BARCLAYS PLC
Form 6-K
August 03, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

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

August 2009

Barclays PLC and
Barclays Bank PLC
(Names of Registrants)

1 Churchill Place
London E14 5HP
England
(Address of Principal Executive Offices)

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

Form 20-F x   Form 40-F

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

Yes   No x

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

This Report 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 dated August 3, 2009

SIGNATURES

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

BARCLAYS PLC
(Registrant)

Date: August 3, 2009

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Deputy Secretary

BARCLAYS BANK PLC
(Registrant)

Date: August 3, 2009

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Joint Secretary

Barclays PLC

Interim Results Announcement

30th June 2009

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Interim Results Announcement

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

Unless otherwise stated, the income statement analyses compare the six months to 30th June 2009 to the corresponding six months of 2008. Balance sheet comparisons, unless otherwise stated, relate to the corresponding position at 31st December 2008.

Unless otherwise stated, the Performance Highlights, Group Chief Executive's Review, Group Finance Director's Review, Summary Income Statement, Summary Balance Sheet, Results by Business, Risk Management and Capital and Performance Management sections of the Interim Results Announcement discuss the Group as a whole rather than presenting the portion of the Barclays Global Investors (BGI) business held for sale as a discontinued operation. These non-GAAP measures are provided because, until disposal, management believes that including BGI as part of continuing operations provides more useful information about the performance of the Group as a whole and better reflects how the operations are managed. In the Unaudited Condensed Consolidated Interim Financial Statements on pages 82 onwards, the portion of the BGI business held for sale is represented as discontinued operations. We have provided a schedule which presents the continuing and discontinued activities of BGI on page 29.

In accordance with Barclays policy to provide meaningful disclosures that help investors and other stakeholders understand the financial position, performance and changes in the financial position of the Group for the period, the information provided in this report goes beyond the minimum levels required by accounting standards and listing rules for interim reporting. In the specific context of facilitating an understanding of the recent market turmoil Barclays has considered best practice recommendations relating to disclosure and feedback from investors, regulators and other stakeholders on the disclosures that investors would find most useful.

Forward-looking Statements

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

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

Performance Highlights

Group Results	**Half Year [1] Ended 30.06.09**	**Half Year Ended 30.06.09**	**Half Year Ended 30.06.08**	
		£m	£m	% Change
Total income net of insurance claims		16,253	11,843	37
Impairment charges and other credit provisions		(4,556)	(2,448)	86
Operating expenses		(8,747)	(6,753)	30
Profit before tax		2,984	2,754	8
Profit after tax		2,338	2,134	10
Profit attributable to equity holders of the parent		1,888	1,718	10
Economic (loss)/profit		(127)	501	-
Basic earnings per ordinary share	16.4p	17.5p	27.0p	
Diluted earnings per ordinary share	16.0p	17.1p	26.2p	
Dividend per share		-	11.5p	
Performance Ratios				
Return on average shareholders' equity (annualised)		10.1%	14.9%	
Cost:income ratio		54%	57%	
Cost:net income ratio		75%	72%	
Profit Before Tax by Business		£m	£m	% Change
UK Retail Banking		268	690	(61)
Barclays Commercial Bank		404	702	(42)
Barclaycard		391	388	1
GRCB - Western Europe		31	115	(73)
GRCB - Emerging Markets		(86)	52	-
GRCB - Absa		248	298	(17)
Barclays Capital		1,047	524	100
Barclays Global Investors		276	265	4
Barclays Wealth		75	182	(59)
Head Office Functions and Other Operations		330	(462)	-

Capital and Balance Sheet	Pro Forma [1] 30.06.09	As at 30.06.09	As at 31.12.08
Core Tier 1 ratio[2]	8.8%	7.1%	5.6%
Tier 1 ratio	11.7%	10.5%	8.6%
Risk asset ratio	15.3%	14.5%	13.6%
Total shareholders' equity		£48.7bn	£47.4bn
Total assets		£1,545bn	£2,053bn
Risk weighted assets		£406bn	£433bn
Adjusted gross leverage [2]	20x	22x	28x
Group surplus liquidity		£88bn	£36bn
Group loan:deposit ratio [2]		129%	138%
Total DVaR		£71.1m	£86.6m
Net asset value per share[2]	391p	342p	437p
Net tangible asset value per share [2]	313p	250p	313p

1 Presents the impact of the sale of the Barclays Global Investors business to BlackRock Inc as if it would have occurred on 16th June 2009 with EPS from continuing operations.

