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BARCLAYS BANK PLC /ENG/
Form 6-K
August 02, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

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

August 2007

Barclays PLC and
Barclays Bank PLC
(Names of Registrants)

1 Churchill Place
London E14 5HP
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):

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.

EXHIBIT INDEX

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Interim Results - 02 August 2007

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 02, 2007

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Deputy Secretary

BARCLAYS BANK PLC
(Registrant)

Date: August 02, 2007

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Joint Secretary

Interim Results
Announcement
30th June 2007

2nd August 2007

BARCLAYS PLC

INTERIM RESULTS ANNOUNCEMENT FOR 2007

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BARCLAYS PLC, 1 CHURCHILL PLACE, LONDON, E14 5HP, ENGLAND, UNITED KINGDOM.
TELEPHONE: +44 (0) 20 7116 1000. COMPANY NO. 48839

The information in this announcement, which was approved by the Board of Directors on 1st August 2007, 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 2006, which included 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) and which contained an unqualified audit report under Section 235 of the Act and which 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.

Unless otherwise stated, the income statement analyses compare the six months to 30th June 2007 to the corresponding six months of 2006. Balance sheet comparisons, unless otherwise stated, relate to the corresponding position at 31st December 2006. Average balance sheet comparisons relate the six months to 30th June 2007 to the corresponding six months of 2006.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of Barclays plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. Forward-looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding Barclays future financial position, income growth, impairment charges, business strategy, projected costs and estimates of capital expenditure and revenue benefits, projected levels of growth in the banking and financial markets, future financial and operating results, future financial position, projected costs and estimates of capital expenditures, the consummation of the business combination between ABN AMRO and Barclays within the expected timeframe and on the expected terms (if at all), the benefits of the business combination transaction involving ABN AMRO and Barclays, including the achievement of synergy targets, and plans and objectives for future operations of ABN AMRO, Barclays and the combined group and other statements that are not historical fact.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are subject to, among other things, 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

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timing and successful implementation of the proposed business combination between ABN AMRO and Barclays, progress in the integration of Absa into the Group's business and the achievement of synergy targets related to Absa, the outcome of pending and future litigation, and the impact of competition—a number of which factors 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. Additional risks and factors are identified in Barclays filings with the U.S. Securities and Exchange Commission (SEC) including Barclays Annual Report on Form 20-F for the fiscal year ended December 31, 2006, which are available on Barclays website at www.barclays.com and on the SEC's website at www.sec.gov. 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 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 they have filed or may file with the SEC.

Future SEC Filings : Important Information

In connection with the proposed business combination transaction between ABN AMRO and Barclays, Barclays has filed with the SEC a Registration Statement on Form F-4 ("Form F-4"), which includes a preliminary version of the Barclays offer document/prospectus. The Form F-4 has not yet become effective. Barclays expects that it will also file with the SEC a Statement on Schedule TO and other relevant materials. In addition, ABN AMRO expects that it will file with the SEC a Recommendation Statement on Schedule 14D-9 and other relevant materials. Following the Form F-4 being declared effective by the SEC, Barclays intends to mail the final offer document/prospectus to holders of ABN AMRO ordinary shares located in the United States and Canada and to holders of ABN AMRO ADSs wherever located.

Such final offer document/prospectus, however, is not currently available. For information regarding the potential transaction, investors are urged to read the final offer document/prospectus and any documents regarding the potential transaction if and when they become available, because they will contain important information.

Investors will be able to obtain a free copy of the Form F-4, the final offer document/prospectus and other filings without charge, at the SEC's website (www.sec.gov) if and when such documents are filed with the SEC. Copies of such documents may also be obtained from ABN AMRO and Barclays without charge, if and when they are filed with the SEC.

This document shall not constitute an offer to buy sell or issue or the solicitation of an offer to buy, sell or issue any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Absa Definitions

'Absa Group Limited' refers to the consolidated results of the South African group of which the parent company is listed on the Johannesburg Stock Exchange (JSE Limited) in which Barclays owns a controlling stake.

'Absa' refers to the results for Absa Group Limited as consolidated into the results of Barclays PLC; translated into Sterling with adjustments for amortisation of intangible assets, certain head office adjustments, transfer pricing and minority interests.

'International Retail and Commercial Banking-Absa' is the portion of Absa's

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results that is reported by Barclays within the International Retail and Commercial Banking business.

'Absa Capital' is the portion of Absa's results that is reported by Barclays within the Barclays Capital business.

Glossary of terms

The cost:income ratio is defined as operating expenses compared to total income net of insurance claims.

The cost:net income ratio is defined as operating expenses compared to total income net of insurance claims less impairment charges.

The Return on average economic capital is defined as attributable profit compared to average economic capital.

'Income' refers to total income net of insurance claims, unless otherwise specified.

SUMMARY OF KEY INFORMATION

'Barclays made good progress on all key strategic priorities and delivered another very strong set of results for shareholders. Double-digit growth in earnings and dividends reflects an outstanding performance from Barclays Capital, good profit growth in UK Banking, an improvement in UK unsecured impairment and strong investment across the business'.

John Varley, Group Chief Executive

	Half-year ended		
Group Results	30.06.07 GBPm	30.06.06 GBPm	% Change
Total income net of insurance claims	11,902	10,969	9
Impairment charges	(959)	(1,057)	(9)
Operating expenses	(6,847)	(6,269)	9
Profit before tax	4,101	3,673	12
Profit attributable to minority interests	(309)	(294)	5
Profit attributable to equity holders of the parent	2,634	2,307	14
Economic profit	1,609	1,385	16
	p	p	
Earnings per share	41.4	36.3	14
Diluted earnings per share	40.1	35.1	14

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Dividend per share	11.5	10.5	10
	%	%	
Tier 1 Capital ratio	7.7	7.2	
Return on average shareholders' equity	25.6	25.8	
Profit before tax by business(1)	GBPm	GBPm	% Change
UK Banking	1,363	1,253	9
	-----	-----	
UK Retail Banking	651	600	9
UK Business Banking	712	653	9
	-----	-----	
Barclaycard	272	326	(17)
International Retail and Commercial Banking	452	512	(12)
Barclays Capital	1,660	1,246	33
Barclays Global Investors	388	364	7
Barclays Wealth	173	129	34

(1) Summary excludes Head Office functions and other operations. Full analysis of business profit before tax is on page 18.

PERFORMANCE SUMMARY

- Strong financial results reflect successful execution of strategy.
- Income growth of 9% was broadly based by business and geography and reflected a particularly strong performance from Barclays Capital.
- Operating expenses increased 9% as we continued to invest for future growth through increased headcount and distribution.
- Profit before tax increased 12% despite adverse currency movements against Sterling.
- Earnings per share increased 14%.
- Approximately 50% of profits came from outside the UK.
- In UK Retail Banking, good income growth (partially offset by settlements on overdraft fees), coupled with well controlled costs and improved impairment, drove profit growth of 9%. UK Business Banking profit rose 9%. This was mainly attributable to strong growth in fees and well controlled costs.
- We are on track to deliver a further two percentage point improvement in the cost:income ratio of UK Banking during 2007, adding to the six percentage point improvement achieved during 2005 and 2006.

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- Headline profit of Barclaycard declined 17%. More than all of the headline profit decline was due to the impact of property gains in the first half of 2006 and a loss on the disposal of part of the Monument portfolio during the first half of 2007. Profit more than doubled relative to the second half of 2006 as a consequence of the reduction in impairment charges.

- In International Retail and Commercial Banking - excluding Absa, the first half of 2006 included the gain on the sale of a property together with the contribution of our former associate FirstCaribbean International Bank. Adjusted for these, International Retail and Commercial Banking - excluding Absa generated strong profit growth in the first half of 2007, driven by significant increases in business volumes. Absa Group Limited announced very strong profit growth in Rand terms, but the 20% depreciation of the Rand versus Sterling caused period on period profit of International Retail and Commercial Banking - Absa to be broadly steady.

- Barclays Capital delivered record results, with its two best quarters ever. Profit rose 33%. This was due to a very strong income performance driven by continued strong growth across asset classes and regions, in particular across the structured credit and credit derivatives, equities and commodities platforms, underpinned by the strength of the client franchise and its focus on delivering risk management and financing solutions.

- In Barclays Global Investors profit rose 7% in Sterling, while both income and profit were up substantially more in US Dollars. This reflected the continued strength of the franchise and significant new flows and revenues into its suite of exchange traded funds, alternative asset classes and quantitative active strategies.

- The profit of Barclays Wealth rose 34%. This reflected strong income growth from increased client funds and transaction volumes partially offset by continued investment in the business.

- The Tier 1 capital ratio was stable at 7.7%.

