



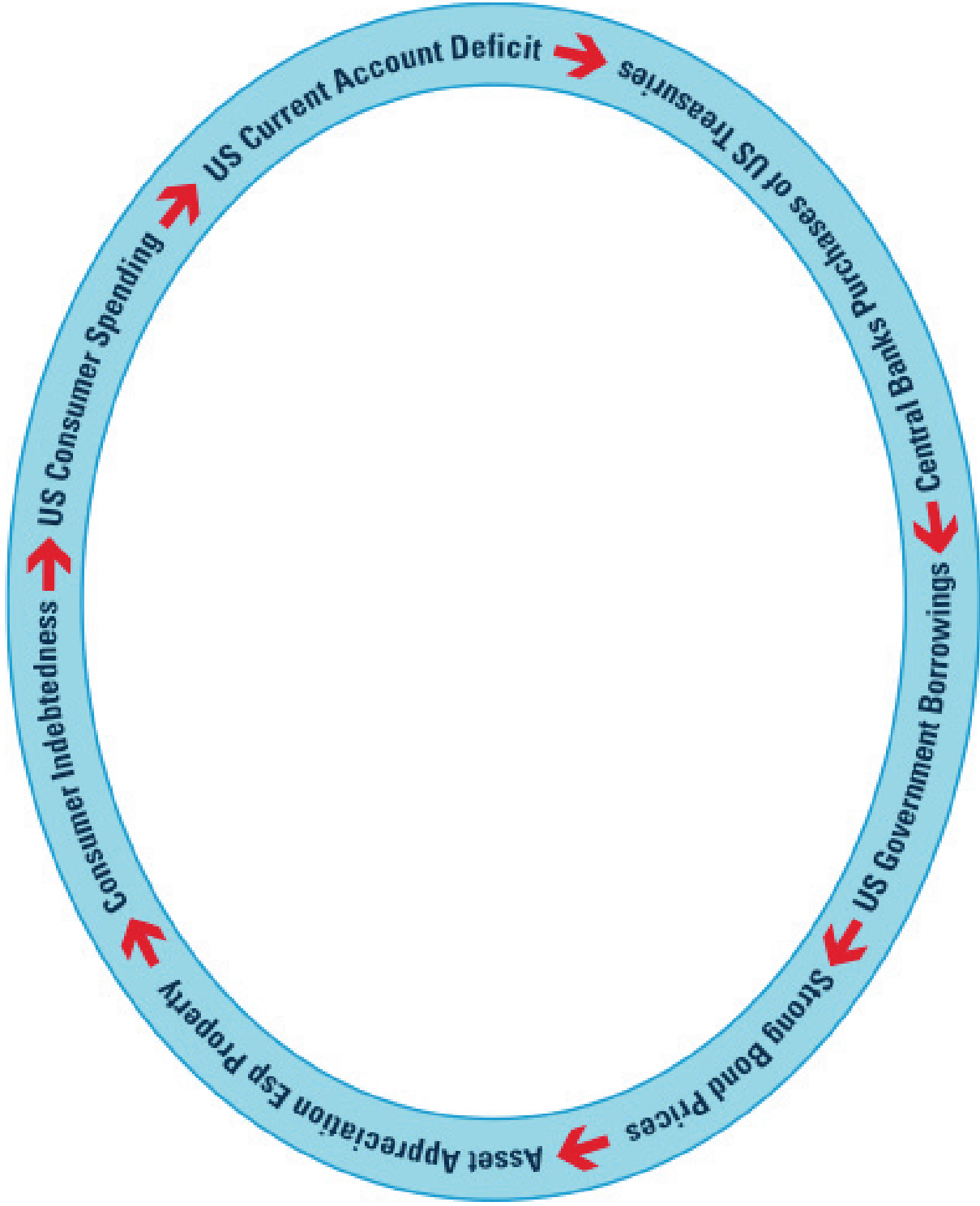
INVESTMENT UPDATE

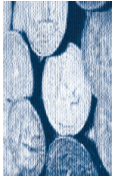
BUBBLE CRASH CRISIS

