

IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS), ANY STATE OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA (the United States), TO ANY U.S. PERSON OR TO ANY PERSON LOCATED OR RESIDENT IN THE REPUBLIC OF ITALY.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Tender Offer Memorandum (the **Tender Offer Memorandum**) and you are therefore required to read this disclaimer carefully before accessing, reading or making any other use of the Tender Offer Memorandum. By accessing the Tender Offer Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from J.P. Morgan Securities Ltd. and DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main (**DZ BANK**, and together with J.P. Morgan Securities Ltd., the **Dealer Managers**), from DZ BANK via custodians having a business relationship with DZ BANK and/or Lucid Issuer Services Limited (the **Tender Agent**) as a result of such access.

THE TENDER OFFER MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE TENDER OFFER MEMORANDUM MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES AND THE REPUBLIC OF ITALY AND TO PERSONS TO WHOM IT IS OTHERWISE LAWFUL TO SEND THE TENDER OFFER MEMORANDUM. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF APPLICABLE LAWS.

Confirmation of your representation: In order to be eligible to read, access or make any other use of the Tender Offer Memorandum or make an investment decision with respect to the Offer (as defined in the Tender Offer Memorandum), you must otherwise be able to lawfully participate in the Offer, on the terms and subject to the conditions set out in the Tender Offer Memorandum, including the offer and distribution restrictions set out on pages 5 and 6 (the **Offer and Distribution Restrictions**). The Tender Offer Memorandum was sent at your request and, by accessing the Tender Offer Memorandum, you shall be deemed (in addition to the above) to have represented to EBS Building Society (**EBS**), Haven Mortgages Limited (**Haven**), Green Island Capital Securities p.l.c. (**Green Island**), the Dealer Managers and the Tender Agent that:

- (i) you are a holder or a beneficial owner of Notes (as defined in the Tender Offer Memorandum);
- (ii) neither you nor any beneficial owner of Notes nor any other person on whose behalf you are acting, either directly or indirectly, is a U.S. person (as defined under the United States Securities Act of 1933, as amended) or is located or resident in the United States;
- (iii) the electronic mail address that you have given to us and to which the Tender Offer Memorandum has been delivered is not located in the United States;
- (iv) you are otherwise a person to whom it is lawful to send the Tender Offer Memorandum or to make an invitation pursuant to the Offer in accordance with applicable laws, including the Offer and Distribution Restrictions; and
- (v) you consent to delivery of the Tender Offer Memorandum by electronic transmission to you.

The Tender Offer Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of EBS, Haven, Green Island, the Dealer Managers, the Tender Agent or any person who controls, or is a director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Tender Offer Memorandum distributed to you in electronic format and the hard copy version.

You are also reminded that the Tender Offer Memorandum has been sent to you on the basis that you are a person into whose possession the Tender Offer Memorandum may be lawfully delivered in accordance with the laws of the

jurisdiction in which you are located or resident and you may not, nor are you authorised to, deliver the Tender Offer Memorandum to any other person.

Any materials relating to the Offer do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that an Offer be made by a licensed broker or dealer and either of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in that jurisdiction, such Offer shall be deemed to be made by such Dealer Manager or affiliate, as the case may be, on behalf of Green Island in such jurisdiction.

The Tender Offer Memorandum is only directed at (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **Financial Promotion Order**), (iii) persons falling within Article 43(2) of the Financial Promotion Order or (iv) other persons to whom it may lawfully be communicated (all such persons together being referred to as **Relevant Persons**). Any person in the United Kingdom who is not a Relevant Person should not act or rely on the Tender Offer Memorandum or any of its contents. Any investment or investment activity to which these materials relate is available only to Relevant Persons and will be engaged in only with Relevant Persons. The Tender Offer Memorandum and its contents should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom.

Restrictions: Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell securities in the United States, the Republic of Italy or any other jurisdiction in which such offer or solicitation would be unlawful.

The distribution of the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Tender Offer Memorandum comes are required by Green Island, EBS, Haven, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS), ANY STATE OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA (the United States), TO ANY U.S. PERSON OR TO ANY PERSON LOCATED OR RESIDENT IN THE REPUBLIC OF ITALY.

TENDER OFFER MEMORANDUM dated 2nd February, 2011

THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION.

Offer to Purchase for Cash

any and all of the outstanding
GREEN ISLAND CAPITAL SECURITIES P.L.C.
€125,000,000 Perpetual Tier-One Pass-Through Securities
 (ISIN: XS0308228898)
 (the **Notes** and the holders of such being the **Noteholders**)
 secured over certain of the
€125,000,000 Floating Rate Guaranteed Non-Cumulative Perpetual Capital Securities
 of **EBS Capital No.1 S.A.**
 having the benefit of a subordinated guarantee of
EBS Building Society
 (the **Capital Securities**)



	ISIN	Original amount (€)	Outstanding amount (€)*	Amount held by Green Island as security for the Notes (€)*	Amount held by EBS Group (€)*	Purchase Price (per €1,000)
Notes	XS0308228898	125,000,000	46,058,000	-	-	€175
Capital Securities	-	125,000,000	125,000,000	46,058,000	78,942,000	-

* Pursuant to a tender offer which concluded on 23rd June, 2010, €78,942,000 in principal amount of the Notes was repurchased and cancelled by Green Island and Capital Securities having an aggregate liquidation preference of €78,942,000 were purchased from Green Island, and are currently held, by EBS. Those Capital Securities purchased from Green Island by EBS were simultaneously released from the security package for the Notes.

Green Island Capital Securities p.l.c. (**Green Island**) invites Noteholders (subject to certain offer restrictions - see "*Offer and Distribution Restrictions*") to tender any and all of the Notes for purchase by Green Island for cash (the **Offer**). The Offer is made on the terms and subject to the conditions contained in this Tender Offer Memorandum. The Offer is not conditional on a minimum principal amount being acquired.

Subject to satisfaction of the Settlement Condition (as defined below), Green Island will pay €175 (the **Purchase Price**) for each €1,000 in principal amount of the Notes accepted by it for purchase pursuant to the Offer. Green Island will not pay any amount in respect of accrued interest on the Notes.

Pursuant to the Capital Securities Purchase Agreement (as defined below), Haven Mortgages Limited (**Haven**), a wholly-owned subsidiary of EBS Building Society (**EBS**), has committed to purchase from Green Island a number of Capital Securities equal to the number of Notes accepted for purchase by Green Island pursuant to the Offer. Settlement of the Offer by Green Island is subject to receipt of the sale proceeds of the Capital Securities from Haven. See further "*The Offer – Capital Securities Purchase Agreement*".

The Offer begins today, 2nd February, 2011 (the **Launch Date**) and will expire at 5.00 p.m. (London time) on 23rd February, 2011 (the **Expiration Deadline**), unless extended, re-opened or terminated as provided in this Tender Offer Memorandum. The relevant deadline set by any intermediary or Clearing System may be earlier than this deadline.

Before making a decision whether to tender Notes pursuant to the Offer, Noteholders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the risk factors described under the heading "*Risk Factors and Other Considerations*" on pages 15 to 19.

In order to be eligible to receive the Purchase Price, Noteholders must validly tender their Notes by the Expiration Deadline, by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by the Expiration Deadline.

Subject to applicable law and as provided in this Tender Offer Memorandum, Green Island may, in its sole discretion (to be exercised with the consent of Haven), extend, re-open, amend, waive any condition of or terminate the Offer at any time. Details of any such extension, re-opening, amendment or termination will be announced as provided in this Tender Offer Memorandum as soon as reasonably practicable after the relevant decision is made.

Tenders of Notes in the Offer will be irrevocable except in the limited circumstances described in this Tender Offer Memorandum under the heading "*Amendment and Termination*".

Dealer Managers

J.P. Morgan Cazenove

DZ BANK AG

GENERAL

This Tender Offer Memorandum contains important information which should be read carefully before any decision is made with respect to the Offer. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender Notes in the Offer. None of Green Island, EBS, Haven, J.P. Morgan Securities Ltd., DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main (together with J.P. Morgan Securities Ltd., the Dealer Managers) or Lucid Issuer Services Limited (the Tender Agent) makes any recommendation whether Noteholders should tender Notes in the Offer.

ANY TRANSLATION OF THIS TENDER OFFER MEMORANDUM IS PROVIDED FOR INFORMATION PURPOSES ONLY, AND IN THE EVENT OF A CONFLICT BETWEEN THE TERMS OF THIS TENDER OFFER MEMORANDUM AND ANY SUCH TRANSLATION, THIS TENDER OFFER MEMORANDUM WILL PREVAIL.

Green Island accepts responsibility for the information contained in this Tender Offer Memorandum, except for information which relates to EBS and Haven. To the best of the knowledge and belief of Green Island (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

EBS accepts responsibility for the information contained in this Tender Offer Memorandum relating to EBS, Haven and the EBS Group and Haven accepts responsibility for the information contained in this Tender Offer Memorandum relating to itself. To the best of the knowledge and belief of EBS and Haven (each having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

None of the Minister for Finance, the Department of Finance, the Government of Ireland (the **Government**), the National Treasury Management Agency or any person controlled by or controlling any such person, or any entity or agency of or related to the State, or any director, officer, official, employee or adviser of any such person (each such person, an **Applicable Person**) accepts any responsibility for the contents of, or makes any representation or warranty as to the accuracy, completeness or fairness of any information in, this document or any document referred to in this document or any supplement or amendment thereto (each, a **Transaction Document**). Each Applicable Person expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon, the whole or any part of the contents of any Transaction Document. No Applicable Person has authorised or will authorise the contents of any Transaction Document, or has recommended or endorsed the merits of the tender by Noteholders of any and all of their Notes for purchase by Green Island or any other course of action contemplated by any Transaction Document.

