GOLDFIELD CORP
Form DEF 14A
May 11, 2001

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant |X| Filed by a Party other than the Registrant |-|
Check the appropriate box:

|-| Preliminary Proxy Statement

|-| Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

|X| Definitive Proxy Statement

|-| Definitive Additional Materials

|-| Soliciting Material Pursuant toss.240.14a-12

THE GOLDFIELD CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

|X| No fee required

|-| Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

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2) Aggregate number of securities to which transaction applies:

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined)

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4) Proposed maximum aggregate value of transaction:

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|-| Fee paid previously with preliminary materials.

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0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

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The Goldfield Corporation

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JUNE 19, 2001

To Our Stockholders:

Notice is hereby given that the Annual Meeting of the Stockholders of The Goldfield Corporation has been called and will be held at Imperial's Hotel & Conference Center (Imperial Room II), 8298 North Wickham Road, Melbourne, Florida 32940, on June 19, 2001 at 9:00 a.m. for the following purposes:

1. To consider and act upon a proposal to adopt an amendment to the Restated Certificate of Incorporation of the Company to eliminate cumulative voting in the election of directors.

2. To elect six directors to the Company's Board of Directors.

   2A. If the proposal to adopt an amendment to the Restated Certificate of Incorporation of the Company to eliminate cumulative voting in the election of directors is adopted, to elect six directors to the Company's Board of Directors, without cumulative voting being available to stockholders.

   2B. If the proposal to adopt an amendment to the Restated Certificate of Incorporation of the Company to eliminate cumulative voting in the election of directors is not adopted, to elect six directors to the Company's Board of Directors, with cumulative voting being available to stockholders.

3. To ratify the appointment of KPMG LLP as independent certified public accountants for the fiscal year ending December 31, 2001.

4. To vote on a proposal to give the proxyholders discretion to vote to adjourn the meeting prior to a vote on Proposal 1 for up to 30 days to afford additional time for other stockholders to cast their votes if it appears that a majority of the shares represented at the meeting favor Proposal 1 above, but the votes represented by such shares are

not sufficient to approve Proposal 1.

5. To transact such other business as may lawfully come before the meeting or any adjournment thereof.

Only stockholders of record at the close of business on May 2, 2001 will be entitled to vote at the meeting or any adjournment thereof. The transfer books of the Company will not be closed.

By Order of the Board of Directors
Dwight W. Severs
Secretary

Melbourne, Florida
May 11, 2001

If you are unable to attend the meeting in person, you are requested by the Board of Directors of the Company to date, sign, and return the enclosed proxy

in the enclosed envelope. No postage is necessary if mailed in the United States. In the event you later decide to attend the meeting, you may revoke your proxy and vote your shares in person.

The Goldfield Corporation
Suite 500, 100 Rialto Place
Melbourne, Florida 32901
(321) 724-1700

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS
June 19, 2001

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of The Goldfield Corporation (the "Company"), to be voted at the Annual Meeting of Stockholders of the Company to be held on June 19, 2001 at 9:00 a.m. and at any and all adjournments thereof. The meeting will be held for the purposes set forth in the notice and in this proxy statement. This proxy statement and the accompanying annual report are being mailed to stockholders on or about May 11, 2001.

RECORD DATE, STOCKHOLDERS ENTITLED TO VOTE AND REQUIRED VOTE

Only holders of record of outstanding shares of the Company at the close of business on May 2, 2001 will be entitled to vote at the Annual Meeting of Stockholders on June 19, 2001. As of May 2, 2001 the Company had outstanding 27,424,413 shares of common stock, par value $.10 per share (the "Common Stock"), and 339,407 shares of Series A 7% Voting Cumulative Convertible Preferred Stock, par value $1.00 per share (the "Series A Preferred Stock"). The holders of the Common Stock and the Series A Preferred Stock will vote together as a class; in addition, with respect to the proposal to amend the Restated Certificate of Incorporation to eliminate cumulative voting, the holders of the Series A Preferred Stock will also vote separately as a class. Each outstanding share of Common Stock and Series A Preferred Stock is entitled to one vote on each matter to be voted upon at the meeting other than the election of directors.

Approval of the proposal of the Board of Directors to amend the Restated Certificate of Incorporation to eliminate cumulative voting in the election of directors requires the affirmative vote of (1) the majority of the outstanding shares of Common Stock and Series A Preferred Stock entitled to vote at the Annual Meeting, voting together as a class and (2) two-thirds of the outstanding shares of Series A Preferred Stock entitled to vote at the Annual Meeting, voting separately as a class. The election of directors requires a plurality of the votes cast for the election of directors; accordingly, the six directorships to be filled at the Annual Meeting will be filled by the six nominees receiving the six highest number of votes. Approval of (1) the proposal ratifying the selection of KPMG LLP as independent certified public accountants and (2) the proposal to give the proxyholders discretion to vote to adjourn the meeting prior to a vote on Proposal 1 for up to 30 days to afford additional time for other stockholders to cast their votes if it appears that a majority of the shares present at the meeting favor the proposed amendment to the Restated Certificate of Incorporation to eliminate cumulative voting but the votes represented by such shares are not sufficient to approve the amendment, each requires the affirmative vote of the majority of the shares present in person or represented by proxy and entitled to vote at the meeting.

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SOLICITATION, VOTING AND REVOCATION OF PROXIES

This solicitation is made on behalf of the Board of Directors of the Company. For a description of the expenses incurred by the Company in connection with this solicitation, see "Additional Information" below.

You are requested to sign, date and return the enclosed proxy in the postage-paid envelope provided. If the proxy is signed with a voting direction indicated, the proxy will be voted according to the direction given. If no direction is given with respect to a proposal, the proxy will be voted as follows with respect to any such proposal:

1. FOR the proposal relating to the amendment to the Restated Certificate of Incorporation to eliminate cumulative voting in the election of directors; 2.

2A. If Proposal 1 to amend the Restated Certificate of Incorporation is adopted, FOR the election of the nominees for director named herein;

2B. If Proposal 1 to amend the Restated Certificate of Incorporation is not adopted, "FOR, the Maximum Number of the Listed Nominees that Can Be Elected" to grant discretionary authority to the proxyholders to cumulate votes in order to elect as many nominees as believed possible under the then prevailing circumstances;

3. FOR the ratification of the appointment of KPMG LLP as independent certified public accountants for the year 2001; and

4. FOR the proposal to give the proxyholders discretion to vote to adjourn the meeting prior to a vote on Proposal 1 for up to 30 days to afford additional time for other stockholders to cast their votes if it appears that the majority of shares represented at the meeting favor the proposed amendment to the Restated Certificate of Incorporation to eliminate cumulative voting in the election of directors, but the votes represented by such shares are not sufficient to approve the amendment.

Abstentions will be counted to determine the presence of a quorum. Abstentions will not affect the outcome of the election of directors; however, with respect to each other proposal an abstention will have the same effect as a vote against that proposal. Shares represented by "broker non-votes" will also be counted for purposes of determining a quorum. Broker non-votes occur when nominees, such as brokers who hold shares on behalf of beneficial owners, do not receive timely voting instructions from beneficial owners. Although brokers may have the authority to vote with respect to certain matters without voting instructions from beneficial owners, this authority would not apply to Proposal 1 or to any other proposal which is the subject of a counter-solicitation within the meaning of American Stock Exchange Rule 577. Broker non-votes will have no effect on the election of directors, the ratification of the appointment of KPMG LLP as independent certified public accountants or Proposal 4, since the vote required is based on either a plurality of the votes cast in the case of the election of directors or the majority of the votes cast with respect to the other proposals. However, with respect to the proposal relating to the amendment to the Restated Certificate of Incorporation to eliminate cumulative voting, a broker non-vote will have the same effect as a vote against the proposal.

If Proposal 1 to Amend the Restated Certificate of Incorporation to Eliminate Cumulative Voting Is Adopted

If the stockholders adopt Proposal 1 to eliminate cumulative voting in the election of directors, cumulative voting will not be available and you will have one vote per share for each nominee for director and the proxy will be voted as you direct in Proposal 2A on the accompanying proxy card. In the absence of cumulative voting, any direction to any proxyholder in Proposal 2B, including any direction to cast more than one vote per share in favor of any nominee, will be ineffective. If no direction is given with respect to Proposal 2A, the proxy will be voted FOR Proposal 2A. If you would like to vote FOR the election of directors but withhold your vote with respect to any particular nominee or nominees, list that nominee or nominees name in the space on the proxy card marked "For, except vote withheld from the following nominee(s)."

If the proposal to amend the Restated Certificate of Incorporation to eliminate cumulative voting in the election of directors is adopted by the stockholders, the amendment to the Restated Certificate of Incorporation would become effective upon the filing of the amendment with the Secretary of State of the State of Delaware. This filing would be made during a recess of the Annual Meeting or upon an adjournment, if one is necessary to tally the voting results. Proxyholders may use their discretionary authority to vote for any adjournment necessary to tally the votes with respect to Proposal 1.

If Proposal 1 to Amend the Restated Certificate of Incorporation to Eliminate Cumulative Voting Is NOT Adopted

If the stockholders do NOT adopt Proposal 1 to eliminate cumulative voting in the election of directors, cumulative voting will be available and the proxy will be voted as you direct in Proposal 2B on the accompanying proxy card. Under cumulative voting, you can cast a number of votes equal to the number of shares held as of the record date multiplied by six, the total number of directors to be elected. You may allocate votes to one or more nominees for director. If Proposal 1 is not adopted, any direction to any proxyholder in Proposal 2A will be ineffective.

If cumulative voting is available, the following process will be followed. If no direction is given with respect to Proposal 2B on the accompanying proxy card or where a vote "FOR; the Maximum Number of the Listed Nominees that Can Be Elected" is marked, the proxy will be voted "FOR; the Maximum Number of the Listed Nominees that Can Be Elected" with respect to Proposal 2B and the proxyholders will have discretionary authority to cumulate all votes to which you are entitled and allocate them in favor of any one or more of the nominees, as the proxyholder may determine. Proxyholders intend to allocate such votes in order to elect as many nominees to the Board of Directors as believed possible under the then prevailing circumstances. If you want to vote for the election of directors, but do not want to grant the proxyholders discretion to cumulate votes, you can cumulate your votes yourself. If you desire to cumulate your votes yourself, you should multiply the total number of shares you held as of the record date by six. Then, you may allocate this number of votes among the nominees by writing the number of votes you want to allocate to a nominee in the space opposite that nominee's name. If you elect to cumulate your votes yourself, the proxyholder will not have discretionary authority to cumulate your votes. If you would like to vote "FOR; the Maximum Number of the Listed Nominees

that Can Be Elected" for the election of directors but you want to withhold your vote with respect to any particular nominee or nominees, list that nominee or nominees name in the space on the proxy card marked "'FOR; the Maximum Number of the Listed Nominees that Can Be Elected' except vote withheld from the following nominee(s)."

Revocation of Proxy

You may revoke the proxy at any time prior to its exercise by duly executing and returning a later dated proxy or by filing a written revocation bearing a later date with the Secretary of the Company. The proxy will be revoked if you attend the meeting and vote in person.

ITEM 1.
PROPOSAL 1 -- AMENDMENT TO THE RESTATED CERTIFICATE OF INCORPORATION TO ELIMINATE CUMULATIVE VOTING

THE BOARD OF DIRECTORS BELIEVES THAT THIS PROPOSAL IS IN THE BEST INTEREST OF THE COMPANY AND ITS STOCKHOLDERS AND RECOMMENDS A VOTE FOR THE PROPOSAL.

On March 6, 2001, the Board of Directors approved an amendment to Article Fourth of the Company's Restated Certificate of Incorporation to eliminate cumulative voting in the election of directors.

The Company's Restated Certificate of Incorporation gives stockholders the ability to cumulate votes in each election of directors. Under cumulative voting, each stockholder can cast a number of votes equal to the number of shares held as of the applicable record date multiplied by the total number of directors to be elected. Votes may be allocated to one or more nominees for director. Therefore, stockholders with a minority percentage of the outstanding shares, by cumulating votes, may be able to elect one or more directors.

The Board of Directors proposes that the Restated Certificate of Incorporation be amended so that directors will be elected by plurality vote as set forth in the Delaware General Corporation Law. The Board's decision reflects the fact that cumulative voting has fallen out of favor; today only about 10.7% of S&P SmallCap companies use cumulative voting. If cumulative voting is eliminated, each stockholder will be entitled to one vote per share for each nominee for director. The Board of Directors believes that this method is the fairest and the most likely to produce a Board that effectively represents the interests of all of the Company's stockholders and not a particular interest group.

Reasons for Eliminating Cumulative Voting

The Board of Directors believes that it is in the best interest of the Company and its stockholders to amend the Restated Certificate of Incorporation to eliminate cumulative voting. The Board of Directors believes that cumulative voting threatens to undermine effective Board functioning in several respects. First, it is the duty of the Board to represent all of the stockholders. To do so, each director must feel a responsibility toward all the stockholders, without any special loyalty to any one group. With cumulative voting, one or more directors might be principally concerned about representing and acting in the interests of special groups of stockholders rather than in the interests of all stockholders. Also, cumulative voting may result in a corporation or group seeking to gain control of the Company, or a faction acting for its own purposes

rather than in the best interests of stockholders, gaining representation on the Board. Second, cumulative voting may result in partisanship among members of the Board that could impair their ability to work together. We believe eliminating cumulative voting will protect the Company from unsolicited takeover proposals or other attempts by minority stockholders to disrupt the operation of the Board of Directors for personal advantage.

In order to eliminate the factionalism promoted by cumulative voting, the modern trend has been to eliminate cumulative voting. The State of California, considered to be one of the most protective states of stockholder interests, amended its laws in 1989 to facilitate the repeal of cumulative voting by corporations. In supporting the change, the Committee on Corporations of the Business Law Section of the State Bar of California concluded:

> "While a healthy diversity of opinion and experience, as represented by independent directors, is desirable, factionalism is not appropriate in the board's essential executive function. The principal objective of a business enterprise should be profit and gain for its stockholders, not political accommodation of competing interests...Practical experience has shown that effective management of a corporation requires candor and consensus in the Boardroom, not rancor and contention."

Possible Effects of Eliminating Cumulative Voting

The elimination of cumulative voting will enable the holders of a majority of the shares entitled to vote in an election of directors to elect all of the directors being elected at that time, and make it more difficult for minority stockholders to elect a director. In addition, elimination of cumulative voting might, under certain circumstances, render more difficult, or discourage, a merger or tender offer that is not approved by the Board of Directors or a proxy contest.

IF ADOPTED, THE AMENDMENT WOULD APPLY AT THIS ANNUAL MEETING TO THE ELECTION OF DIRECTORS AND CUMULATIVE VOTING WOULD NOT BE AVAILABLE.

The affirmative vote of (1) a majority of the outstanding shares of the Company's Common Stock and Series A Preferred Stock voting together as a class and (2) two-thirds of the outstanding shares of the Company's Series A Preferred Stock voting separately as a class is required to approve the amendment to the Restated Certificate of Incorporation to eliminate cumulative voting. Please note that any shares not voted (whether by abstention, broker non-vote or otherwise) will have the same effect as a vote against the proposal.

The Board of Directors unanimously recommends a vote FOR the adoption of the amendment to the Restated Certificate of Incorporation to eliminate cumulative voting in the election of directors.

ITEM 2.
PROPOSALS 2A and 2B -- ELECTION OF DIRECTORS

Six directors are to be elected at the Annual Meeting, to serve for a term of one year or until their successors are elected and qualified.

If Proposal 1 to amend the Restated Certificate of Incorporation to eliminate cumulative voting is adopted, cumulative voting will not be available and the proxy will be voted as you direct on Proposal 2A on the accompanying proxy card. See "Solicitation, Voting and Revocation of Proxies" above.

If Proposal 1 is NOT adopted, cumulative voting will be available and the proxy will be voted as you direct in Proposal 2B on the accompanying proxy card. See "Solicitation, Voting and Revocation of Proxies " above.

With respect to Proposal 2A, the Board of Directors unanimously recommends a vote FOR the re-election of John H. Sottile, Harvey C. Eads, Jr., John P. Fazzini, Danforth E. Leitner, and Dwight W. Severs and the election of Al Marino.

With respect to Proposal 2B, the Board of Directors unanimously recommends a vote "FOR; the Maximum Number of the Listed Nominees that Can Be Elected" so that the proxyholders will have discretionary authority to cumulate all votes to which you are entitled and allocate them in favor of any one or more nominees, as the proxyholder may determine.

Information About Nominees

Reference is made to the information set forth below under "Ownership of Voting Securities by Certain Beneficial Owners and Management" as to the stock ownership of the nominees. The following table sets forth with respect to each nominee, his address, the office presently held by him with the Company or his principal occupation if not employed by the Company, the year in which he first became a director of the Company and his age.

Name and Business Address	Principal Occupation For the Last Five Years	Di Si
Harvey C. Eads, Jr. Office of the City Manager City of Coral Gables	City Manager of Coral Gables, Florida since May 1988.	19

405 Biltmore Way Coral Gables, FL 33134		
John P. Fazzini Bountiful Lands, Inc. 101 East Stuart Avenue Lake Wales, FL 33853	Real Estate Developer; President of Bountiful Lands, Inc. (real estate development corporation) since 1980.	19
Danforth E. Leitner The Leitner Company 528 North Main Street Hendersonville, NC 28792	Real Estate Broker; Real Estate Appraiser; President of The Leitner Company (real estate brokerage and appraisal corporation) since 1984.	19
Al Marino A.M. Marino Design, Inc. 1483 Main Street Weymouth, MA 02190	Architectural Designer; President of A.M. Marino Design, Inc. (architectural design firm) since 1986 (Mr. Marino is the son of Anthony J. Ford who owns 2,065,300 shares of the Company's Common Stock).	--
Dwight W. Severs Titusville City Attorney 555 South Washington Avenue Titusville, FL 32796	Secretary of the Company since 1999; City Attorney for City of Titusville, Florida since January 1999; Principal for the firm of Dwight W. Severs & Associates, P.A. since March 1998; a member of the law firm of Severs, Stadler & Harris, P.A. between January 1995 and March 1998.	19
John H. Sottile The Goldfield Corporation 100 Rialto Place, Suite 500 Melbourne, FL 32901	Chairman of the Board of Directors of the Company since May 1998; President of the Company since 1983 and Chief Executive Officer of the Company since 1985.	19

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(1) As of December 31, 2000.

If any of the foregoing nominees should withdraw or otherwise become unavailable, which the Board of Directors does not presently anticipate, it is intended that proxies will be cast for such person or persons as the Board of Directors may designate in place of such nominee or nominees.

Directors who are also employees of the Company are not paid any fees or other remuneration for service on the Board or on any Board committee. Each non-employee director receives an aggregate annual fee of $15,000, with $1,250 paid each month, and an additional $500 paid for each Board meeting attended in person.

PARTICIPANTS IN THE SOLICITATION

Under applicable regulations of the Securities and Exchange Commission (the "SEC"), each of the directors and nominees of the Company is deemed to be a

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"participant" in the Company's solicitation of proxies. The following sections set forth certain additional information regarding the Company's nominees and directors.

Transactions in the Company's Securities in the Last Two Years

No director or nominee sold any Company securities during the past two years. The following table sets forth all purchases made by these persons.

Name	Number of Shares Purchased	Date
Harvey C. Eads	1,000	December 17, 1999
John P. Fazzini	14,000	April 4, 2001
	6,000	March 29, 2001
Danforth E. Leitner	20,000	March 22, 2001
Al Marino	1,000	April 4, 2001
Dwight W. Severs	9,700	December 28, 2000
	10,300	December 27, 2000
	15,200	December 26, 2000
	4,800	December 22, 2000
John H. Sottile	250,000	March 26, 2001 (1)
	63,300	December 29, 1999
	14,600	December 28, 1999
	3,900	December 27, 1999
	16,600	December 23, 1999
	29,500	December 22, 1999
	4,900	December 21, 1999
	5,200	December 17, 1999
	2,200	December 16, 1999
	3,700	December 15, 1999
	2,000	December 14, 1999
	200	December 13, 1999
	2,600	December 10, 1999
	3,100	December 9, 1999
	5,900	December 8, 1999
	200	December 2, 1999
	3,200	December 1, 1999
	4,100	November 22,1999
	2,600	November 18,1999
	16,200	November 17,1999
	7,000	November 16,1999
	300	November 15,1999
	5,000	November 9,1999
	2,400	November 8,1999
	13,500	November 5,1999
	1,300	November 4,1999
	13,800	November 2,1999

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(1) Option exercise.

Additional Information

Except as disclosed elsewhere in this Proxy Statement, to the knowledge of the Company none of the Company's directors and nominees: (i) owns of record any securities of the Company that are not beneficially owned by them; (ii) is, or was within the past year, a party to any contract, arrangement or understanding with any person with respect to the securities of the Company, including, but not limited to, joint ventures, loan or option agreements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits, or the giving or withholding of proxies; (iii) has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon at the Annual Meeting; (iv) beneficially owns any securities of any parent or subsidiary of the Company; or (v) borrowed any funds to purchase any securities set forth under "Participants in the Solicitation." Except as disclosed elsewhere in this Proxy Statement, to the knowledge of the Company none of the Company's directors or nominees nor any of their associates has any arrangement or understanding with any person with respect to future employment by the Company or its affiliates or with respect to any future transactions to which the Company or any of its affiliates will or may be a party, nor any material interest, direct or indirect, in any transaction which has occurred since January 1, 2000 or any currently proposed transaction, or series of similar transactions, to which the Company or its affiliates was or is to be a party and in which the amount involved exceeds $60,000.

