Investor Presentation

2012 Results

BARCLAYS

Overview of 2012

Income growth in the IB supported by stable customer net interest income in other businesses

- Adjusted income up at £29,043m despite macroeconomic challenges and the continuing low interest rate environment
- Income at the Investment Bank improved 13% to £11,722m driven by increases in FICC and Equities
- Customer net interest income for RBB, Corporate Banking and Wealth and Investment Management reduced 7% to £11,154m. Group net interest income reduced 5% to £11,639m and the net interest margin declined 18bps to 185bps, reflecting reduced contributions from hedging activities including the non-recurrence of gains from the disposal of hedging instruments in 2011

Continued reduction in impairment reflecting robust risk management

- Credit impairment charges were down 5% at £3,596m, and the annualised loan loss rate reduced to 75bps (2011: 77bps) , reflecting a 6% reduction in impairment charge on loans and advances and a 3% contraction in gross loans and advances principally due to lower balances in Investment Bank

Costs remain well controlled

- Adjusted operating expenses were down 3% to £18,539m
- Non-performance costs decreased 3% to £16,144m through cost saving initiatives and performance costs were down 4% to £2,425m, despite an increase in deferred bonus charges

Improved returns and profitability

- Adjusted return on equity increased to 7.8% (2011: 6.6%) with improvements in five of seven businesses
- Adjusted PBT up 26% to £7,048m with and improvement of 46% in Corporate and Investment Banking

Maintained financial strength

- Core Tier 1 ratio remained strong at 10.9% and risk weighted assets reduced 1% to £387bn with a pro forma fully loaded Basel 3 Core Tier 1 ratio of 8.2% on 1 January 2013
- Raised £28bn of term funding in 2012 and have met term funding needs for 2012
- The liquidity pool as at 30 December 2012 was £150bn, remaining well above our liquidity risk appetite

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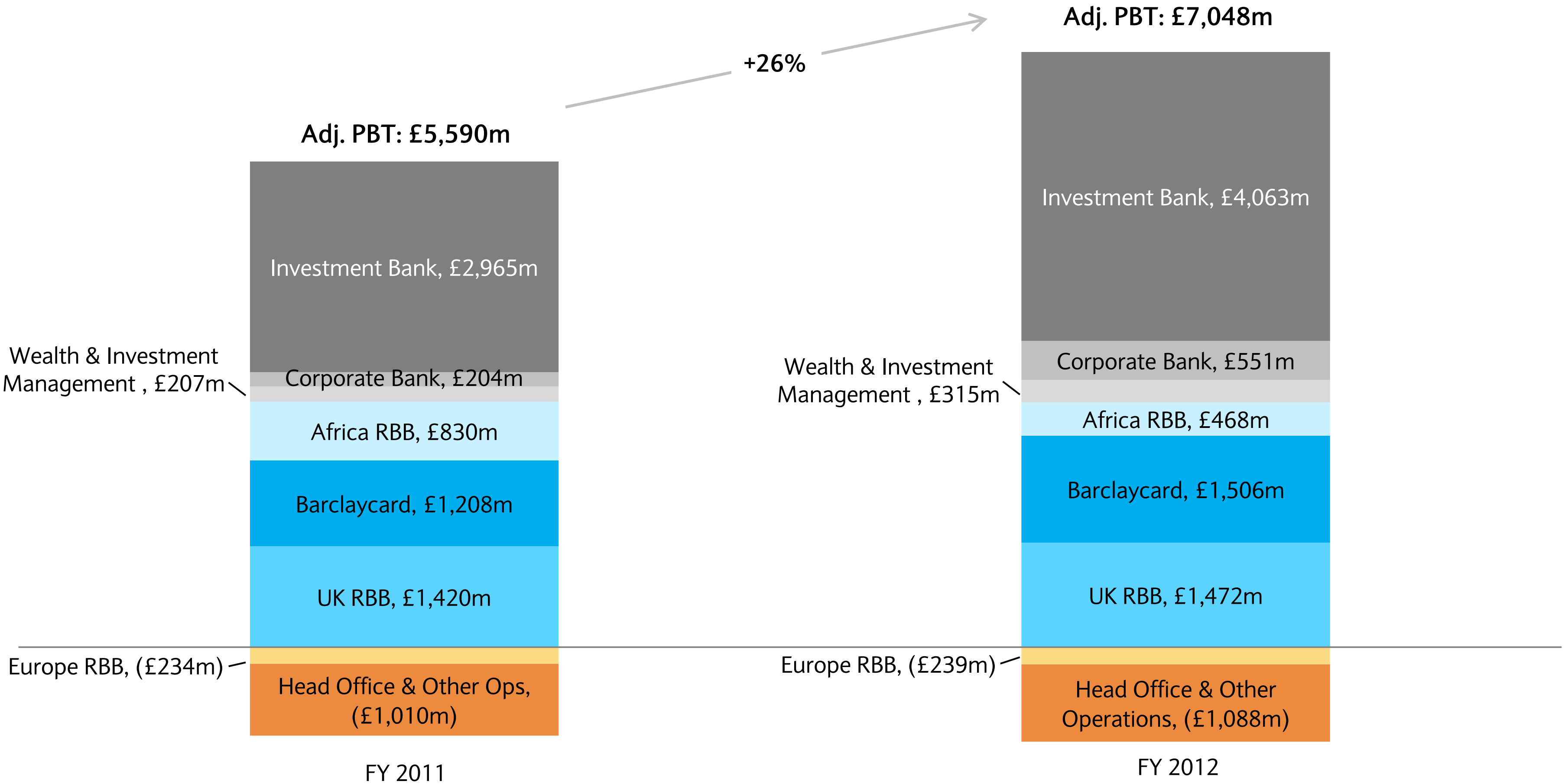
Index

Balanced Profit Distribution Across the Group

Composition of adjusted profit before tax demonstrates the benefits of the universal banking model



Latest Financial Highlights (as at 31 December 2012)

"Through a prolonged difficult economic environment, our financial performance has been strong, and our 2012 results clearly demonstrate the good momentum in our businesses" (Antony Jenkins, CEO)

Full year	2012 (£m)	2011 (£m)	Change (%)
Adjusted[1] income	29,043	28,512	2
Impairment charges	(3,596)	(3,802)	(5)
Adjusted net operating income	25,447	24,710	3
Adjusted operating expenses	(18,539)	(19,180)	(3)
Adjusted profit before tax	7,048	5,590	26
Statutory profit before tax	246	5,879	-

- Adjusted income up 2% despite macroeconomic challenges, continuous low interest rate environment and non-recurrence of the disposal of hedging instruments in 2011
- Adjusted operating expenses down 3%, bringing our adjusted CIR down to 64% (2011: 67%).
  - IB adjusted CIR ratio down to 62% (2011: 71%)
- Impairment charges down 5%, reflecting improvements in Barclaycard, Corporate Banking and UK RBB
- Adjusted PBT up 26% with an improvement of 46% in Corporate & Investment Bank, and 52% in Wealth & Investment Management
- Liquidity pool decreased to £150bn (2011: £152bn) and loan to deposit ratio improved to 110% (2011: 118%)
- Basel 2.5 CT1 ratio remained strong at 10.9% (2011: 11%) with an estimated CRD IV fully-loaded CET1 ratio of 8.2% as at 1 Jan 2013
- RWAs decreased to £387bn (2011: £391bn) and adjusted gross leverage ratio improved to 19x (2011: 20x)

[1] See slide 6 for adjusting items

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Adjusting items to profit before tax

	Q412 (£m)	Q312 (£m)	Q212 (£m)	Q112 (£m)	Q411 (£m)	Q311 (£m)
Adjusted profit before tax	1,094	1,727	1,782	2,445	528	1,337
Own credit	(560)	(1,074)	(325)	(2,620)	(263)	2,882
Gains on debt buy-backs	-	-	-	-	1,130	-
Impairment and gain/(loss) on disposal of BlackRock investment	-	-	227	-	-	(1,800)
Provision for PPI redress	(600)	(700)	-	(300)	-	-
Provision for interest rate hedging products redress	(400)	-	(450)	-	-	-
Goodwill impairment	-	-	-	-	(550)	-
(Losses)/gains on acquisitions and disposals	-	-	-	-	(32)	3
Statutory (loss)/profit before tax	(466)	(47)	1,234	(475)	813	2,422

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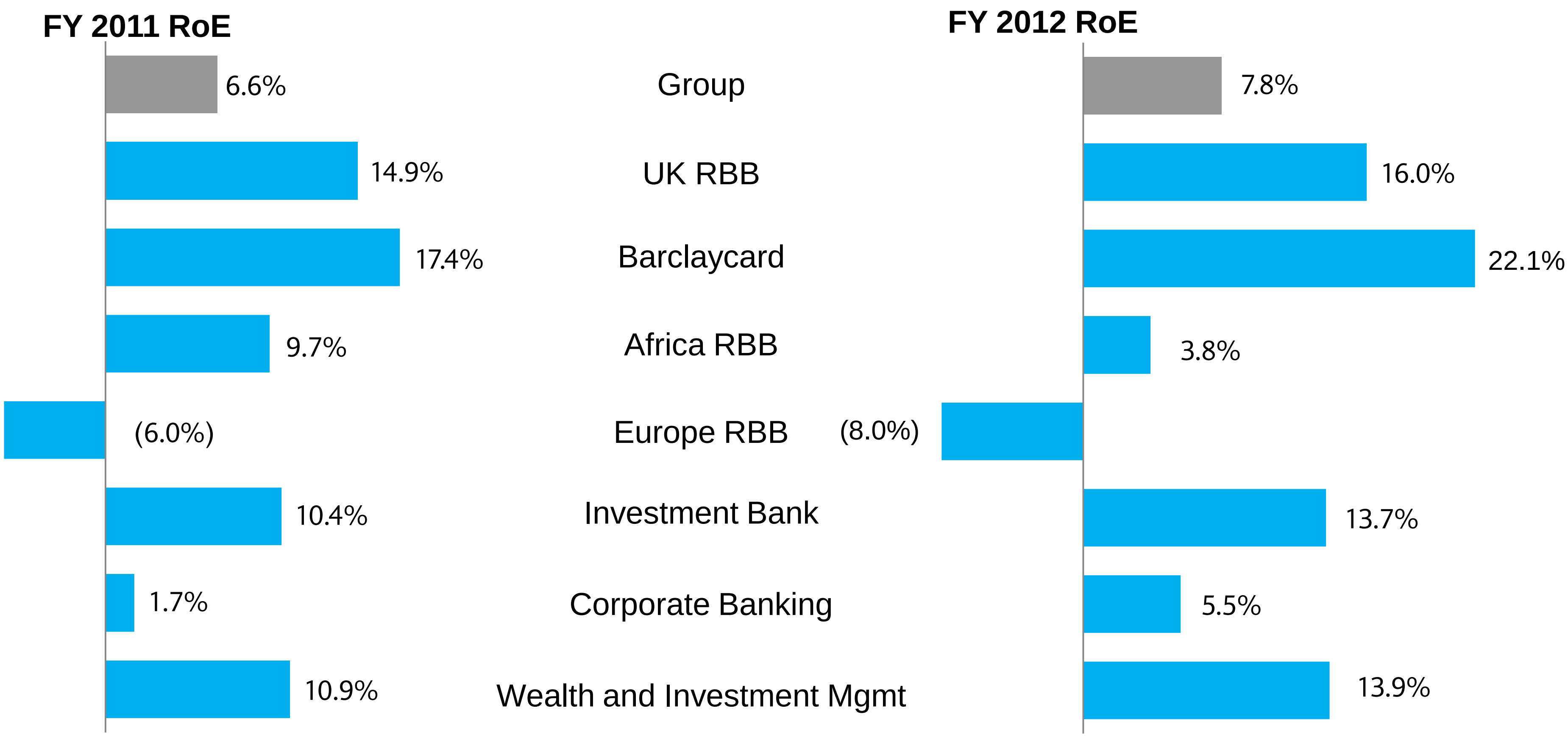
Adjusted return on equity (RoE) increased to 7.8%

