Robert E. Diamond Jr
President, Barclays Plc

Financial Services Conference
New York, September 13th – 14th, 2010
Economic and market context

• Weathered short-term economic threats

• Momentum of recovery slowed, but still growing

• Focus on government deficits and long-term economic sustainability
Healthier position in the private sector

Household Saving Ratio (% gross disposable income)

S&P 500 Composite
Total Debt / Total Capital
Regulatory reform

• Support regulatory reform – strong banks benefit from strong regulation

• Some areas of proposed reform need careful calibration

• Confident of workable outcome – Banks must be able to work with their clients to drive economic growth
Industry Trends

• Greater focus on returns and larger divergence between winners and losers

• US remains the dominant global profit pool but EM growing faster and achieving scale

• Increased focus on client business, with emphasis on delivering institutional client solutions
<table>
<thead>
<tr>
<th>Half year ended – June</th>
<th>2010 (£m)</th>
<th>2009 (£m)</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>16,581</td>
<td>15,318</td>
<td>8</td>
</tr>
<tr>
<td>Impairment charges</td>
<td>(3,080)</td>
<td>(4,556)</td>
<td>(32)</td>
</tr>
<tr>
<td>Net income</td>
<td>13,501</td>
<td>10,762</td>
<td>25</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(9,720)</td>
<td>(8,051)</td>
<td>21</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>3,947</td>
<td>2,745</td>
<td>44</td>
</tr>
<tr>
<td>Cost : income ratio</td>
<td>59%</td>
<td>53%</td>
<td></td>
</tr>
<tr>
<td>Return on equity</td>
<td>9.8%</td>
<td>9.4%</td>
<td></td>
</tr>
<tr>
<td>Return on tangible equity</td>
<td>12.0%</td>
<td>13.0%</td>
<td></td>
</tr>
<tr>
<td>Return on risk weighted assets</td>
<td>1.5%</td>
<td>1.0%</td>
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</table>
Barclays strategic objectives

• Staying close to customers and clients

• Managing our risks

• Maintaining strategic momentum
## Staying close to customers and clients

<table>
<thead>
<tr>
<th>League tables*</th>
<th>H1 10</th>
<th>H1 09</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rank</td>
<td>Share</td>
<td>Rank</td>
</tr>
<tr>
<td>Global Debt</td>
<td>1</td>
<td>8.2</td>
<td>2</td>
</tr>
<tr>
<td>US Debt</td>
<td>2</td>
<td>12.1</td>
<td>4</td>
</tr>
<tr>
<td>All International Bonds</td>
<td>1</td>
<td>8.7</td>
<td>1</td>
</tr>
<tr>
<td>Global Foreign Exchange</td>
<td>3</td>
<td>11.1</td>
<td>3</td>
</tr>
<tr>
<td>Americas M&amp;A completed</td>
<td>2</td>
<td>21.7</td>
<td>9</td>
</tr>
<tr>
<td>Global M&amp;A completed</td>
<td>4</td>
<td>14.5</td>
<td>19</td>
</tr>
<tr>
<td>US IPOs</td>
<td>5</td>
<td>8.7</td>
<td>6</td>
</tr>
</tbody>
</table>

- Best Global Flow House – Euromoney, July 2010
- Risk Magazine Corporate Survey – #1 across all categories, April 2010
- Best Bank for Overall Credit – Credit Magazine Awards, July 2010

* Source: Thomson Reuters/Dealogic/Euromoney
Managing our risks

**Core Tier One Capital Ratio**
- FY 07: 4.7%
- H1 10: 10.0%

**Adjusted Gross Leverage**
- FY 07: 33x
- H1 10: 0.6x

**Liquidity Buffer**
- FY 07: £19bn
- H1 10: £160bn
Maintaining strategic momentum

- Building out Equities and M&A platforms
- Maintaining cost flexibility
- Capitalising on advantaged position

- Executing the Gamma Plan with a view to transforming the scale of the business
- Investing on a pay-as-you-go basis

- Developing the international arm
- Building stronger links with Barclays Capital to support international expansion

- Strong profit growth
- An improved loan-to-deposit ratio
- Depth, not breadth by business line
- And the generation of net equity
Summary

• Integrated universal bank

• Strong H1’10 profit performance

• Enhanced capital positioning

• Well positioned for growth