

March 26, 2013

## BARCLAYS BANK PLC ANNOUNCES AN OFFER TO PURCHASE NOTES FOR CASH USING A MODIFIED “DUTCH AUCTION” PROCEDURE

Barclays Bank PLC (the “**Issuer**”) has today commenced an offer to holders of the notes listed in the table below (the “**Notes**”) to tender any such Notes (the “**Tender Offer**”), with the maximum aggregate principal amount of Notes the Issuer will accept in the Tender Offer being US\$1,000,000,000 (subject to increase or decrease at the Issuer’s sole and absolute discretion, the “**Tender Cap**”), using a modified “Dutch Auction” procedure and subject to applicable offer and distribution restrictions.

The Tender Offer is being made on the terms and subject to the conditions and restrictions set out in an offer to purchase dated March 26, 2013 (the “**Offer to Purchase**”).

**Holders are advised to carefully read the Offer to Purchase for full details of, and information on the procedures for participating in, the Tender Offer. Capitalized terms used and not otherwise defined in this announcement have the meanings given to them in the Offer to Purchase.**

### The Tender Offer

| Title of Security   | CUSIP/ISIN                                     | Aggregate Principal Amount Outstanding | Early Participation Amount <sup>(1)</sup> | Acceptable Bid Spread Range for Total Consideration (basis points) |                     | UST Reference Security                        | Bloomberg Reference Page |
|---|--|--|---|--|---------------------|---|--------------------------|
|   |  |  |   | Minimum Spread   | Maximum/Base Spread |   |                          |
| US\$2,250,000,000<br>6.05% Fixed Rate<br>Subordinated<br>Notes due 2017<br>(“ <b>6.05% Notes</b> ”) | 06739G AE9 /<br>US06739GAE98<br>/ XS0334249223 | US\$2,250,000,000                      | US\$50                                    | +210 bps   | +250 bps            | 0.750% U.S.<br>Treasury Note<br>due 2/28/2018 | FIT1                     |
| US\$1,250,000,000<br>5.140% Lower Tier<br>2 Notes due<br>October 2020<br>(“ <b>5.140% Notes</b> ”)  | 06739G BP3 /<br>US06739GBP37                   | US\$1,250,000,000                      | US\$50                                    | +195 bps   | +235 bps            | 2.000% U.S.<br>Treasury Note<br>due 2/15/2023 | FIT1                     |

(1) Per US\$1,000 principal amount of Notes validly tendered prior to the Early Participation Deadline and accepted for purchase by the Issuer. The Total Consideration includes the Early Participation Amount.

The Issuer reserves the right, in its sole and absolute discretion, not to accept any Tender Instruction, not to purchase Notes or to extend, re-order, withdraw, terminate or amend the terms and conditions of the Tender Offer at any time following the announcement of the Tender Offer (subject to applicable laws and regulations), as described in the Offer to Purchase under the heading “*The Tender Offer—Extensions, Amendments and Termination.*” Details of any such extension, re-order, amendment, withdrawal or termination will be notified to the holders as soon as possible after such decision.

A tender of Notes may only be made by the submission of a valid Tender Instruction. The acceptance of Notes for purchase pursuant to the Tender Offer is subject to the satisfaction of certain financing and other conditions, including those set out in the Offer to Purchase under the heading “*The Tender Offer—Conditions to the Tender Offer.*”

### Rationale for the Tender Offer

The Tender Offer exercise is part of the Issuer’s ongoing liability management programme, with the intention of pro-actively managing the Issuer’s capital position as the Issuer transitions towards its end state CRD IV capital structure.

### **Purchase Price and modified “Dutch Auction”**

The purchase price for each US\$1,000 principal amount of each series of Notes validly tendered pursuant to the Tender Offer on or prior to the Early Participation Deadline (as defined below) and accepted for purchase by the Issuer (subject to proration, if any) will reflect, as of the date of purchase, a yield to the maturity date of such series of Notes equal to the sum of (i) a Reference Yield for such series of Notes, plus (ii) a Clearing Spread for such series of Notes, which consists of (x) a Base Spread less (y) a Clearing Spread Premium (as described below) for such series of Notes, as determined pursuant to a modified “Dutch Auction” (the “**Total Consideration**”). The purchase price for each US\$1,000 principal amount of each series of Notes validly tendered pursuant to the Tender Offer after the Early Participation Deadline but prior to the Expiration Deadline (as defined below) and accepted for purchase by the Issuer (subject to proration, if any) will consist of the Total Consideration for that series of Notes less the Early Participation Amount (as defined below) (“**Tender Offer Consideration**”).

