

BARCLAYS PLC
Form 6-K
July 29, 2015

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

July 29, 2015

Barclays PLC and
Barclays Bank PLC
(Names of Registrants)

1 Churchill Place

London E14 5HP
England

(Address of Principal Executive Offices)

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

Form 20-F Form 40-F

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

Yes No

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

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

This Report comprises:

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

EXHIBIT INDEX

Half Yearly Report - 29/07/2015

SIGNATURES

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

BARCLAYS PLC
(Registrant)

Date: July 29, 2015

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Deputy Secretary

BARCLAYS BANK PLC
(Registrant)

Date: July 29, 2015

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Joint Secretary

Barclays PLC
Results Announcement

30 June 2015

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

Notes

The term Barclays or Group refers to Barclays PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the six months to 30 June 2015 to the corresponding six months of 2014 and balance sheet analysis as at 30 June with comparatives relating to 31 December 2014. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '\$m' and '\$bn' represent millions and thousands of millions of US Dollars respectively; and '€m' and '€bn' represent millions and thousands of millions of Euros respectively.

Comparatives pre Q214 have been restated to reflect the implementation of the Group structure changes and the reallocation of elements of the Head Office results under the revised business structure. These restatements were detailed in our announcement on 10 July 2014, accessible at <http://www.barclays.com/barclays-investor-relations/results-and-reports>.

References throughout this document to 'provisions for ongoing investigations and litigation primarily relating to Foreign Exchange' means 'provisions held for certain aspects of ongoing investigations involving certain authorities and litigation primarily relating to Foreign Exchange.'

Adjusted profit before tax, adjusted attributable profit and adjusted performance metrics have been presented to provide a more consistent basis for comparing business performance between periods. Adjusting items are considered to be significant but not representative of the underlying business performance. Items excluded from the adjusted

measures are: the impact of own credit; goodwill impairment; provisions for UK customer redress; gain on US Lehman acquisition assets; provisions for ongoing investigations and litigation primarily relating to Foreign Exchange; loss on sale of the Spanish business; Education, Social Housing, and Local Authority (ESHLA) valuation revision; and gain on valuation of a component of the defined retirement benefit liability. As management reviews adjusting items at a Group level, results by business are presented excluding these items. The reconciliation of adjusted to statutory performance is done at a Group level only.

Relevant terms that are used in this document but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the Results glossary that can be accessed at www.Barclays.com/results.

The information in this announcement, which was approved by the Board of Directors on 28 July 2015 does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2014, which included certain information required for the Joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC to the US Securities and Exchange Commission (SEC) and which contained an unqualified audit report under Section 495 of the Companies Act 2006 (which did not make any statements under Section 498 of the Companies Act 2006) have been delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

These results will be furnished as a Form 6-K to the SEC as soon as practicable following their publication. Once furnished with the SEC, copies of the Form 6-K will also be available from the Barclays Investor Relations website www.barclays.com/investorrelations and from the SEC's website at <http://www.sec.gov>.

Barclays is a frequent issuer in the debt capital markets and regularly meets with investors via formal road-shows and other ad hoc meetings. Consistent with its usual practice, Barclays expects that from time to time over the coming quarter it will meet with investors globally to discuss these results and other matters relating to the Group.

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 the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures 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', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, assets, impairment charges and provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the strategic cost programme and the Group Strategy Update, run-down of assets and businesses within Barclays Non-Core, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers 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. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards, evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business conditions; the effects of continued

volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entities within the Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; the implementation of the strategic cost programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our Annual Report on Form 20-F for the fiscal year ended 31 December 2014), which are available on the SEC's website at <http://www.sec.gov>.

Subject to our obligations under the applicable laws and regulations of the United Kingdom and the United States in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward looking statements, whether as a result of new information, future events or otherwise.

Performance Highlights

Continued progress on our strategy:

- 11% growth in Group adjusted profit before tax to £3,729m reflecting improvements in all Core operating businesses. Group adjusted return on average shareholders' equity increased to 7.7% (H114: 6.5%)
- Solid return on average equity performance across the businesses resulted in an increase in Core return on average equity to 11.1% (H114: 11.0%), driven by a 10% increase in profit before tax to £4,241m through positive cost to income jaws, with an increase in average allocated equity of £6bn to £47bn
- Further run down of the Non-Core business, with risk weighted assets (RWAs) decreasing to £57bn (December 2014: £75bn). Non-Core dilution of the Group's return on average equity was 3.4% (2014: 4.5%), having reduced average allocated equity by £4bn to £10bn
- Strong progress on capital and leverage, with the fully loaded common equity tier 1 (CET1) ratio increasing to 11.1% (December 2014: 10.3%) and the leverage ratio increasing to 4.1% (December 2014: 3.7%), achieving our 2016 targets
- A 7% reduction in total adjusted operating expenses to £8,262m and a 5% reduction in operating expenses excluding costs to achieve to £7,946m, driven by savings from strategic cost programmes
- Progress on legacy litigation and conduct matters, with settlements of £1,608m reached with a number of authorities in Q215 in relation to industry-wide investigations into certain sales and trading practices in the Foreign Exchange market and an industry-wide investigation into the setting of the US Dollar ISDAFIX benchmark
- Net tangible asset value per share decreased to 279p (December 2014: 285p) as profit generated for the period was more than offset by dividend distributions and the impact of changes in major forward interest rates and currency movements on reserves
- Statutory profit before tax increased 25% to £3,114m, which included a net loss in adjusting items of £615m (H114: £848m)

Material adjusting items:

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- Additional provisions of £800m (H114: £nil) were made in H115 for ongoing investigations and litigation primarily relating to Foreign Exchange, taking the total provisions to £2,050m
- Additional UK customer redress provisions of £1,032m (H114: £900m) were taken based on an updated estimate of future redress and associated costs. This included an additional provision of £850m recognised in Q215
- A £496m (H114: £nil) gain on US Lehman acquisition assets was recognised in Q215 reflecting a settlement to resolve outstanding litigation with the Trustee of Lehman Brothers Inc.
- A £429m (H114: £nil) gain was recognised in Q115 as the valuation of a component of the defined retirement benefit liability was aligned to statutory provisions
- A £118m (H114: £nil) loss was recognised in Q115 primarily relating to accumulated currency translation reserves recycled upon the completion of the Spanish business sale

Barclays Group results for the six months ended	30.06.15	Adjusted 30.06.14	% Change	Statutory		% Change
	£m	£m		30.06.15	30.06.14	
Total income net of insurance claims	12,982	13,332	(3)	13,888	13,384	4
Credit impairment charges and other provisions	(973)	(1,086)	10	(973)	(1,086)	10
Net operating income	12,009	12,246	(2)	12,915	12,298	5
Operating expenses	(7,812)	(8,172)	4	(7,383)	(8,172)	10
Litigation and conduct	(134)	(211)	36	(1,966)	(1,111)	(77)
Operating expenses excluding costs to achieve	(7,946)	(8,383)	5	(9,349)	(9,283)	(1)
Costs to achieve	(316)	(494)	36	(316)	(494)	36
Total operating expenses	(8,262)	(8,877)	7	(9,665)	(9,777)	1
Other net expenses	(18)	(20)	10	(136)	(20)	
Profit before tax	3,729	3,349	11	3,114	2,501	25
Tax charge ¹	(1,077)	(1,109)	3	(1,006)	(895)	(12)
Profit after tax	2,652	2,240	18	2,108	1,606	31
Non-controlling interests	(338)	(390)	13	(338)	(390)	13
Other equity interests ²	(159)	(90)	(77)	(159)	(90)	(77)
Attributable profit	2,155	1,760	22	1,611	1,126	43
Performance measures						
Return on average tangible shareholders' equity ²	9.1%	7.5%		6.9%	4.9%	
Average tangible shareholders' equity (£bn)	48	47		48	47	
Return on average shareholders' equity ²	7.7%	6.5%		5.9%	4.2%	
Average shareholders' equity (£bn)	56	55		56	54	
Cost: income ratio	64%	67%		70%	73%	
Loan loss rate (bps)	40	45		40	45	
Basic earnings per share ²	13.1p	10.9p		9.9p	7.0p	

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Dividend per share	2.0p	2.0p	2.0p	2.0p
Balance sheet and leverage			30.06.15	31.12.14
Net tangible asset value per share			279p	285p
Net asset value per share			328p	335p
Leverage exposure			£1,139bn	£1,233bn
Capital management			30.06.15	31.12.14
CRD IV fully loaded				
Common equity tier 1 ratio			11.1%	10.3%
Common equity tier 1 capital			£42.0bn	£41.5bn
Tier 1 capital			£46.5bn	£46.0bn
Risk weighted assets			£377bn	£402bn
Leverage ratio			4.1%	3.7%
Funding and liquidity			30.06.15	31.12.14
Group liquidity pool			£145bn	£149bn
Estimated CRD IV liquidity coverage ratio			121%	124%
Loan: deposit ratio ³			88%	89%
Adjusted profit reconciliation for the six months ended			30.06.15	30.06.14
Adjusted profit before tax			3,729	3,349
Own credit			410	52
Gain on US Lehman acquisition assets			496	-
Gain on valuation of a component of the defined retirement benefit liability			429	-
Provisions for ongoing investigations and litigation primarily relating to Foreign Exchange			(800)	-
Provisions for UK customer redress			(1,032)	(900)
Loss on sale of the Spanish business			(118)	-
Statutory profit before tax			3,114	2,501

1 The effective tax rate for H115 is the expected full year rate adjusted for the impact of significant one-off items. The tax impacts of such items, which include adjusting items and the UK bank levy, are recognised in the period in which they occur.

2 The profit after tax attributable to other equity holders of £159m (H114: £90m) is offset by a tax credit recorded in reserves of £32m (H114: £19m). The net amount of £127m (H114: £71m), along with non-controlling interests (NCI) is deducted from profit after tax in order to calculate earnings per share, return on average tangible shareholders' equity and return on average shareholders' equity.

3 Loan: deposit ratio for PCB, Barclaycard, Africa Banking and Non-Core retail.

Barclays Core and Non-Core results for the six months ended	Barclays Core			Barclays Non-Core		
	30.06.15	30.06.14	%	30.06.15	30.06.14	%
	£m	£m		£m	£m	
			Change			Change

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Total income net of insurance claims	12,940	12,674	2	42	658	(94)
Credit impairment charges and other provisions	(936)	(937)	-	(37)	(149)	75
Net operating income	12,004	11,737	2	5	509	(99)
Operating expenses	(7,359)	(7,314)	(1)	(453)	(860)	47
Litigation and conduct	(89)	(177)	50	(45)	(33)	(36)
Costs to achieve	(293)	(453)	35	(23)	(41)	44
Total operating expenses	(7,741)	(7,944)	3	(521)	(934)	44
Other net (expenses)/income	(22)	47		4	(66)	
Profit/(loss) before tax	4,241	3,840	10	(512)	(491)	(4)
Tax (charge)/credit	(1,250)	(1,233)	(1)	173	124	40
Profit/(loss) after tax	2,991	2,607	15	(339)	(367)	8
Non-controlling interests	(306)	(315)	3	(32)	(75)	57
Other equity interests	(128)	(68)	(88)	(31)	(22)	(41)
Attributable profit/(loss)	2,557	2,224	15	(402)	(464)	13

Performance measures

Return on average tangible equity1	13.4%	13.5%		(4.3%)	(6.0%)
Average allocated tangible equity (£bn)	39	33		10	14
Return on average equity1	11.1%	11.0%		(3.4%)	(4.5%)
Average allocated equity (£bn)	47	41		10	14
Period end allocated equity (£bn)	47	42		8	13
Cost: income ratio	60%	63%		n/m	n/m
Loan loss rate (bps)	44	46		10	45
Basic earnings per share contribution	15.5p	13.8p		(2.4p)	(2.9p)

Capital management	30.06.15	31.12.14		30.06.15	31.12.14
Risk weighted assets	£320bn	£327bn		£57bn	£75bn
Leverage exposure	£973bn	£956bn		£166bn	£277bn

	30.06.15	30.06.14	
Income by business	£m	£m	% Change
Personal and Corporate Banking	4,384	4,361	1
Barclaycard	2,357	2,124	11
Africa Banking	1,858	1,773	5
Investment Bank	4,299	4,257	1
Head Office	42	159	(74)
Barclays Core	12,940	12,674	2
Barclays Non-Core	42	658	(94)
Barclays Group adjusted total income	12,982	13,332	(3)

	30.06.15	30.06.14	
Profit/(loss) before tax by business	£m	£m	% Change

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Personal and Corporate Banking	1,528	1,468	4
Barclaycard	795	764	4
Africa Banking	540	484	12
Investment Bank	1,440	1,058	36
Head Office	(62)	66	
Barclays Core	4,241	3,840	10
Barclays Non-Core	(512)	(491)	(4)
Barclays Group adjusted profit before tax	3,729	3,349	11

1 Return on average equity and average tangible equity for Barclays Non-Core represents its impact on the Group, being the difference between Barclays Group returns and Barclays Core returns. This does not represent the return on average equity and average tangible equity of the Non-Core business.

Executive Chairman's Review

"The results reported today represent continued good progress for the business.

Group profits are up on both an adjusted and statutory basis, and our core franchises have performed well. Non-Core rundown continues, costs remain under control, and we continue to seek to put conduct issues behind us. We announced settlements with certain authorities in the first half in respect of Foreign Exchange and ISDAFIX, although there is more to resolve. I am pleased that our CET1 and leverage ratios are now above 11% and 4% respectively. These are satisfactory, although we will continue to build capital in the medium-term, balancing the need to fund growth with the need to strengthen the ratios.

Barclays today has a good portfolio of businesses. However, we need to accelerate the execution of the strategy. There is more that can be done to deliver better returns for shareholders, faster, and that work has begun under three Group priorities which I have established since becoming Executive Chairman earlier this month.

Our first priority is to deliver on our strategy, with increased focus on our core franchises: what we are good at, where we are good at it and what is financially compelling to us.

That means aligning our effort and investment behind our key franchises of UK personal and commercial banking, investment banking in Europe and the US, our cards business, and on Africa. We will also act quickly to curtail activity which is marginal or which will not deliver the return on equity we require.

A sensibly planned faster run-down of Barclays Non-Core will be implemented, resulting in it having around £20bn of RWAs in 2017 when we expect to reintegrate it into the Core.

I am personally pleased with recent progress in the Investment Bank. It has generated a double-digit return in H1, and the challenge for the team is to convert this performance into sustainable economic returns through subsequent periods.

The second major priority of the group is to accelerate the delivery of shareholder value.

It was particularly pleasing this half to see strong recovery in earnings, broadly flat costs on a statutory basis, a CET1 ratio that has risen above 11% for the first time and a leverage ratio above 4%, both achieving our 2016 targets.

However, the Group return on equity is 5.9% on a statutory basis, well short of our cost of equity, and our cost-income ratio is 70%, which is high for our business mix.

We need to accelerate growth in earnings, return on equity, and capital generation. To do this, we intend to grow revenues at least in line with the market, reduce our Group cost-income ratio into the mid 50s, accrete and deploy capital wisely, and thereby over time achieve a Group return on equity above our cost of equity.

The Board has concluded that it is appropriate to plan for a 6.5p dividend for 2015, the same level as 2014, as we focus on improving the returns of the business and accelerating the implementation of the strategy, while maintaining capital strength. Over time, rather than targeting a particular payout ratio range, we will aim to maintain a sustainable and progressive dividend policy, recognising the importance of dividend yield in delivering returns to shareholders.

I am not issuing new targets for the Group, but can confirm that we will adhere to our remaining targets. Now that we have achieved an 11% CET1 ratio, we would like this to continue to improve over time so that we reach our end state.

The third priority is to instil a high performance ethic and process across the Group, underpinned by an enhanced values driven culture. We need to be much more customer and client orientated in our approach, to streamline and eliminate unnecessary and cumbersome bureaucracy, and to embed direct accountability for activities within our businesses. Crucially we must do this in a way which is consistent with our values, and with strong controls in place, so that we build this business in the right way.

There is a lot we can do to accelerate our progress and the work has already begun."

John McFarlane, Executive Chairman

Group Finance Director's Review

Income statement

Group performance

- Adjusted profit before tax increased 11% to £3,729m reflecting improvements in all Core operating businesses
- Adjusted income decreased 3% to £12,982m as Non-Core income reduced £616m to £42m. This was partially offset by Core income increasing 2% to £12,940m
- Impairment reduced 10% to £973m, with the Group loan loss rate improving 5bps to 40bps
- Adjusted total operating expenses were down 7% to £8,262m as a result of savings from strategic cost programmes, particularly in Non-Core and the Investment Bank. Costs to achieve were £316m (H114: £494m) and litigation and conduct charges were £134m (H114: £211m)
- Statutory profit before tax was £3,114m (H114: £2,501m) which also included an additional £1,032m (H114: £900m) of provisions for UK customer redress, a £496m gain (H114: £nil) on US Lehman acquisition assets, £800m (H114: £nil) of additional provisions for ongoing investigations and litigation primarily relating to Foreign Exchange, a £429m (H114: £nil) gain on the valuation of a component of the defined retirement benefit liability, a £118m (H114: £nil) loss on the sale of the Spanish business and an own credit gain of £410m (H114: £52m)

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- The effective tax rate on adjusted profit before tax decreased to 28.9% (H114: 33.1%) and on statutory profit before tax decreased to 32.3% (H114: 35.8%). The reduction reflects the expected full year rate adjusted for the impact of significant one-off items, including adjusting items and the UK bank levy, which is recognised in the period in which they occur
- Adjusted attributable profit was £2,155m (H114: £1,760m) resulting in an adjusted return on average shareholders' equity of 7.7% (H114: 6.5%)

Core performance

- Profit before tax increased 10% to £4,241m with improvements of 36% to £1,440m in the Investment Bank, 12% to £540m in Africa Banking, 4% to £1,528m in Personal and Corporate Banking (PCB) and 4% to £795m in Barclaycard
- Income increased 2% to £12,940m
 - Barclaycard income increased 11% to £2,357m reflecting growth in US cards and Business Solutions
 - Africa Banking income increased 5% to £1,858m reflecting strong growth in Retail and Business Banking (RBB) due to the continued progress on the retail banking turnaround in South Africa
 - PCB income increased 1% to £4,384m due to good growth in Corporate, partially offset by a reduction in Personal income due to mortgage margin pressure
 - Net interest income in PCB, Barclaycard and Africa Banking increased 7% to £5,975m driven by lending and deposit growth and margin improvement in PCB, and volume growth in Barclaycard and Africa Banking. Net interest margin increased 11bps to 4.17%
 - Investment Bank income increased 1% to £4,299m reflecting an improvement in Macro income due to higher income in rates and currency products, and an increase in Equities income, partially offset by lower Banking and Credit income
- Credit impairment charges were in line at £936m (H114: £937m). This reflected lower impairments in PCB due to the improving UK economic environment resulting in lower default rates and charges in Corporate, offset by an increase of 5% in Barclaycard which was accompanied by loans and advances growth of 11% from June 2014. The loan loss rate reduced 2bps to 44bps
- Total operating expenses decreased 3% to £7,741m, reflecting savings from strategic cost programmes, principally in the Investment Bank and lower costs to achieve of £293m (2014: £453m). Barclaycard total operating expenses increased 19% to £1,017m primarily due to continued investment in business growth and the impact of one-off items, including certain marketing costs and the non-recurrence of a H114 VAT refund
- Attributable profit increased 15% to £2,557m, while average allocated equity increased £6bn to £47bn as capital was redeployed from Non-Core, resulting in an increase in Core return on average equity to 11.1% (H114: 11.0%)

Non-Core performance

- Loss before tax increased to £512m (H114: £491m) reflecting:
 - A reduction in income of £616m to £42m following assets and securities run-down, business disposals including the impact of the sale of the Spanish business, and fair value losses on the Education, Social Housing, and

Local Authority (ESHLA) portfolio of £175m (H114: £29m)

- An improvement in impairment to £37m (H114: £149m) primarily reflecting the sale of the Spanish business and higher recoveries in Europe
- A 44% reduction in total operating expenses to £521m due to savings from strategic cost programmes, the sale of the Spanish business and reduced costs to achieve
- Non-Core return on average equity dilution was 3.4% (H114: 4.5%) reflecting a reduction in average allocated equity to £10bn (H114: £14bn). Period end allocated equity reduced to £8bn (December 2014: £11bn)

Balance sheet and capital

Balance sheet

- Total assets decreased 12% to £1,197bn compared to 31 December 2014, primarily due to reductions in derivatives and reverse repurchase agreements
- Total loans and advances increased £5bn to £475bn as a net £8bn increase in settlement and cash collateral balances was partially offset by a £3bn decrease due to the run-down of European retail assets within Non-Core
- Customer accounts increased £11bn to £438bn primarily due to a £12bn increase within the Investment Bank as a result of higher settlement balances, partially offset by a £2bn decrease in Non-Core due to the run-down of the business
- Total shareholders' equity including non-controlling interests was £65.6bn (December 2014: £66.0bn). Excluding non-controlling interests, shareholders' equity was £59.3bn (December 2014: £59.6bn) reflecting a reduction in other reserves of £1.4bn including a £0.6bn decrease in the cash flow hedging reserve, due to the impact of forward interest rate movements, and a £0.5bn decrease in the currency translation reserve as GBP strengthened against ZAR, EUR and USD. This was partially offset by a £0.7bn increase in share capital and share premium, due to the issuance of shares under employee share schemes and scrip dividends, and an increase of £0.4bn in retained earnings due to generated profit of £1.8bn offset by £0.7bn of dividends paid and £0.7bn of shares vesting in relation to employee share schemes
- Net asset value and net tangible asset value per share decreased to 328p (December 2014: 335p) and 279p (December 2014: 285p) respectively as profit generated for the period was more than offset by the overall decrease in shareholders' equity as detailed above

Leverage exposure

- Leverage exposure decreased £94bn to £1,139bn driven by:
 - Securities Financing Transactions decreased by £40bn, primarily due to IFRS reverse repurchase agreements reducing £39bn to £93bn. This was driven by reductions in matched book trading as the balance sheet was deleveraged
 - The Potential Future Exposure (PFE) on derivatives decreased £19bn to £160bn, mainly as a result of continued legacy portfolio run down and optimisation including trade compressions and tear-ups
 - Derivative leverage exposure, excluding PFE, decreased £26bn partly due to a decrease in IFRS assets of £99bn to £341bn, offset by a decrease in derivative netting of £87bn to £308bn. These decreases were primarily due

to increases in major forward rate curves and continued legacy portfolio run down

Capital ratios

- The fully loaded CRD IV CET1 ratio increased to 11.1% (December 2014: 10.3%) due to a £25bn reduction in RWAs to £377bn and an increase in the fully loaded CRD IV CET1 capital of £0.5bn to £42.0bn
- The increase in CET1 capital was driven by £1.8bn profits after absorbing adjusting items. After further adjusting for the impacts of own credit and regulatory dividends paid and foreseen, capital generated from earnings increased CET1 capital by £0.3bn
- The reduction in RWAs was primarily driven by the reduction in Non-Core of £19bn to £57bn including the sale of the Spanish business, run-down of legacy structured and credit products, and a £7bn reduction in the Investment Bank driven by risk reduction in the trading book
- The leverage ratio increased to 4.1% (December 2014: 3.7%) driven by a decrease in the leverage exposure to £1,139bn (December 2014: £1,233bn)

Funding and liquidity

- The Group continued to maintain surpluses to its internal and regulatory requirements in H115 with a liquidity pool of £145bn (December 2014: £149bn). The Liquidity Coverage Ratio (LCR) decreased to 121% (December 2014: 124%), equivalent to a surplus of £26bn (December 2014: £30bn). The surpluses were built to position the Group for outflows associated with credit rating changes as a result of credit rating agencies' assessment of sovereign support. Whilst the ratings changes occurred during Q215, the expected funding impacts had not fully materialised by the end of H115
- Wholesale funding outstanding excluding repurchase agreements was £157bn (December 2014: £171bn). The Group issued £6bn of term funding net of early redemptions during H115, of which £3bn was in senior unsecured debt issued by the holding company, Barclays PLC. These proceeds have been used to subscribe for senior unsecured debt at Barclays Bank PLC, the operating company. This demonstrates further progress on the transition towards a holding company capital and funding model

Other matters

- Provisions of £484m (December 2014: £1,690m) are held for Legal, Competition and Regulatory matters
- Additional provisions of £800m (H114: £nil) were made for ongoing investigations and litigation primarily relating to Foreign Exchange, taking the total provisions recognised to £2,050m. Settlements of £1,608m were reached in Q215 with a number of authorities in relation to industry-wide investigations into certain sales and trading practices in the Foreign Exchange market and an industry-wide investigation into the setting of the US Dollar ISDAFIX benchmark
- Additional UK customer redress provisions of £1,032m (H114: £900m) were recognised including £850m in Q215. This includes additional charges for PPI redress based on an updated estimate of future redress costs of £750m (H114: £900m), £600m of which was recognised in Q215. As at June 2015 the PPI redress provision held was £1,268m (December 2014: £1,059m)
- A £496m (H114: £nil) gain on US Lehman acquisition assets was recognised in Q215. Barclays has reached a settlement with the Securities Investor Protection Act Trustee for Lehman Brothers Inc. (LBI) to resolve outstanding

litigation between the parties relating to the acquisition of most of the assets of LBI in September 2008

- A £429m (H114: £nil) gain was recognised in Q115 as the valuation of a component of the defined retirement benefit liability was revised to use the long term Consumer Price Index rather than the Retail Price Index, consistent with statutory provisions
- A £118m (H114: £nil) loss was recognised in Q115 primarily relating to accumulated currency translation reserves recycled upon the completion of the Spanish business sale

Dividends

- The Board recognises the importance of paying returns to shareholders by way of dividends and expects to deliver, over time, a dividend that is sustainable and progressive rather than targeting a particular payout ratio range
- For 2015, the Board has concluded that it is appropriate to plan for a 6.5p distribution, the same level as 2014, while we focus on improving the returns of the business and accelerating the implementation of the strategy whilst maintaining capital strength
- A second interim dividend of 1p will be paid on 14 September 2015

Barclays Non-Core Guidance

- We have made significant progress in running down Barclays Non-Core since it was established as a separate unit in 2014. Non-Core RWAs have been reduced from £110bn in December 2013 to £57bn, resulting in an equity allocation of £8.3bn as at June 2015, 15% of the Group total and down from £15.1bn as at December 2013
- We now have greater visibility as to the options available to us in order to reduce Non-Core's influence on the Group's financial results through lower capital requirements and operating losses. We therefore plan to reduce Non Core RWAs to around £20bn by the end of 2017, at which point we expect the Non-Core unit will be reintegrated into the Core business where it will continue to be managed down. This revised guidance replaces previous guidance of reducing Non-Core RWAs to £45bn at the end of 2016

Tushar Morzaria, Group Finance Director

Results by Business

Personal and Corporate Banking	Half year ended 30.06.15	Half year ended 30.06.14	YoY % Change
Income statement information	£m	£m	
Net interest income	3,203	3,057	5
Net fee, commission and other income	1,181	1,304	(9)
Total income	4,384	4,361	1
Credit impairment charges and other provisions	(178)	(230)	23
Net operating income	4,206	4,131	2
Operating expenses	(2,466)	(2,525)	2
Litigation and conduct	(25)	(29)	14
Costs to achieve	(139)	(115)	(21)
Total operating expenses	(2,630)	(2,669)	1
Other net (expenses)/income	(48)	6	

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Profit before tax	1,528	1,468	4
Attributable profit	1,102	1,039	6
	As at	As at	As at
	30.06.15	31.12.14	30.06.14
Balance sheet information	£bn	£bn	£bn
Loans and advances to customers at amortised cost	217.5	217.0	216.7
Total assets	289.9	285.0	268.1
Customer deposits	298.5	299.2	298.3
Risk weighted assets	120.6	120.2	117.9
	Half year ended	Half year ended	
	30.06.15	30.06.14	
Key facts			
Average LTV of mortgage lending ¹	51%	55%	
Average LTV of new mortgage lending ¹	62%	64%	
Client assets ²	£142.6bn	£151.3bn	
Number of branches	1,448	1,546	
Performance measures			
Return on average tangible equity	16.4%	16.1%	
Average allocated tangible equity (£bn)	13.6	13.0	
Return on average equity	12.3%	12.1%	
Average allocated equity (£bn)	18.1	17.3	
Cost: income ratio	60%	61%	
Loan loss rate (bps)	16	21	
			YoY
Analysis of total income	£m	£m	% Change
Personal	2,014	2,053	(2)
Corporate	1,877	1,768	6
Wealth	493	540	(9)
Total income	4,384	4,361	1
	As at	As at	As at
	30.06.15	31.12.14	30.06.14
Analysis of loans and advances to customers at amortised cost	£bn	£bn	£bn
Personal	137.8	136.8	135.9
Corporate	66.0	65.1	64.8
Wealth	13.7	15.1	16.0
Total loans and advances to customers at amortised cost	217.5	217.0	216.7
Analysis of customer deposits			
Personal	146.3	145.8	141.6
Corporate	120.3	122.2	123.7
Wealth	31.9	31.2	33.0
Total customer deposits	298.5	299.2	298.3

- 1 Average LTV of mortgage lending and new mortgage lending calculated on the balance weighted basis.
- 2 Includes assets managed or administered by Barclays on behalf of clients including assets under management (AUM), custody assets, assets under administration, and Wealth client deposits and client lending.