FINANCIAL HIGHLIGHTS

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
RESULTS			

Net interest income	4,589	4,739	4,404
Net fee and commission income	3,812	3,525	3,652
Principal transactions	3,207	2,001	2,575
Net premiums from insurance contracts	442	550	510
Other income	100	153	61
	-----	-----	-----
Total income	12,150	10,968	11,202
Net claims and benefits paid on insurance contracts	(248)	(342)	(233)
	-----	-----	-----
Total income net of insurance claims	11,902	10,626	10,969
Impairment charges	(959)	(1,097)	(1,057)
	-----	-----	-----
Net income	10,943	9,529	9,912
Operating expenses	(6,847)	(6,405)	(6,269)

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Share of post-tax results of associates and joint ventures	-	16	30
Profit on disposal of subsidiaries, associates and JVs	5	323	-
	-----	-----	-----
Profit before tax	4,101	3,463	3,673
	-----	-----	-----
Profit attributable to equity holders of the parent	2,634	2,264	2,307
Economic profit	1,609	1,319	1,385
PER ORDINARY SHARE	p	p	p
	-----	-----	-----
Earnings	41.4	35.6	36.3
Diluted earnings	40.1	34.5	35.1
Dividend	11.5	20.5	10.5
Net asset value	320	303	276
PERFORMANCE RATIOS	%	%	%
	-----	-----	-----
Return on average shareholders' equity	25.6	24.7	25.8
Cost:income ratio	58	60	57
Cost:net income ratio	63	67	63
	30.06.07	31.12.06	30.06.06
BALANCE SHEET	GBPm	GBPm	GBPm
	-----	-----	-----
Shareholders' equity excluding minority interests	20,973	19,799	17,988
Minority interests	7,748	7,591	7,551
	-----	-----	-----
Total shareholders' equity	28,721	27,390	25,539
Subordinated liabilities	15,067	13,786	13,629
	-----	-----	-----
Total capital resources	43,788	41,176	39,168
	-----	-----	-----
Total assets	1,158,262	996,787	986,124
Risk weighted assets	318,043	297,833	290,924
CAPITAL RATIOS	%	%	%
	-----	-----	-----
Tier 1 ratio	7.7	7.7	7.2
Risk asset ratio	11.8	11.7	11.6

GROUP CHIEF EXECUTIVE'S REVIEW

I am pleased to report another strong half year for Barclays. We have delivered excellent results for shareholders - with double-digit growth in earnings and dividends - through the disciplined execution of our strategic priorities.

When I became chief executive three years ago, I set out for shareholders the priorities we had identified for executing our strategy. We said we would strive for higher growth; that profit diversification outside the UK would help us achieve this growth; that an increasing ratio of non-net interest income to net interest income would be a sign of increasing financial health and quality of income; that we would improve our standing in the eyes of our customers, our

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colleagues and our communities; that we would turn around the performance of our UK Retail Bank; that we expected significant future growth in Barclays Capital and Barclays Global Investors; and that our Wealth business would become an engine for growth. We have been delivering on each of these priorities since 2004, applying in each of the businesses our common principle of 'earn, invest and grow' - that is, investing strongly in the pursuit of growth while offering our shareholders good short-term returns.

Our strong first half performance in 2007 demonstrates continued progress on these priorities, and continued success in execution. Profit increased by a further 12% on top of the outstanding 37% profit growth achieved at the interim stage last year; earnings per share increased 14%, and we increased our dividend by 10%. Our return on equity was 26%.

Our ambition is to be one of the handful of universal banks leading the global financial services industry. We believe the universal banking model enables us best to serve our customers and clients, and to capture superior returns on equity.

Just a few years ago, Barclays was primarily a UK clearing bank. Our UK Banking business lies at the heart of the strength of the Barclays brand and we serve millions of customers in the United Kingdom. But we've been able to expand rapidly outside the United Kingdom, such that, even as our UK businesses have grown strongly, half of our profit is made outside the UK and over two-thirds of our profit is made outside of the two main UK Banking businesses.

These half year results demonstrate that we are doing the things we said we would. Our strategy of striving for higher growth via greater profit diversification is generating increasing returns for our shareholders. We believe that the capabilities we have assembled within Barclays equip us strongly to take advantage of the significant opportunities that lie ahead for the financial services industry.

We judge our performance by how we convert relevance to customers and clients into Total Shareholder Return (TSR) and economic profit, measuring ourselves against multi-year performance goals. In 2003, we set a four-year goal of delivering top quartile TSR relative to a peer group of financial services companies. We estimated that achieving that goal would require the generation of annual growth in economic profit of 10%-13% per annum, which implied a cumulative total of between GBP6.5bn and GBP7bn of economic profit from the beginning of 2004 to the end of 2007. As we head into the last half year of our current four year goal period, we rank in the second quartile in TSR over the period. But we have already delivered a cumulative total of GBP7.6bn economic profit, well ahead of the target, with a further six months to go.

We will set new economic profit and TSR goals at the beginning of next year.

As we report another set of strong interim results we are, of course, also heavily engaged in pursuit of a merger with ABN AMRO. Our goal in achieving that merger is the same as our standalone goal: higher growth and higher returns for shareholders as a result. We believe that in combination with ABN AMRO we would create a powerful new competitive force on behalf of customers and employees; a universal bank with greater product and customer reach than Barclays standalone; and the opportunity to capture a significant and sustained increment over the already high growth that we expect to achieve in the years ahead. Our pursuit of the merger does not change our strategy, but it would facilitate significant acceleration.

We have recently announced that China Development Bank (CDB) and Temasek will become significant shareholders in Barclays. I am delighted to welcome them as major shareholders. I believe that their investment indicates that they share our belief in the growth prospects of Barclays, as well as in the growth

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prospects of Barclays in a combination with ABN AMRO.

We are particularly excited about the opportunities presented by the strategic collaboration agreement with CDB. We believe that the further earnings growth unlocked by that agreement is material, that it creates further exposure to Asia which fits well with our strategy, and that it will create further benefits for all shareholders.

We enter the second half of 2007 with good business momentum across Barclays, driven by a strong first half resulting from high levels of customer activity. Whilst we report at a time of turbulence in the capital markets, Barclays Capital's net income for July was ahead of last year, and the UK and global economic outlook continues to be broadly positive. We are well positioned to grow further in the years ahead.

John Varley
Group Chief Executive

GROUP FINANCE DIRECTOR'S REVIEW

Group performance

In the first half of 2007, Barclays continued to make substantial progress on its strategic priorities, further diversifying the profit base and delivering record financial results. Profits and earnings grew at a double digit rate relative to the very strong performance recorded in the first half of 2006.

Profit before tax increased 12% to GBP4,101m (2006: GBP3,673m). This was achieved despite significant adverse currency movements against Sterling. Earnings per share rose 14% to 41.4p (2006: 36.3p). Profit grew at a rate higher than the rate of growth of both daily value at risk and risk weighted assets.

Group income rose 9% to GBP11,902m (2006: GBP10,969m). Income growth, which was led by a particularly strong performance in Barclays Capital, was broadly based by business and by geography.

Group operating expenses increased 9% to GBP6,847m (2006: GBP6,269m). We continued to invest in future business growth, with increased headcount in Barclays Capital, Barclays Global Investors and Absa, and significant growth in the branch network in International Retail and Commercial Banking. Operating expenses included gains on the sale of properties of GBP147m (2006: GBP238m) largely in UK Retail Banking, which were substantially reinvested in the business.

Group impairment charges improved 9% to GBP959m (2006: GBP1,057m). The 2006 impairment charge included GBP83m relating to available for sale assets. The improvement also reflected reduced flows into delinquency and lower arrears balances in the UK cards and consumer loans business. The number of UK personal customers missing a payment continued to fall. UK Retail Banking mortgage impairment charges remained negligible. Impairment levels in the wholesale sector continued to be stable, with low levels of defaults.

Business performance - Global Retail and Commercial Banking

UK Banking continued to pursue the strategic priority of building the best bank in the UK. Profit before tax increased 9% to GBP1,363m driven by solid growth in income. The cost:income ratio improved one percentage point to 48%. Excluding the impact of settlement on overdraft fees from prior years, the cost:income ratio improved two percentage points. On this basis we continue to target a two

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percentage point improvement in the cost:income ratio for the full year 2007.

UK Retail Banking profit before tax grew 9% to GBP651m. Income of GBP2,121m included the impact of settlements on overdraft fees from prior years of GBP87m. Excluding this item, income grew 5%. There was a strong performance in Personal Customer Retail Savings and good performances in Local Business and Current Accounts. We performed strongly in mortgage origination, processing capacity and retentions leading to a net market share of 6% of net lending in the first half of the year. We invested substantially all of the GBP113m gains on property sales into the business, upgrading distribution capabilities including completing the migration of Woolwich customers to Barclays products and infrastructure; transforming the performance of the mortgage business; improving the product range; and improving core operations and processes. Overall costs were well controlled and in line with the prior year. Impairment charges fell 9% benefiting from active management of consumer credit.

UK Business Banking delivered good growth in profit before tax of 9% to GBP712m. Growth in loans and deposits with improved margins and strong growth in fees drove income up 8%. Costs rose 3%, leading to a two percentage point improvement in the cost:income ratio to 33%.

Barclaycard profit before tax of GBP272m was 17% lower than the first half of 2006 but more than double the second half of 2006. Steady income reflected strong growth in Barclaycard International offset by a reduction in UK card extended credit balances. Impairment charges fell 9% to GBP443m. More selective customer recruitment, limit management, and improved collections led to a reduction of flows into delinquency and lower levels of arrears balances. Costs rose 16%, of which 9% is attributable to a property gain included in the 2006 figures. We continued to invest in Barclaycard International and in UK partnerships. Barclaycard US continued to make progress and moved into profit.

International Retail and Commercial Banking profit before tax declined 12% to GBP452m. Results in 2006 reflected a GBP55m gain on the sale and leaseback of property, and a GBP21m post tax profit share from the associate FirstCaribbean International Bank (FCIB). Results in 2007 reflected the impact of the 20% depreciation of the Rand against Sterling.

International Retail and Commercial Banking - excluding Absa achieved profit before tax of GBP142m (2006: GBP195m). Excluding the prior year GBP55m gain on the sale and leaseback of property and a GBP21m post tax profit share from the associate FCIB, profit before tax grew 19%. Income growth of 16% was driven by strong balance sheet growth and increased net fees and commissions income. Excluding the prior year property gain, costs grew 15% as we continued to invest in distribution capacity and technology. We opened 173 new branches in the first half of 2007.