RECESSION MARKETS

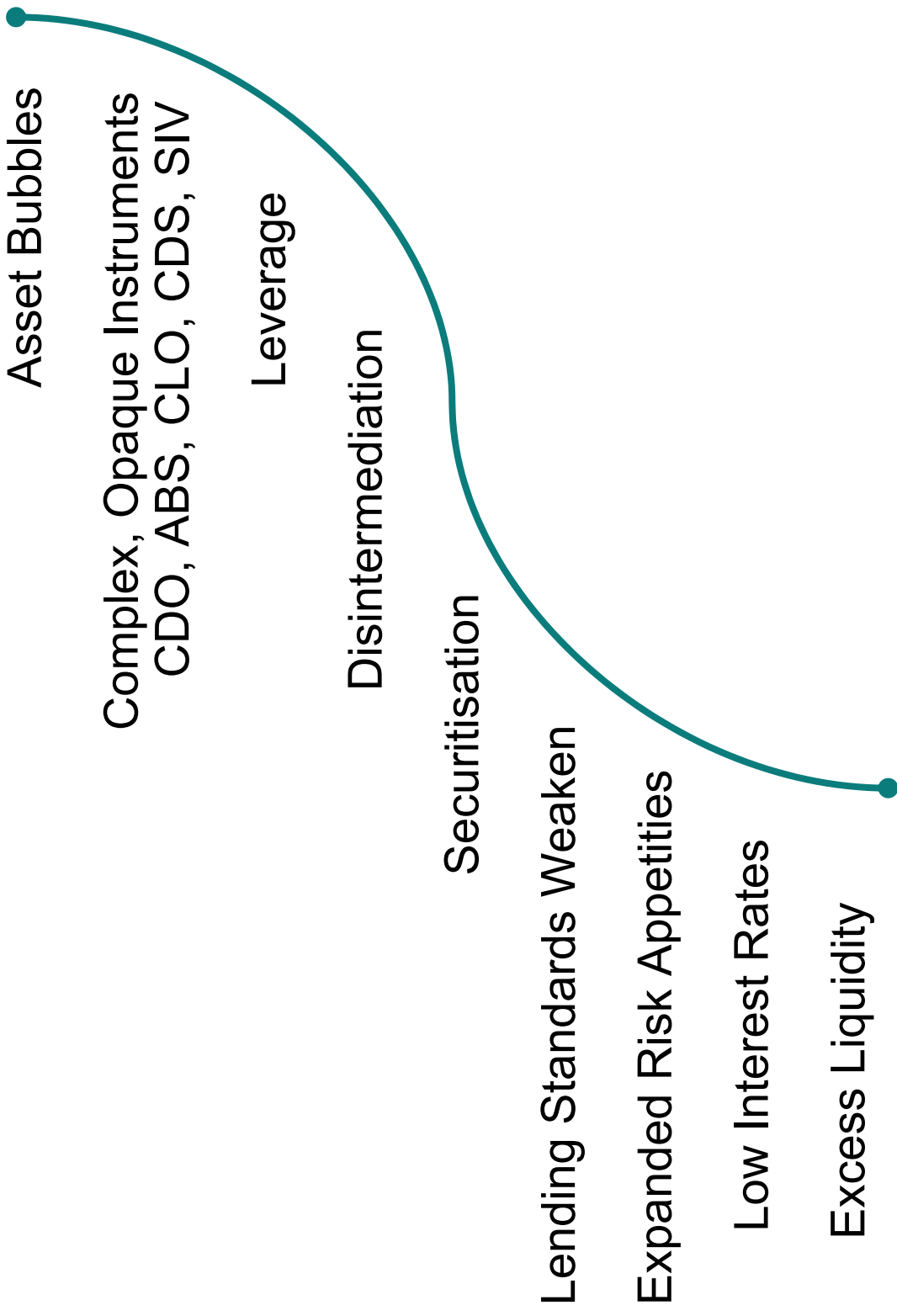
FRANK O'BRIEN
INVESTMENT STRATEGIES LTD
OCTOBER 2008