Personal and Corporate Banking

Income statement - H115 compared to H114

- Profit before tax increased 4% to £1,528m with a return on average equity of 12.3% (H114: 12.1%). Total operating expenses reduced due to increased automation and the net closure of 98 branches. Operating expenses were also impacted by investment in digital and the customer experience across multiple channels. Impairment reduced due to the improving economic environment in the UK
- PCB results were significantly impacted by £171m of charges in Wealth relating to customer redress in the US and the announced disposal of the US business. Income was impacted by £29m, operating expenses by £87m of which £56m were costs to achieve, and other net expenses included a £55m loss on sale
- Total income increased 1% to £4,384m
 - Personal income reduced 2% to £2,014m due to mortgage margin pressure from existing customer rate switching and lower fee income, partially offset by balance growth and improved savings margins
 - Corporate income increased 6% to £1,877m with balance growth in both average lending and deposits, and improved deposits margins, partially offset by lending margin compression
 - Wealth income reduced 9% to £493m primarily as a result of the impact of customer redress in the US
 - Net interest income increased 5% to £3,203m driven by margin improvement, lending and deposit growth and the launch of a revised overdraft proposition in H214, which recognises the majority of overdraft income as net interest income as opposed to fee income
 - Net interest margin improved 5bps to 3.01% due to higher deposit margins within Corporate and Personal. This was partially offset by the impact of mortgage margin pressure from existing customer rate switching
 - Net fee, commission and other income reduced 9% to £1,181m due to the launch of the revised overdraft proposition in H214 and the impact of customer redress in the US
- Credit impairment charges improved 23% to £178m and the loan loss rate reduced 5bps to 16bps due to the improving economic environment in the UK, particularly impacting Corporate which benefited from lower defaults of large UK Corporate clients
- Total operating expenses reduced 1% to £2,630m. This reflected savings realised from strategic cost programmes relating to restructuring of the branch network and technology improvements to increase automation, partially offset by costs to achieve of £56m relating to the announced disposal of the US Wealth business

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- Client assets decreased £8.7bn to £142.6bn primarily due to the announced disposal of the US Wealth business and ongoing strategic market exits

Balance sheet - 30 June 2015 compared to 31 December 2014

- Loans and advances to customers increased £0.5bn to £217.5bn due to growth in mortgages and Corporate lending
- Total assets increased £4.9bn to £289.9bn primarily driven by an increase in the allocation of liquidity pool assets and the growth in loans and advances to customers
- Customer deposits decreased £0.7bn to £298.5bn
- RWAs increased £0.4bn to £120.6bn primarily driven by growth in mortgages and Corporate lending

Barclaycard	Half year ended 30.06.15	Half year ended 30.06.14	YoY % Change
Income statement information	£m	£m	
Net interest income	1,704	1,500	14
Net fee, commission and other income	653	624	5
Total income	2,357	2,124	11
Credit impairment charges and other provisions	(563)	(537)	(5)
Net operating income	1,794	1,587	13
Operating expenses	(961)	(822)	(17)
Costs to achieve	(56)	(36)	(56)
Total operating expenses	(1,017)	(858)	(19)
Other net income	18	35	(49)
Profit before tax	795	764	4
Attributable profit	566	539	5
	As at 30.06.15	As at 31.12.14	As at 30.06.14
Balance sheet information	£bn	£bn	£bn
Loans and advances to customers at amortised cost	36.9	36.6	33.2
Total assets	41.9	41.3	36.2
Customer deposits	7.7	7.3	5.9
Risk weighted assets	40.3	39.9	37.7
	Half year ended 30.06.15	Half year ended 30.06.14	
Key facts			
30 day arrears rates - UK cards	2.4%	2.4%	
30 day arrears rates - US cards	1.9%	1.9%	
Total number of Barclaycard consumer customers	29.9m	27.8m	
Total number of Barclaycard business clients	343,000	352,000	
Value of payments processed	£145bn	£124bn	

Performance measures

Return on average tangible equity	22.9%	23.6%
Average allocated tangible equity (£bn)	5.0	4.6
Return on average equity	18.2%	18.9%
Average allocated equity (£bn)	6.3	5.7
Cost: income ratio	43%	40%
Loan loss rate (bps)	293	311

Barclaycard

Income statement - H115 compared to H114

- Profit before tax increased 4% to £795m. The diversified consumer and merchant business model led to income growth of 11% to £2,357m with substantial business growth in US cards. The continued focus on risk management is reflected in stable 30-day delinquency rates and a falling loan loss rate. Although total operating expenses increased, this was a result of continued investment for growth, as loans and advances increased 11% from June 2014 and the customer base increased across all geographies over the same period. Return on average equity continued to be strong at 18.2% (H114: 18.9%)
- Total income increased 11% to £2,357m driven by business growth in US cards and the appreciation of average USD against GBP, partially offset by the impact of rate capping from European Interchange Fee Regulation
- Net interest income increased 14% to £1,704m driven by business growth, whilst the net interest margin was maintained at 9.05% (H114: 9.05%)
- Net fee, commission and other income increased 5% to £653m due to growth in US cards and Business Solutions, partially offset by the impact of changes to European Interchange Fee Regulation
- Credit impairment charges increased 5% to £563m with loans and advances growth of 11% to £36.9bn over the same period. Delinquency rates remained stable and the loan loss rate improved 18bps to 293bps
- Total operating expenses increased 19% to £1,017m due to continued investment in business growth, higher costs to achieve, the appreciation of average USD against GBP and the impact of one-off items, including certain marketing costs and the non-recurrence of a VAT refund in H114

Balance sheet - 30 June 2015 compared to 31 December 2014

- Loans and advances to customers increased 1% to £36.9bn with balance growth in US cards
- Total assets increased 1% to £41.9bn mainly due to the increase in loans and advances to customers
- Customer deposits increased 5% to £7.7bn driven by the deposits funding strategy in the US
- RWAs increased £0.4bn to £40.3bn primarily driven by growth in loans and advances to customers

Africa Banking	Half year ended 30.06.15	Half year ended 30.06.14	YoY % Change
Income statement information	£m	£m	% Change

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Net interest income	1,068	1,007	6
Net fee, commission and other income	871	850	2
Total income	1,939	1,857	4
Net claims and benefits incurred under insurance contracts	(81)	(84)	4
Total income net of insurance claims	1,858	1,773	5
Credit impairment charges and other provisions	(193)	(196)	2
Net operating income	1,665	1,577	6
Operating expenses	(1,116)	(1,082)	(3)
Costs to achieve	(13)	(17)	24
Total operating expenses	(1,129)	(1,099)	(3)
Other net income	4	6	(33)
Profit before tax	540	484	12
Attributable profit	208	181	15

	As at 30.06.15	As at 31.12.14	As at 30.06.14
Balance sheet information	£bn	£bn	£bn
Loans and advances to customers at amortised cost	33.8	35.2	33.8
Total assets	54.0	55.5	52.4
Customer deposits	34.4	35.0	33.2
Risk weighted assets	36.4	38.5	36.5

Constant currency ¹			
Loans and advances to customers at amortised cost	33.8	33.2	32.1
Total assets	54.0	52.2	49.9
Customer deposits	34.4	33.1	31.6
Risk weighted assets	36.4	36.3	34.7

	Half year ended 30.06.15	Half year ended 30.06.14
Key facts		
Average LTV of mortgage lending ²	59%	61%
Average LTV of new mortgage lending ²	76%	75%

Performance measures		
Return on average tangible equity	14.0%	13.3%
Average allocated tangible equity (£bn)	3.0	2.7
Return on average equity	10.3%	9.6%
Average allocated equity (£bn)	4.0	3.8
Cost: income ratio	61%	62%
Loan loss rate (bps)	105	110

1 Constant currency results are calculated by converting ZAR results into GBP using the 30 June 2015 exchange rate for the balance sheet to eliminate the impact of movement in the exchange rate between the reporting periods.

2 Calculated on the balance weighted basis.

Africa Banking

Income statement - H115 compared to H114

- Based on average rates, ZAR depreciated against GBP by 2% in H115 against H114. The deterioration was not a significant contributor to the movement in the reported income statement results of Africa Banking; therefore, the discussion of business performance below is based on reported results in GBP
- Profit before tax increased 12% to £540m reflecting strong growth in Retail and Business Banking (RBB) due to the continued progress on the retail banking turnaround in South Africa. Performance in South Africa also showed good growth in corporate banking and Wealth, Investment Management and Insurance (WIMI), partially offset by lower trading performance. Performance outside of South Africa showed strong growth in trading performance and WIMI, partially offset by a small reduction in growth in corporate banking
- Total income net of insurance claims increased 5% to £1,858m
 - Net interest income increased 6% to £1,068m driven by higher average loans and advances to customers in Corporate and Investment Banking (CIB) and growth in customer deposits in the South African RBB and Corporate businesses. Net interest margin increased 10bps to 5.97% as CIB continued the strategy of replacing swaps with currency matched funding. This has resulted in an improvement in net interest income and a reduction in hedging income recognised in net fee, commission and other income
 - Net fee, commission and other income increased 2% to £871m mainly reflecting increased transactional revenue in South Africa, partially offset by lower hedging income
- Credit impairment charges were broadly in line at £193m (H114: £196m) and the loan loss rate improved 5bps to 105bps driven by reduced impairments in the South Africa mortgages portfolio and business banking, partially offset by increased impairments in CIB and additional coverage on performing loans
- Total operating expenses increased 3% to £1,129m reflecting inflationary impacts on staff costs and increased investment spend on key initiatives, partially offset by savings from strategic cost programmes mainly in property and technology

Balance sheet - 30 June 2015 compared to 31 December 2014

- Based on closing rates, ZAR depreciated against GBP by 6% at 30 June 2015 against 31 December 2014. The deterioration was a significant contributor to the movement in the reported balance sheet results of Africa Banking; therefore, the discussion of business performance below is based on results on a constant currency basis
- Loans and advances to customers increased 2% to £33.8bn driven by strong CIB growth in South Africa and growth in RBB, which included a modest reduction in the South Africa mortgages portfolio
- Total assets increased 3% to £54.0bn primarily due to the increase in loans and advances to customers and banks
- Customer deposits increased 4% to £34.4bn reflecting strong growth in the RBB South Africa and Corporate businesses
- RWAs increased £0.1bn to £36.4bn primarily driven by growth in loans and advances to customers

Investment Bank

Half year
ended

Half year
ended

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	30.06.15	30.06.14	YoY
Income statement information	£m	£m	% Change
Net interest income	276	334	(17)
Net trading income	2,423	2,137	13
Net fee, commission and other income	1,600	1,786	(10)
Total income	4,299	4,257	1
Credit impairment (charges)/releases and other provisions	(1)	26	
Net operating income	4,298	4,283	-
Operating expenses	(2,738)	(2,848)	4
Litigation and conduct	(57)	(95)	40
Costs to achieve	(63)	(282)	78
Total operating expenses	(2,858)	(3,225)	11
Profit before tax	1,440	1,058	36
Attributable profit	761	435	75

	As at 30.06.15	As at 31.12.14	As at 30.06.14
Balance sheet information	£bn	£bn	£bn
Loans and advances to banks and customers at amortised cost ¹	123.1	106.3	117.2
Trading portfolio assets	81.8	94.8	101.2
Derivative financial instrument assets	118.5	152.6	104.2
Derivative financial instrument liabilities	127.7	160.6	109.5
Reverse repurchase agreements and other similar secured lending	58.4	64.3	83.0
Total assets	420.1	455.7	446.2
Risk weighted assets	115.3	122.4	123.9

	Half year ended 30.06.15	Half year ended 30.06.14
Performance measures		
Return on average tangible equity	10.9%	6.0%
Average allocated tangible equity (£bn)	14.2	14.7
Return on average equity	10.2%	5.7%
Average allocated equity (£bn)	15.1	15.4
Cost: income ratio	66%	76%

			YoY
Analysis of total income	£m	£m	% Change
Investment banking fees	1,135	1,174	(3)
Lending	205	169	21
Banking	1,340	1,343	-
Credit	546	616	(11)
Equities	1,235	1,220	1
Macro	1,178	1,056	12
Markets	2,959	2,892	2
Banking & Markets	4,299	4,235	2
Other	-	22	
Total income	4,299	4,257	1

1 As at 30 June 2015 loans and advances included £99.1bn (December 2014: £86.4bn) of loans and advances to customers, including settlement balances of £40.4bn (December 2014: £25.8bn) and cash collateral of £28.6bn (December 2014: £32.2bn) and loans and advances to banks of £24.0bn (December 2014: £19.9bn), including settlement balances of £5.9bn (December 2014: £2.7bn) and cash collateral of £6.4bn (December 2014: £6.9bn).

Investment Bank

Income statement - H115 compared to H114

- Profit before tax increased 36% to £1,440m. The Investment Bank continued to build on its origination led strategy, whilst the re-sized Macro business benefited from increased market volatility in H115 reflecting uncertainty around Greece and the Eurozone. Higher income as well as a continued focus on driving cost savings and RWA efficiencies resulted in a return on average equity of 10.2% (H114: 5.7%)
- Total income increased 1% to £4,299m
 - Banking income was in line at £1,340m (H114: £1,343m). Investment banking fee income decreased 3% to £1,135m driven by lower equity underwriting and financial advisory fees. Lending income increased 21% to £205m due to lower fair value losses on hedges
 - Markets income increased 2% to £2,959m
 - Equities increased 1% to £1,235m due to higher income in equity financing and cash equities, partially offset by lower income in equity derivatives
 - Macro increased 12% to £1,178m due to higher income in rates and currency products, reflecting increased market volatility
 - Credit decreased 11% to £546m driven by lower income in distressed credit and securitised products, partially offset by increased income in credit flow trading
- Credit impairment charges were £1m (H114: release of £26m)
- Total operating expenses decreased 11% to £2,858m reflecting lower costs to achieve, a reduction in compensation costs and savings from strategic cost programmes including business restructuring, system decommissioning and a reduction in real estate infrastructure

Balance sheet - 30 June 2015 compared to 31 December 2014

- Derivative financial instrument assets and liabilities decreased 22% to £118.5bn and 20% to £127.7bn respectively, due to increases in major forward rate curves
- Trading portfolio assets decreased 14% to £81.8bn due to a decrease in equity securities
- Total assets decreased 8% to £420.1bn due to a decrease in derivative financial instrument assets, trading portfolio assets and reverse repurchase agreements, partially offset by an increase in settlement balances within loans and

advances to customers and banks

- RWAs decreased 6% to £115.3bn primarily driven by risk reductions in the trading book

Head Office	Half year ended 30.06.15	Half year ended 30.06.14	
Income statement information	£m	£m	
Total income	42	159	
Credit impairment charges and other provisions	(1)	-	
Net operating income	41	159	
Operating expenses	(78)	(37)	
Litigation and conduct	(7)	(54)	
Costs to achieve	(22)	(2)	
Total operating expenses	(107)	(93)	
Other net income	4	-	
(Loss)/profit before tax	(62)	66	
Attributable (loss)/profit	(80)	30	
	As at 30.06.15	As at 31.12.14	As at 30.06.14
Balance sheet information	£bn	£bn	£bn
Total assets	52.6	49.1	43.3
Risk weighted assets	7.5	5.6	7.6

Head Office

Income statement - H115 compared to H114

- Loss before tax of £62m moved from a profit of £66m in H114
- Total income decreased £117m to £42m due to the non-recurrence of net gains from foreign exchange recycling arising from the restructure of Group subsidiaries and gains resulting from a liability management exercise in H114
- Total operating expenses increased £14m to £107m due to costs relating to structural reform and an increase in costs to achieve, partially offset by the non-recurrence of H114 litigation and conduct charges

Balance sheet - 30 June 2015 compared to 31 December 2014

- Total assets increased £3.5bn to £52.6bn reflecting additional cash held to meet daily treasury operational settlements
- RWAs increased £1.9bn to £7.5bn primarily due to reallocations of Group-wide market and operational risk

Barclays Non-Core	Half year ended 30.06.15	Half year ended 30.06.14	YoY % Change
Income statement information	£m	£m	

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Net interest income	128	183	(30)
Net trading income	(250)	116	
Net fee, commission and other income	331	514	(36)
Total income	209	813	(74)
Net claims and benefits incurred under insurance contracts	(167)	(155)	(8)
Total income net of insurance claims	42	658	(94)
Credit impairment charges and other provisions	(37)	(149)	75
Net operating income	5	509	(99)
Operating expenses	(453)	(860)	47
Litigation and conduct	(45)	(33)	(36)
Costs to achieve	(23)	(41)	44
Total operating expenses	(521)	(934)	44
Other net income/(expenses)	4	(66)	
Loss before tax	(512)	(491)	(4)
Attributable loss	(402)	(464)	13

	As at 30.06.15 £bn	As at 31.12.14 £bn	As at 30.06.14 £bn
Balance sheet information			
Loans and advances to banks and customers at amortised cost ¹	53.9	63.9	75.5
Loans and advances to customers at fair value	17.0	18.7	17.0
Trading portfolio assets	11.6	15.9	22.9
Derivative financial instrument assets	220.9	285.4	227.0
Derivative financial instrument liabilities	213.6	277.1	215.0
Reverse repurchase agreements and other similar secured lending	15.6	49.3	86.8
Total assets	338.2	471.5	468.6
Customer deposits	19.6	21.6	28.6
Risk weighted assets	56.6	75.3	87.5
Leverage exposure	166.3	277.5	381.7

	Half year ended 30.06.15	Half year ended 30.06.14
Performance measures		
Return on average tangible equity ²	(4.3%)	(6.0%)
Average allocated tangible equity (£bn)	9.7	14.2
Return on average equity ²	(3.4%)	(4.5%)
Average allocated equity (£bn)	9.8	14.5
Period end allocated equity (£bn)	8.3	12.7

	£m	£m	YoY % Change
Analysis of total income net of insurance claims			
Businesses	275	546	(50)
Securities and Loans	(115)	153	
Derivatives	(118)	(41)	
Total income net of insurance claims	42	658	(94)

As at 30 June 2015 loans and advances included £42.7bn (December 2014: £51.6bn) of loans and advances to customers (including settlement balances of £1.0bn (December 2014: £1.6bn) and cash collateral of £18.0bn (December 2014: £22.1bn) and loans and advances to banks of £11.2bn (December 2014: £12.3bn) (including settlement balances of £0.2bn (December 2014: £0.3bn) and cash collateral of £10.5bn (December 2014: £11.3bn)).

- 2 Return on average equity and average tangible equity for Barclays Non-Core represents its impact on the Group, being the difference between Barclays Group returns and Barclays Core returns. This does not represent the return on average equity and average tangible equity of the Non-Core business.

Barclays Non-Core

Income statement - H115 compared to H114

- Loss before tax increased 4% to £512m. Barclays Non-Core (BNC) continued to make good progress in exiting and running down businesses, securities and derivative assets during H115. RWAs reduced a further £18.7bn to £56.6bn from December 2014
- Total income net of insurance claims reduced 94% to £42m
- Businesses income reduced 50% to £275m due to the impact of the sale of the Spanish business and the sale and run-down of legacy portfolio assets
- Securities and loans income reduced £268m to an expense of £115m primarily due to fair value losses on the ESHLA portfolio of £175m (H114: £29m) and the active run-down of securities, partially offset by a £91m release of a litigation provision
- Derivatives income reduced £77m to an expense of £118m reflecting the active run-down of the portfolios and fair value movements
- Credit impairment charges reduced 75% to £37m due to the sale of the Spanish business and higher recoveries in Europe
- Total operating expenses improved 44% to £521m reflecting savings from the exit of the Spanish, UAE, commodities, and several principal investment businesses

Balance sheet - 30 June 2015 compared to 31 December 2014

- Loans and advances to banks and customers reduced 16% to £53.9bn due to a reduction in Europe retail driven by the run-off of assets and a reduction in cash collateral balances
- Trading portfolio assets reduced 27% to £11.6bn due to the sale and run-down of legacy portfolio assets
- Derivative financial instrument assets and liabilities both decreased 23% to £220.9bn and £213.6bn respectively, driven by increases in major forward rate curves and the unwinding of trade positions
- Total assets decreased 28% to £338.2bn with reduced derivative financial assets, reverse repurchase agreements and other similar secured lending, loans and advances to banks and customers, and trading portfolio assets

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- Leverage exposure reduced 40% to £166.3bn driven by a reduction in derivatives and reverse repurchase agreements
- RWAs decreased £18.7bn to £56.6bn including the sale of the Spanish business and run down of legacy structured and credit products. Period end allocated equity decreased £2.7bn to £8.3bn

Quarterly Results Summary

Barclays results by quarter	Q215	Q1151	Q414	Q314	Q214	Q114	Q413	Q3132
	£m	£m	£m	£m	£m	£m	£m	£m
Adjusted basis								
Total income net of insurance claims	6,552	6,430	6,018	6,378	6,682	6,650	6,639	6,445
Credit impairment charges and other provisions	(496)	(477)	(573)	(509)	(538)	(548)	(718)	(722)
Net operating income	6,056	5,953	5,445	5,869	6,144	6,102	5,921	5,723
Operating expenses	(3,897)	(3,915)	(3,942)	(3,879)	(4,042)	(4,130)	(4,500)	(4,223)
Litigation and conduct	(77)	(57)	(140)	(98)	(146)	(65)	(277)	(39)
Costs to achieve	(196)	(120)	(339)	(332)	(254)	(240)	(468)	(101)
UK bank levy	-	-	(462)	-	-	-	(504)	-
Total operating expenses	(4,170)	(4,092)	(4,883)	(4,309)	(4,442)	(4,435)	(5,749)	(4,363)
Other net (expenses)/income	(37)	19	1	30	(46)	26	19	25
Adjusted profit before tax	1,849	1,880	563	1,590	1,656	1,693	191	1,385
Adjusting items								
Own credit	282	128	(62)	44	(67)	119	(95)	(211)
Gain on US Lehman acquisition assets	496	-	-	461	-	-	-	-
ESHLA valuation revision	-	-	(935)	-	-	-	-	-
Gain on valuation of a component of the defined retirement benefit liability	-	429	-	-	-	-	-	-
Provisions for ongoing investigations and litigation primarily relating to Foreign Exchange	-	(800)	(750)	(500)	-	-	-	-
Provisions for UK customer redress	(850)	(182)	(200)	(10)	(900)	-	-	-
Goodwill impairment	-	-	-	-	-	-	(79)	-
Loss on sale of the Spanish business	-	(118)	(82)	(364)	-	-	-	-
Statutory profit/(loss) before tax	1,777	1,337	(1,466)	1,221	689	1,812	17	1,174
Tax (charge)/credit	(394)	(612)	85	(601)	(298)	(597)	(531)	(446)
Statutory profit/(loss) after tax	1,383	725	(1,381)	620	391	1,215	(514)	728
Attributable to:								
Ordinary equity holders of the parent	1,146	465	(1,679)	379	161	965	(642)	511
Other equity holders	79	80	80	80	41	49	-	-
Non-controlling interests	158	180	218	161	189	201	128	217

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Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total assets	1,196.7	1,416.4	1,357.9	1,365.7	1,314.9	1,362.1	1,343.6	n/a
Risk weighted assets	376.7	395.9	401.9	412.9	411.1	436.3	442.5	n/a
Adjusted performance measures								
Return on average tangible shareholders' equity	9.1%	9.0%	1.7%	7.1%	7.5%	7.6%	(3.4%)	6.7%
Average tangible shareholders' equity (£bn)	47.7	48.7	48.9	47.6	47.5	47.2	47.1	43.5
Return on average shareholders' equity	7.8%	7.7%	1.5%	6.1%	6.4%	6.5%	(2.9%)	5.7%
Average shareholders' equity (£bn)	56.0	57.0	57.1	55.6	55.3	54.8	54.9	51.3
Cost: income ratio	64%	64%	81%	68%	66%	67%	87%	68%
Loan loss rate (bps)	41	37	48	42	44	45	59	58
Basic earnings/(loss) per share	6.5p	6.6p	1.3p	5.2p	5.4p	5.5p	(2.8p)	5.4p
Statutory performance measures								
Return on average tangible shareholders' equity	9.8%	4.0%	(13.8%)	3.4%	1.4%	8.4%	(5.5%)	4.8%
Average tangible shareholders' equity (£bn)	47.2	48.1	48.3	46.8	46.7	46.4	46.3	42.8
Return on average shareholders' equity	8.4%	3.4%	(11.8%)	2.9%	1.2%	7.2%	(4.7%)	4.0%
Average shareholders' equity (£bn)	55.5	56.3	56.4	54.8	54.5	54.0	54.1	50.6
Cost: income ratio	68%	71%	116%	70%	81%	66%	89%	70%
Basic earnings/(loss) per share	7.0p	2.9p	(10.2p)	2.4p	1.0p	6.0p	(4.5p)	3.8p

1 Q115 adjusted total operating expenses and profit before tax has been revised to account for the reclassification of £32m of charges relating to UK customer redress to aid comparability with Q215.

2 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available. Average allocated equity and tangible equity are shown on an estimated CRD IV basis. Balance sheet comparative figures have also been restated from Q413 to adopt the offsetting amendments to IAS32, Financial Instruments: Presentation; therefore no Q313 comparative is available.

Barclays Core	Q215	Q1151	Q414	Q314	Q214	Q114	Q413	Q3132
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Total income net of insurance claims	6,520	6,420	5,996	6,008	6,397	6,277	6,189	6,076
Credit impairment charges and other provisions	(488)	(448)	(571)	(492)	(456)	(481)	(542)	(554)
Net operating income	6,032	5,972	5,425	5,516	5,941	5,796	5,647	5,522
Operating expenses	(3,663)	(3,696)	(3,614)	(3,557)	(3,602)	(3,710)	(4,045)	(3,758)
Litigation and conduct	(41)	(48)	(56)	(16)	(136)	(43)	(69)	(18)
Costs to achieve	(184)	(109)	(298)	(202)	(237)	(216)	(365)	(84)
UK bank levy	-	-	(371)	-	-	-	(395)	-
Total operating expenses	(3,888)	(3,853)	(4,339)	(3,775)	(3,975)	(3,969)	(4,874)	(3,860)
Other net (expenses)/income	(39)	17	9	6	27	20	15	15

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Profit before tax	2,105	2,136	1,095	1,747	1,993	1,847	788	1,677
Attributable profit	1,273	1,284	638	1,002	1,171	1,053	601	1,009
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total assets	858.5	949.6	886.5	899.3	846.3	863.7	832.4	n/a
Risk weighted assets	320.1	331.1	326.6	331.9	323.6	330.3	332.6	n/a
Performance measures								
Return on average tangible equity	13.3%	13.5%	7.0%	11.5%	13.8%	13.2%	7.6%	15.1%
Average allocated tangible equity (£bn)	38.6	38.5	37.0	35.2	34.0	32.2	31.4	26.7
Return on average equity	11.0%	11.1%	5.8%	9.5%	11.3%	10.7%	6.2%	11.8%
Average allocated equity (£bn)	46.7	46.7	45.0	43.0	41.6	39.6	38.9	34.2
Cost: income ratio	60%	60%	72%	63%	62%	63%	79%	64%

1 Q115 adjusted total operating expenses and profit before tax has been revised to account for the reclassification of £32m of charges relating to UK customer redress to aid comparability with Q215.

2 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available. Average allocated equity and tangible equity are shown on an estimated CRD IV basis. Balance sheet comparative figures have also been restated from Q413 to adopt the offsetting amendments to IAS32, Financial Instruments: Presentation; therefore no Q313 comparative is available.

Barclays Non-Core	Q215	Q115	Q414	Q314	Q214	Q114	Q413	Q3131
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Businesses	153	122	228	327	245	301	322	354
Securities and Loans	(42)	(73)	(142)	106	66	87	121	60
Derivatives	(79)	(39)	(64)	(63)	(26)	(15)	7	(46)
Total income net of insurance claims	32	10	22	370	285	373	450	368
Credit impairment charges and other provisions	(8)	(29)	(2)	(17)	(82)	(67)	(176)	(168)
Net operating income/(expense)	24	(19)	20	353	203	306	274	200
Operating expenses	(234)	(219)	(329)	(321)	(441)	(419)	(456)	(464)
Litigation and conduct	(36)	(9)	(83)	(82)	(10)	(23)	(208)	(21)
Costs to achieve	(12)	(11)	(41)	(130)	(17)	(24)	(103)	(17)
UK bank levy	-	-	(91)	-	-	-	(109)	-
Total operating expenses	(282)	(239)	(544)	(533)	(468)	(466)	(876)	(502)
Other net income/(expense)	2	2	(8)	23	(72)	6	4	10
Loss before tax	(256)	(256)	(532)	(157)	(337)	(154)	(598)	(292)
Attributable loss	(203)	(199)	(448)	(173)	(294)	(171)	(997)	(274)
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances to banks and customers at amortised cost	53.9	65.6	63.9	64.5	75.5	83.4	81.9	n/a
Loans and advances to customers at fair value	17.0	18.5	18.7	18.1	17.0	17.5	17.6	n/a
Trading portfolio assets	11.6	14.6	15.9	19.2	22.9	29.4	30.7	n/a
Derivative financial instrument assets	220.9	301.9	285.4	249.6	227.0	231.5	239.3	n/a
Derivative financial instrument liabilities	213.6	295.6	277.1	240.0	215.0	220.9	228.3	n/a

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Reverse repurchase agreements and other similar secured lending	15.6	42.8	49.3	73.9	86.8	98.3	104.7	n/a
Total assets	338.2	466.8	471.5	466.5	468.6	498.4	511.2	n/a
Customer deposits	19.6	20.5	21.6	22.2	28.6	30.7	29.3	n/a
Risk weighted assets	56.6	64.8	75.3	81.0	87.5	106.0	109.9	n/a

Performance measures

Return on average tangible equity ²	(4.2%)	(4.5%)	(5.3%)	(4.4%)	(6.3%)	(5.6%)	(11.0%)	(8.4%)
Average allocated tangible equity (£bn)	9.1	10.2	11.9	12.4	13.5	15.0	15.7	16.8
Return on average equity ²	(3.2%)	(3.4%)	(4.3%)	(3.4%)	(4.9%)	(4.2%)	(9.1%)	(6.1%)
Average allocated equity (£bn)	9.3	10.3	12.1	12.6	13.7	15.2	16.0	17.1
Period end allocated equity (£bn)	8.3	9.7	11.0	12.1	12.7	14.9	15.1	16.3

1 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available. Average allocated equity and tangible equity are shown on an estimated CRD IV basis. Balance sheet comparative figures have also been restated from Q413 to adopt the offsetting amendments to IAS32, Financial Instruments: Presentation; therefore no Q313 comparative is available.

2 Return on average equity and average tangible equity for Barclays Non-Core represents its impact on the Group, being the difference between Barclays Group returns and Barclays Core returns. This does not represent the return on average equity and average tangible equity of the Non-Core business.

