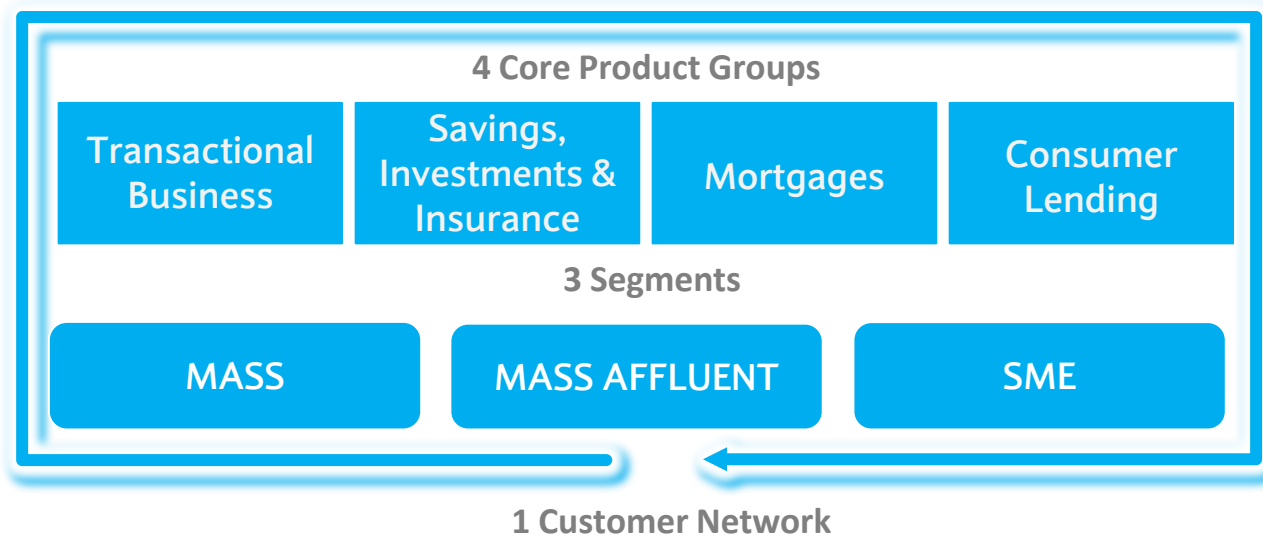


UK Retail and Business Banking



30 May 2012

UK RBB – Scale Business, diversified by Product & Segment

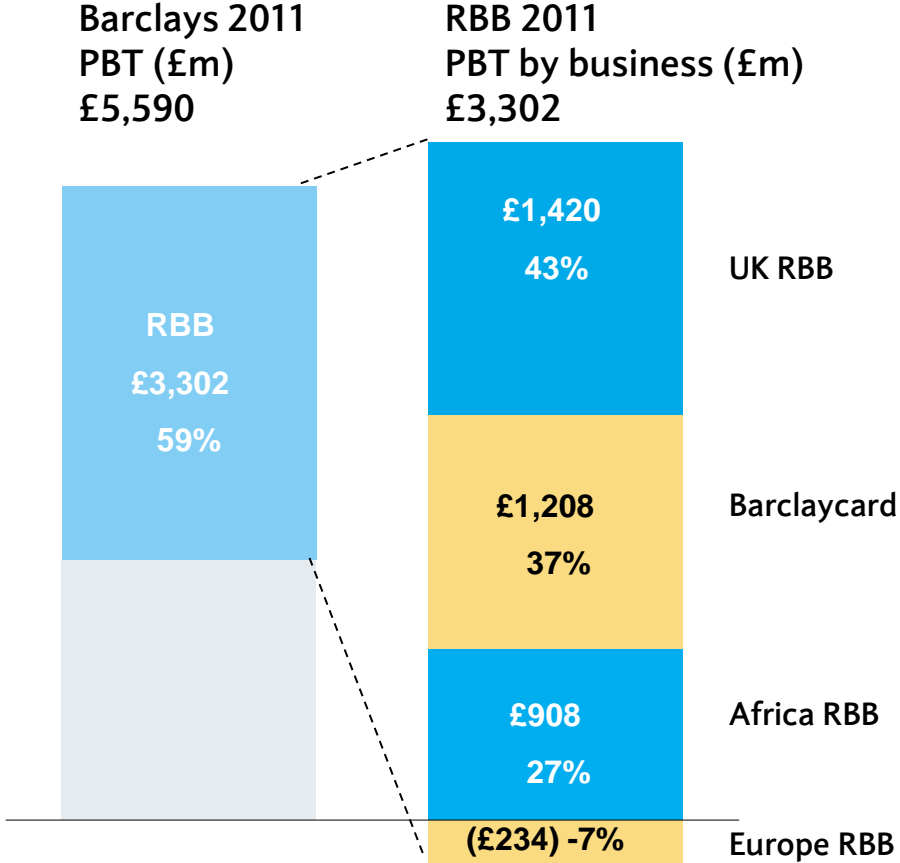


Customers
over **15m**

Branches
1,625

Employees
