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BARCLAYS PLC  
Form 6-K  
August 05, 2004

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

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FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13A-16 OR 15D-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934

August 2004

Barclays PLC and  
Barclays Bank PLC  
(Names of Registrants)

54 Lombard Street  
London EC3P 3AH  
England  
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

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This Report is a joint Report on Form 6-K filed by Barclays PLC and Barclays Bank PLC. All of the issued ordinary share capital of Barclays Bank PLC is owned by Barclays PLC.

This Report comprises:

Information given to The London Stock Exchange and furnished pursuant to General Instruction B to the General Instructions to Form 6-K.

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EXHIBIT INDEX

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Interim Results announcement dated 5 August 2004

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## BARCLAYS PLC

### INTERIM ANNOUNCEMENT OF RESULTS FOR 2004

|                                                          | PAGE |
|----------------------------------------------------------|------|
| Summary                                                  | 1    |
| Financial highlights                                     | 3    |
| Half-year review                                         | 4    |
| Consolidated profit and loss account                     | 6    |
| Consolidated balance sheet                               | 7    |
| Financial review                                         | 8    |
| Additional information                                   | 47   |
| Notes                                                    | 50   |
| Consolidated statement of changes in shareholders' funds | 61   |
| Statement of total recognised gains and losses           | 62   |
| Summary consolidated cashflow statement                  | 63   |
| Average balance sheet and net interest income            | 64   |
| Other information                                        | 66   |
| Index                                                    | 69   |

The information in this announcement, which was approved by the Board of Directors on 4th August 2004, does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985 (the "Act"). Statutory accounts for the year ended 31st December 2003, including the Group's Annual Report on Form 20-F to the US Securities and Exchange Commission (SEC) and which contained an unqualified audit report under Section 235 of the Act and did not make any statements under Section 237 of the Act, have been delivered to the Registrar of Companies in accordance with Section 242 of the Act.

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. 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 "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. 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 and global economic and business conditions, market related risks such as changes in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the outcome of pending and future litigation and the impact of competition, a number of which are 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 by or on behalf of Barclays speak only as of the date they are made. Barclays does not undertake to update forward-looking statements to reflect any changes in Barclays expectations with regard thereto or any changes 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 filed or may file with the SEC including its most recent Annual Report on Form 20-F.

Comparative figures have been restated for the changes in accounting policy and

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presentation detailed on page 49.

In this document the profit and loss analysis compares, unless stated otherwise, the half-year to 30th June 2004 to the corresponding period of 2003. Balance sheet comparisons, unless stated otherwise, relate to the corresponding position at 31st December 2003. Average balance sheet comparisons relate the half-year to 30th June 2004 to the corresponding period of 2003.

BARCLAYS PLC, 54 LOMBARD STREET, LONDON EC3P 3AH, TELEPHONE 020 7699 5000,  
COMPANY NO. 48839.

### BARCLAYS PLC - SUMMARY

#### RESULTS FOR SIX MONTHS TO 30TH JUNE 2004 (UNAUDITED)

##### Group Results

|                                                | Half-year ended  |                  | % Change |
|------------------------------------------------|------------------|------------------|----------|
|                                                | 30.06.04<br>GBPm | 30.06.03<br>GBPm |          |
| Operating income                               | 6,852            | 5,993            | 14       |
| Operating expenses                             | (3,911)          | (3,387)          | 15       |
| Provisions for bad and doubtful debts          | (589)            | (652)            | (10)     |
| Profit before tax                              | 2,411            | 1,963            | 23       |
| Profit after tax                               | 1,736            | 1,396            | 24       |
| Economic profit                                | 1,054            | 745              | 41       |
| Earnings per share                             | 26.7p            | 21.3p            | 25       |
| Dividend per share                             | 8.25p            | 7.05p            | 17       |
| Post-tax return on average shareholders' funds | 20.4%            | 17.7%            |          |

##### Summary of business performance<sup>1</sup>

|                                   | GBPm  | GBPm  | % Change |
|-----------------------------------|-------|-------|----------|
| UK Banking                        | 1,217 | 1,149 | 6        |
| Private Clients and International | 196   | 129   | 52       |
| Barclaycard                       | 428   | 387   | 11       |
| Barclays Capital                  | 599   | 438   | 37       |
| Barclays Global Investors         | 157   | 91    | 73       |

<sup>1</sup> Comprises profit on ordinary activities before tax excluding goodwill and exceptional items.

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"Barclays had a record half year with all businesses delivering higher profits. Good progress in our core UK businesses and excellent performances in our global product businesses demonstrate the benefits of our distinctive portfolio."

Matthew W. Barrett, Group Chief Executive

### Performance Summary

- Group performance was very strong:
  - profit before tax up 23% to GBP2,411m
  - earnings per share up 25% at 26.7p
  - dividend per share up 17% to 8.25p
  - return on equity of 20.4%
- All businesses had higher profits, demonstrating good progress across the whole portfolio.
- Income growth was particularly strong, up 14%, with good broad based contributions by business and by income type.
- Expenses increased broadly in line with income growth with the majority of the increase attributable to increased variable performance based compensation costs and to higher levels of investment spend.
- Provisions fell 10% to GBP589m reflecting a decline in non-performing loans and potential problem loans.
- Delinquency and arrears experience in the UK retail businesses remained stable.
- The core UK businesses performed well with good profit generation despite absorbing considerable investment in infrastructure and in additional customer facing staff.
- The global product businesses performed very strongly demonstrating the success of prior period investments.
- The integrations of the acquisitions of Charles Schwab Europe, and Clydesdale Financial Services, made during 2003, have been completed. The integrations of Banco Zaragozano and Gerrard are progressing well and are ahead of schedule.
- Balance sheet growth reflects higher levels of customer activity across the Group.
- Group net interest margin of 2.56% was almost identical to the margin of 2.57% in the second half of 2003 and 10 basis points lower than the first half of 2003.
- The Group's capital position remained healthy. Almost GBP1.5bn was returned to shareholders through the final dividend for 2003 and share buybacks of GBP600m.
- The Group continues to be well positioned for growth across its portfolio of businesses.

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## FINANCIAL HIGHLIGHTS (UNAUDITED)

|                                                        | Half-year ended |          |          |
|--------------------------------------------------------|-----------------|----------|----------|
|                                                        | 30.06.04        | 31.12.03 | 30.06.03 |
| RESULTS                                                | GBPm            | GBPm     | GBPm     |
| Net interest income                                    | 3,341           | 3,368    | 3,236    |
| Non-interest income                                    | 3,511           | 3,050    | 2,757    |
| Operating income                                       | 6,852           | 6,418    | 5,993    |
| Operating expenses                                     | (3,911)         | (3,866)  | (3,387)  |
| Provisions for bad and doubtful debts                  | (589)           | (695)    | (652)    |
| Provisions for contingent liabilities and commitments  | -               | 1        | -        |
| Operating profit                                       | 2,352           | 1,858    | 1,954    |
| Profit from joint ventures and associated undertakings | 14              | 19       | 10       |
| Exceptional items                                      | 45              | 5        | (1)      |
| Profit before tax                                      | 2,411           | 1,882    | 1,963    |
| Profit after tax                                       | 1,736           | 1,373    | 1,396    |
| Profit attributable to shareholders                    | 1,716           | 1,361    | 1,383    |
| Economic profit                                        | 1,054           | 685      | 745      |
| BALANCE SHEET                                          |                 |          |          |
| Shareholders' funds                                    | 16,934          | 16,374   | 15,957   |
| Loan capital                                           | 12,468          | 12,339   | 12,553   |
| Total capital resources                                | 29,580          | 28,996   | 28,703   |
| Total assets                                           | 497,994         | 443,262  | 446,624  |
| Weighted risk assets                                   | 203,333         | 188,997  | 181,414  |
| PER ORDINARY SHARE                                     | p               | p        | p        |
| Earnings                                               | 26.7            | 21.0     | 21.3     |
| Dividend                                               | 8.25            | 13.45    | 7.05     |
| Net asset value                                        | 262.7           | 249.5    | 243.7    |
| PERFORMANCE RATIOS                                     | %               | %        | %        |
| Post-tax return on average shareholders' funds         | 20.4            | 16.4     | 17.7     |
| CAPITAL RATIOS                                         | %               | %        | %        |
| Equity Tier 1 ratio                                    | 6.4             | 6.5      | 6.9      |
| Tier 1 ratio                                           | 7.7             | 7.9      | 8.4      |
| Risk asset ratio                                       | 12.2            | 12.8     | 13.2     |
| GROUP YIELDS, SPREADS & MARGINS                        | %               | %        | %        |
| Gross yield                                            | 4.95            | 4.84     | 5.00     |
| Interest spread                                        | 2.26            | 2.29     | 2.37     |
| Interest margin                                        | 2.56            | 2.57     | 2.66     |
| ECONOMIC DATA                                          |                 |          |          |
| Period end - US\$/GBP                                  | 1.81            | 1.78     | 1.65     |
| Average - US\$/GBP                                     | 1.82            | 1.64     | 1.61     |
| Period end - EUR/GBP                                   | 1.49            | 1.41     | 1.44     |
| Average - EUR/GBP                                      | 1.48            | 1.45     | 1.46     |
| FTSE 100 index period end                              | 4,464           | 4,477    | 4,031    |
| FTSE 100 index average                                 | 4,468           | 4,051    | 3,844    |

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### HALF-YEAR REVIEW

Barclays had a record half year with all businesses delivering higher profits. Good progress in our core UK businesses and excellent performances in our global product businesses demonstrate the benefits of our distinctive portfolio.

Financial performance was very strong. Profit before tax increased 23% to GBP2,411m (2003: GBP1,963m). Earnings per share rose 25% to 26.7p (2003: 21.3p). We have increased the interim dividend by 17% to 8.25p (2003: 7.05p).

Income increased 14% to GBP6,852m (2003: GBP5,993m). Net revenue (operating income less provisions) rose 17%. The income contributions were broadly based - by business and by income type - and reflected the return on the investment made in prior years. Customer activity levels were higher, and we achieved good new customer flows across the portfolio of businesses.

Costs in the first half were GBP3,911m (2003: GBP3,387m) and grew broadly in line with income. The majority of the cost growth was attributable to higher variable costs consequent on good financial performance and increased investment spend. At our results in February 2004, we said we expected to accelerate the pace of implementation of our organic growth plans, in particular in Barclays Capital and Barclaycard International, and we have done so.

Credit quality remained good, with provisions falling 10% to GBP589m (2003: GBP652m). The credit environment in wholesale improved significantly relative to 2003 whilst retail remained benign. Delinquency trends across our UK retail businesses continued to be very stable.

In our core UK Banking franchise, we made good progress with increased investment in customer facing staff and systems being paid for by good cost discipline elsewhere and by new efficiencies identified from the merger of the UK Retail Banking and UK Business Banking businesses.

Private Clients performed strongly, assisted by recent acquisitions and provided evidence that we have seen the beginning of a recovery in this business. Customer activity was higher across private banking, stockbrokers and investment services, underpinned by better market conditions and improved investor confidence.

International, our non UK retail and commercial business, performed strongly. The merger of Banco Zaragozano with Barclays Spain is ahead of schedule. We expect to achieve synergies earlier than planned, and at lower cost. Underlying performance across the Spanish business was strong.

Our global product businesses -Barclaycard, Barclays Capital and Barclays Global Investors - delivered a very good performance.

Barclaycard continued to achieve good financial results. The business coped well with the headwinds of higher interest rates, vigorous competition and continued regulatory scrutiny. Barclaycard International made good progress, investing in its growth and delivering growth across all key financial measures.

Barclays Capital delivered record results for the first half including income growth of 27%. Performance was broadly based across products and geographies. We continued to invest strongly in this business, building on its strong track record.

Barclays Global Investors had an excellent first half performance. With over US\$1.1 trillion of assets under management, it continued to benefit from strong flows of net new assets, growth in higher margin products and continued good investment performance.

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We made excellent progress relative to the economic profit performance goal for the 2004 to 2007 period: economic profit was GBP1,054m. This was some 41% ahead of the prior year period, and significantly exceeded the rate of growth we need to hit our goal over time. However, although it is still early in the new goal period, the combination of strong economic profit performance, healthy dividend growth and an active share buy back programme, have not translated into correspondingly strong total shareholder return: the UK banks, Barclays included, have lagged the performance of continental European and US members of our peer group since January.

Achieving world class productivity standards across all businesses is important in delivering performance on a sustained basis. All our businesses are set targets to achieve top quartile productivity and to improve continually once this target is attained. In UK Banking, where current levels of productivity fall short of the benchmark, we expect to deliver a two percentage point improvement per annum in the cost:income ratio for each of the years 2005, 2006 and 2007. This should be achieved by progress on both income and in costs.

The economic outlook for the remainder of the year looks healthy. The world economy continues to expand briskly, with the US performing strongly, the modest recovery in the Eurozone persisting, and Asia growing well. This provides a very helpful backdrop for the UK, where growth remains above trend and is expected to continue to do so for the rest of the year. It is an encouraging environment for Barclays clients and customers.

We made good progress in implementing our future leadership strategy, and we recently announced that, with effect from 1st September 2004, Matthew Barrett will become Chairman and John Varley Group Chief Executive.

Sir Peter Middleton  
Chairman

Matthew W. Barrett  
Group Chief Executive

### CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

|                                                       | Half-year ended |          |          |
|-------------------------------------------------------|-----------------|----------|----------|
|                                                       | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                       | GBPm            | GBPm     | GBPm     |
| Interest receivable                                   | 6,463           | 6,334    | 6,093    |
| Interest payable                                      | (3,122)         | (2,966)  | (2,857)  |
| Net interest income                                   | 3,341           | 3,368    | 3,236    |
| Net fees and commissions receivable                   | 2,378           | 2,233    | 2,030    |
| Dealing profits                                       | 806             | 524      | 530      |
| Other operating income                                | 327             | 293      | 197      |
| Total non-interest income                             | 3,511           | 3,050    | 2,757    |
| Operating income                                      | 6,852           | 6,418    | 5,993    |
| Administration expenses - staff costs                 | (2,397)         | (2,269)  | (2,026)  |
| Administration expenses - other                       | (1,226)         | (1,312)  | (1,092)  |
| Depreciation                                          | (140)           | (145)    | (144)    |
| Goodwill amortisation                                 | (148)           | (140)    | (125)    |
| Operating expenses                                    | (3,911)         | (3,866)  | (3,387)  |
| Operating profit before provisions                    | 2,941           | 2,552    | 2,606    |
| Provisions for bad and doubtful debts                 | (589)           | (695)    | (652)    |
| Provisions for contingent liabilities and commitments | -               | 1        | -        |
| Operating profit                                      | 2,352           | 1,858    | 1,954    |
| Profit from joint ventures and                        |                 |          |          |

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|                                                                   |       |        |       |
|-------------------------------------------------------------------|-------|--------|-------|
| associated undertakings                                           | 14    | 19     | 10    |
| Exceptional items                                                 | 45    | 5      | (1)   |
| Profit on ordinary activities before tax                          | 2,411 | 1,882  | 1,963 |
| Tax on profit on ordinary activities                              | (675) | (509)  | (567) |
| Profit on ordinary activities after tax                           | 1,736 | 1,373  | 1,396 |
| Minority interests: equity                                        | (20)  | (12)   | (13)  |
| Profit for the period attributable to the members of Barclays PLC | 1,716 | 1,361  | 1,383 |
| Dividends                                                         | (528) | (883)  | (457) |
| Profit retained for the financial period                          | 1,188 | 478    | 926   |
| Earnings per ordinary share                                       | 26.7p | 21.0p  | 21.3p |
| Fully diluted earnings per share                                  | 26.6p | 20.8p  | 21.3p |
| Post tax return on average shareholders' funds                    | 20.4% | 16.4%  | 17.7% |
| Dividends per ordinary share:                                     |       |        |       |
| Interim                                                           | 8.25p | -      | 7.05p |
| Final                                                             | -     | 13.45p | -     |

## CONSOLIDATED BALANCE SHEET (UNAUDITED)

|                                                         |          |          |          |
|---------------------------------------------------------|----------|----------|----------|
|                                                         | 30.06.04 | 31.12.03 | 30.06.03 |
| Assets:                                                 | GBPm     | GBPm     | GBPm     |
| Cash and balances at central banks                      | 1,829    | 1,726    | 1,717    |
| Items in course of collection from other banks          | 2,527    | 2,006    | 3,155    |
| Treasury bills and other eligible bills                 | 6,547    | 7,177    | 7,842    |
| Loans and advances to banks - banking                   | 17,577   | 17,254   | 14,937   |
| - trading                                               | 59,100   | 44,670   | 52,534   |
|                                                         | 76,677   | 61,924   | 67,471   |
| Loans and advances to customers                         |          |          |          |
| - banking                                               | 174,180  | 167,858  | 164,912  |
| - trading                                               | 72,893   | 58,961   | 59,447   |
|                                                         | 247,073  | 226,819  | 224,359  |
| Debt securities                                         | 117,387  | 97,393   | 100,122  |
| Equity shares                                           | 9,365    | 7,859    | 5,157    |
| Interests in joint ventures and associated undertakings | 429      | 428      | 454      |
| Intangible fixed assets - goodwill                      | 4,263    | 4,406    | 3,867    |
| Tangible fixed assets                                   | 1,746    | 1,790    | 1,572    |
| Other assets                                            | 22,240   | 23,657   | 23,266   |
|                                                         | 490,083  | 435,185  | 438,982  |
| Retail life-fund assets attributable to policyholders   | 7,911    | 8,077    | 7,642    |
| Total assets                                            | 497,994  | 443,262  | 446,624  |
| Liabilities:                                            |          |          |          |
| Deposits by banks - banking                             | 62,905   | 57,641   | 51,357   |
| - trading                                               | 52,931   | 36,451   | 41,844   |
|                                                         | 115,836  | 94,092   | 93,201   |
| Customer accounts - banking                             | 162,830  | 155,814  | 153,893  |
| - trading                                               | 43,374   | 29,054   | 44,223   |
|                                                         | 206,204  | 184,868  | 198,116  |



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|                                                            |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| Debt securities in issue                                   | 55,280  | 49,569  | 48,431  |
| Items in course of collection due to other banks           | 1,442   | 1,286   | 1,662   |
| Other liabilities                                          | 81,741  | 76,374  | 68,869  |
| Undated loan capital - non-convertible                     | 6,233   | 6,310   | 6,570   |
| Dated loan capital - convertible to preference shares      | 15      | 17      | 11      |
| Dated loan capital - non-convertible                       | 6,220   | 6,012   | 5,972   |
|                                                            | 472,971 | 418,528 | 422,832 |
| Minority interests and shareholders' funds:                |         |         |         |
| Minority interests: equity                                 | 178     | 283     | 193     |
| Called up share capital                                    | 1,613   | 1,642   | 1,638   |
| Reserves                                                   | 15,321  | 14,732  | 14,319  |
| Shareholders' funds: equity                                | 16,934  | 16,374  | 15,957  |
|                                                            | 17,112  | 16,657  | 16,150  |
|                                                            | 490,083 | 435,185 | 438,982 |
| Retail life-fund liabilities attributable to policyholders | 7,911   | 8,077   | 7,642   |
| Total liabilities and shareholders' funds                  | 497,994 | 443,262 | 446,624 |

## FINANCIAL REVIEW

### Results by nature of income and expense

|                     | Half-year ended |          |          |
|---------------------|-----------------|----------|----------|
|                     | 30.06.04        | 31.12.03 | 30.06.03 |
| Net interest income | GBPm            | GBPm     | GBPm     |
| Interest receivable | 6,463           | 6,334    | 6,093    |
| Interest payable    | (3,122)         | (2,966)  | (2,857)  |
|                     | 3,341           | 3,368    | 3,236    |

Group net interest income increased 3% (GBP105m) to GBP3,341m (2003: GBP3,236m), reflecting growth in balances which more than offset a 10 basis points fall in the Group net interest margin to 2.56%. The Group net interest margin versus the second half of 2003 was stable.