OWNERSHIP OF VOTING SECURITIES BY CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of April 26, 2001, certain stock ownership information regarding all stockholders known by the Company to be the beneficial owners of 5% or more of the outstanding shares of Common Stock and Series A Preferred Stock of the Company and executive officers and directors of the Company.

	Amount Beneficially Owned (1)			Percent of Class	
Beneficial Owners	Common (3)	Common Obtainable Upon Conversion of Preferred (4)	Series A Preferred	Common (1)	Serie Prefe
(a) Holders of more than 5% (other than directors):					
Anthony J. Ford (6) 33 Van Ripper Street Staten Island, NY 10302	2,065,300			7.53%	
Suzanne S. Guanci 1130 Placetas Avenue Coral Gables, FL 33146		33,043	28,860	*	8.
Linda Lonergan 1202 Pawnee Terrace Indian Harbor Beach, Florida 32937		103,044	90,000	*	26.
Mary H. Leitner 2344 Brookside Drive Indialantic, FL 32903	49,130	21,188	18,506	*	5.

(b) Executive Officers, Directors and Nominees:					
Harvey C. Eads, Jr.	1,000			*	
John P. Fazzini	20,100			*	
Patrick S. Freeman	133,533			*	
Robert L. Jones	208,333			*	
Danforth E. Leitner	20,600			*	
Al Marino (7)	1,000				
Dwight W. Severs	42,000			*	
John H. Sottile (8)	913,288	225,360	196,833	3.33%	57.
Stephen R. Wherry	93,333			*	
(c) All Executive Officers and Directors as a group (8 in number):	1,432,187	225,360	196,833	5.23%	57.

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* less than 1%

(1) Includes holdings of spouses, minor children, relatives and spouses of relatives living in the same household, even if beneficial ownership is disclaimed.
(2) All percentages have been determined as of April 26, 2001 in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended. For purposes of this table, a person or group of persons is deemed to have "beneficial ownership" of any shares of Common Stock which such person has the right to acquire within 60 days after April 26, 2001.
(3) Excludes shares of Common Stock obtainable upon conversion of Series A Preferred Stock.
(4) Each share of Series A Preferred Stock is currently convertible into 1.144929 shares of Common Stock.
(5) In accordance with the rules of the SEC, the percentage shown in this column opposite the name of each person or group has been computed assuming the conversion of any Series A Preferred Stock and the exercise of any options held by such person or group and that no conversions or exercises by others have occurred.
(6) Information as to shares beneficially owned by Mr. Ford is based on information provided by Mr. Ford to the Company.
(7) Does not include 2,065,300 shares of the Company's Common Stock owned by Mr. Marino's father, Anthony J. Ford, as to which Mr. Marino disclaims beneficial ownership.
(8) Includes 140,400 shares of Common Stock owned by Mr. Sottile's wife, Ann Sottile, and 27,451 shares of Common Stock owned by Mr. Sottile's son, John Nicholas Sottile. Does not include 118,860 shares of the Company's Series A Preferred Stock, convertible into 136,087 shares of Common Stock, owned by Mr. Sottile's sisters, Suzanne S. Guanci and Linda Lonergan, as to which Mr. Sottile disclaims beneficial ownership.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers, and persons who beneficially own more than ten percent of a registered class of the Company's equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of Common Stock and Series A Preferred Stock of the Company. Copies of all such reports filed with the SEC are required to be furnished to the Company. Based solely on the Company's review of the copies of such reports it has received, the Company believes that all of its executive officers, directors and greater than ten percent beneficial owners complied with all filing requirements applicable to them with respect to transactions during the year ended December 31, 2000.

EXECUTIVE COMPENSATION

The following Summary Compensation Table sets forth the cash compensation for the Company's Chief Executive Officer and executive officers, including two executive officers of subsidiaries, whose compensation exceeded $100,000 during the years ended December 31, 2000, 1999 and 1998. The information provided under the heading "Executive Compensation" is that required by "small business issuers" as defined by the rules of the SEC.

Summary Compensation Table

		Annual Compensation		
Name and Principal Position	Year	Salary ($) (1)	Bonus ($) (1)	All Other Compensation ($) (2)
John H. Sottile	2000	380,333	--	250,158
Chairman, President and	1999	369,556	--	9,676
Chief Executive Officer	1998	361,252	--	9,480
Patrick S. Freeman	2000	112,500	8,758	96,773
President of mining	1999	112,500	18,000	4,989
subsidiaries	1998(4)	116,827	--	4,958
Robert L. Jones	2000	105,000	189,089	97,379
President of electrical	1999	105,000	266,042	6,965
construction subsidiary	1998	104,827	110,000	6,719
Stephen R. Wherry	2000	118,229	65,000	96,070
Vice President, Treasurer	1999	108,750	24,000	4,693
and Chief Financial Officer	1998	100,250	17,500	3,854

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(1) Amounts reported represent compensation earned for the year, some of which may have been paid in a subsequent year.

(2) All other compensation for 2000 included (a) payments related to the termination of the Company's Employee Benefit Agreements ($240,000 for Mr. Sottile; $90,000 for Mr. Freeman; $90,000 for Mr. Jones; and $90,000 for Mr. Wherry), (b) the economic benefit related to the life insurance policies under the terminated Employee Benefit Agreements ($5,058 for Mr. Sottile; $1,673 for Mr. Freeman; $2,279 for Mr. Jones; and $970 for Mr. Wherry) and (c) Company contributions to the Company's Cash Deferred Profit Sharing Plan ($5,100 each for Messrs. Sottile, Freeman, Jones and Wherry). Amounts for 1999 included (a) the economic benefit related to the insurance policies under the terminated Employee Benefit Agreements ($4,876 for Mr. Sottile; $1,614 for Mr. Freeman; $2,165 for Mr. Jones; and $906 for Mr. Wherry) and (b) Company contributions to the Company's Cash Deferred Profit Sharing Plan ($4,800 for Mr. Sottile; $3,375 for Mr. Freeman; $4,800 for Mr. Jones; and $3,787 for Mr. Wherry). Amounts for 1998 included (a) the economic benefit related to the insurance policies under the terminated Employee Benefit Agreements ($4,680 for Mr. Sottile; $1,453 for Mr. Freeman; $1,919 for Mr. Jones; and $846 for Mr. Wherry) and (b) Company contributions to the Company's Cash Deferred Profit Sharing Plan ($4,800 for Mr. Sottile; $3,505 for Mr. Freeman; $4,800 for Mr. Jones; and $3,008 for Mr. Wherry).

(3) All stock option awards were made pursuant to The Goldfield Corporation 1998 Executive Long-term Incentive Plan.

(4) Mr. Freeman's 1998 annual salary included 27 bi-weekly pay periods, while each of his 2000 and 1999 annual salaries included 26 such periods.

The persons named in the foregoing table, together with Dwight W. Severs, Secretary of the Company, are all of the executive officers of the Company. Information concerning the executive officers is set forth in the Company's Annual Report on Form 10-K/A for the year ended December 31, 2000, filed April 30, 2001.

Employee Benefit Agreements

Beginning in 1989, the Company entered into Employee Benefit Agreements (each, a "Benefit Agreement") with Messrs. Sottile, Jones, Freeman and Wherry and certain employees of the Company. Under the terms of each Benefit Agreement, the Company owned life insurance policies that accumulated cash surrender value for the retirement of the employee, at age sixty-five, while also providing a life insurance benefit for the employee. Under the terms of each Benefit Agreement, the Company was entitled to a refund of the lesser of the previously paid premiums or the cash surrender value of the insurance policy, either upon retirement of the employee, the death of the employee or upon the termination of the Benefit Agreement. The Company had the right to terminate the Benefit Agreement without any future obligation by giving written notice to the employee. If the Benefit Agreement was terminated, the Company was entitled to receive the lesser of the cash surrender value of the insurance policy or the total of previously paid premiums. In 2000, the Board of Directors reviewed the Benefit Agreements and related insurance policies and decided it was in the best interest of the Company to terminate the Benefit Agreements to eliminate the annual insurance premium obligations. During the second quarter of 2000, the Company entered into Cancellation and Release Agreements pursuant to which the Benefit Agreements were terminated. In consideration of terminating the future retirement benefit associated with the Benefit Agreements, the Company decided to compensate the affected employees. The net expense to the Company was $425,311. Although the Company does not anticipate making any further cash premium payments, the Company will continue to own the policies and has granted each employee the right to name the beneficiary for the death benefits in excess of premiums previously paid by the Company, less any outstanding loans.

OPTION EXERCISES IN 2000 AND YEAR-END OPTION VALUE

The following table shows the number and value of stock options (exercised and unexercised) held by the named executive officers in 2000. Value is calculated using the difference between the option exercise price ($0.21875) and the 2000 year-end stock price ($0.4375) multiplied by the number of shares underlying the options.

Name	Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options at End of 2000(1)		Value o In-the at
			Exercisable	Unexercisable	Exercisab
	(#)	($)	(#)	(#)	($)
John H. Sottile	--	--	125,000	250,000	27,344
Robert L. Jones	--	--	41,667	83,333	9,115
Patrick S. Freeman	--	--	41,667	83,333	9,115
Stephen R. Wherry	--	--	41,667	83,333	9,115

----
(1) In March 2001, each optionee exercised all options listed above that were exercisable at the end of 2000. Also, each optionee exercised additional options that became exercisable on March 9, 2001 in the following amounts: Mr. Sottile - 125,000; Messrs. Jones, Freeman and Wherry - 41,666.

On January 15, 1985, the Company entered into an employment agreement with John H. Sottile. This agreement, as amended on February 25, 1986, September 23, 1988, February 27, 1990, January 29, 1992, September 15, 1995 and September 20, 1999, expires on December 31, 2009 and provides for continuous employment until December 31, 2009. This contract currently entitles Mr. Sottile to a salary of $330,333, which salary may be increased as a result of future annual increases in the Consumer Price Index. If his employment by the Company is terminated (which will be deemed to have occurred if he is relocated), Mr. Sottile is entitled to receive, within ten days of notice of termination, an amount equal to the full cash salary that he would have received in the absence of such termination from the date of termination through December 31, 2009. In the event of his permanent disability or death, he or his estate will be entitled to his salary through the end of the month of his permanent disability or death and for one year thereafter. In addition, on January 11, 1986, a subsidiary of the Company entered into an employment agreement with Mr. Sottile. Such agreement, as amended on September 13, 1988, January 29, 1992, September 11, 1995 and September 20, 1999, provides for continuous employment until December 31, 2009 and thereafter from year to year until terminated and entitles him to be paid $50,000 per year. If his employment by the subsidiary is terminated without cause (which will be deemed to have occurred if he is relocated), he is entitled to receive an amount equal to his full cash salary from the date of such termination through December 31, 2009. In the event of permanent disability or death, he or his estate will be entitled to his salary for one year.

COMMITTEES AND MEETINGS OF THE BOARD OF DIRECTORS

During 2000, the Board of Directors met four times. The Board of Directors has, among others, the following committees: an Audit Committee, a Compensation Committee, a Nominating Committee and a Stock Option Committee.

The Audit Committee, which monitors the activities of the Company's independent certified public accountants and its accounting department and reports on such activities to the full Board of Directors, consists of Harvey C.

Eads, Dwight W. Severs, Danforth E. Leitner and John P. Fazzini. During 2000, the Audit Committee held three meetings.

The Compensation Committee reviews the compensation of the executive officers of the Company and makes recommendations to the Board of Directors regarding such compensation. The members of the Compensation Committee are Dwight W. Severs and John P. Fazzini. The Compensation Committee held one meeting during 2000.

The Nominating Committee recommends qualified candidates for election to the Board of Directors of the Company, including the slate of directors which the Board of Directors proposes for election by stockholders at the Annual Meeting. The Nominating Committee consists of John H. Sottile, John P. Fazzini and Danforth E. Leitner. During 2000, the Nominating Committee held one meeting.

The Nominating Committee is not precluded from considering written recommendations for nominees from stockholders. Such recommendations for the 2002 election of directors, together with a description of the proposed nominee's qualifications and other relevant biographical information, should be sent to the Secretary of the Company prior to January 11, 2002.

The Stock Option Committee administers The Goldfield Corporation 1998 Executive Long-term Incentive Plan (the "Plan"). The Stock Option Committee has complete discretion in determining the number of shares subject to options granted to an employee eligible under the Plan and in determining the terms and conditions pertaining to such options, consistent with the provisions of the Plan. The Stock Option Committee consists of John P. Fazzini, Dwight W. Severs and Danforth E. Leitner. During 2000, the Stock Option Committee held one meeting.

During 2000, no incumbent director attended fewer than 100% of the total number of meetings of the Board of Directors and all committees of the Board that he was eligible to attend.

ITEM 3.
PROPOSAL 3 -- RATIFICATION OF APPOINTMENT OF ACCOUNTANTS

The Board of Directors of the Company has appointed the firm of KPMG LLP as its independent certified public accountants for the year ending December 31, 2001, subject to the appointment being ratified by the Company's stockholders. KPMG LLP (including a predecessor firm, W. O. Daley & Company) has been serving the Company and its subsidiaries for the past 38 years.

A representative of KPMG LLP is expected to be present at this year's

Annual Meeting of Stockholders, at which time he will be given an opportunity to make a statement and is expected to be available to respond to appropriate questions. The appointment of KPMG LLP was made upon the recommendation of the Audit Committee. If the stockholders do not ratify the selection of KPMG LLP, the selection of independent certified public accountants will be reconsidered by the Board of Directors of the Company.

The Board of Directors unanimously recommends a vote FOR the ratification of the appointment of KPMG LLP as independent certified public accountants of the Company.

AUDIT COMMITTEE REPORT AND FEE INFORMATION

Audit Committee Report

The Board of Directors appoints an Audit Committee each year to review the Company's financial matters. Each member of the Company's Audit Committee meets the independence requirements set by the American Stock Exchange. The Audit Committee members reviewed and discussed the audited financial statements for the fiscal year ended December 31, 2000 with management. The committee also discussed all the matters required to be discussed by Statement of Auditing Standard No. 61 with the company's independent accountants, KPMG LLP. The Audit Committee received a written disclosure and letter from KPMG LLP as required by Independence Standards Board Standard No. 1 and has discussed with KPMG LLP its independence. Based on its review and discussions, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report to stockholders and that the Form 10-K be filed with the Securities and Exchange Commission.

The Board of Directors has adopted a written charter to govern the Audit Committee. A copy of the Company's Audit Committee Charter has been included as Exhibit A to this proxy statement.

HARVEY C. EADS, JR.
DWIGHT W. SEVERS
DANFORTH E. LEITNER
JOHN P. FAZZINI

Audit Fees

The aggregate fees billed for professional services by KPMG LLP rendered for the audit of the company's annual financial statements for the year ended December 31, 2000 and the reviews of the financial statements included in the Forms 10-Q for the year 2000 are $41,189.

Financial Information System Design and Implementation Fees

No fees were billed by KPMG LLP for information technology services rendered during the fiscal year ended December 31, 2000.

All Other Fees

In addition to the fees described above, the aggregate fees billed by KPMG LLP for professional services for the fiscal year ended December 31, 2000 were $5,975.

ITEM 4.
PROPOSAL 4 - PROPOSAL TO ADJOURN THE MEETING IF IT APPEARS A

MAJORITY OF SHARES REPRESENTED AT THE MEETING FAVOR PROPOSAL 1

The Board of Directors proposes that, if it appears that a majority of the shares represented at the Annual Meeting in person or by proxy and entitled to vote at the meeting favor the proposed amendment to the Restated Certificate of Incorporation of the Company to eliminate cumulative voting in the election of directors (Proposal 1, above), but the votes represented by such shares are not

sufficient to satisfy the requirement that such amendment be approved by (1) a majority of the outstanding shares of the Company's Common Stock and Series A Preferred Stock voting together as a class and (2) two-thirds of the outstanding shares of the Company's Series A Preferred Stock voting separately as a class, then the proxyholders will have the discretion to vote to adjourn the meeting prior to a vote on Proposal 1 for up to 30 days in order to afford additional time for other stockholders to cast their votes. The proxy will not be voted to adjourn the meeting pursuant to this authority if it does not appear that a majority of the shares represented at the meeting favor the proposed amendment. During any such adjournment, stockholders who have not yet voted may be apprised of the adjournment and be solicited by the persons and through the means listed under "Additional Information" below.

If the meeting is adjourned pursuant to this proposal, voting on the election of directors will take place at the adjourned meeting.

The Board of Directors unanimously recommends a vote FOR the proposal to give the proxyholders discretion to vote to adjourn the meeting for up to 30 days to afford additional time for other stockholders to cast their votes if it appears that a majority of the shares represented at the meeting favor Proposal 1, but the votes represented by such shares are not sufficient to approve Proposal 1.

ADDITIONAL INFORMATION

The Company will pay the cost of soliciting proxies and will reimburse all bankers, brokers and other custodians, nominees and fiduciaries for forwarding proxies and proxy materials to the beneficial owners of the shares. In addition to solicitation by mail, solicitation of proxies may be made personally or by telephone, facsimile, telegram or other means by regular employees of the Company with no specific additional compensation to be paid for such services. Innisfree M&A Incorporated has been retained to assist in the solicitation of proxies for a fee of $50,000 plus out-of-pocket expenses. It is expected that Innisfree will use up to approximately 50 persons in such solicitation.

Although no precise estimate can be made at this time, the Company anticipates that the aggregate amount to be spent by the Company in connection with the solicitation of proxies will be approximately $290,000, of which approximately $111,500 has been incurred to date. This amount includes legal fees, printing costs, the fees payable to Innisfree, distribution costs and transportation costs, but excludes (i) the salaries and fees of officers, directors and employees of the Company and (ii) the normal expenses of an uncontested election. The aggregate amount to be spent will vary depending on, among other things, any future developments that may occur.

OTHER MATTERS

A group of stockholders filed a Schedule 13D under the Securities Exchange Act of 1934, as amended (the "Exchange Act") with respect to the Company on each of January 3, 2001 and February 28, 2001. A member of this group, eRaider, Inc., filed proxy materials on February 26, 2001, March 21, 2001, April 16, 2001, April 19, 2001, April 23, 2001 and May 1, 2001. According to these filings and letters sent to the Company, eRaider has nominated six individuals to the Board of Directors. Three of these nominees are in opposition to three of the nominees of your Board of Directors. The other three nominees are Messrs. Sottile, Marino and Severs, who are nominees of the Company's Board of Directors. None of

Messrs. Sottile, Marino or Severs has consented to or will consent to being named as a nominee in eRaider's proxy materials, which is a violation by eRaider of Rule 14a-4(d) under the Exchange Act, and each of these nominees has requested that his name be removed. According to the information contained in these filings, for which the Company disclaims any responsibility, the three other nominees by eRaider are: Aaron Brown, 44, who runs Allied Owners Action Fund and eRaider, 215 West 91st Street, #112, New York, NY 10024; Deborah Pastor, 44, who is the portfolio manager for the Allied Owners Action Fund and is the wife of Aaron Brown, 215 West 91st Street, #112, New York, NY 10024; and Sam Rebotsky, 61, a registered representative and Vice President of Sales for Adolph Komorsky Investments, 10 Holder Place, Suite 3B, Forest Hills, NY 11375. If eRaider or any member or members of this group solicits proxies from stockholders for the election of its proposed nominees, the Company intends to oppose any such solicitation using the methods described above under "Additional Information."

Neither the Board of Directors nor management intends to bring before the meeting any business other than the matters referred to in the Notice of Meeting and this Proxy Statement. If any other business should come properly before the meeting, or any adjournment thereof, the proxyholders will vote on such matters according to their best judgment.

2002 STOCKHOLDER PROPOSALS

To be considered for inclusion in the proxy statement relating to the 2002 Annual Meeting, stockholder proposals must be received by the Company no later than January 11, 2002. In addition, the Company's Restated Bylaws, as amended, require timely advance written notice to the Company by any stockholder who intends to nominate a director to the Company's Board of Directors, to present any proposal or to bring any business before any meeting of the stockholders of the Company. Notice will be considered timely for the 2002 Annual Meeting if it is received not later than March 21, 2002 and not earlier than February 19, 2002.

By Order of the Board of Directors
Dwight W. Severs
Secretary

Dated: May 11, 2001

* * *

The Annual Report to Stockholders for the year ended December 31, 2000, which includes financial statements, is being mailed concurrently to stockholders. The Annual Report does not form any part of the material for the solicitation of proxies.

A copy of the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2000 filed with the Securities and Exchange Commission is available without charge to those stockholders who would like more detailed information concerning the Company. If you would like a copy of the Form 10-K, please write to: The Goldfield Corporation, Suite 500, 100 Rialto Place, Melbourne, Florida 32901.

In addition, financial reports and recent filings with the Securities and Exchange Commission, including the Form 10-K, are available on the Internet at http://www.sec.gov. Company information is also available on the Internet at http://www.goldfieldcorp.com.

Exhibit A

The Goldfield Corporation
Audit Committee Charter

I. Preamble:

The board of directors of The Goldfield Corporation (the "corporation") has formed an audit committee to promote the financial transparency of the corporation and to ensure the integrity of the corporation's financial reporting processes and products. This charter is meant to identify the personnel and functions of the audit committee.

