

BARCLAYS PLC  
Form 6-K  
February 28, 2006

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

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**FORM 6-K**

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

28 February 2006

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**Barclays PLC and**  
**Barclays Bank PLC**

(Names of Registrants)

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1 Churchill Place

London E14 5HP

England

(Address of principal executive offices)

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

Form 20-F  Form 40-F

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

Yes  No

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

THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN THE REGISTRATION STATEMENTS ON FORM F-3 (NOS.333-126811, 333-85646 AND 333-12384) OF BARCLAYS BANK PLC AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED. THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE SUPERCEDED IN ITS ENTIRETY BY, AND UPON THE FILING OF, THE ANNUAL REPORT ON FORM 20-F FOR THE YEAR ENDED DECEMBER 31, 2005 TO BE FILED JOINTLY BY BARCLAYS PLC AND BARCLAYS BANK PLC.

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 and Barclays Bank PLC for the year ended 31st December 2005.

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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 28, 2006

By: /s/ Patrick Gonsalves  
Patrick Gonsalves  
Deputy Secretary

BARCLAYS BANK PLC  
(Registrant)

Date: February 28, 2006

By: /s/ Patrick Gonsalves  
Patrick Gonsalves  
Joint Secretary

This document includes portions from the previously published results announcement of Barclays PLC for the year ended 31 December 2005, as amended 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. In addition, this document includes data relating to Barclays Bank PLC, the wholly owned subsidiary of Barclays plc. 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-IFRS figures to the most directly equivalent IFRS figures, as of, and for the period ended, 31 December 2005, and does not update or otherwise supplement the information contained in the results announcement, which speaks only as of its date.

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.

An audit opinion has not been rendered on this announcement.

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**BARCLAYS PLC**

**PRELIMINARY ANNOUNCEMENT OF RESULTS FOR 2005**

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COMPANY NO. 48839

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**BARCLAYS PLC**

The information in this announcement, which was approved by the Board of Directors on 20th February 2006, does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985 (the Act). Statutory accounts, 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. The 2005 Annual Review and Summary Financial Statement will be posted to shareholders together with the Group's full Annual Report for those shareholders who request it.

**International Financial Reporting Standards**

The Group has applied International Financial Reporting Standards (IFRS) from 1st January 2004, with the exception of the standards relating to financial instruments and insurance contracts which are applied only with effect from 1st January 2005. Therefore the impacts of adopting IAS 32, IAS 39 and IFRS 4 are not included in the 2004 comparatives in accordance with IFRS 1 and financial instruments and insurance contracts are accounted for under UK GAAP in 2004.

The results for 2005 are therefore not entirely comparable to those for 2004 in affected areas. For a fuller discussion of the transitional impacts of IFRS, please refer to the IFRS Transition Report 2004/2005, released 11th May 2005. The IFRS Transition Report provided the reconciliations required by IFRS and the provisional accounting policies expected to be applied in the preparation of the 2005 financial statements. The Interim Results Announcement on 5th August 2005 amended the reconciliations and the provisional accounting policies for the use of the fair value option. The financial information in this announcement has been prepared in accordance with these amended accounting policies. A summary of the Group's significant accounting policies will be included in the 2005 Annual Report. Dashes have been used to indicate where changes in policy cause an item to be not applicable and where there is no amount to report.

**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. 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 aim, anticipate, target, expect, estimate, intend, plan, goal, believe, or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, impairment charges, business strategy, projected levels of growth in the banking and financial markets, projected costs, estimates of capital expenditures, and plans and objectives for future operations.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, the further development of standards and interpretations under IFRS applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, as well as UK domestic and global economic and business conditions, market related risks such as changes in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, progress in the integration of Absa into the Group's business and the achievement of synergy targets related to Absa, the outcome of pending and future litigation, and the impact of competition - a number of which factors are beyond the Group's control. As a result, the Group's actual future results may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements. Any forward-looking statements made by or on behalf of Barclays speak only as of the date they are made. Barclays does not undertake to update forward-looking statements to reflect any changes in Barclays expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has filed or may file with the SEC.

21st February 2006

**BARCLAYS PLC****SUMMARY OF KEY INFORMATION<sup>1</sup>**

<b>Group Results</b>	<b>2005</b>	<b>2004</b>	<b>% Change</b>
	<b>£m</b>	<b>£m</b>	
Total income net of insurance claims	17,333	14,108	23
Impairment charge and other credit provisions	(1,571)	(1,093)	44
Operating expenses	(10,527)	(8,536)	23
Profit before tax	5,280	4,580	15
Profit attributable to minority interests	(394)	(47)	738
Profit attributable to equity holders of the parent	3,447	3,254	6
Earnings per share	54.4p	51.0p	7
Proposed full year dividend per share	26.6p	24.0p	11
Post-tax return on average shareholders' equity	21.1%	21.7%	
			<b>% Change</b>
	<b>£m</b>	<b>£m</b>	
<b>Summary of divisional profit before tax<sup>2</sup></b>			
UK Banking	2,455	2,265	8
UK Retail Banking	1,027	963	7
UK Business Banking	1,428	1,302	10
Barclays Capital	1,272	1,020	25
Barclays Global Investors	542	336	61
Wealth Management	172	110	56
Barclaycard	687	843	(19)
International Retail and Commercial Banking (IRCB)	690	293	135
IRCB - ex Absa	355	293	21
IRCB - Absa	335		

