Reviewed Summary of the Condensed Consolidated Interim Financial Statements for the six month period ended 30 June 2016

Key performance highlights of Barclays plc

Financial performance

The financial results for the six months to 30 June 2016 show continued momentum with a 34% year-on-year rise in profits before tax. dividends per ordinary share rose by 22% to BWP 0.27. The total return on equity (TTRE) for the year to date is 45%.

The Bank continues to focus on the long-term growth of its franchise and the generation of long-term, sustainable, value. Management is also committed to improving the quality of the franchise’s performance and the efficiency of its operations, in particular to reducing the non-interest cost of banking.

The economic review

Key performance highlights

4% achieved across all business segments and further demonstrates the progress we are making towards the significant challenges as we move into the second half of the year and into 2017.

- Bankwide income grew by 27% year-on-year, in line with the group’s strategy to grow the franchise by increasing market share. This increase was driven by our strategy with very precise focus on client needs.
- We saw significant growth in our assets, and the CIB segment delivered a phenomenal performance with total year-on-year income growth of 57%.
- Our regulatory capital position is at P1.9bn, representing a ratio of 19.2% against the regulatory limit of 15%.
- Allowance for impairment was due to deliberate interventions centred on improving collections efforts and the quality of our loans.
- There has been no significant change in the nature of contingent liabilities and commitments with off-balance sheet risk from those reported in the annual financial statements for the year ended 30 June 2015.
- Loans and advances to customers grew by 10.5% year-on-year.
- There is no change in the capital requirements for new instruments, with the exception of certain non-standard derivative financial instruments.
- The Bank’s discretionary dividend for the period ended 30 June 2016 was declared at BWP 0.27 per share.

Segment reporting

For the period ended 30 June 2016

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Presentation and basis of preparation

The condensed consolidated interim financial statements of Barclays Bank PLC (‘the Bank’ or ‘Barclays’) have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’. The financial statements for the six months ended 30 June 2016 are derived from the Bank’s interim financial information. The notes are an integral part of these financial statements.

2. Significant accounting policies

Management has made certain judgements and the choice of accounting policies and the estimates and assumptions it has made in applying those policies are considered to have a significant effect on the presentation of the financial statements for the six months ended 30 June 2016.

3. Review of risk and risk management

Barclays operates a risk management framework designed to manage, monitor and report risk. This comprises a group-wide risk management framework that applies throughout the Bank. The key risk drivers include operational risk, credit risk, market risk and liquidity risk.

4. Significant liabilities and commitments

Barclays fund development to achieve its strategic objectives and results. Financial statements in the interim may be affected by specific counterparty exposures, financial market volatility, exchange rates, interest rates and the performance of the Bank’s businesses.

5. Capital commitments

Barclays has committed to capital expenditure under certain contracts and arrangements.

6. Related party transactions

There has been no change in the list of related party transactions from those reported in the annual financial statements for the year ended 30 June 2015.

7. Financial instruments

The Bank produces consolidated financial statements on an ongoing basis, and therefore has not included in the financial statements for the six months ended 30 June 2016 any disclosure required by the accounting standards in respect of financial instruments.

8. Events occurring after reporting date

The Bank has made certain changes to the affairs of the Bank’s businesses and the Bank’s and its subsidiaries’ consolidated financial statements for the six months ended 30 June 2016.

Barclays is a private limited liability company incorporated in Botswana. Barclays Bank (BWP) Limited is the company’s credit, investment and insurance businesses. All financial information is in thousands of pula.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

For the period ended 30 June 2016

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the period ended 30 June 2016

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the period ended 30 June 2016

CONSOLIDATED STATEMENTS OF OPERATIONS

For the period ended 30 June 2016

INVENTORY

Any inventory on the date of the adoption of the new standard is revalued to fair value at the date of adoption.