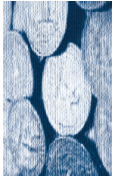




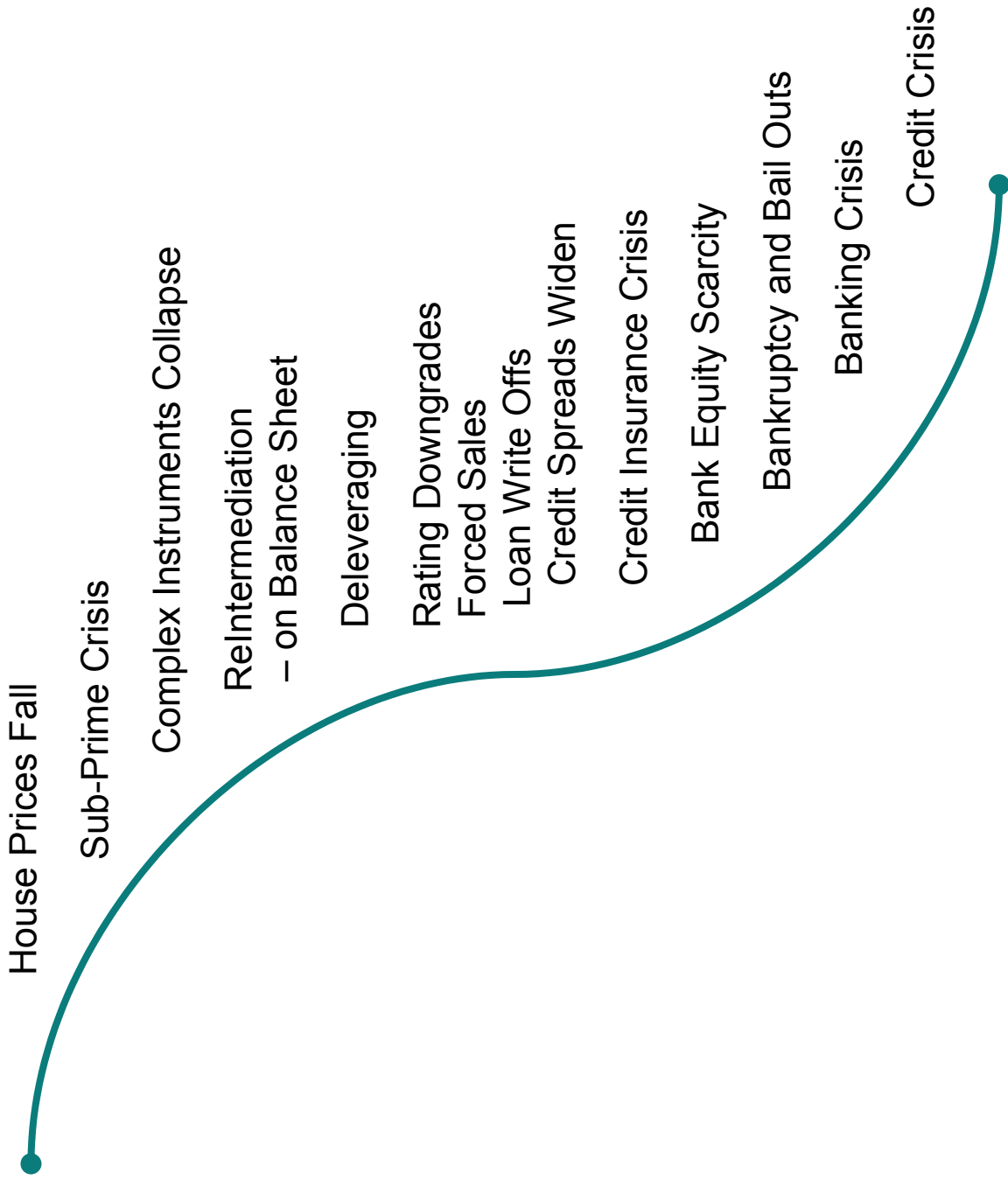


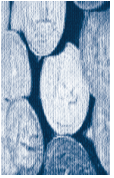
BUBBLE EXPANSION PHASE



