BARCLAYS PLC
Form 6-K
February 11, 2014

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

February 11, 2014

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

Final Results dated February 11, 2014

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: February 11, 2014

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Deputy Secretary

BARCLAYS BANK PLC
(Registrant)

Date: February 11, 2014

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Joint Secretary

Barclays PLC
Results Announcement

31 December 2013

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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 twelve months to 31 December 2013 to the corresponding twelve months of 2012 and balance sheet analysis as at 31 December with comparatives relating to 31 December 2012. 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; '€m' and '€bn' represent millions and thousands of millions of Euros respectively; and 'C$m' and 'C$bn' represent millions and thousands of millions of Canadian Dollars respectively.

The comparatives have been restated to reflect the implementation of IFRS 10 Consolidated Financial Statements and IAS 19 Employee Benefits (Revised 2011), the reallocation of elements of the Head Office results to businesses and portfolio restatements between businesses, as detailed in our announcement on 16 April 2013. The consolidated financial statements of the Group included in the joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC for the year ended 31 December 2012 were restated to show the effects of the adoption of IFRS 10 Consolidated Financial Statements and IAS 19 Employee Benefits (Revised 2011) on 1 January 2013 in accordance with their transition guidance and not to reflect events subsequent to 5 March 2013, the date of the approval of the 31 December 2012 financial statements. The Group's segmental disclosures required by IFRS 8 Operating Segments were also restated. The restated consolidated financial statements of the Group were filed with the SEC on Form 6-K on 6 September 2013.

Adjusted profit before tax 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 and not representative of the underlying business performance. Items excluded from the adjusted measures are: the impact of own credit; disposal of the investment in BlackRock, Inc.; the provision for Payment Protection Insurance redress payments and claims management costs (PPI redress); the provision for interest rate hedging products redress and claims management costs (interest rate hedging products redress); and goodwill impairment.

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.

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, and having regard to the British Bankers' Association Disclosure Code and the Enhanced Disclosure Task Force recommendations, the information provided in this report goes beyond minimum requirements. Barclays continues to develop its financial reporting considering best practice and welcomes feedback from investors, regulators and other stakeholders on the disclosures that they would find most useful.

The Listing Rules of the UK Listing Authority (LR 9.7A.1) require that preliminary statements of annual results must be agreed with the listed company's auditors prior to publication, even though an audit opinion has not yet been issued. In addition, the Listing Rules require such statements to give details of the nature of any likely modification or emphasis of matter that may be contained in the auditors' report to be included with the annual report and accounts. Barclays PLC confirms that it has agreed this preliminary statement of annual results with PricewaterhouseCoopers LLP and that the Board of Directors has not been made aware of any likely modification or emphasis of matter to the auditors' report to be included with the annual report and accounts for the year ended 31 December 2013.

The information in this announcement, which was approved by the Board of Directors on 10 February 2014 does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2012, which included certain information required for the Joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC to the SEC and which contained an unqualified audit report under Section 495 of the Companies Act 2006 and 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 filed 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 (www.sec.gov).

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", "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, original and revised commitments and targets in connection with the Transform Programme, deleveraging actions, 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. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards (IFRS), 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, United States, 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 the Group; the potential for one or more countries exiting the Eurozone; the implementation of the Transform 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 are identified in our filings with the SEC including our Annual Report on Form 20-F for the fiscal year ended 31 December 2012, and in the Form 6-K (Film No. 131097818) dated 16 September 2013, both of which are available on the SEC's website at http://www.sec.gov.

Any forward-looking statements made herein speak only as of the date they are made and it should not be assumed that they have been revised or updated in the light of new information or future events. Except as required by the Prudential Regulation Authority, the Financial Conduct Authority, the London Stock Exchange plc (LSE) or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein 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 published or may publish via the Regulatory News Service of the LSE and/or has filed or may file with the SEC.

Performance Highlights

"2013 has been a year of considerable change for Barclays. I am pleased with the progress we made in starting to rebuild trust, defining and implementing a common culture, repositioning the business for the future, and strengthening our balance sheet.

A year on from launching our plan to transform Barclays into the Go-To bank for all our stakeholders, we are in a significantly better position and I feel confident about our prospects.

Despite challenging conditions, our underlying performance has been resilient and momentum is building, as evidenced by the results we are reporting this morning.

Our UK Retail and Corporate Banking businesses delivered good results, alongside the continued strong growth of Barclaycard. Within the Investment Bank, an impressive performance in Equities and in Investment Banking has helped to partially offset lower income from our Fixed Income, Currencies and Commodities business. We have also started to make important progress in repositioning our African, European and Wealth businesses to improve returns. This performance has translated into income of £28.2bn in the year, and adjusted profit before tax of £5.2bn.

However, profits have been impacted by the restructuring and de-risking activity we completed during the year. This included withdrawing from certain lines of business, investing to transform our operations and resolving legacy conduct and litigation issues. The cost of these actions suppressed statutory profits to £2.9bn in the year but was in the long term interest of our shareholders.

Additionally, we have made significant progress with strengthening of our capital base year over year, through the rights issue and issuance of Additional Tier 1 securities. Combined with our substantial deleveraging actions in the second half of the year, we are ahead of our schedule to achieve the PRA leverage ratio expectation in June 2014.

While we have more work to do to achieve our goal of becoming the Go-To bank, I believe that we begin 2014 in a better position than we have been for many years."

Antony Jenkins, Group Chief Executive

Performance Highlights

Income Statement

- Adjusted profit before tax was down 32% to £5,167m due to costs to achieve Transform and a 4% reduction in income. Q413 adjusted profit before tax was down £1,194m against Q313 to £191m, including the impact of £331m of charges for litigation and regulatory penalties in the Investment Bank, UK bank levy of £504m (Q313: £nil), and £468m of costs to achieve Transform (Q313: £101m)

- Statutory profit before tax improved to £2,868m (2012: £797m), reflecting a reduced own credit charge of £220m (2012: £4,579m)

Income Performance

- Adjusted income decreased 4% to £28,155m, reflecting a reduction of £1,042m in the Investment Bank and £480m in the Head Office

- Investment Bank income was down 9% to £10,733m driven by a decrease in FICC and Exit Quadrant assets income, including a current year reversal of £111m income relating to a litigation matter in Q413. These decreases were partially offset by increases in Equities and Prime Services, and Investment Banking

Credit Impairment

- Credit impairment charges improved 8% to £3,071m, with a loan loss rate of 64bps (2012: 70bps), principally reflecting lower impairments in Corporate Banking and Africa RBB. This was partially offset by higher impairments in Barclaycard and UK RBB, partly due to provision releases in 2012, and acquisitions in Barclaycard

Cost Performance

- Adjusted operating expenses increased £1,331m to £19,893m, reflecting £1,209m of costs to achieve Transform, £220m provisions for litigation and regulatory penalties in Q413 in the Investment Bank, mainly relating to the US residential mortgage-related business, and UK bank levy

- Total compensation costs decreased 1% to £9,616m. Total compensation costs in the Investment Bank were broadly flat at £4,634m (2012: £4,667m). The Investment Bank compensation to income ratio rose to 43.2% (2012: 39.6%) primarily due to a decrease in income

Balance Sheet, Leverage and Capital Management

- The estimated Prudential Regulation Authority (PRA) leverage exposure reduced £196bn from 30 June 2013 to £1,363bn. Approximately £55bn of the reduction in PRA leverage exposure relates to foreign exchange movements

- CRD IV risk weighted assets (RWAs) reduced £32bn during the year and £12bn during Q413 to £436bn, primarily driven by reductions in Exit Quadrant RWAs

- CRD IV fully loaded Common Equity Tier 1 (CET1) capital increased £3.0bn from 30 September 2013 to £40.4bn, principally due to the issuance of additional shares through the rights issue, partially offset by foreign currency movements of £0.8bn and increased regulatory deductions including new deductions related to foreseeable dividends

- CRD IV CET1 ratio fully loaded was 9.3% (30 September 2013: 8.4% or 9.6% on a proforma post rights issue basis)

- The estimated PRA leverage ratio increased to just under 3.0% (30 June 2013: 2.2%), reflecting a reduction in the PRA leverage exposure of £196bn and an increase in eligible PRA adjusted Tier 1 Capital to £40.5bn (30 June 2013: £34.2bn). The increase included £5.8bn share capital through the rights issue, £2.1bn of Additional Tier 1 (AT1) securities and a £1.9bn reduction in PRA adjustments to CET1 capital to £2.2bn, largely driven by a reduction in the additional PRA add-on for prudential valuation adjustment (PVA). The estimated CRD IV fully loaded leverage ratio increased to 3.1% (30 June 2013: 2.5%)