The Group net interest margin of 2.56% (2003: 2.66%) includes 0.45% (2003: 0.50%) arising from the benefit of free funds. A component of the benefit of free funds is the structural hedge against short-term interest rate movements. As expected, the contribution of the structural hedge has decreased to 0.16% (2003: 0.21%) largely due to the impact of higher short term interest rates.

Group average interest earning assets increased GBP17bn to GBP261bn (2003: GBP244bn). Domestic average interest earning assets increased GBP15bn to GBP173bn (2003: GBP158bn). This reflected an increase of GBP9bn in Barclays Capital and a GBP5bn increase in UK Banking. International average interest earning assets increased GBP2bn to GBP88bn (2003: GBP86bn), primarily attributable to the inclusion of Banco Zaragozano.

The domestic net interest margin fell 24 basis points to 3.43% (2003: 3.67%), with a significant majority of the move attributable to the increased proportion of wholesale assets in the domestic balance sheet and the impact of the structural hedge. The remainder reflected increased margins in retail savings and UK Business Banking lending, which were broadly offset by a decline in mortgage and credit card margins as a result of interest rate rises.

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The international net interest margin improved by 5 basis points to 0.85% (2003: 0.80%) largely due to a change in the mix, in particular in the Barclays Capital portfolio.

The Group net interest margin was impacted by the factors described above with the reduction partially mitigated by an increase in the proportion of domestic interest earning assets.

### Yields, spreads and margins - banking business<sup>1</sup>

|                              | Half-year ended |          |          |
|------------------------------|-----------------|----------|----------|
|                              | 30.06.04        | 31.12.03 | 30.06.03 |
|                              | %               | %        | %        |
| Gross yield <sup>2</sup>     |                 |          |          |
| Group                        | 4.95            | 4.84     | 5.00     |
| Domestic                     | 5.63            | 5.40     | 5.75     |
| International                | 3.62            | 3.85     | 3.64     |
| Interest spread <sup>3</sup> |                 |          |          |
| Group                        | 2.26            | 2.29     | 2.37     |
| Domestic                     | 3.04            | 3.28     | 3.29     |
| International                | 0.78            | 0.64     | 0.72     |
| Interest margin <sup>4</sup> |                 |          |          |
| Group                        | 2.56            | 2.57     | 2.66     |
| Domestic                     | 3.43            | 3.61     | 3.67     |
| International                | 0.85            | 0.74     | 0.80     |
| Average UK base rate         | 4.06            | 3.59     | 3.80     |

<sup>1</sup> Domestic business is conducted primarily in the UK in Sterling. International business is conducted primarily in foreign currencies. In addition to the business carried out by overseas branches and subsidiaries, some international business is transacted in the UK by Barclays Capital.

The yields, spreads, and margins shown above exclude non-margin related items, including profits and losses on the repurchase of loan capital and the unwinding of the discount on vacant leasehold property provisions.

<sup>2</sup> Gross yield is the interest rate earned on average interest earning assets.

<sup>3</sup> Interest spread is the difference between the interest rate earned on average interest earning assets and the interest rate paid on average interest bearing liabilities.

<sup>4</sup> Interest margin is net interest income as a percentage of average interest earning assets.

### Average interest earning assets and liabilities - banking business

|                                 | Half-year ended |          |          |
|---------------------------------|-----------------|----------|----------|
|                                 | 30.06.04        | 31.12.03 | 30.06.03 |
|                                 | GBPm            | GBPm     | GBPm     |
| Average interest earning assets |                 |          |          |
| Group                           | 261,310         | 261,807  | 243,668  |
| Domestic                        | 172,823         | 167,303  | 157,565  |
| International                   | 88,487          | 94,504   | 86,103   |

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### Average interest bearing liabilities

|               |         |         |         |
|---------------|---------|---------|---------|
| Group         | 232,638 | 232,850 | 216,707 |
| Domestic      | 146,413 | 141,082 | 132,796 |
| International | 86,225  | 91,768  | 83,911  |

### Net fees and commissions

|                                    | Half-year ended |          |          |
|------------------------------------|-----------------|----------|----------|
|                                    | 30.06.04        | 31.12.03 | 30.06.03 |
|                                    | GBPm            | GBPm     | GBPm     |
| Fees and commissions receivable    | 2,720           | 2,598    | 2,298    |
| Less: fees and commissions payable | (342)           | (365)    | (268)    |
|                                    | 2,378           | 2,233    | 2,030    |

Group net fees and commissions increased 17% (GBP348m) to GBP2,378m (2003: GBP2,030m), reflecting increases in all businesses.

Fees and commissions receivable rose 18% to GBP2,720m (2003: GBP2,298m) driven by increases in: Barclays Global Investors, reflecting very strong business growth; Barclays Capital, consequent on improved client activity; and Private Clients, as a result of stronger business volumes and better market levels as well as the impact of acquisitions. Strong growth was also achieved in UK Banking and in Barclaycard.

Fees and commissions payable increased 28% to GBP342m (2003: GBP268m). This was primarily driven by an increase in fees and commissions payable in Barclaycard, reflecting higher business volumes in cards and loans.

### Dealing profits

|                         | Half-year ended |          |          |
|-------------------------|-----------------|----------|----------|
|                         | 30.06.04        | 31.12.03 | 30.06.03 |
|                         | GBPm            | GBPm     | GBPm     |
| Rates related business  | 698             | 460      | 449      |
| Credit related business | 108             | 64       | 81       |
|                         | 806             | 524      | 530      |

Almost all the Group's dealing profits are generated in Barclays Capital.

Dealing profits grew 52% to GBP806m (2003: GBP530m) with very strong performances in the Rates and Credit businesses. This was driven by higher volumes of client led activity across a broad range of products, the benefits of recent headcount investments in product depth and geographical reach and reflected the level of average Daily Value at Risk (DVaR). The very strong growth in the Rates businesses was across fixed income, equity related activities and commodities. The performance in the Credit businesses reflected an increase in the contribution from credit derivatives.

Total foreign exchange income was GBP260m (2003: GBP277m) and consisted of revenues earned from both retail and wholesale activities. The foreign exchange income earned on customer transactions by UK Banking, Private Clients and International and Barclaycard, both externally and within Barclays Capital, is reported in those business units, within fees and commissions.

### Other operating income

|  | Half-year ended |          |          |
|--|-----------------|----------|----------|
|  | 30.06.04        | 31.12.03 | 30.06.03 |
|  | GBPm            | GBPm     | GBPm     |

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|                                              |     |     |      |
|----------------------------------------------|-----|-----|------|
| Premium income on insurance underwriting     | 128 | 156 | 108  |
| Profits on disposal of investment securities | 67  | 18  | 55   |
| Income from the long term assurance business | (3) | (2) | (31) |
| Property rentals                             | 5   | 6   | 9    |
| Dividend income from equity shares           | 6   | 3   | 3    |
| Other income                                 | 124 | 112 | 53   |
|                                              | 327 | 293 | 197  |

Other operating income increased 66% (GBP130m) to GBP327m (2003: GBP197m).

Income on insurance underwriting rose by GBP20m to GBP128m (2003: GBP108m) as a result of income from increased consumer lending activities and a favourable claims experience.

The increase in profits on disposal of investment securities and other income includes the effects of realisations in the private equity business and in structured capital markets within Barclays Capital.

Virtually all of the Group's long term assurance activity is based in the UK. This UK business, which closed to new business following the formation of the strategic alliance with Legal and General in 2001, was the main contributor to the loss of GBP3m for the first half of 2004 and the losses experienced in 2003. The result for 2004 included costs of redress for customer claims in respect of endowment policies of GBP33m (2003: GBP50m).

### Operating expenses

The Group manages core costs on the basis of three specific categories: business as usual, revenue related and strategic investment. Revenue related costs are costs that are directly associated with a corresponding change in revenue or profits. Strategic investment costs are costs that can generate or enable new revenue streams or definable growth in a revenue stream, or generate or enable reduced costs. Acquisition and disposal costs are those expenses incurred in 2004 or 2003 by those businesses that were purchased or sold by the group in 2004 or 2003. Restructuring costs and goodwill amortisation are reported separately.

The Group's expenses are summarised in the following table:

|                            | Half-year ended |          |          |
|----------------------------|-----------------|----------|----------|
|                            | 30.06.04        | 31.12.03 | 30.06.03 |
|                            | GBPm            | GBPm     | GBPm     |
| Business as usual costs    | 2,755           | 2,744    | 2,572    |
| Revenue related costs      | 596             | 528      | 454      |
| Strategic investment costs | 216             | 247      | 145      |
| Acquisitions and disposals | 132             | 72       | 17       |
| Restructuring costs        | 64              | 135      | 74       |
| Goodwill amortisation      | 148             | 140      | 125      |
|                            | 3,911           | 3,866    | 3,387    |

Operating expenses rose 15% (GBP524m) to GBP3,911m (2003: GBP3,387m). Against the second half of 2003 operating expenses were up 1% (GBP45m).

Business as usual costs increased 7% (GBP183m) to GBP2,755m (2003: GBP2,572m), reflecting higher business volumes and increased investment. In addition, costs

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associated with the implementation of regulatory and legislative programmes, including Mortgages and General Insurance, International Financial Reporting Standards, Basel II and Sarbanes Oxley, represented GBP41m of the increase.

Revenue related costs rose 31% (GBP142m) to GBP596m (2003: GBP454m) driven largely by increased performance related payments primarily in Barclays Capital and Barclays Global Investors.

Strategic investment costs increased 49% (GBP71m) to GBP216m (2003: GBP145m). This reflected increased spend in Barclays Capital, due to the impact of continued investment in product, client coverage and distribution capabilities, and, in UK Retail Banking, reflecting investment in the business infrastructure.

Acquisitions and disposals costs reflect the acquisitions of Charles Schwab Europe, Clydesdale Financial Services, Banco Zaragozano and Gerrard in 2003.

### Administrative expenses - staff costs

|                                                    | Half-year ended |          |          |
|----------------------------------------------------|-----------------|----------|----------|
|                                                    | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                    | GBPm            | GBPm     | GBPm     |
| Salaries and accrued incentive payments            | 1,954           | 1,810    | 1,631    |
| Social security costs                              | 167             | 148      | 130      |
| Pension costs                                      | 75              | 83       | 97       |
| Post-retirement health care                        | 10              | 10       | 9        |
| Other staff costs                                  | 191             | 218      | 159      |
|                                                    | 2,397           | 2,269    | 2,026    |
|                                                    | 30.06.04        | 31.12.03 | 30.06.03 |
| Number of staff at period end:                     |                 |          |          |
| UK Banking                                         | 40,700          | 41,000   | 42,300   |
| UK Retail Banking                                  | 33,500          | 34,000   | 35,100   |
| UK Business Banking                                | 7,200           | 7,000    | 7,200    |
| Private Clients and International                  | 19,100          | 19,000   | 17,000   |
| Private Clients                                    | 7,100           | 6,900    | 6,200    |
| International                                      | 12,000          | 12,100   | 10,800   |
| Barclaycard                                        | 6,600           | 6,200    | 5,900    |
| Barclays Capital                                   | 6,900           | 5,800    | 5,500    |
| Barclays Global Investors                          | 1,900           | 2,000    | 2,000    |
| Head office functions and other operations         | 1,000           | 800      | 900      |
| Total Group permanent and contract staff worldwide | 76,200          | 74,800   | 73,600   |
| Temporary and agency staff worldwide               | 5,600           | 4,100    | 3,800    |
| Total including temporary and agency staff         | 81,800          | 78,900   | 77,400   |

Staff costs increased by 18% (GBP371m) to GBP2,397m (2003: GBP2,026m).

Salaries and accrued incentive payments rose by 20% (GBP323m) to GBP1,954m (2003: GBP1,631m) principally reflecting increased performance related payments primarily within Barclays Capital and Barclays Global Investors, the impact of the businesses acquired in 2003 and increased headcount.

Pension costs comprise all UK and international pension schemes. Included in the costs is the charge of GBP53m (2003: GBP73m) in respect of the Group's main UK pension schemes.

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Staff numbers shown are on a full time equivalent basis. United Kingdom permanent and contract staff are 58,900 (31st December 2003: 58,000; 30th June 2003: 58,300).

During the first half of 2004, permanent and contract staff increased by 1,400. The implementation of restructuring programmes resulted in a decrease of 1,100 staff, but this was more than offset by the recruitment of additional staff throughout the Group. Significant areas of recruitment were Barclays Capital, to support the expansion of their business, and Barclaycard through the growth of Barclaycard International and the addition of front office staff to improve customer service in Barclaycard UK.

Head office functions and other operations includes staff undertaking activities which support the operating business and provide central information technology services and their costs are predominantly passed onto the businesses.

### Administrative expenses - other

|                                 | Half-year ended |          |          |
|---------------------------------|-----------------|----------|----------|
|                                 | 30.06.04        | 31.12.03 | 30.06.03 |
|                                 | GBPm            | GBPm     | GBPm     |
| Property and equipment expenses | 494             | 583      | 510      |
| Other administrative expenses   | 732             | 729      | 582      |
|                                 | 1,226           | 1,312    | 1,092    |

Administrative expenses - other rose by 12% (GBP134m) to GBP1,226m (2003: GBP1,092m) as a result of increased outsourcing, higher business activity and the impact of acquisitions.

### Depreciation

|                                    | Half-year ended |          |          |
|------------------------------------|-----------------|----------|----------|
|                                    | 30.06.04        | 31.12.03 | 30.06.03 |
|                                    | GBPm            | GBPm     | GBPm     |
| Property depreciation              | 42              | 48       | 45       |
| Equipment depreciation             | 97              | 99       | 97       |
| Loss/(profit) on sale of equipment | 1               | (2)      | 2        |
|                                    | 140             | 145      | 144      |

### Provisions for bad and doubtful debts

|                                                                                      | Half-year ended |          |          |
|--------------------------------------------------------------------------------------|-----------------|----------|----------|
|                                                                                      | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                                                      | GBPm            | GBPm     | GBPm     |
| The provisions charge for the period in respect of bad and doubtful debts comprises: |                 |          |          |
| Specific provisions                                                                  |                 |          |          |
| New and increased                                                                    | 836             | 857      | 771      |
| Releases                                                                             | (56)            | (125)    | (70)     |
| Recoveries                                                                           | (115)           | (51)     | (62)     |
|                                                                                      | 665             | 681      | 639      |
| General provision (release) / charge                                                 | (76)            | 14       | 13       |
| Net charge                                                                           | 589             | 695      | 652      |

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Total provisions balances for bad and doubtful debts at end of the period comprise:

|                     |       |       |       |
|---------------------|-------|-------|-------|
| Specific provisions | 2,223 | 2,233 | 2,261 |
| General provisions  | 713   | 795   | 752   |
|                     | 2,936 | 3,028 | 3,013 |

The provisions charge decreased 10% (GBP63m) to GBP589m (2003: GBP652m) due to lower provisions charges in the corporate and wholesale businesses which reflected a fall in non-performing loans and potential problem loans. As a percentage of average banking loans and advances, the annualised provisions rate decreased to 0.60% (2003: 0.71%).

The provisions charge was higher in the retail businesses at GBP412m (2003: GBP393m). The increase occurred mainly in Barclaycard, following high levels of new customer recruitment. The annualised retail provisions rate remained broadly stable at 0.92% of loans and advances (2003: 0.90%).

The provisions charge decreased significantly in the corporate and wholesale businesses, declining to GBP177m (2003: GBP260m). Barclays Capital provisions fell significantly. The annualised wholesale provisions rate improved to 0.34% of loans and advances (2003: 0.54%).

Total provisions balances declined slightly. Specific provisions balances were flat, but the general provisions balance decreased 10% from December 2003. The decline in the general provisions balance largely relates to the restructuring of an individual corporate exposure, where a general provision was transferred to new specific provisions. This individual transfer had no effect on the net provisions charge.

Profit from joint ventures and associated undertakings

|                                     | Half-year ended |          |          |
|-------------------------------------|-----------------|----------|----------|
|                                     | 30.06.04        | 31.12.03 | 30.06.03 |
|                                     | GBPm            | GBPm     | GBPm     |
| (Loss)/profit from joint ventures   | (2)             | 1        | -        |
| Profit from associated undertakings | 16              | 18       | 10       |
|                                     | 14              | 19       | 10       |

The majority of the profit from associated undertakings for the year relates to the investment in FirstCaribbean.

Exceptional items

|                                                   | Half-year ended |          |          |
|---------------------------------------------------|-----------------|----------|----------|
|                                                   | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                   | GBPm            | GBPm     | GBPm     |
| Profit on disposal of associated undertakings     | 44              | -        | -        |
| Profit / (loss) on disposal of Group undertakings | 1               | 5        | (1)      |
|                                                   | 45              | 5        | (1)      |

The profit on disposal relates mainly to the sale of Edotech, an investment in a management buy out of the former Barclays in-house statement printing operation.

Tax rate

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The charge for the period is based upon a UK corporation tax rate of 30% for the calendar year 2004 (full year 2003: 30%). The effective rate of tax for the first half of 2004 was 28.0 % (2003: 28.9%). This is lower than the standard rate primarily due to the beneficial effects of lower tax on overseas income.

### Earnings per ordinary share

|                                                                           | 30.06.04  | Half-year ended<br>31.12.03 | 30.06.03  |
|---------------------------------------------------------------------------|-----------|-----------------------------|-----------|
| Profit for the financial year attributable to the members of Barclays PLC | GBP1,716m | GBP1,361m                   | GBP1,383m |
| Weighted average number of ordinary shares in issue                       | 6,421m    | 6,477m                      | 6,488m    |
| Dilutive effect of share options outstanding                              | 31m       | 31m                         | 17m       |
| Diluted weighted average number of shares                                 | 6,452m    | 6,508m                      | 6,505m    |
| Earnings per ordinary share                                               | p<br>26.7 | p<br>21.0                   | p<br>21.3 |
| Fully diluted earnings per ordinary share                                 | 26.6      | 20.8                        | 21.3      |

### Dividends on ordinary shares

The Board has decided to pay, on 1st October 2004, an interim dividend for the six months ended 30th June 2004 of 8.25p per ordinary share, for shares registered in the books of the Company at the close of business on 20th August 2004. Shareholders who have their dividends paid direct to their bank or building society account will receive a consolidated tax voucher detailing the dividends paid in the 2004/2005 tax year in mid-October 2004.