<sup>1</sup> In this document the income statement analysis compares, unless stated otherwise, the year ended 31st December 2005 to the corresponding period of 2004. Balance sheet comparisons, unless stated otherwise, relate to the corresponding position at 31st December 2004. 2004 comparatives do not include additional impacts arising from the first time application of IAS 32 (Financial instruments: Disclosure and Presentation), IAS 39 (Financial instruments: Recognition and Measurement) and IFRS 4 (Insurance Contracts), which were applied from 1st January 2005.

<sup>2</sup> Summary excludes Wealth Management-closed life assurance activities and Head office functions and other operations. Full analysis of business profit before tax is on page 10.

**BARCLAYS PLC****FINANCIAL HIGHLIGHTS**

	2005 £m	2004 £m	
<b>RESULTS</b>			
Net interest income	8,075	6,833	
Net fee and commission income	5,705	4,847	
Principal transactions <sup>1</sup>	3,179	2,514	
Net premiums from insurance contracts	872	1,042	
Other income	147	131	
Total income	17,978	15,367	
Net claims and benefits paid on insurance contracts	(645)	(1,259)	
Total income net of insurance claims	17,333	14,108	
Impairment charge and other credit provisions	(1,571)	(1,093)	
Net income	15,762	13,015	
Operating expenses (including amortisation of intangible assets)	(10,527)	(8,536)	
Share of post-tax results of associates and joint ventures	45	56	
Profit on disposal of associates and joint ventures		45	
Profit before tax	5,280	4,580	
Profit attributable to equity holders of the parent	3,447	3,254	
	p	p	
<b>PER ORDINARY SHARE</b>			
Earnings	54.4	51.0	
Diluted earnings	52.6	49.8	
Proposed full year dividend	26.6	24.0	
Net asset value	269	246	
	%	%	
<b>PERFORMANCE RATIOS</b>			
Post-tax return on average shareholders' equity	21.1	21.7	
Cost:income ratio <sup>2</sup>	61	61	
Cost:net income ratio <sup>3</sup>	67	66	
	2005 £m	As at 01.01.05 £m	2004 £m
<b>BALANCE SHEET</b>			
Shareholders' equity excluding minority interests	17,426	15,287	15,870
Minority interests	7,004	3,330	894
Total shareholders' equity	24,430	18,617	16,764
Loan capital	12,463	10,606	12,277
Total capital resources	36,893	29,223	29,041
Total assets	924,357	715,600	538,181
Weighted risk assets	269,148	219,758	218,601
	%	%	%
<b>CAPITAL RATIOS</b>			
Tier 1 ratio	7.0	7.1	7.6
Risk asset ratio	11.3	11.8	11.5

<sup>1</sup> Principal transactions comprise net trading income and net investment income.

<sup>2</sup> The cost:income ratio is defined as operating expenses compared to total income net of insurance claims.

<sup>3</sup> The cost:net income ratio is defined as operating expenses compared to total income net of insurance claims, less impairment charges.



**BARCLAYS PLC****CONSOLIDATED INCOME STATEMENT**

	2005 £m	2004 £m
<b>Continuing operations</b>		
Interest income	17,232	13,880
Interest expense	(9,157)	(7,047)
Net interest income	8,075	6,833
Fee and commission income	6,430	5,509
Fee and commission expense	(725)	(662)
Net fee and commission income	5,705	4,847
Net trading income	2,321	1,487
Net investment income	858	1,027
Principal transactions	3,179	2,514
Net premiums from insurance contracts	872	1,042
Other income	147	131
<b>Total income</b>	<b>17,978</b>	<b>15,367</b>
Net claims and benefits paid on insurance contracts	(645)	(1,259)
<b>Total income net of insurance claims</b>	<b>17,333</b>	<b>14,108</b>
Impairment charge and other credit provisions	(1,571)	(1,093)
<b>Net income</b>	<b>15,762</b>	<b>13,015</b>
Operating expenses excluding amortisation of intangible assets	(10,448)	(8,514)
Amortisation of intangible assets	(79)	(22)
Operating expenses	(10,527)	(8,536)
Share of post-tax results of associates and joint ventures	45	56
Profit on disposal of associates and joint ventures		45
<b>Profit before tax</b>	<b>5,280</b>	<b>4,580</b>
Tax	(1,439)	(1,279)
<b>Profit for the year</b>	<b>3,841</b>	<b>3,301</b>
Profit attributable to minority interests	394	47
Profit attributable to equity holders of the parent	3,447	3,254
	<b>3,841</b>	<b>3,301</b>
	<b>p</b>	<b>p</b>
Basic earnings per ordinary share	54.4	51.0
Diluted earnings per share	52.6	49.8
Paid and proposed dividends per ordinary share:		
Interim paid	9.20	8.25
Final proposed	17.40	15.75
Interim dividend	£ 582m	£ 528m
Proposed final dividend	£ 1,105m	£ 1,001m

