

Fixed Income Investor Presentation

Full-year 2012 results



Barclays overview

A global universal bank

- Major global financial services provider
- 3 main businesses:
 - Retail, Business Banking and Barclaycard
 - Corporate & Investment Banking, and
 - Wealth & Investment Management.
- Over 300 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. 140,000 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 December 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) ¹	126%
Loan to Deposit ratio	110%
< 1 year wholesale funding	£101bn
Wholesale funding WAM ² (months)	61
2012 Wholesale term issuance ³	£28bn

¹ Revised as per January 2013 definition

² Excluding liquidity pool

³ Including £6bn Funding for Lending Scheme (FLS)

Clear 2015 financial targets

On 12 February 2012, Barclays announced its strategy to become the 'Go-To' bank and set clear 2015 targets

	2012 Results		2015 Targets	Commentary
Return on equity	7.8%	➔	> Group CoE	<ul style="list-style-type: none"> Target sustainable returns in excess of cost of equity Improve quality of income and predictability of earnings
Operating expenses	£18.5bn	➔	£16.8bn	<ul style="list-style-type: none"> Target operating expense base excluding £0.7bn cost to achieve (CTA) in 2015 CTA of £1.0bn per annum expected for 2013 and 2014
Cost:Income ratio	64%	➔	mid-50s	<ul style="list-style-type: none"> Plan assumes low to mid-single digit income growth Strategic cost management required to drive fundamental change
Pro forma B3 RWAs	£468bn ¹	➔	£440bn	<ul style="list-style-type: none"> Reduction of £75bn gross risk assets by 2015 including over £45bn in legacy assets Legacy asset disposal and run-off allows investment in higher return RWAs, e.g. UK mortgages, Equities/Investment Bank division
Transitional CET1 ratio	10.6% ²	➔	> 10.5%	<ul style="list-style-type: none"> Management actions including run-down of legacy assets to counter effect CRD IV
Dividend payout ratio	19%	➔	30%	<ul style="list-style-type: none"> Progressive return towards normalised dividend payout over time Maintenance of prudent capital position is a pre-requirement.

¹ Pro forma RWAs include the impact of changes to accounting standards which came into effect on 1 January 2013

² Pro forma transitional CET1 ratio as at 1 January 2013, including IFRS 10 impact

2012 results highlights

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

Full year As at 31 December	2012 (£m)	2011 (£m)	Change (%)
Adjusted ¹ income	29,043	28,512	2
Impairment charges and other provisions	(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	-

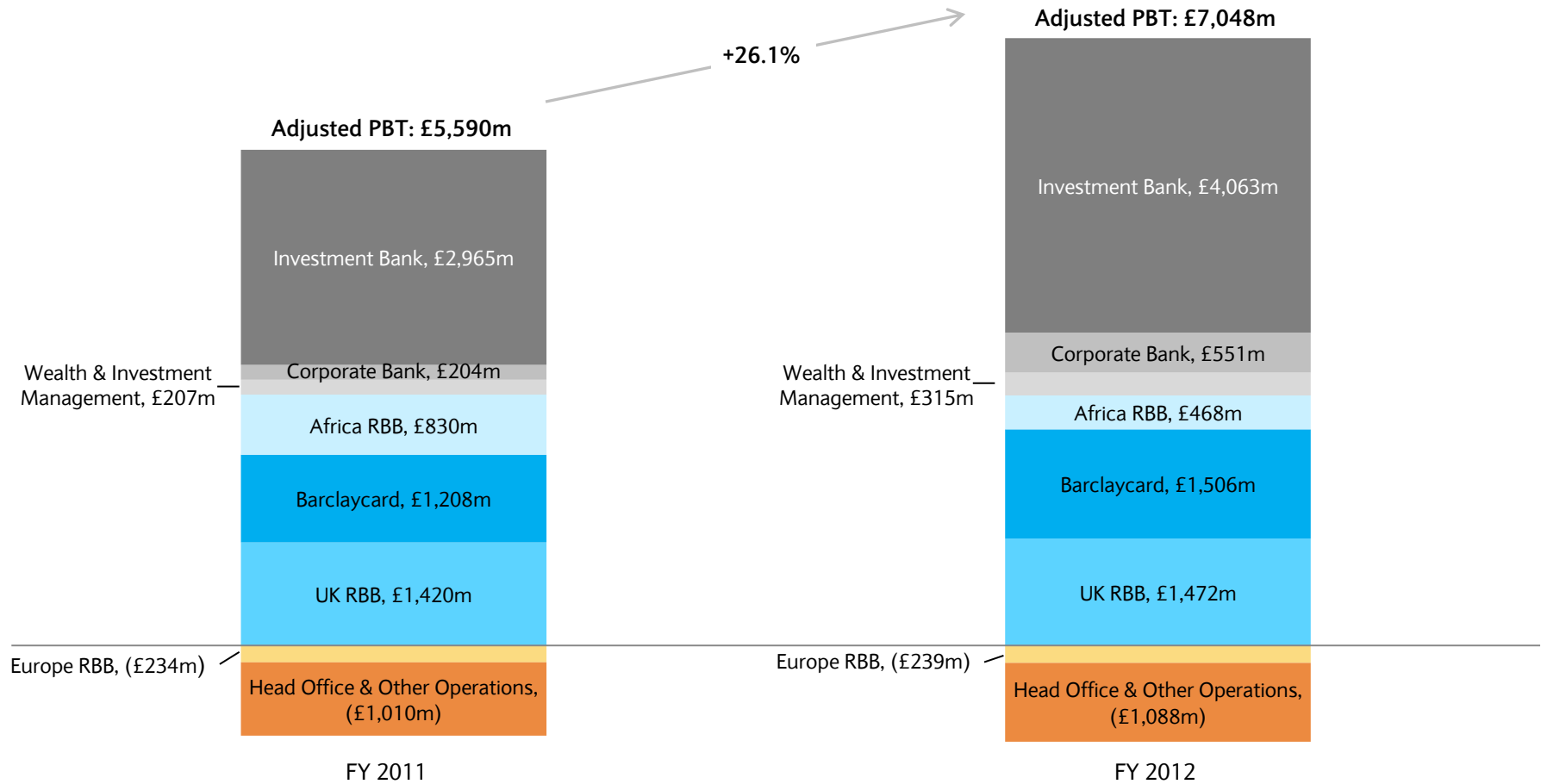
- Adjusted income up 2% despite macroeconomic challenges, continuing low interest rate environment and non-recurrence of £1.1bn gains from disposal of hedging instruments in 2011
- Adjusted operating expenses down 3%, with performance costs down 4% to £2.4bn and non-performance costs down 3% to £16.1bn
- Impairment charges and other provisions down 5%, reflecting conservative credit risk appetite
- Adjusted PBT up 26% with improvements of 46% in Corporate & Investment Bank and 52% in Wealth & Investment Management
- Liquidity pool of £150bn (2011: £152bn), well above internal and regulatory minimum requirements
- Loan to deposit ratio improved to 110% (2011: 118%)
- CT1 ratio remained strong at 10.9% (2011: 11.0%) with an estimated fully loaded Basel 3 CET1 of 8.2% as at 1 January 2013 (including impact of IFRS 10)
- Total capital ratio increased 70bps to 17.1% (2011:16.4%)
- RWA decreased to £387bn (2011: £391bn) and adjusted gross leverage ratio improved to 19x (2011: 20x).

¹ See slide 33 for adjusting items

Results announcement available on available on group.barclays.com/about-barclays/investor-relations#overview

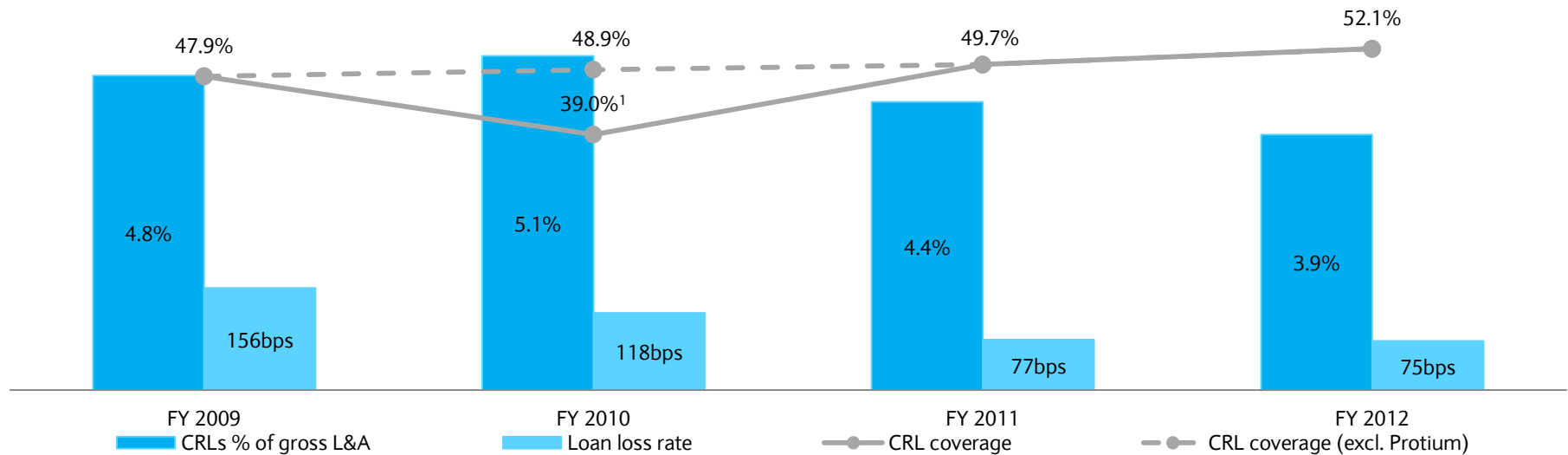
Balanced profit distribution across the Group

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



Strong asset quality

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



¹ In FY 2010, CRLs include £7,560m loan to Protium, with associated £532m impairment charge

