

**Q3 2012 Interim Management Statement****Antony Jenkins, Chief Executive Officer**

Good morning and thanks for joining the call.

I am here with Chris Lucas, our Finance Director. Before Chris takes you through the detailed numbers, I want to share a few thoughts on our performance.

The last three months have been difficult ones for Barclays, particularly with the resignation of our Chairman and Chief Executive. Today's results demonstrate that we have not let this distract us, reflecting the strength of our leadership team as well as the commitment and integrity of all our colleagues. The numbers we are announcing today show continued momentum, despite significant headwinds. They demonstrate that we have remained proactive, for example in taking action to cut costs.

Our universal banking franchise remains strong despite the issues we faced in the quarter. To give you some examples:

- The investment bank was number two globally for debt and equity issuance in the third quarter and number two in UK M&A, with 28 deals and 21% market share for the year to date.
- In the UK, we have increased our mortgage lending with the value of applications up 7% year on year. We have also opened 6% more current accounts.
- The number of Barclays Business customers at the end of September was up 2% on a year earlier.
- And the Corporate Bank was recently ranked number one for client satisfaction in the UK.

While we have much more to do to restore trust among stakeholders, these trends are encouraging. I am proud of how our colleagues have continued to focus on delivering for our customers and clients throughout this period. And I am grateful to our customers and clients for remaining loyal to Barclays.

Adjusted PBT for the first nine months was £6 billion, up 18% on last year with improvements in Corporate and Investment Banking, Wealth and Investment Management and Barclaycard.

Adjusted income was stable despite the environment.

We continued to control costs tightly and are on track to deliver our targeted reductions in 2013.

Adjusted returns on equity have improved year on year though we know we have more work to do here.

I'll comment on progress in our strategic TRANSFORM programme in a minute but first I'll hand over to Chris to take you through the numbers in more detail.

### **[CGL TALKS TO RESULTS IN DETAIL]**

Thanks Chris. As I said earlier, this is a positive performance in challenging conditions.

I have shared previously our goal to make Barclays the "Go-To" bank for all of our stakeholders.

I see this as becoming the partner of choice when an individual or organisation wants to do business with a bank. Where there is an emotional as well as rational connection.

This goal applies to all of our businesses and geographies.

We will do this through our TRANSFORM programme which has three objectives: turnaround, return acceptable numbers and sustain forward momentum.

Over the past two months, I've spent time listening to their priorities and sharing our approach with a broad range of stakeholders, including colleagues, customers and clients, regulators and a significant number of investors.

Feedback for our TRANSFORM programme has been positive.

Work is now well underway with cross-firm workstreams established to meet our three objectives.

In particular, the Business Performance Review is in full progress, involving analysis of the financial performance and reputational risk of our business at twice the level of granularity of previous reviews.

Using this analysis, we are modelling a range of options as to:

- where we can grow significantly;
- where we can turn around businesses;
- or where we have to run them down or exit them.

While we remain absolutely committed to our universal banking model, this detailed, analytical assessment will allow us to determine the future size, shape and composition of Barclays.

From my meetings with investors, I fully understand that delivering returns above the cost of equity, increasing dividend payouts and lowering compensation ratios are key issues.

We are on track to share a detailed action plan with you in February.

We have a lot to do but we intend to build a universal bank that is customer and client focussed, that delivers sustainable and superior returns to shareholders and that benefits all of our stakeholders.

Thanks very much. Chris and I are now happy to take your questions.