**BARCLAYS PLC****CONSOLIDATED BALANCE SHEET**

	2005	As at 01.01.05	2004
	£m	£m	£m
<b>Assets</b>			
Cash and balances at central banks	3,906	3,238	1,753
Items in the course of collection from other banks	1,901	1,772	1,772
Treasury bills and other eligible bills			6,658
Trading portfolio assets	155,723	110,033	
Financial assets designated at fair value:			
held on own account	12,904	9,799	
held in respect of linked liabilities to customers under investment contracts	83,193	63,124	
Derivative financial instruments	136,823	94,211	
Loans and advances to banks	31,105	25,728	80,632
Loans and advances to customers	268,896	207,259	262,409
Debt securities			130,311
Equity shares			11,399
Available for sale financial investments	53,497	48,097	
Reverse repurchase agreements and cash collateral on securities borrowed	160,398	139,574	
Other assets	4,620	3,647	25,915
Insurance assets including unit-linked assets	114	109	8,576
Investments in associates and joint ventures	546	429	429
Goodwill	6,022	4,518	4,518
Intangible assets	1,269	139	139
Property plant and equipment	2,754	2,282	2,282
Deferred tax assets	686	1,641	1,388
<b>Total assets</b>	<b>924,357</b>	<b>715,600</b>	<b>538,181</b>

**BARCLAYS PLC****CONSOLIDATED BALANCE SHEET**

	2005 £m	As at 01.01.05 £m	2004 £m
<b>Liabilities</b>			
Deposits from banks	75,127	74,735	111,024
Items in the course of collection due to other banks	2,341	1,205	1,205
Customer accounts	238,684	194,478	217,492
Trading portfolio liabilities	71,564	59,114	
Financial liabilities designated at fair value:			
held on own account	33,385	5,320	
Liabilities to customers under investment contracts	85,201	64,609	
Derivative financial instruments	137,971	94,429	
Debt securities in issue	103,328	76,154	83,842
Repurchase agreements and cash collateral on securities lent	121,178	98,582	
Other liabilities	11,131	9,869	82,936
Current tax liabilities	747	621	621
Insurance contract liabilities including unit-linked liabilities	3,767	3,596	8,377
Subordinated liabilities:			
Undated loan capital-non convertible	4,397	4,208	6,149
Dated loan capital-convertible	38	15	15
Dated loan capital-non convertible	8,028	6,383	6,113
Deferred tax liabilities	700	1,397	1,362
Other provisions for liabilities	517	403	416
Retirement benefit liabilities	1,823	1,865	1,865
<b>Total liabilities</b>	<b>899,927</b>	696,983	521,417
<b>Shareholders equity</b>			
Called up share capital	1,623	1,614	1,614
Share premium account	5,650	5,524	5,524
Available for sale reserve	225	314	
Cash flow hedging reserve	70	302	
Capital redemption reserve	309	309	309
Other capital reserve	617	617	617
Translation reserve	156	(58)	(58)
Retained earnings	8,957	6,784	7,983
Less: treasury shares	(181)	(119)	(119)
<b>Shareholders equity excluding minority interests</b>	<b>17,426</b>	15,287	15,870
<b>Minority interests</b>	<b>7,004</b>	3,330	894
<b>Total shareholders equity</b>	<b>24,430</b>	18,617	16,764
<b>Total liabilities and shareholders equity</b>	<b>924,357</b>	715,600	538,181

**BARCLAYS PLC**

**FINANCIAL REVIEW**

**Results by business**

The following section analyses the Group's performance by business. For management and reporting purposes, Barclays is organised into the following business groupings:

**UK Banking**, comprising

UK Retail Banking  
UK Business Banking

**Barclays Capital**

**Barclays Global Investors**

**Wealth Management**

**Wealth Management - closed life assurance activities**

**Barclaycard**

**International Retail and Commercial Banking**, comprising

International Retail and Commercial Banking - excluding Absa

International Retail and Commercial Banking - Absa, included with effect from 27th July 2005

**Head office functions and other operations**

**UK Banking**

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

**UK Retail Banking**

UK Retail Banking comprises Personal Customers, Mortgages, Small Business and UK Premier. This cluster of businesses aims to build broader and deeper relationships with both existing and new customers. Personal Customers and Mortgages provide a wide range of products and

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services to retail customers, including current accounts, savings, mortgages, and general insurance. Small Business provides banking services to small businesses. UK Premier provides banking, investment products and advice to affluent customers.