International Retail and Commercial Banking - Absa Sterling profit fell GBP7m to GBP310m, after absorbing a 20% decline in the value of the Rand. Absa Group Limited profit before tax grew 32% in Rand terms, reflecting very strong growth in Retail Banking, Absa Corporate and Business Bank and Absa Capital. Loans and advances increased 20% from 30th June 2006 and deposits grew 13%. We have delivered synergies of R650m for the half year to 30th June 2007. On an annualised basis we are therefore close to delivering the R1.4bn targeted by December 2009.

Business Performance - Investment Banking and Investment Management

Barclays Capital delivered record profit before tax with a 33% increase to GBP1,660m. Income growth of 21% was broadly based across asset classes and geographies. Growth was particularly strong in areas where we have invested in recent years, including commodity, credit and equity products. Profit growth was accompanied by improvements in productivity: income and profit grew

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significantly faster than Daily Value at Risk, risk weighted assets, economic capital and costs. The cost:net income ratio improved three percentage points to 60%. We continued to invest for future growth, increasing headcount by 2,500, including 1,400 from the acquisition of EquiFirst, a US mortgage origination business.

Barclays Global Investors (BGI) profit before tax increased 7% to GBP388m. Income growth of 12% was primarily attributable to increased management fees, particularly in the iShares and active businesses, and securities lending. Profit and income growth were both affected by the 9% depreciation of the US Dollar against Sterling. BGI costs increased 15% as we continued the strategic investment programme with a build-out across multiple products and platforms and ongoing investment to support the growth of the business. The cost:income ratio rose to 59% (2006: 57%). Assets under management grew US\$199bn to US\$2 trillion, including net new assets of \$50bn (2006: \$30bn).

Barclays Wealth profit before tax rose 34% to GBP173m. This reflected income growth of 10% driven by increased client funds, greater transaction volumes, favourable market conditions and increased income from life assurance. Costs were well controlled as business volumes rose and the cost:income ratio improved six percentage points to 72% (2006: 78%). Redress costs declined. The business continued to invest in client-facing staff and infrastructure and to upgrade technology to build a platform for future growth. Total client assets increased 20% to GBP126.8bn.

Head office functions and other operations

In Head office functions and other operations the loss before tax increased GBP50m to GBP207m. 2006 results included a GBP59m gain in respect of the hedging of the translation of the Absa foreign currency earnings.

Capital management

At 30 June 2007, our Tier 1 Capital ratio was stable at 7.7%.

We maintained our progressive approach to dividends and increased the dividend to shareholders by 10%.

We commenced parallel running for Basel II at the end of 2006 and have since completed our second parallel run. We continue to expect a modest reduction in our capital demand under Basel II, with slightly lower risk weighted assets. Our overall expectation is for our regulatory capital position to be broadly unchanged. For 2007 we continue to report our capital ratios under Basel I.

Chris Lucas
Group Finance Director

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
	-----	-----	-----
Interest income	12,037	11,261	10,544
Interest expense	(7,448)	(6,522)	(6,140)
	-----	-----	-----
Net interest income	4,589	4,739	4,404

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Fee and commission income	4,292	3,928	4,077
Fee and commission expense	(480)	(403)	(425)
Net fee and commission income	3,812	3,525	3,652
Net trading income	2,811	1,413	2,201
Net investment income	396	588	374
Principal transactions	3,207	2,001	2,575
Net premiums from insurance contracts	442	550	510
Other income	100	153	61
Total income	12,150	10,968	11,202
Net claims and benefits incurred on insurance contracts	(248)	(342)	(233)
Total income net of insurance claims	11,902	10,626	10,969
Impairment charges	(959)	(1,097)	(1,057)
Net income	10,943	9,529	9,912
Operating expenses excluding amortisation of intangible assets	(6,760)	(6,332)	(6,206)
Amortisation of intangible assets	(87)	(73)	(63)
Operating expenses	(6,847)	(6,405)	(6,269)
Share of post-tax results of associates and joint ventures	-	16	30
Profit on disposal of subsidiaries, associates and joint ventures	5	323	-
Profit before tax	4,101	3,463	3,673
Tax	(1,158)	(869)	(1,072)
Profit after tax	2,943	2,594	2,601
Profit attributable to minority interests	309	330	294
Profit attributable to equity holders of the parent	2,634	2,264	2,307
	2,943	2,594	2,601
	p	p	p
Basic earnings per ordinary share	41.4	35.6	36.3
Diluted earnings per ordinary share	40.1	34.5	35.1
Dividends per ordinary share:			
Interim dividend	11.5	-	10.5
Final dividend	-	20.5	-
Dividend	GBP731m	GBP1,311m	GBP666m

CONSOLIDATED BALANCE SHEET (UNAUDITED)

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	As at		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Assets			
Cash and balances at central banks	4,785	7,345	6,777
Items in the course of collection from other banks	2,533	2,408	2,600
Trading portfolio assets	217,573	177,867	181,857
Financial assets designated at fair value:			
- held on own account	46,171	31,799	18,833
- held in respect of linked liabilities to customers under investment contracts	92,194	82,798	79,334
Derivative financial instruments	174,225	138,353	136,901
Loans and advances to banks	43,191	30,926	35,330
Loans and advances to customers	321,243	282,300	282,097
Available for sale financial investments	47,764	51,703	53,716
Reverse repurchase agreements and cash collateral on securities borrowed	190,546	174,090	171,869
Other assets	6,289	5,850	5,866
Current tax assets	345	557	-
Investments in associates and joint ventures	228	228	560
Goodwill	6,635	6,092	5,968
Intangible assets	1,228	1,215	1,125
Property, plant and equipment	2,538	2,492	2,515
Deferred tax assets	774	764	776
	-----	-----	-----
Total assets	1,158,262	996,787	986,124
	-----	-----	-----

CONSOLIDATED BALANCE SHEET (UNAUDITED)

	As at		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Liabilities			
Deposits from banks	87,429	79,562	86,221
Items in the course of collection due to other banks	2,206	2,221	2,700
Customer accounts	292,444	256,754	253,200
Trading portfolio liabilities			
Financial liabilities designated at fair value	79,252	71,874	74,719
	63,490	53,987	43,594
Liabilities to customers under investment contracts	93,735	84,637	81,380
Derivative financial instruments	177,774	140,697	138,982
Debt securities in issue	118,745	111,137	102,198
Repurchase agreements and cash collateral on securities lent	181,093	136,956	146,165
Other liabilities	10,908	10,337	10,767
Current tax liabilities	1,003	1,020	592
Insurance contract liabilities, including unit-linked liabilities	3,770	3,878	3,558
Subordinated liabilities	15,067	13,786	13,629
Deferred tax liabilities	258	282	430

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Provisions	527	462	474
Retirement benefit liabilities	1,840	1,807	1,976
	-----	-----	-----
Total liabilities	1,129,541	969,397	960,585
	-----	-----	-----
Shareholders' equity			
Called up share capital	1,637	1,634	1,628
Share premium account	5,859	5,818	5,720
Other reserves	271	390	587
Retained earnings	13,461	12,169	10,279
Less: treasury shares	(255)	(212)	(226)
	-----	-----	-----
Shareholders' equity excluding minority interests	20,973	19,799	17,988
Minority interests	7,748	7,591	7,551
	-----	-----	-----
Total shareholders' equity	28,721	27,390	25,539
	-----	-----	-----
Total liabilities and shareholders' equity	1,158,262	996,787	986,124
	-----	-----	-----

RESULTS BY BUSINESS

The following section analyses the Group's performance by business. This reflects the business segment restatements as disclosed on 19th June 2007 (see page 69). For management and reporting purposes, Barclays is organised into the following business groupings:

Global Retail and Commercial Banking

- UK Banking, comprising
 - UK Retail Banking
 - UK Business Banking
- Barclaycard
- International Retail and Commercial Banking, comprising
 - International Retail and Commercial Banking - excluding Absa
 - International Retail and Commercial Banking - Absa.

Investment Banking and Investment Management

- Barclays Capital
- Barclays Global Investors
- Barclays Wealth

Head office functions and other operations

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

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banking, online banking and relationship managers. UK Banking is managed through two business areas, UK Retail Banking and UK Business Banking.

UK Retail Banking

UK Retail Banking comprises Personal Customers, Home Finance, Local Business, Consumer Loans and Barclays Financial Planning. This cluster of businesses aims to build broader and deeper relationships with its Personal and Local Business customers through providing a wide range of products and financial services. Personal Customers and Home Finance provide access to current account and savings products, Woolwich branded mortgages and general insurance. Consumer Loans provides unsecured loan and protection products and Barclays Financial Planning provides investment advice and products. Local Business provides banking services, including money transmission, to small businesses.

UK Business Banking

UK Business Banking provides relationship banking to Barclays larger and medium business customers in the UK. 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 and Barclaycard. UK Business Banking provides asset financing and leasing solutions through a specialist business.

Barclaycard

Barclaycard is a multi-brand credit card business which also processes card payments for retailers and merchants and issues credit and charge cards to corporate customers and the UK Government. It is one of Europe's leading credit card businesses and has an increasing presence in the United States.

In the UK, Barclaycard comprises Barclaycard, SkyCard and FirstPlus secured lending.

Outside the UK, Barclaycard provides credit cards in the United States, Germany, Spain, Italy, Portugal, Africa, India and the United Arab Emirates. In the Nordic region, Barclaycard operates through Entercard, a joint venture with ForeningsSparbanken (Swedbank).

