



AIB MORTGAGE BANK

(a public unlimited company incorporated under the laws of Ireland with registration number 404926)

€20,000,000,000

MORTGAGE COVERED SECURITIES PROGRAMME

This prospectus supplement ("**Supplement**") is supplemental to and should be read in conjunction with the base prospectus dated 20 December 2013 (the "**Base Prospectus**"), issued for the purposes of giving information with regard to the issue of mortgage covered securities (the "**Securities**") by AIB Mortgage Bank (the "**Issuer**") under the Issuer's €20,000,000,000 Mortgage Covered Securities Programme (the "**Programme**") during the period of twelve months after the date of the Base Prospectus.

Words and expressions defined in the Base Prospectus shall, unless the context otherwise requires or otherwise defined in this Supplement, have the same meaning when used in this Supplement. Words and expressions defined in this Supplement and also defined in the Base Prospectus shall have the meaning given to them in this Supplement. This document constitutes a supplement to the Base Prospectus for the purposes of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") and is issued in accordance with article 16 thereof and regulation 51 of the Prospectus (Directive 2003/71/EC) Regulations 2005, as amended, of Ireland (the "**Irish Prospectus Regulations**"). This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**") as the competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities issued under the Programme which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

For the purposes of part 6 of the Irish Prospectus Regulations, the Issuer accepts responsibility for the information contained in this Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information in this Supplement is, to the best of the knowledge of the Issuer, in accordance with the facts, and does not omit anything likely to affect the import of such information. This declaration is included in this Supplement in compliance with item 1.2 of annex IX to Commission Regulation (EC) No. 809/2004, as amended.

The date of this Supplement is 14 March 2014.

Upon approval of this Supplement by the Central Bank, this Supplement will be filed with the Registrar of Companies in Ireland in accordance with regulation 38(1)(b) of the Irish Prospectus Regulations.

To the extent that there is any inconsistency between (a) any statement in, or incorporated by reference in, this Supplement, and (b) any statement in, or incorporated by reference in, the Base Prospectus, the statement in (a) will prevail.

Save as disclosed in this Supplement, there has been no significant change in the information contained in the Base Prospectus and no significant new matter has arisen in relation to the Issuer since 20 December 2013, the date of publication of the Base Prospectus, relevant to Securities to be issued under the Programme.

The issue of this Supplement was authorised in accordance with resolutions of the Board of Directors of the Issuer on 21 November 2013 and 16 December 2013.

INCORPORATION BY REFERENCE

1. The audited financial statements of the Issuer for the financial year ended 31 December 2013 and the auditor's report dated 12 March 2014 by Deloitte & Touche thereon which have been previously published and have been filed with the Central Bank and the Irish Stock Exchange are incorporated in, and form part of, this Supplement save that any statement contained therein shall be deemed to be modified or superseded for the purpose of the Base Prospectus to the extent that a statement contained in any subsequent document which is deemed to be incorporated by reference to the Base Prospectus by virtue of any supplement to the Base Prospectus modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Base Prospectus. To the extent the audited financial statements referred to above contain information which is incorporated by reference in those audited financial statements, but are not expressly incorporated by reference in this Supplement, that information does not form part of this Supplement.
2. The Issuer will provide, without charge, to each person to whom a copy of this Supplement has been delivered, upon the request of such person, a copy of the audited financial statements and auditor's report deemed to be incorporated herein by reference unless such audited financial statements or, as applicable, such auditor's report have been modified or superseded as specified above. Requests for such audited financial statements and auditor's report should be directed to the Issuer at its office set out at the end of the Base Prospectus. In addition, such audited financial statements and auditor's report will be available:
 - (i) in printed form free of charge from the Issuer at its registered office and from the Irish Paying Agent from its office specified at the end of the Base Prospectus; and

- (ii) in electronic form free of charge at "http://www.aib.ie/servlet/BlobServer/document.pdf?blobkey=id&blobwhere=1391509813616&blobcol=urlfile&blobtable=AIB_Download&blobheader=application/pdf&blobheadername1=Content-Disposition&blobheadervalue1=document.pdf".

AMENDMENTS TO THE BASE PROSPECTUS

3. At page 48 of the Base Prospectus, under the heading *Documents Incorporated by Reference*, replace the existing paragraphs (a) and (b) with the following:

"(a) the audited financial statements of the Issuer for the financial year ended 31 December 2012 and the auditor's report dated 26 March 2013 by KPMG thereon. Such financial statements are available on the website of the Group at "http://www.aib.ie/servlet/BlobServer/document.pdf?blobkey=id&blobwhere=1363111133954&blobcol=urlfile&blobtable=AIB_Download&blobheader=application/pdf&blobheadername1=Content-Disposition&blobheadervalue1=document.pdf";

(b) the audited financial statements of the Issuer for the financial year ended 31 December 2013 and the auditor's report dated 12 March 2014 by Deloitte & Touche thereon. Such financial statements are available on the website of the Group at "http://www.aib.ie/servlet/BlobServer/document.pdf?blobkey=id&blobwhere=1391509813616&blobcol=urlfile&blobtable=AIB_Download&blobheader=application/pdf&blobheadername1=Content-Disposition&blobheadervalue1=document.pdf";"

4. At page 106 of the Base Prospectus, replace the existing text under the heading *Market and Economic Conditions* with the following:

"The Director's Report accompanying the audited financial statements for the year ended 31 December 2013 (which is incorporated by reference in this Base Prospectus by the supplement dated 14 March 2014) sets out the market and economic conditions under which the Issuer operates."

5. At page 231 of the Base Prospectus, delete the existing paragraphs 2(b) and 2(c) and replace with the following:

"(b) the audited financial statements of the Issuer for the financial year ended 31 December 2012 and the auditor's report dated 26 March 2013 by KPMG thereon;

(c) the audited financial statements of the Issuer for the financial year ended 31 December 2013 and the auditor's report dated 12 March 2014 by Deloitte & Touche thereon;"

6. At page 232 of the Base Prospectus, at paragraph 5, delete the existing sentence and replace with the following:

"Save as otherwise disclosed in the supplement dated 14 March 2014 to this Base Prospectus, there has been no significant adverse change in the financial or trading position and no material adverse change in the prospects of the Issuer since 31 December 2013, the date of the Issuer's last published audited financial statements."

7. At page 232 of the Base Prospectus, at paragraph 7, delete the existing sentence and replace with the following:

"No website referred to in this Base Prospectus forms part of this Base Prospectus, other than those website links at which the documents incorporated by reference in this Base Prospectus or the supplement dated 14 March 2014 to this Base Prospectus, are stated to be available."