Personal and Corporate Banking	Q215	Q1151	Q414	Q314	Q214	Q114	Q413	Q3132
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Total income	2,210	2,174	2,231	2,236	2,188	2,173	2,166	2,252
Credit impairment charges and other provisions	(99)	(79)	(123)	(129)	(95)	(135)	(169)	(153)
Net operating income	2,111	2,095	2,108	2,107	2,093	2,038	1,997	2,099
Operating expenses	(1,232)	(1,234)	(1,204)	(1,222)	(1,247)	(1,278)	(1,371)	(1,313)
Litigation and conduct	(23)	(2)	(15)	(10)	(9)	(20)	(17)	(5)
Costs to achieve	(97)	(42)	(195)	(90)	(58)	(57)	(219)	(73)
UK bank levy	-	-	(70)	-	-	-	(66)	-
Total operating expenses	(1,352)	(1,278)	(1,484)	(1,322)	(1,314)	(1,355)	(1,673)	(1,391)
Other net (expenses)/income	(50)	2	4	4	1	5	3	1
Profit before tax	709	819	628	789	780	688	327	709
Attributable profit	500	602	441	578	559	480	281	518
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances to customers at amortised cost	217.5	219.0	217.0	215.7	216.7	215.5	212.2	210.1
Total assets	289.9	294.1	285.0	275.7	268.1	271.5	278.5	278.3
Customer deposits	298.5	298.1	299.2	295.9	298.3	297.2	295.9	289.3
Risk weighted assets	120.6	122.5	120.2	120.0	117.9	116.1	118.3	n/a
Performance measures								
Return on average tangible equity	14.9%	17.8%	13.3%	17.8%	17.5%	14.7%	8.6%	15.4%

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Average allocated tangible equity (£bn)	13.6	13.6	13.4	13.1	12.9	13.1	13.1	13.5
Return on average equity	11.2%	13.4%	10.0%	13.4%	13.1%	11.1%	6.5%	11.8%
Average allocated equity (£bn)	18.1	18.1	17.8	17.5	17.2	17.4	17.4	17.6
Cost: income ratio	61%	59%	67%	59%	60%	62%	77%	62%
Loan loss rate (bps)	18	14	22	23	17	25	31	28

Analysis of total income	£m	£m	£m	£m	£m	£m	£m	£m
Personal	1,005	1,009	1,045	1,061	1,027	1,026	1,037	1,033
Corporate	970	907	922	902	889	879	866	956
Wealth	235	258	264	273	272	268	263	263
Total income	2,210	2,174	2,231	2,236	2,188	2,173	2,166	2,252

Analysis of loans and advances to customers at amortised cost	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Personal	137.8	137.5	136.8	136.5	135.9	134.9	133.8	132.7
Corporate	66.0	66.5	65.1	63.1	64.8	64.2	62.5	62.5
Wealth	13.7	15.0	15.1	16.1	16.0	16.4	15.9	14.9
Total loans and advances to customers at amortised cost	217.5	219.0	217.0	215.7	216.7	215.5	212.2	210.1

Analysis of customer deposits								
Personal	146.3	145.3	145.8	143.0	141.6	141.3	140.5	139.2
Corporate	120.3	120.9	122.2	120.7	123.7	120.9	118.5	114.5
Wealth	31.9	31.9	31.2	32.2	33.0	35.0	36.9	35.6
Total customer deposits	298.5	298.1	299.2	295.9	298.3	297.2	295.9	289.3

1 Q115 adjusted total operating expenses and profit before tax has been revised to account for the reclassification of £32m of charges relating to UK customer redress to aid comparability with Q215.

2 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available. Average allocated equity and tangible equity are shown on an estimated CRD IV basis.

Barclaycard	Q215	Q115	Q414	Q314	Q214	Q114	Q413	Q3131
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Total income	1,222	1,135	1,109	1,123	1,082	1,042	1,034	1,050
Credit impairment charges and other provisions	(273)	(290)	(362)	(284)	(268)	(269)	(266)	(290)
Net operating income	949	845	747	839	814	773	768	760
Operating expenses	(496)	(465)	(456)	(449)	(420)	(402)	(446)	(442)
Litigation and conduct	-	-	-	-	-	-	(11)	(13)
Costs to achieve	(31)	(25)	(50)	(32)	(23)	(13)	(38)	(6)
UK bank levy	-	-	(29)	-	-	-	(22)	-
Total operating expenses	(527)	(490)	(535)	(481)	(443)	(415)	(517)	(461)
Other net income	7	11	1	4	25	10	5	12
Profit before tax	429	366	213	362	396	368	256	311

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Attributable profit	307	259	137	262	285	254	169	214
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances to customers at amortised cost	36.9	36.8	36.6	34.8	33.2	31.9	31.5	30.4
Total assets	41.9	42.4	41.3	38.9	36.2	35.0	34.4	33.4
Customer deposits	7.7	8.0	7.3	6.5	5.9	5.8	5.1	4.7
Risk weighted assets	40.3	39.9	39.9	38.6	37.7	36.4	35.7	n/a
Performance measures								
Return on average tangible equity	24.9%	21.0%	11.2%	21.8%	24.7%	22.6%	16.1%	20.2%
Average allocated tangible equity (£bn)	5.0	5.0	4.9	4.8	4.6	4.5	4.2	4.2
Return on average equity	19.7%	16.6%	9.0%	17.5%	19.7%	18.2%	12.7%	15.9%
Average allocated equity (£bn)	6.3	6.3	6.2	6.0	5.8	5.6	5.3	5.4
Cost: income ratio	43%	43%	48%	43%	41%	40%	50%	44%
Loan loss rate (bps)	283	305	374	309	309	325	320	360

1 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available. Average allocated equity and tangible equity are shown on an estimated CRD IV basis.

Africa Banking	Q215	Q115	Q414	Q314	Q214	Q114	Q413	Q3131
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Total income net of insurance claims	910	948	963	928	895	878	980	1,004
Credit impairment charges and other provisions	(103)	(90)	(79)	(74)	(100)	(96)	(104)	(101)
Net operating income	807	858	884	854	795	782	876	903
Operating expenses	(557)	(559)	(590)	(572)	(545)	(537)	(616)	(605)
Litigation and conduct	-	-	(1)	(1)	-	-	-	-
Costs to achieve	(7)	(6)	(23)	(11)	(8)	(9)	(15)	(2)
UK bank levy	-	-	(45)	-	-	-	(42)	-
Total operating expenses	(564)	(565)	(659)	(584)	(553)	(546)	(673)	(607)
Other net income	2	2	3	2	2	4	-	3
Profit before tax	245	295	228	272	244	240	203	299
Attributable profit	96	112	88	91	78	103	30	104
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances to customers at amortised cost	33.8	35.7	35.2	34.5	33.8	35.0	34.9	36.5
Total assets	54.0	57.8	55.5	54.6	52.4	54.1	54.9	57.3
Customer deposits	34.4	35.0	35.0	33.4	33.2	34.0	34.6	35.4
Risk weighted assets	36.4	39.3	38.5	37.9	36.5	36.6	38.0	n/a
Performance measures								
Return on average tangible equity	13.2%	14.7%	11.9%	13.1%	11.3%	15.5%	4.2%	14.1%

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Average allocated tangible equity (£bn)	2.9	3.1	2.9	2.8	2.8	2.7	2.8	3.0
Return on average equity	9.7%	10.8%	8.7%	9.5%	8.1%	11.1%	3.0%	10.0%
Average allocated equity (£bn)	3.9	4.1	4.0	3.8	3.8	3.7	4.0	4.1
Cost: income ratio	62%	60%	68%	63%	62%	62%	69%	60%
Loan loss rate (bps)	112	94	83	79	111	104	105	104

Constant currency 2

Income statement information	£m	£m	£m	£m	£m	£m		
Total income net of insurance claims	910	913	919	906	870	851		
Credit impairment charges and other provisions	(103)	(87)	(75)	(71)	(97)	(93)		
Net operating income	807	826	844	835	773	758		
Operating expenses	(557)	(539)	(564)	(559)	(530)	(521)		
Litigation and conduct	-	-	(1)	(1)	-	-		
Costs to achieve	(7)	(6)	(22)	(10)	(9)	(8)		
UK bank levy	-	-	(45)	-	-	-		
Total operating expenses	(564)	(545)	(632)	(570)	(539)	(529)		
Other net income	2	2	3	1	2	4		
Profit before tax	245	283	215	266	236	233		
Attributable profit	96	107	83	88	80	99		

Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn		
Loans and advances to customers at amortised cost	33.8	33.7	33.2	33.1	32.1	32.1		
Total assets	54.0	54.6	52.2	52.2	49.9	49.7		
Customer deposits	34.4	33.0	33.1	32.0	31.6	31.3		
Risk weighted assets	36.4	37.0	36.3	36.3	34.7	33.6		

1 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available.

2 Constant currency results are calculated by converting ZAR results into GBP using the average exchange rate for the three months ended 30 June 2015 for the income statement and the 30 June 2015 closing exchange rate for the balance sheet to eliminate the impact of movement in exchange rates between the reporting periods.

Investment Bank	Q215	Q115	Q414	Q314	Q214	Q114	Q413	Q3131
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Investment banking fees	586	549	527	410	661	513	571	526
Lending	122	83	111	137	66	103	68	42
Banking	708	632	638	547	727	616	639	568
Credit	272	274	173	255	270	346	231	308
Equities	616	619	431	395	629	591	421	524
Macro	554	624	424	470	504	552	494	457
Markets	1,442	1,517	1,028	1,120	1,403	1,489	1,146	1,289
Banking & Markets	2,150	2,149	1,666	1,667	2,130	2,105	1,785	1,857
Other	-	-	-	(2)	24	(2)	(3)	(6)
Total income	2,150	2,149	1,666	1,665	2,154	2,103	1,782	1,851

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Credit impairment (charges)/releases and other provisions	(12)	11	(7)	(5)	7	19	(6)	(10)
Net operating income	2,138	2,160	1,659	1,660	2,161	2,122	1,776	1,841
Operating expenses	(1,328)	(1,410)	(1,351)	(1,305)	(1,357)	(1,491)	(1,575)	(1,373)
Litigation and conduct	(13)	(44)	(33)	(1)	(85)	(10)	(31)	-
Costs to achieve	(32)	(31)	(22)	(70)	(152)	(130)	(71)	(3)
UK bank levy	-	-	(218)	-	-	-	(236)	-
Total operating expenses	(1,373)	(1,485)	(1,624)	(1,376)	(1,594)	(1,631)	(1,913)	(1,376)
Profit/(loss) before tax	765	675	35	284	567	491	(137)	465
Attributable profit/(loss)	417	344	(150)	112	204	231	(74)	283
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances to banks and customers at amortised cost	123.1	134.4	106.3	123.1	117.2	129.7	104.5	n/a
Trading portfolio assets	81.8	99.1	94.8	98.8	101.2	101.2	96.6	n/a
Derivative financial instrument assets	118.5	175.9	152.6	131.4	104.2	99.9	108.7	n/a
Derivative financial instrument liabilities	127.7	186.0	160.6	137.6	109.5	106.7	116.6	n/a
Reverse repurchase agreements and other similar secured lending	58.4	58.0	64.3	82.8	83.0	86.6	78.2	n/a
Total assets	420.1	509.6	455.7	488.4	446.2	469.4	438.0	n/a
Risk weighted assets	115.3	123.0	122.4	127.9	123.9	125.2	124.4	n/a
Performance measures								
Return on average tangible equity	12.2%	9.7%	(3.9%)	3.3%	5.6%	6.4%	(2.1%)	7.5%
Average allocated tangible equity (£bn)	13.9	14.5	14.7	14.2	14.8	14.7	14.4	15.1
Return on average equity	11.5%	9.1%	(3.7%)	3.1%	5.3%	6.1%	(2.0%)	7.2%
Average allocated equity (£bn)	14.8	15.4	15.6	15.0	15.5	15.4	15.1	15.7
Cost: income ratio	64%	69%	97%	83%	74%	78%	107%	74%

1 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available. Average allocated equity and tangible equity are shown on an estimated CRD IV basis. Balance sheet comparative figures have also been restated from Q413 to adopt the offsetting amendments to IAS32, Financial Instruments: Presentation; therefore no Q313 comparative is available.

Head Office	Q215	Q115	Q414	Q314	Q214	Q114	Q413	Q3131
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Total income/(expenses)	28	14	27	56	78	81	227	(81)
Credit impairment (charges)/releases and other provisions	(1)	-	-	-	-	-	3	-
	27	14	27	56	78	81	230	(81)

Net operating income/(expenses)								
Operating expenses	(50)	(28)	(11)	(9)	(34)	(3)	(37)	(25)
Litigation and conduct	(5)	(2)	(8)	(4)	(42)	(12)	(10)	-
Costs to achieve	(17)	(5)	(8)	-	5	(7)	(22)	-
UK bank levy	-	-	(9)	-	-	-	(29)	-
Total operating expenses	(72)	(35)	(36)	(13)	(71)	(22)	(98)	(25)
Other net income/(expenses)	2	2	-	(3)	(1)	1	7	(1)
(Loss)/profit before tax	(43)	(19)	(9)	40	6	60	139	(107)
Attributable (loss)/profit	(47)	(33)	122	(41)	45	(15)	192	(110)
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total assets	52.6	45.7	49.1	41.5	43.3	33.7	26.6	n/a
Risk weighted assets	7.5	6.3	5.6	7.5	7.6	16.0	16.2	n/a
Average allocated tangible equity	3.2	2.3	1.1	0.3	(1.1)	(2.8)	(3.1)	(9.1)
Average allocated equity	3.6	2.8	1.4	0.7	(0.7)	(2.5)	(2.9)	(8.6)

1 RWAs are on a CRD IV fully loaded basis. CRD IV rules came into effect in Q413; therefore no Q313 comparative is available. Average allocated equity and tangible equity are shown on an estimated CRD IV basis. Balance sheet comparative figures have also been restated from Q413 to adopt the offsetting amendments to IAS32, Financial Instruments: Presentation; therefore no Q313 comparative is available.

Performance Management

Returns and equity by business

Returns on average equity and average tangible equity are calculated as profit for the period attributable to ordinary equity holders of the parent (adjusted for the tax credit recorded in reserves in respect of interest payments on other equity instruments) divided by average allocated equity or average allocated tangible equity for the period as appropriate, excluding non-controlling and other equity interests for businesses, apart from Africa Banking (see below). Allocated equity has been calculated as 10.5% of CRD IV fully loaded risk weighted assets for each business, adjusted for CRD IV fully loaded capital deductions, including goodwill and intangible assets, reflecting the assumptions the Group uses for capital planning purposes. Head Office equity includes the unallocated Group equity arising from the difference between the CRD IV CET1 ratio and 10.5%. Allocated tangible equity is calculated using the same method, but excludes goodwill and intangible assets.

For Africa Banking, the equity used for return on average equity is Barclays' share of the statutory equity of the BAGL entity (together with that of the Barclays Egypt and Zimbabwe businesses which remain outside the BAGL corporate entity), as well as the Barclays' goodwill on acquisition of these businesses. The tangible equity for return on tangible equity uses the same basis, but excludes both the Barclays' goodwill on acquisition and the goodwill and intangibles held within the BAGL statutory equity.

	Half year ended 30.06.15	Half year ended 30.06.14
Return on average tangible equity	%	%
Personal and Corporate Banking	16.4%	16.1%
Barclaycard	22.9%	23.6%
Africa Banking	14.0%	13.3%

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Investment Bank	10.9%	6.0%
Barclays Core excluding Head Office	14.9%	12.6%
Head Office impact ¹	(1.5%)	0.9%
Barclays Core	13.4%	13.5%
Barclays Non-Core impact ¹	(4.3%)	(6.0%)
Barclays Group adjusted total	9.1%	7.5%

	Half year ended 30.06.15	Half year ended 30.06.14
Return on average equity	%	%
Personal and Corporate Banking	12.3%	12.1%
Barclaycard	18.2%	18.9%
Africa Banking	10.3%	9.6%
Investment Bank	10.2%	5.7%
Barclays Core excluding Head Office	12.3%	10.5%
Head Office impact ¹	(1.2%)	0.5%
Barclays Core	11.1%	11.0%
Barclays Non-Core impact ¹	(3.4%)	(4.5%)
Barclays Group adjusted total	7.7%	6.5%

	Half year ended 30.06.15	Half year ended 30.06.14
Profit/(loss) attributable to ordinary equity holders of the parent	£m	£m
Personal and Corporate Banking	1,114	1,044
Barclaycard	570	540
Africa Banking	208	181
Investment Bank	774	441
Head Office	(83)	31
Barclays Core	2,583	2,237
Barclays Non-Core	(396)	(458)
Barclays Group adjusted total	2,187	1,779

1 Return on average equity and average tangible equity for Head Office and Barclays Non-Core represents their impact on Barclays Core and the Group respectively. This does not represent the return on average equity and average tangible equity of Head Office or the Non-Core business.

	Half year ended 30.06.15	Half year ended 30.06.14
Average allocated tangible equity	£bn	£bn
Personal and Corporate Banking	13.6	13.0
Barclaycard	5.0	4.6
Africa Banking	3.0	2.7
Investment Bank	14.2	14.7
Head Office ¹	2.7	(1.9)
Barclays Core	38.5	33.1
Barclays Non-Core	9.7	14.2
Barclays Group adjusted total	48.2	47.3

	Half year ended	Half year ended
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	30.06.15	30.06.14
Average allocated equity	£bn	£bn
Personal and Corporate Banking	18.1	17.3
Barclaycard	6.3	5.7
Africa Banking	4.0	3.8
Investment Bank	15.1	15.4
Head Office ¹	3.2	(1.6)
Barclays Core	46.7	40.6
Barclays Non-Core	9.8	14.5
Barclays Group adjusted total	56.5	55.1

	As at 30.06.15	As at 31.12.14
Period end allocated equity	£bn	£bn
Personal and Corporate Banking	17.9	17.9
Barclaycard	6.3	6.2
Africa Banking	3.9	4.0
Investment Bank	13.7	14.7
Head Office ¹	5.2	2.1
Barclays Core	47.0	44.9
Barclays Non-Core	8.3	11.0
Barclays Group adjusted total	55.3	55.9

¹ Based on risk weighted assets and capital deductions in Head Office and Other Operations, plus the residual balance of average ordinary shareholders' equity and tangible ordinary shareholders' equity.

Margins and balances

	Half year ended 30.06.15			Half year ended 30.06.14		
	Net interest income	Average customer assets	Net interest margin	Net interest income	Average customer assets	Net interest margin
	£m	£m	%	£m	£m	%
Personal and Corporate Banking	3,203	214,906	3.01	3,057	208,160	2.96
Barclaycard	1,704	37,967	9.05	1,500	33,410	9.05
Africa Banking	1,068	36,096	5.97	1,007	34,574	5.87
Total Personal and Corporate Banking, Barclaycard and Africa Banking	5,975	288,969	4.17	5,564	276,144	4.06
Investment Bank	276			334		
Head Office	(178)			1		
Core	6,073			5,899		
Barclays Non-Core	128			183		
Total net interest income	6,201			6,082		

- Total PCB, Barclaycard and Africa Banking NII increased 7% to 5,975m due to:

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- An increase in average customer assets to £289.0bn (2014: £276.1bn) with growth in PCB Mortgages, Barclaycard, and Africa Banking
- Net interest margin increased 11bps to 4.17% primarily due to higher deposits margins within Personal and Corporate Banking, partially offset by the impact of mortgage margin pressure from existing customer rate switching and lower Corporate debt margins. Group NII increased to £6.2bn (2014: £6.1bn) including net structural hedge contributions of £0.7bn (2014: £0.8bn)
- Net interest margin by business reflects movements in the Group's internal funding rates which are based on the cost to the Group of alternative funding in wholesale markets. The internal funding rate prices intra-group funding and liquidity to appropriately give credit to businesses with net surplus liquidity and to charge those businesses in need of alternative funding at a rate that is driven by prevailing market rates and includes a term premium

Quarterly analysis for PCB, Barclaycard and Africa Banking:

	Quarter ended 30.06.15		
	Net interest	Average	Net interest
	income	customer	margin
	£m	assets	%
		£m	
Personal and Corporate Banking	1,602	215,069	2.99
Barclaycard	883	38,025	9.31
Africa Banking	521	35,610	5.87
Total Personal and Corporate Banking, Barclaycard and Africa Banking	3,006	288,704	4.18

	Quarter ended 31.03.15		
	Net interest	Average	Net interest
	income	customer	margin
	£m	assets	%
		£m	
Personal and Corporate Banking	1,601	214,645	3.02
Barclaycard	821	37,909	8.78
Africa Banking ¹	547	36,603	6.06
Total Personal and Corporate Banking, Barclaycard and Africa Banking	2,969	289,157	4.18

	Quarter ended 31.12.14		
	Net interest	Average	Net interest
	income	customer	margin
	£m	assets	%
		£m	
Personal and Corporate Banking	1,619	212,444	3.02
Barclaycard	757	36,932	8.13
Africa Banking	546	36,465	5.94
Total Personal and Corporate Banking, Barclaycard and Africa Banking	2,922	285,841	4.06

	Quarter ended 30.09.14		
	Net interest	Average	Net interest
	income	customer	margin
	£m	assets	%
		£m	
Personal and Corporate Banking	1,622	210,859	3.05
Barclaycard	787	35,308	8.84
Africa Banking	540	35,026	6.12
Total Personal and Corporate Banking, Barclaycard and Africa Banking	2,949	281,193	4.16

1 Q115 Net Interest Income has been revised by £14m to accurately reflect the classification of income across financial statement line items.

Risk Management

Risk management and principal risks

Barclays risk management responsibilities are laid out in the Enterprise Risk Management Framework (ERMF), which creates clear ownership and accountability, with the purpose that the Group's most significant risk exposures are understood and managed in accordance with agreed risk appetite, and that there is regular reporting of both risk exposures and the operating effectiveness of controls. It includes those risks incurred by Barclays that are foreseeable, continuous, and material enough to merit establishing specific bank-wide control frameworks. These are known as Key Risks and are grouped into five Principal Risks: Credit Risk; Market Risk; Funding Risk; Operational Risk; and Conduct Risk.

Further detail on these risks and how they are managed is available from the 2014 Annual Report and Accounts or online at www.barclays.com/investorrelations. For 2015, reputation risk has been recognised as a Key Risk within conduct risk given the close alignment between them and the fact that as separate Principal Risks they had a common Principal Risk Officer. There has been no other significant change to the Key Risks, risk management or principal uncertainties during the period or expected for the remaining six months of the financial year.

While the risks to the Eurozone have receded slightly following the recent agreement for a bailout of Greece, should this agreement falter the potential for a default by Greece and subsequent Euro exit would re-emerge, which could disrupt capital markets as well as local markets and adversely impact Barclays' performance where it has larger asset and funding positions, e.g. Italy and Portugal.

The following section gives an overview of the performance in Funding Risk - Liquidity, Funding Risk - Capital, Credit Risk and Market Risk for the period.

Funding & liquidity

Whilst Barclays has a comprehensive framework for managing the Group's liquidity risks, liquidity risk is managed separately at Barclays Africa Group Limited (BAGL) due to local currency and funding requirements. Unless stated otherwise, all disclosures in this section exclude BAGL, which is reported on a stand-alone basis. Adjusting for local requirements, BAGL's liquidity risk is managed on a consistent basis to Barclays Group.

Liquidity stress testing

Compliance with internal and regulatory stress tests	Barclays'	
	LRA (30 day Barclays specific requirement) ¹	Estimated CRDIV LCR
	£bn	£bn
Eligible liquidity buffer	145	150
Net stress outflows	122	124
Surplus	23	26
	119%	121%

Liquidity pool as a percentage of anticipated net outflows as at
30 June 2015

Liquidity pool as a percentage of anticipated net outflows as at
31 December 2014

124% 124%

Barclays manages the Group's liquidity position against the Group's internally defined Liquidity Risk Appetite (LRA) and regulatory metrics, such as the Individual Liquidity Guidance (ILG) provided by the PRA, and the CRD IV Liquidity Coverage Ratio (LCR). As at 30 June 2015, the Group held eligible liquid assets significantly in excess of 100% of net stress outflows for both the 30 day Barclays-specific LRA and the LCR. The surpluses were built to position the Group for outflows associated with credit rating changes as a result of revised assessment of sovereign support. Whilst the ratings changes occurred during Q215, the expected funding impacts had not fully materialised by the end of H115.

Barclays estimated its Net Stable Funding Ratio (NSFR) at 106% (2014: 102%) based on the final NSFR guidelines published by the BCBS in October 2014.

1 Of the three stress scenarios monitored as part of the LRA, the 30 day Barclays specific scenario results in the lowest ratio at 119% (2014: 124%). This compares to 149% (2014: 135%) under the 90 day market-wide scenario and 121% (2014: 127%) under the 30 day combined scenario.

Funding Risk - Liquidity

Composition of the Group Liquidity Pool

	Liquidity pool 30.06.2015	Liquidity pool of which PRA LCR-eligible1		Liquidity pool of which CRDIV LCR-eligible2		Liquidity pool 31.12.2014
		Level 1	Level 2A	Level 1	Level 2A	
	£bn	£bn	£bn	£bn	£bn	£bn
As at 30.06.2015						
Cash and deposits with central banks ³	31	28	28	1		37
Government bonds ⁴						
AAA rated	74	73	73	-		73
AA+ to AA- rated	9	8	9	-		12
Other government bonds	3	2	-	2		-
Total Government bonds	86	83	82	2		85
Other						
Supranational bonds and multilateral development banks	7	3	7	-		9
Agencies and agency mortgage-backed securities	15	-	9	6		11
Covered bonds (rated AA- and above)	3	-	3	-		3
Other	3	-	-	-		4
Total other	28	3	19	6		27

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Total as at 30 June 2015	145	114	129	9
Total as at 31 December 2014	149	122	136	7

Barclays manages the liquidity pool on a centralised basis. The liquidity pool is held unencumbered and is not used to support payment or clearing requirements. As at 30 June 2015, 93% (2014: 92%) of the liquidity pool was located in Barclays Bank PLC and was available to meet liquidity needs across the Barclays Group. The residual liquidity pool is held predominantly within Barclays Capital Inc. The portion of the liquidity pool outside of Barclays Bank PLC is held primarily against entity-specific stressed outflows and regulatory requirements.

Deposit funding

Funding of loans and advances to customers (including BAGL)	As at 30.06.2015			As at 31.12.14	
	Loans and advances to customers £bn	Customer deposits £bn	Loan to deposit ratio %	Loan to deposit ratio %	
Personal and Corporate banking	217	298			
Barclaycard	37	8			
Africa Banking	34	34			
Non-Core retail	18	7			
Total Retail funding	306	347	88	89	
Investment Bank, Non-core wholesale and Head Office	37	14			
Trading settlement balances and collateral	88	77			
Total	431	438	98	100	

PCB, Barclaycard, Africa Banking and Non-Core retail are largely funded by customer deposits. The loan to deposit ratio for these businesses was 88% (2014: 89%). The customer deposits in excess of loans and advances are primarily used to fund liquidity buffer requirements for these businesses. The Investment Bank is funded with wholesale liabilities and does not rely on customer deposit funding from these businesses. The loan to deposit ratio for the Group was 98% (2014: 100%).

- 1 £114bn (2014: £122bn) of the liquidity pool is PRA eligible as per BIPRU 12.7. In addition, there are £12bn (2014: £12bn) of Level 2 assets available, as per the PRA's announcement in August 2013 that certain assets specified by PRA as Level 2 assets can be used on a transitional basis.
- 2 The LCR-eligible assets presented in this table represent only those assets which are also eligible for the Group liquidity pool and do not include any Level 2B assets as defined by the CRDIV Delegated Act.
- 3 Of which over 95% (2014: over 95%) was placed with the Bank of England, US Federal Reserve, European Central Bank, Bank of Japan and Swiss National Bank.
- 4 Of which over 90% (2014: over 95%) are comprised of UK, US, Japanese, French, German, Danish, Swiss and Dutch securities.

Wholesale funding

Funding of other assets

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As at 30.06.15

Assets	£bn	Liabilities	£bn
Trading Portfolio Assets	33	Repurchase agreements	85
Reverse repurchase agreements	52		
Reverse repurchase agreements	41	Trading Portfolio Liabilities	41
Derivative Financial Instruments	340	Derivative Financial Instruments	342
Liquidity pool 1	105	Less than 1 year wholesale debt	68
Other unencumbered assets 2	115	Greater than 1 year wholesale debt and equity	150

· Trading portfolio assets are largely funded by repurchase agreements with 57% (2014: 54%) secured against highly liquid assets³. The weighted average maturity of these repurchase agreements secured against less liquid assets was 77 days (2014: 56 days)

· The majority of reverse repurchase agreements are matched by repurchase agreements. As at 30 June 2015, 55% (2014: 66%) of matched book activity was secured against highly liquid assets³. The remainder of reverse repurchase agreements are used to settle trading portfolio liabilities

· Derivative assets and liabilities are largely matched. A substantial proportion of balance sheet derivative positions qualify for counterparty netting and the remaining portions are largely offset once netted against cash collateral received and paid

· The Group liquidity pool is primarily funded by wholesale debt with the remainder being funded by customer deposits and other assets are largely matched by term wholesale debt and equity

1 The portion of the liquidity pool estimated to be funded by wholesale funds.

2 Predominantly available for sale investments, trading portfolio assets, financial assets designated at fair value and loans and advances to banks.

3 Highly liquid assets are limited to government bonds, US agency securities and US agency mortgage-backed securities.

Composition of wholesale funding¹

In preparation for a Single Point of Entry resolution model, the Group has started to issue debt capital and term senior unsecured funding out of Barclays PLC, the holding company. The Group expects to refinance most debt capital and term senior unsecured debt out of Barclays PLC over time.

Maturity profile

Not more than	Over one month	Over three months	Over six months	Over nine months	Sub-total less than one year	Over one year	Over two years	Over five years	Total
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	one month	but not more than three months	but not more than six months	but not more than nine months	but not more than one year		but not more than two years	but not more than five years		
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Barclays PLC										
Senior unsecured (Public Benchmark)	-	-	-	-	-	-	-	2.5	2.0	4.5
Subordinated liabilities	-	-	-	-	-	-	-	0.8	-	0.8
Barclays Bank PLC										
Deposits from Banks	11.4	6.3	1.2	0.7	0.5	20.1	0.5	-	0.4	21.0
Certificates of Deposit and Commercial Paper	1.1	6.2	6.3	4.2	2.3	20.1	0.8	1.8	0.7	23.4
Asset Backed Commercial Paper	3.2	1.9	0.6	-	-	5.7	-	-	-	5.7
Senior unsecured (Public benchmark)	-	1.0	-	1.3	-	2.3	4.8	5.4	3.6	16.1
Senior unsecured (Privately placed) ²	1.8	1.7	2.0	2.1	2.7	10.3	6.9	11.4	10.5	39.1
Covered bonds/ABS	-	1.1	0.2	0.9	1.1	3.3	4.1	6.2	4.0	17.6
Subordinated liabilities	-	-	-	-	-	-	-	3.0	15.3	18.3
Other ³	2.9	0.9	1.1	1.0	0.2	6.1	1.7	1.1	1.6	10.5
Total as at 30.06.15	20.4	19.1	11.4	10.2	6.8	67.9	18.8	32.2	38.1	157.0
Of which secured	4.7	3.8	1.5	1.4	1.3	12.7	4.4	6.3	4.1	27.5
Of which unsecured	15.7	15.3	9.9	8.8	5.5	55.2	14.4	25.9	34.0	129.5
Total as at 31.12.14	16.8	23.2	14.4	13.5	7.5	75.4	14.0	36.6	45.4	171.4
Of which secured	5.3	7.8	1.7	1.9	0.3	17.0	2.7	7.6	6.0	33.3
Of which unsecured	11.5	15.4	12.7	11.6	7.2	58.4	11.3	29.0	39.4	138.1

Outstanding wholesale funding includes £39bn (2014: £45bn) of privately placed senior unsecured notes in issue. These notes are issued through a variety of distribution channels including intermediaries and private banks. Although not a requirement, the liquidity pool exceeded wholesale funding maturing in less than one year by £77bn (2014: £74bn).

