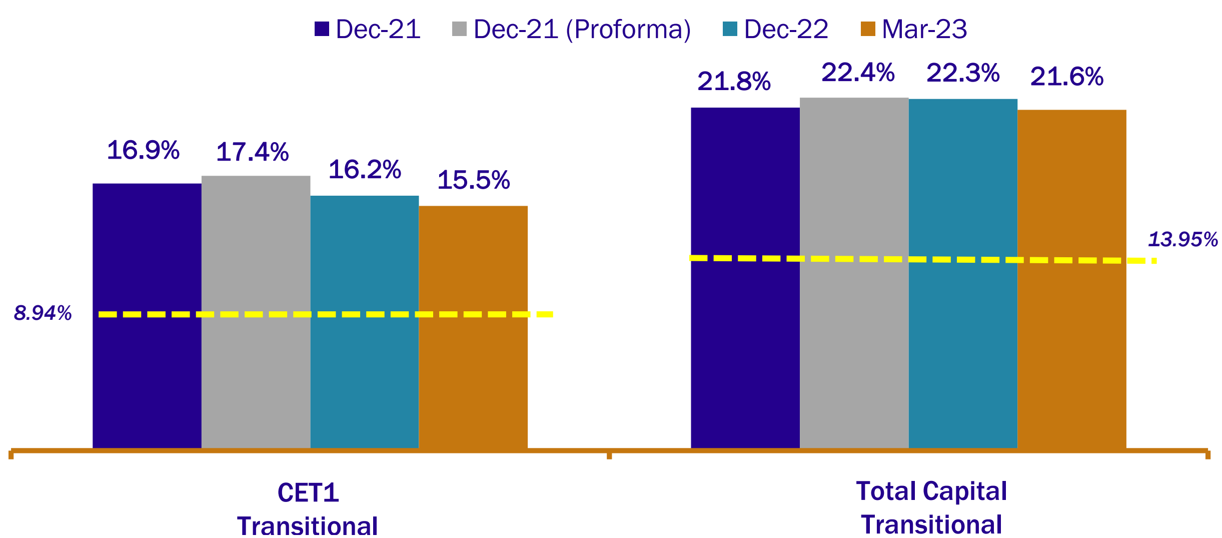
- Risk Weighted Assets of €10.6bn, +26% YoY
- Fully Loaded CET1 ratio has increased by c. +10bps to 15.2%.
  - Ulster Bank Acquisition (c. +70bps);
  - Glenbeigh IV Loan Disposal (c. +80bps);
  - Net Loan Book Growth (c. -100bps);
  - AT1 Distributions (c. -20bps); and
  - Other incl Investment in Software Assets and P&L (-20bps)

Regulatory Capital Ratios[1] (%)

Total Capital Ratio reflects AT1 Issuance of €250m in Oct'22

Transitional Ratios remain above Regulatory Requirements

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



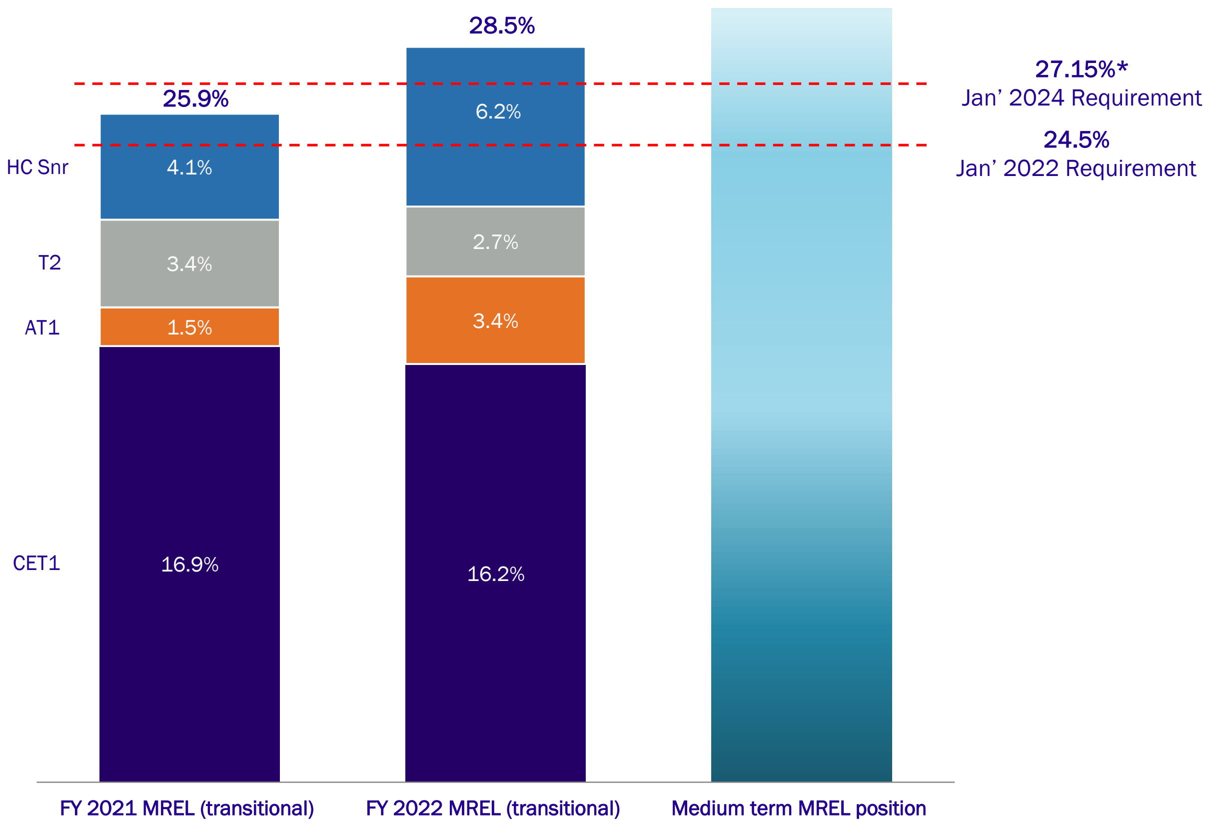
[1] Pro forma December 2021 RWAs and capital ratios reflect the de-recognition Glenbeigh III receipt of proceeds (c. €0.2bn) in Q1 2022.