No person has been authorised to give any information or to make any representation about the Offer other than as contained in this Tender Offer Memorandum and, if given or made, any such information or representation must not be relied upon as having been authorised by Green Island, EBS, Haven, BNP Paribas Trust Corporation UK Limited as trustee for the holders of the Notes from time to time (the **Trustee**), the Dealer Managers or the Tender Agent or their respective agents. The Tender Agent is the agent of Green Island and owes no duty to any Noteholder.

Neither the delivery of this Tender Offer Memorandum nor any purchase of Notes shall, under any circumstances, create any implication that there has been no change in the affairs of Green Island, Haven and/or EBS since the date of this Tender Offer Memorandum or that the information contained in this Tender Offer Memorandum has remained accurate and complete. Subject to the restrictions set out on pages 5 and 6 below (the **Offer and Distribution Restrictions**), this Tender Offer Memorandum is solely directed at the Noteholders.

Each Noteholder is solely responsible for making its own independent appraisal of all matters as such Noteholder deems appropriate (including those relating to the Offer) and each Noteholder must make its own decision as to whether to tender any or all of its Notes for purchase pursuant to the Offer.

If any Noteholder has sold or otherwise transferred all of its Notes, it should forward this document (subject to the Offer and Distribution Restrictions) to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Notes can only be tendered in the Offer in accordance with the procedures described in "*Procedures for Participating in the Offer*". In particular, Notes can only be tendered in the Offer in minimum principal amounts of €1,000 and integral multiples of €1,000 in excess thereof.

Noteholders who do not participate in the Offer, or whose Notes are not accepted for purchase by Green Island, will continue to hold their Notes subject to the terms and conditions of the Notes. In that regard, Noteholders are strongly recommended to read carefully the section of this Tender Offer Memorandum headed "*Risk Factors and Other Considerations*" (on pages 15 to 19) including, without limitation, the sections therein headed "*Credit Institutions (Stabilisation) Act 2010 of Ireland*", "*Redemption of Notes upon a winding up of EBS Capital and/or amendments to the terms of the Capital Securities*" and "*Future payments on the Notes*".

Questions and requests for assistance in connection with (i) the Offer, may be directed to the Dealer Managers (including, if directed to DZ BANK, via the custodian of the relevant Noteholder) and (ii) the delivery of Tender Instructions, may be directed to the Tender Agent, the contact details for all of which are on the last page of this Tender Offer Memorandum.

Capitalised terms used in this Tender Offer Memorandum have the meanings given to them in "*Definitions*" and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

Unless the context otherwise requires, references in this Tender Offer Memorandum to a Noteholder or holder of Notes include each person who is shown in the records of Euroclear Bank S.A./N.V. (**Euroclear**) or Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**) and, together with Euroclear, the **Clearing Systems** and each a **Clearing System**) as a holder of the Notes (also referred to as **Direct Participants** and each a **Direct Participant**).

For the purposes of the payment of the Purchase Price, to the extent the beneficial owner of the Notes is not a Direct Participant, the Purchase Price payable will only be paid to the relevant Direct Participant and payment of the Purchase Price payable to such Direct Participant will satisfy any obligations of the Tender Agent and the relevant Clearing System in respect of the purchase of such Notes (the obligations of Green Island being satisfied on payment to the Clearing Systems for onward distribution to the Direct Participants).

References in this Tender Offer Memorandum to **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

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OFFER AND DISTRIBUTION RESTRICTIONS

This Tender Offer Memorandum does not constitute an invitation to participate in the Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Tender Offer Memorandum comes are required by each of Green Island, EBS, Haven, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

United States

The Offer is not being made, and will not be made, directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Notes may not be tendered in the Offer by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States. Accordingly, copies of this Tender Offer Memorandum and any other documents or materials relating to the Offer are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any U.S. persons or any persons located or resident in the United States. Any purported tender of Notes pursuant to the Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each Noteholder participating in the Offer will represent that it is not a U.S. person, it is not located in the United States and it is not participating in the Offer from the United States or it is acting on a non-discretionary basis for a principal that is not a U.S. person, that is located outside the United States and that is not giving an order to participate in the Offer from the United States. For the purposes of this and the above paragraph, United States means United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

Italy

The Offer is not being made, directly or indirectly, in the Republic of Italy (**Italy**). The Offer and this Tender Offer Memorandum have not been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (CONSOB) pursuant to Italian laws and regulations. Accordingly, Noteholders are notified that, to the extent Noteholders are located or resident in Italy, the Offer is not available to them and they may not tender Notes in the Offer and, as such, any Tender Instructions received from such persons shall be ineffective and void, and neither this Tender Offer Memorandum nor any other documents or materials relating to the Offer or the Notes may be distributed or made available in Italy.

United Kingdom

The communication of this Tender Offer Memorandum and any other documents or materials relating to the Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to (i) persons who are outside the United Kingdom, (ii) investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **Financial Promotion Order**)), (iii) persons falling within Article 43(2) of the Financial Promotion Order, or (iv) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as **Relevant Persons**). Any person in the United Kingdom who is not a Relevant Person should not act or rely on this document or materials or any of their content. Any investment or investment activity to which these documents or materials relate is available only to Relevant Persons and will be engaged in only with Relevant

Persons. The documents and materials and their contents should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom.

Belgium

Neither this Tender Offer Memorandum nor any other documents or materials relating to the Offer have been submitted to or will be submitted for approval or recognition to the Belgian Banking, Finance and Insurance Commission (*Commission bancaire, financière et des assurances/Commissie voor het Bank-, Financie- en Assurantiewezen*) and, accordingly, the Offer may not be made in Belgium by way of a public offering, as defined in Article 3 of the Belgian Law of 1st April, 2007 on public takeover bids or as defined in Article 3 of the Belgian Law of 16th June, 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, each as amended or replaced from time to time. Accordingly, the Offer may not be advertised and the Offer will not be extended, and neither this Tender Offer Memorandum nor any other documents or materials relating to the Offer (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than "qualified investors" in the sense of Article 10 of the Belgian Law of 16th June, 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets (as amended from time to time), acting on their own account. Insofar as Belgium is concerned, this Tender Offer Memorandum has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offer. Accordingly, the information contained in this Tender Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

France

The Offer is not being made, directly or indirectly, to the public in the Republic of France (**France**). Neither this Tender Offer Memorandum nor any other document or material relating to the Offer has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 to D.411-3, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code *monétaire et financier*, are eligible to participate in the Offer. This Tender Offer Memorandum has not been and will not be submitted for clearance to nor approved by the *Autorité des Marchés Financiers*.

Ireland

This Tender Offer Memorandum and any other documents or materials relating to the Offer will only be distributed in conformity with the provisions of (i) the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3), including, without limitation, Regulations 7 and 152 thereof, or any applicable provisions of Irish law and (ii) the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued by the Central Bank of Ireland pursuant thereto.

General

This Tender Offer Memorandum does not constitute an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes in the Offer will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer and either of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in any such jurisdiction, the Offer shall be deemed to be made by such Dealer Manager or affiliate, as the case may be, on behalf of Green Island in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Noteholder participating in the Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Participating in the Offer*". Any tender of Notes for purchase pursuant to the Offer from a Noteholder that is unable to make these representations may be rejected. Each of Green Island, EBS, the Dealer Managers and the Tender Agent reserve the right, in their absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result Green Island determines (for any reason) that such representation is not correct, such tender may be rejected.

INDICATIVE OFFER TIMETABLE

The following table sets out the expected dates and times of the key events relating to the Offer. This is an indicative timetable and is subject to change. All times are London Time.

Date and time (all times are London times)	Number of Business Days from and including Launch Date	Event
Wednesday, 2nd February, 2011	Day 1	<p><i>Launch Date</i></p> <p>Execution of the Capital Securities Purchase Agreement.</p> <p>Offer announced and Tender Offer Memorandum available from the Dealer Managers and the Tender Agent.</p> <p>Notices of Offer published.</p>
Wednesday, 23rd February, 2011 at 5.00 p.m.	Day 16	<p><i>Expiration Deadline</i></p> <p>Deadline for receipt by the Tender Agent of all Tender Instructions.</p>
The Business Day immediately following the Expiration Date	Day 17	<p><i>Announcement of Acceptance and Results</i></p> <p>Announcement by Green Island of whether it accepts for purchase the Notes validly tendered in the Offer and, if so accepted, the aggregate principal amount of Notes accepted for purchase.</p>
Friday, 25th February, 2011	Day 18	<p><i>Expected Settlement Date</i></p> <p>Subject to satisfaction of the Settlement Condition, payment of the Purchase Price in respect of the Notes accepted for purchase.</p> <p>Green Island will notify Noteholders in the event that the Settlement Condition is not satisfied on the Expected Settlement Date.</p>

The above dates and times are subject, where applicable, to the right of Green Island (with the consent of Haven) to extend, re-open, amend, and/or terminate the Offer (subject to applicable law and as provided in this Tender Offer Memorandum). Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes whether such intermediary would require to receive instructions to participate in the Offer before the deadlines specified above. **The deadlines set by each Clearing System for the submission of Tender Instructions may be earlier than the relevant deadlines above.** See "*Procedures for Participating in the Offer*".

