BARCLAYS PLC
Form 6-K
February 09, 2009
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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

9 February 2009

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 x 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 x

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

THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN THE REGISTRATION STATEMENTS ON FORM F-3 (NO. 333-145845) AND FORM S-8 (NOS. 333-112796, 333-112797, 333-149301 AND 333-149302) OF BARCLAYS BANK PLC AND THE REGISTRATION STATEMENT ON FORM S-8 (NO. 333-153723) OF BARCLAYS PLC AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

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.

The Report comprises:

The results of Barclays PLC as of, and for the year ended, 31st December 2008.

Barclays PLC 2008 Results

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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 authorised.

	BARCLAYS PLC (Registrant)
Date: February 9, 2009	By: /s/ Marie Smith Name: Marie Smith Title: Assistant Secretary
	BARCLAYS BANK PLC (Registrant)
Date: February 9, 2009	By: /s/ Marie Smith Name: Marie Smith Title: Assistant Secretary

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BARCLAYS PLC AND BARCLAYS BANK PLC

This document includes portions from the previously published results announcement of Barclays PLC for the year ended December 31, 2008, as revised to comply with the requirements of Regulation G and Item 10(e) of Regulation S-K promulgated by the U.S. Securities and Exchange Commission (the SEC). The purpose of this document is to provide such additional disclosure as required by Regulation G and Regulation S-K Item 10(e), to delete certain information not in compliance with SEC regulations and to include reconciliations of certain non-International Financial Reporting Standards (IFRS) figures to the most directly equivalent IFRS figures, as of, and for the period ended, December 31, 2008. This document does not update or otherwise supplement the information contained in the previously published results announcement.

In this document certain non-IFRS measures are reported. Barclays management believes that these non-IFRS measures provide valuable information to readers of its financial statements because they enable the reader to focus more directly on the underlying day-to-day performance of its businesses and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays management. However, any non-IFRS measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well.

An audit opinion has not been rendered in respect of this announcement.

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

The Listing Rules of the UK Listing Authority (LR 9.7A.1) require that preliminary unaudited statements of annual results must be agreed with the listed company s auditors prior to publication, even though an audit opinion has not yet been issued. In addition, the Listing Rules require such statements to give details of the nature of any likely modification that may be contained in the auditors report to be included with the annual report and accounts. Barclays PLC confirms that it has agreed this preliminary statement of annual results with PricewaterhouseCoopers LLP and that the Board of Directors has not been made aware of any likely modification to the auditors report required to be included with the annual report and accounts for the year ended 31st December 2008.

The information in this announcement, which was approved by the Board of Directors on 8th February 2009, does not comprise statutory accounts for the years ended 31st December 2008 or 31st December 2007, within the meaning of Section 240 of the Companies Act 1985 (the Act). Statutory accounts for the year ended 31st December 2008, 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), will be delivered to the Registrar of Companies in accordance with Section 242 of the Act. Statutory accounts for the year ended 31st December 2007 have been delivered to the Registrar of Companies and the Group s auditors have reported on those accounts and have given an unqualified report which does not contain a statement under Section 237(2) or (3) of the Act. The 2008 Annual Review and Summary Financial Statements will be posted to shareholders together with the Group s full Annual Report for those shareholders who request it.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group s plans and its current goals and expectations relating to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as may , will , seek , continue , aim , anticipate , target , expect , estimate , intend , plan , goal , bel similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group s future financial position, income growth, assets, impairment charges, business strategy, capital ratios, leverage, payment of dividends, projected levels of growth in the banking and financial markets, projected costs, estimates of capital expenditures, and plans and objectives for future operations and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, UK domestic and global economic and business conditions, the effects of continued volatility in credit markets, market related risks such as changes in interest rates and exchange rates, effects of changes in valuation of credit market exposures, changes in valuation of issued notes, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, progress in the integration of the Lehman Brothers North American businesses into the Group s business and the quantification of the benefits resulting from such acquisition, the outcome of pending and future litigation, the success of future acquisitions and other strategic transactions 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.

Any forward-looking statements made herein speak only as of the date they are made. Except as required by the UK Financial Services Authority FSA, the London Stock Exchange or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any change in Barclays expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has filed or may file with the SEC.

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Key Information

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m	% Change
Group Results			
Total income net of insurance claims	23,115	23,000	1
Impairment charges and other credit provisions	(5,419)	(2,795)	94
Operating expenses	(14,366)	(13,199)	9
Gains on acquisitions	2,406		
Profit before tax	6,077	7,076	(14)
Profit after tax	5,287	5,095	4
Profit attributable to equity holders of the parent	4,382	4,417	(1)
Basic earnings per share	59.3p	68.9p	(14)
Diluted earnings per ordinary share	57.5p	66.7p	(14)
Dividend per share	11.5p	34.0p	(66)
Performance Ratios			
Cost:income ratio	62%	57%	

	£m	£m	% Change
Profit Before Tax by Business[1]			
UK Retail Banking	1,369	1,275	7
Barclays Commercial Bank	1,266	1,357	(7)
Barclaycard	789	603	31
GRCB Western Europe	257	196	31
GRCB Emerging Markets	134	100	34
GRCB Absa	552	597	(8)
Barclays Capital	1,302	2,335	(44)
Barclays Global Investors	595	734	(19)
Barclays Wealth	671	307	119

	Pro Forma[2] 31.12.08	As at 31.12.08	As at 31.12.07
Capital and Balance Sheet			
Equity Tier 1 ratio	6.7%	5.8%	5.1%
Tier 1 ratio	9.7%	8.6%	7.6%
Risk asset ratio	14.4%	13.6%	11.2%
Total shareholders equity		£ 47.4bn	£ 32.5bn
Total assets		£ 2,053bn	£ 1,227bn
Risk weighted assets		£ 433bn	£ 354bn

1 *Summary excludes Head Office functions and other operations.*

2 *Reflects conversion of Mandatorily Convertible Notes and inclusion of all innovative instruments in Tier 1 capital.*

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Outlook

We expect 2009 to be another challenging year with continuing downturns or recessions in many of the economies in which we are represented. In 2008 our profits were reduced by the impacts of substantial gross credit market losses. In 2009, we expect the impact of such credit market losses to be lower. Whilst we are confident in the relative quality of our major books of assets, we also expect the recessionary environments in the UK, Spain, South Africa and the US to increase the loan loss rates on our loans and advances. Our planning assumption for 2009 reflects an increase in impairment charges as a percentage of loans and advances to a range of 130-150bps.

Official interest rates in the UK and elsewhere have reduced significantly in response to the emerging recession. This will have the impact of substantially reducing the spread generated on our retail and commercial banking liabilities, particularly in the UK. We expect this to endure while interest rates are low. The impact on Barclays will be reduced to an extent by our interest rate hedges, which we expect to mitigate around two thirds of the impact. As well as interest rate reduction, governments in the UK and elsewhere have taken significant measures to assist borrowers and lenders. We expect the combined impact of these measures and the lower interest rate environment to be positive for the economy in time.

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Consolidated Income Statement

	Notes[1]	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Interest income		28,010	25,308
Interest expense		(16,541)	(15,698)
Net interest income	1	**11,469**	**9,610**
Fee and commission income		9,489	8,678
Fee and commission expense		(1,082)	(970)
Net fee and commission income	2	**8,407**	**7,708**
Net trading income		1,329	3,759
Net investment income		680	1,216
Principal transactions	3	**2,009**	**4,975**
Net premiums from insurance contracts	4	1,090	1,011
Other income	5	377	188
Total income		**23,352**	**23,492**
Net claims and benefits incurred on insurance contracts	6	(237)	(492)
Total income net of insurance claims		**23,115**	**23,000**
Impairment charges and other credit provisions	7	(5,419)	(2,795)
Net income		**17,696**	**20,205**
Staff costs	8	(7,779)	(8,405)
Administration and general expenses		(5,666)	(4,141)
Depreciation of property, plant and equipment		(630)	(467)
Amortisation of intangible assets		(291)	(186)
Operating expenses	8	**(14,366)**	**(13,199)**
Share of post-tax results of associates and joint ventures	9	14	42
Profit on disposal of subsidiaries, associates and joint ventures	10	327	28
Gains on acquisitions	11	2,406	
Profit before tax		**6,077**	**7,076**
Tax	12	(790)	(1,981)
Profit after tax		**5,287**	**5,095**
Attributable To			
Minority interests	13	905	678
Equity holders of the parent	14	4,382	4,417

		5,287	**5,095**
Earnings per Share			
Basic earnings per ordinary share	14	59.3p	68.9p
Diluted earnings per ordinary share	14	57.5p	66.7p
Dividend per Ordinary Share			
Interim dividend	15	11.5p	11.5p
Final dividend	15		22.5p
Total dividend		**11.5p**	**34.0p**

1 Notes start on page 76

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Consolidated Balance Sheet

	Notes[1]	As at 31.12.08 £m	As at 31.12.07 £m
Assets			
Cash and balances at central banks		30,019	5,801
Items in the course of collection from other banks		1,695	1,836
Trading portfolio assets		185,637	193,691
Financial assets designated at fair value:			
held on own account		54,542	56,629
held in respect of linked liabilities to customers under investment contracts		66,657	90,851
Derivative financial instruments	16	984,802	248,088
Loans and advances to banks	19, 21	47,707	40,120
Loans and advances to customers	20, 21	461,815	345,398
Available for sale financial investments		64,976	43,072
Reverse repurchase agreements and cash collateral on securities borrowed		130,354	183,075
Other assets		6,302	5,150
Current tax assets		389	518
Investments in associates and joint ventures		341	377
Goodwill		7,625	7,014
Intangible assets		2,777	1,282
Property, plant and equipment		4,674	2,996
Deferred tax assets		2,668	1,463
Total assets		**2,052,980**	**1,227,361**

1 Notes start on page 76

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Consolidated Balance Sheet

	Notes[1]	As at 31.12.08 £m	As at 31.12.07 £m
Liabilities			
Deposits from banks		114,910	90,546
Items in the course of collection due to other banks		1,635	1,792
Customer accounts		335,505	294,987
Trading portfolio liabilities		59,474	65,402
Financial liabilities designated at fair value		76,892	74,489
Liabilities to customers under investment contracts		69,183	92,639
Derivative financial instruments	16	968,072	248,288
Debt securities in issue		149,567	120,228
Repurchase agreements and cash collateral on securities lent		182,285	169,429
Other liabilities		12,640	10,499
Current tax liabilities		1,216	1,311
Insurance contract liabilities, including unit-linked liabilities		2,152	3,903
Subordinated liabilities		29,842	18,150
Deferred tax liabilities		304	855
Provisions	22	535	830
Retirement benefit liabilities	23	1,357	1,537
Total liabilities		**2,005,569**	**1,194,885**
Shareholders Equity			
Called up share capital	24	2,093	1,651
Share premium account	24	4,045	56
Other reserves		2,793	874
Other equity		3,652	
Retained earnings		24,208	20,970
Less: treasury shares		(173)	(260)
Shareholders equity excluding minority interests		**36,618**	**23,291**
Minority interests		10,793	9,185
Total shareholders equity	25	**47,411**	**32,476**
Total liabilities and shareholders equity		**2,052,980**	**1,227,361**

1 Notes start on page 76

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Condensed Consolidated Statement of Recognised Income and Expense

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Consolidated Statement of Recognised Income and Expense		
Net movements in available for sale reserve	(1,570)	2
Net movements in cash flow hedging reserve	376	359
Net movements in currency translation reserve	2,407	54
Tax	841	54
Other movements	(5)	22
Amounts included directly in equity	**2,049**	**491**
Profit after tax	5,287	5,095
Total recognised income and expense	**7,336**	**5,586**
Attributable To		
Equity holders of the parent	6,213	4,854
Minority interests	1,123	732
	7,336	**5,586**

An analysis of the statement of recognised income and expense is provided in note 26 on page 97.

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Condensed Consolidated Cash Flow Statement

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Reconciliation of Profit Before Tax to Net Cash Flows from Operating Activities		
Profit before tax	6,077	7,076
Adjustment for non-cash items	4,852	2,152
Changes in operating assets and liabilities	24,518	(18,392)
Tax paid	(1,731)	(1,583)
Net cash from operating activities	**33,716**	**(10,747)**
Net cash from investing activities	(8,755)	10,064
Net cash from financing activities	12,272	3,358
Effect of exchange rates on cash and cash equivalents	(5,801)	(550)
Net increase in cash and cash equivalents	**31,432**	**2,125**
Cash and cash equivalents at beginning of period	33,077	30,952
Cash and cash equivalents at end of period	**64,509**	**33,077**

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Results by Business

UK Retail Banking

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	2,996	2,858
Net fee and commission income	1,299	1,183
Net premiums from insurance contracts	205	252
Other income	17	47
Total income	**4,517**	**4,340**
Net claims and benefits incurred under insurance contracts	(35)	(43)
Total income net of insurance claims	**4,482**	**4,297**
Impairment charges and other credit provisions	(602)	(559)
Net income	**3,880**	**3,738**
Operating expenses excluding amortisation of intangible assets	(2,499)	(2,461)
Amortisation of intangible assets	(20)	(9)
Operating expenses	**(2,519)**	**(2,470)**
Share of post-tax results of associates and joint ventures	8	7
Profit before tax	**1,369**	**1,275**
Balance Sheet Information		
Loans and advances to customers	£ 94.4bn	£ 82.0bn
Customer accounts	£ 89.6bn	£ 87.1bn
Total assets	£ 101.4bn	£ 88.5bn
Performance Ratios		
Cost:income ratio[1]	56%	57%
Other Financial Measures		
Risk tendency[1,2]	£ 520m	£ 470m
Risk weighted assets	£ 30.5bn	£ 31.5bn

1 *Defined on page 103.*
2 *Further information on risk tendency is included on page 67.*

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Results by Business

UK Retail Banking

UK Retail Banking profit before tax increased 7% (£94m) to £1,369m (2007: £1,275m) through solid income growth and continued good control of impairment and costs. The launch of new products and propositions supported a significant increase in customer accounts, with Current Accounts increasing 4% (0.4m) to 11.7m (2007: 11.3m), Savings Accounts increasing 8% (0.9m) to 12.0m (2007: 11.1m) and Mortgage Accounts increasing 8% (62,000) to 816,000 (2007: 754,000).

Income grew 4% (£185m) to £4,482m (2007: £4,297m) reflecting strong growth in Home Finance and solid growth in Consumer Lending and Local Business, partially offset by reduced income from Personal Customer Savings Accounts due to the impact of the reductions in the UK base rates in the second half of 2008.

Net interest income increased 5% (£138m) to £2,996m (2007: £2,858m) driven by strong growth in loans and advances. Total average customer deposit balances increased 5% to £85.9bn (2007: £81.8bn), reflecting solid growth in Personal Customer and Local Business balances.