A single Clearing Spread Premium will be calculated for both series of Notes.

For a complete description of the pricing structure and the modified “Dutch Auction” please see “*The Tender Offer—Terms of the Tender*” in the Offer to Purchase.

### **Tender Offer Period**

The Tender Offer commences on March 26, 2013 and will end at 5:00 p.m., New York City time, on April 25, 2013, (the “**Expiration Deadline**”), unless extended by the Issuer, in which case notification to that effect will be given by or on behalf of the Issuer by way of the issue of a press release to one or more Notifying News Service(s) and via RNS.

Holder(s) wishing to participate in the Tender Offer must deliver, or arrange to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by the Expiration Deadline.

### **Accrued Interest**

In respect of all Notes validly tendered and accepted for purchase by the Issuer, accrued and unpaid interest will be paid in cash for the period from (and including) the interest payment date for the relevant series of Notes immediately preceding the Payment Date (such date being the date on which the Notes are due to be purchased by the Issuer) to (but excluding) the Payment Date. By their participation in the Tender Offer prior to the Early Participation Deadline and their receipt of the Total Consideration plus Accrued Interest, holders of the 5.140% Notes whose 5.140% Notes are validly tendered prior to the Early Participation Deadline and accepted for purchase by the Issuer shall have surrendered their entitlement to, and therefore shall not receive, the regularly scheduled interest payment in respect of such 5.140% Notes on the interest payment date scheduled for April 14, 2013, even if such holders are holders of record as of the record date in respect of such scheduled interest payment date for such 5.140% Notes, unless the Early Payment Date is extended by the Issuer to a date subsequent to the scheduled interest payment date for such 5.140% Notes. For the avoidance of doubt, Accrued Interest in respect of the 5.140% Notes that is payable on the Final Payment Date shall be accrued and unpaid interest from (and including) the interest payment date scheduled for April 14, 2013 to but excluding the Final Payment Date.

### **Early Participation Amount**

Each holder who validly tenders its Notes by 5:00 p.m., New York City time, on April 8, 2013, unless extended, (the “**Early Participation Deadline**”) and whose Notes are accepted for purchase by the Issuer, will receive an early participation amount equal to US\$50 for each US\$1,000 principal amount of Notes accepted for purchase (the “**Early Participation Amount**”) which is included in the Total Consideration.

Holder(s) who validly tender their securities after the Early Participation Deadline but prior to the Expiration Deadline will not receive the Early Participation Amount.

### **Tender Cap**

The maximum aggregate principal amount of Notes that the Issuer will accept in the Tender Offer is US\$1,000,000,000, subject to the Issuer’s right, but not obligation, to increase or decrease the Tender Cap in its

sole and absolute discretion without extending the Withdrawal Deadline (as defined below) or the Early Participation Deadline.

Any increase or decrease in the Tender Cap during the Tender Offer will be announced by the issue of a press release to one or more Notifying News Service(s) and via RNS. If the Tender Cap is increased or decreased and there are fewer than 10 business days until the scheduled Expiration Deadline, the Tender Offer will be extended so that at least 10 business days remain until the Expiration Deadline.

Notes that are not successfully tendered for purchase pursuant to the Tender Offer and the terms and conditions set out in the Offer to Purchase will remain outstanding and will remain subject to the terms and conditions of such Notes.

### **Proration**

In the event that the purchase of all Notes validly tendered prior to the Early Participation Deadline would cause the Issuer to accept an aggregate principal amount of Notes in excess of the Tender Cap, then the Tender Offer will be oversubscribed at the Early Participation Deadline, and the Issuer will accept for payment (a) first, all Notes validly tendered prior to the Early Participation Deadline with a Bid Spread that results in a Bid Premium less than the Clearing Spread Premium; and (b) then, all Notes validly tendered prior to the Early Participation Deadline with a Bid Spread that results in a Bid Premium equal to the Clearing Spread Premium (to the extent such acceptance would not result in an aggregate principal amount of Notes in excess of the Tender Cap being accepted) on a prorated basis using a single proration factor across both series of Notes.

In the event that Tender Offer is not oversubscribed at the Early Participation Deadline and the purchase of all Notes validly tendered after the Early Participation Deadline but prior to the Expiration Deadline would cause the Issuer to accept an aggregate principal amount of Notes in excess of the Tender Cap, then the Tender Offer will be oversubscribed at the Expiration Deadline, and the Issuer will accept for payment all Notes validly tendered (and not withdrawn) after the Early Participation Deadline but prior to the Expiration Deadline on a prorated basis using a single proration factor across both series of Notes, such that the Issuer purchases the maximum aggregate principal amount of the Notes that does not exceed the Tender Cap.