34k

UK RBB – Sizeable Contributor to RBB and the Group



UK Retail & Business Bank customer franchise

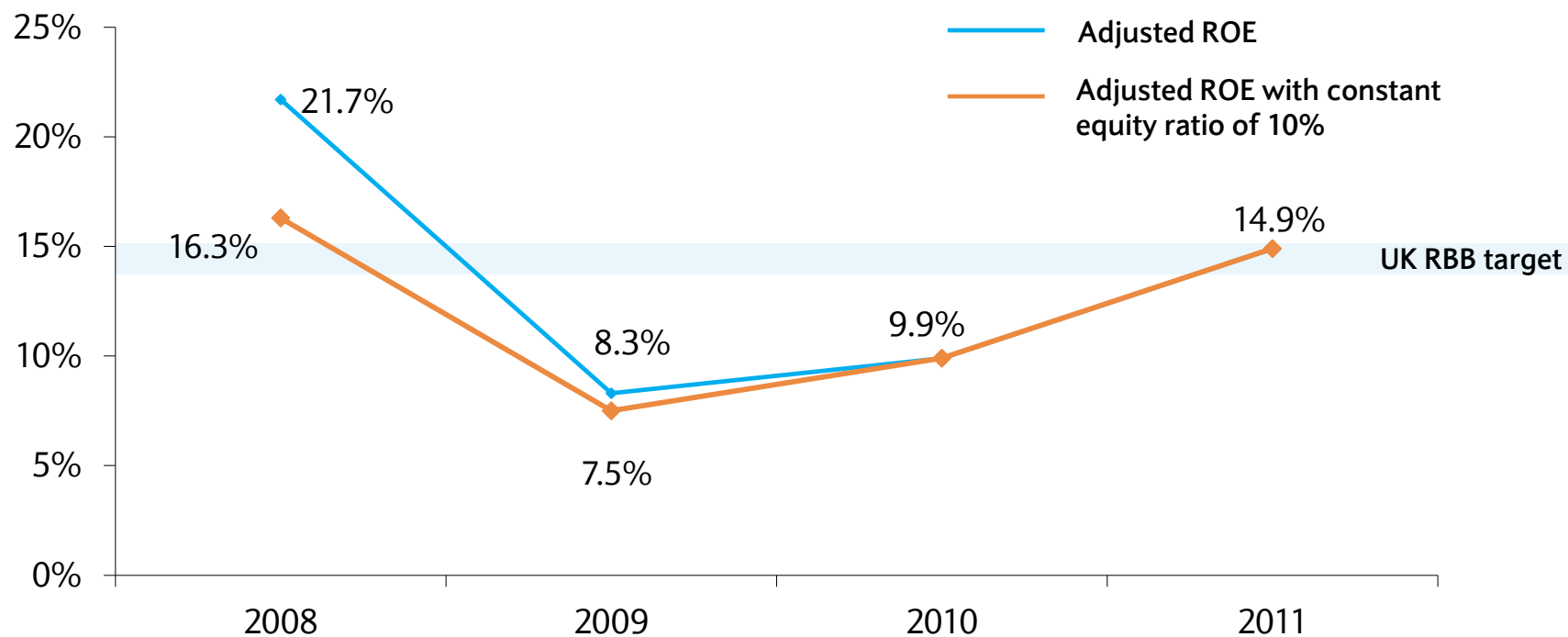
- Providing a quarter of PBT contribution to Barclays Group and;
- Nearly half of RBB’s PBT