Mortgage balances grew 18%, driven by increased share of new lending and higher levels of balance retention. Mortgage balances were £82.3bn at the end of the period (31st December 2007: £69.8bn), a market share of 7% (2007: 6%). Gross advances were stable at £22.9bn, with redemptions of £10.4bn (2007: £15.0bn). Net new lending was £12.5bn (2007: £8.0bn), a market share[1] of 36% (2007: 8%). The average loan to value ratio of the mortgage book (including buy-to-let) on a current valuation basis was 40% (2007: 34%). The average loan to value ratio of new mortgage lending was 47% (2007: 49%).

Net fee and commission income increased 10% (£116m) to £1,299m (2007: £1,183m) reflecting £116m settlements on overdraft fees in 2007.

Impairment charges increased 8% (£43m) to £602m (2007: £559m), reflecting growth in customer assets of 15% and the impact of the current economic environment. Mortgage impairment charges were £24m (2007: release of £3m). Impairment charges within Consumer Lending increased 3%.

Operating expenses increased 2% (£49m) to £2,519m (2007: £2,470m) reflecting reduced gains from the sale of property of £75m (2007: £193m). Continued strong and active management of expense lines, including back office consolidation and process efficiencies, funded increased investment in product development and distribution channels.

The cost:income ratio improved one percentage point to 56% (2007: 57%).

Total assets increased 15% to £101.4bn (31st December 2007: £88.5bn) driven by growth in mortgage balances. Risk weighted assets decreased 3% to £30.5bn (31st December 2007: £31.5bn) as lending growth mainly in high quality, low risk mortgages was more than offset in capital terms by active risk management.

1 *Excludes Housing Associations*

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Results by Business

Barclays Commercial Bank

	Year Ended 31.12.08 £m		Year Ended 31.12.07 £m	
Income Statement Information				
Net interest income		1,757		1,747
Net fee and commission income		861		750
Net trading income		3		9
Net investment income		19		47
Principal transactions		**22**		**56**
Other income		105		11
Total income		**2,745**		**2,564**
Impairment charges and other credit provisions		(414)		(292)
Net income		**2,331**		**2,272**
Operating expenses excluding amortisation of intangible assets		(1,048)		(924)
Amortisation of intangible assets		(15)		(5)
Operating expenses		**(1,063)**		**(929)**
Share of post-tax results of associates and joint ventures		(2)		
Profit on disposal of subsidiaries, associates and joint ventures				14
Profit before tax		**1,266**		**1,357**
Balance Sheet Information				
Loans and advances to customers	£	67.5bn	£	63.7bn
Customer accounts	£	60.6bn	£	60.8bn
Total assets	£	84.0bn	£	74.6bn
Performance Ratios				
Cost:income ratio[1]		39%		36%
Other Financial Measures				
Risk tendency[1,2]	£	400m	£	305m
Risk weighted assets	£	63.1bn	£	57.0bn

1 *Defined on page 103.*

2 *Further information on risk tendency is included on page 67.*

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Results by Business

Barclays Commercial Bank

Barclays Commercial Bank profit before tax decreased 7% (£91m) to £1,266m (2007: £1,357m) reflecting a resilient performance in challenging market conditions. The impact of growth in net fee and commission income and continued strong growth in customer lending was offset by increased impairment charges and higher operating expenses.

Income increased 7% (£181m) to £2,745m (2007: £2,564m).

Net interest income improved 1% (£10m) to £1,757m (2007: £1,747m). There was strong growth in average customer assets, particularly term loans, which increased 14% to £61.7bn (2007: £53.9bn) reflecting the continued commitment to lend to viable businesses.

Non-interest income increased to 36% of total income (2007: 32%) partly reflecting continued focus on cross sales and efficient balance sheet utilisation. Net fee and commission income increased 15% (£111m) to £861m (2007: £750m) due to increased income from foreign exchange, derivative sales and debt fee income.

Income from principal transactions fell to £22m (2007: £56m) due to lower equity realisations.

Other income of £105m (2007: £11m) included a £39m gain arising from the restructuring of Barclays interest in a third party finance operation. This gain was offset by a broadly similar tax charge. Other income also included £29m (2007: £7m) rental income from operating leases.

Impairment charges increased 42% (£122m) to £414m (2007: £292m) primarily reflecting higher impairment losses in Larger Business, particularly in the final quarter as the UK corporate credit environment deteriorated. Impairment as a percentage of period-end loans and advances to customers and banks increased to 0.60% (2007: 0.45%).

Operating expenses increased 14% (£134m) to £1,063m (2007: £929m) reflecting lower gains on the sale of property of £10m (2007: £40m), investment in a new payments capability (2008: £69m, 2007: £42m), growth in the operating lease business (2008: £31m, 2007: £7m) and investment in risk and operations infrastructure, sales force capability and product specialists.

Total assets grew 13% to £84.0bn (31st December 2007: £74.6bn) driven by higher loans and advances. Risk weighted assets increased 11% to £63.1bn (31st December 2007: £57.0bn). This was slightly lower than asset growth, reflecting a relative increase in lower risk portfolios.

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Results by Business

Barclaycard

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	1,786	1,374
Net fee and commission income	1,299	1,143
Net trading income	2	
Net investment income	80	11
Principal transactions	**82**	**11**
Net premiums from insurance contracts	44	40
Other income/(loss)	19	(25)
Total income	**3,230**	**2,543**
Net claims and benefits incurred under insurance contracts	(11)	(13)
Total income net of insurance claims	**3,219**	**2,530**
Impairment charges and other credit provisions	(1,097)	(827)
Net income	**2,122**	**1,703**
Operating expenses excluding amortisation of intangible assets	(1,361)	(1,057)
Amortisation of intangible assets	(61)	(36)
Operating expenses	**(1,422)**	**(1,093)**
Share of post-tax results of associates and joint ventures	(3)	(7)
Gain on acquisition	92	
Profit before tax	**789**	**603**
Balance Sheet Information		
Loans and advances to customers	£ 27.4bn	£ 19.7bn
Total assets	£ 30.9bn	£ 22.1bn
Performance Ratios		
Cost:income ratio[1]	44%	43%
Other Financial Measures		
Risk tendency[1,2]	£ 1,475m	£ 955m
Risk weighted assets	£ 27.3bn	£ 20.2bn

1 Defined on page 103.
2 Further information on risk tendency is included on page 67.

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Results by Business

Barclaycard

Barclaycard profit before tax increased 31% (£186m) to £789m (2007: £603m) driven by strong international income growth and lower UK impairment charges. 2008 profit included £40m from the acquisition of, and contribution from, Goldfish, Discover s UK credit card business, acquired on 31st March 2008. The scale of the UK and international businesses increased substantially with total customer numbers up 31% to 23.3m.

Income increased 27% (£689m) to £3,219m (2007: £2,530m) reflecting strong growth in Barclaycard International and £156m from the inclusion of Goldfish, partially offset by a decline in FirstPlus following its closure to new business.

Net interest income increased 30% (£412m) to £1,786m (2007: £1,374m) driven by 58% growth in international average extended credit card balances to £5.2bn.

Net fee and commission income increased 14% (£156m) to £1,299m (2007: £1,143m) driven by growth in Barclaycard International.

Investment income increased £69m to £80m (2007: £11m) reflecting a £64m gain from the Visa IPO and a £16m gain from the sale of shares in MasterCard.

Other income increased £44m to £19m (2007: £25m loss) reflecting a gain from a portfolio sale in the US. 2007 results reflected a £27m loss on disposal of part of the Monument card portfolio.

Impairment charges increased 33% (£270m) to £1,097m (2007: £827m) reflecting £252m growth in charges in the international businesses and £68m from the inclusion of Goldfish. These factors were partially offset by £50m lower impairment in the other UK businesses with reduced flows into delinquency and lower levels of arrears.

Operating expenses increased 30% (£329m) to £1,422m (2007: £1,093m) reflecting continued international growth and increased marketing investment. Operating expenses reflected Goldfish expenses of £140m, including restructuring costs of £64m.

The acquisition of Goldfish resulted in a gain on acquisition of £92m.

Barclaycard International maintained its strong growth momentum, delivering a 71% (£108m) increase in profit before tax to £260m (2007: £152m). Barclaycard US profit before tax was US$249m which exceeded delivery of the financial plan of US$150m set out at the time of acquisition. Strong balance sheet growth in Barclaycard US included US$1.9bn of credit card receivables acquired from FIA Card Services in August 2008, furthering the existing partnership agreement with US Airways. The acquisition of a majority stake in Woolworths Financial Services in October 2008, added 1.6 million customers to the existing Absa credit card business in South Africa. The Entercard joint venture with Swedbank continued to build presence in Norway, Sweden and Denmark.

Total assets increased 40% to £30.9bn (31st December 2007: £22.1bn) reflecting increases in International assets, the acquisition of Goldfish and the appreciation of the Euro and US Dollar against Sterling. Risk weighted assets increased 35% to £27.3bn (31st December 2007: £20.2bn), driven by acquisitions, the redemption of securitisation deals and exposure growth predominantly in the US.

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Results by Business

Global Retail and Commercial Banking - Western Europe

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	856	527
Net fee and commission income	383	322
Net trading income	4	13
Net investment income	161	93
Principal transactions	**165**	**106**
Net premiums from insurance contracts	352	145
Other income	39	7
Total income	**1,795**	**1,107**
Net claims and benefits incurred under insurance contracts	(365)	(170)
Total income net of insurance claims	**1,430**	**937**
Impairment charges and other credit provisions	(296)	(76)
Net income	**1,134**	**861**
Operating expenses excluding amortisation of intangible assets	(915)	(665)
Amortisation of intangible assets	(14)	(8)
Operating expenses	**(929)**	**(673)**
Profit on disposal of subsidiaries, associates and joint ventures		8
Gain on acquisition	52	
Profit before tax	**257**	**196**
Balance Sheet Information		
Loans and advances to customers	£ 53.5bn	£ 35.0bn
Customer accounts	£ 15.3bn	£ 9.4bn
Total assets	£ 64.7bn	£ 43.7bn
Performance Ratios		
Cost:income ratio[1]	65%	72%
Other Financial Measures		
Risk tendency[1,2]	£ 270m	£ 135m
Risk weighted assets	£ 36.5bn	£ 25.0bn

1 Defined on page 103.
2 Further information on risk tendency is included on page 67.

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Results by Business

Global Retail and Commercial Banking - Western Europe

Global Retail and Commercial Banking - Western Europe profit before tax grew 31% (£61m) to £257m (2007: £196m), despite challenging market conditions in Spain and accelerated investment in the expansion of the franchise. Distribution points increased 347 to 1,145 (2007: 798), including 149 in Italy. Strong income growth including gains of £82m from the Visa IPO and the sale of shares in MasterCard was partially offset by increased impairment and higher operating costs. Profit before tax was favourably impacted by the 16% appreciation in the average value of the Euro against Sterling.

Income increased 53% (£493m) to £1,430m (2007: £937m) reflecting growth in both net interest income and net fee and commission income.

Net interest income increased 62% (£329m) to £856m (2007: £527m) driven by a 63% increase in customer liabilities to £15.3bn (2007: £9.4bn) and a 53% increase in customer assets to £53.5bn (2007: £35.0bn).

Net fee and commission income increased 19% (£61m) to £383m (2007: £322m). Increased fees in retail and in the life insurance businesses were offset by lower market-related investment revenue.

Principal transactions grew £59m to £165m (2007: £106m) including gains from the Visa IPO (£65m) and the sale of shares in MasterCard (£17m) which enabled Western Europe to invest in the expansion of the business.

Impairment charges increased £220m to £296m (2007: £76m). This increase was principally due to higher charges in Spanish commercial property (£82m) and deterioration of the Spanish credit card portfolio (£66m) as a consequence of the rapid slowdown in the Spanish economy.

Operating expenses increased 38% (£256m) to £929m (2007: £673m) reflecting the rapid expansion of the retail distribution network and the strengthening of the Premier segment. Operating expenses also included £55m (2007: £22m) gains from the sale of property.

Gain on acquisition of £52m (2007: nil) arose from the purchase of the Italian residential mortgage business of Macquarie Bank Limited in November 2008.

Total assets grew 48% to £64.7bn (31st December 2007: £43.7bn) reflecting growth in retail mortgages, unsecured lending, commercial lending and a 31% appreciation over the year in the value of the Euro against Sterling. Risk weighted assets increased 46% to £36.5bn (31st December 2007: £25.0bn), primarily reflecting underlying lending growth and the appreciation of the Euro.

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Results by Business

Global Retail and Commercial Banking - Emerging Markets

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	616	319
Net fee and commission income	223	140
Net trading income	78	56
Net investment income	91	16
Principal transactions	**169**	**72**
Other income	11	2
Total income	**1,019**	**533**
Impairment charges and other credit provisions	(166)	(39)
Net income	**853**	**494**
Operating expenses excluding amortisation of intangible assets	(711)	(391)
Amortisation of intangible assets	(8)	(4)
Operating expenses	**(719)**	**(395)**
Share of post-tax results of associates and joint ventures		1
Profit before tax	**134**	**100**
Balance Sheet Information		
Loans and advances to customers	£ 10.1bn	£ 5.1bn
Customer accounts	£ 9.6bn	£ 6.2bn
Total assets	£ 14.7bn	£ 9.2bn
Performance Ratios		
Cost:income ratio[1]	71%	74%
Other Financial Measures		
Risk tendency[1,2]	£ 350m	£ 140m
Risk weighted assets	£ 15.1bn	£ 10.5bn

1 *Defined on page 103.*

2 *Further information on risk tendency is included on page 67.*

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Results by Business

Global Retail and Commercial Banking - Emerging Markets

Global Retail and Commercial Banking Emerging Markets profit before tax increased 34% (£34m) to £134m (2007: £100m). Very strong income growth, including £82m from the Visa IPO and the sale of shares in MasterCard, absorbed the increased investment across existing and new markets and higher impairment charges. The number of distribution points increased 286 to 836 (2007: 550). New market entries in 2008 comprised the acquisition of Expobank in Russia, the launch of a new business in Pakistan and the announced acquisition of Bank Akita in Indonesia.

Income increased 91% (£486m) to £1,019m (2007: £533m) reflecting growth in lending, deposit taking and fee-driven transactional revenues.

Net interest income increased 93% (£297m) to £616m (2007: £319m) as loans and advances to customers increased 98% to £10.1bn (2007: £5.1bn). Customer accounts increased 55% to £9.6bn (2007: £6.2bn).

Net fee and commission income increased 59% (£83m) to £223m (2007: £140m) primarily driven by very strong growth in commercial banking and treasury fee income.

Principal transactions increased £97m to £169m (2007: £72m) reflecting higher foreign exchange income, a gain of £68m relating to the Visa IPO and a gain of £14m from the sale of shares in MasterCard.

Impairment charges increased £127m to £166m (2007: £39m) reflecting higher assets and delinquencies, particularly in India and increased wholesale impairment in Africa.

Operating expenses increased 82% (£324m) to £719m (2007: £395m) reflecting continued investment in new markets and expansion of the business in existing markets, with investment in infrastructure and the rollout of global platforms.

Total assets grew 60% to £14.7bn (31st December 2007: £9.2bn) reflecting increases in retail and commercial lending combined with the impact of Sterling depreciation. Risk weighted assets increased 44% to £15.1bn (31st December 2007: £10.5bn), reflecting portfolio growth.