Barclaycard works closely with other parts of the Group, including UK Retail Banking, UK Business Banking and International Retail and Commercial Banking, to leverage their distribution capabilities.

International Retail and Commercial Banking

International Retail and Commercial Banking provides banking services to Barclays personal and corporate customers outside the UK. The products and services offered to customers are tailored to meet the regulatory and commercial environments within each country. For reporting purposes the operations are grouped into two components: International Retail and Commercial Banking - excluding Absa and International Retail and Commercial Banking - Absa.

International Retail and Commercial Banking works closely with all other parts of the Group to leverage synergies from product and service propositions.

International Retail and Commercial Banking - excluding Absa

International Retail and Commercial Banking - excluding Absa provides a range of banking services to retail and corporate customers in Western Europe and Emerging Markets, including current accounts, savings, investments, mortgages

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and loans. Western Europe includes Spain, Italy, France and Portugal. Emerging Markets includes Africa, India and the Middle East.

International Retail and Commercial Banking - Absa

International Retail and Commercial Banking - Absa represents Barclays consolidation of Absa, excluding Absa Capital which is included as part of Barclays Capital. Absa Group Limited is one of South Africa's largest financial services organisations serving personal, commercial and corporate customers predominantly in South Africa. International Retail and Commercial Banking - Absa serves retail customers through a variety of distribution channels and offers a full range of banking services, including current and deposit accounts, mortgages, instalment finance, credit cards, bancassurance products and wealth management services; it also offers customised business solutions for commercial and large corporate customers.

Barclays Capital

Barclays Capital is a leading global investment bank which provides large corporate, institutional and government clients with solutions to their financing and risk management needs.

Barclays Capital services a wide variety of client needs, from capital raising and managing foreign exchange, interest rate, equity and commodity risks, through to providing technical advice and expertise. Activities are organised into three principal areas: Rates, which includes fixed income, foreign exchange, commodities, emerging markets, money markets, prime services and equity products; Credit, which includes primary and secondary activities for loans and bonds for investment grade, high yield and emerging market credit, as well as hybrid capital products, asset based finance, mortgage backed securities, credit derivatives, structured capital markets and large asset leasing; and Private Equity. Barclays Capital includes Absa Capital, the investment banking business of Absa. Barclays Capital works closely with all other parts of the Group to leverage synergies from client relationships and product capabilities.

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, global asset allocation and risk controlled active products including hedge funds and provides related investment services such as securities lending, cash management and portfolio transition services. In addition, BGI is the global leader in assets and products in the exchange traded funds business, with over 290 funds for institutions and individuals trading in nineteen markets globally. BGI's investment philosophy is founded on managing all dimensions of performance: a consistent focus on controlling risk, return and cost. BGI collaborates with the other Barclays businesses, particularly Barclays Capital and Barclays Wealth, to develop and market products and leverage capabilities to better serve the client base.

Barclays Wealth

Barclays Wealth serves affluent, high net worth and intermediary clients worldwide, providing private banking, asset management, stockbroking, offshore banking, wealth structuring, financial planning services and manages the closed life assurance activities of Barclays and Woolwich in the UK.

Barclays Wealth works closely with all other parts of the Group to leverage synergies from client relationships and product capabilities.

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Head office functions and other operations

Head office functions and other operations comprises:

- Head office and central support functions
- Businesses in transition
- Consolidation adjustments.

Head office and central support functions comprises the following areas: Executive Management, Finance, Treasury, Corporate Affairs, Human Resources, Strategy and Planning, Internal Audit, Legal, Corporate Secretariat, Property, Tax, Compliance and Risk. Costs incurred wholly on behalf of the businesses are recharged to them.

Businesses in transition principally relate to certain lending portfolios that are centrally managed with the objective of maximising recovery from the assets.

Consolidation adjustments largely reflect the elimination of intra-segment transactions.

Analysis of profit attributable to equity holders of the parent

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
UK Banking	1,363	1,293	1,253
	-----	-----	-----
UK Retail Banking	651	581	600
UK Business Banking	712	712	653
	-----	-----	-----
Barclaycard	272	132	326
International Retail and Commercial Banking	452	704	512
	-----	-----	-----
International Retail and Commercial Banking-ex Absa	142	323	195
International Retail and Commercial Banking-Absa	310	381	317
	-----	-----	-----
Barclays Capital	1,660	970	1,246
Barclays Global Investors	388	350	364
Barclays Wealth	173	116	129
Head office functions and other operations	(207)	(102)	(157)
	-----	-----	-----
Profit before tax	4,101	3,463	3,673
Tax	(1,158)	(869)	(1,072)
	-----	-----	-----
Profit after tax	2,943	2,594	2,601
Profit attributable to minority interests	(309)	(330)	(294)
	-----	-----	-----
Profit attributable to equity holders of the parent	2,634	2,264	2,307
	-----	-----	-----

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Total assets		As at	
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
UK Banking	153,772	147,576	141,970
UK Retail Banking	84,266	81,692	78,485
UK Business Banking	69,506	65,884	63,485
Barclaycard	20,406	20,082	19,155
International Retail and Commercial Banking	75,236	68,588	64,916
International Retail and Commercial Banking-ex Absa	42,434	38,191	35,616
International Retail and Commercial Banking-Absa	32,802	30,397	29,300
Barclays Capital	796,389	657,922	659,328
Barclays Global Investors	90,440	80,515	77,298
Barclays Wealth	16,663	15,022	14,170
Head office functions and other operations	5,356	7,082	9,287
	1,158,262	996,787	986,124

Risk weighted assets		As at	
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
UK Banking	93,261	92,981	92,805
UK Retail Banking	42,498	43,020	42,021
UK Business Banking	50,763	49,961	50,784
Barclaycard	17,053	17,035	15,698
International Retail and Commercial Banking	45,299	40,810	41,884
International Retail and Commercial Banking-ex Absa	23,520	20,082	21,211
International Retail and Commercial Banking-Absa	21,779	20,728	20,673
Barclays Capital	152,467	137,635	130,533
Barclays Global Investors	1,616	1,375	1,378
Barclays Wealth	6,871	6,077	5,202
Head office functions and other operations	1,476	1,920	3,424
	318,043	297,833	290,924

Further analysis of total assets and risk weighted assets, can be found on page 60.

UK Banking		Half-year ended	
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	2,270	2,287	2,180
Net fee and commission income	951	985	947

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Net trading income	2	-	2
Net investment income	30	11	17
Principal transactions	32	11	19
Net premiums from insurance contracts	87	141	143
Other income	54	61	2
Total income	3,394	3,485	3,291
Net claims and benefits on insurance contracts	(22)	(7)	(28)
Total income net of insurance claims	3,372	3,478	3,263
Impairment charges	(400)	(481)	(406)
Net income	2,972	2,997	2,857
Operating expenses excluding amortisation of intangible assets	(1,606)	(1,782)	(1,605)
Amortisation of intangible assets	(4)	(1)	(1)
Operating expenses	(1,610)	(1,783)	(1,606)
Share of post-tax results of associates and joint ventures	1	3	2
Profit on disposal of subsidiaries, associates and joint ventures	-	76	-
Profit before tax	1,363	1,293	1,253
Cost:income ratio	48%	51%	49%
Cost:net income ratio	54%	59%	56%
Risk Tendency	GBP870m	GBP790m	GBP705m
Return on average economic capital	30%	27%	24%
Economic profit	GBP654m	GBP734m	GBP593m
		As at	
	30.06.07	31.12.06	30.06.06
Loans and advances to customers	GBP137.6bn	GBP131.0bn	GBP127.8bn
Customer accounts	GBP144.3bn	GBP139.7bn	GBP133.4bn
Total assets	GBP153.8bn	GBP147.6bn	GBP142.0bn
Risk weighted assets	GBP93.3bn	GBP93.0bn	GBP92.8bn

Key Facts

Number of UK branches	1,810	2,014	2,014
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UK Banking profit before tax increased 9% (GBP110m) to GBP1,363m (2006: GBP1,253m) driven principally by solid income growth. Gains from the sale and leaseback of properties of GBP138m (2006: GBP145m) included in operating expenses were substantially offset by investment expenditure primarily to accelerate the development of UK Retail Banking.

The cost:income ratio improved one percentage point to 48%. Excluding settlements on overdraft fees from prior years, the cost:income ratio improved two percentage points. On this basis, UK Banking continues to target a two percentage point improvement in 2007, a further extension of the six percentage point aggregate improvement in 2005 and 2006.

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As part of the Woolwich transition and overall investment programme in our UK distribution network, we have co-located branches within 300 metres of each other, either to the preferred site or to a new location that best enables us to serve customer needs.

