Barclays PLC

Q3 2012 Interim Management Statement

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31 October 2012

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Adjusted financial highlights

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	22,347	22,300	-
Impairment charges	(2,657)	(2,851)	(7)
Net operating income	19,690	19,449	1
Operating expenses	(13,832)	(14,441)	(4)
Adjusted profit before tax*	5,954	5,062	18
Statutory profit before tax	712	5,066	(86)

* Comprises 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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Adjusted items to PBT

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Profit before tax	712	5,066	(86)
Own credit charge/(gain)	4,019	(2,971)	
Provision for PPI redress	1,000	1,000	
Provision for interest rate hedging products redress	450	-	
(Gain)/loss on sale of BlackRock investment	(227)	1,858	
Goodwill impairment	-	47	
Losses on acquisitions and disposals	-	62	
Adjusted profit before tax	5,954	5,062	18

Adjusted performance measures

Nine months ended – September	2012 (£m)	2011 (£m)
Return on average shareholders' equity	8.8%	8.4%
Return on average tangible shareholders' equity	10.3%	10.1%
Return on average risk weighted assets	1.4%	1.3%
Cost: income ratio	62%	65%

UK Retail and Business Banking

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	3,335	3,527	(5)
Impairment charges	(198)	(380)	(48)
Net operating income	3,137	3,147	-
Operating expenses (excludes provision for PPI redress)	(1,991)	(1,950)	2
Adjusted profit before tax	1,146	1,198	(4)
Adjusted return on average equity	16.9%	16.7%	
Adjusted cost: income ratio	60%	55%	

* Comprises 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

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	705	979	(28)
Impairment charges	(233)	(178)	(31)
Net operating income	472	801	(41)
Operating expenses	(632)	(920)	(31)
Loss before tax*	(151)	(109)	39
Return on average equity	(7.6%)	(3.9%)	
Cost: income ratio	90%	94%	

* Comprises 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

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	2,390	2,710	(12)
Impairment charges	(501)	(378)	33
Net operating income	1,889	2,332	(19)
Operating expenses	(1,564)	(1,774)	(12)
Profit before tax*	330	561	(41)
Adjusted return on average equity	4.9%	9.6%	
Cost: income ratio	65%	65%	

* Comprises 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

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	3,072	3,112	(1)
Impairment charges	(714)	(988)	(28)
Net operating income	2,358	2,124	11
Operating expenses (excludes provision for PPI redress and goodwill impairment)	(1,232)	(1,201)	3
Adjusted profit before tax*	1,150	949	21
Adjusted return on average equity	22.7%	18.4%	
Adjusted cost: income ratio	40%	39%	

* Comprises 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

Investment Bank

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	9,129	8,517	7
Impairment charges	(346)	(3)	
Net operating income	8,783	8,514	3
Operating expenses	(5,613)	(5,831)	(4)
Profit before tax*	3,205	2,698	19
Return on average equity	14.2%	12.0%	
Cost: income ratio	61%	68%	
Cost: net operating income ratio	64%	68%	
Compensation: income ratio	39%	46%	