II. Audit Committee Membership and Function:

A. Definitions.

1. Independence: Independent directors are not officers of the corporation and are, in the view of the corporation's board of directors, free of any relationship that would interfere with the exercise of independent judgment. The following persons shall not be considered independent:

(a) a director who is employed by the corporation or any of its affiliates for the current year or any of the past three years;

(b) a director who accepts any compensation from the corporation or any of its affiliates in excess of $60,000 during the previous fiscal year, other than compensation for board service or benefits under a tax-qualified retirement plan;

(c) a director who is a member of the immediate family of an individual who is, or has been in any of the past three years, employed by the corporation or any of its affiliates as an executive officer. Immediate family includes a person's spouse, parents, children, siblings, mother-in-law, father-in-law, sister-in-law, son-in-law, daughter-in-law, and anyone who resides in such person's home;

(d) a director who is a partner in, or a controlling stockholder or an executive officer of, any for-profit business organization to which the corporation made, or from which the corporation received, payments (other than those arising solely from investments in the corporation's securities) that exceed 5% of the corporation's or business organization's consolidated gross revenues for that year, or $200,000, whichever is more, in any of the past three years;

(e) a director who is employed as an executive of another entity where any of the corporation's executives serve on that entity's compensation committee.

2. Financial Literacy: A member of the audit committee shall have financial literacy when he has the ability to read and understand

fundamental financial statements, including a company's balance sheet, income statement, and cash flow statement. Directors who have limited familiarity with finance can achieve such "literacy" through corporation-sponsored training programs.

B. Audit Committee Membership.

1. For so long as the corporation remains a small business filer (such that it files reports under the Securities and Exchange Commission Regulation S-B), the audit committee will have at least two members, a majority of which will be independent directors. Otherwise, the corporation will have an audit committee composed of three or more directors, all of who will be independent directors.

2. Each director must be financially literate or become financially literate within a reasonable period of time after his or her appointment to the audit committee, and at least one member of the audit committee shall have accounting or related financial management experience.

3. Each audit committee member will be selected by the chairman of the board of directors and will serve at the pleasure of the board of directors.

The audit committee members shall elect a chairman and a secretary from among its members.

C. Audit Committee Function.

The board of directors and the audit committee have the ultimate authority and responsibility to select, oversee, evaluate, and, where appropriate, to replace the independent auditor (or to nominate the independent auditor to be proposed for stockholder approval in any proxy statement). All employees of the corporation are directed to cooperate as requested by committee members. Oversight responsibilities over the independent auditor are described further in Section III, below.

The independent auditor is ultimately accountable to the board of directors and the audit committee as the representatives of the stockholders.

The audit committee shall meet at least four times annually, inclusive of telephonic meetings, or more frequently as circumstances may require. Special meetings may be called by the chairman of the committee or at the request of the independent auditor.

1. The audit committee will do whatever else the law, the corporation's charter or bylaws or the board of directors requires.

III. Independent Auditor Oversight:

A. Auditor Qualifications.

1. The audit committee is responsible for ensuring its receipt from the independent auditor of a formal written statement delineating all

relationships between the auditor and the corporation, consistent with Independence Standards Board Standard No. 1.

2. The audit committee is also responsible for actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor and to take or recommend that the full board of directors take appropriate action to ensure the independence of the auditor.

B. Auditor Engagement Letter. The auditor's engagement letter should define the nature and scope of the audit engagement and provide a written contract for the professional services of the auditing firm.

C. Annual Audit Review. In connection with the annual audit, the audit committee shall:

1. Ascertain any disagreements between audit personnel and corporation management.

2. Review corporate accounting policies and practices.

3. Affirm that accounting policies are consistent with industry practices and are consistent with a fair presentation of the financial statement in conformity with generally accepted accounting principles.

4. In consultation with the independent auditors, review the integrity of the corporation's financial reporting processes, both internal and external.

D. Quarterly Review. Prior to the time that the corporation files its Quarterly Report on Form 10-Q, the independent auditor will conduct an SAS 71 Interim Financial Review (or such other auditing standard that may in time modify, supplement or replace SAS 71). The committee shall review and approve the process for preparing the financial statements to be submitted on Form 10-Q.

E. Annual Report.

1. Review corporate annual report to evaluate whether it contains a fair and meaningful presentation of financial statements, footnotes, and supplementary information.

2. Affirm that the annual report discusses changes in corporate reporting or accounting practices (for example, departures from generally accepted accounting principles, exceptions to the consistent application of accounting principles, etc.).

3. Review disclosure and ensure that practices are fully and fairly disclosed.

4. Affirm appropriate use of statutory "safe harbor" disclosure if report

contains forward looking information.

5. Prepare for the inclusion in the annual meeting proxy statements a letter to stockholders stating whether with respect to the prior fiscal year:

(a) management has reviewed the audited financial statements with the audit committee;

(b) the independent auditors have discussed with the audit committee the matters required to be discussed by SAS 61;

(c) the members have discussed among themselves, without management or the independent auditors present, the information disclosed to the audit committee described in a) and b) above;

(d) the audit committee recommended to the board of directors that the annual financial statements be included in the corporation's Form 10-K; and

(e) the audit committee has received written disclosures and letters from the auditors required by Independence Standards Board Standard No. 1.

IV. Audit Committee Report:

A. Annual Report. The audit committee shall report at least annually to the board of directors. The report should:

1. set forth the audit committee's function and responsibilities;

2. set forth a summary of the committee's recommendations, particularly with respect to the selection of the auditing firm and the review of the auditor's report;

3. attach critical audit reports and management letters.

B. Committee Charter. The audit committee shall:

1. At least annually, affirm in the proxy statement the existence of an audit committee charter and compliance with the charter;

2. At least annually, review charter for any necessary revisions and refer all revisions to the board of directors;

3. At least triennially attach audit committee charter to the annual proxy statement.

THE GOLDFIELD CORPORATION PROXY

Annual Meeting of Stockholders to be Held on June 19, 2001

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints John H. Sottile and Dwight W. Severs, and each of them, jointly and severally, proxies, with full power of substitution, to vote with the same force and effect as the undersigned at the Annual Meeting of the Stockholders of The Goldfield Corporation to be held at Imperial's Hotel & Conference Center (Imperial Room II), 8298 North Wickham Road, Melbourne, Florida on June 19, 2001 at 9:00 a.m., and any adjournment or postponement thereof, upon the matters set forth herein and upon such other matters as may properly come before the meeting, all in accordance with the notice and accompanying proxy statement for said meeting, receipt of which is acknowledged. (THIS PROXY REVOKES ALL PRIOR PROXIES GIVEN BY THE UNDERSIGNED.)

This proxy, when properly executed, will be voted in the manner directed herein. The individuals named above are authorized to vote in their discretion on any other matters that properly come before the meeting, including voting on any proposal to adjourn the meeting if necessary to tally the votes with respect to Proposal 1.

Continued and to be signed on the reverse side.

Please date, sign and mail your
proxy card back today.

Your Board of Directors recommends a vote FOR Proposal 1.

If no direction is given, the proxy will be voted FOR Proposal 1.

	FOR	AGAINST	ABSTAIN
1. AMENDMENT TO THE RESTATED CERTIFICATE OF INCORPORATION	/ /	/ /	/ /

2A. If Proposal 1 to amend the Restated Certificate of Incorporation to eliminate cumulative voting is adopted, cumulative voting will NOT be available and the proxy will be voted as directed in this Proposal 2A.

Your Board of Directors recommends a vote FOR Proposal 2A.

If no direction is given, the proxy will be voted FOR Proposal 2A.

	FOR	WITHHELD
ELECTION OF DIRECTORS	/ /	/ /

Nominees:
Harvey C. Eads, Jr.
John P. Fazzini
Danforth E. Leitner
Al Marino
Dwight W. Severs
John H. Sottile

/ / FOR, except vote withheld from the following nominee(s)

2B. If Proposal 1 to amend the Restated Certificate of Incorporation to eliminate cumulative voting is NOT adopted, cumulative voting will be available and the proxy will be voted as directed in this Proposal 2B.

If a vote "FOR; The Maximum Number of the Listed Nominees that Can Be Elected" is marked, the cumulative votes represented by the proxy will be cast at the discretion of the proxies named herein in order to elect the maximum number of the listed nominees as believed possible under the then prevailing circumstances.

If you do not wish to grant the proxyholder discretion to cumulate your votes, then you can cumulate your votes yourself. To cumulate your votes for director yourself, multiply the total number of shares you held as of the record date by six. Then, you may allocate this number of votes among the nominees by writing the number of votes you wish to allocate to a nominee in the space next to that nominee's name.

Please note that if you choose to cumulate votes yourself, this may reduce the likelihood of one or more of the nominees of your choice being elected. If you elect to cumulate your votes yourself, the proxyholder will not have discretionary authority to cumulate your votes.

Your Board of Directors recommends a vote "FOR; The Maximum Number of the Listed Nominees that Can Be Elected " for Proposal 2B.

If no direction is given, the proxy will be voted "FOR; The Maximum Number of the Listed Nominees that Can Be Elected" for Proposal 2B.

	FOR; The Maximum Number of the Listed Nominees that Can Be Elected	WITHHELD	Nominees
ELECTION OF DIRECTORS	/ /	/ /	
			---- Harvey C. Eads, Jr.
			---- John P. Fazzini
			---- Danforth E. Leitner
			---- Al Marino
			---- Dwight W. Severs
			---- John H. Sottile

/ / FOR; the Maximum Number of the Listed Nominees that Can Be Elected, except vote withheld from the following nominee(s)

Your Board of Directors recommends a vote FOR Proposal 3.

If no direction is given, the proxy will be voted FOR Proposal 3.

		FOR	AGAINST	ABSTAIN
3.	RATIFICATION OF APPOINTMENT OF ACCOUNTANTS	/ /	/ /	/ /

Your Board of Directors recommends a vote FOR Proposal 4.

If no direction is given, the proxy will be voted FOR Proposal 4.

		FOR	AGAINST	ABSTAIN
4.	ADJOURNMENT PRIOR TO VOTE ON PROPOSAL 1	/ /	/ /	/ /

Note In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting or at any adjournments or postponements thereof.

PLEASE SIGN, DATE AND RETURN TODAY IN ENCLOSED ENVELOPE.

DATE ------------------, 2001

Signature ------------------------

Signature ------------------------

Title(s) ------------------------

NOTE: Please sign exactly as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.

00em">Net asset value **276** 269 249 ***% % %***

PERFORMANCE RATIOS

Post-tax return on average shareholders equity

25.8 26.4 23.4

Cost:income ratio

57 64 57

Cost:net income ratio

63 70 63 **As at 30.06.06 31.12.05 30.06.05 £m £m £m**

BALANCE SHEET

Shareholders equity excluding minority interests

17,988 17,426 16,099

Minority interests

7,551 7,004 5,686

Total shareholders equity

25,539 24,430 21,785

Subordinated liabilities

13,629 12,463 11,309

Total capital resources

39,168 36,893 33,094

Total assets

986,124 924,357 850,123

Risk weighted assets

290,924 269,148 242,406 % % %

CAPITAL RATIOS

Tier 1 ratio

7.2 7.0 7.6

Risk asset ratio

11.6 11.3 12.1

1 Principal transactions comprise net trading income and net investment income.

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BARCLAYS PLC

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BARCLAYS PLC

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Continuing operations			
Interest income	**10,544**	9,584	7,648
Interest expense	**(6,140)**	(5,209)	(3,948)
Net interest income	**4,404**	4,375	3,700
Fee and commission income	**4,077**	3,558	2,872
Fee and commission expense	**(425)**	(393)	(332)
Net fee and commission income	**3,652**	3,165	2,540
Net trading income	**2,201**	1,145	1,176
Net investment income	**374**	485	373
Principal transactions	**2,575**	1,630	1,549
Net premiums from insurance contracts	**510**	501	371
Other income	**61**	98	49
Total income	**11,202**	9,769	8,209
Net claims and benefits paid on insurance contracts	**(233)**	(358)	(287)
Total income net of insurance claims	**10,969**	9,411	7,922
Impairment charges	**(1,057)**	(865)	(706)
Net income	**9,912**	8,546	7,216
Operating expenses excluding amortisation of intangible assets	**(6,206)**	(5,923)	(4,525)
Amortisation of intangible assets	**(63)**	(62)	(17)
Operating expenses	**(6,269)**	(5,985)	(4,542)
Share of post-tax results of associates and joint ventures	**30**	29	16
Profit before tax	**3,673**	2,590	2,690
Tax	**(1,072)**	(724)	(715)
Profit for the period	**2,601**	1,866	1,975
Profit attributable to minority interests	**294**	260	134
Profit attributable to equity holders of the parent	**2,307**	1,606	1,841
	2,601	1,866	1,975
	p	**p**	**p**
Basic earnings per ordinary share	**36.3**	25.4	29.1
Diluted earnings per ordinary share	**35.1**	24.3	28.4
Dividends per ordinary share:			
Interim dividend	**10.5**		9.2
Final dividend		17.4	

Dividend	**£ 667m**	£ 1,105m	£ 582m

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BARCLAYS PLC

CONSOLIDATED BALANCE SHEET (UNAUDITED)

		As at	
	30.06.06	**31.12.05**	**30.06.05**
Assets	**£m**	**£m**	**£m**
Cash and balances at central banks	**6,777**	3,906	4,106
Items in the course of collection from other banks	**2,600**	1,901	2,208
Trading portfolio assets	**181,857**	155,723	134,235
Financial assets designated at fair value:			
- held on own account	**18,833**	12,904	9,747
- held in respect of linked liabilities to customers under investment contracts	**79,334**	83,193	69,792
Derivative financial instruments	**136,901**	136,823	133,932
Loans and advances to banks	**35,330**	31,105	35,225
Loans and advances to customers	**282,097**	268,896	237,123
Available for sale financial investments	**53,716**	53,497	61,143
Reverse repurchase agreements and cash collateral on securities borrowed	**171,869**	160,398	149,400
Other assets	**5,866**	4,734	3,598
Investments in associates and joint ventures	**560**	546	438
Goodwill	**5,968**	6,022	4,590
Intangible assets	**1,125**	1,269	120
Property plant and equipment	**2,515**	2,754	2,407
Deferred tax assets	**776**	686	2,059
Total assets	**986,124**	924,357	850,123

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BARCLAYS PLC

CONSOLIDATED BALANCE SHEET (UNAUDITED)

		As at	
Liabilities	**30.06.06 £m**	**31.12.05 £m**	**30.06.05 £m**
Deposits from banks	**86,221**	75,127	84,538
Items in the course of collection due to other banks	**2,700**	2,341	2,809
Customer accounts	**253,200**	238,684	217,715
Trading portfolio liabilities	**74,719**	71,564	65,598
Financial liabilities designated at fair value	**43,594**	33,385	8,231
Liabilities to customers under investment contracts	**81,380**	85,201	71,608
Derivative financial instruments	**138,982**	137,971	132,784
Debt securities in issue	**102,198**	103,328	93,328
Repurchase agreements and cash collateral on securities lent	**146,165**	121,178	122,076
Other liabilities	**10,767**	11,131	9,649
Current tax liabilities	**592**	747	786
Insurance contract liabilities, including unit-linked liabilities	**3,558**	3,767	3,589
Subordinated liabilities	**13,629**	12,463	11,309
Deferred tax liabilities	**430**	700	1,891
Other provisions for liabilities	**474**	517	386
Retirement benefit liabilities	**1,976**	1,823	2,041
Total liabilities	**960,585**	899,927	828,338
Shareholders equity			
Called up share capital	**1,628**	1,623	1,616
Share premium account	**5,720**	5,650	5,554
Other reserves	**587**	1,377	1,593
Retained earnings	**10,279**	8,957	7,575
Less: treasury shares	**(226)**	(181)	(239)
Shareholders equity excluding minority interests	**17,988**	17,426	16,099
Minority interests	**7,551**	7,004	5,686
Total shareholders equity	**25,539**	24,430	21,785
Total liabilities and shareholders equity	**986,124**	924,357	850,123

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BARCLAYS PLC

FINANCIAL REVIEW

Results by business

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

UK Banking, comprising

- UK Retail Banking
- UK Business Banking

Barclaycard

International Retail and Commercial Banking, comprising

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

Barclays Capital

Barclays Global Investors

Wealth Management

Wealth Management - closed life assurance activities

Head office functions and other operations.

UK Banking

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

UK Retail Banking

UK Retail Banking comprises Personal Customers, Local Business (formerly Small Business), UK Premier and Home Finance (formerly Mortgages). This cluster of businesses aims to build broader and deeper relationships with both existing and new customers. Personal Customers and Home Finance provide a wide range of products and services to retail customers, including current accounts, savings and investment products, mortgages and general insurance. Local Business provides banking services to small businesses with an annual turnover up to £1m. UK Premier provides banking, investment products and advice to affluent customers.

UK Business Banking

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

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BARCLAYS PLC

FINANCIAL REVIEW

Barclaycard

Barclaycard is a multi-brand credit card and consumer lending business. It is one of Europe s leading credit card businesses and has an increasing international presence.

In the UK, Barclaycard includes Barclaycard branded credit cards, Barclays branded loans, FirstPlus secured lending, Monument cards, SkyCard and the retail finance business Clydesdale Financial Services. Barclaycard also manages card operations on behalf of Solution Personal Finance.

Outside the UK, Barclaycard provides credit cards in the United States, Germany, Spain, Italy, Portugal and a number of other countries. In the Nordic region, Barclaycard operates through Entercard, a joint venture with FöreningsSparbanken (Swedbank). Barclaycard has successfully launched the Manchester United affinity credit card in 11 countries across Asia Pacific, Africa, Europe and in the United States.

Barclaycard Business processes card payments for retailers and merchants and issues credit and charge cards to corporate customers and the UK government.

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

International Retail and Commercial Banking

International Retail and Commercial Banking provides Barclays international personal and corporate customers with banking services. The products and services offered to customers are tailored to meet the regulatory and commercial environments within each country. For reporting purposes from 2005, the operations have been grouped into two components: International Retail and Commercial Banking - excluding Absa and International Retail and Commercial Banking - Absa.

As announced on 29th June 2006, Barclays has now entered into a definitive agreement with Canadian Imperial Bank of Commerce for the sale of its 43.7% shareholding in FirstCaribbean International Bank Limited, which is expected to complete by the end of 2006.

International Retail and Commercial Banking works closely with all other parts of the Group to leverage synergies from product and service propositions.

International Retail and Commercial Banking - excluding Absa

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

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BARCLAYS PLC

FINANCIAL REVIEW

International Retail and Commercial Banking - Absa

International Retail and Commercial Banking - Absa represents Barclays consolidation of Absa, excluding Absa Capital which is included as part of Barclays Capital. Absa Group Limited is one of South Africa s largest financial services organisations serving personal, commercial and corporate customers predominantly in South Africa. International Retail and Commercial Banking - Absa serves retail customers through a variety of distribution channels and offers a full range of banking services, including basic bank accounts, mortgages, instalment finance, credit cards, bancassurance products and wealth management services; it also offers customised business solutions for commercial and large corporate customers.

Barclays Capital

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

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

Barclays Global Investors

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

BGI offers structured investment strategies such as indexing, global asset allocation and risk-controlled active products, including hedge funds. BGI also provides related investment services such as securities lending, cash management and portfolio transition services. In addition, BGI is the global leader in assets and products in the exchange traded funds business, with over 150 funds for institutions and individuals trading in thirteen markets globally. BGI s investment philosophy focuses on the three dimensions of performance; return, risk and cost, offering clients total performance management.

Wealth Management

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

Wealth Management works closely with all other parts of the Group to leverage synergies from client relationships and product capabilities.

Wealth Management - closed life assurance activities

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

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BARCLAYS PLC

FINANCIAL REVIEW

Head office functions and other operations

Head office functions and other operations comprise:

- Head office and central support functions
- Businesses in transition
- Consolidation adjustments.

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

Businesses in transition principally relate to certain lending portfolios that are centrally managed with the objective of maximising recovery from the assets.

Consolidation adjustments largely reflect the elimination of inter-segment transactions.

Group reporting changes in 2006 (see page 56)

Barclays announced on 16th June 2006 the impact of certain changes in Group structure and reporting on the 2005 and 2004 results.

Barclays has realigned a number of reportable business segments based on the reorganisation of certain portfolios to better reflect the type of client served, the nature of the products offered and the associated risks and rewards. The Group s policy for the internal cost of funding and the segmental disclosure of risk weighted assets were also revised with effect from 1st January 2006. The resulting restatements had no impact on the Group Income Statement or Balance Sheet.

The figures in this document for the six months ended 30th June 2006 and the comparatives for the prior periods reflect the new structure.