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Results by Business

Global Retail and Commercial Banking - Absa

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	1,104	1,055
Net fee and commission income	762	684
Net trading income	6	
Net investment income	105	70
Principal transactions	**111**	**70**
Net premiums from insurance contracts	234	227
Other income	113	77
Total income	**2,324**	**2,113**
Net claims and benefits incurred under insurance contracts	(126)	(114)
Total income net of insurance claims	**2,198**	**1,999**
Impairment charges and other credit provisions	(347)	(146)
Net income	**1,851**	**1,853**
Operating expenses excluding amortisation of intangible assets	(1,255)	(1,212)
Amortisation of intangible assets	(50)	(55)
Operating expenses	**(1,305)**	**(1,267)**
Share of post-tax results of associates and joint ventures	5	6
Profit on disposal of subsidiaries, associates and joint ventures	1	5
Profit before tax	**552**	**597**
Balance Sheet Information		
Loans and advances to customers	£ 32.7bn	£ 29.9bn
Customer accounts	£ 17.0bn	£ 13.0bn
Total assets	£ 40.4bn	£ 36.4bn
Performance Ratios		
Cost:income ratio[1]	59%	63%
Other Financial Measures		
Risk tendency[1,2]	£ 255m	£ 190m
Risk weighted assets	£ 18.8bn	£ 17.8bn

1 Defined on page 103.
2 Further information on risk tendency is included on page 67.

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Results by Business

Global Retail and Commercial Banking - Absa

Global Retail and Commercial Banking - Absa profit before tax decreased 8% (£45m) to £552m (2007: £597m) owing to challenging market conditions and the 7% depreciation in the average value of the Rand against Sterling. Profit before tax included a gain of £47m relating to the Visa IPO. Very strong Rand income growth was partially offset by increased impairment and investment in the expansion of the franchise by 176 distribution points to 1,177 (2007: 1,001).

Income increased 10% (£211m) to £2,324m (2007: £2,113m).

Net interest income improved 5% (£49m) to £1,104m (2007: £1,055m) reflecting strong balance sheet growth. Average customer assets increased 9% to £27.7bn (2007: £25.3bn) primarily driven by retail and commercial mortgages and commercial cheque accounts. Average customer liabilities increased 17% to £13.5bn (2007: £11.5bn), primarily driven by retail savings.

Net fee and commission income increased 11% (£78m) to £762m (2007: £684m), underpinned by retail transaction volume growth.

Principal transactions increased £41m to £111m (2007: £70m) reflecting gains on economic hedges relating to the Commercial Property Finance and liquid asset portfolios.

Other income increased £36m to £113m (2007: £77m) reflecting a gain of £47m from the Visa IPO.

Impairment charges increased £201m to £347m (2007: £146m) as a result of rising delinquency levels in the retail portfolios, which have been impacted by rising interest and inflation rates and increasing consumer indebtedness.

Operating expenses increased 3% (£38m) to £1,305m (2007: £1,267m). The cost:income ratio improved from 63% to 59%.

Total assets increased 11% to £40.4bn (31st December 2007: £36.4bn) reflecting broad based asset growth. Risk weighted assets increased 6% to £18.8bn (31st December 2007: £17.8bn), reflecting balance sheet growth.

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Results by Business

Barclays Capital

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	1,724	1,179
Net fee and commission income	1,429	1,235
Net trading income	1,506	3,739
Net investment income	559	953
Principal transactions	**2,065**	**4,692**
Other income	13	13
Total income	**5,231**	**7,119**
Impairment charges	(2,423)	(846)
Net income	**2,808**	**6,273**
Operating expenses excluding amortisation of intangible assets	(3,682)	(3,919)
Amortisation of intangible assets	(92)	(54)
Operating expenses	**(3,774)**	**(3,973)**
Share of post-tax results of associates and joint ventures	6	35
Gain on acquisition	2,262	
Profit before tax	**1,302**	**2,335**
Balance Sheet Information		
Corporate lending portfolio	£ 76.6bn	£ 52.3bn
Loans and advances to banks and customers	£ 206.8bn	£ 135.6bn
Total assets	£ 1,629.1bn	£ 839.9bn
Performance Ratios		
Cost:income ratio[1]	72%	56%
Other Financial Measures		
Risk tendency[1,2]	£ 415m	£ 140m
Risk weighted assets	£ 227.4bn	£ 178.2bn
Average DVaR (95%)	£ 53.4m	£ 32.5m

1 *Defined further on page 103.*
2 *Further information on risk tendency is included on page 67.*

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Results by Business

Barclays Capital

In an exceptionally challenging market environment Barclays Capital profit before tax decreased 44% (£1,033m) to £1,302m (2007: £2,335m). Profit before tax included a gain on the acquisition of Lehman Brothers North American business of £2,262m. Absa Capital profit before tax grew 13% to £175m (2007: £155m).

Net income included gross losses of £8,053m (2007: £2,999m) due to continuing dislocation in the credit markets. These losses were partially offset by income and hedges of £1,433m (2007: £706m), and gains of £1,663m (2007: £658m) from the general widening of credit spreads on issued notes by Barclays Capital. The gross losses, comprised £6,290m (2007: £2,159m) against income and £1,763m (2007: £782m) in impairment charges. Further detail is provided on page 36.

The integration of the Lehman Brothers North American business is complete and the acquired businesses made a positive contribution, with good results in equities, fixed income and advisory. There was a gain on acquisition of £2,262m. Not included in this gain is expenditure relating to integration of the acquired business.

Income was down 27% at £5,231m (2007: £7,119m) driven by the impact of the market dislocation. There was very strong underlying growth in the US driven by fixed income, prime services and the acquired businesses. In other regions income fell driven by the challenging environment.

Net trading income decreased 60% (£2,233m) to £1,506m (2007: £3,739m) reflecting losses from the credit market dislocation and weaker performance in credit products and equities. This was partially offset by significant growth in interest rates, foreign exchange, emerging markets and prime services. Average DVaR at 95% increased by 64% to £53.4m driven by higher credit spread and interest rate risk.

Net investment income decreased 41% (£394m) to £559m reflecting the market conditions. Net interest income increased 46% (£545m) to £1,724m (2007: £1,179m), driven by strong results in global loans and money markets. Net fee and commission income from advisory and origination activities increased 16% (£194m) to £1,429m. The corporate lending portfolio, including leveraged finance, increased 46% to £76.6bn (31st December 2007: £52.3bn) driven by the decline in the value of Sterling relative to other currencies as well as draw downs on existing loan facilities and the extension of new loans at current terms to financial and manufacturing institutions.

Impairment charges and other credit provisions of £2,423m (2007: £846m) included £1,763m (2007: £782m) due to the credit market dislocation. Other impairment charges of £660m (2007: £64m) principally related to private equity, prime services and the loan book.

Operating expenses fell 5% (£199m) to £3,774m (2007: £3,973m) due to lower performance related pay, partially offset by operating costs of the acquired businesses.

Total headcount increased 6,900 to 23,100 (31st December 2007: 16,200). Prior to the acquisition of Lehman Brothers North American business, headcount during 2008 was materially unchanged except for hiring associated with the annual global graduate programme. The acquisition initially added 10,000 to the headcount but there were reductions in the fourth quarter as the US businesses were integrated.

Total assets increased 94% (£789.2bn) to £1,629.1bn (31st December 2007: £839.9bn) due to an increase in derivative assets of £736.6bn, predominantly driven by significant volatility and movements in yield curves during the year, together with a substantial depreciation in Sterling against most major currencies. Risk weighted assets increased 28% to £227.4bn (31st December 2007: £178.2bn). This was driven by the depreciation in Sterling against the US Dollar and Euro, and an increase in market volatility.

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Results by Business

Barclays Global Investors

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest expense	(38)	(8)
Net fee and commission income	1,917	1,936
Net trading (loss)/income	(14)	5
Net investment loss	(29)	(9)
Principal transactions	**(43)**	**(4)**
Other income	8	2
Total income	**1,844**	**1,926**
Operating expenses excluding amortisation of intangible assets	(1,234)	(1,184)
Amortisation of intangible assets	(15)	(8)
Operating expenses	**(1,249)**	**(1,192)**
Profit before tax	**595**	**734**
Balance Sheet Information		
Total assets	£ 71.3bn	£ 89.2bn
Performance Ratios		
Cost:income ratio[1]	68%	62%
Other Financial Measures		
Risk weighted assets	£ 3.9bn	£ 4.4bn

1 *Defined on page 103.*

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Results by Business

Barclays Global Investors

Barclays Global Investors profit before tax decreased 19% (£139m) to £595m (2007: £734m). Profit was impacted by the cost of provision of selective support of liquidity products of £263m (2007: £80m) and an 8% appreciation in the average value of the US Dollar against Sterling.

Income declined 4% (£82m) to £1,844m (2007: £1,926m).

Net fee and commission income declined 1% (£19m) to £1,917m (2007: £1,936m). This was primarily attributable to reduced incentive fees of £49m (2007: £198m), partially offset by increased securities lending revenue.

Operating expenses increased 5% (£57m) to £1,249m (2007: £1,192m). Operating expenses included charges of £263m (2007: £80m) related to selective support of liquidity products partially offset by a reduction in performance related costs. The cost:income ratio increased to 68% (2007: 62%).

Total assets under management remained flat at £1,040bn (2007: £1,044bn) comprising £61bn of net new assets, £234bn of favourable exchange movements and £299bn of adverse market movements. In US$ terms assets under management decreased 28% (US$584bn) to US$1,495bn (2007: US$2,079bn), comprising US$99bn of net new assets, US$130bn of negative exchange rate movements and US$553bn of negative market movements.

Total assets decreased 20% to £71.3bn (31st December 2007: £89.2bn), mainly attributable to adverse market movements in certain asset management products recognised as investment contracts. Risk weighted assets decreased 11% to £3.9bn (31st December 2007: £4.4bn) mainly attributed to changes in the asset class mix, partially offset by the weakening of Sterling against other currencies.

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Results by Business

Barclays Wealth

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	486	431
Net fee and commission income	720	739
Net trading (loss)/income	(11)	3
Net investment (loss)/income	(333)	52
Principal transactions	**(344)**	**55**
Net premium from insurance contracts	136	195
Other income	26	19
Total income	**1,024**	**1,439**
Net claims and benefits incurred under insurance contracts	300	(152)
Total income net of insurance claims	**1,324**	**1,287**
Impairment charges and other credit provisions	(44)	(7)
Net income	**1,280**	**1,280**
Operating expenses excluding amortisation of intangible assets	(919)	(967)
Amortisation of intangible assets	(16)	(6)
Operating expenses	**(935)**	**(973)**
Profit on disposal of subsidiaries, associates and joint ventures	326	
Profit before tax	**671**	**307**
Balance Sheet Information		
Loans and advances to customers	£ 11.4bn	£ 9.0bn
Customer accounts	£ 42.4bn	£ 34.4bn
Total assets	£ 13.3bn	£ 18.2bn
Performance Ratios		
Cost:income ratio[1]	71%	76%
Other Financial Measures		
Risk tendency[1,2]	£ 20m	£ 10m
Risk weighted assets	£ 10.3bn	£ 8.2bn

1 Defined on page 103.
2 Further information on risk tendency is included on page 67.

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Results by Business

Barclays Wealth

Barclays Wealth profit before tax grew 119% (£364m) to £671m (2007: £307m). Profit before gains on disposal of £326m increased 12% (£38m) driven by solid income growth and tight cost control, offset by an increase in impairment charges. The closed life assurance business contributed profit before tax of £104m (2007: £110m) prior to its sale in October 2008, which generated a profit on disposal of £326m.

Income increased 3% (£37m) to £1,324m (2007: £1,287m).

Net interest income increased 13% (£55m) to £486m (2007: £431m) reflecting strong growth in both customer deposits and lending. Average deposits grew 19% to £37.2bn (2007: £31.2bn). Average lending grew 31% to £9.7bn (2007: £7.4bn).

Net fee and commission income decreased 3% (£19m) to £720m (2007: £739m) driven by falling equity markets partially offset by increased client assets.

Net investment income, net premiums from insurance contracts and net claims and benefits paid on insurance contracts related wholly to the closed life assurance business. Their overall net impact on income increased marginally to £103m (2007: £95m). The decrease in net investment income, driven by a fall in the value of unit linked contracts and reduced premium income, were offset by reduced net claims and benefits as a result of a fall in the value of linked and non-linked liabilities.

Impairment charges increased £37m to £44m (2007: £7m) from a very low base. This increase reflected both the substantial increase in the loan book over the last three years and the impact of the current economic environment on client liquidity and collateral values.

Operating expenses decreased 4% to £935m (2007: £973m) with significant cost savings including a reduction in performance related costs partially offset by increased expenditure in upgrading technology and operating platforms and continued hiring of client facing staff.

Total client assets, comprising customer deposits and client investments, increased 10% (£12.6bn) to £145.1bn (2007: £132.5bn) with underlying net new asset inflows of £3.2bn and the acquisition of the Lehman Brothers North American business offsetting the impact of market and foreign exchange movements and the sale of the closed life assurance book.

Total assets decreased 27% to £13.3bn (31st December 2007: £18.2bn) reflecting the sale of the closed life assurance business partially offset by strong growth in lending to high net worth and intermediary clients. Risk weighted assets increased 26% to £10.3bn (31st December 2007: £8.2bn) reflecting strong growth in lending.

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Results by Business

Head Office Functions and Other Operations

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Income Statement Information		
Net interest income	182	128
Net fee and commission income	(486)	(424)
Net trading loss	(245)	(66)
Net investment income/(loss)	27	(17)
Principal transactions	**(218)**	**(83)**
Net premiums from insurance contracts	119	152
Other income	26	35
Total income	**(377)**	**(192)**
Impairment charges and other credit provisions	(30)	(3)
Net income	**(407)**	**(195)**
Operating expenses excluding amortisation of intangible assets	(451)	(233)
Amortisation of intangible assets		(1)
Operating expenses	**(451)**	**(234)**
Profit on disposal of associates and joint ventures		1
Loss before tax	**(858)**	**(428)**
Balance Sheet Information		
Total assets	£ 3.1bn	£ 5.7bn
Other Financial Measures		
Risk tendency[1,2]	£ 5m	£ 10m
Risk weighted assets	£ 0.4bn	£ 1.1bn

1 *Defined on page 103.*
2 *Further information on risk tendency is included on page 67.*

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Results by Business

Head Office Functions and Other Operations

Head Office Functions and Other Operations loss before tax increased £430m to £858m (2007: £428m).

Total income decreased £185m to a loss of £377m (2007: loss of £192m).

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 inter-segment transactions are included in Head Office Functions and Other Operations. The impact of such inter-segment adjustments increased £32m to £265m (2007: £233m). These adjustments included internal fees for structured capital market activities of £141m (2007: £169m) and fees paid to Barclays Capital for debt and equity raising and risk management advice of £151m (2007: £65m), both of which reduce net fees and commission income.