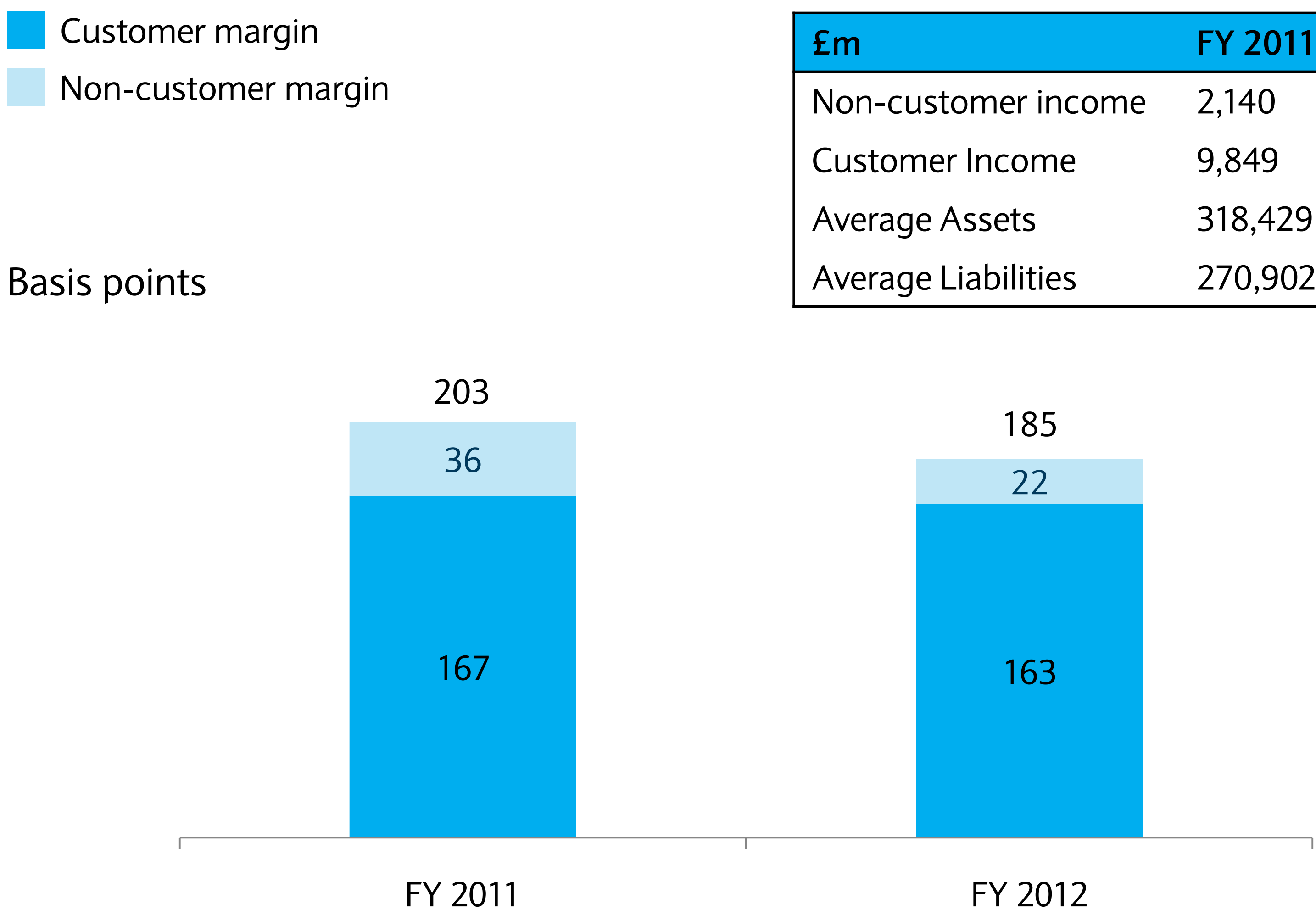
RoE improvements in five of seven businesses with the Investment Bank achieving 13.7% return on equity

(%)



NIM lower due to smaller contribution from hedges

£m	FY 2011[1]	FY 2012[1]
Non-customer income	2,140	1,338
Customer Income	9,849	9,816
Average Assets	318,429	319,420
Average Liabilities	270,902	283,069



[1] Numbers refer to RBB, Corporate Banking and Wealth and Investment Management. Total contribution from structural hedges was £1.7bn (2011: £3.3bn)

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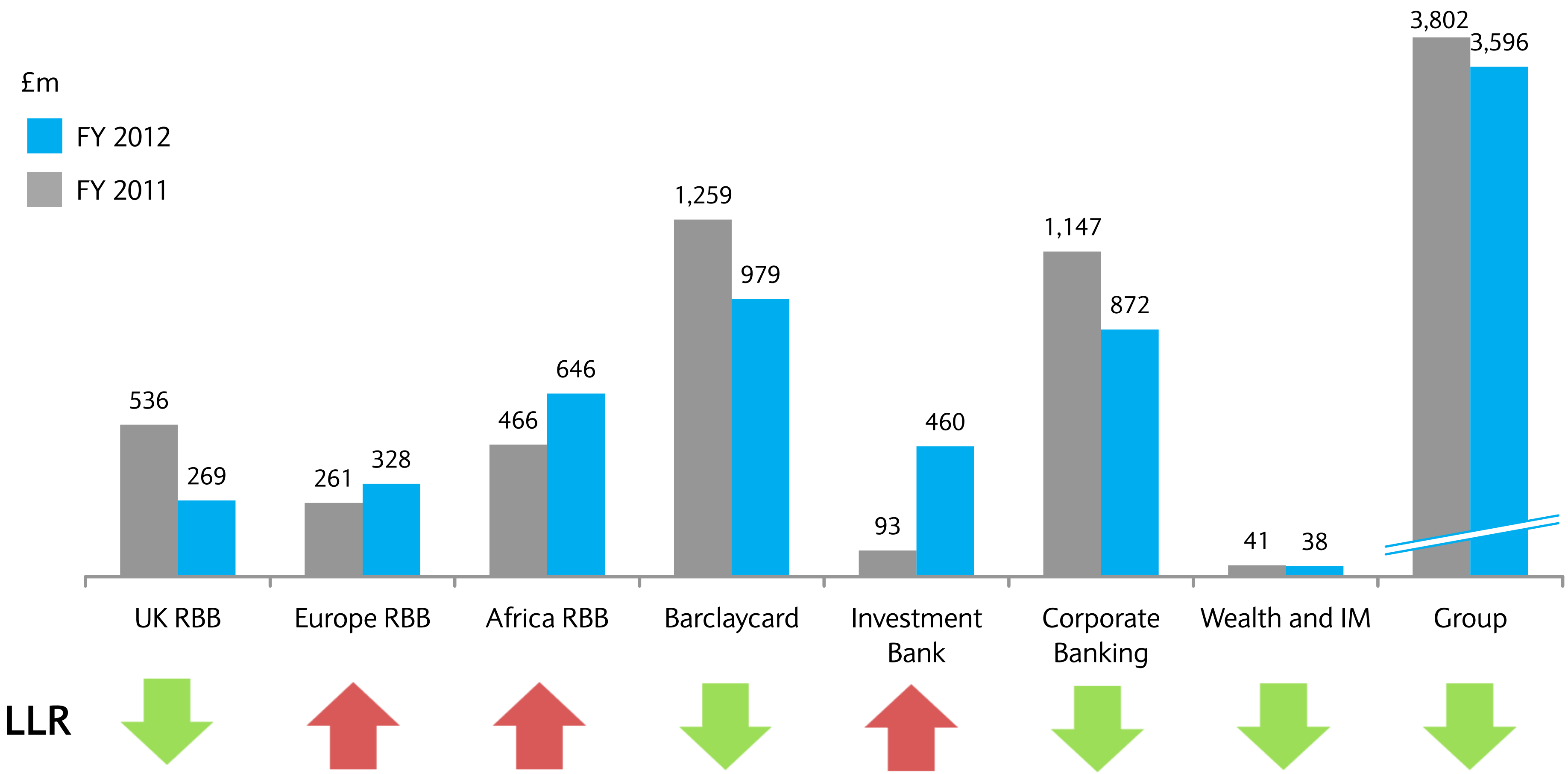
Adjusted impairment down 5% to £3,596m

Impairment improvement principally reflecting improvements in the UK businesses



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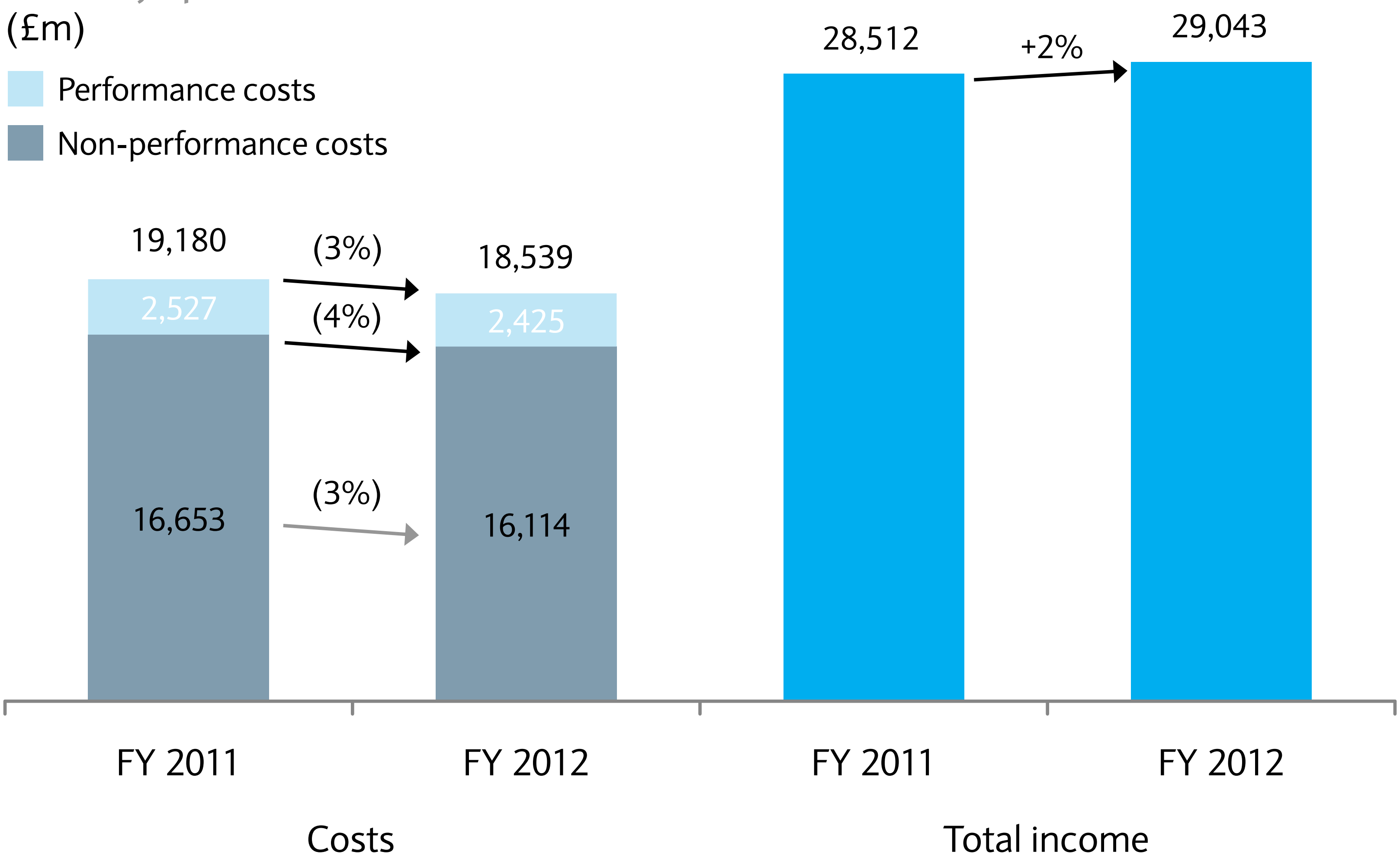
Cost to income ratio improved to 64% (2011: 67%)