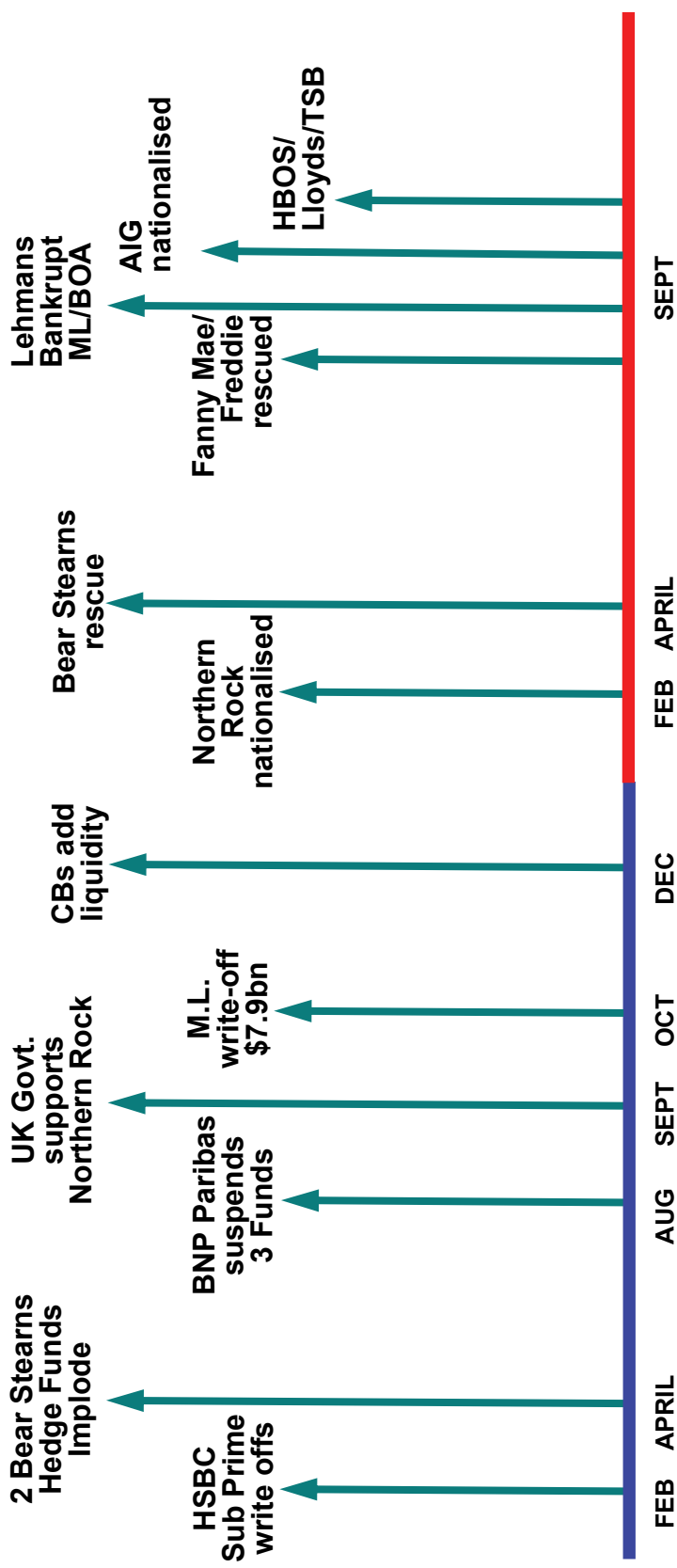


BUBBLE EXPANSION PHASE





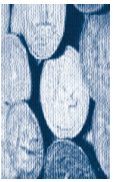
THE DOMINO EFFECT – TIMELINE



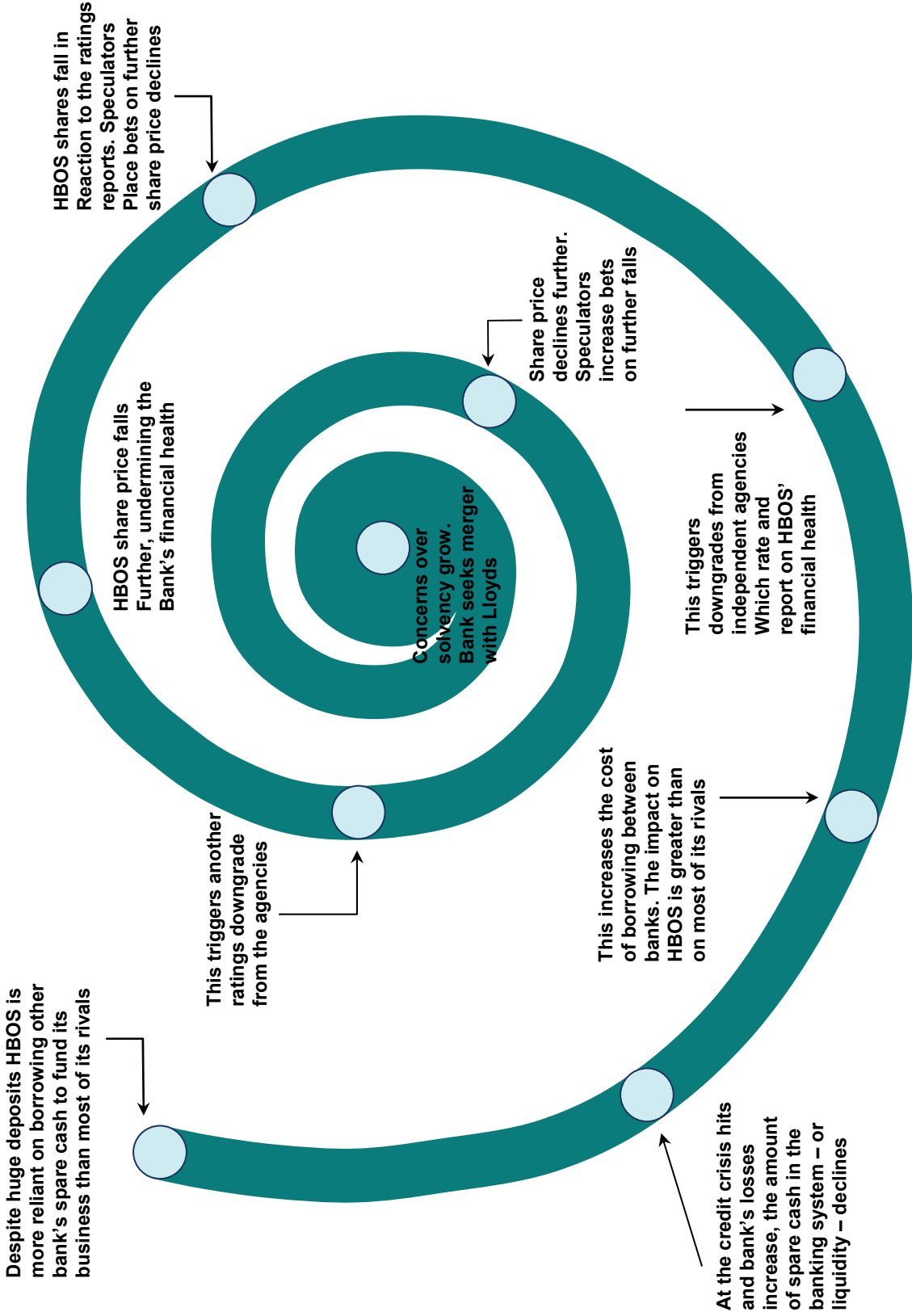
2008