2 Defined on pages 122 to 123

"In challenging market conditions, we have continued to benefit from our diversified business base. The investments we have made, particularly in our international businesses, are driving very strong income performance and allowing us to absorb the consequences of the economic downturn. Our capital base is stronger and we have significantly reduced leverage. Our goal for 2009 is very clear: we seek to deliver another year of solid profitability. Our first half performance is a good start to this."

John Varley, Chief Executive

- Strong income drives financial performance

- Record income of £16,253m, up 37%
- Profit before tax of £2,984m, up 8%
- Income absorbed gross credit market losses and higher reserves of £4,677m (including impairment of £1,170m) and other Group impairment of £3,386m
- £1,192m of gains on debt buy-backs and extinguishment more than offset £893m own credit charge

- Good progress on key financial measures

- Loan loss rate of 144bps on constant year end 2008 loans and advances and currency basis

- Capital ratios: Core Tier 1 at 8.8% and Tier 1 at 11.7% pro forma for the expected sale of Barclays Global Investors to BlackRock Inc.

- Balance sheet reduced by over £500bn (25%)

- Adjusted gross leverage at 22x from 28x at 31st December 2008 and 33x at 31st December 2007 reflecting reductions in adjusted total tangible assets and increases in qualifying Tier 1 capital

- Cost:income ratio improved to 54% from 57%

· Global Retail and Commercial Banking generates higher income in a tough economic environment

- Strong income growth of 14% to £8,051m driven by Barclaycard and the international businesses

- Profit before tax of £1,256m

- Underlying costs well controlled

- Impairment up significantly to £2,660m (2008: £1,207m)

· Investment Banking and Investment Management records very strong income and profit growth

- Overall profit before tax of £1,398m, up 44%

- Barclays Capital top-line income more than doubled to £10,489m with very strong performances across client franchises in the UK, Europe and Asia and a transformation in the scale and service offering in the US enabling absorbtion of credit market losses and impairment

- Profit before tax at Barclays Capital doubled to £1,047m (2008: £524m)

- Resilient performance at Barclays Global Investors with profit before tax up 4% to £276m, net of deal costs of £106m, and assets under management up 12% to $1,678bn

· Sale of Barclays Global Investors business to BlackRock Inc. agreed for consideration of approximately $13bn and expected to complete at the end of 2009 giving Barclays an economic stake of 19.9% in the enlarged BlackRock Global Investors business

Group Chief Executive's Review

Summary

The environment has remained very difficult in 2009 as a consequence of the onset during 2008 of economic recession in most parts of the world in which we operate. But we were nonetheless solidly profitable, reporting a first half profit of £3 billion.

At the heart of this performance is the service to our customers and clients, for whom the recession creates both challenges and opportunities. High levels of activity on their behalf enabled us to grow our income by 37%, to over £16 billion. This has enabled us to absorb the impact of further credit market writedowns and increasing impairment. We were exposed to, and came through, the stress tests applied by our lead regulator in the UK, the Financial Services Authority (FSA). And we have pursued strategic change with the sale of Barclays Global Investors (BGI) business which, when completed, will crystallise significant value within the business portfolio and open new opportunities within the consolidating asset management industry through our stake in the combined BlackRock Global Investors business. Our proposal to sell the BGI business is the subject of a shareholder general meeting to be held on 6th August 2009.

Costs have been well controlled, with a 3 percentage point improvement in the cost:income ratio. The rate of income growth exceeded the rate of cost growth by 7%. On the balance sheet, we have reduced total assets by over £500 billion since the end of 2008, leading to a reduction in adjusted gross leverage. Risk weighted assets (RWAs) have been managed down by 6%.