Unless stated otherwise, announcements will be made by the issue of a press release to a Notifying News Service, by delivery of notices to the Clearing Systems for communication to Direct Participants, via the Company Announcements Office of the Irish Stock Exchange, and may also be found on Reuters International Insider Screen. Copies of all announcements, notices and press releases can also be obtained from the Tender Agent, the contact details for which are on the last page of this Tender Offer Memorandum.

DEFINITIONS

affiliate	has the meaning given to that term by Rule 405 under the United States Securities Act of 1933, as amended.
Business Day	A day other than a Saturday or a Sunday or a public holiday on which commercial banks and foreign exchange markets are open for business in Dublin and London.
Capital Securities	<p>The outstanding € Floating Rate Guaranteed Non-Cumulative Perpetual Capital Securities of EBS Capital having the benefit of the Subordinated Guarantee.</p> <p>The Capital Securities were originally issued with an aggregate liquidation preference of €125,000,000, of which, as at the date of this Tender Offer Memorandum:</p> <ul style="list-style-type: none">(i) €46,058,000 continue to be held by Green Island as security for the Notes; and(ii) €78,942,000 (purchased by EBS pursuant to a tender offer completed in June 2010) are held by EBS in its own right and are not security for the Notes.
Capital Securities Purchase Price	An amount equal to the aggregate Purchase Price payable by Green Island in respect of all Notes accepted for purchase pursuant to the Offer.
Capital Securities Condition to Settlement	The release by the Trustee, on or prior to the Expected Settlement Date, of the Capital Securities to be purchased by Haven from Green Island pursuant to, and in accordance with, the Capital Securities Purchase Agreement, from the security interests created over such Capital Securities pursuant to the Trust Deed and the Pledge.
Capital Securities Purchase Agreement	The Capital Securities Purchase Agreement entered into between Haven, the Trustee and Green Island dated the date of this Tender Offer Memorandum for the sale by Green Island and the purchase by Haven of a number of Capital Securities equal to the number of Notes accepted for purchase by Green Island pursuant to the Offer.
Central Bank	The Central Bank of Ireland.
Clearing Systems	Clearstream, Luxembourg and Euroclear.
Clearing Systems Notice	The " <i>Deadlines and Corporate Events</i> " or similar form of notice to be sent to Direct Participants by each of the Clearing Systems on or about the date of this Tender Offer Memorandum informing Direct Participants of the procedures to be followed in order to participate in the Offer.
Clearstream, Luxembourg	Clearstream Banking, <i>société anonyme</i> .
Dealer Managers	J.P. Morgan Securities Ltd. and DZ BANK
Direct Participant	Each person shown in the records of the Clearing Systems as a holder of the Notes.
Distribution Payment Date	has the meaning given to it in the conditions of the Capital Securities.
DZ BANK	DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main.
EBS	EBS Building Society.
EBS Capital	EBS Capital No.1 S.A.
EBS Group	EBS, together with its subsidiaries and its subsidiary undertakings (as defined in the Companies Acts, 1963-2006, of Ireland (as amended) and the Companies Act, 2009, of Ireland).
Euroclear	Euroclear Bank S.A./N.V.

Expected Settlement Date	25th February, 2011 (subject to the right of Green Island (with the consent of Haven) to extend, amend, re-open and/or terminate the Offer).
Expiration Date	23rd February, 2011 (subject to the right of Green Island (with the consent of Haven) to extend, amend, re-open and/or terminate the Offer).
Expiration Deadline	5.00 p.m. (London time) on the Expiration Date (subject to the right of Green Island (with the consent of Haven) to extend, amend, re-open and/or terminate the Offer).
Green Island	Green Island Capital Securities p.l.c.
Haven	Haven Mortgages Limited, a wholly-owned subsidiary of EBS.
Irish Stock Exchange	The Irish Stock Exchange Limited.
Launch Date	The date of this Tender Offer Memorandum.
Minister for Finance	The Minister for Finance of Ireland.
Noteholder	A holder of Notes.
Notes	The outstanding €46,058,000 Perpetual Tier-One Pass-Through Securities issued by Green Island (XS0308228898) (originally issued in an aggregate principal amount of €125,000,000) secured over the Capital Securities held by Green Island.
Notifying News Service	A recognised financial news service or services (such as Reuters or Bloomberg) as selected by Green Island.
Offer	The invitation by Green Island to Noteholders (subject to the offer restrictions set out in " <i>Offer and Distribution Restrictions</i> ") to tender any and all of the Notes for purchase by Green Island for cash, as set out in this Tender Offer Memorandum.
Parity Capital Securities	The outstanding 4.830% Step-up Guaranteed Non- Cumulative Perpetual Capital Securities of EBS Capital, having the benefit of a subordinated guarantee of EBS.
Pledge	The Pledge Agreement dated 4th July, 2007 as amended by a Release Agreement dated 1st June, 2010, in each case between Green Island and the Trustee.
Promissory Note	has the meaning given to that term under " <i>The Offer – Background</i> ".
Purchase Price	€175 for each €1,000 in principal amount of the Notes accepted by Green Island for purchase pursuant to the Offer.
Settlement Condition	The purchase by Haven from Green Island, in accordance with the Capital Securities Purchase Agreement, of a number of Capital Securities equal to the number of Notes accepted for purchase by Green Island pursuant to the Offer.
SIS	has the meaning given to that term under " <i>The Offer – Background</i> ".
Stabilisation Act	The Credit Institutions (Stabilisation) Act 2010 of Ireland.
State	The Irish State.
Subordinated Guarantee	The subordinated guarantee dated 4th July, 2007 of EBS in respect of the Capital Securities.
Tender Agent	Lucid Issuer Services Limited
Tender Instruction	The electronic tender and blocking instruction in the form specified in the Clearing Systems Notice for submission by Direct Participants to the Tender Agent via the relevant Clearing System and in accordance with the requirements of such Clearing System by the relevant deadlines in order for Noteholders to be able to participate in the Offer.
Tender Offer Costs	Any costs incurred by Green Island in respect of the Offer.

Trust Deed

The Amended and Restated Trust Deed dated 22nd March, 2007, as supplemented by the Supplemental Trust Deed dated 4th July, 2007 and the Deed of Release dated 1st June, 2010, each between, *inter alios*, Green Island and the Trustee.

Trustee

BNP Paribas Trust Corporation UK Limited as trustee for the holders of the Notes from time to time.

THE OFFER

Terms of the Offer

Green Island invites Noteholders (subject to offer restrictions - see "*Offer and Distribution Restrictions*", and on the terms and subject to the conditions contained in this Tender Offer Memorandum) to tender any and all of its Notes for purchase by Green Island at the Purchase Price.

Background

EBS incurred losses in its 2008 and 2009 financial years, primarily due to impairments on land and development assets transferring to the National Asset Management Agency (NAMA) and other impairments. It is expected that more losses will be incurred and further loss provisions be made in its 2010 financial year.

In November 2010, the Central Bank announced that EBS will be required to have an increased target capital requirement to be fully met by 28th February, 2011.

See further "*Rationale for the Offer*" below.

In May 2010, the Irish government subscribed €100 million for special investment shares (SIS) issued by EBS and in June 2010 the Irish government issued to EBS a promissory note in an amount of €250 million (the **Promissory Note**). The Irish government subscribed a further €525 million for additional SIS in December 2010. Each of the SIS and the Promissory Note are treated as core tier-1 capital of EBS. EU State aid rules applicable to EBS require that, following the issue of the SIS and the receipt of the Promissory Note EBS is prohibited from paying any discretionary dividends or distributions on its capital instruments (which include the Capital Securities and Parity Capital Securities) until the State's investment in EBS has been returned. No distributions have been paid on the Capital Securities since 31st March, 2010 and no future distributions are permitted on the Capital Securities until all of the State's investment has been returned.

The Notes are pass through debt securities backed by Green Island's holding of the Capital Securities. If Green Island does not receive a distribution on the Capital Securities in respect of any distribution period, interest for the corresponding period on the Notes shall not be due and payable, shall not accrue and shall not accumulate. Any interest not paid under the Notes will be cancelled.

See further "*Risk Factors and Other Considerations –Future Payments on the Notes*".

The Irish government has publicly stated that subordinated creditors of Irish credit institutions who are in receipt of financial support from the State (such financial support would include the SIS and the Promissory Note) should share the burden of the cost of the financial support provided. In that respect the Stabilisation Act was passed on 21st December, 2010. The Stabilisation Act provides the Irish Minister for Finance with significant powers of intervention in respect of EBS which, if exercised, could result in its subordinated capital providers (potentially including the holders of the Capital Securities and therefore the Noteholders) suffering significant losses.

For further information on the powers of intervention available to the Minister for Finance under the Stabilisation Act and certain risks to Noteholders consequent thereon, see further "*Risk Factors and Other Considerations - Credit Institutions (Stabilisation) Act 2010 of Ireland*".

EBS is in discussions with two different potential investors which may result in a change of ownership of EBS. However, there is no certainty that such discussions, or any future discussions with other potential investors, will result in a change of ownership.

See further "*Risk Factors and Other Considerations –Potential Change of Ownership*".