Net interest income increased £54m to £182m (2007: £128m) primarily due to a consolidation adjustment between net interest income and trading income required to match the booking of certain derivative hedging transactions between different segments in the Group. This resulted in a £111m increase in net interest income to £143m (2007: £32m) with an equal and opposite decrease in principal transactions. This was partially offset by an increase in costs in central funding activity due to the money market dislocation, in particular LIBOR resets.

Principal transactions loss increased £135m to £218m (2007: £83m) reflecting the £111m increase in consolidation reclassification adjustment on derivative hedging transactions.

Impairment charges increased £27m to £30m (2007: £3m) mainly reflecting losses on Floating Rate Notes held for hedging purposes.

Operating expenses increased £217m to £451m (2007: £234m). The main drivers of this increase were: a £101m charge for the Group s share of levies that will be raised by the UK Financial Services Compensation Scheme; £64m costs relating to an internal review of Barclays compliance with US economic sanctions; the non-recurrence of a £58m break fee relating to the ABN Amro transaction; lower rental income and lower proceeds on property sales.

Total assets decreased 46% to £3.1bn (31st December 2007: £5.7bn). Risk weighted assets decreased 64% to £0.4bn (31st December 2007: £1.1bn). The decrease in the year was mainly attributable to the increased netting of Group deferred tax assets and liabilities.

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Risk Management

On pages 31 to 71 we have provided an analysis of the key risks faced by the Group across a number of asset classes and businesses, referencing significant portfolios and including summary measures of asset quality. Additional information referenced in this section is to be found in the notes to the financial information.

We set out on pages 31 to 34 a detailed analysis of the Group s total assets by valuation basis and underlying asset class, to provide an overview of the nature of the Group s assets and risks.

Detailed disclosures and analysis are provided on Barclays Capital s credit market exposures by asset class, covering current exposures, losses in the year, sales and pay downs, foreign exchange movements and where appropriate details of collateral held; geographic spread, vintage and credit quality. These are set on pages 35 to 51.

On pages 52 to 68, we review the Group s other credit risk exposures, focusing on the quality of the Group s loans and advances to customer and banks, as well as the credit quality of the Group s debt securities.

The Group s principal exposure to market risk is set out on pages 69, as captured through a review of Barclays Capital s average daily value at risk (DVaR).

Finally, on pages 70 to 71, we provide summary information in respect of Barclays liquidity risk.

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Risk Management

Analysis of Total Assets

			Accounting Basis	
		As at 31.12.08	Fair Value	Cost Based Measure
	Notes[1]	£m	£m	£m
Assets				
Cash and balances at central banks		**30,019**		**30,019**
Items in the course of collection from other banks		**1,695**		**1,695**
Treasury & other eligible bills		4,544	4,544	
Debt securities		148,686	148,686	
Equity securities		30,535	30,535	
Traded loans		1,070	1,070	
Commodities[7]		802	802	
Trading portfolio assets		**185,637**	**185,637**	
Financial assets designated at fair value				
Loans and advances		30,187	30,187	
Debt securities		8,628	8,628	
Equity securities		6,496	6,496	
Other financial assets[8]		9,231	9,231	
Held for own account		**54,542**	**54,542**	
Held in respect of linked liabilities to customers under investment contracts[9]		**66,657**	**66,657**	
Derivative financial instruments	16	**984,802**	**984,802**	
Loans and advances to banks	19, 21	**47,707**		**47,707**
Loans and advances to customers	20, 21	**461,815**		**461,815**
Debt securities		58,831	58,831	
Equity securities		2,142	2,142	
Treasury & other eligible bills		4,003	4,003	
Available for sale financial instruments		**64,976**	**64,976**	
Reverse repurchase agreements and cash collateral on securities borrowed		130,354		130,354

Other assets	6,302		6,302
Current tax assets	389		389
Investments in associates and joint ventures	341		341
Goodwill	7,625		7,625
Intangible assets	2,777		2,777
Property, plant and equipment	4,674		4,674
Deferred tax assets	2,668		2,668
	2,052,980	**1,356,614**	**696,366**

1 Notes start on page 76.
2 Further analysis of loans and advances is on pages 52 to 66.
3 Further analysis of debt securities and other bills is on page 68
4 Reverse repurchase agreements comprise primarily short-term cash lending with assets pledged by counterparties securing the loan.
5 Equity securities comprise primarily equity securities determined by available quoted prices in active markets.

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Analysis of Total Assets						Sub Analysis
Derivatives £m	**Loans and Advances[2] £m**	**Debt Securities and Other Bills[3] £m**	**Reverse Repurchase[4] £m**	**Equity Securities[5] £m**	**Other £m**	**Credit Market Exposures[6] £m**
					30,019	
					1,695	
		4,544				
		148,686				4,745
				30,535		
	1,070					
					802	
	1,070	**153,230**		**30,535**	**802**	
	30,057				130	14,429
		8,628				
				6,496		
	1,469		7,283		479	
	31,526	**8,628**	**7,283**	**6,496**	**609**	
					66,657	
984,802						9,234
	47,707					
	461,815					12,808
		58,831				727
				2,142		
		4,003				
		62,834		**2,142**		
			130,354			
					6,302	109
					389	

					341
					7,625
					2,777
					4,674
					2,668
984,802	**542,118**	**224,692**	**137,637**	**39,173**	**124,558**

6 *Further analysis of Barclays Capital credit market exposures is on pages 35 to 51. Off-balance sheet commitments of £1,030m not included in the table above.*

7 *Commodities primarily consists of physical inventory positions.*

8 *These instruments consist primarily of loans with embedded derivatives and reverse repurchase agreements designated at fair value.*

9 *Financial assets designated at fair value in respect of linked liabilities to customers under investment contracts have not been further analysed as the Group is not exposed to the risks inherent in these assets.*

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Analysis of Barclays Capital Credit Market Exposures by Asset Class

	As at 31.12.08 £m	ABS CDO Super Senior £m	Other US Sub-prime £m	Alt-A £m	RMBS Wrapped by Monoline Insurers £m
Debt securities	4,745		782	2,532	
Trading portfolio assets	**4,745**		782	2,532	
Loans and advances	**14,429**		1,565	778	
Financial assets designated at fair value	**14,429**		1,565	778	
Derivative financial instruments	**9,234**		643	398	1,639
Loans and advances to customers	**12,808**	3,104	195		
Debt securities	727		147	580	
Available for sale financial instruments	**727**		147	580	
Other assets	**109**		**109**		
Exposure on balance sheet		**3,104**	**3,441**	**4,288**	**1,639**

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Commercial Real Estate Loans £m	Commercial Mortgage Backed Securities £m	CMBS Wrapped by Monoline Insurers £m	Leveraged Finance £m	SIVs and SIV-lites £m	CDPCs £m	CLO and Other Exposure Wrapped by Monoline Insurers £m
	1,420			11		
	1,420			11		
11,555				531		
11,555				531		
23	(685)	1,854		273	150	4,939
			9,361	148		
11,578	**735**	**1,854**	**9,361**	**963**	**150**	**4,939**

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Barclays Capital Credit Market Exposures

Barclays Capital s credit market exposures primarily relate to US residential mortgages, commercial mortgages and leveraged finance businesses that have been significantly impacted by the continued deterioration in the global credit markets. The exposures include both significant positions subject to fair value movements in the profit and loss account and positions that are classified as loans and advances and available for sale. None of the exposure disclosed below has been reclassified to loans and advances under the amendments to IAS 39.

The exposures are set out by asset class in US Dollars and Sterling below:

		$m[1]		£m[1]	
US Residential Mortgages	**Notes**	**As at 31.12.08**	**As at 31.12.07**	**As at 31.12.08**	**As at 31.12.07**
ABS CDO super senior	A1	4,526	9,356	3,104	4,671
Other US sub-prime	A2	5,017	10,089	3,441	5,037
Alt-A	A3	6,252	9,847	4,288	4,916
US RMBS exposure wrapped by monoline insurers	A4	2,389	1,462	1,639	730
Commercial Mortgages					
Commercial real estate	B1	16,882	22,239	11,578	11,103
Commercial mortgage-backed securities	B1	1,072	2,596	735	1,296
CMBS exposure wrapped by monoline insurers	B2	2,703	395	1,854	197
Other Credit Market Exposures					
Leveraged finance	C1	15,152	18,081	10,391	9,027
SIVs and SIV-lites	C2	1,404	1,570	963	784
CDPCs	C3	218	39	150	19
CLO and other exposure wrapped by monoline insurers	C4	7,202	817	4,939	408

These exposures have been actively managed during the year in an exceptionally challenging market environment and have been reduced by net sales and paydowns of £6,311m, offset by the 37% appreciation of the US Dollar against Sterling. In January 2009, there was an additional sale of £3,056m of leveraged finance exposure which was repaid at par. Exposures at 31st December 2008 included £1,060m of securities from the acquisition of Lehman Brothers North American businesses. Exposures wrapped by monolines have increased during the course of 2008 as a result of declines in the fair value of the underlying assets.

1 *As the majority of exposure is held in US Dollars the exposures above are shown in both US Dollars and Sterling.*

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There were gross losses of £8,053m (2007: £2,999m) in the year to 31st December 2008. These losses were partially offset by related income and hedges of £1,433m (2007: £706m), and gains of £1,663m (2007: £658m) from the general widening of credit spreads on issued notes measured at fair value through the profit and loss account.

The gross losses, which included £1,763m (2007: £782m) in impairment charges, comprised: £5,584m (2007: £2,811m) against US RMBS exposures; £1,488m (2007: £14m) against commercial mortgage exposures; and £981m (2007: £174m) against other credit market exposures.

	Fair Value Losses £m	Impairment Charge £m	Gross Losses £m
ABS CDO super senior	(78)	(1,383)	(1,461)
Other US sub-prime	(1,560)	(168)	(1,728)
Alt-A	(1,858)	(125)	(1,983)
US RMBS wrapped by monoline insurers	(412)		(412)
Total US residential mortgages	**(3,908)**	**(1,676)**	**(5,584)**
US	(671)		(671)
Europe	(350)		(350)
Total commercial real estate	**(1,021)**		**(1,021)**
Commercial mortgage-backed securities	(127)		(127)
CMBS wrapped by monoline insurers	(340)		(340)
Total commercial mortgages	**(1,488)**		**(1,488)**
SIVs and SIV-Lites	(143)	(87)	(230)
CDPCs	(14)		(14)
CLO and other assets wrapped by monoline insurers	(737)		(737)
Total other credit market	**(894)**	**(87)**	**(981)**
Total	**(6,290)**	**(1,763)**	**(8,053)**

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A. US Residential Mortgages

US residential mortgage exposures have reduced by 19% in Sterling terms, since 31st December 2007.

A1. ABS CDO Super Senior

During the year ABS CDO Super Senior exposures reduced by £1,567m to £3,104m (31st December 2007: £4,671m). Net exposures are stated after writedowns and charges of £1,461m incurred in 2008 (2007: £1,816m) and hedges of £nil (31st December 2007: £1,347m). There were no hedges in place at 31st December 2008 as the corresponding liquidity facilities had been terminated. There were liquidations and paydowns of £2,318m in the year; weaker Sterling and a reduction in hedges increased exposure by £865m and £1,347m respectively.

The remaining ABS CDO Super Senior exposure at 31st December 2008 comprised five high grade liquidity facilities which were fully drawn and classified within loans and receivables, and no remaining mezzanine exposure. At 31st December 2007 there were 15 facilities of which nine were high grade and six mezzanine.

The impairment assessment of remaining super senior positions is based on cash flow methodology using standard market assumptions such as default curves and remittance data to calculate the net present value of the future losses for the collateral pool over time. As a result, future potential impairment charges depend on changes in these assumptions.

We have included all ABS CDO Super Senior exposure in the US residential mortgages section as nearly 90% of the underlying collateral relates to US RMBS. The impairment applied to the notional collateral is set out in the table opposite.

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A1. ABS CDO Super Senior

	As at 31.12.08 High Grade £m	Total £m	High Grade £m	As at 31.12.07 Mezzanine £m	Total £m	As at 31.12.08 Marks %	As at 31.12.07 Marks %
2005 and earlier	1,226	1,226	1,458	1,152	2,610	90%	69%
2006	471	471	1,654	314	1,968	37%	47%
2007 and 2008	25	25	176	87	263	69%	53%
Sub-prime	**1,722**	**1,722**	**3,288**	**1,553**	**4,841**	**75%**	**60%**
2005 and earlier	891	891	714	102	816	77%	96%
2006	269	269	594	68	662	75%	90%
2007 and 2008	62	62	163	13	176	37%	80%
Alt-A	**1,222**	**1,222**	**1,471**	**183**	**1,654**	**74%**	**92%**
Prime	520	520	662	123	785	100%	100%
RMBS CDO	402	402	842	445	1,287	0%	19%
Sub-prime second lien	127	127	158		158	0%	32%
Total US RMBS	**3,993**	**3,993**	**6,421**	**2,304**	**8,725**	**68%**	**63%**
CMBS	44	44	189	110	299	100%	96%
Non-RMBS CDO	453	453	429	80	509	56%	49%
CLOs	35	35	26		26	100%	100%
Other ABS	51	51	136	4	140	100%	100%
Total Other ABS	**583**	**583**	**780**	**194**	**974**	**66%**	**72%**
Total Notional Collateral	**4,576**	**4,576**	**7,201**	**2,498**	**9,699**	**68%**	**64%**
Subordination	(459)	(459)	(1,001)	(864)	(1,865)		
Gross exposure pre-impairment	**4,117**	**4,117**	**6,200**	**1,634**	**7,834**		
Impairment allowances	(1,013)	(1,013)	(290)	(432)	(722)		
Trading losses gross of hedges			(1,041)	(53)	(1,094)		
Hedges			(960)	(387)	(1,347)		
Net exposure	**3,104**	**3,104**	**3,909**	**762**	**4,671**		

Collateral marks including liquidated structures	**32%**	**62%**

1 Marks above reflect the gross exposure after impairment and subordination and do not include the benefit of hedges. The change in marks since 31st December 2007 primarily results from the liquidation during 2008 of the most impaired structures

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Consolidated collateral of £8.4bn relating to the ten CDOs that were liquidated in 2008 has been sold or are stated at fair value net of hedges within Other US sub-prime, Alt-A and CMBS exposures. The notional collateral remaining at 31st December 2008 is marked at approximately 12%. The collateral valuation for all ABS CDO Super Senior deals, including those liquidated and consolidated in 2008, is approximately 32% (31st December 2007: 62%).

The collateral for the outstanding ABS CDO Super Senior exposures primarily comprises residential mortgage backed securities (RMBS). At 31st December 2008 the residual exposure contains a higher proportion of collateral originated in 2005 and earlier than at 31st December 2007. There is minimal exposure to collateral originated in 2007 or later. The vintages of the sub-prime, Alt-A and US RMBS collateral are set out in the table below.

	As at 31.12.08	As at 31.12.07
Sub-prime Collateral by Vintage		
2005 and earlier	**71%**	54%
2006	**27%**	41%
2007 and 2008	**2%**	5%
Alt-A Collateral by Vintage		
2005 and earlier	**73%**	49%
2006	**22%**	40%
2007 and 2008	**5%**	11%
US RMBS Collateral by Vintage		
2005 and earlier	**72%**	53%
2006	**25%**	40%
2007 and 2008	**3%**	7%

RMBS collateral for the ABS CDO Super Senior exposures is subject to public ratings. The ratings of sub-prime, Alt-A and total US RMBS CDO collateral are set out in the table below.