UK Retail Banking

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	1,407	1,407	1,358
Net fee and commission income	600	654	636
Net premiums from insurance contracts	87	141	143
Other income	49	42	-
	-----	-----	-----
Total income	2,143	2,244	2,137
Net claims and benefits on insurance contracts	(22)	(7)	(28)
	-----	-----	-----
Total income net of insurance claims	2,121	2,237	2,109
Impairment charges	(277)	(329)	(306)
	-----	-----	-----
Net income	1,844	1,908	1,803
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(1,191)	(1,328)	(1,203)
Amortisation of intangible assets	(3)	(1)	-
	-----	-----	-----
Operating expenses	(1,194)	(1,329)	(1,203)
Share of post-tax results of associates and joint ventures	1	2	-
	-----	-----	-----
Profit before tax	651	581	600
	-----	-----	-----
Cost:income ratio	56%	59%	57%
Cost:net income ratio	65%	70%	67%
Risk Tendency	GBP580m	GBP500m	GBP430m
Return on average economic capital	28%	30%	26%
Economic profit	GBP315m	GBP323m	GBP266m
		As at	
	30.06.07	31.12.06	30.06.06
Loans and advances to customers	GBP77.5bn	GBP74.7bn	GBP72.2bn
Customer accounts	GBP84.5bn	GBP82.3bn	GBP79.1bn
Total assets	GBP84.3bn	GBP81.7bn	GBP78.5bn
Risk weighted assets	GBP42.5bn	GBP43.0bn	GBP42.0bn

Key Facts

Number of UK current accounts	11.4m	11.5m	11.3m
Number of UK savings accounts	11.1m	11.0m	10.9m
Total UK mortgage balances (residential)	GBP65.0bn	GBP61.7bn	GBP59.1bn

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Number of household insurance policies	839,000	825,000	727,000
Number of Local Business customers	637,000	630,000	641,000

UK Retail Banking profit before tax increased 9% (GBP51m) to GBP651m (2006: GBP600m), driven by good income growth which was offset by settlements on overdraft fees, well controlled costs and improved impairment.

Income increased GBP12m to GBP2,121m (2006: GBP2,109m). There was strong growth in Personal Customer Retail Savings and good growth in Personal Customers Current Accounts and Local Business. This was offset by GBP87m settlements on overdraft fees from prior years. Excluding this item, income grew GBP99m or 5%.

Net interest income increased 4% (GBP49m) to GBP1,407m (2006: GBP1,358m). Growth was driven by a higher contribution from deposits, through a combination of good balance sheet growth and an increased liability margin. Total average customer deposit balances increased 7% to GBP80.2bn (2006: GBP74.9bn), supported by the launch of new products.

Mortgage volumes improved significantly, driven by a focus on improving capacity, customer service, value and promotion. UK residential mortgage balances were GBP65.0bn at the end of the period (31st December 2006: GBP61.7bn), an approximate market share of 6% (31st December 2006: 6%). Gross advances were 45% higher at GBP10.5bn (2006: GBP7.3bn). Net lending was GBP3.2bn (2006: net outflow GBP0.3bn), a market share of net lending of 6% (2006: net outflow 1%). The asset margin was reduced by the flow of new mortgages and base rate changes. The loan to value ratio within the residential mortgage book on a current valuation basis was 32% (2006: 34%).

Consumer lending balances showed a moderate fall, reflecting the impact of tighter lending criteria.

Net fee and commission income decreased 6% (GBP36m) to GBP600m (2006: GBP636m). There was good current account income growth in Personal Customers and Local Business. Barclays Financial Planning achieved good income growth through higher value and structured product sales. This was more than offset by settlements on overdraft fees.

Net premiums from insurance underwriting activities reduced 39% (GBP56m) to GBP87m (2006: GBP143m). There continued to be lower customer take-up of loan protection insurance. Net claims and benefits on insurance contracts fell to GBP22m (2006: GBP28m).

Other income increased to GBP49m (2006: nil), representing the benefit from reinsurance.

Impairment charges decreased 9% (GBP29m) to GBP277m (2006: GBP306m) reflecting lower charges in unsecured consumer loans. This was driven by reduced flows into delinquency, lower levels of arrears and stable charge-offs.

Operating expenses fell GBP9m to GBP1,194m (2006: GBP1,203m). Gains from the sale and leaseback of property of GBP113m (2006: GBP116m) were substantially reinvested in the business to upgrade distribution capabilities, with particular focus on converting the branch network, improving the product range to meet customer needs and improving operations and processes.

The cost:income ratio improved one percentage point to 56%.

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UK Business Banking

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	863	880	822
Net fee and commission income	351	331	311
	-----	-----	-----
Net trading income	2	-	2
Net investment income	30	11	17
	-----	-----	-----
Principal transactions	32	11	19
Other income	5	19	2
	-----	-----	-----
Total income	1,251	1,241	1,154
Impairment charges	(123)	(152)	(100)
	-----	-----	-----
Net income	1,128	1,089	1,054
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(415)	(454)	(402)
Amortisation of intangible assets	(1)	-	(1)
	-----	-----	-----
Operating expenses	(416)	(454)	(403)
Share of post-tax results of associates and joint ventures	-	1	2
Profit on disposal of subsidiaries, associates and joint ventures	-	76	-
	-----	-----	-----
Profit before tax	712	712	653
	-----	-----	-----
Cost:income ratio	33%	37%	35%
Cost:net income ratio	37%	42%	38%
Risk Tendency	GBP290m	GBP290m	GBP275m
Return on average economic capital	31%	39%	35%
Economic profit	GBP339m	GBP411m	GBP327m
		As at	
	30.06.07	31.12.06	30.06.06
Loans and advances to customers	GBP60.1bn	GBP56.3bn	GBP55.6bn
Customer accounts	GBP59.8bn	GBP57.4bn	GBP54.3bn
Total assets	GBP69.5bn	GBP65.9bn	GBP63.5bn
Risk weighted assets	GBP50.8bn	GBP50.0bn	GBP50.8bn

Key Facts

Total number of Business Banking customers	151,000	150,000	147,000
--	---------	---------	---------

UK Business Banking profit before tax increased 9% (GBP59m) to GBP712m (2006: GBP653m), driven by continued good income growth. UK Business Banking maintained its market share of primary customer relationships.

Income increased 8% (GBP97m) to GBP1,251m (2006: GBP1,154m) The uplift in income

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was broadly based across income categories.

Net interest income improved 5% (GBP41m) to GBP863m (2006: GBP822m) driven by solid balance sheet growth. There was continued growth in all business areas, in particular Larger Business. Average deposit balances increased 6% to GBP46.5bn (2006: GBP43.7bn) with good growth across product categories. Average lending balances grew 2% to GBP52.3bn (2006: GBP51.1bn) reflecting the disposal of GBP1.1bn assets in the vehicle leasing and European vendor finance businesses sold in the second half of 2006. The liabilities margin improved and the assets margin was broadly stable.

Net fee and commission income increased 13% (GBP40m) to GBP351m (2006: GBP311m) due to strong growth in lending fees, syndication fees and transaction related income.

Income from principal transactions was GBP32m (2006: GBP19m), primarily reflecting strong gains from venture capital and private equity realisations.

Impairment increased 23% (GBP23m) to GBP123m (2006: GBP100m), mainly as a consequence of Larger Business credit charges trending towards risk tendency. Impairment charges in Medium Business and Asset & Sales Financing reduced.

Operating expenses increased 3% (GBP13m) to GBP416m (2006: GBP403m) reflecting tight cost control. Operating expenses included gains of GBP25m (2006: GBP29m) on the sale and leaseback of property which were reinvested in the business, including costs relating to the acceleration of the rationalisation of operating sites and technology infrastructure.

The cost:income ratio improved two percentage points to 33% (2006: 35%).

Barclaycard

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	700	705	678
Net fee and commission income	544	544	562
Net trading income	2	-	-
Net investment income	-	-	15
Net premiums from insurance contracts	21	11	7
Other income	(27)	-	-
	-----	-----	-----
Total income	1,240	1,260	1,262
Net claims and benefits on insurance contracts	(7)	(4)	(4)
	-----	-----	-----
Total income net of insurance claims	1,233	1,256	1,258
Impairment charges	(443)	(579)	(488)
	-----	-----	-----
Net income	790	677	770
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(505)	(527)	(437)
Amortisation of intangible assets	(11)	(9)	(8)
	-----	-----	-----
Operating expenses	(516)	(536)	(445)
Share of post-tax results of associates and joint ventures	(2)	(9)	1

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Profit before tax	272	132	326
Cost:income ratio	42%	43%	35%
Cost:net income ratio	65%	79%	58%
Risk Tendency	GBP1,000m	GBP1,135m	GBP1,105m
Return on average economic capital	19%	12%	20%
Economic profit	GBP101m	GBP22m	GBP115m
		As at	
	30.06.07	31.12.06	30.06.06
Loans and advances to customers	GBP18.3bn	GBP18.2bn	GBP17.4bn
Total assets	GBP20.4bn	GBP20.1bn	GBP19.2bn
Risk weighted assets	GBP17.1bn	GBP17.0bn	GBP15.7bn

Key Facts

Number of Barclaycard UK customers	9.6m	9.8m	11.2m
Number of retailer relationships	95,000	93,000	95,000
UK credit cards - average outstanding balances	GBP8.5bn	GBP9.2bn	GBP9.6bn
UK credit cards - average extended credit balances	GBP7.0bn	GBP7.8bn	GBP8.2bn
International - average extended credit balances	GBP3.1bn	GBP2.6bn	GBP2.3bn
International - cards in issue	7.6m	6.4m	5.3m

Barclaycard profit before tax decreased 17% (GBP54m) to GBP272m (2006: GBP326m). 2007 results reflected a GBP27m loss on disposal of part of the Monument card portfolio. 2006 results reflected a property gain of GBP38m. Excluding these items, profit before tax rose 4%. A solid net income performance was partially offset by increased investment in Barclaycard US, new emerging markets and new UK partnerships.

Income fell 2% (GBP25m) to GBP1,233m (2006: GBP1,258m). Excluding the GBP27m loss on disposal of part of the Monument card portfolio in the first half of 2007, income remained flat at GBP1,260m, reflecting very strong growth in Barclaycard International, particularly Barclaycard US, partially offset by a decrease in UK Cards revenue.