Rationale for the Offer

On 28th November, 2010, the Central Bank announced that it set a new minimum capital requirement of 10.5 per cent. core tier-1. In addition, the Central Bank requires EBS to raise sufficient capital to achieve a capital ratio of at least 12 per cent. core tier-1 by 28th February, 2011. The Central Bank will require this additional capital to be in the form of reserves, equity or equivalent instruments for EBS.

As a result of the increased core capital requirements, the EBS Group is seeking to augment its existing core tier-1 capital base by purchasing any and all of the existing non-core tier-1 capital instruments originated from within the EBS Group at a price below their par value.

Accordingly, the rationale for undertaking the Offer is to create additional core tier-1 capital and to strengthen the quality of the capital base of EBS. The Offer is a voluntary, market-based approach which affords a choice to Noteholders and reflects the current distressed trading levels of the Notes. The Notes currently trade at a significant discount compared to their initial issue price.

Haven has agreed with Green Island to make an offer for any and all of the Capital Securities to facilitate the increase of EBS Group's core tier-1 capital. To enable Haven to purchase any and all of the Capital Securities held by Green Island, Green Island has agreed to make the Offer and Haven, pursuant to the Capital Securities Purchase Agreement, has agreed with Green Island to purchase that number of Capital Securities from Green Island which is equal to the number of Notes accepted by Green Island for purchase pursuant to the Offer.

After settlement of the Offer, EBS may elect, or may (by virtue of the powers afforded to the Minister for Finance pursuant to the SIS - see "*Risk Factors and Other Considerations - Risks concerning the issue of Special Investment Shares to the Minister for Finance and the Promissory Note*") be requested by the Minister for Finance, in order to create additional capital, to amend the terms of the Capital Securities and/or initiate the winding up of EBS Capital in accordance with its Articles of Incorporation, which could have an adverse impact on the Noteholders.

See further "*Risk Factors and Other Considerations - Redemption of Notes upon a winding up of EBS Capital and/or amendments to the terms of the Capital Securities*".

Haven is a wholly-owned subsidiary of EBS and a member of the EBS Group. Haven was incorporated on 1st May, 2007 and commenced trading on 17th December, 2007. Haven is authorised by the Central Bank as a retail credit firm under Part V of the Central Bank Act 1997 (as amended).

Total Consideration

Subject to satisfaction of the Settlement Condition, Green Island will pay Noteholders an amount equal to €175 (the **Purchase Price**) on the Expected Settlement Date for each €1,000 in principal amount of Notes accepted for purchase pursuant to the Offer. No amount will be paid in respect of accrued interest on the Notes.

Capital Securities Purchase Agreement

Haven, the Trustee and Green Island have entered into the Capital Securities Purchase Agreement pursuant to which Haven has agreed (subject to the satisfaction of the Capital Securities Condition to Settlement) to purchase from Green Island, on the Expected Settlement Date, a number of Capital Securities equal to the number of Notes which Green Island accepts for tender pursuant to the Offer. The price payable for such Capital Securities shall be an amount equal to the aggregate Purchase Price payable by Green Island in respect of all Notes accepted for purchase pursuant to the Offer (the **Capital Securities Purchase Price**).

In addition, the Capital Securities Purchase Agreement provides that Haven will pay to Green Island any costs incurred by Green Island in respect of the Offer (the **Tender Offer Costs**).

The obligations of Haven to purchase Capital Securities pursuant to the Capital Securities Purchase Agreement and to pay to Green Island the Capital Securities Purchase Price (but not, for the avoidance of doubt, the Tender Offer Costs) is subject to the release by the Trustee, on or prior to the Expected Settlement Date, of such Capital Securities from the security interests created over such Capital Securities pursuant to the Trust Deed and the Pledge (the **Capital Securities Condition to Settlement**).

Central Bank Consent

The purchase of Capital Securities from Green Island by Haven is subject to the prior written consent of the Central Bank. This consent was received by EBS on 2nd February, 2011.

Trustee Satisfaction

Pursuant to Condition 7(g) of the Notes, the purchase of Notes by Green Island is subject to Green Island satisfying the Trustee that it has made arrangements for the realisation of no more than the equivalent proportion of the property securing the Notes and for the purchase of the Notes, which transaction will leave Green Island with no net liabilities in respect thereof.

The Trustee has confirmed to Green Island and Haven that, subject to the acceptance by Green Island of all valid tenders of Notes pursuant to the Offer and the receipt by the Trustee of, *inter alia*, the corporate certificate from Green Island certifying that (i) it has made arrangements for the realisation of no more than the equivalent proportion of Capital Securities held by it and for the repurchase of the Notes validly offered for tender, and (ii) the repurchase of the Notes validly offered for tender will not leave Green Island with any net liabilities, as specified in the Capital Securities Purchase Agreement, it will release from the security interests created pursuant to the Trust Deed and the Pledge a number of Capital Securities equal to the number of such Notes on the Expected Settlement Date.

In accordance with normal practice, the Trustee has not been involved in the formulation of the Offer outlined in this Tender Offer Memorandum and the Trustee expresses no opinion on the merits of the Offer but on the basis of the information contained in this Tender Offer Memorandum has authorised it to be stated that it has no objection to the Offer being submitted to Noteholders for their consideration. Noteholders should take their own independent advice on the merits and on the consequences of accepting the Offer, including any tax consequences. The Trustee is not responsible for the accuracy, completeness, validity or correctness of the statements made in this Tender Offer Memorandum or omissions therefrom. Accordingly, Noteholders who are unsure of the impact of the Offer should seek their own independent financial, legal and tax advice.

Acceptance of Tendered Notes and Payment

If the Offer is not extended, amended, re-opened or terminated by Green Island (with the consent of Haven), Green Island will announce on the Business Day immediately following the Expiration Date whether it accepts for purchase Notes validly tendered in the Offer and the aggregate principal amount of the Notes (if any) accepted for purchase. Subject to the general right of Green Island to reject offers to tender Notes, Green Island will accept for purchase all or none of the Notes validly tendered and will not accept part only of the Notes validly tendered.

If Notes validly tendered in the Offer are accepted for purchase by Green Island, the Purchase Price for such Notes will be paid (subject to satisfaction of the Settlement Condition) on the Expected Settlement Date in immediately available funds to the Clearing Systems for payment to the cash accounts of the relevant Noteholders in the Clearing Systems (see "*Procedures for Participating in the Offer*"). The payment of such aggregate amounts to the Clearing Systems will discharge the obligation of Green Island to all Noteholders in respect of the above amounts represented by such funds.

Green Island will at any time have the discretion to accept for purchase any Notes tendered in the Offer, the tender of which, in the sole opinion of Green Island, may otherwise be invalid.

Green Island may reject tenders of Notes it considers in its sole discretion not to have been validly tendered in the Offer and it is under no obligation to any relevant Noteholder to furnish any reason or justification for refusing to accept such tenders. For example, tenders of Notes may be rejected and may be treated as not having been validly tendered in the Offer if any such tender does not comply with the requirements of a particular jurisdiction.

Provided Green Island makes, or there is made on its behalf, full payment of the Purchase Price for Notes accepted for purchase pursuant to the Offer to the Clearing Systems on or before the Expected Settlement Date, under no circumstances will any additional amounts (by way of interest, distributions or otherwise) be payable because of any delay in the transmission of funds from any Clearing System or any paying agent or any other intermediary with respect to such Notes.

General Conditions of the Offer

Green Island expressly reserves the right, in its discretion (subject to the consent of Haven), to delay acceptance of tenders of Notes in the Offer in order to comply with applicable laws. In all cases, the purchase of Notes for cash pursuant to the Offer will only be made after the submission of a valid Tender Instruction in accordance with the procedures described in "*Procedures for Participating in the Offer*" including the blocking of the Notes tendered in the relevant accounts at the relevant Clearing System until the earlier of (i) the time of settlement on the relevant Expected Settlement Date and (ii) the date of any termination of the Offer (including where such Notes are not accepted by Green Island for purchase) or on which the tender of such Notes is revoked, in the limited circumstances in which such revocation is permitted. See also "*Risk Factors and Other Considerations*".

The failure of any person to receive a copy of this Tender Offer Memorandum or any announcement made or notice issued by Green Island in connection with the Offer shall not invalidate any aspect of the Offer. No acknowledgement of receipt of any Tender Instruction and/or other documents will be given by Green Island, EBS, the Dealer Managers or the Tender Agent.

Announcements

All announcements will be made by Green Island (i) by the issue of a press release to a Notifying News Service; (ii) by delivery of notices to the Clearing Systems for communication to Direct Participants; and (iii) via the Company Announcements Office of the Irish Stock Exchange, and may also be found on the Reuters International Insider Screen. Significant delays may be experienced in respect of notices delivered to the Clearing Systems and Noteholders are urged to contact the Dealer Managers or the Tender Agent for the relevant announcements during the course of the Offer, the contact details for which are on the last page of this Tender Offer Memorandum.

Governing Law

The Offer, each Tender Instruction and any purchase of Notes pursuant to the Offer and any non-contractual obligation arising out of or in connection therewith shall be governed by and construed in accordance with English law (see also "*Procedures for Participating in the Offer - General*"). The Capital Securities Purchase Agreement is governed by and shall be construed in accordance with the laws of Ireland.