2007



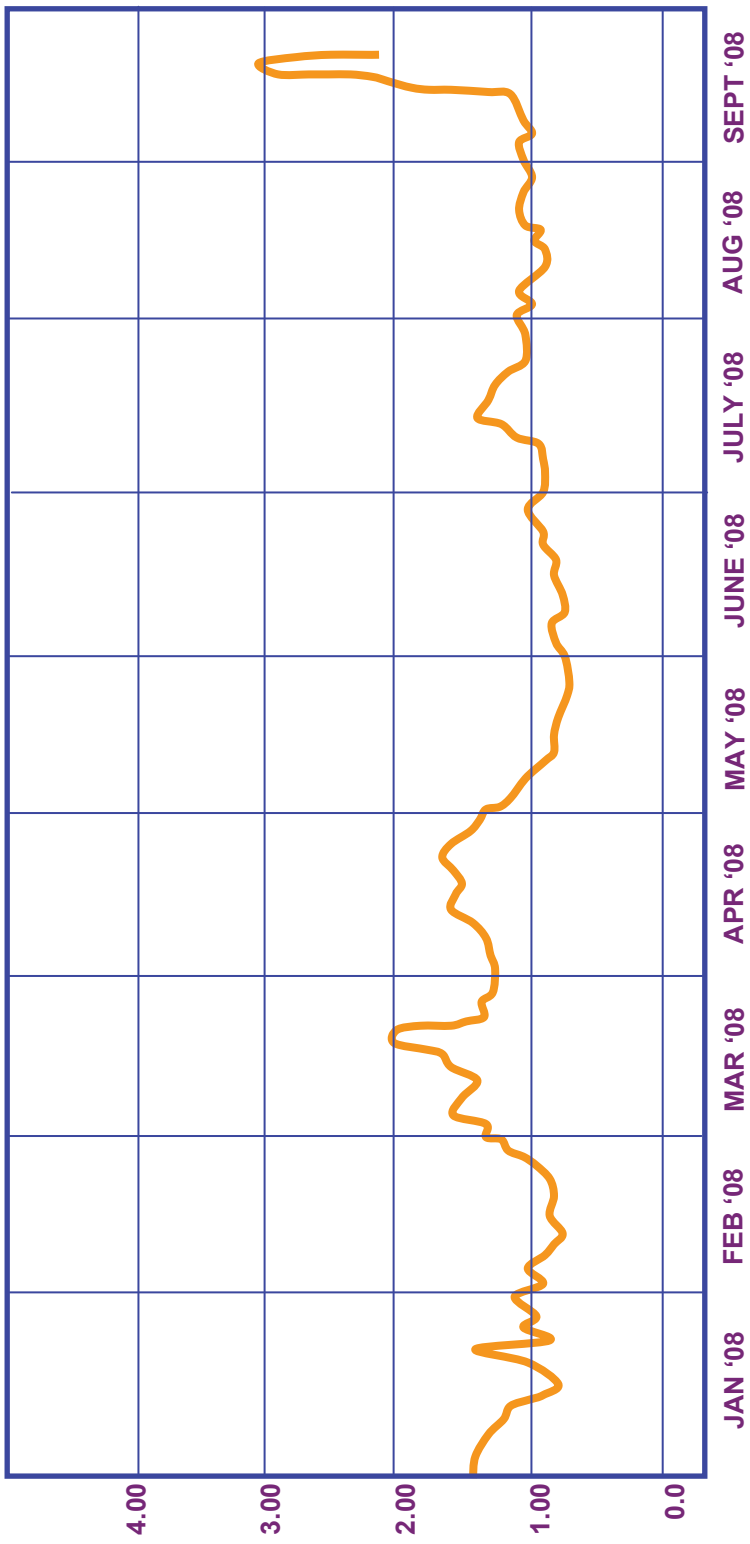


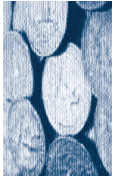
HBOS: SPIRAL OF DECLINE





TED SPREAD

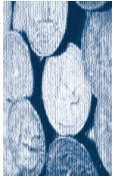




A CHECK LIST FOR SYSTEMIC SURVIVAL

1. Add liquidity
2. Reduce Interest Rates
3. Provide Safety Net
4. Protect Markets
5. Ease Accounting Rules
6. Re-build Confidence