For qualifying US and Canadian resident ADR holders, the interim dividend of 8.25p per ordinary share becomes 33.0p per ADS (representing four shares). The ADR depositary will mail the dividend on 1st October 2004 to ADR holders on the record on 20th August 2004.

For qualifying Japanese shareholders, the interim dividend of 8.25p per ordinary share will be distributed in mid-October to shareholders on the record on 20th August 2004.

Shareholders may have their dividends reinvested in Barclays PLC shares by participating in the Barclays Dividend Reinvestment Plan. The plan is available to all shareholders, including members of Barclays Sharestore, provided that they do not live in or are subject to the jurisdiction of any country where their participation in the plan would require Barclays or The Plan Administrator to take action to comply with local government or regulatory procedures or any similar formalities. Any shareholder wishing to obtain details and a form to join the plan should contact The Plan Administrator by writing to: The Plan Administrator to Barclays, The Causeway, Worthing BN99 6DA; or by phoning 0870 609 4535. The completed form should be returned to The Plan Administrator on or before 10th September 2004 for it to be effective in time for the payment of the interim dividend on 1st October 2004. Shareholders who are already in the plan need take no action unless they wish to change their instructions in which case they should write to The Plan Administrator.



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## Balance Sheet

### Capital resources

|                     | 30.06.04 | 31.12.03 | 30.06.03 |
|---------------------|----------|----------|----------|
|                     | GBPm     | GBPm     | GBPm     |
| Shareholders' funds | 16,934   | 16,374   | 15,957   |
| Minority interests  | 178      | 283      | 193      |
|                     | 17,112   | 16,657   | 16,150   |
| Loan capital        | 12,468   | 12,339   | 12,553   |
|                     | 29,580   | 28,996   | 28,703   |

Total capital resources increased in the half-year by GBP584m.

Equity shareholders' funds increased by GBP560m, reflecting profit retentions of GBP1,188m, net proceeds of share issues of GBP22m and gains arising from transactions with third parties which are reflected in the statement of recognised gains and losses of GBP20m, offset by share repurchases of GBP600m (and a further GBP5m of costs), an increase in treasury shares of GBP22m and exchange rate losses of GBP43m.

Loan capital rose by GBP129m reflecting raisings of GBP769m, partially offset by redemptions of GBP401m, exchange rate movements of GBP238m and amortisation of issue expenses of GBP1m.

### Capital ratios

Weighted risk assets and capital resources, as defined for supervisory purposes by the Financial Services Authority, comprise:

|                                            | 30.06.04 | 31.12.03 | 30.06.03 |
|--------------------------------------------|----------|----------|----------|
|                                            | GBPm     | GBPm     | GBPm     |
| Weighted risk assets:                      |          |          |          |
| Banking book                               |          |          |          |
| on-balance sheet                           | 138,021  | 133,816  | 131,320  |
| off-balance sheet                          | 23,894   | 22,987   | 22,358   |
| Associated undertakings and joint ventures | 3,386    | 2,830    | 2,777    |
| Total banking book                         | 165,301  | 159,633  | 156,455  |
| Trading book                               |          |          |          |
| Market risks                               | 20,338   | 13,861   | 11,336   |
| Counterparty and settlement risks          | 17,694   | 15,503   | 13,623   |
| Total trading book                         | 38,032   | 29,364   | 24,959   |
| Total weighted risk assets                 | 203,333  | 188,997  | 181,414  |

### Capital resources:

|                                 |         |         |         |
|---------------------------------|---------|---------|---------|
| Tier 1                          |         |         |         |
| Called up share capital         | 1,613   | 1,642   | 1,638   |
| Eligible reserves               | 15,245  | 14,657  | 14,288  |
| Minority interests - equity     | 571     | 637     | 592     |
| Reserve capital instruments 1   | 1,656   | 1,705   | 1,783   |
| Tier one notes 1                | 951     | 960     | 1,005   |
| Less: goodwill                  | (4,427) | (4,607) | (4,084) |
| Total qualifying tier 1 capital | 15,609  | 14,994  | 15,222  |

### Tier 2

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|                                                          |         |         |         |
|----------------------------------------------------------|---------|---------|---------|
| Revaluation reserves                                     | 25      | 25      | 23      |
| General provisions                                       | 713     | 795     | 752     |
| Qualifying subordinated liabilities                      |         |         |         |
| 2                                                        |         |         |         |
| Undated loan capital                                     | 3,595   | 3,636   | 3,750   |
| Dated loan capital                                       | 5,773   | 5,652   | 5,448   |
| Other                                                    | 2       | 2       | 1       |
| Total qualifying tier 2 capital                          | 10,108  | 10,110  | 9,974   |
| Tier 3: short term subordinated liabilities <sup>2</sup> | 267     | 280     | 441     |
| Less: Supervisory deductions                             |         |         |         |
| Investments not consolidated for                         |         |         |         |
| Supervisory purposes <sup>3</sup>                        | (923)   | (979)   | (1,363) |
| Other deductions                                         | (343)   | (182)   | (247)   |
|                                                          | (1,266) | (1,161) | (1,610) |
| Total net capital resources                              | 24,718  | 24,223  | 24,027  |
|                                                          | %       | %       | %       |
| Equity Tier 1 ratio <sup>4</sup>                         | 6.4     | 6.5     | 6.9     |
| Tier 1 ratio                                             | 7.7     | 7.9     | 8.4     |
| Risk asset ratio                                         | 12.2    | 12.8    | 13.2    |

1 Reserve capital instruments (RCIs) and tier one notes (TONs) are included in the undated loan capital in the consolidated balance sheet.

2 Subordinated liabilities are included in tiers 2 or 3, subject to limits laid down in the supervisory requirements. Barclays retains significant capacity to raise additional capital within these limits.

3 Includes GBP436m (31st December 2003: GBP478m; 30th June 2003: GBP799m) of shareholders' interest in the retail life fund.

4 Equity defined as total qualifying tier 1 capital less RCIs and TONs.

Net capital resources grew 2% (GBP0.5bn). Tier 1 capital rose by GBP0.6bn with retained profits of GBP1.2bn being partially offset by share repurchases of GBP0.6bn. Tier 2 and tier 3 capital remained broadly as reported at 31st December 2003. Supervisory deductions increased by GBP0.1bn.

Growth in net capital resources was more than offset by the impact of 8% growth (GBP14.3bn) in weighted risk assets. The increase in weighted risk assets is primarily accounted for by a rise of 30% (GBP8.7bn) in the Trading book. Banking book weighted risk assets grew 4% (GBP5.7bn).

The risk asset ratio was 12.2% (31st December 2003: 12.8%). The Tier 1 ratio was 7.7% (31st December 2003: 7.9%). The Equity Tier 1 ratio was 6.4% (31st December 2003: 6.5%).

### Total assets and Weighted risk assets

The Group's balance sheet increased 12% (GBP54.7bn) to GBP498.0bn (31st December 2003: GBP443.3bn). Weighted risk assets increased 8% (GBP14.3bn) to GBP203.3bn (31st December 2003: GBP189.0bn).

UK Banking total assets increased 3% to GBP114.7bn (31st December 2003: GBP111.0bn). Weighted risk assets increased 4% to GBP87.5bn (31st December 2003: GBP84.5bn).

UK Retail Banking total assets increased 1% to GBP67.5bn (31st December 2003: GBP67.0bn) and weighted risk assets increased 2% to GBP36.5bn (31st December 2003: GBP35.8bn). This was mainly attributable to the growth in the UK residential mortgage portfolio, up 2% to GBP60.8bn (31st December 2003: GBP59.8bn).

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UK Business Banking total assets increased 7% to GBP47.2bn (31st December 2003: GBP44.0bn) and weighted risk assets increased 5% to GBP51.0bn (31st December 2003: GBP48.6bn). This resulted from good growth in lending balances.

Private Clients & International total assets (excluding the assets of the closed life assurance activities) increased 5% to GBP27.3bn (31st December 2003: GBP26.0bn), due to growth of customer loans in Iberia. Weighted risk assets increased 15% to GBP20.9bn (31st December 2003: GBP18.2bn), mainly reflecting growth in customer loans in Spain and Africa.

Barclaycard total assets increased 2% to GBP20.7bn (31st December 2003: GBP20.3bn). Weighted risk assets increased 1% to GBP18.4bn (31st December 2003: GBP18.3bn).

Barclays Capital total assets increased 18% to GBP317.0bn (31st December 2003: GBP268.7bn) due to increases in government and high grade corporate debt securities, settlement balances and reverse repos. Total settlement balances increased GBP15.9bn reflecting higher volumes of government debt trading at the period end. Total weighted risk assets increased 12% to GBP72.7bn (31st December 2003: GBP65.1bn), reflecting the higher quality and lower risk weightings associated with the balance sheet growth.

### Results by business

The following section analyses the Group's performance by business. From 1st January 2004, for reporting purposes, Barclays has been organised into the following business groupings:

- UK Banking, comprising
  - UK Retail Banking
  - UK Business Banking
- Private Clients and International, comprising
  - Private Clients
  - International
- Barclaycard
- Wholesale and Institutional, comprising
  - Barclays Capital
  - Barclays Global Investors

The Group restructure has had no impact on the Group profit and loss account as reported in the 2003 Annual Report.

The analysis of results by business excludes goodwill amortisation and exceptional items.

### UK Banking

UK Banking delivers banking solutions to Barclays UK retail and business banking customers. It offers a range of integrated products and services and access to the expertise of other Group businesses. Customers are served through a variety of channels comprising: the branch network, automated teller machines, telephone banking, online banking and relationship managers. UK Banking is managed through two business groupings, UK Retail Banking and UK Business Banking.

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### UK Retail Banking

UK Retail Banking comprises Personal Customers, mortgages, Small Business and UK Premier. The bringing together of these businesses provides the opportunity to build broader and deeper relationships with both existing and new customers. Personal Customers and mortgages provide a wide range of products and services to over 14 million retail customers, including current accounts, savings, mortgages, and general insurance. Small Business provides banking services to over 565,000 small businesses. UK Premier provides banking, investment products and advice to some 270,000 mass affluent customers.

### UK Business Banking

UK Business Banking provides relationship banking to the Group's larger and medium business customers in the United Kingdom. Customers are served by a network of relationship and industry sector specialist managers who provide local access to an extensive range of products and services, as well as offering business information and support. Customers are also offered access to the products and expertise of other businesses in the Group, particularly Barclays Capital.

### Private Clients and International

Private Clients and International brings together Barclays wealth management operations and the Group's non-domestic retail and commercial banking activities. It is managed as two distinct businesses; Private Clients which serves affluent and high net worth clients; and International which provides banking services to personal and corporate customers internationally.

### Private Clients

Private Clients serves affluent and high net worth clients, primarily in the UK and continental Europe, providing private banking, offshore banking, stockbroking and asset management services, as well as providing financial planning services to a broader customer base. It comprises the following ongoing businesses: International Banking, Private Banking, Barclays Financial Planning, Barclays Stockbrokers and the Gerrard business which was acquired in December 2003.

### International

International provides a range of banking services, including current accounts, savings, investments mortgages and consumer loans to personal and corporate customers across Spain, Portugal, France, Italy, Africa and the Middle East. International also includes the results of the FirstCaribbean business, accounted for as an associated undertaking.

### Barclaycard

Barclaycard is one of the leading credit card businesses in Europe. Barclaycard now incorporates all of the Group's UK unsecured and card lending products and expertise. Barclaycard works closely with the UK Retail Banking business to leverage the branch distribution capability. In addition to its operations in the United Kingdom, Barclaycard is active in Germany, Spain, Greece, France, Italy, Portugal, the Republic of Ireland and across Africa.

### Wholesale and Institutional - Barclays Capital

Barclays Capital is the investment banking division of Barclays, providing large corporate, institutional and government clients with solutions to their

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financing and risk management needs.

The Barclays Capital business model focuses on a broad span of financing and risk management services in the interest rate, foreign exchange, commodities and credit markets combined with certain capabilities in equities. Activities are divided between two areas: Rates, which includes fixed income, foreign exchange, commodities, emerging markets, money markets sales, trading and research, prime brokerage and equity related activities; and Credit, which includes origination, sales, trading and research relating to loans, debt capital markets, structured capital markets, commercial mortgage backed securities, private equity and large asset leasing.

### Wholesale and Institutional - Barclays Global Investors

Barclays Global Investors (BGI) is one of the world's largest asset managers and a leading global provider of investment management products and services.

BGI offers structured investment strategies such as indexing, tactical asset allocation and risk-controlled active products. BGI also provides related investment services such as securities lending, cash management and portfolio transition services. In addition, BGI is the product leader in Exchange Traded Funds (iShares), with over 100 funds for institutions and individuals trading in ten global markets. BGI's investment philosophy is founded on managing all dimensions of performance - a consistent focus on controlling risk, return and cost.

### SUMMARY OF RESULTS (UNAUDITED)

#### RECONCILIATION OF PROFIT BEFORE TAX EXCLUDING GOODWILL AMORTISATION AND EXCEPTIONAL ITEMS

|                                                                         | Half-year ended |          |          |
|-------------------------------------------------------------------------|-----------------|----------|----------|
|                                                                         | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                                         | GBPm            | GBPm     | GBPm     |
| UK Banking                                                              | 1,217           | 1,137    | 1,149    |
| UK Retail Banking                                                       | 588             | 569      | 582      |
| UK Business Banking                                                     | 629             | 568      | 567      |
| Private Clients and International                                       | 196             | 151      | 129      |
| Private Clients - ongoing business                                      | 81              | 40       | 58       |
| - closed life assurance activities                                      | (29)            | (32)     | (48)     |
| International                                                           | 144             | 143      | 119      |
| Barclaycard                                                             | 428             | 374      | 387      |
| Barclays Capital                                                        | 599             | 398      | 438      |
| Barclays Global Investors                                               | 157             | 100      | 91       |
| Head office functions and other operations                              | (80)            | (139)    | (102)    |
| Profit before tax excluding goodwill amortisation and exceptional items | 2,517           | 2,021    | 2,092    |
| Goodwill amortisation                                                   | (148)           | (140)    | (125)    |
| Goodwill relating to associated undertakings                            | (3)             | (4)      | (3)      |
| Exceptional items                                                       | 45              | 5        | (1)      |
| Profit before tax                                                       | 2,411           | 1,882    | 1,963    |

#### TOTAL ASSETS AND WEIGHTED RISK ASSETS

| Total assets |          |          | Weighted risk assets |          |          |
|--------------|----------|----------|----------------------|----------|----------|
| 30.06.04     | 31.12.03 | 30.06.03 | 30.06.04             | 31.12.03 | 30.06.03 |
| GBPm         | GBPm     | GBPm     | GBPm                 | GBPm     | GBPm     |

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|                                            |         |         |         |         |         |         |
|--------------------------------------------|---------|---------|---------|---------|---------|---------|
| UK Banking                                 | 114,683 | 110,995 | 109,529 | 87,506  | 84,482  | 83,062  |
| UK Retail Banking                          | 67,502  | 67,001  | 66,415  | 36,458  | 35,835  | 36,022  |
| UK Business Banking                        | 47,181  | 43,994  | 43,114  | 51,048  | 48,647  | 47,040  |
| Private Clients and International          | 27,794  | 26,492  | 21,170  | 20,924  | 18,184  | 15,556  |
| Private Clients - ongoing                  | 4,426   | 3,867   | 4,072   | 3,632   | 3,238   | 2,968   |
| - closed life                              | 480     | 528     | 872     | -       | 2       | 16      |
| International                              | 22,888  | 22,097  | 16,226  | 17,292  | 14,944  | 12,572  |
| Barclaycard                                | 20,689  | 20,348  | 19,054  | 18,404  | 18,334  | 17,571  |
| Barclays Capital                           | 317,027 | 268,702 | 279,963 | 72,715  | 65,149  | 62,082  |
| Barclays Global Investors                  | 706     | 533     | 607     | 1,004   | 1,137   | 1,083   |
| Head office functions and other operations | 4,921   | 3,709   | 4,792   | 2,780   | 1,711   | 2,060   |
| Goodwill                                   | 4,263   | 4,406   | 3,867   | -       | -       | -       |
| Retail life-fund assets                    | 7,911   | 8,077   | 7,642   | -       | -       | -       |
|                                            | 497,994 | 443,262 | 446,624 | 203,333 | 188,997 | 181,414 |

| UK Banking                                                                        | Half-year ended |            |            |
|-----------------------------------------------------------------------------------|-----------------|------------|------------|
|                                                                                   | 30.06.04        | 31.12.03   | 30.06.03   |
|                                                                                   | GBPm            | GBPm       | GBPm       |
| Net interest income                                                               | 1,691           | 1,667      | 1,634      |
| Net fees and commissions                                                          | 957             | 926        | 881        |
| Other operating income                                                            | 134             | 217        | 180        |
| Operating income                                                                  | 2,782           | 2,810      | 2,695      |
| Operating expenses excluding goodwill                                             | (1,418)         | (1,510)    | (1,393)    |
| Operating profit before provisions excluding goodwill                             | 1,364           | 1,300      | 1,302      |
| Provisions for bad and doubtful debts                                             | (152)           | (169)      | (157)      |
| Operating profit excluding goodwill                                               | 1,212           | 1,131      | 1,145      |
| Profit from associated undertakings                                               | 5               | 6          | 4          |
| Profit on ordinary activities before tax excluding goodwill and exceptional items | 1,217           | 1,137      | 1,149      |
| Cost:income ratio                                                                 | 51%             | 54%        | 52%        |
| Total assets                                                                      | GBP114.7bn      | GBP111.0bn | GBP109.5bn |
| Weighted risk assets                                                              | GBP87.5bn       | GBP84.5bn  | GBP83.1bn  |
| Risk Tendency                                                                     | GBP360m         | GBP385m    | GBP420m    |
| Return on average economic capital                                                | 40%             | 33%        | 35%        |
| Economic profit                                                                   | GBP666m         | GBP535m    | GBP588m    |

UK Banking delivered profitable growth notwithstanding significant investment in infrastructure.

The formation of UK Banking provides more integrated banking solutions to customers and enables opportunities to streamline back office and support functions.

UK Banking profit before tax excluding goodwill and exceptional items increased 6% (GBP68m) to GBP1,217m (2003: GBP1,149m). Operating income increased 3%

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(GBP87m) to GBP2,782m (2003: GBP2,695m) reflecting good growth in fees and commissions, whilst operating expenses excluding goodwill increased 2% (GBP25m) to GBP1,418m (2003: GBP1,393m).