Exercise of Discretions

Green Island has agreed with Haven in the Capital Securities Purchase Agreement that all exercises of discretion by Green Island in relation to the Offer (including, but not limited to, the right to extend, re-open, amend, and/or terminate the Offer and the right to accept or reject tenders of Notes) will be only exercised with the consent of Haven.

Other Offers

EBS, or any other member of the EBS Group, is permitted, subject to applicable law and regulation, to conduct offers for any other securities, upon such terms as it shall determine at the relevant time. Such offers, whether successful or not, shall not affect the Noteholders', EBS', Haven's or Green Island's rights and obligations in relation to the Offer and this Offer is not conditional on any other such offers.

On the date of this Tender Offer Memorandum:

- (i) CHESS Capital Securities p.l.c. launched a tender offer in respect of its outstanding perpetual tier-1 pass-through securities on the terms set out in a tender offer memorandum of even date herewith and Haven has agreed to purchase a corresponding number of the Parity Capital Securities from it; and
- (ii) EBS launched a tender offer in respect of any and all of its outstanding lower tier-2 securities on the terms set out in a tender offer memorandum of even date herewith.

RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision with respect to the Offer, Noteholders should carefully consider, in addition to the other information contained in this Tender Offer Memorandum, the following.

Risk considerations overview: Ireland recently enacted the Stabilisation Act which provides a legal basis to facilitate the restructuring of the Irish banking system agreed in the joint EU-IMF Programme of Financial Support for Ireland (the Programme for Support). The Stabilisation Act gives the Minister for Finance significant powers of intervention in respect of a relevant institution (which would include EBS). These powers include ordering modifications to the rights to interest on, and the repayment of principal of, subordinated liabilities of EBS, such as the Subordinated Guarantee or the PIBS (as defined below), being subordinated liabilities of EBS and the main assets of EBS Capital.

Furthermore, EBS and its group, as current majority holder of Capital Securities and other shares in EBS Capital, may elect, or may (by virtue of the powers afforded to the Minister for Finance pursuant to the SIS - see "*Risks concerning the issue of Special Investment Shares to the Minister for Finance and the Promissory Note*" below) be requested by the Minister for Finance, following conclusion of the Offer, to amend the terms of the Capital Securities and/or initiate proceedings for the winding up of EBS Capital in accordance with its Articles of Incorporation. In the event of an amendment to the terms of the Capital Securities and/or a winding up of EBS Capital, it is very likely that any amounts recovered by Noteholders will be significantly less than the principal amount of Notes held by them, such that they may lose all or substantially all of their investment in the Notes, and would likely be significantly less than the Purchase Price.

In the event of an order by the Minister for Finance, an amendment to the terms of the Capital Securities or a winding up of EBS Capital, Noteholders may lose all or substantially all of their investment in the Notes.

These critical risks and other risk considerations for investors are analysed in more detail below.

Redemption of Notes upon a winding up of EBS Capital and/or amendments to the terms of the Capital Securities. The terms of the Notes provide that if (*inter alia*) the winding up or dissolution of EBS Capital is commenced, Green Island will redeem the Notes by way of physical settlement. In that event, subject to and in accordance with the terms and conditions of the Notes, an amount of Capital Securities calculated in accordance with the terms and conditions of the Notes will be delivered to Noteholders in satisfaction of redemption of their Notes. Accordingly, the Noteholders would cease to hold their Notes and would hold Capital Securities in lieu thereof. The Noteholders would then be eligible to claim in the winding up of EBS Capital in respect of their Capital Securities, in accordance with the EBS Capital Articles of Incorporation and Luxembourg law.

The Articles of Incorporation of EBS Capital provide that EBS Capital may be dissolved by resolutions of its shareholders passed by a majority (the **Qualifying Majority**) of two-thirds of the votes of shareholders cast at the relevant shareholders meeting. The share capital of EBS Capital is currently split into three classes: "A Shares", "B1 Shares" and "B2 Shares". By virtue of its holding of "A Shares" (100 per cent.), "B1 Shares" (69.7 per cent.) and "B2 Shares" (63.1 per cent.), EBS currently holds in excess of 91 per cent. of the issued shares of EBS Capital, and therefore holds a Qualifying Majority. Thus EBS may at any time elect, or may (by virtue of the powers afforded to the Minister for Finance pursuant to the SIS - see "*Risks concerning the issue of Special Investment Shares to the Minister for Finance and the Promissory Note*" below) be requested by the Minister for Finance, to initiate the winding up of EBS Capital in accordance with its Articles of Incorporation.

Under Luxembourg law and the EBS Capital Articles of Incorporation, the EBS Capital shareholders can at all times approve a resolution approving the dissolution and voluntary liquidation of the company. Upon payment by the person appointed pursuant to Luxembourg law to wind up the company of all company debts, all other charges against the company and the expenses of the liquidation, the person shall distribute the net liquidation proceeds available to the company shareholders in accordance with the rules set in the company's Articles.

On a winding up of EBS Capital, holders of Capital Securities are eligible to claim for, subject to certain limitations, the 'liquidation distribution' in respect of their Capital Securities out of the assets of EBS Capital

available for distribution. In the event of a winding up of EBS Capital, it is likely that any amounts recovered by Noteholders in the winding up of EBS Capital will be significantly less than the principal amount of Notes held by them, such that they may lose all or substantially all of their investment in the Notes, and would likely be significantly less than the Purchase Price.

Furthermore, the terms of the Capital Securities may be amended in any respect (including, without limitation, as to the terms of payment and/or the amount of liquidation preference payable in respect of the Capital Securities in the event of a winding up of EBS Capital) by a Qualifying Majority of the holders of each of the "A Shares", the "B1 Shares" and the "B2 Shares".

In the event that EBS elects, or is directed by the Minister for Finance, to take any action described above in respect of EBS Capital and/or the Capital Securities, Noteholders may lose all or substantially all of their investment in the Notes.

Credit Institutions (Stabilisation) Act 2010 of Ireland. The Stabilisation Act, which provides the legislative basis for the restructuring of the Irish banking system agreed in the Programme for Support, gives the Minister for Finance very significant powers of intervention in respect of a relevant institution (which would include EBS). These include intervention by way of making a direction order (to take or refrain from any action); a special management order (appoint a person as special manager of the relevant institution); a subordinated liabilities order modifying the rights attributable to subordinated liabilities in a relevant institution (including rights to interest and the repayment of principal, events of default, timing of obligations and may facilitate potential debt for equity swap restructuring of subordinated liabilities at a significant discount) or a transfer order (transfer of assets or liabilities of relevant institutions to facilitate the restructuring of the banking sector).

The Stabilisation Act restricts subordinated creditors from instituting a petition to wind up an institution on the basis of failure to honour the terms of a subordinated liability where the institution in question is in compliance with the terms of an order. The Stabilisation Act shall cease to have effect on 31st December, 2012 or such later date substituted by resolution of both Houses of the Oireachtas.

The assets of EBS Capital predominantly comprise permanent interest bearing shares (**PIBS**), a type of deeply subordinated capital instrument, issued by EBS to EBS Capital. Both the Subordinated Guarantee and the PIBS could be considered "subordinated liabilities" for the purposes of the Stabilisation Act. There can be no assurance that a subordinated liabilities order will not be made in respect of the Subordinated Guarantee and/or the PIBS if the Minister for Finance is of the opinion that it is necessary in accordance with the purposes of the Stabilisation Act for preserving or restoring the financial position of EBS.

In the event of a subordinated liabilities order being made in respect of the Subordinated Guarantee and/or the PIBS, Noteholders may lose all or substantially all of their investment in the Notes.

Risks concerning the issue of Special Investment Shares to the Minister for Finance and the Promissory Note. In May 2010, the Irish government subscribed €100 million for special investment shares (**SIS**) issued by EBS and in June 2010 the Irish government issued to EBS a promissory note in an amount of €250 million (the **Promissory Note**). The Irish government subscribed a further €525 million for additional SIS in December 2010. Each of the SIS and the Promissory Note are treated as core tier-1 capital of EBS. EU State aid rules applicable to EBS require that following the issue of the SIS and the receipt of the Promissory Note EBS is prohibited from paying any discretionary dividends or distributions on its capital instruments (which include the Capital Securities and Parity Capital Securities) until the State's investment in EBS has been returned – see "*Future payments on the Notes*" below.

In addition, pursuant to the terms of the SIS, the Minister for Finance has a large degree of shareholder control over the affairs of EBS. The Minister for Finance is also empowered to issue binding directions to the Board as he sees fit. In exercising his powers under the SIS, the Minister for Finance is likely to have primary regard to the financial stability of EBS, the banking sector in Ireland as a whole and the broader interests of the Irish economy. If EBS remains within State control, there is an increased risk of intervention by the Irish Government in relation to the operations and policies of EBS. Such further interventions may have a negative impact on the operations of EBS, which may include making a subordinated liabilities order or taking other steps under the Stabilisation Act (see "*Credit Institutions (Stabilisation) Act 2010 of Ireland*" above) and/or

requiring EBS to take steps available to it to enforce burden sharing on its capital providers, which could (without limitation) include those steps referred to in "*Redemption of Notes upon a winding up of EBS Capital and/or amendments to the terms of the Capital Securities*" above.

