BARCLAYS PLC
Form F-4/A
July 27, 2007

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As filed with the US Securities and Exchange Commission on July 26, 2007
Registration No. 333-143666

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 2
to
FORM F-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Barclays PLC
(Exact name of registrant as specified in its charter)
N/A
(Translation of registrant s name into English)

England	**6029**	**None**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(IRS Employer Identification Number)*

1 Churchill Place
London E14 5HP
United Kingdom
Tel. No.: 011-44-20-7116-1000
(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

James Walker
Barclays Bank PLC
200 Park Avenue,
New York, New York 10166
United States of America
Tel. No.: 1-212-412-4000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies To:

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Tel. No.: 011-44-20-7959-8900	**Tel. No.: 011-33-1-56-59-36-70**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o _____

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o _____

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this document may change. A registration statement relating to these securities has been filed with the US Securities and Exchange Commission. Barclays may not complete the exchange offer and issue these securities until the registration statement becomes effective. This document is not an offer to sell these securities and Barclays is not soliciting offers to buy these securities, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale is not permitted or would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

SUBJECT TO COMPLETION, DATED JULY 26, 2007

Offer to Exchange

Each Ordinary Share **Each American Depositary Share**

of

ABN AMRO Holding N.V.

for

2.13 Ordinary Shares and 13.15 in cash **0.5325 American Depositary Shares and 13.15 in cash**

of

Barclays PLC

On April 23, 2007, Barclays PLC, a public limited company organized under the laws of England (Barclays), entered into a merger protocol (the Merger Protocol) with ABN AMRO Holding N.V., a public limited liability company organized under the laws of The Netherlands (ABN AMRO), providing for a combination of their businesses. The terms under which the proposed combination would take place, as well as the Merger Protocol, were revised on July 23, 2007. The proposed combination of ABN AMRO and Barclays will create one of the world s leading universal banks. Barclays will be the holding company of the combined group. ABN AMRO s business will be brought under the combined group umbrella through an exchange offer by Barclays for all outstanding ABN AMRO ordinary shares, nominal value 0.56 per share, including all ABN AMRO American Depositary Shares, each representing one ABN AMRO ordinary share (ABN AMRO ADSs).

This document is being sent to holders of ABN AMRO ordinary shares located in the United States and Canada and holders of ABN AMRO ADSs located in any Offer Jurisdiction (as defined on page i of this document) to effect the exchange offer. Separate offering documentation is being made available to holders of ABN AMRO ordinary shares located in Offer Jurisdictions other than the United States and Canada. Subject to a mix-and-match facility described in this document, Barclays is offering to exchange in the manner set out in this document (a) 2.13 Barclays ordinary shares, nominal value 25p per share, and 13.15 in cash for each ABN AMRO ordinary share, and (b) 0.5325 Barclays American Depositary Shares, each representing four Barclays ordinary shares (Barclays ADSs), and 13.15 in cash for each ABN AMRO ADS, in each case that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn. The cash consideration paid for each ABN AMRO ADS that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn, will be U.S. dollars, based on the conversion of the Euro consideration to which holders of ABN AMRO ADSs are entitled, net of any applicable fees and expenses, into U.S. dollars at the exchange rate obtainable by The Bank of New York, the ADS exchange agent, on the date the cash consideration is received by the ADS exchange agent for delivery in respect of such ABN AMRO ADSs.

The exchange offer is being made on the terms and pursuant to the conditions set forth in this document and, for ABN AMRO ordinary shares, the related form of acceptance, and, for the ABN AMRO ADSs, in the related letter of transmittal. Following the exchange offer, it is expected that, subject to applicable law, Barclays will take steps in order to cause ABN AMRO to become a direct or indirect wholly owned subsidiary of Barclays, as described in Post-Closing Restructuring .

The exchange offer will commence in the United States and Canada at 9:00 a.m. New York City time (3:00 p.m. Central European Summer Time), on August [l], 2007, and expire at 9:00 a.m. New York City time (3:00 p.m. Central European Summer Time), on [l], 2007, unless the exchange offer is extended or terminated prior to that time.

Upon completion of the exchange offer, and assuming that all of the outstanding ABN AMRO ordinary shares and ABN AMRO ADSs are validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not withdrawn, existing holders of Barclays ordinary shares and Barclays ADSs and former holders of ABN AMRO ordinary shares and ABN AMRO ADSs will own approximately 56% and 35%, respectively, of the outstanding Barclays ordinary shares (including Barclays ordinary shares represented by Barclays ADSs). Based on the current number of outstanding ABN AMRO ordinary shares (including ABN AMRO ordinary shares represented by ABN AMRO ADSs), Barclays will issue approximately [l] Barclays ordinary shares (including Barclays ordinary shares represented by Barclays ADSs) in the exchange offer.

Barclays ordinary shares and Barclays ADSs are listed on the New York Stock Exchange (the NYSE), where Barclays ADSs trade under the symbol BCS , and ABN AMRO ordinary shares and ABN AMRO ADSs are listed on the NYSE, where ABN AMRO ADSs trade under the symbol ABN . Barclays intends to apply to list the Barclays ordinary shares and the Barclays ADSs to be issued in the exchange offer on the NYSE, subject to official notice of issuance. Barclays will also make an application to the United Kingdom Listing Authority (the UKLA) and the London Stock Exchange (the LSE) for the Barclays ordinary shares to be issued in the exchange offer to be admitted to the Official List and to trading on the LSE, as well as to list such Barclays ordinary shares on the Tokyo Stock Exchange (the TSE). Barclays will also apply for a secondary listing on Eurolist by Euronext of Euronext Amsterdam N.V. (Euronext). If the exchange offer is declared unconditional by Barclays, ABN AMRO ordinary shares and ABN AMRO ADSs will be delisted from the NYSE and Euronext as soon as practicable thereafter.

The exchange offer is subject to the conditions set forth in The Exchange Offer Conditions . **See Risk Factors for a discussion of various factors that you, as holders of ABN AMRO ordinary shares or ABN AMRO ADSs, should consider about the exchange offer.**

Neither the Securities and Exchange Commission (SEC) nor any state securities commission has approved or disapproved of the securities to be issued in the transactions described herein or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.

The Dealer Manager for the Exchange Offer in the United States is

Deutsche Bank Securities

The date of this document is August [l], 2007

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ADDITIONAL INFORMATION

This document incorporates important business and financial information about ABN AMRO and Barclays from documents filed with the SEC that have not been included in, or delivered with, this document. See Where You Can Find More Information . Documents filed with or furnished to the SEC by Barclays or ABN AMRO on or after September 10, 2002 are available on the website maintained by the SEC at www.sec.gov. You may also request copies of these documents, without charge, upon written or oral request to Barclays information agent in the United States, Georgeson, at (212) 440-9800 or toll free at (888) 605-7547. **In order to ensure timely delivery, any request should be submitted no later than [l], 2007.**

You can also get more information by visiting ABN AMRO s website at www.abnamro.com and Barclays website at www.barclays.com. Information contained in, or otherwise accessible through, these internet sites is not a part of this document and is not incorporated by reference herein. All references in this document to these internet sites are inactive textual references to these URLs and are for your information only. See Where You Can Find More Information .

No person is authorized to give any information or to make any representation with respect to the matters that this document describes other than those contained in this document, and, if given or made, the information or representation must not be relied upon as having been authorized by ABN AMRO or Barclays. This document does not constitute an offer to sell or a solicitation of an offer to buy securities in any jurisdiction where, or to any person to whom, it is unlawful to make such an offer or a solicitation. Neither the delivery of this document nor any distribution of securities made under this document shall, under any circumstances, create an implication that there has been no change in the affairs of ABN AMRO or Barclays since the date of this document or that any information contained herein is correct as of any time subsequent to the date of this document.

This document is being sent to holders of ABN AMRO ordinary shares located in the United States and Canada and holders of ABN AMRO ADSs located in every Offer Jurisdiction (as defined below) to effect the exchange offer. Separate offering documentation is being made available to holders of ABN AMRO ordinary shares located in Offer Jurisdictions other than the United States and Canada. The distribution of this document and any other documentation regarding the exchange offer may, in some jurisdictions, be restricted by law. Offering documentation regarding the exchange offer may not be distributed, directly or indirectly, in or into any jurisdiction other than The Netherlands, the United Kingdom, the United States, Austria, Belgium, Canada, France, Germany, Ireland, Luxembourg, Norway, Singapore, Spain and Switzerland, and any other jurisdictions in which Barclays determines that it may lawfully distribute offering documentation regarding the exchange offer in accordance with local law (together the Offer Jurisdictions). However, acceptances by holders of ABN AMRO ordinary shares or ABN AMRO ADSs not resident in the Offer Jurisdictions will be accepted by Barclays if such acceptance complies with the acceptance procedure and requirements set out in this document (see The Exchange Offer Procedure for Tendering and Electing). Persons not resident in the Offer Jurisdictions who come into possession of this document should inform themselves of and observe any laws and regulations applicable to such persons regarding acceptance of the exchange offer and receipt of the offer consideration. Neither Barclays nor any person acting on its behalf assumes any responsibility for any violation by any person of any such laws or regulations. Any holder of ABN AMRO ordinary shares or ABN AMRO ADSs who is in any doubt as to its position should consult an appropriate professional advisor without delay.

This document must not be distributed in whole or in part into Japan. This document and other documents related to the exchange offer may not be electronically provided to, nor accessed by, residents of Japan or persons who are in Japan. Copies of this document and any other documents related to the exchange offer are not being, and must not be, mailed or otherwise distributed or sent to any person or company in or from Japan. Persons receiving this document (including custodians, nominees and trustees) or other documents related to the exchange offer must not distribute or send them to any person or company in or from Japan. The exchange offer is not being made, directly or indirectly, in or into or by the use of the mails or any other means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or internet) of interstate or foreign commerce of, or any such facilities of a national securities exchange of, Japan and is not capable of acceptance by such use, means, instrumentality or facilities from or within Japan.

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QUESTIONS AND ANSWERS ABOUT THE EXCHANGE OFFER

The following are some of the questions that you, as a holder of ABN AMRO ordinary shares or ABN AMRO ADSs, may have, along with answers to those questions. These questions and answers, as well as the following summary, are not meant to be a substitute for the information contained in the remainder of this document. Barclays urges you to read such documents in their entirety prior to making any decision as to your ABN AMRO ordinary shares or ABN AMRO ADSs.

Q: What is the purpose of this exchange offer?

A: The purpose of the exchange offer is to enable Barclays (and/or its wholly owned subsidiaries) to acquire all of the outstanding ABN AMRO ordinary shares and ABN AMRO ADSs. The proposed combination of ABN AMRO and Barclays will create one of the world s leading universal banks. Both ABN AMRO and Barclays operate in a sector which is still fragmented in comparison to other global industries. The board of directors of Barclays (the Barclays Board) believes that universal banking is the model best equipped for success in an industry where customer needs are converging and where demand-led growth will be significant across the globe. Harmonization of customer needs is already well advanced in investment banking and investment management and is increasingly apparent in retail and commercial banking.

The proposed combination brings together two sets of high quality product capabilities and brands, which are well placed to create growth for shareholders from the relationship extension opportunities that exist in a combined base of 46 million personal and 1.4 million commercial customers.

Q: What would I receive in exchange for my ABN AMRO ordinary shares or ABN AMRO ADSs?

A: Barclays is offering to exchange in the manner set out in this document (a) 2.13 Barclays ordinary shares and 13.15 in cash for each outstanding ordinary share of ABN AMRO, and (b) 0.5325 Barclays ADSs and $13.15 in cash for each ABN AMRO ADS, in each case that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn. The cash consideration paid for each ABN AMRO ADS that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn, will be U.S. dollars, based on the conversion of the Euro consideration to which holders of ABN AMRO ADSs are entitled, net of any applicable fees and expenses, into U.S. dollars at the exchange rate obtainable by The Bank of New York, the ADS exchange agent, on the date the cash consideration is received by the ADS exchange agent for delivery in respect of such ABN AMRO ADSs.

Holders of ABN AMRO ordinary shares or ABN AMRO ADSs may elect, subject to availability, to vary the proportions in which they receive Barclays ordinary shares or Barclays ADSs and cash in respect of their holdings of ABN AMRO ordinary shares or ABN AMRO ADSs under a mix-and-match facility (the Mix and Match Facility). That is, you may request that you receive a greater proportion of cash or Barclays ordinary shares or Barclays ADSs in respect of some or all of your ABN AMRO ordinary shares or ABN AMRO ADSs than you would receive under the default terms of the exchange offer.

The total number of Barclays ordinary shares, including those represented by Barclays ADSs, to be issued and the total amount of the cash consideration to be paid under the exchange offer will not be varied as a result of Mix and Match Facility. Accordingly, satisfaction of elections by holders of ABN AMRO ordinary shares or ABN AMRO ADSs under the Mix and Match Facility will depend on the extent to which other holders of ABN AMRO ordinary shares or ABN AMRO ADSs (who together form one consideration pool) make offsetting elections. If elections cannot be satisfied in full, they will be scaled down on a pro rata basis. To the extent that elections can be satisfied, holders of ABN AMRO ordinary shares or ABN AMRO ADSs will receive Barclays ordinary shares or Barclays ADSs instead of cash or vice versa on the

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basis of a fixed rate of [l] for each Barclays ordinary share and [l] for each Barclays ADS. These figures reflect the exchange price announced in the July 23, 2007 announcement of the revised offer of £8.00 using the exchange rate of £1.00 = l per Barclays ordinary share published in the Financial Times on August [l], 2007. Barclays ordinary shares may be trading at a lower or higher price than £8.00 at the settlement date. Holders of ABN AMRO ordinary shares or ABN AMRO ADSs who make an election to receive a greater proportion of cash will receive a basic entitlement of 13.15 per ABN AMRO ordinary share and ABN AMRO ADS tendered under this election. Holders of ABN AMRO ordinary shares or ABN AMRO ADSs who elect the Mix and Match Facility will then receive additional cash to the extent that this has been made available by other holders of ABN AMRO ordinary shares or ABN AMRO ADSs who elect to receive their exchange offer consideration in Barclays ordinary shares or Barclays ADSs. If there is not enough cash given up to give all of a holder s consideration in cash, then holders who elect this Mix and Match Facility will receive the balance in Barclays ordinary shares or Barclays ADSs.

If holders of ABN AMRO ordinary shares or ABN AMRO ADSs make an election to receive a greater proportion of Barclays ordinary shares or Barclays ADSs, such holders will receive a basic entitlement of 2.13 Barclays ordinary shares per ABN AMRO ordinary share tendered under this election, or 0.5325 Barclays ADS per ABN AMRO ADS that was tendered. Such holders will then receive additional Barclays ordinary shares or Barclays ADSs to the extent that they have been made available by other holders of ABN AMRO ordinary shares or ABN AMRO ADSs who elect to receive their exchange offer consideration in cash. If there are not enough Barclays ordinary shares or Barclays ADSs given up to give all of a holder s consideration in Barclays ordinary shares or Barclays ADSs, then such holders will receive the balance in cash.

As a result, holders of ABN AMRO ordinary shares or ABN AMRO ADSs who make an election under the Mix and Match Facility will not know the exact number of Barclays ordinary shares or Barclays ADSs or the amount of cash that they will receive until settlement of the consideration under the exchange offer. An announcement will be made of the extent to which elections under the Mix and Match Facility have been satisfied.

If holders of ABN AMRO ordinary shares make no election, they will receive the default entitlement of 13.15 in cash and 2.13 Barclays ordinary shares in respect of each ABN AMRO ordinary share tendered. If holders of ABN AMRO ADSs make no such election, they will receive the default entitlement of 13.15 in cash and 0.5325 Barclays ADS in respect of each ABN AMRO ADS tendered.

See The Exchange Offer Mix and Match Facility for more detail

Q: How long do I have to decide whether to tender and can the exchange offer be extended?

A: You may tender your ABN AMRO ordinary shares or ABN AMRO ADSs into the exchange offer until 9:00 a.m. New York City time (3:00 p.m. Central European Summer Time) on [l], 2007, which is the scheduled expiration date of the initial offer period, unless Barclays decides to extend the initial offer period.

Q: How will I be notified if the exchange offer is extended?

A: Barclays will announce by press release any extension of the initial offer period no later than the third day on which Euronext is open for trading (each day on which Euronext is open for trading is referred to as a Euronext trading day) after the previously scheduled expiration date.

Q: When will I be notified of the results of the exchange offer?

A: Unless the initial offer period is extended, Barclays will determine within five Euronext trading days following the expiration of the initial offer period on [l], 2007, whether the exchange offer conditions have been fulfilled or are to be waived and will announce whether (i) the exchange offer has been de-

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clared unconditional, (ii) there is still uncertainty as to the fulfilment of any of the exchange offer conditions, or (iii) the exchange offer is terminated, as a result of the exchange offer conditions not having been fulfilled or waived.

Q: Under what circumstances will there be a subsequent offering period?

A: If the minimum acceptance condition is satisfied or waived and the exchange offer is successful and declared unconditional, Barclays may elect to provide a subsequent offering period. A subsequent offering period, if one is provided, will be an additional period of time after Barclays has acquired ABN AMRO ordinary shares and ABN AMRO ADSs in the exchange offer, during which holders of ABN AMRO ordinary shares and ABN AMRO ADSs may tender, but not withdraw, their ABN AMRO ordinary shares and ABN AMRO ADSs. If Barclays determines to provide a subsequent offering period, it will publicly disclose its intentions and such subsequent offering period will commence immediately after the exchange offer is declared unconditional.

Q: Will holders of ABN AMRO ordinary shares or ABN AMRO ADSs receive the same consideration if they tender in the subsequent offering period as if they tender during the initial offering period?

A: In the event of a subsequent offering period, the exchange ratios will be the same as in the initial offering period. Because the exchange ratios are fixed, however, the market value of the consideration paid in the subsequent offering period may differ from the consideration paid in the initial offering period. Moreover, holders making an election under the Mix and Match Facility may receive a different proportion of their preferred consideration than those holders who accepted during the initial offer period, as it may have been extended, or during the subsequent offering period.

Q: What will holders of depositary receipts for ABN AMRO convertible preference finance shares and holders of the ABN AMRO formerly convertible preference finance shares receive?

A: In addition to the exchange offer for the ABN AMRO ordinary shares and ABN AMRO ADSs described in this document, Barclays is offering to acquire all of the outstanding depositary receipts for convertible preference finance shares with a par value of 0.56 per share of ABN AMRO (ABN AMRO DR Preference Shares). Barclays is also offering to acquire all of the outstanding formerly convertible preference finance shares with a par value of 2.24 per share of ABN AMRO (ABN AMRO Formerly Convertible Preference Shares). Any holder of ABN AMRO DR Preference Shares and ABN AMRO Formerly Convertible Preference Shares should refer solely to the separate offer document and prospectus, dated the same date as this document, for the terms and conditions of those offers.

Q: How long will it take to complete the combination?

A: Barclays expects to complete the proposed combination as soon as possible after completion of the exchange offer.

Q: What are the most significant conditions to the exchange offer?

A: The exchange offer is subject to the satisfaction or waiver of a number of conditions, including, among others:

At least 80% of the issued ABN AMRO ordinary shares (including ABN AMRO ordinary shares underlying ABN AMRO ADSs) have been tendered under the exchange offer or are otherwise held by Barclays;

No material adverse change in respect of Barclays or ABN AMRO;

No third party has indicated an intention to take any frustrating action (as defined in the Merger Protocol);

All necessary filings, notifications, and applications in connection with the exchange offer have been made and all authorizations and consents have been obtained and relevant waiting periods have expired;

The agreement (the LaSalle Agreement) between ABN AMRO Bank N.V. (ABN AMRO Bank) and Bank of America Corporation (Bank of America) for the sale of ABN AMRO North America Holding Company (and certain of its subsidiaries, including LaSalle Bank Corporation) (collectively, LaSalle), but excluding ABN AMRO WCS Holding Company and its subsidiaries, has been completed in accordance with its terms or a purchase and sale agreement with another party with respect to sale of LaSalle has been completed in accordance with its terms;

The competent regulatory authorities in The Netherlands have given their declaration of no objection and the Financial Services Authority (the FSA) in the United Kingdom has notified its approval of each person who will acquire control over any United Kingdom authorized person which is a member of the combined group or the relevant waiting period has expired;

Barclays and ABN AMRO have received confirmation from the Dutch Central Bank (*De Nederlandsche Bank N.V.*) that it has no objection to the parties proposal for the composition of the managing board and supervisory board of ABN AMRO Bank N.V. and the FSA has approved the appointment of the proposed directors to the Barclays Board and the board of directors of Barclays Bank PLC (Barclays Bank)

All approvals have been received or notices have been filed under US federal or state banking laws that are necessary for completion of the exchange offer, and all required waiting periods have expired;

The European Commission has declared the exchange offer compatible with the common market or has granted its approval to the exchange offer and the applicable waiting period under the US Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended (the HSR Act) in relation to the exchange offer has expired or been terminated;

Neither Barclays nor ABN AMRO has received any notification from the Dutch Central Bank or the FSA that there is likely to be a change in the supervisory, reporting or regulatory capital arrangements that will apply to the combined group;

The tax clearances from the relevant United Kingdom and Dutch tax authorities have not been withdrawn or amended;

Confirmation has been given that the Barclays ordinary shares being offered will be admitted to the Official List of the UKLA, admitted to trading on the main market for listed securities on the LSE, authorized for listing on Euronext and the TSE and the Barclays ordinary shares being offered and the Barclays ADSs representing such shares or a portion thereof have been approved for listing on the NYSE;

The general meetings of shareholders of ABN AMRO and Barclays have passed all agreed or required resolutions;

There has been no event, circumstance or series of linked events or circumstances that was not fairly disclosed in the 2006 annual reports and the annual accounts of either ABN AMRO or Barclays, respectively, or otherwise disclosed and that can reasonably be expected to have a negative impact of 5% or more on the respective 2006 consolidated operating income of ABN AMRO or Barclays;

The Merger Protocol has not been terminated;

Barclays has received the relevant regulatory consents to the investments by China Development Bank in Barclays ordinary shares;

To the extent required, the De Nederlandsche Bank (DNB) has given consent to ABN AMRO and ABN AMRO Bank in relation to a distribution relating to the LaSalle proceeds following the Offer; and

The obligation of Barclays to declare the exchange offer unconditional shall be subject to the condition precedent that no third party declares or reaffirms that it makes or intends to make an offer or an amended offer for shares in ABN AMRO.

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These and other conditions to the exchange offer are discussed in this document under The Exchange Offer Conditions .

Q: What percentage of Barclays ordinary shares and Barclays ADSs will former holders of ABN AMRO ordinary shares or ABN AMRO ADSs own after the exchange offer?