### UK Retail Banking

|                                                                                   | Half-year ended |           |           |
|-----------------------------------------------------------------------------------|-----------------|-----------|-----------|
|                                                                                   | 30.06.04        | 31.12.03  | 30.06.03  |
|                                                                                   | GBPm            | GBPm      | GBPm      |
| Net interest income                                                               | 1,013           | 1,003     | 997       |
| Net fees and commissions                                                          | 566             | 550       | 524       |
| Other operating income                                                            | 131             | 204       | 161       |
| Operating income                                                                  | 1,710           | 1,757     | 1,682     |
| Operating expenses excluding goodwill                                             | (1,063)         | (1,147)   | (1,041)   |
| Operating profit before provisions excluding goodwill                             | 647             | 610       | 641       |
| Provisions for bad and doubtful debts                                             | (62)            | (45)      | (62)      |
| Operating profit excluding goodwill                                               | 585             | 565       | 579       |
| Profit from associated undertakings                                               | 3               | 4         | 3         |
| Profit on ordinary activities before tax excluding goodwill and exceptional items | 588             | 569       | 582       |
| Cost:income ratio                                                                 | 62%             | 65%       | 62%       |
| Loans and advances to customers - banking (period end)                            | GBP64.3bn       | GBP63.2bn | GBP63.0bn |
| Customer deposits - banking (period end)                                          | GBP70.7bn       | GBP69.5bn | GBP67.6bn |
| Total assets                                                                      | GBP67.5bn       | GBP67.0bn | GBP66.4bn |
| Weighted risk assets                                                              | GBP36.5bn       | GBP35.8bn | GBP36.0bn |
| Risk Tendency                                                                     | GBP150m         | GBP150m   | GBP185m   |
| Return on average economic capital                                                | 42%             | 34%       | 39%       |
| Economic profit                                                                   | GBP344m         | GBP268m   | GBP328m   |

### Key Facts

|                                                   |           |           |           |
|---------------------------------------------------|-----------|-----------|-----------|
| Personal Customers                                |           |           |           |
| Number of UK current accounts                     | 10.6m     | 10.5m     | 10.6m     |
| Number of UK savings accounts                     | 10.5m     | 10.3m     | 10.7m     |
| Total UK mortgage balances (residential)          | GBP60.8bn | GBP59.8bn | GBP59.0bn |
| Small Business and UK Premier                     |           |           |           |
| Number of Small Business customers                | 567,000   | 561,000   | 561,000   |
| Number of UK Premier customers                    | 269,000   | 265,000   | 272,000   |
| UK Openplan                                       |           |           |           |
| Number of UK Openplan customers                   | 2.8m      | 2.6m      | 2.4m      |
| Total UK Openplan savings balances                | GBP21.5bn | GBP21.6bn | GBP20.6bn |
| Total UK Openplan mortgage balances (residential) | GBP31.5bn | GBP28.7bn | GBP26.2bn |

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Most of the businesses within UK Retail Banking delivered solid income growth during the first half of the year. However, the results were significantly impacted by margin pressure in the mortgage business and lower mortgage redemption income. The level of investment in the infrastructure of this business to improve customer service increased significantly and good progress has been made in recruiting the targeted additional 1,000 front-line staff. Risk metrics remained stable, while the quality of the loan portfolio has been maintained.

UK Retail Banking profit before tax excluding goodwill and exceptional items increased 1% (GBP6m) to GBP588m (2003: GBP582m). There was steady income growth partly offset by cost growth which included a significant increase in investment spend. The risk position remained stable.

Operating income increased 2% (GBP28m) to GBP1,710m (2003: GBP1,682m). Net revenue (operating income less provisions) increased 2% (GBP28m) to GBP1,648m (2003: GBP1,620m).

Net interest income increased 2% (GBP16m) to GBP1,013m (2003: GBP997m). Growth was driven by higher customer deposit balances, and an increase in the margin associated with the savings business. Income attributable to growth in average UK mortgage balances was more than offset by margin pressure.

A selective approach to the mortgage market has been maintained. Average UK residential mortgage balances increased 3% to GBP60.6bn (2003: GBP58.6bn). Gross advances were GBP9.2bn (2003: GBP8.8bn) and net lending was GBP1.0bn (2003: GBP1.2bn). UK residential mortgage balances ended the period at GBP60.8bn (31st December 2003: GBP59.8bn). The loan to value ratio within the mortgage book on a current valuation basis averaged 38% (2003: 40%). Average overdraft balances within Personal Customers increased by 8%.

Average customer deposit balances increased 5% to GBP67.5bn (2003: GBP64.0bn). There was good growth in both UK Premier and Small Business balances. Personal Customer current account balances increased 10% whilst retail savings balances were maintained in highly competitive market conditions.

Openplan customer numbers totalled 2.8m (2003: 2.4m). Mortgage balances increased 20% to GBP31.5bn (2003: GBP26.2bn) and savings balances increased 4% (GBP0.9bn) to GBP21.5bn (2003: GBP20.6bn).

Net fees and commissions increased 8% (GBP42m) to GBP566m (2003: GBP524m), driven by a good performance in Personal Customers, including value-added fee-based current accounts.

Other operating income decreased by 19% (GBP30m) to GBP131m (2003: GBP161m). The prior period included income from a revision of the estimated amounts expected to be repaid on banking liabilities. The absence of this income in the period has been partly offset by an increase in income arising from general insurance activities.

Operating expenses rose 2% (GBP22m) to GBP1,063m (2003: GBP1,041m). Cost growth was due primarily to increased investment in the infrastructure of the business and costs associated with preparations for complying with the new regulatory environment in the mortgage and general insurance businesses. The cost:income ratio was maintained at 62%.

Provisions remained stable at GBP62m (2003: GBP62m). The quality of the loan portfolio has been maintained and mortgage arrears balances remained low over the period.



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| UK Business Banking                                                               | Half-year ended |           |           |
|-----------------------------------------------------------------------------------|-----------------|-----------|-----------|
|                                                                                   | 30.06.04        | 31.12.03  | 30.06.03  |
|                                                                                   | GBPm            | GBPm      | GBPm      |
| Net interest income                                                               | 678             | 664       | 637       |
| Net fees and commissions                                                          | 391             | 376       | 357       |
| Other operating income                                                            | 3               | 13        | 19        |
| Operating income                                                                  | 1,072           | 1,053     | 1,013     |
| Operating expenses excluding goodwill                                             | (355)           | (363)     | (352)     |
| Operating profit before provisions excluding goodwill                             | 717             | 690       | 661       |
| Provisions for bad and doubtful debts                                             | (90)            | (124)     | (95)      |
| Operating profit excluding goodwill                                               | 627             | 566       | 566       |
| Profit from associated undertakings                                               | 2               | 2         | 1         |
| Profit on ordinary activities before tax excluding goodwill and exceptional items | 629             | 568       | 567       |
| Cost:income ratio                                                                 | 33%             | 34%       | 35%       |
| Loans and advances to customers - banking (period end)                            | GBP44.7bn       | P41.4bn   | P40.0bn   |
| Customer deposits - banking (period end)                                          | GBP42.4bn       | GBP38.5bn | GBP37.7bn |
| Total assets                                                                      | GBP47.2bn       | GBP44.0bn | GBP43.1bn |
| Weighted risk assets                                                              | GBP51.0bn       | GBP48.6bn | GBP47.0bn |
| Risk Tendency                                                                     | GBP210m         | GBP235m   | GBP235m   |
| Return on average economic capital                                                | 39%             | 31%       | 31%       |
| Economic profit                                                                   | GBP322m         | GBP267m   | GBP260m   |
| Key Facts                                                                         |                 |           |           |
| Total number of Business Banking customers                                        | 179,000         | 177,000   | 175,000   |
| Customers registered for online banking /BusinessMaster                           | 66,800          | 63,500    | 59,300    |

UK Business Banking maintained its momentum, with good growth in both lending and deposit balances. Both Larger Business and Medium Business continued to perform well. Market shares of primary banking relationships for Larger Business and Medium Business were maintained at 26% and 25% respectively.

UK Business Banking profit before tax excluding goodwill increased 11% (GBP62m) to GBP629m (2003: GBP567m), as a result of good income growth, tight cost management and well controlled risk.

Operating income increased 6% (GBP59m) to GBP1,072m (2003: GBP1,013m). Net revenue (operating income less provisions) increased 7% (GBP64m) to GBP982m (2003: GBP918m).

Net interest income increased 6% (GBP41m) to GBP678m (2003: GBP637m), as a result of good balance sheet growth. Average lending balances increased 8% to GBP42.7bn (2003: GBP39.4bn). Average deposit balances increased 9% to GBP40.4bn (2003: GBP37.1bn). The lending margin remained firm, whilst there was some downward pressure on the deposit margin.

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Net fees and commissions increased 10% (GBP34m) to GBP391m (2003: GBP357m), driven by lending related fees which rose strongly and accompanied the growth in balances.

Operating expenses increased 1% (GBP3m) to GBP355m (2003: GBP352m). Business as usual costs were well controlled, remaining flat despite higher business volumes. Strategic investment was focused on improving direct channels and shared technology infrastructure. The cost:income ratio improved to 33% (2003: 35%).

Provisions decreased 5% (GBP5m) to GBP90m (2003: GBP95m) notwithstanding the good growth in lending. The overall quality of the portfolio remained stable with total potential credit risk loans balances lower than the year end position.

### Private Clients and International

|                                                                                                      | Half-year ended |           |           |
|------------------------------------------------------------------------------------------------------|-----------------|-----------|-----------|
|                                                                                                      | 30.06.04        | 31.12.03  | 30.06.03  |
|                                                                                                      | GBPm            | GBPm      | GBPm      |
| Net interest income                                                                                  | 409             | 410       | 339       |
| Net fees and commissions                                                                             | 416             | 364       | 319       |
| Other operating income                                                                               | 25              | 24        | 12        |
| Operating income                                                                                     | 850             | 798       | 670       |
| Operating expenses excluding goodwill                                                                | (619)           | (608)     | (488)     |
| Operating profit before provisions excluding goodwill                                                | 231             | 190       | 182       |
| Provisions for bad and doubtful debts                                                                | (19)            | (22)      | (14)      |
| Operating profit excluding goodwill - ongoing business                                               | 212             | 168       | 168       |
| Profit from associated undertakings                                                                  | 13              | 15        | 9         |
| Profit on ordinary activities before tax excluding goodwill and exceptional items - ongoing business | 225             | 183       | 177       |
| Contribution from closed life assurance activities                                                   | (29)            | (32)      | (48)      |
| Profit on ordinary activities before tax excluding goodwill and exceptional items                    | 196             | 151       | 129       |
| Cost:income ratio                                                                                    | 73%             | 76%       | 73%       |
| Total assets                                                                                         | GBP27.8bn       | GBP26.5bn | GBP21.2bn |
| Weighted risk assets                                                                                 | GBP20.9bn       | GBP18.2bn | GBP15.6bn |
| Risk Tendency                                                                                        | GBP80m          | GBP75m    | GBP50m    |
| Return on average economic capital                                                                   | 21%             | 25%       | 17%       |
| Economic profit                                                                                      | GBP93m          | GBP91m    | GBP38m    |

The improved performance reflects good growth in both the Private Clients and International businesses, supported by improving market conditions, together with the benefits of the acquisitions made in 2003 and the reduced deficit from the closed life assurance business.

Private Clients and International profit before tax excluding goodwill and exceptional items, increased 52% (GBP67m) to GBP196m (2003: GBP129m).

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### Private Clients

|                                                                                                      | Half-year ended |           |           |
|------------------------------------------------------------------------------------------------------|-----------------|-----------|-----------|
|                                                                                                      | 30.06.04        | 31.12.03  | 30.06.03  |
|                                                                                                      | GBPm            | GBPm      | GBPm      |
| Net interest income                                                                                  | 148             | 148       | 140       |
| Net fees and commissions                                                                             | 261             | 206       | 188       |
| Other operating income                                                                               | 3               | 1         | 3         |
| Operating income                                                                                     | 412             | 355       | 331       |
| Operating expenses excluding goodwill                                                                | (331)           | (314)     | (271)     |
| Operating profit before provisions excluding goodwill                                                | 81              | 41        | 60        |
| Provisions for bad and doubtful debts                                                                | -               | (1)       | (2)       |
| Profit on ordinary activities before tax excluding goodwill and exceptional items - ongoing business | 81              | 40        | 58        |
| Contribution from closed life assurance activities                                                   | (29)            | (32)      | (48)      |
| Profit on ordinary activities before tax excluding goodwill and exceptional items                    | 52              | 8         | 10        |
| Cost:income ratio                                                                                    | 80%             | 88%       | 82%       |
| Loans and advances to customers - banking (period end)                                               | GBP3.6bn        | GBP3.1bn  | GBP3.0bn  |
| Customer deposits - banking (period end)                                                             | GBP20.4bn       | GBP20.2bn | GBP20.8bn |
| Total assets - ongoing business                                                                      | GBP4.4bn        | GBP3.9bn  | GBP4.1bn  |
| Weighted risk assets - ongoing business                                                              | GBP3.6bn        | GBP3.2bn  | GBP3.0bn  |
| Risk Tendency                                                                                        | GBP5m           | GBP5m     | GBP5m     |
| Return on average economic capital                                                                   | 29%             | 34%       | 8%        |
| Economic profit - ongoing business                                                                   | GBP64m          | GBP45m    | GBP39m    |

### Key Facts

|                                           |         |         |         |
|-------------------------------------------|---------|---------|---------|
| Total customer funds                      | GBP75bn | GBP75bn | GBP62bn |
| Average stockbroking deal volumes per day | 8,300   | 9,400   | 7,000   |

The comparison with the prior period is affected by acquisitions made during 2003. The retail stockbroking business Charles Schwab Europe was acquired at the end of January and the Gerrard business in mid December.

The improved performance reflected growth across the Private Clients businesses, supported by the improvements in the market environment. The integration of Charles Schwab Europe is now complete and the integration of Gerrard is progressing well.

Private Clients profit before tax excluding goodwill and exceptional items for the ongoing business increased 40% (GBP23m) to GBP81m (2003: GBP58m).

Operating income increased 24% (GBP81m) to GBP412m (2003: GBP331m).

Net interest income increased 6% (GBP8m) to GBP148m (2003: GBP140m). Total average customer deposits remained flat at GBP20.5bn (2003: GBP20.6bn) and total

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average loans increased 21% to GBP3.4bn (2003: GBP2.8bn). Good growth in offshore corporate deposits and loans reflected the success of investment in relationship managers and internet based offerings. Margins remained stable.

Net fees and commissions increased 39% (GBP73m) to GBP261m(2003: GBP188m). Excluding the contribution from Gerrard, net fees and commissions increased 11%. Business volumes improved as higher average equity market levels contributed to increased sales of investment products and higher fund management fees.

The average level of the FTSE 100 Index was 16% higher than in the prior year period at 4,468 (2003: 3,844). Stockbroking fee income increased 16% during the first half of 2004, reflecting improved volumes. Average daily deal volumes in UK retail stockbroking, including Charles Schwab Europe, increased to 8,300 (2003: 7,000). Fee income in Private Banking increased 13%, reflecting higher volumes and asset management fees. Activity levels moderated somewhat towards the end of the period as the momentum in the equity markets slowed.

Operating expenses increased 22% (GBP60m) to GBP331m (2003: GBP271m). Excluding the contribution from Gerrard, operating expenses increased 3%. The cost:income ratio improved to 80% (2003: 82%).

Total customer funds, comprising customer deposits and assets under management (including assets managed by Legal & General under the strategic alliance), remained flat at GBP75bn (31st December 2003: GBP75bn). Growth in new business was offset by unfavourable exchange rate movements. Stock market levels remained broadly flat during the period. Private Clients customer deposits remained stable at GBP20bn (31st December 2003: GBP20bn).

The integration of Gerrard is progressing well. The business delivered a strong performance with operating profit higher than in the first half of 2003, supported by income growth of 10%.

The contribution from the closed life assurance activities, a loss of GBP29m (2003: loss of GBP48m), comprises the embedded value of the closed Barclays Life fund together with the costs of GBP33m (2003: GBP50m) relating to redress for customers in respect of sales of endowment policies. Of the loss of GBP29m, in the Group's results, GBP9m is included within other operating income and GBP20m within net interest income.

### International

|                                                                                   | Half-year ended |           |           |
|-----------------------------------------------------------------------------------|-----------------|-----------|-----------|
|                                                                                   | 30.06.04        | 31.12.03  | 30.06.03  |
|                                                                                   | GBPm            | GBPm      | GBPm      |
| Net interest income                                                               | 261             | 262       | 199       |
| Net fees and commissions                                                          | 155             | 158       | 131       |
| Other operating income                                                            | 22              | 23        | 9         |
| Operating income                                                                  | 438             | 443       | 339       |
| Operating expenses excluding goodwill                                             | (288)           | (294)     | (217)     |
| Operating profit before provisions excluding goodwill                             | 150             | 149       | 122       |
| Provisions for bad and doubtful debts                                             | (19)            | (21)      | (12)      |
| Operating profit excluding goodwill                                               | 131             | 128       | 110       |
| Profit from associated undertakings                                               | 13              | 15        | 9         |
| Profit on ordinary activities before tax excluding goodwill and exceptional items | 144             | 143       | 119       |
| Cost:income ratio                                                                 | 66%             | 66%       | 64%       |
| Loans and advances to customers -                                                 | GBP17.6bn       | GBP16.8bn | GBP11.9bn |

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|                                          |           |           |           |
|------------------------------------------|-----------|-----------|-----------|
| banking (period end)                     |           |           |           |
| Customer deposits - banking (period end) | GBP9.4bn  | GBP9.9bn  | GBP6.9bn  |
| Total assets                             | GBP22.9bn | GBP22.1bn | GBP16.2bn |
| Weighted risk assets                     | GBP17.3bn | GBP14.9bn | GBP12.6bn |
|                                          |           |           |           |
| Risk Tendency                            | GBP75m    | GBP70m    | GBP45m    |
| Return on average economic capital       | 17%       | 21%       | 22%       |
|                                          |           |           |           |
| Economic profit                          | GBP56m    | GBP49m    | GBP42m    |

### Key Facts

|                                             |        |        |        |
|---------------------------------------------|--------|--------|--------|
| Number of Barclays Africa customer accounts | 1.5m   | 1.5m   | 1.4m   |
| Number of Barclays Spain customers          | 0.5m   | 0.5m   | 0.2m   |
| Number of Openplan customers in Spain       | 44,000 | 35,000 | 28,000 |

The comparison with the prior period is affected by the acquisition of Banco Zaragozano which completed in mid July 2003.

The businesses within International performed well. The integration of Banco Zaragozano is ahead of schedule, and the combined Spanish businesses showed significant progress. International has delivered good performances across continental Europe, Africa and the Middle East.

International profit before tax excluding goodwill and exceptional items increased 21% (GBP25m) to GBP144m (2003: GBP119m), reflecting growth across its core businesses, including a continuing strong performance in the mortgage market in continental Europe.

Operating income increased 29% (GBP99m) to GBP438m (2003: GBP339m).

Net interest income increased 31% (GBP62m) to GBP261m (2003: GBP199m), as a result of the inclusion of Banco Zaragozano and good performances in Spain and Africa.

Total average customer deposits increased 50% to GBP9.6bn (2003: GBP6.4bn), including growth of 64% in European balances and 21% in African balances. Total average loans increased 61% to GBP17.1bn (2003: GBP10.6bn), including growth of 66% in European balances and 24% in African balances. Margins reduced during the first half due mainly to the impact of changes in the product mix.

Net fees and commissions increased 18% (GBP24m) to GBP155m (2003: GBP131m), reflecting principally the inclusion of Banco Zaragozano, the continued success of the Openplan mortgage products in Spain and a strong performance in France from increased fund management related fees.