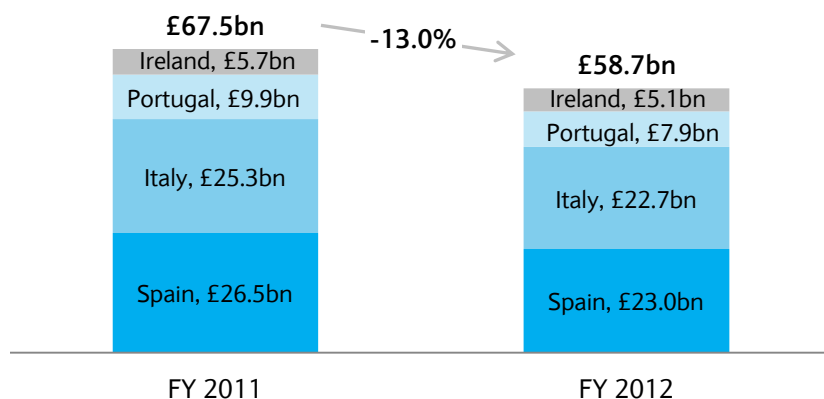
- Improvements in both retail and wholesale portfolios led to a 13% reduction in CRL balances in 2012 to £18.6bn and a 6% reduction in impairment charges to £3.6bn
- Barclays' conservative risk approach has allowed for contained impairments and prudent CRL coverage
 - Higher CRL coverage for credit cards and unsecured lending (81.2%)
 - Moderate 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 = $\frac{\text{impairment allowance}}{\text{Credit Risk Loans}}$

Reduced exposure to the Eurozone periphery

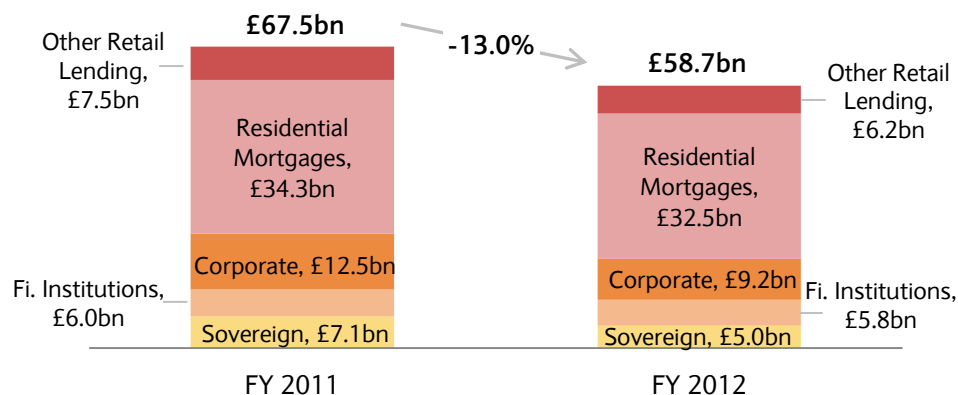
Direct exposures continue to be managed down, while redenomination risk has significantly reduced in Spain and Portugal

Exposures by geography



- Exposure to Spain, Italy, Portugal and Ireland decreased by 13% to £58.7bn over 2012, with sovereign exposures shrinking by 29% to £5.0bn
- Spanish and Portuguese average valuation weighted marked-to-market LTV increased slightly:
 - Spain: 64.6% (2011: 60.1%)
 - Portugal: 77.6% (2011: 69.6%)
 - Italy: 46.7% (2011: 46.9%)
- Exposures to Greece and Cyprus remained contained to £79m (2011: £106m) and £184m (2011: £196m) respectively
- Net funding mismatches decreased significantly, mainly as a result of €8.2bn of LTRO drawdown and additional deposit taking in Spain:
 - Spain: £1.9bn surplus (2011: £12.1bn funding gap)
 - Portugal: £3.3bn funding gap (2011: £6.9bn funding gap)
- Redenomination risk significantly lower in Italy with net funding mismatch reduced 19.3% to £9.6bn
 - Collateral available to support additional secured funding, should risk increase.

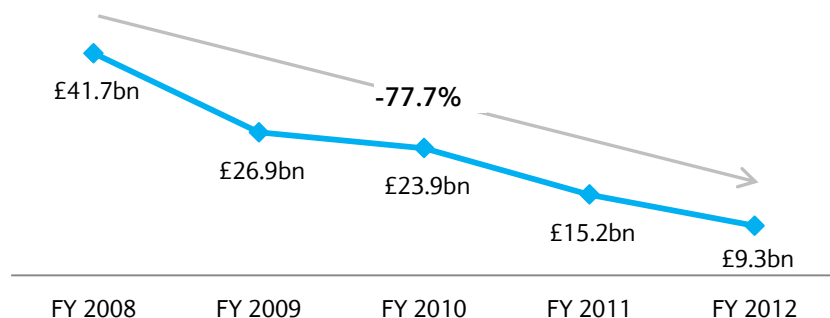
Exposures by asset class



Managed credit market exposure

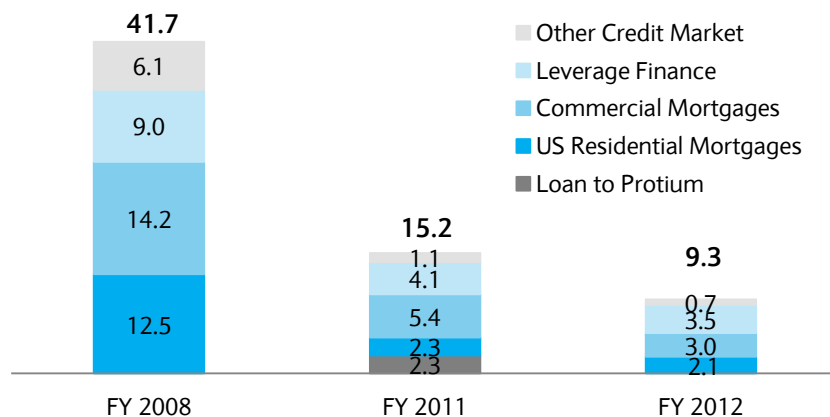
Since December 2008, Barclays has successfully reduced its exposure to Credit Market Exposures (CMEs) by 77.7% to £9.3bn

2008-2012 CME balances



- CMEs arose before market dislocation in mid-2007 and have 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).

Balances by asset class (£bn)



P&L impact (£m)

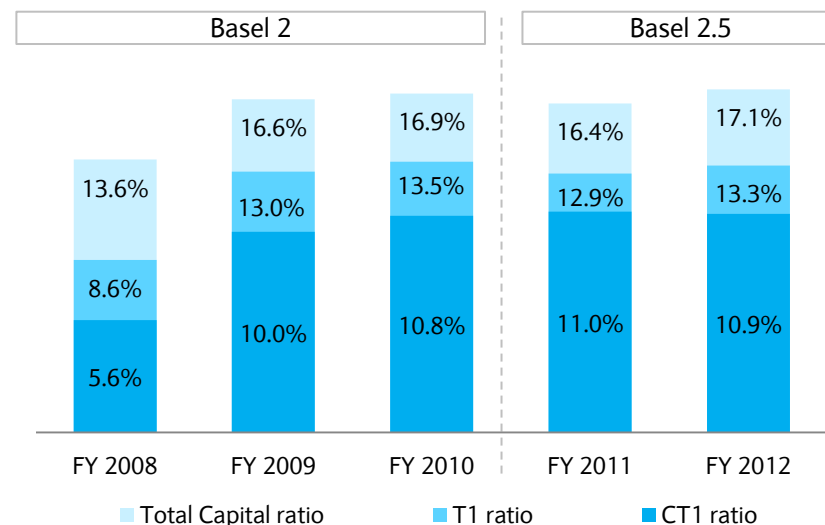
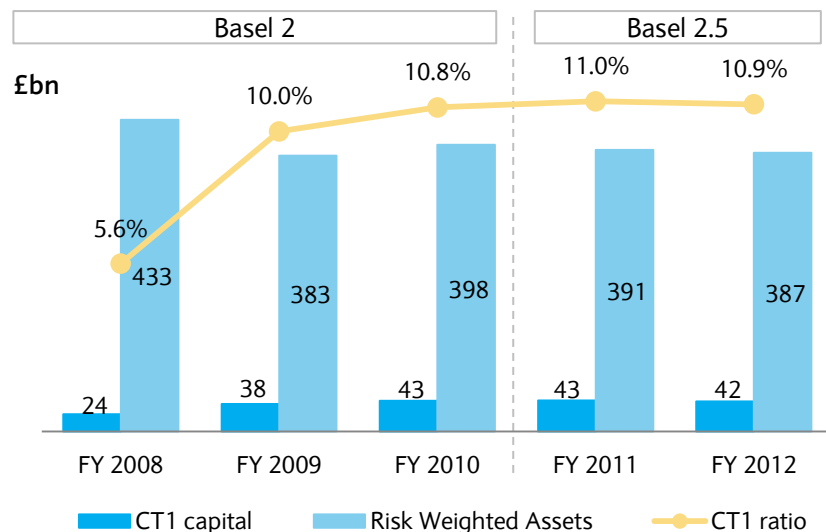
Over the last 24 months, CME balances more than halved and generated a £21m profit relative to their marks

	£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)

Capital

Capital ratios over time

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

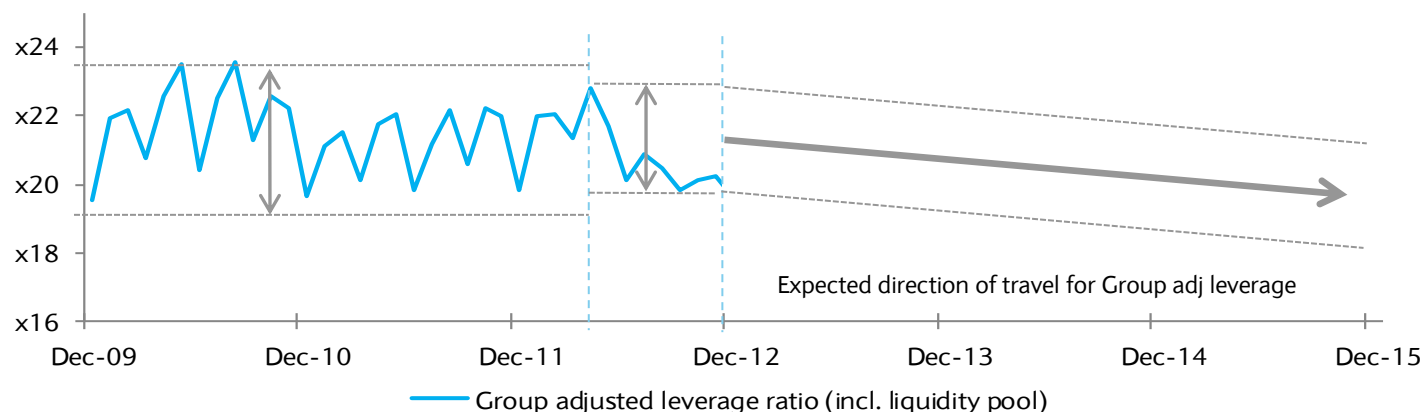


- CT1 ratio improved significantly since 2008, despite stricter capital and RWA definitions, to reach 10.9% at year end 2012
- Despite £1.8bn capital generation from earnings, CT1 capital decreased in 2012 due to adjustments for pensions and foreign currency movements
- RWA decreased as a result of tighter control, reduced exposures and delivery of management actions.