* Comprises 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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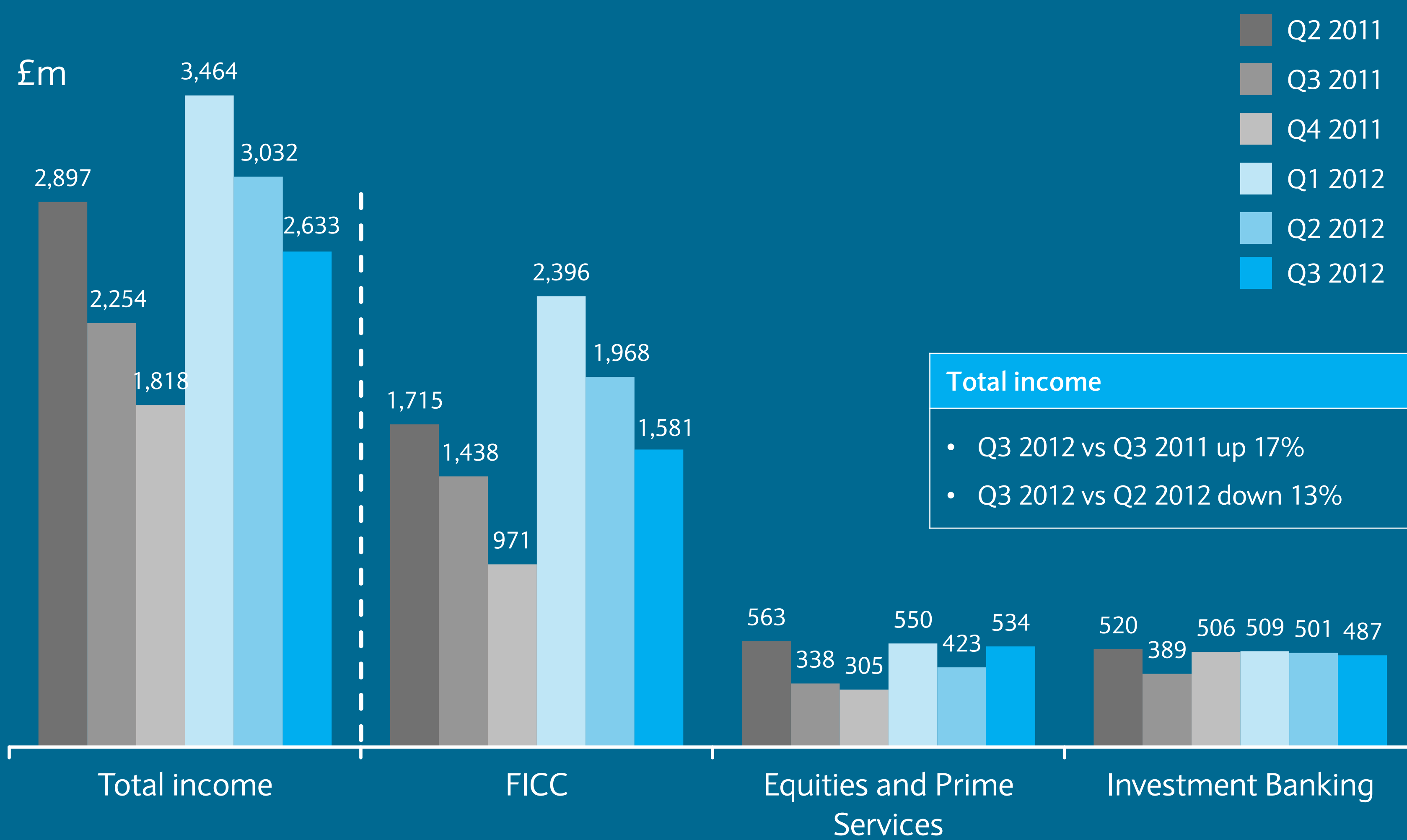
Investment Bank quarterly income



Total income

- Q3 2012 vs Q3 2011 up 17%
- Q3 2012 vs Q2 2012 down 13%

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Corporate Banking

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	2,205	2,398	(8)
Impairment charges	(635)	(895)	(29)
Net operating income	1,570	1,503	4
Operating expenses (excludes provision for interest rate hedging products redress)	(1,130)	(1,337)	(15)
Adjusted profit before tax*	444	167	166
Adjusted profit /(loss) before tax by geographic segment			
UK	681	592	15
Europe	(290)	(434)	(33)
Rest of the World	53	9	

* Comprises 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

Nine months ended – September	2012 (£m)	2011 (£m)	Change (%)
Income	1,334	1,295	3
Impairment charges	(25)	(31)	(19)
Net operating income	1,309	1,264	4
Operating expenses	(1,109)	(1,109)	-
Profit before tax*	200	153	31
Return on average equity	11.2%	10.7%	
Cost: income ratio	83%	86%	

* Comprises 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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Solid capital, liquidity and funding

As at	30 Sep 2012	30 Jun 2012
Core Tier 1 ratio	11.2%	10.9%
Risk weighted assets	£379bn	£390bn
Adjusted gross leverage	20x	20x
Adjusted gross leverage excluding the liquidity pool	17x	17x
Group liquidity pool	£160bn	£170bn
Nine months ended 30 September 2012		
Term issuance completed	£22bn	