Cost remains a core focus given the flat income environment in which many of our businesses currently operate



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Solid capital, funding and liquidity

Our financial strength continues to serve us well in the current environment and remains a core component of our strategy going forward

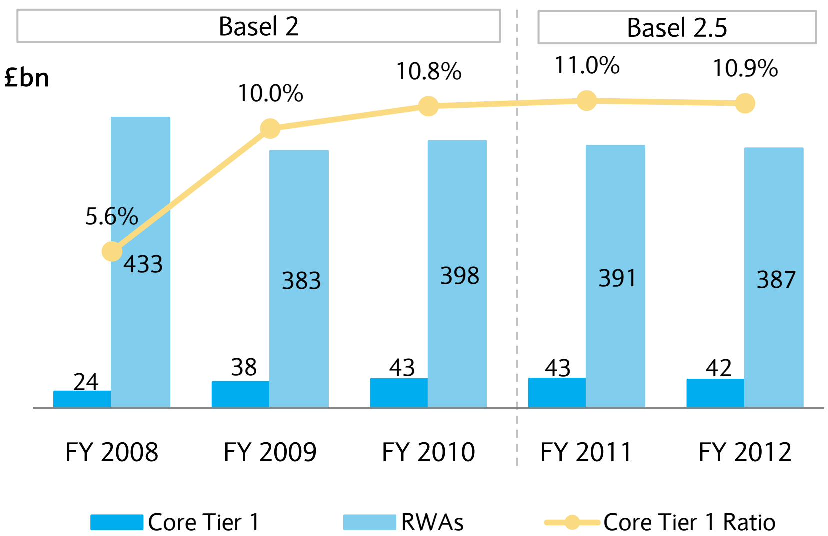
As at	31 Dec 2012	31 Dec 2011
Core Tier 1 ratio	10.9%	11.0%
Risk weighted assets	£387bn	£391bn
Adjusted gross leverage	19x	20x
Adjusted gross leverage excl. the liquidity pool	16x	17x
Group liquidity pool	**£150bn**	**£152bn**

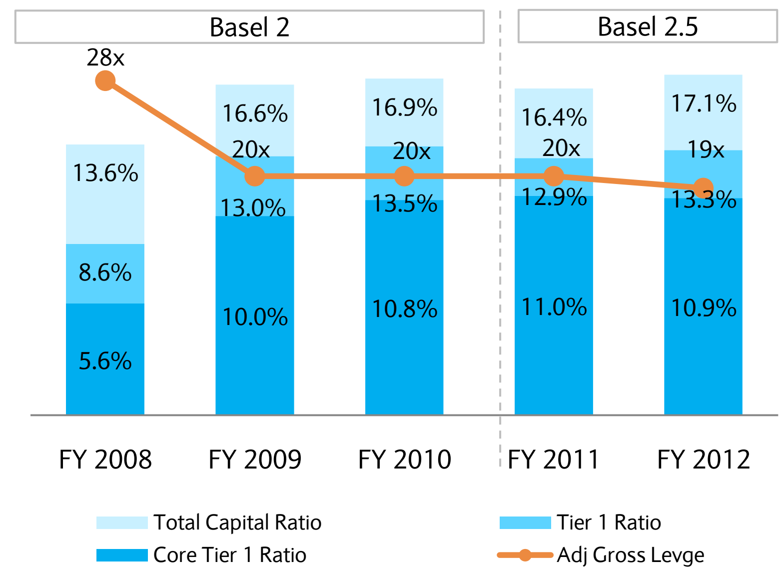
Full year ended 31 December 2012	
Term issuance completed	£28bn

- CT1 ratio of 10.9% remained strong reflecting a slight decrease in CT1 equity at £42.1bn and reduced risk weighted assets
- RWAs reduced 1% to £387bn, principally reflecting business risk reduction in the Investment Bank and foreign exchange movements, partially offset by a change in methodology on loss given default for sovereign exposures
- Liquidity pool of £150bn at the end of December with 87% held in cash, high quality government bonds and deposits with central bank
- Wholesale funding maturities for 2012 of £27bn with £28bn raised during the year

Capital Ratios and Leverage

Our financial strength continues to serve us well in the current environment and remains a core component of our strategy going forward





- CT1 ratio improved significantly since 2008, despite stricter capital definitions, to reach 10.9% at year end 2012
- Solid CT1 ratio reflecting broadly stable CT1 equity and reduced risk weighted assets
- We expect to maintain CT1 and Tier 1 ratios at levels which significantly exceed current minimum regulatory requirements

- Barclays significantly deleveraged since 2008, by strengthening its Core Tier 1 capital base, reducing RWA and decreasing non-risk adjusted leverage metrics
- Adjusted gross leverage stabilised at 19x; excluding liquidity pool, the ratio was 16x as at YE 2012
- Basel 3 transitional leverage ratio within indicative 33x limit and Basel 3 fully loaded leverage ratio estimated to be compliant ahead of implementation date

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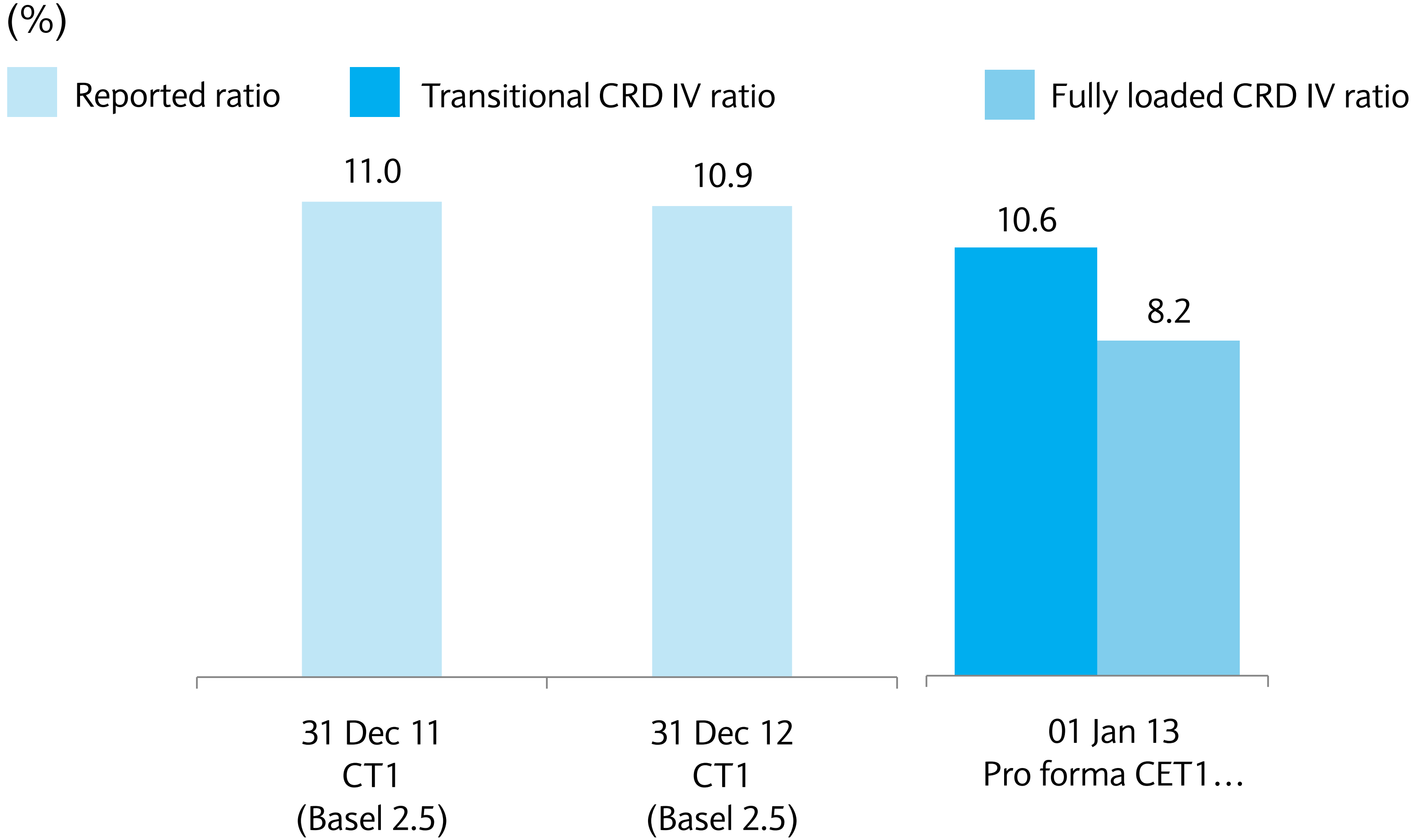
Pro forma Core Capital ratios

We continue to manage the business to absorb changing regulation. Pro forma CT1 ratios are subject to finalisation of Basel 3 rules and market conditions



[1] Includes effect of IFRS changes on 1 Jan 2013. For details and basis of calculation, see slides 35-37

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Pro forma CRD IV capital and RWAs

	Reported 31 Dec 2012	Pro forma 1 Jan 2013 CET1 Transitional	Pro forma 1 Jan 2013 CET1 Fully-loaded
CT1 Capital (FSA 2009 definition)	42.1	**42.1**	
IFRS10 impact (introduced on 1 Jan 2013)		(0.4)	
CT1 Capital post-IFRS 10 (FSA 2009 definition)		41.7	
RWAs (Basel 2.5)	387	387	
CT1 Ratio (Basel 2.5)	10.9%	10.8%	
CRD IV impact on CT1 Capital:			
Adjustments not impacted by transitional provisions			
Conversion from securitisation deductions to RWA		1.0	1.0
Prudential Value Adjustments (PVA)		(1.2)	(1.2)
Other		(0.2)	(0.2)
Adjustments impacted by transitional provisions			
Goodwill and intangibles		7.6	-
EL > impairment		0.6	(1.1)
Deferred tax assets (losses)		(0.1)	(1.3)
Excess minority interest		-	(0.9)
Debit Valuation Adjustment (DVA)		-	(0.3)
Pensions		-	(0.1)
Gains on AFS equity and debt		-	0.7
CET1 Capital		49.5	38.4
CRD IV impact on RWA:			
Credit Valuation Adjustment (CVA)		29	
Securitisation		25	
Central Counterparty Clearing		10	
Other		17	
Gross impact		81	
RWAs (post CRD IV)		468	
CET1 Ratio		10.6%	8.2%

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Pro forma CRD IV capital and RWAs - Notes

Pro forma Capital Ratios are based on/subject to the following:

CRD IV, models and waivers

- The proforma ratios, capital computations and RWAs are based on our interpretation of CRD IV rules and expectation of how these rules will be implemented. They assume that all items in the Internal Model Method application to the FSA are approved, and existing FSA waivers, where such discretion is available under CRD IV, will continue

Capital

- Pro forma capital numbers at 1 Jan 13 are based on 31 Dec 12 actuals with an adjustment for IFRS 10 impact (as a result of consolidating some entities that were not previously consolidated and deconsolidating some entities that were previously consolidated)

- Transitional common equity tier 1 (CET1) capital is based on application of the CRD IV transitional provisions and FSA guidance dated 26 October 2012 setting out the minimum pace of transitions with certain exceptions set out in the guidance. In line with this guidance deferred tax assets deduction is assumed to transition in at 10% in 2013. Other deductions (including goodwill and intangibles, expected losses over impairment and DVA) transition in at 0% in 2013, 20% in 2014, 40% in 2015 and so on

- PVA was previously assumed to be subject to transitional treatment. Following FSA guidance, the impact of PVA is now factored into CET1 on inception in full. PVA is subject to final rules to be agreed by the EBA and the impact is currently based on methodology agreed with the FSA

- We have made no deductions for financial holdings of less than 10% of CET1 capital pending finalisation of CRD IV rules. These holdings are individually insignificant and the exposure is reduced through hedging. The current draft of the CRD IV rules includes some restrictions on taking into account these hedges. In the event these restrictions are not removed in the final rules, there would be a deduction from CET1 capital, based on current holdings, which we would mitigate with management actions.

