

Proposed Sale of Willis National

Willis Group Holdings Limited and Abbey National plc, the current joint owners of Willis National, the independent financial advisory business, announce today that they have entered into an agreement to sell Willis National to Bristol & West plc, the wholly owned subsidiary of Bank of Ireland. The consideration consists of Stg£36million plus Stg£4million for assets in the form of cash currently held by Willis National. The transaction is conditional on various regulatory clearances. It is intended that the transaction will be financed from the internal resources of Bank of Ireland Group.

Willis National is a leading provider of independent financial advice, with particular expertise in investments and pension planning. This year's winner of the Money Marketing Corporate IFA of the year award, Willis National employs 300 staff working from a network of 18 UK offices.

The proposed acquisition of Willis National supports Bank of Ireland's strategy of building Bristol & West's presence in selected profitable market segments, including specialist mortgage products and personal savings and investments as well as expanding into independent advisory activities. This follows Bristol & West's acquisitions of Chase de Vere and MoneyExtra last year.

The purchase of Willis National will diversify Bristol & West's advice capability as over 60% of Willis National's income is derived from pension and corporate business, a market segment in which Bristol & West is currently under represented. Bristol & West expects to realise synergies as a result of the transaction. Following completion of the acquisition Bristol & West intends to merge Willis National and its MoneyExtra subsidiary to create a single advice based organisation with enhanced sales capability integrating internet, call centre and face to face advice.

Joe Plumeri, Chairman and Chief Executive of Willis Group, said: "As we focus increasingly on providing risk management services to the corporate sector, it is right that we reduce our presence in the IFA market. We are delighted that Willis National is joining such an excellent organisation.

"The Willis National team has done a great job in growing the business to its current high level. We thank Jeremy Budden and his colleagues for their contributions and extend them every good wish for the future".

Jeremy Budden, Willis National Chairman and Chief Executive, said: "This is excellent news for the Willis National team. Following our creation in 1997, we have been well supported by Willis and Abbey National as we established a reputation for innovative products and attentive service. We look forward to the opportunities for growth which being part of Bristol & West group will bring".

Jeff Warren, Bristol & West's Chief Executive, said: "Willis National is a leading IFA with excellent consultants. The purchase will complement our existing activities in this fast growing market, accelerate the development of the MoneyExtra proposition, and add the important specialism of workplace advice. This is an important step forward for the group, which also offers significant benefits to Willis National's staff and customers".

The proposed purchase is expected to be completed by end of July.

KPMG was the corporate financial adviser to both shareholders on this transaction.

Willis Group is one of three global insurance brokers. It provides specialized risk management advisory and other services on a global basis to clients in various industries, including the construction, aerospace, marine and energy industries.

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