permanent tsb

PTSB's MREL Position as at December 2022

MREL Position, Requirements and Issuance Plan

PTSB's MREL Position



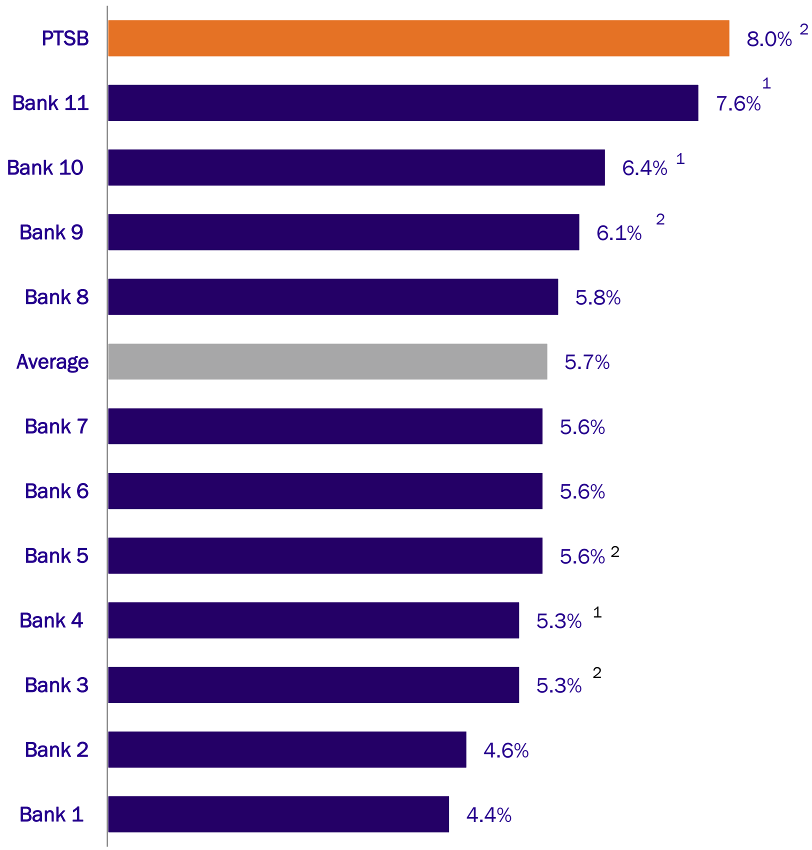
- PTSB currently operates with a 28.5% MREL ratio, in excess of its Jan' 2024 Requirement
- PTSB announced issuance guidance of c. €1bn of HoldCo Senior in 2023, taking into consideration:
  - Increase in RWAs from the remaining Ulster Bank transfer as well as net lending growth
  - Phase-in of capital buffers, i.e. CCyB[1]
  - €350m Sept' 2023 callable MREL Senior
  - Assuming a prudent management buffer over minimum requirement
- €650m HoldCo Senior note issued in Apr'23, adding 6% to MREL ratio.
- Going forward, PTSB will be a programmatic annual benchmark issuer, which will benefit secondary market liquidity and further expand the investor base