- Excess minority interest has been calculated on a CRD IV basis and included in our full impact capital base on the assumption that supervisory regimes outside the EU that are implementing Basel 3, and are currently considered equivalent supervisory and regulatory regimes, will continue to be considered equivalent regimes under CRD IV

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Pro forma CRD IV capital and RWAs - Notes

Pro forma Capital Ratios are based on/subject to the following:

RWAs

- It is assumed that EU corporates, pension funds and sovereigns are exempt from CVA volatility charge.
- It is assumed all CCPs will implement CPSS-IOSCO's "Principles for Financial Market Infrastructures" and hence will be deemed to be "Qualifying". The final determination of Qualifying status will be made by the appropriate Regulatory Authority
- The pro forma RWA increase from Basel 3 includes 1250% risk weighting of securitisation positions while pro forma capital includes add back of Basel 2 50/50 securitisation deductions
- Proforma RWAs for definition of default assume that national discretion over 180 days definition of default remains for UK retail mortgages
- "Other" CRD IV impact to RWAs include adjustments for withdrawal of national discretion of definition of default relating to non UK mortgages retail portfolios (£1.4bn), Deferred Tax Assets (£2.3bn), Material Holdings (£2.3bn), other counterparty credit risk (£6.4bn) and other items
- RWAs are sensitive to market conditions. Pro forma impact on RWAs for all periods reflects market conditions as at 31 Dec 12.

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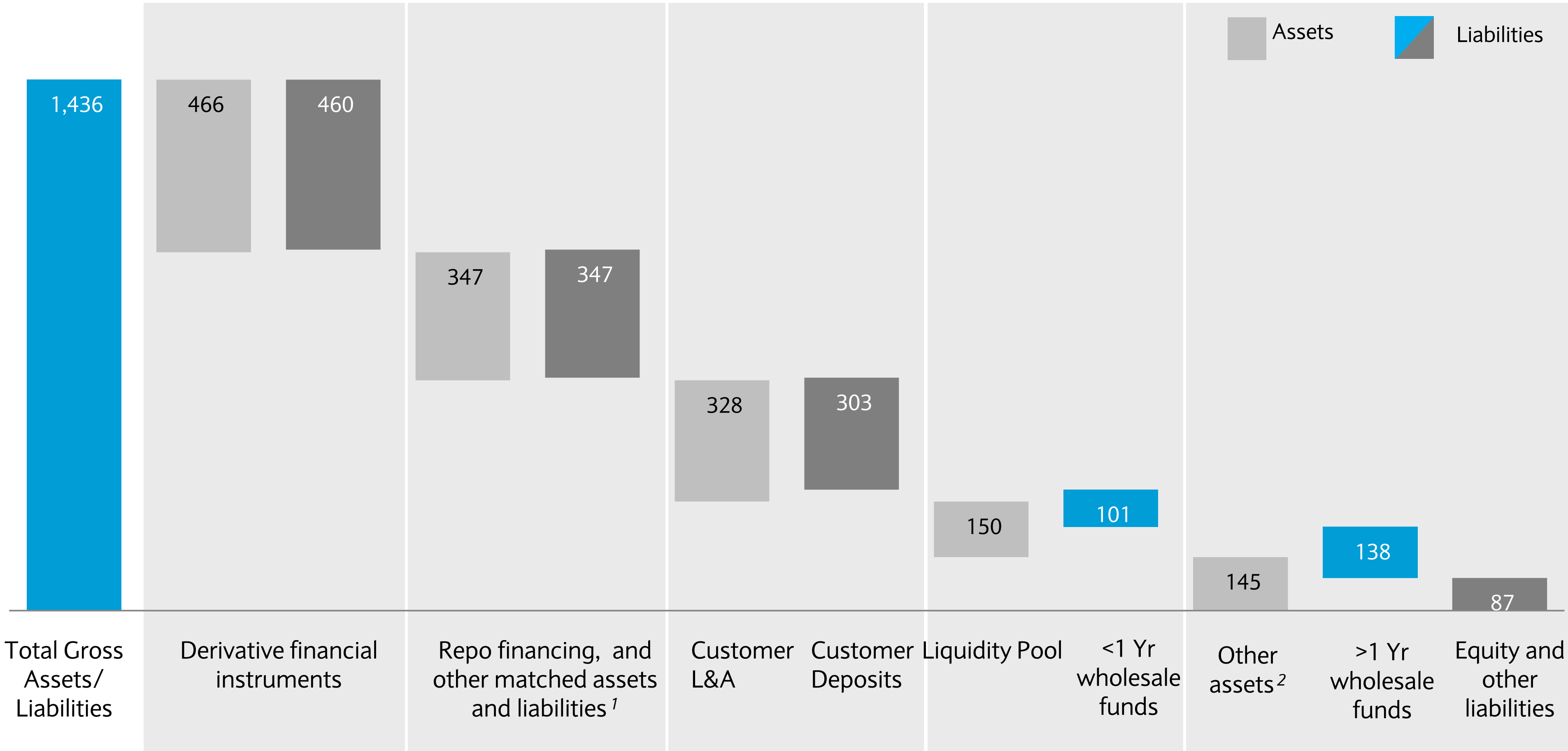
Balance Sheet funding

Whilst the balance sheet totals £1.5tn, wholesale funding requirements are limited to £240bn as a consequence of its structure

balances in £ billion



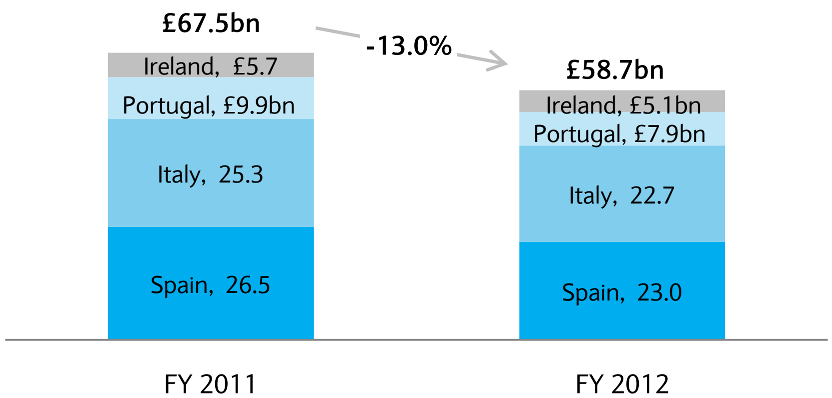
[1] *Including cash collateral, settlement balances, trading portfolio liabilities & securities funding*

[2] *Including loans and advances to banks, unencumbered securities and net derivative assets*

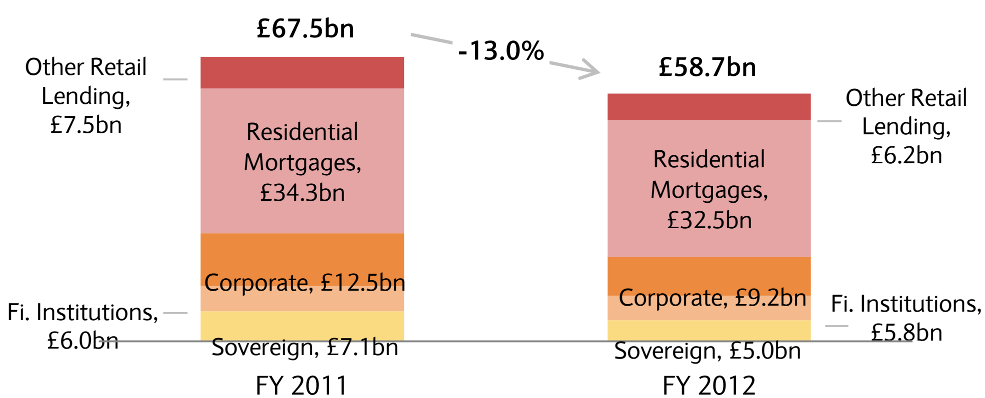
Reduced Exposure to the Eurozone Periphery

Direct exposures continue to be managed down, whilst redenomination risk has significantly reduced

Exposures by Geography



Exposures by Asset Class



- Exposure to Spain, Italy, Portugal and Ireland decreased by 13% to £58.7bn over 2012, with sovereign exposures shrinking by 29% to £5bn
- Spanish and Portuguese average valuation weighted marked-to-market LTV increased slightly:
  - Spain: 64.6% (31 Dec 2011: 60.1%)
  - Portugal: 77.6% (31 Dec 2011: 69.6%)
  - Italy: 46.7% (31 Dec 2011: 46.9%)
- Exposures to Greece and Cyprus remain contained to £79m and £184m respectively as at 31 December 2012
- Net funding mismatches decreased significantly, mainly as a result of €8.2bn of LTRO drawdown and additional deposit taking in Spain:
  - Spain: surplus of £1.9bn (31 Dec 2011: £12.1bn)
  - Portugal: £3.3bn (31 Dec 2011: £6.9bn)
- Redenomination risk significantly lower in Italy with net funding mismatch reduced 20% to £9.6bn
  - Collateral available to support additional secured funding, should risk increase

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Results by Business

UK Retail and Business Banking

Returns performance driven by solid new mortgage lending and deposit inflows, a continued reduction in impairment and ongoing cost control

Full year	2012 (£m)	2011 (£m)	Change (%)
Income	4,421	4,656	(5)
Impairment charges	(269)	(536)	(50)
Net operating income	4,152	4,120	1
Operating expenses (excluding provision for PPI redress)	(2,684)	(2,702)	(1)
Adj.[1] profit before tax	1,472	1,420	4
Adj. return on average equity	16.0%	14.9%	
Adj. cost: income ratio	61%	58%	

Balance Sheet Information	31.12.2012	31.12.2011
Loans and advances to customers at amortised cost	£128.2bn	£121.2bn
Customer deposits	£116.0	£111.8bn

[1] 1 Includes share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

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UK Retail and Business Banking

2012 compared to 2011

- Income declined 5% to £4,421m reflecting higher funding costs and reduced contribution from structural hedges, including non recurrence of gains from the disposal of hedging instruments in 2011
- Credit impairment charges decreased 50% to £269m reflecting improvements across all portfolios, principally in personal unsecured lending
  - Loan loss rate reduced to 21bps (2011: 44bps)
  - 90 day arrear rates improved 33bps on UK personal loans to 1.3% and deteriorated 4bps on UK mortgages to 0.3%
- Adjusted operating expenses remained broadly flat at £2,684m (2011: £2,702m)
- Adjusted profit before tax improved 4% to £1,472m. Statutory profit before tax declined 71% to £292m after £1,180m (2011: £400m) provision for PPI redress

