BARCLAYS PLC
Form 6-K
April 24, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

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

April 24, 2013

Barclays PLC and
Barclays Bank PLC
(Names of Registrants)

1 Churchill Place
London E14 5HP
England

(Address of Principal Executive Offices)

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

Form 20-F x Form 40-F

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

Yes No x

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

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

This Report comprises:

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

EXHIBIT INDEX

Interim Management Statement dated 24 April 2013

SIGNATURES

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

BARCLAYS PLC
(Registrant)

Date: April 24, 2013

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Deputy Secretary

BARCLAYS BANK PLC
(Registrant)

Date: April 24, 2013

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Joint Secretary

Barclays PLC
Interim Management Statement

31 March 2013

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

Notes

The term Barclays or Group refers to Barclays PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the three months to 31 March 2013 to the corresponding three months of 2012 and balance sheet comparatives relate to 31 December 2012. The abbreviations ‘£m’ and ‘£bn’ represent millions and thousands of millions of pounds sterling respectively; the abbreviations ‘$m’ and ‘$bn’ represent millions and thousands of millions of US dollars respectively.

The comparatives have been restated to reflect the implementation of IFRS 10 Consolidated Financial Statements and IAS 19 Employee Benefits (Revised 2011), the reallocation of elements of the Head Office results to businesses and portfolio restatements between businesses, as detailed in our announcement on 16 April 2013.

Adjusted profit before tax and adjusted performance metrics have been presented to provide a more consistent basis for comparing business performance between periods. Adjusting items are considered to be significant and not representative of the underlying business performance. Items excluded from the adjusted measures are: the impact of own credit; gains on debt buy-backs; impairment and disposal of the investment in BlackRock, Inc.; the provision for Payment Protection Insurance redress payments and claims management costs (PPI redress); the provision for interest rate hedging products redress and claims management costs (interest rate hedging products redress); goodwill impairments; and gains and losses on acquisitions and disposals. The regulatory penalties relating to the industry-wide investigation into the setting of interbank offered rates have not been excluded from adjusted measures.

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

The financial information on which this Interim Management Statement is based, and other data set out in the appendices to this statement, are unaudited and have been prepared in accordance with Barclays' previously stated accounting policies described in the 2012 Annual Report.

In accordance with Barclays' policy to provide meaningful disclosures that help investors and other stakeholders understand the financial position, performance and changes in the financial position of the Group, and having regard to the British Bank Association Disclosure Code, the information provided in this report goes beyond minimum requirements. Barclays continues to develop its financial reporting considering best practice and welcomes feedback from investors, regulators and other stakeholders on the disclosures that they would find most useful.

The information in this announcement, which was approved by the Board of Directors on 23 April 2013, does not comprise statutory accounts or interim financial statements within the meaning of Section 434 of the Companies Act 2006 and IAS 34 Interim Financial Reporting respectively. Statutory accounts for the year ended 31 December 2012, which included certain information required for the Joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC to the US Securities and Exchange Commission (SEC) and which contained an unqualified audit report under Section 495 of the Companies Act 2006 and which did not make any statements under Section 498 of the Companies Act 2006, have been delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

For qualifying US and Canadian resident ADR holders, the interim dividend of 1p per ordinary share becomes 4p per ADS (representing four shares). The ADR depositary will mail the interim dividend on 7 June 2013 to ADR holders on the record on 3 May 2013.

Forward-looking statements

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

Any forward-looking statements made herein speak only as of the date they are made. Except as required by the Prudential Regulation Authority, the Financial Conduct Authority, the London Stock Exchange plc (the "LSE") or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Barclays' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has published or may publish via the Regulatory News Service of the LSE and/or has filed or may file with the US Securities and Exchange Commission.

Performance Highlights

"We set out in our Strategic Review in February our path to become the "Go-To" bank for all our stakeholders. While there remains much to do to build a stronger and more resilient Barclays, we are completely focused on executing our Transform programme and are making good early progress.

Strategic cost management is a critical factor in delivering our commitments. We have recognised around £500m of 'costs to achieve Transform' in the first quarter, reflecting our immediate priorities to reduce our European retail branch network in order to focus on the mass-affluent segment and on re-positioning our equities and investment banking operations in Asia and Europe. As indicated in the Strategic Review, we expect to recognise a further £500m of costs to achieve Transform in 2013.