All PBT figures quoted throughout this presentation are on an adjusted basis.

Delivering strong Returns on Equity...

High returning business

Adjusted Return on Equity 2008-11



Adjusted PBT (£m)	1,558	710	889 ¹	1,420 ²
RWA as % of Customer Assets	35%	35%	31%	28%

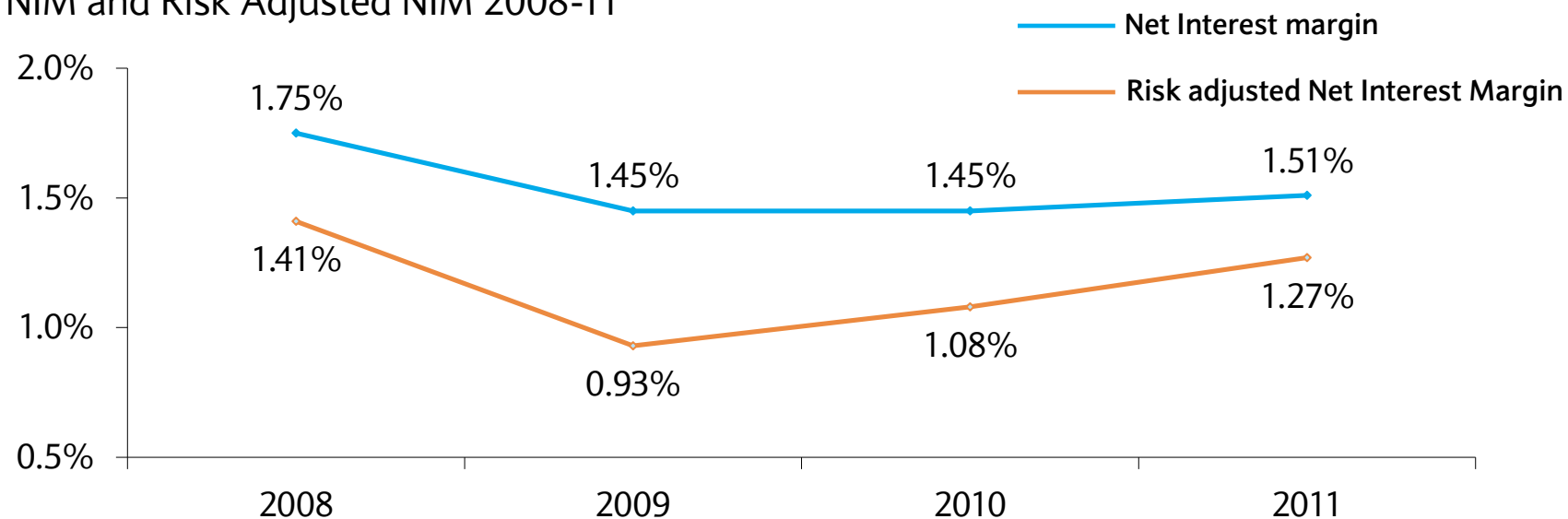
¹2010 adjusted for gain on acquisition of SLB £100m