A: After completion of the exchange offer, and assuming that all of the outstanding ABN AMRO ordinary shares and ABN AMRO ADSs are validly tendered and not withdrawn, former holders of ABN AMRO ordinary shares and ABN AMRO ADSs would own approximately 35% of the outstanding Barclays ordinary shares (including Barclays ordinary shares underlying Barclays ADSs).

Q: How do I participate in the exchange offer?

A: If you hold your ABN AMRO ordinary shares as the registered holder, you may participate in the exchange offer by tendering your ABN AMRO ordinary shares to ABN AMRO Bank, the Dutch listing and exchange agent, in accordance with the procedures set forth in the appropriate version of the ordinary share form of acceptance you received with this document.

If you hold your ABN AMRO ADSs as the registered holder, either in the form of ABN AMRO American Depositary Receipts (ADRs) or in uncertificated form through the Direct Registration System (DRS), you may participate in the exchange offer by tendering your ABN AMRO ADSs to The Bank of New York, the ADS exchange agent, in accordance with the procedures set forth in the ADS letter of transmittal you received with this offer document/prospectus.

If you hold your ABN AMRO ordinary shares or ABN AMRO ADSs in street name , which means that a bank, broker or other nominee is the registered holder of the ABN AMRO ordinary shares or ABN AMRO ADSs on your behalf, you must follow the procedures of your bank, broker or other nominee in order to participate in the exchange offer.

See The Exchange Offer Procedure for Tendering and Electing for more information on the procedures for tendering your ABN AMRO ordinary shares or ABN AMRO ADSs.

Q: Will I have to pay any fees or commissions?

A: It is expected that you will not have to pay any brokerage commissions if:

- your ABN AMRO ordinary shares are registered in your name and you tender them to the Dutch listing and exchange agent, or

- your ABN AMRO ADSs are registered in your name and you tender them directly to the ADS exchange agent.

If your ABN AMRO ordinary shares or ABN AMRO ADSs are held in street name through a bank, broker or other nominee, you are advised to consult with your bank, broker or other nominee as to whether or not they charge any transaction fee or service charge.

Holders of ABN AMRO ADSs will not have to pay any fees or incur any expenses in connection with the issuance of Barclays ADSs in the manner described in this document (except, any fees that may be charged by a holder s bank, broker or other nominee, which will be determined, and communicated to the holder, directly by such holder s bank, broker or other nominee).

Q: Until what time may I withdraw previously tendered ABN AMRO ordinary shares or ABN AMRO ADSs?

A: The tender of your ABN AMRO ordinary shares or ABN AMRO ADSs may generally be withdrawn at any time prior to the expiration of the exchange offer, which is 9:00 a.m. New York City time (3:00 p.m. Central European Summer Time) on [l], 2007 unless Barclays decides to extend the exchange offer. In addition, ABN AMRO ordinary shares or ABN AMRO ADSs which have been tendered but not accepted for exchange may be withdrawn at any time after 60 calendar days from the date of this document. However, there will be no withdrawal rights during any subsequent offering period. See The Exchange Offer Withdrawal Rights for more information.

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Q: How do I withdraw previously tendered ABN AMRO ordinary shares or ABN AMRO ADSs?

A: If you hold your ABN AMRO ordinary shares as the registered holder and tendered them to the Dutch listing and exchange agent, you may withdraw your ABN AMRO ordinary shares by delivering a properly completed and duly executed notice of withdrawal to the Dutch listing and exchange agent prior to the expiration of the initial offer period (or such earlier date as announced by Barclays if Barclays reduces or waives the minimum condition as described in this document).

If you hold your ABN AMRO ADSs as the registered holder, either in ADR form or through DRS, and you tendered them to the ADS exchange agent, you may withdraw your ABN AMRO ADSs by delivering a properly completed and duly executed notice of withdrawal (guaranteed by an eligible guarantor institution if you were required to obtain a signature guarantee for the ADS letter of transmittal pursuant to which you tendered you ABN AMRO ADSs) to the ADS exchange agent prior to the expiration of the initial offer period (or such earlier date as announced by Barclays if Barclays reduces or waives the minimum condition as described in this document).

If you hold your ABN AMRO ordinary shares or ABN AMRO ADSs in street name though a bank, broker or other nominee and you tendered them pursuant to the procedures of your bank, broker or other nominee, you must follow the bank s, broker s or other nominee s, procedures in order to withdraw your ABN AMRO ordinary shares or ABN AMRO ADSs.

See The Exchange Offer Withdrawal Rights for more information about the procedures for withdrawing your previously tendered ABN AMRO ordinary shares or ABN AMRO ADSs.

Q: Will US holders be taxed on the consideration that they receive?

A: US holders of ABN AMRO ordinary shares or ABN AMRO ADSs will recognize gain or loss for United States federal income tax purposes on the surrender of their ABN AMRO ordinary shares or ABN AMRO ADSs pursuant to the exchange offer equal to the difference between the fair market value of Barclays ordinary shares or Barclays ADSs (and any cash in lieu of fractional Barclays ordinary shares or Barclays ADSs) they receive and their tax basis in their ABN AMRO ordinary shares or ABN AMRO ADSs. See Taxation Material United States Federal Income Tax Considerations .

US holders of ABN AMRO ordinary shares or ABN AMRO ADSs who realise capital gains pursuant to the exchange offer will generally not be subject to Dutch taxation on such capital gains unless the capital gains are attributable to an enterprise or part thereof that is either (a) effectively managed in The Netherlands or (b) carried on through a permanent establishment or a permanent representative in The Netherlands. However, other exceptions may apply which may result in US holders becoming subject to Dutch taxation on the capital gains concerned. See Taxation Material Dutch Tax Consequences .

US holders of ABN AMRO ordinary shares or ABN AMRO ADSs, who are neither resident nor ordinarily resident in the UK for tax purposes, should not be subject to tax in the United Kingdom in respect of the exchange of their ABN AMRO ordinary shares or ABN AMRO ADSs pursuant to the exchange offer. See Taxation Material United Kingdom Tax Consequences .

Q: Is Barclays financial condition relevant to my decision to tender my ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer?

A: Yes, ABN AMRO ordinary shares or ABN AMRO ADSs accepted in the exchange offer will be exchanged for Barclays ordinary shares or Barclays ADSs, cash or some combination of Barclays ordinary shares or Barclays ADSs and cash. Consequently, you should consider Barclays financial condition before you participate in the exchange offer, even if you elect to receive cash, because you may become a holder of Barclays ordinary shares or Barclays ADSs through the exchange offer. In considering Barclays financial condition, you should review the documents incorporated by reference in this document because they contain detailed business, financial and other information about Barclays.

Q: Will there be transfer restrictions on the Barclays ordinary shares or Barclays ADSs that are delivered in respect of tendered ABN AMRO ordinary shares or ABN AMRO ADSs?

A: No, the Barclays ordinary shares and Barclays ADSs issued in the exchange offer will not be subject to transfer restrictions.

Q: What happens if the exchange offer is terminated or not successful?

A: If the exchange offer is not completed:

if you hold your ABN AMRO ordinary shares as the registered holder and tendered them to the Dutch listing and exchange agent, your ABN AMRO ordinary shares will be returned to you by the Dutch listing and exchange agent;

if you hold your ABN AMRO ADSs as the registered holder, either in ADR form or through DRS, and you tendered them to the ADS exchange agent, your ABN AMRO ADSs will be returned to you by the ADS exchange agent in the form in which you held them prior to tendering them;

if you hold your ABN AMRO ordinary shares or ABN AMRO ADSs in street name though a bank, broker or other nominee, your ABN AMRO ordinary shares or ABN AMRO ADSs will be returned to you by your bank, broker or other nominee in accordance with its procedures.

Q: If I decide not to tender, how will the exchange offer affect my ABN AMRO ordinary shares and ABN AMRO ADSs?

A: The purpose of the exchange offer is to enable Barclays (and/or its wholly owned subsidiaries) to acquire all of the outstanding ABN AMRO ordinary shares and ABN AMRO ADSs.

The acquisition by Barclays of ABN AMRO ordinary shares and ABN AMRO ADSs in the exchange offer will reduce the number of ABN AMRO ordinary shares and ABN AMRO ADSs that might otherwise trade publicly and will reduce the number of holders of ABN AMRO ordinary shares and ABN AMRO ADSs, which could adversely affect the liquidity and market value of the remaining ordinary shares and ABN AMRO ADSs held by the public. It is also currently intended that the ABN AMRO ordinary shares and ABN AMRO ADSs will be delisted from the stock exchanges on which they currently trade in the event that the exchange offer is completed. In addition, ABN AMRO may cease to make filings with the SEC or otherwise cease to be required to comply with the SEC s rules relating to publicly held companies, to the extent permitted.

In addition, Barclays currently intends to take steps following the completion of the exchange offer in order to cause ABN AMRO to become a direct or indirect wholly owned subsidiary of Barclays. The following is a summary of the steps Barclays currently intends to take depending on the percentage of ABN AMRO s issued and outstanding share capital that Barclays acquires in the exchange offer.

Barclays acquires 95% or more of the issued and outstanding share capital of ABN AMRO

If 95% or more of the issued and outstanding share capital of ABN AMRO is tendered in the exchange offer, Barclays currently intends to initiate a compulsory acquisition procedure in accordance with section 2:92a of the Dutch Civil Code (the Ordinary Squeeze-Out) to acquire 100% of the issued and outstanding share capital of ABN AMRO. If and when the squeeze out procedures are included in Dutch law, implementing the EU Takeover Directive (2004/25/EC) (the Takeover Squeeze-Out), Barclays also intends to initiate Takeover Squeeze-Out procedures to acquire 100% of a single class of shares of the issued and outstanding share capital of ABN AMRO. Barclays may also first initiate the Takeover Squeeze-Out and (if this leads to Barclays acquiring 95% or more of the total issued and outstanding share capital of ABN AMRO) and subsequently initiate the Ordinary Squeeze-Out. In both proceedings, the price to be paid would be paid in cash only, in an amount determined by the Enter-

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prise Chamber of the Amsterdam Court of Appeals, which amount may be lower than the consideration that holders of ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, received in the exchange offer.

Other Post-Closing Restructuring Measures

If Barclays is unable to acquire 95% or more of the issued and outstanding share capital of ABN AMRO by the use of the Ordinary Squeeze-Out or the Takeover Squeeze-Out, Barclays currently intends to implement other post-closing restructuring measures intended to eliminate any minority interest in ABN AMRO remaining after completion of the exchange offer. Such other post-closing restructurings can include a cross border legal merger between ABN AMRO and Barclays, a sale and/or transfer of other assets and liabilities of ABN AMRO and/or ABN AMRO Bank) and other possible measures. If Barclays decides to pursue a cross border legal merger with a legal entity in another European jurisdiction, Barclays intends to follow the valuation procedures set out in the EU Takeover Directive as implemented in the relevant jurisdiction and to pay a fair consideration, but such consideration may, depending on the circumstances at the time of the relevant valuations, be lower than the consideration that holders of ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, received in the exchange offer. Whether Barclays will implement any of such post-closing restructuring measures (and the form thereof) will depend on the number of ABN AMRO ordinary shares (including ABN AMRO ordinary shares represented by ABN AMRO ADSs) which are acquired by Barclays after completion of the exchange offer and the means available in a particular jurisdiction to achieve the objective of enabling Barclays (and/or its wholly owned subsidiaries) to acquire all of the outstanding ABN AMRO ordinary shares and ABN AMRO ADSs.

Protection of Minority Shareholders

In addition, if Barclays does not acquire 95% or more of the issued and outstanding ordinary share capital of ABN AMRO, two supervisory directors with full supervisory board responsibility in the Supervisory Boards of ABN AMRO and ABN AMRO Bank, who are independent from Barclays, will form a special committee with the specific task of protecting the interests of the minority shareholders in ABN AMRO, in accordance with Dutch law providing for the protection of the interests of minority shareholders. Consistent with Dutch law, the approval of the special committee will be required for all transactions outside the ordinary course of business between ABN AMRO and Barclays.

General considerations

Post-closing restructuring measures may have adverse tax consequences for shareholders or certain groups of shareholders. For example, distributions made by ABN AMRO, whether as a dividend or a repayment of capital, in cash or in kind, and whether or not in the context of its liquidation, might give rise to a liability to Dutch dividend withholding tax. Application of the Dutch dividend withholding tax could cause the net value of the consideration received by holders of ABN AMRO ordinary shares or ABN AMRO ADSs in any post-closing reorganization to be substantially less than the net value of the consideration such holders would have received had they tendered their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer.

If Barclays decides not to implement any post-closing restructuring measures, minority shareholders will remain shareholders of ABN AMRO.

See Post-Offer Restructuring .

Q: Are appraisal rights available to holders of ABN AMRO ordinary shares or ABN AMRO ADSs?

You are not entitled to appraisal rights or dissenters rights in connection with the exchange offer. However, if 95% or more of the issued and outstanding share capital of ABN AMRO is tendered in the exchange offer and Barclays elects to initiate the Ordinary Squeeze-Out or the Takeover Squeeze-Out, the consideration to be paid to holders of ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, in such circumstances would be determined by the Enterprise Chamber of

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the Amsterdam Court of Appeals. The Amsterdam Court of Appeals may appoint one or three experts to advise the Court on the value of the minority shares. The Amsterdam Court of Appeals determines the squeeze out price. In the Ordinary Squeeze-Out proceedings following a public bid, the Amsterdam Court of Appeals usually sets the price for the minority shares at an amount equal to the price offered in the preceding public bid (or in case of an exchange offer, its value reflected is cash). However, the Amsterdam Court of Appeals may also set a lower price. The Amsterdam Court of Appeals usually determines the price for the shares as of the date of its decision, but it is at liberty to choose an earlier reference date if it believes such a date to be more appropriate. In Takeover Squeeze-Out proceedings, the consideration offered in the exchange offer is presumed fair if 90% or more of the shares in a public offer were acquired by the offeror. Takeover Squeeze-Out proceedings must be initiated within three months after the initial offer period has expired. See also The Exchange Offer-Appraisal Rights .

Q: Where can I find out more information about Barclays and ABN AMRO?

A: You can find out information about Barclays and ABN AMRO from the sources described under Where You Can Find More Information .

Q: Who can I call with questions about the exchange offer?

A: You can contact Barclays information agent in the United States, Georgeson, at (212) 440-9800, for banks, brokers and other nominees, or toll free at (888) 605-7547, for all other holders, or the dealer manager in the United States, Deutsche Bank Securities Inc., toll free at (877) 221-7676.

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INDICATIVE TIMETABLE

You should take note of the dates and times set forth in the schedule below in connection with the exchange offer. These dates and times may be changed by Barclays in accordance with the terms and conditions of the exchange offer, as described in this document.

Event	Calendar Date
Beginning of exchange offer period	August [l], 2007
Extraordinary general meeting of Barclays shareholders	10:00 a.m. British Summer Time on [l], 2007
Barclays ordinary shareholder class meeting	10:15 a.m. British Summer Time on [l], 2007
Expiration of initial exchange offer period	[l], 2007[(a)]
Announcement by Barclays of the results of the exchange offer	Not later than five Euronext trading days after the expiration of the initial exchange offer period, [(a)]
Barclays ordinary shares to be issued in the exchange offer begin trading on the LSE	Not later than the next trading day of the announcement of the results of the exchange offer
Barclays ordinary shares begin trading on Euronext (on an as-if-when-issued basis)	Not later than the next trading day of the announcement of the results of the exchange offer
Barclays ordinary shares begin trading on the TSE	Not later than the next trading day of the announcement of the results of the exchange offer
Barclays ADSs to be issued in the exchange offer begin trading on the NYSE	Not later than the next trading day of the announcement of the results of the exchange offer
Settlement Date	Not later than five Euronext trading days after the announcement of the results of the exchange offer (a)(b)

(a) If Barclays decides to extend the exchange offer, it will make an announcement to that effect no later than the third Euronext trading day after the previously scheduled expiration date of the exchange offer. If the exchange offer is declared unconditional, Barclays reserves the right to provide a subsequent offer period of not less than three US business days and up to 15 Euronext trading days but, in no event, more than 20 US business days in length, following the date that the exchange offer is declared unconditional.

(b) In the event that Barclays announces that the exchange offer is declared unconditional, holders of ABN AMRO ordinary shares who have tendered and delivered their ABN AMRO ordinary shares to Barclays will receive, within five Euronext trading days following the date on which the exchange offer was declared unconditional, Barclays ordinary shares and cash for ABN AMRO ordinary shares, calculated in the manner set forth in this document. Tendering holders of ABN AMRO ADSs will receive Barclays ADSs and cash as soon as practicable after the Barclays ordinary shares which the Barclays ADSs will represent have been delivered to the custodian of The Bank of New York as depositary for the Barclays ADR facility. If a subsequent offering period is announced, holders of ABN AMRO ordinary shares and ABN AMRO ADSs who have tendered and delivered their securities to Barclays during the subsequent offering period will receive their Barclays ordinary shares or Barclays ADSs and cash promptly following the expiration of the subsequent offering period.

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SUMMARY

This summary does not contain all of the information that is important to holders of ABN AMRO ordinary shares and ABN AMRO ADSs. To fully understand the exchange offer, holders of ABN AMRO ordinary shares and ABN AMRO ADSs should carefully read this entire document and all other documents to which this document refers.

Information About Barclays and ABN AMRO

Barclays

Barclays PLC is a public limited company registered in England under company number 48839. The company, originally named Barclay & Company Limited, was incorporated in England on July 20, 1896 under the Companies Acts 1862 to 1890 as a company limited by shares. The company name was changed to Barclays Bank Limited on February 17, 1917, and it was reregistered in 1982 as a public limited company under the Companies Acts 1948 to 1980. On January 1, 1985, the company changed its name to Barclays PLC. Barclays is listed on the NYSE, LSE and TSE. Barclays principal executive offices are at 1 Churchill Place, London E14 5HP, United Kingdom and its telephone number is +44 20 7116 1000.

Barclays is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services. It is one of the largest financial services companies in the world by market capitalization. Barclays operates in over 50 countries and employs 126,600 people. Barclays moves, lends, invests and protects money for over 27 million customers and clients worldwide. For further information about Barclays, please visit its website at www.barclays.com.

Based on the closing price of Barclays ADSs on the NYSE on August [l], 2007, Barclays market capitalization was approximately $[l]. As of July [l], 2007, there were [l] Barclays ordinary shares issued and outstanding, and there were outstanding options to purchase [l] Barclays ordinary shares. According to the Barclays Annual Report on Form 20-F for the year ended December 31, 2006, filed with the SEC on March 26, 2007 (the Barclays 2006 Form 20-F), at December 31, 2006, Barclays had total assets of £996,787 million ($1,950,912 million) and deposits from banks and customers accounts of £336,316 million ($658,238 million), using the exchange rate of £1 = $1.9572 as published by the Financial Times on January 2, 2007. According to the Barclays Form 6-K for the period ended June 30, 2007, filed with the SEC on [l], 2007 (the Barclays Interim Results), at June 30, 2007 Barclays had total assets of £[l] million ($[l] million) and deposits from banks and customers accounts of £[l] million ($[l] million), using the exchange rate of £1 = $[l] as published by the Financial Times on [l], 2007.

ABN AMRO

ABN AMRO Holding N.V. was incorporated under the laws of The Netherlands by deed of May 30, 1990 as the holding company of ABN AMRO Bank. The articles of association of ABN AMRO were last amended by a notarial deed executed by Mr. van Helden, civil law notary in Amsterdam, on June 9, 2005. ABN AMRO s main purpose is to own ABN AMRO Bank and its subsidiaries. ABN AMRO owns 100% of the shares of ABN AMRO Bank and is jointly and severally liable for all liabilities of ABN AMRO Bank. ABN AMRO Bank is the result of the merger of Algemene Bank Nederland N.V. and Amsterdam-Rotterdam Bank N.V. in 1990. ABN AMRO Bank traces its origin to the formation of the Nederlandsche Handel-Maatschappij, N.V. in 1825, pursuant to a Dutch Royal Decree of 1824. ABN AMRO is listed on Euronext and the NYSE. ABN AMRO s principal executive offices are at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands, and its telephone number is +31 20 628 9393.

ABN AMRO is a prominent international bank with a clear focus on consumer and commercial clients in ABN AMRO s local regions and globally on selected multinational corporations and financial institutions, as well as private clients.

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ABN AMRO is the eighth largest bank in Europe and thirteenth in the world based on total assets, with more than 4,500 branches in 53 countries, a staff of more than 105,000 full-time equivalents, total assets (including LaSalle) of 987 billion ($1,302 billion) (LaSalle contributed 86 billion ($113 billion)) as at December 31, 2006, and pro forma total assets, excluding LaSalle, of 901 billion ($1,188 billion) as at December 31, 2006, using the exchange rate of 1 = $1.3187 as published by the Financial Times on January 2, 2007. Net profits for ABN AMRO for 2006, including LaSalle, were 4,780 million ($6,004 million) (LaSalle contributed 899 million ($1,129 million)), using the average world market exchange rate for 2006 of 1 = $1.256097. At June 30, 2007, ABN AMRO had total assets of [l] billion ($[l] billion), using the exchange rate of 1 = $[l] as published by the Financial Times on [l], 2007. Net profits for ABN AMRO for the half year ending June 30, 2007 were [l] million ($[l] million), using average world market exchange rate for the first half of 2007 of 1 = $[l].

Based on the closing price of ABN AMRO ADSs on the NYSE on August [l], 2007, ABN AMRO s market capitalization was approximately $[l]. As of July [l], 2007, there were [l] ABN AMRO ordinary shares issued and outstanding (adjusted for treasury shares). As at July [l], 2007, there were outstanding options to purchase [l] ABN AMRO ordinary shares.

The Combined Group (see page 60)

The proposed combination of ABN AMRO and Barclays will create one of the world s leading universal banks. Both ABN AMRO and Barclays operate in a sector which is still fragmented in comparison to other global industries. The Barclays Board believes that universal banking is the model best equipped for success in an industry where customer needs are converging and where demand-led growth will be significant across the globe.

The proposed combination brings together two sets of what Barclays believes are high quality product capabilities and brands, which are well placed to create growth for shareholders from the relationship extension opportunities that exist in a combined base of approximately 46 million personal and 1.4 million commercial customers.

There will be two principal business groupings within the combined group, Global Retail and Commercial Banking (GRCB) and Investment Banking and Investment Management (IBIM). The holding company of the combined group will be Barclays.

The Transaction (see page 46)

Pursuant to the Merger Protocol, Barclays (through its wholly owned subsidiaries) is seeking to acquire ownership of ABN AMRO s business through this exchange offer, and the businesses of the two groups will be combined through a combination under Dutch law. As soon as practicable after the successful completion of the exchange offer, Barclays intends to effectuate a post-closing reorganization to effect the combination of the two businesses. Such post-closing restructuring may include a statutory squeeze-out procedure under Dutch law, a legal merger under Dutch law, and other measures.