Operating expenses increased 33% (GBP71m) to GBP288m (2003: GBP217m) mainly due to the inclusion of Banco Zaragozano. Strategic investment and restructuring costs increased as a result of the inclusion of costs associated with the integration of Banco Zaragozano and continued infrastructure investment in Africa. The cost: income ratio was 66% (2003: 64%).

Provisions increased 58% (GBP7m) to GBP19m (2003: GBP12m), reflecting the inclusion of Banco Zaragozano.

Barclays share of income from the FirstCaribbean business increased to GBP13m (2003: GBP9m).

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Barclays Spain (including Banco Zaragozano in 2004) continued to perform strongly, with profit before tax up 46% to EUR73m (2003: EUR50m). Good progress has been made with the integration: we are ahead of plan in the combination of head office functions and technology integration; the Banco Zaragozano branch network has been co-branded; and Barclays products, particularly mortgages and investment funds, have been successfully launched into the Banco Zaragozano customer base.

Openplan in Spain continued its successful growth and its penetration of the customer base of Banco Zaragozano. Total customer numbers at the end of the first half of 2004 were 44,200 (2003: 27,600), mortgages were EUR6.4bn (2003: EUR3.7bn) and savings were EUR1.3bn (2003: EUR0.8bn).

Profit before tax in Africa and the Middle East remained stable at GBP58m (2003: GBP58m) with a good income performance and strong growth in corporate balances offset by increased restructuring costs and investment costs.

### Barclaycard

|                                                                                   | Half-year ended |           |           |
|-----------------------------------------------------------------------------------|-----------------|-----------|-----------|
|                                                                                   | 30.06.04        | 31.12.03  | 30.06.03  |
|                                                                                   | GBPm            | GBPm      | GBPm      |
| Net interest income                                                               | 810             | 804       | 751       |
| Net fees and commissions                                                          | 361             | 350       | 323       |
| Operating income                                                                  | 1,171           | 1,154     | 1,074     |
| Operating expenses excluding goodwill                                             | (388)           | (409)     | (352)     |
| Operating profit before provisions excluding goodwill                             | 783             | 745       | 722       |
| Provisions for bad and doubtful debts                                             | (357)           | (373)     | (335)     |
| Operating profit excluding goodwill                                               | 426             | 372       | 387       |
| Profit from joint ventures                                                        | 2               | 2         | -         |
| Profit on ordinary activities before tax excluding goodwill and exceptional items | 428             | 374       | 387       |
| Cost:income ratio                                                                 | 33%             | 35%       | 33%       |
| Loans and advances to customers - banking (period end)                            | GBP20.1bn       | GBP19.6bn | GBP18.4bn |
| Total assets                                                                      | GBP20.7bn       | GBP20.3bn | GBP19.1bn |
| Weighted risk assets                                                              | GBP18.4bn       | GBP18.3bn | GBP17.6bn |
| Risk Tendency                                                                     | GBP810m         | GBP775m   | GBP710m   |
| Return on average economic capital                                                | 25%             | 23%       | 25%       |
| Economic profit                                                                   | GBP180m         | GBP144m   | GBP160m   |

### Key Facts

|                                                    |          |          |          |
|----------------------------------------------------|----------|----------|----------|
| Number of Barclaycard UK customers                 | 10.8m    | 10.6m    | 10.1m    |
| Number of retailer relationships                   | 89,000   | 86,000   | 88,000   |
| Number of customers registered for online services | 1.7m     | 1.5m     | 1.3m     |
| UK credit cards - average outstanding balances     | GBP9.3bn | GBP9.2bn | GBP8.6bn |
| UK credit cards - average extended credit balances | GBP7.9bn | GBP7.7bn | GBP7.2bn |
| UK loans - average consumer lending balances       | GBP9.2bn | GBP8.8bn | GBP8.3bn |

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|                                                  |          |          |          |
|--------------------------------------------------|----------|----------|----------|
| International - average extended credit balances | GBP0.8bn | GBP0.7bn | GBP0.6bn |
| International - cards in issue                   | 1.8m     | 1.7m     | 1.5m     |

Barclaycard combined the UK consumer lending business with its UK credit card operations to create an integrated business focused on meeting personal customers' short and medium term borrowing needs.

Barclaycard International continued to execute its international card strategy, which the Group expects to be achieved through a combination of organic activity, partnerships, alliances and acquisitions.

The comparison with the prior period is impacted by the acquisition of Clydesdale Financial Services in May 2003.

Barclaycard profit before tax excluding goodwill and exceptional items increased 11% (GBP41m) to GBP428m (2003: GBP387m).

Operating income increased 9% (GBP97m) to GBP1,171m (2003: GBP1,074m). Net revenue (operating income less provisions) increased 10% (GBP75m) to GBP814m (2003: GBP739m).

Net interest income increased 8% (GBP59m) to GBP810m (2003: GBP751m) reflecting growth in UK average extended credit balances, up 10% to GBP7.9bn (2003: GBP7.2bn) and UK average loan balances up 11% to GBP9.2bn (2003: GBP8.3bn). Rising funding costs reduced margins on UK extended credit balances. Balance transfer activity at promotional initial rates remained a key feature of the market.

Recruitment of UK card customers at 560,000 remained strong (2003: 650,000).

Sales of the Barclayloan product were good, up 10% to GBP2.2bn (2003: GBP2.0bn) in the period. In addition, First Plus average loan balances increased 27% to GBP1.4bn (2003: GBP1.1bn).

Net fees and commissions increased 12% (GBP38m) to GBP361m (2003: GBP323m) as a result of increased cardholder activity fees and growth in the consumer lending business and good volume growth within the merchant acquiring business.

Operating expenses rose 10% (GBP36m) to GBP388m (2003: GBP352m). The increase reflected the growth in Barclaycard International, business as usual costs in the UK business and brand related investment.

Provisions increased 7% (GBP22m) to GBP357m (2003: GBP335m) broadly in line with the growth in lendings.

Barclaycard International made good progress with its international expansion strategy. Income increased 23% to GBP73m due to the growth in average extended credit balances, up 22% (GBP142m) to GBP777m (2003: GBP635m). The number of Barclaycard International cards in issue rose to 1.8m (2003:1.5m). Operating costs increased in line with income.

### Wholesale and Institutional - Barclays Capital

|  | Half-year ended |          |          |
|--|-----------------|----------|----------|
|  | 30.06.04        | 31.12.03 | 30.06.03 |
|  | GBPm            | GBPm     | GBPm     |

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|                                          |            |            |            |
|------------------------------------------|------------|------------|------------|
| Net interest income                      | 463        | 509        | 515        |
| Dealing profits                          | 787        | 515        | 527        |
| Net fees and commissions                 | 276        | 298        | 253        |
| Other operating income                   | 175        | 61         | 48         |
| Operating income                         | 1,701      | 1,383      | 1,343      |
| Operating expenses                       | (1,053)    | (863)      | (775)      |
| Operating profit before provisions       | 648        | 520        | 568        |
| Provisions for bad and doubtful debts    | (49)       | (122)      | (131)      |
| Operating profit                         | 599        | 398        | 437        |
| Profit from associated undertakings      | -          | -          | 1          |
| Profit on ordinary activities before tax | 599        | 398        | 438        |
| Cost:income ratio                        | 62%        | 62%        | 58%        |
| Cost:net revenue ratio                   | 64%        | 68%        | 64%        |
| Net revenue per member of staff ('000)   | GBP260     | GBP223     | GBP220     |
| Total assets                             | GBP317.0bn | GBP268.7bn | GBP280.0bn |
| Weighted risk assets                     | GBP72.7bn  | GBP65.1bn  | GBP62.1bn  |
| Risk Tendency                            | GBP80m     | GBP135m    | GBP190m    |
| Return on average economic capital       | 39%        | 26%        | 27%        |
| Economic profit                          | GBP298m    | GBP166m    | GBP183m    |

### Key facts

|                                          |                             | 30.06.04          |                             | 30.06.03          |
|------------------------------------------|-----------------------------|-------------------|-----------------------------|-------------------|
|                                          | League<br>table<br>position | Issuance<br>value | League<br>table<br>position | Issuance<br>value |
| Global all debt                          | 5th                         | \$122.3bn         | 4th                         | \$103.0bn         |
| European all debt                        | 3rd                         | \$80.9bn          | 3rd                         | \$68.2bn          |
| All international bonds (all currencies) | 6th                         | \$75.9bn          | 5th                         | \$60.6bn          |
| All international bonds (Euros)          | 3rd                         | EUR35.4bn         | 6th                         | EUR30.8bn         |
| Sterling bonds                           | 2nd                         | GBP7.7bn          | 1st                         | GBP5.8bn          |
| US investment grade corporate bonds      | 12th                        | \$2.1bn           | 9th                         | \$4.7bn           |

Barclays Capital delivered record first half operating income and profit. The very strong performance has been driven by growth in business volumes as the franchise continued the planned expansion into targeted geographies and products. There has been significant headcount growth in the first half of the year in Europe, the United States and Asia. These investments were broadly based across product, distribution and support capabilities particularly in equity derivatives, commodities, foreign exchange and mortgage backed securities.

Barclays Capital profit before tax increased 37% (GBP161m) to GBP599m (2003: GBP438m), as a result of very strong operating income growth and the improved credit environment.

Operating income increased 27% (GBP358m) to a record GBP1,701m (2003: GBP1,343m) and reflected broadly based growth across most of the product areas in Rates and Credit. Net revenue (operating income less provisions) increased 36% (GBP440m)



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to GBP1,652m (2003: GBP1,212m). Higher average DVaR at GBP38m (2003: GBP23m) was driven by increased business volumes and market opportunities. Average DVaR in the first half remained in line with the 2003 year end position of GBP37m.

Period end DVaR at 30th June 2004 of GBP26m reflected lower interest rate positions during the last few weeks of the period.

Secondary income, comprising dealing profits and net interest income, which is primarily generated from providing client risk management and financing solutions, increased 20% (GBP208m) to GBP1,250m (2003: GBP1,042m).

Dealing profits grew 49% (GBP260m) to GBP787m (2003: GBP527m), with very strong performances in the Rates and Credit businesses. This was driven by higher volumes of client led activity across a broad range of products, the benefit of recent headcount investments in product depth and geographical reach and reflected the level of average DVaR. Net interest income fell 10% (GBP52m) to GBP463m (2003: GBP515m) due to lower contributions from both money markets as the size of the book was reduced and from the loan portfolio as average drawn credit balances fell to GBP7bn (2003: GBP10bn).

Primary income, comprising net fees and commissions, grew 9% to GBP276m (2003: GBP253m), with good contributions from primary bonds as a result of higher issuance volumes. This performance was achieved despite the market trends of lower corporate issuance. Net fees and commissions included GBP46m (2003: GBP40m) of internal fees for structured capital markets activities arranged by Barclays Capital.

Other operating income increased to GBP175m (2003: GBP48m) as a result of a number of private equity and structured capital markets investment realisations.

Operating expenses increased 36% (GBP278m) to GBP1,053m (2003: GBP775m). Business as usual costs grew as a result of higher business volumes and a significant increase in headcount across Europe, the United States and Asia. Revenue related costs increased due to the strong financial performance. Strategic investment costs were higher reflecting continued investment in product, client coverage and distribution capabilities. The ratio of staff costs to net revenue remained broadly stable at 53% (2003: 52%). The cost:income ratio was 62% (2003: 58%). The cost:net revenue ratio remained stable at 64%.

Provisions fell 63% (GBP82m) to GBP49m (2003: GBP131m), reflecting the ongoing improvement in the wholesale credit environment.

### Wholesale and Institutional - Barclays Global Investors

|                                                             | Half-year ended |          |          |
|-------------------------------------------------------------|-----------------|----------|----------|
|                                                             | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                             | GBPm            | GBPm     | GBPm     |
| Net interest income                                         | 4               | 4        | 5        |
| Net fees and commissions                                    | 418             | 356      | 306      |
| Other operating income                                      | 1               | 1        | -        |
| Operating income                                            | 423             | 361      | 311      |
| Operating expenses excluding goodwill                       | (265)           | (260)    | (220)    |
| Operating profit excluding goodwill                         | 158             | 101      | 91       |
| Loss from joint ventures                                    | (1)             | (1)      | -        |
| Profit on ordinary activities before tax excluding goodwill | 157             | 100      | 91       |
| Cost:income ratio                                           | 63%             | 72%      | 71%      |

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|                                        |          |          |          |
|----------------------------------------|----------|----------|----------|
| Net revenue per member of staff ('000) | GBP217   | GBP181   | GBP152   |
| Total assets                           | GBP0.7bn | GBP0.5bn | GBP0.6bn |
| Weighted risk assets                   | GBP1.0bn | GBP1.1bn | GBP1.1bn |
| Return on average economic capital     | 129%     | 89%      | 81%      |
| Economic profit                        | GBP91m   | GBP59m   | GBP53m   |

### Key Facts

|                                            |          |          |          |
|--------------------------------------------|----------|----------|----------|
| Number of institutional clients            | 2,600    | 2,500    | 2,400    |
| Total assets under management              | GBP634bn | GBP598bn | GBP543bn |
| Total indexed assets under management      | GBP429bn | GBP410bn | GBP385bn |
| Total active assets under management       | GBP134bn | GBP125bn | GBP109bn |
| Total managed cash assets under management | GBP71bn  | GBP63bn  | GBP49bn  |
| Number of iShares products                 | 123      | 108      | 111      |
| Total iShares assets under management      | GBP52bn  | GBP38bn  | GBP28bn  |

Barclays Global Investors continued to deliver a very strong performance. The success has been achieved from a combination of: a commitment to product innovation; a more diverse product range; success in attracting net new assets; the investment performance of the active business; and increased operating efficiency.

Barclays Global Investors profit before tax excluding goodwill increased 73% (GBP66m) to GBP157m (2003: GBP91m) reflecting very strong income growth and good cost control. Growth in income and costs was constrained by adverse foreign exchange movements. Approximately 55% of income is generated in the US and 31% in the UK.

Net fees and commissions increased 37% (GBP112m) to GBP418m (2003: GBP306m), with strong income generation across both the active and index businesses. The increase was largely driven by growth of investment management fees. These resulted from strong net new sales, growth in sales of higher margin products, continued solid investment performance and stronger global equity markets, which more than compensated for the adverse impact of foreign exchange movements. Securities lending income growth was also strong, benefiting from increased volumes.

Operating expenses increased 20% (GBP45m) to GBP265m (2003: GBP220m) primarily as a result of higher performance based expenses. The cost:income ratio improved to 63% (2003: 71%).

Total assets under management increased 6% (GBP36bn) to GBP634bn or US\$1,151bn (31st December 2003: GBP598bn or US\$1,070bn). This growth came from GBP28bn of net new assets and GBP16bn attributable to market movements, partially offset by GBP8bn of adverse exchange rate movements.

### Head office functions and other operations

Head office functions comprise all the Group's central costs, including the following areas that fall within Group Functions: Executive Management, Finance, Marketing, Communications, Human Resources, Strategy and Planning, Internal Audit, Legal, Corporate Secretariat, Tax, Compliance and Risk. Costs incurred

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wholly on behalf of the business units are recharged to them.

Transition Businesses comprise discontinued South American and Middle Eastern corporate banking businesses and other centrally managed Transition Businesses. These non-core relationships are managed separately with the objective of maximising the recovery from the assets concerned.

Central items include internal fees charged by Barclays Capital for structured capital markets activities, income from the management of the Group's operational premises, property related services and other central items including activities which support the operating business.

|                                                                                 | Half-year ended |          |          |
|---------------------------------------------------------------------------------|-----------------|----------|----------|
|                                                                                 | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                                                 | GBPm            | GBPm     | GBPm     |
| Head office functions and central items                                         | (65)            | (124)    | (76)     |
| Transition Businesses                                                           | (9)             | (5)      | (20)     |
| Restructuring costs                                                             | (6)             | (10)     | (6)      |
| Loss on ordinary activities before tax excluding goodwill and exceptional items | (80)            | (139)    | (102)    |

Head office functions and central items costs decreased 14% (GBP11m) to GBP65m (2003: GBP76m). Central items included internal fees charged by Barclays Capital for structured capital market activities of GBP46m (2003: GBP40m).

The improved performance of Transition Businesses, from a loss of GBP20m to a loss of GBP9m, primarily reflected provisions released in the current year.

### Woolwich integration synergies

Total Woolwich integration benefits of GBP227m were achieved by the programme in the half-year ended 30th June 2004. This comprises ongoing cost and revenue synergies totalling GBP226m and tax savings of GBP1m.

The Group is on track to exceed the targeted GBP400m in cost and revenue synergies for the full year to 31st December 2004.

### Economic Capital

Barclays assesses capital requirements by measuring the Group risk profile using both internally and externally developed models. The Group assigns economic capital primarily within six risk categories: Credit Risk, Market Risk, Business Risk, Operational Risk, Insurance Risk, Fixed Assets and Private Equity.

The Group regularly enhances its economic capital methodology. During the first half of 2004 enhancements included improvements in the modelling of the time horizon, correlation of risks and risk concentrations. The developments in the methodology are consistent with the capital proposals within the Basel II accord.

Average economic capital by business is set out below:

|            | Half-year ended |          |          |
|------------|-----------------|----------|----------|
|            | 30.06.04        | 31.12.03 | 30.06.03 |
|            | GBPm            | GBPm     | GBPm     |
| UK Banking | 4,450           | 4,800    | 4,800    |

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|                                                         |        |        |        |
|---------------------------------------------------------|--------|--------|--------|
| UK Retail Banking                                       | 2,150  | 2,250  | 2,250  |
| UK Business Banking                                     | 2,300  | 2,550  | 2,550  |
| Private Clients and International                       | 1,400  | 1,350  | 1,050  |
| Private Clients - ongoing business                      | 300    | 250    | 200    |
| - closed life assurance activities                      | 100    | 150    | 150    |
| International                                           | 1,000  | 950    | 700    |
| Barclaycard                                             | 2,450  | 2,250  | 2,150  |
| Barclays Capital                                        | 2,050  | 2,100  | 2,150  |
| Barclays Global Investors                               | 150    | 150    | 150    |
| Head office functions and other operations <sup>1</sup> | 200    | 250    | 250    |
| Average business unit economic capital                  | 10,700 | 10,900 | 10,550 |
| Capital held at Group centre <sup>2</sup>               | 1,600  | 1,300  | 1,050  |
| Average historical goodwill                             | 5,600  | 5,300  | 4,900  |
| Total average shareholders' funds                       | 17,900 | 17,500 | 16,500 |

1 Includes Transition Businesses and capital for central functional risks.

2 The Group's practice is to maintain an appropriate level of excess capital, held at Group centre, which is not allocated to business units. This variance arises as a result of capital management timing and includes capital held to cover pension contribution risk.

Total average shareholders' funds including unamortised goodwill rose by GBP400m to GBP17,900m in the first half of 2004.

UK Retail Banking economic capital allocation has decreased GBP100m to GBP2,150m primarily as a result of the sale of non-core mortgage assets that had previously been acquired with the Woolwich.

UK Business Banking economic capital allocation has decreased GBP250m to GBP2,300m as a consequence of both general improvements in the credit quality of counterparties within Larger Business and of continued improvement in the risk assessment of complex transactions within Assets Sales and Venture Finance.