The ratio of loans to deposits has improved by 9 percentage points as we strengthened our funding position. With a proforma Core Tier 1 ratio of 8.8%, we have capital resources well in excess of the regulatory minima.

2009 Priorities

As we navigate 2009, our governing objectives are unchanged. They are: staying close to our customers and clients, managing our risk and maintaining strategic momentum.

Staying Close to Our Customers and Clients

The strength of our relationships with customers and clients is observable in the income performance of Barclays during the first half of 2009. We reported income growth of 14% in GRCB, and of 52% in IBIM. Income diversification has helped us mitigate the severe writedown and impairment impacts of the banking crisis and the economic crisis.

Protecting and growing our ability to serve customers and clients all around the world lay at the heart of our decision about recapitalisation in October 2008. An independent Barclays is a Barclays which can build on the strategy of diversification by geography and by business line. The income performance we have sustained through the crisis gives us a lot of confidence, and international diversification lies at the centre of the income story.

The increase in income at Barclays Capital was broadly based by product and geography and was driven by increased client flows and wider spreads. GRCB income growth, both in 2009 and since the crisis began in the summer of 2007, has been dominated by the international businesses which are now delivering over 40% of GRCB's income. The strength of income performance over the last three years has enabled us to invest heavily in the build-out of distribution channels outside the United Kingdom and increase the number of customers we serve to 49m. While there is clearly a cost to this in terms of investment in branches and people and from impairment growth in maturing asset books, the significant broadening of the business base over the last two years will in time provide strong, diversified profit momentum for the Group.

We made specific statements earlier this year about the lending support that we would make available for our customers in the UK. New lending by Barclays to UK households and businesses in the first half for this year totalled some £17 billion, which was divided equally between credit made available to households and credit made available to businesses. Underlying this new lending are approval rates for applications for credit by business customers of Barclays Commercial Bank running at high levels consistent with those of 2007 and 2008.

Managing Our Risk

We see risk and capital as two sides of the same coin. It has been very important to us to strengthen our capital ratios during this half. We started 2009 with a Core Tier 1 ratio of 5.6% and on a pro forma basis taking into account the BGI sale, this ratio was 8.8% at the end of June.

Profit generation is intrinsic to a bank's ability to protect and grow its capital ratios. Barclays has continued to generate profits in every reporting period since this crisis began and our aggregate profit over the two year period to 30th June 2009 amounted to £12bn.

The managing of systemic risk is a priority for governments and regulators, and careful attention is being directed by them at effecting change to the banking industry to ensure that what has happened over the last two years never happens again. This is both understandable and appropriate. There have been many failings in the industry and there is much to be sorry about. But we should not lose sight of the fact that the banking crisis which began in the summer of 2007 brought to an end two decades of global growth and stability from which the world benefited greatly. An important ingredient of the rapid economic growth over that twenty year period was the activity of banks and global capital markets.

We need a new regulatory framework, of course, and that will mean more regulation. But that framework, when introduced, must be sensitive to the many good things delivered to the world over the last decades by an increasingly vibrant market economy. A properly governed market economy encourages thrift, innovation, creativity and enterprise. The world needs these things as it recovers.

One consequence of this crisis is a requirement for more capital and less leverage in the banking system. On a pro forma basis, we have increased our Core Tier 1 ratio by well over 400 bps since the since the end of 2007 and we have reduced our adjusted leverage from 33x to 20x over the same period. We have reduced reliance on unsecured funding, and increased the average duration of our funding. These actions will make it easier for us to manage the impacts of new regulatory requirements.

We have been steadily building liquidity in the balance sheet to anticipate the introduction of the new FSA rules. In the context of future levels of market risk capital, we make the assumption that the decisions made in due course by our regulators will recognise a distinction between capital required to support proprietary trading (which is not our focus) and capital required to support the risk management and financing needs of our government and corporate clients (which very much is).

The regulatory balance sheet required to support the business of Barclays Capital at the end of June 2009 was lower than