The combination will be effected through the use of Barclays (Netherlands) N.V. (Barclays (Netherlands)), a public limited liability company organized under the laws of The Netherlands, which will be the direct holding company for ABN AMRO following consummation of the exchange offer. Prior to the date on which the exchange offer becomes effective, Barclays will own, directly or indirectly, 100% of the shares of Barclays (Netherlands). Barclays (Netherlands) shares are held in the Euroclear Nederland clearance system.

Investments by China Development Bank and Temasek (see page 78)

Investment by China Development Bank

China Development Bank agreed to invest a total of up to 9.8 billion (£6.6 billion) in the combined group and has entered into a strategic partnership with Barclays which establishes a framework for their strategic co-operation. Barclays will assist and advise China Development Bank in its evolution into a commercially operated financial institution, and the two parties will jointly exploit international business opportunities.

Barclays and China Development Bank have agreed that:

China Development Bank will invest 2.2 billion (£1.5 billion) in Barclays through an unconditional subscription of 201 million new Barclays ordinary shares, or 3.1% of Barclays existing issued share capital, at a price of £7.20 per share on August 14, 2007;

China Development Bank has also agreed to invest up to a further 7.6 billion (£5.1 billion) (using the exchange rate of £1.00 = 1.4856, as published by the Financial Times on July 21, 2007) in Barclays through a conditional investment agreement at a price of £7.40 per new ordinary share conditional on the combination with ABN AMRO completing;

As a result of the clawback placing targeted at certain existing Barclays shareholders and conducted outside of the United States on July 23 and 24, 2007, China Development Bank s conditional subscription will represent 6.4 billion (£4.31 billion) worth of Barclays ordinary shares. Following completion of the exchange offer and settlement of the Barclays ordinary shares placed in the clawback placing, China Development Bank s shareholding in the combined group will be 6.8%;

Conditional upon the completion of the proposed combination, China Development Bank will subscribe for warrants in respect of 61 million new Barclays ordinary shares with an exercise price of £7.80 per share and an exercise period of two years. If the warrants were exercised, China Development Bank s shareholding in the combined group would rise by 0.5%;

China Development Bank will be entitled to nominate a non-executive director to the Barclays Board;

China Development Bank will be free to acquire additional shares in Barclays on the open market subject to a standstill agreement limiting its shareholding to below 10% for three years; and

China Development Bank has agreed not to enter into a business collaboration agreement of a similar nature with another major banking institution with global operations.

Investment by Temasek

Temasek Holdings (Private) Limited (Temasek) has agreed to become a major shareholder in Barclays and will invest a total of up to 3.6 billion (£2.4 billion) in the combined group. Barclays and Temasek have agreed that:

Temasek will invest 1.4 billion (£1.0 billion) (using the exchange rate of £1.00 = 1.4856, as published by the Financial Times on July 21, 2007), or 2.1% of Barclays existing issued share capital, in Barclays through an unconditional placing of 135 million new Barclays ordinary shares at a price of £7.20 per share on August 14, 2007;

Temasek has also agreed to invest up to a further 2.2 billion (£1.5 billion) in Barclays shares at a price of £7.40 per share conditional on the merger completing;

As a result of the clawback placing targeted at certain existing Barclays shareholders and conducted outside of the United States on July 23 and 24, 2007, Temasek s conditional subscription will represent 1.7 billion (£1.13 billion). Following completion of the exchange offer and settlement of the Barclays ordinary shares placed in the clawback placing, Temasek s shareholding in the combined group will be 2.5%;

Conditional upon completion of the proposed merger, Temasek will subscribe for warrants in respect of 61 million Barclays ordinary shares with an exercise price of £7.80 per share and an exercise period of two years. If the warrants were exercised, Temasek s shareholding would rise by 0.5%; and

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Temasek will be entitled to nominate a non-executive director to the Barclays Board if the merger becomes unconditional.

Clawback Placing

Of the Barclays ordinary shares which China Development Bank and Temasek have conditionally agreed to acquire, up to 229,729,730 were made available by way of a clawback placing, targeted at certain Barclays shareholders outside of the United States, at a price of £7.40 per share. Applications for subscription under the clawback placing resulted in the allocation of 153,772,445 shares at a price of £7.40 per share (representing 1.7 billion (£1.14 billion) (using the exchange rate of £1.00 = 1.4856, as published by the Financial Times on July 21, 2007) of Barclays ordinary shares) to certain existing Barclays shareholders and certain other institutional investors. As a result of this placing, China Development Bank and Temasek have been scaled back such that conditional upon the completion of the exchange offer, China Development Bank will now subscribe for a total of 582 million Barclays ordinary shares at a price of £7.40 per share (representing 6.4 billion (£4.31 billion) of Barclays ordinary shares), and Temasek will subscribe for a total of 153 million Barclays ordinary shares at a price of £7.40 per share (representing 1.68 billion (£1.13 billion) of Barclays ordinary shares). Assuming that the exchange offer is completed, China Development Bank will, upon completion, own 6.8% and Temasek will own 2.5% of the issued share capital of the combined group.

Share Buy-Back Program

The total proceeds from the issuance of the Barclays ordinary shares to China Development Bank and Temasek on August 14, 2007 will amount to 3.6 billion (£2.4 billion) and this amount is unconditionally committed. On July 23, 2007, the Barclays Board announced a share buy-back program of up to 3.6 billion (£2.4 billion) to commence, at the earliest, after the publication of Barclays interim results on August 2, 2007 and, at the latest, the effective date to minimize the dilutive effect of the issuance of Barclays ordinary shares to China Development Bank and Temasek on existing Barclays shareholders. The share buy-back program will be conducted on market by JP Morgan Cazenove as an independent third party on behalf of Barclays pursuant to Barclays existing general shareholder authority. This existing authority for Barclays to purchase its own shares was granted at the Barclays Annual General Meeting held on April 26, 2007, and if a proposed resolution is passed by the Barclays Extraordinary General Meeting, will (subject to the combination becoming effective) be substituted by the authority granted pursuant to such resolution.

Reasons for the Transaction (see page 56)

Based on the reasons for the combination described in this document (see The Transaction Reasons for the Transaction), the Barclays Board is recommending the exchange offer because it believes that the exchange offer is in the best interests of the shareholders of both companies. The proposed combination of ABN AMRO and Barclays will create a strong and competitive combination for their clients with superior products and extensive distribution. Barclays believes that the combined group will generate significant and sustained future incremental earnings growth for shareholders.

In deciding to revise the terms of the exchange offer, Barclays took into account the investments by China Development Bank and Temasek. The Barclays Board believes that the unconditional investments are an important endorsement of the Barclays strategy and management team. In addition, the Barclays Board believes that the conditional investments underscores the confidence of China Development Bank and Temasek in the value potential of the combination.

Third-Party Acquisition Proposals (see page 114)

Subject to certain exceptions, the Merger Protocol generally restricts the ability of ABN AMRO to solicit or enter into discussions or negotiations with a third party regarding a proposal to acquire a significant interest in ABN AMRO. ABN AMRO may, however, continue any discussions with a third party existing on April 23, 2007. Further, ABN AMRO may have contacts with any third party to understand the contents of any proposal, provided that it notifies Barclays. Under certain circumstances, the managing board of ABN AMRO (the ABN AMRO Managing Board) and the supervisory board of ABN AMRO (the ABN AMRO Supervisory Board) may withdraw their recommendation of the exchange offer if those boards, acting in good faith and observing their fiduciary duties under applicable law, determine an alternative offer to be more beneficial than the exchange offer. Under the terms of the Merger Protocol, in the event of a competing offer being made by a third party to ABN AMRO, ABN AMRO must allow Barclays a five business day period to make a revised proposal, prior to which the ABN AMRO Managing Board and the ABN AMRO Supervisory Board may not withdraw or modify their respective recommendations or terminate the Merger Protocol. Any material revisions to the financial terms of the exchange offer would require the consent of China Development Bank and Temasek.

Under the terms of the amendment letter to the Merger Protocol entered into by Barclays and ABN AMRO on July 23, 2007, Barclays shall not hold ABN AMRO to any obligations under the Merger Protocol to include a recommendation by the ABN AMRO Managing Board or the ABN AMRO Supervisory Board in any press release, offer document, Registration Statement, Schedule TO, prospectus or related communication to be published by Barclays that may be published on or before July 30, 2007. If ABN AMRO serves notice pursuant to the Merger Protocol on or before July 30, 2007 regarding its intent to withdraw its recommendation, Barclays shall not hold ABN AMRO to any obligations under the Merger Protocol to include a recommendation by the ABN AMRO Managing Board or the ABN AMRO Supervisory Board in any press release, offer documentation, prospectus or related communication to be published by Barclays for the duration of five business days after Barclays received such notice. Barclays and ABN AMRO further agreed that should the ABN AMRO Managing Board and the ABN AMRO Supervisory Board determine on or before July 30, 2007 that they intend to withdraw their recommendation of the exchange offer and recommend a competing offer, ABN AMRO may make a public announcement to that effect immediately after such determination and without the requirement to take into account the five Business Day notice period set out in the Merger Protocol.

On April 25, 2007, ABN AMRO received an indicative proposal from the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium, to acquire ABN AMRO. On May 29, 2007, the consortium announced a proposed offer for ABN AMRO. On July 16, 2007, the consortium announced a revised offer for ABN AMRO, and the consortium commenced its offer on July 23, 2007. See The Transaction Background to the Transaction .

The Exchange Offer (see page 68)

Under the terms of the exchange offer, Barclays will, in the manner set out in this document and subject to the Mix and Match Facility, exchange 2.13 newly issued Barclays ordinary shares and 13.15 in cash for each issued and outstanding ABN AMRO ordinary share and 0.5325 Barclays ADSs and 13.15 in cash for each ABN AMRO ADS that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn. The cash consideration paid for each ABN AMRO ADS that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn, will be U.S. dollars, based on the conversion of the Euro consideration to which holders of ABN AMRO ADSs are entitled, net of any applicable fees and expenses, into U.S. dollars at the exchange rate obtainable by The Bank of New York, the ADS exchange agent, on the date the cash consideration is received by the ADS exchange agent for delivery in respect of such ABN AMRO ADSs.

The exchange offer values each ABN AMRO ordinary share at [l] ($[l]) and each ABN AMRO ADS at $[l], and values ABN AMRO at approximately [l] billion ($[l]), based on the fully-diluted number of ABN AMRO ordinary shares outstanding (excluding ordinary shares held as treasury shares, but including options and share awards), the share price of Barclays ordinary shares of £[l] on August [l], 2007, the latest practicable date prior to the date of this document, excluding the 0.60 ABN AMRO final 2006 dividend, and using the exchange

rates of £1 = [l] and 1 = $[l], as published by the Financial Times on August [l], 2007.

At the time of the announcement of the revised offer on July 23, 2007, the exchange offer valued each ABN AMRO ordinary share at 35.73 ($49.43) and each ABN AMRO ADS at $49.41 based on the closing share price of Barclays ordinary shares of £7.135 on July 20, 2007, the last business day before the announcement of the revised offer and using the exchange rates of £1 = 1.4856 and 1 = $1.3835, as published by the Financial Times on July 21, 2007. On this basis, the total consideration was valued as of July 23, 2007 at 67.5 billion ($93.4 billion), with approximately 37% of this consideration as cash.

Pursuant to the Mix and Match Facility, holders of ABN AMRO ordinary shares and holders of ABN AMRO ADSs are being offered the opportunity to elect, subject to availability, to vary the proportions in which they receive Barclays ordinary shares or Barclays ADSs and cash in respect of their holdings of ABN AMRO ordinary shares or ABN AMRO ADSs under the Mix and Match Facility. However, the total number of Barclays ordinary shares and Barclays ADSs to be issued and the maximum aggregate amount of cash to be paid under the exchange offer will not be varied as a result of elections under the Mix and Match Facility.

Under the terms of the exchange offer, following completion existing ABN AMRO ordinary shareholders (including holders of ABN AMRO ADSs) will own approximately 35% of the issued ordinary share capital of the combined group and existing Barclays shareholders (including holders of Barclays ADSs) will own approximately 56% of the issued ordinary share capital of the combined group. This compares to a split of 48% and 52% under the terms of the previous offer. In addition, after giving effect to the applications for subscriptions under the clawback placing, Temasek will own approximately 2.5% of the issued ordinary share capital of the combined group and China Development Bank approximately 6.8%. These figures assume that all of the ABN AMRO ordinary shares (including ABN AMRO ADSs) currently in issue (on a fully-diluted basis, excluding shares held as treasury shares, but including share options and share awards) are tendered into the exchange offer.

The ABN AMRO ordinary share and ABN AMRO ADS exchange ratios will be adjusted to reflect certain transactions, which may be undertaken by either Barclays or ABN AMRO prior to the settlement date of the exchange offer, as well as certain other matters. See The Exchange Offer Adjustment of Exchange Ratio .

In addition to the exchange offer for the ABN AMRO ordinary shares and ABN AMRO ADSs described in this document, Barclays is offering to acquire all of the outstanding ABN AMRO DR Preference Shares. Barclays is also offering to acquire all of the outstanding ABN AMRO Formerly Convertible Preference Shares. Any holder of ABN AMRO DR Preference Shares and ABN AMRO Formerly Convertible Preference Shares should refer solely to the separate offer document and prospectus, dated the same date as this document, for the terms and conditions of those offers.

Initial Offer Period (see page 81)

The initial offer period of the exchange offer begins on August [l], 2007 and ends, unless Barclays extends the initial offer period, on [l], 2007 at 9:00 a.m., New York City time (3:00 p.m. Central European Summer Time). If you hold your ABN AMRO ordinary shares or ABN AMRO ADSs through a bank, broker or other nominee, you should find out from such bank, broker or other nominee what its deadline is to receive your instructions to tender your ABN AMRO ordinary shares or ABN AMRO ADSs.

Extensions of the Initial Offer Period (see page 81)

Barclays may extend the initial offer period, in which case all references in this document to the closing date shall, unless the context requires otherwise, be deemed to refer to the latest date and time to which the initial offer period has been extended. If Barclays extends the initial offer period, a public announcement to that effect shall be made not later than the third Euronext trading day following the date on which the initial offer period would otherwise have expired. Any ABN AMRO ordinary shares or

ABN AMRO ADSs previously tendered and not withdrawn will remain subject to the exchange offer, subject to the right of each holder of ABN AMRO ordinary shares or ABN AMRO ADSs to withdraw the ABN AMRO ordinary shares or ABN AMRO ADSs that he or she has already tendered.

Announcement of the Results of the Exchange Offer and Declaring the Exchange Offer Unconditional (see page 81)

Unless the initial offer period is extended, Barclays will determine within five Euronext trading days following the expiration of the initial offer period on [l], 2007, whether the exchange offer conditions have been fulfilled or are to be waived and will announce whether (i) the exchange offer has been declared unconditional, (ii) there is still uncertainty as to the fulfilment of any of the exchange offer conditions, or (iii) the exchange offer is terminated, as a result of the exchange offer conditions not having been fulfilled or waived.

Subsequent Offering Period (see page 83)

If the exchange offer is declared unconditional, Barclays reserves the right to provide a subsequent offering period of not less than three US business days and up to 15 Euronext trading days but, in no event, more than 20 US business days in length, following the date that the exchange offer is declared unconditional. In the event that Barclays reduces the minimum acceptance condition to a level in excess of 50% pursuant to the procedure described in the second paragraph under The Exchange Offer Exchange Offer Period Reduction of Minimum Acceptance Condition , Barclays will be required to provide such a subsequent offering period. A subsequent offering period is an additional period of time, commencing immediately after the exchange offer is declared unconditional, during which any holder of ABN AMRO ordinary shares or ABN AMRO ADSs may tender their ABN AMRO ordinary shares or ABN AMRO ADSs not tendered in the exchange offer. A subsequent offering period, if one is provided, is not an extension of the initial offer period, which already will have expired, and ABN AMRO ordinary shares or ABN AMRO ADSs previously tendered and accepted for exchange in the initial offer period will not have any further withdrawal rights during the subsequent offering period. A subsequent offering period, if one is provided, will not affect the timing of the acceptance and delivery of ABN AMRO ordinary shares or ABN AMRO ADSs previously tendered and accepted for exchange in the initial offer period, as described below under the heading The Exchange Offer Settlement and Delivery of Securities . During the subsequent offering period, tendering shareholders will not have withdrawal rights. The exchange ratios will be the same during any subsequent offering period as during the initial offer period, and the Mix and Match Facility will be available during any subsequent offering period. The extent to which a holder who makes an election under the Mix and Match Facility during a subsequent offering period receives the consideration that the holder elected for will depend on the elections made by other holders tendering during the subsequent offering period (and not on elections made by holders who tendered during the initial offer period).

Election of Exchange Alternatives (see page 68)

Holders of ABN AMRO ordinary shares are presented with two options under the exchange offer: (1) the primary offer (the Primary Exchange); or (2) the direct exchange alternative (the Alternative Exchange). Holders of ABN AMRO ordinary shares tendering their ABN AMRO ordinary shares without opting validly for the Primary Exchange or the Alternative Exchange will be deemed to have accepted the Primary Exchange. The ultimate consideration will, in both cases, be such number of Barclays ordinary shares and cash as may be determined in accordance with the ABN AMRO ordinary share exchange ratio and any election made under the Mix and Match Facility. The Primary Exchange is likely to be the preferred option for most holders of ABN AMRO ordinary shares. This is because the Barclays ordinary shares issued under the Primary Exchange will be issued into Euroclear Nederland via the CREST account of Euroclear Nederland and accordingly, for so long as these shares remain held in Euroclear Nederland, these shares may be sold without any charge to United Kingdom stamp duty reserve tax or (in practice) stamp duty. In contrast, Barclays ordinary shares issued under the Alternative Exchange will be issued via CREST (by crediting a CREST member s account) or in certificated form rather than being issued into

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Euroclear Nederland via the CREST account of Euroclear Nederland and accordingly on any subsequent sale of those shares United Kingdom stamp duty or stamp duty reserve tax is likely to be payable.

However, electing for the Alternative Exchange may enable certain holders of ABN AMRO ordinary shares to obtain a tax deferral in certain jurisdictions on the exchange of their ABN AMRO ordinary shares for Barclays ordinary shares pursuant to the exchange offer. Holders of ABN AMRO ordinary shares, other than US holders, should carefully consider the discussion under Taxation in this document.

The Primary Exchange will be effected through the use of Barclays (Netherlands), which is the company that is the intended direct holding company for ABN AMRO following completion of the exchange offer. Prior to the settlement date Barclays (indirectly) owns, and after completion of all steps of the exchange offer, Barclays will (directly or indirectly) own, 100 percent of the shares of Barclays (Netherlands), which shares are held in Euroclear Nederland. The Primary Exchange will be effected through the use of Barclays Nominees (No. 1) Limited acting as appointed nominee for holders of ABN AMRO ordinary shares and the Dutch listing and exchange agent who will effect transactions through Euroclear Nederland.

The steps involved in the Primary Exchange will be effected consecutively on the settlement date and are as follows,

(a) By accepting the Primary Exchange, a holder of ABN AMRO ordinary shares

- (i) irrevocably instructs the nominee via his bank or broker to receive on such shareholder s behalf, such number of Barclays (Netherlands) shares as will, after the transfer contemplated in paragraph (ii) below, as have a market value equal to the ABN AMRO ordinary shares he or she undertakes to tender,

- (ii) irrevocably instructs the Dutch listing and exchange agent to transfer his or her ABN AMRO ordinary shares to Barclays (Netherlands) in return, and

- (iii) irrevocably instructs the nominee to transfer, immediately after receipt by the nominee, the Barclays (Netherlands) shares to Barclays.

(b) In exchange for the transfer to it of the Barclays (Netherlands) shares, Barclays will issue new Barclays ordinary shares and/or pay cash (as appropriate) in respect of the ABN AMRO ordinary shareholder, completing the transaction for ABN AMRO ordinary shareholder.

Consequently, the end result of all these steps is that the ABN AMRO ordinary shares tendered are held by Barclays (Netherlands), the Barclays (Netherlands) shares which are initially transferred to the nominee are ultimately transferred to Barclays, and Barclays ordinary shares are issued and cash is paid pursuant to the exchange offer to tendering holders of ABN AMRO ordinary shares. The number of Barclays ordinary shares issued and cash paid pursuant to the exchange offer in exchange for the transfer of the Barclays (Netherlands) shares will be determined by applying the ordinary share exchange ratio and any election made under the Mix and Match Facility to the number of ABN AMRO ordinary shares transferred by the holders of ABN AMRO ordinary shares to Barclays (Netherlands). The ultimate consideration will, in both cases, be the number of Barclays ordinary shares issued pursuant to the exchange offer and cash paid, as determined in accordance with the ordinary share exchange ratio and any election made under the Mix and Match Facility. The Barclays ordinary shares issued in the Primary Exchange will be issued into the Euroclear Nederland System via the CREST account of Euroclear Nederland. All irrevocable instructions are subject to applicable withdrawal rights under the exchange offer.

A holder of ABN AMRO ordinary shares who selects the Alternative Exchange will tender his ABN AMRO ordinary shares via his bank or broker directly to Barclays via the Dutch listing and exchange agent and in return Barclays will issue new Barclays ordinary shares and/or pay cash (as appropriate) in respect of the tendering ABN AMRO ordinary shareholders. The new Barclays ordinary shares issued directly to holders of ABN AMRO ordinary shares pursuant to the Alternative Exchange will be issued via CREST (by crediting a CREST member s account) or in certificated form, rather than into Euroclear Nederland via the

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CREST account of Euroclear Nederland, and accordingly United Kingdom stamp duty reserve tax is likely to be payable on any subsequent sale of those shares.

Holders of ABN AMRO ordinary shares tendering pursuant to the Primary or Alternative Exchange should carefully consider the discussion under Taxation .

Holders of ABN AMRO ADSs will not be permitted to elect exchange alternatives. Instead, ABN AMRO ADSs that have been validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not withdrawn will be exchanged for Barclays ADSs and cash in the following manner. The ADS exchange agent will surrender all such ABN AMRO ADSs to the custodian of J.P. Morgan Chase Bank, N.A., as the depositary for ABN AMRO s ADR facility (the ABN AMRO Depositary), in exchange for the ABN AMRO ordinary shares underlying them. The ADS exchange agent will then tender those ABN AMRO ordinary shares to the Dutch listing and exchange agent and will elect the Primary Exchange in respect of all of them. The Barclays ordinary shares issued and cash paid in respect of those ABN AMRO ordinary shares will be delivered to the custodian of The Bank of New York, as the depositary for Barclays ADR facility (the Depositary). The Depositary will then issue to the ADS exchange agent Barclays ADSs in respect of the Barclays ordinary shares it has received and transmit to the ADS exchange agent the cash it has received, and the ADS exchange agent will distribute the Barclays ADSs and cash to former holders of ABN AMRO ADSs.