- Barclays also continued to improve its overall capital position, as the total capital ratio increased by 70bps during 2012 to 17.1%
- Increase in T1 and total capital ratios mainly driven by the sale of the stake in BlackRock, Inc. in May 2012 (resulting in lower deductions for material holdings)
- Issuance of innovative hybrid capital contributed to the maintenance of a strong capital position.

Leverage ratios

Barclays actively manages the volatility of its balance sheet and expects to see its adjusted leverage ratio reduce overtime



- The Group significantly deleveraged since 2008, by strengthening its T1 position and optimising its balance sheet structure, resulting in an improvement in:
 - The adjusted leverage ratio, including liquidity pool, from 28x to 19x in 2012
 - The adjusted leverage ratio, excluding liquidity pool, from 26x to 16x in 2012.
- Since mid-2012, Barclays manages its balance sheet on an average basis in order to reduce volatility
- Growing focus on leverage ratio, as a result of Basel Committee's proposals
 - Basel 3 transitional leverage ratio within 33x limit
 - Basel 3 fully loaded leverage ratio estimated to be compliant ahead of requirement date.

Pro forma capital and RWAs

Barclays continues to manage the business to absorb changing regulation. Pro forma CET1 ratios are subject to finalisation of CRD IV rules and market conditions

	Reported 31 Dec 2012	Pro forma 1 Jan 2013	
		CET1 Transitional	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:			
<i>Adjustments not impacted by transitional provisions</i>			
Conversion from securitisation deductions to RWA		1.0	1.0
Prudential Value Adjustments (PVA)		(1.2)	(1.2)
Other		(0.2)	(0.2)
<i>Adjustments impacted by transitional provisions</i>			
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%

Pro forma 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 the draft July 2011 CRD IV rules and best expectation of how these draft rules will be updated for subsequent Basel announcements and EU discussions. 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 January 2013 are based on 31 December 2012 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 Debit Valuation Adjustment (DVA)) transition in at 0% in 2013, 20% in 2014, 40% in 2015 and so on
- Prudent Valuation Adjustment (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.

Pro forma capital and RWAs — notes

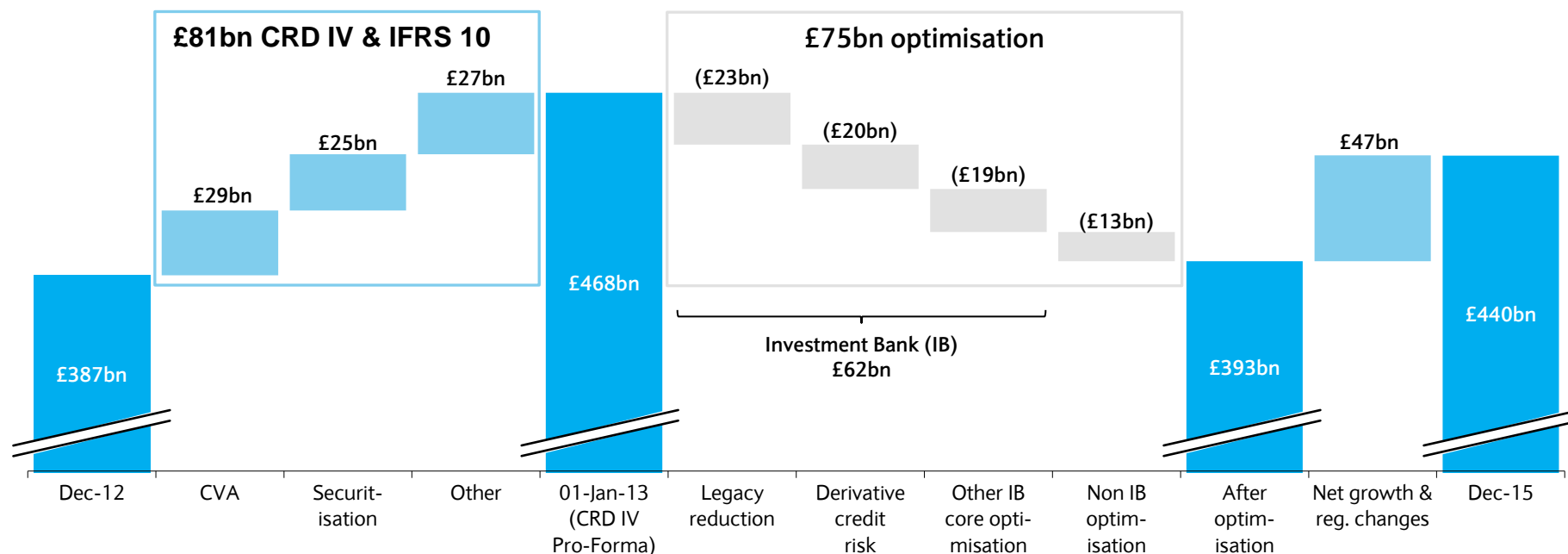
Pro forma capital ratios are based on/subject to the following:

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 mortgage 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 December 2012.

RWA projections

Significant savings from optimisation expected to generate headroom for growth in selected businesses, and mitigate additional regulatory changes and volatility from the impact of CRD IV¹

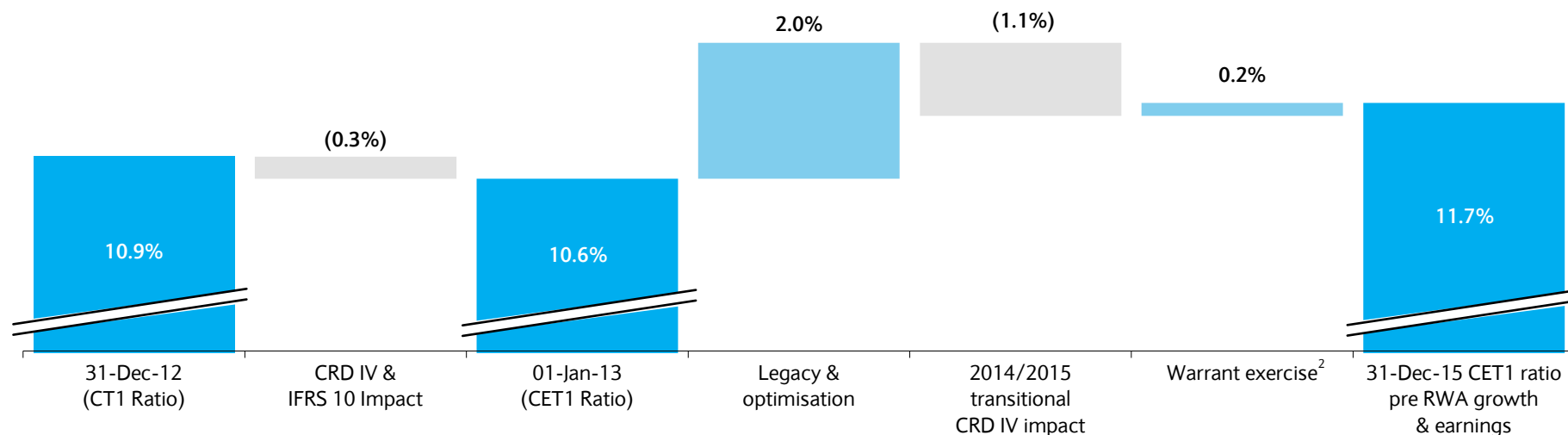


- Majority of CRD IV and IFRS 10 impacts planned to be offset by management actions across various businesses
- Barclays identified £75bn of RWA optimisation actions in various portfolios and businesses, including £62bn in the investment bank
- Current projections allow for £47bn of RWA net business growth and regulatory uncertainty.

¹ Assuming market conditions prevailing at end of December 2012 hold through 2015

Transitional CET1 ratio projections

We believe that we can achieve a transitional CET1 ratio well above 10.5% by 2015¹



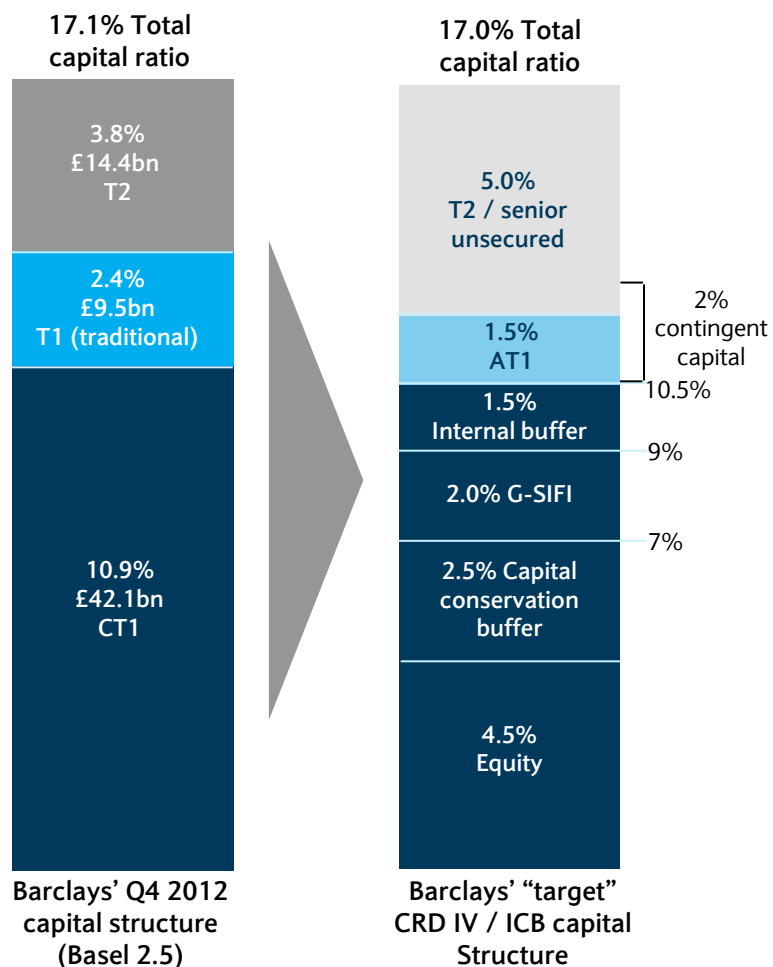
- CRD IV mitigating actions identified and tight RWA management implemented with the objective of maintaining a strong transitional CET1 ratio
- Key assumptions:
 - No CET1 capital generated through earnings
 - CET1 capital is impacted by IFRS 10, CRD IV transitional adjustments and warrant exercise
 - RWA projections include £75bn gross savings through efficiencies (resulting in a 2.0% CET1 ratio increase) and exclude any business growth.