The average maturity of wholesale funding net of the liquidity pool was at least 120 months (2014: 105 months).

Term financing

The Group issued £6bn of term funding net of early redemptions during H115. Barclays has £9bn of term funding maturing in the remainder of 2015 and £13bn in 2016.

The Group expects to issue more public wholesale debt in the remainder of 2015, in order to maintain a stable and diverse funding base by type, currency and distribution channel.

¹ The composition of wholesale funds comprises the balance sheet reported Deposits from Banks, Financial liabilities at Fair Value, Debt Securities in Issue and Subordinated Liabilities, excluding cash collateral and settlement balances. It also does not include collateral swaps, including participation in the Bank of England's Funding for Lending Scheme.

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- 2 Includes structured notes of £33bn, £9bn of which matures within one year.
- 3 Primarily comprised of fair value deposits £5bn and secured financing of physical gold £4bn.
- 4 Includes £1bn of bilateral secured funding in 2015 and £1bn in 2016.

Credit rating

Barclays Bank PLC	Standard & Poor's	Moody's	Fitch
Long Term (Outlook)	A- (Stable)	A2 (Stable)	A (Stable)
Short Term	A-2	P-1	F1
Standalone rating ¹	bbb+	baa2	a
Barclays PLC	Standard & Poor's	Moody's	Fitch
Long Term (Outlook)	BBB (Stable)	Baa3 (Stable)	A (Stable)
Short Term	A-2	P-3	F1

During Q215 all three credit rating agencies took industry-wide rating actions driven by their assessment of sovereign support and/or methodology updates. S&P downgraded the long- and short-term senior unsecured ratings of Barclays Bank PLC by one notch from A/A-1 to A-/A-2. This was driven by the removal of two notches of sovereign support, partially offset by a one notch uplift to reflect "Additional Loss Absorbing Capacity". Moody's downgraded the long- and short-term senior unsecured debt ratings of Barclays PLC from A3/P-2 to Baa3/P-3 due to the removal of three sovereign support notches with no methodology driven uplift. Fitch affirmed both Barclays and Barclays Bank PLC's senior unsecured ratings at A/F1. Barclays' standalone credit ratings have not been impacted by these actions. The outlook on all credit ratings is now stable.

Barclays Africa Group Limited

- Liquidity risk is managed separately at BAGL due to local currency, funding and regulatory requirements
- In addition to the Group liquidity pool, BAGL held £7bn (2014: £7bn) of liquidity pool assets against BAGL-specific anticipated stressed outflows. The liquidity pool consists of South African government bonds and Treasury bills
- The BAGL loan to deposit ratio was 100% (2014: 102%)
- As at 30 June 2015, BAGL had £10bn of wholesale funding outstanding (2014: £9bn), of which £5bn matures in less than one year (2014: £5bn)

¹ Refers to Standard & Poor's Stand-Alone Credit Profile (SACP), Moody's Baseline Credit Assessment (BCA) and Fitch's Viability Rating (VR).

Funding Risk - Capital

CRD IV capital

The Capital Requirements Regulation and Capital Requirements Directive implemented Basel 3 within the EU (collectively known as CRD IV) on 1 January 2014. The rules are supplemented by Regulatory Technical Standards and the PRA's rulebook, including the implementation of transitional rules. However, rules and guidance are still subject to change as certain aspects of CRD IV are dependent on final technical standards and clarifications to be issued by the EBA and adopted by the European Commission and the PRA. All capital, RWA and leverage calculations reflect Barclays' interpretation of the current rules.

Capital ratios	As at 30.06.15	As at 31.03.15	As at 31.12.14
Fully loaded Common Equity Tier 1	11.1%	10.6%	10.3%
PRA Transitional Common Equity Tier 11,2	11.1%	10.6%	10.2%
PRA Transitional Tier 13,4	14.0%	13.3%	13.0%
PRA Transitional Total Capital ^{3,4}	17.4%	16.8%	16.5%
Capital resources	£m	£m	£m
Total equity (excluding non-controlling interests) per the balance sheet	59,281	60,693	59,567
Less: Other equity instruments (recognised as AT1 capital)	(4,325)	(4,323)	(4,322)
Adjustment to retained earnings for foreseeable dividends	(731)	(981)	(615)
Minority interests (amount allowed in consolidated CET1)	1,200	1,249	1,227
Other regulatory adjustments and deductions:			
Additional value adjustments (PVA)	(1,506)	(1,984)	(2,199)
Goodwill and intangible assets	(8,145)	(8,255)	(8,127)
Deferred tax assets that rely on future profitability excluding temporary differences	(1,132)	(1,180)	(1,080)
Fair value reserves related to gains or losses on cash flow hedges	(1,185)	(2,029)	(1,814)
Excess of expected losses over impairment	(1,536)	(1,727)	(1,772)
Gains or losses on liabilities at fair value resulting from own credit	127	497	658
Direct and indirect holdings by an institution of own CET1 instruments	(57)	(56)	(25)
Other regulatory adjustments	1	(72)	(45)
Fully loaded CET1 capital	41,992	41,833	41,453
Regulatory adjustments relating to unrealised gains ¹	-	-	(583)
PRA Transitional CET1 capital	41,992	41,833	40,870
Additional Tier 1 (AT1) capital			
Capital instruments and related share premium accounts	4,325	4,323	4,322
Qualifying AT1 capital (including minority interests) issued by subsidiaries	6,666	6,815	6,870
Other regulatory adjustments and deductions	(130)	(130)	-

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Transitional Additional Tier 1 capital	10,861	11,008	11,192
PRA Transitional Tier 1 capital	52,853	52,841	52,062
Tier 2 (T2) capital			
Capital instruments and related share premium accounts	792	840	800
Qualifying T2 capital (including minority interests) issued by subsidiaries	12,268	13,126	13,529
Other regulatory adjustments and deductions	(254)	(254)	(48)
PRA Transitional total regulatory capital	65,659	66,553	66,343
Risk weighted assets	376,683	395,899	401,900

- 1 The transitional regulatory adjustment for unrealised gains is no longer applicable from 1 January 2015 resulting in CET 1 capital on a fully loaded basis being equal to that on a transitional basis.
- 2 The CRD IV CET1 ratio (FSA October 2012 transitional statement) as applicable to Barclays' Tier 2 Contingent Capital Notes was 12.7% based on £47.9bn of transitional CRD IV CET1 capital and £376.7bn of RWAs.
- 3 The PRA transitional capital is based on guidance provided in policy statement PS 7/13 on strengthening capital standards published in December 2013.
- 4 As at 30 June 2015, Barclays' fully loaded Tier 1 capital was £46,468m, and the fully loaded Tier 1 ratio was 12.3%. Fully loaded total regulatory capital was £60,913m and the fully loaded total capital ratio was 16.2%. The fully loaded Tier 1 capital and total capital measures are calculated without applying the transitional provisions set out in CRD IV and assessing compliance of AT1 and T2 instruments against the relevant criteria in CRD IV.

Movement in Common Equity Tier 1 (CET1) capital	Three months ended 30.06.15 £m	Six months ended 30.06.15 £m
Opening CET1 capital	41,833	41,453
Profit for the period	1,225	1,770
Movement in own credit	(370)	(531)
Movement in dividends	(559)	(989)
Retained regulatory capital generated from earnings	296	250
Movement in reserves - net impact of share schemes	293	313
Movement in available for sale reserves	(240)	(295)
Movement in currency translation reserves	(1,276)	(463)
Movement in retirement benefits	220	(94)
Other reserves movements	16	(18)
Movement in other qualifying reserves	(987)	(557)
Minority interests	(49)	(27)
Additional value adjustments (PVA)	478	693
Goodwill and intangible assets	110	(18)

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Deferred tax assets that rely on future profitability excluding those arising from temporary differences	48	(52)
Excess of expected loss over impairment	191	236
Direct and indirect holdings by an institution of own CET1 instruments	(1)	(32)
Other regulatory adjustments	73	46
Movement in regulatory adjustments and deductions	850	846
Closing CET1 capital	41,992	41,992

· Fully loaded CRD IV CET1 ratio increased in H115 to 11.1% (December 2014; 10.3%) reflecting an increase in CET1 capital of £0.5bn to £42.0bn and decrease in RWAs of £25.2bn to £377bn

· Capital generated from earnings increased CET1 capital by £0.3bn after absorbing adjusting items, own credit and dividends paid and foreseen. Other material movements in CET1 capital were:

- £0.6bn decrease in other qualifying reserves largely due to a £0.5bn decrease in the currency translation reserve as GBP strengthened against EUR, USD and ZAR

- £0.8bn increase due to lower regulatory adjustments and deductions largely as a result of a £0.7bn decrease in the PVA deduction, which includes a tax credit of £0.4bn applied in Q2 and £0.3bn reductions across Non-Core

· Transitional total capital decreased by £0.7bn to £65.7bn largely due to capital redemptions in the period of \$225m fixed rate subordinated notes and £265m fixed rate guaranteed perpetual subordinated notes (T2 capital). Further decreases were as a result of higher capital deductions for holdings in own paper and ineligible minority interest

Risk weighted assets by risk type and business

	Credit risk		Counterparty credit risk		Market risk		Operational risk	Total RWAs
	Std	IRB	Std	IRB	Std	IMA		
As at 30.06.15	£m	£m	£m	£m	£m	£m	£m	£m
Personal and Corporate Banking	31,687	71,481	268	859	108	-	16,176	120,579
Barclaycard	16,149	18,624	-	-	-	-	5,505	40,278
Africa Banking	8,003	20,749	18	416	306	1,266	5,604	36,362
Investment Bank	4,501	36,117	15,263	11,412	12,656	15,718	19,621	115,288
Head Office	487	3,071	102	87	1	1,695	2,104	7,547
Total Core	60,827	150,042	15,651	12,774	13,071	18,679	49,010	320,054
Barclays Non-Core	7,300	13,761	2,532	13,267	1,226	10,893	7,650	56,629
Total RWAs	68,127	163,803	18,183	26,041	14,297	29,572	56,660	376,683

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As at 31.12.14								
Personal and Corporate Banking	32,657	70,080	238	1,049	26	-	16,176	120,226
Barclaycard	15,910	18,492	-	-	-	-	5,505	39,907
Africa Banking	9,015	21,794	10	562	948	588	5,604	38,521
Investment Bank	5,773	36,829	13,739	11,781	18,179	16,480	19,621	122,402
Head Office	506	2,912	234	62	7	521	1,326	5,568
Total Core	63,861	150,107	14,221	13,454	19,160	17,589	48,232	326,624
Barclays Non-Core	10,679	19,416	3,023	18,406	2,236	13,088	8,428	75,276
Total RWAs	74,540	169,523	17,244	31,860	21,396	30,677	56,660	401,900

Movement analysis of risk weighted assets

	Credit risk	Counterparty credit risk ¹	Market risk ²	Operational risk	Total
	£bn	£bn	£bn	£bn	£bn
Risk weighted assets					
As at 1 January 2015	244.0	49.1	52.1	56.7	401.9
Book size	3.0	(6.1)	(4.4)	-	(7.5)
Acquisitions and disposals	(9.6)	-	(0.3)	-	(9.9)
Book quality	(1.7)	(0.7)	0.7	-	(1.7)
Model updates	(1.7)	(1.3)	(2.3)	-	(5.3)
Methodology and policy	1.9	3.2	(1.9)	-	3.2
Foreign exchange movement ³	(4.1)	-	-	-	(4.1)
Other	0.1	-	-	-	0.1
As at 30 June 2015	231.9	44.2	43.9	56.7	376.7

RWAs decreased £25.2bn to £376.7bn:

- Book size decreased RWAs by £7.5bn, due to risk reductions in the Investment Bank and Non-Core trading books, offset by increased PCB loans and advances to customers
- Acquisitions and disposals decreased RWAs by £9.9bn, primarily driven by disposals in Non-Core, including the sale of the Spanish business
- Book quality improved, resulting in a RWA reduction of £1.7bn, primarily driven by changes in risk profile within PCB and Non-Core
- Model updates decreased RWAs by £5.3bn, following the implementation of diversification benefits across advanced general and specific market risk, as well as a recalibration of a credit risk model within the Investment Bank and Non-Core
- Methodology and policy changes increased RWAs by £3.2bn, due to the capture of an extended margin period of risk for securities financing transactions within the Investment Bank
- Foreign exchange movements decreased RWAs by £4.1bn, as GBP appreciated against ZAR, USD and EUR

1 RWAs in relation to default fund contributions are included in counterparty credit risk.

2 RWAs in relation to CVA (£13.3bn) are included in market risk.

3 Foreign exchange movements do not include movements for counterparty credit risk or market risk.

Leverage ratio requirements

In January 2014, the Basel Committee finalised its revised standards (BCBS 270) for calculating the Basel 3 leverage ratio. The European Commission has implemented the amendments into the CRR via a delegated act which came into force from January 2015. The leverage calculation below uses the end-point CRR definition of Tier 1 capital for the numerator and the CRR definition of leverage exposure as adopted by a European Union delegated act.

Barclays does not believe that there is a material difference between the BCBS 270 leverage exposure previously disclosed and a leverage exposure calculated in accordance with the delegated act.

At 30 June 2015 Barclays leverage ratio was 4.1%, which exceeds the expected minimum fully loaded requirement outlined by the Financial Policy Committee (FPC)¹ of 3.7%, comprising the 3% minimum requirement, and the fully phased-in G-SII buffer.

Leverage exposure and ratio

	As at 30.06.15	As at 31.03.15	As at 31.12.14
	£bn	£bn	£bn
Leverage exposure			
Accounting assets			
Derivative financial instruments	341	480	440
Cash collateral	60	80	73
Reverse repurchase agreements	93	124	132
Loans and advances and other assets	703	732	713
Total IFRS assets	1,197	1,416	1,358
Regulatory consolidation adjustments	(5)	(8)	(8)
Derivatives adjustments			
Derivatives netting	(308)	(436)	(395)
Adjustments to cash collateral	(47)	(63)	(53)
Net written credit protection	20	25	27
Potential Future Exposure (PFE) on derivatives	160	176	179
Total derivatives adjustments	(175)	(298)	(242)
Securities financing transactions (SFTs) adjustments	24	46	25
Regulatory deductions and other adjustments	(14)	(15)	(15)
Weighted off-balance sheet commitments	112	114	115
Total fully loaded leverage exposure	1,139	1,255	1,233
Fully loaded CET1 capital	42.0	41.8	41.5
Fully loaded AT1 capital	4.5	4.5	4.6
Fully loaded Tier 1 capital	46.5	46.3	46.0
Fully loaded leverage ratio	4.1%	3.7%	3.7%

During H115 leverage exposure decreased £94bn to £1,139bn:

- SFTs decreased by £40bn, primarily due to a reduction in IFRS reverse repurchase agreements of £39bn to £93bn, driven by reductions in matched book trading as a result of balance sheet deleveraging
- Total derivative exposures² decreased £45bn primarily due to a £19bn reduction in the PFE and a £19bn net reduction in IFRS derivatives and cash collateral.
 - The PFE on derivatives decreased £19bn to £160bn, mainly as a result of continued legacy portfolio run down and optimisation including trade compressions and tear-ups
 - Other derivatives exposures decreased £19bn to £46bn, driven by a net decrease in IFRS derivatives, primarily due to increases in major forward rate curves and continued legacy portfolio run down
 - Net written credit protection decreased £7bn to £20bn primarily due to a reduction in business activity and improved portfolio netting
- Loans and advances and other assets decreased by £10bn to £703bn primarily driven by a reduction in trading portfolio assets

1 In July 2015 the PRA set out a consultation on how it proposes to implement the FPC recommendations in the UK. The PRA is expected to publish a policy statement, finalised rules and supervisory statements by the end of 2015.

2 Total derivative exposures include IFRS derivative financial instruments, cash collateral and total derivatives adjustments.

Credit Risk

Analysis of loans and advances to customers and banks

Loans and advances at amortised cost net of impairment allowances, by industry sector and geography

As at 30.06.15	United	Europe	Americas	Africa and	Asia	Total
	Kingdom			Middle East		
	£m	£m	£m	£m	£m	£m
Banks	7,092	12,377	14,510	2,617	4,374	40,970
Other financial institutions	24,091	20,546	52,379	2,873	5,910	105,799
Home loans	133,491	17,476	695	12,450	229	164,341
Cards, unsecured loans and other personal lending	27,863	4,691	15,628	8,561	1,413	58,156
Construction and property	18,207	1,035	1,612	1,909	326	23,089
Other	41,403	13,266	11,228	12,052	4,963	82,912
Net loans and advances to customers and banks	252,147	69,391	96,052	40,462	17,215	475,267

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Impairment allowance	2,484	1,091	581	957	80	5,193
Gross loans and advances to customers and banks	254,631	70,482	96,633	41,419	17,295	480,460
Loans and advances at FV	16,472	405	666	1,002	1	18,546
As at 31.12.14						
Banks	6,900	12,611	12,917	2,499	5,338	40,265
Other financial institutions	23,685	22,114	49,160	4,123	4,306	103,388
Home loans	132,775	19,713	769	13,356	361	166,974
Cards, unsecured loans and other personal lending	28,061	5,226	15,666	8,605	1,356	58,914
Construction and property	17,837	1,175	1,655	1,888	287	22,842
Other	39,757	11,972	9,621	12,020	4,125	77,495
Net loans and advances to customers and banks	249,015	72,811	89,788	42,491	15,773	469,878
Impairment allowance	2,653	1,219	499	1,001	83	5,455
Gross loans and advances to customers and banks	251,668	74,030	90,287	43,492	15,856	475,333
Loans and advances at FV	17,627	1,041	894	635	1	20,198

Analysis of retail and wholesale loans and advances and impairment

As at 30.06.15	Gross L&A £m	Impairment allowance £m	L&A net of impairment £m	Credit risk loans £m	CRLs % of gross L&A %	% of impairment charges ¹ £m	Loan loss rates bps
Personal & Corporate Banking	137,311	730	136,581	1,486	1.1	125	18
Africa Banking	20,414	649	19,765	1,029	5.0	154	152
Barclaycard	38,689	1,759	36,930	1,735	4.5	563	293
Barclays Core	196,414	3,138	193,276	4,250	2.2	842	86
Barclays Non-Core	17,625	420	17,205	1,077	6.1	51	58
Total Group Retail	214,039	3,558	210,481	5,327	2.5	893	84
Investment Bank	123,094	31	123,063	56	-	(6)	(1)
Personal & Corporate Banking	86,395	835	85,560	1,846	2.1	54	13
Africa Banking	16,548	243	16,305	642	3.9	39	48
Head Office and Other Operations	3,169	-	3,169	4	0.1	1	6
Barclays Core	229,206	1,109	228,097	2,548	1.1	88	8
Barclays Non-Core	37,215	526	36,689	754	2.0	(24)	(13)
Total Group Wholesale	266,421	1,635	264,786	3,302	1.2	64	5
Group Total	480,460	5,193	475,267	8,629	1.8	957	40
Traded Loans	2,048	n/a	2,048				

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Loans and advances designated at fair value	18,546	n/a	18,546				
Loans and advances held at fair value	20,594	n/a	20,594				
Total loans and advances	501,054	5,193	495,861				
As at 31.12.14							
Personal & Corporate Banking ²	136,544	766	135,778	1,582	1.2	215	16
Africa Banking	21,334	681	20,653	1,093	5.1	295	138
Barclaycard	38,376	1,815	36,561	1,765	4.6	1,183	308
Barclays Core	196,254	3,262	192,992	4,440	2.3	1,693	86
Barclays Non-Core	20,259	428	19,831	1,209	6.0	151	75
Total Group Retail	216,513	3,690	212,823	5,649	2.6	1,844	85
Investment Bank	106,377	44	106,333	71	0.1	(14)	(1)
Personal & Corporate Banking ²	88,192	873	87,319	2,112	2.4	267	30
Africa Banking	16,312	246	16,066	665	4.1	54	33
Head Office and Other Operations	3,240	-	3,240	-	-	-	-
Barclays Core	214,121	1,163	212,958	2,848	1.3	307	14
Barclays Non-Core	44,699	602	44,097	841	1.9	53	12
Total Group Wholesale	258,820	1,765	257,055	3,689	1.4	360	14
Group Total	475,333	5,455	469,878	9,338	2.0	2,204	46
Traded Loans	2,693	n/a	2,693				
Loans and advances designated at fair value	20,198	n/a	20,198				
Loans and advances held at fair value	22,891	n/a	22,891				
Total loans and advances	498,224	5,455	492,769				

· Loans and advances to customers and banks at amortised cost net of impairment increased to £475.3bn (2014: £469.9bn)

- Investment Bank increased by £16.7bn to £123.1bn reflecting a net increase in cash collateral and settlement balances driven principally by higher trading volumes

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- Non-Core decreased by £10.0bn to £53.9bn due to a net reduction in cash collateral and settlements and the run off of assets in Europe

- 1 Excludes impairment charges on available for sale investments and reverse repurchase agreements. H115 impairment charges represent six months charge, whereas December 2014 impairment charges represent 12 months charge.
- 2 UK Business Banking has been reclassified from Retail to Wholesale in line with how the business is now managed. 2014 figures have been restated to reflect this, with net loans and advances of £8.4bn, credit risk loans of £482m and impairment charges of £48m being reclassified to Wholesale.

Analysis of potential credit risk loans and coverage ratios

	CRLs		PPLs		PCRLs	
	As at	As at	As at	As at	As at	As at
	30.06.15	31.12.14	30.06.15	31.12.14	30.06.15	31.12.14
	£m	£m	£m	£m	£m	£m
Personal & Corporate Banking ¹	1,486	1,582	151	143	1,637	1,725
Africa Banking	1,029	1,093	170	161	1,199	1,254
Barclaycard	1,735	1,765	217	227	1,952	1,992
Barclays Core	4,250	4,440	538	531	4,788	4,971
Barclays Non-Core	1,077	1,209	24	26	1,101	1,234
Total Group Retail	5,327	5,649	562	557	5,889	6,205
Investment Bank	56	71	270	107	326	178
Personal & Corporate Banking ¹	1,846	2,112	498	614	2,344	2,726
Africa Banking	642	665	66	94	708	759
Head Office and Other Operations	4	-	-	-	4	-
Barclays Core	2,548	2,848	834	815	3,382	3,663
Barclays Non-Core	754	841	29	119	783	960
Total Group Wholesale	3,302	3,689	863	934	4,165	4,623
Group Total	8,629	9,338	1,425	1,491	10,054	10,828
	Impairment allowance		CRL coverage		PCRL coverage	
	As at	As at	As at	As at	As at	As at
	30.06.15	31.12.14	30.06.15	31.12.14	30.06.15	31.12.14
	£m	£m	%	%	%	%
Personal & Corporate Banking ¹	730	766	49.1	48.4	44.6	44.4
Africa Banking	649	681	63.1	62.3	54.1	54.3
Barclaycard	1,759	1,815	101.4	102.8	90.1	91.1
Barclays Core	3,138	3,262	73.8	73.5	65.5	65.6
Barclays Non-Core	420	428	39.0	35.4	38.1	34.7
Total Group Retail	3,558	3,690	66.8	65.3	60.4	59.5
Investment Bank	31	44	55.4	62.0	9.5	24.7
	835	873	45.2	41.3	35.6	32.0

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Personal & Corporate Banking ¹						
Africa Banking	243	246	37.9	37.0	34.3	32.4
Head Office and Other Operations	-	-	-	-	-	-
Barclays Core	1,109	1,163	43.5	40.8	32.8	31.7
Barclays Non-Core	526	602	69.8	71.6	67.2	62.7
Total Group Wholesale	1,635	1,765	49.5	47.8	39.3	38.2
Group Total	5,193	5,455	60.2	58.4	51.7	50.4

· Credit Risk Loans (CRLs) decreased 8% to £8.6bn with a 10% decrease to £3.3bn in wholesale portfolios and 6% to £5.3bn in retail portfolios. This is primarily driven by reductions in PCB and Non-Core Europe due to improving economic conditions

¹ UK Business Banking has been reclassified from Retail to Wholesale in line with how the business is now managed. 2014 figures have been restated to reflect this, with credit risk loans of £482m, PPLs of £32m and PCRLs of £514m being reclassified to Wholesale.

Analysis of forbearance programmes

	Balances		Impairment allowance		Allowance coverage	
	As at 30.06.15 £m	As at 31.12.14 £m	As at 30.06.15 £m	As at 31.12.14 £m	As at 30.06.15 %	As at 31.12.14 %
Personal & Corporate Banking ¹	1,744	2,011	45	46	2.6	2.3
Africa Banking	268	299	36	45	13.4	15.1
Barclaycard	805	972	285	394	35.4	40.5
Barclays Core	2,817	3,282	366	485	13.0	14.8
Barclays Non-Core	365	419	40	49	11.0	11.7
Total Retail	3,182	3,701	406	534	12.8	14.4
Investment Bank	174	106	13	10	7.5	9.4
Personal & Corporate Banking ¹	1,841	1,830	291	255	15.8	13.9
Africa Banking	152	132	11	7	7.2	5.3
Barclays Core	2,167	2,068	315	272	14.5	13.2
Barclays Non-Core	265	651	104	271	39.2	41.6
Total Wholesale	2,432	2,719	419	543	17.2	20.0
Group Total	5,614	6,420	825	1,077	14.7	16.8

· Retail balances on forbearance reduced by 14% to £3.2bn primarily due to PCB and Barclaycard

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- PCB: UK home loans decreased, principally due to a reduction in the proportion of accounts meeting the Mortgage Current Account reserve forbearance classification criteria
- Barclaycard: Reduction primarily due to an asset sale in Q115 and updated entry criteria for forbearance programmes, which reduced inflows in the UK cards portfolio
- Wholesale balances on forbearance reduced by 11% to £2.4bn due to a reduction in Non-Core. Core balances on forbearance rose by 5% to £2.2bn reflecting small increases in all businesses

Analysis of specific core portfolios/businesses

Secured home loans

- The principal home loan portfolios listed below primarily comprise first lien mortgages and account for 87% (2014: 86%) of total home loans in the Group's retail core portfolios

Home loans principal portfolios

	Gross loans and advances £m	90 day arrears, excluding recoveries %	Non performing proportion of outstanding balances %	Annualised charge-off rates %	Recoveries proportion of outstanding balances %	Recoveries of impairment coverage ratio %
As at 30.06.15						
PCB - UK	127,551	0.2	0.6	0.4	0.4	8.9
Africa - South Africa	11,046	0.7	4.2	1.7	3.5	27.7
As at 31.12.14						
PCB - UK	126,668	0.2	0.6	0.4	0.4	8.3
Africa - South Africa	11,513	0.7	4.8	1.9	4.1	31.1

1 UK Business Banking forbearance has been reclassified from Retail to Wholesale, in line with the way the business is now managed. 2014 balances of £240m and impairment allowances of £30m have been restated to reflect this.

Home loans principal portfolios - distribution of balances by LTV1

	PCB - UK		Africa - South Africa	
	30.06.15	31.12.14	30.06.15	31.12.14
	%	%	%	%
<=75%	90.7	90.2	76.7	74.6
>75% and <=80%	4.0	4.2	7.2	7.7
>80% and <=85%	2.2	2.3	5.7	5.9
>85% and <=90%	1.5	1.4	3.8	4.3
>90% and <=95%	0.9	1.0	2.4	2.5
>95% and <=100%	0.3	0.4	1.5	1.5

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>100%	0.4	0.5	2.7	3.5
Portfolio Marked To Market LTV:				
Balance weighted %	51.0	51.6	58.5	59.9
Valuation weighted %	39.1	39.8	39.4	40.2
For > 100% LTV:				
Balances £m	528	641	294	390
Marked to market collateral £m	439	558	247	324
Average LTV: Balance weighted %	126.2	120.9	122.5	124.2
Average LTV: Valuation weighted %	120.2	114.8	118.8	120.3
% Balances in Recovery Book	5.0	4.4	34.8	37.1

- PCB - UK: Arrears and charge-off rates remained steady, reflecting the continuing low base rate and benign economic conditions. Balance weighted LTV reduced to 51.0% (2014: 51.6%) as average house prices increased. This increase also contributed to a reduction in home loans that have LTV >100% of 18% to £528m

- Africa - South Africa: The decrease in non-performing balances to 4.2% (2014: 4.8%) was due to a further reduction in the recoveries book and continued strong performance of new lending. Balances with >100% LTV reduced 25% to £294m as the recoveries book decreased, and average house price appreciated

Home loans principal portfolios - new lending

	PCB - UK		Africa - South Africa	
	30.06.15	30.06.14	30.06.15	30.06.14
New bookings (£m) ²	9,549	10,162	811	763
New mortgages proportion above 85% LTV (%)	8.3	5.0	39.2	32.9
Average LTV on new mortgages: balance weighted (%)	62.3	64.4	75.1	75.0
Average LTV on new mortgages: valuation weighted (%)	53.6	57.2	66.2	65.6

- PCB - UK: New lending during H115 reduced by 6%, in line with the reduction in market activity in the prime residential segment. The increase in mortgages with LTV above 85% to 8.3% (2014: 5.0%) reflected increased appetite

for higher LTV lending in the UK as confidence in the housing market improved

- Africa - South Africa: The proportion of new home loans with LTV above 85% increased to 39.2% (2014: 32.9%) due to a revised strategy which allows a greater proportion of higher LTV loans to be booked for lower risk customers

Exposures to interest only home loans

- The Group provides interest-only mortgages to customers, mainly in the UK. Interest-only mortgages account for £51bn (2014: £51bn) of the total balance of £128bn (2014: £127bn) of UK home loans. This comprised £41bn (2014: £42bn) to owner-occupied customers, and £10bn (2014: £9bn) to buy-to-let customers.