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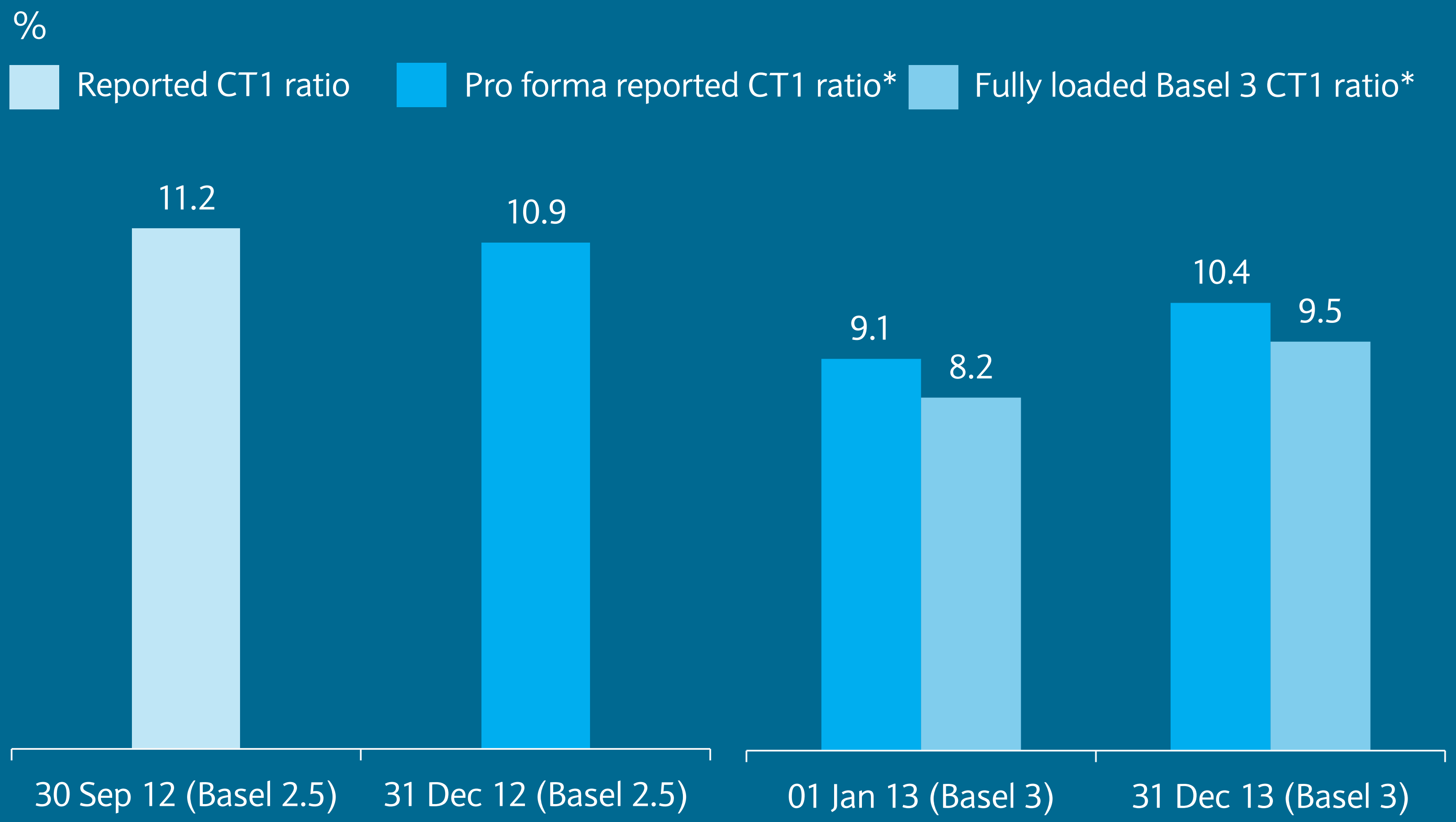
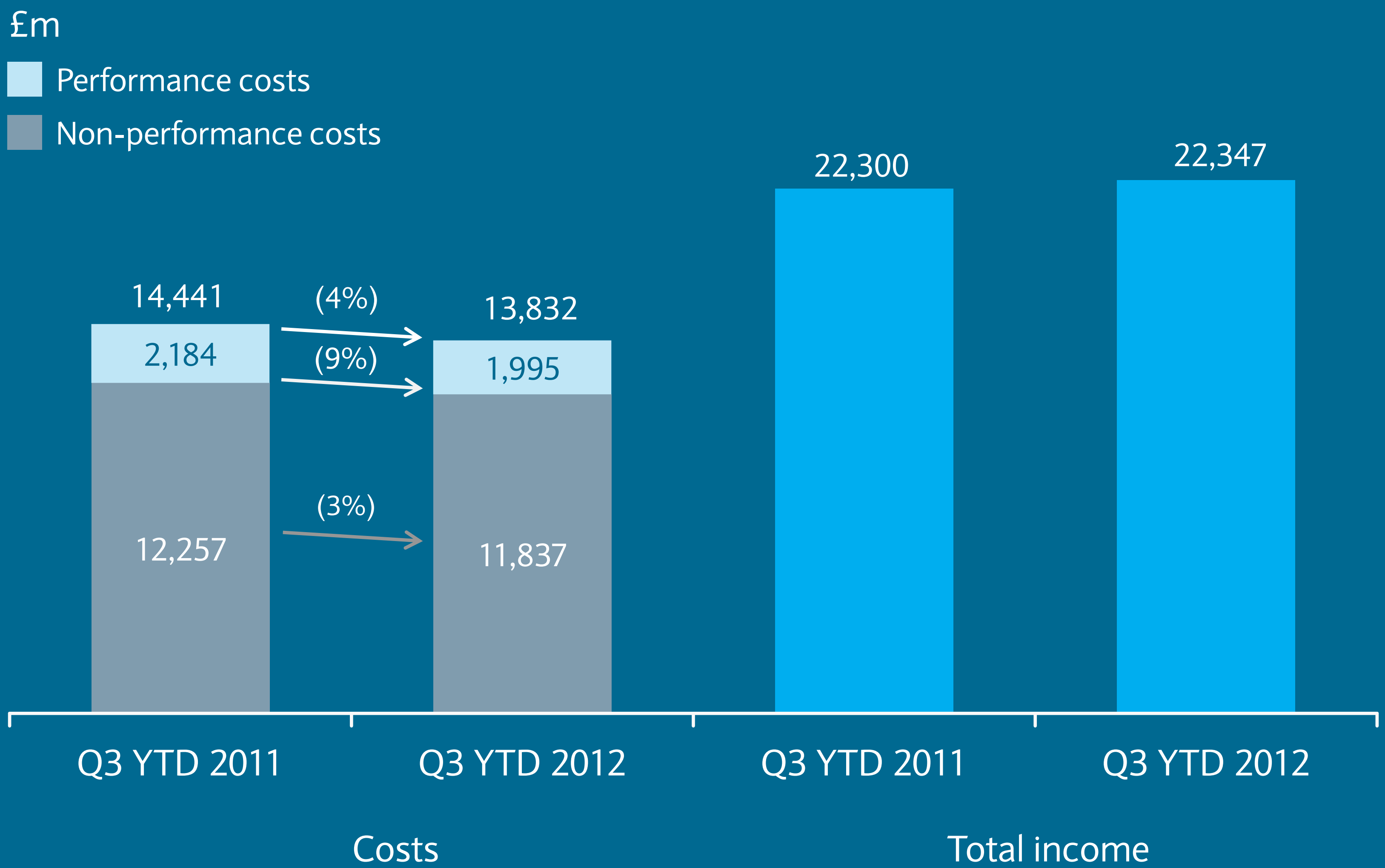
Pro forma Core Tier 1 ratios



