Good morning and thanks for joining us today for Barclays’ full year results. You will see this morning that our performance in 2011 was reassuring in a very challenging environment.

We delivered profits of £5.6 billion for the year. The contribution from our businesses in Retail and Business Banking broadly balanced those of Corporate and Investment Banking and revenues were well diversified geographically demonstrating the strength and diversification of the universal banking model.

Importantly, our major businesses also improved their market share. While top line income was down 8% in a difficult environment, income grew in five of our seven businesses, and impairment improved 33%.

We controlled costs tightly so that we now have the confidence to double our cost reduction target for 2013 to £2 billion. We reduced performance related pay by 25%, while profits were down just 2%.

At the same time, our capital ratios have continued to strengthen, we have a deep pool of high quality liquid assets, and we have good access to a range of funding markets.

This financial strength gives us a significant competitive advantage.

We recognise the importance of dividends to shareholders and we are pleased that we were able to increase the dividend by 9%. We have delivered these results by playing an active role in the real economy.

Let me give you a few examples: our lending to UK businesses exceeded targets set under Project Merlin by 13% and within that, we exceeded our lending targets for small and medium businesses; we supported more than 100,000 UK start ups in 2011; Bank of England data showed that UK net bank lending was down 5% on 2010. Our net lending to companies in the UK increased 3% year on year.
Not surprisingly our four main execution priorities – Capital, Returns, Income and Citizenship - continued to be our major focus. I’ll talk later about the progress we’ve made on each of these.

But before that, Chris will take you through the numbers and we’ll take questions at the end.

We have a very strong team – this team has been together for many years - and we are united in our commitment to delivering on our execution priorities.

It’s good to have here with me Robert Le Blanc, Tom Kalaris, Antony Jenkins, Rich Ricci and Jerry del Missier are here on the stage and Maria Ramos joins us on the phone from South Africa, where Absa also announced their results this morning.

I’ll hand over to Chris now to take you through the numbers.

[Slide: Name slide]

Thanks Chris. We’ve been focused on our four execution priorities for a year now, so this seems like a good moment to stand back and look at what we’ve achieved.

[Slide: Four execution priorities]

Capital, liquidity and funding

I’ll start with capital. You’ve heard from Chris that our Core Tier 1 ratio stands at 11% - this is even after absorbing the full impact of CRD 3. You’ve also heard that our capital position will remain rock solid under Basel 3.

When I look back over the last few years, one of the best decisions we have taken at Barclays was in October 2008 when regulators told us that they wanted banks to raise the bar for equity capital.

We decided then to raise capital swiftly and in scale, to put our ratios ahead of regulatory requirements. We wanted to put a metaphorical sign up for customers and clients saying very simply that Barclays was open for business.

Today we’re recognised for our strength in terms of capital, liquidity and funding and as a result we’re seen by customers as a safe haven in times of
stress and that’s why our competitive position has improved during the
difficult markets in 2011 - in UK Retail and Business Banking, in Africa, in
Cards, in Corporate and Investment Banking and in Wealth Management.

This strength in capital, liquidity and funding gives us a very real competitive
advantage.

Returns

Let me move now to returns. We continue to believe that return on equity is
an appropriate target. As you’d expect, we also use other metrics to manage
and measure the business, such as return on risk weighted assets, leverage
ratios and cost efficiency, but return on equity is the financial measure that
correlates most closely with shareholder value, so it’s extremely important to
us and it’s extremely important to our shareholders.

We also know that our returns today are unsatisfactory and that we have a lot
more work to do – but let me take you through what we’ve done in 2011. We
told you that we would either exit or improve those businesses with returns
below our cost of equity.

We closed our business in Indonesia, we refocused our businesses in Russia
and India on Corporate and Investment Banking, we restructured our
business in Spain, and we closed Barclays Financial Planning in the UK - we
now offer retail investment services online instead of through our branches.

Two of our biggest and most important businesses already deliver a return on
equity above our target.

UK Retail and Business Banking returns were almost 15% - up from 10% last
year and our cards business delivered returns of 17.4%.

Investment Banking made profits of £3 billion, representing a return on equity
of 10.4%.

While this does not yet meet our goal, it is a good performance relative to the
industry; we were one of just a few firms able to deliver double digit returns in
a very tough environment.

We reduced our credit market exposures by 37% during the year so they now
stand at £15.2 billion. This brings the total reduction since 2008 to 64% or
£27 billion.
Risk weighted assets reduced 2% year on year, despite having absorbed a £30 billion impact from CRD3.

This was, in part, the result of lower business volumes due to lack of confidence on the part of clients in an uncertain economy. The reduction in RWAs at Barclays Capital over the last 3 years amounts to £41 billion.

We’ve also been building areas with low capital consumption and higher returns such as our equities and advisory businesses.

I’ll talk more about those later.

We continue to examine each and every part of the business to ensure their success when changes in capital treatment are brought in under Basel 3 and we’ll talk more about this at an Investor day in September, when we have even more complete information on CRD4.

In those businesses where we have been investing, returns strengthened to 10% in Africa and to 11% in Wealth Management where the Gamma plan will deliver a business with high returns and low capital consumption.