²2011 adjusted for PPI provision £400m

...in a challenging economic climate

Well-managed Net Interest Margin

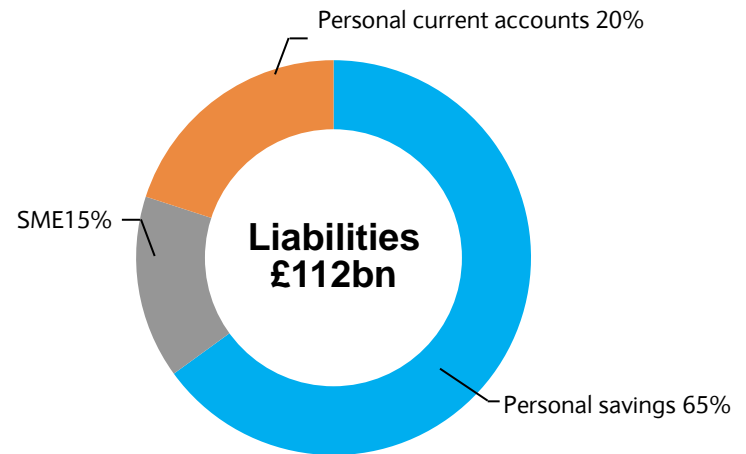
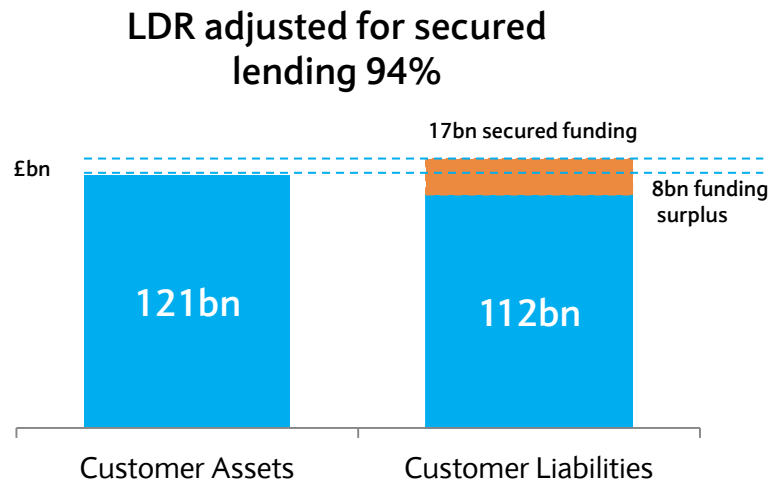
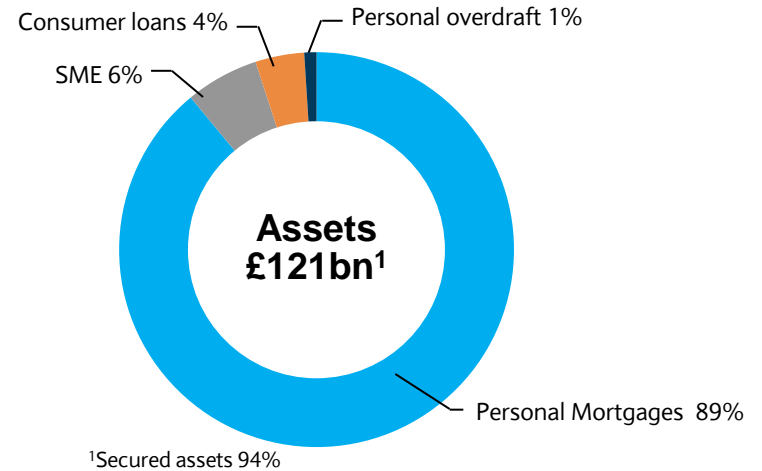
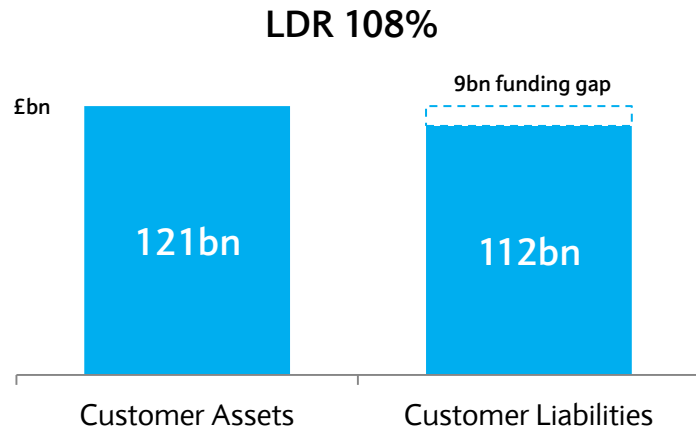
NIM and Risk Adjusted NIM 2008-11