* For details and basis of calculation, see slides 28 and 29

Adjusted cost: income ratio improved to 62%



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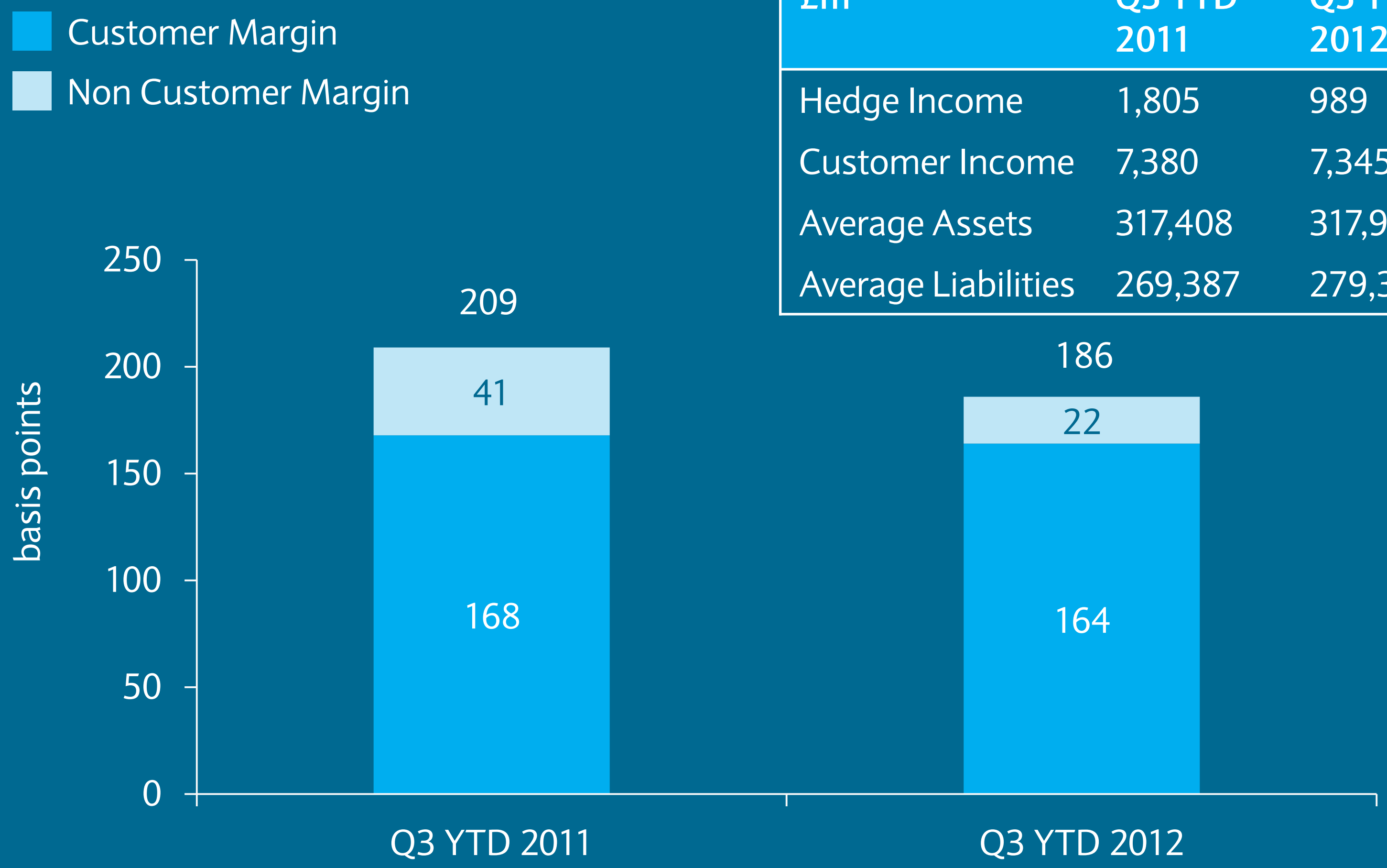
NIM lower due to smaller contribution from hedges