Source: Company data provided in FY 2022 Annual Reports and Investor Presentation

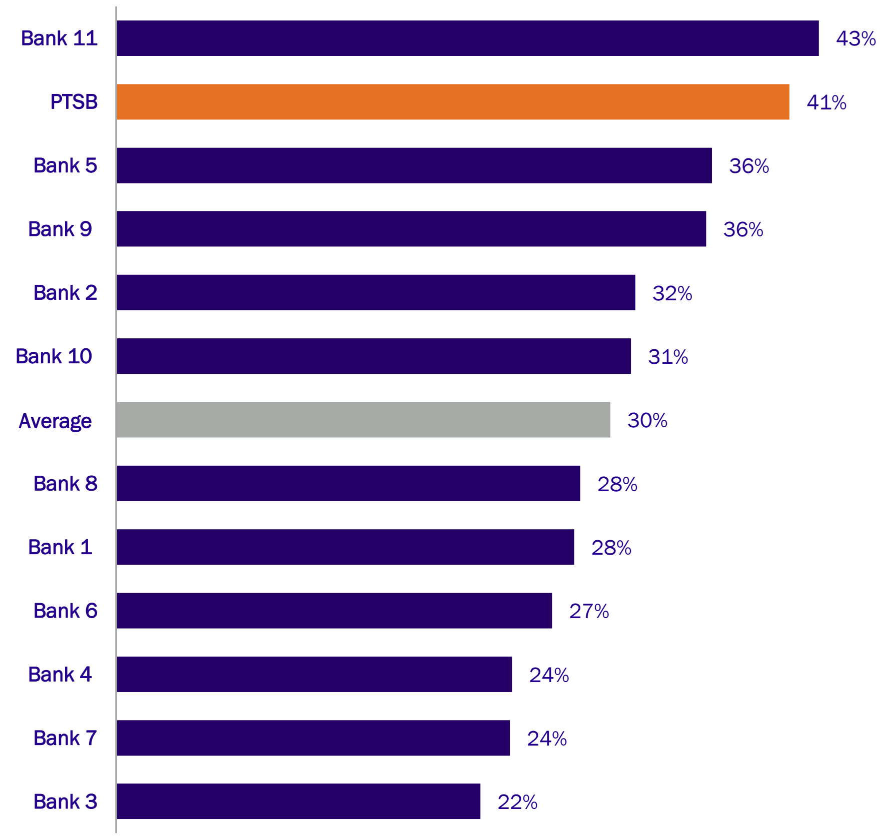
*Does not include CCyB. In June 2023, the Central Bank of Ireland announced that the CCyB rate will be: 0.50% applicable on 15 June 2023, 1.00% on 24 November 2023, and 1.50% on 7 June 2024

Leverage Ratio & RWA Density

Leverage Ratio



RWA/Total Assets



Best in class leverage ratio, with RWA density exceeding a wide distribution of European Banks

All figures above are December 2022 values.

1) Fully-loaded leverage ratio 2) Phased-in leverage ratio

permanent tsb

1 Introduction & Journey to Date

2 2022 & Q1'23 Highlights

3 Financial Performance

4 Ulster Bank Acquisition

5 Funding & Capital

6 **Asset Quality**

7 ESG

8 Appendix

permanent tsb

Loan Book Profile & Arrears Performance

NPLs reduced to €650m; 20% lower than Dec’21

Dec 22 (€bn)	ROI HL	ROI BTL	CRE/SME	Consumer	Total
Gross Loans	18.3	0.8	0.2	0.4	19.8
Performing Loans	18.0	0.6	0.2	0.4	19.1
NPLs	0.3	0.3	0.0	0.0	0.7
Provisions Stock	0.3	0.2	0.0	0.0	0.5

Dec 22 (€bn)	Dec 22	Dec 21
NPL Arrears Profile	0.65	0.82
No Arrears	0.29	0.45
0-30 days	0.01	0.01
31-60 days	0.01	0.01
61-90 days	0.01	0.01
91-180 days	0.02	0.05
181-360 days	0.03	0.08
> 360 days	0.29	0.22

Weighted Average LTV (%)	Home Loans	Buy-to-Let	Total
Stock of residential mortgages	53%	76%	54%
New residential mortgages	68%	58%	68%
Acquired residential mortgages (Ulster Bank)	47%	39%	47%
Stage 3 mortgages	74%	100%	85%

Note: PCR% is calculated as the total portfolio provisions as a % of the NPL portfolio