Base Rate (average)	4.67%	0.64%	0.50%	0.50%
5yr swap rates (average)	4.92%	3.15%	2.38%	2.07%
Customers assets & liabilities (£bn)	193	200	224	233
Total Income (£m)	4,820	4,276	4,518	4,656

High quality customer balance sheet; strong liquidity

2011 period end customer balances

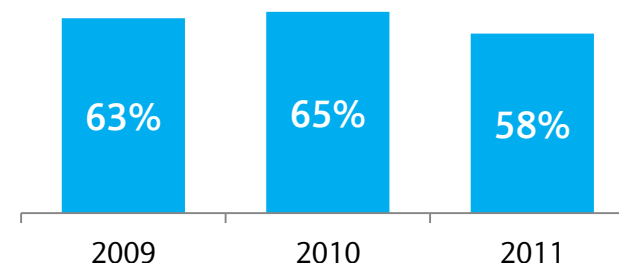


Proactively managing costs

Cost pools

£bn	2011	Directional Trend
Customer Network (ex property)	(0.9)	↓
Operations (ex property)	(0.5)	↔
Head Office Teams	(0.3)	↓
Property	(0.3)	↔
Performance & Retirement	(0.3)	↓
Investment & Restructuring	(0.2)	↑
Other	(0.1)	↓
Total Costs (excl PPI provision)	(2.7)	↓

Cost Income Ratio¹



Other Cost Indicators

	2009	2010	2011
Branches	1,698	1,658	1,625
Operational Sites ²	38	31	29
Number of UK Current Accounts (m)	11.2	11.6	11.9
Number of UK Savings Accounts (m)	13.2	14.4	15.1
Number of UK Mortgage Accounts	834k	916k	930k
Number of Barclays Business Customers	742k	760k	785k

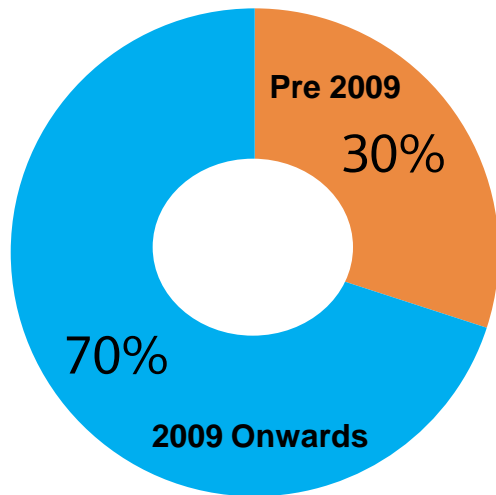
¹ Excluding PPI and Pension Credits

² Operational site numbers normalised for purchase of SLB and transfers in from other parts of Barclays Group

High quality personal and business books...