	31.12.08 High Grade	31.12.07 High Grade	31.12.07 Mezzanine	31.12.07 Total
Sub-prime US RMBS Ratings				
AAA/AA	42%	43%	2%	30%
A/BBB	21%	51%	82%	60%
Non-investment Grade	37%	6%	16%	10%
Alt-A RMBS Ratings				
AAA/AA	66%	89%	47%	85%
A/BBB	7%	8%	45%	12%
Non-investment Grade	27%	3%	8%	3%
Total US RMBS Ratings				
AAA/AA	50%	63%	14%	50%
A/BBB	13%	31%	70%	41%
Non-investment Grade	37%	6%	16%	9%

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A2. Other US Sub-Prime

	As at 31.12.08 £m	As at 31.12.07 £m	Marks at 31.12.08	Marks at 31.12.07
Whole loans - performing	1,290	2,805	80%	100%
Whole loans - more than 60 days past due	275	372	48%	65%
Total whole loans	**1,565**	**3,177**	**72%**	**94%**
AAA securities	111	735	40%	92%
Other sub-prime securities	818	525	23%	61%
Total securities gross of hedges	**929**	**1,260**	**25%**	**76%**
Hedges		(369)		
Securities (net of hedges)	**929**	**891**		
Residuals		233	0%	24%
Other exposures with underlying sub-prime collateral:				
Derivatives	643	333	87%	100%
Loans	195	346	70%	100%
Real Estate	109	57	46%	68%
Total other direct and indirect exposure	**1,876**	**1,860**		
Total	**3,441**	**5,037**		

The majority of Other US sub-prime exposures are measured at fair value through profit and loss. US sub-prime securities held in conduits and a collateralised debt obligation (CDO) are categorised as available for sale and are recognised in equity.

Exposure declined from £5,037m to £3,441m driven by gross losses of £1,728m and net sales, paydowns and other movements of £1,649m. Weaker Sterling resulted in an increase in exposure of £1,086m. Exposures at 31st December 2008 included assets acquired from Lehman Brothers North American business of £83m in AAA securities and £124m in other US sub-prime securities.

At 31st December 2008, 82% of the whole loan exposure was performing. Whole loans included £1,422m (31st December 2007: £2,843m) acquired on or originated since the acquisition of EquiFirst in March 2007. Of this balance, £281m of new sub-prime loans were originated in 2008. At 31st December 2008, the average loan to value at origination of all the sub-prime whole loans was 79%. Loans guaranteed by Federal Housing Administration (FHA) are not included in the exposure above. An FHA loan is a mortgage loan fully insured by the US Federal Housing Administration and therefore not considered to be a credit sensitive product. EquiFirst has only originated FHA eligible loans since April 2008, and held £132m of these loans at 31st December 2008.

Securities included £37m held by consolidated conduits and £110m held in a CDO on which impairment charges of £16m and £53m respectively have been recorded.

Other exposures with underlying sub-prime collateral include counterparty derivative exposures to vehicles which hold sub-prime collateral. The majority of this exposure was the most senior obligation of the vehicles.

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A3. Alt-A

	As at 31.12.08 £m	As at 31.12.07 £m	Marks at 31.12.08 %	Marks at 31.12.07 %
AAA securities	1,847	3,553	43%	87%
Other Alt-A securities	1,265	208	9%	75%
Whole Loans	776	909	67%	97%
Residuals	2	25	6%	66%
Derivative exposure with underlying Alt-A collateral	398	221	100%	100%
Total	**4,288**	**4,916**		

Alt-A securities, whole loans and residuals are measured at fair value through profit and loss. Alt-A securities held in conduits and a collateralised debt obligation (CDO) are categorised as available for sale and are recognised in equity.

Net exposure to the Alt-A market was £4,288m (31st December 2007: £4,916m), through a combination of whole loans, securities and residuals, including those held in consolidated conduits. There were gross losses of £1,983m in the year and net sales, paydowns and other movements of £181m. Weaker Sterling resulted in an increase in exposure of £1,190m. Exposures at 31st December 2008 included assets acquired from Lehman Brothers North American business of £300m in AAA securities and £324m in other Alt-A securities.

Securities included £491m held by consolidated conduits and £89m held in a CDO on which impairment charges of £65m and £58m respectively have been recorded.

At 31st December 2008, 75% of the Alt-A whole loan exposure was performing, and the average loan to value ratio at origination was 81%.

Other exposures with underlying Alt-A collateral included counterparty derivative exposures to vehicles which hold Alt-A collateral. The majority of this exposure was the most senior obligation of the vehicles.

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A4. US Residential Mortgage Backed Securities Exposure Wrapped by Monoline Insurers

The deterioration in the US residential mortgage market has resulted in exposure to monoline insurers and other financial guarantors that provide credit protection.

The table below shows RMBS assets where we held protection from monoline insurers at 31st December 2008. These are measured at fair value through profit and loss. Declines in fair value of the underlying assets are reflected in increases in the value of potential claims against monoline insurers. Such declines have resulted in net exposure to monoline insurers under these contracts increasing to £1,639m by 31st December 2008 (2007: £730m).

Claims would become due in the event of default of the underlying assets and losses would only be realised if both the underlying asset and monoline defaulted. At 31st December 2008 while 81% of the underlying assets were non-investment grade, 97% are wrapped by monolines with investment grade ratings.

There is some uncertainty whether all of the monoline insurers would be able to meet all liabilities if such claims were to arise: certain monoline insurers have been subject to downgrades in 2008. Consequently, a fair value loss of £412m has been recognised in the year. There have been no claims due under these contracts as none of the underlying assets were in default at 31st December 2008.

The fair value is determined by a credit valuation adjustment calculation which incorporates stressed cashflow shortfall projections, current market valuations, stressed Probability of Default (PDs) and a range of Loss Given Default (LGD) assumptions. The cashflow shortfall projections are stressed to ensure that we consider the potential for further market deterioration and resultant additional cashflow shortfall in underlying collateral. Monoline ratings are based on external ratings analysis and where appropriate significant internal analysis conducted by the independent Credit Risk function. In addition, we reflect the potential for further deterioration of monolines by using stressed PDs which results in all monolines having an implied sub-investment grade rating. LGDs range from 45% to 100% depending on the monoline.

Exposure by Credit Rating of Monoline Insurer

	Notional £m	Fair Value of Underlying Asset £m	Fair Value Exposure £m	Credit Valuation Adjustment £m	Net Exposure £m
As at 31.12.08					
AAA/AA					
A/BBB	2,567	492	2,075	(473)	1,602
Non-investment grade	74	8	66	(29)	37
Total	**2,641**	**500**	**2,141**	**(502)**	**1,639**
As at 31.12.07					
AAA/AA	**2,807**	**2,036**	**771**	**(41)**	**730**

The notional value of the assets, split by the current rating of the monoline insurer, is shown below.

Rating of Monoline Insurers - As at 31.12.08

	AAA/AA £m	A/BBB £m	Non-Investment Grade £m	Total £m
2005 and earlier		143		143
2006		1,240		1,240
2007 and 2008		510		510
High Grade		**1,893**		**1,893**
Mezzanine - 2005 and earlier		625	74	699
CDO² - 2005 and earlier		49		49
US RMBS		**2,567**	**74**	**2,641**

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The notional value of the assets, split by the current rating of the underlying asset, is shown below.

	Rating of Underlying Asset		As at 31.12.08	
	AAA/AA £m	A/BBB £m	Non-Investment Grade £m	Total £m
2005 and earlier	143			143
2006			1,240	1,240
2007 and 2008			510	510
High Grade	**143**		**1,750**	**1,893**
Mezzanine - 2005 and earlier	31	330	338	699
CDO^2 - 2005 and earlier			49	49
US RMBS	**174**	**330**	**2,137**	**2,641**

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B. Commercial Mortgages

Commercial mortgages have increased by 12% in Sterling terms.

B1. Commercial Mortgages

Exposures in Barclays Capital s commercial mortgages portfolio, all of which are measured at fair value, comprised commercial real estate loan exposure of £11,578m (31st December 2007: £11,103m) and commercial mortgage-backed securities (CMBS) of £735m (31st December 2007: £1,296m). During the year there were gross losses of £1,148m. Gross sales and paydowns of £1,034m in the UK and Continental Europe and £2,167m in the US were partially offset by additional drawdowns. Weaker Sterling increased exposure by £3,058m.

The commercial real estate loan exposure comprised 55% US, 41% UK and Europe and 4% Asia. 5% of the total relates to land or property under construction.

The US exposure included two large transactions which comprised 42% of the total US exposure and have paid down approximately £789m in the year. The remaining 58% of the US exposure comprised 76 transactions. The remaining weighted average number of years to initial maturity of the US portfolio is 1.4 years.

The UK and Europe portfolio is well diversified with 64 transactions in place as at 31st December 2008. In Europe protection is provided by loan covenants and periodic LTV retests, which cover 90% of the portfolio. 47% of the German exposure relates to one transaction secured on multifamily residential assets. Exposure to the Spanish market represents less than 1% of global exposure at 31st December 2008.

	As at 31.12.08 £m	As at 31.12.07 £m	Marks at 31.12.08 %	Marks at 31.12.07 %
Commercial Real Estate Exposure by Region				
US	6,329	5,947	88%	99%
Germany	2,467	1,783	95%	100%
Sweden	265	250	96%	100%
France	270	289	94%	100%
Switzerland	176	127	97%	100%
Spain	106	89	92%	100%
Other Continental Europe	677	779	90%	100%
UK	831	1,422	89%	100%
Asia	457	417	97%	100%
Total	**11,578**	**11,103**		

	WALTV[1]	WAM[2]	WALA[3]
Commercial Real Estate Exposure Metrics			
US	79.5%	1.4 yrs	1.6 yrs
Germany	79.4%	4.6 yrs	1.5 yrs
Other Europe	82.2%	4.5 yrs	1.7 yrs
UK	77.8%	5.8 yrs	1.8 yrs

Asia	93.3%	4.7 yrs	1.3 yrs

1 Weighted-average loan- to- value based on the most recent valuation
2 Weighted-average number of years to initial maturity
3 Weighted-average loan age

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	US £m	Germany £m	Other Europe £m	UK £m	Asia £m	Total £m
Commercial Real Estate Exposure by Industry As at 31.12.08						
Office	2,081	436	802	192	145	3,656
Residential	1,957	1,268		229	128	3,582
Retail	66	567	96	110	118	957
Hotels	1,145		441	29	18	1,633
Leisure				233		233
Land	232					232
Industrial	582	126	131	38	10	887
Mixed/Others	243	70	24		38	375
Hedges	23					23
Total	**6,329**	**2,467**	**1,494**	**831**	**457**	**11,578**

	As at 31.12.08 £m	As at 31.12.07 £m	Marks[1] at 31.12.08 %	Marks[1] at 31.12.07 %
Commercial Mortgage Backed Securities (Net of Hedges)				
AAA securities	588	1,008		
Other securities	147	288		
Total	**735**	**1,296**	**21%**	**98%**

Exposure is stated net of hedges traded in the liquid index swap market with market counterparties. The counterparty exposure is managed through a standard derivative collateralisation process and none of the hedge counterparties are monoline insurers.

Exposures at 31st December 2008 included assets acquired from Lehman Brothers North American business of £143m in AAA securities and £86m in other securities.

1 *Marks are based on gross collateral.*

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B2. CMBS Exposure Wrapped by Monoline Insurers

The deterioration in the commercial mortgage market has resulted in exposure to monoline insurers and other financial guarantors that provide credit protection.

The table below shows Commercial Mortgage Backed Security (CMBS) assets where we held protection from monoline insurers at 31st December 2008. These are measured at fair value through profit and loss. Declines in fair value of the underlying assets are reflected in increases in the value of potential claims against monoline insurers. Such declines have resulted in net exposure to monoline insurers under these contracts increasing to £1,854m by 31st December 2008 (31st December 2007: £197m).

Claims would become due in the event of default of the underlying assets and losses would only be realised if both the underlying asset and monoline defaulted. At 31st December 2008 all underlying assets were rated AAA/AA and 89% are wrapped by monolines with investment grade ratings.

There is some uncertainty whether all of the monoline insurers would be able to meet all liabilities if such claims were to arise: certain monoline insurers have been subject to downgrades in 2008. Consequently, a fair value loss of £340m has been recognised in the year. There have been no claims due under these contracts as none of the underlying assets were in default at 31st December 2008.

The fair value is determined by a credit valuation adjustment calculation which incorporates stressed cashflow shortfall projections, current market valuations, stressed Probability of Default (PDs) and a range of Loss Given Default (LGD) assumptions. The cashflow shortfall projections are stressed to ensure that we consider the potential for further market deterioration and resultant additional cashflow shortfall in underlying collateral. Monoline ratings are based on external ratings analysis and where appropriate significant internal analysis conducted by the independent Credit Risk function. In addition, we reflect the potential for further deterioration of monolines by using stressed PDs which results in all monolines having an implied sub-investment grade rating. LGDs range from 45% to 100% depending on the monoline.

Exposure by Credit Rating of Monoline Insurer

	Notional £m	Fair Value of Underlying Asset £m	Fair Value Exposure £m	Credit Valuation Adjustment £m	Net Exposure £m
As at 31.12.08					
AAA/AA	69	27	42	(4)	38
A/BBB	3,258	1,301	1,957	(320)	1,637
Non-investment grade	425	181	244	(65)	179
Total	**3,752**	**1,509**	**2,243**	**(389)**	**1,854**
As at 31.12.07					
AAA/AA	**3,614**	**3,408**	**206**	**(9)**	**197**

The notional value of the assets, split by the current rating of the monoline insurer, is shown below.

	Rating of Monoline Insurers AAA/AA £m	A/BBB £m	Non-investment Grade £m	As at 31.12.08 Total £m
2005 and earlier		437		437
2006	69	544		613
2007 and 2008		2,277	425	2,702
CMBS	**69**	**3,258**	**425**	**3,752**

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The notional value of the assets split by the current rating of the monoline insurer, is shown below. All CMBS assets were rated AAA/AA at 31st December 2008.

	Rating of underlying asset		As at 31.12 08	
			Non-Investment	
	AAA/AA	A/BBB	Grade	Total
	£m	£m	£m	£m
2005 and earlier	437			437
2006	613			613
2007 and 2008	2,702			2,702
CMBS	**3,752**			**3,752**

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C. Other Credit Market Exposures

In the year ended 31st December 2008 these exposures increased by 61% in Sterling terms.

C1. Leveraged Finance

Leveraged loans are classified within loans and advances and are stated at amortised cost less impairment. The overall credit performance of the assets remains satisfactory.

At 31st December 2008, the gross exposure relating to leveraged finance loans was £10,506m (31st December 2007: £9,217m). Barclays Capital expects to hold these leveraged finance positions until redemption. Material movements since 31st December 2007 reflect exchange rate changes rather than changes in loan positions.