- Net asset value per share was 331p (2012: 414p) and net tangible asset value per share was 283p (2012: 349p). This decrease was mainly attributable to the issuance of shares as part of the rights issue, and decreases in the cash flow hedging reserve and currency translation reserve

Returns

- Adjusted return on average shareholders' equity decreased to 4.5% (2012: 9.0%) principally reflecting the decrease in profit before tax, a £440m write down of deferred tax assets relating to Spain and the £5.8bn of equity raised from the rights issue in Q413. Adjusted return on average tangible shareholders' equity decreased to 5.3% (2012: 10.6%). Statutory return on average shareholders' equity improved to 1.0% (2012: negative 1.2%)

Performance Highlights

Barclays Unaudited Results1	Adjusted	Statutory

	31.12.13 £m	31.12.12 £m	% Change	31.12.13 £m	31.12.12 £m	% Change
Total income net of insurance claims	28,155	29,361	(4)	27,935	25,009	12
Credit impairment charges and other provisions	(3,071)	(3,340)	(8)	(3,071)	(3,340)	(8)
Net operating income	25,084	26,021	(4)	24,864	21,669	15
Operating expenses (excluding UK bank levy and costs to achieve Transform)	(18,180)	(18,217)	-	(20,259)	(20,667)	(2)
UK bank levy	(504)	(345)	46	(504)	(345)	46
Costs to achieve Transform	(1,209)	-		(1,209)	-	
Operating expenses	(19,893)	(18,562)	7	(21,972)	(21,012)	5
Other net (expense)/ income	(24)	140		(24)	140	
Profit before tax	5,167	7,599	(32)	2,868	797	
Tax charge	(2,015)	(2,159)	(7)	(1,571)	(616)	
Profit after tax	3,152	5,440	(42)	1,297	181	
Non-controlling interests	(757)	(805)	(6)	(757)	(805)	(6)
Attributable Profit2	2,395	4,635	(48)	540	(624)	
Performance Measures						
Return on average tangible shareholders' equity	5.3%	10.6%		1.2%	(1.4%)	
Return on average shareholders' equity	4.5%	9.0%		1.0%	(1.2%)	
Return on average risk weighted assets	0.8%	1.4%		0.3%	-	
Cost: income ratio	71%	63%		79%	84%	
Loan loss rate	64bps	70bps		64bps	70bps	
Basic earnings per share	16.7p	35.5p		3.8p	(4.8p)	
Dividend per share	6.5p	6.5p		6.5p	6.5p	
Balance Sheet and Leverage				31.12.13	31.12.12	
Net asset value per share3				331p	414p	(20)
Net tangible asset value per share3				283p	349p	(19)
Estimated PRA leverage exposure				£1,363bn		
Capital Management				31.12.13	31.12.12	
CRD III						
Core tier 1 ratio				13.2%	10.8%	
Core tier 1 capital				£46.8bn	£41.7bn	12
Risk weighted assets				£355bn	£387bn	(8)
CRD IV fully loaded						
Common equity tier 1 ratio				9.3%		
				£40.4bn		

Common equity tier 1 capital			
Risk weighted assets	£436bn	£468bn	(7)
Estimated leverage ratio	3.1%		
Estimated PRA leverage ratio	3.0%		

Funding and Liquidity	31.12.13	31.12.12
Group liquidity pool	£127bn	£150bn
Loan: deposit ratio	101%	110%
Estimated liquidity coverage ratio4	102%	126%
Estimated net stable funding ratio4	110%	112%

Adjusted Profit Reconciliation	31.12.13	31.12.12
Adjusted profit before tax	5,167	7,599
Own credit	(220)	(4,579)
Gain on disposal of investment in BlackRock Inc.	-	227
Provision for PPI redress	(1,350)	(1,600)
Provision for interest rate hedging products redress	(650)	(850)
Goodwill impairment	(79)	-
Statutory profit before tax	2,868	797

1 The comparatives on pages 3 to 49 have been restated to reflect the implementation of IFRS 10 Consolidated Financial Statements and IAS 19 Employee Benefits (Revised 2011), the reallocation of elements of Head Office results to businesses and portfolio restatements between businesses, as detailed in our announcement on 16 April 2013, accessible at http://group.barclays.com/about-barclays/investor-relations/investor-news.

2 Attributable profit includes profit after tax and non-controlling interests.

3 Net asset value per share is calculated by dividing shareholders equity, excluding non-controlling and other equity interests, by the number of issued ordinary shares. Net tangible asset value per share is calculated by dividing shareholders equity, excluding non-controlling and other equity interests, less goodwill and intangible assets, by the number of issued ordinary shares.

4 Refer to page 61 for basis of calculation.

Performance Highlights

	Adjusted			Statutory		
Income by Business	31.12.13	31.12.12		31.12.13	31.12.12	
	£m	£m	% Change	£m	£m	% Change

UK RBB	4,523	4,384	3	4,523	4,384	3
Europe RBB	666	708	(6)	666	708	(6)
Africa RBB	2,617	2,928	(11)	2,617	2,928	(11)
Barclaycard	4,786	4,344	10	4,786	4,344	10
Investment Bank	10,733	11,775	(9)	10,733	11,775	(9)
Corporate Banking	3,115	3,046	2	3,115	3,046	2
Wealth and Investment Management	1,839	1,820	1	1,839	1,820	1
Head Office and Other Operations	(124)	356		(344)	(3,996)	(91)
Total income	28,155	29,361	(4)	27,935	25,009	12

	Adjusted			Statutory		
Profit/(Loss) Before Tax by Business	31.12.13	31.12.12		31.12.13	31.12.12	
	£m	£m	% Change	£m	£m	% Change
UK RBB	1,195	1,225	(2)	535	45	
Europe RBB	(996)	(343)		(996)	(343)	
Africa RBB	404	322	25	404	322	25
Barclaycard	1,507	1,482	2	817	1,062	(23)
Investment Bank	2,523	3,990	(37)	2,523	3,990	(37)
Corporate Banking	801	460	74	151	(390)	
Wealth and Investment Management	(19)	274		(98)	274	
Head Office and Other Operations	(248)	189		(468)	(4,163)	(89)
Total profit before tax	5,167	7,599	(32)	2,868	797	

Chief Executive's Statement

It is now twelve months since we set out our Transform programme, which began the process of making Barclays the 'Go-To' bank for all of our stakeholders. In that time we have taken measures to strengthen our capital base and manage risk which places Barclays in a good position to deliver competitive advantage for the bank in the years to come, resulting in higher and more sustainable returns for our shareholders.

In 2013, UK Retail and Business Banking delivered good results, supported by higher income from our mortgage business. Barclaycard also had another good year both in the UK and internationally, delivering attractive returns while still holding further growth potential. The output from our UK business within Corporate Banking, which delivered profit before tax of nearly £1bn for the year as the turnaround continued in the overall business unit. In the Investment Bank, our Equities business saw impressive income growth. Combined with continued improved results in Investment Banking, this partly offset lower income from our Fixed Income Currencies and Commodities business.

Beyond these franchises, we also completed a lot of work during 2013 in repositioning our African, European, and Wealth businesses. These units are in transition, with clear plans being implemented across all three to improve returns, and I am encouraged by the progress I'm seeing.

In aggregate, this performance translated into income of approximately of £28.2bn in the year, and adjusted profit before tax of £5.2bn. This is a resilient performance, though profits have clearly been impacted by the amount of investment and de-risking activity we executed in the period.

We continue to de-risk the business for reputation and conduct risk. In June we took a further £2bn of charges in relation to Payment Protection Insurance and interest rate hedging products redress. We have also exited businesses which are incompatible with Barclays' purpose and values, or where we cannot generate attractive returns for our investors. In late December 2013, we incurred £331m of charges for litigation and regulatory penalties which impacted income and costs, the latter of which drove operating expenses higher than the £18.5bn guidance excluding the cost to achieve Transform, we provided earlier.

Supported by the £5.8bn Rights Issue, we reached a CRD IV fully loaded CET1 ratio of 9.3% at the end of 2013. We remain on track to meet our target of 10.5% during 2015. Alongside the other measures set out in our Leverage Plan in July 2013, including rigorous control around leverage exposure reduction and £2.1bn of AT1 issuance, our estimated CRD IV fully loaded leverage ratio is 3.1% and our PRA leverage ratio is almost 3%, the expectation we were set to meet by June 2014.