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BARCLAYS PLC

SUMMARY OF RESULTS (UNAUDITED)

Analysis of profit attributable to equity holders of the parent

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
UK Banking	**1,265**	1,062	1,138
UK Retail Banking	**612**	492	548
UK Business Banking	**653**	570	590
Barclaycard	**297**	294	346
International Retail and Commercial Banking	**539**	459	174
International Retail and Commercial Banking - ex Absa	**222**	161	174
International Retail and Commercial Banking - Absa	**317**	298	
Barclays Capital	**1,246**	681	750
Barclays Global Investors	**364**	299	241
Wealth Management	**110**	82	84
Wealth Management - closed life assurance activities	**9**	(4)	(3)
Head office functions and other operations	**(157)**	(283)	(40)
Profit before tax	**3,673**	2,590	2,690
Tax	**(1,072)**	(724)	(715)
Profit for the period	**2,601**	1,866	1,975
Profit attributable to minority interests	**(294)**	(260)	(134)
Profit attributable to equity holders of the parent	**2,307**	1,606	1,841

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BARCLAYS PLC

TOTAL ASSETS AND RISK WEIGHTED ASSETS

Total assets

	As at		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
UK Banking	**134,391**	130,304	129,093
UK Retail Banking	**70,906**	70,389	71,476
UK Business Banking	**63,485**	59,915	57,617
Barclaycard	**26,604**	25,771	24,166
International Retail and Commercial Banking	**65,132**	63,556	29,985
International Retail and Commercial Banking - ex Absa	**35,832**	34,195	29,985
International Retail and Commercial Banking - Absa	**29,300**	29,361	
Barclays Capital	**659,328**	601,193	573,131
Barclays Global Investors	**77,298**	80,900	68,877
Wealth Management	**6,841**	6,094	5,843
Wealth Management - closed life assurance activities	**7,243**	7,276	6,653
Head office functions and other operations	**9,287**	9,263	12,375
	986,124	924,357	850,123

Risk weighted assets

	As at		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
UK Banking	**84,625**	79,929	83,554
UK Retail Banking	**33,841**	32,803	37,129
UK Business Banking	**50,784**	47,126	46,425
Barclaycard	**23,968**	21,752	21,335
International Retail and Commercial Banking	**42,081**	41,228	18,900
International Retail and Commercial Banking - ex Absa	**21,408**	20,394	18,900
International Retail and Commercial Banking - Absa	**20,673**	20,834	
Barclays Capital	**130,533**	116,677	107,201
Barclays Global Investors	**1,378**	1,456	1,408
Wealth Management	**4,915**	4,061	4,457
Wealth Management - closed life assurance activities			
Head office functions and other operations	**3,424**	4,045	5,551
	290,924	269,148	242,406

Further analysis of total assets and risk weighted assets, can be found on page 53.

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BARCLAYS PLC

UK Banking

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**1,959**	1,960	1,784
Net fee and commission income	**919**	879	841
Net trading income	**2**	2	(2)
Net investment income	**17**	9	17
Principal transactions	**19**	11	15
Net premiums from insurance contracts	**135**	139	141
Other income	**2**	13	20
Total income	**3,034**	3,002	2,801
Net claims and benefits on insurance contracts	**(26)**	(25)	(33)
Total income net of insurance claims	**3,008**	2,977	2,768
Impairment charges	**(198)**	(188)	(139)
Net income	**2,810**	2,789	2,629
Operating expenses excluding amortisation of intangible assets	**(1,546)**	(1,728)	(1,484)
Amortisation of intangible assets	**(1)**	(2)	(1)
Operating expenses	**(1,547)**	(1,730)	(1,485)
Share of post-tax results of associates and joint ventures	**2**	3	(6)
Profit before tax	**1,265**	1,062	1,138
Cost:income ratio	**51%**	58%	54%
Cost:net income ratio	**55%**	62%	57%
Risk Tendency	**£ 470m**	£ 430m	£ 400m

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Loans and advances to customers	**£ 120.6bn**	£ 118.2bn	£ 117.1bn
Customer accounts	**£ 136.0bn**	£ 129.7bn	£ 126.8bn
Total assets	**£ 134.4bn**	£ 130.3bn	£ 129.1bn
Risk weighted assets	**£ 84.6bn**	£ 79.9bn	£ 83.6bn

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BARCLAYS PLC

UK Banking profit before tax increased 11% (£127m) to £1,265m (2005: £1,138m) driven by good income growth, partly offset by higher impairment charges and costs. Gains from the sale and leaseback of properties of £145m included in operating expenses were largely offset by £114m of incremental investment expenditure undertaken to accelerate the development of UK Retail Banking.

UK Banking has targeted a cost:income ratio reduction of two percentage points per annum in each of 2005, 2006 and 2007. This was exceeded in 2005 as the cost:income ratio improved by three percentage points to 56% for the year. Good progress has been made in delivering the 2006 cost:income ratio reduction and in the first half of 2006 a year-on-year improvement of three percentage points was achieved.

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BARCLAYS PLC

UK Retail Banking

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**1,137**	1,158	1,050
Net fee and commission income	**608**	572	559
Net trading income			
Net investment income			9
Principal transactions			9
Net premiums from insurance contracts	**135**	139	141
Other income		4	12
Total income	**1,880**	1,873	1,771
Net claims and benefits on insurance contracts	**(26)**	(25)	(33)
Total income net of insurance claims	**1,854**	1,848	1,738
Impairment charges	**(98)**	(75)	(75)
Net income	**1,756**	1,773	1,663
Operating expenses	**(1,144)**	(1,282)	(1,108)
Share of post-tax results of associates and joint ventures		1	(7)
Profit before tax	**612**	492	548
Cost:income ratio	**62%**	69%	64%
Cost:net income ratio	**65%**	72%	67%
Risk Tendency	**£ 195m**	£ 180m	£ 170m

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Loans and advances to customers	**£ 65.0bn**	£ 64.8bn	£ 66.0bn
Customer accounts	**£ 81.7bn**	£ 78.8bn	£ 75.4bn
Total assets	**£ 70.9bn**	£ 70.4bn	£ 71.5bn
Risk weighted assets	**£ 33.8bn**	£ 32.8bn	£ 37.1bn

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BARCLAYS PLC

UK Retail Banking profit before tax increased 12% (£64m) to £612m (2005: £548m).

Total income net of insurance claims increased 7% (£116m) to £1,854m (2005: £1,738m), demonstrating continued momentum. The improvement was broadly based across business segments and income categories. There was strong growth in Local Business, UK Premier and Personal Customers retail savings.

Net interest income increased 8% (£87m) to £1,137m (2005: £1,050m). Growth was driven by higher contributions from Local Business, UK Premier and Personal Customers retail savings.

UK residential mortgage balances ended the period at £59.3bn (31st December 2005: £59.6bn). Gross advances were 43% higher at £7.3bn (31st December 2005: £5.1bn), which represented a market share of 5% (2005: 4%) but this was offset by redemptions. Mortgage applications, by value, were 67% higher than last year and reflected the launch of new competitive products in a stronger market, supported by greater promotion, as well as improved capacity and servicing. Mortgage servicing was brought back in-house with the termination of an outsourcing arrangement taking effect in February 2006. Significant progress has been made since then in improving processing efficiency. The average loan to value ratio within the mortgage book on a current valuation basis was 34% (2005: 34%).

In non-mortgage loans, Local Business average loans and advances balances increased 15%, and UK Premier average loans and advances balances increased 34%. The assets margin improved slightly to 0.86% (2005: 0.83%) reflecting a broadly stable mortgage margin, despite the impact of new product launches and a higher contribution from non-mortgage assets.

Total average customer deposit balances increased 8% to £77.6bn (2005: £72.1bn). Good growth was achieved in Local Business and in UK Premier where average balances increased 8% and 9% respectively. Within Personal Customers, retail savings average balance growth was 8% and current account average balances increased 5%. The liabilities margin was broadly stable at 1.98% (2005: 2.01%).

Net fee and commission income increased 9% (£49m) to £608m (2005: £559m). There was strong growth in current account and debit card fees. Local Business delivered strong growth, driven by increased income from current accounts. There was also strong growth from UK Premier, reflecting higher income from investment advice and banking services.

Net premiums from insurance underwriting activities decreased to £135m (2005: £141m), reflecting lower consumer loan volumes and reduced take-up of insurance on these loans.

Impairment charges increased 31% (£23m) to £98m (2005: £75m). The increase was driven by strong volume growth and some deterioration in delinquency rates in the Local Business loan portfolio. Losses from the mortgage portfolio remained negligible, with arrears at low levels and broadly stable compared with the year-end 2005 position.

Operating expenses increased 3% (£36m) to £1,144m (2005: £1,108m). Gains from the sale and leaseback of property of £116m were largely offset by incremental investment expenditure to bring forward planned improvements in operating efficiency and customer service. This included the costs associated with enhancing the Woolwich brand, improving the branch network and streamlining and re-engineering back office processes, as recently announced, as well as additional investment in technology deployed in branches and restructuring costs. The cost:income ratio improved two percentage points to 62% (2005: 64%).

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BARCLAYS PLC

UK Business Banking

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**822**	802	734
Net fee and commission income	**311**	307	282
Net trading income	**2**	2	(2)
Net investment income	**17**	9	8
Principal transactions	**19**	11	6
Other income	**2**	9	8
Total income	**1,154**	1,129	1,030
Impairment charges	**(100)**	(113)	(64)
Net income	**1,054**	1,016	966
Operating expenses excluding amortisation of intangible assets	**(402)**	(446)	(376)
Amortisation of intangible assets	**(1)**	(2)	(1)
Operating expenses	**(403)**	(448)	(377)
Share of post-tax results of associates and joint ventures	**2**	2	1
Profit before tax	**653**	570	590
Cost:income ratio	**35%**	40%	37%
Cost:net income ratio	**38%**	44%	39%
Risk Tendency	**£ 275m**	£ 250m	£ 230m

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Loans and advances to customers	**£ 55.6bn**	£ 53.4bn	£ 51.1bn
Customer accounts	**£ 54.3bn**	£ 50.9bn	£ 51.4bn
Total assets	**£ 63.5bn**	£ 59.9bn	£ 57.6bn
Risk weighted assets	**£ 50.8bn**	£ 47.1bn	£ 46.5bn

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BARCLAYS PLC

UK Business Banking profit before tax increased 11% (£63m) to £653m (2005: £590m), driven by strong income growth. Performance was particularly strong in Larger Business. The first half of 2006 included an £11m contribution for a full six months from Iveco Finance, in which a 51% stake was acquired on 1st June 2005. Iveco Finance is performing in line with the acquisition business plan.

Total income increased 12% (£124m) to £1,154m (2005: £1,030m), with the increase being broadly based and driven by strong balance sheet growth.

Net interest income increased 12% (£88m) to £822m (2005: £734m) largely driven by growth in the loan portfolio.

Average lending balances increased 21% to £51.1bn (2005: £42.1bn), with good contributions from all business areas and a stable lending margin. Iveco Finance contributed £1.6bn of the growth in average lending balances. Average deposit balances increased 11% to £43.7bn (2005: £39.2bn) with good growth from both Larger Business and Medium Business. The deposit margin experienced some compression, although it improved relative to the second half of 2005.

Net fee and commission income increased 10% (£29m) to £311m (2005: £282m), principally from foreign exchange and derivative business transacted through Barclays Capital on behalf of a number of business customers.

Income from principal transactions was £19m (2005: £6m), relating principally to profit realised on the sale of three equity investments.

Impairment charges increased 56% (£36m) to £100m (2005: £64m). The increase in impairment reflected the growth in lending balances and the inclusion of Iveco Finance.

Operating expenses increased 7% (£26m) to £403m (2005: £377m) reflecting volume growth, increased expenditure on front line staff, higher revenue related costs and the inclusion of Iveco Finance. Operating expenses include a credit of £29m on the sale and leaseback of property. The cost:income ratio improved two percentage points to 35% (2005: 37%).

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BARCLAYS PLC

Barclaycard

	Half-year ended		
	30.06.06	31.12.05	30.06.05
	£m	£m	£m
Net interest income	**914**	896	830
Net fee and commission income	**533**	518	454
Net investment income	**15**		
Net premiums from insurance contracts	**15**	14	10
Total income	**1,477**	1,428	1,294
Net claims and benefits on insurance contracts	**(6)**	(5)	(2)
Total income net of insurance claims	**1,471**	1,423	1,292
Impairment charges	**(696)**	(590)	(508)
Net income	**775**	833	784
Operating expenses excluding amortisation of intangible assets	**(471)**	(531)	(430)
Amortisation of intangible assets	**(8)**	(8)	(9)
Operating expenses	**(479)**	(539)	(439)
Share of post-tax results of associates and joint ventures	**1**		1
Profit before tax	**297**	294	346
Cost:income ratio	**33%**	38%	34%
Cost:net income ratio	**62%**	65%	56%
Risk Tendency	**£ 1,340m**	£ 1,100m	£ 980m

	As at		
	30.06.06	31.12.05	30.06.05
Loans and advances to customers	**£ 24.8bn**	£ 24.0bn	£ 23.1bn
Total assets	**£ 26.6bn**	£ 25.8bn	£ 24.2bn
Risk weighted assets	**£ 24.0bn**	£ 21.8bn	£ 21.3bn

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BARCLAYS PLC

Barclaycard profit before tax decreased 14% (£49m) to £297m (2005: £346m) as strong income growth was more than offset by higher impairment charges and increased costs from the continued development of the International businesses.

Total income net of insurance claims increased 14% (£179m) to £1,471m (2005: £1,292m) driven by good performances across the diversified UK cards and consumer loans businesses and Barclaycard Business, and by very strong momentum in international cards.

Net interest income increased 10% (£84m) to £914m (2005: £830m). UK average extended credit card balances fell 7% to £8.2bn (2005: £8.8bn), reflecting lower promotional rate balances and tighter lending criteria. UK average consumer lending balances increased 17% to £11.6bn (2005: £9.9bn). International average extended credit card balances rose 35% to £2.3bn (2005: £1.7bn). Margins in credit cards improved in the first half of 2006 to 8.78% (2005: 7.56%), due to the impact of increased card rates and a reduced proportion of promotional rate balances in the UK. Margins in consumer lending fell to 4.34% (2005: 5.15%), due to continued competitive pressures and a change in the product mix, with a higher weighting to secured lending in FirstPlus.

Net fee and commission income increased 17% (£79m) to £533m (2005: £454m) as a result of increased contributions from SkyCard, FirstPlus, Barclaycard Business and Barclaycard International.

Investment income of £15m represents the proceeds arising from the sale of part of the stake in MasterCard Inc, as part of its flotation.

Impairment charges increased 37% (£188m) to £696m (2005: £508m). Relative to the second half of 2005, impairment charges increased 18%. The increase was driven by a rise in delinquent balances, increased numbers of bankruptcies and lower rates of recovery from customers in the UK cards and loans businesses. The rise in delinquent balances is reflected in a significant increase in non-performing loans.

Operating expenses increased 9% (£40m) to £479m (2005: £439m), which included a gain from the sale and leaseback property of £38m. Excluding this gain, underlying operating expenses increased 18% (£78m) to £517m largely as a result of the continued investment in Barclaycard US and the development of the UK Partnerships business.

Barclaycard International continued its growth strategy, with the continental European businesses delivering excellent results and the Swedbank joint venture performing in line with its business plan. Barclaycard International loss before tax increased to £4m (2005: loss £3m). The loss before tax for Barclaycard US was £21m (2005: loss £13m). The performance and integration of Barclaycard US proceeded in line with expectations, with continued strong growth in balances and customer numbers and the creation of a number of new partnerships.

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BARCLAYS PLC

International Retail and Commercial Banking

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**847**	776	274
Net fee and commission income	**669**	534	171
Net trading income	**3**	(3)	6
Net investment income	**47**	76	67
Principal transactions	**50**	73	73
Net premiums from insurance contracts	**174**	167	60
Other income	**34**	46	14
Total income	**1,774**	1,596	592
Net claims and benefits on insurance contracts	**(119)**	(120)	(85)
Total income net of insurance claims	**1,655**	1,476	507
Impairment charges	**(68)**	(24)	(8)
Net income	**1,587**	1,452	499
Operating expenses excluding amortisation of intangible assets	**(1,030)**	(974)	(343)
Amortisation of intangible assets	**(45)**	(45)	(2)
Operating expenses	**(1,075)**	(1,019)	(345)
Share of post-tax results of associates and joint ventures	**27**	26	20
Profit before tax	**539**	459	174
Cost:income ratio	**65%**	69%	68%
Cost:net income ratio	**68%**	70%	69%
Risk Tendency	**£ 195m**	£ 175m	£ 75m

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Loans and advances to customers	**£ 50.4bn**	£ 49.3bn	£ 21.7bn
Customer accounts	**£ 23.0bn**	£ 22.6bn	£ 9.6bn
Total assets	**£ 65.1bn**	£ 63.6bn	£ 30.0bn
Risk weighted assets	**£ 42.1bn**	£ 41.2bn	£ 18.9bn

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International Retail and Commercial Banking profit before tax increased £365m to £539m (2005: £174m). The increase reflected the inclusion of International Retail and Commercial Banking - Absa profit before tax of £317m for 2006 and strong underlying organic growth in Europe.

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BARCLAYS PLC

International Retail and Commercial Banking - excluding Absa

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**296**	288	274
Net fee and commission income	**226**	206	171
Net trading income	**12**	25	6
Net investment income	**29**	21	67
Principal transactions	**41**	46	73
Net premiums from insurance contracts	**50**	69	60
Other income	**14**	9	14
Total income	**627**	618	592
Net claims and benefits on insurance contracts	**(65)**	(76)	(85)
Total income net of insurance claims	**562**	542	507
Impairment charges	**(16)**	(5)	(8)
Net income	**546**	537	499
Operating expenses excluding amortisation of intangible assets	**(341)**	(391)	(343)
Amortisation of intangible assets	**(4)**	(4)	(2)
Operating expenses	**(345)**	(395)	(345)
Share of post-tax results of associates and joint ventures	**21**	19	20
Profit before tax	**222**	161	174
Cost:income ratio	**61%**	73%	68%
Cost:net income ratio	**63%**	74%	69%
Risk Tendency	**£ 70m**	£ 75m	£ 75m

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Loans and advances to customers	**£ 27.0bn**	£ 25.4bn	£ 21.7bn
Customer accounts	**£ 10.9bn**	£ 10.4bn	£ 9.6bn
Total assets	**£ 35.8bn**	£ 34.2bn	£ 30.0bn
Risk weighted assets	**£ 21.4bn**	£ 20.4bn	£ 18.9bn

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BARCLAYS PLC

International Retail and Commercial Banking - excluding Absa performed well, with profit before tax increasing 28% (£48m) to £222m (2005: £174m). The performance was broad based, with stronger underlying profits in all geographies. Underlying profit before tax, excluding gains from asset sales of £55m (2005: £31m), increased 17% (£24m) to £167m (2005: £143m).

Total income net of insurance claims increased 11% (£55m) to £562m (2005: £507m). Underlying income increased 18% (£86m) to £562m (2005: £476m excluding gains from asset sales of £31m).

Net interest income increased 8% (£22m) to £296m (2005: £274m), reflecting strong balance sheet growth in continental Europe, Africa and the Middle East, and the development of the corporate business in Spain.

Total average customer loans increased 25% to £26.2bn (2005: £20.9bn). Mortgage balance growth in continental Europe was particularly strong, with average Euro balances up 25%. Growth in European mortgages as a proportion of total balances and competitive pressures in key European markets contributed to lower lending margins. Average customer deposits increased 12% to £10.2bn (2005: £9.1bn), with deposit margins rising modestly.

Net fee and commission income increased 32% (£55m) to £226m (2005: £171m). This reflected a strong performance from the Spanish funds business, where average assets under management increased 14%, together with good growth in France, including the contribution of the ING Ferri business which was acquired on 1st July 2005. Net fee and commission income showed solid growth in Africa and the Middle East.

Principal transactions reduced to £41m (2005: £73m), which in 2005 included £23m from the redemption of preference shares in FirstCaribbean International Bank.

Impairment charges increased to £16m (2005: £8m), principally as a result of the absence in 2006 of one-off recoveries which arose in 2005 in Africa and the Middle East.

Operating expenses were flat at £345m, including gains from the sale and leaseback of property in Spain of £55m. Excluding these gains, underlying operating expenses increased 16% to £400m (2005: £345m). The increase was below the growth in underlying income, and reflected the continued expansion of the business in Africa and the Middle East, investments in the European distribution network, particularly in Portugal and Italy, and the acquisition of the ING Ferri business in France.

Barclays Spain continued to perform strongly. Profit before tax increased 155% (£76m) to £125m (2005: £49m). Excluding asset sales of £55m (2005: £8m) and integration costs of £16m (2005: £28m), profit before tax increased 25% (£17m) to £86m (2005: £69m). This was driven by the continued realisation of benefits from the integration of Banco Zaragozano, together with good growth in mortgages and assets under management. Profit before tax also increased strongly in Portugal reflecting good flows of new customers and increased business volumes. France performed well as a result of good organic growth and the acquisition of ING Ferri.

Africa and the Middle East profit before tax was in line with prior year at £62m (2005: £62m). This reflected balance sheet growth across the businesses offset by continued investment and higher impairment charges as a result of the absence of one off recoveries that arose in 2005.

The share of post tax profits from associates increased £1m to £21m (2005: £20m) reflecting an increased contribution from FirstCaribbean.