£m	Q3 YTD 2011	Q3 YTD 2012
Hedge Income	1,805	989
Customer Income	7,380	7,345
Average Assets	317,408	317,987
Average Liabilities	269,387	279,348



* Numbers refer to RBB, Corporate Banking and Wealth and Investment Management

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Reduced exposure to the Eurozone periphery

- Over the quarter net funding mismatches in Spain reduced from £2.5bn to £0.1bn and from £3.7bn to £3.3bn in Portugal
- Peripheral sovereign exposures* down 15% to £4.8bn
- Corporate assets in Spain, Italy and Portugal down 19% to £8.2bn
- Retail lending in Spain, Italy and Portugal down 3% to under £38.5bn
- Peripheral financial institutions exposure of £7.0bn
  - £68m of reported Irish exposures to Irish banks; remainder focussed on financial institutions with investment grade credit ratings and/or based in Dublin with main business outside Ireland

* Peripheral sovereign exposure encompasses Spain, Italy, Portugal, Ireland, Greece and Cyprus

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Summary

- Adjusted profit before tax up 18%
- Income stable with operating expenses down 4% on an adjusted basis
- Capital, liquidity and funding remain strong
- Reduced exposures to Eurozone periphery countries

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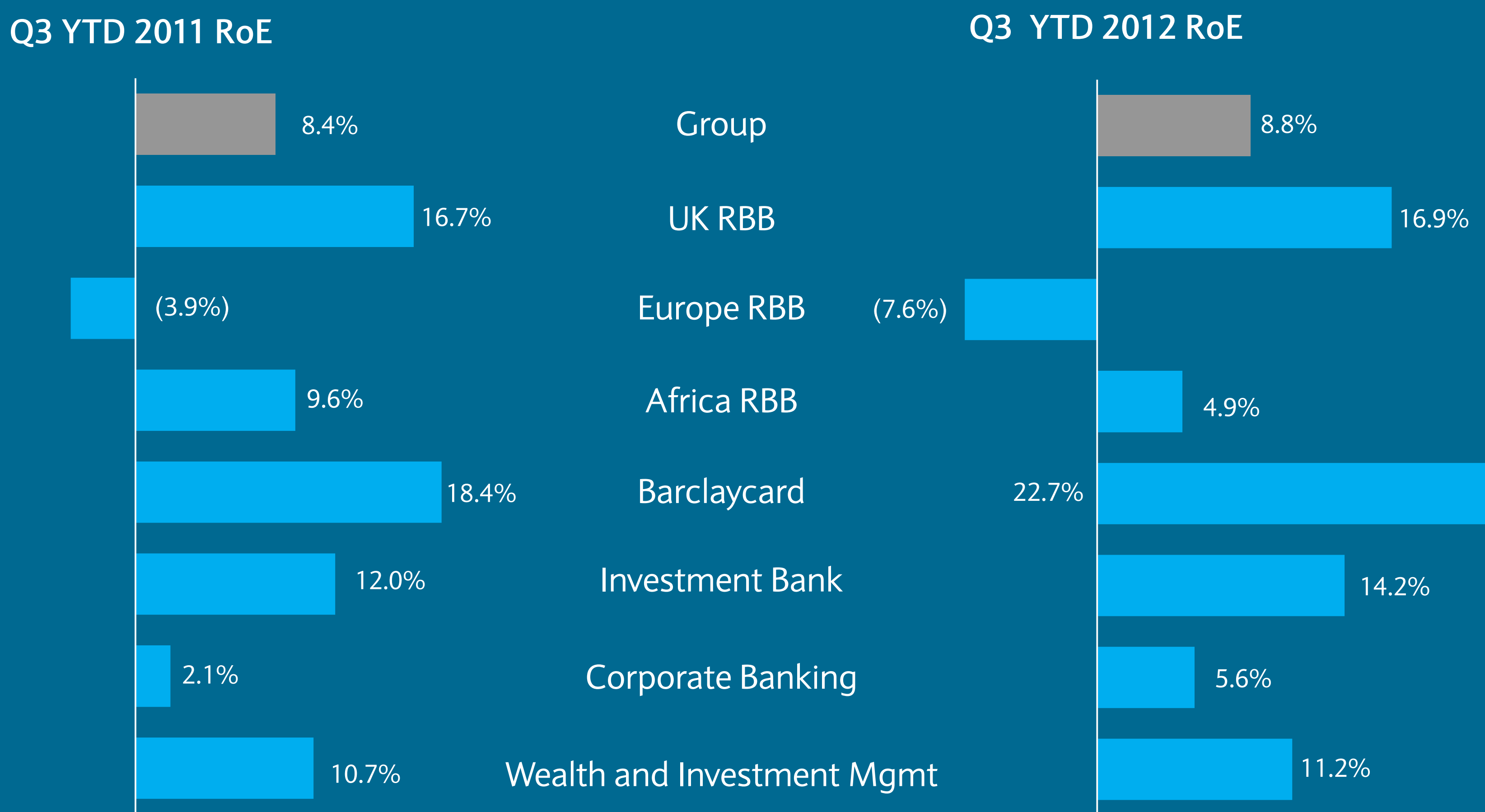
Appendix