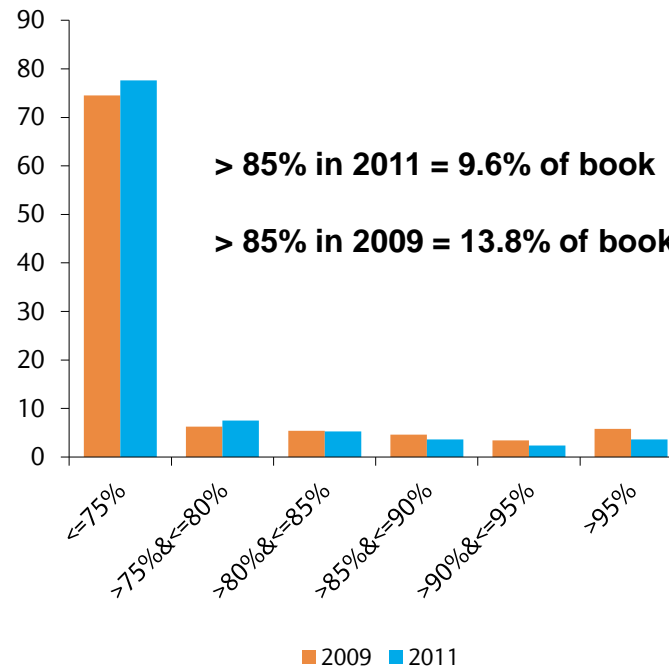
Consumer Lending

Portfolio Balance splits (%)
c.£5bn balances in 2011



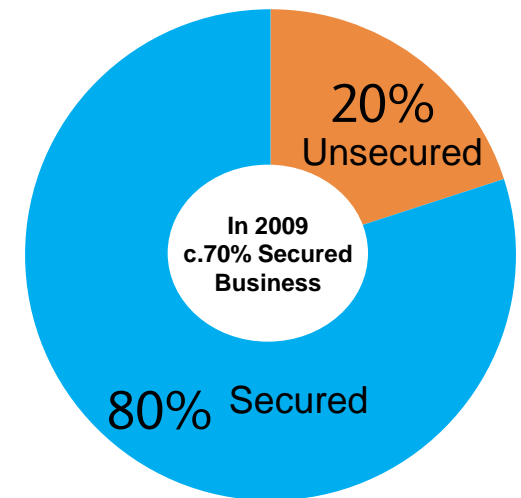
Mortgages

Distribution of balances by LTV (%)
c.£108bn balances in 2011



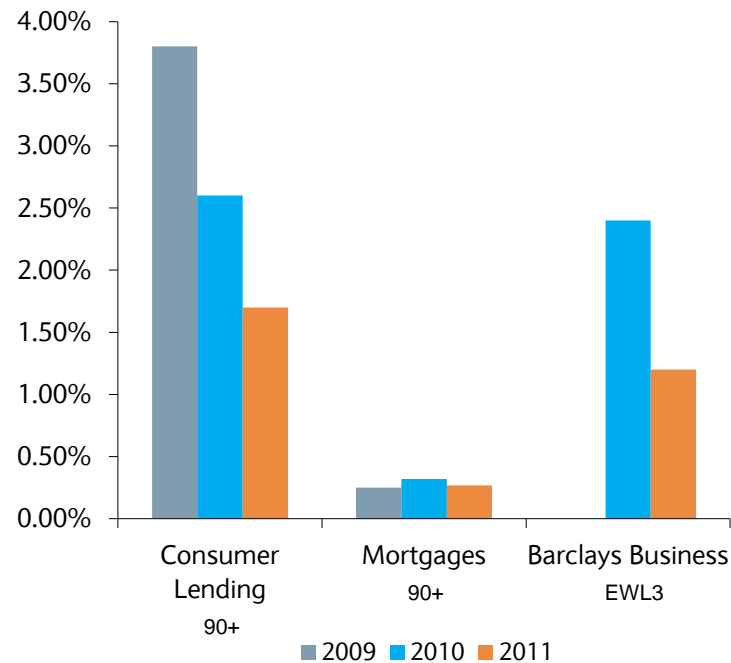
Business Banking

Portfolio Balance splits (%)
c.£8bn balances in 2011