Q4 12 compared to Q3 12

- Adjusted profit before tax declined 19% to £326m
  - Income declined 4% to £1,086m primarily due to provisions taken to remedy historical interest charges incorrectly applied to customers
  - Impairment decreased £5m to £71m
  - Adjusted operating expenses increased 6% to £693m mainly due to the transfer of claims management costs to the PPI provision in Q3 12
- Statutory loss before tax was £4m (Q312: £150m) including £330m (Q312: £550m) additional provision for PPI redress
- Loans and advances to customers increased to £128.2bn (30 September 2012: £126.0bn) reflecting steady growth in mortgage balances. Customer deposits continued to increase to £116.0bn (30 September 2012: £114.5bn)

Barclaycard

Strong performance driven by solid profit growth within the UK and International businesses

Full year	2012 (£m)	2011 (£m)	Change (%)
Income	4,170	4,095	2
Impairment charges	(979)	(1,259)	(22)
Net operating income	3,191	2,836	13
Operating expenses (excluding provision for PPI redress)	(1,715)	(1,659)	3
Adj.[1] profit before tax	1,506	1,208	25
Adj. return on average equity	22.1%	17.4%	
Adj. cost: income ratio	41%	41%	

Balance Sheet Information	31.12.2012	31.12.2011
Loans and advances to customers at amortised cost	£32.9	£30.1bn
Total assets	£37.5bn	£33.8bn

[1] Includes share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

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Barclaycard

2012 Compared to 2011

- Income increased 2% to £4,170m reflecting continued growth across the business and contributions from portfolio acquisitions. This was partially offset by higher funding costs, non-recurrence of gains from the disposal of hedging instruments in 2011 and depreciation of Rand against Sterling
  - UK income increased 1% to £2,616m including contribution from 2011 portfolio acquisitions and business growth offset by increased funding costs
  - International income improved 7% to £1,554m driven by higher US outstanding balances and contribution from portfolio acquisitions
- Credit impairment charges decreased 22% to £979m resulting from improved delinquency, lower charge-offs and better recovery rates, primarily in H1 12
  - Loan loss rate improved by 109bps to 282bps (2011: 391bps)
  - 30 day arrears rates for consumer cards in UK down to 2.5% (2011: 2.7%), in the US down to 2.4% (2011: 3.1%)and in South Africa up to 5.2% (2011: 4.9%)
- Adjusted operating expenses increased 3% to £1,715m reflecting portfolio acquisitions, provision for certain other insurance products and investment spend
- Adjusted profit before tax improved 25% to £1,506m. Statutory profit before tax increased by £525m to £1,086m after £420m (2011: £600m) provision for PPI redress

Q4 12 compared to Q3 12

- Adjusted profit before tax decreased 10% to £356m
- Loans and advances to customers increased 6% to £32.9bn including the acquisition of Edcon and growth across the UK and International businesses. Customer deposits increased to £2.8bn (30 September 2012: £2.4bn) through deposit funding initiatives in the US and Germany

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Africa Retail and Business Banking

Higher credit impairment in the South African home loans portfolio and adverse currency movements have both impacted performance as we deliver our One Africa strategy

Full year	2012 (£m)	2011 (£m)	Change (%)
Income	3,157	3,571	(12)
Impairment charges	(646)	(466)	39
Net operating income	2,511	3,105	(19)
Operating expenses (excluding provision for PPI redress)	(2,053)	(2,279)	(10)
Adj.[1] profit before tax	468	832	(44)
Adj. return on average equity	3.8%	9.7%	
Adj. cost: income ratio	65%	64%	

Balance Sheet Information	31.12.2012	31.12.2011
Loans and advances to customers at amortised cost	£31.7bn	£34.4bn
Customer deposits	£22.0bn	£22.6bn

[1] Includes share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

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Africa Retail and Business Banking

2012 Compared to 2011

- Income declined 12% to £3,157m. Excluding currency movements income declined 2% reflecting non-recurrence of gains from the disposal of Group hedging instruments in 2011, with underlying businesses across Africa remaining flat
- Credit impairment charges increased 39% to £646m. Excluding currency movements impairment charges increased 57% principally reflecting higher loss given default rates and higher levels of write-offs in the South African home loans recovery book
  - Loan loss rate increased to 194bps (2011: 129bps)
  - However 90 day arrears rate for home loans decreased by 168bps to 1.6% reflecting improved new business and continuing low interest rate environment
- Operating expenses decreased 10% to £2,053m mainly due to currency movements with underlying business broadly in line
- Profit before tax declined 44% to £468m and adjusted return on average equity decreased to 3.8% (2011: 9.7%)

Q4 12 compared to Q3 12

- Profit before tax increased by £82m to £138m
- Loans and advances to customers decreased 2% to £31.7bn reflecting adverse currency movements partially offset by an increase of 1% in underlying businesses. Customer deposits remained flat at £22.0bn reflecting growth of 3% in local currency deposits offset by currency movements

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Europe Retail and Business Banking

Performance deteriorated as macro economic environment continues to have a significant drag on income and impairment

Full year	2012 (£m)	2011 (£m)	Change (%)
Income	915	1,226	(25)
Impairment charges	(328)	(261)	26
Net operating income	587	965	(39)
Operating expenses (excluding provision for PPI redress)	(839)	(1,211)	(31)
Adj.[1] profit before tax	(239)	(234)	2
Adj. return on average equity	(8.0%)	(6.0%)	
Adj. cost: income ratio	92%	99%	

Balance Sheet Information	31.12.2012	31.12.2011
Loans and advances to customers at amortised cost	£40.0bn	£43.6bn
Customer deposits	£17.6bn	£16.4bn

[1] Includes share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

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Europe Retail and Business Banking

2012 Compared to 2011

- Income declined 25% to £915m reflecting the challenging economic environment across Europe and non-recurrence of gains from disposal of hedging instruments in 2011
- Credit impairment charges increased 26% to £328m due to deterioration in credit performance across Europe reflecting current economic conditions
  - Loan loss rate increased to 80bps (2011: 54bps)
  - 90 day arrears rate for Home Loans increased 19bps to 0.7% in Spain, increased 5bps to 0.7% in Portugal and increased 6bps to 1.0% in Italy
- Adjusted operating expenses decreased 31% to £839m, reflecting non recurrence of 2011 restructuring charges of £189m and related ongoing cost savings
- Adjusted loss before tax increased 2% to £239m while adjusted return on average equity declined to negative 8.0% (2011: negative 6.0%) primarily due to lower average capital resulting from the 2011 goodwill impairment write off

Q4 12 compared to Q3 12

- Loss before tax increased 49% to £88m driven by a decline in income reflecting the challenging economic environment in Europe:
  - Income declined 4% to £210m driven by lower non-interest income from commissions and investment products
  - Impairment increased 25% to £95m mainly in Spain reflecting a decline in property values
  - Operating expenses remained in line with Q3 12
- Loans and advances to customers remained stable at £40.0bn, and customer deposits decreased 3% to £17.6bn reflecting competitive pressures

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Investment Bank

Strong income performance with costs tightly managed and impairment largely affected by one-off items. RoE of 13.7% in challenging environment

Full year	2012 (£m)	2011 (£m)	Change (%)
Income	11,722	10,335	13
Impairment charges	(460)	(93)	
Net operating income	11,262	10,242	10
Operating expenses	(7,249)	(7,289)	(1)
Adj.[1] profit before tax	4,063	2,965	37
Adj. return on average equity	13.7%	10.4%	
Adj. cost: net operating income ratio	64%	71%	
Compensation: income ratio	39%	47%	

Balance Sheet Information	31.12.2012	31.12.2011
Loans and advances to customers at amortised cost	£145.0bn	£158.6bn
Customer deposits	£76.2bn	£83.1bn
Assets contributing to adjusted gross leverage	£567.9bn	£604.0bn
Risk Weighted Assets	£178.0bn	£186.7bn