The net exposure relating to leverage finance loans of £10,391m (31st December 2007: £9,027m) was reduced to £7,335m following a repayment of £3,056m at par in January 2009.

	As at 31.12.08 £m	As at 31.12.07 £m
Leveraged Finance Exposure by Region		
UK	4,810	4,401
US	3,830	3,037
Europe	1,640	1,568
Asia	226	211
Total lending and commitments	**10,506**	**9,217**
Identified and unidentified impairment[1]	(115)	(190)
Net lending and commitments	**10,391**	**9,027**

The industry classification of the exposure was as follows:

	As at 31.12.08			As at 31.12.07		
	Drawn £m	Undrawn £m	Total £m	Drawn £m	Undrawn £m	Total £m
Leveraged Finance Exposure by Industry						
Insurance	2,546	31	2,577	2,456	78	2,534
Telecoms	2,998	211	3,209	2,259	240	2,499
Retail	904	128	1,032	828	132	960
Healthcare	659	144	803	577	141	718
Media	655	89	744	469	127	596
Services	568	131	699	388	134	522
Manufacture	500	102	602	371	125	496

Chemicals	317	26	343	46	286	332
Other	329	168	497	233	327	560
Total	**9,476**	**1,030**	**10,506**	**7,627**	**1,590**	**9,217**

New leveraged finance commitments originated after 30th June 2007 comprised £573m (31st December 2007: £1,148m).

1 The movement in impairment during the period is primarily due to the release of the provision on the post year end repayment, for which there was a binding commitment as at 31st December 2008.

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C2. SIVs and SIV-Lites

	As at 31.12.08 £m	As at 31.12.07 £m	Marks at 31.12.08 %	Marks at 31.12.07 %
SIVs/SIV-Lites				
Liquidity facilities	679	466	62%	100%
Bond inventory	11	52	7%	37%
Derivatives	273	266		
Total	**963**	**784**		

SIV exposure increased from £784m to £963m during the year. There were £230m of gross losses against SIVs and SIV lites in the year. Weaker Sterling resulted in an increase in exposure of £281m.

At 31st December 2008 liquidity facilities of £679m (31st December 2007: £466m) include £531m designated at fair value through profit and loss relating to a SIV-lite which had previously been hedged with Lehman Brothers. Following the Lehman Brothers bankruptcy this facility was reflected as a new exposure to the underlying assets. The remaining £148m represented drawn liquidity facilities in respect of SIV-lites and other structured investment vehicles classified as loans and advances stated at cost less impairment.

Bond inventory and derivatives are fair valued through profit and loss.

Movement in derivative exposure primarily related to CDS exposure due to general spread widening. At 31st December 2008 exposure was broadly in line with the prior year.

C3. CDPC Exposure

Credit derivative product companies (CDPCs) are specialist providers of credit protection principally on corporate exposures in the form of credit derivatives. The Group has purchased protection from CDPCs against a number of securities with a notional value of £1,772m. The fair value of the exposure to CDPCs at 31st December 2008 was £150m. There were £14m of gross losses in the year.

Of the notional exposure, 45% related to AAA/AA rated counterparties, with the remainder rated A/BBB.

Exposure by Credit Rating of CDPC

	Notional £m	Gross Exposure £m	Credit Valuation Adjustment £m	Net Exposure £m
As at 31.12.08				
AAA/AA	796	77	(14)	63
A/BBB	976	87		87
Total	**1,772**	**164**	**(14)**	**150**

As at 31.12.07			
AAA/AA	**1,262**	**19**	**19**

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C4. CLO and Other Exposure Wrapped by Monoline Insurers

The table below shows Collateralised Loan Obligations (CLOs) and other assets where we held protection from monoline insurers at 31st December 2008. The deterioration in markets for these assets has resulted in exposure to monoline insurers and other financial guarantors that provide credit protection. These are measured at fair value through profit and loss. Declines in fair value of the underlying assets are reflected in increases in the value of potential claims against monoline insurers. Such declines have resulted in net exposure to monoline insurers under these contracts increasing to £4,939m by 31st December 2008 (31st December 2007: £408m).

Claims would become due in the event of default of the underlying assets and losses would only be realised if both the underlying asset and monoline defaulted. At 31st December 2008 all of the underlying assets have investment grade ratings and 39% are wrapped by monolines rated AAA/AA. 87% of the underlying assets were CLOs, all of which were rated AAA/AA.

There is some uncertainty whether all of the monoline insurers would be able to meet all liabilities if such claims were to arise: certain monoline insurers have been subject to downgrades in 2008. Consequently, a fair value loss of £737m, has been recognised in the year. There have been no claims due under these contracts as none of the underlying assets were in default at 31st December 2008.

The fair value is determined by a credit valuation adjustment calculation which incorporates stressed cashflow shortfall projections, current market valuations, stressed Probability of Default (PDs) and a range of Loss Given Default (LGD) assumptions. The cashflow shortfall projections are stressed to ensure that we consider the potential for further market deterioration and resultant additional cashflow shortfall in underlying collateral. Monoline ratings are based on external ratings analysis and where appropriate significant internal analysis conducted by the independent Credit Risk function. In addition, we reflect the potential for further deterioration of monolines by using stressed PDs for non-AAA rated monolines, which results in all other monolines having an implied sub-investment grade rating. LGDs range from 45% to 100% depending on the monoline.

Exposure by Credit Rating of Monoline Insurer

	Notional £m	Fair Value of Underlying Asset £m	Fair Value Exposure £m	Credit Valuation Adjustment £m	Net Exposure £m
As at 31.12.08					
AAA/AA	8,281	5,854	2,427	(55)	2,372
A/BBB	6,446	4,808	1,638	(204)	1,434
Non-investment grade	6,148	4,441	1,707	(574)	1,133
Total	**20,875**	**15,103**	**5,772**	**(833)**	**4,939**
As at 31.12.07					
AAA/AA	**15,152**	**14,735**	**417**	**(9)**	**408**

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The notional value of the assets, split by the current rating of the monoline insurer, is shown below.

	Rating of Monoline Insurer - As at 31.12.08			
	AAA/AA £m	A/BBB £m	Non-investment grade £m	Total £m
2005 and earlier	2,064	1,647	2,326	6,037
2006	1,803	2,173	1,918	5,894
2007 and 2008	3,324	1,369	1,602	6,295
CLOs	**7,191**	**5,189**	**5,846**	**18,226**
2005 and earlier	131	661	70	862
2006	145	158	232	535
2007 and 2008	814	438		1,252
Other	**1,090**	**1,257**	**302**	**2,649**
Total	**8,281**	**6,446**	**6,148**	**20,875**

The notional value of the assets split by the current rating of the underlying asset is shown below. All of the underlying assets had investment grade ratings as at 31st December 2008.

	Rating of Underlying Asset - As at 31.12.08			
	AAA/AA £m	A/BBB £m	Non-investment grade £m	Total £m
2005 and earlier	6,037			6,037
2006	5,894			5,894
2007 and 2008	6,295			6,295
CLOs	**18,226**			**18,226**
2005 and earlier	862			862
2006	535			535
2007 and 2008	785	467		1,252
Other	**2,182**	**467**		**2,649**
Total	**20,408**	**467**		**20,875**

Own Credit

The carrying amount of issued notes that are designated under the IAS 39 fair value option is adjusted to reflect the effect of changes in own credit spreads. The resulting gain or loss is recognised in the income statement.

At 31st December 2008, the own credit adjustment arose from the fair valuation of £54.5bn of Barclays Capital structured notes (31st December 2007: £40.7bn). The widening of Barclays credit spreads in the year affected the fair value of these notes and as a result revaluation gains of £1,663m were recognised in trading income (2007: £658m).

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Credit Risk

Loans and Advances to Customers and Banks

Total loans and advances to customers and banks net of impairment allowance grew 32% to £542,118m. Loans and advances at amortised cost were £509,522m (2007: £385,518m) and loans and advances at fair value were £32,596m (2007: £25,271m).

Loans and Advances at Amortised Cost

	Gross Loans & Advances £m	Impairment Allowance £m	Loans & Advances Net of Impairment £m	Credit Risk Loans £m	CRLs % of Gross Loans & Advances %	Impairment Charge £m	Loan Loss Rates bp
As at 31.12.08							
Wholesale - customers	266,750	2,784	263,966	8,144	3.1%	2,540	95
Wholesale - banks	47,758	51	47,707	48	0.1%	40	8
Total wholesale	**314,508**	**2,835**	**311,673**	**8,192**	**2.6%**	**2,580**	**82**
Retail - customers	201,588	3,739	197,849	7,508	3.7%	2,333	116
Total retail	**201,588**	**3,739**	**197,849**	**7,508**	**3.7%**	**2,333**	**116**
Total	**516,096**	**6,574**	**509,522**	**15,700**	**3.0%**	**4,913**	**95**
As at 31.12.07							
Wholesale - customers	187,086	1,309	185,777	5,157	2.8%	1,190	64
Wholesale - banks	40,123	3	40,120			(13)	(3)
Total wholesale	**227,209**	**1,312**	**225,897**	**5,157**	**2.3%**	**1,177**	**52**
Retail - customers	162,081	2,460	159,621	4,484	2.8%	1,605	99
Total retail	**162,081**	**2,460**	**159,621**	**4,484**	**2.8%**	**1,605**	**99**
Total	**389,290**	**3,772**	**385,518**	**9,641**	**2.5%**	**2,782**	**71**

Gross loans and advances to customers and banks at amortised cost grew 33% to £516,096m (31st December 2007: £389,290m).

The principal driver in the wholesale portfolio was Barclays Capital which grew by £72,514m (53%). This was driven by a decline in the value of Sterling relative to other currencies, increased draw downs on existing corporate lending facilities and the extension of new loans to corporate clients at current terms. Additionally, continuing market volatility resulted in increased cash collateral being placed with clients relating to OTC derivatives.

The principal drivers in the retail portfolio were: GRCB Western Europe, which grew £14,436m (59%) as a result of growth in new personal products and currency movements, and UK Retail Banking, which grew £12,319m (15%), principally in the Home Finance business.

Credit risk loans rose 63% to £15,700m (31st December 2007: £9,641m). As a percentage of gross loans and advances, credit risk loans rose to 3.0% (31st December 2007: 2.5%). CRL balances were higher in all businesses as credit conditions deteriorated across Barclays areas of operations. The most notable increases were in Barclays Capital, the international businesses in Global Retail & Commercial Banking, and the UK home finance portfolios.

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Impairment charges on loans and advances increased 77% (£2,131m) to £4,913m (2007: £2,782m), and included charges of £1,763m against ABS CDO Super Senior and other credit market exposures. Further analysis of these charges is provided on pages 63, 64 and 78.

Impairment charges on loans and advances as a percentage of period-end Group total loans and advances (loan loss rate) increased to 95bp (2007: 71bp).

In the wholesale and corporate portfolios, impairment charges on loans and advances rose 119% (£1,403m) to £2,580m (31st December 2007: £1,177m). Gross loans and advances rose 38% to £314,508m (31st December 2007: £227,209m). The loan loss rate on the wholesale and corporate portfolio rose to 82bp (2007: 52bp).

In the retail portfolios, impairment charges on loans and advances rose 45% (£728m) to £2,333m (2007: £1,605m), principally as a consequence of increased impairment in the international portfolios, whilst gross loans and advances increased 24% to £201,588m (31st December 2007: £162,081m). The retail loan loss rate increased to 116bp (2007: 99bp).

Impairment allowances increased 74% to £6,574m (31st December 2007: £3,772m). The Group s CRL coverage ratio increased to 41.9% (31st December 2007: 39.1%). The most significant drivers were higher coverage of ABS CDO super senior CRLs, offset by an increase in CRLs in well-secured home loan portfolios, and in the general corporate portfolio where the recovered outlook is relatively high, and increased early-cycle delinquent balances in retail unsecured portfolios. The Group s PCRL coverage ratio also increased to 36.2% (31st December 2007: 33.0%), see page 65 for more detail.

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Wholesale Credit Risk

Gross loans and advances to wholesale customers and banks grew 38% to £314,508m (31st December 2007: £227,209m), largely due to Barclays Capital where loans and advances increased £72,514m (53%).

Credit Risk Loans (CRLs) rose 59% to £8,192m (31st December 2007: £5,157m). As a percentage of gross loans and advances, CRLs increased 13% to 2.6% (31st December 2007: 2.3%). CRL balances were higher in all businesses, reflecting the downturn in economic conditions, with some deterioration across default grades, higher levels of Early Warning List balances and a rise in impairment and loan loss rates in most wholesale portfolios. The largest rises were in Barclays Capital and GRCB Western Europe.

Impairment charges on loans and advances rose 119% (£1,403m) to £2,580m (31st December 2007: £1,177m), primarily in Barclays Capital, although all other businesses were higher than the previous year. Impairment in Barclays Commercial Bank rose in both the Larger and Medium Business divisions. Deterioration in the Spanish commercial and residential property markets led to higher impairment in GRCB Western Europe, while in GRCB Absa, wholesale credit impairment began to rise from a low base and credit indicators began to show deterioration. The loan loss rate on the wholesale and corporate portfolio rose to 82bp (2007: 52bp).

In the wholesale and corporate portfolios impairment allowances increased 116% to £2,835m (31st December 2007: £1,312m).

Wholesale Loans and Advances to Customers and Banks

	Gross Loans and Advances £m	Impairment Allowance £m	Loans and Advances Net of Impairment £m	Credit Risk Loans £m	CRLs % of Gross Loans and Advances %	Impairment Charge £m	Loan Loss Rates bp
As at 31.12.08							
BCB	68,904	504	68,400	1,181	1.7%	414	60
Barclaycard	301	2	299	20	6.6%	11	365
GRCB WE	15,432	232	15,200	578	3.7%	125	81
GRCB EM	7,551	122	7,429	191	2.5%	36	48
GRCB Absa	8,648	140	8,508	304	3.5%	19	22
Barclays Capital	208,596	1,796	206,800	5,743	2.8%	1,936	93
BGI	834		834				
Barclays Wealth	3,282	28	3,254	174	5.3%	28	85
Head Office	960	11	949	1	0.1%	11	115
Total	**314,508**	**2,835**	**311,673**	**8,192**	**2.6%**	**2,580**	**82**
As at 31.12.07							
BCB	65,535	483	65,052	956	1.5%	292	45
Barclaycard	295	3	292	17	5.8%	9	305
GRCB WE	10,927	63	10,864	93	0.9%	19	17
GRCB EM	4,833	79	4,754	119	2.5%	10	21
GRCB Absa	5,321	112	5,209	97	1.8%	11	21

Barclays Capital	136,082	514	135,568	3,791	2.8%	833	61
BGI	211		211				
Barclays Wealth	2,745	7	2,738	47	1.7%		
Head Office	1,260	51	1,209	37	2.9%	3	24
Total	**227,209**	**1,312**	**225,897**	**5,157**	**2.3%**	**1,177**	**52**

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Barclays largest corporate loan portfolios continue to be in Barclays Capital and Barclays Commercial Bank. Barclays Capital s corporate loan book grew 43% to £72,796m, driven by the decline in the value of Sterling relative to other currencies as well as draw downs on existing loan facilities and the extension of new loans at current terms to financial and manufacturing institutions. Loans and advances at amortised cost grew 5% in Barclays Commercial Bank and was focused in lower-risk portfolios in Larger Business.