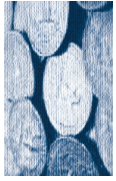


THE ECONOMIC OUTLOOK

| | GROWTH | | INFLATION | |
|----------------|--------|-------|-----------|------|
| | 2008 | 2009 | 2008 | 2009 |
| UNITED STATES | 1.7 | (0.2) | 4.6 | 2.3 |
| EUROLAND | 1.3 | 1.1 | 3.5 | 2.3 |
| UNITED KINGDOM | 1.1 | 0.3 | 3.9 | 3.2 |
| JAPAN | 1.0 | 1.4 | 1.8 | 1.0 |
| CHINA | 10.0 | 9.2 | 6.5 | 4.1 |
| IRELAND | (0.2) | (0.1) | 4.5 | 2.0 |

SOURCES: Merrill Lynch; Davy





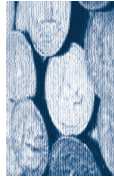
EQUITY MARKET VALUATIONS SOLID GROUND?

31st August 2008

| | BOND YIELD | DIVID YIELD | RATIO |
|------------------|------------|-------------|-------|
| UNITED STATES | 3.75 | 2.13 | 1.76 |
| EUROLAND | 4.14 | 4.20 | 0.99 |
| UNITED KINGDOM | 4.50 | 4.21 | 1.07 |
| JAPAN | 1.47 | 1.81 | 0.81 |
| EMERGING MARKETS | 3.75* | 2.78 | 1.35 |
| IRELAND | 4.60 | 4.70 | 0.98 |