For the first quarter, adjusted profit before tax was £1.8bn including the costs to achieve, driven by good momentum across the businesses, particularly in the Investment Bank, Barclaycard and Wealth and Investment Management.

In our goal to become the 'Go-To' bank we have not chosen an easy path for Barclays, but we have chosen the right one."

Antony Jenkins, Chief Executive

· Adjusted profit before tax was down 25% (£609m) to £1,786m. Excluding costs to achieve Transform of £514m and non-recurrence of a £235m gain in Q1 12 in relation to hedges of employee share awards would have resulted in an increase in adjusted profit before tax of 6%

· Statutory profit before tax improved to £1,535m (Q1 12: £525m loss), reflecting a reduced own credit charge of £251m (Q1 12: £2,620m)

· Adjusted return on average shareholders' equity decreased to 7.6% (Q1 12: 12.4%) reflecting the costs to achieve Transform. Statutory return on average shareholders' equity improved to 6.5% (Q1 12: negative 4.5%)

· Adjusted income decreased 5% to £7,734m, principally due to non-recurrence of the gain in relation to hedges of employee share awards. Investment Bank income was up 1% at £3,463m (Q1 12: £3,436m) and was up 34% on Q4 12

· Credit impairment charges decreased 10% to £706m, with an annualised loan loss rate of 56bps (Q1 12: 63bps), principally reflecting improvements in the Investment Bank and Corporate Banking

· Adjusted operating expenses were up 7% at £5,296m. This reflected £514m of costs to achieve Transform, restructuring principally in Europe RBB and the Investment Bank, partially offset by a £183m reduction in other operating expenses. Adjusted cost to income ratio was 68% (Q1 12: 61%) with the increase attributable to costs to achieve Transform

· Risk weighted assets increased 3% to £398bn primarily driven by foreign currency movements

· Core Tier 1 ratio strengthened to 11.0% (2012: 10.8%), principally reflecting capital generated from earnings and the exercise of warrants

· Net asset value per share of 405p (2012: 414p) and net tangible asset value per share of 344p (2012: 349p) reflecting an increase in shares issued, including the exercise of warrants

· We provided an estimated £20bn of Funding for Lending Scheme (FLS) eligible gross new lending to UK households and businesses in Q1 13. Barclays was the leading provider of loans to UK households and businesses under the national loan guarantee scheme and the FLS through Q4 12

Performance Highlights

Barclays Unaudited Results	Adjusted1			Statutory1		
for the three months ended	31.03.13	31.03.12		31.03.13	31.03.12	
	£m	£m	% Change	£m	£m	% Change
Total income net of insurance claims	7,734	8,108	(5)	7,483	5,488	36
Credit impairment charges and other provisions	(706)	(784)	(10)	(706)	(784)	(10)

Net operating income	7,028	7,324	(4)	6,777	4,704	44
Operating expenses excluding costs to achieve Transform	(4,782)	(4,965)	(4)	(4,782)	(5,265)	(9)
Costs to achieve Transform	(514)	-		(514)	-	
Operating expenses	(5,296)	(4,965)	7	(5,296)	(5,265)	1
Other net income2	54	36	50	54	36	50
Profit/(loss) before tax	1,786	2,395	(25)	1,535	(525)	
Profit/(loss) after tax	1,215	1,820	(33)	1,044	(385)	
Performance Measures						
Return on average shareholders' equity	7.6%	12.4%		6.5%	(4.5%)	
Return on average tangible shareholders' equity	9.0%	14.6%		7.6%	(5.3%)	
Return on average risk weighted assets	1.2%	1.8%		1.1%	(0.4%)	
Cost: income ratio	68%	61%		71%	96%	
Loan loss rate (bps)	56	63		56	63	
Basic earnings/(loss) per share	8.1p	13.2p		6.7p	(4.9p)	
Dividend per share	1.0p	1.0p		1.0p	1.0p	

Capital and Balance Sheet	31.03.13	31.12.12
Core Tier 1 ratio	11.0%	10.8%
Risk weighted assets	£398bn	£387bn
Adjusted gross leverage	20x	19x
Group liquidity pool	£141bn	£150bn
Net asset value per share	405p	414p
Net tangible asset value per share	344p	349p
Loan: deposit ratio	105%	110%