Portfolio growth rates were higher in the international businesses, where GRCB s wholesale portfolios in Western Europe, Emerging Markets and Absa grew by 40%, 56% and 63%, respectively.

Analysis of Wholesale Loans and Advances Net of Impairment Allowances

	Corporate		Government		Settlement Balances & Cash Collateral		Other Wholesale		Total Wholesale	
	2008 £m	2007 £m	2008 £m	2007 £m	2008 £m	2007 £m	2008 £m	2007 £m	2008 £m	2007 £m
Wholesale										
BCB	67,741	64,773	659	279					68,400	65,052
Barclaycard	299	292							299	292
GRCB WE	15,017	10,721	32	4			151	139	15,200	10,864
GRCB EM	5,283	3,276	1,709	1,193			437	285	7,429	4,754
GRCB Absa	8,480	5,204	28	5					8,508	5,209
Barclays Capital	72,796	51,038	3,760	1,220	79,418	46,639	50,826	36,671	206,800	135,568
BGI	834	211							834	211
Barclays Wealth	3,254	2,738							3,254	2,738
Head Office	949	1,209							949	1,209
Total	**174,653**	**139,462**	**6,188**	**2,701**	**79,418**	**46,639**	**51,414**	**37,095**	**311,673**	**225,897**

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Analysis of Barclays Capital Wholesale Loans and Advances Net of Impairment Allowances

	Gross Loans & Advances £m	Impairment Allowance £m	Loans and Advances Net of Impairment £m	Credit Risk Loans £m	CRLs % of Gross Loans & Advances %	Impairment Charge £m	Loan Loss Rates bp
As at 31.12.08							
Loans & Advances Bank							
Cash collateral & settlement balances	19,264		19,264				
Interbank lending	24,086	51	24,035	48	0.2%	40	17
Loans & Advances to Customers							
Corporate lending	77,042	486	76,556	1,100	1.4%	305	40
ABS CDO Super Senior	4,117	1,013	3,104	4,117	100.0%	1,383	3,359
Other wholesale lending	23,933	246	23,687	478	2.0%	208	87
Cash collateral and settlement balances	60,154		60,154				
Total	**208,596**	**1,796**	**206,800**	**5,743**	**2.8%**	**1,936**	**93**

Barclays Capital wholesale loans and advances increased 53% to £208,596m (2007: £136,082m). This was driven by a decline in the value of Sterling relative to other currencies, increased drawdowns on existing corporate lending facilities and the extension of new loans to corporate clients at current terms. Additionally, continuing market volatility resulted in increased cash collateral being placed with clients relating to OTC derivatives.

The corporate lending portfolio, including leveraged finance, increased 47% to £76,556m (2007: £52,258) primarily due to draw downs on existing loan facilities and the extension of new loans at current terms to financial and manufacturing institutions.

Included within corporate lending and other wholesale lending portfolios are £7,674m of loans backed by retail mortgage collateral.

Barclays Capital Loans and Advances Held at Fair Value

Barclays Capital loans and advances held at fair value were £19,630m (2007: £18,259m). These assets are primarily made up of US RMBS whole loans and commercial real estate loans, £14,429m of which is discussed within the credit market exposures.

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Analysis of Barclays Commercial Bank Loans and Advances

The tables below analyses the industry split of Barclays Commercial Bank loans and advances after impairment allowance of £504m. The loan book consists of both loans and advances held at amortised cost and loans and advances held at fair value.

	Total £m
Loans and Advances to Banks at Amortised Cost	
Financial institutions services	867
Total	**867**

	Total £m
Loans and Advances to Customers at Amortised Cost	
Business and other services	16,611
Construction	3,974
Energy and water	1,112
Financial institutions and services	6,427
Finance Lease receivables	6,644
Manufacturing	8,378
Postal and communications	1,303
Property	8,985
Transport	2,014
Wholesale and retail distribution and leisure	11,426
Government	659
Total	**67,533**

	Total £m
Loans and Advances Held at Fair Value	
Business and other services	535
Construction	39
Financial institutions and services	32
Property	7,366
Government	4,994
Total	**12,966**

Loans and advances held at fair value were £12,966m as at 31st December 2008. Of these, £12,360m related to Government, Local Authority and Social Housing. Fair value exceeds amortised cost by £3,018m. Fair value is calculated using a valuation model with reference to observable market inputs and is matched by offsetting fair value movements on hedging instruments.

Property balances within loans and advances at amortised cost and held at fair value totalled £16,351m, of which £8,795m related to social housing.

The weighted average of the drawn balance loss given default, for all of the above loans and advances, is 31%.

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Barclays Commercial Bank Financial Sponsor Leveraged Finance

As at 31st December 2008, the exposure relating to Financial Sponsor related leveraged finance loans in Barclays Commercial Bank was £2,445m, of which £1,875m related to drawn amounts recorded in loans and advances.

	As at 31.12.08 £m
Leveraged Finance Exposure by Region	
UK	2,111
Europe	323
Other	11
Total lending and commitments	**2,445**
Underwriting	28
Total exposure	**2,473**

The industry classification of the exposure was as follows:

	Drawn £m	Undrawn £m	Total £m
Leveraged Finance Exposure by Industry - As at 31.12.08			
Business and other services	1,083	288	1,371
Construction	12	5	17
Energy and water	43	17	60
Financial institutions and services	58	10	68
Manufacturing	307	130	437
Postal and communications	35	2	37
Property	26	5	31
Transport	14	43	57
Wholesale and retail distribution and leisure	297	70	367
Total exposure	**1,875**	**570**	**2,445**

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Retail Credit Risk

Gross Loans and Advances to retail customers grew 24% to £201,588m (31st December 2007: £162,081m). The principal drivers were GRCB Western Europe, UK Retail Banking, and Barclaycard. The GRCB Western Europe retail portfolio grew by £14,436m (59%) to £38,918m, largely driven by Home Loans in Spain and Italy, and the appreciation in the value of the Euro against Sterling. The UK Retail Banking portfolio increased by £12,319m (15%) to £96,083m, primarily driven by UK Home Loans. The Barclaycard Retail portfolios grew by £8,866m (43%) to £29,390m, with growth across the US, UK and Western European card portfolios.

Credit Risk Loans rose 67% to £7,508m (31st December 2007: £4,484m). As a percentage of gross loans and advances, Credit Risk Loans increased to 3.7% (31st December 2007: 2.8%). CRL balances were higher in all businesses as credit conditions deteriorated across Barclays areas of operations. The most notable increases were in the international businesses in GRCB, particularly Absa.

Impairment charges on loans and advances increased 45% (£728m) to £2,333m (2007: £1,605m), mainly due to adverse performances in the international portfolios, partially offset by improvement in some UK portfolios. Impairment charges on loans and advances as a percentage of period-end retail loans and advances (loan loss rate) increased to 116bp (2007: 99bp).

Impairment allowances increased 52% to £3,739m (31st December 2007: £2,460m). The CRL coverage ratio decreased to 49.8% (31st December 2007: 54.9%). The PCRL coverage ratio also decreased to 46.7% (31st December 2007: 49.4%).

Retail Loans and Advances to Customers Net of Impairment Allowances

	Gross Loans & Advances £m	Impairment Allowance £m	Loans & Advances Net of Impairment £m	Credit Risk Loans £m	CRLs % of Gross Loans & Advances %	Impairment Charge £m	Loan Loss Rates bp
As at 31.12.08							
UKRB	96,083	1,134	94,949	2,403	2.5%	602	63
Barclaycard	29,390	1,677	27,713	2,566	8.7%	1,086	370
GRCB WE	38,918	302	38,616	794	2.0%	171	44
GRCB EM	4,083	191	3,892	179	4.4%	130	318
GRCB Absa	24,677	411	24,266	1,518	6.2%	328	133
Barclays Wealth	8,437	24	8,413	48	0.6%	16	19
Total	**201,588**	**3,739**	**197,849**	**7,508**	**3.7%**	**2,333**	**116**
As at 31.12.07							
UKRB	83,764	1,005	82,759	2,063	2.5%	559	67
Barclaycard	20,524	1,093	19,431	1,601	7.8%	818	399
GRCB WE	24,482	81	24,401	250	1.0%	57	23
GRCB EM	1,881	44	1,837	67	3.6%	29	154
GRCB Absa	24,994	235	24,759	499	2.0%	135	54
Barclays Wealth	6,436	2	6,434	4	0.1%	7	11
Total	**162,081**	**2,460**	**159,621**	**4,484**	**2.8%**	**1,605**	**99**

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Total home loans to retail customers grew by 27% to £135,077m, driven by the 58% rise in GRCB Western Europe, reflecting currency movements and book growth. The UK home finance portfolios within UK Retail Banking grew 18% to £82,303m (31st December 2007: £69,805m).

Unsecured retail credit (credit card and unsecured loans) portfolios grew 43% to £38,856m, (31st December 2007: £27,256m), principally as a result of growth in Barclaycard US and GRCB Western Europe as well as the acquisition of Goldfish in the UK.

Analysis of Retail Loans and Advances Net of Impairment Allowances

	Home Loans		Cards and Unsecured Loans		Other Retail		Total Retail	
	2008 £m	2007 £m	2008 £m	2007 £m	2008 £m	2007 £m	2008 £m	2007 £m
UKRB	82,303	69,805	8,294	8,297	4,352	4,657	94,949	82,759
Barclaycard			23,224	14,930	4,489	4,501	27,713	19,431
GRCB WE	33,760	21,393	4,395	2,660	461	348	38,616	24,401
GRCB EM	603	285	2,900	1,369	389	183	3,892	1,837
GRCB Absa	18,411	15,136	43		5,812	9,623	24,266	24,759
Barclays Wealth					8,413	6,434	8,413	6,434
Total	**135,077**	**106,619**	**38,856**	**27,256**	**23,916**	**25,746**	**197,849**	**159,621**

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Risk Management

Home Loans

The Group s principal home loans portfolios continue to be in the UK Retail Banking Home Finance business (61% of the Group s total), GRCB Western Europe (25%) primarily Spain, and South Africa (14%). During the year, the Group managed the risk profile of these portfolios by strengthening underwriting criteria and reducing the maximum loan to value (LTV) ratios, with greater discrimination between purchases and remortgages and, within the UK buy to let (BTL) segment, between portfolio customers and single property investors.

Credit quality of the principal Home Loan portfolios reflected relatively low levels of high LTV lending. Using current valuations, the LTV of the portfolios as at 31st December 2008 was 40% for UK Home Finance, 48% for Spain and 41% for South Africa. The average LTV for new mortgage business during 2008 at origination was 47% for UK Home Finance, 63% for Spain and 58% for South Africa. The percentage of balances with an LTV of over 85% based on current values was 10% for UK Home Finance, 5% for Spain and 25% for South Africa. In the UK, BTL mortgages comprised 6.8% the total stock.

Impairment charges rose across the home loans portfolios, reflecting the impact of lower house prices as well as some increase in arrears rates. Three-month arrears as at 31st December 2008 were 0.91% for UK mortgages, 0.76% for Spain and 2.11% for South Africa. To support the Group s risk profile, we increased collections staff across the businesses and improved operational practices to boost effectiveness.

Home Loans Distribution of Balances by Loan to Value (Current Valuations[1])

	UK		Spain		South Africa	
	2008 %	2007 %	2008 %	2007 %	2008 %	2007 %
<= 75%	78.2%	90.1%	86.7%	92.2%	60.5%	68.6%
> 75% & <= 80%	6.1%	4.7%	4.8%	4.2%	7.5%	7.2%
> 80% & <= 85%	5.5%	2.5%	3.7%	1.6%	7.2%	7.1%
> 85% & <= 90%	4.5%	1.5%	1.6%	0.7%	7.6%	5.9%
> 90% & <= 95%	2.5%	0.9%	1.3%	0.6%	6.7%	6.1%
> 95%	3.1%	0.3%	1.9%	0.7%	10.5%	5.1%
MTM LTV %	40%	34%	48%	45%	41%	38%
Avg. LTV on New Mortgages	47%	49%	63%	63%	58%	59%

Home Loans Three-Month Arrears[2]

	As at 31.12.08 %	As at 30.06.08 %	As at 31.12.07 %
UK	0.91%	0.70%	0.63%
Spain	0.76%	0.46%	0.24%
South Africa	2.11%	0.96%	0.25%

1 *Based on the following portfolios: UK: UKRB Residential Mortgage and Buy to Let portfolios Spain: GRCB Western Europe Spanish retail home finance portfolio South Africa: GRCB Absa retail home finance portfolio.*

2 *Defined as total 90 day + delinquent balances as a percentage of outstandings.*

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Credit Cards and Unsecured Loans

The Group s largest card and unsecured loan portfolios are in the UK (47% of Group total). The US accounts for 19%, where Barclaycard s portfolio is largely Prime credit quality (FICO score of 660 or more). To address the impact of economic deterioration and the impact of weaker labour markets on the unsecured portfolios in 2008, the Group used a range of measures to improve new customer quality and control the risk profile of existing customers.

In the UK Cards portfolio, initial credit lines were made more conservative, followed by selective credit limit increases using more accurately assessed customer behaviour. The overall number of credit limit increases were reduced by strengthening qualification criteria and a proportion of higher-risk dormant accounts were closed. Arrears rates in the UK Cards portfolio fell slightly during the year, reflecting measures taken to improve customer quality in 2007 and 2008. Repayment Plan balances grew to support government initiatives to supply relief to customers experiencing financial difficulty. Payment rates in repayment plans remained relatively stable.

As a percentage of the portfolio, three-month arrears rates rose during 2008 to 1.87% for UK Loans and 2.15% for US Cards. The rate reduced to 1.28% at UK Cards.

Unsecured Lending 3 Month Arrears[1]

	As at 31.12.08 %	As at 30.06.08 %	As at 31.12.07 %
UK Cards[2]	1.28%	1.36%	1.36%
UK Loans[3]	1.87%	1.40%	1.35%
US Cards[4]	2.15%	2.08%	1.83%

1 *Defined as total 90 day + delinquent balances as a percentage of outstandings. Excludes legal and repayment plans.*
2 *UK Cards now based on Barclaycard branded cards, excluding Goldfish.*
3 *UK Loans based on Barclayloan.*
4 *Excludes Business Card and US Airways portfolios.*

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Impairment Charges and Other Credit Provisions

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
UK Retail Banking	602	559
Barclays Commercial Bank	414	292
Barclaycard	1,097	827
GRCB - Western Europe	296	76
GRCB - Emerging Markets	166	39
GRCB - Absa	347	146
Barclays Capital	419	64
Barclays Wealth	44	7
Head Office Functions & Other Operations	11	3
Group Total	**3,396**	**2,013**
ABS CDO Sub-Prime & Other Credit Market Provisions	1,763	782
Group Total (Including ABS CDO)	**5,159**	**2,795**
Other AFS Assets & Reverse Repos	260	
Group Total (Including ABS CDO & AFS/Reverse Repos)	**5,419**	**2,795**

Global Retail and Commercial Banking

Impairment charges in **UK Retail Banking** increased £43m to £602m (2007: £559m), reflecting growth in the book and deteriorating economic conditions. In UK Home Finance, whilst 3 month arrears increased from 0.63% to 0.91%, the quality of the book and conservative loan to value ratios meant that the impairment charges and amounts charged off remained low at £24m (2007: £3m release). Impairment charges in Consumer Lending increased 3% reflecting the current economic environment and loan growth.