### UK Business Banking

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

**BARCLAYS PLC**

**FINANCIAL REVIEW**

**Barclays Capital**

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

Barclays Capital services a wide variety of client needs, from capital raising and managing foreign exchange, interest rate, equity and commodity risks, through to providing technical advice and expertise. Activities are organised into three principal areas: Rates, which includes fixed income, foreign exchange, commodities, emerging markets, money markets sales, trading and research, prime services and equity products; Credit, which includes primary and secondary activities for loans and bonds for investment grade, high yield and emerging market credits, as well as hybrid capital products, asset based finance, commercial mortgage backed securities, credit derivatives, structured capital markets and large asset leasing; and Private Equity.

**Barclays Global Investors**

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

BGI offers structured investment strategies such as indexing, global asset allocation and risk-controlled active products, including hedge funds. BGI also provides related investment services such as securities lending, cash management and portfolio transition services. In addition, BGI is the global leader in assets and products in the exchange traded funds business, with over 140 funds for institutions and individuals trading in eleven markets globally. BGI's investment philosophy is founded on managing all dimensions of performance: a consistent focus on controlling risk, return and cost.

**Wealth Management**

Wealth Management serves affluent, high net worth and corporate clients, providing private banking, offshore banking, stockbroking, asset management and financial planning services.

**Wealth Management - closed life assurance activities**

Wealth Management - closed life assurance activities comprise the closed life assurance businesses of Barclays and Woolwich in the UK.

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**BARCLAYS PLC**

**FINANCIAL REVIEW**

**Barclaycard**

Barclaycard is a multi-brand international credit card and consumer lending business; it is one of the leading credit card businesses in Europe.

In the UK, Barclaycard manages the Barclaycard branded credit cards and other non-Barclaycard branded card portfolios including Monument, SkyCard and Solution Personal Finance. In consumer lending, Barclaycard manages both secured and unsecured loan portfolios, through Barclays branded loans, being mostly Barclayloan, and also through the FirstPlus and Clydesdale Financial Services businesses.

Outside the UK, Barclaycard provides credit cards in the United States through Barclaycard US (previously Juniper), Germany, Spain, Greece, Italy, Portugal and a number of other countries. In the Nordic region, Barclaycard operates through Entercard, a joint venture with FöreningsSparbanken (Swedbank).

Barclaycard Business processes card payments for retailers and issues purchasing and credit cards to business customers and to the UK Government.

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

**International Retail and Commercial Banking**

International Retail and Commercial Banking provides Barclays international personal and corporate customers with banking services. The products and services offered to customers are tailored to meet the regulatory and commercial environments within each country. For reporting purposes in 2005, the operations have been grouped into two components: International Retail and Commercial Banking excluding Absa encompasses Barclays operations in continental Europe, Africa and the Middle East and the Caribbean joint venture; and International Retail and Commercial Banking - Absa represents the total business of Absa Group Limited in which Barclays acquired a majority stake on 27th July 2005.

**International Retail and Commercial Banking - excluding Absa**

International Retail and Commercial Banking excluding Absa provides a range of banking services, including current accounts, savings, investments, mortgages and loans to personal and corporate customers across Spain, Portugal, France, Italy, the Caribbean, Africa and the Middle East.

International Retail and Commercial Banking excluding Absa works closely with other parts of the Group, including Barclaycard, UK Banking, Barclays Capital and Barclays Global Investors, to leverage synergies from product and service propositions.

**International Retail and Commercial Banking - Absa**

Absa Group Limited is one of South Africa's largest financial services organisations serving personal, commercial and corporate customers predominantly in South Africa. Absa serves retail customers through a variety of distribution channels and offers a full range of banking services, including basic bank accounts, mortgages, instalment finance, credit cards, bancassurance products and wealth management services; for commercial and large corporate customers Absa offers customised business solutions. As at 31st December 2005, Barclays owned 56.6% of Absa Group Limited's ordinary shares and has voting control.

**BARCLAYS PLC**

**FINANCIAL REVIEW**

**Head office functions and other operations**

Head office functions and other operations comprise:

Head office and central support functions

discontinued businesses in transition

consolidation adjustments

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

Discontinued businesses in transition principally relate to Middle Eastern corporate banking businesses and airline leasing activities. These businesses are centrally managed with the objective of maximising recovery from the assets.

Consolidation adjustments largely reflect the elimination of inter segment transactions.