[1] Includes share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

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Investment Bank

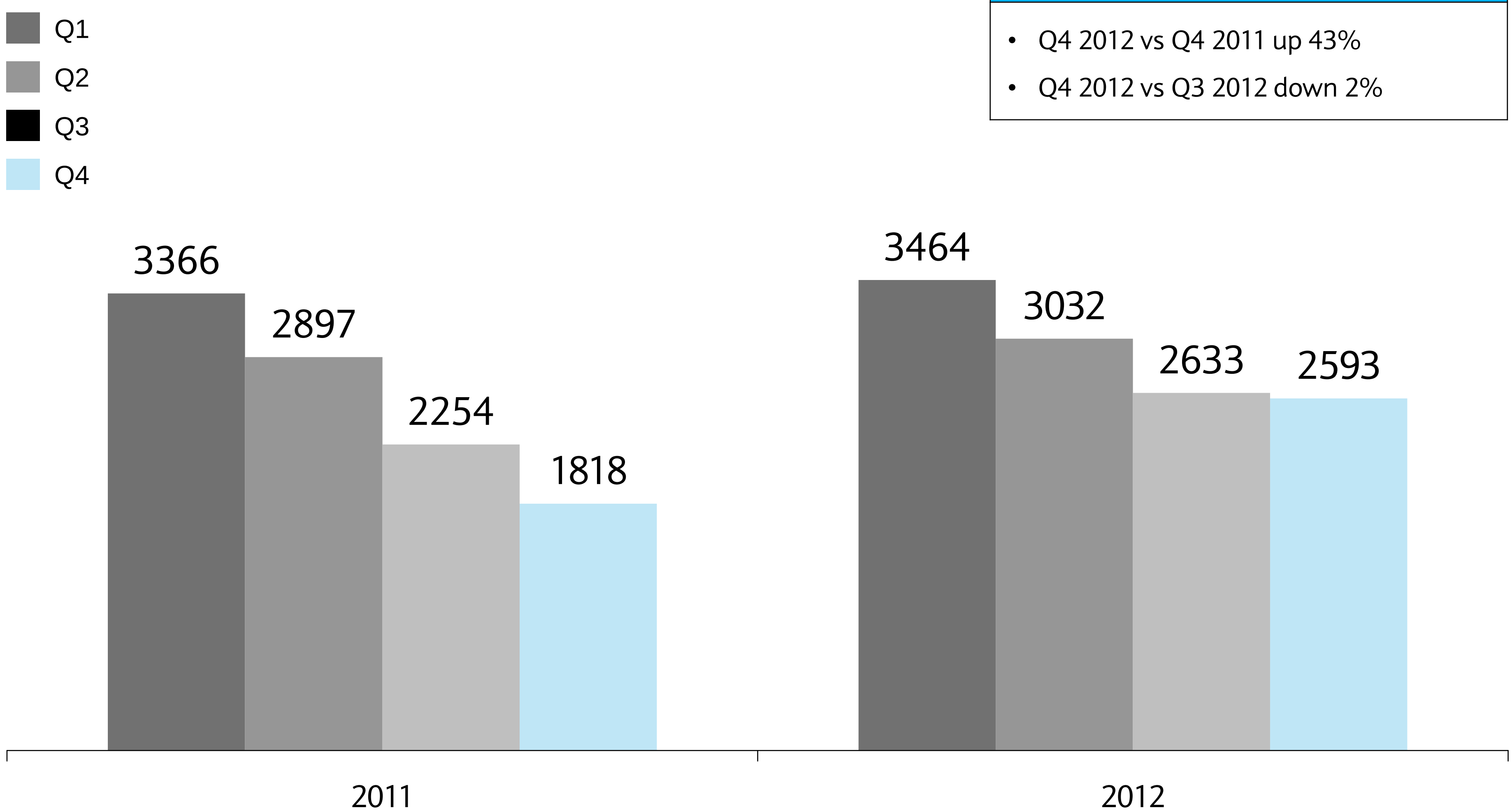
2012 Compared to 2011

- Total income increased 13% to £11,722m
  - Fixed Income, Currency and Commodities (FICC) income improved 17% to £7,403m, reflecting higher contributions from the Rates, Emerging Markets, Commodities, Securitised Products and Credit businesses, partially offset by lower contributions from Currency
  - Equities and Prime Services income increased 14% to £1,991m, reflecting improved performance in cash equities and equity derivatives, despite subdued market volumes
  - Investment Banking income increased 5% to £2,123m, reflecting global market share gains and increases in revenues across global financial advisory and underwriting businesses. Debt underwriting activity and equity underwriting in the Americas grew particularly strongly and were primary contributors to the 8% increase in total net fees and commission income
- Credit impairment charges of £460m (2011: £93m) primarily related to £232m on ABS CDO Super Senior positions as a result of model changes to calibrate to current market data sources, and higher losses on single name exposures. The prior year included a non recurring release of £223m
- Operating expenses decreased 1% to £7,249m, driven by a 3% reduction in total performance costs to £1,693m including £210m increase in deferred bonus charges. Non-performance costs remained in line at £5,556m (2011: £5,571m) despite absorbing £193m charge relating to the setting of inter-bank offered rates
- Profit before tax increased 37% to £4,063m driven by strong income growth and reduced operating expenses
- Cost to net operating income ratio of 64% (2011: 71%) within target range of 60% to 65%. The compensation to income ratio improved to 39% (2011: 47%)
- Return on average equity of 13.7% (2011: 10.4%) and return on average risk weighted assets of 1.5% (2011: 1.2%)

Q4 12 compared to Q3 12

- Income of £2,593m was down 2% on Q3 12 reflecting a reduction in FICC income of 8% and Equities and Prime Services income of 9%, partially offset by a 29% increase in Investment Banking revenues
- Impairment increased to £114m (Q3 12: £23m) relating to ABS CDO Super Senior positions
- Operating expenses decreased 3% driven by reduced performance costs
- Profit before tax decreased 8% to £858m

Investment Bank quarterly income



Total income

- Q4 2012 vs Q4 2011 up 43%
- Q4 2012 vs Q3 2012 down 2%

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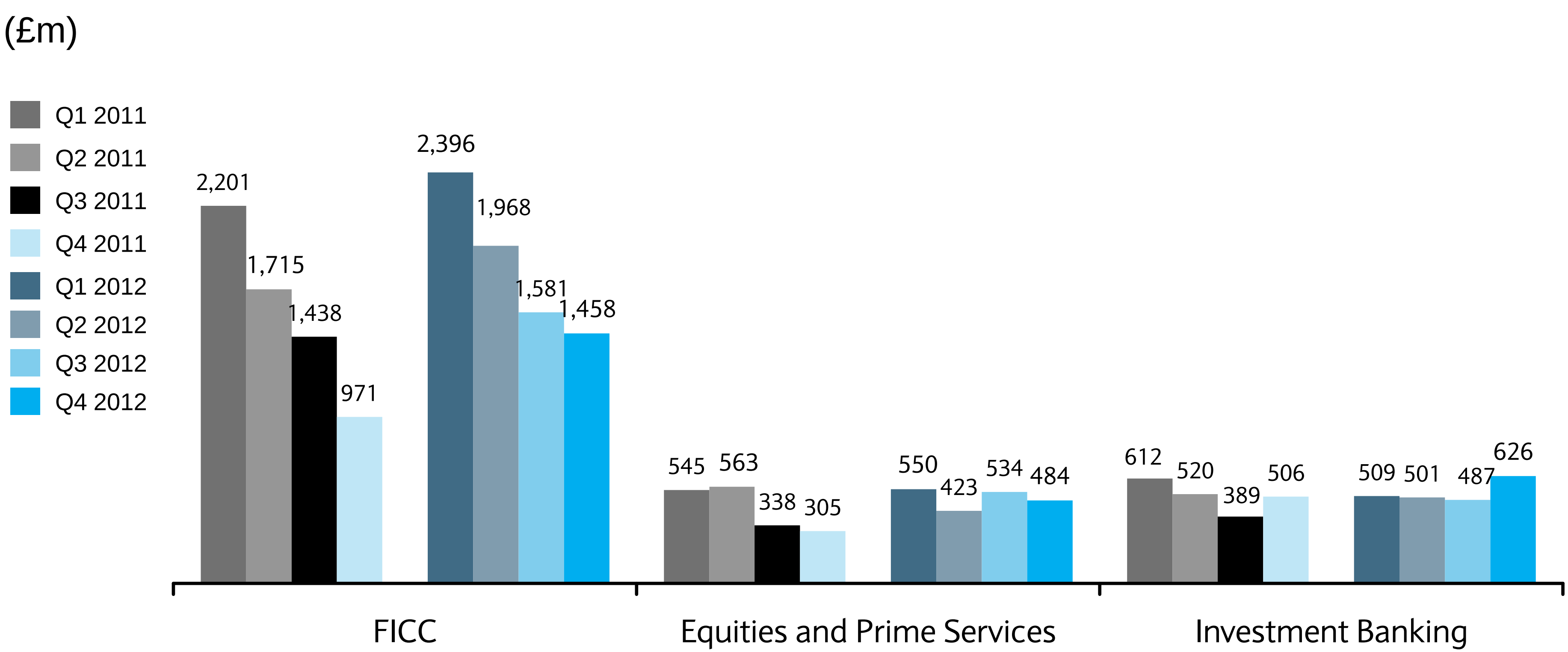
Investment Bank quarterly income



	FICC	Equities and Prime Services	Investment Banking
Q4 12 v Q3 12	(8%)	(9%)	29%
Q4 12 v Q4 11	50%	59%	24%

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Corporate Banking

UK performance remains strong, with improving international businesses and good cost control. 14% growth in customer deposits reflects strength of franchise in challenging markets

Full year	2012 (£m)	2011 (£m)	Change (%)
Income	2,918	3,108	(6)
Impairment charges	(872)	(1,147)	(24)
Net operating income	2,046	1,961	4
Operating expenses (excluding provision for interest rate hedging products redress and goodwill impairment)	(1,505)	(1,759)	(14)
Adj.[1] profit before tax	551	204	
Adj. return on average equity	5.5%	1.7%	
Adj. cost: income ratio	52%	57%	

Balance Sheet Information	31.12.2012	31.12.2011
Loans and advances to customers at amortised cost	£62.9bn	£66.9bn
Customer deposits	£97.1bn	£85.2bn

[1] Includes share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

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Corporate Banking

2012 Compared to 2011

- Adjusted profit before tax improved £347m to £551m including a gain of £71m (2011: loss of £111m) in the net valuation of fair value items, primarily driven by improved credit impairment in Europe and UK and lower operating expenses. Statutory loss before tax was £299m (2011: profit £8m) including a £850m provision for interest rate hedging products redress
  - UK adjusted profit before tax improved 22% to £910m reflecting a £182m improvement in the net valuation of fair value items, improved operating expenses and credit impairment. UK statutory profit before tax decreased £687m to £60m including a £850m provision for interest rate hedging products redress
  - Europe loss before tax improved £266m to £381m principally due to improved credit impairment charges in Spain of £337m (2011: £480m) and improved operating expenses benefitting from progress in restructuring, partially offset by reduced income from exited businesse
  - Rest of the World adjusted profit before tax improved £41m to £22m reflecting lower operating expenses as a result of refocusing of our international business. Rest of the World statutory profit before tax improved £114m to £22m reflecting the non-recurrence of prior year loss on disposal of Barclays Bank Russia

Q4 12 compared to Q3 12

- Q4 Adjusted profit before tax excluding a gain on fair value items of £10m (Q3 12: loss of £6m) decreased 7% to £97m
- Loans and advances to customers increased 1% to £62.9bn driven by net UK lending. Customer deposits increased 6% to £97.1bn primarily driven by growth in the UK

Wealth and Investment Management

Strong delivery against strategic programme with significant front office hiring and technology improvements driving efficiencies as well as improved service to clients

Full year	2012 (£m)	2011 (£m)	Change (%)
Income	1,815	1,744	4
Impairment charges	(38)	(41)	(7)
Net operating income	1,777	1,703	4
Operating expenses (excluding provision for PPI redress)	(1,463)	(1,493)	(2)
Adj.[1] profit before tax	315	207	52
Adj. return on average equity	13.9%	10.9%	
Adj. cost: income ratio	81%	86%	

Balance Sheet Information	31.12.2012	31.12.2011
Loans and advances to customers at amortised cost	£21.2bn	£18.8bn
Customer deposits	£53.8bn	£46.5bn

[1] Includes share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

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Wealth and Investment Management

2012 Compared to 2011

- Income improved 4% to £1,815m primarily driven by an increase in the High Net Worth businesses
- Operating expenses decreased 2% to £1,463m as cost control initiatives were partially offset by the continued cost of the strategic investment programme
- Profit before tax increased 52% to £315m and return on average equity increased to 13.9% (2011: 10.9%)

Q4 12 compared to Q3 12

- Profit before tax increased 46% to £115m
- Client assets increased 5% to £186.0bn (Q3 12: £177.6bn) principally reflecting increased client assets within the High Net Worth businesses

Appendix

Barclays Overview

A Global Universal Bank

- Major global financial services provider
- 3 main businesses:
  - Retail and Business Banking (RBB),
  - Corporate & Investment Banking, and
  - Wealth & Investment Management
- Over 320 years of history and expertise in banking
- Headquartered in the UK
- Operates in over 50 countries, across Europe, Americas, Asia and Africa
- Serves c.50m customers, globally
- Employs c. 139,000 people
- Listed on London and New York stock exchanges
- Rated A+ / A2 / A / AA (S&P, Moody's, Fitch, DBRS)

Key Financial Metrics as at 31 Dec 2012

Total Assets	£1.5tr
Core Tier I (Basel 2.5)	10.9%
Adj. Gross Leverage Ratio	19x
Liquidity Pool	£150bn
NSFR (Basel 3)	104%
LCR (Basel 3)*	126%
Loan to Deposit Ratio	110%
< 1 year Wholesale Funding	£101bn
Wholesale Funding WAM** (months)	61
2012 Term issuance	£28bn

* Revised Jan-13 definition
** Excluding liquidity pool

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Analysis of net interest margin

As at 31 December 2012	UK RBB	Europe RBB	Africa RBB	Barclaycard	Corporate Banking	Wealth and IM	Total RBB, Corporate and Wealth	RBB, Corporate and Wealth interest income
Customer asset margin (%)	1.07	0.83	3.26	9.39	1.14	0.65	2.11	6,723
Customer liability margin (%)	0.97	0.38	2.34	(0.60)	1.09	1.12	1.09	3,093
Non-customer generated margin (%)	0.34	0.37	0.22	(0.55)	0.13	0.23	0.22	1,338
Net interest margin	1.37	1.08	3.12	8.46	1.24	1.22	1.85	11,154
Average customer assets (£m)	124,275	40,790	34,108	32,452	67,494	19,670	318,789	n/a
Average customer liabilities (£m)	111,753	14,824	22,085	1,286	83,149	50,155	283,252	n/a
As at 31 December 2011								
Customer asset margin (%)	1.22	0.87	2.92	9.52	1.46	0.77	2.19	6,983
Customer liability margin (%)	0.87	0.65	2.76	nm	0.94	0.99	1.06	2,866
Non-customer generated margin (%)	0.46	0.47	0.36	(0.08)	0.27	0.36	0.36	2,140
Net interest margin	1.51	1.28	3.22	9.44	1.46	1.29	2.03	11,989
Average customer assets (£m)	118,503	43,749	37,944	30,289	70,398	17,546	318,429	n/a
Average customer liabilities (£m)	107,761	17,702	23,531	nm	77,372	44,536	270,902	n/a