Future payments on the Notes. The Notes are pass through debt securities backed by Green Island's holding of Capital Securities and therefore payments under the Notes by Green Island are dependent upon receipt by Green Island of corresponding payments under the Capital Securities held by Green Island. Green Island can only make payments under the Notes if payments under the Capital Securities held by it have been received by Green Island. No payments have been made under the Capital Securities (and consequently the Notes) since March 2010 and no payments have been made on the Parity Capital Securities since July 2009, which has resulted in certain subsequent restrictions on payments of distributions under the Capital Securities. In addition, the EU State aid rules applicable to EBS require that no future payments under the Capital Securities (and consequently the Notes) may be made whilst the SIS and the Promissory Note remain in issue or until the State's investment in EBS (approximately €875 million) has been returned.

As a result of the restrictions on EBS with respect to the Capital Securities and the extent of the State's investment in EBS, there is a risk that no interest will be paid on the Notes for a long period and that remaining Notes may, if not otherwise redeemed as described under "*Redemption of Notes upon a winding up of EBS Capital and/or amendments to the terms of the Capital Securities*" above, be outstanding for a long period.

Continued non-payment of distributions on the Capital Securities or other events may result in further downgrades of the ratings assigned to the Notes which are currently Ca from Moody's Investors Service Inc. and CCC from Fitch Ratings Limited.

Potential change in ownership. EBS is in discussions with two different potential investors which may result in a change of ownership of EBS. However, there is no certainty that such discussions, or any future discussions with other potential investors, will result in a change of ownership. Nevertheless, any potential change in ownership is likely to have restrictive conditions on certain existing capital providers and could also include restrictions on payment of distributions on the Capital Securities or any redemption, purchase or repurchases of the Capital Securities. There is no certainty that any resulting change of ownership would improve the position of the Noteholders.

IMF and EU. On 28th November, 2010, the Irish Government announced the provision of €85 billion of financial assistance (the **Financial Assistance**) to Ireland by Member States of the European Union via the European Financial Stability Fund (the **EFSF**) and the European Financial Stability Mechanism (the **EFSM**), bilateral loans from the UK, Sweden and Denmark, and through the International Monetary Fund's (the **IMF**) Extended Fund Facility (the **EFF**), subject to certain conditions. €17.5 billion of the €85 billion package is being contributed by Ireland. A central element of the support relates to further restructuring and the restoration of the long-term viability and financial health of the Irish banking system. A general restructuring of the Irish banking system could impact EBS in ways that cannot be predicted and such restructuring could adversely impact its ability to meet its obligations, which could have an adverse impact on the rights of holders under their Notes.

The Financial Assistance is being provided in the context of the Programme for Support agreed with the EU Commission and the IMF, in liaison with the European Central Bank. The conditions governing the Programme for Support are set out in a memorandum of understanding comprising two parts, dealing in turn with bank restructuring in Ireland and fiscal policy and structural reform. The full implications for EBS of the Programme for Support are unknown.

Furthermore, post receipt of State aid, EBS was required to submit a restructuring plan to the EU and this was submitted on 31st May, 2010. The EU instigated Open Proceedings on 6th November, 2010 which closed on 6th December, 2010. The EU will ultimately make a decision with regard to any restructuring of EBS in due course and may depend on other factors including, without limitation, the outcome of the general restructuring of the Irish banking system and any EBS specific factors.

Uncertainty as to the Trading Market for Notes not Purchased. To the extent any tendered Notes are accepted by Green Island for purchase pursuant to the Offer, the trading markets for Notes that remain outstanding (and

are not otherwise redeemed in the circumstances described under "*Redemption of Notes upon a winding up of EBS Capital and/or amendments to the terms of the Capital Securities*" above) may be significantly more limited. Such remaining Notes may command a lower market price than would a comparable issue of debt securities with greater market liquidity. A reduced market value may also make the trading price of such Notes more volatile. As a result, the market price for Notes that remain outstanding after completion of the Offer may be adversely affected by the Offer. None of Green Island, EBS, Haven, the Dealer Managers or the Tender Agent has any duty to make a market in the Notes not tendered and purchased in the Offer that remain outstanding.

No Obligation to Accept Tenders of Notes for Purchase. Green Island is not under any obligation to accept any tender of Notes for purchase pursuant to the Offer. Tenders of Notes for purchase may be rejected in the sole discretion of Green Island for any reason and Green Island is not under any obligation to Noteholders to furnish any reason or justification for refusing to accept a tender of Notes for purchase. For example, tenders of Notes for purchase may be rejected if the Offer is terminated, if the Offer does not comply with the relevant requirements of a particular jurisdiction or for any other reason. Subject to this, however, Green Island will accept for purchase all or none of the Notes validly tendered and will not accept part only of the Notes validly tendered.

Responsibility for complying with the procedures of the Offer. Noteholders are responsible for complying with all of the procedures for tendering Notes pursuant to the Offer. None of Green Island, EBS, Haven, the Dealer Managers, the Trustee or the Tender Agent assumes any responsibility for informing any Noteholder of irregularities with respect to such Noteholder's participation in the Offer.

Completion, termination and amendment. Until Green Island announces whether it has decided to accept valid tenders of Notes pursuant to the Offer, no assurance can be given that the Offer will be completed. In addition, subject to applicable law and as provided in this Tender Offer Memorandum, Green Island may, in its sole discretion (with the consent of Haven), extend, re-open, amend or terminate the Offer at any time before such announcement and may, in its sole discretion (with the consent of Haven), waive any of the conditions to the Offer either before or after such announcement.

Blocking of Notes. When considering whether to tender Notes in the Offer, Noteholders should take into account that restrictions on the transfer of the Notes by Noteholders will apply from the time of submission of Tender Instructions. A Noteholder will, on tendering Notes in the Offer, agree that such Notes will be blocked in the relevant account in the relevant Clearing System from the date the relevant Tender Instruction is submitted until the earlier of (a) the time of settlement on the Expected Settlement Date and (b) the date of any termination of the Offer (including where Notes are not accepted by Green Island for purchase) or on which the Tender Instruction is revoked, in the limited circumstances in which such revocation is permitted.

Compliance with Offer and Distribution Restrictions. Noteholders are referred to the offer and distribution restrictions in "*Offer and Distribution Restrictions*" and the acknowledgements, agreements, representations, warranties and undertakings in "*Procedures for Participating in the Offer*", which Noteholders will be deemed to make on the submission of a Tender Instruction. Non-compliance with these could result in, among other things, the unwinding of trades and/or heavy penalties.

Tax. There may be taxation advantages or disadvantages for Noteholders in tendering Notes in the Offer. Each Noteholder is urged to consult its own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to it or to the sale of its Notes and its receipt of the Purchase Price.

Responsibility for Assessing the Merits of the Offer. Each Noteholder is responsible for assessing the merits of the Offer. None of Green Island, EBS, Haven, the Dealer Managers, the Trustee, the Tender Agent nor any director, officer, employee, agent or affiliate of, has made or will make any assessment of the merits of the Offer or of the impact of the Offer on the interests of the Noteholders either as a class or as individuals.

Tender Instructions Irrevocable. Tender Instructions will be irrevocable except in the limited circumstances described in "*Amendment and Termination - Revocation Rights*".

Other Purchases of Notes. Whether or not the Offer is completed, EBS and its affiliates may, to the extent permitted by applicable law, acquire Notes from time to time during or after the Offer, including through open market purchases, privately negotiated transactions, tender offers or otherwise, upon such terms and at such prices as it may determine, which may be more or less than the prices to be paid by Green Island pursuant to the Offer and could be for cash or other consideration or otherwise on terms more or less favourable than those contemplated in the Offer.

Settlement Subject to the Settlement Condition: Settlement of the Offer is subject to the satisfaction of the Settlement Condition. If Haven does not purchase a number of Capital Securities equal to the number of Notes accepted for purchase by Green Island pursuant to the Offer for any reason including, for example, if the Capital Securities Condition to Settlement is not met on the Expected Settlement Date, Green Island will not be obliged to purchase Notes which it has accepted for purchase pursuant to the Offer.

TAX CONSEQUENCES

In view of the number of different jurisdictions where tax laws may apply to a Noteholder, this Tender Offer Memorandum does not discuss the tax consequences to Noteholders of the purchase of Notes by Green Island pursuant to the Offer. Each Noteholder is urged to consult its own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to it or to the sale of its Notes and its receipt of the Purchase Price. Each Noteholder is liable for its own taxes and has no recourse to Green Island, EBS, Haven, the Trustee, the Dealer Managers or the Tender Agent with respect to taxes arising in connection with the Offer.

PROCEDURES FOR PARTICIPATING IN THE OFFER

Noteholders who need assistance with respect to the procedures for participating in the Offer should contact the Tender Agent, the contact details for which are on the last page of this Tender Offer Memorandum.

Summary of Action to be Taken

Green Island may reject tenders of Notes in the Offer which are not made by way of the submission of valid Tender Instructions in accordance with the procedures set out in this section "*Procedures for Participating in the Offer*".

To tender Notes for purchase pursuant to the Offer, a Noteholder should deliver, and a beneficial owner of Notes (who is not also a Direct Participant) must arrange to have delivered on its behalf, via the relevant Clearing System and in accordance with the requirements of such Clearing System, a valid Tender Instruction that is received by the Tender Agent by the Expiration Deadline.