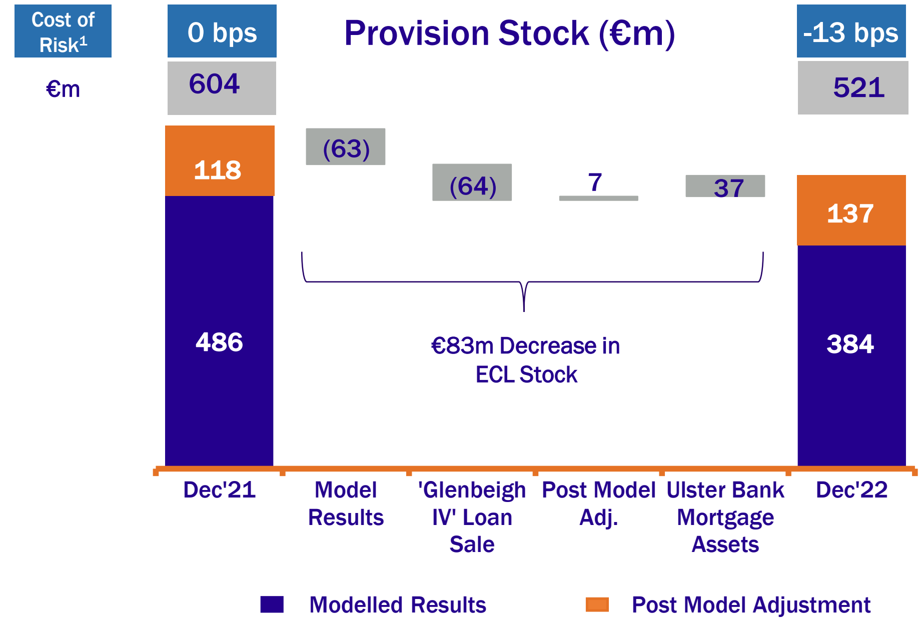
Net Impairment Release of €20m

Well Provided For Economic Cycle

Impairment Release/(Charge) (€m)

Expected Credit Loss (€'m)	FY 2022	FY 2021	FY 2020
Model Results	14	(59)	(42)
Post Model Adjustments	10	54	(112)
Other P&L Items	7	6	(1)
P&L Impairment Release / (Charge)	**31**	**1**	**(155)**
Capital Deduction for NPL Backstop	**(11)**	**-**	**-**
Net Impairment Release / (Charge)	**20**	**1**	**(155)**

- **Provision stock reflects the impact of the latest forward looking macro-economic scenarios (see table across)**
- **Increase of c.€7m in Post Model Adjustments primarily reflects the more uncertain macroeconomic outlook at year-end**
- **€37m provision for mortgage assets acquired from Ulster Bank DAC in Q4'22**
- **A conservative €137m of Post Model Adjustments remains within the stock of Provisions at Dec'22**
- **FY23 cost of risk expected to be not more than ten basis points - subject to the prevailing macroeconomic environment**



ECL Macroeconomic Projections Average Value 2023

	Base[2]	Upside[3]	Downside[4]
HPI	0%	15%	-18%
Unemployment	7%	5%	16%
GDP	4%	7%	-4%
CPI	6%	2%	5%

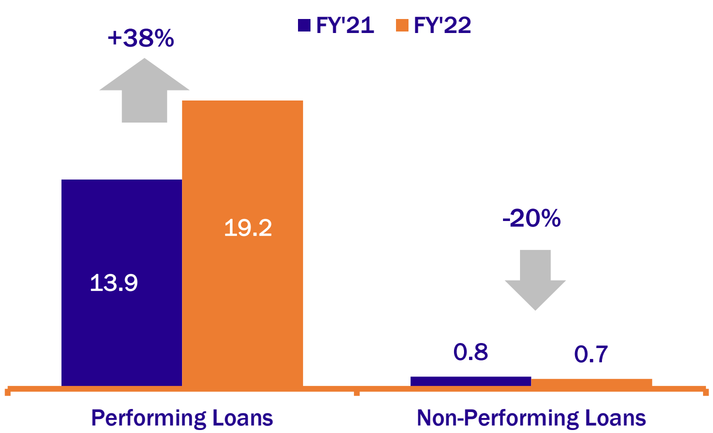
1. Cost of Risk calculated as annual impairment charge / average net loans & advances for the last 12 months
2. Base Scenario: The Base scenario was constructed as a 1-in-2 year outcome (50% probability that losses will be higher, 50% probability that losses will be lower)
3. Upside scenario: The Upside scenario was constructed as a 1-in-20 year outcome (95% probability that losses will be higher, 5% probability that losses will be lower)
4. 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)