### **Withdrawal Rights**

Notes validly tendered prior to the Early Participation Deadline may be withdrawn by or on behalf of a holder at any time prior to the Early Participation Deadline, but not thereafter, by delivering a written notice of withdrawal, or a facsimile of one, with the required information as set forth in the Offer to Purchase to the Tender Agent prior to the Early Participation Deadline. Notes tendered after the Early Participation Deadline but prior to the Expiration Deadline may be withdrawn by or on behalf of a holder any time prior to 5:00 p.m., New York City time, on April 25, 2013, unless extended (the “**Withdrawal Deadline**”), but not thereafter, by delivering a written notice of withdrawal, or a facsimile of one, with the required information as set forth in the Offer to Purchase to the Tender Agent prior to the Withdrawal Deadline.

### **Expected Timetable of Events**

The times and dates below are indicative only.

| <b>Time and Date</b>                             | <b>Event</b>  |
|--|---|
| March 26, 2013.                                  | <b><i>Commencement of the Tender Offer</i></b><br><br>Tender Offer announced by way of the issue of a press release to one or more Notifying News Service(s) and via RNS. Offer to Purchase available from the Dealer Manager and the Tender Agent.                     |
| 2:00 p.m., New York City time, on April 8, 2013. | <b><i>Reference Yield Determination Date</i></b><br><br>The determination of the Reference Yield related to the corresponding bid-side price of the UST Reference Security displayed on the Bloomberg Reference Page, each as set forth in the table on the cover page. |

5:00 p.m., New York City time, on April 8, 2013, unless extended.

***Early Participation Deadline***

The last chance for holders to tender Notes to qualify for the payment of the Total Consideration, which includes the Early Participation Amount, on the Early Payment Date, and the last chance for holders to withdraw tenders of Notes tendered prior to the Early Participation Deadline.

April 9, 2013.

***Announcement of Early Participation Results***

Announcement of the Issuer's decision whether to accept valid tenders of Notes tendered prior to the Early Participation Deadline distributed by way of the issue of a press release to one or more Notifying News Service(s) and via RNS.

The Early Payment Date shall occur after the Early Participation Deadline and is expected to be on or about April 9, 2013.

***Early Payment Date***

The date the Issuer will deposit with the Clearing Systems the amount of cash necessary to pay to each holder of Notes tendered before the Early Participation Deadline that are accepted for purchase by the Issuer the Total Consideration (which includes the Early Participation Amount) plus Accrued Interest in respect of such Notes. The Issuer has no obligation to pay interest by reason of any delay by the Clearing Systems in making payment to holders of Notes that are accepted for purchase by the Issuer.

April 24, 2013

***Issuer's Q1 2013 Interim Management Statement expected to be published***

5:00 p.m., New York City time, on April 25, 2013, unless extended.

***Withdrawal Deadline***

The last chance for holders to validly withdraw tenders of the Notes tendered after the Early Participation Deadline but prior to the Expiration Deadline, subject to limited exceptions.

5:00 p.m., New York City time, on April 25, 2013, unless extended.

***Expiration Deadline***

The last chance for holders to tender Notes to qualify for the payment of the Tender Offer Consideration on the Final Payment Date, which does not include the Early Participation Amount.

April 26, 2013.

***Announcement of Result of Tender Offer***

Announcement of the Issuer's decision whether to accept valid tenders of Notes tendered after the Early Participation Deadline but before the Expiration Deadline distributed by way of the issue of a press release to one or more Notifying News Service(s) and via RNS.

The Final Payment Date shall occur after the Expiration Deadline and is expected to be on or about April 30, 2013.

***Final Payment Date***

The date the Issuer will deposit with the Clearing Systems the amount of cash necessary to pay to each holder of Notes tendered after the Early Participation Deadline but before the Expiration Deadline that are accepted for purchase by the Issuer the Tender Offer Consideration (which does not include the Early Participation Amount) plus Accrued Interest in respect of such Notes. The Issuer has no obligation to pay interest by reason of any delay by the Clearing Systems in making payment to holders of Notes that are accepted for purchase by the Issuer.