Private Clients and International economic capital allocation has increased GBP50m to GBP1,400m reflecting the impact of including an entire half year of the two acquisitions made in the second half of 2003.

Barclaycard economic capital allocation has increased GBP200m due to continued growth in the loan book and methodology improvements in First Plus.

### Economic Profit

Economic profit for the half year 2004 was GBP1,054m (2003: GBP745m).

The breakdown of economic profit performance is shown below:

|                                              | 30.06.04 | Half-year ended<br>31.12.03 | 30.06.03 |
|----------------------------------------------|----------|-----------------------------|----------|
|                                              | GBPm     | GBPm                        | GBPm     |
| Profit after tax and minority interests      | 1,716    | 1,361                       | 1,383    |
| Goodwill amortisation                        | 148      | 140                         | 125      |
| Tax credit on goodwill                       | (5)      | (4)                         | (3)      |
| Goodwill relating to associated undertakings | 3        | 4                           | 3        |

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|                                                                                                |        |        |        |
|------------------------------------------------------------------------------------------------|--------|--------|--------|
| Profit after tax and minority interests<br>excluding goodwill amortisation                     | 1,862  | 1,501  | 1,508  |
| Gain/(loss) on disposal recognised in<br>the statement of total recognised gains<br>and losses | 20     | (4)    | -      |
|                                                                                                | 1,882  | 1,497  | 1,508  |
| Average shareholders' funds including<br>average historical goodwill <sup>1</sup>              | 17,900 | 17,517 | 16,521 |
| Post tax cost of equity                                                                        | 9.5%   | 9.5%   | 9.5%   |
| Cost of average shareholders' funds<br>including average historical goodwill <sup>2</sup>      | (828)  | (812)  | (763)  |
| Economic profit                                                                                | 1,054  | 685    | 745    |

1 The difference between the average shareholders' funds (excluding minority interests) of GBP16,789m and that reported above represents cumulative goodwill amortisation charged and goodwill previously written off to reserves. 2 The cost includes a charge for purchased goodwill of GBP242m (2003: GBP211m). A post-tax cost of equity of 8.5% has been used for goodwill associated with the acquisition of Woolwich plc. A post-tax cost of equity of 9.5% has been used for all other goodwill. The post tax cost of equity is unchanged for 2004.

The table below shows the economic profit generated by each business area:

|                                                            | Half-year ended |          |          |
|------------------------------------------------------------|-----------------|----------|----------|
|                                                            | 30.06.04        | 31.12.03 | 30.06.03 |
|                                                            | GBPm            | GBPm     | GBPm     |
| UK Banking                                                 | 666             | 535      | 588      |
| UK Retail Banking                                          | 344             | 268      | 328      |
| UK Business Banking                                        | 322             | 267      | 260      |
| Private Clients and International                          | 93              | 91       | 38       |
| Private Clients - ongoing business                         | 64              | 45       | 39       |
| - closed life assurance activities                         | (27)            | (3)      | (43)     |
| International                                              | 56              | 49       | 42       |
| Barclaycard                                                | 180             | 144      | 160      |
| Barclays Capital                                           | 298             | 166      | 183      |
| Barclays Global Investors                                  | 91              | 59       | 53       |
| Head office functions and other<br>operations <sup>1</sup> | 21              | (35)     | (33)     |
|                                                            | 1,349           | 960      | 989      |
| Historical goodwill <sup>2</sup>                           | (242)           | (231)    | (211)    |
| Variance to average shareholders' funds                    | (53)            | (44)     | (33)     |
| Economic profit                                            | 1,054           | 685      | 745      |

1 Includes Transition businesses, see page 42.

2 Cost of equity charge on historical purchased goodwill.

### Risk Tendency

As part of its credit risk measurement system, the Group uses a model-based methodology to assess the quality of the credit portfolios across different customer categories. The approach is termed Risk Tendency and applies to all performing credit exposures in both wholesale and retail sectors. Looking one year ahead, it provides a statistical estimate that is the average in the range of possible losses expected from the current performing portfolio. The actual outcome in any one year is likely to be different. Thus it is not a prediction

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of specific provisions but it gives management a clear view of the evolution of the quality of the credit portfolio.

|                                   | Half-year ended |          |          |
|-----------------------------------|-----------------|----------|----------|
|                                   | 30.06.04        | 31.12.03 | 30.06.03 |
|                                   | GBPm            | GBPm     | GBPm     |
| UK Banking                        | 360             | 385      | 420      |
| UK Retail Banking                 | 150             | 150      | 185      |
| UK Business Banking               | 210             | 235      | 235      |
| Private Clients and International | 80              | 75       | 50       |
| Private Clients                   | 5               | 5        | 5        |
| International                     | 75              | 70       | 45       |
| Barclaycard                       | 810             | 775      | 710      |
| Barclays Capital                  | 80              | 135      | 190      |
| Transition businesses             | 10              | 20       | 20       |
|                                   | 1,340           | 1,390    | 1,390    |

Risk Tendency fell 4% to GBP1,340m (31st December 2003: GBP1,390m).

Barclaycard Risk Tendency increased due to high levels of card customer recruitment.

International Risk Tendency increased as a result of continued growth in the portfolio, particularly in Spain. The rise in the second half of 2003 was mainly a consequence of the acquisition of Banco Zaragozano.

Risk Tendency fell in UK Business Banking and in Barclays Capital due to improved credit conditions in the corporate and wholesale environment.

### ADDITIONAL INFORMATION

#### Group Structure changes from 2003

From 1st January 2004, for reporting purposes, Barclays has been organised into the business groupings outlined on pages 21 and 22. Results are also provided for Head office functions and other operations.

The restructure has had no impact on the Group profit and loss account as reported in the 2003 Annual report.

#### Acquisitions and disposals

On 11th March 2004, Barclays purchased the remaining 40% minority share in Barclays Cairo Bank.

On 7th April 2004, Barclays completed the disposal of Edotech Limited to Astron, the business process outsourcing group.

#### Accounting policies

A change in accounting policy arose from the adoption in 2004 of UITF Abstract 38 (UITF 38), 'Accounting for ESOP trusts'. UITF 38 requires Barclays PLC shares held in Employee Share Ownership Plans (ESOP) trusts to be accounted for as a deduction in arriving at shareholders' funds, rather than as assets. The balance sheets for June 2003 and December 2003 have been restated accordingly, and other assets and shareholders' funds have been reduced by GBP100m at 30th June 2003 and GBP99m at 31st December 2003. The impact of UITF 38 on the June 2003 and December 2003 profit and loss account was immaterial, and the comparatives have

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not been restated.

In addition, the June 2003 balance sheet has been restated to reflect the impact of UITF Abstract 37 (UITF 37), 'Purchases and sales of own shares', which was implemented in the 2003 year-end accounts. As a result equity shares and shareholders' funds have been reduced by GBP7m at 30th June 2003. The impact of UITF 37 on the June 2003 profit and loss account was immaterial, and the comparatives have not been restated.

Apart from UITF 38, there have been no significant changes to the accounting policies as described in the 2003 Annual Report.

### Future UK accounting developments

In July 2004 the Accounting Standards Board issued Financial Reporting Exposure Draft 34 on Life Assurance, which sets out a proposed standard to apply for the December 2004 year-end. The Group is currently assessing the impact of the proposals on its life assurance business.

### Conversion to International Financial Reporting Standards in 2005

By Regulation, the EU has agreed that virtually all listed companies must use International Financial Reporting Standards (IFRS) adopted for use in the EU in the preparation of their 2005 consolidated accounts. Barclays will have to comply with this Regulation. The objective is to improve financial reporting and enhance transparency to assist the free flow of capital throughout the EU and to improve the efficiency of the capital markets.

Work to meet the requirements of IFRS fully in 2005 is advancing to plan. Differences are being identified, revised accounting policies are being developed, design work is advancing for the necessary changes to systems and processes whilst the building of the identified changes is progressing well.

The main risks and uncertainties relate to the standards that have not yet been finalised and adopted by the EU. How IFRS financial statements will be interpreted for tax and regulatory capital purposes also remains unclear at this time. However, the programme is following normal project controls and change management and the Group is confident that it will be able to meet requirements for financial reporting in 2005.

While almost all standards are now finalised, there remains uncertainty with respect to the application of one key standard, 'Financial Instruments: Recognition and Measurement' (IAS 39). Although a final text was published on 31st March 2004, it is currently unclear whether or not the standard will be endorsed by the EU for use in 2005. In these circumstances it is not practicable to provide further information about likely impacts on 2005 results.

IAS 39 will have a significant impact on the IFRS accounts as it changes the recognition and measurement of the majority of the assets and liabilities held by the bank, including loans, investment securities and derivatives used for risk management purposes. 'Financial Instruments: Presentation and Disclosure' (IAS 32), which contains different requirements for off setting assets and liabilities than UK GAAP, will also have a significant impact, particularly in the presentation of the balance sheet. Other standards that will have significant impact on the reported results include: employee benefits (pensions), share based payment, goodwill (amortisation), intangible assets (capitalisation of software), consolidation and insurance contracts.

Barclays intends to hold briefings on IFRS in the fourth quarter of 2004. The restated 2004 IFRS results and the opening 2005 IFRS balance sheet will be issued in the first half of 2005. The first financial information on an IFRS basis will be provided for the June 2005 half-year.

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### Changes in accounting presentation

The prior period presentation has, where appropriate, been restated to conform with current year classification, and the changes in accounting policies discussed above.

### Share capital

The Group manages both its debt and equity capital actively. The Group renewed its authority to buy back ordinary shares at the 2004 Annual General Meeting to provide additional flexibility in the management of the Group's capital resources.

### Group share schemes

The independent trustees of the Group's share schemes may make purchases of Barclays PLC ordinary shares in the market at any time or times following this announcement of the Group's results for the purposes of those schemes' current and future requirements. The total number of ordinary shares purchased would not be material in relation to the issued share capital of Barclays PLC.

### Filings with the SEC

The results will be furnished as a Form 6-K to the US Securities and Exchange Commission as soon as practicable following the publication of these results.

### Other information

The interim report for the six months to 30th June 2004, including extracts from this announcement and the independent review report by the auditors, will be advertised in The Daily Telegraph and the Daily Mail on 6th August 2004. Copies will be available to the public at Barclays registered office and at its website [www.investorrelations.barclays.co.uk](http://www.investorrelations.barclays.co.uk).

## NOTES

### 1. Loans and advances to banks

|                                   | 30.06.04 | 31.12.03 | 30.06.03 |
|-----------------------------------|----------|----------|----------|
| Banking business                  | GBPm     | GBPm     | GBPm     |
| United Kingdom                    | 15,105   | 14,315   | 11,347   |
| Other European Union              | 1,000    | 1,702    | 1,594    |
| United States                     | 94       | 110      | 377      |
| Rest of the World                 | 1,385    | 1,143    | 1,640    |
|                                   | 17,584   | 17,270   | 14,958   |
| Less - provisions                 | (7)      | (16)     | (21)     |
|                                   | 17,577   | 17,254   | 14,937   |
| Trading business                  | 59,100   | 44,670   | 52,534   |
| Total loans and advances to banks | 76,677   | 61,924   | 67,471   |

Of the total loans and advances to banks, placings with banks were GBP71.2bn at 30th June 2004 (31st December 2003: GBP56.5bn; 30th June 2003: GBP57.1bn). Placings with banks include reverse repos of GBP59.5bn (31st December 2003: GBP50.4bn; 30th June 2003: GBP43.3bn). The majority of the placings have a residual maturity of less than one year.



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### 2. Loans and advances to customers

|                                               | 30.06.04 | 31.12.03 | 30.06.03 |
|-----------------------------------------------|----------|----------|----------|
| Banking business - United Kingdom:            | GBPm     | GBPm     | GBPm     |
| Financial institutions                        | 8,681    | 7,721    | 7,612    |
| Agriculture, forestry and fishing             | 1,932    | 1,766    | 1,860    |
| Manufacturing                                 | 6,219    | 5,967    | 6,860    |
| Construction                                  | 2,007    | 1,883    | 1,961    |
| Property                                      | 7,214    | 6,341    | 6,515    |
| Energy and water                              | 1,128    | 1,286    | 1,064    |
| Wholesale and retail distribution and leisure | 9,339    | 8,886    | 8,147    |
| Transport                                     | 2,324    | 2,579    | 2,878    |
| Postal and communication                      | 503      | 476      | 373      |
| Business and other services                   | 12,009   | 12,030   | 11,713   |
| Home loans <sup>1</sup>                       | 63,114   | 61,905   | 60,715   |
| Other personal                                | 22,202   | 21,905   | 21,151   |
| Overseas customers                            | 6,377    | 5,477    | 6,367    |
| Finance lease receivables                     | 5,447    | 5,587    | 4,204    |
| Total United Kingdom                          | 148,496  | 143,809  | 141,420  |
| Business Banking - Overseas:                  |          |          |          |
| Other European Union                          | 18,432   | 19,027   | 15,255   |
| United States                                 | 5,435    | 3,573    | 4,764    |
| Rest of the World                             | 4,791    | 4,510    | 6,540    |
|                                               | 28,658   | 27,110   | 26,559   |
| Total banking loans and advances to customers | 177,154  | 170,919  | 167,979  |
| Less provisions                               | (2,929)  | (3,012)  | (2,992)  |
| Less interest in suspense                     | (45)     | (49)     | (75)     |
|                                               | 174,180  | 167,858  | 164,912  |
| Trading business                              | 72,893   | 58,961   | 59,447   |
| Total loans and advances to customers         | 247,073  | 226,819  | 224,359  |

1 Excludes commercial property mortgages

Of the total loans and advances to customers, reverse repos were GBP55.3bn (31st December 2003: GBP50.0bn; 30th June 2003: GBP39.8bn)

The geographic presentation above is based on the office recording the transaction.

The UK industry classifications have been prepared at the level of the borrowing entity. This means that a loan to the subsidiary of a major corporation is classified by the industry in which the subsidiary operates even though the parent's predominant business may be in a different industry.

The above numbers include securitised loans of GBP2,995m which meet the criteria for linked presentation (31st December 2003: GBP81m; 30th June 2003: GBP83m), stated net of non-recourse finance of GBP2,954m (31st December 2003: GBP80m; 30th June 2003: GBP82m).

### 3. Provision balances for bad and doubtful debts

Half-year ended

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| Movements in provisions for bad and doubtful debts | 30.06.04 | 31.12.03 | 30.06.03 |
|----------------------------------------------------|----------|----------|----------|
|                                                    | GBPm     | GBPm     | GBPm     |
| Provisions at beginning of period                  | 3,028    | 3,013    | 2,998    |
| Acquisitions and disposals                         | -        | 48       | 14       |
| Exchange and other adjustments                     | (25)     | (20)     | 2        |
| Amounts written off (see below)                    | (771)    | (759)    | (715)    |
| Recoveries (see below)                             | 115      | 51       | 62       |
| Provisions charged against profit (see below)      | 589      | 695      | 652      |
| Provisions balance at end of period                | 2,936    | 3,028    | 3,013    |
| Amounts written off                                |          |          |          |
| United Kingdom                                     | (705)    | (615)    | (560)    |
| Other European Union                               | (26)     | (39)     | (15)     |
| United States                                      | (36)     | (82)     | (133)    |
| Rest of the World                                  | (4)      | (23)     | (7)      |
| Total amounts written off                          | (771)    | (759)    | (715)    |
| Recoveries                                         |          |          |          |
| United Kingdom                                     | 97       | 44       | 51       |
| Other European Union                               | 9        | 2        | 5        |
| United States                                      | 7        | 4        | 6        |
| Rest of the World                                  | 2        | 1        | -        |
| Total recoveries                                   | 115      | 51       | 62       |
| Provisions charged against profit                  |          |          |          |
| New and increased specific provisions              |          |          |          |
| United Kingdom                                     | 745      | 751      | 622      |
| Other European Union                               | 44       | 27       | 30       |
| United States                                      | 28       | 47       | 71       |
| Rest of the World                                  | 19       | 32       | 48       |
|                                                    | 836      | 857      | 771      |
| Releases of specific provisions                    |          |          |          |
| United Kingdom                                     | (28)     | (96)     | (55)     |
| Other European Union                               | (10)     | (7)      | (6)      |
| United States                                      | (9)      | (20)     | (4)      |
| Rest of the World                                  | (9)      | (2)      | (5)      |
|                                                    | (56)     | (125)    | (70)     |
| Recoveries                                         | (115)    | (51)     | (62)     |
| Net specific provisions charge                     | 665      | 681      | 639      |
| General provision (release) / charge               | (76)     | 14       | 13       |
| Net charge to profit                               | 589      | 695      | 652      |

Total provisions for bad and doubtful debts at end of period comprise:

|                      | 30.06.04 | 31.12.03 | 30.06.03 |
|----------------------|----------|----------|----------|
|                      | GBPm     | GBPm     | GBPm     |
| Specific provisions  |          |          |          |
| United Kingdom       | 1,865    | 1,856    | 1,812    |
| Other European Union | 101      | 97       | 99       |
| United States        | 101      | 121      | 187      |

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|                           |       |       |       |
|---------------------------|-------|-------|-------|
| Rest of the World         | 156   | 159   | 163   |
| Total specific provisions | 2,223 | 2,233 | 2,261 |
| General provisions        | 713   | 795   | 752   |
|                           | 2,936 | 3,028 | 3,013 |

The geographic analysis of provisions shown above is based on the location of the office recording the transaction. These provisions balances (and interest in suspense - see note 2) provide coverage of the non-performing loans and potential credit risk loans as shown in note 4 below.