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International Retail and Commercial Banking - Absa

	Half-year ended 30.06.06	Period from 27.07.05 until 31.12.05[1]
	£m	£m
Net interest income	**551**	488
Net fee and commission income	**443**	328
Net trading income	**(9)**	(28)
Net investment income	**18**	55
Principal transactions	**9**	27
Net premiums from insurance contracts	**124**	98
Other income	**20**	37
Total income	**1,147**	978
Net claims and benefits on insurance contracts	**(54)**	(44)
Total income net of insurance claims	**1,093**	934
Impairment charges	**(52)**	(19)
Net income	**1,041**	915
Operating expenses excluding amortisation of intangible assets	**(689)**	(583)
Amortisation of intangible assets	**(41)**	(41)
Operating expenses	**(730)**	(624)
Share of post-tax results of associates and joint ventures	**6**	7
Profit before tax	**317**	298
Cost:income ratio	**67%**	67%
Cost:net income ratio	**70%**	68%
Risk Tendency	**£ 125m**	£ 100m

	As at	
	30.06.06	31.12.05
Loans and advances to customers	**£ 23.4bn**	£ 23.9bn
Customer accounts	**£ 12.1bn**	£ 12.2bn
Total assets	**£ 29.3bn**	£ 29.4bn
Risk weighted assets	**£ 20.7bn**	£ 20.8bn

1 Barclays acquired a controlling stake in Absa Group Limited on 27th July 2005.

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BARCLAYS PLC

Barclays Capital

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**495**	540	525
Net fee and commission income	**516**	403	373
Net trading income	**2,139**	1,116	1,115
Net investment income	**277**	253	160
Principal transactions	**2,416**	1,369	1,275
Other income	**10**	12	8
Total income	**3,437**	2,324	2,181
Impairment charges	**(70)**	(59)	(52)
Net income	**3,367**	2,265	2,129
Operating expenses excluding amortisation of intangible assets	**(2,120)**	(1,583)	(1,378)
Amortisation of intangible assets	**(1)**	(1)	(1)
Operating expenses	**(2,121)**	(1,584)	(1,379)
Profit before tax	**1,246**	681	750
Cost:income ratio	**62%**	68%	63%
Cost:net income ratio	**63%**	70%	65%
Risk Tendency	**£ 125m**	£ 110m	£ 80m
Average net income generated per member of staff (000)	**£ 330**	£ 242	£ 259

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Total assets	**£ 659.3bn**	£ 601.2bn	£ 573.1bn
Risk weighted assets	**£ 130.5bn**	£ 116.7bn	£ 107.2bn

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BARCLAYS PLC

Barclays Capital delivered record profit before tax and net income. Profit before tax increased 66% (£496m) to £1,246m (2005: £750m). This was the result of the very strong income performance which was driven by higher business volumes and client activity levels. Net income increased 58% (£1,238m) to £3,367m (2005: £2,129m). Profit before tax for Absa Capital was £45m. Excluding Absa Capital, profit before tax increased by 60%.

Total income increased 58% (£1,256m) to £3,437m (2005: £2,181m) as a result of very strong growth across the Rates and Credit businesses. Income grew across all asset classes, in particular interest rate products, equity products, currency products, emerging markets, credit products and commodities. Income by geography was well spread with significant contributions from the US, Europe and Asia. The top line performance reflects returns from past investments and the strength of the client franchise. Average DVaR grew to £36m (2005: £30m) well below the rate of income growth.

Secondary income, comprising principal transactions (net trading income and net investment income) and net interest income, is mainly generated from providing client financing and risk management solutions. Secondary income increased 62% (£1,111m) to £2,911m (2005: £1,800m).

Net trading income increased 92% (£1,024m) to £2,139m (2005: £1,115m) with very strong contributions across the Rates and Credit businesses, in particular equities, commodities, fixed income and credit derivatives. These results were driven by higher volumes of client led activity and favourable market conditions. Net investment income increased 73% (£117m) to £277m (2005: £160m) driven by investment realisations, primarily in Private Equity and structured capital markets. Net interest income decreased 6% (£30m) to £495m (2005: £525m) driven by lower contributions from money markets.

Primary income, which comprises net fee and commission income from advisory and origination activities, grew 38% (£143m) to £516m (2005: £373m). This reflected higher volumes and continued market share gains in a number of key markets, with strong contributions from bonds, European leveraged loans and convertibles issuances.

Impairment charges of £70m relate primarily to impairment charges on available for sale assets of £83m, partially offset by recoveries in the loan portfolio. The impairment charge on available for sale assets arose where an intention to sell caused losses in the available for sale portfolio to be treated as other than temporary in nature. The impairment charge arose from interest rate movements rather than credit deterioration. There is a corresponding gain recognised in net trading income.

Operating expenses increased 54% (£742m) to £2,121m (2005: £1,379m), reflecting higher performance related costs due to strong results. The cost:net income ratio improved to 63% (2005: 65%). Staff costs to net income ratio improved to 51% (2005: 52%). Compared with the first half of 2005, performance related pay, discretionary investment spend and short-term contractor resource represented a higher proportion of operating expenses of 54% (2005: 46%).

Total headcount increased by 600 during the first half of 2006 to 10,500 (31st December 2005: 9,900). Growth was broadly based across all regions and reflected further investments in the front office, systems development and control functions to support greater business volumes.

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BARCLAYS PLC

Barclays Global Investors

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**7**	9	6
Net fee and commission income	**837**	727	570
Net trading income	**1**		2
Net investment income			4
Principal transactions	**1**		6
Total income	**845**	736	582
Operating expenses excluding amortisation of intangible assets	**(479)**	(435)	(340)
Amortisation of intangible assets	**(2)**	(2)	(2)
Operating expenses	**(481)**	(437)	(342)
Share of post-tax results of associates and joint ventures			1
Profit before tax	**364**	299	241
Cost:income ratio	**57%**	59%	59%
Average net income generated per member of staff (000)	**£ 360**	£ 330	£ 298

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Total assets	**£ 77.3bn**	£ 80.9bn	£ 68.9bn
Risk weighted assets	**£ 1.4bn**	£ 1.5bn	£ 1.4bn

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Barclays Global Investors (BGI) delivered excellent growth in profit before tax, increasing 51% (£123m) to £364m (2005: £241m), reflecting exceptionally strong income growth. The performance was broad-based by products, distribution channels and geographies.

Net fee and commission income increased 47% (£267m) to £837m (2005: £570m). The very strong income performance was attributable to increased management and incentive fees, particularly in the iShares and active businesses. Incentive fees increased 41% (£31m) to £107m (2005: £76m). Higher asset values, driven by good net new inflows and higher market levels, and a strong investment performance, contributed to the growth in income.

Operating expenses increased 41% (£139m) to £481m (2005: £342m) as a result of higher performance based expenses, significant investment in key growth initiatives and ongoing investment in product development and infrastructure. The cost:income ratio improved to 57% (2005: 59%).

Total headcount rose by 100 to 2,400 (31st December 2005: 2,300). Headcount increased in all regions, across product groups and the support functions, reflecting continued investment to support strategic initiatives.

Total assets under management of £877bn remained in line with 2005 year-end levels (31st December 2005: £881bn). Net new inflows of £17bn and positive market move impact of £27bn were more than offset by the adverse impact of exchange rate movements of £48bn. In US$ terms assets under management increased by US$110bn to US$1,623bn (31st December 2005: US$1,513bn), comprising US$30bn of net new assets, US$43bn of favourable market movements and US$37bn of exchange rate movements.

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BARCLAYS PLC

Wealth Management

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**178**	169	160
Net fee and commission income	**336**	306	283
Net trading income			
Net investment income			5
Principal transactions			5
Other income	**(1)**		(1)
Total income	**513**	475	447
Impairment charges	**(1)**	(1)	(1)
Net income	**512**	474	446
Operating expenses excluding amortisation of intangible assets	**(400)**	(391)	(361)
Amortisation of intangible assets	**(2)**	(1)	(1)
Operating expenses	**(402)**	(392)	(362)
Profit before tax	**110**	82	84
Cost:income ratio	**78%**	83%	81%
Cost:net income ratio	**79%**	83%	81%
Risk Tendency	**£ 10m**	£ 5m	£ 5m
Average net income generated per member of staff (000)	**£ 70**	£ 66	£ 62

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Loans and advances to customers	**£ 5.1bn**	£ 4.7bn	£ 4.4bn
Customer accounts	**£ 25.0bn**	£ 23.1bn	£ 22.5bn
Total assets	**£ 6.8bn**	£ 6.1bn	£ 5.8bn
Risk weighted assets	**£ 4.9bn**	£ 4.1bn	£ 4.5bn

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BARCLAYS PLC

Wealth Management profit before tax rose 31% (£26m) to £110m (2005: £84m), driven by broad based income growth and favourable market conditions, partially offset by increased volume related costs and increased investment in people and infrastructure to support future growth.

Total income increased 15% (£66m) to £513m (2005: £447m).

Net interest income increased 11% (£18m) to £178m (2005: £160m) reflecting growth in both customer deposits and customer lending. Average loans to customers grew 16% to £4.9bn, driven mainly by increased lending to offshore and private banking clients. Average customer deposits grew 10% (£2.3bn) to £24.5bn (2005: £22.2bn). Asset margins increased to 1.11% (2005: 0.98%) and the deposit margin was stable at 1.08% (2005: 1.06%).

Net fee and commission income increased 19% (£53m) to £336m (2005: £283m). The increase reflected growth in client assets and higher transactional income, including increased sales of investment products to private banking and financial planning clients, and higher stockbroking volumes.

Operating expenses increased 11% (£40m) to £402m (2005: £362m) with greater volume related and investment costs. Investment costs include increased hiring and improvements to infrastructure with the upgrade of technology and operations platforms. The cost:net income ratio improved two percentage points to 79% (2005: 81%).

Total client assets, comprising customer deposits and client investments, increased to £84.7bn (31st December 2005: £78.3bn) reflecting good net new asset inflows and favourable market conditions.

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BARCLAYS PLC

Wealth Management - closed life assurance activities

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**(4)**	2	(16)
Net fee and commission income	**25**	26	18
Net trading income	**1**		
Net investment income	**24**	144	115
Principal transactions	**25**	144	115
Net premiums from insurance contracts	**93**	95	100
Other income	**6**	10	1
Total income	**145**	277	218
Net claims and benefits on insurance contracts	**(82)**	(208)	(167)
Total income net of insurance claims	**63**	69	51
Operating expenses	**(54)**	(73)	(54)
Profit/(loss) before tax	**9**	(4)	(3)
Cost:income ratio	**86%**	106%	106%

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Total assets	**£ 7.2bn**	£ 7.3bn	£ 6.7bn

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Wealth Management - closed life assurance activities profit before tax was £9m (2005: loss £3m) predominantly due to lower funding costs and reduced customer redress costs in 2006.

Profit before tax excluding customer redress costs of £34m was £43m (2005: £37m).

Total income increased to £63m (2005: £51m) due to reduced funding costs.

Operating expenses remained steady at £54m. Costs relating to redress for customers decreased to £34m (2005: £40m) whilst other operating expenses increased to £20m (2005: £14m).

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BARCLAYS PLC

Head office functions and other operations

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net interest income	**8**	23	137
Net fee and commission income	**(183)**	(228)	(170)
Net trading income	**55**	30	55
Net investment income	**(6)**	3	5
Principal transactions	**49**	33	60
Net premiums from insurance contracts	**93**	86	60
Other income	**10**	17	7
Total income	**(23)**	(69)	94
Impairment (charges)/releases	**(24)**	(3)	2
Net (loss)/income	**(47)**	(72)	96
Operating expenses excluding amortisation of intangible assets	**(106)**	(208)	(135)
Amortisation of intangible assets	**(4)**	(3)	(1)
Operating expenses	**(110)**	(211)	(136)
Loss before tax	**(157)**	(283)	(40)
Risk Tendency	**£ 25m**	£ 25m	£ 35m

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Total assets	**£ 9.3bn**	£ 9.3bn	£ 12.4bn
Risk weighted assets	**£ 3.4bn**	£ 4.0bn	£ 5.6bn

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Head office functions and other operations loss before tax increased £117m to £157m (2005: loss £40m). This reflects the reduced interest income on capital retained within Treasury, following the acquisition of Absa Group Limited, partially offset by lower net impact of asymmetric consolidation adjustments, and lower operating expenses following the head office relocation to Canary Wharf in 2005.

Group segmental reporting is performed in accordance with Group accounting policies. This means that inter-segment transactions are recorded in each segment as if undertaken on an arm s length basis. Consolidation adjustments necessary to eliminate the inter-segment transactions, including adjustments to eliminate the timing differences on the recognition of inter-segment income and expenses, are included in Head Office functions and other operations.

The impact of such asymmetric consolidation adjustments reduced by £51m to £81m (2005: £132m). These adjustments related to the timing of the recognition of insurance commissions included in Barclaycard and UK Banking amounting to £35m (2005: £49m); internal fees for structured capital markets activities of £41m (2005: £63m); and fees paid to Barclays Capital for capital raising and risk management advice of £5m (2005: £32m).

Net interest income reduced £129m to £8m (2005: £137m) mainly due to a reduction in net interest income retained in Treasury as 2005 included interest earned on excess capital held in anticipation of the acquisition of Absa Group Limited. Treasury s net interest income also included the hedge ineffectiveness for the period, which together with other related Treasury adjustments, amounted to a loss of £3m (2005: £35m gain) and the cost of hedging the foreign exchange risk on the Group s investment in Absa, which amounted to £39m (2005: £nil).

Net trading income of £55m (2005: £55m) includes £59m (2005: £nil) in respect of a hedge of the translation exposure arising from Absa s Rand earnings, of which £10m was realised at 30th June 2006.

Impairment charges increased £26m to £24m (2005: recovery £2m). The increase was driven by impairment in the transition businesses.

Operating expenses decreased £26m to £110m (2005: £136m), primarily due to the elimination in 2006 of expenses incurred in 2005 relating to the head office relocation to Canary Wharf (2005: £52m).

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BARCLAYS PLC

FINANCIAL REVIEW

Results by nature of income and expense

Net interest income

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Cash and balances at central banks	**7**	6	3
Financial instruments	**1,406**	1,305	967
Loans and advances to banks	**523**	251	439
Loans and advances to customers	**7,883**	7,275	5,669
Other	**725**	747	570
Interest income	**10,544**	9,584	7,648
Deposits from banks	**(1,263)**	(1,102)	(954)
Customer accounts	**(1,844)**	(1,530)	(1,185)
Debt securities in issue	**(2,388)**	(1,913)	(1,355)
Subordinated liabilities	**(340)**	(312)	(293)
Other	**(305)**	(352)	(161)
Interest expense	**(6,140)**	(5,209)	(3,948)
Net interest income	**4,404**	4,375	3,700

Group net interest income increased 19% (£704m) to £4,404m (2005: £3,700m). The inclusion of Absa added net interest income of £600m in the first half of 2006. Group net interest income excluding Absa grew 3%.

A component of the benefit of free funds included in Group net interest income is the structural hedge which functions to reduce the impact of the volatility of short-term interest rate movements. The contribution of the structural hedge decreased to £47m (2005: £58m), largely due to the impact of relatively higher short-term interest rates and lower medium-term rates.

Interest income includes £48m (2005: £30m) accrued on impaired loans.

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FINANCIAL REVIEW

Net fee and commission income

	Half-year ended 30.06.06 £m	31.12.05 £m	30.06.05 £m
Fee and commission income	**4,077**	3,558	2,872
Fee and commission expense	**(425)**	(393)	(332)
Net fee and commission income	**3,652**	3,165	2,540

Fee and commission income rose 42% (£1,205m) to £4,077m (2005: £2,872m). The inclusion of Absa increased fee and commission income by £479m in the first half of 2006. Excluding Absa, fee and commission income grew 25%, driven by a broad based performance across the Group, particularly within Barclays Global Investors reflecting increases in both management and incentive fees, higher asset values, higher market levels and a strong investment performance.

Fee and commission expense increased 28% (£93m) to £425m (2005: £332m), largely reflecting the inclusion of Absa, which added £43m, and increases in Barclaycard.

Net fee and commission income increased 44% (£1,112m) to £3,652m (2005: £2,540m). The inclusion of Absa increased net fee and commission income by £436m in the first-half of 2006. Group net fee and commission income excluding Absa grew 27%, reflecting growth across all businesses.

Total foreign exchange income was £457m (2005: £298m) and consisted of revenues earned from both retail and wholesale activities. Foreign exchange income earned on customer transactions by UK Retail Banking, UK Business Banking, International Retail and Commercial Banking, Barclaycard, Barclays Global Investors and Wealth Management, both externally and with Barclays Capital, is reported in those respective business units within fee and commission income. The foreign exchange income earned in Barclays Capital and in Treasury is reported within trading income.

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BARCLAYS PLC

FINANCIAL REVIEW

Principal transactions

	Half-year ended 30.06.06 £m	31.12.05 £m	30.06.05 £m
Rates related business	**1,636**	873	859
Credit related business	**565**	272	317
Net trading income	**2,201**	1,145	1,176
Cumulative gain from disposal of available for sale assets/investment securities	**120**	33	87
Dividend income	**18**	9	13
Net income from financial instruments designated at fair value	**86**	214	175
Other investment income	**150**	229	98
Net investment income	**374**	485	373
Principal transactions	**2,575**	1,630	1,549

Most of the Group s trading income is generated in Barclays Capital.

Net trading income increased 87% (£1,025m) to £2,201m (2005: £1,176m) due to strong performances across Barclays Capital Rates and Credit businesses, in particular in fixed income, equities, commodities and credit derivative products. This was driven by higher volumes of client-led activity across a broad range of products and geographical regions and by the continued return on prior year investments. The inclusion of Absa increased net trading income by £31m in the first-half of 2006. Group net trading income excluding Absa grew 85%.

Net investment income remained flat at £374m (2005: £373m). The inclusion of Absa increased net investment income by £32m in the first-half of 2006.

The cumulative gain from disposal of available for sale assets and investment securities increased 38% (£33m) to £120m (2005: £87m) driven by investment realisations primarily in Private Equity.

Fair value movements on certain assets and liabilities have been reported within net trading income or within net investment income depending on the nature of the transaction. Fair value movements on insurance assets included within net investment income contributed £46m (2005: £149m).

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Net premiums from insurance contracts

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Gross premiums from insurance contracts	**536**	524	385
Premiums ceded to reinsurers	**(26)**	(23)	(14)
Net premiums from insurance contracts	**510**	501	371

Net premiums from insurance contracts increased 37% (£139m) to £510m (2005: £371m). The inclusion of Absa increased net premiums from insurance contracts by £124m in the first half of 2006. Group net premiums from insurance contracts excluding Absa increased 4% reflecting growth in UK consumer lending.

Other income

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
(Decrease)/increase in fair value of assets held in respect of linked liabilities to customers under investment contracts	**(2,960)**	2,349	6,885
Decrease/(increase) in liabilities held in respect of linked liabilities to customers under investment contracts	**2,960**	(2,349)	(6,885)
Property rentals	**28**	29	25
Other	**33**	69	24
Other income	**61**	98	49

Certain asset management products offered to institutional clients by Barclays Global Investors are recognised as investment contracts. Accordingly the invested assets and the related liabilities to investors are held at fair value and changes in those fair values are reported within Other income.

Net claims and benefits paid on insurance contracts

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Gross claims and benefits paid on insurance contracts	**235**	398	296
Reinsurers share of claims paid	**(2)**	(40)	(9)
Net claims and benefits paid on insurance contracts	**233**	358	287

Net claims and benefits paid on insurance contracts decreased 19% (£54m) to £233m (2005: £287m). The inclusion of Absa increased net claims and benefits by £54m. Net claims and benefits paid on insurance contracts excluding Absa decreased 38%, principally reflecting lower claims and benefits in Wealth Management - closed life assurance activities due to market conditions in the period.

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Impairment charges

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Impairment charges on loans and advances			
- New and increased impairment allowances	**1,257**	1,184	945
- Releases	**(151)**	(199)	(134)
- Recoveries	**(125)**	(124)	(98)
Impairment charges on loans and advances (see note 5)	**981**	861	713
Credit provisions			
Charges for the period in respect of provision for undrawn contractually committed facilities and guarantees provided	**(7)**		(7)
Impairment charges on loans and advances and credit provisions	**974**	861	706
Impairment on available for sale assets	**83**	4	
Total impairment charges	**1,057**	865	706

Total impairment charges increased 50% (£351m) to £1,057m (2005: £706m).

Impairment charges on loans and advances and credit provisions

Impairment charges on loans and advances and credit provisions increased 38% (£268m) to £974m (2005: £706m). Excluding Absa (£53m), the increase was 30% and reflected the continued challenging credit environment in UK unsecured retail lending. Steady conditions in the wholesale sector persisted, with a low level of corporate defaults.

In the UK, consumers faced continued pressure on household cash flows. High debt levels and changing social attitudes to bankruptcy and debt default contributed to increased impairment charges. In UK credit cards, the quality of new business continued to improve, reflecting a continued tightening of underwriting standards. Despite these improvements, the value of debt in arrears rose because of an increase in the average value of debt per customer whilst the number of customers in delinquency decreased. In unsecured loans, delinquency rates were steady in the first half of 2006 and customers in delinquency decreased but the higher rate of bankruptcy has increased the level of charge-offs. Impairment on unsecured loans grew but at a slower rate than seen in UK Cards.

In UK Home Finance, delinquencies were flat and amounts charged-off remained low. Smaller business continued to see some deterioration in delinquency rates from a historically low base.

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Impairment charges on loans and advances and credit provisions (continued)

Group impairment charges on loans and advances on an annualised basis amounted to 0.61% (2005: 0.52%), as a percentage of period-end total loans and advances of £320,831m (30th June 2005: £275,188m).

Retail impairment charges increased to £839m (2005: £582m), including £39m in respect of Absa. Retail impairment charges on loans and advances on an annualised basis amounted to 1.25% (2005: 1.06%) of period end loans and advances of £134,534m (30th June 2005: £109,566m).

In the wholesale and corporate businesses, impairment charges on loans and advances increased to £142m (2005: £131m), including £13m in respect of Absa. The increase occurred primarily in UK Business Banking and reflected the growth in lending balances and the inclusion of Iveco Finance. The wholesale and corporate impairment charge on an annualised basis amounted to 0.15% (2005: 0.16%) as a percentage of period end total loans and advances of £186,297m (30th June 2005: £165,622m).