**BARCLAYS PLC****SUMMARY OF RESULTS****Analysis of profit attributable to equity holders of the parent**

	<b>2005</b>	<b>2004</b>
	<b>£m</b>	<b>£m</b>
UK Banking	<b>2,455</b>	2,265
UK Retail Banking	<b>1,027</b>	963
UK Business Banking	<b>1,428</b>	1,302
Barclays Capital	<b>1,272</b>	1,020
Barclays Global Investors	<b>542</b>	336
Wealth Management	<b>172</b>	110
Wealth Management - closed life assurance activities	<b>(6)</b>	(52)
Barclaycard	<b>687</b>	843
International Retail and Commercial Banking	<b>690</b>	293
International Retail and Commercial Banking - ex Absa	<b>355</b>	293
International Retail and Commercial Banking - Absa	<b>335</b>	
Head office functions and other operations	<b>(532)</b>	(235)
<b>Profit before tax</b>	<b>5,280</b>	4,580
Tax	<b>(1,439)</b>	(1,279)
<b>Profit for the year</b>	<b>3,841</b>	3,301
Profit attributable to minority interests	<b>(394)</b>	(47)
<b>Profit attributable to equity holders of the parent</b>	<b>3,447</b>	3,254

**BARCLAYS PLC****TOTAL ASSETS AND WEIGHTED RISK ASSETS****Total assets**

	2005	As at 01.01.05	2004
	£m	£m	£m
UK Banking	141,190	131,392	122,380
UK Retail Banking	69,193	71,850	71,647
UK Business Banking	71,997	59,542	50,733
Barclays Capital	581,865	454,437	346,901
Barclays Global Investors	80,900	61,371	968
Wealth Management	6,094	5,659	5,616
Wealth Management - closed life assurance activities	7,276	6,551	6,425
Barclaycard	25,771	23,186	23,367
International Retail and Commercial Banking	73,589	28,780	28,505
International Retail and Commercial Banking - ex Absa	34,195	28,780	28,505
International Retail and Commercial Banking - Absa	39,394		
Head office functions and other operations	7,672	4,224	4,019
<b>Total assets</b>	<b>924,357</b>	<b>715,600</b>	<b>538,181</b>

**Weighted risk assets**

	2005	As at 01.01.05	2004
	£m	£m	£m
UK Banking	94,195	92,590	91,913
UK Retail Banking	32,298	37,835	37,111
UK Business Banking	61,897	54,755	54,802
Barclays Capital	96,095	79,511	79,949
Barclays Global Investors	1,659	1,233	1,230
Wealth Management	4,467	4,187	4,018
Wealth Management - closed life assurance activities			
Barclaycard	20,438	21,595	20,188
International Retail and Commercial Banking	50,071	18,701	19,319
International Retail and Commercial Banking - ex Absa	21,637	18,701	19,319
International Retail and Commercial Banking - Absa	28,434		
Head office functions and other operations	2,223	1,941	1,984
<b>Weighted risk assets</b>	<b>269,148</b>	<b>219,758</b>	<b>218,601</b>

Further analysis of total assets and weighted risk assets, including the impact of securitisations, can be found on page 49.

**BARCLAYS PLC****UK Banking**

	2005 £m	2004 £m	
Net interest income	3,990	3,477	
Net fee and commission income	1,776	1,936	
Net trading income			
Net investment income	31	5	
Principal transactions	31	5	
Net premiums from insurance contracts	280	249	
Other income	26	37	
<b>Total income</b>	<b>6,103</b>	<b>5,704</b>	
Net claims and benefits on insurance contracts	(58)	(46)	
<b>Total income net of insurance claims</b>	<b>6,045</b>	<b>5,658</b>	
Impairment charge and other credit provisions	(344)	(199)	
<b>Net income</b>	<b>5,701</b>	<b>5,459</b>	
Operating expenses excluding amortisation of intangible assets	(3,240)	(3,239)	
Amortisation of intangible assets	(3)	(2)	
Operating expenses	(3,243)	(3,241)	
Share of post-tax results of associates and joint ventures	(3)	5	
Profit on disposal of associates and joint ventures		42	
<b>Profit before tax</b>	<b>2,455</b>	<b>2,265</b>	
Cost:income ratio	54%	57%	
Cost:net income ratio	57%	59%	
Risk Tendency	£ 450m	£ 375m	
	2005	As at 01.01.05	2004
Loans and advances to customers	£ 129.1bn	£ 119.6bn	£ 114.1bn
Customer accounts	£ 133.6bn	£ 124.6bn	£ 114.8bn
Total assets	£ 141.2bn	£ 131.4bn	£ 122.4bn
Weighted risk assets	£ 94.2bn	£ 92.6bn	£ 91.9bn
<b>Key Facts</b>	2005	2004	
Number of UK branches	2,029	2,061	

**BARCLAYS PLC**

UK Banking profit before tax increased 8% (£190m) to £2,455m (2004: £2,265m) driven by good income growth and strong cost management.