Mix and Match Facility (see page 70)

Holders of ABN AMRO ordinary shares or ABN AMRO ADSs may elect, subject to availability, to vary the proportions in which they receive Barclays ordinary shares or Barclays ADSs and cash in respect of their holdings of ABN AMRO ordinary shares or ABN AMRO ADSs under the Mix and Match Facility. That is, holders of ABN AMRO ordinary shares or ABN AMRO ADSs may request that they receive a greater proportion of cash or Barclays ordinary shares or Barclays ADSs in respect of some or all of their ABN AMRO ordinary shares or ABN AMRO ADSs than they would receive under the default terms of the exchange offer.

The total number of Barclays ordinary shares, including those represented by Barclays ADSs, to be issued and the total amount of the cash consideration to be paid under the exchange offer will not be varied as a result of Mix and Match Facility. Accordingly, satisfaction of elections by holders of ABN AMRO ordinary shares or ABN AMRO ADSs under the Mix and Match Facility will depend on the extent to which other holders of ABN AMRO ordinary shares or ABN AMRO ADSs make offsetting elections. If elections cannot be satisfied in full, they will be scaled down on a pro rata basis. To the extent that elections can be satisfied, holders of ABN AMRO ordinary shares or ABN AMRO ADSs will receive Barclays ordinary shares or Barclays ADSs instead of cash or vice versa on the basis of a fixed rate of [l] for each Barclays ordinary share and [l] for each Barclays ADS. This figure reflects the exchange price announced in the July 23, 2007 announcement of the revised offer of £8.00 per Barclays ordinary share using the exchange rate of £1.00 = [l] and £1.00 = $[l] as published in the Financial Times on August [l], 2007. Barclays ordinary shares may be trading at a lower or higher price than £8.00 at the Settlement Date.

Holders of ABN AMRO ordinary shares or ABN AMRO ADSs who make an election to receive a greater proportion of cash will receive a basic entitlement of 13.15 per ABN AMRO ordinary share or ABN AMRO ADS tendered under this election. Holders of ABN AMRO ordinary shares or ABN AMRO ADSs who elect the Mix and Match Facility will then receive additional cash to the extent that this has been made available by other holders of ABN AMRO ordinary shares or ABN AMRO ADSs who elect to receive their exchange offer consideration in Barclays ordinary shares or Barclays ADSs. If there is not enough cash given up to give all of a holder s consideration in cash, then holders who elect this Mix and Match Facility will receive the balance in Barclays ordinary shares or Barclays ADSs.

If holders of ABN AMRO ordinary shares or ABN AMRO ADSs make an election to receive a greater proportion of Barclays ordinary shares or Barclays ADSs, such holders will receive a basic entitlement of 2.13 Barclays ordinary shares per ABN AMRO ordinary share tendered under this election, or 0.5325 Barclays ADS per ABN AMRO ADS that was tendered. Such holders will then receive additional Barclays

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ordinary shares or Barclays ADSs to the extent that they have been made available by other holders of ABN AMRO ordinary shares or ABN AMRO ADSs who elect to receive their exchange offer consideration in cash. If there are not enough Barclays ordinary shares or Barclays ADSs given up to give all of a holder s consideration in Barclays ordinary shares or Barclays ADSs, then such holders will receive the balance in cash.

As a result, holders of ABN AMRO ordinary shares or ABN AMRO ADSs who make an election under the Mix and Match Facility will not know the exact number of Barclays ordinary shares or Barclays ADSs or the amount of cash that they will receive until settlement of the consideration under the exchange offer. An announcement will be made of the extent to which elections under the Mix and Match Facility have been satisfied.

If holders of ABN AMRO ordinary shares make no election, they will receive the default entitlement of 13.15 in cash and 2.13 Barclays ordinary shares in respect of each ABN AMRO ordinary share tendered. If holders of ABN AMRO ADSs make no such election, they will receive the default entitlement of 13.15 in cash and 0.5325 Barclays ADS in respect of each ABN AMRO ADS tendered.

The cash consideration paid for each ABN AMRO ADS that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn, will be U.S. dollars, based on the conversion of the Euro consideration to which holders of ABN AMRO ADSs are entitled, net of any applicable fees and expenses, into U.S. dollars at the exchange rate obtainable by The Bank of New York, the ADS exchange agent, on the date the cash consideration is received by the ADS exchange agent for delivery in respect of such ABN AMRO ADSs.

Fractional Shares (see page 86)

No fractional entitlements to Barclays ordinary shares or Barclays ADSs issued in the exchange offer will be issued to persons who validly tender and deliver ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer. Each admitted institution of Euroclear Nederland (an Admitted Institution) that receives newly-issued Barclays ordinary shares as part of the exchange process, and the ADS exchange agent as recipient of the newly-issued Barclays ADSs, will round up or down any fractional entitlements in accordance with their usual practice and sell the aggregate fractional entitlements in the secondary market and remit cash in lieu of any fractional entitlements (although in certain cases an Admitted Institution may have in place arrangements with its clients that would allow it to round up fractional entitlements instead and receive payment from the clients in respect of the differential). The amount in Euro (in case of the Primary Exchange discussed below), pounds sterling (in case of the Alternative Exchange discussed below) or dollars (in the case of fractional Barclays ADSs) that holders will receive in respect of fractional entitlements will be based on the average price, net of expenses, at which the fractional entitlements are sold in the secondary market.

Settlement (see page 87)

In the event that Barclays announces that the exchange offer is declared unconditional, holders of ABN AMRO ordinary shares who have tendered and delivered their ABN AMRO ordinary shares to Barclays will receive, within five Euronext trading days following the date on which the exchange offer was declared unconditional, Barclays ordinary shares and cash for ABN AMRO, calculated in the manner set forth in this document. Tendering holders of ABN AMRO ADSs will receive Barclays ADSs and cash as soon as practicable after the Barclays ordinary shares which the Barclays ADSs will represent have been delivered to the custodian of the Depositary for the Barclays ADR facility. If a subsequent offering period is announced, holders of ABN AMRO ordinary shares and ABN AMRO ADSs who have tendered and delivered their securities to Barclays during the subsequent offering period will receive their Barclays ordinary shares or Barclays ADSs and cash promptly following the expiration of the subsequent offering period.

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Post-Closing Restructuring (see page 95)

If the exchange offer is successfully completed, Barclays intends to effect a post-closing restructuring of ABN AMRO and its subsidiaries that is intended to have the effect of acquiring ABN AMRO ordinary shares and ABN AMRO ADSs that remain outstanding after the exchange offer and, consequently, result in ABN AMRO becoming a wholly owned subsidiary of Barclays.

Financing of the Exchange Offer (see page 12)

Barclays will finance the 24.8 billion cash consideration portion of the exchange offer consideration (the Cash Consideration) from the following sources:

Proceeds of the sale of LaSalle

Barclays proposes to use the 12 billion of capital released from the sale of LaSalle to Bank of America, previously intended to be returned to shareholders of the combined group after the combination, to fund part of the Cash Consideration.

China Development Bank and Temasek Conditional Investment

8.1 billion of the Cash Consideration will be funded by the conditional investment of China Development Bank and Temasek; 1.7 billion will be funded by the conditional subscriptions pursuant to the clawback placing to certain existing Barclays shareholders and other institutional investors.

Available Cash Resources

Barclays will fund 3 billion of the Cash Consideration from available cash resources.

Shares held by members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board (see page 65)

Shareholdings of the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board as at July 16, 2007 are as follows:

ABN AMRO Managing Board	Number of ABN AMRO ordinary shares	Number of options for ABN AMRO ordinary shares
Mr. Groenink	87,062	684,789
Mr. Jiskoot	69,679	410,011
Mr. Kuiper[(a)]	72,668	410,011
Mr. Boumeester	85,168	213,372
Mr. Overmars	41,590	293,372
Mr. Teerlink	35,615	312,403
Total	391,782	2,323,958

(a) Mr. Kuiper will retire upon the effective date of the combination.

ABN AMRO Supervisory Board	Number of ABN AMRO ordinary shares
Mr. Martinez	3,000
Mr. Olijslager	3,221
Mr. Pratini de Moreas	5,384
Mr. van den Bergh	13,112
Mr. Ruys	2,898
Mr. Scaroni	18,451
Total	46,066

Interests of ABN AMRO Directors and Officers in the Combination (see page 65)

You should be aware that members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have relationships, agreements or arrangements that provide them with interests in the combination that may be in addition to or different from your interests. These interests include:

- the continued employment of some members of the ABN AMRO Managing Board by the combined group;
- the continued positions of certain members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board as directors of the combined group;
- employment agreements with certain members of the ABN AMRO Managing Board, which include terms regarding severance payments in accordance with Dutch labor laws in the event of termination of those agreements; and
- the indemnification of former members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board by the combined company.

The Exchange Offer Is Subject to the Various Conditions (see page 73)

The exchange offer is subject to various conditions. All conditions to the completion of the exchange offer must be satisfied or waived prior to the exchange offer being declared unconditional and the expiration of the initial offer period, as it may be extended pursuant to the terms of the exchange offer described in this document.

Certain of these conditions to the exchange offer may be waived (either in whole or in part) by Barclays by written notice to ABN AMRO, certain may be waived (either in whole or in part) by ABN AMRO by written notice to Barclays, and certain may be waived (either in whole or in part) by either Barclays or ABN AMRO, subject to agreement in writing from respectively either ABN AMRO or Barclays.

A waiver by Barclays of the minimum acceptance conditions will require approval of the ABN AMRO Supervisory Board in the event the tendered ABN AMRO ordinary shares (including ABN AMRO ordinary shares underlying ABN AMRO ADSs), together with the ABN AMRO ordinary shares already held by Barclays at the closing date would represent less than 50% plus one of the voting rights represented by ABN AMRO s issued and outstanding share capital, consisting of ordinary shares, underlying preference shares and formerly convertible shares, and would represent less than 50% plus one of the ABN AMRO ordinary shares in ABN AMRO s issued and outstanding ordinary share capital (excluding any ABN AMRO ordinary shares or ABN AMRO ADSs held by ABN AMRO or its subsidiaries).

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Financial and Other Regulatory Authorities

The completion of the exchange offer is subject to the receipt of the following approvals, among others:

The competent regulatory authorities in The Netherlands shall have given their declaration of no objection and the FSA shall have notified its approval of each person who will acquire control over any United Kingdom authorized person which is a member of the combined group or the relevant waiting period has expired;

Barclays and ABN AMRO shall have received confirmation from the Dutch Central Bank that it has no objection to the parties, proposal for the composition of the managing board and supervisory board of ABN AMRO Bank, and the FSA shall have approved the nomination of the proposed directors to the board of the combined group (the Group Board of Directors);

Neither Barclays nor ABN AMRO shall have received any notification from the Dutch Central Bank or the FSA that there is likely to be a change in the supervisory, reporting or regulatory capital arrangements that will apply to the combined group and;

Confirmation has been given that the Barclays ordinary shares being offered will be admitted to the Official List of the UKLA, admitted to trading on the main market for listed securities of the LSE, authorized for listing on Euronext and the TSE, and the Barclays ordinary shares and the Barclays ADSs have been approved for listing on the NYSE.

Competition and Antitrust

Competition and regulatory notifications and approvals are required from certain European authorities. In particular, competition consent has been sought from the European Commission under Article 6(1)(b) of the EU Merger Regulation, to declare the exchange offer compatible with the Common Market without attaching to its decision any conditions or obligations. Barclays and ABN AMRO are also required to make notifications under the US HSR Act and the rules promulgated thereunder by the Federal Trade Commission.

While Barclays and ABN AMRO believe that they will receive the requisite competition and regulatory approvals for the combination, they can give no assurance that a challenge to the combination will not be made or, if made, would be unsuccessful. Obtaining certain government approvals applicable to the exchange offer is a condition to the combination.

Shareholder Approvals and Other Conditions

The completion of the exchange offer is also subject to the satisfaction or waiver of additional conditions in the Merger Protocol, including the following conditions:

The extraordinary general meeting of shareholders of Barclays and the class meeting of Barclays ordinary shareholders shall have passed all agreed or required resolutions;

No material adverse change in respect of Barclays or ABN AMRO;

No third party shall have indicated an intention to take any frustrating action (as defined in the Merger Protocol);

The LaSalle Agreement shall have been completed in accordance with its terms or a purchase and sale agreement with another party with respect to the sale of LaSalle shall have been completed in accordance with its terms; and

There shall have been no event, circumstance or series of linked events or circumstances that was not fairly disclosed in the 2006 annual reports and annual accounts of either ABN AMRO or Barclays, respectively, or otherwise disclosed and that can reasonably be expected to have a negative impact of 5% or more on the respective 2006 consolidated operating income of ABN AMRO or Barclays.

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Barclays Extraordinary General Meeting and Class Meeting (see page 101)

At 10:00 a.m., British Summer Time and 10:15 a.m., British Summer Time respectively, on [l], 2007, the extraordinary general meeting of the shareholders of Barclays and the class meeting of Barclays ordinary shareholders will be convened at 1 Churchill Place, London E14 5HP. At the meetings, the relevant Barclays shareholders will be asked to consider the resolutions described in Barclays Extraordinary General Meeting and Class Meeting.

Approvals for Certain Purchases of ABN AMRO and Barclays Securities During the Exchange Offer (see page 89)

ABN AMRO, Barclays and their respective financial advisors applied to the SEC for exemptive relief from the provisions of Rule 14e-5 under the Securities Exchange Act of 1934, as amended (the Exchange Act). The SEC granted the requested relief on April 24, 2007, with the relief taking effect retroactively on April 23, 2007. Rule 14e-5, among other things, prohibits a person making a cash tender offer or exchange offer for an equity security, as well as any person acting, directly or indirectly, in concert with such person (or certain advisors or dealer-managers of such person), from purchasing, directly or indirectly, or making any arrangement to purchase such security or any related security except pursuant to such tender offer or exchange offer. ABN AMRO, Barclays and their respective financial advisors intend to carry on certain transactions in ABN AMRO securities outside of the exchange offer as permitted by Rule 14e-5 and the relief granted by the SEC. In particular, Barclays may acquire ABN AMRO ordinary shares outside of the exchange offer outside of the United States and in accordance with Dutch and other applicable laws.

No Appraisal Rights in Connection with the Exchange Offer (see page 93)

Under Dutch law, holders of ABN AMRO ordinary shares or ABN AMRO ADSs will not be entitled to appraisal rights in connection with the exchange offer. However, if 95% or more of the nominal value of the issued outstanding share capital of ABN AMRO is tendered in the exchange offer, and Barclays elects to initiate a compulsory acquisition procedure under Dutch law, the consideration to be paid to holders of ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, in such circumstances would be determined by the Enterprise Chamber of the Amsterdam Court of Appeals. The Amsterdam Court of Appeals may appoint one or three experts to advise the Court on the value of the minority shares. The Amsterdam Court of Appeals determines the squeeze out price. In the Ordinary Squeeze-Out proceedings following a public bid, the Amsterdam Court of Appeals usually sets the price for the minority shares at an amount equal to the price offered in the preceding public bid (or in case of an exchange offer, its value reflected is cash). However, the Amsterdam Court of Appeals may also set a lower price. The Amsterdam Court of Appeals usually determines the price for the shares as of the date of its decision, but it is at liberty to choose an earlier reference date if it believes such a date to be more appropriate. In Takeover Squeeze-Out proceedings, the consideration offered in the exchange offer is presumed fair if 90% or more of the shares in a public offer were acquired by the offeror. Takeover Squeeze-Out proceedings must be initiated within three months after the initial offer period has expired.

Directors and Management of Barclays Following the Combination (see page 130)

The combined group will have a UK corporate governance structure with a unitary Group Board of Directors. Following the combination, the Group Board of Directors will initially consist of 10 members from Barclays and nine members from ABN AMRO. In addition to the Chairman and Deputy Chairman, there will be 12 non-executive directors, with five initially nominated by Barclays and seven initially nominated by ABN AMRO. China Development Bank and Temasek will each have the right to nominate a Barclays non-executive director. It is expected that Mr. Hoffman, Dr. Cronjé, Professor Dame Sandra Dawson, Sir Andrew Likierman, Mr. Russell and Sir John Sunderland will retire from the Barclays Board

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with effect from the settlement date, and that, following the settlement date, the Group Board of Directors composition will be as follows:

Chairman	Position as from the settlement date of the combination
Mr. Martinez	Chairman
Non-Executive Directors	
Mr. Agius	Deputy Chairman
Mr. Booth	Non-Executive Director
Sir Richard Broadbent	Non-Executive Director
Mr. Clifford	Non-Executive Director
Mr. Conti	Non-Executive Director
Mr. Groenink	Non-Executive Director
Mr. Kramer	Non-Executive Director
Ms. Maas-de Brouwer	Non-Executive Director
Mr. Olijslager	Non-Executive Director
Sir Nigel Rudd	Non-Executive Director
Mr. Ruys	Non-Executive Director
Mr. Scaroni	Non-Executive Director
Mr. van den Bergh	Non-Executive Director
Executive Directors	
Mr. Varley	Group Chief Executive
Mr. Boumeester	Group Chief Administrative Officer
Mr. Diamond	President of Barclays and CEO of IBIM
Mr. Lucas	Group Finance Director
Mr. Seegers	CEO of GRCB

Mr. Agius is expected to become Deputy Chairman of the combined group and will remain Chairman of Barclays Bank. It is expected that he will succeed Mr. Martinez as Chairman of the combined group when Mr. Martinez retires.

From the settlement date, Mr. Groenink is expected to cease to be Chairman of the ABN AMRO Managing Board, Mr. Hoffman is expected to cease to be the Group Vice-Chairman and Mr. Boumeester, successor to Mr. Scott-Barrett as Chief Financial Officer of ABN AMRO from July 1, 2007, is expected to cease to hold such office following the settlement date.

The head office of the combined group will be located in Amsterdam. Day to day management of the combined group will be the responsibility of Mr. Varley, working with the Group Executive Committee, which is expected to consist of:

Group Executive Committee Member	Position as from the settlement date of the combination
Mr. Varley	Group Chief Executive
Mr. Diamond	Barclays President and CEO of IBIM
Mr. Seegers	CEO of GRCB
Mr. Overmars	CEO of Continental Europe and Asia, GRCB
Mr. Teerlink	Chief Operating Officer of GRCB

Mr. Idzik	Group Chief Operating Officer
Mr. Lucas	Group Finance Director
Mr. Boumeester	Group Chief Administrative Officer

Exchange Listing (see page 90)

ABN AMRO ordinary shares are listed and trade on Euronext under the symbol AABA . ABN AMRO ordinary shares and ABN AMRO ADSs are listed on the NYSE, and ABN AMRO ADSs trade under the symbol ABN . Upon the completion of the exchange offer, it is intended that ABN AMRO s listing of ABN AMRO ordinary shares on Euronext and its listing of ABN AMRO ADSs on the NYSE will be terminated as soon as practicable thereafter.

Barclays intends to apply to list the Barclays ordinary shares and the Barclays ADSs to be issued in the exchange offer on the NYSE, and Barclays will also make an application to the FSA and the LSE for the Barclays ordinary shares to be issued in the exchange offer to be admitted to the Official List and to trading on the LSE, as well as to list such Barclays ordinary shares on the TSE. Barclays will also apply for a secondary listing on Euronext.

ABN AMRO and Barclays have received confirmation from the FTSE and Euronext that, following the settlement date, Barclays ordinary shares are expected to qualify for inclusion with a full weighting in the UK Series of the FTSE indices, including the FTSE 100 Index, and in the AEX-Index (subject to a maximum weighting of 15%), respectively.

Material Differences in Rights of Shareholders (see page 177)

The governing documents of Barclays and ABN AMRO vary, and to that extent, former holders of ABN AMRO ordinary shares will have different rights once they become holders of Barclays ordinary shares. Similarly, the laws of The Netherlands, where ABN AMRO is incorporated, differ from those of England, where Barclays is incorporated, in certain respects. The differences are described in more detail under Comparison of Rights of Holders of Barclays Ordinary Shares and ABN AMRO Ordinary Shares . Holders of Barclays ADSs are not treated as holders of Barclays ordinary shares and do not have the same rights as holders of Barclays ordinary shares. The Depositary will be the holder of the Barclays ordinary shares underlying the Barclays ADSs. Holders of Barclays ADSs have rights as holders of Barclays ADSs, which are set out in Barclays deposit agreement (the Deposit Agreement). The Deposit Agreement also sets out the rights and obligations of the Depositary. New York law governs the Deposit Agreement and the Barclays ADSs. See Description of Barclays American Depositary Shares .

Dividend Election Mechanism (see page 88)

Following implementation of the combination, the combined group will present financial statements in Euro and will declare dividends in Euro. Holders of ordinary shares in the combined group will be able to elect to receive dividends paid in Euro or Sterling (converted at the then prevailing market rate). Unless they validly elect otherwise, accepting holders of ABN AMRO ordinary shares who receive Barclays ordinary shares pursuant to the Primary Exchange will receive dividends paid in Euro. Unless they validly elect otherwise, accepting holders of ABN AMRO ordinary shares who receive Barclays ordinary shares pursuant to the Alternative Exchange will receive dividends paid in Sterling (converted at the then prevailing market rate). Existing holders of Barclays ordinary shares will continue to receive dividends paid in Sterling (converted at the then prevailing market rate), unless they validly elect to receive dividends paid in Euro. The availability of the dividend currency election may be suspended or terminated by the Barclays Board at any time without notice, for any reason and without financial recompense.

Holders of Barclays ADSs representing Barclays ordinary shares in the combined group will receive dividends paid in US dollars converted at the then prevailing market exchange rate and will not be able to elect to receive dividends in any other currencies. Existing holders of Barclays ADSs will continue to receive dividends paid in US dollars or can elect to have their dividends reinvested. Accepting holders of ABN AMRO ADSs who receive Barclays ADSs pursuant to the exchange offer will also receive dividends paid in US dollars or can elect to have their dividends reinvested.

Material Tax Consequences (see page 121)

US holders of ABN AMRO ordinary shares or ABN AMRO ADSs will recognize gain or loss on the surrender of their ABN AMRO ordinary shares or ADSs pursuant to the exchange offer equal to the difference between the fair market value of Barclays ordinary shares or ADSs (and any cash in lieu of fractional Barclays ordinary shares or ADSs) they receive and their tax basis in their ABN AMRO ordinary shares or ADSs. See Taxation Material United States Federal Income Tax Considerations .