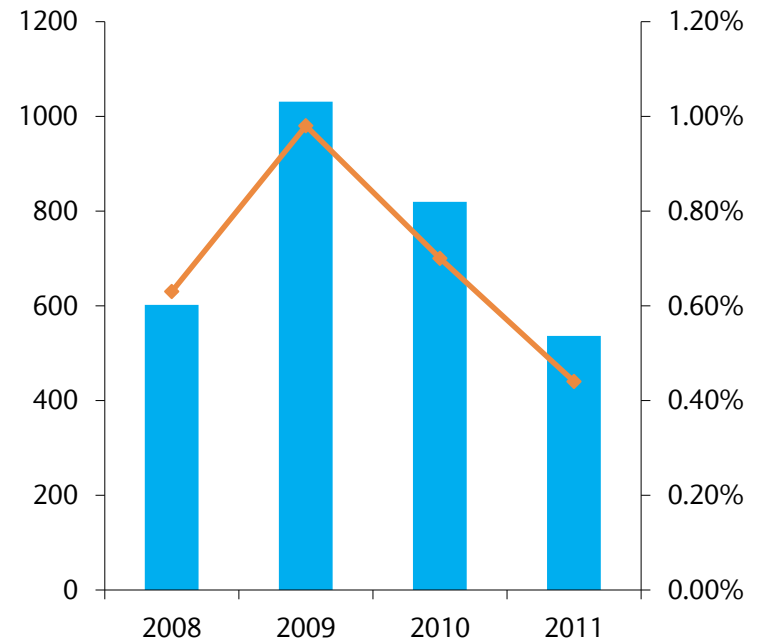


...translating directly into the bottom line

Delinquency Rates



Impairment (£m) and LLR

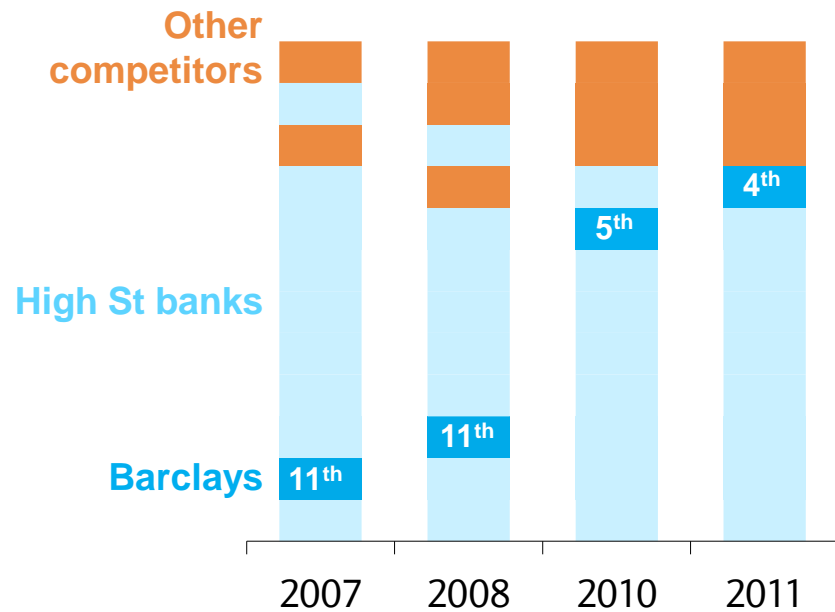


Note: FY 2008 does not include Medium Business

Moving from the back of the pack to the front of the pack

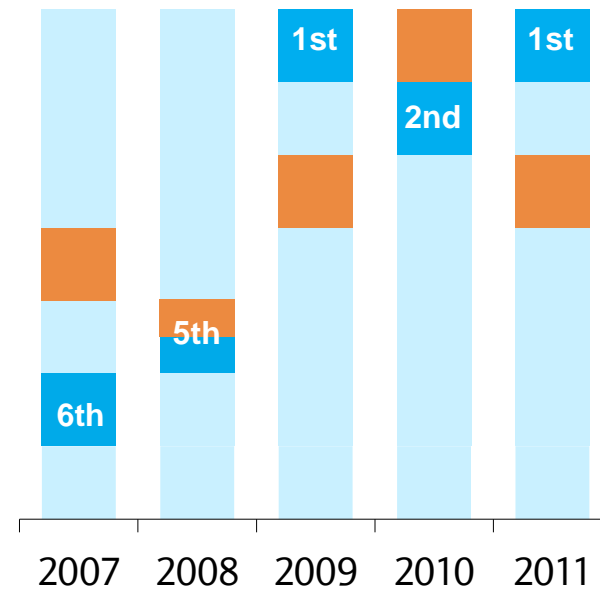
Improved customer satisfaction...