The impairment charge in **Barclays Commercial Bank** increased £122m to £414m (2007: £292m), primarily reflecting higher impairment losses in Larger Business, particularly in the final quarter as the UK corporate credit environment deteriorated.

The impairment charge in **Barclaycard** increased £270m (33%) to £1,097m (2007: £827m) reflecting higher charges in Barclaycard International portfolios, particularly Barclaycard US which was driven by loan growth, rising delinquency due to deteriorating economic conditions and exchange rate movements; and £68m from the inclusion of Goldfish. These factors were partially offset by lower charges in UK Cards and secured consumer lending.

Impairment charges in **GRCB - Western Europe** increased £220m to £296m (2007: £76m) principally due to deteriorating economic trends and asset growth in Spain, where there were higher charges in the commercial portfolios as a consequence of the slowdown in the property and construction sectors. In addition higher household indebtedness and rising unemployment has driven up delinquency and charge-offs in the personal sector.

Impairment charges in **GRCB - Emerging Markets** increased £127m to £166m (2007: £39m), reflecting: weakening credit conditions which adversely impacted delinquency trends in the majority of the retail portfolios; asset growth, particularly in India; and increased wholesale impairment in Africa.

Impairment charges in **GRCB - Absa** increased £201m to £347m (2007: £146m) as a result of rising delinquency levels in the retail portfolios, which have been impacted by rising interest and inflation rates and increasing consumer indebtedness.

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Investment Banking and Investment Management

Barclays Capital impairment charges of £2,423m (2007: £846m) included a charge of £1,763m (2007: £782m) against ABS CDO Super Senior and other credit market positions. Further impairment charges of £241m were incurred in respect of available for sale assets and reverse repos (2007: nil). Other impairment charges increased £355m to £419m (2007: £64m) and primarily related to charges in the private equity and other loans business.

The impairment charge in **Barclays Wealth** increased £37m to £44m (2007: £7m) from a very low base. This increase reflected both the substantial increase in the loan book over the last three years and the impact of the current economic environment on client liquidity and collateral values.

The impairment charge In **Head Office Functions and Other Operations** increased £8m to £11m (2007: £3m) mainly reflecting losses on Floating Rate Notes held for hedging purposes. An additional £19m (2007: nil) of impairment charges were incurred on available for sale assets.

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Potential Credit Risk Loans and Coverage Ratios

	CRLs		PPLs		PCRLS	
	31.12.08	31.12.07	31.12.08	31.12.07	31.12.08	31.12.07
Retail Secured	2,783	1,474	280	317	3,063	1,791
Retail Unsecured and other	4,725	3,010	217	183	4,942	3,193
Retail	**7,508**	**4,484**	**497**	**500**	**8,005**	**4,984**
Corporate/Wholesale (excl ABS)	4,075	1,813	1,959	496	6,034	2,309
Group (excl ABS)	**11,583**	**6,297**	**2,456**	**996**	**14,039**	**7,293**
ABS CDO Super Senior	4,117	3,344		801	4,117	4,145
Group	**15,700**	**9,641**	**2,456**	**1,797**	**18,156**	**11,438**

	Impairment Allowance		CRL Coverage		PCRL Coverage	
	31.12.08	31.12.07	31.12.08	31.12.07	31.12.08	31.12.07
Retail Secured	561	320	20.2%	21.7%	18.3%	17.9%
Retail Unsecured and other	3,178	2,140	67.3%	71.1%	64.3%	67.0%
Retail	**3,739**	**2,460**	**49.8%**	**54.9%**	**46.7%**	**49.4%**
Corporate/Wholesale (excl ABS)	1,822	1,022	44.7%	56.4%	30.2%	44.3%
Group (excl ABS)	**5,561**	**3,482**	**48.0%**	**55.3%**	**39.6%**	**47.7%**
ABS CDO Super Senior	1,013	290	24.6%	8.7%	24.6%	7.0%
Group	**6,574**	**3,772**	**41.9%**	**39.1%**	**36.2%**	**33.0%**

Credit Risk Loans

Credit risk loans (CRLs) rose 63% to £15,700m (2007: £9,641m). Balances were higher in all businesses as credit conditions deteriorated across Barclays areas of operations and mirrored the overall growth in loans and advances. The most notable increases were in Barclays Capital and the non-UK businesses in Global Retail and Commercial Banking.

CRLs in retail secured mortgage products increased by £1,309m (89%) to £2,783m (2007: £1,474m). The key driver was Absa Home Finance where balances increased significantly as a result of higher interest rates and increasing consumer indebtedness. Increases were also seen in UK Home Finance, reflecting weakening UK house prices and the slowing economy, and in Spain, as economic conditions deteriorated.

CRLs in the unsecured and other retail portfolios increased by £1,715m (57%) to £4,725m (2007: £3,010m). The key drivers for this increase were: Absa, which was impacted by higher interest rates and increasing consumer indebtedness, Barclaycard US, due to deteriorating credit conditions which resulted in rising delinquency rates, asset growth and exchange rate movements, and in Spain, as economic conditions deteriorated and consumer indebtedness increased.

Corporate/Wholesale CRLs increased by £3,035m (59%) to £8,192m (2007: £5,157m). Corporate/Wholesale CRLs, excluding ABS CDO Super Senior positions of £4,117m, increased by £2,262m (125%) to £4,075m (2007: £1,813m). The key drivers were in Barclays Capital, following a number credit downgrades, increasing default probabilities and Spain, primarily due to increases to the property-related names. Balances also increased in Barclays Commercial Bank and Absa Commercial and Banking Business as corporate credit conditions deteriorated, particularly in the last quarter of 2008.

CRLs on ABS CDO Super Senior positions increased £773m (23%) to £4,117m (2007: £3,344m). The majority of this increase resulted from a migration of assets, totalling £801m, from potential problem loans (PPLs) to CRLs.

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Potential Problem Loans

Balances within the Group s potential problem loans (PPLs) category rose by £659m to £2,456m (31st December 2007: £1,797m). The principal movements were in the corporate and wholesale portfolios, where PPLs rose £1,463m to £1,959m (31st December 2007: £496m) as credit conditions deteriorated. This rise was offset by a fall in PPLs relating to ABS CDO positions, as those balances moved into the CRL category. Broadly flat PPLs from retail portfolios reflected methodology alignments affecting the South African portfolio which transferred balances of just over £200m previously reported as PPLs to CRLs. This was offset by rises in UK Retail Banking, GRCB Western Europe and GRCB Emerging Markets.

Potential Credit Risk Loans

Combining CRLs and PPLs, total potential credit risk loans (PCRL) balances in the corporate and wholesale portfolios increased by 161% to £6,034m (31st December 2007: £2,309m) as a number of names migrated into the CRL and PPL categories, reflecting higher default probabilities in the deteriorating global wholesale environment. PCRLs relating to ABS CDO positions remained stable at £4,117m (31st December 2007: £4,145m).

Total retail PCRL balances increased 61% to £8,005m (31st December 2007: £4,984m) as delinquency rates rose across a number of secured and unsecured portfolios following a deterioration in credit conditions, particularly in the UK, US, Spain and South Africa.

Group PCRL balances rose 59% to £18,156m (31st December 2007: £11,438m). Excluding ABS CDO Super Senior positions of £4,117m, PCRLs increased 92% to £14,039m (31st December 2007: £7,293m).

Impairment Allowances and Coverage Ratios

Impairment allowances increased 74% to £6,574m (31st December 2007: £3,772m). Excluding allowances for ABS CDO Super Senior positions of £1,013m, allowances increased by 60% to £5,561m (31st December 2007: £3,482m). Allowances increased in all businesses as credit conditions deteriorated, but most notably in Barclays Capital and GRCB international businesses.

Reflecting this 74% rise in impairment allowance compared with the 63% rise in total CRLs, the Group s CRL coverage ratio rose to 41.9% (31st December 2007: 39.1%). Coverage ratios for PCRLs also rose, to 36.2% (31st December 2007: 33.0%).

The largest driver for these increases was the near four-fold increase in the impairment held against ABS CDO Super Senior positions as the LGD of these assets increased.

Allowance coverage ratios of CRLs and PCRLs excluding allowances for the drawn ABS CDO Super Senior positions of £1,013m decreased to 48.0% (31st December 2007: 55.3%) and 39.6% (31st December 2007: 47.7%), respectively. These movements in coverage ratios reflected:

- An increase in CRLs and PCRLs in the well-secured home loan portfolios.
- Higher CRLs and PCRLs in the corporate sector, where the recovery outlook is relatively high.

- Increased early-cycle delinquent balances in the retail unsecured portfolios, as credit conditions worsened. These earlier-cycle balances, which tend to attract relatively lower impairment requirements, have increased as a proportion of the total delinquent balances.

The decrease in the PCRL coverage ratio, excluding the allowances for drawn ABS CDO Super Senior positions of £1,013m, was also driven by the overall increase in the PPLs as a proportion of total PCRLs. Since, by definition, PPLs attract lower levels of impairment than CRLs, a higher proportion of PPLs in total PCRLs will tend to lower the overall coverage ratio.

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Risk Tendency

Risk tendency is a statistical estimate of average expected loss levels for a rolling 12-month period based on averages in the range of possible losses expected, differing from impairment where there must be objective evidence of incurred impairment as at the balance sheet date, and applies to credit exposures not reported as credit risk loans.

Since Risk Tendency and impairment allowances are calculated for different parts of the portfolio, for different purposes and on different bases, Risk Tendency does not predict loan impairment. Risk Tendency is provided to present a view of the evolution of the quality of the credit portfolios.

	Year Ended 31.12.08 £m	Year Ended 31.12.07 £m
Risk Tendency		
UK Retail Banking	520	470
Barclays Commercial Bank	400	305
Barclaycard	1,475	955
GRCB - Western Europe	270	135
GRCB - Emerging Markets	350	140
GRCB - Absa	255	190
Barclays Capital	415	140
Barclays Wealth	20	10
Head Office Functions & Other Operations	5	10
Group total	**3,710**	**2,355**

Risk Tendency increased 58% (£1,355m) to £3,710m (31st December 2007: £2,355m), compared with 32% growth in the Group s loans and advances balances. This was reflective of the higher credit risk profile, weakening credit conditions across our main businesses, and changing mix, as a consequence of planned growth, in a number of businesses and portfolios. Risk Tendency in 2008 also increased as a result of the weakening of Sterling against a number of other foreign currencies, including the US Dollar and the Euro.

UK Retail Banking Risk Tendency increased £50m to £520m (31st December 2007: £470m). This reflected a higher risk profile in the unsecured and secured loans portfolios, weakening UK credit conditions, and asset growth, primarily in the Home Finance portfolio.

Risk Tendency in **Barclays Commercial Bank** increased £95m to £400m (31st December 2007: £305m). This reflected the deteriorating UK corporate credit environment and asset growth.

Barclaycard Risk Tendency increased £520m to £1,475m (31st December 2007: £955m) primarily reflecting the inclusion of new business acquisitions (£260m) as well as asset growth, exchange rate movements, and the economic conditions in the US. Risk Tendency in the UK Cards portfolio remained stable as improvements in portfolio quality were offset by deterioration in the UK economic environment.

Risk Tendency at **GRCB - Western Europe** increased £135m to £270m (31st December 2007: £135m) principally reflecting weakening credit conditions across Europe, particularly in Spain, asset growth and movements in the Euro/Sterling exchange rate.

Risk Tendency at **GRCB - Emerging Markets** increased £210m to £350m (31st December 2007: £140m) reflecting weakening credit conditions across the majority of regions, a change in the risk profile following a broadening of the product offering through new product launches and new market entry in India and UAE, and asset growth.

Risk Tendency at **GRCB - Absa** increased £65m to £255m (31st December 2007: £190m) reflecting weakening retail and, to a lesser extent, corporate credit conditions in South Africa and asset growth and movements in the Rand/Sterling exchange rate.

Risk Tendency in **Barclays Capital** increased £275m to £415m (31st December 2007: £140m) reflecting credit downgrades and asset growth. The drawn liquidity facilities on ABS CDO Super Senior positions are classified as credit risk loans and therefore no Risk Tendency is calculated on them.

Risk Tendency at **Barclays Wealth** increased £10m to £20m (31st December 2007: £10m) reflecting a weakening credit risk profile and asset growth.

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Debt Securities and Other Bills

The following table presents an analysis of the credit quality of debt and similar securities, other than loans held within the Group. Securities rated as investment grade amounted to 91.6% of the portfolio (2007: 88.0%).

	Treasury and Other Eligible Bills £m	Debt Securities £m	Total £m	%
As at 31.12.08				
AAA to BBB- (investment grade)	7,314	198,493	205,807	91.6%
BB+ to B	1,233	15,309	16,542	7.4%
B- or lower		2,343	2,343	1.0%
Total	**8,547**	**216,145**	**224,692**	**100.0%**
Of Which Issued By:				
governments and other public bodies	8,547	73,881	82,428	36.7%
US agency		34,180	34,180	15.3%
mortgage and asset-backed securities		34,844	34,844	15.5%
corporate and other issuers		55,244	55,244	24.6%
bank and building society certificates of deposit		17,996	17,996	7.9%
Total	**8,547**	**216,145**	**224,692**	**100.0%**
Of Which Classified As:				
trading portfolio assets	4,544	148,686	153,230	68.2%
financial instruments designated at fair value		8,628	8,628	3.8%
available-for-sale securities	4,003	58,831	62,834	28.0%
Total	**8,547**	**216,145**	**224,692**	**100.0%**
	£m	£m	£m	%
As at 31.12.07				
AAA to BBB- (investment grade)	4,114	189,794	193,908	88.0%
BB+ to B	703	24,693	25,396	11.5%
B- or lower		1,181	1,181	0.5%
Total	**4,817**	**215,668**	**220,485**	**100.0%**
Of Which Issued By:				
governments and other public bodies	4,817	63,798	68,615	31.1%
US agency		13,956	13,956	6.3%
mortgage and asset-backed securities		28,928	28,928	13.1%
corporate and other issuers		88,207	88,207	40.0%
bank and building society certificates of deposit		20,779	20,779	9.5%

Total	**4,817**	**215,668**	**220,485**	**100.0%**
Of Which Classified As:				
trading portfolio assets	2,094	152,778	154,872	70.2%
financial instruments designated at fair value		24,217	24,217	11.0%
available-for-sale securities	2,723	38,673	41,396	18.8%
Total	**4,817**	**215,668**	**220,485**	**100.0%**

Barcl