¹ Assuming market conditions prevailing at end of December 2012 hold through 2015

² Warrants fully exercised on 13 February 2013 and settled on 14 February 2013, resulting in increase in Barclays PLC's CT1 ratio by £750m, equivalent to an additional pro forma 19bps on its full year 2012 CT1 ratio of 10.9%

End-state capital structure

Our “target” capital structure embraces upcoming CRD IV requirements and ICB¹ proposals



- The target capital structure anticipates:
 - Expected 9.0% minimum CET1 ratio requirement under CRD IV, excluding counter-cyclical buffer, for G-SIFI² banks
 - 1.5% CET1 “internal capital management buffer”
 - 1.5% Additional Tier 1 (AT1) ratio, being the minimum CRD IV requirement, and
 - 5% Tier 2 (T2)/senior unsecured debt capital to meet ICB 17% PLAC³ proposal.
- Currently targeting 2% of RWA in contingent capital format, comprising:
 - 1.5% of AT1
 - 0.5% of T2.
- Successful issuance of US\$3bn Contingent Capital Notes (CCNs) in November 2012 contributed to the 0.5% T2 layer
- Strong commitment to support a viable and scalable contingent capital market.

¹ Independent Commission on Banking

² Global Systemically Important Financial Institution

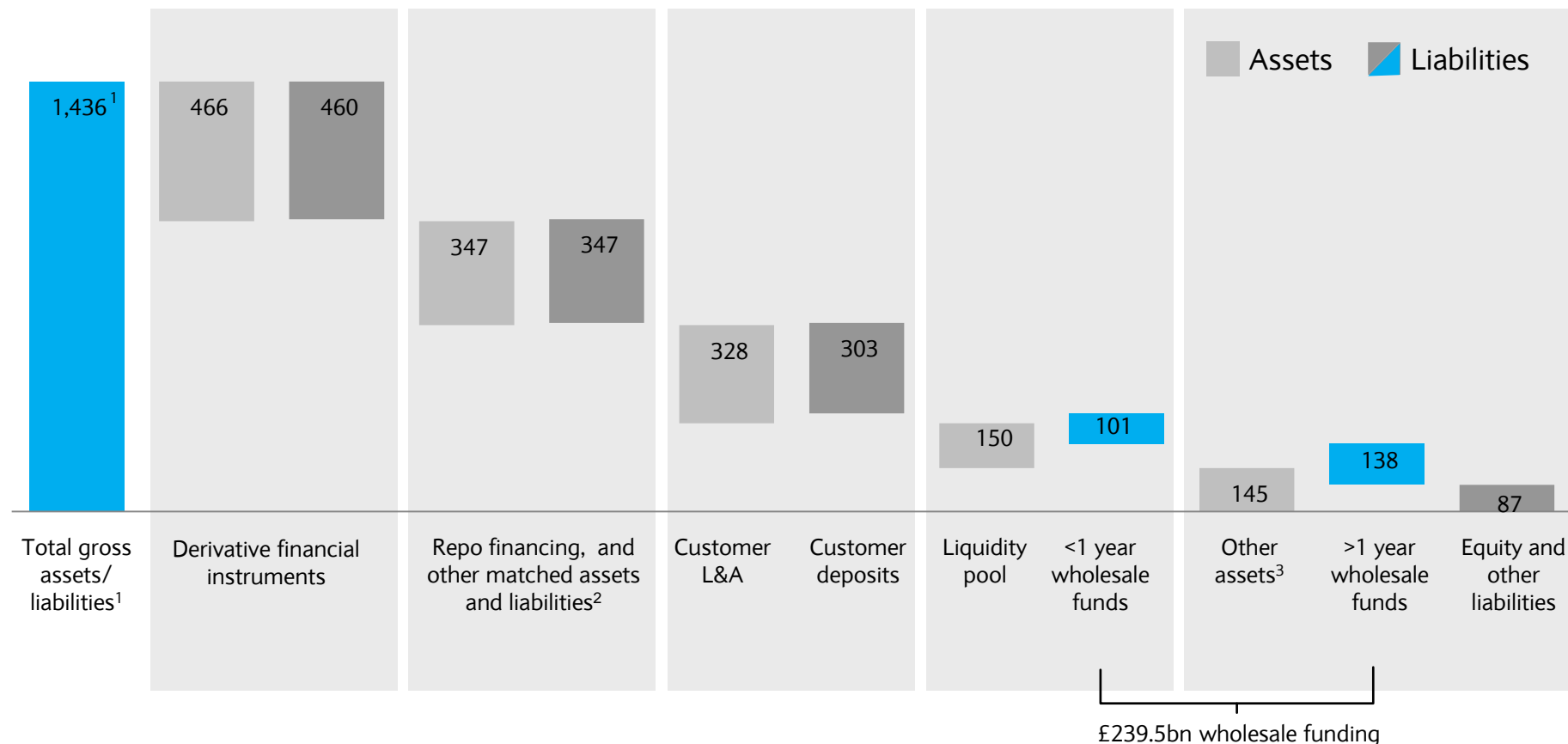
³ Primary Loss Absorbing Capacity

Liquidity & Funding

Balance sheet funding

While the balance sheet totals £1.5tn, wholesale funding requirements are limited to £239.5bn as a consequence of its structure

£bn



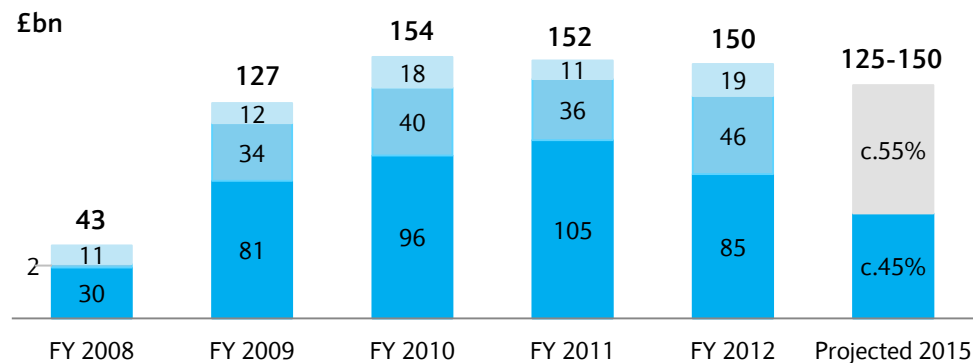
¹ Excluding Absa balance sheet

² Including cash collateral, settlement balances, trading portfolio liabilities & securities funding

³ Including loans and advances to banks, unencumbered securities and net derivative assets

Liquidity pool

Barclays continues to maintain a strong and high-quality liquidity pool that consists exclusively of unencumbered assets



- Liquidity pool of £150bn, with 87% held in cash, deposits with central banks and high quality government bonds
- Although not a requirement, the pool exceeds wholesale funding maturing in less than one year

■ Cash & deposits at central banks
 ■ Other available liquidity
■ Government bonds¹
 ■ Non cash or deposits at central banks²

- Liquidity pool exceeds net stress outflows under all three internal stress scenarios³ and Barclays is already compliant with Basel 3 liquidity prescribed tests:

	Market wide 3 months	Barclays-specific 1 month	Combined 1 month	Basel 3 –LCR 1 month	Basel 3 – NSFR 1 year
As at 31.12.2012	141%	129%	145%	126%	104%
As at 31.12.2011	127%	107%	118%	--	97%

2013-2015 Strategy

- Right-size liquidity surplus, in context of prevailing market conditions
- Optimise pool composition while maintaining conservative approach and investing only in very high quality assets
- ➔ Expect to reduce liquidity cost to less than £300m by 2015, excluding benefits from reduced funding cost in slide 21.

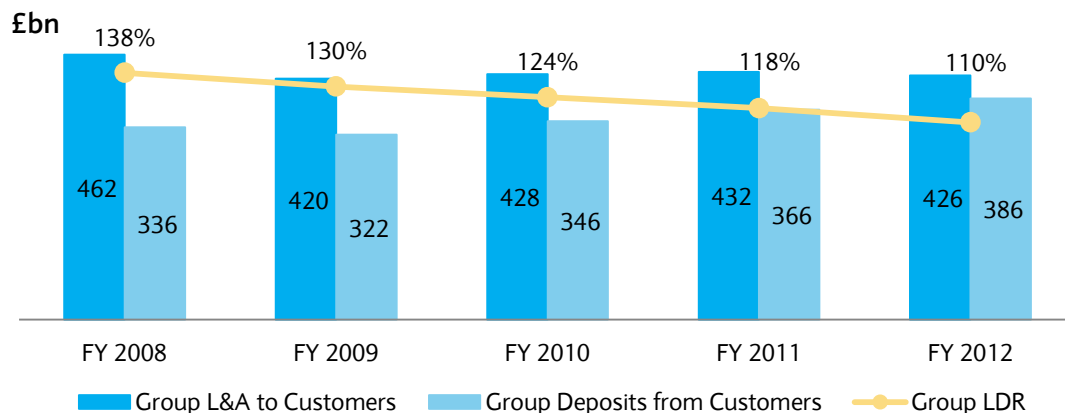
¹ In 2011 and 2012, over 80% from the UK, the US, Japan, France, Germany, Denmark and the Netherlands

² Government bonds and other highly liquid and unencumbered assets

³ All three tests are aligned to the FSA's prescribed stresses

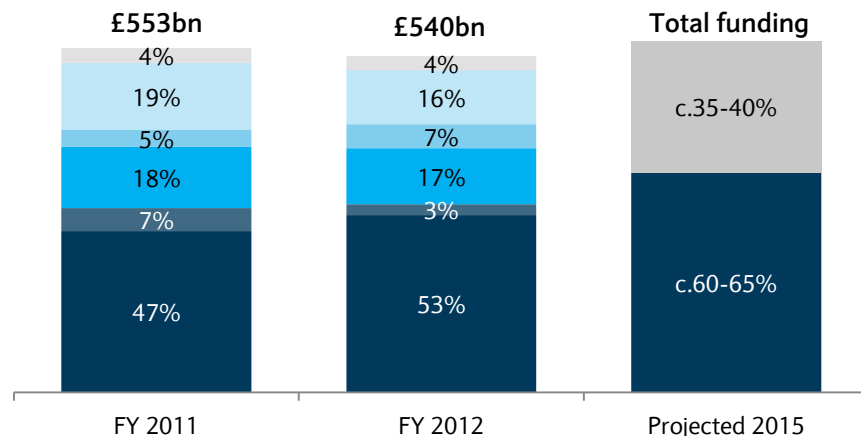
Funding

Diverse funding sources, across customer deposits and wholesale debt, provide protection against unexpected fluctuations



- Group Loan to Deposit Ratio (LDR) decreased overtime to 110% as at 31 December 2012
- Customer deposits, excl. Absa, trading settlement balances and cash collateral, represent 56% of 2012 total funding
- Decreased reliance on wholesale funding in 2012 (£239.5bn vs. £265.2bn in 2011).