US holders of ABN AMRO ordinary shares or ABN AMRO ADSs who realize capital gains pursuant to the exchange offer will generally not be subject to Dutch taxation on such capital gains unless the capital gains are attributable to an enterprise or part thereof that is either (a) effectively managed in The Netherlands or (b) carried on through a permanent establishment or a permanent representative in The Netherlands. However, other exceptions may apply which may result in US holders becoming subject to Dutch taxation on the capital gains concerned. See Taxation Material Dutch Tax Consequences .

US holders of ABN AMRO ordinary shares or ABN AMRO ADSs, who are neither resident nor ordinarily resident in the UK for tax purposes and who receive Barclays (Netherlands) shares and/or Barclays ordinary shares or Barclays ADSs pursuant to the exchange, should not be subject to tax in the United Kingdom in respect of the exchange of their ABN AMRO ordinary shares or ABN AMRO ADSs pursuant to the exchange offer. See Taxation Material United Kingdom Tax Consequences .

Summary Selected Historical Consolidated Financial Information of Barclays (see page 137)

The following selected historical consolidated financial information of Barclays has been derived from Barclays audited consolidated financial statements in the Barclays 2006 Form 20-F incorporated by reference into this document, and the Barclays Annual Report on Form 20-F for the year ended December 31, 2005, which was filed with the SEC on March 29, 2006 (Barclays 2005 Form 20-F), not incorporated by reference into this document. The data below should be read in conjunction with the consolidated financial statements, related notes and other financial information of Barclays incorporated by reference into this document. See Selected Historical Consolidated Financial Information of Barclays .

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Consolidated Income Statement Data of Barclays for the years ending December 31, 2006, 2005 and 2004

	For the year ended December 31,		
	2006	2005	2004[(a)]
	£m	£m	£m
(IFRS)			
Continuing operations			
Net interest income	9,143	8,075	6,833
Net fee and commission income	7,177	5,705	4,847
Principal transactions	4,576	3,179	2,514
Net premiums from insurance contracts	1,060	872	1,042
Other income	214	147	131
Total income	22,170	17,978	15,367
Net claims and benefits paid on insurance contracts	(575)	(645)	(1,259)
Total income net of insurance claims	21,595	17,333	14,108
Impairment charges	(2,154)	(1,571)	(1,093)
Net income	19,441	15,762	13,015
Operating expenses	(12,674)	(10,527)	(8,536)
Share of post-tax results of associates and joint ventures	46	45	56
Profit on disposal of subsidiaries, associates and joint ventures	323		45
Profit before tax	7,136	5,280	4,580
Tax	(1,941)	(1,439)	(1,279)
Profit after tax	5,195	3,841	3,301
Profit attributable to minority interests	624	394	47
Profit attributable to equity holders of the parent	4,571	3,447	3,254
	5,195	3,841	3,301

Selected Financial Statistics of Barclays for the years ending December 31, 2006, 2005 and 2004

Basic earnings per share	71.9p	54.4p	51.0p
Diluted earnings per share	69.8p	52.6p	49.8p
Dividends per ordinary share	31.0p	26.6p	24.0p
Dividend payout ratio	43.1%	48.9%	47.1%
Profit attributable to the equity holders of the parent as a percentage of:			
average shareholders equity	24.7%	21.1%	21.7%
average total assets	0.4%	0.4%	0.5%

Cost: income ratio	59%	61%	61%
Cost: net income ratio	65%	67%	66%
Average US dollar exchange rate used in preparing the accounts	1.84	1.82	1.83
Average Euro exchange rate used in preparing the accounts	1.47	1.46	1.47
Average rand exchange rate used in preparing the accounts	12.47	11.57	11.83

(a) Does not reflect the application of IAS 32, IAS 39 and IFRS 4 which Barclays adopted January 1, 2005.

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Consolidated profit and loss account summary of Barclays for the years ending December 31, 2003 and 2002

	For the year ended December 31,	
	2003	**2002**
	£m	**£m**
(UK GAAP)		
Interest receivable	12,427	12,044
Interest payable	(5,823)	(5,839)
Net interest income	6,604	6,205
Fees and commissions receivable	4,896	4,454
Less: fees and commissions payable	(633)	(529)
Dealing profits	1,054	833
Other operating income	490	364
Operating income	12,411	11,327
Administration expenses staff costs	(4,295)	(3,755)
Administration expenses other	(2,404)	(2,312)
Depreciation	(289)	(303)
Goodwill amortization	(265)	(254)
Operating expenses	(7,253)	(6,624)
Operating profit before provisions	5,158	4,703
Provisions for bad and doubtful debts	(1,347)	(1,484)
Provisions for contingent liabilities and commitments	1	(1)
Provisions	(1,346)	(1,485)
Operating profit	3,812	3,218
Profit/(loss) from joint ventures	1	(5)
Profit/(loss) from associates	28	(5)
Exceptional items	4	(3)
Profit on ordinary activities before tax	3,845	3,205
Tax on profit on ordinary activities	(1,076)	(955)
Profit on ordinary activities after tax	2,769	2,250
Minority interests (including non-equity interests)	(25)	(20)
Profit for the financial year attributable to the members of Barclays PLC	2,744	2,230
Dividends	(1,340)	(1,206)

Profit retained for the financial year	1,404	1,024

Selected Financial Statistics for Barclays for the years ending December 31, 2003 and 2002

(UK GAAP)		
Basic earnings per share	42.3p	33.7p
Diluted earnings per share	42.1p	33.4p
Dividends per ordinary share	20.50p	18.35p
Dividend payout ratio	48.5%	54.5%
Attributable profit as a percentage of:		
average shareholders funds	17.0%	14.7%
average total assets	0.6%	0.5%
Average US dollar exchange rate used in preparing the accounts	1.64	1.50
Average Euro exchange rate used in preparing the accounts	1.45	1.59

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Consolidated Balance Sheet Data of Barclays as at December 31, 2006, 2005 and 2004

	As at December 31,		
	2006	**2005**	**2004[(a)]**
	£m	**£m**	**£m**
(IFRS)			
Assets			
Cash and other short-term funds	9,753	5,807	3,525
Treasury bills and other eligible bills	n/a	n/a	6,658
Trading and financial assets designated at fair value	292,464	251,820	n/a
Derivative financial instruments	138,353	136,823	n/a
Debt securities and equity shares	n/a	n/a	141,710
Loans and advances to banks	30,926	31,105	80,632
Loans and advances to customers	282,300	268,896	262,409
Available for sale investments	51,703	53,497	n/a
Reverse repurchase agreements and cash collateral on securities borrowed	174,090	160,398	n/a
Property, plant and equipment	2,492	2,754	2,282
Other assets	14,706	13,257	40,965
Total Assets	996,787	924,357	538,181
Liabilities			
Deposits and items in the course of collection due to banks	81,783	77,468	112,229
Customer accounts	256,754	238,684	217,492
Trading and financial liabilities designated at fair value	125,861	104,949	n/a
Liabilities to customers under investment contracts	84,637	85,201	n/a
Derivative financial instruments	140,697	137,971	n/a
Debt securities in issue	111,137	103,328	83,842
Repurchase agreements and cash collateral on securities lent	136,956	121,178	n/a
Insurance contract liabilities, including unit-linked liabilities	3,878	3,767	8,377
Subordinated liabilities	13,786	12,463	12,277
Other liabilities	13,908	14,918	87,200
Total liabilities	969,397	899,927	521,417
Shareholders equity			
Shareholders equity excluding minority interests	19,799	17,426	15,870
Minority interests	7,591	7,004	894
Total shareholders equity	27,390	24,430	16,764
Total liabilities and shareholders equity	996,787	924,357	538,181

Risk weighted assets and capital ratios			
Risk weighted assets	297,833	269,148	218,601
Tier 1 ratio[(b)]	7.7%	7.0%	7.6%
Risk asset ratio[(b)]	11.7%	11.3%	11.5%
Selected financial statistics			
Net asset value per ordinary share	303p	269p	246p
Year-end US dollar exchange rate used in preparing the accounts	1.96	1.72	1.92
Year-end Euro exchange rate used in preparing the accounts	1.49	1.46	1.41
Year-end rand exchange rate used in preparing the accounts	13.71	10.87	10.86

(a) Does not reflect the application of IAS 32, IAS 39 and IFRS 4 which Barclays adopted January 1, 2005.

(b) Capital ratios for 2004 are based on UK GAAP and have not been restated as these remain as reported to the Financial Services Authority (FSA). As at January 1, 2005 the tier 1 ratio was 7.1% and the risk asset ratio was 11.8% reflecting the impact of IFRS, including the adoption of IAS 32, IAS 39 and IFRS 4 at this date.

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Consolidated Balance Sheet Data of Barclays as at December 31, 2003 and 2002

	As at December 31,	
	2003	**2002**
	£m	**£m**
(UK GAAP)		
Assets		
Loans and advances to banks and customers	288,743	260,572
Other assets	139,818	129,136
	428,561	389,708
Infrastructure	6,624	6,015
	435,185	395,723
Retail life-fund assets attributable to policyholders	8,077	7,284
Total assets	443,262	403,007
Liabilities		
Deposits by banks, customer accounts and debt securities in issue	328,529	304,817
Other liabilities	77,660	64,067
	406,189	368,884
Capital resources		
Undated loan capital	6,310	6,678
Dated loan capital	6,029	4,859
Total subordinated liabilities	12,339	11,537
Minority interests	283	156
Shareholders equity excluding minority interests	16,374	15,146
Total shareholders equity	16,657	15,302
Total capital resources	28,996	26,839
	435,185	395,723
Retail life-fund liabilities attributable to policyholders	8,077	7,284
Total liabilities and shareholders equity	443,262	403,007
Risk weighted assets and capital ratios		
Risk weighted assets	188,997	172,748
Tier 1 ratio	7.9%	8.2%
Risk asset ratio	12.8%	12.8%
Selected financial statistics		
Net asset value per ordinary share	250p	230p

Year-end US dollar exchange rate used in preparing the accounts	1.78	1.61
Year-end Euro exchange rate used in preparing the accounts	1.41	1.54

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US GAAP Selected Financial Data of Barclays as at and for the years ended December 31, 2006, 2005, 2004, 2003 and 2002

	2006[(a)]	2006	2005	2004	2003	2002
	¢	p	p	p	p	p
(US GAAP)						
Barclays PLC Group						
Earnings per 25p ordinary share (basic)	132.4	67.9	46.3	47.5	26.8	37.4
Dividends per 25p ordinary share	54.2	27.8	25.0	21.7	19.1	17.2
Book value per 25p ordinary share	599	307	291	266	260	242
		%	%	%	%	%
Net income as a percentage of:						
average total assets		0.5	0.4	0.5	0.3	0.5
average shareholders equity		23.4	16.8	18.0	10.6	16.6
Dividends as a percentage of net income		42.0	54.0	46.5	71.5	44.7
Average shareholders equity as a percentage of average total assets		2.3	2.6	2.5	3.2	3.1
Barclays Bank PLC Group						
Net income as a percentage of:						
average total assets		0.6	0.5	0.5	0.4	0.5
average shareholders equity		20.6	13.8	17.2	10.1	15.6
Average shareholders equity as a percentage of average total assets		2.8	3.0	2.7	3.5	3.4

	2006[(a)]	2006	2005	2004	2003	2002
	$m	£m	£m	£m	£m	£m
(US GAAP)						
Net income:						
Barclays PLC Group	8,420	4,318	2,932	3,032	1,740	2,476
Barclays Bank PLC Group	9,068	4,650	3,164	3,137	1,842	2,578
Shareholders equity:						
Barclays PLC Group	39,062	20,032	18,461	16,953	16,830	16,015
Barclays Bank PLC Group	48,883	25,068	23,114	19,594	18,646	17,846
Total assets:						
Barclays PLC Group	1,809,711	928,057	840,657	654,580	541,969	491,466
Barclays Bank PLC Group	1,809,157	927,773	840,470	654,699	542,080	491,586

(a) The US dollar financial information has been translated for convenience at the rate of $1.95 to £1, the Noon Buying Rate for cable transfers in New York City, payable in Sterling, at December 31, 2006.

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Summary Selected Historical Consolidated Financial Information of ABN AMRO (see page [I])

The following selected historical consolidated financial information of ABN AMRO presented in Euros has been derived from ABN AMRO s audited consolidated financial statements in ABN AMRO s Annual Report on Form 20-F for the year ended December 31, 2006, filed with the SEC on April 2, 2007 (ABN AMRO 2006 Form 20-F) incorporated by reference into this document, the audited consolidated financial statements in the ABN AMRO s Annual Report on Form 20-F for the year ended December 31, 2005, which was filed with the SEC on April 3, 2006 (ABN AMRO 2005 Form 20-F), not incorporated by reference into this document and the audited consolidated financial statements in the ABN AMRO Annual Report on Form 20-F for the year ended December 31, 2003, which was filed with the SEC on March 31, 2004 (ABN AMRO 2003 Form 20-F), not incorporated by reference into this document. The data below should be read in conjunction with the consolidated financial statements, related notes and other financial information of ABN AMRO incorporated by reference into this document. See Selected Historical Consolidated Financial Information of ABN AMRO .

Selected Consolidated Income Statement of ABN AMRO for the years ending December 31, 2006, 2005 and 2004.

	For the year ended December 31,			
	2006[(a)]	2006	2005	2004
	$m	m	m	m
(IFRS)				
Net interest income	13,371	10,575	8,785	8,525
Net fee and commission income	7,665	6,062	4,691	4,485
Net trading income	3,767	2,979	2,621	1,309
Results from financial transactions	1,374	1,087	1,281	905
Share of result in equity accounted investments	307	243	263	206
Other operating income	1,747	1,382	1,056	745
Income of consolidated private equity holdings	6,718	5,313	3,637	2,616
Operating income	34,948	27,641	22,334	18,791
Operating expenses	26,189	20,713	16,301	15,180
Loan impairment and other credit risk provisions	2,345	1,855	635	607
Total expenses	28,534	22,568	16,936	15,787
Operating profit before tax	6,414	5,073	5,398	3,004
Income tax expense	1,140	902	1,142	715
Profit from continuing operations	5,274	4,171	4,256	2,289
Profit from discontinued operations net of tax	770	609	187	1,651
Profit for the year	6,044	4,780	4,443	3,940
Attributable to shareholders of the parent company	5,961	4,715	4,382	3,865
Dividends on ordinary shares	2,722	2,153	2,050	1,665
Per share financial data				
Average number of ordinary shares outstanding (in millions)		1,882.5	1,804.1	1,657.6
Basic earning per shares (in)		2.50	2.43	2.33
Fully diluted earnings per share (in)		2.49	2.42	2.33

Net profit per ordinary share from continuing operations (in)[b]	2.18	2.33	1.34
Fully diluted net profit per ordinary share from continuing operations (in)[b]	2.17	2.32	1.34
Dividend per ordinary share (in)[b]	1.15	1.10	1.00
Net profit per American Depositary Share (in US dollars)[b][c]	3.16	3.01	2.91
Dividend per American Depositary Share (in US dollars) [b][d]	1.50	1.34	1.27

(a) Solely for your convenience, Euro amounts have been translated into US dollars at an exchange rate of $1 = 0.7909, which is the rate equal to the average of the month-end rates for 2006.

(b) Adjusted for increases in share capital, as applicable. See Note 13 to ABN AMRO s consolidated financial statements for a description of the computation of earnings per ordinary share.

(c) Solely for your convenience, this item has been translated into US dollars at the rate equal to the average of the month-end rates for the applicable year.

(d) Solely for your convenience, this item has been translated into US dollars at the applicable rate on the date of payment, other than for the 2006 final dividend, which has been translated into US dollars at the March 16, 2006 exchange rate of $1 = 0.7515, the latest practicable date for which information is available.

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Selected Consolidated Income Statement of ABN AMRO for the years ending December 31, 2003 and 2002

	For the Year Ended December 31,	
	2003	**2002**
	m	**m**
	(except per share data)	
(Dutch GAAP)		
Net interest revenue	9,723	9,845
Net commissions	4,464	4,639
Results from financial transactions	1,993	1,477
Other revenue	2,613	2,319
Total revenue	18,793	18,280
Operating expenses	12,585	13,148
Provision for loan losses	1,274	1,695
Operating profit before taxes	4,918	3,388
Net profit	3,161	2,207
Net profit attributable to Ordinary Shares	3,116	2,161
Dividends on Ordinary Shares	1,589	1,462
Per Share Financial Data		
Average number of Ordinary Shares outstanding (in millions)	1,610.2	1,559.3
Net profit per Ordinary Share (in)[a]	1.94	1.39
Fully diluted net profit per Ordinary Share (in)[a]	1.93	1.38
Dividend per Ordinary Share (in)[a]	0.95	0.90
Net profit per American Depositary Share (in US$)[a][b]	2.21	1.48
Dividend per American Depositary Share (in US$)[a][c]	1.09	0.92

(a) Adjusted for increases in share capital, as applicable.

(b) This item has been translated into US dollars at the rate equal to the average of the month-end rates for the applicable year.

(c) Solely for your convenience, this item has been translated into US dollars at the applicable rate on the date of payment.

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Selected Consolidated Balance Sheet Data of ABN AMRO as at December 31, 2006, 2005 and 2004

	At December 31,			
	2006[a]	**2006**	**2005**	**2004**
	$m	**m**	**m**	**m**
(IFRS)				
Assets				
Financial assets held for trading	271,283	205,736	202,055	167,035
Financial investments	165,327	125,381	123,774	102,948
Loans and receivables banks	177,772	134,819	108,635	83,858
Loans, and receivables customers	584,476	443,255	380,248	320,022
Total Assets	1,301,543	987,064	880,804	727,454
Liabilities				
Financial liabilities held for trading	191,677	145,364	148,588	129,506
Due to banks	247,882	187,989	167,821	133,529
Due to customers	477,838	362,383	317,083	281,379
Issued debt securities	266,418	202,046	170,619	121,232
Capitalization				
Equity attributable to shareholders of the parent company[c]	31,115	23,597	22,221	14,815
Equity attributable to minority interests	3,030	2,298	1,931	1,737
Subordinated liabilities	25,334	19,213	19,072	16,687
Group capital[c]	59,479	45,108	43,224	33,239
Per Share Financial data				
Ordinary shares outstanding (in millions)		1,853.8	1,877.9	1,669.2
Equity attributable to shareholders of the parent company per ordinary share (in)[c]		12.73	11.83	8.88
Equity attributable to shareholders of the parent company per American Depositary Share (in $)[b][c]		16.78	14.00	12.11

(a) Solely for your convenience, Euro amounts have been translated into US dollars at an exchange rate of $1 = 0.75838, which is the year-end rate for 2006.

(b) This item has been translated into US dollars at the applicable year-end rate.

(c) Pursuant to a directive of the Dutch *Raad voor de Jaarverslaggeving* (Council for Annual Reporting), from January 1, 2003, ABN AMRO calculates shareholders equity before profit appropriation instead of after profit appropriation, which is how ABN AMRO used to present its financials. The consequence of this new directive is that the profit during the year will be added to shareholders equity for the full amount until shareholders have approved the proposed profit appropriation. To be able to compare on a like for like basis, ABN AMRO has re-presented shareholders equity, group capital and shareholders equity per ABN AMRO ordinary share and per ABN AMRO ADS as at December 31, 2002 before profit appropriation.

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Selected Consolidated Balance Sheet Data of ABN AMRO as at December 31, 2003 and 2002

	At December 31,	
	2003	2002
	m	m
	(except per share data)	
(Dutch GAAP)		
Assets		
Banks	58,800	41,924
Loans	296,843	310,903
Interest-bearing securities	132,041	141,494
Total assets	560,437	556,018
Liabilities		
Banks	110,887	95,884
Total customer accounts	289,866	289,461
Debt securities	71,688	71,209
Capitalization		
Fund for general banking risks	1,143	1,255
Shareholders equity[(a)]	13,047	11,081
Minority interests	3,713	3,810
Subordinated debt	13,900	14,278
Group capital[(a)]	31,803	30,424
Per Share Financial Data		
Ordinary Shares outstanding (in millions)	1,637.9	1,585.6
Shareholders equity per Ordinary Share (in[(a)])	7.47	6.47
Shareholders equity per American Depositary Share (in US$)[(a)(b)]	9.42	6.79

(a) Pursuant to a directive of the Dutch *Raad voor de Jaarverslaggeving* (Council for Annual Reporting), from January 1, 2003, ABN AMRO calculated shareholders equity before profit appropriation instead of after profit appropriation, which is how ABN AMRO used to present its financials. The consequence of this new directive is that the profit during the year will be added to shareholders equity for the full amount until shareholders have approved the proposed profit appropriation. To be able to compare on a like for like basis, ABN AMRO has re-presented shareholders equity, group capital and shareholders equity per ABN AMRO ordinary share and per ABN AMRO ADS as at December 31, 2002 before profit appropriation.

(b) This item has been translated into US dollars at the applicable year-end rate.

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Selected US GAAP Financial Data of ABN AMRO as at and for the years ended December 31, 2006, 2005 and 2004

	For the year ended December 31,			
	2006[a]	**2006**	**2005**	**2004**
	$m	**m**	**m**	**m**
		(except per share data)		
(US GAAP)				
Income Statement Data				
Net interest income	11,430	9,040	8,565	8,886
Non-interest income	15,224	12,041	8,247	5,995
Total revenue	26,654	21,081	16,812	14,881
Loan impairment and other credit risk provisions	2,419	1,913	536	(191)
Operating profit before tax	6,345	5,018	3,246	2,447
Net profit	5,640	4,461	2,870	2,824
Balance Sheet Data				
Shareholders equity	37,026	28,080	28,494	21,537
Minority interests	3,030	2,298	1,931	1,737
Total assets	1,289,731	978,106	876,366	725,172
Share Information				
Basic earnings per Ordinary Share (in)		2.35	1.57	1.68
Diluted earnings per Ordinary Share (in)		2.34	1.56	1.67
Basic earnings per American Depositary Share (in $)[b]		2.97	1.94	2.09
Shareholders equity per Ordinary Share (in)		14.73	14.76	12.44
Shareholders equity per American Depositary Share (in $)[c]		19.43	17.47	16.97

(a) Solely for your convenience, Euro amounts have been translated into US dollars for income statement items at an exchange rate of $1 = 0.7909, the rate equal to the average of the month-end rates for 2006, and for balance sheet items at an exchange rate of $1 = 0.75838, the exchange rate on December 31, 2006.

(b) This item has been translated into US dollars at the rate equal to the average of the month-end rates for the applicable year.

(c) This item has been translated into US dollars at the applicable year-end rate.