### 4. Potential credit risk loans

The following table presents an analysis of potential credit risk loans (non-performing and potential problem loans). The geographical presentation is based on the location of the office recording the transaction, and the amounts are stated before deduction of the value of security held, specific provisions carried or interest suspended.

|                                                                            |          |          |          |
|----------------------------------------------------------------------------|----------|----------|----------|
| Potential credit risk loans                                                | 30.06.04 | 31.12.03 | 30.06.03 |
| Summary                                                                    | GBPm     | GBPm     | GBPm     |
| Non-accrual loans:                                                         | 2,235    | 2,261    | 2,455    |
| Accruing where interest is being suspended with or without provisions      | 432      | 629      | 542      |
| Other accruing loans against which provisions have been made               | 911      | 821      | 768      |
|                                                                            | 3,578    | 3,711    | 3,765    |
| Accruing loans 90 days overdue, against which no provisions have been made | 569      | 590      | 785      |
| Reduced rate loans                                                         | 10       | 4        | 8        |
| Total non-performing loans                                                 | 4,157    | 4,305    | 4,558    |
| Potential problem loans                                                    | 824      | 1,327    | 1,171    |
| Total potential credit risk loans                                          | 4,981    | 5,632    | 5,729    |

Non-performing loans declined to GBP4,157m (31st December 2003: GBP4,305m). The potential problem loan balance fell to GBP824m (31st December 2003: GBP1,327m) reflecting regradings, settlements, write-offs and a reduction in emergence of new potential problem loans.

|                      |          |          |          |
|----------------------|----------|----------|----------|
| Geographical split:  | 30.06.04 | 31.12.03 | 30.06.03 |
| Non-accrual loans    | GBPm     | GBPm     | GBPm     |
| United Kingdom       | 1,634    | 1,572    | 1,628    |
| Other European Union | 135      | 143      | 126      |
| United States        | 315      | 383      | 570      |
| Rest of the World    | 151      | 163      | 131      |
| Total                | 2,235    | 2,261    | 2,455    |

Accruing loans where interest is being suspended with or without provisions:

|                      |     |     |     |
|----------------------|-----|-----|-----|
| United Kingdom       | 341 | 559 | 435 |
| Other European Union | 48  | 29  | 23  |
| United States        | -   | -   | -   |
| Rest of the World    | 43  | 41  | 84  |
| Total                | 432 | 629 | 542 |

Other accruing loans against which provisions have been made:

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|                      |     |     |     |
|----------------------|-----|-----|-----|
| United Kingdom       | 858 | 760 | 713 |
| Other European Union | 26  | 35  | 40  |
| United States        | -   | -   | -   |
| Rest of the World    | 27  | 26  | 15  |
| Total                | 911 | 821 | 768 |

|                                                                                   | 30.06.04 | 31.12.03 | 30.06.03 |
|-----------------------------------------------------------------------------------|----------|----------|----------|
| Accruing loans 90 days overdue,<br>against which no provisions have<br>been made: |          |          |          |
| United Kingdom                                                                    | 542      | 566      | 757      |
| Other European Union                                                              | 27       | 24       | 28       |
| United States                                                                     | -        | -        | -        |
| Rest of the World                                                                 | -        | -        | -        |
| Total                                                                             | 569      | 590      | 785      |

|                      |    |   |   |
|----------------------|----|---|---|
| Reduced rate loans:  |    |   |   |
| United Kingdom       | 10 | 4 | 6 |
| Other European Union | -  | - | - |
| United States        | -  | - | - |
| Rest of the World    | -  | - | 2 |
| Total                | 10 | 4 | 8 |

|                             |       |       |       |
|-----------------------------|-------|-------|-------|
| Total non-performing loans: |       |       |       |
| United Kingdom              | 3,385 | 3,461 | 3,539 |
| Other European Union        | 236   | 231   | 217   |
| United States               | 315   | 383   | 570   |
| Rest of the World           | 221   | 230   | 232   |
| Total                       | 4,157 | 4,305 | 4,558 |

|                          |     |       |       |
|--------------------------|-----|-------|-------|
| Potential problem loans: |     |       |       |
| United Kingdom           | 554 | 989   | 878   |
| Other European Union     | -   | 23    | 25    |
| United States            | 191 | 259   | 202   |
| Rest of the World        | 79  | 56    | 66    |
| Total                    | 824 | 1,327 | 1,171 |

|                                    |       |       |       |
|------------------------------------|-------|-------|-------|
| Total potential credit risk loans: |       |       |       |
| United Kingdom                     | 3,939 | 4,450 | 4,417 |
| Other European Union               | 236   | 254   | 242   |
| United States                      | 506   | 642   | 772   |
| Rest of the World                  | 300   | 286   | 298   |
| Total                              | 4,981 | 5,632 | 5,729 |

|                                                |      |      |      |
|------------------------------------------------|------|------|------|
| Provision coverage of non-performing<br>loans: | %    | %    | %    |
| United Kingdom                                 | 74.0 | 74.2 | 71.1 |
| Other European Union                           | 71.6 | 71.4 | 59.0 |
| United States                                  | 37.8 | 39.2 | 43.2 |
| Rest of the World                              | 85.5 | 83.9 | 85.3 |
| Total                                          | 71.7 | 71.5 | 67.7 |

|                                                             |      |      |      |
|-------------------------------------------------------------|------|------|------|
| Provision coverage of total potential<br>credit risk loans: | %    | %    | %    |
| United Kingdom                                              | 63.6 | 57.7 | 57.0 |
| Other European Union                                        | 71.6 | 65.0 | 52.9 |
| United States                                               | 23.5 | 23.4 | 31.9 |
| Rest of the World                                           | 63.0 | 67.5 | 66.4 |
| Total                                                       | 59.8 | 54.6 | 53.9 |

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The geographical coverage ratios include an allocation of general provisions.

The coverage of non-performing loans by the Group's stock of provisions and interest in suspense remained broadly stable at 71.7% (31st December 2003: 71.5%). The coverage of total potential credit risk loans was higher at 59.8% (31st December 2003: 54.6%).

### 5. Other assets

|                                                                             | 30.06.04 | 31.12.03 | 30.06.03 |
|-----------------------------------------------------------------------------|----------|----------|----------|
|                                                                             | GBPm     | GBPm     | GBPm     |
| Balances arising from off-balance sheet financial instruments (see note 10) | 14,000   | 15,812   | 16,039   |
| Shareholders' interest in long term assurance fund                          | 436      | 478      | 799      |
| London Metal Exchange warrants and other metals trading positions           | 1,443    | 1,290    | 794      |
| Sundry debtors                                                              | 1,786    | 2,156    | 2,223    |
| Prepayments and accrued income                                              | 4,575    | 3,921    | 3,411    |
|                                                                             | 22,240   | 23,657   | 23,266   |

### 6. Other liabilities

|                                                                             | 30.06.04 | 31.12.03 | 30.06.03 |
|-----------------------------------------------------------------------------|----------|----------|----------|
|                                                                             | GBPm     | GBPm     | GBPm     |
| Obligations under finance leases payable                                    | 352      | 110      | 129      |
| Balances arising from off-balance sheet financial instruments (See note 10) | 12,829   | 14,797   | 12,900   |
| Short positions in securities                                               | 57,438   | 49,934   | 44,337   |
| Current tax                                                                 | 680      | 497      | 731      |
| Sundry creditors                                                            | 3,643    | 4,159    | 4,941    |
| Accruals and deferred income                                                | 5,212    | 4,983    | 4,476    |
| Provisions for liabilities and charges                                      | 1,058    | 1,015    | 899      |
| Dividend                                                                    | 529      | 879      | 456      |
|                                                                             | 81,741   | 76,374   | 68,869   |

### 7. Loans and advances to borrowers in currencies other than the local currency of the borrower

At 30th June 2004, the countries where these outstandings exceeded 1% of total Group assets were the United States and Germany. In this context, assets comprise total assets as presented in the consolidated balance sheet and include acceptances.

Loans and advances to borrowers in currencies other than the local currency of the borrower for countries where borrowing exceeds 1% of total Group assets

|                       | As % of assets | Total GBPm |
|-----------------------|----------------|------------|
| At 30th June 2004     |                |            |
| United States         | 2.5            | 12,337     |
| Germany               | 1.1            | 5,286      |
| At 31st December 2003 |                |            |
| United States         | 2.7            | 12,110     |
| Germany               | 1.2            | 5,127      |

As at 30th June 2004, only France had such outstandings between 0.75% and 1% of

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total Group assets, which amounted to GBP4,581m (31st December 2003: GBP3,570m).

### 8. Legal proceedings

Proceedings have been brought in the United States against a number of defendants including Barclays following the collapse of Enron. In each case the claims are against groups of defendants and it is not possible to estimate Barclays possible loss, if any, in relation to them. Barclays considers that the claims against it are without merit and is defending them vigorously. A court ordered mediation commenced in September 2003 but no material progress has been made towards a resolution of the litigation.

Barclays is engaged in various other litigation proceedings both in the United Kingdom and a number of overseas jurisdictions, including the United States, involving claims by and against it, which arise in the ordinary course of business.

Barclays does not expect the ultimate resolution of any of the proceedings to which Barclays is party to have a significant adverse effect on the financial position or profitability of the Group.

### 9. Contingent liabilities and commitments

|                                                        | 30.06.04 | 31.12.03 | 30.06.03 |
|--------------------------------------------------------|----------|----------|----------|
|                                                        | GBPm     | GBPm     | GBPm     |
| Contingent liabilities                                 |          |          |          |
| Acceptances and endorsements                           | 530      | 671      | 2,259    |
| Guarantees and assets pledged as collateral security   | 26,334   | 24,596   | 22,655   |
| Other contingent liabilities                           | 7,800    | 8,427    | 7,964    |
|                                                        | 34,664   | 33,694   | 32,878   |
| Commitments                                            |          |          |          |
| Standby facilities, credit lines and other commitments | 119,887  | 114,847  | 106,472  |

### 10. Derivatives

The tables set out below analyse the contract or underlying principal amounts of derivative financial instruments held for trading purposes and for the purposes of managing the Group's structural exposures.

|                                         | 30.06.04  | 31.12.03  | 30.06.03  |
|-----------------------------------------|-----------|-----------|-----------|
|                                         | GBPm      | GBPm      | GBPm      |
| Foreign exchange derivatives            |           |           |           |
| Contract or underlying principal amount |           |           |           |
| Forward foreign exchange                | 415,997   | 310,319   | 336,079   |
| Currency swaps                          | 239,440   | 207,364   | 175,115   |
| Other exchange rate related contracts   | 145,238   | 167,643   | 130,864   |
|                                         | 800,675   | 685,326   | 642,058   |
| Interest rate derivatives               |           |           |           |
| Contract or underlying principal amount |           |           |           |
| Interest rate swaps                     | 3,676,218 | 2,944,310 | 2,471,207 |
| Forward rate agreements                 | 588,977   | 381,511   | 245,529   |
| OTC options bought and sold             | 1,095,615 | 842,631   | 707,160   |
| Other interest rate related contracts   | 2,408,350 | 2,051,161 | 1,341,117 |
|                                         | 7,769,160 | 6,219,613 | 4,765,013 |
| Credit derivatives                      | 82,835    | 47,450    | 29,621    |

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Equity, stock index and commodity derivatives

|                                         |         |         |         |
|-----------------------------------------|---------|---------|---------|
| Contract or underlying principal amount | 196,964 | 171,939 | 151,054 |
|-----------------------------------------|---------|---------|---------|

Other exchange rate related contracts are primarily over the counter (OTC) options. Other interest rate related contracts are primarily exchange traded options, futures and swaps.

The increased nominal amounts reflect the expansion of the Barclays Capital business and the continued growth in customer usage of electronic dealing systems.

Derivatives entered into as trading transactions, together with any associated hedging thereof, are measured at fair value and the resultant profits and losses are included in dealing profits. The tables below summarise the positive and negative fair values of such derivatives, including an adjustment for netting where the Group has the ability to insist on net settlement which is assured beyond doubt, based on a legal right that would survive the insolvency of the counterparty.

|                                               | 30.06.04<br>GBPm | 31.12.03<br>GBPm | 30.06.03<br>GBPm |
|-----------------------------------------------|------------------|------------------|------------------|
| Positive fair values                          |                  |                  |                  |
| Foreign exchange derivatives                  | 11,332           | 17,129           | 12,071           |
| Interest rate derivatives                     | 45,563           | 51,776           | 73,905           |
| Credit derivatives                            | 750              | 798              | 828              |
| Equity, stock index and commodity derivatives | 7,021            | 4,721            | 3,716            |
| Effect of netting                             | (47,390)         | (55,030)         | (70,106)         |
| Cash collateral meeting offset criteria       | (3,276)          | (3,582)          | (4,375)          |
|                                               | 14,000           | 15,812           | 16,039           |
| Negative fair values                          |                  |                  |                  |
| Foreign exchange derivatives                  | 11,233           | 18,393           | 12,335           |
| Interest rate derivatives                     | 43,944           | 49,735           | 70,990           |
| Credit derivatives                            | 488              | 584              | 476              |
| Equity, stock index and commodity derivatives | 7,928            | 5,733            | 4,215            |
| Effect of netting                             | (47,390)         | (55,030)         | (70,106)         |
| Cash collateral meeting offset criteria       | (3,374)          | (4,618)          | (5,010)          |
|                                               | 12,829           | 14,797           | 12,900           |

### 11. Market risk

Market Risk is the risk that the Group's earnings or capital, or its ability to meet business objectives, will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates including credit spreads, foreign exchange rates, equity prices, and commodity prices.

Barclays Capital's market risk exposure, as measured by average total Daily Value at Risk (DVaR), increased in the first half of 2004 compared to 2003. This was due mainly to interest rate opportunities taken and an increase in credit spread risk. The latter increase was primarily a result of growing client business in corporate bonds and credit derivatives. Market risk exposure

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decreased towards the end of the first half 2004. Total DVaR as at 30th June 2004 was GBP26.0m (31st December 2003: GBP37.2m; 30th June 2003: GBP24.6m).

### Analysis of Barclays Capital's market risk exposures

The daily average, maximum and minimum values of DVaR were calculated as below:

|                        | Half-year ended<br>30.06.04 |       |      |
|------------------------|-----------------------------|-------|------|
|                        | Average                     | High1 | Low1 |
|                        | GBPm                        | GBPm  | GBPm |
| Interest rate risk     | 30.5                        | 53.6  | 19.0 |
| Credit spread risk     | 25.0                        | 32.9  | 16.0 |
| Foreign exchange risk  | 1.8                         | 3.0   | 0.9  |
| Equities risk          | 4.1                         | 7.9   | 2.2  |
| Commodities risk       | 3.7                         | 7.8   | 2.2  |
| Diversification effect | (27.0)                      |       |      |
| Total DVaR             | 38.1                        | 46.8  | 25.7 |

|                        | Half-year ended<br>31.12.03 |       |      |
|------------------------|-----------------------------|-------|------|
|                        | Average                     | High1 | Low1 |
|                        | GBPm                        | GBPm  | GBPm |
| Interest rate risk     | 21.3                        | 34.1  | 13.6 |
| Credit spread risk     | 20.6                        | 29.2  | 14.8 |
| Foreign exchange risk  | 1.8                         | 3.1   | 1.0  |
| Equities risk          | 2.7                         | 4.9   | 1.5  |
| Commodities risk       | 4.2                         | 7.0   | 2.2  |
| Diversification effect | (21.8)                      |       |      |
| Total DVaR             | 28.8                        | 38.6  | 20.5 |

|                        | Half-year ended<br>30.06.03 |       |      |
|------------------------|-----------------------------|-------|------|
|                        | Average                     | High1 | Low1 |
|                        | GBPm                        | GBPm  | GBPm |
| Interest rate risk     | 20.7                        | 27.7  | 13.7 |
| Credit spread risk     | 11.7                        | 16.0  | 8.9  |
| Foreign exchange risk  | 2.9                         | 5.0   | 1.3  |
| Equities risk          | 2.5                         | 3.8   | 1.7  |
| Commodities risk       | 4.6                         | 6.2   | 2.2  |
| Diversification effect | (19.4)                      |       |      |
| Total DVaR             | 23.0                        | 29.5  | 17.6 |

1 The high (and low) DVaR figures reported for each category did not necessarily occur on the same day as the high (and low) DVaR reported as a whole. Consequently a diversification effect number for the high (and low) DVaR figures would not be meaningful and it is therefore omitted from the above table.

### CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS (UNAUDITED)

|                        | Half year ended |          |          |
|------------------------|-----------------|----------|----------|
|                        | 30.06.04        | 31.12.03 | 30.06.03 |
|                        | GBPm            | GBPm     | GBPm     |
| Share capital1         |                 |          |          |
| At beginning of period | 1,642           | 1,638    | 1,645    |
| Shares issued          | 2               | 8        | 1        |
| Repurchase of shares   | (31)            | (4)      | (8)      |
| At end of period       | 1,613           | 1,642    | 1,638    |
| Share premium account  |                 |          |          |
| At beginning of period | 5,417           | 5,292    | 5,277    |



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|                                                                      |        |        |        |
|----------------------------------------------------------------------|--------|--------|--------|
| Premium arising on shares issued                                     | 20     | 125    | 15     |
| At end of period                                                     | 5,437  | 5,417  | 5,292  |
| Revaluation reserve                                                  |        |        |        |
| At beginning of period                                               | 24     | 22     | 24     |
| Other                                                                | -      | 2      | (2)    |
| At end of period                                                     | 24     | 24     | 22     |
| Capital redemption reserve                                           |        |        |        |
| At beginning of period                                               | 274    | 270    | 262    |
| Repurchase of ordinary shares                                        | 31     | 4      | 8      |
|                                                                      | 305    | 274    | 270    |
| Other capital reserve                                                |        |        |        |
| At beginning and end of period                                       | 617    | 617    | 617    |
| Profit retained                                                      |        |        |        |
| At beginning of period                                               | 8,400  | 8,118  | 7,321  |
| Profit retained                                                      | 1,188  | 478    | 926    |
| Exchange rate translation differences                                | (43)   | (67)   | 36     |
| Repurchase of ordinary shares                                        | (31)   | (4)    | (8)    |
| Premium and legal costs on repurchase of ordinary shares             | (574)  | (81)   | (111)  |
| Shares issued to Quest in relation to share option schemes for staff | -      | (36)   | -      |
| Increase in Treasury shares                                          | (22)   | (4)    | (48)   |
| Other items                                                          | 20     | (4)    | 2      |
| At end of period                                                     | 8,938  | 8,400  | 8,118  |
| Total reserves                                                       | 15,321 | 14,732 | 14,319 |
| Total shareholders' funds                                            | 16,934 | 16,374 | 15,957 |

1 Share capital comprises 6,447m (31st December 2003: 6,563m; 30th June 2003: 6,549m) ordinary shares of 25p each and 1m (31st December 2003:1m; 30th June 2003:1m) staff shares of GBP1 each.