Adjusted profit reconciliation	31.03.13	31.03.12
Adjusted profit before tax	1,786	2,395
Own credit	(251)	(2,620)
Provision for PPI redress	-	(300)
Statutory profit/(loss) before tax	1,535	(525)

	Adjusted1			Statutory1		
	31.03.13	31.03.12		31.03.13	31.03.12	
Profit/(Loss) Before Tax by Business	£m	£m	% Change	£m	£m	% Change
UK RBB	299	232	29	299	(68)	
Europe RBB	(462)	(72)		(462)	(72)	
Africa RBB	81	132	(39)	81	132	(39)
Barclaycard	363	347	5	363	347	5
Investment Bank	1,315	1,182	11	1,315	1,182	11
Corporate Banking	183	203	(10)	183	203	(10)
Wealth and Investment Management	60	50	20	60	50	20
Head Office and Other Operations	(53)	321		(304)	(2,299)	

Total profit before tax	1,786	2,395	(25)	1,535	(525)

1 The comparatives on pages 5 to 24 have been restated to reflect the implementation of IFRS 10 Consolidated Financial Statements and IAS 19 Employee Benefits (Revised 2011), the reallocation of elements of Head Office results to businesses and portfolio restatements between businesses, as detailed in our announcement on 16 April 2013.

2 Comprises: share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions.

Barclays Results by Quarter

Barclays Results by Quarter	Q113 £m	Q412 £m	Q312 £m	Q212 £m	Q112 £m	Q411 £m	Q311 £m	Q211 £m
Adjusted basis								
Total income net of insurance claims	7,734	6,867	7,002	7,384	8,108	6,213	7,001	7,549
Credit impairment charges and other provisions	(706)	(825)	(805)	(926)	(784)	(951)	(1,023)	(907)
Net operating income	7,028	6,042	6,197	6,458	7,324	5,262	5,978	6,642
Operating expenses (excluding UK bank levy and costs to achieve Transform)	(4,782)	(4,345)	(4,353)	(4,555)	(4,965)	(4,441)	(4,686)	(4,967)
UK bank levy	-	(345)	-	-	-	(325)	-	-
Costs to achieve Transform	(514)	-	-	-	-	-	-	-
Operating expenses	(5,296)	(4,690)	(4,353)	(4,555)	(4,965)	(4,766)	(4,686)	(4,967)
Other net income	54	43	21	41	36	5	18	19
Adjusted profit before tax	1,786	1,395	1,865	1,944	2,395	501	1,310	1,694
Adjusting items								
Own credit	(251)	(560)	(1,074)	(325)	(2,620)	(263)	2,882	440
Gains on debt buy-backs	-	-	-	-	-	1,130	-	-
Impairment and gain/(loss) on disposal of BlackRock investment	-	-	-	227	-	-	(1,800)	(58)
Provision for PPI redress	-	(600)	(700)	-	(300)	-	-	(1,000)
Provision for interest rate hedging products redress	-	(400)	-	(450)	-	-	-	-
Goodwill impairment	-	-	-	-	-	(550)	-	(47)
(Losses)/gains on acquisitions and disposals	-	-	-	-	-	(32)	3	(67)
Statutory profit/(loss) before tax	1,535	(165)	91	1,396	(525)	786	2,395	962
Statutory profit/(loss) after tax	1,044	(364)	(13)	943	(385)	581	1,345	721
Attributable to:								
Equity holders of the parent	839	(589)	(183)	746	(598)	335	1,132	465
Non-controlling interests	205	225	170	197	213	246	213	256

Adjusted basic earnings per share	8.1p	7.2p	8.3p	9.2p	13.2p	1.0p	6.8p	8.7p
Adjusted cost: income ratio	68%	68%	62%	62%	61%	77%	67%	66%
Basic earnings/(loss) per share	6.7p	(4.8p)	(1.5p)	6.1p	(4.9p)	2.8p	9.4p	3.9p
Cost: income ratio	71%	90%	85%	69%	96%	75%	58%	76%