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Selected US GAAP Financial Data of ABN AMRO as at and for the years ended December 31, 2003 and 2002

	At or for the Year Ended December 31,	
	2003	2002
	m	m
	(except per share data)	
(US GAAP)		
Income Statement Data		
Net interest revenue	8,052	7,879
Non-interest revenue	9,472	10,057
Total revenue	17,524	17,936
Loan impairment and other credit risk provisions	1,274	1,695
Pre-tax profit	4,967	3,711
Net profit	3,119	2,110
Balance Sheet Data		
Shareholders equity	20,143	19,013
Minority interests	3,713	3,810
Total assets	565,039	562,478
Share Information		
Basic earnings per ordinary share (in)	1.91	1.32
Diluted earnings per ordinary share (in)	1.90	1.32
Basic earnings per American Depositary Share (in $)[a]	2.17	1.25
Shareholders equity per ordinary share (in)	11.80	11.47
Shareholders equity per American Depositary Share (in $)[b]	14.87	12.03

(a) This item has been translated into US dollars at the rate equal to the average of the month-end rates for the applicable year.

(b) This item has been translated into US dollars at the applicable year-end rate.

Summary Unaudited Pro Forma Combined Condensed Financial Information of the Combined Group under IFRS (see page [I])

The following table shows information about the pro forma financial condition and results of operations, including per share data, of Barclays after the proposed combination.

The table sets forth selected unaudited pro forma combined condensed balance sheet data as at, and unaudited pro forma combined condensed income statement data for the year ended December 31, 2006, based on the historical financial statements of Barclays and ABN AMRO after giving effect to the proposed combination using the purchase method of accounting. The pro forma financial information includes appropriate adjustments to account for the events directly associated with the proposed combination. Any potential synergy benefits are not included within the pro forma financial information. Only costs which are expected to be directly incurred as part of the proposed combination have been included within the pro forma financial information.

The pro forma adjustments directly relating to the proposed combination are based on effecting the disposal of LaSalle before the completion of the exchange offer, an estimate of the fair value of the consideration to be provided, and preliminary assessments of the fair values of assets acquired and liabilities assumed and available information and assumptions. If the proposed combination did occur, a final determination of these fair values will be based on Barclays management s estimates of the fair values of the remaining assets and liabilities and an assessment of the fair values of the intangible assets as at the actual date of the combination. The final determination of these fair values will result in potential material changes to the pro forma adjustments and the pro forma financial information included herein. See Unaudited Pro Forma Combined Condensed Financial Information .

The information below should be read together with the publicly available historical consolidated financial statements of ABN AMRO and Barclays incorporated by reference into this document. The unaudited pro forma financial information is not necessarily indicative of results that actually would have occurred had the combination been completed on the dates indicated or that may be obtained in the future. See also Risk Factors and Forward-Looking Statements .

	Year Ended December 31, 2006
	£m
Total income net of insurance claims	36,888
Earnings per share data (pence)	
Basic	44.4
Diluted	43.5
Total assets	1,624,977
Total liabilities	1,561,148
Total shareholders equity	63,829

Summary Comparative Historical and Pro Forma Per Share Information (see page 174)

The following table summarizes share information for Barclays and ABN AMRO on a historical basis, an unaudited pro forma combined basis for the combined group and equivalent information per ABN AMRO ordinary share, based on the exchange ratio of 2.13 Barclays ordinary shares and 13.15 in cash for each ABN AMRO ordinary share. The following information should be read in conjunction with the audited consolidated financial statements of Barclays and ABN AMRO incorporated by reference into this document, and the unaudited pro forma combined condensed financial information. See Comparative Historical and Pro Forma Per Share Information .

	Year Ended December 31, 2006
Barclays Historical	
Historical per ordinary share:	
Basic earnings per ordinary share	£ 0.72
Dividend per ordinary share	£ 0.31
Book value per share	£ 3.03
ABN AMRO Historical	
Historical per ordinary share:	
Basic earnings per ordinary share	2.50
Dividend per ordinary share	1.15
Book value per share	12.73
Unaudited Pro Forma on a combined basis per ordinary share	
Unaudited pro forma on a combined basis per ordinary share:	
Basic earnings per ordinary share	[l]
Dividends declared per ordinary share	[l]
Book value per share	[l]

Unaudited Pro Forma per ABN AMRO Ordinary Share Equivalents

Unaudited pro forma per share of ABN AMRO ordinary shares:	
Basic earnings per ordinary share	[l]
Dividend per ordinary share	[l]
Book value per share	[l]

Summary Comparative Market Price and Dividend Per Share Information (see page 175)

The following table presents trading information for Barclays ordinary shares, Barclays ADSs and ABN AMRO ordinary shares and ABN AMRO ADSs on March 16, 2007, the last trading day before Barclays and ABN AMRO confirmed they were in exploratory discussions, April 20, 2007, the last trading day before the public announcement of the execution of the Merger Protocol, July 20, 2007, the last trading day before the announcement of the revised exchange offer, and August [l], 2007, the last practicable trading day before the date of the commencement of the exchange offer.

	Barclays Ordinary Shares	ABN AMRO Ordinary Shares
March 16, 2007	£6.825	27.29
April 20, 2007	£7.50	36.29
July 20, 2007	£7.135	36.63
August [l], 2007	£[l]	[l]

	Barclays ADSs	ABN AMRO ADSs
March 16, 2007	$53.50	$36.24
April 20, 2007	$60.00	$49.29
July 20, 2007	$58.63	$50.84
August [l], 2007	$ [l]	$ [l]

For illustrative purposes, the following table provides ABN AMRO equivalent per ABN AMRO ordinary share and ABN AMRO ADS information on each of the relevant dates. ABN AMRO equivalent per ABN AMRO ordinary share and ABN AMRO ADS amounts are calculated by multiplying the Barclays ordinary share and Barclays ADS amounts, respectively, by the relevant exchange ratio and adding the relevant cash amount.

	Barclays Ordinary Shares	ABN AMRO Equivalent per Share
March 16, 2007	£6.825	34.37(a)
April 20, 2007	£7.50	36.70(b)
July 20, 2007	£7.135	35.73
August [l], 2007	£[l]	[l](d)

(a) Based on the Barclays ordinary share closing price of £6.825 on March 16, 2007 and an exchange rate of £1.00 = 1.4597, as published by the Financial Times on March 17, 2007. The amount excludes the 0.60 ABN AMRO final 2006 dividend.

(b) Based on the Barclays ordinary share closing price of £7.50 on April 20, 2007 and an exchange rate of £1.00 = 1.4739, as published by the Financial Times on April 21, 2007. The amount excludes the 0.60 ABN AMRO final 2006 dividend.

(c) Based on the Barclays ordinary share closing price of £7.135 on July 20, 2007 and an exchange rate of £1.00 = 1.4856, as published by the Financial Times on July 21, 2007.

(d) Based on the Barclays ordinary share price of £[l] on August [l], 2007 and the exchange rate of £1 = [l], as published by the Financial Times on August [l], 2007. The amount excludes the 0.60 ABN AMRO final 2006 dividend.

	Barclays ADSs	**ABN AMRO Equivalent per ADS**
March 16, 2007	$53.50	$ 46.68(a)
April 20, 2007	$60.00	$ 50.14(a)
July 20, 2007	$58.63	$ 49.41(a)
August [l], 2007	$ [l]	$ [l](a)

(a) The amounts exclude the 0.60 ABN AMRO final 2006 dividend.

The tables below set forth, for the periods indicated, the high and low closing prices of Barclays ordinary shares and ABN AMRO ordinary shares as reported on the LSE and Euronext, respectively, as well as the annual dividend amounts paid since 2002.

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	Barclays Ordinary Shares			ABN AMRO Ordinary Shares		
	High	**Low**	**Dividends**	**High**	**Low**	**Dividends**
2002	£6.24	£3.55	£0.1835	22.78	10.45	0.90
2003	£5.27	£3.11	£0.205	18.88	11.93	0.95
2004	£5.86	£4.43	£0.24	19.79	16.47	1.00
2005	£6.15	£5.20	£0.266	22.34	18.27	1.10
2006	£7.37	£5.86	£0.31	25.92	20.46	1.15

The tables below set forth, for the periods indicated, the high and low closing prices of Barclays ADSs and ABN AMRO ADSs as reported on the NYSE, as well as the annual dividend amounts paid since 2002.

	Barclays ADSs			ABN AMRO ADSs		
	High	**Low**	**Dividends**	**High**	**Low**	**Dividends**
2002	$36.80	$22.30	$1.16	$20.32	$10.54	$0.92
2003	$36.35	$20.60	$1.43	$23.48	$13.39	$1.09
2004	$45.68	$33.06	$1.80	$26.65	$19.67	$1.27
2005	$46.76	$37.57	$1.89	$27.86	$22.95	$1.34
2006	$58.38	$42.03	$2.41	$32.60	$25.57	$1.50

See Comparative Historical and Pro Forma Per Share Information .

RISK FACTORS

You should carefully consider the following risks and the risk factors incorporated by reference into this document from the Barclays 2006 Form 20-F and the ABN AMRO 2006 Form 20-F, together with other information contained in or incorporated by reference into this document, before making any decision concerning the terms of this exchange offer or whether to accept it. Any of these risks could have a material adverse effect on the businesses, financial conditions and results of operations of Barclays, ABN AMRO and the combined group, which could, in turn, affect the price of the Barclays ordinary shares and Barclays ADSs.

Additional Risks Related to Barclays

In addition to the risk factors described in the Barclays 2006 Form 20-F, you should also carefully consider the following risk factor.

Governmental policy and regulation may have an effect on Barclays results.

Barclays businesses and earnings can be affected by the fiscal or other policies and other actions of various governmental and regulatory authorities in the United Kingdom, the European Union, the United States, South Africa and elsewhere.

There is continuing political and regulatory scrutiny of the operation of the retail banking and consumer credit industries in the United Kingdom and elsewhere. The nature and impact of future changes in policies and regulatory action are not predictable and are beyond Barclays control, but could have an impact on Barclays businesses and earnings.

In the European Union as a whole, these regulatory actions included an inquiry into retail banking in all of the then 25 member states by the European Commission s Directorate General for Competition. The inquiry looked at retail banking in Europe generally, and Barclays has fully co-operated with the inquiry. On January 31, 2007 the European Commission announced that the inquiry had identified barriers to competition in certain areas of retail banking, payment cards and payment systems in the European Union. The European Commission indicated it will use its powers to address these barriers, and will encourage national competition authorities to enforce European and national competition laws where appropriate. Any action taken by the European Commission and national competition authorities could have an impact on the payment cards and payment systems businesses of Barclays and on its retail banking activities in the European Union countries in which it operates.

In the United Kingdom, in September 2005 the Office of Fair Trading (the OFT) received a super-complaint from the Citizens Advice Bureau relating to payment protection insurance (PPI). As a result, the OFT commenced a market study on PPI in April 2006. In October 2006, the OFT announced the outcome of the market study and, following a period of consultation, the OFT referred the PPI market to the UK Competition Commission for an in-depth inquiry on February 7, 2007. This inquiry could last for up to two years. Also, in October 2006, the FSA published the outcome of its broad industry thematic review of PPI sales practices in which it concluded that some firms fail to treat customers fairly. Barclays has cooperated fully with these investigations and will continue to do so.

In April 2006, the OFT commenced a review of the undertakings given following the conclusion of the Competition Commission Inquiry in 2002 into the supply of banking services to small and medium enterprises (SMEs). Barclays is cooperating fully with that review.

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 investigations in the Visa interchange case and a second MasterCard interchange case are ongoing. The outcome is not known, but these investigations may have an impact on the consumer credit industry in general and, therefore on Barclays business in this sector. On

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February 9, 2007, the OFT announced that it was expanding its investigation into interchange rates to include debit cards.

On April 1, 2007, the UK consumer interest association known as Which? submitted a super-complaint to the OFT pursuant to the Enterprise Act 2002. The super-complaint criticizes the various ways in which credit card companies calculate interest charges on credit card accounts. On June 26, 2007, the OFT announced a new program of work with the credit card industry and consumer bodies in order to make the costs of credit cards easier for consumers to understand. This OFT decision follows the receipt by the OFT of the super-complaint from Which? This new work will explore the issues surrounding the costs of credit for credit cards including purchases, cash advances, introductory offers and payment allocation. The OFT s program of work is expected to take six months.

The OFT announced the findings of its investigation into the level of late and over-limit fees on credit cards on April 5, 2006, requiring a response from credit card companies by May 31, 2006. Barclaycard responded by confirming that it would reduce its late and over-limit fees on credit cards from August 1, 2006.

On September 7, 2006, the OFT announced that it had decided to undertake a fact find on the application of its statement on credit card fees to current account unauthorized overdraft fees. The fact find was completed in March 2007. On March 29, 2007, the OFT announced its decision to conduct a formal in-depth investigation into the fairness of bank current account charges. The OFT announced a market study into personal current accounts (PCAs) in the UK on April 26, 2007. The market study will look at: (i) whether the provision of free if in credit PCAs delivers sufficiently high levels of transparency and value for customers; (ii) the implications for competition and consumers if there were to be a shift away from free if in credit PCAs; (iii) the fairness and impact on consumers generally of the incidence, level and consequences of account charges; and (iv) what steps could be taken to improve customers ability to secure better value for money, in particular to help customers make more informed current account choices and drive competition. The study will focus on PCAs but will include an examination of other retail banking products, in particular savings accounts, credit cards, personal loans and mortgages in order to take into account the competitive dynamics of UK retail banking.

On January 26, 2007, the FSA issued a Statement of Good Practice relating to Mortgage Exit Administration Fees. Barclays will charge the fee applicable at the time the customer took out the mortgage, which is one of the options recommended by the FSA.

Other areas where changes could have an impact include:

the monetary, interest rate and other policies of central banks and regulatory authorities;

general changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which Barclays operates;

general changes in the regulatory requirements, for example, prudential rules relating to the capital adequacy framework;

changes in competition and pricing environments;

further developments in the financial reporting environment;

expropriation, nationalization, confiscation of assets and changes in legislation relating to foreign ownership; and

other unfavorable political, military or diplomatic developments producing social instability or legal uncertainty which, in turn, may affect demand for Barclays products and services.

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Risks Related to the Exchange Offer and the Combined Group

Because the exchange ratios are fixed, the market value of the consideration paid in the exchange offer may be more or less than the market value of ABN AMRO ordinary shares or ABN AMRO ADSs.

Holders of ABN AMRO ordinary shares and ABN AMRO ADSs who receive Barclays ordinary shares or Barclays ADSs in the exchange offer will receive a fixed number of Barclays ordinary shares or Barclays ADSs rather than a number of securities with a particular fixed market value. The market value of Barclays ordinary shares or Barclays ADSs at the time of the closing of the offer or any post-closing restructuring which is expected to be a transaction or a series of transactions having the effect of acquiring by Barclays of ABN AMRO ordinary shares and ABN AMRO ADSs which remain outstanding after the exchange offer may vary significantly from their prices on the date of the Merger Protocol, the date of this document, the date on which holders of ABN AMRO ordinary shares or ABN AMRO ADSs tender their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer or the effective date of the combination. Because the exchange ratios will not be adjusted to reflect any changes in the market price of Barclays ordinary shares or Barclays ADSs or ABN AMRO ordinary shares or ABN AMRO ADSs, the value of the consideration paid to holders of ABN AMRO ordinary shares and ABN AMRO ADSs who receive Barclays ordinary shares or Barclays ADSs in the exchange offer may be higher or lower than the market value of such securities on earlier dates. Because the exchange ratios are fixed, the market value of consideration paid in any subsequent offering period may also differ from the consideration paid in the initial offering period.

Changes in share prices may result from a variety of factors that are beyond the control of Barclays and ABN AMRO, including changes in their respective businesses, operations and prospects, regulatory considerations, governmental actions, and legal proceedings and developments. Market assessments of the benefits of the combination and of the likelihood that the combination will be completed, and general and industry-specific market and economic conditions may also have an effect on prices. Neither Barclays nor ABN AMRO is permitted to terminate the Merger Protocol solely because of changes in the market price of either party s shares. See The Merger Protocol Termination for a description of the circumstances in which Barclays and ABN AMRO may terminate the Merger Protocol.

In addition, it is possible that the exchange offer and any post-closing restructuring may not be completed until a significant period of time has passed after the commencement of the exchange offer. As a result, the market values of Barclays ordinary shares, Barclays ADSs, ABN AMRO ordinary shares and ABN AMRO ADSs may vary significantly from the date of this document to the dates of the completion of the exchange offer and any post-closing restructuring. You are urged to obtain up-to-date prices for Barclays ordinary shares, Barclays ADSs, ABN AMRO ordinary shares and ABN AMRO ADSs. See Comparative Per Share Market Price and Dividend Information for ranges of historic prices of Barclays ordinary shares, Barclays ADSs, ABN AMRO ordinary shares and ABN AMRO ADSs, and for prices on March 16, 2007, the last trading day before ABN AMRO and Barclays confirmed that they were in exploratory discussions, April 20, 2007, the last trading day before the public announcement of the Merger Protocol, July 20, 2007, the last trading day before the announcement of the revised exchange offer, and August [l], 2007.

The ability of a holder of ABN AMRO ordinary shares or ABN AMRO ADSs to increase the amount of cash or the number of Barclays ordinary shares or Barclays ADSs that they receive in the exchange offer pursuant to the Mix and Match Facility will be based on the elections made by other ABN AMRO shareholders and may be subject to production.

Holders of ABN AMRO ordinary shares or ABN AMRO ADSs may elect, subject to availability, to vary the proportions in which they receive Barclays ordinary shares or Barclays ADSs and cash in respect of their holdings of ABN AMRO ordinary shares or ABN AMRO ADSs under the Mix and Match Facility. However, the total number of Barclays ordinary shares, including those represented by Barclays ADSs, to be issued and the total amount of the cash consideration to be paid under the exchange offer will not be

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varied as a result of the Mix and Match Facility. Accordingly, satisfaction of elections by holders of ABN AMRO ordinary shares or ABN AMRO ADSs under the Mix and Match Facility will depend on the extent to which other holders of ABN AMRO ordinary shares or ABN AMRO ADSs (who together form one consideration pool) make offsetting elections.

If elections under the Mix and Match Facility cannot be satisfied in full, they will be scaled down on a pro rata basis. If a holder has elected to receive more Barclays ordinary shares or Barclays ADSs and less cash, but there are not enough Barclays ordinary shares or Barclays ADSs given up by other holders to satisfy the holder s election, the holder will receive fewer Barclays ordinary shares or Barclays ADSs and more cash than the holder elected. Similarly, if a holder has elected to receive more cash and fewer Barclays ordinary shares or Barclays ADSs, but there is not enough cash given up by other holders to satisfy the holder s election, the holder will receive less cash and more Barclays ordinary shares or Barclays ADSs than the holder elected.

As a result, holders of ABN AMRO ordinary shares or ABN AMRO ADSs who make an election under the Mix and Match Facility may not have their election satisfied in full, and they will not know the exact number of Barclays ordinary shares or Barclays ADSs or the amount of cash that they will receive until settlement of the consideration under the exchange offer.

The exchange price under the Mix and Match Facility may not reflect the current trading price.

Satisfaction of elections (in whole or part) under the Mix and Match Facility will be carried out on the basis of a fixed rate of [l] for each Barclays ordinary share and [l] for each Barclays ADS. These figures reflect the exchange price announced in the July 23, 2007 announcement of the revised offer of £8.00 per Barclays ordinary share using the exchange rate of £1.00= [l] published in the Financial Times on August [l], 2007. Barclays ordinary shares may be trading at a lower or higher price than £8.00 at the settlement date.

If conditions to the exchange offer are not satisfied or waived, the exchange offer may not be completed.

The Merger Protocol contains certain conditions to the consummation of the exchange offer. Certain of these conditions may not be waived without written agreement of both Barclays and ABN AMRO. If any of the conditions are not satisfied, and waiver is not granted, the exchange offer will not be completed. In addition, under the circumstances specified in the Merger Protocol, Barclays and ABN AMRO may terminate the Merger Protocol for other reasons. If the exchange offer is not completed, the price of the Barclays ordinary shares and Barclays ADSs and the ABN AMRO ordinary shares and ABN AMRO ADSs may fall significantly. In addition, the exchange offer is subject to a condition that the LaSalle Agreement with Bank of America for the sale of LaSalle has been completed in accordance with its terms or a purchase and sale agreement with another party with respect to the sale of LaSalle has been completed with its terms. The LaSalle Agreement is subject to a number of conditions to closing described in The Exchange Offer Terms of LaSalle Agreement . See The Exchange Offer Conditions for a discussion of the conditions to the completion of the exchange offer and The Merger Protocol Termination for a description of the circumstances in which Barclays and ABN AMRO may terminate the Merger Protocol.

Obtaining required approvals may delay or prevent completion of the exchange offer or reduce the anticipated benefits of the combination.

Completion of the exchange offer is conditional upon, among other things, the receipt of material governmental authorizations, consents, orders and approvals. Barclays and ABN AMRO intend to pursue all required approvals in accordance with their obligations under the Merger Protocol. In connection with granting these approvals, the respective governmental or other authorities may impose conditions on, or require divestitures or other changes relating to, the divisions, operations or assets of Barclays and/or ABN AMRO. Neither Barclays nor ABN AMRO can predict what, if any, changes may be required. More

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generally, these and other conditions, divestitures or other changes may jeopardize or delay completion of the exchange offer, reduce the anticipated benefits of the combination and/or have a material adverse effect on the business and financial condition of the combined group. See The Merger Protocol Conditions to the Exchange Offer for a discussion of the conditions to the completion of the exchange offer.

If the exchange offer is successful, but some ABN AMRO ordinary shares or ABN AMRO ADSs remain outstanding, the liquidity and market value of these ABN AMRO ordinary shares or ABN AMRO ADSs held by the public could be adversely affected by the fact that they will be held by a small number of holders.

Depending upon the number of ABN AMRO ordinary shares and ABN AMRO ADSs tendered in the exchange offer, following the successful completion of the exchange offer, ABN AMRO ordinary shares may no longer meet the requirements of Euronext and/or the NYSE, as applicable, for continued listing. Moreover, to the extent permitted under applicable law and stock exchange regulations, Barclays intends to request the delisting of ABN AMRO ordinary shares from Euronext, as well as ABN AMRO ordinary shares and ABN AMRO ADSs from the NYSE. Such delisting may also occur because of certain actions taken in connection with any post-closing reorganization.

