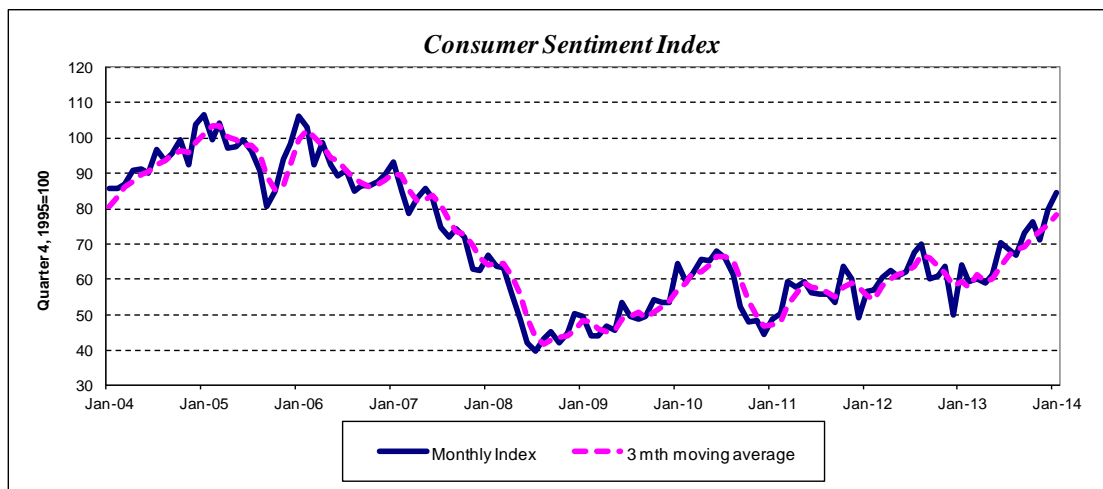




CONSUMER SENTIMENT INDEX, JANUARY 2014

Consumer Sentiment continues to improve in January

Consumer sentiment increased in January to 84.6, from 79.8 in December. The 3-month moving average increased for the ninth consecutive month to 78.5, from 75.7 in December.

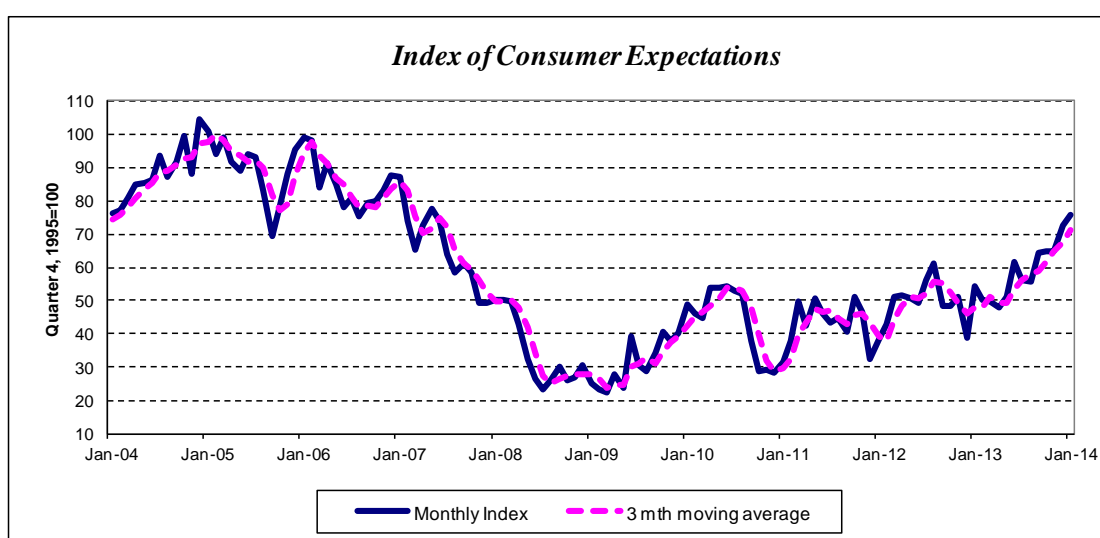
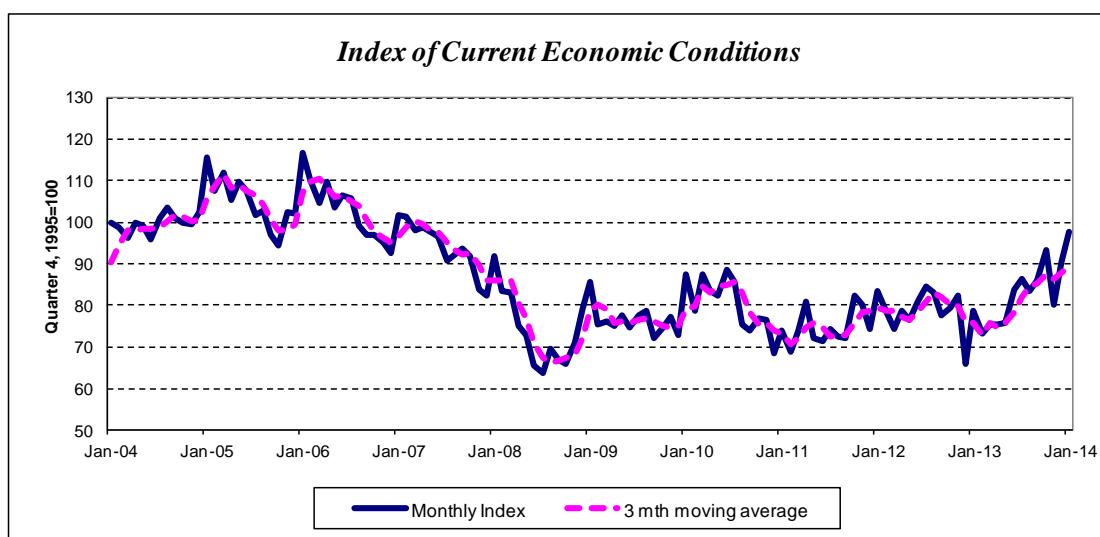