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (UNAUDITED)

Half-year ended

|                                                            | 30.06.04 | 31.12.03 | 30.06.03 |
|------------------------------------------------------------|----------|----------|----------|
|                                                            | GBPm     | GBPm     | GBPm     |
| Profit attributable to the members of Barclays PLC         | 1,716    | 1,361    | 1,383    |
| Exchange rate translation differences                      | (39)     | (38)     | 34       |
| Gain / (loss) arising from transactions with third parties | 20       | (4)      | -        |
| Joint ventures and associated undertakings                 | (10)     | (40)     | 18       |
| Other items                                                | 6        | 13       | (16)     |
| Total gains and losses recognised in the period            | 1,693    | 1,292    | 1,419    |

### SUMMARY CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

|  | Half-year ended |          |          |
|--|-----------------|----------|----------|
|  | 30.06.04        | 31.12.03 | 30.06.03 |
|  | GBPm            | GBPm     | GBPm     |

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|                                                                             |         |         |       |
|-----------------------------------------------------------------------------|---------|---------|-------|
| Net cash inflow/(outflow) from operating activities                         | 4,299   | (3,690) | 1,400 |
| Dividends received from joint ventures and associated undertakings          | 5       | 6       | 1     |
| Net cash outflow from returns on investment and servicing of finance        | (301)   | (326)   | (294) |
| Tax paid                                                                    | (319)   | (532)   | (378) |
| Net cash (outflow)/inflow from capital expenditure and financial investment | (4,307) | 661     | 771   |
| Net cash inflow/(outflow) from acquisitions and disposals                   | 18      | (913)   | (17)  |
| Equity dividend paid                                                        | (878)   | (462)   | (787) |
| Net cash (outflow)/inflow before financing                                  | (1,483) | (5,256) | 696   |
| Net cash inflow from financing                                              | 2,877   | 3,297   | 891   |
| Increase/(decrease) in cash                                                 | 1,394   | (1,959) | 1,587 |

## AVERAGE BALANCE SHEET AND NET INTEREST INCOME (UNAUDITED)

|                                                       | 30.06.04<br>Average<br>Balance<br>GBPm | 30.06.04<br>Interest<br>GBPm | Half-year ended                  |                                        | 30.06.03<br>Interest<br>GBPm | 30.06.03<br>Average<br>Rate<br>% |
|-------------------------------------------------------|----------------------------------------|------------------------------|----------------------------------|----------------------------------------|------------------------------|----------------------------------|
|                                                       |                                        |                              | 30.06.04<br>Average<br>Rate<br>% | 30.06.03<br>Average<br>Balance<br>GBPm |                              |                                  |
| Assets                                                |                                        |                              |                                  |                                        |                              |                                  |
| Treasury bills and other eligible bills:              |                                        |                              |                                  |                                        |                              |                                  |
| In offices in the UK                                  | 1,638                                  | 31                           | 3.8                              | 4,772                                  | 65                           | 2.7                              |
| In offices outside the UK                             | 1,941                                  | 30                           | 3.1                              | 1,152                                  | 31                           | 5.4                              |
| Loans and advances to banks:                          |                                        |                              |                                  |                                        |                              |                                  |
| In offices in the UK                                  | 16,819                                 | 299                          | 3.6                              | 11,715                                 | 281                          | 4.8                              |
| In offices outside the UK                             | 4,290                                  | 51                           | 2.4                              | 4,871                                  | 61                           | 2.5                              |
| Loans and advances to customers:                      |                                        |                              |                                  |                                        |                              |                                  |
| In offices in the UK                                  | 140,509                                | 4,146                        | 5.9                              | 133,980                                | 3,886                        | 5.8                              |
| In offices outside the UK                             | 27,291                                 | 574                          | 4.2                              | 25,463                                 | 544                          | 4.3                              |
| Lease receivables:                                    |                                        |                              |                                  |                                        |                              |                                  |
| In offices in the UK                                  | 5,586                                  | 120                          | 4.3                              | 4,167                                  | 96                           | 4.6                              |
| In offices outside the UK                             | 363                                    | 10                           | 5.5                              | 263                                    | 9                            | 6.8                              |
| Debt securities:                                      |                                        |                              |                                  |                                        |                              |                                  |
| In offices in the UK                                  | 54,726                                 | 1,052                        | 3.8                              | 53,078                                 | 1,009                        | 3.8                              |
| In offices outside the UK                             | 8,147                                  | 150                          | 3.7                              | 4,207                                  | 111                          | 5.3                              |
| Average assets of banking business                    | 261,310                                | 6,463                        | 4.9                              | 243,668                                | 6,093                        | 5.0                              |
| Average assets of trading business                    | 284,584                                | 2,779                        | 2.0                              | 189,544                                | 2,518                        | 2.7                              |
| Total average interest earning assets                 | 545,894                                | 9,242                        | 3.4                              | 433,212                                | 8,611                        | 4.0                              |
| Provisions                                            | (2,820)                                |                              |                                  | (2,800)                                |                              |                                  |
| Non-interest earning assets                           | 65,395                                 |                              |                                  | 55,735                                 |                              |                                  |
| Total average assets and interest income              | 608,469                                | 9,242                        | 3.0                              | 486,147                                | 8,611                        | 3.5                              |
| Percentage of total average assets in offices outside |                                        |                              |                                  |                                        |                              |                                  |

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|                                                               |         |         |       |         |         |
|---------------------------------------------------------------|---------|---------|-------|---------|---------|
| the UK                                                        | 28.2%   |         |       | 27.1%   |         |
| Average interest earning assets and net interest income:      |         |         |       |         |         |
| Banking business                                              | 261,310 | 3,341   | 2.6   | 243,668 | 3,237   |
| Trading business                                              | 284,584 | (78)    | (0.1) | 189,544 | 141     |
| Discount rate adjustment on provisions                        | -       | -       | -     | -       | (1)     |
| Total average interest earning assets and net interest income | 545,894 | 3,263   | 1.2   | 433,212 | 3,377   |
| Total average interest earning assets related to:             |         |         |       |         |         |
| Interest income                                               |         | 9,242   | 3.4   |         | 8,611   |
| Interest expense                                              |         | (5,979) | (2.2) |         | (5,233) |
| Discount rate adjustment on provisions                        |         | -       | -     |         | (1)     |
|                                                               |         | 3,263   | 1.2   |         | 3,377   |

1 Loans and advances to customers and banks include all doubtful lendings, including non-accrual lendings. Interest receivable on such lendings has been included to the extent to which either cash payments have been received or interest has been accrued in accordance with the income recognition policy of the Group.

2 Average balances are based upon daily averages for most UK banking operations and monthly averages elsewhere.

3 The average balance sheet does not include the retail life-fund assets attributable to policyholders nor the related liabilities.

| Liabilities and                                      | Half-year ended |          |          |          |          |          |
|------------------------------------------------------|-----------------|----------|----------|----------|----------|----------|
|                                                      | 30.06.04        | 30.06.04 | 30.06.04 | 30.06.03 | 30.06.03 | 30.06.03 |
|                                                      | Average         | Interest | Average  | Average  | Interest | Average  |
|                                                      | Balance         | Interest | Rate     | Balance  | Interest | Rate     |
|                                                      | GBPm            | GBPm     | %        | GBPm     | GBPm     | %        |
| shareholders' funds                                  |                 |          |          |          |          |          |
| Deposits by banks:                                   |                 |          |          |          |          |          |
| In offices in the UK                                 | 41,689          | 506      | 2.4      | 40,867   | 486      | 2.4      |
| In offices outside the UK                            | 16,039          | 124      | 1.5      | 8,028    | 95       | 2.4      |
| Customer accounts - demand accounts:                 |                 |          |          |          |          |          |
| In offices in the UK                                 | 20,438          | 117      | 1.1      | 17,517   | 93       | 1.1      |
| In offices outside the UK                            | 3,220           | 16       | 1.0      | 2,055    | 14       | 1.4      |
| Customer accounts - savings accounts:                |                 |          |          |          |          |          |
| In offices in the UK                                 | 47,309          | 580      | 2.5      | 44,849   | 508      | 2.3      |
| In offices outside the UK                            | 1,105           | 10       | 1.8      | 767      | 13       | 3.4      |
| Customer accounts - Other time deposits - retail:    |                 |          |          |          |          |          |
| In offices in the UK                                 | 34,018          | 587      | 3.5      | 33,271   | 568      | 3.4      |
| In offices outside the UK                            | 5,205           | 59       | 2.3      | 3,617    | 51       | 2.8      |
| Customer accounts - Other time deposits - wholesale: |                 |          |          |          |          |          |
| In offices in the UK                                 | 62,456          | 1,039    | 3.3      | 55,263   | 830      | 3.0      |
| In offices outside the UK                            | 12,735          | 150      | 2.4      | 8,412    | 134      | 3.2      |

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|                                                                               |          |         |     |          |       |     |
|-------------------------------------------------------------------------------|----------|---------|-----|----------|-------|-----|
| Debt securities in issue:                                                     |          |         |     |          |       |     |
| In offices in the UK                                                          | 32,161   | 496     | 3.1 | 33,067   | 489   | 3.0 |
| In offices outside the UK                                                     | 12,949   | 128     | 2.0 | 12,650   | 124   | 2.0 |
| Dated and undated loan capital and other subordinated liabilities             |          |         |     |          |       |     |
| Principally in offices in the UK                                              | 12,557   | 341     | 5.4 | 12,159   | 345   | 5.7 |
| Internal funding of trading business                                          | (69,243) | (1,031) | 3.0 | (55,815) | (894) | 3.2 |
| Average liabilities of banking business                                       | 232,638  | 3,122   | 2.7 | 216,707  | 2,856 | 2.6 |
| Average liabilities of trading business                                       | 291,859  | 2,857   | 2.0 | 190,567  | 2,377 | 2.5 |
| Total average interest bearing liabilities                                    | 524,497  | 5,979   | 2.3 | 407,274  | 5,233 | 2.6 |
| Interest free customer deposits:                                              |          |         |     |          |       |     |
| In offices in the UK                                                          | 15,441   |         |     | 12,807   |       |     |
| In offices outside the UK                                                     | 1,278    |         |     | 1,170    |       |     |
| Other non-interest bearing liabilities                                        | 50,271   |         |     | 49,020   |       |     |
| Minority interests and shareholders' funds                                    | 16,982   |         |     | 15,876   |       |     |
| Total average liabilities, shareholders' funds and interest expense           | 608,469  | 5,979   | 2.0 | 486,147  | 5,233 | 2.2 |
| Percentage of total average non-capital liabilities in offices outside the UK | 25.5%    |         |     | 24.0%    |       |     |

### OTHER INFORMATION

#### RECONCILIATION OF PROFIT BEFORE TAX AND TOTAL ASSETS

The presentation in this document of the results of individual businesses excludes goodwill amortisation and exceptional items. Barclays management believes that this non-GAAP measure provides valuable information to readers of its financial statements, because it enables the reader to focus more directly on the day-to-day performance of its businesses. The tables below reconcile certain of the non GAAP numbers in the presentation of the results of the businesses to the relevant UK GAAP numbers.

| PROFIT BEFORE TAX BY BUSINESS      |                                                           | Half-year ended<br>30.06.04                  |                                 |
|------------------------------------|-----------------------------------------------------------|----------------------------------------------|---------------------------------|
|                                    | Excluding<br>goodwill and<br>exceptional<br>items<br>GBPm | Goodwill and<br>Exceptional<br>Items<br>GBPm | Profit<br>before<br>tax<br>GBPm |
| UK Banking                         | 1,217                                                     | (45)                                         | 1,172                           |
| UK Retail Banking                  | 588                                                       | (37)                                         | 551                             |
| UK Business Banking                | 629                                                       | (8)                                          | 621                             |
| Private Clients and International  | 196                                                       | (35)                                         | 161                             |
| Private Clients - ongoing business | 81                                                        | (31)                                         | 50                              |
| - closed life assurance activities | (29)                                                      | -                                            | (29)                            |
| International                      | 144                                                       | (4)                                          | 140                             |
| Barclaycard                        | 428                                                       | (21)                                         | 407                             |

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|                                              |       |      |       |
|----------------------------------------------|-------|------|-------|
| Barclays Capital                             | 599   | -    | 599   |
| Barclays Global Investors                    | 157   | (7)  | 150   |
| Head office functions and other operations   | (80)  | 2    | (78)  |
| Exceptional items                            | 45    | (45) | -     |
| Goodwill relating to associated undertakings | (3)   | 3    | -     |
| Goodwill amortisation                        | (148) | 148  | -     |
| Profit before tax                            | 2,411 | -    | 2,411 |

|                                              | Half-year ended<br>31.12.03                                  |                                                 |                                 | Half-year ended<br>30.06.03                                  |                                                 |                                 |
|----------------------------------------------|--------------------------------------------------------------|-------------------------------------------------|---------------------------------|--------------------------------------------------------------|-------------------------------------------------|---------------------------------|
|                                              | Excluding<br>goodwill<br>and<br>exceptional<br>items<br>GBPm | Goodwill<br>and<br>exceptional<br>items<br>GBPm | Profit<br>before<br>tax<br>GBPm | Excluding<br>goodwill<br>and<br>exceptional<br>items<br>GBPm | Goodwill<br>and<br>exceptional<br>items<br>GBPm | Profit<br>before<br>tax<br>GBPm |
| UK Banking                                   | 1,137                                                        | (97)                                            | 1,040                           | 1,149                                                        | (86)                                            | 1,063                           |
| UK Retail Banking                            | 569                                                          | (89)                                            | 480                             | 582                                                          | (79)                                            | 503                             |
| UK Business Banking                          | 568                                                          | (8)                                             | 560                             | 567                                                          | (7)                                             | 560                             |
| Private Clients and International            | 151                                                          | (24)                                            | 127                             | 129                                                          | (18)                                            | 111                             |
| Private Clients - ongoing business           | 40                                                           | (21)                                            | 19                              | 58                                                           | (15)                                            | 43                              |
| - closed life                                | (32)                                                         | -                                               | (32)                            | (48)                                                         | -                                               | (48)                            |
| International                                | 143                                                          | (3)                                             | 140                             | 119                                                          | (3)                                             | 116                             |
| Barclaycard                                  | 374                                                          | (21)                                            | 353                             | 387                                                          | (17)                                            | 370                             |
| Barclays Capital                             | 398                                                          | -                                               | 398                             | 438                                                          | -                                               | 438                             |
| Barclays Global Investors                    | 100                                                          | (7)                                             | 93                              | 91                                                           | (6)                                             | 85                              |
| Head office functions and other operations   | (139)                                                        | 10                                              | (129)                           | (102)                                                        | (2)                                             | (104)                           |
| Exceptional items                            | 5                                                            | (5)                                             | -                               | (1)                                                          | 1                                               | -                               |
| Goodwill relating to associated undertakings | (4)                                                          | 4                                               | -                               | (3)                                                          | 3                                               | -                               |
| Goodwill amortisation                        | (140)                                                        | 140                                             | -                               | (125)                                                        | 125                                             | -                               |
| Profit before tax                            | 1,882                                                        | -                                               | 1,882                           | 1,963                                                        | -                                               | 1,963                           |

## TOTAL ASSETS BY BUSINESS

|                                   | 30.06.04                      |                  |                         |
|-----------------------------------|-------------------------------|------------------|-------------------------|
|                                   | Excluding<br>goodwill<br>GBPm | Goodwill<br>GBPm | Total<br>assets<br>GBPm |
| UK Banking                        | 114,683                       | 2,706            | 117,389                 |
| UK Retail Banking                 | 67,502                        | 2,665            | 70,167                  |
| UK Business Banking               | 47,181                        | 41               | 47,222                  |
| Private Clients and International | 27,794                        | 1,116            | 28,910                  |

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|                                            |         |         |         |
|--------------------------------------------|---------|---------|---------|
| Private Clients - ongoing business         | 4,426   | 1,089   | 5,515   |
| - closed life assurance activities         | 480     | -       | 480     |
| International                              | 22,888  | 27      | 22,915  |
| Barclaycard                                | 20,689  | 271     | 20,960  |
| Barclays Capital                           | 317,027 | -       | 317,027 |
| Barclays Global Investors                  | 706     | 165     | 871     |
| Head office functions and other operations | 4,921   | 5       | 4,926   |
| Goodwill                                   | 4,263   | (4,263) | -       |
| Retail life-fund assets                    | 7,911   | -       | 7,911   |
| Total assets                               | 497,994 | -       | 497,994 |

|                                            | 31.12.03                   |                  |                      | 30.06.03                   |                  |                      |
|--------------------------------------------|----------------------------|------------------|----------------------|----------------------------|------------------|----------------------|
|                                            | Excluding goodwill<br>GBPm | Goodwill<br>GBPm | Total assets<br>GBPm | Excluding goodwill<br>GBPm | Goodwill<br>GBPm | Total assets<br>GBPm |
| UK Banking                                 | 110,995                    | 2,793            | 113,788              | 109,529                    | 2,876            | 112,405              |
| UK Retail Banking                          | 67,001                     | 49               | 67,050               | 66,415                     | 53               | 66,468               |
| UK Business Banking                        | 43,994                     | 2,744            | 46,738               | 43,114                     | 2,823            | 45,937               |
| Private Clients and International          | 26,492                     | 1,155            | 27,647               | 21,170                     | 526              | 21,696               |
| Private Clients - ongoing business         | 3,867                      | 1,144            | 5,011                | 4,072                      | 513              | 4,585                |
| - closed life                              | 528                        | -                | 528                  | 872                        | -                | 872                  |
| International                              | 22,097                     | 11               | 22,108               | 16,226                     | 13               | 16,239               |
| Barclaycard                                | 20,348                     | 291              | 20,639               | 19,054                     | 307              | 19,361               |
| Barclays Capital                           | 268,702                    | -                | 268,702              | 279,963                    | -                | 279,963              |
| Barclays Global Investors                  | 533                        | 162              | 695                  | 607                        | 153              | 760                  |
| Head office functions and other operations | 3,709                      | 5                | 3,714                | 4,792                      | 5                | 4,797                |
| Goodwill                                   | 4,406                      | (4,406)          | -                    | 3,867                      | (3,867)          | -                    |
| Retail life-fund assets                    | 8,077                      | -                | 8,077                | 7,642                      | -                | 7,642                |
| Total assets                               | 443,262                    | -                | 443,262              | 446,624                    | -                | 446,624              |

### Registered office

54 Lombard Street, London, EC3P 3AH, England, United Kingdom. Tel: 020 7699 5000. Company number: 48839.

### Website

[www.barclays.com](http://www.barclays.com)

### Registrar

The Registrar to Barclays PLC, The Causeway, Worthing BN99 6DA.  
Tel: 0870 609 4535.

### Listing

The principal trading market for Barclays PLC ordinary shares is the London Stock Exchange. Ordinary shares are also listed on the New York Stock Exchange and the Tokyo Stock Exchange. Trading on the New York Stock Exchange is in the form of ADSs under the ticker symbol 'BCS'. Each ADS represents four ordinary shares of 25p each and is evidenced by an ADR. The ADR depositary is The Bank of New York whose international telephone number is +1-610-312-5315, whose domestic telephone number is +1-888-269-2377 and whose address is 22nd Floor, 101 Barclay Street, New York, NY 10286.

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### Filings with the SEC

Statutory accounts for the year ended 31st December 2003, which also include certain information required for the joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC to the US Securities and Exchange Commission (SEC), can be obtained from Corporate Communications, Barclays Bank PLC, 200 Park Avenue, New York, NY 10166 or from the Head of Investor Relations at Barclays registered office address. Copies of the Form 20-F are also available from the Barclays Investor Relations' website (details below) and from the SEC's website ([www.sec.gov](http://www.sec.gov)).

### Results timetable

|                                    |                    |
|------------------------------------|--------------------|
| Interim 2004 Ex Dividend Date      | 18th August 2004   |
| Interim 2004 Dividend Record Date  | 20th August 2004   |
| Interim 2004 Dividend Payment Date | 1st October 2004   |
| 2004 Preliminary Results           | 10th February 2005 |

For further information please contact:

|                                           |                           |
|-------------------------------------------|---------------------------|
| Investor Relations                        | Media Relations           |
| James S Johnson/Cathy Turner              | Chris Tucker/Leigh Bruce  |
| +44 (0) 20 7699 4525/+44 (0) 20 7699 3638 | +44 (0) 20 7699 3161/2658 |

More information on Barclays, including the 2004 Interim results, can be found on our website at the following address:[www.investorrelations.barclays.co.uk](http://www.investorrelations.barclays.co.uk).

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of the registrants has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BARCLAYS PLC  
(Registrant)

Date: August 05, 2004

By: /s/ Simon Pordage  
-----  
Simon Pordage  
Head of Board Support

BARCLAYS BANK PLC  
(Registrant)

Date: August 05, 2004

By: /s/ Simon Pordage  
-----  
Simon Pordage  
Head of Board Support