permanent tsb

Further Strengthened Asset Quality

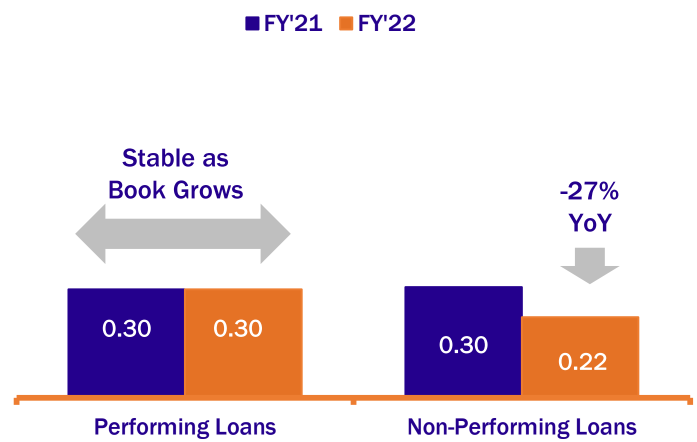
NPL Ratio Reduced to 3.3%

Total Loan Book By Stage (€bn)



NPL Ratio Reduced to 3.3%

Provision Cover By Stage (€bn)



- Gross Performing Loans (Stage 1&2) have increased by 38% to €19.2bn in Dec'22
- Non Performing Loan book (Stage 3) of €650m
  - Reduced by c. €167m (20%) compared to Dec'21 driven by net cure position from Stage 3 and deleveraging activity

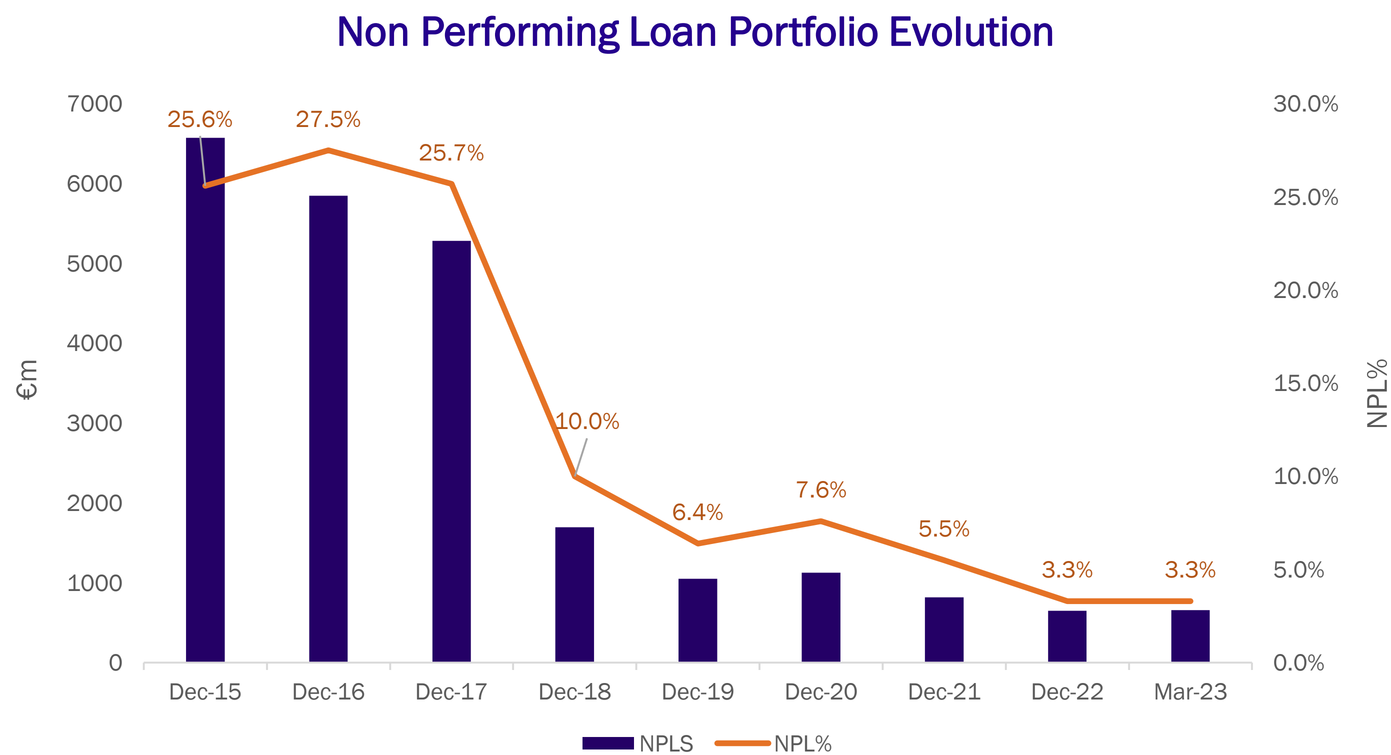
Asset Quality / Coverage

Category	Balance (€bn)	ECL (€bn)	Coverage (%)	+ / - Vs FY '21
Performing Loans	19.2	0.30	1.6%	+0.6 ppts
Non-Performing Loans	0.7	0.22	34.2%	-4.0 ppts
Total	19.8	0.52	2.6%	-1.5 ppts