Adjusted Profit/(Loss) Before Tax by Business	Q113	Q412	Q312	Q212	Q112	Q411	Q311	Q211
	£m	£m	£m	£m	£m	£m	£m	£m
UK RBB	299	275	358	360	232	162	429	378
Europe RBB	(462)	(114)	(81)	(76)	(72)	(176)	21	(109)
Africa RBB	81	105	34	51	132	231	191	178
Barclaycard	363	335	396	404	347	261	367	273
Investment Bank	1,315	760	988	1,060	1,182	(32)	210	888
Corporate Banking	183	61	88	108	203	(10)	140	37
Wealth and Investment Management	60	105	70	49	50	43	70	34
Head Office and Other Operations	(53)	(132)	12	(12)	321	22	(118)	15
Total profit before tax	1,786	1,395	1,865	1,944	2,395	501	1,310	1,694

Group Performance Review

Income Statement

- Adjusted profit before tax decreased £609m to £1,786m, driven by costs to achieve Transform of £514m in Q1 13 and by non-recurrence of gains of £235m in relation to hedges of employee share awards during Q1 12

- Statutory profit before tax improved to £1,535m (Q1 12: loss of £525m), reflecting a significantly lower own credit charge of £251m (Q1 12: £2,620m)

- Adjusted return on average shareholders' equity decreased to 7.6% (Q1 12: 12.4%) with an improvement in statutory return on average shareholders' equity to 6.5% (Q1 12: negative 4.5%)

- Adjusted income decreased 5% to £7,734m, driven by non-recurrence of gains of £235m in relation to hedges of employee share awards in Head Office in Q1 12. Investment Bank income was up 1% at £3,463m driven by increases in Equities and Prime Services, and Investment Banking, partially offset by a decrease in Fixed Income, Currency and Commodities, and was up 34% on Q4 12

- Customer net interest income for RBB, Barclaycard, Corporate Banking and Wealth and Investment Management was broadly stable at £2,509m (Q1 12: £2,449m). Total net interest income remained stable at £2,775m (Q1 12: £2,721m) while the growth in assets offset the net interest margin decline of 4bps to 179bps

- Credit impairment charges were down 10% to £706m, principally reflecting improvements in the Investment Bank and Corporate Banking, partially offset by increases in Europe RBB and Africa RBB

    - The annualised loan loss rate decreased to 56 bps (Q1 12: 63bps)

- Challenging local economic conditions have led to some stress and higher impairment in the Europe and South Africa home loan portfolios

- Credit metrics in the wholesale portfolios have generally shown some improvement during Q1 13, although conditions in Europe remain challenging

— Adjusted operating expenses were up 7% to £5,296m, principally reflecting costs to achieve Transform of £514m

  - Following the launch of the Transform programme, the costs to achieve Transform in Q1 13 related to restructuring principally in Europe RBB, with headcount reducing by nearly 2,000 and the distribution network reducing by 30%, and in the Corporate and Investment Bank, where we are reducing headcount by 1,800. The below table summarises the Q1 13 costs to achieve Transform by business

Costs to achieve Transform by Business	Three Months Ended 31.03.13 £m
Europe RBB	(356)
Investment Bank	(116)
Corporate Banking	(37)
Head Office and Other Operations	(5)
Total costs to achieve Transform	(514)

- Non-performance costs excluding costs to achieve Transform decreased 2% to £3,978m with the non-recurrence of a £115m charge relating to the setting of inter-bank offered rates in Q1 12

- Performance costs excluding costs to achieve Transform reduced 10% to £804m and the compensation: income ratio in the Investment Bank improved to 41% (Q1 12: 43%)

— The adjusted cost: income ratio increased to 68% (Q1 12: 61%). The Investment Bank cost: net operating income ratio improved to 62% (Q1 12: 65%)

Group Performance Review

Balance Sheet

- Total assets increased to £1,596bn (2012: £1,488bn), principally reflecting increases in reverse repurchase agreements and other similar secured lending, loans and advances to customers and available for sale investments

-

Total loans and advances increased to £501bn (2012: £464bn) due to higher settlement balances in the Investment Bank and the acquisition of ING Direct UK

- Total shareholders' equity, including non-controlling interests, was £61.4bn (2012: £60.0bn). Excluding non-controlling interests, shareholders' equity increased £1.5bn to £52.1bn, reflecting a £1.5bn increase in share capital and share premium, including the exercise of warrants. There was also an increase of £1.1bn in currency translation reserves, partially offset by a £0.5bn reduction due to an increase in retirement benefit liabilities and dividends paid of £0.4bn