If the ABN AMRO ordinary shares are delisted from Euronext, and ABN AMRO ordinary shares and ABN AMRO ADSs are delisted from the NYSE, but any post-closing reorganization has not yet been (or is not able to be) completed and ABN AMRO ordinary shares and ABN AMRO ADSs remain outstanding, the market for ABN AMRO ordinary shares and ABN AMRO ADSs could be adversely affected. Although it is possible that ABN AMRO ordinary shares and ABN AMRO ADSs would be traded in over-the-counter markets prior to any post-closing reorganization, such alternative trading markets may not exist. In addition, the extent of the public market for the ABN AMRO ordinary shares and ABN AMRO ADSs and the availability of market quotations would depend upon the number of holders and/or the aggregate market value of ABN AMRO ordinary share and ABN AMRO ADSs remaining at such time, as well as the interest in maintaining a market in ABN AMRO ordinary shares and ABN AMRO ADSs on the part of securities firms. If ABN AMRO ordinary shares and ABN AMRO ADSs are delisted, ABN AMRO could also cease making disclosures and reports required for listed or publicly traded companies, which could further impact the value of the ABN AMRO ordinary shares and ABN AMRO ADSs. To the extent the availability of such continued listings or quotations depends on steps taken by ABN AMRO or Barclays, ABN AMRO or Barclays may or may not take such steps. Therefore, you should not rely on any such listing or quotation or trading being available.

ABN AMRO ADSs may cease to be margin securities .

ABN AMRO ADSs currently are margin securities under Regulation T issued by the Board of Governors of the US Federal Reserve System. This status has the effect, among other things, of allowing US broker-dealers to extend credit on the collateral of ABN AMRO ADSs for purposes of buying, carrying and trading in securities. Upon the delisting of ABN AMRO ADSs from the NYSE, they might no longer constitute margin securities . In such event, US broker-dealers may not extend loans for such purposes against such collateral. Existing margin accounts with US broker-dealers in which such collateral is held may also be affected in various respects. The foregoing may be relevant to you in the event that you do not tender your ABN AMRO ADSs in the exchange offer.

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Barclays may not be able to complete any post-closing restructuring of ABN AMRO and its subsidiaries promptly after the closing of the exchange offer, or at all. In addition, even if Barclays is able to effect any post-closing restructuring, the consideration that ABN AMRO shareholders receive in the post-closing restructuring may be lower and/or different in form than the consideration that they would have received had they tendered their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer (and they may also be subject to additional taxes).

If the exchange offer is successfully completed, Barclays intends to effect a post-closing restructuring of ABN AMRO and its subsidiaries that is intended to have the effect of acquiring ABN AMRO ordinary shares and ABN AMRO ADSs that remain outstanding after the exchange offer and, consequently, result in ABN AMRO becoming a wholly owned subsidiary of Barclays. However, Barclays may not be able to effect any post-closing restructuring promptly after the closing of the exchange offer, or at all. In addition, any post-closing restructuring could be the subject of litigation, and a court could delay any post-closing restructuring or prohibit it from occurring on its proposed terms, or from occurring at all. Accordingly, holders of ABN AMRO ordinary shares and ABN AMRO ADSs who do not tender their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer may not receive consideration for such shares promptly after the closing of the exchange offer, or at all.

To effect a compulsory acquisition of the remaining ABN AMRO ordinary shares, Barclays will need to first obtain at least 95% of the nominal value of the issued and outstanding ordinary share capital of ABN AMRO (including ABN AMRO ADSs). However, the acceptance condition in the exchange offer is 80% and is capable of being waived or reduced. Barclays could thus complete the exchange offer without being able to compulsorily acquire the remaining ABN AMRO ordinary shares (including ABN AMRO ordinary shares represented by ABN AMRO ADSs) it does not own. Were this to happen, Barclays would be entitled to exercise control of ABN AMRO and nominate the majority of the boards of ABN AMRO; any merger carried out would have to be in the best interests of all ABN AMRO shareholders; and the full amount of the cost synergies and revenue benefits identified for the merger may not be obtained or may only be obtained over a longer period of time.

In addition, even if Barclays is able to complete any post-closing restructuring, the consideration that holders of ABN AMRO ordinary shares or ABN AMRO ADSs will receive in any post-closing restructuring may be lower and/or substantially different in form than the consideration that they would have received had they tendered their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer. Such differences could result from the fact that:

- any post-closing restructuring may require a consideration taking a form (cash or securities) other than that proposed under the exchange offer;

- the consideration issued in certain post-closing restructuring steps may be determined by a court;

- the tax consequences to the holders of ABN AMRO ordinary shares or ABN AMRO ADSs of receiving consideration in any post-closing reorganization may be different than they would be if the holders of ABN AMRO ordinary shares or ABN AMRO ADSs had tendered their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer;

- the Barclays ordinary shares received as part of the consideration may have a different value at the time of completion of any post-closing restructuring than at the time of the completion of the exchange offer and also the value of the ABN AMRO ordinary shares or ABN AMRO ADSs may have changed since; and

- the legal rights of holders of ABN AMRO ordinary shares or ABN AMRO ADSs may change as a result of post-closing restructuring measures or vary depending on the form of post-closing restructuring measures used.

Post-closing restructuring measures, including but not limited to the making of distributions to shareholders, whether as a dividend or a repayment of capital, the making of distributions other than in

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cash, and dilution resulting from an issuance of securities, may have adverse tax consequences for shareholders, or certain groups of shareholders. Although the structure of any post-closing restructuring may not be determined until after the expiration of the exchange offer, in the event that fewer than 95% of the outstanding ABN AMRO ordinary shares (including ABN AMRO ordinary shares represented by ABN AMRO ADSs) are acquired in the exchange offer or are otherwise held by Barclays, any payment made to holders of ABN AMRO ordinary shares or ABN AMRO ADSs in connection with any post-closing restructuring might give rise to a liability to Dutch dividend withholding tax. Application of the Dutch dividend withholding tax could cause the net value of the consideration received by holders of ABN AMRO ordinary shares or ABN AMRO ADSs in any post-closing restructuring to be substantially less than the net value of the consideration such shareholders would have received had they tendered their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer. For more information on any post-closing restructuring see Post-Closing Restructuring and The Merger Protocol The Exchange Offer Post-Closing Actions .

Whether or not the proposed combination of Barclays and ABN AMRO is completed, the announcement and pendency of the transaction could cause disruptions in the businesses of Barclays and/or ABN AMRO, which could have an adverse effect on their businesses and financial results, as well as on the business prospects and future financial results of the combined group.

Whether or not the proposed combination of Barclays and ABN AMRO is completed, the announcement and pendency of the combination could cause disruptions in the businesses of Barclays and ABN AMRO. Specifically:

- some current and prospective employees may experience uncertainty about their future roles within the combined group, which might adversely affect Barclays and ABN AMRO s ability to retain or recruit key managers and other employees;

- such uncertainty as to whether or not the proposed combination will be completed may affect Barclays and ABN AMRO s ability to retain current, and attract prospective customers; and

- the attention of management of each of Barclays and ABN AMRO may be diverted from the operation of the businesses toward the completion of the proposed combination.

Such risks may increase as the transaction becomes pending for longer periods of time. If Barclays and ABN AMRO fail to manage these risks effectively, the business and financial results of Barclays, ABN AMRO and the combined group could be adversely effected.

Barclays and ABN AMRO may not be able to successfully integrate their large and complex businesses.

Barclays and ABN AMRO operate as independent companies, and will continue to do so until the completion of the combination, which involves the integration of two large and complex businesses. Consequently, Barclays and ABN AMRO may face significant challenges in integrating the two companies technologies, organizations, procedures, policies and operations in a timely and efficient manner, as well as in addressing differences in the business cultures of the two companies, and retaining key Barclays and ABN AMRO personnel.

The integration process may prove to be complex and time consuming, require substantial resources and effort and lead to a degree of uncertainty for customers and employees. It may also disrupt each company s ongoing businesses, which may adversely affect the combined group s relationships with customers, employees, regulators and others with whom Barclays and ABN AMRO have business or other dealings. The combined companies competitors may also seek to take advantage of potential integration problems to gain customers. Furthermore, the process of harmonizing Barclays and ABN AMRO s differing risk management strategies and techniques may initially leave the combined group exposed to unidentified and unanticipated risks that may be different than those previously faced by the two companies as separate entities.

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If Barclays and ABN AMRO fail to manage the integration of their businesses effectively, the growth strategy and future profitability of the combined group could be negatively affected, and they may fail to achieve the anticipated benefits of the combination. In addition, difficulties in integrating these businesses could harm the reputation of the combined group.

The combined group may fail to realize the anticipated cost savings, growth opportunities and synergies and other benefits anticipated from the combination.

The success of the combination will depend, in part, on the combined group s ability to realize anticipated cost savings, revenue synergies and growth opportunities from combining the businesses of Barclays and ABN AMRO. The combined group expects to benefit from synergies resulting from the consolidation of capabilities, rationalization of operations and headcount, greater efficiencies from increased scale and market integration, experience of product and service offerings and organic growth. Specifically, Barclays and ABN AMRO expect that the combined group will achieve a rate of annual cost savings of approximately 725 million by the end of 2008, 2,270 million by the end of 2009 and 3,500 million by the end of 2010. Barclays and ABN AMRO also expect that the combination will create approximately 700 million in incremental annual revenues starting in 2010.

There is a risk, however, that the businesses of Barclays and ABN AMRO may not be combined in a manner that permits these costs savings and revenue synergies to be realized in the time, manner or amounts currently expected, or at all. For example, although the products and customer bases of Barclays and ABN AMRO are complementary in many respects and should provide the combined group with numerous cross-selling opportunities, there may be some degree of commercial overlap that could negatively impact the combined group s revenue to a greater extent than anticipated. The completion of the exchange offer or any post-closing reorganization may also be delayed, challenged by parties opposing the completion of the combination or not possible at all. This may limit or delay the combined group management s ability to integrate the two companies technologies, organizations, procedures, policies and operations. In addition, a variety of factors, including, but not limited to, wage inflation, currency fluctuations, regulatory requirements and difficulty integrating technology platforms, may adversely affect the combined group s anticipated cost savings and revenues.

Finally, although work has been done on the development of detailed plans for achieving the synergy and other benefits from the combination, such plans have not been finalized and cannot be implemented until the completion of the combination. If the combined group is not able to successfully achieve these objectives, the anticipated benefits of the combination may not be realized fully, or at all, or may take longer to realize than expected.

Barclays and ABN AMRO will incur significant transaction- and combination-related costs in connection with the combination.

Barclays and ABN AMRO expect to incur a number of non-recurring costs associated with combining the operations of the two companies, anticipated to be approximately 2,160 million in 2008, 1,080 million in 2009 and 360 million in 2010. In addition, Barclays and ABN AMRO will incur legal, accounting and other transaction fees and other costs related to the combination, anticipated to be approximately [l] million. Some of these costs are payable regardless of whether the combination is completed. Moreover, under specified circumstances, Barclays or ABN AMRO may be required to pay an amount by way of compensation in connection with the termination of the Merger Protocol under circumstances specified in that document. See The Merger Protocol Termination for a description of the circumstances in which Barclays and ABN AMRO may terminate the Merger Protocol. Additional unanticipated costs may also be incurred in the integration of the businesses of Barclays and ABN AMRO.

Although the combined group expects that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, will offset these transaction- and combination-related costs over time, this net benefit may not be achieved in the near term, or at all.

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Furthermore, as a result of certain of the post-closing restructuring measures which Barclays and ABN AMRO may consider, the proportion of the balance sheet of ABN AMRO or its successor entities that is represented by debt may increase substantially as compared to the current position.

Certain members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board may have certain interests in the proposed combination that are different from, or in addition to, the interests of holders of ABN AMRO ordinary shares and ABN AMRO ADSs.

Certain members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board negotiated the terms of the Merger Protocol and the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board unanimously approved the Merger Protocol. Certain members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board may have interests in the transaction that are different from, or in addition to, the interests of holders of ABN AMRO ordinary shares and ABN AMRO ADSs. Holders of ABN AMRO ordinary shares and ABN AMRO ADSs should take into account such interests.

These interests include:

- the continued employment of some members of the ABN AMRO Managing Board by the combined group;

- the continued positions of certain members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board as members of the Group Board of Directors;

- employment agreements with certain members of the ABN AMRO Managing Board, which include terms regarding severance payments in accordance with Dutch labor law in the event of termination of those agreements; and

- the indemnification of former members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board by the combined group.

The financial results of the combined group will be more exposed to currency exchange rate fluctuations as a result of the combination and the resulting increased proportion of assets, liabilities and earnings denominated in foreign currency.

The combined group will present its financial statements in Euro and will have a significant proportion of net assets and income in non-Euro currencies, primarily Sterling and US dollars as well as a range of emerging market currencies. The combined group s financial results and capital ratios will therefore be sensitive to movements in foreign exchange rates. A depreciation of non-Euro currencies relative to the Euro would have an adverse impact on the combined group s financial results.

Risks Related to the Share Capital of the Combined Group

There will be material differences between the current rights of holders of ABN AMRO ordinary shares and ABN AMRO ADSs and the rights they can expect to have as holders of Barclays ordinary shares and Barclays ADSs.

Holders of ABN AMRO ordinary shares and ABN AMRO ADSs will receive Barclays ordinary shares and Barclays ADSs, respectively, in the exchange offer, and will consequently become holders of Barclays ordinary shares or Barclays ADSs. Their rights as holders of Barclays ordinary shares or Barclays ADSs will be governed by the Barclays memorandum and articles of association, by English law and, in the case of Barclays ADSs, by the Deposit Agreement with the Depositary. As a result, there will be material differences between the current rights of holders of ABN AMRO ordinary shares or ABN AMRO ADSs and the rights they can expect to have as holders of Barclays ordinary shares or Barclays ADSs.

Also, in the event that ABN AMRO or its successor entity will no longer be listed on any stock exchange and the ABN AMRO ordinary shares and ABN AMRO ADSs will no longer be publicly traded, certain customary statutory provisions applicable to the governance of listed companies may no longer apply, and the rights of minority shareholders may be limited. In addition, the implementation of post-closing restructuring measures, including but not limited to the transfer or issuance to holders of ABN AMRO ordinary shares or ABN AMRO ADSs of shares in another company (including a non-Dutch and/or a non-listed company), by way of legal merger, legal de-merger, distribution in kind or otherwise, or the transfer or issuance to them of any form of financial instruments issued by any issuer under any jurisdiction, may result in the relevant shareholders losing forms of statutory shareholder rights, including access to certain types of court proceedings, that they currently enjoy as shareholders of a Dutch public limited liability company. See Post-Closing Restructuring .

For a discussion of these and other material differences between the current rights of holders of ABN AMRO ordinary shares or ABN AMRO ADSs and the rights they can expect to have as holders of Barclays ordinary shares or Barclays ADSs, see Comparison of Rights of Holders of Barclays Ordinary Shares and ABN AMRO Ordinary Shares and Description of Barclays ADSs .

Holders of ABN AMRO ordinary shares or ABN AMRO ADSs and holders of Barclays ordinary shares or Barclays ADSs will have a reduced ownership and voting interest in the combined group after the combination and will exercise less influence over management.

After the completion of the combination, holders of ABN AMRO ordinary shares or ABN AMRO ADSs and holders of Barclays ordinary shares or Barclays ADSs will own a smaller percentage of the combined group than they currently own of ABN AMRO and Barclays, respectively. Assuming that all of the outstanding ABN AMRO ordinary shares and ABN AMRO ADSs are validly tendered in the exchange offer and not withdrawn, existing holders of Barclays ordinary shares and Barclays ADSs and former holders of ABN AMRO ordinary shares or ABN AMRO ADSs will own approximately 56% and 35%, respectively, of the outstanding shares of the combined group immediately after the combination. Consequently, former holders of ABN AMRO ordinary shares or ABN AMRO ADSs, as a group, will have reduced ownership and voting power in the combined group compared to their ownership and voting power in ABN AMRO, and existing holders of Barclays ordinary shares or Barclays ADSs, as a group, will have reduced ownership and voting power in the combined group compared to their ownership and voting power in Barclays. Following the settlement date of the exchange offer, Barclays will own the majority of ABN AMRO ordinary shares (including ABN AMRO ordinary shares formerly represented by ABN AMRO ADSs) and thus control the nomination of all of the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board.

The trading price of Barclays ordinary shares and Barclays ADSs may be affected by factors different from those affecting the price of ABN AMRO ordinary shares and ABN AMRO ADSs.

The businesses of Barclays and ABN AMRO differ in some respects and, accordingly, the results of operations of the combined group and the market price of the combined group s securities may be affected by factors different from those currently affecting the independent results of operations of each of Barclays and ABN AMRO. For a discussion of the businesses of Barclays and ABN AMRO and of certain factors to consider in connection with those businesses, see the documents incorporated by reference in this document and referred to under Where You Can Find More Information .

The market price of the Barclays ordinary shares and Barclays ADSs could be volatile and subject to significant fluctuations due to a variety of factors.

The market price of Barclays ordinary shares and Barclays ADSs could be subject to fluctuations in response to certain factors, such as changes in sentiment in the market regarding Barclays, any regulatory changes affecting Barclays operations, variations in Barclays anticipated or actual operating results, business developments of Barclays or its competitors, the operating and share price performance of other companies in the industries and markets in which Barclays operates, speculation about Barclays business in the press, media or the investment community, changes in conditions affecting the economy generally, as well as other factors unrelated to the operating results of Barclays. Volatility in the market price of

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Barclays ordinary shares and Barclays ADSs following the combination may prevent former holders of ABN AMRO ordinary shares or ABN AMRO ADSs from selling Barclays ordinary shares or Barclays ADSs they may receive in the exchange offer at or above the value of their ABN AMRO ordinary shares or ABN AMRO ADSs tendered in exchange for such Barclays ordinary shares or Barclays ADSs.

Barclays ownership structure may contain restrictions on shareholder rights and, in addition, holders of the Barclays ADSs are not able to exercise certain rights of holders of Barclays ordinary shares.

Barclays articles of association may contain restrictions on shareholder rights that differ from US practice. The Depositary is the holder of the Barclays ordinary shares underlying the Barclays ADSs. A holder of Barclays ADSs will have those rights contained in the Deposit Agreement between Barclays, the Depositary and the Barclays ADS holders. These rights may be different from those of the holders of the Barclays ordinary shares, including with respect to the receipt of information, the receipt of dividends or other distributions and the exercise of voting rights. These rights, however, do not materially differ from the current rights of ABN AMRO ADS holders under the ABN AMRO ADS deposit agreement. In particular, a holder of Barclays ADSs must instruct the Depositary to vote on the Barclays ordinary shares underlying the Barclays ADSs. As a result, it may be more difficult for Barclays ADS holders to exercise those rights. In addition, there are fees and expenses related to the issuance and cancellation of the Barclays ADSs. See Description of Barclays Ordinary Shares .

Holders of ABN AMRO ordinary shares or ABN AMRO ADSs may experience a loss of certain legal protections.

The implementation of post-closing restructuring measures, including but not limited to the transfer or issuance to holders of ABN AMRO ordinary shares or ABN AMRO ADSs of shares in another company (including a non-Dutch and/or a non-listed company), by way of legal merger, legal de-merger, distribution in kind or otherwise, or the transfer or issuance to them of any form of financial instruments issued by any issuer under any jurisdiction, may result in the relevant ABN AMRO shareholders losing forms of statutory protection rights, including access to certain types of court proceedings, that are currently available to them as shareholders of a Dutch public limited liability company.

You may have difficulty enforcing civil judgments against Barclays.

Barclays is organized under the laws of England and the members of the Barclays Board, with certain exceptions, are residents of countries outside the United States. Although some of Barclays affiliates have substantial assets in the United States, substantially all of the assets of Barclays and of the members of the Barclays Board are located outside the United States. As a result, it may not be possible for investors to effect service of process upon Barclays or upon these persons, or to enforce judgments of US courts predicated upon the civil liability provisions of US securities laws against Barclays or these persons.

Resales of Barclays ordinary shares and Barclays ADSs following the exchange offer may cause the market price of such Barclays ordinary shares and Barclays ADSs to fall.

In connection with the exchange offer, Barclays estimates to issue approximately [l] Barclays ordinary shares, including those underlying Barclays ADSs, assuming the maximum number of Barclays ordinary shares is issued pursuant to the exchange offer. The increase in the number of Barclays ordinary shares and Barclays ADSs may lead to sales of such securities or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Barclays ordinary shares and Barclays ADSs.

Certain Barclays Bank securities include terms restricting payments of dividends by Barclays on the Barclays ordinary shares.

Barclays Bank has issued several series of reserve capital instruments and tier one notes which place restrictions on Barclays ability to (i) declare or pay dividends (other than a dividend declared by Barclays

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before deferral, or intra-group dividends) on shares (including Barclays ordinary shares) or (ii) redeem, purchase, reduce or otherwise acquire any of the share capital or securities of Barclays (including Barclays ordinary shares).

This restriction arises if Barclays Bank defers the payment of any coupon due on the relevant series of reserve capital instruments or tier one notes and remain until Barclays Bank next pays (or sets aside funds to pay) a coupon on the reserve capital instruments or tier one notes or the reserve capital instruments or tier one notes are redeemed in full.

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FORWARD-LOOKING STATEMENTS

Certain statements and assumptions in this document and in the documents incorporated by reference contain certain forward-looking statements with respect to certain of ABN AMRO s and Barclays plans and their current goals and expectations relating to their future financial condition and performance and which involve a number of risks and uncertainties. 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 aim , anticipate , target , expect , estimate , intend , plan , goal , believe , or other words of similar meani of forward-looking statements include, among others, statements regarding the consummation of the combination between ABN AMRO and Barclays within the expected timeframe and on the expected terms (if at all), the benefits of the combination transaction between ABN AMRO and Barclays, including the achievement of synergy targets, ABN AMRO s and Barclays future financial position, income growth, impairment charges, business strategy, projected costs and estimates of capital expenditures and revenue benefits, projected levels of growth in the banking and financial markets, the combined group future financial and operating results, future financial position, projected costs and estimates of capital expenditures, and plans and objectives for future operations of ABN AMRO, Barclays and the combined group and other statements that are not historical facts. Additional risks and factors are identified in ABN AMRO s and Barclays filings with the SEC, including the ABN AMRO 2006 Form 20-F and the Barclays 2006 Form 20-F, which are available on ABN AMRO s website at www.abnamro.com and Barclays website at www.barclays.com, respectively, and on the SEC s website at www.sec.gov.

Any forward-looking statements made in this document speak only as of the date they are made. Barclays does not undertake to update forward-looking statements to reflect any changes in expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that ABN AMRO or Barclays has made or may make in documents ABN AMRO or Barclays has filed or may file with the SEC.

Notwithstanding any statement in this document or in any other document that Barclays has filed with the SEC in connection with the exchange offer, Barclays acknowledges that the safe harbor for forward-looking statements under Section 27A of the Securities Act and Section 21E of the Exchange Act, as added by the Private Securities Litigation Reform Act of 1995, does not apply to forward-looking statements made in connection with a tender offer.