Net interest income increased 3% (GBP22m) to GBP700m (2006: GBP678m). This was driven by strong organic growth in international average extended credit card balances, up 35% to GBP3.1bn, average secured consumer lending balances up 40% to GBP4.2bn, partially offset by lower UK average extended credit card balances which fell 15% to GBP7.0bn. Margins fell to 6.87% (2006: 7.32%) due to a change in the product mix with a higher weighting to secured lending.

Net fee and commission income fell 3% (GBP18m) to GBP544m (2006: GBP562m) with growth in Barclaycard International offset by the impact of the Office of Fair Trading's findings on late and overlimit fees in the UK which were implemented in August 2006.

Impairment charges improved 9% (GBP45m) to GBP443m (2006: GBP488m) reflecting reduced flows into delinquency, lower levels of arrears and lower charge-offs in UK Cards. We made changes to our methodologies as part of efforts to standardise our impairment approach in anticipation of Basel II. The net positive impact of these changes in methodology was offset by an increase in impairment in the

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secured loans portfolio.

Operating expenses increased 16% (GBP71m) to GBP516m (2006: GBP445m). Excluding the property gain of GBP38m in the first half of 2006, operating expenses increased 7% (GBP33m) driven by continued investment in international businesses in Europe, the US and new emerging markets and the launch of new partnerships with Thomas Cook and Argos in the UK.

Barclaycard International continued to gain momentum and moved into profitability in the first half of 2007 delivering GBP26m profit before tax (2006: GBP8m loss before tax). New credit card products were launched in India and the United Arab Emirates. The Entercard joint venture, which is based in Scandinavia, continued to perform ahead of plan. Barclaycard US moved into profit with very strong average balance growth and a number of new card partnerships including Aer Lingus and ATA Airlines.

International Retail and Commercial Banking

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	844	809	844
Net fee and commission income	598	593	628
	-----	-----	-----
Net trading income	18	3	3
Net investment income	97	141	47
	-----	-----	-----
Principal transactions	115	144	50
Net premiums from insurance contracts	162	177	174
Other income	42	40	34
	-----	-----	-----
Total income	1,761	1,763	1,730
Net claims and benefits on insurance contracts	(115)	(125)	(119)
	-----	-----	-----
Total income net of insurance claims	1,646	1,638	1,611
Impairment charges	(93)	(99)	(68)
	-----	-----	-----
Net income	1,553	1,539	1,543
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(1,075)	(1,064)	(1,013)
Amortisation of intangible assets	(32)	(40)	(45)
	-----	-----	-----
Operating expenses	(1,107)	(1,104)	(1,058)
Share of post-tax results of associates and joint ventures	1	22	27
Profit on disposal of subsidiaries, associates and joint ventures	5	247	-
	-----	-----	-----
Profit before tax	452	704	512
	-----	-----	-----
Cost:income ratio	67%	67%	66%
Cost:net income ratio	71%	72%	69%
	-----	-----	-----
Risk Tendency	GBP315m	GBP220m	GBP195m
Return on average economic capital	17%	42%	28%

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Economic profit	GBP85m	GBP324m	GBP169m
		As at	
	30.06.07	31.12.06	30.06.06
Loans and advances to customers	GBP58.6bn	GBP53.2bn	GBP50.2bn
Customer accounts	GBP24.9bn	GBP22.1bn	GBP22.6bn
Total assets	GBP75.2bn	GBP68.6bn	GBP64.9bn
Risk weighted assets	GBP45.3bn	GBP40.8bn	GBP41.9bn

Key Facts

Number of international branches	1,838	1,653	1,587
----------------------------------	-------	-------	-------

International Retail and Commercial Banking profit before tax decreased GBP60m to GBP452m (2006: GBP512m). Very strong profit growth in Rand terms in International Retail and Commercial Banking - Absa, was offset by depreciation in the Rand. International Retail and Commercial Banking - excluding Absa results for 2006 included a GBP55m gain from the sale and leaseback of property in Spain and a GBP21m share of post-tax results of the associate FirstCarribean International Bank which was sold in 2006.

A significant investment was made in infrastructure and distribution, including opening 185 new branches across Western Europe, Emerging Markets and Absa.

International Retail and Commercial Banking - excluding Absa

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	334	311	293
Net fee and commission income	208	181	185
	-----	-----	-----
Net trading income	20	5	12
Net investment income	50	37	29
	-----	-----	-----
Principal transactions	70	42	41
Net premiums from insurance contracts	45	61	50
Other income	5	6	14
	-----	-----	-----
Total income	662	601	583
Net claims and benefits on insurance contracts	(60)	(73)	(65)
	-----	-----	-----
Total income net of insurance claims	602	528	518
Impairment charges	(24)	(25)	(16)
	-----	-----	-----
Net income	578	503	502
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(435)	(441)	(324)
Amortisation of intangible assets	(5)	(5)	(4)
	-----	-----	-----
Operating expenses	(440)	(446)	(328)
Share of post-tax results of associates and			

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joint ventures	-	19	21
Profit on disposal of subsidiaries, associates and joint ventures	4	247	-
Profit before tax	----- 142	----- 323	----- 195
Cost:income ratio	73%	85%	63%
Cost:net income ratio	76%	89%	65%
Risk Tendency	GBP105m	GBP75m	GBP70m
Return on average economic capital	14%	48%	22%
Economic profit	GBP31m	GBP233m	GBP76m
		As at	
	30.06.07	31.12.06	30.06.06
Loans and advances to customers	GBP32.4bn	GBP29.0bn	GBP26.8bn
Customer accounts	GBP12.5bn	GBP11.0bn	GBP10.5bn
Total assets	GBP42.4bn	GBP38.2bn	GBP35.6bn
Risk weighted assets	GBP23.5bn	GBP20.1bn	GBP21.2bn

Key Facts

Number of international branches	1,026	853	800
Number of continental European customers	936,000	819,000	799,000
Number of continental European mortgage customers	263,000	252,000	227,000
Continental European mortgages - average balances (Euros)	EUR29.1bn	EUR25.9bn	EUR24.9bn

The profit before tax of International Retail and Commercial Banking - excluding Absa (which comprises Western Europe and Emerging Markets) decreased 27% (GBP53m) to GBP142m (2006: GBP195m). Excluding a GBP55m gain from the sale and leaseback of property and a GBP21m share of post-tax results of the associate FirstCaribbean International Bank, both included in 2006, profit before tax increased 19%. This reflected both strong income growth and investment in the expansion of the distribution network and in technology.

Income increased 16% (GBP84m) to GBP602m (2006: GBP518m) driven by strong performances in Western Europe and Emerging Markets.

Net interest income increased 14% (GBP41m) to GBP334m (2006: GBP293m), reflecting very strong balance sheet growth. Total average customer loans increased 19% to GBP30.9bn (2006: GBP26.0bn) with lending margins broadly stable. Mortgage balance growth in Western Europe was very strong, with average Euro balances up 17% to GBP29.1bn (2006: GBP24.9bn). Average customer deposits increased 18% to GBP11.7bn (2006: GBP9.9bn) driven by growth in Western Europe and Emerging Markets. Liability margins declined primarily as a result of margin compression in Emerging Markets.

Net fee and commission income grew 12% (GBP23m) to GBP208m (2006: GBP185m). This reflected a strong performance in Spain and France, driven by higher service and insurance commissions.

Principal transactions increased GBP29m to GBP70m (2006: GBP41m), reflecting higher equity investment income in Spain and higher life assurance income.

Impairment charges rose GBP8m to GBP24m (2006: GBP16m). The increase, from a low historical base, reflected strong growth and lower recoveries.

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Operating expenses grew 34% (GBP112m) to GBP440m (2006: GBP328m). Excluding a GBP55m gain from the sale and leaseback of property in Spain in 2006, operating expenses increased 15% driven by the accelerated expansion of the distribution network across Western Europe and Emerging Markets and investments in technology. We opened 173 new branches.

Western Europe continued to perform strongly. Profit before tax increased 17% (GBP18m) to GBP124m (2006: GBP106m), excluding one-off gains on asset sales of GBP55m and integration costs of GBP16m in 2006.

Barclays Spain profit before tax increased 28% (GBP21m) to GBP96m (2006: GBP75m), adjusted for integration costs and the gains on asset sales in 2006. This was driven by higher service and insurance commissions, increased customer lending and higher equity investment income. France also performed well driven by good growth in the balance sheet, higher service commissions and good cost control. Income grew strongly in Italy as a result of the opening of new branches and a broadening of the product offering but this was more than offset by higher investment costs. Profit before tax decreased in Portugal, with strong income growth more than offset by increased investment in the rapid expansion of the business.

Emerging Markets profit before tax increased 25% (GBP15m) to GBP74m (2006: GBP59m) driven by a strong rise in income as a result of very strong balance sheet growth across a broad range of markets. This was partially offset by increased investment in the business including branch openings and the launch of retail banking services in India.