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· Of the £41bn exposure to owner-occupied customers, £35bn (2014: £35bn) was interest-only, with the remaining £6bn (2014: £7bn) representing the interest-only component of Part and Part3 mortgages.

Exposure to interest only owner-occupied home loans	As at 30.06.15	As at 31.12.14
Interest only balances (£m)	34,855	35,328
Total Impairment Coverage (bps)	10	8
Marked to market LTV: Balance weighted %	47.5	48.7
Marked to market LTV: Valuation weighted %	36.8	37.6

- 1 Portfolio marked to market based on the most updated valuation including recoveries balances. Updated valuations reflect the application of the latest house price index available in the country as at 30 June 2015.
- 2 2014 new bookings for South Africa Home Loan was revised to include new advances to existing customers.
- 3 A Part and Part Home Loan is a product in which part of the loan is interest only and part is amortising. Analysis excludes the interest only portion of the part and part book which contributes £6.4bn (2014: £6.6bn) to the total interest-only balance of £41.1bn (2014: £41.9bn). Total exposure on the part and part book is £9.1bn (2014: £9.8bn) and represents 7% of total UK home loans portfolio.

Credit cards, overdrafts and unsecured loans

· The principal portfolios listed below accounted for 94% (2014: 94%) of the Group's total credit cards, overdrafts and unsecured loans

Principal Portfolios	Gross Loans and Advances £m	30 Day Arrears, excluding recoveries %	90 Day Arrears, excluding recoveries %	Recoveries Annualised Gross Charge-off Rates %	Proportion of Outstanding Balances %	Recoveries
						Recoveries of Impairment Coverage Ratio %
As at 30.06.15						
Barclaycard						
UK cards ¹	17,378	2.4	1.2	5.6	5.3	85.4
US cards ¹	14,299	1.9	0.9	3.9	2.1	88.2
Barclays Partner Finance	3,734	1.4	0.6	2.3	2.5	80.6
Germany cards	1,300	2.6	1.0	3.8	3.0	81.9
Iberia cards	901	6.0	2.6	8.0	6.2	84.2
Personal & Corporate Banking						
UK personal loans	5,232	1.8	0.7	3.0	7.9	75.1
UK overdrafts	839	5.0	3.7	8.0	11.4	87.4
Africa Banking						
South Africa cards	2,278	9.4	5.2	5.4	6.6	74.8
South Africa personal loans	972	5.9	3.0	7.8	8.0	72.5
As at 31.12.14						
Barclaycard						
UK cards ¹	17,447	2.5	1.2	4.3	4.9	87.6
US cards ¹	14,005	2.1	1.0	3.7	1.8	87.1

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Barclays Partner Finance	3,399	1.5	0.7	2.4	2.7	76.8
Germany cards	1,355	2.5	1.1	3.8	3.4	82.8
Iberia cards	968	6.0	2.5	8.2	6.3	84.9
Personal & Corporate Banking						
UK personal loans	4,953	2.0	0.9	3.4	10.0	76.3
UK overdrafts	902	5.8	4.0	7.1	11.0	89.9
Africa Banking						
South Africa cards	2,364	8.1	4.6	7.6	5.9	75.7
South Africa personal loans	993	5.4	2.6	8.1	7.8	70.8

- UK cards: Primary driver for the increased charge-off rate to 5.6% (2014: 4.3%) was debt sale activity on legacy forbearance plans, which required early acceleration of accounts to charge-off prior to sale. The decrease in recovery coverage ratio was due to recent improvements in cash recoveries and further refinements to modelled impairment methodologies, including the use of more granular account segmentation
- US cards: Arrears rates remained stable due to a strategy focused on high quality customers and low risk partnerships
- UK personal loans: Arrears and charge-off rates fell despite a 5% growth in gross loans and advances and reflected the benign economic conditions
- Barclays Partner Finance: The increase in recoveries impairment coverage was due to a reclassification of management adjustments to the impairment allowance that were previously held at the portfolio level, to the recoveries segment. The overall coverage remains unchanged
- South Africa cards: Increased arrears in part reflected the growth of bookings in 2014 in line with business strategy, as well as seasonal trends. The level of arrears was in line with the same period in 2014

1 For UK and US cards, outstanding recoveries balances for acquired portfolios recognised at fair value (which have no related impairment allowance) have been excluded from the recoveries impairment coverage ratio. Losses have been recognised where related to additional spend from acquired accounts in the period post acquisition.

Group exposures to Eurozone countries

- The Group recognises the credit and market risk resulting from the ongoing volatility in the Eurozone and continues to monitor events closely while taking coordinated steps to mitigate the risks associated with the challenging economic environment
- During H115 the Group's net on-balance sheet exposures to Spain, Italy, Portugal, Ireland, Cyprus and Greece decreased by £17.7bn to £25.6bn primarily due to a £13.2bn reduction in Spain following the sale of Spanish business
- As at 30 June 2015, the local net funding deficit in Italy was €4.8bn (2014: €9.9bn) and the deficit in Portugal was €1.7bn (2014: €1.9bn). The net funding surplus in Spain was €3.3bn (2014: €4.3bn)
- The following table shows Barclays exposure to Eurozone countries monitored internally as being higher risk and thus being the subject of particular management focus. The basis of preparation is consistent with that described in the 2014 Annual Report

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The net exposure provides the most appropriate measure of the credit risk to which the Group is exposed. The gross exposure is also presented below, alongside off-balance sheet contingent liabilities and commitments

	Financial		Residential		Other	Net	Gross	Contingent
	Sovereign	institutions	Corporate	mortgages	retail	on-balance	on-balance	liabilities
					lending	Sheet	sheet	and
						exposure	exposure	commitments
As at	£m	£m	£m	£m	£m	£m	£m	£m
30.06.15								
Spain	173	697	1,099	15	311	2,295	9,285	1,865
Italy	1,333	426	972	11,895	832	15,458	21,899	2,468
Portugal	36	28	350	2,641	1,105	4,160	4,420	1,365
Ireland	38	2,101	1,247	61	51	3,498	7,077	2,208
Cyprus	26	7	44	17	31	125	379	22
Greece	6	5	15	6	3	35	972	-
Total	1,612	3,264	3,727	14,635	2,333	25,571	44,032	7,928
As at								
31.12.14								
Spain	108	14,043	1,149	12	248	15,560	24,873	2,863
Italy	1,716	485	1,128	13,530	1,114	17,973	25,967	3,033
Portugal	105	7	531	2,995	1,207	4,845	5,050	1,631
Ireland	37	3,175	1,453	43	50	4,758	9,445	2,070
Cyprus	28	12	61	6	16	123	707	26
Greece	1	11	15	-	-	27	1,279	-
Total	1,995	17,733	4,337	16,586	2,635	43,286	67,321	9,623

Market Risk

Analysis of Management VaR

The table below shows the total Management VaR on a diversified basis by risk factor. Total Management VaR includes all trading positions in the Investment Bank, Non-Core, Africa Banking and Head Office

Limits are applied against each risk factor VaR as well as total Management VaR, which are then cascaded further by risk managers to each business

Management VaR (95%) by asset class

Six months ended	30.06.15			31.12.14			30.06.14		
	Daily Avg	High1	Low1	Daily Avg	High1	Low1	Daily Avg	High1	Low1
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Credit risk	10	13	8	10	13	9	12	15	9
Interest rate risk	7	12	4	12	17	7	10	14	6
Spread risk	3	6	2	4	5	3	5	8	3
Basis risk	3	4	3	3	5	2	6	8	4
Equity risk	9	17	5	10	15	6	12	23	8
Commodity risk	2	2	1	2	3	1	3	8	2
Foreign exchange risk	3	5	1	4	23	1	4	6	2

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Inflation risk	3	5	2	2	3	2	3	4	2
Diversification effect	(22)	-	-	(26)	-	-	(32)	-	-
Total Management VaR	18	25	13	21	36	17	23	31	18

- With the exception of Interest Rate Risk, all asset class VaRs remained stable during H115
- Average Interest Rate Risk Management VaR decreased by 42% to £7m, as certain positions included within the liquidity pool were transferred to Head Office Treasury banking book. These high quality and liquid banking book assets are now reported as non-traded market risk exposures to ensure consistent management of the liquidity pool
- This decrease together with a reduction in exposure in Non-Core led to a fall in total Management VaR of 14% to £18m

Analysis of net interest income sensitivity

The table below shows sensitivity analysis on the pre-tax net interest income for the non-trading financial assets and financial liabilities held at 31 May 2015 and 31 December 2014

Net interest income sensitivity (AEaR) by business

Period ended	Personal & Corporate		Africa	Non-core	Other ⁴	Total
	Banking	Barclaycard				
31.05.15 ^{2,3}	£m	£m	£m	£m	£m	£m
+200bps	302	(28)	20	19	(87)	226
+100bps	150	(15)	10	10	(62)	93
-100bps	(392)	16	(4)	-	63	(317)
-200bps	(442)	19	(4)	(1)	64	(364)
Period ended 31.12.14 ³						
+200bps	464	(59)	26	6	(97)	340
+100bps	239	(27)	13	3	(58)	170
-100bps	(426)	26	(9)	(1)	26	(384)
-200bps	(430)	29	(17)	(1)	39	(380)

- In PCB, the reduction in NII sensitivity was due to increased hedging of certain deposit products exposure to interest rate changes

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

2 Based on May 2015 data, being the latest available.

3 Excluding investment banking operations.

4 Excluding the banking book assets of the liquidity pool held in Head Office.

Statement of Directors' Responsibilities

The Directors (who are listed below) confirm that the condensed consolidated interim financial statements set out on pages 51 to 89 have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by Disclosure and Transparency Rules 4.2.7R and 4.2.8R namely:

- An indication of important events that have occurred during the six months ended 30 June 2015 and their impact on the condensed consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year
- Material related party transactions in the six months ended 30 June 2015 and any material changes in the related party transactions described in the last Annual Report

Signed on behalf of the Board by

John McFarlane

Tushar Morzaria

Executive Chairman

Group Finance Director

Barclays PLC Board of Directors:

Executive Directors

John McFarlane (Executive Chairman)

Tushar Morzaria (Group Finance Director)

Non-executive Directors

Mike Ashley

Tim Breedon

Crawford Gillies

Reuben Jeffery

Wendy Lucas-Bull

Dambisa Moyo

Frits van Paasschen

Sir Michael Rake

Diane de Saint Victor

Diane Schueneman

Steve Thieke

Independent Auditors' Review Report to Barclays PLC

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed the condensed consolidated interim financial statements, defined below, in the interim results announcement of Barclays PLC for the six months ended 30 June 2015. Based on our review, nothing has come to our

attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

This conclusion is to be read in the context of what we say in the remainder of this report.

What we have reviewed

The condensed consolidated interim financial statements, which are prepared by Barclays PLC, comprise:

- the condensed consolidated Balance Sheet as at 30 June 2015;
- the condensed consolidated Income Statement for the six months ended 30 June 2015;
- the condensed consolidated statement of Comprehensive Income for the period then ended;
- the condensed consolidated statement of Cash Flows for the period then ended;
- the condensed consolidated statement of Changes in Equity for the period then ended; and
- the related notes to the condensed consolidated interim financial statements.

As disclosed in note 1, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The condensed consolidated interim financial statements included in the interim results announcement have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

What a review of condensed consolidated financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim results announcement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial statements.

Responsibilities for the condensed consolidated interim financial statements and the review

Our responsibilities and those of the directors^{1,2}

The interim results announcement, including the condensed consolidated interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the results announcement in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express to the company a conclusion on the condensed consolidated interim financial statements in the interim results announcement based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Chartered Accountants
28 July 2015
London, United Kingdom

- 1 The maintenance and integrity of the Barclays website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- 2 Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Condensed Consolidated Financial Statements

Condensed consolidated income statement (unaudited)

		Half year ended 30.06.15	Half year ended 30.06.14
	Notes ¹	£m	£m
Continuing operations			
Net interest income		6,201	6,082
Net fee and commission income		4,004	4,256
Net trading income		2,660	2,575
Net investment income		923	356
Net premiums from insurance contracts		351	336
Other income		(3)	19
Total income		14,136	13,624
Net claims and benefits incurred on insurance contracts		(248)	(240)
Total income net of insurance claims		13,888	13,384
Credit impairment charges and other provisions		(973)	(1,086)
Net operating income		12,915	12,298
Staff costs	2	(4,864)	(5,730)
Infrastructure costs	3	(1,590)	(1,568)
Administration and general expenses	3	(3,211)	(2,479)
Operating expenses		(9,665)	(9,777)
Loss on disposal of undertakings and share of results of associates and joint ventures		(136)	(20)
Profit before tax		3,114	2,501
Tax	4	(1,006)	(895)
Profit after tax		2,108	1,606
Attributable to:			
Ordinary equity holders of the parent:		1,611	1,126
Other equity holders ²		159	90
Total equity holders of the parent ²		1,770	1,216
Non-controlling interests	5	338	390
Profit after tax		2,108	1,606
Earnings per share from continuing operations			

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Basic earnings per ordinary share ²	6	9.9p	7.0p
Diluted earnings per ordinary share ²	6	9.7p	7.0p

- 1 For notes to the Financial Statements see pages 56 to 89.
- 2 The profit after tax attributable to other equity holders of £159m (H114: £90m) is offset by a tax credit recorded in reserves of £32m (H114: £19m). The net amount of £127m (H114: £71m), along with non-controlling interests (NCI) is deducted from profit after tax in order to calculate earnings per share.

Condensed consolidated statement of comprehensive income (unaudited)

		Half year ended 30.06.15	Half year ended 30.06.14
	Notes ¹	£m	£m
Continuing operations			
Profit after tax		2,108	1,606
Other comprehensive (loss)/income that may be recycled to profit or loss:			
Currency translation reserve	15	(590)	(1,056)
Available for sale reserve	15	(294)	341
Cash flow hedge reserve	15	(646)	254
Other		41	(53)
Other comprehensive loss that may be recycled to profit or loss		(1,489)	(514)
Other comprehensive (loss)/income not recycled to profit or loss:			
Retirement benefit remeasurements	12	(93)	236
Other comprehensive loss for the period		(1,582)	(278)
Comprehensive income for the period		526	1,328
Attributable to:			
Equity holders of the parent		325	1,064
Non-controlling interests		201	264
Total comprehensive income for the period		526	1,328

- 1 For notes, see pages 56 to 89.

Condensed consolidated balance sheet (unaudited)

		As at 30.06.15	As at 31.12.14
	Notes ¹	£m	£m
Assets			
Cash and balances at central banks		33,341	39,695
Items in the course of collection from other banks		1,227	1,210
Trading portfolio assets		98,048	114,717
Financial assets designated at fair value		33,335	38,300
Derivative financial instruments	8	341,312	439,909
Available for sale investments		96,210	86,066

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Loans and advances to banks		44,548	42,111
Loans and advances to customers		430,719	427,767
Reverse repurchase agreements and other similar secured lending		93,138	131,753
Prepayments, accrued income and other assets		3,778	3,607
Investments in associates and joint ventures		577	711
Property, plant and equipment		3,620	3,786
Goodwill		4,832	4,887
Intangible assets		3,357	3,293
Current and deferred tax assets	4	4,490	4,464
Retirement benefit assets	12	33	56
Non-current assets classified as held for sale		4,154	15,574
Total assets		1,196,719	1,357,906
Liabilities			
Deposits from banks		55,978	58,390
Items in the course of collection due to other banks		1,539	1,177
Customer accounts		438,270	427,704
Repurchase agreements and other similar secured borrowing		85,092	124,479
Trading portfolio liabilities		41,818	45,124
Financial liabilities designated at fair value		51,284	56,972
Derivative financial instruments	8	342,964	439,320
Debt securities in issue		75,525	86,099
Subordinated liabilities	10	19,664	21,153
Accruals, deferred income and other liabilities		11,838	11,423
Provisions	11	3,287	4,135
Current and deferred tax liabilities	4	885	1,283
Retirement benefit liabilities	12	1,091	1,574
Non-current liabilities classified as held for sale		1,909	13,115
Total liabilities		1,131,144	1,291,948
Equity			
Called up share capital and share premium	13	21,523	20,809
Other reserves	15	1,334	2,724
Retained earnings		32,099	31,712
Shareholders' equity attributable to ordinary shareholders of parent		54,956	55,245
Other equity instruments	14	4,325	4,322
Total equity excluding non-controlling interests		59,281	59,567
Non-controlling interests	5	6,294	6,391
Total equity		65,575	65,958
Total liabilities and equity		1,196,719	1,357,906

1 For notes, see pages 56 to 89.

Condensed consolidated statement of changes in equity (unaudited)

Called up share capital and share	Other equity instruments ¹	Other reserves ¹	Retained earnings	Total Non-controlling interests ²	Total equity
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	premium1						
Half year ended 30.06.15	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2015	20,809	4,322	2,724	31,712	59,567	6,391	65,958
Profit after tax	-	159	-	1,611	1,770	338	2,108
Currency translation movements	-	-	(463)	-	(463)	(127)	(590)
Available for sale investments	-	-	(295)	-	(295)	1	(294)
Cash flow hedges	-	-	(634)	-	(634)	(12)	(646)
Retirement benefit remeasurements	-	-	-	(94)	(94)	1	(93)
Other	-	-	-	41	41	-	41
Total comprehensive income for the year	-	159	(1,392)	1,558	325	201	526
Issue of new ordinary shares	118	-	-	-	118	-	118
Issue of shares under employee share schemes	596	-	-	303	899	-	899
Other equity instruments coupons paid	-	(159)	-	32	(127)	-	(127)
Treasury shares	-	-	2	(706)	(704)	-	(704)
Dividends paid	-	-	-	(746)	(746)	(301)	(1,047)
Other reserve movements	-	3	-	(54)	(51)	3	(48)
Balance at 30 June 2015	21,523	4,325	1,334	32,099	59,281	6,294	65,575
Half year ended 31.12.14							
Balance at 1 July 2014	20,655	4,326	(154)	33,241	58,068	6,957	65,025
Profit/(loss) after tax	-	160	-	(1,300)	(1,140)	379	(761)
Currency translation movements	-	-	1,501	-	1,501	41	1,542
Available for sale investments	-	-	69	-	69	3	72
Cash flow hedges	-	-	1,284	-	1,284	2	1,286
Retirement benefit remeasurements	-	-	-	(32)	(32)	1	(31)
Other	-	-	-	10	10	1	11
Total comprehensive income for the period	-	160	2,854	(1,322)	1,692	427	2,119
Issue of new ordinary shares	86	-	-	-	86	-	86
Issue of shares under employee share schemes	68	-	-	314	382	-	382
Other equity instruments coupons paid	-	(160)	-	35	(125)	-	(125)
Redemption of preference shares	-	-	-	(104)	(104)	(687)	(791)
Treasury shares	-	-	24	(91)	(67)	-	(67)
Dividends paid	-	-	-	(329)	(329)	(297)	(626)
Other reserve movements	-	(4)	-	(32)	(36)	(9)	(45)
Balance at 31 December 2014	20,809	4,322	2,724	31,712	59,567	6,391	65,958

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Half year ended 30.06.14							
Balance at 1 January 2014	19,887	2,063	249	33,186	55,385	8,564	63,949
Profit after tax	-	90	-	1,126	1,216	390	1,606
Currency translation movements	-	-	(941)	-	(941)	(115)	(1,056)
Available for sale investments	-	-	345	-	345	(4)	341
Cash flow hedges	-	-	260	-	260	(6)	254
Retirement benefit remeasurements	-	-	-	237	237	(1)	236
Other	-	-	-	(53)	(53)	-	(53)
Total comprehensive income for the year	-	90	(336)	1,310	1,064	264	1,328
Issue of new ordinary shares	64	-	-	-	64	-	64
Issue of shares under employee share schemes	704	-	-	379	1,083	-	1,083
Issue and exchange of equity instruments	-	2,263	-	(155)	2,108	(1,527)	581
Other equity instruments coupons paid	-	(90)	-	19	(71)	-	(71)
Treasury shares	-	-	(67)	(775)	(842)	-	(842)
Dividends paid	-	-	-	(728)	(728)	(334)	(1,062)
Other reserve movements	-	-	-	5	5	(10)	(5)
Balance at 30 June 2014	20,655	4,326	(154)	33,241	58,068	6,957	65,025

1 Details of Share Capital, Other Equity Instruments and Other Reserves are shown on page 71.

2 Details of Non-controlling Interests are shown on page 59.

Condensed consolidated cash flow statement (unaudited)

	Half year ended 30.06.15	Half year ended 30.06.14
	£m	£m
Continuing operations		
Profit before tax	3,114	2,501
Adjustment for non-cash items	2,998	1,760
Changes in operating assets and liabilities	6,976	(3,082)
Corporate income tax paid	(929)	(586)
Net cash from operating activities	12,159	593
Net cash from investing activities	(13,569)	7,463
Net cash from financing activities	(1,582)	(2,202)
Effect of exchange rates on cash and cash equivalents	(255)	(1,380)
Net (decrease)/increase in cash and cash equivalents	(3,247)	4,474
Cash and cash equivalents at beginning of the period	78,479	81,754
Cash and cash equivalents at end of the period	75,232	86,228

Financial Statement Notes

1. Basis of preparation

These condensed consolidated interim financial statements for the six months ended 30 June 2015 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34 Interim Financial Reporting, as adopted by the European Union. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with IFRSs as adopted by the European Union.

The accounting policies and methods of computation used in these condensed consolidated interim financial statements are the same as those used in the 2014 Annual Report.

Future accounting developments

During July 2015 the IASB confirmed the deferral of the effective date of IFRS 15 Revenue from Contracts with Customers by one year to 1 January 2018.

For further information on future accounting changes, refer to the Barclays 2014 Annual Report.

Going concern

The Directors confirm they are satisfied that the Group has adequate resources to continue in business for the foreseeable future. They confirm that it is appropriate to adopt the going concern basis for preparing accounts and there are no material uncertainties.

2. Staff costs

	Half year ended 30.06.15	Half year ended 30.06.14
	£m	£m
Compensation costs		
Deferred bonus charge	472	573
Current year bonus charges	456	430
Sales commissions, commitments and other incentives	66	111
Performance costs	994	1,114
Salaries	2,503	2,510
Social security costs	307	363
Post retirement benefits	(163)	327
Other compensation costs	217	296
Total compensation costs	3,858	4,610
Other resourcing costs		
Outsourcing	543	532
Redundancy and restructuring	71	253
Temporary staff costs	316	263
Other	76	72
Total other resourcing costs	1,006	1,120
Total staff costs	4,864	5,730

Total staff costs decreased 15% to £4,864m:

- Group performance costs reduced 11% to £994m primarily reflecting lower deferred bonus charges
- A gain in post retirement benefits of £163m (H114: £327m expense) due to a £429m (H114:£nil) credit recognised in Q115 as the valuation of a component of the defined retirement benefit liability was aligned to statutory provisions
- Other resourcing costs decreased 10% to £1,006m primarily due to a reduction in redundancy and restructuring costs of 72% to £71m due to one-off restructurings in H114

As a result Group compensation: adjusted net operating income ratio reduced to 32% (2014: 38%).

No awards have yet been granted in relation to the 2015 bonus pool as decisions regarding incentive awards are not taken by the Remuneration Committee until the performance for the full year can be assessed. The current year bonus charge for the first six months represents an accrual for estimated costs in accordance with accounting requirements.

3. Administration and general expenses

	Half year ended 30.06.15 £m	Half year ended 30.06.14 £m
Infrastructure costs		
Property and equipment	714	727
Depreciation of property, plant and equipment	279	292
Operating lease rentals	228	288
Amortisation of intangible assets	315	251
Impairment of property, equipment and intangible assets	54	10
Total infrastructure costs	1,590	1,568
Other costs		
Consultancy, legal and professional fees	493	729
Subscriptions, publications, stationery and communications	409	378
Marketing, advertising and sponsorship	267	260
Travel and accommodation	113	97
Provisions for ongoing investigations and litigation primarily relating to Foreign Exchange	800	-
Provisions for UK customer redress	1,032	900
Other administration and general expenses	97	115
Total other costs	3,211	2,479
Total administration and general expenses	4,801	4,047

Administration and general expenses have increased 19% to £4,801m primarily driven by an increase in provisions for ongoing investigations and litigation primarily relating to Foreign Exchange. This was partially offset by savings from strategic cost programmes across infrastructure costs.

4. Tax

	Assets		Liabilities	
	30.06.15	31.12.14	30.06.15	31.12.14
Current and deferred tax assets and liabilities	£m	£m	£m	£m
Current tax	459	334	(689)	(1,021)
Deferred tax	4,031	4,130	(196)	(262)
Total	4,490	4,464	(885)	(1,283)

The deferred tax asset of £4,031m (2014: £4,130m) mainly relates to amounts in the US and UK.

The tax charge for H115 was £1,006m (2014: £895m), representing an effective tax rate of 32.3% (2014: 35.8%). The effective tax rate is higher than the UK statutory tax rate of 20.25% (2014: 21.5%) mainly due to profits outside of the UK taxed at higher local statutory tax rates, non-creditable taxes, non-deductible expenses and changes in non-UK tax rates, partially offset by the effect of non-taxable gains and income, changes in measurement of deferred tax assets and other items.

The UK Summer Budget introduced a number of changes impacting banks. These changes have not yet been substantively enacted and are therefore not reflected in H115 results.

5. Non-controlling interests

	Profit attributable to non-controlling interests		Equity attributable to non-controlling interests	
	Half year ended	Half year ended	As at	As at
	30.06.15	30.06.14	30.06.15	31.12.14
	£m	£m	£m	£m
Barclays Bank PLC Issued:				
- Preference shares	172	237	3,654	3,654
- Upper Tier 2 instruments	1	1	487	486
Barclays Africa Group Limited	165	149	2,149	2,247
Other non-controlling interests	-	3	4	4
Total	338	390	6,294	6,391

Equity attributable to non-controlling interest decreased 2% to £6,294m mainly driven by the depreciation of ZAR against GBP.

6. Earnings per share

	Half Year	Half Year
	Ended	Ended
	30.06.15	30.06.14
	£m	£m
Profit attributable to ordinary equity holders of the parent from continuing operations	1,611	1,126
Tax credit on profit after tax attributable to other equity holders	32	19
Profit attributable to equity holders of the parent from continuing operations including dilutive impact on convertible options	1,643	1,145

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Basic weighted average number of shares in issue	16,678	16,296
Number of potential ordinary shares	345	127
Diluted weighted average number of shares	17,023	16,423
Basic earnings per ordinary share ¹	9.9p	7.0p
Diluted earnings per ordinary share ¹	9.7p	7.0p

7. Dividends on ordinary shares

It is Barclays policy to declare and pay dividends on a quarterly basis. The first interim dividend for 2015 of 1p per share was paid on 15 June 2015. The Board has decided to pay on 14 September 2015, a second interim dividend for 2015 of 1p per ordinary share to shareholders on the share register on 7 August 2015, making a total for H115 of 2p (H114: 2p).

	Half year ended 30.06.15		Half year ended 30.06.14	
	Per share Pence	Total £m	Per share Pence	Total £m
Dividends paid during the period				
Final dividend paid during period	3.5p	578	3.5p	564
Interim dividends paid during period	1.0p	168	1.0p	164

For qualifying US and Canadian resident ADR holders, the second interim dividend of 1p per ordinary share becomes 4p per ADS (representing four shares). The ADR depository will post the second interim dividend on 14 September 2015 to ADR holders on the record at close of business on 7 August 2015.

1 The profit after tax attributable to other equity holders of £159m (H114: £90m) is offset by a tax credit recorded in reserves of £32m (H114: £19m). The net amount of £127m (H114: £71m), along with non-controlling interests (NCI) is deducted from profit after tax in order to calculate earnings per share.

8. Derivative financial instruments

As at 30.06.15	Contract notional amount £m	Fair value	
		Assets £m	Liabilities £m
Foreign exchange derivatives	3,613,760	56,725	(61,705)
Interest rate derivatives	23,653,217	241,937	(234,009)
Credit derivatives	1,076,180	18,343	(16,677)
Equity and stock index and commodity derivatives	933,049	23,316	(30,006)
Derivative assets/(liabilities) held for trading	29,276,206	340,321	(342,397)
Derivatives in Hedge Accounting Relationships			
Derivatives designated as cash flow hedges	135,758	180	(69)
Derivatives designated as fair value hedges	154,444	747	(484)
Derivatives designated as hedges of net investments	4,033	64	(14)
Derivative assets/(liabilities) designated in hedge accounting relationships	294,235	991	(567)

Total recognised derivative assets/(liabilities)	29,570,441	341,312	(342,964)
As at 31.12.14			
Foreign exchange derivatives	3,758,858	74,433	(79,281)
Interest rate derivatives	26,570,719	308,343	(299,881)
Credit derivatives	1,183,963	23,507	(22,367)
Equity and stock index and commodity derivatives	1,110,802	31,987	(37,094)
Derivative assets/(liabilities) held for trading	32,624,342	438,270	(438,623)
Derivatives in hedge accounting relationships			
Derivatives designated as cash flow hedges	102,698	240	(60)
Derivatives designated as fair value hedges	162,898	1,379	(590)
Derivatives designated as hedges of net investments	2,852	20	(47)
Derivative assets/(liabilities) designated in hedge accounting relationships	268,448	1,639	(697)
Total recognised derivative assets/(liabilities)	32,892,790	439,909	(439,320)

Derivative assets decreased by £99bn to £341bn primarily reflecting an increase in the major interest rate forward curves and continued legacy portfolio run down.

Derivative asset exposures would be £308bn (2014: £398bn) lower than reported under IFRS if the netting of financial instruments and financial collateral were permitted for all amounts that are covered by enforceable netting arrangements, irrespective of whether the stricter requirements of IAS 32 were met. Similarly, derivative liabilities would be £310bn (2014: £397bn) lower. Netting posted on the balance sheet under IFRS for derivative assets and liabilities was £98bn (2014: £182bn) and £101bn (2014: £184bn) respectively.

9. Fair value of financial instruments

This section should be read in conjunction with Note 18 Fair value of financial instruments of the 2014 Annual Report, which provides more detail about accounting policies adopted, the definitions of the three levels of the fair value hierarchy, valuation methodologies used in calculating fair value and, the valuation control framework which governs oversight of valuations. There have been no changes in the accounting policies adopted or the valuation methodologies used.