2011-2015 total funding (excl. Absa)



■ RBB, Corp and Wealth customer deposits ■ IB customer deposits ■ Short term debt (CD, CP, ABCP, deposits from banks, other excl. gold repo and fair valued deposits) ■ Secured term funding (incl. FLS and bilateral funding) ■ Unsecured term funding ■ Subordinated debt ■ Funding excluding RBB, Corp and Wealth customer deposits

2013-2015 Strategy

- Group LDR of c.103-107% ratio targeted by 2015
- Optimisation of balance sheet funding, through:
 - Substitution of unsecured with secured debt
 - Optimisation of term structure
 - Refinancing at lower market spreads
 - Replacement of wholesale debt with customer deposits.

➔ Improved risk profile: more stable and diverse sources of funds

➔ Lower senior funding cost: projected annual savings of £400- 450m by 2015.

Wholesale funding

Despite reduced requirements for wholesale funding, Barclays maintains access to a variety of secured and unsecured funding sources across multiple currencies and maturities

£28bn of term issuance in 2012

- £3.4bn of public benchmark senior unsecured debt
- £6.2bn of net privately placed senior unsecured debt
- £10.8bn of secured funding debt
- £1.9bn of subordinated debt (US\$3bn of Contingent Capital Notes)
- £6.0bn raised through the participation in Funding for Lending Scheme (FLS).

2013-2015 Strategy

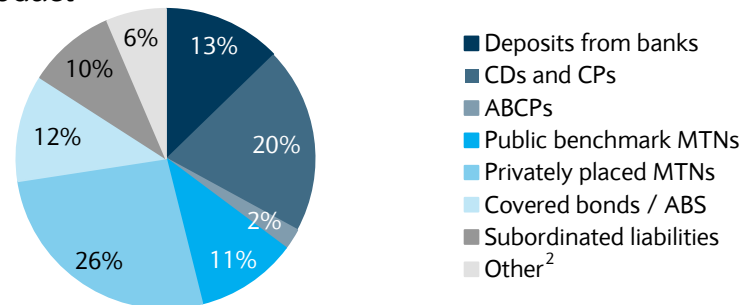
- Reduction in wholesale funding requirements, due to increased deposit taking and legacy asset run-off
- Growing usage of secured funding, while maintaining customer L&A encumbrance levels below 25%
- Intention to issue benchmark senior unsecured debt, though at lower levels
- Continued participation in Bank of England's FLS
- Continued support to a viable and scalable contingent capital market
- Stabilisation of WAM (excl. liquidity pool) at c.54-57 months.

¹ As defined in p.53 of Barclays PLC Results Announcement, 31 December 2012, see also slide 44

² Including gold repo (£6.0bn) and fair valued deposits (£7.1bn)

Diverse wholesale funding base¹ (as at 31 December 2012)

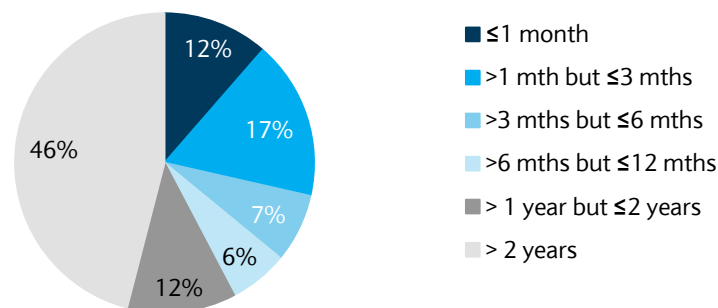
- By Product



- By Currency

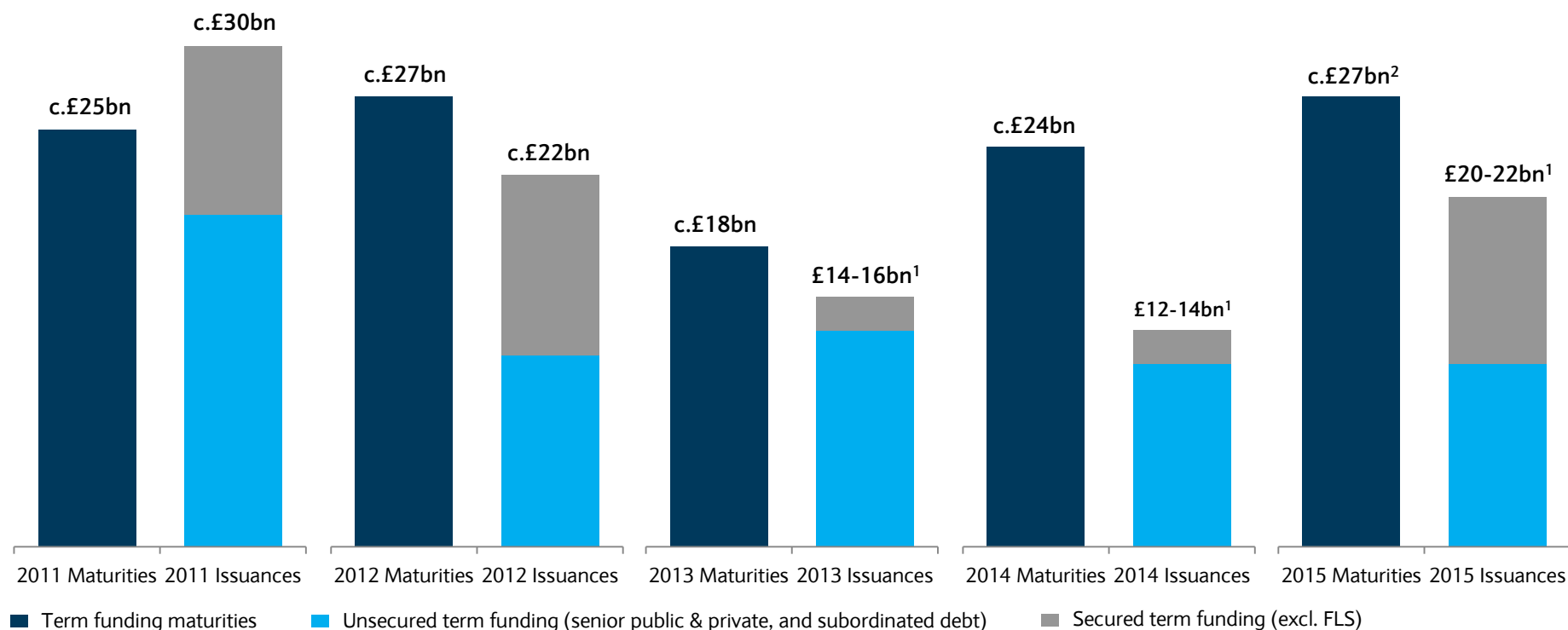
	USD	EUR	GBP	Others
As at 31.12.2012	31%	38%	22%	9%
As at 31.12.2011	37%	30%	22%	11%

- By remaining maturity: WAM excl. liquidity pool > 61 months



Term funding plans

- Funding plan sized to meet business needs, while ensuring compliance with Liquidity Risk Appetite (LRA) and regulatory requirements
- Reduced funding requirements due to increased deposit taking and legacy asset run-off
- Commitment to maintain access to a diversified funding base, across different products and multiple currencies.



¹ Projections based on market conditions prevailing at end of December 2012

² Including maturities of planned term issuances in 2013

Senior unsecured medium-term notes (public & private)

Barclays is a major Medium-Term Notes (MTNs) issuer, with MTNs representing c.37% of its total wholesale funding, or £89.5bn, as at 31 December 2012

Highlights

- MTN programme is an important component of Barclays' diversified wholesale funding base
- Barclays is committed to continue issuing MTNs, even though its wholesale funding needs are decreasing
- At end of December 2012, MTNs outstanding amounted to £89.5bn, of which £9.6bn were issued during the year:
 - £3.4bn of public benchmark, and
 - £6.2bn of net privately placed.
- “Any and all” liability management exercise in September 2012, covering longer-dated MTNs for nominal of c. £1.6bn.

MTNs are an important source of funding diversity (as at 31 December 2012)

- By placement type:
 - 29% public benchmark
 - 71% privately placed.
- By currency: 3 public issuances, 3 currencies
 - EUR: €1.5bn 2-year floating note
 - USD: \$1.25bn 3-year fixed note
 - GBP: £1.5bn 5-year fixed note.
- By maturity: 59% of MTNs mature in more than 2 years

Barclays' senior unsecured spreads



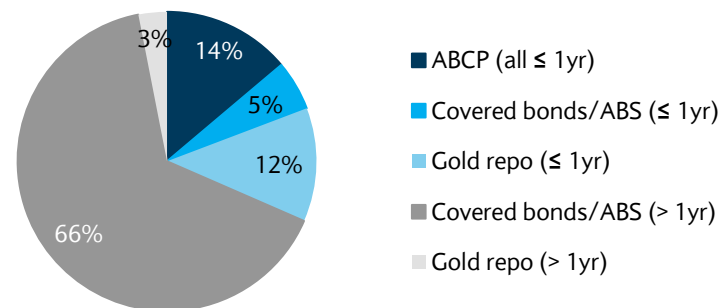
Secured funding

High-quality assets and contained encumbrance levels allow Barclays to maintain access to secured funding

Highlights

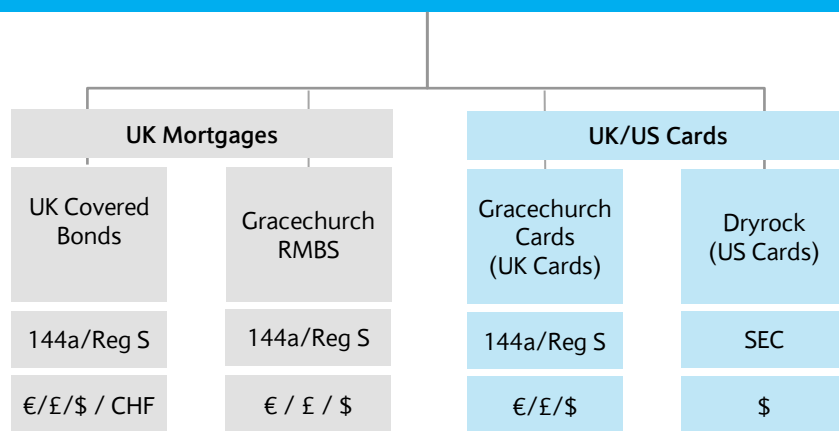
- Secured term funding backed by prime assets, including residential mortgages, credit cards and corporate loans, with focus on highly rated term issuance
- £16.8bn of secured term funding raised in 2012, including £6.0bn under Bank of England's Funding for Lending Scheme
- First securitisation programme backed by US domiciled credit card receivables registered with SEC in Q4
- Growing usage of secured funding, while maintaining customer L&A encumbrance levels below 25%.