Impairment on available for sale assets

Impairment charges of £83m related to losses on assets in the available for sale portfolio where an intention to sell caused the losses to be treated as other than temporary in nature. This impairment charge arose from interest rate movements rather than credit deterioration. There was a corresponding gain which was recognised in net trading income.

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Operating expenses

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Staff costs (refer to page 44)	**4,147**	3,464	2,854
Administrative expenses	**1,916**	2,061	1,382
Depreciation	**207**	210	152
Impairment loss - property and equipment	**6**		
- intangible assets		9	
Operating lease rentals	**168**	179	137
Gains on sale and leaseback of property	**(238)**		
Amortisation of intangible assets	**63**	62	17
Operating expenses	**6,269**	5,985	4,542

Operating expenses increased 38% (£1,727m) to £6,269m (2005: £4,542m). The inclusion of Absa added operating expenses of £781m. Group operating expenses excluding Absa grew 21%, reflecting a higher level of business activity and an increase in performance related pay.

Operating expenses were reduced by gains from the sale and leaseback of property of £238m (2005: £nil) as the Group took advantage of historically low yields on property to realise gains on some of its freehold portfolio. The gains within UK Banking of £145m were largely offset by incremental investment.

Administrative expenses increased 39% (£534m) to £1,916m (2005: £1,382m). The inclusion of Absa added administrative expenses of £314m in the first half of 2006. Group administrative expenses excluding Absa grew 16% principally as a result of higher business activity in Barclays Global Investors, Barclays Capital and Barclaycard International.

Operating lease rentals increased 23% (£31m) to £168m (2005: £137m). The inclusion of Absa added operating lease rentals of £43m in the first half of 2006 which more than offset the absence of double occupancy costs incurred in 2005, associated with the head office relocation to Canary Wharf.

The increase in the amortisation of intangible assets primarily arises following the acquisition of Absa Group Limited on 27th July 2005.

The Group cost:income ratio remained flat at 57% (2005: 57%). This reflected improved productivity across all businesses, which was offset by the inclusion of Absa. The Group cost:net income ratio was 63% (2005: 63%).

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Staff costs

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Salaries and accrued incentive payments	**3,364**	2,780	2,256
Social security costs	**292**	215	197
Pension costs			
- defined contribution plans	**55**	36	40
- defined benefit plans	**142**	115	156
Other post retirement benefits	**15**	14	13
Other	**279**	304	192
Staff costs	**4,147**	3,464	2,854

Staff costs increased 45% (£1,293m) to £4,147m (2005: £2,854m). The inclusion of Absa added staff costs of £347m. Excluding the impact of Absa, staff costs increased 33%.

Salaries and accrued incentive payments rose 49% (£1,108m) to £3,364m (2005: £2,256m). The inclusion of Absa added £316m. Excluding Absa, salaries and accrued incentive payments rose 35%, principally due to performance related payments in Barclays Capital and Barclays Global Investors.

Pension costs comprise all UK and international pension schemes. Included in pension costs is a charge of £147m (2005: £155m) in respect of the Group s main UK pension schemes.

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Staff numbers

	As at		
	30.06.06	**31.12.05**	**30.06.05**
Staff numbers:			
UK Banking	**41,500**	39,800	40,600
UK Retail Banking	**33,600**	32,000	33,000
UK Business Banking	**7,900**	7,800	7,600
Barclaycard	**8,400**	7,800	7,200
International Retail and Commercial Banking	**47,000**	45,400	12,400
International Retail and Commercial Banking-ex Absa	**13,300**	12,700	12,400
International Retail and Commercial Banking-Absa	**33,700**	32,700	
Barclays Capital	**10,500**	9,900	8,400
Barclays Global Investors	**2,400**	2,300	2,100
Wealth Management	**7,500**	7,200	7,200
Head office functions and other operations	**1,000**	900	900
Total Group permanent and fixed term contract staff worldwide	**118,300**	113,300	78,800
Agency staff worldwide	**8,700**	7,000	4,300
Total including agency staff	**127,000**	120,300	83,100

Staff numbers are shown on a full-time equivalent basis. Total Group permanent and contract staff comprised 61,900 (31st December 2005: 59,100) in the UK and 56,400 (31st December 2005: 54,200) internationally.

UK Banking staff numbers increased by 1,700 to 41,500 (31st December 2005: 39,800), primarily reflecting the inclusion in UK Retail Banking of mortgage processing staff involved in activities previously outsourced.

Barclaycard staff numbers rose by 600 to 8,400 (31st December 2005: 7,800), reflecting growth of 200 in Barclaycard US, and increases in operations and customer facing staff in the UK.

International Retail and Commercial Banking increased staff numbers by 1,600 to 47,000 (31st December 2005: 45,400). International Retail and Commercial Banking - excluding Absa increased staff numbers by 600 to 13,300 (31st December 2005: 12,700), mainly due to growth in continental Europe. International Retail and Commercial Banking - Absa increased staff numbers by 1,000 to 33,700 (31st December 2005: 32,700), reflecting continued growth in the business.

Barclays Capital staff numbers rose by 600 to 10,500 (31st December 2005: 9,900). Growth was broadly based across all regions and reflected investments in the front office, systems development and control functions to support greater business volumes. The growth year on year includes the impact of Absa Capital staff, which were included from July 2005.

Barclays Global Investors increased staff numbers by 100 to 2,400 (31st December 2005: 2,300) reflecting investment to support strategic initiatives.

Wealth Management staff numbers rose by 300 to 7,500 (31st December 2005: 7,200) to support the expansion of the business.

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Head office functions and other operations staff numbers grew 100 to 1,000 (31st December 2005: 900).

Agency staff numbers rose by 1,700 to 8,700 (31st December 2005: 7,000), largely due to an increase in Absa.

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Share of post-tax results of associates and joint ventures

	Half-year ended		
	30.06.06 £m	31.12.05 £m	30.06.05 £m
Profit from associates	**29**	38	15
Profit/(loss) from joint ventures	**1**	(9)	1
Share of post-tax results of associates and joint ventures	**30**	29	16

The share of post-tax results of associates and joint ventures increased 88% (£14m) to £30m (2005: £16m). The increase in profit from associates primarily reflects the addition of the Absa associates.

Tax

The charge for the period is based upon a UK corporation tax rate of 30% for the calendar year 2006 (full-year 2005: 30%). The effective rate of tax for the first half of 2006, based on profit before tax, was 29.2% (2005: 26.6%). The effective tax rate differs from 30% as it takes account of the different tax rates which are applied to the profits earned outside the UK, disallowable expenditure, tax-free income and adjustments to prior year tax provisions. The effective tax rate for 2006 is higher than in the prior period principally due to the higher tax rates applicable to international operations. The tax charge for the first half of the year includes £640m (2005: £477m) arising in the UK and £432m (2005: £238m) arising overseas.

Profit attributable to minority interests

	Half-year ended		
	30.06.06 £m	31.12.05 £m	30.06.05 £m
Absa Group Limited minority interests	**122**	116	
Preference shares	**85**	80	33
Reserve capital instruments	**47**	28	65
Upper tier 2 instruments	**7**	4	7
Barclays Global Investors minority interests	**26**	22	19
Other minority interests	**7**	10	10
Profit attributable to minority interests	**294**	260	134

Profit attributable to minority interests increased £160m to £294m (2005: £134m) largely reflecting the acquisition of Absa Group Limited on 27th July 2005 and the associated preference share funding.

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Earnings per share

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
Profit attributable to equity holders of the parent	**£ 2,307m**	£ 1,606m	£ 1,841m
Dilutive impact of convertible options	**£ (17)m**	£ (29)m	
Profit attributable to equity holders of the parent including dilutive impact of convertible options	**£ 2,290m**	£ 1,577m	£ 1,841m
Basic weighted average number of shares in issue	**6,353m**	6,335m	6,337m
Number of potential ordinary shares[1]	**177m**	156m	141m
Diluted weighted average number of shares	**6,530m**	6,491m	6,478m
Basic earnings per ordinary share	**36.3p**	25.4p	29.1p
Diluted earnings per ordinary share	**35.1p**	24.3p	28.4p

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of shares excluding own shares held in employee benefit trusts, currently not vested and shares held for trading.

When calculating the diluted earnings per share, the profit attributable to equity holders of the parent is adjusted for the conversion of outstanding options into shares within certain subsidiary entities. The weighted average number of ordinary shares excluding own shares held in employee benefit trusts currently not vested and shares held for trading, is adjusted for the effects of all dilutive potential ordinary shares, totalling 177 million (2005: 141 million).

[1] Potential ordinary shares reflect the dilutive impact of share options outstanding.

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Dividends on ordinary shares

The Board has decided to pay, on 2nd October 2006, an interim dividend for the year ended 31st December 2006 of 10.5p per ordinary share for shares registered in the books of the Company at the close of business on 18th August 2006. The interim dividend of 9.2p per ordinary share for the year ended 31st December 2005 was paid on 3rd October 2005 and the final dividend for the year ended 31st December 2005 of 17.4p per ordinary share was paid on 28th April 2006. Shareholders who have their dividends paid direct to their bank or building society account will receive a consolidated tax voucher detailing the dividends paid in the 2006-2007 tax year in mid-October 2006.

The amount payable for the 2006 interim dividend is £667m (half-year ended 31st December 2005: £1,105m; half-year ended 30th June 2005: £582m). This amount excludes £16m payable on Barclays shares held by employee benefit trusts (half year ended 31st December 2005: £24m; half year ended 30th June 2005: £12m).

For qualifying US and Canadian resident ADR holders, the interim dividend of 10.5p per ordinary share becomes 42p per ADS (representing four shares). The ADR depositary will mail the dividend on 2nd October 2006 to ADR holders on the record on 18th August 2006.

For qualifying Japanese shareholders, the final dividend of 10.5p per ordinary share will be distributed in mid-October to shareholders on the record on 18th August 2006.

Shareholders may have their dividends reinvested in Barclays PLC shares by participating in the Barclays Dividend Reinvestment Plan. The plan is available to all shareholders, including members of Barclays Sharestore, provided that they do not live in or are subject to the jurisdiction of any country where their participation in the plan would require Barclays or The Plan Administrator to take action to comply with local government or regulatory procedures or any similar formalities. Any shareholder wishing to obtain details and a form to join the plan should contact The Plan Administrator by writing to: The Plan Administrator to Barclays, Share Dividend Team, The Causeway, Worthing, West Sussex, BN99 6DA; or, by telephoning 0870 609 4535. The completed form should be returned to The Plan Administrator on or before 8th September 2006 for it to be effective in time for the payment of the interim dividend on 2nd October 2006. Shareholders who are already in the plan need take no action unless they wish to change their instructions in which case they should write to The Plan Administrator.

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Analysis of amounts included in the balance sheet

Capital resources

	As at		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Shareholders equity excluding minority interests	**17,988**	17,426	16,099
Preference shares	**3,435**	2,977	2,971
Reserve capital instruments	**1,922**	1,868	1,929
Upper tier 2 instruments	**586**	581	586
Absa minority interests	**1,397**	1,351	
Other minority interests	**211**	227	200
Minority interests	**7,551**	7,004	5,686
Total shareholders equity	**25,539**	24,430	21,785
Subordinated liabilities	**13,629**	12,463	11,309
Total capital resources	**39,168**	36,893	33,094

The authorised share capital of Barclays PLC is £2,500m (31st December 2005: £2,500m) comprising 9,996 million (31st December 2005: 9,996 million) ordinary shares of 25p shares and 1 million (31st December 2005: 1 million) staff shares of £1 each. Called up share capital comprises 6,509 million (31st December 2005: 6,490 million) ordinary shares of 25p each and 1 million (31st December 2005: 1 million) staff shares of £1 each.

Total capital resources increased £2,275m to £39,168m since 31st December 2005.

Shareholders equity, excluding minority interests, increased £562m since 31st December 2005. The current period increase reflects profits attributable to equity holders of the parent of £2,307m, increases in share capital and share premium of £75m and other increases in retained reserves of £120m. Offsetting these movements were dividends paid of £1,105m, decreases in the available for sale and cash flow hedging reserves of £216m and £242m respectively, a £332m decrease in the translation reserve and a £45m decrease due to changes in treasury and ESOP shares.

Subordinated liabilities rose £1,166m since 31st December 2005 reflecting capital raisings of £1,926m and accrued interest of £15m; offset by exchange rate movements of £352m, redemptions of £129m, fair value adjustments of £280m and amortisation of issue expenses of £14m.

Minority interests increased £547m since 31st December 2005. The increase primarily reflected the issue, during April 2006, of 30,000,000 preference shares of US$25 each (US$750m; £419m) with a 6.625% dividend.

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Capital ratios

Risk weighted assets and capital resources, as defined for supervisory purposes by the Financial Services Authority, comprised:

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Risk weighted assets:			
Banking book			
On-balance sheet	**190,979**	180,808	159,927
Off-balance sheet	**33,010**	31,351	30,090
Associated undertakings and joint ventures	**6,351**	3,914	3,299
Total banking book	**230,340**	216,073	193,316
Trading book			
Market risks	**27,477**	23,216	26,432
Counterparty and settlement risks	**33,107**	29,859	22,658
Total trading book	**60,584**	53,075	49,090
Total risk weighted assets	**290,924**	269,148	242,406
Capital resources:			
Tier 1			
Called up share capital	**1,628**	1,623	1,616
Eligible reserves	**18,061**	16,837	15,544
Minority interests[1]	**7,629**	6,634	5,237
Tier one notes[2]	**941**	981	957
Less: intangible assets	**(7,242)**	(7,180)	(4,880)
Total qualifying tier 1 capital	**21,017**	18,895	18,474
Tier 2			
Revaluation reserves	**25**	25	25
Available for sale-equity gains	**188**	223	
Collectively assessed impairment allowances	**2,593**	2,306	2,067
Minority Interests	**479**	515	494
Qualifying subordinated liabilities[3]			
Undated loan capital	**3,200**	3,212	3,210
Dated loan capital	**8,157**	7,069	6,560
Total qualifying tier 2 capital	**14,642**	13,350	12,356
Less: Supervisory deductions:			
Investments not consolidated for supervisory purposes	**(946)**	(782)	(696)
Other deductions	**(998)**	(961)	(713)
	(1,944)	(1,743)	(1,409)
Total net capital resources	**33,715**	30,502	29,421

Tier 1 ratio	**7.2%**	7.0%	7.6%
Risk asset ratio	**11.6%**	11.3%	12.1%

1 Includes reserve capital instruments of £2,158m (31st December 2005: £1,735m; 30th June 2005: £1,679m). Minority interests include an issue of £500m of reserve capital instruments raised during the first half of 2006 which is eligible for inclusion in tier 1 capital. This issue is classified within subordinated liabilities on the balance sheet.

2 Tier one notes are included in subordinated liabilities in the consolidated balance sheet.

3 Subordinated liabilities are included in tier 2, subject to limits laid down in the supervisory requirements.

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Capital ratios (continued)

At 30th June 2006, the Tier 1 capital ratio was 7.2% and the risk asset ratio was 11.6%. From 31st December 2005, net total capital resources rose £3.2bn and risk weighted assets increased £21.8bn.

Tier 1 capital rose £2.1bn, including £1.2bn arising from profits attributable to equity holders net of dividends paid. Minority interests within Tier 1 capital increased £1.0bn primarily due to the issuance of £0.5bn of Reserve Capital Instruments and £0.6bn of preference shares. Tier 2 capital increased £1.3bn mainly as a result of the issuance of £1.4bn of loan capital.

The weakening of the Rand against Sterling had a positive impact on capital ratios for the first half of 2006.

Reconciliation of regulatory capital

Capital is defined differently for accounting and regulatory purposes. A reconciliation of shareholders equity for accounting purposes to called up share capital and eligible reserves for regulatory purposes, is set out below:

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Shareholders equity excluding minority interests	**17,988**	17,426	16,099
Available for sale reserve	**(9)**	(225)	(374)
Cash flow hedging reserve	**172**	(70)	(328)
Retained earnings			
Defined benefit pension scheme	**1,302**	1,215	1,401
Additional companies in regulatory consolidation and non-consolidated companies	**(101)**	(145)	5
Foreign exchange on RCIs and upper tier 2 loan stock	**398**	289	390
Other adjustments	**(61)**	(30)	(33)
Called up share capital and eligible reserves for regulatory purposes	**19,689**	18,460	17,160

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Total assets and risk weighted assets

Total assets increased 7% to £986.1bn (31st December 2005: £924.4bn). Risk weighted assets increased 8% to £290.9bn (31st December 2005: £269.1bn).

UK Retail Banking total assets increased 1% to £70.9bn (31st December 2005: £70.4bn). Risk weighted assets increased 3% to £33.8bn (31st December 2005: £32.8bn), due to asset growth, small changes in the asset weighting mix and a reduced benefit from credit mitigation transactions in mortgages.

UK Business Banking total assets increased 6% to £63.5bn (31st December 2005: £59.9bn), reflecting strong growth in loans and advances to customers. Risk weighted assets increased 8% to £50.8bn (31st December 2005: £47.1bn), broadly in line with total asset growth.

Barclaycard total assets increased 3% to £26.6bn (31st December 2005: £25.8bn) driven by growth in lending balances. Risk weighted assets increased by 10% to £24.0bn (31st December 2005: £21.8bn) primarily due to balance sheet growth and a reduction in securitised balances.

International Retail and Commercial Banking - excluding Absa total assets increased 5% to £35.8bn (31st December 2005: £34.2bn) primarily reflected strong volume growth in continental European mortgages. Risk weighted assets increased 5% to £21.4bn (31st December 2005: £20.4bn), reflecting the balance sheet growth.

International Retail and Commercial Banking - Absa total assets were £29.3bn (31st December 2005: £29.4bn) and risk weighted assets £20.7bn (31st December 2005: £20.8bn). In Rand terms assets grew 21% to R386bn (31st December 2005: R319bn) and risk weighted assets grew 20% to R273bn (31st December 2005: R226bn). Growth in Rand terms was more than offset by the depreciation in the Rand exchange rate against Sterling.

Barclays Capital total assets increased 10% to £659.3bn (31st December 2005: £601.2bn). This was mainly attributable to increases in debt and equity securities held in the trading portfolio and in reverse repurchase agreements, as the business continued to grow in Europe, the US and Asia. Settlement balances were also higher compared to December as a result of seasonal fluctuations in trading related activity. Risk weighted assets increased 12% to £130.5bn (31st December 2005: £116.7bn). This increase reflected the growth in the business.

Barclays Global Investors total assets decreased 4% to £77.3bn (31st December 2005: £80.9bn). The substantial majority of total assets related to asset management products where equal and offsetting balances are reflected within liabilities to customers. Risk weighted assets decreased 5% to £1.4bn (31st December 2005: £1.5bn).

Wealth Management total assets increased 12% to £6.8bn (31st December 2005: £6.1bn) principally reflecting good growth in lending balances. Risk weighted assets increased 21% to £4.9bn (31st December 2005: £4.1bn).

Head office functions and other operations total assets remained flat at £9.3bn (31st December 2005: £9.3bn). Risk weighted assets decreased 15% to £3.4bn (31st December 2005: £4.0bn).

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Group performance management

Performance relative to the 2004 to 2007 goal period

Barclays will continue to use goals to drive performance. At the end of 2003, Barclays established a new set of four year performance goals for the period 2004-2007 inclusive. The primary goal is to achieve top quartile Total Shareholder Return (TSR) relative to a peer group[1] of financial services companies and is unchanged from the prior goal period. TSR is defined as the value created for shareholders through share price appreciation, plus re-invested dividend payments. The peer group is regularly reviewed to ensure that it remains aligned to our business mix and the direction and scale of our ambition.

In terms of progress towards Group goals, Barclays delivered Total Shareholder Return (TSR) of 38% and was positioned 7th within its peer group (third quartile) for the goal period commencing 1st January 2004. The TSR of the FTSE 100 Index for this period was 42%.

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1 Peer group for 2006 remained unchanged from 2005: ABN Amro, BBVA, BNP Paribas, Citigroup, Deutsche Bank, HBOS, HSBC, JP Morgan, Lloyds TSB, Royal Bank of Scotland and UBS.

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Risk Tendency

As part of its credit risk management system, the Group uses a model-based methodology to assess the point-in-time expected loss of credit portfolios across different customer categories. The approach is termed Risk Tendency and applies to credit exposures in both wholesale and retail sectors. Risk Tendency provides statistical estimates of losses expected to arise within the next year based on averages in the ranges of possible losses expected from each of the current portfolios. This can be contrasted with impairment allowances required under accounting standards, which are based on objective evidence of impairment as at the balance sheet date.

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

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
UK Banking	**470**	430	400
UK Retail Banking	**195**	180	170
UK Business Banking	**275**	250	230
Barclaycard	**1,340**	1,100	980
International Retail and Commercial Banking	**195**	175	75
International Retail and Commercial Banking-ex Absa	**70**	75	75
International Retail and Commercial Banking-Absa	**125**	100	
Barclays Capital	**125**	110	80
Wealth Management	**10**	5	5
Transition Businesses[1]	**25**	25	35
	2,165	1,845	1,575

Risk Tendency increased 17% (£320m) to £2,165m (31st December 2005: £1,845m).