Beneficial owners of Notes (who are not also Direct Participants) are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a beneficial owner of Notes (who is not also a Direct Participant) in order for that beneficial owner of Notes (who is not also a Direct Participant) to be able to participate in, or (in the limited circumstances where revocation is permitted) revoke their instruction to participate in, the Offer before the deadlines specified in this Tender Offer Memorandum. **The deadlines set by any such intermediary and each Clearing System for the submission and revocation of Tender Instructions will be earlier than the relevant deadlines specified in this Tender Offer Memorandum.**

Certain of the Notes may be held by some Noteholders through a clearing system other than Euroclear or Clearstream, Luxembourg. However, Tender Instructions may only be submitted, and Notes may only be tendered in the Offer, via Euroclear or Clearstream, Luxembourg. Accordingly, to the extent any Noteholders holding their Notes through clearing systems other than Euroclear or Clearstream, Luxembourg wish to participate in the Offer, they should speak to the custodian or clearing system through which their Notes are held as soon as possible as regards the possibility of such custodian or clearing system submitting Tender Instructions via Euroclear or Clearstream, Luxembourg on their behalf, and may need to arrange for the Notes to be transferred to a direct participant within Euroclear or Clearstream, Luxembourg in order to submit such Tender Instructions.

Tender Instructions

The tendering of Notes in the Offer will be deemed to have occurred upon receipt by the Tender Agent via the relevant Clearing System of a valid Tender Instruction submitted in accordance with the requirements of such Clearing System and which is subsequently accepted by Green Island. The receipt of such Tender Instruction by the relevant Clearing System will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of the relevant Notes in the relevant Clearing System so that no transfers may be effected in relation to such Notes.

Noteholders must take the appropriate steps through the relevant Clearing System so that no transfers may be effected in relation to such blocked Notes at any time after the date of submission of such Tender Instruction, in accordance with the requirements of the relevant Clearing System and the deadlines required by such Clearing System. By blocking such Notes in the relevant Clearing System, each Noteholder will be deemed to consent to have the relevant Clearing System provide details concerning such Noteholder's identity to the Tender Agent (and for the Tender Agent to provide such details to Green Island, EBS, Haven and the Dealer Managers and to their legal advisers).

Only Noteholders may submit Tender Instructions. Each beneficial holder that is not a Direct Participant must arrange for the Direct Participant through which it holds its Notes to submit a Tender Instruction on its behalf to the relevant Clearing System by the deadlines specified by such Clearing System.

It is a term of the Offer that Tender Instructions are irrevocable except in the limited circumstances described in "*Amendment and Termination - Revocation Rights*". In such circumstances, Tender Instructions may be revoked by a Noteholder on its own behalf or on behalf of a beneficial owner who is not a Direct Participant by submitting a valid electronic withdrawal instruction to the relevant Clearing System. To be valid, such instruction must specify the Notes to which the original Tender Instruction related, the securities account to which such Notes are credited and any other information required by the relevant Clearing System.

By submitting a valid Tender Instruction to the relevant Clearing System in accordance with the standard procedures of such Clearing System, a Noteholder submitting such Tender Instruction on its own behalf or on behalf of a beneficial owner who is not a Direct Participant shall be deemed to agree, and to acknowledge, represent, warrant and undertake, to Green Island, EBS, Haven, the Dealer Managers and the Tender Agent the following on each of the Expiration Date and Expected Settlement Date (if a Noteholder or beneficial owner who is not a Direct Participant is unable to give these acknowledgements, agreements, representations, warranties and undertakings, such Noteholder or beneficial owner who is not a Direct Participant should contact the Tender Agent immediately):

- (a) it has received this Tender Offer Memorandum and has reviewed and accepts the terms, conditions, risk factors and other considerations of the Offer and the offer and distribution restrictions, all as described in this Tender Offer Memorandum, and has undertaken an appropriate analysis of the implications of the Offer without reliance on Green Island, EBS, Haven, the Dealer Managers, the Tender Agent or the Trustee;
- (b) by blocking its Notes in the relevant Clearing System, it will be deemed to consent, in the case of a Noteholder, to have such Clearing System provide details concerning its identity to the Tender Agent (and for the Tender Agent to provide such details to Green Island, EBS, Haven and the Dealer Managers and their respective legal advisers);
- (c) upon the terms and subject to the conditions of the Offer, it tenders for purchase pursuant to the Offer the principal amount of Notes blocked in its account in the relevant Clearing System and, subject to and effective on the purchase by Green Island of the Notes blocked in such Clearing System, it renounces all right, title and interest in and to all such Notes purchased by or at the direction of Green Island pursuant to the Offer and waives and releases any rights or claims it may have against Green Island with respect to any such Notes or the Offer;
- (d) if the Notes tendered for purchase are accepted by Green Island it acknowledges that (i) the Purchase Price will be paid in euro, (ii) such cash amounts will be deposited by or on behalf of Green Island with the Clearing Systems on the Expected Settlement Date and (iii) on receipt of such cash amounts, the Clearing Systems will make payments promptly to the accounts in the Clearing Systems of the relevant Noteholders; provided Green Island makes, or there is made on its behalf, full payment of the Purchase Price to the Clearing Systems on or before the Expected Settlement Date, under no circumstances will any additional amounts (by way of interest, distributions or otherwise) be payable because of any delay in the transmission of funds from any Clearing System or any paying agent or any other intermediary with respect to such Notes;
- (e) it agrees to ratify and confirm each and every act or thing that may be done or effected by Green Island, any of its directors or any person nominated by Green Island in the proper exercise of his or her powers and/or authority hereunder in connection with the Offer;
- (f) it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by Green Island to be desirable, in each case to complete the transfer of the relevant Notes to Green Island against payment to it of the Purchase Price for such Notes and/or to perfect any of the authorities expressed to be given hereunder;
- (g) it has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer

or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the Offer or which will or may result in Green Island, EBS, Haven, the Dealer Managers, the Tender Agent, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer;

- (h) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (i) none of Green Island, EBS, Haven, the Trustee, the Dealer Managers or the Tender Agent has made any recommendation to it as to whether it should tender Notes for purchase pursuant to the Offer and it has made its own decision with regard to tendering Notes for purchase pursuant to the Offer based on any legal, tax or financial advice it has deemed necessary to seek;
- (j) no information has been provided to it by Green Island, EBS, Haven, the Trustee, the Dealer Managers or the Tender Agent, or any of their respective directors or employees, with regard to the tax consequences for holders of Notes arising from the purchase of Notes by Green Island pursuant to the Offer and the receipt by the Noteholder or the beneficial owner who is not a Direct Participant of the Purchase Price and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Offer and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against Green Island, EBS, Haven, the Trustee, the Dealer Managers or the Tender Agent, or any of their respective directors or employees, or any other person in respect of such taxes and payments;
- (k) it is not a person to whom it is unlawful to make an invitation pursuant to the Offer under applicable securities laws and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the Tender Instruction in respect of the Notes it is tendering for purchase) complied with all laws and regulations applicable to it for the purposes of its participation in the Offer;
- (l) either (a) (i) it is the beneficial owner of the Notes being tendered for purchase pursuant to the Offer and (ii) it is not a U.S. person, it is located and resident outside the United States and it is participating in the Offer from outside the United States or (b) (i) it is acting on behalf of the beneficial owner of the Notes being tendered for purchase pursuant to the Offer on a non-discretionary basis and has been duly authorised to so act and (ii) such beneficial owner has confirmed to it that it is not a U.S. person, it is located and resident outside the United States and it is participating in the Offer from outside the United States;
- (m) it is not located or resident in Italy, it did not receive this Tender Offer Memorandum or any invitation to participate in the Offer in Italy and it is not acting on behalf of investors located or resident in Italy;
- (n) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43(2) of the Financial Promotion Order, or to whom this Tender Offer Memorandum and any other documents or materials relating to the Offer may otherwise lawfully be communicated in accordance with the Financial Promotion Order;
- (o) it is not located or resident in Belgium or, if it is located or resident in Belgium, it is a qualified investor, in the sense of Article 10 of the Law of 16th June, 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on its own account;
- (p) it is not located or resident in France or, if it is located or resident in France, it is a (i) provider of investment services relating to portfolio management for the account of third parties (*personnes*

fournissant le service d'investissement de gestion de portefeuille pour compte de tiers) and/or (ii) qualified investor (*investisseur qualifié*), other than an individual, acting for its own account (all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 to D.411-3, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code *monétaire et financier*);

- (q) it has full power and authority to tender the Notes it has tendered in the Offer pursuant to the Tender Instruction and, if such Notes are accepted for purchase by Green Island pursuant to the Offer, such Notes will be transferred to, or for the account of, Green Island with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by Green Island to be necessary or desirable to complete the transfer and cancellation of such Notes or to evidence such power and authority;
- (r) it holds and will hold, until the time of settlement on the Expected Settlement Date, the relevant Notes blocked in the relevant Clearing System and, in accordance with the requirements of such Clearing System and by the deadline required by such Clearing System, it has submitted, or has caused to be submitted, a Tender Instruction to such Clearing System to authorise the blocking of the tendered Notes with effect on and from the date of such submission so that, at any time pending the transfer of such Notes on the Expected Settlement Date to Green Island or to its agent on its behalf, no transfers of such Notes may be effected;
- (s) the terms and conditions of the Offer shall be deemed to be incorporated in, and form a part of, the Tender Instruction which shall be read and construed accordingly, and that the information given by such Noteholder on its own behalf or on behalf of a beneficial owner who is not a Direct Participant in the Tender Instruction is true and will be true in all respects at the time of the purchase of the Notes tendered on the Expected Settlement Date; and
- (t) it accepts that Green Island is under no obligation to accept tenders of Notes for purchase pursuant to the Offer, and accordingly such tender may be accepted or rejected by Green Island in its sole discretion and for any reason.