The Consumer Sentiment Index comprises two sub-indices; an index of consumer expectation that focuses on how consumers view prospects over the next 12 months and an index of current economic conditions, focusing on consumers' present situation.

The Index of Consumer Expectations is based on consumers' perceptions of their future financial situation, their economic outlook for the country as a whole and employment expectations. This sub-index improved to 75.8 this month, from 72.7 in December.

The Index of Current Economic Conditions is based on how consumers feel about their current financial circumstance compared to 12 months ago, as well as their perception of the current buying environment for large household purchases. The Index of Current Economic Conditions increased to 97.6 from 90.3 in December.

Each of the Consumer Sentiment Index, the Index of Consumer Expectations and the Index of Current Economic Conditions have now improved to a peak not seen since May 2007.



Note: Since May 2008 the KBC Bank Ireland/ESRI Irish consumer sentiment survey was prepared using a slightly different methodology. While this may have a minor impact on the precise numerical estimates of various survey components, it should not have any significant effect on the broad trends reported.

The data was obtained from telephone interviews during the first two weeks of the month with around 800 completed questionnaires. The data were re-weighted in line with gender, age and level of educational attainment to ensure the data is fully representative of the national population of adults. Each index is calculated by computing the relative scores (the percent giving favorable replies minus the percent giving unfavorable replies (the balance), plus 100) for each question used in the different indices. Those who reply “Don’t Know”, “Remain the same” are excluded from the index calculations. Each relative score is rounded to the nearest whole number. The sum of the relative scores is then divided by the base period total for each index.

For further information contact

Austin Hughes – Chief Economist, KBC Bank Ireland– (01) 664 6889

or

Kevin Timoney – Research Assistant, ESRI – (01) 863 2095

Historic data from February 1996 are available on the ESRI website, www.esri.ie and on the KBC Bank Ireland website, www.kbc.ie. A detailed methodology note outlining how the indices are constructed and the most recent release are also available on the websites.

KBC Bank Ireland, Sandwith Street, Dublin 2, Tel: 01-664 6889, Fax: 01-664 6898, Web: www.kbc.ie

ESRI, Whitaker Square, Sir John Rogerson's Quay, Dublin 2, Tel: 01-863 2000, Web: www.esri.ie