Leverage will continue to be a focus for regulators and investors, and today we are setting out important plans to further reduce our exposure and better prepare Barclays for regulatory requirements in the future.

At Barclays we believe in paying for performance and paying competitively. Ensuring that we have the right people in the right roles serving our customers and clients effectively in a highly competitive global environment is vital to our ability to generate sustainable shareholder returns. After careful consideration, we determined that an increase of £210m over the prior year in the incentive pool was required in 2013 in order to build our franchise in the long term interests of shareholders. Notwithstanding this increase we remain committed to our goal of reducing the compensation to net income ratio over the medium term to the mid 30s.

One year on we are making good progress against the Transform financial and non-financial commitments we set out last year, although clearly we have more to do to execute on our plans.

On CRD IV RWAs we are already operating within the £440bn level we targeted for 2015 and our CRD IV fully loaded CET1 ratio is in a strong position. On cost, we remain confident we will reduce operating expenses to £16.8bn excluding costs to achieve Transform in 2015. Our Cost to Income Ratio rose in 2013 mainly as a consequence of reduced income, but we remain committed to achieving a ratio in the mid-50s by 2015. On dividends we expect to target a 40% payout ratio from 2014 as we also focus on capital accretion.

All of this progress on our financial commitments, plus additional work on de-leveraging, means we remain convinced of our ability to deliver a Return on Equity for the Group in excess of the cost of equity during 2016.

On our non-financial commitments there is also progress to report.

Cultural change, particularly embedding our purpose and values throughout the organisation, was a major Transform priority for 2013. As well as every colleague completing a mandatory training programme, we have also now integrated our purpose and values into the day to day management processes covering recruitment, talent management, performance assessment and reward. In the case of our Managing Director population, their 2013 performance has been formally assessed against whether they have exhibited the right values and behaviours, as well as producing the business outcomes we want. These criteria will apply to all employees in 2014. Critically, we have developed and published our new Code of Conduct which every colleague must abide by and attest to annually.

Today, and in fulfilment of our second non-financial commitment, we are publishing our balanced scorecard, the final component in the leadership system which will help us to drive cultural change and measure holistic performance in Barclays. It contains eight specific commitments which we will report on annually going forward. The commitments we have set are intentionally stretching, but we believe achievable. The personal objectives of all colleagues will align to the scorecard.

Finally, looking externally once more, I am proud to say that Barclays continues to play a key role in the UK economy. As a major employer a particular highlight in 2013 was that we have taken on approximately 1,000 apprentices, helping young people into work and addressing an acute social need. Being a strong bank allows Barclays to support the UK economy through lending to our customers and clients. An estimated £88bn of Funding for Lending eligible gross new lending was made to UK households and businesses by us in 2013.

In closing, the plans and targets we have for Barclays are certainly ambitious, and as we deal with unexpected challenges and the wider economic conditions, progress may not always be linear. However, through the disciplined focus of my management team, I am confident we will deliver on our goal of becoming the 'Go-To' bank.

Antony Jenkins, Group Chief Executive

Group Finance Director's Review

"Reflecting on the 2013 financial results for Barclays, I believe progress has been made and momentum is building around the Transform programme. This was the first year of the programme, which necessitated a substantial investment in future cost reduction and repositioning of our balance sheet and capital base.

Within the results, there are two areas that I felt were particularly noteworthy. First, the breadth and diversity of income in the Group, underpinned by our traditional consumer and commercial banking franchises. Similarly, within the Investment Bank, growth in Equities and Investment Banking income provided an offset to the market-led weakness in certain FICC businesses. Second, demonstration of strong financial fundamentals across funding and liquidity, capital, credit risk management and margins should stand the bank in good stead for generating sustainable returns going forward.

In October, I began conducting a detailed balance sheet review, specifically focused on meeting leverage ratio requirements as a priority. We have made strong and quick progress on this. PRA leverage exposure reduced by nearly £200bn from June 2013 which, combined with the £5.8bn rights issue and issuance of £2.1bn of AT1 securities, strengthened our PRA leverage ratio to just under 3%. Our focus on RWA management continued throughout the year, resulting in a 7%, or over £30bn, reduction in CRD IV RWAs. Looking ahead, the balance sheet review will continue but with increased focus on optimising the balance sheet, considering both risk weights and leverage, in order to generate improved returns. I will provide updates on this going forward.

Regulation remains a key variable and, while we have gained clarity in certain areas, there remain a number of outstandings which we will continue to anticipate as best we can in order to 'future proof' the bank.

As I look forward, 2014 will likely be another year of transition, with greater focus on balance sheet optimisation, particularly in the Investment Bank, combined with strict cost control in order to generate higher and more sustainable returns in the future."

Tushar Morzaria, Group Finance Director

Group Finance Director's Review

Income Statement

- Adjusted profit before tax was down 32% to £5,167m driven by costs to achieve Transform and a reduction in income. Q413 adjusted profit before tax was down £1,194m against Q313 to £191m, including the impact of £331m of charges against litigation and regulatory penalties in the Investment Bank, UK bank levy of £504m (Q313: £nil), and £468m of costs to achieve Transform (Q313: £101m)

- Statutory profit before tax improved to £2,868m (2012: £797m), reflecting a reduced own credit charge of £220m (2012: £4,579m)

Income Performance

- Adjusted income decreased 4% to £28,155m, reflecting reductions in the Investment Bank, the Head Office and Africa RBB, partially offset by growth in Barclaycard and UK RBB

- Investment Bank income was down 9% to £10,733m driven by a decrease in FICC income of £1,141m, partially offset by increases in Equities and Prime Services of £489m, and Investment Banking of £63m. Income from Exit Quadrant assets also decreased £309m due to accelerated disposals and a £111m reversal of income relating to a litigation matter in Q413. Income in Q413 increased 2% on Q313 to £2,149m due to higher activity in Macro Products, particularly in the Currency business,and Investment Banking, offset by a reduced performance in Credit Products, and Equities and Prime Services

- Total net interest income was broadly stable at£11,600m, with lower net interest income in Head Office, Africa RBB and the Investment Bank offset by increases in Barclaycard, UK RBB and Corporate Banking. Customer net interest income for RBB, Barclaycard, Corporate Banking and Wealth and Investment Management increased to £10,365m (2012: £9,839m) driven by growth in customer assets, partially offset by contributions from Group structural hedging activities

Credit Impairment

- Credit impairment charges improved 8% to £3,071m, with a loan loss rate of 64bps (2012: 70bps)

- This reflected lower impairments in the wholesale businesses, mainly Corporate Banking in Europe and UK

- In the RBB and Barclaycard businesses, Africa RBB arrears rates improved, particularly for South Africa home loans, however, impairment was higher in UK RBB and Barclaycard partly due to the non-recurrence of provision releases in 2012, and the Edcon acquisition in Barclaycard

- Higher impairment in Europe reflected exposure to the renewable energy sector in Spain and weaker performance in European mortgages

Cost Performance

- Adjusted operating expenses increased £1,331m to £19,893m, reflecting £1,209m of costs to achieve Transform, £220m provisions for litigation and regulatory penalties in Q413 in the Investment Bank, mainly relating to the US residential mortgage-related business and UK bank levy of £504m (2012: £345m). The Group's cost target for 2015 remains at £16.8bn excluding costs to achieve Transform

- Total compensation costs decreased 1% to £9,616m. Total compensation costs in the Investment Bank werebroadly flat at £4,634m (2012: £4,667m). The Investment Bank compensation to income ratio rose to 43.2% (2012: 39.6%) primarily due to a decrease in income

Taxation

- The effective tax rate on adjusted profit before tax increased to 39.0% (2012: 28.4%), mainly due to a charge of £440m reflecting the write down of deferred tax assets in Spain. The adjusted effective tax rate excluding the write down was 30.5% (2012: 28.4%), which primarily reflected profits outside of the UK taxed at local statutory tax rates that are higher than the UK statutory tax rate of 23.25% (2012: 24.5%) and the impact of the increase in the non deductible UK bank levy to £504m (2012: £345m). The effective tax rate on statutory profit before tax decreased to 54.8% (2012: 77.3%)

Returns

- Adjusted return on average shareholders' equity decreased to 4.5% (2012: 9.0%) principally reflecting the decrease in profit before tax, £440m write down of deferred tax assets relating to Spain and the rights issue equity raised of £5.8bn. Adjusted return on average tangible shareholders' equity decreased to 5.3% (2012: 10.6%). Statutory return on average shareholders' equity improved to 1.0% (2012: negative 1.2%)