permanent tsb

Non-Performing Loan Portfolio

Significant Progress in NPL Portfolio Reduction



- Non Performing Loan Ratio has decreased to 3.3% from a high of 27%, achieved through active account management, cure, workout, deleverage and acquisitions
- NPL stack of €659m at Mar ‘23 is a reduction of in excess of 90% from 2015 high

permanent tsb

1. Introduction & Journey to Date
2. 2022 & Q1'23 Highlights
3. Financial Performance
4. Ulster Bank Acquisition
5. Funding & Capital
6. Asset Quality
7. ESG
8. Appendix

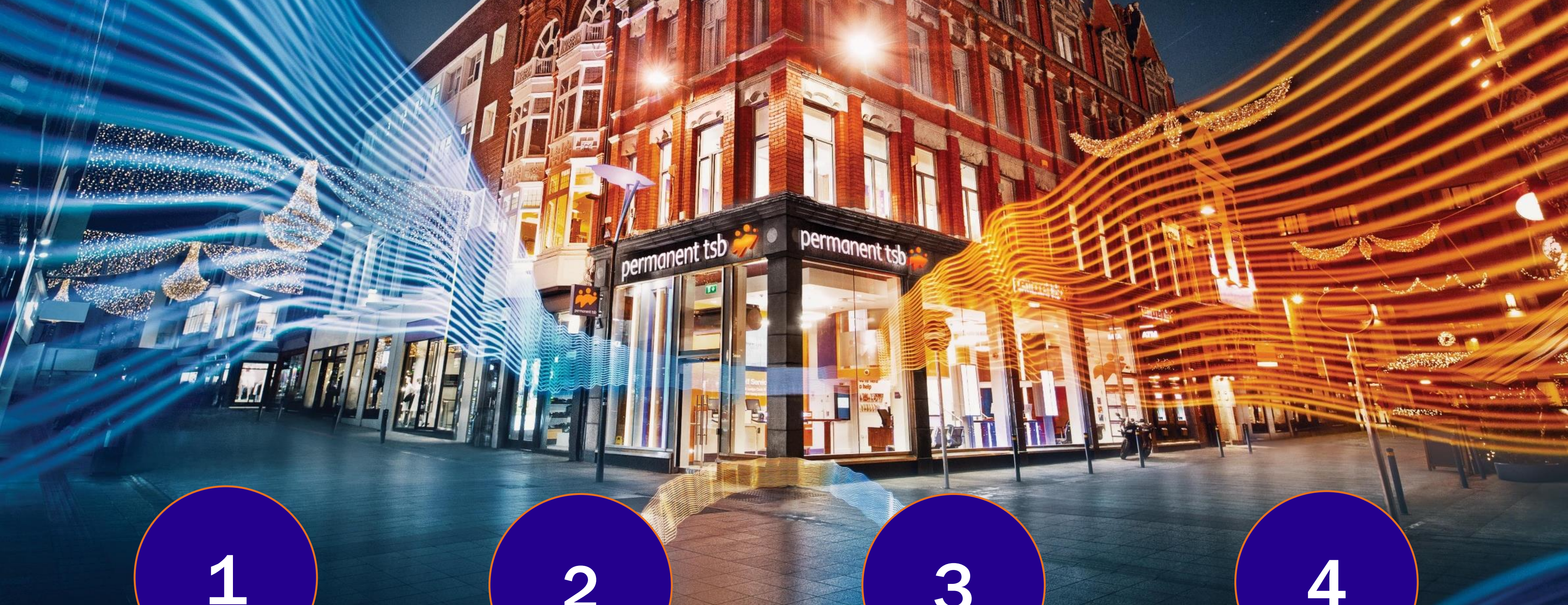
permanent tsb

Sustainability – Building on Strong Foundations

Core to Operating Our Business in a Responsible Way

Support Ireland's Transition To A Low Carbon Economy	Enhance Our Culture	Grow Sustainable Profitability
Environment	**Social**	**Governance & Disclosures**
€500m Green Mortgage Lending +c.20% of New Mortgage Lending	80% Culture Index, +10% above our Culture Index Target of 70%	A 'Low' ESG Risk Rating through Sustainalytics
Disclosure of our carbon emissions across scope 1, 2 and 3 including our financed emissions	c.€600K contributed to Irish community organisations during 2022	Board approved Sustainability Strategy aligned to the SDGs[1] and a Sustainability Committee
Developing a Sustainable Supplier Charter	42% Board Gender Composition and 38% of Senior Leadership positions are filled by Women	Signatory to the Task Force on Climate-Related Financial Disclosures (TCFD), reportable during H1'23
Founding member of the International Sustainable Finance Centre of Excellence	16.5% Gender Pay Gap Winner – Inclusion & Diversity, CIPD Ireland Awards	A CDP[2] rating of C indicating an awareness level of engagement

1. The United Nation's Sustainable Development Goals ('SDGs) were launched in 2015 to provide a plan of action for people, planet and prosperity. While we recognise that we may contribute to all 17 SDGs in some way, we have identified 6 as being core to our Strategy.
2. CDP is the non-profit that runs the world's leading environmental disclosure platform.



1 Introduction & Journey to Date

2 2022 & Q1'23 Highlights

3 Financial Performance

4 Ulster Bank Acquisition

5 Funding & Capital

6 Asset Quality

7 ESG

8 Appendix

permanent tsb

Historical Financial Information

Income Statement

€m	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