Q3 2012 Interim Management Statement

Adjusted return on equity (RoE) increased to 8.8%



Analysis of net interest margin

As at 30 September 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 (%)	1.09	0.82	3.25	9.34	1.18	0.64	2.11	5,025
Customer liability margin (%)	0.97	0.45	2.38	nm	1.07	1.12	1.11	2,320
Non-customer generated margin (%)	0.36	0.35	0.22	(0.66)	0.14	0.25	0.22	989
Net interest margin	1.39	1.07	3.13	8.68	1.26	1.23	1.86	8,334
Average customer assets (£m)	123,217	41,241	34,084	32,072	68,048	19,325	317,987	n/a
Average customer liabilities (£m)	111,044	15,034	22,255	nm	81,833	49,182	279,348	n/a
As at 30 September 2011								
Customer asset margin (%)	1.25	0.91	2.93	9.59	1.53	0.78	2.23	5,303
Customer liability margin (%)	0.85	0.59	2.67	nm	0.91	0.97	1.03	2,077
Non-customer generated margin (%)	0.48	0.51	0.38	0.13	0.35	0.38	0.41	1,806
Net interest margin	1.54	1.33	3.21	9.72	1.56	1.30	2.09	9,185
Average customer assets (£m)	117,540	43,693	39,178	29,973	69,881	17,143	317,408	n/a
Average customer liabilities (£m)	107,276	18,021	23,884	nm	76,249	43,957	269,387	n/a

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Balance Sheet summary

	30 Sep 12 (£bn)	30 Jun 12 (£bn)
Total assets	1,599	1,631
Including		
Derivative financial instruments	495	518
Loans and advances to customers	453	455
Total Liabilities	1,535	1,568
Including		
Derivative financial instruments	488	507
Customer accounts	407	409
Shareholders' equity	64	64
Including		
Shareholders' equity ex. Non-Controlling Interests (NCI)	54	54

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Calculation of adjusted gross leverage

As at	30 Sep 12 (£bn)	30 Jun 12 (£bn)
Total assets	1,599	1,631
Counterparty netting	(411)	(426)
Collateral on derivatives	(48)	(51)
Net settlement balances and cash collateral	(100)	(97)
Goodwill and intangible assets	(8)	(8)
Customer assets held under investment contracts	(2)	(2)
Adjusted total tangible assets	1,030	1048
Total qualifying Tier 1 capital	52	52
Adjusted gross leverage	20x	20x
Adjusted gross leverage (excl. liquidity pool)	17x	17x
Ratio of total assets to shareholders' equity	25x	26x
Ratio of total assets to shareholders' equity (excl. liquidity pool)	23x	23x

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RWAs by business

As at	30 Sep 12 (£m)	30 Jun 12 (£m)
UK RBB	37,305	36,038
Europe RBB	16,055	16,563
Africa RBB	26,846	27,909
Barclaycard	33,573	33,149
Investment Bank	180,415	190,553
Corporate Banking	64,349	69,328
Wealth and Investment Management	14,095	13,998
Head Office and Other Operations	6,004	2,685
Total RWAs	**378,642**	**390,223**