International Retail and Commercial Banking - Absa

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	510	498	551
Net fee and commission income	390	412	443
	-----	-----	-----
Net trading income	(2)	(2)	(9)
Net investment income	47	104	18
	-----	-----	-----
Principal transactions	45	102	9
Net premiums from insurance contracts	117	116	124
Other income	37	34	20
	-----	-----	-----
Total income	1,099	1,162	1,147
Net claims and benefits on insurance contracts	(55)	(52)	(54)
	-----	-----	-----
Total income net of insurance claims	1,044	1,110	1,093
Impairment charges	(69)	(74)	(52)
	-----	-----	-----
Net income	975	1,036	1,041
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(640)	(623)	(689)
Amortisation of intangible assets	(27)	(35)	(41)
	-----	-----	-----
Operating expenses	(667)	(658)	(730)

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Share of post-tax results of associates and joint ventures	1	3	6
Profit on disposal of subsidiaries, associates and joint ventures	1	-	-
Profit before tax	----- 310	----- 381	----- 317
Cost:income ratio	64%	59%	67%
Cost:net income ratio	68%	64%	70%
Risk Tendency	GBP210m	GBP145m	GBP125m
Return on average economic capital	21%	32%	37%
Economic profit	GBP54m	GBP91m	GBP93m
		As at	
	30.06.07	31.12.06	30.06.06
Loans and advances to customers	GBP26.2bn	GBP24.2bn	GBP23.4bn
Customer accounts	GBP12.4bn	GBP11.1bn	GBP12.1bn
Total assets	GBP32.8bn	GBP30.4bn	GBP29.3bn
Risk weighted assets	GBP21.8bn	GBP20.7bn	GBP20.7bn

Key Facts

Number of branches	812	800	787
Number of ATMs	7,455	7,053	6,256
Number of retail customers	8.7m	8.3m	8.0m
Number of corporate customers	87,000	84,000	80,000

International Retail and Commercial Banking - Absa profit before tax decreased 2% to GBP310m (2006: GBP317m).

Appendix 1 on page 94 summarises the Rand results of Absa Group Limited for the six months to 30th June 2007 as reported to the JSE Limited.

Impact on Barclays results

Absa Group Limited's profit before tax of R6,429m (2006: R4,879m) is translated into Barclays results at an average exchange rate for the six months to 30th June 2007 of R14.11/GBP (2006: R11.31/GBP), a 20% depreciation in the average rate of the Rand against Sterling. Consolidation adjustments reflected the amortisation of intangible assets of GBP27m (2006: GBP41m) and internal funding and other adjustments of GBP52m (2006: GBP28m). The resulting profit before tax of GBP377m (2006: GBP362m) is represented within International Retail and Commercial Banking - Absa GBP310m, (2006: GBP317m) and Barclays Capital, GBP67m (2006: GBP45m).

Absa Group Limited's total assets at 30th June 2007 were R553,893m (31st December 2006: R495,112m), growth of 12%. This is translated into Barclays results at a period-end exchange rate of R14.12/GBP (31st December 2006: R13.71/GBP). The capital investment remains hedged against currency movements.

Barclays Capital

Half-year ended

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	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	567	663	495
Net fee and commission income	614	436	516
	-----	-----	-----
Net trading income	2,761	1,423	2,139
Net investment income	206	296	277
	-----	-----	-----
Principal transactions	2,967	1,719	2,416
Other income	5	12	10
	-----	-----	-----
Total income	4,153	2,830	3,437
Impairment charges	(10)	28	(70)
	-----	-----	-----
Net income	4,143	2,858	3,367
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(2,453)	(1,876)	(2,120)
Amortisation of intangible assets	(30)	(12)	(1)
	-----	-----	-----
Operating expenses	(2,483)	(1,888)	(2,121)
	-----	-----	-----
Profit before tax	1,660	970	1,246
	-----	-----	-----
Cost:income ratio	60%	67%	62%
Cost:net income ratio	60%	66%	63%
Compensation:net income ratio	47%	48%	49%
Average DVaR	GBP39.3m	GBP38.0m	GBP36.2m
Risk Tendency	GBP110m	GBP95m	GBP125m
Return on average economic capital	54%	36%	47%
Average net income generated per member of staff (1) ('000)	GBP329	GBP249	GBP330
Economic profit	GBP969m	GBP510m	GBP671m
		As at	
	30.06.07	31.12.06	30.06.06
Total assets	GBP796.4bn	GBP657.9bn	GBP659.3bn
Risk weighted assets	GBP152.5bn	GBP137.6bn	GBP130.5bn
Corporate lending portfolio	GBP44.5bn	GBP40.6bn	GBP41.4bn

Key Facts		30.06.07		30.06.06
	League table position	Issuance value	League table position	Issuance value
All international bonds (all currencies)	1st	US\$187.7bn	2nd	US\$111.0bn
Sterling bonds	1st	GBP10.9bn	2nd	GBP10.9bn
International securitisations	1st	US\$41.7bn	4th	US\$16.5bn
US investment grade corporate bonds	5th	US\$2.8bn	7th	US\$3.2bn

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(1) Adjusted to exclude contribution and headcount from HomEq and EquiFirst

Barclays Capital delivered record results in the first half of 2007 with its two best quarters ever. Profit before tax increased 33% (GBP414m) to GBP1,660m (2006: GBP1,246m). This was the result of a very strong income performance, driven by good growth across asset classes and geographical regions underpinned by the strength of the client franchise. Net income increased 23% (GBP776m) to GBP4,143m (2006: GBP3,367m). Absa Capital delivered a very strong growth in profit before tax of 49% to GBP67m (2006: GBP45m) in the first half of 2007, despite a 20% depreciation in the Rand against Sterling.

Income increased 21% (GBP716m) to GBP4,153m (2006: GBP3,437m) as a result of very strong growth in commodity, credit, equity, emerging market, mortgage and currency asset classes. Income grew in all geographical regions. Average DVA increased 9% to GBP39.3m (2006: GBP36.2m).

Secondary income, comprising principal transactions (net trading income and net investment income) and net interest income, is mainly generated from providing client financing and risk management solutions. Secondary income increased 21% (GBP623m) to GBP3,534m (2006: GBP2,911m).

Net trading income increased 29% (GBP622m) to GBP2,761m (2006: GBP2,139m) with strong contributions across the Rates and Credit businesses, particularly fixed income, commodities, equity derivatives, structured credit and credit derivatives. There was very strong growth in primary bonds, emerging markets, mortgage backed securities and credit trading. Net investment income decreased 26% (GBP71m) to GBP206m (2006: GBP277m) due to lower investment realisations primarily in private equity and structured capital markets. Net interest income increased 15% (GBP72m) to GBP567m (2006: GBP495m) driven by higher contributions from money markets and the credit portfolio. Corporate lending increased 7% to GBP44.5bn (31st December 2006: GBP40.6bn).

Primary income, which comprises net fee and commission income from advisory and origination activities, grew 19% (GBP98m) to GBP614m (2006: GBP516m). This reflected higher volumes and continued market share gains in a number of key markets.

Impairment charges of GBP10m (2006: GBP70m) reflected the stable wholesale credit environment and recoveries in the period. The prior year included non credit-related impairment charges on available for sale assets of GBP83m.

Operating expenses increased 17% (GBP362m) to GBP2,483m (2006: GBP2,121m), largely driven by incremental performance related costs. The cost:net income ratio improved three percentage points to 60% (2006: 63%) and the compensation cost to net income ratio improved to 47% (2006: 49%). Barclays Capital has maintained its cost base flexibility with performance related pay, discretionary investment spend and short term contractor resources representing 54% (2006: 54%) of the cost base. Amortisation of intangible assets of GBP30m (2006: GBP1m) principally relates to mortgage service rights.

Total headcount increased 2,500 during the first half of 2007 to 15,700 (31st December 2006: 13,200) and included 1,400 from the acquisition of EquiFirst completed on 30th March 2007. Organic growth was broadly based across all regions and reflected further investments in the front office, systems development and control functions to support continued business expansion.

Barclays Global Investors

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	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest (expense)/income	(2)	3	7
Net fee and commission income	940	814	837
	-----	-----	-----
Net trading income	1	1	1
Net investment income	3	2	-
	-----	-----	-----
Principal transactions	4	3	1
Other income	1	-	-
	-----	-----	-----
Total income	943	820	845
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(551)	(467)	(479)
Amortisation of intangible assets	(4)	(3)	(2)
	-----	-----	-----
Operating expenses	(555)	(470)	(481)
	-----	-----	-----
Profit before tax	388	350	364
	-----	-----	-----
Cost:income ratio	59%	57%	57%
Average income generated per member of staff ('000)	GBP325	GBP306	GBP360
Return on average economic capital	238%	202%	260%
Economic profit	GBP210m	GBP181m	GBP195m
		As at	
	30.06.07	31.12.06	30.06.06
Total assets	GBP90.4bn	GBP80.5bn	GBP77.3bn
Risk weighted assets	GBP1.6bn	GBP1.4bn	GBP1.4bn
Key Facts			
Assets under management (GBP):	GBP1,003bn	GBP927bn	GBP877bn
	-----	-----	-----
-indexed	GBP589bn	GBP566bn	GBP554bn
-iShares	GBP179bn	GBP147bn	GBP124bn
-active	GBP235bn	GBP214bn	GBP199bn
	-----	-----	-----
Net new assets in period (GBP)	GBP25bn	GBP20bn	GBP17bn
Assets under management (US\$):	US\$2,013bn	US\$1,814bn	US\$1,623bn
	-----	-----	-----
-indexed	US\$1,183bn	US\$1,108bn	US\$1,024bn
-iShares	US\$359bn	US\$287bn	US\$230bn
-active	US\$471bn	US\$419bn	US\$369bn
	-----	-----	-----
Net new assets in period (US\$)	US\$50bn	US\$38bn	US\$30bn
Number of iShares products	294	191	164
Number of institutional clients	3,000	2,900	2,800

Barclays Global Investors delivered good growth in profit before tax, which increased 7% (GBP24m) to GBP388m (2006: GBP364m). Very strong US Dollar income

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and profit growth was partially offset by the depreciation in the US Dollar. The growth was broadly based across products, distribution channels and geographies.