Net Interest Income	362	313	341	356	379
Other Income	47	48	34	58	63
Total Operating Income	**409**	**361**	**375**	**414**	**442**
Total Operating Expenses (Before Exceptional Items)	(395)	(345)	(323)	(330)	(331)
Pre-Impairment Profit / (Loss)	**14**	**16**	**52**	**84**	**111**
Impairment (Charge) / Write-Back[1]	31	1	(155)	(10)	(17)
(Loss) / Profit Before Exceptional Items	**45**	**17**	**(103)**	**74**	**94**
Exceptional Items (Net)	222	(38)	(63)	(32)	(91)
Profit / (Loss) Before Tax	**267**	**(21)**	**(166)**	**42**	**3**

Key Metrics	**FY 2022**	**FY 2021**	**FY 2020**	**FY 2019**	**FY 2018**
Net Interest Margin	1.54%	1.51%	1.73%	1.80%	1.78%
Cost Income Ratio[2]	84%	82%	73%	80%	75%

1. Net Impairment Release of €20m reflects P&L Impairment Release of €32m minus Capital Deduction for NPL Backstop of €12m
2. Cost Income Ratio is calculated as Operating Expenses (excl. Regulatory Charges and Exceptional Items) divided by Total Operating Income

permanent tsb

Historical Financial Information

Balance Sheet

€bn	Dec 2022	Dec 2021	Dec 2020	Dec 2019	Dec 2018
Total Loan Book (net)	19.6	14.2	14.2	15.6	15.9
Treasury Assets	5.4	6.7	5.9	3.6	3.8
Other Assets	1.1	1.3	0.8	1.1	2.1
Total Assets	25.9	**22.2**	**20.9**	**20.3**	**21.8**
Retail Deposits (Incl. Current Accounts)	20.6	17.7	16.3	15.0	14.8
Corporate & Institutional	1.1	1.3	1.7	2.2	2.2
Total Customer Deposits	21.7	**19.1**	**18.0**	**17.2**	**17.0**
Wholesale Funding	1.3	0.9	0.8	0.9	2.6
Other Liabilities	0.5	0.5	0.2	0.2	0.2
Total Liabilities	23.5	**20.4**	**19.0**	**18.3**	**19.8**
Total Equity (incl. AT1)	2.4	1.8	1.9	2.0	2.0
Total Equity and Liabilities	25.9	**22.2**	**20.9**	**20.3**	**21.8**

Key Metrics	**FY 2022**	**FY 2021**	**FY 2020**	**FY 2019**	**FY 2018**
NPLs	€0.7bn	€0.8bn	€1.1bn	€1.1bn	€1.7bn
LDR	90%	75%	79%	91%	93%
CET1 Ratio (Fully Loaded Basis)	15.2%	15.3%	15.1%	14.6%	12.2%

permanent tsb

Interest Income Analysis

	Average Balances (€bn)		Yields (%)		Interest Income (€m)	
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
Tracker	5.4	6.6	1.7%	1.3%	91	85
Fixed and Variable	15.9	7.8	3.1%	3.2%	290	249
Consumer Finance	0.3	0.3	9.4%	9.6%	28	28
SME / CRE	0.3	0.2	3.4%	3.8%	10	9
Treasury Assets	8.4	6.5	0.2%	-0.1%	16	(7)
Underlying Interest Income					**435**	**364**
Deferred Acquisition Costs and Accounting Adjustments					(32)	(25)
Total Interest Income					**403**	**339**