**Holders are advised to check with any Intermediary through which they hold Notes when such Intermediary would require to receive instructions from a holder in order for that holder to be able to participate in, or (in the circumstances in which withdrawal is permitted) withdraw their instruction to participate in, the Tender Offer before the deadlines specified above. The deadlines set by any such Intermediary and each Clearing System for the submission of Tender Instructions will be earlier than the relevant deadlines specified above. See the Offer to Purchase under the heading “Procedures for Tendering Notes.”**

### **For Further Information**

A complete description of the terms and conditions of the Tender Offer is set out in the Offer to Purchase. Further details about the transaction can be obtained from:

#### **The Dealer Manager**

##### **Barclays Capital Inc.**

745 Seventh Avenue  
New York, New York 10019  
United States  
Telephone: +1 (212) 528-7581  
US Toll Free Number: +1 (800) 438-3242  
Attention: Liability Management Group  
Email: [liability.management@barclays.com](mailto:liability.management@barclays.com)

#### **The Tender Agent**

##### **Global Bondholder Services Corporation**

65 Broadway – Suite 404  
New York, New York 10006  
United States  
Banks and Brokers Call: +1 (212) 430-3774  
Toll Free Number: +1 (866) 470-4200  
Facsimile: +1 (212) 430-3775/3779  
Attention: Corporate Actions  
Email: [Info@gbsc-usa.com](mailto:Info@gbsc-usa.com)

A copy of the Offer to Purchase is available to eligible persons upon request from the Tender Agent.

### **Analyst and Investor Information**

Further information for analysts and investors can be obtained from the following contacts at Barclays:

#### **Investor Relations**

Charlie Rozes  
Tel: +44 (0) 20 7116 5752

#### **Barclays Treasury**

Steven Penketh  
Tel: +44 (0) 20 7773 0125

#### **Media Relations**

Giles Croot  
Tel: +44 (0) 20 7116 6132

### **DISCLAIMER**

This announcement must be read in conjunction with the Offer to Purchase. No offer or invitation to acquire or exchange any securities is being made pursuant to this announcement. This announcement and the Offer to Purchase contain important information, which must be read carefully before any decision is made with respect to the Tender Offer. If any holder is in any doubt as to the action it should take, it is recommended to seek its

own legal, tax and financial advice, including as to any tax consequences, from its stockbroker, bank manager, lawyer, accountant or other independent financial 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 participate in the Tender Offer. None of the Issuer, the Dealer Manager or the Tender Agent (or any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons) makes any recommendation as to whether holders should participate in the Tender Offer.

### **General**

Neither this announcement, the Offer to Purchase nor the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Tender Offer will not be accepted from holders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the Notes, blue sky or other laws require the Tender Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in any such jurisdiction, the Tender Offer shall be deemed to be made by such Dealer Manager or such affiliate, as the case may be, on behalf of the Issuer in such jurisdiction.

In addition, each holder participating in the Tender Offer will be deemed to give certain representations in respect of the other jurisdictions referred to below and generally as set out in “*Procedures for Participating in the Tender Offer*” in the Offer to Purchase. Any tender of Notes for purchase pursuant to the Tender Offer from a holder that is unable to make these representations will not be accepted.

### **United Kingdom**

The communication of this announcement, the Offer to Purchase and any other documents or materials relating to the Tender Offer is not being made, and such documents and/or materials have not been approved, by an authorized 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 those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”)) or persons who are within Article 43(2) of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (such persons together being the “**Relevant Persons**”). The Tender Offer is only available to Relevant Persons and the transactions contemplated in the Offer to Purchase will be available only to, or engaged in only with, Relevant Persons, and this financial promotion must not be relied or acted upon by persons other than Relevant Persons.

### **France**

The Tender Offer is not being made, directly or indirectly, to the public in the Republic of France (“**France**”). Neither this announcement, the Offer to Purchase nor any other documents or materials relating to the Tender Offer have 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, in each case acting on their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code Monétaire et Financier*, are eligible to participate in the Tender Offer. The Offer to Purchase and any other document or material relating to the Tender Offer have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

### **Italy**

None of the Tender Offer, this announcement, the Offer to Purchase or any other documents or materials relating to the Tender Offer has been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian laws and regulations.

The Tender Offer is being carried out in the Republic of Italy (“**Italy**”) as exempted offers pursuant to article 101-bis, paragraph 3-bis of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and article 35-bis of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the

“**CONSOB Regulation**”). The Tender Offer is also being carried out in compliance with article 35-bis, paragraph 7 of the CONSOB Regulation.

Holders, or beneficial owners of the Notes, located in Italy can tender some or all of their Notes pursuant to the Tender Offer through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Notes or the Tender Offer.