Then we have two businesses that we are fixing – Corporate Banking and Europe.

Corporate Banking made a significant move from negative to positive returns during the year. In Spain, we wrote off goodwill which decreased returns in Europe in the short term. We have a lot more work to do across Europe to return that business to profitability. Given their significance, addressing these businesses is an important priority.

Our 13% target has been a vital factor in making disciplined choices over the last 12 months. Since we set our target last year, however, we have faced some significant external headwinds.

The Eurozone crisis has impacted confidence, and resulted in much lower levels of client activity in the second half of 2011. We face the challenge of a low interest rate environment for the foreseeable future.

There have also been new political and regulatory constraints, these include the introduction of the UK bank levy, the subsequent increase in the levy, the treatment of our BlackRock stake in European stress tests, as well as cumulative calls to hold additional capital.
We continue to believe that a return on equity of 13% is the right goal and is achievable but given the impact of these changes, we may not be able to achieve our target in 2013.

Timing could be affected both by the macro-economic environment, and by any unexpected changes in regulation or its implementation.

We continue to focus on those factors within our control and expect to make steady improvement in our return on equity going forward through a combination of capital discipline, controlling funding costs, restructuring or exiting businesses, growing revenues and reducing costs.

Let me talk about costs as an example of the action we’re taking.

This time last year we told you that we planned to reduce costs by £1 billion by 2013. We have now doubled that target to £2 billion and we’re able to do that because we are operating in a much more integrated way across Barclays.

We now run our support functions - Finance, HR, legal, compliance, risk - in a much more integrated and much more efficient way. An outwards manifestation of this integration is that we are moving to one global brand and consolidating suppliers.

**Income**

This integration is not just about delivering efficiencies - it’s also improving our ability to serve customers and clients in order to support the real economy.

Our Corporate Banking business brings this to life. We have integrated Corporate and Investment Banking and they now use a shared infrastructure which is more efficient and enables us to serve our clients better.

Our Investment Banking clients increasingly turn to the corporate bank for cash management and trade finance and our Corporate Banking clients gain access to capital markets and risk management through the Investment Bank.

The closer integration of these businesses led to an increase in revenues last year of 14% from sales of Corporate products to Investment Banking clients, and vice versa.
We introduce our wealth management services to the people who run these corporate businesses; last year this resulted in the introduction of more than £1 billion of new client funds - double the previous year.

And we’re delivering payments expertise from Barclaycard to clients of the Corporate Bank. Barclaycard signed up 70% more clients from these referrals than the year before.

This is a tangible example of what we call “One Barclays” – where our people work together collaboratively to ensure that we deliver the best services to our customers and to our clients.

Given the difficult economic environment, we’re pleased that we were able to grow income, underlying profit, and market share in so many of our businesses.

In UK Retail and Business Banking net operating income grew 11%, adjusted profit was up 60%, and our customers grew by 700,000, as we continued to grow market share across all our product offerings – current accounts, savings, mortgages, loans and general insurance.

We were named Best Current Account provider in the Consumer Moneyfacts Awards and we were ranked as best mortgage lender for the second year running.

In our cards business, net income was up 21% and adjusted profits were up 53% to a record £1.2 billion. We won 3.4 million new accounts organically, 5 million if we include acquisitions. Corporate business is a priority and it grew by over 25%.

Most importantly, we continue to drive innovation for our customers and clients.

Our mobile and contactless payments technology won several awards for innovation - and we continue to deploy it across Barclays: Barclays is now responsible for over 90% of contactless merchant terminals in the UK, we launched the first UK mobile phone payment scheme in 2011, and we have widened access to banking through mobile phones in Africa which include “tap and go” and “cashsend” payments.
In our African business, net income grew 11% in local currencies. This translated into strong profit growth of 26% in sterling, despite adverse currency movements.

We now have a single management team driving our One Africa strategy that is clear to become the leading international player in the third fastest growing region in the world.

In Wealth Management this was the third successive year of double digit income growth and profits grew 27% while we continued to invest.

We’re now in Year 3 of a 5 year program which will position this business in the top tier of the industry and as a much more meaningful contributor to Barclays’ results.

Income and profits were down in Investment Banking in a tough market but we continue to have real momentum. This is clearly evident in those areas where we have been investing.

We ranked Number 3 in UK Mergers and Acquisitions, with a 20% market share and we advised on 9 of the top 20 global M&A transactions.

Our equities business was involved in each of the top 5 IPOs globally as well as the top IPO’s in Japan and in India, and in 2011 we won 17 new Corporate Broking mandates in the UK, bringing our total to 25.

This is a significant achievement for a business that started in 2010.

Meanwhile we remain Number 1 in Global Fixed Income, one of our traditional strengths, we have a market share of 11%. Remember - Fixed Income is a client driven business serving pension funds and insurance funds - in other words, managers that help people save for their retirement.

Barclays Capital was also awarded IFR Bank of the Year last month and, in so doing, was recognised for “growing market share across the board, and becoming an increasingly go-to investment bank”.