UK Banking has targeted a cost:income ratio reduction of two percentage points per annum in 2005, 2006 and 2007. This has been exceeded in 2005 as the cost:income ratio improved by three percentage points to 54% (2004: 57%). UK Banking has continued to make good progress towards achieving its strategic aims of delivering integrated banking solutions to customers, enhancing the customer service experience, capturing revenue growth opportunities and improving productivity.

**BARCLAYS PLC****UK Retail Banking**

	2005 £m	2004 £m
Net interest income	2,174	2,059
Net fee and commission income	1,112	1,123
Net trading income		
Net investment income	9	1
Principal transactions	9	1
Net premiums from insurance contracts	280	249
Other income	17	26
<b>Total income</b>	<b>3,592</b>	<b>3,458</b>
Net claims and benefits on insurance contracts	(58)	(46)
<b>Total income net of insurance claims</b>	<b>3,534</b>	<b>3,412</b>
Impairment charge and other credit provisions	(142)	(60)
<b>Net income</b>	<b>3,392</b>	<b>3,352</b>
Operating expenses	(2,359)	(2,433)
Share of post-tax results of associates and joint ventures	(6)	2
Profit on disposal of associates and joint ventures		42
<b>Profit before tax</b>	<b>1,027</b>	<b>963</b>
Cost:income ratio	67%	71%
Cost:net income ratio	70%	73%
Risk Tendency	£ 170m	£ 150m

	2005	As at 01.01.05		2004
Loans and advances to customers	£ 63.6bn	£	66.0bn	£ 65.6bn
Customer accounts	£ 77.6bn	£	73.1bn	£ 72.4bn
Total assets	£ 69.2bn	£	71.9bn	£ 71.7bn
Weighted risk assets	£ 32.3bn	£	37.8bn	£ 37.1bn

**Key Facts****Personal Customers**

	2005	2004
Number of UK current accounts	11.1m	10.7m
Number of UK savings accounts	10.8m	10.6m
Total UK mortgage balances (residential)	£ 59.6bn	£ 61.7bn

**Small Business and UK Premier**

	2005	2004
Number of Small Business customers	592,000	566,000
Number of UK Premier customers	286,000	273,000

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**BARCLAYS PLC**

UK Retail Banking profit before tax increased 7% (£64m) to £1,027m (2004: £963m). Profit before tax increased 12% excluding the impact of a £42m profit on disposal of a stake in Edotech in 2004.

Total income net of insurance claims increased 4% (£122m) to £3,534m (2004: £3,412m). The full-year growth compares favourably with 1% growth reported for the first half of 2005. There was good growth in current accounts, Small Business and UK Premier, whilst income from retail savings was weaker. The application of IAS 32 and IAS 39 from 1st January 2005, in particular Effective Interest Rate requirements, resulted in the reclassification of certain lending related fees from net fee and commission income to net interest income.

Net interest income increased 6% (£115m) to £2,174m (2004: £2,059m). Growth was driven by higher contributions from Mortgages and Small Business, partly offset by some margin pressure on savings and deposits. Excluding the impact of the application of IAS 32 and IAS 39 from 1st January 2005, net interest income increased 3%.

UK residential mortgage balances ended the period at £59.6bn (2004: £61.7bn). The mortgage business continued to focus on higher margin new business which resulted in an improved new business spread. Gross advances were £11.5bn which represented a market share of 4%. The loan to value ratio within the mortgage book on a current valuation basis averaged 35% (2004: 35%). There was strong balance growth in non-mortgage loans, as Small Business average loan balances increased 14% and within Personal Customers, average overdraft balances increased 8%.

Total average customer deposit balances increased 6% to £72.4bn (2004: £68.5bn). There was strong growth in UK Premier average balances of 11%, and good growth in Small Business average deposits of 5%. Within Personal Customers, retail savings average balances increased 5% and current account average balances increased 3%.

Net fee and commission income decreased 1% (£11m) to £1,112m (2004: £1,123m) with lending related fees impacted by the application of IAS 32 and IAS 39 from 1st January 2005. Excluding this impact, net fee and commission income growth was 5%. There was strong growth in current account fees, including a higher contribution from value-added Additions accounts. UK Premier delivered strong growth reflecting higher income from investment advice. There was also good growth from Small Business, including higher income from money transmission.

Income from principal transactions was £9m (2004: £1m) representing the gain on the sale of the investment in Gresham, an insurance underwriting business, ahead of the launch in 2005 of the new general insurance offering.

Net premiums from insurance underwriting activities increased 12% (£31m) to £280m (2004: £249m). In 2004 there was a provision relating to the early termination of contracts. Adjusting for this, income was slightly lower as a result of reduced insurance take-up on consumer loans.