Valuation

The following table shows the Group's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy) and balance sheet classification:

	Valuation technique using			Total
	Quoted market prices (Level 1)	Observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
As at 30.06.15	£m	£m	£m	£m
Trading portfolio assets	39,784	52,580	5,684	98,048
Financial assets designated at fair value	7,101	8,226	18,008	33,335
Derivative financial assets	7,162	330,543	3,607	341,312

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Available for sale assets	46,821	47,585	1,804	96,210
Other ¹	-	-	4,310	4,310
Total assets	100,868	438,934	33,413	573,215
Trading portfolio liabilities	(24,306)	(17,497)	(15)	(41,818)
Financial liabilities designated at fair value	(9)	(49,329)	(1,946)	(51,284)
Derivative financial liabilities	(7,205)	(332,479)	(3,280)	(342,964)
Other ¹	-	-	(1,909)	(1,909)
Total liabilities	(31,520)	(399,305)	(7,150)	(437,975)
As at 31.12.14	£m	£m	£m	£m
Trading portfolio assets	48,962	59,428	6,327	114,717
Financial assets designated at fair value	9,934	8,461	19,905	38,300
Derivative financial assets	9,863	425,301	4,745	439,909
Available for sale assets	44,234	40,519	1,313	86,066
Other ¹	33	198	15,550	15,781
Total assets	113,026	533,907	47,840	694,773
Trading portfolio liabilities	(26,840)	(17,935)	(349)	(45,124)
Financial liabilities designated at fair value	(15)	(55,141)	(1,816)	(56,972)
Derivative financial liabilities	(10,313)	(424,687)	(4,320)	(439,320)
Other ¹	-	-	(13,115)	(13,115)
Total liabilities	(37,168)	(497,763)	(19,600)	(554,531)

1 Other includes assets and liabilities held for sale of £4,154m (2014: £15,574m) and £1,909m (2014: £13,115m) respectively, which are measured at fair value on a non-recurring basis. This decreased due to the sale of the Spanish business in Q115. It also includes investment property of £156m (2014: £207m).

The following table shows the Group's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy) and product type:

	Assets			Liabilities		
	Valuation technique using			Valuation technique using		
	Quoted	Significant		Quoted	Significant	
	market	Observable	unobservable	market	Observable	unobservable
	prices	inputs	inputs	prices	inputs	inputs
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
	£m	£m	£m	£m	£m	£m
As at 30.06.15						
Interest rate derivatives	-	241,954	901	-	(233,622)	(938)
Foreign exchange derivatives	52	56,635	110	(45)	(61,570)	(106)
Credit derivatives ¹	-	16,600	1,743	-	(16,416)	(260)
Equity derivatives	4,855	7,931	794	(4,851)	(13,054)	(1,670)
Commodity derivatives	2,255	7,422	59	(2,309)	(7,816)	(306)
Government and government sponsored debt	61,373	60,197	867	(9,957)	(13,361)	(12)
Corporate debt	215	12,689	3,071	(22)	(3,189)	(29)
	88	1,101	-	(5)	(5,182)	(857)

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Certificates of deposit, commercial paper and other money market instruments						
Reverse repurchase and repurchase agreements	-	4,571	-	-	(4,785)	-
Non-asset backed loans	-	1,964	16,396	-	-	-
Asset backed securities	-	16,246	1,202	-	(354)	-
Commercial real estate loans	-	-	613	-	-	-
Issued debt	-	-	-	-	(36,715)	(726)
Equity cash products	32,025	8,044	207	(14,326)	(1,277)	-
Funds and fund linked products	-	1,752	562	-	(1,904)	(161)
Physical commodities	-	861	-	-	(28)	-
Other ²	5	967	6,888	(5)	(32)	(2,085)
Total	100,868	438,934	33,413	(31,520)	(399,305)	(7,150)

As at 31.12.14

Interest rate derivatives	-	308,706	1,239	(5)	(299,181)	(1,344)
Foreign exchange derivatives	4	74,358	108	(3)	(79,188)	(138)
Credit derivatives ¹	-	21,541	1,966	-	(21,958)	(409)
Equity derivatives	3,847	9,750	1,247	(3,719)	(13,780)	(2,092)
Commodity derivatives	6,012	10,946	185	(6,586)	(10,580)	(337)
Government and government sponsored debt	62,577	48,296	1,014	(11,563)	(14,002)	(346)
Corporate debt	151	22,036	3,061	-	(3,572)	(13)
Certificates of deposit, commercial paper and other money market instruments	78	921	-	(4)	(6,276)	(665)
Reverse repurchase and repurchase agreements	-	5,236	-	-	(5,423)	-
Non-asset backed loans	1	2,462	17,744	-	-	-
Asset backed securities	30	16,211	1,631	-	(67)	-
Commercial real estate loans	-	-	1,180	-	-	-
Issued debt	-	-	-	(10)	(40,592)	(749)
Equity cash products	40,252	7,823	171	(15,276)	(699)	-
Funds and fund linked products	-	2,644	631	-	(2,060)	(210)
Physical commodities	4	1,447	-	-	(363)	-
Other ²	70	1,530	17,663	(2)	(22)	(13,297)
Total	113,026	533,907	47,840	(37,168)	(497,763)	(19,600)

Assets and liabilities reclassified between Level 1 and Level 2

There were no transfers between Level 1 and 2 during the period (2014: nil).

¹ Credit derivatives also includes derivative exposure to monoline insurers.

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2 Other includes non-current assets and liabilities held for sale, private equity investments, asset backed loans, US Lehman acquisition assets and investment property.

Level 3 movement analysis

The following table summarises the movements in the Level 3 balance during the year. The table shows gains and losses and includes amounts for all financial assets and liabilities transferred to and from Level 3 during the year. Transfers have been reflected as if they had taken place at the beginning of the year.

						Total gains and losses in the period recognised in the income statement			Transfers		As at 30.06.15 £m
	As at 01.01.15 £m	Purchases £m	Sales £m	Issues £m	Settlements £m	Trading income £m	Other income £m	Total gains or losses in OCI £m	In £m	Out £m	
Government and government sponsored debt	685	27	(28)	-	(2)	(12)	-	-	15	(142)	543
Corporate debt	3,026	112	(66)	-	-	53	-	-	2	(91)	3,036
Asset backed securities	1,610	1,305	(1,274)	-	(549)	60	-	-	56	(24)	1,184
Non-asset backed loans	273	171	(217)	-	(3)	(12)	-	-	-	-	212
Funds and fund linked products	589	-	(7)	-	(32)	(50)	-	-	20	-	520
Other	144	71	(15)	-	(9)	(2)	-	-	-	-	189
Trading portfolio assets	6,327	1,686	(1,607)	-	(595)	37	-	-	93	(257)	5,684
Commercial real estate loans	1,179	1,538	(1,916)	-	(185)	(6)	-	-	-	-	610
Non-asset backed loans	17,471	-	-	-	(364)	(925)	-	-	-	-	16,182
Asset backed loans	393	470	(444)	-	-	6	-	-	-	(1)	424
Private equity investments	701	72	(110)	-	(2)	2	(22)	-	-	-	641
Other	161	2	(4)	-	-	(10)	2	-	-	-	151
Financial assets designated at fair value	19,905	2,082	(2,474)	-	(551)	(933)	(20)	-	-	(1)	18,008
Asset backed securities	1	-	-	-	-	-	-	-	-	(1)	-

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Government and government sponsored debt	327	195	(203)	-	-	-	-	3	-	-	322
Other	985	11	(32)	-	-	-	499	17	19	(17)	1,482
Available for sale investments	1,313	206	(235)	-	-	-	499	20	19	(18)	1,804
Other ¹	207	-	(65)	-	-	-	14	-	-	-	156
Trading portfolio liabilities	(349)	-	-	-	-	-	-	-	(14)	348	(15)
Certificates of deposit, commercial paper and other money market instruments	(666)	-	-	(35)	-	-	(9)	-	(397)	249	(858)
Issued debt	(748)	-	-	(1)	130	22	-	-	(163)	15	(745)
Other	(402)	-	-	-	-	(7)	56	-	-	10	(343)
Financial liabilities designated at fair value	(1,816)	-	-	(36)	130	15	47	-	(560)	274	(1,946)
Interest rate derivatives	(105)	-	(4)	-	(46)	18	-	-	(40)	138	(39)
Credit derivatives	1,557	276	(12)	-	(6)	(321)	-	-	(11)	-	1,483
Equity derivatives	(845)	138	-	(352)	96	101	-	-	(30)	18	(874)
Commodity derivatives	(152)	-	-	-	8	16	-	-	(241)	123	(246)
Foreign exchange derivatives	(30)	-	(1)	(3)	25	9	-	-	(21)	24	3
Net derivative financial instruments ²	425	414	(17)	(355)	77	(177)	-	-	(343)	303	327
Total	26,012	4,388	(4,398)	(391)	(939)	(1,058)	540	20	(805)	649	24,018

1 Other consists of investment property. Non-current assets held for sale of £4,154m (2014: £15,574m) and liabilities in a disposal group classified as held for sale of £1,909m (2014: £13,115m) are not included as these are measured at fair value on a non-recurring basis.

2 The derivative financial instruments are represented on a net basis. On a gross basis derivative financial assets as at 30 June 2015 totalled £3,607m (2014: £4,745m) and derivative financial liabilities totalled £3,280m (2014: £4,320m).

As at 01.01.14	Purchases	Sales	Issues	Settlements	Total gains and losses in the period	Total gains or losses recognised	Transfers	As at 31.12.14
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	recognised in							in OCI			
					the income statement						
	£m	£m	£m	£m	Trading income	Other income		In	Out		
				£m	£m	£m	£m	£m	£m	£m	£m
Government and government sponsored debt	161	96	(198)	-	(46)	5	-	-	676	(9)	685
Corporate debt	3,039	177	(332)	-	(370)	484	-	-	39	(11)	3,026
Asset backed securities	2,111	1,037	(1,552)	-	(141)	178	-	-	8	(31)	1,610
Non-asset backed loans	176	250	(30)	-	(49)	2	-	-	13	(89)	273
Funds and fund linked products	494	-	(92)	-	-	(17)	-	-	204	-	589
Other	440	8	(369)	-	54	22	-	-	-	(11)	144
Trading portfolio assets	6,421	1,568	(2,573)	-	(552)	674	-	-	940	(151)	6,327
Commercial real estate loans	1,198	2,919	(2,678)	-	(334)	76	(2)	-	-	-	1,179
Non-asset backed loans	15,956	2	(177)	-	(81)	1,830	9	-	-	(68)	17,471
Asset backed loans	375	855	(777)	-	(4)	19	-	-	1	(76)	393
Private equity investments	1,168	173	(500)	-	(11)	4	82	-	-	(215)	701
Other	73	75	(1)	-	(35)	9	32	-	2	6	161
Financial assets designated at fair value	18,770	4,024	(4,133)	-	(465)	1,938	121	-	3	(353)	19,905
Asset backed securities	1	-	-	-	-	-	-	-	-	-	1
Government and government sponsored debt	59	281	(12)	-	(1)	-	-	-	-	-	327
Other	2,085	37	(78)	-	(1,694)	1	586	74	4	(30)	985
Available for sale investments	2,145	318	(90)	-	(1,695)	1	586	74	4	(30)	1,313
Other ¹	451	47	(238)	-	-	-	5	-	-	(58)	207
Trading portfolio liabilities	-	-	-	-	-	(3)	-	-	(346)	-	(349)
Certificates of deposit, commercial paper and other money market instruments	(409)	-	-	(254)	12	2	88	-	(108)	3	(666)

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Issued debt	(1,164)	-	-	(16)	293	88	-	-	(48)	99	(748)
Other	(67)	-	-	(341)	10	6	30	-	(40)	-	(402)
Financial liabilities designated at fair value	(1,640)	-	-	(611)	315	96	118	-	(196)	102	(1,816)
Interest rate derivatives	(15)	5	45	(5)	7	(358)	-	-	103	113	(105)
Credit derivatives	1,420	11	-	-	42	121	-	-	(81)	44	1,557
Equity derivatives	(601)	86	(12)	(305)	113	(278)	-	-	(14)	166	(845)
Commodity derivatives	(141)	-	-	(3)	(10)	4	-	-	(11)	9	(152)
Foreign exchange derivatives	31	-	(12)	(4)	(71)	(6)	-	-	29	3	(30)
Net derivative financial instruments ²	694	102	21	(317)	81	(517)	-	-	26	335	425
Total	26,841	6,059	(7,013)	(928)	(2,316)	2,189	830	74	431	(155)	26,012

- 1 Other consists of investment property. Non-current assets held for sale of £4,154m (2014: £15,574m) and liabilities in a disposal group classified as held for sale of £1,909m (2014: £13,115m) are not included as these are measured at fair value on a non-recurring basis.
- 2 The derivative financial instruments are represented on a net basis. On a gross basis derivative financial assets as at 30 June 2015 totalled £3,607m (2014: £4,745m) and derivative financial liabilities totalled £3,280m (2014: £4,320m).

Asset and liability moves between Level 2 and Level 3 are primarily due to i) an increase or decrease in observable market activity related to an input or ii) a change in the significance of the unobservable input, with assets and liabilities classified as Level 3 if an unobservable input is deemed significant.

Net transfers into Level 3 totalled £(805)m (2014: £431m). This was primarily due to £(397)m of certificates of deposit, commercial paper and other money market instruments and £(163)m of issued debt which are designated at fair value driven by less observable inputs for securities with maturities beyond 5 years. A further £(241)m of commodity derivatives were transferred into Level 3 due to a decrease in observable pricing for crude oil.

Net transfers out of Level 3 totalled £649m (2014: £155m). This was primarily due to £348m of government and government sponsored debt held as trading portfolio liabilities and £249m of certificates of deposit, commercial paper and other money market instruments which are designated at fair value as a result of more observable valuation inputs.

Unrealised gains and losses on Level 3 financial assets and liabilities

The following table discloses the unrealised gains and losses recognised in the year arising on Level 3 financial assets and liabilities held at the period end.

Unrealised gains and losses recognised during the period on Level 3 financial assets and liabilities held at period end ¹						
As at 30.06.15				As at 31.12.14		
Income statement		Other	Total	Income statement		Total
Trading income	Other income	comprehensive		Trading income	Other income	comprehensive

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	income				income			
	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	(55)	-	-	(55)	466	-	-	466
Financial assets designated at fair value	(763)	(70)	-	(833)	1,849	(9)	-	1,840
Available for sale assets	-	470	42	512	-	572	80	652
Trading portfolio liabilities	-	-	-	-	(3)	-	-	(3)
Financial liabilities designated at fair value	16	50	-	66	98	118	-	216
Net derivative financial instruments	(267)	-	-	(267)	(238)	-	-	(238)
Other	-	(8)	-	(8)	-	5	-	5
Total	(1,069)	442	42	(585)	2,172	686	80	2,938

Valuation techniques and sensitivity analysis

A sensitivity analysis is performed on products with significant unobservable inputs (Level 3) to generate a range of reasonably possible alternative valuations. The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative models.

Current year valuation and sensitivity methodologies are consistent with those described within Note 18 Fair value of financial instruments in the 2014 Annual Report.

1 Amounts as at 30.06.15 represent six months unrealised gains and losses, whereas as at 31.12.14 represent 12 months.

Sensitivity analysis of valuations using unobservable inputs

Product type	Fair value Total assets £m	Favourable changes Total liabilities £m	Income statement £m	Unfavourable changes	
				Income statement £m	Equity £m
As at 30.06.15					
Interest rate derivatives	901	(938)	91	-	(101)
Foreign exchange derivatives	110	(106)	18	-	(18)
Credit derivatives ¹	1,743	(260)	32	-	(76)
Equity derivatives	794	(1,670)	151	1	(151)
Commodity derivatives	59	(306)	24	-	(24)
Government and government sponsored debt	867	(12)	-	1	(7)
Corporate debt	3,071	(29)	12	-	(10)
Certificates of deposit, commercial paper and other money market	-	(857)	3	-	3

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instruments						
Non-asset backed loans	16,396	-	1,124	-	(748)	-
Asset backed securities	1,202	-	24	-	(16)	-
Commercial real estate loans	613	-	15	-	(9)	-
Issued debt	-	(726)	-	-	-	-
Equity cash products	207	-	-	9	-	(9)
Funds and fund linked products	562	(161)	2	-	(2)	-
Physical commodities	-	-	-	-	-	-
Other ²	6,888	(2,085)	151	68	(165)	(57)
Total	33,413	(7,150)	1,647	79	(1,324)	(67)

As at 31.12.14

Interest rate derivatives	1,239	(1,344)	70	-	(71)	-
Foreign exchange derivatives	108	(138)	36	-	(36)	-
Credit derivatives ¹	1,966	(409)	81	-	(229)	-
Equity derivatives	1,247	(2,092)	220	-	(220)	-
Commodity derivatives	185	(337)	46	-	(46)	-
Government and government sponsored debt	1,014	(346)	-	-	(2)	-
Corporate debt	3,061	(13)	26	(1)	(9)	(4)
Certificates of deposit, commercial paper and other money market instruments	-	(665)	3	-	3	-
Non-asset backed loans	17,744	-	1,164	-	(820)	-
Asset backed securities	1,631	-	46	1	(72)	(1)
Commercial real estate loans	1,180	-	20	-	(19)	-
Issued debt	-	(749)	-	-	-	-
Equity cash products	171	-	-	11	-	(11)
Funds and fund linked products	631	(210)	14	-	(14)	-
Other ²	17,663	(13,297)	180	82	(156)	(55)
Total	47,840	(19,600)	1,906	93	(1,691)	(71)

The effect of stressing unobservable inputs to a range of reasonably possible alternatives alongside considering the impact of using alternative models would be to increase fair values by up to £1,647m (2014: £1,906m) or to decrease fair values by up to £1,324m (2014: £1,691m) with substantially all the potential effect impacting profit and loss rather than equity.

- 1 Credit derivatives includes derivative exposure to monoline insurers.
- 2 Other includes non-current assets and liabilities held for sale, which are measured at fair value on a non-recurring basis, private equity investments, asset backed loans, US Lehman acquisition assets and investment property.

Significant unobservable inputs

The valuation techniques and significant unobservable inputs for assets and liabilities recognised at fair value and classified as Level 3 are consistent with Note 18 Fair value of financial instruments in the 2014 Annual Report. The description of the significant unobservable inputs and the sensitivity of fair value measurement of the instruments categorised as Level 3 assets or liabilities to increases in significant unobservable inputs is also found in Note 18 Fair value of financial instruments of the 2014 Annual Report. Non-current assets held for sale of £4,154m (2014: £15,574m) and liabilities in a disposal group classified as held for sale of £1,909m (2014: £13,115m) are not included as these are measured at fair value on a non-recurring basis.

Fair value adjustments

Key balance sheet valuation adjustments that may be of interest from a financial statement user perspective are quantified below:

	30.06.15	31.12.14
	£m	£m
Bid-offer valuation adjustments	(389)	(396)
Other exit adjustments	(148)	(169)
Funding Fair Value Adjustments (FFVA)	(80)	(100)
Derivative credit valuation adjustments (CVA):		
- Monolines	(9)	(24)
- Other derivative CVA	(343)	(394)
Derivative debit valuation adjustments (DVA)	239	177

- FFVA decreased by £20m to £80m as a result of an interest rate sell-off

- CVA decreased by £66m to £352m as a result of reduced exposures from interest rate moves on both Monolines and other derivative counterparties

- DVA increased by £62m to £239m as a result of a widening in Barclays' credit spread

Portfolio exemption

The Group uses the portfolio exemption in IFRS 13 Fair Value Measurement to measure the fair value of certain groups of financial assets and financial liabilities. Assets and liabilities are measured using the price that would be received to sell a net long position (i.e. an asset) for a particular risk exposure or to transfer a net short position (i.e. a liability) for a particular risk exposure in an orderly transaction between market participants at the balance sheet date under current market conditions.

Unrecognised gains as a result of the use of valuation models using unobservable inputs

The amount that has yet to be recognised in income that relates to the difference between the transaction price (the fair value at initial recognition) and the amount that would have arisen had valuation models using unobservable inputs been used on initial recognition, less amounts subsequently recognised, is £105m (2014: £96m). There are additions of £21m (2014: nil) and £12m (2014: £41m) of amortisation and releases.

The reserve held for unrecognised gains is predominantly related to derivative financial instruments.

Third party credit enhancements

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Structured and brokered certificates of deposit issued by Barclays Group are insured up to \$250,000 per depositor, by the Federal Deposit Insurance Corporation (FDIC) in the United States of America. The FDIC is funded by premiums that Barclays and other banks pay for deposit insurance coverage. The carrying value of these issued certificates of deposit that are designated under the IAS 39 fair value option includes this third party credit enhancement. At 30 June 2015, the on-balance sheet value of these brokered certificates of deposit was £3,428m (2014: £3,650m).

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

Valuation methodologies employed in calculating the fair value of financial assets and liabilities measured at amortised cost are consistent with the 2014 Annual Report disclosure.

The following table summarises the fair value of financial assets and liabilities measured at amortised cost on the Group's balance sheet where carrying amount is not a reasonable approximation of fair value:

	As at 30.06.15		As at 31.12.14	
	Carrying amount	Fair value	Carrying amount	Fair value
	£m	£m	£m	£m
Financial assets				
Loans and advances to banks	44,548	44,111	42,111	42,088
Loans and advances to customers:				
- Home loans	164,341	158,023	166,974	159,602
- Credit cards, unsecured and other retail lending	59,480	59,315	63,583	63,759
- Finance lease receivables	5,118	5,020	5,439	5,340
- Corporate loans	201,780	200,552	191,771	188,805
Reverse repurchase agreements and other similar secured lending	93,138	93,138	131,753	131,753
Financial liabilities				
Deposits from banks	(55,978)	(55,974)	(58,390)	(58,388)
Customer accounts:				
- Current and demand accounts	(134,345)	(134,325)	(143,057)	(143,085)
- Savings accounts	(133,294)	(133,340)	(131,163)	(131,287)
- Other time deposits	(170,632)	(170,701)	(153,484)	(153,591)
Debt securities in issue	(75,525)	(76,609)	(86,099)	(87,522)
Repurchase agreements and other similar secured borrowing	(85,092)	(85,092)	(124,479)	(124,479)
Subordinated liabilities	(19,664)	(20,944)	(21,153)	(22,718)

10. Subordinated liabilities

	As at 30.06.15 £m	As at 31.12.14 £m
Opening balance as at 1 January	21,153	21,695
Issuances	144	826
Redemptions	(534)	(1,695)
Other	(1,099)	327

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Total dated and undated subordinated liabilities as at period end	19,664	21,153
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Subordinated liabilities decreased 7% to £19,664m:

- There were new issuances of £97m Floating Rate Subordinated Notes (ZAR 1,693m) and £47m 10.05% Fixed Rate Subordinated Notes (ZAR 807m)
- Redemptions include £265m 6.140% Fixed Rate Guaranteed Perpetual Subordinated Notes, £116m 8.1% Subordinated Callable Notes (ZAR 2,000m) and £97m 4.75% Fixed Rate Subordinated Notes 2015 (US\$ 150m)
- Other movements of £1.1bn include a £443m reduction as GBP strengthened against USD, EUR and ZAR and a £402m reduction in accrued interest

11. Provisions

	As at 30.06.15 £m	As at 31.12.14 £m
UK Customer Redress		
- Payment Protection Insurance redress	1,268	1,059
- Interest rate hedging product redress	108	211
- Packaged Bank Accounts	250	-
Other customer redress	398	375
Legal, competition and regulatory matters	484	1,690
Redundancy and restructuring	261	291
Undrawn contractually committed facilities and guarantees	79	94
Onerous contracts	164	205
Sundry provisions	275	210
Total	3,287	4,135

Payment Protection Insurance Redress

As at 30 June 2015 Barclays had recognised cumulative provisions totalling £6.0bn against the cost of Payment Protection Insurance (PPI) redress and associated processing costs with utilisation of £4.7bn leaving a residual provision of £1.3bn.

Through to 30 June 2015, 1.4m (31 December 2014: 1.3m) customer initiated claims¹ had been received and processed. The volume of claims received during H115 decreased 14% compared to H214. This rate of decline however was slower than previously expected, due to steady levels of claims from Claims Management Companies in particular.

As a result of the lower than expected decline in claims additional provisions totalling £750m have been recognised during H115.

The provision is calculated using a number of key assumptions which continue to involve significant management judgement and modelling:

- Customer initiated claim volumes - claims received but not yet processed and an estimate of future claims initiated by customers where the volume is anticipated to decline over time

- Proactive response rate - volume of claims in response to proactive mailing
- Uphold rate - the percentage of claims that are upheld as being valid upon review
- Average claim redress - the expected average payment to customers for upheld claims based on the type and age of the policy/policies

These assumptions remain subjective, in particular due to the uncertainty associated with future claims levels, which include complaints driven by CMC activity.

The current provision represents Barclays' revised best estimate of all future expected costs of PPI redress, however, it is possible the eventual outcome may differ from the current estimate. If this were to be material, the provision will be increased or decreased accordingly. The current forecast indicates that the large majority of costs included in the provision will be incurred during 2015 and 2016.

The following table details by key assumption, actual data through to 30 June 2015, forecast assumptions used in the provision calculation and a sensitivity analysis illustrating the impact on the provision if the future expected assumptions prove too high or too low.

Assumption	Cumulative		Sensitivity Analysis increase/decrease in provision
	actual to 30.06.15	Future Expected	
Customer initiated claims received and processed ¹	1,420k	270k	50k = £91m
Proactive mailing	680k	133k	50k = £15m
Response rate to proactive mailing	25%	23%	1% = £4m
Average uphold rate per claim ²	84%	87%	1% = £6m
Average redress per valid claim ³	£1,794	£1,781	£100 = £30m

- 1 Total claims received to date, including those received via CMCs but excluding those for which no PPI policy exists and excluding responses to proactive mailing. This sensitivity includes the associated costs of FOS referrals and operating costs.
- 2 Average uphold rate per claim excludes those for which no PPI policy exists.
- 3 Average redress stated on a per policy basis.

A 2014 decision of the UK Supreme Court (Plevin) held that, judged on its own facts, non-disclosure of the amount of commissions payable in connection with the sale of single premium PPI to a customer could create an unfair relationship under the provisions of the UK Consumer Credit Act. Barclays is in an active dialogue with the FCA and the FOS to determine any possible wider impact of such decision on its historical sales of PPI. Due to this uncertainty it is not currently practicable to provide an estimate of the financial impact the Plevin decision could have and there can be no assurance that the outcome of this matter will not be material.

Packaged bank account redress

As at 30 June 2015 Barclays holds a provision of £250m for customer redress and associated operational costs to be incurred in response to complaints received relating to Packaged Bank Accounts.

The provision has been calculated using a number of assumptions which involve significant management judgment; the most significant assumption being volume of future complaints, together with average complaint uphold rate and average redress per claim.

12. Retirement benefits

As at 30 June 2015, the Group's IAS19 pension deficit across all schemes was £1.1bn (2014: £1.5bn). The UK Retirement Fund (UKRF), which is the Group's main scheme, had a deficit of £0.7bn (2014: £1.1bn).

The movement for the UKRF is due to an increase in asset values, the Bank paying £150m of deficit contributions during 2015 and a decrease in the liabilities. The decrease in the liabilities can be linked to an increase in the discount rate to 3.79% pa (2014: 3.67% pa) partially offset by an increase in long term expected inflation to 3.25% pa (2014: 3.05% pa). In addition, the assumptions have been updated for current market conditions, and in Q115 the valuation of a component of the defined benefit liability was revised to use the long term Consumer Price Index rather than the Retail Price Index, consistent with statutory provisions, resulting in a £429m (H114: £nil) gain.

The UKRF discount rate assumption at 30 June 2015 is set using a variant of the Towers Watson RATE:Link model where AA spot yields are assumed to remain flat after year 30 and the corporate bond universe includes bonds rated AA by at least one of the four largest rating agencies. This compares to the RATE:Link model previously used which incorporated the slope of the government yield curve in extrapolating corporate spot yields beyond year 30, and only included bonds rated AA by either of the two largest rating agencies. The impact of this change on the UKRF Defined Benefit Obligation at 30 June 2015 was a £0.4bn decrease with no impact on current year profit. It is not possible to estimate the effects on profits after 2015.

The latest triennial actuarial valuation of the UKRF was carried out with an effective date of 30 September 2013. This was completed in 2014 and showed a deficit of £3.6bn and a funding level of 87.4%. The Bank and the Trustee agreed a scheme-specific funding target, statement of funding principles, a schedule of contributions and a recovery plan to eliminate the deficit of the UKRF. The main differences between the funding and IAS 19 assumptions are a more prudent longevity assumption for funding and a different approach to setting the discount rate.

The recovery plan to eliminate the deficit will result in the Bank paying deficit contributions to the Fund until 2021. Deficit contributions of £300m are payable in 2015, and also in 2016. Further deficit contributions of £740m pa are payable during 2017 to 2021. Up to £500m of the 2021 deficit contributions are payable in 2017 depending on the deficit level at that time. These deficit contributions are in addition to the regular contributions to meet the Group's share of the cost of benefits accruing over each year.

In non-valuation years, the Scheme Actuary prepares an actuarial annual update of the funding position. The latest annual update was carried out as at 30 September 2014 and showed a deficit of £4.6bn and a funding level of 85.4%. The increase in funding deficit over the year to 30 September 2014 can be mainly attributed to the fall in real gilt yields over the year.

13. Called up share capital

Called up share capital comprises 16,773m (2014: 16,498m) ordinary shares of 25p each. The increase was largely due to the issuance of shares under employee share schemes and the Barclays PLC Scrip Dividend Programme.

14. Other equity instruments

Other Equity Instruments of £4,325m (2014: £4,322m) include Additional Tier 1 (AT1) securities issued by Barclays PLC during 2013 and 2014.

The AT1 securities are perpetual securities with no fixed maturity and are structured to qualify as AT1 instruments under CRD IV.

15. Other reserves

	As at 30.06.15	As at 31.12.14
	£m	£m
Currency translation reserve	(1,045)	(582)
Available for sale reserve	267	562
Cash flow hedging reserve	1,183	1,817
Other	929	927
Total	1,334	2,724

Currency translation reserve

As at 30 June 2015 there was a debit balance of £1,045m (2014: £582m debit) in the currency translation reserve. The increase of £463m debit (2014: £560m credit) principally reflected the depreciation of ZAR, EUR and USD against GBP. The currency translation reserve associated with non-controlling interests increased by £127m debit (2014: £74m debit) due to the depreciation of ZAR against GBP.