Capital resources

As at	30 Sep 12 (£m)	30 Jun 12 (£m)
Shareholders' equity (ex. NCIs)	54,295	54,205
Net NCIs	2,409	2,525
Regulatory adjustments and deductions:		
Goodwill and intangible assets	(7,564)	(7,574)
Own credit cumulative gain (net of tax)	323	(492)
Defined benefit pension adjustment*	(2,297)	(2,260)
Unrealised losses on AFS debt securities	(433)	83
Unrealised gains on AFS equity (recognised as Tier 2 capital)	(88)	(95)
Cash flow hedging reserve	(2,049)	(1,676)
50% excess of expected losses over impairment (net of tax)	(519)	(500)
50% of securitisation positions	(1,550)	(1,663)
Other regulatory adjustments	(20)	23
Core Tier 1 capital	42,507	42,576
Risk Weighted Assets (RWAs)	378,642	390,223
Core Tier 1 ratio	11.2%	10.9%

* £1bn increase in the deduction for defined benefit pensions, driven by an additional contribution made to the UK Retirement Fund in April 2012 and deducting expected future deficit contributions over the next five years in addition to the pension asset recognised on the Group's balance sheet

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Pro forma CRD IV capital and RWAs

	Reported Sep-12	Pro forma Dec-12	Pro forma Jan-13	Pro forma Dec-13
CT1 Capital	**42.5**	**42.9**	42.9	47.2
CRDIV impact to CT1 Capital			1.3	1.3
CT1 Capital (under CRDIV)			**44.2**	**48.5**
Sep-12 RWAs	**379**	379	379	379
Operational Risk and Slotting (Q4-12)		15	15	15
RWAs (post Operational Risk & Slotting)		**394**	**394**	**394**
CRDIV impact to RWAs:				
CVA			46	46
Securitisation			39	39
Other			23	23
Gross impact			108	108
Planned Management actions			(17)	(38)
Net Impact of CRDIV			91	70
RWAs (post CRD IV)			**485**	**464**
Transitional CT1 Ratio	**11.2%**	**10.9%**	**9.1%**	**10.4%**
Other 2014 - 2018 transitional deductions			(4.6)	(4.6)
Fully loaded CT1 Capital			39.6	43.9
Fully loaded CT1 Ratio			**8.2%**	**9.5%**

CRD IV impact on capital and RWAs

Notes on Proforma CRD IV Capital Ratios

1. Proforma uses consensus estimates for retained earnings from 23 sell-side analysts, including consensus dividend payout. Barclays neither endorses nor verifies the estimates used
2. Proforma assumes exercise of outstanding warrants (£0.8bn) by October 2013. There is a risk that these warrants will not be exercised (strike price is £1.977)
3. No growth in RWAs is assumed for new business activity. However September 2012 RWAs are assumed to increase in Q4 12 for increases to our assessment of Operational Risk and regulatory change relating to Commercial Real Estate ("Slotting")
4. The pro forma RWA increase from Basel 3 includes 1250% risk weighting of securitisation positions while pro forma capital includes the add back of Basel 2 50/50 securitisation deductions
5. Planned management actions relate principally to CVA effects and run down of legacy assets
6. Proforma ratios remain subject to final CRD IV rules and market conditions notably due to CVA's sensitivity to credit spreads
7. Other CRDIV impact to RWAs include adjustments for Central Clearing, Asset Valuation Correlation, withdrawal of national discretion of definition of default, Deferred Tax Assets, Material Holdings and other Counterparty Credit Risk
8. Transitional Core Tier 1 (CT1) ratios post December 2012 do not include Basel 3 2014-2018 phased deductions. Fully loaded CT1 ratios reflect these deductions in full as if applied on an accelerated basis. These deductions comprise excess Minority Interests, Deferred Tax Assets, Available for Sale (AFS) debt and equity reserve, EL>Impairment and Material Holdings, and also Debit Valuation Adjustments (DVA) and Prudential Valuation Adjustments (PVA)
9. In absence of clear guidance in CRD IV draft, PVA is assumed to transition in. There is a risk that this deduction will have no transitional provisions. If this scenario materialises, January 2013 Transitional CT1 ratio will be c. 30bps lower with no impact of Fully Loaded CT1 ratio

FSA Guidance on Publication of Ratios (issued 29/10/2012)

1. Post implementation of CRD IV, the FSA has asked that banks publish Common Equity Tier 1 (CET1) as prescribed by CRD IV Transitional Rules. In addition, the FSA will require certain UK banks to continue to disclose ratios using their 2009 definition of CT1 capital
2. The key difference between the calculation of CET1 and CT1 is the treatment of intangible assets, which are already fully deducted from CT1, but will not be deducted from CET1 at the inception of CRD IV and instead will be phased-in between 2014-2018 at 20% per year