Net fee and commission income improved 12% (GBP103m) to GBP940m (2006: GBP837m). This growth was primarily attributable to increased management fees, particularly in the iShares and active businesses, and securities lending. Incentive fees increased 2% (GBP2m) to GBP109m (2006: GBP107m). Higher asset values, driven by higher market levels and good net new inflows, contributed to the growth in income.

Operating expenses increased 15% (GBP74m) to GBP555m (2006: GBP481m) as a result of significant investment in key growth initiatives and ongoing investment in product development and infrastructure. The cost:income ratio rose two percentage points to 59% (2006: 57%).

Headcount increased 400 to 3,100 (31st December 2006: 2,700). Headcount increased in all geographical regions and across product groups and the support functions, reflecting continued investment to support further growth.

Total assets under management increased 8% (GBP76bn) to GBP1,003bn (31st December 2006: GBP927bn) including net new inflows of GBP25bn and GBP12bn attributable to the acquisition of Indexchange Investment AG (Indexchange). The positive market move impact of GBP57bn was partially offset by GBP18bn of adverse exchange rate movements. In US\$ terms assets under management increased by US\$199bn to US\$2,013bn (31st December 2006: US\$1,814bn), comprising US\$50bn of net new assets, US\$23bn attributable to acquisition of Indexchange, US\$115bn of favourable market movements and US\$11bn of positive exchange rate movements.

The acquisition of Indexchange, a European exchange traded funds business, completed on 8th February 2007.

Barclays Wealth

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	205	200	192
Net fee and commission income	359	329	345
	-----	-----	-----
Net trading income	7	1	1
Net investment income	59	130	24
	-----	-----	-----
Principal transactions	66	131	25
Net premium from insurance contracts	100	117	93
Other income	9	11	5
	-----	-----	-----
Total income	739	788	660
Net claims and benefits from insurance contracts	(104)	(206)	(82)
	-----	-----	-----
Total Income net of insurance claims	635	582	578
Impairment charges	(2)	(1)	(1)
	-----	-----	-----
Net income	633	581	577
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(458)	(463)	(446)
Amortisation of intangible assets	(2)	(2)	(2)

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Operating expenses	(460)	(465)	(448)
Profit before tax	173	116	129
Cost:income ratio	72%	80%	78%
Risk Tendency	GBP10m	GBP10m	GBP10m
Return on average economic capital	56%	30%	51%
Average net income per member of staff ('000)	GBP94	GBP89	GBP92
Economic profit	GBP114m	GBP43m	GBP87m
		As at	
	30.06.07	31.12.06	30.06.06
Customer accounts	GBP30.9bn	GBP28.3bn	GBP28.0bn
Loans and advances to customers	GBP7.1bn	GBP6.2bn	GBP5.5bn
Total assets	GBP16.7bn	GBP15.0bn	GBP14.2bn
Risk weighted assets	GBP6.9bn	GBP6.1bn	GBP5.2bn
Key Facts			
Total client assets	GBP126.8bn	GBP116.1bn	GBP105.9bn

Barclays Wealth profit before tax showed very strong growth of 34% (GBP44m) to GBP173m (2006: GBP129m). Performance was driven by broadly based income growth, favourable market conditions, reduced redress costs and tight cost control. This was partially offset by additional volume related costs and increased investment in people and infrastructure to support future growth.

Income increased 10% (GBP57m) to GBP635m (2006: GBP578m).

Net interest income increased 7% (GBP13m) to GBP205m (2006: GBP192m) reflecting growth in both customer deposits and customer lending. Average deposits grew 6% to GBP29.1bn (2006: GBP27.5bn). Average lending grew 23% to GBP6.5bn (2006: GBP5.3bn) driven by increased lending to private banking and intermediary clients. Deposit margins were stable at 1.08% whilst asset margins increased to 1.12% (2006: 1.07%).

Net fee and commission income grew 4% (GBP14m) to GBP359m (2006: GBP345m). This reflected growth in client assets and higher transactional income, including increased sales of investment products to affluent and high net worth clients.

Principal transactions increased to GBP66m (2006: GBP25m) driven by a significant increase in the value of the unit linked insurance contracts largely offset by a GBP22m increase in net claims and benefits on insurance contracts to GBP104m (2006: GBP82m).

Operating expenses increased 3% to GBP460m (2006: GBP448m) with greater volume related and investment costs partially offset by efficiency gains and lower customer redress costs of GBP18m (2006: GBP34m). Ongoing investment costs included increased hiring of client facing staff and improvements to infrastructure with the upgrade of technology and operations platforms. The cost:income ratio improved six percentage points to 72% (2006: 78%).

Total client assets, comprising customer deposits and client investments, increased 20% (GBP20.9bn) to GBP126.8bn (2006: GBP105.9bn) reflecting strong net

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new asset inflows, favourable market conditions and the acquisition of Walbrook, an independent fiduciary services company, which completed on 18th May 2007.

Head office functions and other operations

	Half-year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Net interest income	5	72	8
Net fee and commission income	(194)	(176)	(183)
	-----	-----	-----
Net trading income/(loss)	20	(15)	55
Net investment income	1	8	(6)
	-----	-----	-----
Principal transactions	21	(7)	49
Net premiums from insurance contracts	72	104	93
Other income	16	29	10
	-----	-----	-----
Total income	(80)	22	(23)
Impairment (charges)/releases	(11)	35	(24)
	-----	-----	-----
Net income	(91)	57	(47)
	-----	-----	-----
Operating expenses excluding amortisation of intangible assets	(112)	(153)	(106)
Amortisation of intangible assets	(4)	(6)	(4)
	-----	-----	-----
Operating expenses	(116)	(159)	(110)
	-----	-----	-----
Loss before tax	(207)	(102)	(157)
	-----	-----	-----
Risk Tendency	GBP5m	GBP10m	GBP25m
		As at	
	30.06.07	31.12.06	30.06.06
Total assets	GBP5.4bn	GBP7.1bn	GBP9.3bn
Risk weighted assets	GBP1.5bn	GBP1.9bn	GBP3.4bn

Head office functions and other operations loss before tax increased GBP50m to GBP207m (2006: loss GBP157m).

Net interest income fell GBP3m to GBP5m (2006: GBP8m) and included the cost of hedging the foreign exchange risk on the Group's equity investment in Absa, which amounted to GBP42m (2006: GBP39m).

Group segmental reporting is performed in accordance with Group accounting policies. This means that inter-segment transactions are recorded in each segment as if undertaken on an arm's length basis. Adjustments necessary to eliminate the inter-segment transactions are included in Head office functions and other operations.

The impact of such inter-segment adjustments increased GBP28m to GBP109m (2006: GBP81m). These adjustments related to internal fees for structured capital market activities of GBP79m (2006: GBP41m) and fees paid to Barclays Capital for capital raising and risk management advice of GBP18m (2006: GBP8m), both of

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which reduced net fee and commission income in Head Office. The impact on the inter-segment adjustments of the timing of the recognition of insurance commissions included in Barclaycard and UK Retail was a reduction in Head Office income of GBP17m (2006: GBP35m). This net reduction was reflected in a decrease in net fee and commission income of GBP89m (2006: GBP128m) and an increase in net premium income of GBP72m (2006: GBP93m).

Principal transactions decreased GBP28m to GBP21m (2006: GBP49m). 2007 included a profit of GBP2m (2006: GBP59m) in respect of the economic hedge of the translation exposure arising from Absa foreign currency earnings.

The impairment charge fell GBP13m to GBP11m (2006: GBP24m).

Operating expenses increased GBP6m to GBP116m (2006: GBP110m).

RESULTS BY NATURE OF INCOME AND EXPENSE

Net interest income

	Half Year ended		
	30.06.07	31.12.06	30.06.06
	GBPm	GBPm	GBPm
Cash and balances with central banks	12	9	7
Financial investments	1,444	1,405	1,406
Loans and advances to banks	608	455	523
Loans and advances to customers	9,054	8,407	7,883
Other	919	985	725
	-----	-----	-----
Interest income	12,037	11,261	10,544
	-----	-----	-----
Deposits from banks	(1,471)	(1,556)	(1,263)
Customer accounts	(1,902)	(1,232)	(1,844)
Debt securities in issue	(2,994)	(2,894)	(2,388)
Subordinated liabilities	(398)	(437)	(340)
Other	(683)	(403)	(305)
	-----	-----	-----
Interest expense	(7,448)	(6,522)	(6,140)
	-----	-----	-----
Net interest income	4,589	4,739	4,404
	-----	-----	-----

Group net interest income increased 4% (GBP185m) to GBP4,589m (2006: GBP4,404m) reflecting balance sheet growth across a number of businesses.

A component of the benefit of free funds included in Group net interest income is the structural hedge which functions to reduce the impact of the volatility of short-term interest rate movements. The contribution of the structural hedge decreased to GBP126m expense (2006: GBP47m income), largely due to the impact of relatively higher short-term interest rates and lower medium-term rates.

Interest income includes GBP53m (2006: GBP48m) accrued on impaired loans.

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Business margins

	Half Year ended		
	30.06.07	31.12.06	30.06.06
	%	%	%
UK Retail Banking assets	1.20	1.28	1.35
UK Retail Banking liabilities	2.15	2.08	2.01
UK Business Banking assets	1.85	1.98	1.86
UK Business Banking liabilities	1.50	1.48	1.44
Barclaycard assets	6.87	6.96	7.32
International Retail and Commercial Banking-ex Absa assets	1.25		