Group Finance Director's Review

Balance Sheet and Leverage

Balance Sheet

- Total assets decreased by 12% to £1,312bn from 31 December 2012, primarily reflecting decreases in derivative assets, due to increases in forward interest rates and exposure reduction initiatives with central clearing parties and a reduction in cash and balances at central banks due to a decrease in the liquidity pool

- Total loans and advances were £468bn (2012: £464bn) with an increase of £8.4bn in UK RBB including those acquired through Barclays Direct (previously ING Direct UK, acquired during Q113), £1.8bn growth within Barclaycard across the UK and international business and a £1.8bn increase within Wealth and Investment Management. These were offset by a £5.7bn decrease within Africa RBB primarily due to the depreciation of ZAR against GBP, with growth of 2% on a constant currency basis

- Customer accounts increased by 11% to £428bn due to a £19.5bn increase in UK RBB deposits, a £9.6bn increase within Wealth and Investment Management, primarily reflected in the High Net Worth business, and a £9.1bn increase in Corporate Banking, from UK deposit growth

- Total shareholders' equity including non-controlling interests, was £64bn (2012: £60bn). Excluding non-controlling interests, shareholders' equity increased £4.8bn to £55bn, reflecting a £7.4bn increase in share capital and share premium including £5.8bn from the issuance of 3.2bn additional shares through the rights issue and the issuance of £2.1bn equity accounted AT1 securities. These increases were partially offset by decreases in the cash flow hedging reserve of £1.8bn, due to increases in forward interest rates, the currency translation reserve of £1.2bn, driven by strengthening of GBP against USD and ZAR, dividends paid of £0.9bn, and a £0.5bn reduction due to an increase in retirement benefit liabilities

- Net asset value per share was 331p (2012: 414p) and net tangible asset value per share was 283p (2012: 349p). This decrease was mainly attributable to the issuance of shares, as part of the rights issue, and decreases in the cash flow hedging reserve and currency translation reserve

- As at 31 December 2013 the provision held for PPI redress was £971m (2012: £986m) and for interest rate hedging products redress was £1,169m (2012: £814m). There has been no significant change to the estimates of future expected costs since June 2013

Leverage

- Estimated PRA leverage exposure reduced £196bn from 30 June 2013 to £1,363bn driven by a reduction in derivative replacement costs, potential future exposures on derivatives and cash and balances at central banks. Approximately £55bn of the reduction in PRA leverage exposure, relatedto foreign exchange movements

Capital Management

- CRD IV fully loaded CET1 capital increased £3.0bn from 30 September 2013 to £40.4bn, principally due to the issuance of additional shares through the rights issue, partially offset by foreign currency movements of £0.8bn and increased regulatory deductions related to foreseeable dividends. CRD III Core Tier 1 capital was £46.8bn (30 September 2013: £42.0bn)

- CRD IV RWAs reduced £32bn during the year and £12bn during Q413 to £436bn, primarily driven by reductions in Exit Quadrant RWAs of £39bn and reductions in trading book exposures, partially offset by methodology changes. This reduction was primarily in the Investment Bank, where Exit Quadrant RWAs reduced £37bn to £42bn. CRD III RWAs reduced £32bn to £355bn during the year

- CRD IV CET1 ratio on a fully loaded basis was 9.3% (30 September 2013: 8.4% or 9.6% on a proforma post rights issue basis). This movement was mainly as a result of the rights issue and a decrease in RWAs offset by new regulatory deductions primarily related to foreseeable dividends. CRD III Core Tier 1 ratio strengthened to 13.2% (30 September 2013: 11.3%)

- The estimated PRA leverage ratio increased to just under 3.0% (30 June 2013: 2.2%), reflecting a reduction in the PRA leverage exposure of £196bn and an increase in eligible PRA adjusted Tier 1 Capital to £40.5bn (30 June 2013: £34.2bn). The increase included £2.1bn of AT1 securities and a £1.9bn reduction in PRA adjustments to CET1 to £2.2bn largely driven by an elimination of the additional PRA add-on for PVA. Refer to page 55 for further details. The estimated CRD IV fully loaded leverage ratio increased to 3.1% (30 June 2013: 2.5%)

Group Finance Director's Review

Funding and Liquidity

- In 2013, we reduced the liquidity pool by £23bn to £127bn. This was consistent with reducing the large Liquidity Risk Appetite (LRA) and Liquidity Coverage Ratio (LCR) surpluses to support the leverage plan and to optimise the cost of liquidity, while maintaining compliance with internal liquidity risk appetite and external regulatory requirements.

- The liquidity pool consists of cash and deposits with central banks and high quality government bonds, which together accounted for 83% (2012: 87%) of the pool

- The estimated LCR was 102% (2012: 126%) based upon the latest standards published by the Basel Committee. This is equivalent to a surplus of £2bn above the 100% ratio (2012: £32bn)

- The estimated Net Stable Funding Requirement (NSFR) was 110% (2012: 112%), resulting in a £40bn (2012: £49bn) excess above the 100% ratio requirement

- The loan to deposit ratio for the Group decreased to 101% (2012: 110%) as a result of strong growth in customer deposits in UK RBB, Corporate Banking and Wealth and Investment Management

- Total wholesale funding outstanding (excluding repurchase agreements) was £186bn (2012: £240bn), of which £82bn (2012: £102bn) matures in less than one year and £20bn matures within one month (2012: £29bn)

- The Group issued £1bn of net term funding during 2013, including $1bn of CRD IV compliant Tier 2 capital. Barclays has £24bn of term funding maturing in 2014 and £22bn in 2015. We expect to issue more public wholesale debt in 2014 than in 2013, albeit at lower levels than amounts maturing

Dividends

- A final dividend for 2013 of 3.5p per share will be paid on 28 March 2014 resulting in a total 6.5p dividend per share for the year. Total dividends paid to ordinary shareholders were £859m (2012: £733m), reflecting the additional shares issues as part of the rights issue

Outlook

- 2014 will be another year of transition, as we continue to make investments and focus on balance sheet optimisation and cost reduction.

Updated guidance on capital, leverage and dividends

- Barclays' current regulatory target is to meet a fully loaded CET1 ratio of 9% by 2019, plus a Pillar 2A add-on. Under current PRA guidance, Pillar 2A will need to be met with 56% CET1 from 2015, which would equate to approximately 1.4% of RWAs if the requirement were to be applied today. The Pillar 2A add-on would be expected to vary over time according to the PRA's individual capital guidance

- The Group expects to achieve a 10.5% CRD IV CET1 ratio on a fully loaded basis in 2015. As Barclays builds capital over the transitional period to its end state structure, the Group would estimate reaching a range of 11.5-12.0% for the CRD IV CET1 ratio, once an internal management buffer, Pillar 2A and other regulatory considerations are taken into account. This indication is based on certain assumptions (refer page 55 for details) and does not include any Counter-Cyclical Capital Buffer, additional Sectoral Capital Requirement or Systemic Risk Buffer

- The Group estimates reaching a PRA leverage ratio of at least 3.5% by the end of 2015 and a range of 3.5% to 4% beyond 2015, with an expected net reduction in leverage exposure of approximately £60bn, excluding foreign currency effects. Barclays expects the reduction in leverage exposure to below £1,300bn by 2015 to result in a minimal impact on current revenues but result in foregone revenue of around £300m in 2015

- Based on an initial high level impact analysis of the January 2014 Basel Committee on Banking Supervision (BCBS) proposal, we have estimated the changes could decrease the PRA leverage ratio by approximately 20 basis points, prior to management actions and any further rule changes

- The Group remains committed to a 40-50% dividend payout ratio over time, calculated as a proportion of adjusted earnings per share as determined by the Board. We expect to be at 40% from 2014 to allow focus on capital accretion

Tushar Morzaria, Group Finance Director

Condensed Consolidated Financial Statements

Condensed Consolidated Income Statement (Unaudited)