The receipt of a Tender Instruction by the relevant Clearing System will constitute instructions to debit the securities account of the relevant Noteholder on the Expected Settlement Date in respect of all of the Notes that the relevant Noteholder has validly tendered in the Offer on its own behalf or on behalf of a beneficial owner who is not a Direct Participant, where such Notes are accepted for purchase by Green Island, upon receipt by such Clearing System of an instruction from the Tender Agent to receive such Notes for the account of Green Island or as it shall direct and against payment of the relevant amount in cash from Green Island equal to the Purchase Price for such Notes, subject to the automatic revocation of those instructions on the date of any termination of the Offer (including where such Notes are not accepted for purchase by Green Island) or the valid revocation of such Tender Instruction in the limited circumstances described in "*Amendment and Termination - Revocation Rights*".

General

Irrevocability

The submission of a valid Tender Instruction in accordance with the procedures set out in this section "*Procedures for Participating in the Offer*" will be irrevocable (except in the limited circumstances described in "*Amendment and Termination - Revocation Rights*").

Irregularities

All questions as to the validity, form, eligibility and valid revocation (including times of receipt) of any Tender Instruction will be determined by Green Island, in its sole discretion, and such determination will be final and binding.

Green Island reserves the absolute right to reject any and all Tender Instructions or revocation instructions not in proper form or in respect of which, in the opinion of Green Island and its legal advisers, the acceptance by Green Island may be unlawful. Green Island also reserves the absolute right to waive any defects, irregularities or delay in the submission of any and all Tender Instructions or revocation instructions. Green Island also reserves the absolute right to waive any such defect, irregularity or delay in respect of a particular tender of Notes, whether or not Green Island elects to waive similar defects, irregularities or any delay in respect of other Notes.

Any defect, irregularity or delay must be cured within such time as Green Island determines, unless waived by it. Tender Instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of Green Island, EBS, Haven, the Dealer Managers or the Tender Agent shall be under any duty to give notice to a Noteholder of any defects, irregularities or delays in any Tender Instruction or revocation instructions nor shall any of them incur any liability for failure to give such notice.

Any discretions of Green Island in relation to the Offer will only be exercised with the consent of Haven, as provided in the Capital Securities Purchase Agreement.

Governing Law

The Offer, each Tender Instruction and any purchase of Notes pursuant to the Offer and any non-contractual obligation arising out of or in connection therewith shall be governed by and construed in accordance with English law. By submitting a Tender Instruction, the relevant Noteholder irrevocably and unconditionally agrees on its own behalf or on behalf of a beneficial owner who is not a Direct Participant and for the benefit of the Green Island, EBS, Haven, the Trustee, the Dealer Managers and the Tender Agent that the courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Offer or such Tender Instruction or purchase of Notes and any non-contractual obligation arising out of or in connection therewith and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

AMENDMENT AND TERMINATION

Amendment and Termination

Notwithstanding any other provision of the Offer, Green Island may, subject to applicable laws, at its option and in its sole discretion, at any time before any acceptance by it of Notes tendered pursuant to the Offer:

- (a) extend the Expiration Deadline (in which case all references in this Tender Offer Memorandum to "Expiration Deadline" shall, unless the context otherwise requires, be to the latest time and date to which the Expiration Deadline has been so extended);
- (b) extend, re-open or amend the Offer in any respect (including, but not limited to, any extension, re-opening or amendment, as applicable, in relation to the Expiration Deadline and/or Expected Settlement Date); or
- (c) delay the acceptance of or, subject to applicable law, purchase of Notes tendered in the Offer until satisfaction or waiver of the conditions to the Offer, even if the Offer has expired.

Green Island also reserves the right at any time to waive any or all of the conditions of the Offer as set out in this Tender Offer Memorandum. Green Island will ensure Noteholders are notified of any such extension, re-opening or amendment as soon as is reasonably practicable after the relevant decision is made by the issue of a press release to a Notifying News Service and by way of a notice delivered to the Clearing Systems for communication to Direct Participants, via the Company Announcements Office of the Irish Stock Exchange.

At any time before acceptance of Notes validly tendered in the Offer by Green Island, which Green Island expects to do on the Business Day immediately following the Expiration Date, Green Island may, in its sole discretion, terminate the Offer, including with respect to Tender Instructions submitted before the time of such termination, by giving notice of such termination by the issue of a press release to a Notifying News Service and a notice delivered to the Clearing Systems for communication to Direct Participants, via the Company Announcements Office of the Irish Stock Exchange.

Any discretions of Green Island in relation to the Offer will only be exercised with the consent of Haven, as provided in the Capital Securities Purchase Agreement.

Revocation Rights

If Green Island amends the Offer in any other way that, in Green Island's opinion (in consultation with the Dealer Managers), is materially prejudicial to Noteholders that have already tendered Notes in the Offer before the announcement of such amendment (which announcement shall include a statement whether in Green Island's opinion such amendment is materially prejudicial to such Noteholders), then such tenders of Notes may be revoked at any time from the date and time of such announcement until 5.00 p.m. (London time) on the third Business Day following such announcement (subject to the earlier deadlines required by the Clearing Systems and any intermediary through which Noteholders hold their Notes).

For the avoidance of doubt, any extension or re-opening of the Offer (including any amendment in relation to the Expiration Deadline or Expected Settlement Date) in accordance with the terms of the Offer as described in this section "*Amendment and Termination*" shall not be considered materially prejudicial to Noteholders, including those that have already tendered Notes in the Offer before the announcement of such amendment.

Noteholders wishing to exercise any such right of revocation should do so in accordance with the procedures set out in "*Procedures for Participating in the Offer*". Beneficial owners of Notes that are held through an intermediary are advised to check with such entity when it would require to receive instructions to revoke a tender of Notes in the Offer in order to meet the above deadline. For the avoidance of doubt, any Noteholder who does not exercise any such right of revocation in the circumstances and in the manner specified above, shall be deemed to have waived such right of revocation and its original Tender Instruction will remain effective.

DEALER MANAGERS AND TENDER AGENT

Green Island has retained J.P. Morgan Securities Ltd. and DZ BANK to act as Dealer Managers for the Offer and Lucid Issuer Services Limited to act as Tender Agent. Green Island and EBS have entered into a Dealer Management Agreement with the Dealer Managers, which contains certain provisions regarding payment for fees, expense reimbursement and indemnity arrangements.

The Dealer Managers and their respective affiliates may contact Noteholders regarding the Offer and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Tender Offer Memorandum and related materials to Noteholders.

The Dealer Managers and their respective affiliates have provided and continue to provide certain investment banking services to Green Island and EBS for which they have received and will receive compensation that is customary for services of such nature.

None of the Dealer Managers, the Tender Agent or any of their respective directors, employees or affiliates assume any responsibility for the accuracy or completeness of the information concerning the Offer or Green Island, EBS or Haven or any of their affiliates contained in this Tender Offer Memorandum or for any failure by Green Island or EBS to disclose events that may have occurred and may affect the significance or accuracy of the information in this Tender Offer Memorandum.

Each of the Dealer Managers may (i) submit Tender Instructions for its account and (ii) submit Tender Instructions (subject to the offer restrictions set out in "*Offer and Distribution Restrictions*") on behalf of other Noteholders.

None of the Dealer Managers, the Tender Agent or any of their respective directors, employees or affiliates make any representation or recommendation whatsoever regarding the Offer, or any recommendation as to whether Noteholders should tender Notes in the Offer.

The Tender Agent is the agent of Green Island and owes no duty to any Noteholder.

GREEN ISLAND CAPITAL SECURITIES P.L.C.

53 Merrion Square
Dublin 2
Ireland

EBS BUILDING SOCIETY

2 Burlington Road
Dublin 4
Ireland

HAVEN MORTGAGES LIMITED

2 Burlington Road
Dublin 4
Ireland

Requests for information in relation to the Offer should be directed to:

THE DEALER MANAGERS

J.P. Morgan Securities Ltd.

125 London Wall
London EC2Y 5AJ
United Kingdom

For information by telephone:

+44 (0) 20 7777 1333

Attention: Sebastien Bamsey – Liability Management

Email: sebastien.m.bamsey@jpmorgan.com

For information by telephone:

+44 (0) 20 7779 2468

Attention: Dimis Theodorou – FIG Syndicate

Email: FIG_Syndicate@jpmorgan.com

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main

Platz der Republik
60265 Frankfurt am Main
Germany

For information by telephone: +49 69 74 47 01

For information by facsimile: +49 69 74 47 16 85

Attention: Patricio Bustos-Heppe, DCM Origination / Andreas Armyros, Capital Products

Email: mail@dzbank.de

Requests for information in relation to the procedures for tendering Notes in, and for any documents or materials relating to, the Offer should be directed to:

THE TENDER AGENT

Lucid Issuer Services Limited

Leroy House
436 Essex Road
London N1 3QP
United Kingdom

For information by telephone: +44 20 7704 0880

For information by facsimile: +44 20 7067 9098

Attention: Yves Theis / Lee Pellicci

Email: greenisland@lucid-is.com

THE TRUSTEE

BNP Paribas Trust Corporation UK Limited

55 Moorgate
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