

SUPPLEMENT DATED 15 AUGUST 2013 TO THE BASE PROSPECTUS DATED 28 MARCH 2013 (AS SUPPLEMENTED BY A SUPPLEMENT DATED 21 MAY 2013)



ULSTER BANK IRELAND LIMITED

(incorporated in Ireland with limited liability, company number 25766)

€10,000,000,000

Euro Medium Term Note Programme

This supplement (the “**Supplement**”) is supplemental to, and must be read in conjunction with, the base prospectus dated 28 March 2013 (the “**Base Prospectus**”) as supplemented by a supplement dated 21 May 2013 (the “**Previous Supplement**”), in each case, prepared by Ulster Bank Ireland Limited (the “**Issuer**”) with respect to its €10,000,000,000 Euro Medium Term Note Programme (the “**Programme**”). This Supplement constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

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 European law pursuant to the Prospectus Directive. Such approval relates only to Notes issued under the Programme which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets 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.

The purpose of this Supplement is to:

- (a) incorporate by reference the RBSG Interim Results 2013 and the 2 August Release (each as defined below); and
- (b) update risks relating to the Issuer.

Incorporation by Reference

On 2 August 2013, RBSG published (i) its unaudited Interim Results 2013 for the six months ended 30 June 2013 (the “**RBSG Interim Results 2013**”) and (ii) a press release entitled “Ross McEwan appointed as RBS Group Chief Executive” (the “**2 August Release**”).

By virtue of this Supplement:

- the RBSG Interim Results 2013 shall be incorporated in, and form part of, the Base Prospectus. The RBS Interim Results 2013 is available on the website of RBSG at http://www.investors.rbs.com/download/announcements/Interims_2013_2_8_13.pdf, and
- the 2 August Release shall be incorporated in, and form part of, the Base Prospectus. The 2 August Release is available on the website of RBSG at <http://www.investors.rbs.com/ir/rbs/ir.jsp?page=news-item&item=1564697388122112>.

Risk Factors

The Issuer is subject to the following new risk factor:

Options to accelerate the potential divestment by HM Treasury of its stake in the RBSG Group, including separation of the RBSG Group into “good” and “bad” banks, are currently under review and uncertainty remains as to the RBSG Group’s future structure and organisation

In June 2013, responding to a recommendation by the UK Parliamentary Commission on Standards in Banking, the Chancellor of the Exchequer announced that the Government would be reviewing the case for splitting the RBSG Group into a ‘good bank’ and a ‘bad bank’. This review is being conducted by HM Treasury with external professional support and will look at a broad range of the RBSG Group’s assets. HM Treasury’s advisors are expected to report by the end of September and a decision on the creation of a ‘bad bank’ is expected in the autumn of 2013. The outcome of the review is far from certain and if a ‘good bank/bad bank’ strategy were to be adopted, then depending on the nature and scope of the exercise, several hurdles might have to be met before such a separation could take place. These may or may not include the need for shareholder approval and further consultation with the European Commission. Any such restructuring would be complex and lengthy and require significant management time and resources. Until the outcome of the review is known, the RBSG Group’s future structure and organisation remains uncertain. Such uncertainty could have a material adverse effect on the RBSG Group’s business, financial condition, results of operations and prospects.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between any statement in or incorporated by reference in the Base Prospectus by virtue of this Supplement and any other statement in or incorporated by reference in the Base Prospectus or the Previous Supplement, the statements in or incorporated by reference in the Base Prospectus by virtue of this Supplement will prevail.

If the document which is incorporated by reference in the Base Prospectus by virtue of this Supplement itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Base Prospectus except where such information or other documents are specifically incorporated by reference in the Base Prospectus by virtue of this Supplement.

Save as disclosed in the Previous Supplement or this Supplement or in any document incorporated by reference in the Base Prospectus by virtue of the Previous Supplement or this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted since the publication of the Base Prospectus.