Continuing Operations	Notes1	Year Ended 31.12.13 £m	Year Ended 31.12.12 £m
Net interest income	2	11,600	11,654
Net fee and commission income		8,731	8,536
Net trading income		6,553	3,347
Net investment income		680	844
Net premiums from insurance contracts		732	896
Other income		148	332
Total income		28,444	25,609
Net claims and benefits incurred on insurance contracts		(509)	(600)
Total income net of insurance claims		27,935	25,009
Credit impairment charges and other provisions		(3,071)	(3,340)
Net operating income		24,864	21,669
Staff costs		(12,155)	(11,467)
Administration and general expenses	3	(7,817)	(7,095)
Operating expenses excluding provisions for PPI and interest rate hedging products redress		(19,972)	(18,562)
Provision for PPI redress	13	(1,350)	(1,600)
Provision for interest rate hedging products redress	13	(650)	(850)
Operating expenses		(21,972)	(21,012)
(Loss)/profit on disposal of undertakings and share of results of associates and joint ventures		(24)	140
Profit before tax		2,868	797
Tax	4	(1,571)	(616)
Profit after tax		1,297	181

Attributable to:			
Equity holders of the parent		540	(624)
Non-controlling interests	5	757	805
Profit after tax		1,297	181
Earnings per Share from Continuing Operations			
Basic earnings/(loss) per ordinary share	6	3.8p	(4.8p)
Diluted earnings/(loss) per ordinary share	6	3.7p	(4.8p)

1 For notes to the Financial Statements see pages 99 to 122.

Condensed Consolidated Financial Statements
Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income (Unaudited)

Continuing Operations	Notes1	Year Ended 31.12.13 £m	Year Ended 31.12.12 £m
Profit after tax		1,297	181
Other comprehensive (loss)/profit that may be recycled to profit or loss:			
Currency translation reserve	17	(1,767)	(1,548)
Available for sale reserve	17	(382)	546
Cash flow hedge reserve	17	(1,890)	662
Other		(37)	96
Total comprehensive loss that may be recycled to profit or loss		(4,076)	(244)
Other comprehensive loss not recycled to profit or loss:			
Retirement benefit remeasurements	17	(515)	(1,235)
Other comprehensive loss for the period		(4,591)	(1,479)
Total comprehensive loss for the period		(3,294)	(1,298)
Attributable to:			
Equity holders of the parent		(3,406)	(1,894)
Non-controlling interests		112	596
Total comprehensive loss for the period		(3,294)	(1,298)

1 For notes, see pages 99 to 122.

Condensed Consolidated Financial Statements

Condensed Consolidated Balance Sheet (Unaudited)

Assets	Notes1	As at 31.12.13 £m	As at 31.12.12 £m
Cash and balances at central banks		45,687	86,191
Items in the course of collection from other banks		1,282	1,473
Trading portfolio assets		133,069	146,352
Financial assets designated at fair value		38,968	46,629
Derivative financial instruments	8	324,335	469,156
Loans and advances to banks		37,853	40,462
Loans and advances to customers		430,411	423,906
Reverse repurchase agreements and other similar secured lending		186,779	176,522
Available for sale investments		91,756	75,109
Current and deferred tax assets	4	5,026	3,815
Prepayments, accrued income and other assets		4,414	4,365
Investments in associates and joint ventures		653	633
Goodwill and intangible assets	11	7,685	7,915
Property, plant and equipment		4,216	5,754
Retirement benefit assets	14	133	53
Total assets		1,312,267	1,488,335
Liabilities			
Deposits from banks		54,834	77,012
Items in the course of collection due to other banks		1,359	1,587
Customer accounts		427,902	385,411
Repurchase agreements and other similar secured borrowing		196,748	217,178
Trading portfolio liabilities		53,464	44,794
Financial liabilities designated at fair value		64,796	78,561
Derivative financial instruments	8	320,634	462,721
Debt securities in issue		86,693	119,525
Accruals, deferred income and other liabilities		12,934	12,532
Current and deferred tax liabilities	4	1,415	962
Subordinated liabilities	12	21,695	24,018
Provisions	13	3,886	2,766
Retirement benefit liabilities	14	1,958	1,282
Total liabilities		1,248,318	1,428,349
Shareholders' Equity			
Called up share capital and share premium	15	19,887	12,477
Other equity instruments	16	2,063	-
Other reserves	17	249	3,674
Retained earnings		33,186	34,464

Shareholders' equity excluding non-controlling interests		55,385	50,615
Non-controlling interests	5	8,564	9,371
Total shareholders' equity		63,949	59,986
Total liabilities and shareholders' equity		1,312,267	1,488,335

1 For notes, see pages 99 to 122.

Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Changes in Equity (Unaudited)

Year Ended 31.12.13	Called up Share Capital and Share Premium1	Other Equity Instruments1	Other Reserves1	Retained Earnings	Total	Non-controlling Interests2	Total Equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2013	12,477	-	3,674	34,464	50,615	9,371	59,986
Profit after tax	-	-	-	540	540	757	1,297
Currency translation movements	-	-	(1,201)	-	(1,201)	(566)	(1,767)
Available for sale investments	-	-	(379)	-	(379)	(3)	(382)
Cash flow hedges	-	-	(1,826)	-	(1,826)	(64)	(1,890)
Retirement benefit remeasurements	-	-	-	(503)	(503)	(12)	(515)
Other	-	-	-	(37)	(37)	-	(37)
Total comprehensive (loss)/income for the year	-	-	(3,406)	-	(3,406)	112	(3,294)
Issue of new ordinary shares	6,620	-	-	-	6,620	-	6,620
Issue of shares under employee share schemes	790	-	-	689	1,479	-	1,479
Issue of other equity instruments	-	2,063	-	-	2,063	-	2,063
Increase in treasury shares	-	-	(1,066)	-	(1,066)	-	(1,066)
Vesting of shares under employee share schemes	-	-	1,047	(1,047)	-	-	-
Dividends paid	-	-	-	(859)	(859)	(813)	(1,672)
Other reserve movements	-	-	-	(61)	(61)	(106)	(167)
Balance at 31 December 2013	19,887	2,063	249	33,186	55,385	8,564	63,949
Year Ended 31.12.12							
Balance at 1 January 2012	12,380	-	3,837	37,189	53,406	9,607	63,013
(Loss)/profit after tax	-	-	-	(624)	(624)	805	181
Currency translation movements	-	-	(1,289)	-	(1,289)	(259)	(1,548)
Available for sale investments	-	-	502	-	502	44	546
Cash flow hedges	-	-	657	-	657	5	662
Retirement benefit remeasurements	-	-	-	(1,235)	(1,235)	-	(1,235)

Other	-	-	-	95	95	1	96
Total comprehensive income for the period	-	-	(130)	(1,764)	(1,894)	596	(1,298)
Issue of shares under employee share schemes	97	-	-	717	814	-	814
Increase in treasury shares	-	-	(979)	-	(979)	-	(979)
Vesting of shares under employee share schemes	-	-	946	(946)	-	-	-
Dividends paid	-	-	-	(733)	(733)	(694)	(1,427)
Other reserve movements	-	-	-	1	1	(138)	(137)
Balance at 31 December 2012	12,477	-	3,674	34,464	50,615	9,371	59,986

1 Details of Share Capital, Other Equity Instruments and Other Reserves are shown on page 112.
2 Details of Non-controlling Interests are shown on page 102.

Condensed Consolidated Financial Statements

Condensed Consolidated Cash Flow Statement (Unaudited)

Continuing Operations	Year Ended 31.12.13 £m	Year Ended 31.12.12 £m
Profit before tax	2,868	797
Adjustment for non-cash items	6,581	12,425
Changes in operating assets and liabilities	(33,065)	(25,529)
Corporate income tax paid	(1,558)	(1,516)
Net cash from operating activities	(25,174)	(13,823)
Net cash from investing activities	(22,645)	(7,097)
Net cash from financing activities	5,910	(2,842)
Effect of exchange rates on cash and cash equivalents	198	(4,111)
Net decrease in cash and cash equivalents	(41,711)	(27,873)
Cash and cash equivalents at beginning of the period	121,896	149,769
Cash and cash equivalents at end of the period	80,185	121,896

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Results by Business

UK Retail and Business Banking

	Year Ended	Year Ended	
Income Statement Information	31.12.13	31.12.12	YoY
	£m	£m	% Change
Net interest income	3,395	3,190	6
Net fee and commission income	1,098	1,154	(5)
Net premiums from insurance contracts	46	74	(38)
Other income/(expense)	1	(1)	
Total income	4,540	4,417	3
Net claims and benefits incurred under insurance contracts	(17)	(33)	(48)
Total income net of insurance claims	4,523	4,384	3
Credit impairment charges and other provisions	(347)	(269)	29
Net operating income	4,176	4,115	1
Operating expenses (excluding UK bank levy, provision for PPI redress and Costs to achieve Transform)	(2,812)	(2,877)	(2)
UK bank levy	(21)	(17)	24
Provision for PPI redress	(660)	(1,180)	(44)
Costs to achieve Transform	(175)	-	
Operating expenses	(3,668)	(4,074)	(10)
Other net income	27	4	
Profit before tax	535	45	
Adjusted profit before tax1	1,195	1,225	(2)
Adjusted attributable profit1,2	917	875	5
Balance Sheet Information and Key Facts			
Loans and advances to customers at amortised cost	£136.5bn	£128.1bn	7