In a world where the industry is polarising, these results are indicative of our relative strength and ability to maintain our position as a top tier player. As regulation results in further polarisation, we believe we will continue to gain share as weaker players withdraw from the market.
Citizenship

I want to turn now to Citizenship. You’ve heard me say that banks need to become better citizens. Our ability to do this is critical to creating long term value for shareholders. This is not about philanthropy - it’s about delivering real commercial benefits in a way that also creates value for society.

For me, becoming a better citizen means three things. It’s about how we behave, especially with our customers and clients, it’s also about what we do, helping those customers and clients create jobs and drive the real economy and it’s about how we contribute to the communities we serve in so many other ways.

Let me talk first about how we behave.

We recognise that we have to win back trust from the public and from our customers and an important step in that process is improving standards of service.

One way we track this is by monitoring the number of complaints we receive.

Our UK Banking complaints fell 30% year on year.

The changes we’ve made were also recognised by the UK consumer group Which - Which gave us their “Positive Change” award for 2011.

We know we have a lot more to do, but we have the right strategy and we know we’re moving in the right direction.

How we behave also includes how we manage difficult issues such as compensation, where we have to balance our obligation to recruit and retain the very best people we can in order to remain competitive and to drive results with the need to be responsive to our shareholders and sensitive to public opinion.

The 25% reduction in performance related pay at Barclays was much greater than the 2% fall in profit, we placed a cap on cash bonuses of £65,000 and more pay is now deferred and paid in shares so that employees are even better aligned with shareholders.

This represents a significant change not just in structure but in quantum, as you would expect in a year where both income and profits were adversely impacted by the economic environment.
I know that tracking compensation has become more difficult with deferred payments because there’s a difference of timing between when an award is made and when it appears in the cost line so we are giving more information today to make it easier to follow the component parts of performance-related pay.

As you would expect, we give a great deal of thought each year to getting the balance right between being responsible and remaining competitive.

That’s exactly what our shareholders expect of us.

Let me turn now to the real economy. Supporting customers and clients has been one of the most important priorities for our senior management team in a challenging environment.

We exceeded our targets under Project Merlin by 13% by lending £44 billion to UK businesses including £15 billion to small and medium size businesses.

We didn’t just wait for customers to come to us – we ran over 800 seminars and lending clinics around the UK in order to help businesses find the funding they need.

Lending clinics help attendees to create a business case, to think about the best way to use a loan, and to decide how to manage repayments.

We’ve also empowered relationship managers to make a lot of local lending decisions immediately.

These kinds of initiatives resulted in us supporting the start-up of over 100,000 new businesses in the UK last year.

We approved a new loan to a small business every four minutes.

Our UK retail bank helped almost 10,000 customers buy their first home and gave over 100,000 new mortgages during the year.

Let me be clear - lending is what we do for so going forward we will continue to do everything we can to support customers and clients and expect that lending will grow as a result. We intend to remain leaders in this space.

Investment Banking also plays a part. Investment Banking helped clients raise over a trillion dollars of financing through the capital markets. Of this, almost $400 billion was for governments and the public sector.
Helping the public sector to raise finance is another way in which we support the real economy.

Barclays also made a contribution by hiring 1,500 graduates in 2011 - 24% more than the previous year.

And we’ve announced a new scheme to create 1,000 apprenticeships in branches throughout the UK, in order to help tackle youth unemployment.

We believe giving young people their first job opportunity is one of the most effective ways we can contribute to economic growth

We’ll talk about this scheme in more detail at a Citizenship Day later in the first half.

We know we have a responsibility to help generate economic growth and create jobs – and I hope you can see from these examples that we are fully committed to playing our part.

Looking forward to 2012

As I look back over 2011, while we made good progress on a number of fronts and our results are good in relative terms, we recognise that in order to achieve our return target we need to improve profitability substantially going forward and we are determined to do that – we will use all the means within our control to continue to drive the business.

Turning to the external environment, I think it’s fair to say that we feel a bit more sanguine about the outlook than others.

In the US we’re seeing positive signs of economic recovery and importantly US Treasury funding is cheaper now than ever before; Emerging markets continue to grow at a faster pace than developed economies while in Europe there’s been a real slow-down in economic growth which we believe will be short and shallow rather than deep and prolonged.

Of course we recognise that we’re still operating in an environment with significant event risk from both a political and macro-economic perspective.

We also face ongoing regulatory challenge.
As you’d expect, we’re engaged with regulators to ensure implementation that balances making the system safer and sounder with the need for economic growth and job creation.

We have more clarity about the impact of Basel 3 and the Independent Commission on Banking than a year ago and we will continue to adapt the business in order to adhere to the new rules.

In the meantime, we believe that we have the right model, we know we have the right strategy, and we have the right management team – a team that is wholly focused on execution, in order to deliver sustainable returns over time for shareholders.

When we are at our best, we serve the real economy by doing our best for all of our stakeholders, our customers and clients, the communities in which we live and work, our people and our shareholders.

To be anything less than our best is letting all these people down.

That’s why we aspire for Barclays to be one of the best organised, best managed and most productive private sector banks in the world.

Thanks very much – we’ll open it up now to questions