permanent tsb

Interest Expense Analysis

	Average Balances (€bn)		Cost of Funds (%)		Interest Expense (€m)	
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
Current Accounts	7.9	6.5	0.0%	0.0%	0	0
Retail Deposits	11.0	10.6	0.0%	0.0%	4	5
Corporate Deposits	1.2	1.5	0.5%	0.5%	6	8
Wholesale Funding	1.7	1.0	1.4%	1.4%	24	14
System Funding	0.6	0.0	1.2%	0.0%	7	0
Total Interest Expense					**41**	**26**

permanent tsb

Asset Quality

Loans and Advances to Customers Measured at Amortised Cost	31-Dec 2022 €m	31-Dec 2021 €m
Home Loans	18,340	12,568
Buy To Let	824	1,623
Total Residential Mortgages	19,164	14,191
SME / Commercial	239	196
Consumer Finance	401	358
Total Measured at Amortised Cost	19,804	14,745
Analysed By ECL Staging:		
Stage 1	17,455	11,689
Stage 2	1,699	2,239
Stage 3	649	815
POCI	1	2
Total Measured at Amortised Cost	19,804	14,745
Neither past due nor Stage 3	19,118	13,885
Past due but not stage 3	36	43
Stage 3	650	817
Total Measured at Amortised Cost	19,804	14,745
Loss Allowance – Statement of Financial Position		
Stage 1	136	61
Stage 2	163	238
Stage 3	222	305
Total Loss Allowance	521	604

NPLs and NPAs

31-Dec 22	Home Loan €m	Buy-To-Let €m	SME /Commercial €m	Consumer Finance €m	Total €m
	Stage 3 Analysis				
NPL is < 90 Days	175	118	17	2	312
NPL is > 90 Days and < 1 year past due	31	15	-	3	49
NPL is 1-2 years past due	31	80	-	2	113
NPL is 2-5 years past due	51	28	-	2	81
NPL is > 5 years past due	54	29	6	5	94
POCI	-	-	-	1	1
Non-performing loans	342	270	23	15	650
Foreclosed assets[1]	3	15	-	-	18
Non-performing assets	345	285	23	15	668
Gross Loans	18,340	824	239	401	19,804
NPLs as % of gross loans	1.9%	32.8%	9.6%	3.7%	3.3%

31-Dec-21	Home Loan €m	Buy-To-Let €m	SME / Commercial €m	Consumer Finance €m	Total €m
	Stage 3 Analysis				
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*	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%

1. Foreclosed assets are assets held on the balance sheet which are obtained by taking possession of collateral or by calling on similar credit enhancements.

Regulatory Capital

	31 December 2022		31 December 2021	
	Transitional	**Fully Loaded**	Transitional	Fully Loaded
	€m	**€m**	€m	€m
Risk Weighted Assets	10,627	10,627	8,600	8,603
Capital Resources:				
Common equity tier 1	1,718	1,616	1,457	1,265
Additional Tier 1	369	369	123	123
Tier 1 Capital	2,087	1,985	1,580	1,388
Tier 2 Capital	282	282	290	290
Total Capital	2,369	2,267	1,870	1,678
Capital Ratios:				
Common Equity Tier 1 Capital	16.2%	15.2%	16.9%	14.7%
Tier 1 Capital	19.6%	18.7%	18.4%	16.1%
Total Capital	22.3%	21.3%	21.7%	19.5%
Leverage Ratio[1]	8.0%	7.7%	7.1%	6.3%

	31 December 2022		31 December 2021	
	Transitional	**Fully Loaded**	Transitional	Fully Loaded
	€m	**€m**	€m	€m
Total Equity	2,398	2,398	1,788	1,788
Less: AT1 Capital	(369)	(369)	(123)	(123)
Adjusted Capital	2,029	2,029	1,665	1,665
Prudential Filters:				
Intangible Assets	(86)	(86)	(53)	(53)
Deferred Tax	(247)	(308)	(249)	(347)
IFRS 9 Transitional Adjustment[2]	41	-	94	-
Others	(19)	(19)	-	-
Common Equity Tier 1 Capital	1,718	1,616	1,457	1,265

1. The leverage ratio is calculated by dividing Tier 1 Capital by gross balance sheet exposure (total assets and off-balance sheet exposures).
2. The CET1 transitional impact to the Group as a result of EU Regulation 2017/2395 mitigating the impact of the introduction of IFRS 9 on own funds. This was further amended by the adoption of Regulation EU 2020/873 ("CRR Quick Fix").

permanent tsb

Thank You

End of Presentation