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Analysis of net interest income

Nine months ended	31 Dec 12	31 Dec 11
RBB, Corporate Banking and Wealth and Investment Management		
- Customer asset income	6,723	6,983
- Customer liability income	3,093	2,866
Total customer net interest income [1]	9,816	9,849
Total non-customer net interest income[1]	1,338	2,140
RBB, Corporate Banking and Wealth and Investment Management total net interest income	**11,154**	**11,989**
Investment Bank & Head Office and Other Operations net interest income	(134)	(965)
Group net interest income	**11,639**	**12,201**

[1] Includes RBB, Corporate Banking and Wealth and Investment Management

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Total incentive awards granted

Full year	2012 (£m)	2011 (£m)
Current year cash bonus	852	832
Current year shares bonus	15	66
Total current year bonus	867	898
Deferred cash bonus	489	618
Deferred share bonus	498	634
Total deferred bonus	987	1,252
Bonus pool	**1,854**	**2,150**
Commissions, commitments and other incentives	314	428
Total incentive awards granted	**2,168**	**2,578**

[1] Includes RBB, Corporate Banking and Wealth and Investment Management

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Income Statement charge

Full year	2012 (£m)	2011 (£m)
Charges relating to deferred bonuses	1,223	995
Other performance costs	1,202	1,532
Performance costs	**2,425**	**2,527**
Salaries and other compensation costs	5,981	6,277
Total compensation costs	**9,786**	**10,414**
Non compensation staff costs	661	993
Total staff costs	**10,447**	**11,407**

[1] Includes RBB, Corporate Banking and Wealth and Investment Management

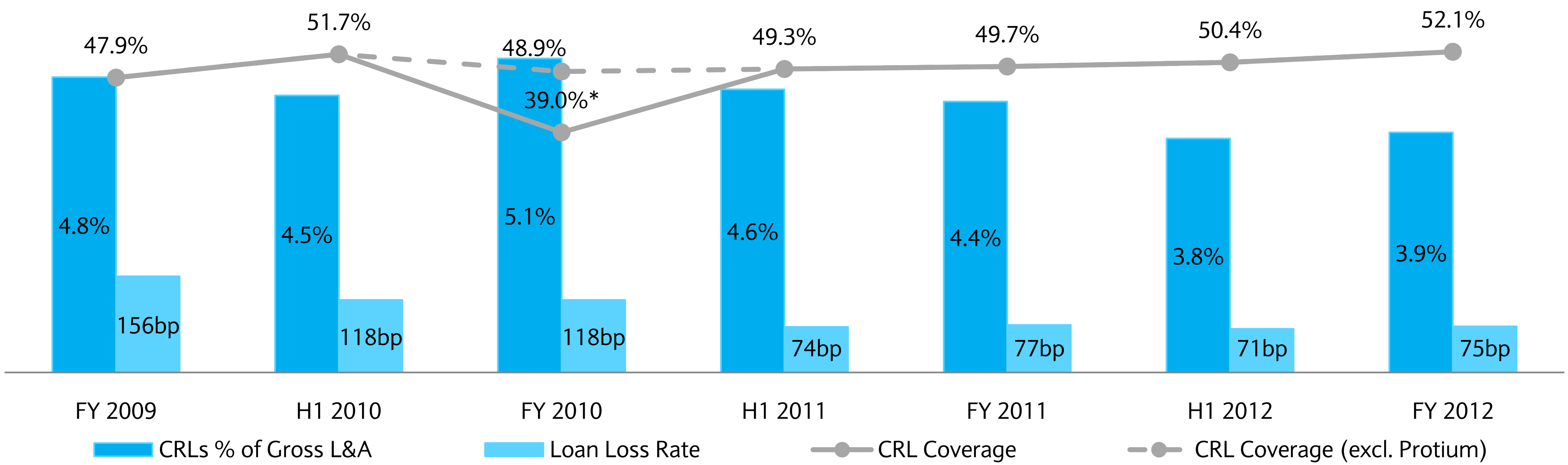
Income Statement charge for deferred bonuses

Full year	2012 (£m)	2011 (£m)
Deferred bonuses from 2009 and earlier bonus pools	153	405
Deferred bonuses from 2010 bonus pool	404	590
Deferred bonuses from 2011 bonus pool	666	-
Deferred bonuses from 2012 bonus pool	-	-
Income statement charge for deferred bonuses	**1,223**	**995**

[1] Includes RBB, Corporate Banking and Wealth and Investment Management

Strong asset quality

Despite challenging macroeconomic environment, retail and wholesale portfolios are performing well, as evidenced by limited Credit Risk Loans (CRLs) and low loan loss rates



* In FY2010, CRLs include £7,560m loan to Protium, with associated £532m impairment charge

- Improvements in both the retail and wholesale portfolios lead to a 13% reduction in CRL balances in 2012 to £18.6bn and a 5% reduction in impairment charges to £3.6bn
- Barclays conservative risk approach has allowed for stable and prudent CRL Coverage within acceptable severity ranges
  - Higher CRL Coverage for credit cards and unsecured lending (81.2%)
  - Low LTV ratios in Home Loan portfolios

- Definitions:
  - CRLs consist of impaired loans, accruing past due 90 days or more and impaired or restructured loans
  - Loan Loss Rate = $\frac{\text{Annualised Impairment Charge}}{\text{Gross Loans \& Advances}}$
  - CRL Coverage = $\frac{\text{Impairment Allowance}}{\text{Credit Risk Loans}}$

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Mortgage book – delinquency & LTV summary as at 31 December 2012

As at 31 December 2012	Gross L&A (£m)	>90 day arrears (%)	MTM LTV (%)	New LTV (%)	Proportion >85% LTV (%)
UK	114,766	0.3	45.5	56.4	9.3
South Africa	15,773	1.6	44.2	64.7	20.0
Spain	13,551	0.7	64.6	62.8	23.2
Italy	15,529	1.0	46.7	55.4	4.2
Portugal	3,710	0.7	77.6	60.8	40.8

Excluded from the above analysis are: Wealth home loans, which are managed on an individual customer exposure basis, France home loans and other small home loans portfolios

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Credit cards, overdrafts and unsecured loans – delinquency summary as at 31 December 2012

As at 31 December 2012	Gross L&A (£m)	>30 day arrears (%)	>90 day arrears (%)	Gross charge-off rates (%)	Recoveries imp. coverage ratio (%)
UK cards	15,434	2.5	1.1	4.9	80.4
US cards	9,296	2.4	1.1	5.0	90.7
UK personal loans	4,861	3.0	1.3	5.1	78.9
South Africa cards	2,511	5.2	2.8	4.2	70.9
Barclays Partner Finance	2,323	1.9	1.0	3.9	78.1
Europe RBB cards	1,604	6.2	2.9	9.2	95.5
UK overdrafts	1,382	5.3	3.5	8.2	92.7
Italy salary advance loans	1,354	2.3	0.9	8.4	12.5
South Africa personal loans	1,061	5.6	3.1	8.5	72.3

Balance Sheet summary

	31 Dec 12 (£bn)	31 Dec 11 (£bn)
Total assets	**1,490**	1,564
Including		
Derivative financial instruments	469	539
Loans and advances to customers	426	432
Total liabilities	**1,427**	1,498
Including		
Derivative financial instruments	462	528
Customer accounts	386	366
Shareholders' equity	**63**	65
Including		
Shareholders' equity ex. Non-Controlling Interests (NCI)	54	56

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Calculation of adjusted gross leverage

As at	31 Dec 12 (£bn)	31 Dec 11 (£bn)
Total assets	1,490	1,564
Counterparty netting	(388)	(441)
Collateral on derivatives	(47)	(51)
Net settlement balances and cash collateral	(72)	(62)
Goodwill and intangible assets	(8)	(8)
Customer assets held under investment contracts	(1)	(2)
Adjusted total tangible assets	975	1,000
Total qualifying Tier 1 capital	52	50
Adjusted gross leverage	19x	20x
Adjusted gross leverage (excl. liquidity pool)	16x	17x
Ratio of total assets to shareholders' equity	24x	24x
Ratio of total assets to shareholders' equity (excl. liquidity pool)	21x	22x

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Capital resources

As at	31 Dec 12 (£m)	31 Dec 11 (£m)
Shareholders' equity (ex. NCIs)	53,586	55,589
Net NCIs	2,450	2,661
Regulatory adjustments and deductions:		
Goodwill and intangible assets	(7,622)	(7,560)
Own credit cumulative gain (net of tax)	804	(2,680)
Defined benefit pension adjustment*	(2,445)	(1,241)
Unrealised losses on AFS debt securities	(417)	803
Unrealised gains on AFS equity (recognised as Tier 2 capital)	(110)	(828)
Cash flow hedging reserve	(2,099)	(1,442)
50% excess of expected losses over impairment (net of tax)	(648)	(506)
50% of securitisation positions	(1,206)	(1,577)
Other regulatory adjustments	(172)	(153)
Core Tier 1 Capital	42,121	43,066
Risk Weighted Assets (RWAs)	386,858	390,999
Core Tier 1 ratio	10.9%	11.0%

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RWAs by business

As at	31 Dec 12 (£m)	31 Dec 11 (£m)
UK RBB	38,783	33,956
Europe RBB	17,112	17,436
Africa RBB	27,008	30,289
Barclaycard	36,464	34,186
Investment Bank	178,019	186,700
Corporate Banking	67,973	72,842
Wealth and Investment Management	15,833	13,076
Head Office and Other Operations	5,666	2,514
Total RWAs	**386,858**	390,999

Investment Bank credit market exposures

Barclays continues to reduce its credit market exposure, managing for value

As at	31 Dec 12 (£m)	31 Dec 11 (£m)	Period ended 31 Dec 12 FV (losses) / gains (£m)	Imp. (charge) / release (£m)	Total (losses) / gains (£m)
ABS CDO Super Senior	1,387	1,842	(33)	(232)	(265)
US sub-prime and Alt-A	698	1,381	83	(22)	61
Commercial real estate loans and properties	2,727	5,329	115	-	115
Commercial Mortgage Backed Securities	254	1,022	154	-	154
Monoline protection on CMBS	-	9	-	-	-
Leveraged Finance	3,544	4,066	(54)	11	(43)
SIVs, SIV-Lites and CDPCs	-	6	(1)	-	(1)
Monoline protection on CLO & others	591	1,120	(29)	-	(29)
CLO and Other assets	109	386	52	-	52
Total	9,310	15,161	287	(243)	44