During the period a £87m net loss (2014: £91m net gain) from recycling of the currency translation reserve was recognised in the Income Statement. This principally related to the disposal of the Spanish business.

Available for sale reserve

As at 30 June 2015 there was a balance of £267m (2014: £562m) in the available for sale reserve. The decrease of £295m (2014: £414m increase) was largely driven by £1,014m losses from changes in fair value on Government Bonds offset by £853m due to fair value hedging, £312m of net gains transferred to net profit and a tax credit of £96m.

Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative gains and losses on effective cash flow hedging instruments that will be recycled to the income statement when the hedged transactions affect profit or loss.

As at 30 June 2015 there was a balance of £1,183m (2014: £1,817m) in the cash flow hedging reserve. The decrease of £634m (2014: £1,544m increase) principally reflected a £697m decrease in the fair value of interest rate swaps held for hedging purposes as interest rate forward curves increased, £98m gains transferred to net profit, partially offset by a tax credit of £159m.

Treasury shares

During the period £568m (2014: £909m) net purchases of treasury shares were made, principally reflecting the increase in shares held for the purposes of employee share schemes, and £570m (2014: £866m) was transferred to retained earnings reflecting the vesting of deferred share based payments.

16. Contingent liabilities and commitments

	As at 30.06.15	As at 31.12.14
	£m	£m
Guarantees and letters of credit pledged as collateral security	15,131	14,547

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Performance guarantees, acceptances and endorsements	5,215	6,777
Contingent liabilities	20,346	21,324
Documentary credits and other short-term trade related transactions	1,163	1,091
Forward starting reverse repurchase agreements	15,459	13,856
Standby facilities, credit lines and other commitments	269,404	276,315

Further details on contingent liabilities relating to legal, competition and regulatory matters can be found in Note 17.

17. Legal, competition and regulatory matters

Barclays PLC (BPLC), Barclays Bank PLC (BBPLC) and the Group face legal, competition and regulatory challenges, many of which are beyond our control. The extent of the impact on BPLC, BBPLC and the Group of these matters cannot always be predicted but may materially impact our operations, financial results, condition and prospects. Matters arising from a set of similar circumstances can give rise to either a contingent liability or a provision, or both, depending on the relevant facts and circumstances. The Group has not disclosed an estimate of the potential financial effect on the Group of contingent liabilities where it is not currently practicable to do so.

Investigations into certain agreements

The Financial Conduct Authority (FCA) has alleged that BPLC and BBPLC breached their disclosure obligations in connection with two advisory services agreements entered into by BBPLC. The FCA has imposed a £50m fine. BPLC and BBPLC are contesting the findings. The United Kingdom (UK) Serious Fraud Office (SFO) is also investigating these agreements. The US Department of Justice (DOJ) and US Securities and Exchange Commission (SEC) are investigating whether the Group's relationships with third parties who help it to win or retain business are compliant with the US Foreign Corrupt Practices Act.

Background Information

The FCA has investigated certain agreements, including two advisory services agreements entered into by BBPLC with Qatar Holding LLC (Qatar Holding) in June and October 2008 respectively, and whether these may have related to BPLC's capital raisings in June and November 2008.

The FCA issued warning notices (Warning Notices) against BPLC and BBPLC in September 2013.

The existence of the advisory services agreement entered into in June 2008 was disclosed but the entry into the advisory services agreement in October 2008 and the fees payable under both agreements, which amount to a total of £322m payable over a period of five years, were not disclosed in the announcements or public documents relating to the capital raisings in June and November 2008. While the Warning Notices consider that BPLC and BBPLC believed at the time that there should be at least some unspecified and undetermined value to be derived from the agreements, they state that the primary purpose of the agreements was not to obtain advisory services but to make additional payments, which would not be disclosed, for the Qatari participation in the capital raisings.

The Warning Notices conclude that BPLC and BBPLC were in breach of certain disclosure-related listing rules and BPLC was also in breach of Listing Principle 3 (the requirement to act with integrity towards holders and potential holders of the Company's shares). In this regard, the FCA considers that BPLC and BBPLC acted recklessly. The financial penalty in the Warning Notices against the Group is £50m. BPLC and BBPLC continue to contest the findings.

Other Investigations and Litigation

The FCA has agreed that the FCA enforcement process be temporarily stayed pending progress in the SFO's investigation into the agreements referred to above, including the advisory services agreements, in respect of which the Group has received and has continued to respond to requests for further information. The DOJ and SEC are investigating these same agreements and are also undertaking an investigation into whether the Group's relationships with third parties who assist BPLC to win or retain business are compliant with the US Foreign Corrupt Practices Act. Certain regulators in other jurisdictions have also been briefed on the investigations into certain of the Group's relationships with third parties. It is possible that civil litigation relating to certain of these matters may be brought in the future against BPLC and/or its affiliates.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Alternative Trading Systems and High-Frequency Trading

The SEC, the New York State Attorney General (NYAG), the FCA and regulators in certain other jurisdictions have been investigating a range of issues associated with alternative trading systems (ATs), including dark pools, and the activities of high-frequency traders. Barclays Capital Inc. (BCI) has been providing information to the relevant regulatory authorities in response to their enquiries. Various parties, including the NYAG, have filed complaints against BPLC and BCI and certain of the Group's current and former officers in connection with ATS related activities. BPLC and BCI continue to defend against these actions.

Background Information

Civil complaints have been filed in the New York Federal Court on behalf of a putative class of plaintiffs against BPLC and BCI and others generally alleging that the defendants violated the federal securities laws by participating in a scheme in which high-frequency trading firms were given informational and other advantages so that they could manipulate the US securities market to the plaintiffs' detriment. These complaints have been consolidated and BPLC has filed a motion to dismiss this action.

In June 2014, the NYAG filed a complaint (NYAG Complaint) against BPLC and BCI in the Supreme Court of the State of New York (NY Supreme Court) alleging, amongst other things, that BPLC and BCI engaged in fraud and deceptive practices in connection with LX Liquidity Cross, the Group's SEC-registered ATS. BPLC and BCI filed a motion to dismiss the Complaint in July 2014.

BPLC and BCI have also been named in a class action by an institutional investor client under California law based on allegations similar to those in the Complaint. This California class action has been consolidated with the class action filed in the New York Federal Court described above.

Also, following the filing of the NYAG Complaint, BPLC and BCI were named in a shareholder securities class action along with its current and certain of its former CEOs and CFOs and an employee in Equities Electronic Trading on the basis that investors suffered damages when their investments in Barclays American Depository Receipts declined in value as a result of the allegations in the NYAG Complaint. BPLC and BCI have filed a motion to dismiss the complaint, which the court granted in part and denied in part.

It is possible that additional complaints relating to these or similar matters may be brought in the future against BPLC and/or its affiliates.

Recent Developments

In February 2015, the NYAG filed an amended complaint and the NY Supreme Court subsequently granted in part and denied in part BPLC and BCI's motion to dismiss the NYAG Complaint. Proceedings in this matter are continuing.

Claimed Amounts/Financial Impact

The complaints seek unspecified monetary damages and injunctive relief. It is not currently practicable to provide an estimate of the financial impact of the matters in this section or what effect that these matters might have upon operating results, cash flows or the Group's financial position in any particular period.

FERC

The US Federal Energy Regulatory Commission (FERC) has filed a civil action against BBPLC and certain of its former traders in the US District Court in California seeking to collect on an order assessing a \$435m civil penalty and the disgorgement of \$34.9m of profits, plus interest, in connection with allegations that BBPLC manipulated the electricity markets in and around California. The US Attorney's Office in the SDNY has informed BBPLC that it is looking into the same conduct at issue in the FERC matter and a civil class action complaint was filed in the US District Court for the SDNY against BBPLC asserting antitrust allegations that mirror those raised in the civil suit filed by FERC.

Background Information

In October 2012, FERC issued an Order to Show Cause and Notice of Proposed Penalties (Order and Notice) against BBPLC and four of its former traders in relation to their power trading in the western US. In the Order and Notice, FERC asserted that BBPLC and its former traders violated FERC's Anti-Manipulation Rule by manipulating the electricity markets in and around California from November 2006 to December 2008, and proposed civil penalties and profit disgorgement to be paid by BBPLC.

In July 2013, FERC issued an Order Assessing Civil Penalties in which it assessed a \$435m civil penalty against BBPLC and ordered BBPLC to disgorge an additional \$34.9m of profits plus interest (both of which are consistent with the amounts proposed in the Order and Notice).

In October 2013, FERC filed a civil action against BBPLC and its former traders in the US District Court in California seeking to collect the penalty and disgorgement amount. FERC's complaint in the civil action reiterates the allegations previously made by FERC in its October 2012 Order and Notice and its July 2013 Order Assessing Civil Penalties.

In September 2013, BBPLC was contacted by the criminal division of the US Attorney's Office in SDNY and advised that such office is looking at the same conduct at issue in the FERC matter.

In December 2013, BBPLC and its former traders filed a motion to dismiss the action for improper venue or, in the alternative, to transfer it to the SDNY, and a motion to dismiss the complaint for failure to state a claim.

Recent Developments

In May 2015, the US District Court in California denied a motion filed by BBPLC and the former traders to dismiss the action for improper venue or, in the alternative, to transfer it to the SDNY, and a motion to dismiss the complaint for failure to state a claim.

In June 2015, a civil class action complaint was filed in the US District Court for the SDNY against BBPLC by Merced Irrigation District, a California utility company, asserting antitrust allegations in connection with BBPLC's

purported manipulation of the electricity markets in and around California. The allegations mirror those raised in the civil suit filed by FERC against BBPLC currently pending in the US District Court in California.

Claimed Amounts/Financial Impact

FERC has made claims against BBPLC and certain of its former traders totalling \$469.9m, plus interest, for civil penalties and profit disgorgement. This amount does not necessarily reflect the BBPLC's potential financial exposure if a ruling were to be made against it. The civil class action complaint refers to damages of \$139.3m.

Investigations into LIBOR, other Benchmarks, ISDAFIX, Foreign Exchange Rates and Precious Metals

Regulators and law enforcement agencies from a number of governments have been conducting investigations relating to BBPLC's involvement in manipulating Foreign Exchange rates and financial benchmarks. BBPLC, BPLC and BCI have reached settlements with the relevant law enforcement agency or regulator in certain of the investigations, but others, including those set out in more detail below, remain pending.

Background Information

The FCA, the US Commodity Futures Trading Commission (CFTC), the SEC, the DOJ Fraud Section (DOJ-FS) and Antitrust Division (DOJ-AD), the European Commission (Commission), the SFO, the Monetary Authority of Singapore, the Japan Financial Services Agency, the Administrative Council for Economic Defence in Brazil, the South African Competition Commission, the prosecutors' office in Trani, Italy and various US state attorneys general are amongst various authorities that opened investigations in connection with efforts to manipulate Foreign Exchange rates and into submissions made by BBPLC and other financial institutions to the bodies that set or compile various financial benchmarks, such as LIBOR and EURIBOR.

In June 2012, BBPLC announced that it had reached settlements with the Financial Services Authority (FSA) (as predecessor to the FCA), the CFTC and the DOJ-FS in relation to their investigations concerning certain benchmark interest rate submissions, and BBPLC agreed to pay total penalties of £290m, which were reflected in operating expenses for 2012. The settlements were made by entry into a Settlement Agreement with the FSA, a Settlement Order with the CFTC (CFTC LIBOR Order) and a Non-Prosecution Agreement (NPA) with the DOJ-FS. In addition, BBPLC was granted conditional leniency from the DOJ-AD in connection with potential US antitrust law violations with respect to financial instruments that reference EURIBOR. Summaries of the NPA and the CFTC LIBOR Order are set out below. The full text of the CFTC LIBOR Order and the NPA are publicly available on the websites of the CFTC and the DOJ, respectively. The terms of the Settlement Agreement with the FSA are confidential, but the Final Notice of the FSA in relation to LIBOR is available on the FCA's website.

CFTC LIBOR Order

In addition to a \$200m civil monetary penalty, the CFTC LIBOR Order requires BBPLC to cease and desist from further violations of specified provisions of the US Commodity Exchange Act (CEA) and take specified steps to ensure the integrity and reliability of its benchmark interest rate submissions, including LIBOR and EURIBOR, and improve related internal controls.

Investigations by the US State Attorneys General

Following the settlements announced in June 2012, 31 US State Attorneys General commenced their own investigations into LIBOR, EURIBOR and the Tokyo Interbank Offered Rate. The NYAG, on behalf of this coalition of Attorneys General, issued a subpoena in July 2012 to BBPLC (and subpoenas to a number of other banks) to produce wide-ranging information and has since issued additional information requests to BBPLC for both documents and transactional data. BBPLC is responding to these requests on a rolling basis.

Investigation by the SFO

In addition, following the settlements announced in June 2012, the SFO announced in July 2012 that it had decided to investigate the LIBOR matter, in respect of which BBPLC has received and continues to respond to requests for information.

Investigations by the European Commission

The Commission has also been conducting investigations into the manipulation of, amongst other things, EURIBOR. On 4 December 2013, the Commission announced that it had reached a settlement with the Group and a number of other banks in relation to anti-competitive conduct concerning EURIBOR. The Group had voluntarily reported the EURIBOR conduct to the Commission and cooperated fully with the Commission's investigation. In recognition of this cooperation, the Group was granted full immunity from the financial penalties that would otherwise have applied.

DOJ Non-Prosecution Agreement

As part of the NPA, BBPLC agreed to pay a \$160m penalty. In addition, the DOJ agreed not to prosecute BBPLC for any crimes (except for criminal tax violations, as to which the DOJ cannot and did not make any agreement) related to BBPLC's submissions of benchmark interest rates, including LIBOR and EURIBOR, contingent upon BBPLC's satisfaction of specified obligations under the NPA.

In June 2014, BBPLC and DOJ-FS entered into a letter agreement which gave DOJ-FS until 27 June 2015 to make a determination under the NPA solely as to whether any of BBPLC's trading activities in the Foreign Exchange market during the two-year period from 26 June 2012 constituted the commission of a 'United States crime'.

Recent Developments

The Foreign Exchange settlements described below under 'Foreign Exchange Trading Investigations' include a \$60m penalty imposed by the DOJ as a consequence of certain practices that continued after entry into the NPA; however, the DOJ exercised its discretion not to declare a breach of the NPA. The NPA and the letter agreement have now expired.

Foreign Exchange Trading Investigations

Various regulatory and enforcement authorities, including the FCA, the Commission, the CFTC, the DOJ-FS, the DOJ-AD, the SEC and the New York State Department of Financial Services (NYDFS) have been investigating a range of issues associated with Foreign Exchange sales and trading, including electronic trading. Certain of these investigations involve multiple market participants in various countries.

Recent Developments

On 20 May 2015, the Group announced that it had reached settlements with the CFTC, the NYDFS, the DOJ, the Board of Governors of the Federal Reserve System (Federal Reserve) and the FCA (together, the Resolving Authorities) in relation to investigations into certain sales and trading practices in the Foreign Exchange market, that it had agreed to pay total penalties of approximately \$2.38bn, including a \$60m penalty imposed by the DOJ as a consequence of certain practices continuing after entry into the NPA, and that BPLC had agreed to plead guilty to a violation of US anti-trust law.

Under the plea agreement with the DOJ, BPLC agreed to (i) pay a criminal fine of \$650m and (ii) a term of probation of three years from the date of the final judgment in respect of the plea agreement. During the term of probation,

BPLC must, amongst other things:

- Commit no crime whatsoever in violation of the federal laws of the United States;
- Notify the probation officer appointed by the court upon learning of the commencement of any federal criminal investigation in which it is a target, or federal criminal prosecution against it;
- Implement and continue to implement a compliance program designed to prevent and detect the conduct that gave rise to the plea agreement;
- Strengthen its compliance and internal controls as required by the CFTC, the FCA and any other regulatory or enforcement agencies that have addressed the conduct set forth in the plea agreement; and
- Bring to the DOJ's attention (i) all credible information regarding criminal violations by BPLC or any of its employees that relates to US anti-trust laws or fraud laws, including securities or commodities markets fraud, as to which BPLC's Board of Directors, management or legal and compliance personnel is aware (ii) all criminal or regulatory investigations, administrative proceedings or civil actions brought by any governmental authority in the US by or against BPLC or its employees that alleges violations of US anti-trust or fraud laws, or including securities or commodities markets fraud.

Pursuant to the settlement with the CFTC, BBPLC consented to the entry of an order requiring it to (i) cease and desist from violating provisions of the US Commodity Exchange Act, (ii) pay a civil monetary penalty of \$400m and (iii) undertake certain remediation efforts to the extent not already undertaken, including:

- Implementing and improving its internal controls and procedures in a manner reasonably designed to ensure the integrity of its participation in the fixing of any Foreign Exchange benchmark rate, including measures to identify and address internal or external conflicts of interest; and
- Implementing additional remediation improvements will include internal controls and procedures relating to, amongst other things: (i) detection and deterrence of improper communications concerning Foreign Exchange benchmark rates and trading or other conduct potentially intended to manipulate Foreign Exchange benchmark rates, (ii) routine and on-going training of all traders, supervisors and others who are involved in the fixing of any Foreign Exchange benchmark rate and (iii) its system for reporting, handling and investigating any suspected misconduct or questionable, unusual or unlawful activity relating to the fixing of any Foreign Exchange benchmark rate.

Pursuant to its settlement with the Federal Reserve, BBPLC and BBPLC's New York branch consented to an order imposing a civil monetary penalty of \$342m and ordering BBPLC and BBPLC's New York branch to submit in writing to the Federal Reserve Bank of New York for its approval (i) an enhanced internal controls and compliance program to comply with applicable US laws and regulations with respect to certain Foreign Exchange activities and certain activities in certain other wholesale markets for commodities and interest rate products, (ii) a plan to improve its compliance risk management program regarding BBPLC's and BBPLC's New York branch's compliance with applicable US laws and regulations with respect to certain Foreign Exchange activities and certain activities in certain other wholesale markets for commodities and interest rate products and (iii) enhanced internal audit program regarding BBPLC's and BBPLC's New York branch's compliance with applicable US laws and regulations with respect to certain Foreign Exchange activities and certain activities in certain other wholesale markets for commodities and interest rate products. Under the Federal Reserve order, BBPLC and its institution-affiliated parties must not in the future directly or indirectly retain any individual as an officer, employee, agent, consultant or contractor of BBPLC or of any subsidiary of BBPLC who, based on the investigative record compiled by US authorities, has done all of the following: (i) participated in the misconduct underlying the order, (ii) been subject to

formal disciplinary action as a result of BBPLC's and BBPLC's New York branch's internal disciplinary review or performance review in connection with the conduct described in the order, and (iii) either separated from BBPLC or any subsidiary thereof or had his or her employment terminated in connection with the conduct described in the order.

Pursuant to the settlement with the NYDFS, BBPLC and BBPLC's New York branch consented to an order imposing a civil monetary penalty of \$485m and requiring BBPLC and BBPLC's New York branch to take all steps necessary to terminate four identified employees. BBPLC and BBPLC's New York branch must also continue to engage the independent monitor previously selected by the NYDFS to conduct, consistent with applicable law, a comprehensive review of compliance programs, policies, and procedures, with respect to the business activities discussed within the order, in place at BBPLC that pertain to or affect activities conducted by or through BBPLC's New York branch. The monitor will submit to the NYDFS and BBPLC's Board of Directors a preliminary written report of findings, including proposed corrective measures and thereafter BBPLC and BBPLC's New York branch must submit to the NYDFS (i) a written plan designed to improve and enhance current compliance programs that pertain to or affect activities conducted by or through BBPLC's New York branch, incorporating any relevant corrective measures identified in the monitor's report and (ii) a written plan to improve and enhance management oversight of compliance programs, policies, and procedures now in place at BBPLC that pertain to or affect activities conducted by or through BBPLC's New York branch.

The FCA issued a Final Notice and imposed a financial penalty of £284m on BBPLC for failing to control business practices in its Foreign Exchange business in London (including G10 and emerging market spot Foreign Exchange trading, Foreign Exchange options and Foreign Exchange sales). As announced in November 2014, the FCA has required an industry-wide remediation programme which Barclays remains committed to completing.

The full text of the DOJ plea agreement, the CFTC, NYDFS and Federal Reserve orders, and the FCA Final Notice referred to above are publicly available on the Resolving Authorities' respective websites.

The settlements reached on 20 May 2015 did not encompass ongoing investigations of electronic trading in the Foreign Exchange market. In addition, certain authorities continue to investigate sales and trading practices of various sales and trading personnel, including Foreign Exchange personnel, among multiple market participants, including BBPLC, in various countries. The Group is continuing to review these and certain other practices relating to Foreign Exchange and continues to cooperate with the relevant authorities.

ISDAFIX Investigation

Regulators and law enforcement agencies, including the CFTC, have conducted separate investigations into historical practices with respect to ISDAFIX, amongst other benchmarks.

On 20 May 2015, the CFTC entered into a settlement order with BPLC, BBPLC and BCI pursuant to which BPLC, BBPLC and BCI agreed to pay a civil monetary penalty of \$115m in connection with the CFTC's industry-wide investigation into the setting of the US Dollar ISDAFIX benchmark. In addition, the CFTC order requires BPLC, BBPLC and BCI to cease and desist from violating provisions of the US Commodity Exchange Act, fully cooperate with the CFTC in related investigations and litigation and undertake certain remediation efforts to the extent not already undertaken, including, amongst other things:

- Continuing to implement and improve its internal controls and procedures in a manner reasonably designed to ensure the integrity of the fixing of any interest-rate swap benchmark; and
- Implementing additional remediation improvements, including reasonable internal controls and procedures relating to, amongst other things: (i) the detection and deterrence of trading or other conduct potentially intended to manipulate directly or indirectly swap rates, including benchmarks based on interest-rate swaps, (ii) routine and on-going training of all swaps and options desk personnel relating to the trading of any product that references a

benchmark based on interest-rate swaps and (iii) a system for reporting, handling and investigating any suspected misconduct or questionable, unusual or unlawful activity relating to the fixing of any benchmark based on interest-rate swaps.

The full text of the CFTC order relating to ISDAFIX is publicly available on the CFTC website.

Certain other regulatory and enforcement authorities have requested information regarding the setting of, and trading intended to influence, the USD ISDAFIX benchmark.

Precious Metals Investigation

BBPLC has been providing information to the DOJ and other authorities in connection with investigations into precious metals and precious metals-based financial instruments.

For a discussion of litigation arising in connection with these investigations see 'LIBOR and other Benchmarks Civil Actions', 'Civil Actions in Respect of ISDAFIX', 'Civil Actions in Respect of Foreign Exchange Trading' and 'Civil Actions in Respect of the Gold Fix' below.

Claimed Amounts/Financial Impact

The fines in connection with the May 2015 settlements with the Resolving Authorities are covered by the Group's existing provisions of £2.05bn. It is not currently practicable to provide an estimate of the financial impact of certain of the other matters in this section, or what effect that these matters might have upon the Group's operating results, cash flows or financial position in any particular period.

LIBOR and other Benchmark Civil Actions

Following the settlements of the investigations referred to above in 'Investigations into LIBOR, other Benchmarks, ISDAFIX, Foreign Exchange Rates and Precious Metals', a number of individuals and corporates in a range of jurisdictions have threatened or brought civil actions against Group in relation to LIBOR and/or other benchmarks.

Background Information

A number of individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Group and other banks in relation to manipulation of LIBOR and/or other benchmark rates. While several of such cases have been dismissed and one has settled subject to final approval from the court, others remain pending and their ultimate impact is unclear.

USD LIBOR Cases in MDL Court

The majority of the USD LIBOR cases, which have been filed in various US jurisdictions, have been consolidated for pre-trial purposes before a single judge in the SDNY (MDL Court).

The complaints are substantially similar and allege, amongst other things, that BBPLC and the other banks individually and collectively violated provisions of the US Sherman Antitrust Act, the CEA, the US Racketeer Influenced and Corrupt Organizations Act (RICO) and various state laws by manipulating USD LIBOR rates.

The lawsuits seek unspecified damages with the exception of five lawsuits, in which the plaintiffs are seeking a combined total in excess of \$1.25bn in actual damages against all defendants, including BBPLC, plus punitive damages. Some of the lawsuits also seek trebling of damages under the US Sherman Antitrust Act and RICO.

The proposed class actions purport to be brought on behalf of (amongst others) plaintiffs that (i) engaged in USD LIBOR-linked over-the-counter transactions (OTC Class); (ii) purchased USD LIBOR-linked financial instruments on an exchange (Exchange-Based Class); (iii) purchased USD LIBOR-linked debt securities (Debt Securities Class); (iv) purchased adjustable-rate mortgages linked to USD LIBOR (Homeowner Class); or (v) issued loans linked to USD LIBOR (Lender Class).

In August 2012, the MDL Court stayed all newly filed proposed class actions and individual actions (Stayed Actions), so that the MDL Court could address the motions pending in three lead proposed class actions (Lead Class Actions) and three lead individual actions (Lead Individual Actions).

In March 2013, the MDL Court issued a decision dismissing the majority of claims against BBPLC and other panel bank defendants in the Lead Class Actions and Lead Individual Actions.

Following the decision, the plaintiffs in the Lead Class Actions sought permission to either file an amended complaint or appeal an aspect of the March 2013 decision. In August 2013 and June 2014, the MDL Court denied the majority of the motions presented in the Lead Class Actions. As a result, the:

- Debt Securities Class has been dismissed entirely;
- The claims of the Exchange-Based Class have been limited to claims under the CEA; and
- The claims of the OTC Class have been limited to claims for unjust enrichment and breach of the implied covenant of good faith and fair dealing.

Subsequent to the MDL Court's March 2013 decision, the plaintiffs in the Lead Individual Actions filed a new action in California state court (since moved to the MDL Court) based on the same allegations as those initially alleged in the proposed class action cases discussed above. The Debt Securities Class attempted to appeal the dismissal of their action to the US Court of Appeals for the Second Circuit (Second Circuit), but the Second Circuit dismissed the appeal as untimely on the grounds that the MDL Court had not reached a decision resolving all of the claims in the consolidated actions. In January 2015, the US Supreme Court reversed the Second Circuit's decision, ruling that the Second Circuit must hear the Debt Securities Class' appeal. The OTC Class and the Exchange-Based Class have received permission to join this appeal. Certain other proposed class actions that had previously been stayed by the MDL Court have also received permission to join the appeal as to the dismissal of their antitrust claims.

In December 2014, the MDL Court granted preliminary approval for the settlement of the remaining Exchange-Based Class claims for \$19.98m and requested that the plaintiffs present a plan for allocation of the settlement proceeds. In January 2015, plaintiffs filed a motion for an order approving their proposed process of allocation and class notice for the settlement, and that motion is pending before the MDL Court.

Additionally, the MDL Court has begun to address the claims in the Stayed Actions, many of which, including state law fraud and tortious interference claims, were not asserted in the Lead Class Actions. As a result, in October 2014, the direct action plaintiffs (those who have opted out of the class actions) filed their amended complaints and in November 2014, the defendants filed their motions to dismiss. In November 2014, the plaintiffs in the Lender Class and Homeowner Class actions filed their amended complaints. In January 2015, the defendants filed their motions to dismiss.

Until there are further decisions, the ultimate impact of the MDL Court's decisions will be unclear, although it is possible that the decisions will be interpreted by courts to affect other litigation, including the actions described below, some of which concern different benchmark interest rates.

Additional USD LIBOR Case in the SDNY

An additional individual action was commenced in February 2013 in the SDNY against BBPLC and other panel bank defendants. The plaintiff alleged that the panel bank defendants conspired to increase USD LIBOR, which caused the value of bonds pledged as collateral for a loan to decrease, ultimately resulting in the sale of the bonds at a low point in the market. This action is not assigned to the MDL Court; it is proceeding on a different schedule before a different judge in the SDNY. The panel bank defendants moved to dismiss the action, and the motion was granted in April 2015. In June 2015, plaintiff sought leave to file a further amended complaint; that motion is pending.

Sterling LIBOR Case in SDNY

An additional class action was commenced in May 2015 in the SDNY against BBPLC and other Sterling LIBOR panel banks by a plaintiff involved in exchange-traded and over-the-counter derivatives that were linked to Sterling LIBOR. The complaint alleges, among other things, that BBPLC and other panel banks manipulated the Sterling LIBOR rate between 2005 and 2010 and, in so doing, committed CEA, antitrust, and RICO violations.

Securities Fraud Case in the SDNY

BPLC, BBPLC and BCI have also been named as defendants along with four former officers and directors of BBPLC in a proposed securities class action pending in the SDNY in connection with BBPLC's role as a contributor panel bank to LIBOR. The complaint asserted claims under the US Securities Exchange Act of 1934, principally alleging that BBPLC's Annual Reports for the years 2006 to 2011 contained misstatements and omissions concerning (amongst other things) BBPLC's compliance with its operational risk management processes and certain laws and regulations. The complaint also alleged that BBPLC's daily USD LIBOR submissions constituted false statements in violation of US securities law. The complaint was brought on behalf of a proposed class consisting of all persons or entities that purchased BPLC-sponsored American Depositary Receipts on a US securities exchange between 10 July 2007 and 27 June 2012. In May 2013, the district court granted BBPLC's motion to dismiss the complaint in its entirety. The plaintiffs appealed, and, in April 2014, the Second Circuit issued an order upholding the dismissal of certain of the plaintiffs' claims, but reversing the dismissal of the plaintiffs' claims that BBPLC's daily USD LIBOR submissions constituted false statements in violation of US securities law. The action has been remanded back to the district court for further proceedings, and discovery is expected to be substantially complete by the end of 2015. In April 2015, plaintiffs filed a motion to certify the class, and that motion is pending.

Complaint in the US District Court for the Central District of California

In July 2012, a purported class action complaint in the US District Court for the Central District of California was amended to include allegations related to USD LIBOR and name BBPLC as a defendant. The amended complaint was filed on behalf of a purported class that includes holders of adjustable rate mortgages linked to USD LIBOR. In January 2015, the court granted BBPLC's motion for summary judgement and dismissed all of the remaining claims against BBPLC. The plaintiff has appealed the court's decision to the US Court of Appeals for the Ninth Circuit.