Impairment charges increased 137% (£82m) to £142m (2004: £60m). Excluding UK mortgage releases (£40m in 2004 and £10m in 2005) impairment charges increased 52% (£52m) to £152m (2004: £100m). The increase principally reflected some deterioration in the delinquency experience and balance growth in overdrafts and small business lending. Losses from the mortgage portfolio remained negligible, with arrears increasing slightly over the year but remaining at low levels.

Operating expenses decreased 3% (£74m) to £2,359m (2004: £2,433m). The successful execution of initiatives focused on reducing back and middle office expenditure continued. Regulatory costs reduced in 2005. Despite continued investment in the business, the cost:income ratio improved four percentage points to 67% (2004: 71%).

**BARCLAYS PLC****UK Business Banking**

	2005	2004	
		£m	
Net interest income	1,816	1,418	
Net fee and commission income	664	813	
Net trading income			
Net investment income	22	4	
Principal transactions	22	4	
Other income	9	11	
<b>Total income</b>	<b>2,511</b>	<b>2,246</b>	
Impairment charge and other credit provisions	(202)	(139)	
<b>Net income</b>	<b>2,309</b>	<b>2,107</b>	
Operating expenses excluding amortisation of intangible assets	(881)	(806)	
Amortisation of intangible assets	(3)	(2)	
Operating expenses	(884)	(808)	
Share of post-tax results of associates and joint ventures	3	3	
<b>Profit before tax</b>	<b>1,428</b>	<b>1,302</b>	
Cost:income ratio	35%	36%	
Cost:net income ratio	38%	38%	
Risk Tendency	£ 280m	£ 225m	
	2005	As at 01.01.05	2004
Loans and advances to customers	£ 65.5bn	£ 53.6bn	£ 48.5bn
Customer accounts	£ 56.0bn	£ 51.5bn	£ 42.4bn
Total assets	£ 72.0bn	£ 59.5bn	£ 50.7bn
Weighted risk assets	£ 61.9bn	£ 54.8bn	£ 54.8bn
<b>Key Facts</b>	<b>2005</b>	<b>2004</b>	
Total number of Business Banking customers	<b>183,000</b>	<b>179,000</b>	
Customers registered for online banking/Business Master	<b>70,100</b>	<b>66,900</b>	

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**BARCLAYS PLC**

UK Business Banking profit before tax increased 10% (£126m) to £1,428m (2004: £1,302m), driven by strong income growth. Both Larger Business and Medium Business performed well in highly competitive markets and maintained their respective shares of primary banking relationships. In June 2005, UK Business Banking completed the acquisition of a 51% stake in Iveco Finance.

Total income increased 12% (£265m) to £2,511m (2004: £2,246m), driven by strong balance sheet growth. The application of IAS 32 and IAS 39 from 1st January 2005, in particular Effective Interest Rate requirements, resulted in the reclassification of certain lending related fees from net fee and commission income to net interest income.

Net interest income increased 28% (£398m) to £1,816m (2004: £1,418m). Excluding the impact of the application of IAS 32 and IAS 39 from 1st January 2005, net interest income increased by 13%.

Balance sheet growth was very strong. The application of IAS 32 and IAS 39 from 1st January 2005 has resulted in the grossing up of previously netted positions (assets and liabilities subject to master netting agreements). As at 31st December 2005 these balances were £8.9bn. Average lending balances (excluding previously netted balances) increased 23% to £54.9bn (2004: £44.6bn), with good contributions from all business areas and in particular large corporates. Iveco Finance contributed £1.1bn of average lending balances. Average deposit balances (excluding previously netted balances) increased 11% to £46.1bn (2004: £41.5bn) with strong growth from large corporate deposits. The underlying lending margin (adjusting for the income reclassification) was broadly stable.

Net fee and commission income decreased 18% (£149m) to £664m (2004: £813m). Excluding the impact of IAS 32 and IAS 39, net fee and commission income increased 8%, as a result of higher lending and transaction fees.

Income from principal transactions was £22m (2004: £4m). The majority of the increase represented gains on equity investments.

Impairment charges increased £63m to £202m (2004: £139m). Excluding the impact of a £57m recovery in the second half of 2004, the impairment charge was broadly stable. Corporate credit conditions remained steady during 2005 with potential credit risk loans unchanged, despite very strong loan growth.

Operating expenses increased 9% (£76m) to £884m (2004: £808m), reflecting volume growth, increased expenditure on front line staff and the costs of Iveco Finance since acquisition. The cost:income ratio improved one percentage point to 35% (2004: 36%).