The principal increase in Risk Tendency occurred in Barclaycard, where Risk Tendency rose £240m to £1,340m, reflecting the deterioration of credit conditions in the UK credit card and unsecured loan market and enhancements to the methodology. Risk Tendency growth in the other businesses largely reflected credit conditions and loan growth.

1 Included within head office functions and other operations.

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ADDITIONAL INFORMATION

Group reporting changes in 2006

Barclays announced on 16th June 2006 the impact of certain changes in Group structure and reporting on 2005 and 2004 results.

Barclays has realigned a number of reportable business segments based on the reorganisation of certain portfolios better to reflect the type of client served, the nature of the products offered and the associated risks and rewards. The Group s policy for the internal cost of funding and the segmental disclosure of risk weighted assets was also revised with effect from 1st January 2006. The restatements have no impact on the Group Income Statement or Balance Sheet.

Group structure changes - effective 1st January 2006

UK Retail Banking comprises Personal Customers, Local Business (formerly Small Business), UK Premier and Home Finance (formerly Mortgages). A number of smaller business clients previously within UK Business Banking are now managed and reported within UK Retail Banking.

UK Business Banking comprises Larger Business and Medium Business including Asset and Sales Finance. A number of financial institution, large corporate and property clients previously within UK Business Banking are now managed by and reported in Barclays Capital. A number of smaller business clients previously within UK Business Banking are now managed and reported within UK Retail Banking. Certain portfolios have been reclassified as businesses in transition and are now managed and reported in Head office functions and other operations.

International Retail and Commercial Banking - Absa. The majority of Absa Corporate and Merchant Banking has been relaunched as Absa Capital and is being managed and reported in Barclays Capital.

Barclays Capital has added a number of financial institutions, large corporates and property companies previously managed within UK Business Banking and International Retail and Commercial Banking - Absa.

Head office functions and other operations. Certain lending portfolios previously managed within UK Business Banking have been reclassified as businesses in transition. These businesses are now centrally managed with the objective of maximising the recovery from these assets.

The structure remains unchanged for: Barclays Global Investors; Wealth Management; Wealth Management - closed life assurance activities; Barclaycard and; International Retail and Commercial Banking excluding - Absa.

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ADDITIONAL INFORMATION

Changes to internal cost of funding - effective 1st January 2006

All transactions between the businesses are conducted on an arm s length basis. Internal charges and transfer pricing adjustments are reflected in the performance of each business. Head office functions and other operations contains a centralised Treasury function which manages the Group s capital base, generating a net interest income. Previously the net interest income was allocated to the businesses based on the level of economic capital held by each business as a proportion of that held by the Group, which ensured a nil net interest income result in Treasury. The allocation is now determined by applying Treasury s effective rate of return on capital to the average economic capital held by each business.

Changes to risk weighted assets by business - effective 1st January 2006

Under the Group s securitisation programme, certain portfolios of loans and advances to customers and other assets subject to securitisation or similar risk transfer are adjusted in calculating the Group s risk weighted assets. With effect from 1st January 2006 the costs associated with each securitisation, which were previously held centrally, will be allocated to the relevant businesses. The regulatory capital adjustments arising from the securitisation programme will be attributed to the business which bears the costs.

Acquisitions and disposals

On 1st January 2006 Barclays completed the sale to Absa Group Limited of the Barclays South African branch business. This business consists of the Barclays Capital South African operations and Corporate and Business Banking activities previously carried out by the South African Branch of International Retail and Commercial Banking - excluding Absa, together with the associated assets and liabilities.

On 29th June 2006, a wholly-owned subsidiary of Barclays Bank PLC acquired a 16% minority equity stake in Greenergy International Limited, a UK based fuels and biofuels company, for a cash consideration of £12m.

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ADDITIONAL INFORMATION

Basis of Preparation

There have been no significant changes to the accounting policies described in the 2005 Annual Report. Therefore the information in this announcement has been prepared using the accounting policies and presentation applied in 2005.

Future accounting developments

IFRS 7 (Financial Instruments Disclosures) and an amendment to IAS 1 (Presentation of Financial Statements) on capital disclosures were issued by the IASB in August 2005 for application in accounting periods beginning on or after 1st January 2007 and have been adopted by the European Commission. The new or revised disclosures will be adopted by the Group for reporting in 2007.

Consideration will be given during 2006 to the implications, if any, of the following International Financial Reporting Interpretations Committee (IFRIC) interpretations issued during 2005 and 2006 which first apply to accounting periods beginning on or after 1st January 2007:

Interpretation 7 - Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies

Interpretation 8 - Scope of IFRS 2

Interpretation 9 - Reassessment of Embedded Derivatives

Interpretation 10 - Interim Financial Reporting and Impairment.

Share capital

The Group manages its debt and equity capital actively. The Group s authority to buy back ordinary shares was renewed at the 2006 Annual General Meeting.

Group share schemes

The independent trustees of the Group s share schemes may make purchases of Barclays PLC ordinary shares in the market at any time or times following this announcement of the Group s results for the purposes of those schemes current and future requirements. The total number of ordinary shares purchased would not be material in relation to the issued share capital of Barclays PLC.

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ADDITIONAL INFORMATION

Competition and regulatory matters

The scale of regulatory change remains challenging, arising in part from the implementation of some key European Union (EU) directives. Many changes to financial services legislation and regulation have come into force in recent years and further changes will take place in the near future. Concurrently, there is continuing political and regulatory scrutiny of the operation of the retail banking and consumer credit industries in the UK and elsewhere.

In the EU as a whole, this includes an inquiry into retail banking in all 25 member states by the European Commission s Directorate General for Competition. The inquiry is looking at retail banking in Europe generally and the Group is co-operating with the inquiry. The outcome of the inquiry is unclear, but it may have an impact on retail banking in one or more of the EU countries in which the Group operates and therefore on the Group s business in that sector.

In the UK, in September 2005 the Office of Fair Trading (OFT) received a super-complaint from the Citizens Advice Bureau relating to payment protection insurance (PPI). As a result of its inquiries, the OFT commenced a market study on PPI in April 2006. The impact of the study is not known at present.

In relation to UK consumer credit:

- The OFT has carried out investigations into Visa and MasterCard credit card interchange rates. The decision by the OFT in the MasterCard interchange case was set aside by the Competition Appeals Tribunal in June 2006. The OFT s investigation in the Visa interchange case is at an earlier stage and a second MasterCard interchange case is ongoing. The outcome is not known but these investigations may have an impact on the consumer credit industry in general and therefore on the Group s business in this sector.

- The OFT also has a continuing investigation into the level of late and over-limit fees on credit cards. The OFT announced its findings on 5th April 2006 requiring a response from credit card companies by 31st May 2006. Barclaycard responded by confirming that it will be reducing its late and over-limit fees on credit cards.

The OFT announced in January 2006 that it would be reviewing the undertakings given following the conclusion of the Competition Commission Inquiry in 2002 into the supply of banking services to Small and Medium Sized Enterprises. The OFT commenced the review in April 2006 and anticipates that it will take nine months. The Group is cooperating fully with that review.

Recent developments

Barclays announced on 13th March 2006, that it had signed a non-binding Letter of Intent with Canadian Imperial Bank of Commerce (CIBC) for the sale of Barclays 43.7% stake in FirstCaribbean International Bank (FirstCaribbean) to CIBC. On 29th June 2006 Barclays announced that it had entered into a definitive agreement for the sale of the stake to CIBC for approximately US$1.08 billion. CIBC has the option of paying for the transaction in cash, CIBC common shares, or a combination of cash and shares, the relative proportions of which CIBC will determine before completion. Barclays would not intend to be a long term holder of any CIBC shares it may receive in connection with this transaction. The transaction, which is subject to a number of conditions, including the receipt of applicable regulatory approvals, is anticipated to complete in late 2006.

Barclays announced on 22nd June 2006 that it had entered into an agreement to purchase the US mortgage servicing business of HomEq Servicing Corporation from Wachovia Corporation for a consideration of US$469 million.

BARCLAYS PLC

NOTES

1. Assets held in respect of linked liabilities to customers under investment contracts/liabilities arising from investment contracts

	30.06.06 £m	As at 31.12.05 £m	30.06.05 £m
Non-trading financial instruments fair valued through profit and loss held in respect of linked liabilities	**79,334**	83,193	69,792
Cash and bank balances within the funds	**2,046**	2,008	1,816
Assets held in respect of linked liabilities to customers under investment contracts	**81,380**	85,201	71,608
Liabilities arising from investment contracts	**(81,380)**	(85,201)	(71,608)

2. Derivative financial instruments

The tables set out below analyse the contract or underlying principal and the fair value of derivative financial instruments held for trading purposes and for the purposes of managing the Group s structural exposures. Derivatives are measured at fair value and the resultant profits and losses from derivatives held for trading purposes are included in net trading income. Where derivatives are held for risk management purposes and when transactions meet the criteria specified in IAS 39, the Group applies hedge accounting as appropriate to the risks being hedged.

		As at 30.06.06	
	Contract notional amount £m	Fair value Assets £m	Fair value Liabilities £m
Derivatives designated as held for trading			
Foreign exchange derivatives	**1,407,480**	**20,865**	**(20,885)**
Interest rate derivatives	**17,863,507**	**80,471**	**(80,625)**
Credit derivatives	**897,769**	**5,473**	**(5,075)**
Equity and stock index and commodity derivatives	**587,142**	**29,099**	**(31,721)**
Total derivative assets/(liabilities) held for trading	**20,755,898**	**135,908**	**(138,306)**
Derivatives designated in hedge accounting relationships			
Derivatives designated as cash flow hedges	**31,724**	**135**	**(351)**
Derivatives designated as fair value hedges	**15,982**	**267**	**(313)**
Derivatives designated as hedges of net investments	**12,292**	**591**	**(12)**
Total derivative assets/(liabilities) designated in hedge accounting relationships	**59,998**	**993**	**(676)**
Total recognised derivative assets/(liabilities)	**20,815,896**	**136,901**	**(138,982)**

Total derivative notionals as at 30th June 2006 have grown from 31st December 2005 primarily due to increases in the volume of fixed income derivatives, which reflects the continued growth in our client base and increased use of electronic trading platforms in Europe and the US. Credit derivative values have also increased significantly due to growth in the market for these products.

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2. Derivative financial instruments (continued)

	As at 31.12.05		
	Contract notional amount	Fair value	
	£m	Assets £m	Liabilities £m
Derivatives designated as held for trading			
Foreign exchange derivatives	1,184,074	18,485	(17,268)
Interest rate derivatives	15,374,057	81,028	(79,701)
Credit derivatives	609,381	4,172	(4,806)
Equity and stock index and commodity derivatives	637,452	32,481	(35,128)
Total derivative assets/(liabilities) held for trading	17,804,964	136,166	(136,903)
Derivatives designated in hedge accounting relationships			
Derivatives designated as cash flow hedges	40,080	232	(483)
Derivatives designated as fair value hedges	33,479	423	(331)
Derivatives designated as hedges of net investments	5,919	2	(254)
Total derivative assets/(liabilities) designated in hedge accounting relationships	79,478	657	(1,068)
Total recognised derivative assets/(liabilities)	17,884,442	136,823	(137,971)

	As at 30.06.05		
	Contract notional amount	Fair value	
	£m	Assets £m	Liabilities £m
Derivatives designated as held for trading			
Foreign exchange derivatives	1,031,529	17,912	(17,174)
Interest rate derivatives	13,362,136	93,435	(91,197)
Credit derivatives	398,126	3,110	(2,897)
Equity and stock index and commodity derivatives	376,436	18,492	(20,815)
Total derivative assets/(liabilities) held for trading	15,168,227	132,949	(132,083)
Derivatives designated in hedge accounting relationships			
Derivatives designated as cash flow hedges	22,839	283	(300)
Derivatives designated as fair value hedges	38,857	694	(401)
Derivatives designated as hedges of net investments	313	6	
Total derivative assets/(liabilities) designated in hedge accounting relationships	62,009	983	(701)
Total recognised derivative assets/(liabilities)	15,230,236	133,932	(132,784)

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3. Loans and advances to banks

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
By geographical area			
United Kingdom	**7,848**	4,624	6,026
Other European Union	**10,209**	5,423	11,992
United States	**10,888**	13,267	9,180
Africa	**1,375**	880	409
Rest of the World	**5,014**	6,915	7,630
	35,334	31,109	35,237
Less: Allowance for impairment	**(4)**	(4)	(12)
Total loans and advances to banks	**35,330**	31,105	35,225

Of the total loans and advances to banks, placings with banks were £18.1bn (2005: £21.1bn).

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4. Loans and advances to customers

	30.06.06 £m	As at 31.12.05 £m	30.06.05 £m
Retail business	**134,534**	144,039	109,566
Wholesale and corporate business	**150,963**	128,303	130,385
	285,497	272,342	239,951
Less: Allowances for impairment	**(3,400)**	(3,446)	(2,828)
Total loans and advances to customers	**282,097**	268,896	237,123
By geographical area			
United Kingdom	**164,417**	163,759	165,382
Other European Union	**43,528**	38,923	35,479
United States	**26,523**	22,925	22,588
Africa	**29,694**	33,221	3,046
Rest of the World	**21,335**	13,514	13,456
	285,497	272,342	239,951
Less: Allowance for impairment	**(3,400)**	(3,446)	(2,828)
Total loans and advances to customers	**282,097**	268,896	237,123
By industry			
Financial institutions	**56,616**	43,102	44,791
Agriculture, forestry and fishing	**3,449**	3,785	2,426
Manufacturing	**13,951**	13,779	12,717
Construction	**4,430**	5,020	4,478
Property	**16,929**	16,325	7,797
Energy and water	**5,527**	6,891	4,976
Wholesale and retail distribution and leisure	**16,902**	17,760	13,844
Transport	**5,252**	5,960	5,169
Postal and communication	**1,394**	1,313	1,164
Business and other services	**29,453**	24,247	28,721
Home loans[1]	**89,001**	89,529	75,435
Other personal	**31,865**	35,543	30,287
Finance lease receivables	**10,728**	9,088	8,146
	285,497	272,342	239,951
Less: Allowance for impairment	**(3,400)**	(3,446)	(2,828)
Total loans and advances to customers	**282,097**	268,896	237,123

The industry classifications have been prepared at the level of the borrowing entity. This means that a loan to the subsidiary of a major corporation is classified by the industry in which that subsidiary operates even though the parent s predominant business may be a different industry.

Loans and advances grew 5% (£13,201m) to £282,097m (31st December 2005: £268,896m).

1 Excludes commercial property mortgages.

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5. Allowance for impairment on loans and advances

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
At beginning of period	**3,450**	2,840	2,637
Acquisitions and disposals	**(3)**	532	23
Exchange and other adjustments	**(105)**	62	63
Unwind of discount	**(48)**	(46)	(30)
Amounts written off (see below)	**(996)**	(923)	(664)
Recoveries (see below)	**125**	124	98
Amounts charged against profit (see below)	**981**	861	713
At end of period	**3,404**	3,450	2,840
Amounts written off			
United Kingdom	**(751)**	(682)	(620)
Other European Union	**(54)**	(40)	(16)
United States	**(18)**	(119)	(24)
Africa	**(167)**	(77)	(4)
Rest of the World	**(6)**	(5)	
	(996)	(923)	(664)
Recoveries			
United Kingdom	**80**	95	65
Other European Union	**10**	9	4
United States	**13**	9	6
Africa	**17**	15	1
Rest of the World	**5**	(4)	22
	125	124	98
Impairment charged against profit:			
New and increased impairment allowances			
United Kingdom	**1,042**	936	827
Other European Union	**56**	68	45
United States	**44**	68	37
Africa	**102**	92	17
Rest of the World	**13**	20	19
	1,257	1,184	945
Less: Releases of impairment allowance			
United Kingdom	**(84)**	(124)	(97)
Other European Union	**(25)**	(15)	(10)
United States	**(16)**	9	(23)
Africa	**(15)**	(52)	(4)
Rest of the World	**(11)**	(17)	

	(151)	(199)	(134)
Recoveries	**(125)**	(124)	(98)
Total impairment charges on loans and advances[1]	**981**	861	713

1 This excludes other credit provisions and impairment on available for sale assets detailed on page 41.

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5. Allowance for impairment on loans and advances (continued)

	Half-year ended		
	30.06.06 £m	31.12.05 £m	30.06.05 £m
Allowance			
United Kingdom	**2,428**	2,266	2,174
Other European Union	**259**	284	282
United States	**128**	130	149
Africa	**474**	647	76
Rest of the World	**115**	123	159
	3,404	3,450	2,840

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6. Potential credit risk loans

The following tables present an analysis of potential credit risk loans (non-performing and potential problem loans).

	30.06.06 £m	As at 31.12.05 £m	30.06.05 £m
Potential credit risk loans			
Summary			
Impaired loans[1]	**4,630**	4,550	3,735
Accruing loans which are contractually overdue 90 days or more as to principal or interest	**618**	609	613
	5,248	5,159	4,348
Restructured loans	**46**	51	23
Total non-performing loans	**5,294**	5,210	4,371
Potential problem loans	**935**	929	731
Total potential credit risk loans	**6,229**	6,139	5,102
Geographical split			
Impaired loans[1]:			
United Kingdom	**3,164**	2,965	2,870
Other European Union	**461**	345	305
United States	**172**	230	237
Africa	**657**	831	122
Rest of the World	**176**	179	201
Total	**4,630**	4,550	3,735
Accruing loans which are contractually overdue 90 days or more as to principal or interest			
United Kingdom	**528**	539	576
Other European Union	**67**	53	31
United States	**2**		1
Africa	**21**	17	5
Rest of the World			
Total	**618**	609	613

1 Impaired loans are non-performing loans where, in general, an impairment allowance has been raised. This classification may also include non-performing loans which are fully collateralised or where the indebtedness has already been written down to the expected realisable value.

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6. Potential credit risk loans (continued)

	30.06.06 £m	**As at 31.12.05 £m**	**30.06.05 £m**
Restructured loans			
United Kingdom	**2**	5	
Other European Union	**10**	7	7
United States	**17**	16	16
Africa	**17**	23	
Rest of the World			
Total	**46**	51	23
Total non-performing loans			
United Kingdom	**3,694**	3,509	3,446
Other European Union	**538**	405	343
United States	**191**	246	254
Africa	**695**	871	127
Rest of the World	**176**	179	201
Total	**5,294**	5,210	4,371
Potential problem loans			
United Kingdom	**599**	640	561
Other European Union	**51**	26	58
United States	**35**	12	43
Africa	**248**	248	66
Rest of the World	**2**	3	3
Total	**935**	929	731
Total potential credit risk loans			
United Kingdom	**4,293**	4,149	4,007
Other European Union	**589**	431	401
United States	**226**	258	297
Africa	**943**	1,119	193
Rest of the World	**178**	182	204
Total	**6,229**	6,139	5,102
Allowance coverage of non-performing loans	**%**	%	%
United Kingdom	**65.7**	64.6	63.1
Other European Union	**48.1**	70.1	82.2
United States	**67.0**	52.8	58.7
Africa	**68.2**	74.3	59.8
Rest of the World	**65.3**	68.7	79.1
Total	**64.3**	66.2	65.0

Allowance coverage of total potential credit risk loans	**%**	%	%
United Kingdom	**56.6**	54.6	54.3
Other European Union	**44.0**	65.9	70.3
United States	**56.6**	50.4	50.2
Africa	**50.3**	57.8	39.3
Rest of the World	**64.6**	67.6	77.9
Total	**54.6**	56.2	55.7

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6. Potential credit risk loans (continued)

	30.06.06 %	As at 31.12.05 %	30.06.05 %
Allowance coverage of non-performing loans:			
Retail	**63.2**	62.3	64.3
Wholesale and corporate	**66.8**	74.2	66.3
Total	**64.3**	66.2	65.0
Allowance coverage of total potential credit risk loans:			
Retail	**56.9**	57.1	59.2
Wholesale and corporate	**50.4**	54.4	49.8
Total	**54.6**	56.2	55.7

In the half year to 30th June 2006, Group non-performing loans (NPLs) increased 2% to £5,294m (31st December 2005: £5,210m). Retail NPLs increased 3% and wholesale and corporate NPLs were broadly flat.

Potential problem loans (PPLs) were broadly flat at £935m (31st December 2005: £929m). Retail PPLs increased 25% and wholesale and corporate PPLs declined 12%.

Potential Credit Risk Loans (PCRLs) increased 1% from 31st December 2005 to £6,229m (31st December 2005: £6,139m). Retail PCRLs increased 5% and wholesale and corporate PCRLs declined 5%.

7. Available for sale financial investments

	30.06.06 £m	As at 31.12.05 £m	30.06.05 £m
Debt securities	**49,908**	50,024	59,227
Equity securities	**1,400**	1,258	848
Treasury bills and other eligible bills	**2,498**	2,223	1,068
	53,806	53,505	61,143
Less: Allowance for impairment	**(90)**	(8)	
Available for sale financial investments	**53,716**	53,497	61,143

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8. Other assets

	30.06.06 £m	As at 31.12.05 £m	30.06.05 £m
Sundry debtors	**3,980**	3,569	2,789
Prepayments	**962**	722	530
Accrued income	**834**	329	172
Insurance assets, including unit linked assets	**90**	114	107
Other assets	**5,866**	4,734	3,598

9. Other liabilities

	30.06.06 £m	As at 31.12.05 £m	30.06.05 £m
Obligations under finance leases payable	**102**	289	338
Sundry creditors	**5,772**	6,131	5,477
Accruals and deferred income	**4,893**	4,711	3,834
Other liabilities	**10,767**	11,131	9,649

10. Other provisions for liabilities

	30.06.06 £m	As at 31.12.05 £m	30.06.05 £m
Redundancy and restructuring	**90**	74	70
Undrawn contractually committed facilities and guarantees	**50**	55	48
Onerous contracts	**44**	79	42
Sundry provisions	**290**	309	226
Other provisions for liabilities	**474**	517	386

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11. Other reserves

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Available for sale reserve	**9**	225	374
Cash flow hedging reserve	**(172)**	70	328
Capital redemption reserve	**309**	309	309
Other capital reserve	**617**	617	617
Translation reserve	**(176)**	156	(35)
Other reserves	**587**	1,377	1,593

Movements in other reserves reflect the relevant amounts recorded in the consolidated statement of recognised income and expense on page 74.