Wholesale secured funding (as at 31 December 2012)

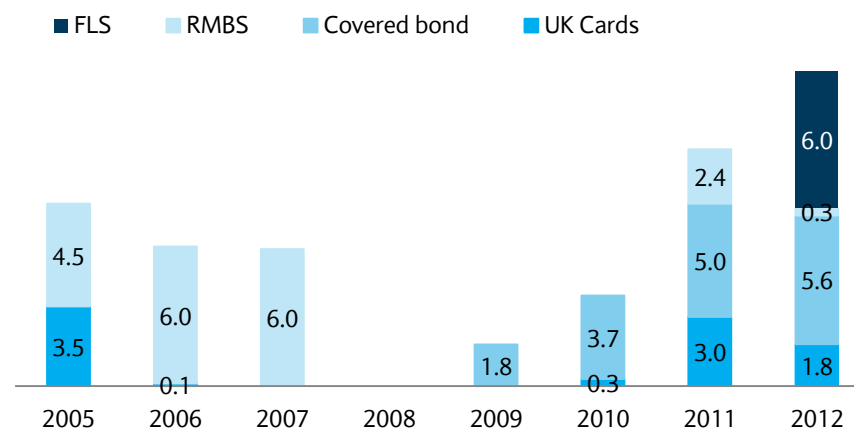


Total: £39.0bn (excluding ABSA)

Public secured funding platforms



2005-2012 Public secured term funding issuance (£bn)



Additional information on secured funding, including monthly reports, available on Barclays.com

Contingent Capital Notes (CCNs)

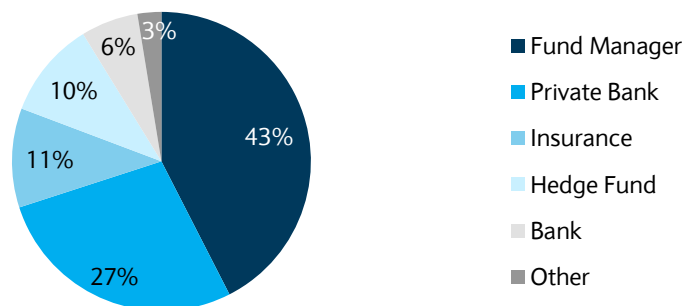
Barclays successfully issued its inaugural contingent capital note in November 2012, as the Group transitions to its end-state CRD IV / ICB capital structure

Key features

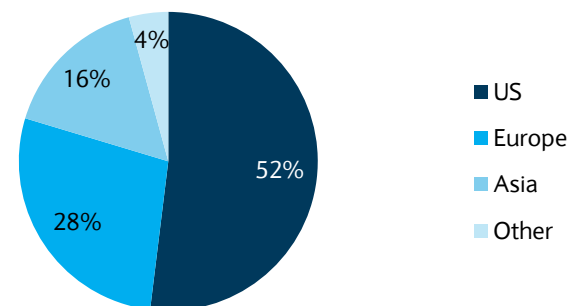
- On 14 November 2012, Barclays Bank PLC priced US\$3bn of SEC registered, USD-denominated, CCNs at 7.625% (T+603bps)
- Permanent write down feature when Barclays PLC's CT1 / transitional CET1 (post-CRD IV implementation) falls below 7% (trigger event)
- CCNs rated BBB- / BBB- by S&P and Fitch
- 10-year bullet structure
- Ranks *pari passu* with existing subordinated debt, prior to trigger event
- Notes are treated as T2 instruments and attract 100% benefit towards the Group's Primary Loss Absorbing Capacity (PLAC)
- Listed on London Stock Exchange.

Distribution

- Total order book of more than US\$17bn, across over 600 accounts
- Distribution by type of investor



- Distribution by geography



Credit Ratings

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'

2012 Rating & Outlook Changes	Barclays Bank plc	
	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", "historically low earnings volatility relative to peers", "diverse revenue streams", "strong asset quality relative to peers" and "sound financial profile".

Credit rating management

Barclays prudently manages the impact of credit ratings on the Group's funding and liquidity positions

- Potential outflows related to a multiple-notch credit downgrade are included in the Liquidity Risk Appetite (LRA) stress testing and a portion of the liquidity pool is reserved to cover for this risk
- Barclays had fully reserved for maximum contractual outflows in the liquidity pool as a result of the ratings actions taken on Barclays in 2012
- The below table shows contractual collateral requirements and contingent obligations following potential future one and two notch long-term and associated short-term simultaneous downgrades across all credit rating agencies, which are fully reserved for in the liquidity pool
- These numbers do not assume any management or restructuring actions that could be taken to reduce posting requirements.

Contractual credit rating downgrade exposure (as at 31 December 2012)

	One-notch	Two-notch
Total cumulative cash outflow	£bn	£bn
Securitisation derivatives	5	7
Contingent liabilities	7	7
Derivatives margining	--	1
Liquidity facilities	1	2
Total	13	17

Barclays' debt

Strong credit (A+/A2/A, S&P/Moody's/Fitch)

- Global universal bank with diversified portfolio of customer-focused businesses
- Prudent risk approach to growth of franchise and delivery of returns
- Resilient profit performance and low historical earnings volatility relative to peers.

Prudent liquidity & balance sheet management

- Liquidity pool well in excess of internal and regulatory minimum requirements
- Strong balance sheet, closely managed leverage and solid capital position
- Well on track to meet Basel 3 liquidity, leverage and capital requirements.

Wide range of debt instruments

- Diversified funding model with stable and competitive access to global markets
- Issuance of secured, unsecured and contingent capital securities
- Notes spanning the yield curve and covering multiple currencies.

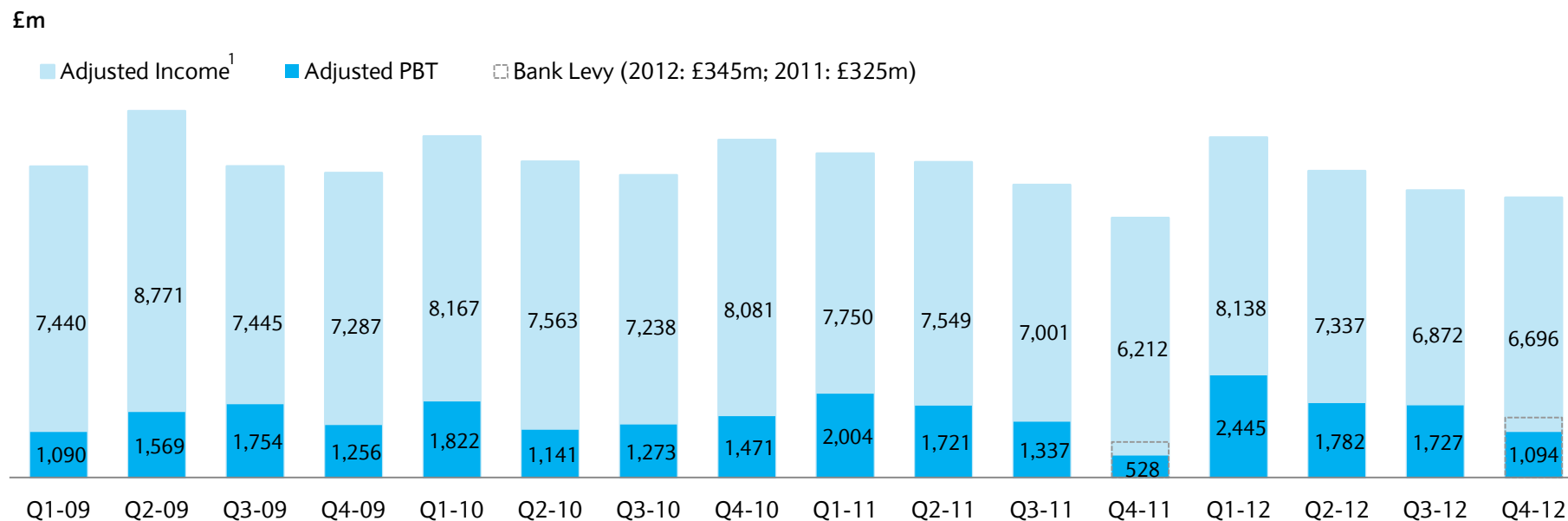
Liquid instruments

- Established track record of index eligible benchmark issuances
- Majority of issuances listed on main stock exchanges, e.g. London, New York, Luxembourg
- Commitment to maintaining fair approach to investors.