Customer deposits	£135.5bn	£116.0bn	17
Total assets3	£152.9bn	£134.6bn	14
Risk weighted assets - CRD III3	£44.1bn	£39.1bn	13
Risk weighted assets - CRD IV fully loaded3	£44.1bn		
90 day arrears rates - Personal loans	1.2%	1.3%	
90 day arrears rates - Home loans	0.3%	0.3%	
Average LTV of mortgage portfolio4	56%	59%	
Average LTV of new mortgage lending4	64%	65%	
Number of customers	16.7m	15.8m	
Number of branches	1,560	1,593	
Number of employees (full time equivalent)	32,900	33,000	

	Adjusted1		Statutory	
Performance Measures	31.12.13	31.12.12	31.12.13	31.12.12
Return on average tangible equity	20.0%	22.9%	8.5%	(0.6%)
Return on average equity	11.5%	12.3%	4.9%	(0.3%)
Return on average risk weighted assets	2.2%	2.5%	1.0%	0.0%
Cost: income ratio	67%	66%	81%	93%
Loan loss rate (bps)	25	21	25	21

1 Adjusted profit before tax, adjusted attributable profit and adjusted performance measures excludes the impact of the provision for PPI redress of £660m (2012: £1,180m).
2 Adjusted attributable profit includes profit after tax and non-controlling interests.
3 2013 total assets and risk weighted assets include an allocation of liquidity pool assets previously held centrally.
4 Average LTV of mortgage portfolio and new mortgage lending calculated on the balance weighted basis. The comparative figure was restated following a detailed review of the LTV's post migration to a new data management system.

Results by Business

UK Retail and Business Banking

UK RBB performed well in 2013, growing at a faster rate than the market in key products, including increasing its stock share of mortgages. UK RBBcontinued to support the UK economy; advancing £1.8bn of gross new term lending to small businesses and helping 120,000 start-ups. The number of customers using digital channels grew substantially in 2013; mobile banking usage increased by 150% to 2.3 million customersand Pingit users doubled to over 1 million customers.

UK RBB continued to restructure and invest in the business as part of the Transform strategy. During the year the business incurred £175m of costs to achieve Transform, relating to a reduction in operational sites, the announcement of staff redundancies in the Retail Bank and of the introduction of small format branches into Asda stores. The business also continued to contribute to the communities in which it operates; our apprentice programme offered 1,000 apprenticeships across Barclays this year, with a commitment to double that figure by 2015.Lifeskills, our programme designed to give young people access to the skills, information and opportunities they need to help them gain employment, has so far reached out to 276,000 young people.

Income Statement - 2013 compared to 2012

- Net interest income increased 6% to £3,395m driven by strong mortgage growth and contribution from Barclays Direct (previously ING Direct UK, acquired during Q113). Net interest margin was down 6bps to 129bps primarily reflecting reduced contributions from structural hedges, however, customer generated margin increased from 102bps to 106bps

- Customer asset margin increased 15bps to 122bps driven by lower funding costs and increased customer rates on new mortgage lending

- Customer liability margin decreased 8bps to 89bps reflecting lower funding rates

- Net fee and commission income declined 5% to £1,098m primarily due to lower fees from customers

- Credit impairment charges increased £78m to £347m primarily due to the non-recurrence of provision releases in 2012 relating to unsecured lending and mortgages. Excluding this, impairment was broadly in line with prior year

- Adjusted operating expenses increased 4% to £3,008m due to costs to achieve Transform of £175m. Statutory operating expenses decreased 10% to £3,668m due to the lower charge for PPI redress of £660m (2012: £1,180m)

- Adjusted profit before tax decreased 2% to £1,195m, while statutory profit before tax was £535m (2012: £45m)

Income Statement - Q413 compared to Q313

- Profit before tax decreased 40% to £212m due to costs to achieve Transform of £119m (Q313: £29m) and the UK bank levy of £21m (Q313: £nil)

Balance Sheet - 31 December 2013 compared to 31 December 2012

- Loans and advances to customers increased 7% to £136.5bn due to Barclays Direct, which added £4.4bn, and other mortgage growth

- Mortgage balances increased to £122.8bn (2012: £114.7bn), giving an increase in share of UK stock balance to 9.9% (2012: 9.4%). Gross new mortgage lending was £17.1bn (2012: £18.2bn) and mortgage repayments were £14.4bn (2012: £10.6bn)

- Portfolio quality continued to improve with an average balance weighted Loan to Value (LTV) ratio on the mortgage portfolio (including Buy to Let) of 56% (2012: 59%). Average balance weighted LTV of new mortgage lending was 64% (2012: 65%)

- Customer deposits increased 17% to £135.5bn driven by growth in savings and Barclays Direct, which added £6.2bn

- Total assets increased 14% to £152.9bn driven by the allocation of liquidity pool assets previously held centrally, and growth in loans and advances to customers

- CRD III RWAs increased 13% to £44.1bn primarily driven by Barclays Direct and mortgage asset growth

Results by Business

Europe Retail and Business Banking

	Year Ended			Year Ended
Income Statement Information	31.12.13	31.12.12	YoY	
	£m	£m	% Change	
Net interest income	420	428	(2)	
Net fee and commission income	187	248	(25)	
Net investment income	78	52	50	
Net premiums from insurance contracts	276	331	(17)	
Other income	13	8	63	
Total income	974	1,067	(9)	
	(308)	(359)	(14)	

Net claims and benefits incurred under insurance contracts			
Total income net of insurance claims	666	708	(6)
Credit impairment charges and other provisions	(287)	(257)	12
Net operating income	379	451	(16)
Operating expenses (excluding UK bank levy and costs to achieve Transform)	(813)	(787)	3
UK bank levy	(26)	(20)	30
Costs to achieve Transform	(403)	-	
Operating expenses	(1,242)	(807)	54
Other net (expense)/income	(133)	13	
Loss before tax	(996)	(343)	
Attributable loss1	(964)	(277)	
Balance Sheet Information and Key Facts			
Loans and advances to customers at amortised cost	£37.0bn	£39.2bn	(6)
Customer deposits	£16.3bn	£17.6bn	(7)
Total assets2	£45.0bn	£46.1bn	(2)
Risk weighted assets - CRD III2	£15.9bn	£15.8bn	1
Risk weighted assets - CRD IV fully loaded2	£16.2bn		
90 day arrears rate - Home loans	0.8%	0.8%	
Average LTV of mortgage portfolio - Spain3	63%	65%	
Average LTV of mortgage portfolio - Italy3	60%	60%	
Average LTV of mortgage portfolio - Portugal3	76%	78%	
Number of customers	1.8m	2.0m	
Number of branches	572	923	
Number of sales centres	61	219	
Number of distribution points	633	1,142	
Number of employees (full time equivalent)	5,900	7,500	
EUR/£ - Period end	1.20	1.23	
EUR/£ - Average	1.18	1.23	

	Adjusted		Statutory	
Performance Measures	31.12.13	31.12.12	31.12.13	31.12.12
Return on average tangible equity	(49.6%)	(14.2%)	(49.6%)	(14.2%)

Return on average equity	(45.2%)	(12.9%)	(45.2%)	(12.9%)
Return on average risk weighted assets	(5.7%)	(1.7%)	(5.7%)	(1.7%)
Cost: income ratio	186%	114%	186%	114%
Loan loss rate (bps)	75	64	75	64

1 Attributable loss includes profit after tax and non-controlling interests.
2 2013 total assets and risk weighted assets include an allocation of liquidity pool assets previously held centrally.
3 Average LTV of mortgage portfolio and new mortgage lending calculated on the balance weighted basis.

Results by Business

Europe Retail and Business Banking

Europe RBB continued to focus on restructuring the cost base of its European business in 2013, as part of the Transform strategy. During the year the business reduced full time equivalent employees by 1,600 and closed over 500 distribution points. Europe RBB also rolled out a new Premier customer proposition, targeting profitable growth from the mass affluent segment, in a drive to increase margins.