The movements include related tax impacts but exclude amounts attributable to minority interests.

12. Retirement benefit liabilities

The Group s IAS 19 pension deficit across all schemes as at 30th June 2006 was £1,843m (31st December 2005: £2,879m). This comprises net recognised liabilities of £1,893m (31st December 2005: £1,737m) and unrecognised actuarial gains of £50m (31st December 2005: £1,142m unrecognised actuarial loss). The net recognised liabilities comprises retirement benefit liabilities of £1,976m (31st December 2005: £1,823m) and assets of £83m (31st December 2005: £86m).

The Group s IAS 19 pension deficit in respect of the main UK scheme as at 30th June 2006 was £1,469m (31st December 2005: £2,535m). The primary reason for this change was the increase in the discount rate from 4.83% pa at 31st December 2005 to 5.32% pa at 30th June 2006, reflecting the increase in AA corporate bond yields over the period. This change in assumptions had the effect of decreasing the liabilities measured for IAS19 purposes by £1,738m and more than offset the effect of an increase in the inflation assumption to 2.9% (31st December 2005: 2.75%).

The actuarial funding position of the main UK pension scheme as at 30th June 2006, estimated from the formal triennial valuation in 2004, was a surplus of £1,300m (31st December 2005: surplus of £900m).

The Pensions Protection Fund (PPF) solvency ratio[1] for the main UK scheme as at 30th June 2006 was estimated to be 116% (31st December 2005: 110%).

1 The PPF solvency ratio represents the funds assets as a percentage of pension liabilities calculated using a section 179 valuation model.

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13. Legal proceedings

Barclays has for some time been party to proceedings, including a class action, in the United States against a number of defendants following the collapse of Enron; the class action claim is commonly known as the Newby litigation. On 20th July 2006 Barclays received an Order from the United States District Court for the Southern District of Texas Houston Division which dismissed the claims against Barclays PLC, Barclays Bank PLC and Barclays Capital Inc. in the Newby litigation. This Order, unless successfully challenged by the Plaintiffs, ends the Newby litigation for Barclays.

Barclays considers that the remaining Enron claims against it are without merit and is defending them vigorously. It is not possible to estimate Barclays possible loss in relation to these matters, nor the effect that it might have upon operating results in any particular financial period.

Barclays has been in negotiations with the staff of the US Securities and Exchange Commission with respect to a settlement of the Commission s investigation of transactions between Barclays and Enron. Barclays has also been in negotiations in the Enron bankruptcy proceedings. Barclays does not expect that the amount of any settlement with the Commission or in the bankruptcy proceedings would have a significant adverse effect on its financial position or operating results.

Barclays is engaged in various other litigation proceedings both in the United Kingdom and a number of overseas jurisdictions, including the United States, involving claims by and against it, which arise in the ordinary course of business. Barclays does not expect the ultimate resolution of any of the proceedings to which Barclays is party to have a significant adverse effect on the financial position of the Group and Barclays has not disclosed the contingent liabilities associated with these claims either because they cannot reasonably be estimated or because such disclosure could be prejudicial to the conduct of the claims.

14. Contingent liabilities and commitments

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Contingent liabilities			
Acceptances and endorsements	**248**	283	271
Guarantees and assets pledged as collateral for security	**33,417**	38,035	35,703
Other contingent liabilities	**8,354**	8,825	8,503
	42,019	47,143	44,477
Commitments			
Standby facilities, credit lines and other commitments	**204,860**	203,785	163,037

Contingent liabilities decreased 11% (£5.1bn) to £42.0bn (31st December 2005: £47.1bn).

Commitments increased 1% (£1.1bn) to £204.9bn (31st December 2005: £203.8bn).

BARCLAYS PLC

15. Market risk

Market risk is the risk that the Group s earnings, capital, or ability to meet its business objectives, will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates, equity prices and commodity prices.

Barclays Capital s market risk exposure, as measured by average total Daily Value at Risk (DVaR), increased in the first half of 2006 to £36.2m. This was mainly due to an increase in non-interest rate trading risk. Total DVaR as at 30th June 2006 was £36.4m (31st December 2005: £37.6m[1]).

[1] This was previously reported as £37.4m. The increase is due to the inclusion of Absa Capital.

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15. Market risk (continued)
Analysis of Barclays Capital s market risk exposures

The daily average, maximum and minimum values of DVaR were calculated as below:

DVaR

	Half-year ended 30th June 2006		
	Average £m	**High[1] £m**	**Low[1] £m**
Interest rate risk	**20.5**	25.2	14.6
Credit spread risk	**24.2**	27.5	20.9
Foreign exchange risk	**4.5**	7.7	2.0
Equities risk	**7.7**	10.0	6.0
Commodities risk	**8.4**	13.9	5.7
Diversification effect	**(29.1)**		
Total DVaR	**36.2**	43.0	31.3

	Half-year ended 31st December 2005		
	Average £m	**High[1] £m**	**Low[1] £m**
Interest rate risk	26.2	34.1	18.6
Credit spread risk	22.4	27.6	19.0
Foreign exchange risk	2.7	5.4	1.6
Equities risk	6.8	8.3	3.9
Commodities risk	7.7	11.4	5.4
Diversification effect	(32.2)		
Total DVaR	33.6	40.7	27.2

	Half-year ended 30th June 2005		
	Average £m	**High[1] £m**	**Low[1] £m**
Interest rate risk	24.6	44.8	15.4
Credit spread risk	23.6	28.3	19.4
Foreign exchange risk	2.9	5.3	1.6
Equities risk	5.2	7.3	3.9
Commodities risk	5.8	7.6	4.5
Diversification effect	(31.7)		

Total DVaR	30.4	37.4	25.4

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

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BARCLAYS PLC

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE (UNAUDITED)

	Half-year ended		
	30.06.06	31.12.05	30.06.05
	£m	£m	£m
Net movements in available for sale reserve	**(313)**	(195)	86
Net movements in cash flow hedging reserve	**(419)**	(147)	28
Currency translation differences arising during the period	**(595)**	277	23
Tax	**267**	168	(118)
Other movements	**30**	(112)	10
Amounts included directly in equity	**(1,030)**	(9)	29
Profit for the period	**2,601**	1,866	1,975
Total recognised income and expense for the period	**1,571**	1,857	2,004
Attributable to:			
Equity holders of the parent	**1,561**	1,506	1,873
Minority interests	**10**	351	131
	1,571	1,857	2,004

The consolidated statement of recognised income and expense reflects all items of income and expense for the period, including items taken directly to equity in accordance with IFRS. Movements in individual reserves include amounts which relate to minority interests; the impact of such amounts is then reflected in the amount attributable to such interests. Income and expense recognised directly in equity is recorded on a gross basis with any related tax recorded on the separate tax line.

The available for sale reserve reflects gains or losses arising from the change in fair value of available for sale financial assets except for impairment losses and foreign exchange gains or losses on monetary items such as debt securities, which are recognised in the income statement. When an available for sale asset is impaired or derecognised, the cumulative gain or loss previously recognised in the available for sale reserve is transferred to income. The movement in the first half of 2006 reflects net unrealised losses from changes in fair value and the transfer of net realised gains to the income statement on disposal of assets.

Cash flow hedging aims to minimise exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss. The portion of the gain or loss on the hedging instrument that is deemed to be an effective hedge is recognised in the cash flow hedging reserve. The movement in the first half of 2006 primarily reflects net unrealised losses from changes in the fair value of the hedging instruments. The gains and losses deferred in this reserve will be transferred to the income statement in the same period or periods during which the hedged item is recognised in the income statement.

Exchange differences arising on the net investments in foreign operations and effective hedges of net investments are recognised in the translation reserve and transferred to income on the disposal of the net investment. The movement in the period primarily reflects the impact of changes in the value of the Rand on the minority interest in Absa Group Limited and changes in the value of the US Dollar on net investments which are economically hedged through dollar-denominated preference share capital, but where the hedging item is not revalued for accounting purposes.

Other movements primarily reflect the change in insurance liabilities taken directly to reserves.

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SUMMARY CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net cash inflow/(outflow) from operating activities	**8,280**	(28,082)	17,584
Net cash (outflow)/inflow from investing activities	**(1,159)**	6,213	(11,394)
Net cash inflow from financing activities	**1,837**	12,593	2,526
Net (gain)/loss on exchange rate changes on cash and cash equivalents	**(386)**	301	(539)
Net increase/(decrease) in cash and cash equivalents	**8,572**	(8,975)	8,177
Cash and cash equivalents at beginning of period	**20,805**	29,780	21,603
Cash and cash equivalents at end of period	**29,377**	20,805	29,780

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BARCLAYS PLC

OTHER INFORMATION

Registered office

1 Churchill Place, London, E14 5HP, England, United Kingdom. Tel: +44 (0) 20 7116 1000.

Company number: 48839.

Website

www.barclays.com

Registrar

The Registrar to Barclays PLC, The Causeway, Worthing, West Sussex, BN99 6DA, England, United Kingdom. Tel: + 44 (0) 870 609 4535.

Listing

The principal trading market for Barclays PLC ordinary shares is the London Stock Exchange. Ordinary shares are also listed on the New York Stock Exchange and the Tokyo Stock Exchange. Trading on the New York Stock Exchange is in the form of ADSs under the ticker symbol BCS . Each ADS represents four ordinary shares of 25p each and is evidenced by an ADR. The ADR depositary is The Bank of New York whose international telephone number is +1-212-815-3700, whose domestic telephone number is 1-888-BNY-ADRS and whose address is The Bank of New York, Investor Relations, PO Box 11258, Church Street Station, New York, NY 10286-1258.

Filings with the SEC

Statutory accounts for the year ended 31st December 2005, which also include certain information required for the joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC to the US Securities and Exchange Commission (SEC), can be obtained from Corporate Communications, Barclays Bank PLC, 200 Park Avenue, New York, NY 10166, United States of America or from the Director, Investor Relations at Barclays registered office address, shown above. Copies of the Form 20-F are also available from the Barclays Investor Relations website (details below) and from the SEC s website (www.sec.gov).

Results timetable

Ex-dividend date	Wednesday, 16th August 2006
Dividend Record Date	Friday, 18th August 2006
Dividend Payment Date	Monday, 2nd October 2006
Full Year Trading Update*	Tuesday, 28th November 2006
2006 Preliminary Results*	Tuesday, 20th February 2006

*Note that these announcement dates are provisional and subject to change.

Economic data

	30.06.06	**31.12.05**	**30.06.05**
Period end - US$/£	**1.85**	1.72	1.79
Average - US$/£	**1.79**	1.82	1.88
Period end - /£	**1.45**	1.46	1.48
Average - /£	**1.46**	1.46	1.46
Period end - ZAR/£	**13.19**	10.87	11.96

Average - ZAR/£	**11.31**	11.57	11.63

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BARCLAYS PLC

OTHER INFORMATION

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BARCLAYS PLC

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BARCLAYS BANK PLC   INTERIM RESULTS ANNOUNCEMENT

The Interim Results Announcement of Barclays Bank PLC, published on August 3rd 2006, is provided on pages 80 to 85.

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3rd August 2006

BARCLAYS BANK PLC

BARCLAYS BANK PLC IS A WHOLLY OWNED SUBSIDIARY OF BARCLAYS PLC

The Directors report the following results of the Barclays Bank PLC Group for the half-year ended 30th June 2006:

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Half year ended		
	30.06.06	31.12.05	30.06.05
	£m	£m	£m
Continuing operations			
Interest income	**10,544**	9,584	7,648
Interest expense	**(6,140)**	(5,209)	(3,948)
Net interest income	**4,404**	4,375	3,700
Fee and commission income	**4,077**	3,558	2,872
Fee and commission expense	**(425)**	(393)	(332)
Net fee and commission income	**3,652**	3,165	2,540
Net trading income	**2,203**	1,145	1,176
Net investment income	**374**	485	373
Principal transactions	**2,577**	1,630	1,549
Net premiums from insurance contracts	**510**	501	371
Other income	**86**	129	49
Total income	**11,229**	9,800	8,209
Net claims and benefits paid on insurance contracts	**(233)**	(358)	(287)
Total income net of insurance claims	**10,996**	9,442	7,922
Impairment charges	**(1,057)**	(865)	(706)
Net income	**9,939**	8,577	7,216
Operating expenses excluding amortisation of intangible assets	**(6,206)**	(5,923)	(4,525)
Amortisation of intangible assets	**(63)**	(62)	(17)
Operating expenses	**(6,269)**	(5,985)	(4,542)
Share of post-tax results of associates and joint ventures	**30**	29	16
Profit before tax	**3,700**	2,621	2,690
Tax	**(1,072)**	(724)	(715)
Profit for the period	**2,628**	1,897	1,975
Profit attributable to minority interests	**155**	148	29
Profit attributable to equity holders	**2,473**	1,749	1,946
	2,628	1,897	1,975

The information in this announcement, which was approved by the Board of Directors on 2nd August 2006, does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985 (the Act).

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BARCLAYS BANK PLC

CONSOLIDATED BALANCE SHEET (UNAUDITED)

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Assets			
Cash and balances at central banks	**6,777**	3,506	4,106
Items in the course of collection from other banks	**2,600**	1,901	2,208
Trading portfolio assets	**181,871**	155,730	134,245
Financial assets designated at fair value:			
- held on own account	**18,833**	12,904	9,747
- held in respect of linked liabilities to customers under investment contracts	**79,334**	83,193	69,792
Derivative financial instruments	**136,901**	136,823	133,932
Loans and advances to banks	**35,330**	31,105	35,225
Loans and advances to customers	**282,097**	268,896	237,123
Available for sale financial investments	**53,953**	53,703	61,398
Reverse repurchase agreements and cash collateral on securities borrowed	**171,869**	160,398	149,400
Other assets	**5,866**	4,734	3,598
Investments in associates and joint ventures	**560**	546	438
Goodwill	**5,968**	6,022	4,590
Intangible assets	**1,125**	1,269	120
Property, plant and equipment	**2,515**	2,754	2,407
Deferred tax assets	**776**	686	2,059
Total assets	**986,375**	924,170	850,388

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BARCLAYS BANK PLC

CONSOLIDATED BALANCE SHEET (UNAUDITED)

		As at	
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Liabilities			
Deposits from banks	**86,221**	75,127	84,538
Items in the course of collection due to other banks	**2,700**	2,341	2,809
Customer accounts	**253,200**	238,684	217,715
Trading portfolio liabilities	**74,719**	71,564	65,598
Financial liabilities designated at fair value:			
- held on own account	**43,594**	33,385	8,231
Liabilities to customers under investment contracts	**81,380**	85,201	71,608
Derivative financial instruments	**138,982**	137,971	132,784
Debt securities in issue	**102,198**	103,328	93,328
Repurchase agreements and cash collateral on securities lent	**146,165**	121,178	122,076
Other liabilities	**10,767**	11,131	9,649
Current tax liabilities	**592**	747	786
Insurance contract liabilities, including unit-linked liabilities	**3,558**	3,767	3,589
Subordinated liabilities:			
- Undated loan capital non convertible	**4,743**	4,397	4,366
- Dated loan capital convertible	**38**	38	13
- Dated loan capital non convertible	**8,848**	8,028	6,930
Deferred tax liabilities	**430**	700	1,891
Other provisions for liabilities	**474**	517	386
Retirement benefit liabilities	**1,976**	1,823	2,041
Total liabilities	**960,585**	899,927	828,338
Shareholders equity			
Called up share capital	**2,357**	2,348	2,341
Share premium account	**9,354**	8,882	8,786
Available for sale reserve	**32**	257	400
Cash flow hedging reserve	**(172)**	70	328
Other shareholders funds	**2,570**	2,490	2,551
Translation reserve	**(176)**	156	(35)
Retained earnings	**10,217**	8,462	7,479
Shareholders equity excluding minority interests	**24,182**	22,665	21,850
Minority interests	**1,608**	1,578	200
Total shareholders equity	**25,790**	24,243	22,050
Total liabilities and shareholders equity	**986,375**	924,170	850,388

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BARCLAYS BANK PLC

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE (UNAUDITED)

	Half-year ended		
	30.06.06	**31.12.05**	**30.06.05**
	£m	**£m**	**£m**
Net movements in available for sale reserve	**(322)**	(189)	112
Net movements in cash flow hedging reserve	**(419)**	(147)	28
Currency translation differences arising during the year	**(595)**	277	23
Tax	**267**	168	(118)
Other movements	**30**	(112)	10
Amounts included directly in equity	**(1,039)**	(3)	55
Profit for the period	**2,628**	1,897	1,975
Total recognised income and expense for the year	**1,589**	1,894	2,030
Attributable to:			
Equity holders	**1,718**	1,655	2,004
Minority interests	**(129)**	239	26
	1,589	1,894	2,030

The consolidated statement of recognised income and expense reflects all items of income and expense for the period, including items taken directly to equity in accordance with IFRS. Movements in individual reserves include amounts which relate to minority interests; the impact of such amounts is then reflected in the amount attributable to such interests. Income and expense recognised directly in equity is recorded on a gross basis with any related tax recorded on the separate tax line.

The available for sale reserve reflects gains or losses arising from the change in fair value of available for sale financial assets except for impairment losses and foreign exchange gains or losses on monetary items such as debt securities, which are recognised in the income statement. When an available for sale asset is impaired or derecognised, the cumulative gain or loss previously recognised in the available for sale reserve is transferred to income. The movement in the first half of 2006 reflects net unrealised losses from changes in fair value and the transfer of net realised gains to the income statement on disposal of assets.

Cash flow hedging aims to minimise exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss. The portion of the gain or loss on the hedging instrument that is deemed to be an effective hedge is recognised in the cash flow hedging reserve. The movement in the first half of 2006 primarily reflects net unrealised losses from changes in the fair value of the hedging instruments. The gains and losses deferred in this reserve will be transferred to the income statement in the same period or periods during which the hedged item is recognised in the income statement.

Exchange differences arising on the net investments in foreign operations and effective hedges of net investments are recognised in the translation reserve and transferred to income on the disposal of the net investment. The movement in the period primarily reflects the impact of changes in the value of the Rand on the minority interest in Absa Group Limited and changes in the value of the US Dollar on net investments which are economically hedged through dollar-denominated preference share capital, but where the hedging item is not revalued for accounting purposes.

Other movements primarily reflect the change in insurance liabilities taken directly to reserves.

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BARCLAYS BANK PLC

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

	Half-year ended		
	30.06.06	31.12.05	30.06.05
	£m	£m	£m
Net cash inflow/(outflow) from operating activities	**8,353**	(28,104)	17,636
Net cash (outflow)/inflow from investing activities	**(1,159)**	6,193	(11,514)
Net cash inflow from financing activities	**2,164**	12,235	2,594
Effect of exchange rate changes on cash and cash equivalents	**(386)**	301	(539)
Net increase/(decrease)in cash and cash equivalents	**8,972**	(9,375)	8,177
Cash and cash equivalents at beginning of period	**20,405**	29,780	21,603
Cash and cash equivalents at end of period	**29,377**	20,405	29,780

BARCLAYS BANK PLC

NOTES

1. Authorised share capital

Ordinary shares

The authorised ordinary share capital of Barclays Bank PLC at 30th June 2006 was 3,000 million (31st December 2005: 3,000 million) ordinary shares of £1 each.

Preference shares		**30.06.06 000**	**31.12.05 000**	**30.06.05 000**
Authorised share capital	shares of £1 each	**1**	1	1
Authorised share capital	shares of £100 each	**400**	400	400
Authorised share capital	shares of US$0.25 each	**80,000**	80,000	80,000
Authorised share capital	shares of US$100 each	**400**	400	400
Authorised share capital	shares of 100 each	**400**	400	400

2. Issued share capital

Ordinary shares

The issued ordinary share capital of Barclays Bank PLC at 30th June 2006 comprised 2,323 million (31st December 2005: 2,318 million) ordinary shares of £1 each.

The whole of the issued ordinary share capital of Barclays Bank PLC at 30th June 2006 is beneficially owned by Barclays PLC.

Preference shares

The issued preference share capital of Barclays Bank PLC at 30th June 2006 comprised £34m (31st December 2005: £30m) of preference shares of the following denominations:

	30.06.06 000	**31.12.05 000**	**30.06.05 000**
Issued and fully paid shares of £1 each	**1**	1	1
Issued and fully paid shares of £100 each	**75**	75	75
Issued and fully paid shares of US$100 each	**100**	100	100
Issued and fully paid shares of 100 each	**240**	240	240
Issued and fully paid shares of US$0.25 each	**30,000**		

3. Staff numbers

On a full time equivalent basis the total permanent and contract staff at 30th June 2006 was 118,300 (31st December 2005: 113,300). Additionally, agency staff totalled 8,700 (31st December 2005: 7,000).