- Net asset value per share was 405p (2012: 414p) and the net tangible asset value per share was 344p (2012: 349p). The decrease was mainly attributable to an increase in shares issued, including the exercise of warrants

- Adjusted gross leverage was 20x (2012: 19x). Excluding the liquidity pool, adjusted gross leverage increased to 17x (2012: 16x)

Capital Management

- The Core Tier 1 ratio strengthened to 11.0% (2012: 10.8%)

- Core Tier 1 capital increased by £2.1bn to £43.8bn, due to foreign currency movements of £1.1bn, the exercise of outstanding warrants of £0.8bn and £0.6bn of capital generated from earnings which excludes the impact of own credit, after absorbing the impact of dividends paid

- Risk weighted assets increased by £11bn to £398bn, primarily driven by foreign currency movements

- We have estimated our CRD IV Common Equity Tier 1 (CET1) ratio on both a transitional and fully loaded basis assuming the rules were applied as at 31 March 2013 using a consistent basis to the reported 2012 year end position. Barclays estimated transitional CET1 ratio is approximately 10.8% (2012: 10.6%) and the estimated fully loaded CET1 ratio is approximately 8.4% (2012: 8.2%). We are currently reviewing the CRD IV rules approved by the European Parliament on 16 April 2013 and will provide an updated view on the estimated impact in our half year results announcement

- In April, Barclays issued a further $1.0bn of Tier 2 contingent capital notes and repurchased existing Tier 2 instruments for a similar amount, as a step in transitioning towards its end state CRD IV capital structure

Funding and Liquidity

— The liquidity pool as at 31 March 2013 was £141bn (2012: £150bn)

Liquidity Pool	Cash and Deposits with Central Banks1	Government Bonds2	Other Available Liquidity	Total3
	£bn	£bn	£bn	£bn
As at 31.03.13	67	55	19	141
As at 31.12.12	85	46	19	150

— As at 31 March 2013, the Group estimates it was compliant with the Liquidity Coverage Ratio (LCR) requirement at 110% (2012: 126%) based upon the latest standards published by the Basel Committee. This is equivalent to a surplus of £13bn above a 100% LCR requirement (2012: £32bn)

—

RBB, Corporate Banking and Wealth and Investment Management activities are largely funded by customer deposits with the remaining funding secured against customer loans and advances. At 31 March 2013, the customer loan to deposit ratio for these businesses was 98% (2012: 102%)

1 Of which over 95% (2012: over 95%) was placed with the Bank of England, US Federal Reserve, European Central Bank, Bank of Japan and Swiss National Bank.
2 Of which over 80% (2012: over 80%) of securities are comprised of UK, US, Japan, France, Germany, Denmark and the Netherlands.
3 £134bn (2012: £144bn) of which is eligible to count towards the LCR as per the Basel standards.

Group Performance Review

— The Investment Bank activities are primarily funded through wholesale markets. As at 31 March 2013, total Group wholesale funding outstanding excluding repurchase agreements was £235bn (2012: £240bn), of which £98bn matures in less than one year (2012: £102bn) and £36bn matures within one month (2012: £29bn)

— The Group has term funding maturities of £11bn for the remainder of 2013. However, with expected deposit growth and reduction in legacy assets, funding needs are likely to be lower. In addition, a significant portion of the Group's 2013 funding needs were pre-funded in 2012

Exposures to Selected Eurozone Countries

— During Q1 13 the Group's net on-balance sheet exposures to Spain, Italy, Portugal, Ireland, Cyprus and Greece remained flat at £59.4bn (2012: £59.3bn)

— The Group continues to monitor developments in Cyprus and has taken steps to mitigate any financial and operational risks as appropriate. The Group's exposure to Cyprus remains minimal at £177m

Other matters

— As of 31 March 2013, £1.9bn of the total £2.6bn PPI redress provision raised to date has been utilised leaving a residual provision of £0.7bn. The volume of customer initiated claims has continued to decline in Q1 13 while proactive mailing of customers is now 45% complete with 335,000 of the applicable 750,000 policy holders mailed to date. Barclays will continue to monitor actual claims volumes and the assumptions underlying the calculation of its PPI provision. It is possible that the eventual costs may materially differ from current estimates. Based on claims experience to date and anticipated future volumes, the remaining provision of £0.7bn reflects Barclays best current estimate of future expected PPI redress payments and claims management costs