Risk has been a focus in the face of challenging economic conditions across Europe and a dedicated asset optimisation team was established to reduce redenomination risk and accelerate run off of the £21.3bn (2012: £22.9bn) low margin Exit Quadrant assets.

Income Statement - 2013 compared to 2012

- Income declined 6% to £666m, reflecting actions taken to reduce assets, particularly in Spain and Italy, to address the continuing economic challenges across Europe, partially offset by an increase due to foreign currency movements

- Net interest income declined 2% to £420m due to the decline in average customer balances. Net interest margin remained broadly in line at 79bps (2012: 78bps) with improved pricing offset by higher funding costs

- Net fee and commission income declined 25% to £187m, reflecting reduced business volumes

- Net premiums from insurance contracts declined 17% to £276m due to reduced business volumes, following rationalisation of product offerings, leading to a corresponding 14% decline in net claims and benefits to £308m

- Credit impairment charges increased 12% to £287m due to exposure to the renewable energy sector in Spain, foreign currency movements and increased coverage for high risk mortgage customers. This was offset in part by improvement in collections performance

- Operating expenses increased by £435m to £1,242m, almost entirely reflecting costs to achieve Transform of £403m. These related to restructuring costs to significantly downsize the distribution network, with the remaining increase driven by foreign currency movements partially offset by cost savings resulting from restructuring

- Other net expense increased by £146m to £133m due to a valuation adjustment relating to contractual obligations to trading partners, based in locations affected by our restructuring plans

- Loss before tax increased £653m to £996m, including costs to achieve Transform of £403m and an increase in other net expenses

- Attributable loss increased to £964m (2012: £277m), including the impact of a deferred tax assets write down relating to Spain and the increase in loss before tax

Income Statement - Q413 compared to Q313

- Loss before tax of £181m (Q313: £106m), mainly reflects an increase in operating expenses, including restructuring costs to achieve Transform of £46m, UK bank levy of £26m and higher impairment charges of £11m, primarily in Spain

Balance Sheet - 31 December 2013 compared to 31 December 2012

- Loans and advances to customers fell by 6% to £37.0bn, driven by asset reduction activityas part of the Transform strategy, partially offset by foreign currency movements

- Mortgage balances decreased to £33.6bn (2012: £34.8bn)

- The average balance weighted LTV ratio on the Spain mortgage portfolio was 63% (2012: 65%), on the Italy mortgage portfolio was 60% (2012: 60%) and the Portugal mortgage portfolio was 76% (2012: 78%)

- Customer deposits reduced by 7% to £16.3bn with customer attrition partially offset byforeign currency movements

- Total assets reduced by 2% to £45.0bn driven by the reduction in loans and advances to customers

- CRD III RWAs remained broadly flat at £15.9bn (2012: £15.8bn), with a reduction in Exit Quadrant RWAs offset by changes due to the treatment of forbearance

Results by Business

Africa Retail and Business Banking

Income Statement Information	Year Ended 31.12.13	Year Ended 31.12.12	YoY	Year Ended 31.12.13	Year Ended 31.12.12	YoY
				Constant currency		
	£m	£m	% Change	£m	£m	% Change
Net interest income	1,437	1,654	(13)	1,689	1,654	2
Net fee and commission income	924	1,065	(13)	1,082	1,065	2
Net premiums from insurance contracts	359	417	(14)	419	417	-
Other income/(expense)	81	(1)		96	(1)	
Total income	2,801	3,135	(11)	3,286	3,135	5
Net claims and benefits incurred under insurance contracts	(184)	(207)	(11)	(215)	(207)	4
Total income net of insurance claims	2,617	2,928	(11)	3,071	2,928	5
Credit impairment charges and other provisions	(324)	(632)	(49)	(374)	(632)	(41)
Net operating income	2,293	2,296		2,697	2,296	17
Operating expenses (excluding UK bank levy and costs to achieve Transform)	(1,842)	(1,960)	(6)	(2,145)	(1,960)	9
UK bank levy	(28)	(24)	17	(28)	(24)	17
Costs to achieve Transform	(26)	-		(26)	-	
Operating expenses	(1,896)	(1,984)	(4)	(2,199)	(1,984)	11
Other net income	7	10	(30)	8	10	(20)
Profit before tax	404	322	25	506	322	57
Attributable profit/(loss)1	9	(4)		41	(4)	

Balance Sheet Information and Key Facts

Loans and advances to customers at amortised cost	£24.2bn	£29.9bn	(19)	£30.6bn	£29.9bn	2
Customer deposits	£16.9bn	£19.5bn	(13)	£21.1bn	£19.5bn	8
Total assets2	£33.5bn	£42.2bn	(21)	£41.9bn	£42.2bn	(1)
Risk weighted assets - CRD III2	£22.4bn	£24.5bn	(9)			
Risk weighted assets - CRD IV2	£22.8bn					
	0.7%	1.6%				

90 day arrears rate - Home loans		
90 day arrears rate - unsecured lending	2.6%	3.1%
Average LTV of mortgage portfolio3	62%	66%
Average LTV of new mortgage lending3	75%	76%
Number of customers	12.1m	13.5m
Number of branches	1,268	1,339
Number of sales centres	128	112
Number of distribution points	1,396	1,451
Number of employees (full time equivalent)	41,300	40,500
ZAR/£ - Period end	17.37	13.74
ZAR/£ - Average	15.10	13.03

	Adjusted		Statutory	
Performance Measures	31.12.13	31.12.12	31.12.13	31.12.12
Return on average tangible equity 4	0.8%	(0.2%)	0.8%	(0.2%)
Return on average equity	0.4%	(0.1%)	0.4%	(0.1%)
Return on average risk weighted assets	0.9%	0.7%	0.9%	0.7%
Cost: income ratio	72%	68%	72%	68%
Loan loss rate (bps)	128	202	128	202

1 Attributable profit includes profit after tax and non-controlling interests.
2 2013 total assets and risk weighted assets include an allocation of liquidity pool assets previously held centrally.
3 Average LTV of mortgage portfolio and new mortgage lending calculated on the balance weighted basis.
4 Return on average tangible equity for 2012 has been revised to exclude amounts relating to Absa Group's non-controlling interests.

Results by Business

Africa Retail and Business Banking

During 2013, Africa RBB embarked on a three year turnaround programme under a new leadership team, aimed at aligning the business to the Transform objectives, while focusing on customer growth and cost efficiencies.

2013 results were affected by increased competition, a changing regulatory environment and foreign exchange movements, as average ZAR depreciated 16% against GBP. However, on a constant currency basis, PBT was up 57%, largely as a result of lower impairment provisions on the South African home loans recovery book. The business incurred £26m of costs to achieve Transform which supported the re-shaping of the branch network and ongoing work on digitalisation of customer channels and products.

While 2013 saw a good start to the turnaround programme in Africa RBB, there remains more work to be done to generate sustainable returns going forward.

Income Statement - 2013 compared to 2012

- Income declined 11% to £2,617m driven by foreign currency movements, partially offset by the non-recurrence of fair value adjustments in the commercial property finance portfolio in the prior year. On a constant currency basis, income improved 5%, despite continued pressure on transaction volumes in a competitive environment

- Net interest income declined 13% to £1,437m. On a constant currency basis, net interest income improved 2%. Net interest margin was down 3bps to 316bps

  - Customer asset margin remained stable at 310bps, with continued focus on competitive pricing of key products including home loans, personal loans and vehicle and asset finance

  - Customer liability margin decreased 2bps to 273bps driven by increased competition and a change in product mix towards lower margin savings products

- Net fee and commission income declined 13% to £924m. On a constant currency basis, income increased 2%

- Credit impairment charges decreased 49% to £324m. On a constant currency basis, credit impairment charges decreased 41% due to lower provisions on the South African home loans recovery book and business banking portfolio. This decrease was partly offset by deterioration in the South African unsecured lending portfolio due to the challenging economic environment. This fall in impairment resulted in a loan loss rate of 128bps (2012: 202bps)

- Operating expenses decreased 4% to £1,896m. On a constant currency basis, costs increased 11% driven by a combination of increased investment spend on infrastructure and inflation increases in South Africa

- Profit before tax increased 25% to £404m, primarily due to lower credit impairment charges in the South African home loans recovery book and business banking portfolio, along with the non-recurrence of fair value adjustments on the commercial property finance portfolio in the prior year