Investment Bank credit market exposures

As at	30 Sep 12 (£m)	31 Dec 11 (£m)	Nine months ended 30 Sep 12		
			FV (losses) / gains (£m)	Imp. (charge) / release (£m)	Total (losses) / gains (£m)
ABS CDO Super Senior	1,536	1,842	(24)	(129)	(153)
US sub-prime and Alt-A	803	1,381	68	(12)	56
Commercial real estate loans and properties	2,821	5,329	78	-	78
Commercial Mortgage Backed Securities	303	1,022	135	-	135
Monoline protection on CMBS	3	9	-	-	-
Leveraged Finance	3,739	4,066	(42)	7	(35)
SIVs, SIV-Lites and CDPCs	-	6	(1)	-	(1)
Monoline protection on CMBS	668	1,120	(30)	-	(30)
CLO and Other assets	130	386	52	-	52
Total	**10,003**	**15,161**	**236**	**(134)**	**102**

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Reduced exposure to the Eurozone periphery

As at 30 September 2012	Spain (£m)	Italy (£m)	Portugal (£m)	Ireland (£m)
Sovereign	2,165	1,946	627	10
Corporate	4,175	1,790	2,190	1,023
Residential mortgages	13,261	15,238	3,436	78
Financial institutions	2,866	298	67	3,790
Other retail lending	2,815	1,991	1,752	105
Total	25,282	21,263	8,072	5,006
Total as at 30 June 2012	25,039	22,902	8,437	5,738

Total net on-balance sheet exposure as at 30 September 2012 for Greece and Cyprus was £83m and £210m respectively

Spanish exposures

Retail

- Average indexed LTV of 64%
- 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*

Corporate

- £4.6bn gross lending to corporates with £1.1bn impairment providing 59% coverage on £1.9bn CRLs
- This includes £2.1bn gross lending to property and construction with £0.9bn impairment providing CRL coverage of 58%

Sovereign

- Largely AFS government bonds. No impairment and £69m loss held in AFS reserve

Gross mortgage exposure by location of outstanding balances

* Greater than 90 days in arrears exclude recovery balances

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Portuguese exposures

Retail

- Average indexed LTV of 73%
- Average retail customer age 40; less than 1% of mortgage balances with customers aged under 25
- 0.6% of home loans greater than 90 days in arrears*

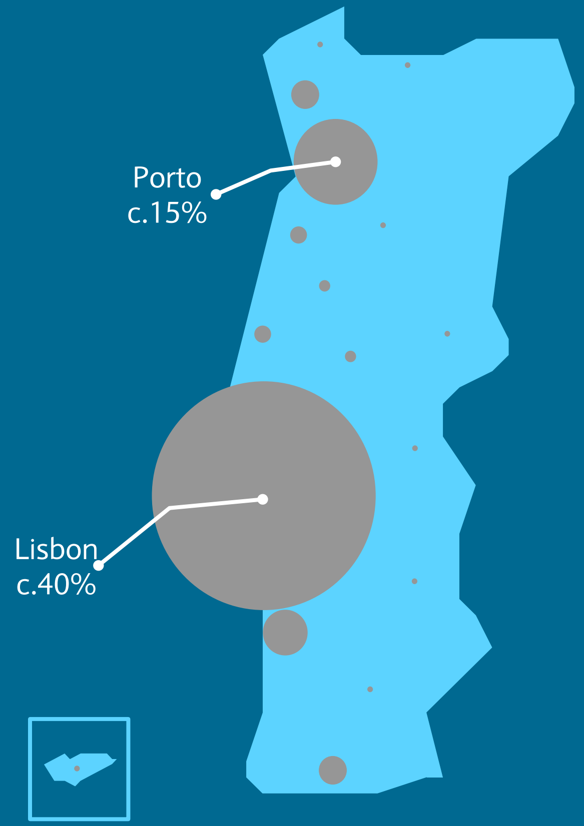
Corporate

- £1.7bn gross lending to corporates with £0.3bn impairment providing 57% coverage on £0.4bn CRLs
- This includes £0.4bn net lending to property and construction

Sovereign

- Largely AFS government bonds. No impairment and £15m loss held in AFS reserve

Gross mortgage exposure by location of outstanding balances



* 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 46; less than 3% of mortgage balances with customers aged under 25
- 1.0% of home loans greater than 90 days in arrears*

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. No impairment or loss in the AFS reserve

Gross mortgage exposure by location of outstanding balances

* 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 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", "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 economic and business conditions, the effects of continued volatility in credit markets, market related risks such as changes in interest rates and 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 Euro), changes in legislation, the further development of standards and interpretations under 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 such 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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