Appendix

Resilient performance

Despite challenging macroeconomic conditions, Barclays has performed well and consistently remained profitable throughout the financial crisis and Eurozone turmoil



¹ Net of insurance claims

Please see slide 33 for adjusting items and respective quarterly reports for further details

Adjusting items to profit before tax

	Q412 (£m)	Q312 (£m)	Q212 (£m)	Q112 (£m)	Q411 (£m)	Q311 (£m)	Q211 (£m)	Q111 (£m)
Adjusted profit before tax	1,094	1,727	1,782	2,445	528	1,337	1,721	2,004
Own credit	(560)	(1,074)	(325)	(2,620)	(263)	2,882	440	(351)
Gains on debt buy-backs	-	-	-	-	1,130	-	-	-
Impairment and gain/(loss) on disposal of BlackRock investment	-	-	227	-	-	(1,800)	(58)	-
Provision for PPI redress	(600)	(700)	-	(300)	-	-	(1,000)	-
Provision for interest rate hedging products redress	(400)	-	(450)	-	-	-	-	-
Goodwill impairment	-	-	-	-	(550)	-	(47)	-
(Losses)/gains on acquisitions and disposals	-	-	-	-	(32)	3	(67)	2
Statutory (loss)/profit before tax	(466)	(47)	1,234	(475)	813	2,422	989	1,655

Adjusted profit/(loss) before tax by business

As at 31 December	2012 (£m)	2011 (£m)	Change (%)
UK RBB	1,472	1,420	4
Europe RBB	(239)	(234)	2
Africa RBB	468	830	(44)
Barclaycard	1,506	1,208	25
Retail and Business Banking	3,207	3,224	(1)
Investment Bank	4,063	2,965	37
Corporate Banking	551	204	
Corporate and Investment Banking	4,614	3,169	46
Wealth and Investment Management	315	207	52
Head Office and Other Operations	(1,088)	(1,010)	(8)
Total adjusted profit before tax	7,048	5,590	26

Reduced exposure to the Eurozone periphery¹

As at 31 December 2012	Spain (£m)	Italy (£m)	Portugal (£m)	Ireland (£m)	Total (£m)
Sovereign	1,690	2,669	637	11	5,007
Corporate	4,135	1,962	1,958	1,127	9,182
Residential mortgages	13,305	15,591	3,474	112	32,482
Financial institutions	1,488	528	48	3,768	5,832
Other retail lending	2,428	1,936	1,783	83	6,230
Total	23,046	22,686	7,900	5,101	58,733
As at 31 December 2012	26,547	25,349	9,860	5,712	67,468

¹ Excluding Greece and Cyprus, for which total net on-balance sheet exposure as at 31 December 2012 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 arrears¹.

Corporate

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

Sovereign

- Largely AFS government bonds. No impairment and £26m (2011: £28m) cumulative fair value loss held in AFS reserve.

Redenomination

- Local net funding mismatch reduced from £12.1bn to a £1.9bn surplus during 2012.

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 arrears¹.

Corporate

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

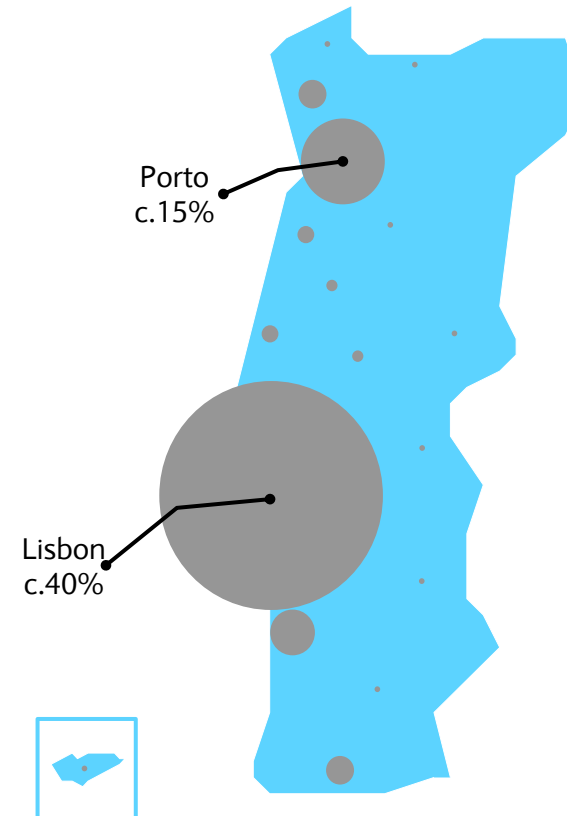
Sovereign

- Largely AFS government bonds. No impairment and £4m (2011: £159) cumulative fair value loss held in the AFS reserve.

Redenomination

- Local net funding mismatch reduced from £6.9bn to £3.3bn during 2012.

Gross mortgage exposure by location of outstanding balances



¹ Greater than 90 days in arrears exclude recovery balances

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 arrears¹.

Corporate

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

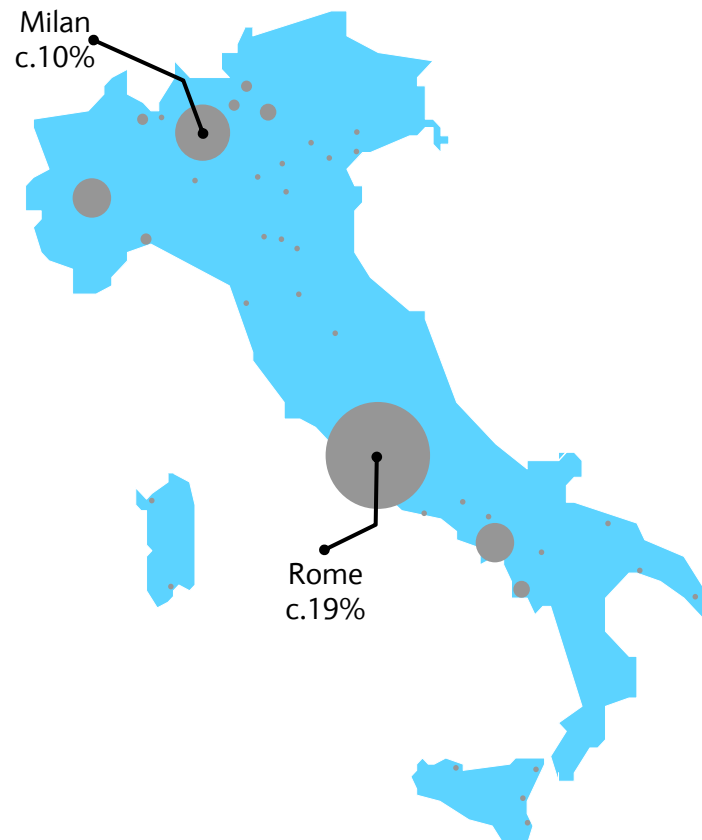
Sovereign

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

Redenomination

- Local net funding mismatch reduced from £12.0bn to £9.6bn during 2012.

Gross mortgage exposure by location of outstanding balances



¹ Greater than 90 days in arrears exclude recovery balances

Credit market exposures

As at 31 December	Year end 2012				
	2012 (£m)	2011 (£m)	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

Legacy asset RWAs¹

As at 31 December	2012 (£bn)
Credit market exposures	10
Additional IB legacy assets	10
Corporate and monoline derivatives	5
Pre Basel 3 rates	11
Corporate Europe and ERBB legacy portfolios	13
Total current RWAs	48
Pro forma CRD IV add-ons	
<i>Credit Market Exposures</i>	7
<i>Additional IB legacy assets</i>	7
<i>Corporate and monoline derivatives</i>	23
<i>Pre Basel 3 rates</i>	7
Total pro forma Basel 3 add-ons	44
Total pro forma Basel 3 legacy asset RWAs	92

- Barclays identified a pool of legacy assets, including CMEs, across the Investment Bank and European businesses, to actively manage down
- Barclays enlarged the scope of legacy asset portfolio in order to further reduce positions which erode current returns
- In addition to CMEs, the enlarged legacy asset portfolio includes:
 - FICC positions of similar profile as the remaining CMEs which will be heavily penalised by the implementation of CRD IV
 - Legacy Corporate Europe and Europe RBB portfolios.
- Pro forma Basel 3 legacy asset RWAs amounted to £92bn as at 31 December 2012:
 - £79bn in the Investment Bank
 - £13bn in Corporate Europe and Europe RBB
- Legacy assets are predominantly legacy FICC positions within the Investment Bank (£79bn of pro forma Basel 3 RWAs) which we plan to reduce to £36bn by end-2015
- Reduction will be accelerated if economic conditions permit.

¹ RWA figures are subject to FX, credit spreads and procyclicality

Calculation of adjusted gross leverage

As at 31 December	2012 (£bn)	2011 (£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

Capital resources

As at 31 December	2012 (£m)	2011 (£m)
Shareholders' equity (ex. NCI)	53,586	55,589
Net NCIs	2,450	6,235
Regulatory adjustments and deductions:		
Goodwill and intangible assets	(7,662)	(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%

Liquidity & funding management framework

Barclays has developed a dynamic liquidity framework and a diversified funding base, while maintaining protection against unexpected fluctuations

Liquidity risk framework

- Liquidity framework meets FSA standards
- Liquidity framework ensures that sufficient financial resources of appropriate quality are maintained
- Barclays manages its liquidity pool at Group level and allocates costs to businesses based on their liquidity risk appetite
- Barclays has established the Liquidity Risk Appetite (LRA) providing a Group-wide perspective
- LRA is measured with reference to the liquidity pool as a percentage of anticipated stressed net outflows for each of the following three scenarios:
 - a Barclays-specific stress event (1 month)
 - a market-wide stress event (3 months)
 - a combination of the two (1 month).Under normal market conditions, the liquidity pool must exceed 100% of anticipated outflows
- Since June 2010, Barclays reports its liquidity against FSA's Individual Liquidity Guidance (ILG).

Funding structure

- Barclays maintains access to a variety of alternative funding sources (deposits, secured and unsecured debt capital markets), in order to:
 - Avoid over reliance on any particular funding source,
 - Optimise the use of its high quality assets and low level of encumbrance, and
 - Minimise cost of funding.
- Retail and Business Banking, Corporate Banking and Wealth & Investment Management activities largely funded by customer deposits, with remainder covered by secured funding
- Investment Bank activities primarily funded through wholesale markets
- Absa funding position separately managed due to local currency and funding requirements
- Barclays prudently manages its liabilities, while aligning its interests with investors'.