Income Statement - Q413 compared to Q313

- Profit before tax of £60m (Q313: £132m) was lower due to the UK bank levy in Q413 and higher costs to achieve Transform, in addition to further depreciation of ZAR

Balance Sheet - 31 December 2013 compared to 31 December 2012

· Period end ZAR depreciated against GBP by 26%. The deterioration was a significant contributor to the movement in the reported results. Currency movements in other African countries did not have a material impact

- Loans and advances to customers decreased 19% to £24.2bn as depreciation of ZAR against GBP offset growth of 2%, particularly in vehicle and asset finance

  - Average balance weighted LTV ratio on the mortgage portfolio was 62% (2012: 66%). Average balance weighted LTV of new mortgage lending was 75% (2012: 76%)

· Customer deposits decreased 13% to £16.9bn. On a constant currency basis, deposits increased 8% reflecting growth in individual deposits, particularly in investment products

· Total assets decreased 21% to £33.5bn driven by depreciation of ZAR against GBP. On a constant currency basis, total assets were broadly in line

· CRD III RWAs decreased 9% to £22.4bn, primarily due to the depreciation of ZAR against GBP, partially offset by balance sheet growth

Results by Business

Barclaycard

	Year Ended	Year Ended	
Income Statement Information	31.12.13	31.12.12	YoY
	£m	£m	% Change
Net interest income	3,318	3,009	10
Net fee and commission income	1,435	1,292	11
Net premiums from insurance contracts	26	36	(28)
Other income	7	7	-
Total income net of insurance claims	4,786	4,344	10
Credit impairment charges and other provisions	(1,264)	(1,049)	20
Net operating income	3,522	3,295	7
Operating expenses (excluding UK bank levy, provision for PPI redress and costs to achieve Transform)	(1,975)	(1,826)	8
UK bank levy	(24)	(16)	50
Provision for PPI redress	(690)	(420)	64

Costs to achieve Transform	(49)	-	
Operating expenses	(2,738)	(2,262)	21
Other net income	33	29	14
Profit before tax	817	1,062	(23)
Adjusted profit before tax1	1,507	1,482	2
Adjusted attributable profit1,2	1,006	975	3
Balance Sheet Information and Key Facts			
Loans and advances to customers at amortised cost	£35.6bn	£33.8bn	5
Customer deposits	£5.2bn	£2.8bn	86
Total assets3	£38.9bn	£38.2bn	2
Risk weighted assets - CRD III3	£41.1bn	£37.8bn	9
Risk weighted assets - CRD IV fully loaded3	£40.5bn		
30 day arrears rates - UK cards	2.4%	2.5%	
30 day arrears rates - US cards	2.1%	2.4%	
30 day arrears rates - South Africa cards4	8.1%	7.4%	
Total number of Barclaycard customers	35.5m	32.8m	
Total number of Barclaycard clients	350,200	315,500	
Value of payments processed	£254bn	£235bn	
Number of employees (full time equivalent)	12,100	11,100	

	Adjusted1		Statutory	
Performance Measures	31.12.13	31.12.12	31.12.13	31.12.12
Return on average tangible equity	24.5%	26.9%	11.1%	18.0%
Return on average equity	18.4%	19.8%	8.3%	13.3%
Return on average risk weighted assets	2.8%	3.1%	1.4%	2.2%
Cost: income ratio	43%	42%	57%	52%
Loan loss rate (bps)	337	294	337	294

1 Adjusted profit before tax, adjusted attributable profit and adjusted performance measures excludes the impact of the provision for PPI redress of £690m (2012: £420m).

2 Adjusted attributable profit includes profit after tax and non-controlling interests.

3 2013 total assets and risk weighted assets include an allocation of liquidity pool assets previously held centrally.

4 2012 30 day arrears rates on South Africa cards restated to reflect the Edcon portfolio acquisition.

Results by Business

Barclaycard

Barclaycard continued to grow in all markets, delivering 10% income growth, with a net increase of nearly three million new customers in 2013. The business continued to innovate, including working with Transport for London on their acceptance of contactless cards for over six and a half million bus journeys in the UK and launching Bespoke, a digital offers product, with over 800,000 registered customers, more than half being new customers to Barclays. Barclaycard continued to deliver adjusted profit growth and strong return on average equity.

The business incurred £49m of costs to achieve Transform, as it continued to seek to become the 'Go-To' bank for consumer payments, by providing customers with solutions that are simple and offer clear value. The business looked to improve customer service through operational enhancements, including the implementation of one credit card management platform across continental Europe.

Barclaycard continued to support the UK economy, offering £15.8bn in new lending to businesses and households in 2013.

Income Statement - 2013 compared to 2012

- Income improved 10% to £4,786m reflecting continued net lending growth and contributions from 2012 portfolio acquisitions

  - UK income increased by 6% to £2,747m reflecting net lending growth and lower funding costs

  - International income improved 17% to £2,039m reflecting contributions from 2012 portfolio acquisitions and higher customer asset balances in the US and Germany

- Net interest income increased by 10% to £3,318m driven by volume growth and a lower impact from structural hedges

  - Customer asset margin remained broadly stable at 9.39% with average customer assets increasing 8% to £36.3bn due to 2012 portfolio acquisitions and business growth

  - Customer liability margin was negative 0.29% reflecting deposit funding initiatives in the US and Germany

- Net fee and commission income improved 11% to £1,435m due to increased payment volumes, predominantly in the US and UK

- Credit impairment charges increased 20% to £1,264m primarily driven by the impact of portfolio acquisitions, and non-recurrence of provision releases in 2012

- Impairment loan loss rates on consumer credit cards remained broadly stable at 366bps (2012: 359bps) in the UK, remained flat at 268bps in the US, and increased by 421bps to 581bps in South Africa due to the Edcon acquisition driving a change in product mix

- 30 day arrears rates for consumer cards in the UK were down 10bps to 2.4%, in the US were down 30bps to 2.1% and in South Africa were up 70bps to 8.1%

- Adjusted operating expenses increased 11% to £2,048m reflecting increased costs from 2012 portfolio acquisitions, net lending growth, higher operating losses and costs to achieve Transform. Statutory operating expenses increased 21% to £2,738m due to the increased charge for PPI redress of £690m (2012: £420m)

- Adjusted profit before tax improved 2% to £1,507m driven by the US and UK card portfolios, while statutory profit before tax decreased to £817m (2012: £1,062m) due to the increased charge for PPI redress

Income Statement - Q413 compared to Q313

- Profit before tax decreased 16% to £335m driven by the UK bank levy, costs to achieve Transform and depreciation of USD and ZAR against GBP

Balance Sheet - 31 December 2013 compared to 31 December 2012

- Total assets increased 2% to £38.9bn primarily driven by the increase in loans and advances to customers across the UK and international businesses

- Customer deposits increased by £2.4bn to £5.2bn due to funding initiatives in the US and Germany

- CRD III RWAs increased 9% to £41.1bn primarily driven by asset growth and model changes in order to meet changes in regulatory guidance

Results by Business

Investment Bank

	Year Ended	Year Ended	
Income Statement Information	31.12.13	31.12.12	YoY

	£m	£m	% Change
Net interest income	349	530	(34)
Net fee and commission income	3,236	3,029	7
Net trading income	6,610	7,688	(14)
Net investment income	530	521	2
Other income	8	7	14
Total income	10,733	11,775	(9)
Credit impairment charges and other provisions	(220)	(204)	8
Net operating income	10,513	11,571	(9)
Operating expenses (excluding UK bank levy and costs to achieve Transform)	(7,417)	(7,425)	-
UK bank levy	(333)	(206)	62
Costs to achieve Transform	(262)	-	
Operating expenses	(8,012)	(7,631)	5
Other net income	22	50	(56)
Profit before tax	2,523	3,990	(37)
Attributable profit1	1,548	2,680	(42)
Balance Sheet Information and Key Facts			
Loans and advances to banks and customers at amortised cost2	£143.8bn	£143.5bn	-
Customer deposits2	£81.9bn	£75.9bn	8
Total assets3	£863.8bn	£1,073.7bn	(20)
Risk weighted assets - CRD III3	£142.6bn	£177.9bn	(20)
Risk weighted assets - CRD IV fully loaded3	£221.6bn		
Average DVaR (95%)	£29m	£38m	
Number of employees (full time equivalent)	26,200	25,600	

	Adjusted		Statutory	
Performance Measures	31.12.13	31.12.12	31.12.13	31.12.12
Return on average tangible equity	8.5%	13.1%	8.5%	13.1%
Return on average equity	8.2%	12.7%		