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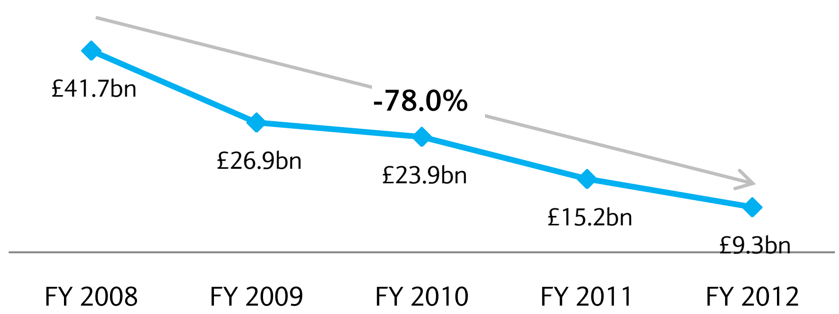
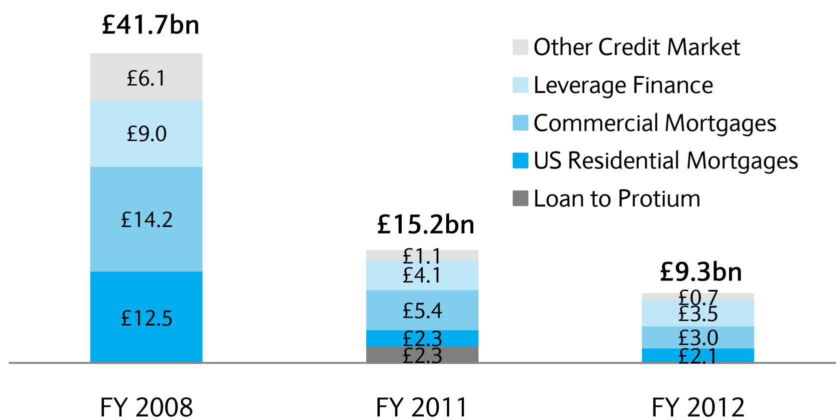
Managed Credit Market Exposure

Since December 2008, Barclays has successfully reduced its exposure the Credit Market Exposure (CME) portfolio by 78% to £9.3bn

2008-2012 CME Balances



Balances by Asset Class



- CMEs arose before market dislocation in mid-2007 and has been actively managed down since 2008
- Exposure managed by a dedicated team, supported by the Investment Bank's strong distribution franchise
- Reduction in CMEs mainly results from net sales and paydowns (£5.4bn in 2012)

P&L Impact (£m)

- P&L impact has been limited despite substantial reduction of outstanding portfolio

£m	FY 2012	FY 2011
US Residential Mortgages	(204)	(4)
Commercial Mortgages	269	518
Leveraged Finance	(43)	(160)
Other Credit Market	22	(45)
Loan to Protium	0	(332)
TOTAL	**44**	**(23)**

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Wholesale debt maturity table as at 31 December 2012

As at 31 December 2012	<1 month (£bn)	1-3 months (£bn)	3-12 months (£bn)	**Total <1 year (£bn)**	Total >1 year (£bn)	**Total (£bn)**
Deposits from banks	10.8	8.7	2.2	21.7	8.8	30.5
Certificates of deposit and commercial paper	5.8	23.4	15.9	45.1	3.3	48.4
Asset backed commercial paper	2.9	2.5	-	5.4	-	5.4
Senior unsecured MTNs (public benchmark)	3.3	-	0.6	3.9	22.2	26.1
Senior unsecured MTNs (privately placed)	0.7	4.1	9.3	14.1	49.3	63.4
Covered bonds / ABS	-	0.4	1.7	2.1	25.5	27.6
Subordinated liabilities	-	0.6	0.1	0.7	22.0	22.7
Other	3.8	1.4	3.1	8.3	7.1	15.4
Total	**27.3**	**41.1**	**32.9**	**101.3**	**138.2**	**239.5**
Of which secured	*4.6*	*4.0*	*3.7*	*12.3*	*26.7*	*39.0*
Of which unsecured	*22.7*	*37.1*	*29.2*	*89.0*	*111.5*	*200.5*

2012 Rating & Outlook Changes

Despite re-rating of sector by all main rating agencies in the last 12 months, Barclays rating remains strong and in line with peers'

	Barclays Bank plc	
2012 Rating & Outlook Changes	**1 January 2012**	**31 December 2012**
Standard & Poor's		
Long Term	A+ (Stable)	A+ (Negative)
Short Term	A-1	A-1
Stand-Alone Credit Profile (SACP)	a-	a-
Moody's		
Long Term	Aa3 (Negative)	A2 (Negative)
Short Term	P-1	P-1
Bank Financial Strength Ratio (BFSR)	C (Stable)	C- (Stable)
Fitch		
Long Term	A (Stable)	A (Stable)
Short Term	F1	F1
Viability Rating	a	a
DBRS		
Long Term	AA High (Stable)	AA (Negative)
Short Term	R-1 High (Stable)	R-1 High (Negative)

- Barclays ratings and outlooks have been adversely impacted by:
  - Global economic slowdown and prolonged crisis in the Eurozone area
  - Credit rating agency reassessments of risks inherent with large and complex capital market operations
  - Settlement of the LIBOR case and resignation of senior management
- Current ratings reflect Barclays' strong franchise, low historical earnings volatility and diversified revenue profile, good asset quality and sound financial profile

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Reduced exposure to the Eurozone periphery

Total Eurozone exposure of £59.0bn comprised of £38.8bn of high quality retail assets, principally low LTV residential mortgages. Sovereign exposure has decreased 29% in 2012 to £5.0bn

As at 31 December 2012	Spain (£m)	Italy (£m)	Portugal (£m)	Ireland (£m)
Sovereign	1,690	2,669	637	11
Corporate	4,135	1,962	1,958	1,127
Residential mortgages	13,305	15,591	3,474	112
Financial institutions	1,488	528	48	3,768
Other retail lending	2,428	1,936	1,783	83
Total	**23,046**	**22,686**	**7,900**	**5,101**
Total as at 31 December 2011	26,547	25,349	9,860	5,712

Total net on-balance sheet exposure as at 31 December 2012 for Greece and Cyprus was £79m and £184m respectively

Spanish exposures

Retail

- Average indexed LTV of 65%
- Average retail customer age 48; less than 1% of mortgage balances with customers aged under 25
- 0.7% of home loans greater than 90 days in arrears[1]

Corporate

- £3.3bn gross lending to corporates with £1.1bn impairment providing 56% coverage on £1.9bn CRLs
- This includes £1.2bn net lending to property and construction with £0.8bn impairment providing CRL coverage of 57%

Sovereign

- Largely AFS government bonds. No impairment and £26m loss held in AFS reserve

Gross mortgage exposure by location of outstanding balances

[1]Greater than 90 days in arrears exclude recovery balances

Portuguese exposures

Retail

- Average indexed LTV of 78%
- Average retail customer age 42; less than 1% of mortgage balances with customers aged under 25
- 0.7% of home loans greater than 90 days in arrears[1]

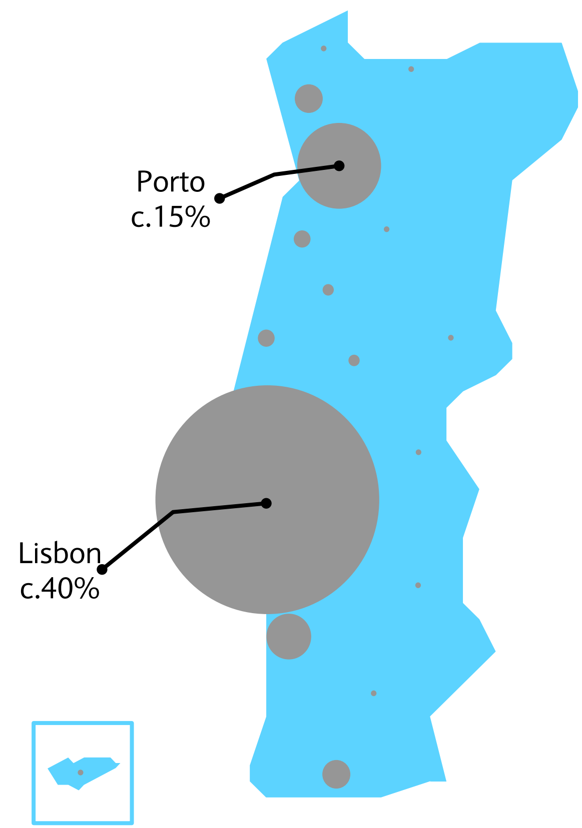
Corporate

- £1.4bn net lending to corporates with £0.3bn impairment providing 59% coverage on £0.5bn CRLs
- This includes £0.4bn net lending to property and construction

Sovereign

- Largely AFS government bonds. No impairment and £4m loss held in AFS reserve

Gross mortgage exposure by location of outstanding balances



[1]Greater than 90 days in arrears exclude recovery balances

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Italian exposures

Retail

- Average indexed LTV of 47%
- Average retail customer age 47; less than 3% of mortgage balances with customers aged under 25
- 1.0% of home loans greater than 90 days in arrears[1]

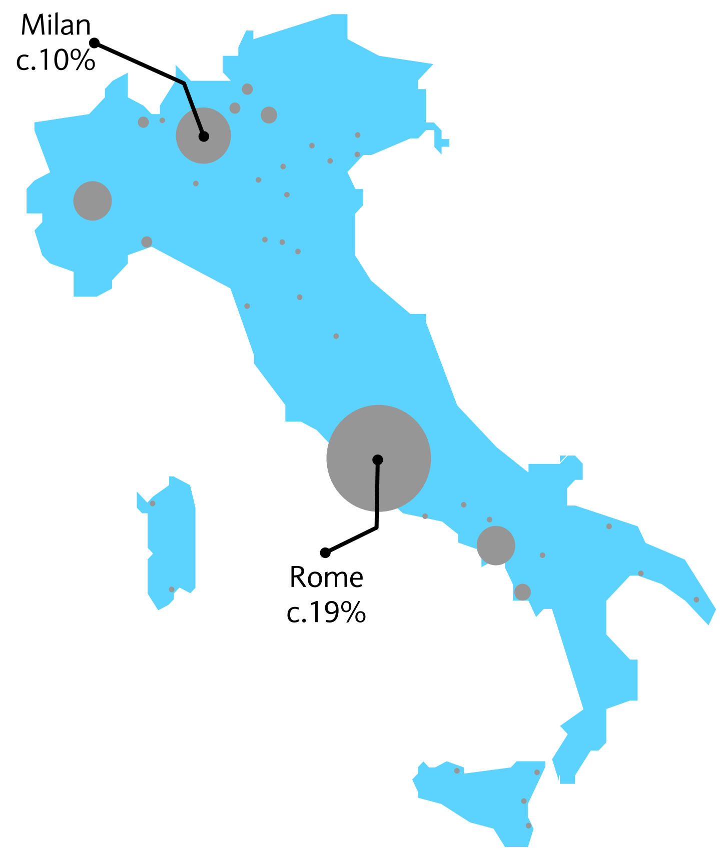
Corporate

- Focused on large corporate clients with very limited exposure to property sector
- Balances in early warning lists broadly stable since December 2011

Sovereign

- Largely AFS government bonds with no impairment or loss in the AFS reserve

Gross mortgage exposure by location of outstanding balances



[1]Greater than 90 days in arrears exclude recovery balances

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This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Barclays Group (the "**Group**")'s plans and its current goals and expectations relating to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "may", "will", "seek", "continue", "aim", "anticipate", "target", "projected", "expect", "estimate", "intend", "plan", "goal", "believe" or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, assets, impairment charges, business strategy, capital ratios, leverage, payment of dividends, projected levels of growth in the banking and financial markets, projected costs, estimates of capital expenditures and plans and objectives for future operations and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, UK domestic, Eurozone and global macroeconomic and business conditions, the effects of continued volatility in credit markets, market related risks such as changes in interest rates and foreign exchange rates, effects of changes in valuation of credit market exposures, changes in valuation of issued notes, the policies and actions of governmental and regulatory authorities (including requirements regarding capital and Group structures and the potential for one or more countries exiting the Eurozone), changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards ("**IFRS**") applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of current and future legal proceedings, the success of future acquisitions and other strategic transactions and the impact of competition, a number of which factors being beyond the Group's control. As a result, the Group's actual future results may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements.

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