— The Interest Rate Hedging Product redress provision at 31 March 2013 was £759m (2012: £814m), after utilisation of £55m during Q1 13, primarily related to administrative costs. The provision reflects Barclays best current estimate of the ultimate cost. It will be kept under ongoing review as the main redress and review exercise progresses, as further information regarding the extent and nature of amounts payable across the impacted population emerges

Dividends

— It is our policy to declare and pay dividends on a quarterly basis. We will pay a first interim cash dividend for 2013 of 1.0p per share on 7 June 2013

Outlook

— The good start to the year has continued into the second quarter across our businesses. Although the macroeconomic environment remains unpredictable, as part of the Transform programme, we continue to focus on costs, returns and capital to drive sustainable performance improvements

Results by Business

UK Retail and Business Banking	Three Months Ended 31.03.13	Three Months Ended 31.03.12	
Income Statement Information	£m	£m	% Change
Adjusted basis			
Total income net of insurance claims	1,067	1,066	-
Credit impairment charges and other provisions	(89)	(76)	17
Net operating income	978	990	(1)
Operating expenses	(704)	(757)	(7)
Other net income/(expense)	25	(1)	
Adjusted profit before tax	299	232	29
Adjusting items			
Provision for PPI redress	-	(300)	
Statutory profit/(loss) before tax	299	(68)	
Performance Measures			
Adjusted return on average equity	11.3%	9.6%	
Adjusted return on average risk weighted assets	2.2%	2.0%	
Adjusted cost: income ratio	66%	71%	
Return on average equity	11.3%	(3.5%)	
Return on average risk weighted assets	2.2%	(0.6%)	
Cost: income ratio	66%	99%	
Loan loss rate (bps)	27	25	

	As at 31.03.13	As at 31.12.12
Balance Sheet Information	£bn	£bn
Loans and advances to customers at amortised cost	134.3	128.2
Customer deposits	130.8	116.0
Risk weighted assets	42.6	39.1

- On 5 March 2013, Barclays acquired ING Direct UK. This part of the business will be known as Barclays Direct

2013
compared
to 2012

- Income was flat at £1,067m reflecting additional income from Barclays Direct and good mortgage growth offset by reduced contribution from structural hedges. Other net income of £25m relates to a gain on acquisition of ING Direct UK

  - Credit impairment charges increased £13m to £89m due to increased impairment in unsecured lending

- Loan loss rate was stable at 27bps (Q1 12: 25bps)

- 90 day arrears rates improved 16bps on UK Personal Loans to 1.4% and increased 4bps on UK mortgages to 0.3%

- Adjusted operating expenses decreased 7% to £704m driven in part by reduced Financial Services Compensation Scheme costs

- Adjusted profit before tax improved 29% to £299m, while statutory profit before tax improved by £367m to £299m principally due to the non-recurrence of the Q1 12 provision for PPI redress of £300m

- Adjusted return on average equity improved to 11.3% (Q1 12: 9.6%). Statutory return on average equity increased to 11.3% (Q1 12: negative 3.5%)

Q1 13 compared to Q4 12

— Adjusted profit before tax improved 9% to £299m principally due to the acquisition of ING Direct UK, offset partially by higher impairment. Statutory profit before tax improved by £354m to £299m reflecting the non-recurrence of the Q4 12 provision for PPI redress of £330m

— Loans and advances to customers increased 5% to £134.3bn with customer deposits growing 13% to £130.8bn, both reflecting the ING Direct UK acquisition which added £11.4bn customer deposits and £5.3bn mortgage balances

— Risk weighted assets increased 9% to £42.6bn primarily reflecting the ING Direct UK acquisition and other mortgage asset growth

Results by Business

Europe Retail and Business Banking	Three Months Ended 31.03.13	Three Months Ended 31.03.12	
Income Statement Information	£m	£m	% Change
Adjusted and statutory basis			
Total income net of insurance claims	176	188	(6)
Credit impairment charges and other provisions	(70)	(54)	30
Net operating income	106	134	(21)
Operating expenses excluding costs to achieve Transform	(215)	(209)	3
Costs to achieve Transform	(356)	-	

Operating expenses	(571)	(209)
Other net income	3	