*US Bond Yield





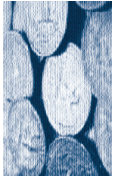
IRISH EQUITIES IN THE EYE OF THE STORM

MARKET WEIGHT

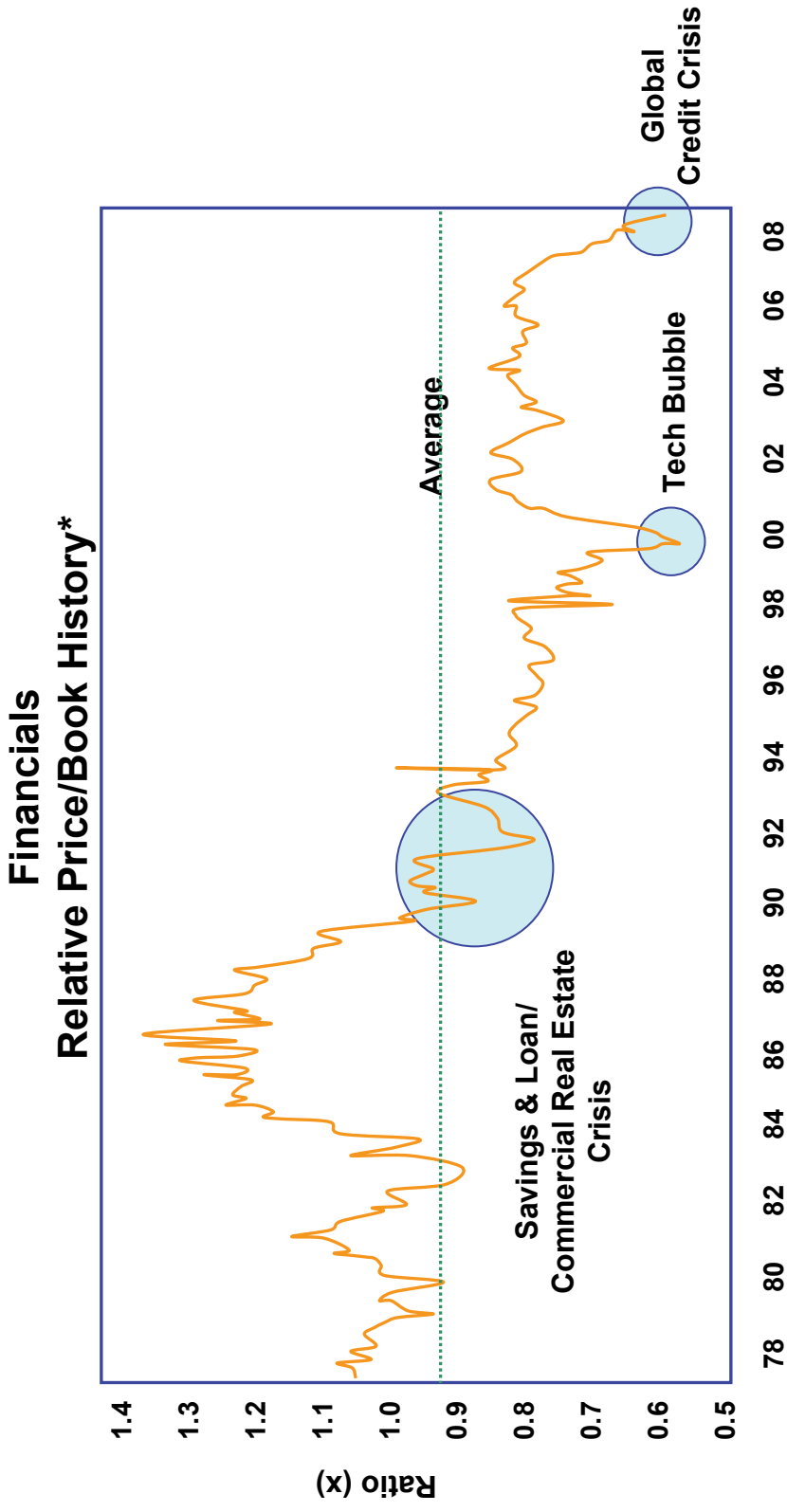
%

| | DEC 1998 | DEC 2006 | AUG 2008 |
|------------------------------------|----------------|-----------------|----------------|
| AIB | 14.6 | 16.6 | 14.2 |
| BANK OF IRELAND | 11.3 | 14.3 | 10.1 |
| IRISH LIFE | 4.7 | 4.8 | 3.2 |
| ANGLO IRISH | 1.0 | 9.5 | 8.2 |
| OTHERS | 1.3 | 1.2 | 0.6 |
| FINANCIALS | 32.9 | 46.4 | 36.3 |
| CRH | 10.3 | 14.3 | 17.5 |
| GRAFTON (HEITONS) | 0.7 | 2.5 | 1.4 |
| KINGSPAN | 0.7 | 2.9 | 1.8 |
| READYMIX | 0.2 | 0.2 | 0.1 |
| OTHERS | 0.3 | 0.7 | 0.2 |
| BUILDING CONSTRUCTION | 12.2 | 20.6 | 21.0 |
| TOTAL | 45.1 | 67.0 | 45.1 |
| TOTAL MARKET | 100.0 | 100.0 | 100.0 |
| TOTAL MARKET CAPITALISATION | €66.7bn | €119.6bn | €61.2bn |
| ISEQ INDEX | 4704 | 9408 | 4451 |
| P.E.R. | 18.3 | 14.2 | 8.0 |
| DIVD. YIELD | 1.7% | 2.2% | 4.5% |





DOWNTRODDEN FINANCIALS OFFER A SIGNIFICANT VALUE OPPORTUNITY



Through June 30, 2008
*Versus Bernstein global large-cap stock universe; cap weighted
Source: Bernstein