JD Power survey measuring customer satisfaction across six service metrics



...and brand consideration

Millward Brown research: people who would consider taking out a financial product with us



Becoming the Go To Bank

1

Economic Environment

Focus on Returns
Develop Capabilities

Uncertain Macro-economic environment

- Focus on costs, consolidate relationships, sustainable growth
- Develop Capabilities

Becoming the Go To Bank



Increasing Regulatory Focus and Intervention

- Simple Products Delivered Excellently
- Culture Driving Clarity and Openness

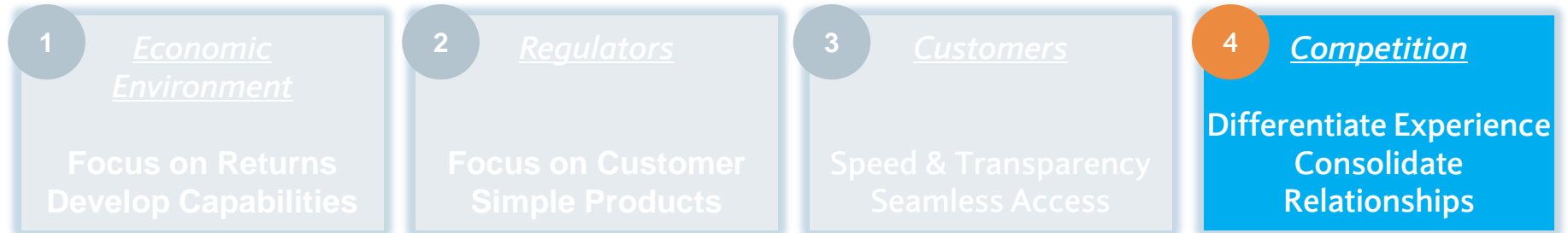
Becoming the Go To Bank



Transforming customer needs and expectations

- Delivering Speed and Transparency
- Seamless Access and Engagement

Becoming the Go To Bank



Reducing market differentiation, increasing competition

- Provide a differentiated experience for our customers
- Focus on consolidating existing relationships

Consolidating customer relationships, focusing on experience to drive increased engagement

Transactional

- Pingit
- Features Store
- Personalised debit card

Savings

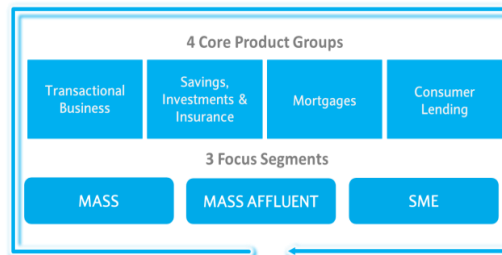
- Loyalty
- Flexibility
- Innovation

Mortgages

- Product engine
- On us/off us (great escape)

Consumer Lending

- Instant
- On us/off us
- Flexible product



Mass

- Leveraging Features Store
- Rewards
- Insurance
- Cost

Mass Affluent

- Wealth
- Family

SME

- Business Banking
- Leverage retail propositions

UK Retail and Business Banking

- We have repositioned the bank to **increase returns** from a low of 7.5% in 2009 to pre-crisis levels at almost 15%
- Income growth will remain muted over the next 2 years due to the economic environment, therefore we are focusing on **cost reduction** and selective **balance sheet growth**
- As we increase **customer engagement** through differentiated customer experience we will take advantage of **economic tailwinds** in the medium term