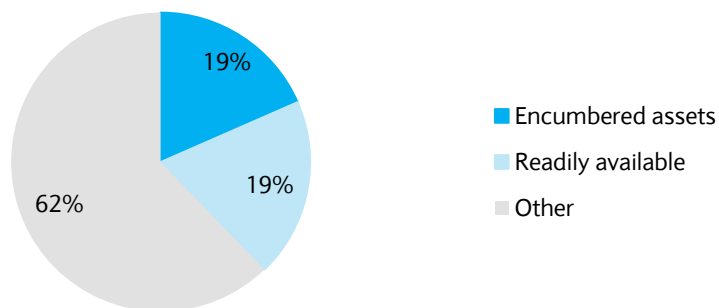
Wholesale funding composition

As at 31 December 2012	≤1 month (£bn)	>1 month but ≤3 months (£bn)	>3 months but ≤6 months (£bn)	>6 months but ≤12 months (£bn)	Total ≤1 year (£bn)	>1 year but ≤2 years (£bn)	>2 years (£bn)	Total (£bn)
Deposits from banks	10.8	8.7	1.5	0.7	21.7	1.6	7.2	30.5
Certificates of deposit and commercial paper	5.8	23.4	9.0	6.9	45.1	2.0	1.3	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	7.8	14.4	26.1
Senior unsecured MTNs (privately placed)	0.7	4.1	4.0	5.3	14.1	10.8	38.5	63.4
Covered bonds / ABS	-	0.4	1.3	0.4	2.1	4.7	20.8	27.6
Subordinated liabilities	-	0.6	-	0.1	0.7	-	22.0	22.7
Other	3.8	1.4	1.9	1.2	8.3	1.2	5.9	15.4
Total	27.3	41.1	17.7	15.2	101.3	28.1	110.1	239.5
<i>Of which secured</i>	<i>4.6</i>	<i>4.0</i>	<i>2.4</i>	<i>1.3</i>	<i>12.3</i>	<i>5.2</i>	<i>21.5</i>	<i>39.0</i>
<i>Of which unsecured</i>	<i>22.7</i>	<i>37.1</i>	<i>15.3</i>	<i>13.9</i>	<i>89.0</i>	<i>22.9</i>	<i>88.6</i>	<i>200.5</i>
Total as at 31 December 2011					130.3			265.2
<i>Of which secured</i>					<i>16.9</i>			<i>38.7</i>
<i>Of which unsecured</i>					<i>113.4</i>			<i>226.5</i>

Encumbrance (as at 31 December 2012)

Barclays closely monitors the mix of secured and unsecured funding sources and maintains a significant portion of its balance sheet unencumbered

19% assets¹ encumbrance ratio (excl. reverse repos)



¹ total on-balance sheet (excl. reverse repurchase agreements): £1,251.8bn

Firm-financing repurchase agreements

£bn	< 1 month	≥ 1 month and < 3 months	> 3 months	Total
Highly Liquid	66.8	6.5	2.9	76.2
Less Liquid	16.0	4.3	6.0	26.3
Total	82.8	10.8	8.9	102.5

17% loans & advances to customers encumbrance ratio

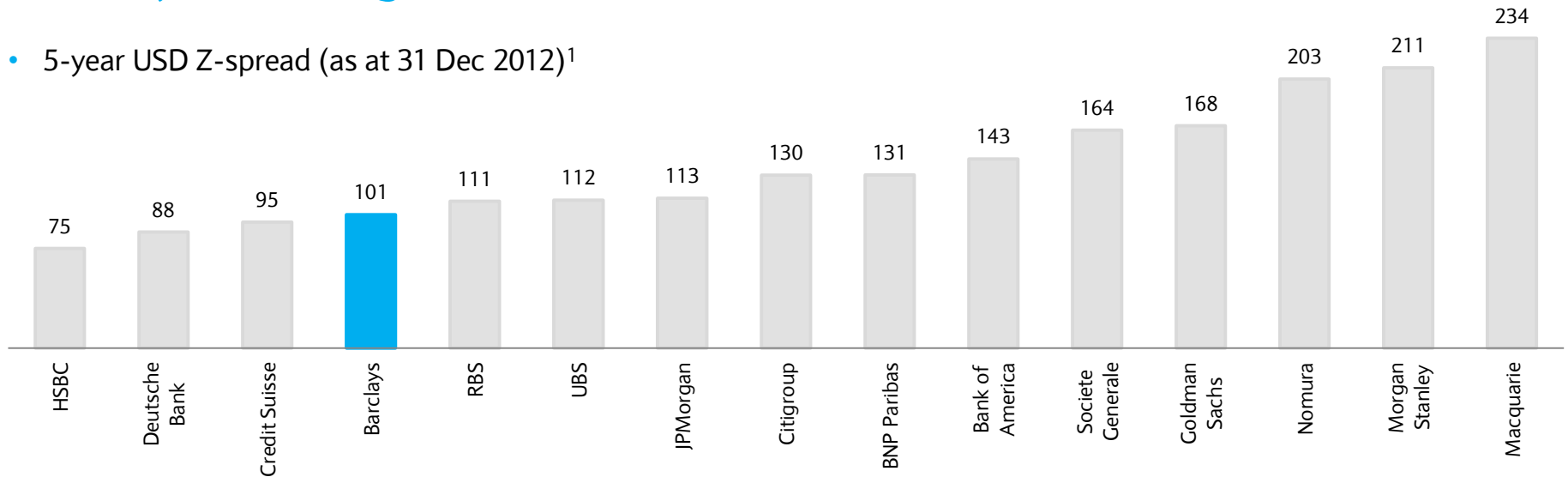
Encumbered assets	£bn
Externally issued notes	27
Other secured funding	31
Required over-collateralisation	15
Total	73
Loans & Advances to customers	426

- Asset encumbrance arises from collateral pledged against secured funding and other collateralised obligations, via:
 - Repurchase agreements and similar transactions (mainly related to the financing of trading portfolio)
 - Securitisation, covered bonds and other similar secured structures (mainly related to the Group's term funding requirements).
- Majority of reverse repurchase agreements are matched by offsetting repurchase agreements to facilitate client activity
- Residual repurchase agreements (£102.5bn) are used for firm-financing purposes:
 - 74% was secured against highly liquid assets
 - 81% matured within one month.
- We believe that loans & advances encumbrance levels up to 25% benefit all bond holders, by:
 - Contributing to the diversity and stability of the Group's funding base, and
 - Optimising our cost of funding.

Please see p.180-182 of the 2012 Annual Report for further detail

Barclays funding cost

- 5-year USD Z-spread (as at 31 Dec 2012)¹



- 5-year CDS vs. iTraxx



¹ Exact maturities may differ due to which spreads are not fully comparable

Basel 3

Regulatory Timeline

- Initial timeframe mentioned below is now expected to be delayed in the EU – alternative dates have yet to be communicated

	H1 2010	1 Jan 2011	1 Jan 2012	1 Jan 2013	1 Jan 2014	1 Jan 2015	1 Jan 2016	1 Jan 2017	1 Jan 2018	1 Jan 2019
Capital Requirements	Phased-in capital requirements									
Leverage Ratio	Supervisory monitoring		Parallel run (Jan 2013 – Jan 2017) Disclosures starts in Jan 2015					Pillar I requirement		
Net Stable Funding Ratio (NSFR)	Observation period								Introduction of minimum requirement	
Liquidity Coverage Ratio (LCR) ¹						60% compliance required	Minimum requirement increasing in equal steps by 10% per year			Full compliance required
FSA's Individual Liquidity Guidance (ILG) ²	Introduction of ILG									

¹ Per revised definition as of January 2013

² short-term liquidity stress test, broadly comparable to the LCR under Basel 3

Requirements

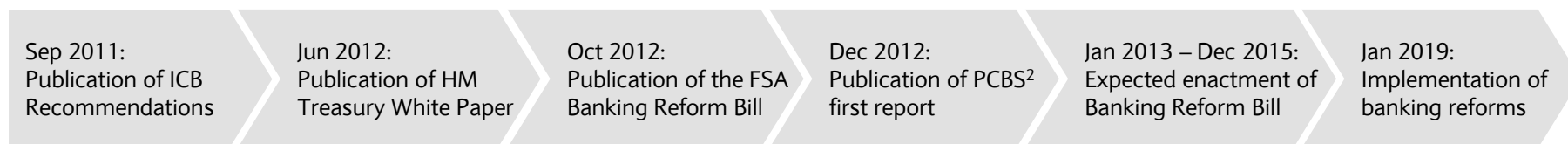
- Capital: minimum of 4.5% CET1 + 1.5% AT1 + 2% T2. In addition, banks are subject to a countercyclical buffer of 0-2.5%, a capital conservation buffer of 2.5% (outside periods of stress) and a SIFI buffer of up to 2.5% (2% for Barclays) to be satisfied with CET1
- Leverage: Tier 1 capital to be at least 3% of total exposure (including off-balance sheet exposures)
- NSFR: available amount of stable funding to exceed required amount of stable funding, over a stress 1-year period (NSFR > 100%)
- LCR: stock of unencumbered high quality liquid assets to exceed net stressed cash outflow over 30 days (LCR > 100%).

UK banking reform

Barclays backs initiatives to improve stability of UK banking system and support a sustainable economy, however, requires alignment with international regulation and careful consideration of implementation costs

Proactively thinking about structural reforms / ring-fenced structure recommended by ICB¹ and HMTreasury

- Regulatory timeline



¹ Independent Commission of Banking, established in June 2010 to consider reforms to the UK banking sector

² Parliamentary Commission on Banking Standards, appointed to conduct pre-legislative scrutiny of the FSA Banking Reform Bill before going through Parliament

- Retail ring-fence
 - Objective: “isolate banking activities where continuous provision of service is vital to the economy and to a bank’s customers”
 - Ring-fenced entity would essentially take deposits from and provide payment services to individuals and SMEs, and would not be permitted to provide certain services such as complex derivatives
 - Ring-fenced bank would be subject to capital and liquidity requirements on a standalone basis
 - Even though Barclays anticipates the size of its ring-fenced bank to be relatively small (c.10% of its balance sheet), it is supportive of a ring-fenced structure that offers sufficient flexibility to maintain diversification benefits inherent to the universal banking model.

Transitioning to an ICB compliant capital structure

- ICB recommends large UK banks hold Primary Loss-Absorbing Capacity (PLAC) of at least 17%, consisting of capital and long-term bail-in-able senior unsecured debt
- Barclays end-state capital structure embraces ICB proposals and CRD IV, with a 17% total capital ratio and a minimum CET1 ratio of 10.5%

Strengthening our processes to maximise business continuity in a resolution scenario

- Barclays made its first formal recovery and resolution plan submission to UK and US regulators mid-2012 and is in regular discussion with them since then to ensure the resolvability of its business

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Forward-looking statements

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.

Any forward-looking statements made herein speak only as of the date they are made. Except as required by the UK Financial Services Authority, the London Stock Exchange plc (the “LSE”) or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Barclays expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has published or may publish via the Regulatory News Service of the LSE and/or has filed or may file with the US Securities and Exchange Commission.

22 March 2013