Japanese Yen LIBOR Case in SDNY

An additional class action was commenced in April 2012 in the SDNY against BBPLC and other Japanese Yen LIBOR panel banks by a plaintiff involved in exchange-traded derivatives. The complaint also names members of the Japanese Bankers Association's Euroyen Tokyo Interbank Offered Rate (Euroyen TIBOR) panel, of which BBPLC is not a member. The complaint alleges, amongst other things, manipulation of the Euroyen TIBOR and Yen LIBOR rates and breaches of the CEA and US Sherman Antitrust Act between 2006 and 2010. The defendants filed a motion to dismiss and, in March 2014, the Court issued a decision granting in part and denying in part that motion. Specifically, the court dismissed the plaintiff's antitrust claims in full, but sustained the plaintiff's CEA claims. The defendants' motion for reconsideration of the decision concerning the CEA claims was denied by the Court in October 2014. The plaintiff moved for leave to file a third amended complaint adding additional claims, including a RICO claim, which was denied in March 2015. Plaintiff has sought an immediate appeal of that decision, and that request is

pending. Discovery commenced in May 2015.

EURIBOR Cases

In February 2013, a EURIBOR -related class action was filed against BPLC, BBPLC, BCI and other EURIBOR panel banks. The plaintiffs assert antitrust, CEA, RICO, and unjust enrichment claims. In particular, BBPLC is alleged to have conspired with other EURIBOR panel banks to manipulate EURIBOR. The lawsuit is brought on behalf of purchasers and sellers of NYSE LIFFE EURIBOR futures contracts, purchasers of Euro currency-related futures contracts and purchasers of other derivative contracts (such as interest rate swaps and forward rate agreements that are linked to EURIBOR) during the period 1 June 2005 through 31 March 2011. All proceedings were stayed until May 2015, when the court modified the stay to permit document discovery to proceed.

In addition, BBPLC has been granted conditional leniency from the DOJ-AD in connection with potential US antitrust law violations with respect to financial instruments that reference EURIBOR. As a result of that grant of conditional leniency, BBPLC is eligible for (i) a limit on liability to actual rather than treble damages if damages were to be awarded in any civil antitrust action under US antitrust law based on conduct covered by the conditional leniency and (ii) relief from potential joint-and-several liability in connection with such civil antitrust action, subject to BBPLC satisfying the DOJ-AD and the court presiding over the civil litigation of fulfilment of its cooperation obligations.

Non-US Benchmarks Cases

In addition to US actions, legal proceedings have been brought or threatened against the Group in connection with alleged manipulation of LIBOR and EURIBOR in a number of jurisdictions. The number of such proceedings in non-US jurisdictions, the benchmarks to which they relate, and the jurisdictions in which they may be brought have increased over time.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Civil Actions in respect of ISDAFIX

Since September 2014, a number of ISDAFIX related civil actions have been filed in the SDNY on behalf of a proposed class of plaintiffs, alleging that BBPLC, a number of other banks and one broker, violated the US Sherman Antitrust Act and several state laws by engaging in a conspiracy to manipulate the USD ISDAFIX. A consolidated amended complaint was filed in February 2015.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Civil Actions in respect of Foreign Exchange Trading

Since November 2013, a number of civil actions have been filed in the SDNY on behalf of proposed classes of plaintiffs alleging manipulation of Foreign Exchange markets under the US Sherman Antitrust Act and New York state law and naming several international banks as defendants, including BBPLC. In February 2014, the SDNY combined all then-pending actions alleging a class of US persons in a single consolidated action.

Recent Developments

In January 2015, the SDNY denied the motion to dismiss the consolidated action but dismissed two actions alleging classes of non-US persons.

Since February 2015, several additional civil actions have been filed in the SDNY, and one civil action has been filed in the Northern District of California, on behalf of proposed classes of plaintiffs alleging injuries related to Barclays' alleged manipulation of Foreign Exchange rates and naming several international banks as defendants, including BPLC, BBPLC and BCI. One of the newly filed actions asserts claims under the US Employee Retirement Income Security Act (ERISA) statute and includes allegations that are duplicative of allegations in the other cases, as well as additional allegations about Foreign Exchange sales practices and ERISA plans. All of the other newly filed actions assert claims under the US Sherman Antitrust Act and/or the US Commodity Exchange Act.

Claimed Amounts/Financial Impact

The financial impact of the actions described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period is currently uncertain.

Civil Actions in respect of the Gold Fix

Since March 2014, a number of civil complaints have been filed in US federal courts, each on behalf of a proposed class of plaintiffs, alleging that BBPLC and other members of The London Gold Market Fixing Ltd. manipulated the prices of gold and gold derivative contracts in violation of the CEA, the US Sherman Antitrust Act, and state antitrust and consumer protection laws. All of the complaints have been transferred to the SDNY and consolidated for pretrial purposes.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the potential exposure of the actions described or what effect that they might have upon operating results, cash flows or the Group's financial position in any particular period.

US Residential and Commercial Mortgage-related Activity and Litigation

The Group's activities within the US residential mortgage sector during the period from 2005 through 2008 included:

- Sponsoring and underwriting of approximately \$39bn of private-label securitisations;
- Economic underwriting exposure of approximately \$34bn for other private-label securitisations;
- Sales of approximately \$0.2bn of loans to government sponsored enterprises (GSEs);
- Sales of approximately \$3bn of loans to others; and
- Sales of approximately \$19.4bn of loans (net of approximately \$500m of loans sold during this period and subsequently repurchased) that were originated and sold to third parties by mortgage originator affiliates of an entity that the Group acquired in 2007 (Acquired Subsidiary).

Throughout this time period affiliates of the Group engaged in secondary market trading of US residential mortgaged-backed securities (RMBS) and US commercial mortgage-backed securities (CMBS), and such trading activity continues today.

In connection with its loan sales and certain private-label securitisations, on 30 June 2015, the Group had unresolved repurchase requests relating to loans with a principal balance of approximately \$2.6bn at the time they were sold, and civil actions have been commenced by various parties alleging that the Group must repurchase a substantial number of such loans.

In addition, the Group is party to a number of lawsuits filed by purchasers of RMBS asserting statutory and/or common law claims. The current outstanding face amount of RMBS related to these pending claims against the Group as of 30 June 2015 was approximately \$0.8bn.

Regulatory and governmental authorities, including amongst others, the DOJ, SEC, Special Inspector General for the US Troubled Asset Relief Program, the US Attorney's Office for the District of Connecticut and the US Attorney's Office for the Eastern District of New York have initiated wide-ranging investigations into market practices involving mortgage-backed securities, and the Group is co-operating with several of those investigations.

RMBS Repurchase Requests

Background

The Group was the sole provider of various loan-level representations and warranties (R&Ws) with respect to:

- Approximately \$5bn of Group sponsored securitisations;
- Approximately \$0.2bn of sales of loans to GSEs; and
- Approximately \$3bn of loans sold to others.

In addition, the Acquired Subsidiary provided R&Ws on all of the \$19.4bn of loans it sold to third parties.

R&Ws on the remaining Group sponsored securitisations were primarily provided by third-party originators directly to the securitisation trusts with a Group subsidiary, such as the depositor for the securitisation, providing more limited R&Ws. There are no stated expiration provisions applicable to most R&Ws made by the Group, the Acquired Subsidiary or these third parties.

Under certain circumstances, the Group and/or the Acquired Subsidiary may be required to repurchase the related loans or make other payments related to such loans if the R&Ws are breached.

The unresolved repurchase requests received on or before 30 June 2015 associated with all R&Ws made by the Group or the Acquired Subsidiary on loans sold to GSEs and others and private-label activities had an original unpaid principal balance of approximately \$2.6bn at the time of such sale.

A substantial number (approximately \$2.2bn) of the unresolved repurchase requests discussed above relate to civil actions that have been commenced by the trustees for certain RMBS securitisations in which the trustees allege that the Group and/or the Acquired Subsidiary must repurchase loans that violated the operative R&Ws. Such trustees and other parties making repurchase requests have also alleged that the operative R&Ws may have been violated with respect to a greater (but unspecified) amount of loans than the amount of loans previously stated in specific repurchase requests made by such trustees. All of the litigation involving repurchase requests remain at early stages.

In addition, the Acquired Subsidiary is subject to a civil action seeking, among other things, indemnification for losses allegedly suffered by a loan purchaser as a result of alleged breaches of R&Ws provided by the Acquired Subsidiary in connection with loan sales to the purchaser during the period 1997-2007. This litigation is in early stages.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period.

RMBS Securities Claims

Background

As a result of some of the RMBS activities described above, the Group is party to a number of lawsuits filed by purchasers of RMBS sponsored and/or underwritten by the Group between 2005 and 2008. As a general matter, these lawsuits allege, among other things, that the RMBS offering materials allegedly relied on by such purchasers contained materially false and misleading statements and/or omissions and generally demand rescission and recovery of the consideration paid for the RMBS and recovery of monetary losses arising out of their ownership.

The original face amount of RMBS related to the pending civil actions against the Group total approximately \$2.3bn, of which approximately \$0.8bn was outstanding as at 30 June 2015.

Cumulative realised losses reported on these RMBS as at 30 June 2015 were approximately \$0.2bn.

Claimed Amounts/Financial Impact

If the Group were to lose the pending actions the Group believes it could incur a loss of up to the outstanding amount of the RMBS at the time of judgement (taking into account further principal payments after 30 June 2015), plus any cumulative losses on the RMBS at such time and any interest, fees and costs, less the market value of the RMBS at such time and less any provisions taken to date.

Although the purchasers in these securities actions have generally not identified a specific amount of alleged damages, the Group has estimated the total market value of these RMBS as at 30 June 2015 to be approximately \$0.4bn. The Group may be entitled to indemnification for a portion of such losses.

Other Mortgage-related Investigations

In addition to the RMBS Repurchase Requests and RMBS Securities Claims, numerous regulatory and governmental authorities, amongst them the DOJ, SEC, Special Inspector General for the US Troubled Asset Relief Program, the US Attorney's Office for the District of Connecticut and the US Attorney's Office for the Eastern District of New York have been investigating various aspects of the mortgage-related business, including issuance and underwriting practices in primary offerings of RMBS and trading practices in the secondary market for both RMBS and CMBS. The Group continues to respond to requests relating to the RMBS Working Group of the Financial Fraud Enforcement Task Force (RMBS Working Group), which was formed to investigate pre-financial crisis mortgage-related misconduct. In connection with several of the investigations by members of the RMBS Working Group, a number of financial institutions have entered into settlements involving substantial monetary payments.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Lehman Brothers

Since September 2009, BCI and BBPLC have been engaged in litigation with various entities that have sought to challenge certain aspects of the transaction pursuant to which BCI, BBPLC and other companies in the Group acquired most of the assets of Lehman Brothers Inc. (LBI) in September 2008, as well as the court order (Order) approving the sale (Sale). In May 2015, BCI and BBPLC reached a settlement with the SIPA Trustee for Lehman Brothers Inc. (Trustee) to resolve outstanding litigation between them relating to the Sale. The settlement was approved by the United States Bankruptcy Court for the SDNY (Bankruptcy Court) on 29 June 2015, thereby bringing the litigation challenging the Sale to an end.

Background Information

In September 2009, motions were filed in the Bankruptcy Court by Lehman Brothers Holdings Inc. (LBHI), the Trustee and the Official Committee of Unsecured Creditors of Lehman Brothers Holdings Inc. (Committee) challenging certain aspects of the Sale, as well as the Order. The claimants sought an order voiding the transfer of certain assets to BCI, requiring BCI to return to the LBI estate any excess value BCI allegedly received, and declaring that BCI is not entitled to certain assets that it claims pursuant to the Sale documents and the Order (Rule 60 Claims).

In January 2010, BCI filed its response to the motions and also filed a motion seeking delivery of certain assets that LBHI and LBI had failed to deliver as required by the Sale documents and the Order (together with the Trustee's competing claims to those assets, Contract Claims).

In 2011, the Bankruptcy Court rejected the Rule 60 Claims and decided some of the Contract Claims in the Trustee's favour and some in favour of BCI. BCI and the Trustee each appealed the Bankruptcy Court's adverse rulings on the Contract Claims to the SDNY. LBHI and the Committee did not appeal the Bankruptcy Court's ruling on the Rule 60 Claims.

In July 2012, the SDNY issued an opinion on the Contract Claims stating that BCI and BBPLC were entitled to receive:

- \$1.1bn (£0.7bn) from the Trustee in respect of 'clearance box' assets (Clearance Box Assets); and
- Property held at various institutions in respect of the exchange traded derivatives accounts transferred to BCI in the Sale (ETD Margin).

The Trustee appealed to the Second Circuit. In August 2014, the Second Circuit affirmed the SDNY's decision as to the Clearance Box Assets and the ETD Margin.

In October 2014, the Trustee filed a motion with the SDNY to confirm the scope of the SDNY's judgement regarding the ETD Margin that BCI and BBPLC were entitled to receive. With that motion, the Trustee challenged the entitlement of BCI and BBPLC to approximately \$1.1bn of assets that the Trustee asserted did not constitute ETD Margin. In April 2015, the SDNY ruled in favour of BCI and BBPLC, confirming that they were entitled to all of the ETD Margin.

In October 2014, the Trustee made a payment to BBPLC of \$1.1bn (£0.7bn), fully discharging the Trustee's obligations in respect of the Clearance Box Assets.

Recent Developments

In December 2014, the Trustee requested that the US Supreme Court review the rulings of the SDNY and the Second Circuit regarding the ETD margin. In May 2015, the US Supreme Court published its denial of the Trustee's request.

In May 2015, the parties reached a settlement to resolve outstanding litigation between them relating to the Sale (Settlement). The Settlement was approved by the Bankruptcy Court on 29 June 2015. Pursuant to the Settlement,

BBPLC has received all of the assets that the Trustee had asserted did not constitute ETD Margin with the exception of \$80m (£51m) of assets that the Trustee is entitled to retain and approximately \$0.3bn of ETD Margin still owed to BBPLC but expected to be received from third parties.

Financial Impact

As at 30 June 2015, BBPLC recognised as a financial asset on its balance sheet approximately \$1.6bn (£1.0bn) in respect of assets to which BBPLC is entitled as part of the Sale and the Settlement but which it had not received as of that date. The financial asset reflects an increase of approximately \$0.8bn (£0.5bn) recognised in profit and loss for the six month period ended 30 June 2015 as a result of the Settlement. Pursuant to the Settlement, the Trustee made a payment to BBPLC on 2 July 2015 of approximately \$1.3bn (£0.9bn), representing the value of the ETD Margin held by the Trustee less the \$80m of ETD Margin that the Trustee is entitled to retain under the terms of the Settlement, thereby fully discharging the Trustee's payment in respect of the ETD Margin or otherwise relating to the Sale. After application of this payment from the Trustee, BBPLC has a financial asset of approximately \$0.3bn on its balance sheet in respect of ETD Margin still owed to BBPLC but expected to be received from third parties.

American Depositary Shares

BPLC, BBPLC and various former members of BPLC's Board of Directors have been named as defendants in a securities class action consolidated in the SDNY alleging misstatements and omissions in offering documents for certain American Depositary Shares issued by BBPLC in April 2008 with an original face amount of approximately \$2.5 billion (the April 2008 Offering).

Background Information

The plaintiffs have asserted claims under the Securities Act of 1933, alleging that the offering documents for the April 2008 Offering contained misstatements and omissions concerning (amongst other things) BBPLC's portfolio of mortgage-related (including US subprime-related) securities, BBPLC's exposure to mortgage and credit market risk, and BBPLC's financial condition. The plaintiffs have not specifically alleged the amount of their damages.

In June 2014, the SDNY denied defendants' motion to dismiss the claims. The case is in discovery.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the action described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period.

BDC Finance L.L.C.

BDC Finance L.L.C. (BDC) filed a complaint against BBPLC in the NY Supreme Court alleging breach of contract in connection with a portfolio of total return swaps governed by an ISDA Master Agreement (collectively, the Agreement). A ruling was made against BBPLC, but the New York State Court of Appeals effectively reversed that ruling. Parties related to BDC have also sued BBPLC and BCI in Connecticut State Court in connection with BBPLC's conduct relating to the Agreement.

Background Information

In October 2008, BDC filed a complaint in the NY Supreme Court alleging that BBPLC breached the Agreement when it failed to transfer approximately \$40m of alleged excess collateral in response to BDC's October 2008 demand (Demand).

BDC asserts that under the Agreement BBPLC was not entitled to dispute the Demand before transferring the alleged excess collateral and that even if the Agreement entitled BBPLC to dispute the Demand before making the transfer, BBPLC failed to dispute the Demand.

BDC demands damages totalling \$298m plus attorneys' fees, expenses, and prejudgement interest.

In August 2012, the NY Supreme Court granted partial summary judgement for BBPLC, ruling that BBPLC was entitled to dispute the Demand before transferring the alleged excess collateral, but determining that a trial was required to determine whether BBPLC actually did so. The parties cross-appealed to the Appellate Division of the NY Supreme Court (NY Appellate Division).

In September 2011, BDC's investment advisor, BDCM Fund Adviser, L.L.C. and its parent company, Black Diamond Capital Holdings, L.L.C. also sued BBPLC and BCI in Connecticut State Court for unspecified damages allegedly resulting from BBPLC's conduct relating to the Agreement, asserting claims for violation of the Connecticut Unfair Trade Practices Act and tortious interference with business and prospective business relations. The parties have agreed to a stay of that case.

In October 2013, the NY Appellate Division reversed the NY Supreme Court's grant of partial summary judgement in favour of BBPLC, and instead granted BDC's motion for partial summary judgement, holding that BBPLC breached the Agreement. The NY Appellate Division did not rule on the amount of BDC's damages, which has not yet been determined by the NY Supreme Court.

Recent Developments

In February 2015, in connection with the BBPLC appeal of the October 2013 decision, the New York Court of Appeals modified the NY Appellate Division's grant of partial summary judgement to BDC, holding that summary judgement in either party's favour cannot be granted because a material issue of fact remains as to whether BBPLC breached the Agreement. The New York Court of Appeals ordered that the matter be referred back to the NY Supreme Court for further proceedings.

Claimed Amounts/Financial Impact

BDC has made claims against the Group totalling \$298m plus attorneys' fees, expenses, and pre-judgement interest. This amount does not necessarily reflect the Group's potential financial exposure if a ruling were to be made against it.

Civil Actions in respect of the US Anti-Terrorism Act

In April 2015, an amended civil complaint was filed in the US Federal Court in the Eastern District of New York by a group of approximately 250 plaintiffs, alleging that the Group and a number of other banks engaged in a conspiracy and violated the US Anti-Terrorism Act (ATA) by facilitating US dollar denominated transactions for the Government of Iran and various Iranian banks, which in turn funded Hezbollah attacks that injured the plaintiffs' family members. Plaintiffs seek to recover for pain, suffering and mental anguish pursuant to the provisions of the ATA, which allows for the tripling of any proven damages.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the matters in this section or what effect that these matters might have upon operating results, cash flows or the Group's financial position in any particular period.

Credit Default Swap (CDS) Antitrust Investigations and Civil Actions

The Commission and the DOJ-AD commenced investigations in the CDS market, in 2011 and 2009, respectively. In July 2013 the Commission addressed a Statement of Objections to BBPLC, 12 other banks, Markit Ltd. and ISDA. The case relates to concerns that certain banks took collective action to delay and prevent the emergence of exchange traded credit derivative products.

If the Commission does reach a decision in this matter it has indicated that it intends to impose sanctions. The Commission's sanctions can include fines. The DOJ-AD's investigation is a civil investigation and relates to similar issues. BPLC is also contesting a proposed, consolidated class action alleging similar issues that has been filed in the US. Discovery in the case is ongoing.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Portuguese Competition Authority Investigation

The Portuguese Competition Authority is investigating whether competition law was infringed by the exchange of information about retail credit products amongst 15 banks in Portugal, including the Group, over a period of 11 years with particular reference to mortgages, consumer lending and lending to small and medium enterprises. The Group is co-operating with the investigation.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of these matters or what effect that they may have upon operating results, cash flows or the Group's financial position in any particular period.

General

The Group is engaged in various other legal, competition and regulatory matters both in the UK and a number of overseas jurisdictions. It is subject to legal proceedings by and against the Group which arise in the ordinary course of business from time to time, including (but not limited to) disputes in relation to contracts, securities, debt collection, consumer credit, fraud, trusts, client assets, competition, data protection, money laundering, employment, environmental and other statutory and common law issues.

The Group is also subject to enquiries and examinations, requests for information, audits, investigations and legal and other proceedings by regulators, governmental and other public bodies in connection with (but not limited to) consumer protection measures, compliance with legislation and regulation, wholesale trading activity and other areas of banking and business activities in which the Group is or has been engaged.

At the present time, the Group does not expect the ultimate resolution of any of these other matters to have a material adverse effect on its financial position. However, in light of the uncertainties involved in such matters and the matters specifically described in this note, there can be no assurance that the outcome of a particular matter or matters will not be material to the Group's results of operations or cash flow for a particular period, depending on, amongst other things, the amount of the loss resulting from the matter(s) and the amount of income otherwise reported for the reporting period.

18. Related party transactions

Related party transactions in the period ended 30 June 2015 were similar in nature to those disclosed in the Group's 2014 Annual Report. No related party transactions that have taken place in 2015 have materially affected the financial position or the performance of the Group during this period and there were no changes in the related parties transactions described in the 2014 Annual Report that could have a material effect on the financial position or performance of the Group in the current period.

19. Segmental reporting

Analysis of results by business Half year ended 30.06.15	Personal and Corporate		AfricaInvestment	
	Banking	Barclaycard	Banking	Bank
	£m	£m	£m	£m
Total income net of insurance claims	4,384	2,357	1,858	4,299
Credit impairment charges and other provisions	(178)	(563)	(193)	(1)
Net operating income	4,206	1,794	1,665	4,298
Operating expenses	(2,491)	(961)	(1,116)	(2,795)
Costs to achieve	(139)	(56)	(13)	(63)
Other net (expense)/income ¹	(48)	18	4	-
Profit before tax	1,528	795	540	1,440
	£bn	£bn	£bn	£bn
Total assets	289.9	41.9	54.0	420.1

Analysis of results by business Half year ended 30.06.15	Head Office	Barclays		Barclays
		Core	Non-Core	Group Adjusted
	£m	£m	£m	£m
Total income net of insurance claims	42	12,940	42	12,982
Credit impairment charges and other provisions	(1)	(936)	(37)	(973)
Net operating income	41	12,004	5	12,009
Operating expenses	(85)	(7,448)	(498)	(7,946)
Costs to achieve	(22)	(293)	(23)	(316)
Other net income/(expense) ¹	4	(22)	4	(18)
(Loss)/profit before tax	(62)	4,241	(512)	3,729
	£bn	£bn	£bn	£bn
Total assets	52.6	858.5	338.2	1,196.7

Analysis of results by business Half year ended 30.06.14	Personal and Corporate		AfricaInvestment	
	Banking	Barclaycard	Banking	Bank
	£m	£m	£m	£m
Total income net of insurance claims	4,361	2,124	1,773	4,257
Credit impairment charges and other provisions	(230)	(537)	(196)	26
Net operating income	4,131	1,587	1,577	4,283
Operating expenses	(2,554)	(822)	(1,082)	(2,943)
Costs to achieve	(115)	(36)	(17)	(282)
Other net income ¹	6	35	6	-

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Profit before tax	1,468	764	484	1,058
	£bn	£bn	£bn	£bn
Total assets	268.1	36.2	52.4	446.2
	Head Office	Barclays Core	Barclays Non-Core	Barclays Group Adjusted
Analysis of results by business	£m	£m	£m	£m
Half year ended 30.06.14	159	12,674	658	13,332
Total income net of insurance claims	-	(937)	(149)	(1,086)
Credit impairment charges and other provisions	159	11,737	509	12,246
Net operating income	(91)	(7,491)	(893)	(8,383)
Operating expenses	(2)	(453)	(41)	(494)
Costs to achieve	-	47	(66)	(20)
Other net income/(expense) ¹	66	3,840	(491)	3,349
Profit/(loss) before tax	£bn	£bn	£bn	£bn
Total assets	43.3	846.2	468.6	1,314.9

1 Other income/(expense) represents: share of post-tax results of associates and joint ventures; profit or (loss) on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions.

	Barclays Group adjusted	Own credit	Provision for UK customer redress	Gain on US Lehman acquisition assets	Provisions for ongoing investigations and litigation primarily relating to Foreign Exchange	Loss on sale of Spanish business	Gain on valuation of a component of the defined retirement benefit liability	Barclays Group statutory
	£m	£m	£m	£m	£m	£m	£m	£m
Reconciliation of adjusted basis to statutory basis								
Half year ended 30.06.15								
Total income net of insurance claims	12,982	410	-	496	-	-	-	13,888
Credit impairment charges and other provisions	(973)	-	-	-	-	-	-	(973)
Net operating income	12,009	410	-	496	-	-	-	12,915
Operating expenses	(7,946)	-	(1,032)	-	(800)	-	429	(9,349)
Costs to achieve	(316)	-	-	-	-	-	-	(316)
Other net (expense)/income	(18)	-	-	-	-	(118)	-	(136)
Profit/(loss)	3,729	410	(1,032)	496	(800)	(118)	429	3,114
Half year ended 30.06.14	£m	£m	£m	£m	£m	£m	£m	£m
Total income net of insurance claims	13,332	52	-	-	-	-	-	13,384
Credit impairment charges and other provisions	(1,086)	-	-	-	-	-	-	(1,086)
Net operating income	12,246	52	-	-	-	-	-	12,298

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Operating expenses	(8,383)	-	(900)	-	-	-	(9,283)
Costs to achieve	(494)	-	-	-	-	-	(494)
Other net							
(expense)/income	(20)	-	-	-	-	-	(20)
Profit/(loss)	3,349	52	(900)	-	-	-	2,501

20. Barclays PLC parent balance sheet

	As at 30.06.15	As at 31.12.14
	£m	£m
Assets		
Investments in subsidiary	34,303	33,743
Loans and advances to subsidiary	5,318	2,866
Derivative financial instrument	194	313
Other assets	184	174
Total assets	39,999	37,096
Liabilities		
Deposits from banks	519	528
Subordinated liabilities	800	810
Debt securities in issue	4,518	2,056
Other liabilities	-	10
Total liabilities	5,837	3,404
Equity		
Called up share capital	4,193	4,125
Share premium account	17,330	16,684
Other equity instruments	4,326	4,326
Capital redemption reserve	394	394
Retained earnings	7,919	8,163
Total shareholders' equity	34,162	33,692
Total liabilities and shareholders' equity	39,999	37,096

Investment in subsidiary

The investment in subsidiary of £34,303m (2014: £33,743m) represents investments made into Barclays Bank PLC, including £4,326m (2014: £4,326m) of AT1 securities. The increase of £560m during the period was due to a cash contribution made to Barclays Bank PLC.

Loans and advances to subsidiary and debt securities in issue

During H115, Barclays PLC issued \$4bn of Fixed Rate Senior Notes, accounted for as debt securities in issue. The proceeds raised through these transactions were used to make \$4bn of Fixed Rate Senior Loans to Barclays Bank PLC, with a ranking corresponding to the notes issued by Barclays PLC.

Shareholder Information

Results timetable	Date
Ex-dividend date	6 August 2015
Dividend Record date	7 August 2015

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Scrip reference share price set and made available to shareholders 13 August 2015
 Cut off time of 4.30 pm (London time) for the receipt of Mandate Forms or Revocation Forms (as applicable) 21 August 2015
 Dividend Payment date /first day of dealing in New Shares 14 September 2015
 Q3 2015 Interim Management Statement 29 October 2015

For qualifying US and Canadian resident ADR holders, the second interim dividend of 1p per ordinary share becomes 4p per ADS (representing four shares). The ADR depository will post the second interim dividend on Monday, 14 September 2015 to ADR holders on the record at close of business on Friday, 7 August 2015. The ex-dividend date will be Wednesday, 5 August 2015.

	30.06.15	31.12.14	30.06.14	Change ³	
				31.12.14	30.06.14
Exchange rates ²					
Period end - US\$/£	1.57	1.56	1.71	1%	(8%)
6 month average - US\$/£	1.52	1.63	1.67	(7%)	(9%)
3 month average - US\$/£	1.53	1.58	1.68	(3%)	(9%)
Period end - €/£	1.41	1.28	1.25	10%	13%
6 month average - €/£	1.37	1.26	1.22	9%	12%
3 month average - €/£	1.38	1.27	1.23	9%	12%
Period end - ZAR/£	19.12	18.03	18.17	6%	5%
6 month average - ZAR/£	18.16	17.85	17.82	2%	2%
3 month average - ZAR/£	18.49	17.75	17.76	4%	4%
Share price data	30.06.15	31.12.14	30.06.14		
Barclays PLC (p)	260.50	243.50	212.80		
Barclays PLC number of shares (m)	16,773	16,498	16,417		
Barclays Africa Group Limited (formerly Absa Group Limited) (ZAR)	182.98	182.00	161.50		
Barclays Africa Group Limited (formerly Absa Group Limited) number of shares (m)	848	848	847		

For further information please contact

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More information on Barclays can be found on our website: Barclays.com

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- 1 Note that these announcement dates are provisional and subject to change. Any changes to the Scrip Dividend Programme dates will be made available at Barclays.com/dividends.
- 2 The average rates shown above are derived from daily spot rates during the year.
- 3 The change is the impact to Sterling reported information.
- 4 Calls cost 8p per minute plus network extras. Lines open 8.30am to 5.30pm UK time, Monday to Friday excluding UK public holidays.

Listing

The principal trading market for Barclays PLC ordinary shares is the London Stock Exchange. Trading on the New York Stock Exchange is in the form of ADSs under the ticker symbol 'BCS'. Each ADS represents four ordinary shares of 25p each and is evidenced by an ADR. The ADR depositary is JP Morgan Chase Bank, whose international telephone number is +1-651-453-2128, domestic telephone number is 1-800-990-1135 and address is JPMorgan Chase Bank, PO Box 64504, St. Paul, MN 55164-0504, USA.

Barclays PLC Scrip Dividend Programme

Shareholders may have their dividends reinvested in Barclays shares by joining the Barclays PLC Scrip Dividend Programme (the Programme). The Programme enables shareholders, if they wish, to receive new fully paid ordinary shares in Barclays PLC instead of a cash dividend, without incurring dealing costs or stamp duty.

For further details, including the full Terms and Conditions and information about how to join or leave the Programme, please visit Barclays.com/dividends. Alternatively contact our Registrar: Equiniti, by telephoning 0871 384 20551 from the UK or +44 121 415 7004 from overseas, or write to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA United Kingdom.

- 1 Calls cost 8p per minute plus network extras. Lines open 8.30am to 5.30pm UK time, Monday to Friday excluding UK public holidays.