**BARCLAYS PLC****Barclays Capital**

	2005 £m	2004 £m
Net interest income	926	991
Net fee and commission income	724	603
Net trading income	2,194	1,463
Net investment income	401	297
Principal transactions	2,595	1,760
Other income	25	21
<b>Total income</b>	<b>4,270</b>	<b>3,375</b>
Impairment charge and other credit provisions	(103)	(102)
<b>Net income</b>	<b>4,167</b>	<b>3,273</b>
Operating expenses excluding amortisation of intangible assets	(2,894)	(2,253)
Amortisation of intangible assets	(1)	
Operating expenses	(2,895)	(2,253)
<b>Profit before tax</b>	<b>1,272</b>	<b>1,020</b>
Cost:income ratio	68%	67%
Cost:net income ratio	69%	69%
Risk Tendency	£ 85m	£ 70m
Average net income per member of staff ( 000)	£ 496	£ 481

	2005	As at 01.01.05	2004
Total assets	£ 581.9bn	£ 454.4bn	£ 346.9bn
Weighted risk assets	£ 96.1bn	£ 79.5bn	£ 79.9bn

Key Facts <sup>1</sup>	2005		2004	
	League table position	Issuance value	League table position	Issuance value
Global all debt	4th	\$ 329.2bn	4th	\$ 284.0bn
European all debt	2nd	\$ 221.6bn	1st	\$ 174.2bn
All international bonds (all currencies)	2nd	\$ 183.6bn	3rd	\$ 148.7bn
All international bonds (Euros)	4th	70.1bn	6th	59.0bn
Sterling bonds	1st	£ 23.0bn	1st	£ 18.5bn
US investment grade bonds	5th	\$ 9.9bn	10th	\$ 4.8bn

<sup>1</sup> League tables compiled by Barclays Capital from external sources including Dealogic and Thomson Financial.

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**BARCLAYS PLC**

Barclays Capital delivered record profit before tax and net income. Profit before tax increased 25% (£252m) to £1,272m (2004: £1,020m) as a result of the very strong income performance driven by higher business volumes and client activity levels. Net income increased 27% (£894m) to £4,167m (2004: £3,273m).

Total income increased 27% (£895m) to £4,270m (2004: £3,375m) as a result of strong growth across Rates and Credit Businesses. Income by asset category was broadly based with particularly strong growth delivered by credit products, commodities, currency products and equity products. Income by geography was well spread with significant growth in the US. Areas of investment in 2004, such as commodities, commercial mortgage backed securities and equity derivatives, performed well, delivering significant income growth. Market risk was well controlled with average DVaR falling 6% to £32m (2004: £34m) as a result of increased diversification across asset classes.

Secondary income, comprising principal transactions (net trading income and net investment income) and net interest income, is mainly generated from providing financing and client risk management solutions. This increased 28% (£770m) to £3,521m (2004: £2,751m).

Net trading income increased 50% (£731m) to £2,194m (2004: £1,463m) with very strong contributions across the Rates and Credit Businesses; commodities, foreign exchange, fixed income and credit derivatives performed particularly well. These results were driven by the continued return on prior year investments and higher volumes of client led activity across a broad range of products and geographical regions. Net investment income increased 35% (£104m) to £401m (2004: £297m) driven by realisations from credit products. Net interest income decreased 7% (£65m) to £926m (2004: £991m) reflecting flattening yield curves and the impact of IAS 32 and IAS 39.

Primary income, comprising net fee and commission income from advisory and origination activities, grew 20% (£121m) to £724m (2004: £603m). This reflected higher volumes and continued market share gains in a number of key markets, with strong performances from both bonds and loans.

Other income of £25m (2004: £21m) primarily reflected income from operating leases.

Impairment charges of £103m (2004: £102m) were in line with the prior year reflecting the stable wholesale credit environment.

Operating expenses increased 28% (£642m) to £2,895m (2004: £2,253m), reflecting higher business volumes and the ongoing costs associated with staff hired during 2004 and 2005 as part of the business expansion plan. Performance related costs increased due to the strong profit performance. Investment expenditure, primarily in the front office, continued to be significant although less than 2004 as headcount growth slowed. The cost:net income ratio remained stable at 69% (2004: 69%). Total staff costs to net income of 56% was in line with 2004 levels. Approximately half of operating expenses comprised performance related pay, discretionary investment spend and short-term contractor resource, consistent with 2004.

Total headcount increased by 1,200 during 2005 to 9,000 (2004: 7,800). Growth occurred across all regions with over half of the increase in the front office, spread across product, client coverage and distribution.

**BARCLAYS PLC****Barclays Global Investors**

	2005 £m	2004 £m
Net interest income	17	5
Net fee and commission income	1,297	882
Net trading income	2	3
Net investment income	4	3
Principal transactions	6	6
Other income		
<b>Total income</b>	<b>1,320</b>	893
Operating expenses excluding amortisation of intangible assets	(775)	(555)
Amortisation of intangible assets	(4)	(1)
Operating expenses	(779)	(556)
Share of post-tax results of associates and joint ventures	1	(2)
Profit on disposal of associates and joint ventures		1
<b>Profit before tax</b>	<b>542</b>	336

Cost:income ratio