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THE TRANSACTION

General

On April 23, 2007, the ABN AMRO Managing Board, the ABN AMRO Supervisory Board and the Barclays Board jointly announced that agreement had been reached on the terms of a recommended combination of ABN AMRO and Barclays to create one of the world s leading universal bank groups, to be called Barclays . The terms under which the combination would take place were revised following an announcement by Barclays on July 23, 2007.

The consummation of the transaction remains subject to the satisfaction or waiver of a number of conditions, including the completion of the sale of LaSalle and the regulatory approvals and clearances referred to in The Exchange Offer Conditions .

The combination will be principally effected by means of the exchange offer, and the Barclays Board has resolved to recommend unanimously the exchange offer. Pursuant to the exchange offer and subject to the Mix and Match Facility, holders of ABN AMRO ordinary shares or ABN AMRO ADSs, as the case may be, will receive:

2.13 Barclays ordinary shares and 13.15 in cash for every 1 ABN AMRO ordinary share; or

0.5325 Barclays ADS and 13.15 in cash for every 1 ABN AMRO ADS.

The cash consideration paid for each ABN AMRO ADS that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn, will be U.S. dollars, based on the conversion of the Euro consideration to which holders of ABN AMRO ADSs are entitled, net of any applicable fees and expenses, into U.S. dollars at the exchange rate obtainable by The Bank of New York, the ADS exchange agent, on the date the cash consideration is received by the ADS exchange agent for delivery in respect of such ABN AMRO ADSs.

At the time of announcement of the revised exchange offer on July 23, 2007, the exchange offer valued each ABN AMRO ordinary share at 35.73 ($49.43), each ABN AMRO ADS at $49.41, based on the share price of Barclays ordinary shares of £7.135 on July 20, 2007, the last business day before the July 23, 2007 announcement of the revised exchange offer, using the exchange rates of £1 = 1.4856 and 1 = $1.3835, as published by the Financial Times on July 21, 2007.

The exchange offer values each ABN AMRO ordinary share at [1] ($[1]), each ABN AMRO ADS at $[1] and values ABN AMRO at approximately [1] billion ($[1]), based on the fully diluted number of ABN AMRO ordinary shares outstanding (excluding ordinary shares held as treasury shares, but including options and share awards), the share price of Barclays ordinary shares of £[1] on August [1], 2007, the latest practicable date prior to the date of this document, excluding the 0.60 ABN AMRO final 2006 dividend, and using the exchange rates of £1 = [1] 1 = $[1], as published by the Financial Times on August [1], 2007. Of this amount, approximately 37% will be payable in cash. The exchange offer represents a premium for holders of ABN AMRO ordinary shares or ABN AMRO ADSs of approximately:

[1]% to the revised share price of ABN AMRO ordinary shares on Euronext on July 20, 2007, the last business day prior to the July 23, 2007 announcement of the revised offer; and

[1]% over the average share price of ABN AMRO ordinary shares in the six months up to and including July 20, 2007.

Holders of ABN AMRO ordinary shares or ABN AMRO ADSs may elect, subject to availability, to vary the proportions in which they receive Barclays ordinary shares or Barclays ADSs and cash in respect of their holdings of ABN AMRO ordinary shares or ABN AMRO ADSs under the Mix and Match Facility. That is, holders of ABN AMRO ordinary shares or ABN AMRO ADSs may request that to receive a greater proportion of cash or Barclays ordinary shares or Barclays ADSs in respect of some or all of their ABN

AMRO ordinary shares or ABN AMRO ADSs than they would receive under the exchange offer. See The Exchange Offer Mix and Match Facility .

The ordinary share and ADS exchange ratios will be adjusted to reflect certain transactions undertaken by either ABN AMRO or Barclays prior to the settlement date of the exchange offer.

See below under the caption Background to the Transaction The Sale of LaSalle and The Exchange Offer Adjustment of Exchange Ratio .

Background to the Transaction

Discussions between ABN AMRO and Barclays

The ABN AMRO Managing Board and the ABN AMRO Supervisory Board have reviewed regularly ABN AMRO s strategic growth objectives and the means by which it may achieve these objectives, including potential business acquisitions and combinations. In particular, the ABN AMRO Managing Board and the ABN AMRO Supervisory Board examined how ABN AMRO might execute its strategy of becoming a top five European bank by market capitalization. In addition to the standalone option, including growth through the acquisition of smaller banking operations, the option of merging with another European financial institution as large or larger than ABN AMRO has been part of the strategic agenda of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board. In this context, the Chairman of the ABN AMRO Managing Board, Mr. Groenink, and the Chief Executive Officer of Barclays, Mr. Varley, have had regular contact over the past few years.

On March 18, 2005, Mr. Groenink and Mr. Varley met to discuss the possibility of a business combination in connection with ABN AMRO s continuing review of its business and prospects. In advance of the meeting, ABN AMRO and Barclays separately carried out an analysis which covered, amongst other things, strategic and financial rationale for a possible combination, an impact and contribution analysis and high level synergies. The discussions between Mr. Groenink and Mr. Varley were continued at a meeting on November 23, 2005.

On December 7, 2005 and January 20, 2006, Mr. Groenink and Mr. Varley discussed the principles under which the parties would be willing to consider a business combination transaction. On March 3, 2006, another meeting was held between Mr. Groenink and Mr. Varley, at which they agreed to exchange position papers on a potential combination. ABN AMRO s position paper was sent to Barclays on March 24, 2006 and a paper from Barclays was received by ABN AMRO shortly thereafter. Following the exchange of position papers, Mr. Groenink and Mr. Varley met on May 4, 2006 to discuss the potential strategy, vision and culture of a combined entity.

The Barclays Board, the ABN AMRO Managing Board and the ABN AMRO Supervisory Board separately concluded that a business combination transaction between Barclays and ABN AMRO was strategically attractive. During the ABN AMRO Supervisory Board annual strategy discussion on July 27 and 28, 2006, different merger of equals options were discussed, as well as the standalone option with growth through the acquisition of smaller banking operations and the option of combining with another European financial institution that was as large or larger than ABN AMRO. At the end of the discussion, the ABN AMRO Supervisory Board determined that in the case of a merger with ABN AMRO as a junior partner, a combination with Barclays was one of its preferred options. During the remainder of 2006 and first quarter of 2007, the ABN AMRO Managing Board and the ABN AMRO Supervisory Board continued to discuss these strategic options. The Barclays Board also concluded that ABN AMRO was an attractive merger partner in its strategy meeting on November 16, 2006. Mr. Groenink and Mr. Varley continued to have informal contacts to explore the potential of a combination.

ABN AMRO also discussed with ING Group the possibility of a combination of their businesses. During the period between December 2006 and March 2007, Mr Groenink had several discussions with Mr Michael Tilmant, Chairman of the Executive Committee of ING Group on the possibility of a transaction. Ultimately, however, the parties discontinued discussions when a transaction became less attractive as ABN AMRO s share price increased significantly, while ING s share price declined.

ABN AMRO initiated talks leading to the current transaction when, on February 8, 2007, Mr. Groenink and Mr. Varley met to discuss the key principles that would guide any potential combination discussion between ABN AMRO and Barclays.

On February 22, 2007, the ABN AMRO Managing Board engaged Morgan Stanley & Co. Limited to act as its financial advisor in connection with the potential strategic options outlined above, including a possible combination with Barclays. Subsequently, in connection with Morgan Stanley & Co. Limited s engagement, the ABN AMRO Managing Board requested that Morgan Stanley & Co. Limited evaluate the fairness, from a financial point of view, to holders of ABN AMRO ordinary shares (other than Barclays and its affiliates) of the exchange ratio to be received by holders of ABN AMRO ordinary shares pursuant to the combination solely in their capacity as ordinary shareholders of ABN AMRO.

Also, on February 22, 2007, UBS Limited was engaged by the ABN AMRO Managing Board as financial advisor in connection with the potential strategic options outlined above. Subsequently, in connection with UBS Limited s engagement, the ABN AMRO Managing Board requested that UBS evaluate the fairness, from a financial point of view, of the exchange ratio to holders of ABN AMRO ordinary shares, excluding Barclays and its affiliates.

The ABN AMRO Managing Board also engaged Lehman Brothers on February 22, 2007 to act as its financial advisor in connection with the potential strategic options outlined above. Lehman Brothers advisory role has centered around the synergies of the proposed combination, potential investor and market reactions and listing considerations.

NM Rothschild & Sons was appointed by the ABN AMRO Managing Board in February 2007 to advise on the viability of alternatives to a combination with another European financial institution as large or larger than ABN AMRO. ABN AMRO Corporate Finance provided initial advice on the general strategic options available to ABN AMRO. ABN AMRO Hoare Govett was retained to act as corporate broker in connection with strategic matters in February 2007 and subsequently in connection with the proposed exchange offer by Barclays for ABN AMRO ordinary shares and ABN AMRO ADSs.

Also during February 2007, the ABN AMRO Managing Board retained Allen & Overy LLP, Davis Polk & Wardwell and Nauta Dutilh to provide it with legal advice in connection with strategic matters and subsequently retained them to advise on the Barclays transaction.

During February 2007, Barclays requested that JPMorgan Cazenove Limited act as corporate broker, and Lazard & Co., Limited act as financial advisor, in connection with a proposed combination with ABN AMRO. In March 2007, Barclays Capital, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG and JPMorgan Cazenove Limited were also contacted to act as financial advisors in connection with the proposed combination with ABN AMRO.

At its meeting on March 14, 2007, the ABN AMRO Supervisory Board approved the initiation of negotiations with Barclays with a view to a potential combination.

On March 16, 2007, Mr. Groenink called Mr. Varley to confirm that he was available to investigate a combination of ABN AMRO and Barclays. On March 18, 2007, senior management of ABN AMRO and Barclays, including Mr. Boumeester, a member of the ABN AMRO Managing Board, and Mr. Naguib Kheraj, then Group Finance Director of Barclays met to commence exploratory discussions on the terms of any transaction as well as the terms of a confidentiality and exclusivity agreement. Subsequently, Mr. Groenink informed Mr. Nout Wellink, President of the Dutch Central Bank, about the possibility of a combination transaction and Barclays kept the FSA informed about the status of discussions.

On March 19, 2007, ABN AMRO and Barclays issued a press release to confirm that they were in exclusive preliminary discussions concerning a potential combination.

On March 21, 2007, ABN AMRO entered into a confidentiality, exclusivity and standstill agreement with Barclays. In addition to customary confidentiality provisions, this agreement provided that neither ABN AMRO nor Barclays would solicit any offer from a third party for all or a significant part of their respective assets or shares until April 18, 2007. If such an offer was received in good faith from a third

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party, however, the agreement provided that either the ABN AMRO Managing Board and the ABN AMRO Supervisory Board or the Barclays Board, as the case may be, could enter into discussions with such third party if required to do so by their fiduciary duties. However, the agreement permitted either party to have contacts with a third party to understand the contents of any good faith indication of interest by such third party.

On March 21, 2007, the Supervisory Board engaged Stibbe N.V. to provide it with independent Dutch legal advice.

On March 22, 2007, representatives of ABN AMRO and Barclays together with their respective financial advisors met to discuss the organization of the work streams for any potential combination.

On March 23, 2007, Mr. Groenink and Mr. Varley met to substantiate further aspects of the five broad principles indicated in the press release of March 20, 2007 and to discuss the organization of the process going forward.

On March 24, 2007, members of the senior management of ABN AMRO met with members of senior management of Barclays in London. The parties exchanged information on their respective businesses and discussed the process and timing for due diligence.

On March 26, 2007, the ABN AMRO Supervisory Board created an *ad hoc* advisory committee, composed of Mr. Martinez, Mr. Olijslager and Mr. van den Bergh in order to advise the ABN AMRO Supervisory Board on decisions to be taken in the context of the discussions with Barclays or other banks, the actions of activist shareholders and the upcoming shareholders meeting. In April 2007, the *ad hoc* committee met several times to prepare for the ABN AMRO Supervisory Board meetings.

On March 27, 2007, representatives of ABN AMRO and Barclays, together with representatives of their respective financial, legal and tax advisors, met in Amsterdam to discuss the potential legal, regulatory and tax structures of any combination.

From March 28, 2007 to March 30, 2007 representatives from the various business units of ABN AMRO and Barclays first met to conduct due diligence, including an examination of the potential synergies that may result from a combination. Additional synergy validation and due diligence on specific topics continued through April 19, 2007.

On March 30, 2007, Mr. Groenink and Mr. Varley met to advance agreement on the details of the transaction.

On April 3, 2007, Mr. Groenink and Mr. Varley met with representatives of the Dutch Central Bank. At this meeting the parties jointly presented their intentions for, and the anticipated benefits of, the proposed combination. The ABN AMRO Supervisory Board also met on April 3, 2007 and April 11, 2007 to discuss the latest developments in the negotiations with Barclays.

Between April 4 and April 21, 2007, representatives of ABN AMRO s financial advisors met with representatives of Barclays financial advisors to discuss the methodologies to be used in the determination of any potential exchange ratio.

On April 12, 2007, Mr. Groenink and Mr. Martinez received a letter from the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium, expressing their interest in making an alternative proposal for ABN AMRO and requesting, among other things, access to the same diligence information that Barclays had received.

From April 3, 2007 to April 16, 2007, the ABN AMRO Managing Board s legal advisors engaged in a number of discussions, in person in Amsterdam and London and on the telephone, with Barclays legal advisors on certain terms of a draft Merger Protocol. Several of these meetings were attended by Mr. Boumeester and Mr. Kheraj.

On April 12, 2007, the ABN AMRO Supervisory Board engaged Goldman Sachs to undertake a study as to the fairness of any proposed combination with Barclays.

On April 15, 2007, a committee was established by the Barclays Board for the purpose of the transaction. During April 2007, the Barclays Board or the committee met frequently to receive updates on the status of the discussions with ABN AMRO from those members of the Barclays Board involved in the day to day negotiations.

On April 16, 2007, Mr. Groenink and Mr. Varley met to discuss the progress to date and to evaluate the necessity of extending the initial exclusivity agreement. On April 17, 2007, ABN AMRO and Barclays separately announced that they had agreed to extend the exclusivity period. The ABN AMRO Supervisory Board also met and received an update on April 17, 2007. On April 18, 2007, Mr. Groenink and Mr. Varley met, and at this meeting, Mr. Varley gave an update on his meetings with the ABN AMRO Managing Board members during the course of the preceding days.

On the evening of April 20, 2007, Mr. Boumeester informed Mr. Kheraj of Bank of America s proposal to acquire LaSalle from ABN AMRO prior to a potential combination of ABN AMRO and Barclays.

On April 21, 2007, Mr. Groenink and Mr. Varley discussed Bank of America s proposal to acquire LaSalle from ABN AMRO prior to a potential combination of ABN AMRO and Barclays and the potential impact of this sale on any potential exchange ratio.

Representatives of ABN AMRO and Barclays and their respective advisors met on a number of occasions in Amsterdam on April 21 and 22, 2007 to discuss further the draft Merger Protocol.

On the evening of April 21, 2007, Mr. Groenink and Mr. Boumeester met with Mr. Varley and Mr. Kheraj in Amsterdam to agree the terms of the proposed combination with Barclays, including the exchange ratio of 3.225 Barclays ordinary shares for each ABN AMRO ordinary share.

During March and April 2007, the ABN AMRO Managing Board met frequently and received updates on the status of the discussions with Barclays from those members of the ABN AMRO Managing Board involved in the day-to-day negotiations. As noted above, the ABN AMRO Supervisory Board and the *ad hoc* committee had also held several meetings during this time frame.

During the course of the day on April 22, 2007 the ABN AMRO Managing Board and the ABN AMRO Supervisory Board met throughout the day both together and separately to discuss the evolving terms of the proposed transaction with Barclays, the proposed sale of LaSalle to Bank of America Corporation (see Background to the Transaction The Sale of LaSalle below) and the contents of the letter that had been received from the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium.

During that day, Mr. Groenink updated the ABN AMRO Managing Board on the negotiations with Barclays several times. Representatives from Nauta Dutilh, Allen & Overy and Davis Polk & Wardwell were also present to brief the ABN AMRO Managing Board members on the terms of the draft Merger Protocol. Representatives from UBS delivered to the ABN AMRO Managing Board an oral opinion, confirmed by delivery of a written opinion, dated April 22, 2007, to the effect that, as of that date and based on and subject to various assumptions made, matters considered and limitations described in the opinion, the exchange ratio of 3.225 Barclays ordinary shares for each ordinary ABN AMRO ordinary share tendered pursuant to the offer, to be received by holders of ABN AMRO ordinary shares, other than Barclays and its affiliates, was fair, from a financial point of view, to such holders. Representatives from Morgan Stanley & Co. Limited reviewed its financial analyses and rendered to the ABN AMRO Managing Board its oral opinion, which was subsequently confirmed in writing and dated April 22, 2007, to the effect that, as of that date and based upon and subject to the various considerations set forth in the opinion, the exchange ratio set forth pursuant to the proposed Merger Protocol was fair, from a financial point of view, to the holders of ABN AMRO ordinary shares (other than Barclays and its affiliates) solely in their capacity as ABN AMRO ordinary shareholders. At its last meeting of the day, having considered a number of factors including the due diligence findings, merger benefits and financial analysis, the ABN AMRO Managing Board resolved unanimously to recommend to the ABN AMRO Supervisory Board to accept the offer for ABN AMRO from Barclays and to recommend the same to ABN AMRO s shareholders.

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During that day, the ABN AMRO Supervisory Board also met with its independent legal and financial advisors in an executive session to consider the terms of the proposed combination with Barclays. At that session, they were briefed on the terms of the draft Merger Protocol by Stibbe N.V. Representatives from Goldman Sachs rendered an oral opinion, later confirmed in writing, to the ABN AMRO Supervisory Board that, as of April 22, 2007, based upon and subject to the factors and assumptions set forth in such opinion, the ordinary share exchange ratio to be received by shareholders of ABN AMRO pursuant to the combination was fair from a financial point of view to such holders. During the day, Mr. Groenink updated the ABN AMRO Supervisory Board on the latest developments with Barclays and presented the ABN AMRO Managing Board s decision on the Barclays transaction. Representatives from Nauta Dutilh, Allen & Overy and Davis Polk & Wardwell were present to answer questions on the draft Merger Protocol. At its last meeting of the day, having considered a number of factors, including the due diligence findings, merger benefits and financial analysis, the ABN AMRO Supervisory Board resolved unanimously to recommend the exchange offer for acceptance by the holders of the ABN AMRO ordinary shares.

In their review and analysis of the proposed transaction with Barclays and the no shop provisions in the draft Merger Protocol, both the ABN AMRO Managing Board and the ABN AMRO Supervisory Board noted that the terms of the Merger Protocol, among other things, included provisions permitting them to continue contacts with a third party existing on April 23, 2007 and, in certain circumstances described elsewhere in this document, would permit them to withdraw their respective recommendations if the boards, acting in good faith and observing their fiduciary duties under applicable law, determine an alternative offer to be more beneficial than the exchange offer.

On the evening of April 22, 2007, the Committee of the Barclays Board held two meetings. The first meeting was held to consider, among other matters, the Merger Protocol, due diligence findings, merger benefits, financial analysis, and a draft press announcement. The Committee then reconvened that same evening to consider the Merger Protocol and the press announcement. At the end of this meeting, the Committee resolved to enter into the Merger Protocol and approved the press announcement.

Following these meetings, on April 22 and the early hours of April 23, representatives of each party together with their legal and financial advisors met again in Amsterdam to finalize the Merger Protocol.

On April 23, 2007, ABN AMRO and Barclays announced that agreement had been reached on a combination.

The Sale of LaSalle

As part of its regular review of strategic growth objectives, both the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have repeatedly considered and discussed the future of LaSalle (which includes LaSalle Bank Corporation and its subsidiaries LaSalle Bank N.A. and LaSalle Bank Midwest N.A.). In the course of the mid-2006 review, the ABN AMRO Managing Board and the ABN AMRO Supervisory Board reached the view that within the next twelve to eighteen months, LaSalle would have to either grow through an acquisition or that it should be sold (the up or out strategy). It was decided at that time that in light of the fact LaSalle s profitability remained good and the current business cycle, there was no reason for an immediate decision in this matter. The potential disposition of LaSalle was discussed again at the ABN AMRO Managing Board meeting on February 6, 2007.

As of December 31, 2006, LaSalle had more than $113,000 million in tangible assets and a tangible book value of $9.7 billion, adjusted for businesses that will be retained by ABN AMRO and for the previously announced sale of the mortgage operations unit and presented on a US GAAP basis. For the year ended December 31, 2006, LaSalle, presented on the same basis, had net income of $1,035 million.

During the previous two years, Bank of America and other banks had informally approached ABN AMRO several times regarding their interest in acquiring LaSalle. As a result of these informal approaches, both the ABN AMRO Managing Board and the ABN AMRO Supervisory Board had analyzed a range of possible options for the sale of LaSalle and had reviewed the possible range of values that might be achieved.

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A potential sale of LaSalle was discussed at an ABN AMRO Supervisory Board meeting held on April 17, 2007. Later that evening, Bank of America informed ABN AMRO, through UBS, of its interest in acquiring LaSalle for a price of approximately $20 billion, subject to the completion of due diligence. Bank of America entered into a confidentiality agreement with ABN AMRO on April 19, 2007. Over the four day period ending on April 22, 2007, Bank of America completed its due diligence review of LaSalle. Updates on the diligence and the negotiations with Bank of America were discussed at ABN AMRO Managing Board meetings on April 19, 2007 and April 20, 2007.

On April 20, 2007, Wachtell, Lipton, Rosen & Katz, counsel to Bank of America, circulated a draft purchase and sale agreement to Davis Polk & Wardwell, counsel to ABN AMRO. On April 22, 2007, the parties agreed in principle on consideration of $21 billion, subject to adjustment, and later that day reached agreement on the final terms of the purchase and sale agreement.

The sale of LaSalle was discussed at both the ABN AMRO Managing Board and the ABN AMRO Supervisory Board meetings during the day of April 22, 2007. In an executive session, the ABN AMRO Supervisory Board was briefed on the LaSalle Agreement by its legal advisors and on the financial aspects of the deal by its financial advisors. Both boards also received advice of counsel that under Dutch law no shareholder vote was required to consummate the transaction. The ABN AMRO Managing Board was also briefed on the LaSalle Agreement by its legal advisors.

Representatives from UBS delivered to the ABN AMRO Managing Board an oral opinion, confirmed by delivery of a written opinion, dated April 22, 2007, as to the fairness, from a financial point of view, of the consideration to be received by ABN AMRO pursuant to the LaSalle Agreement, as of such date and based upon and subject to the various considerations set forth in the written opinion.

Representatives from Morgan Stanley & Co. Limited delivered to the ABN AMRO Managing Board an oral opinion which was subsequently confirmed in writing and dated April 22, 2007, as to the fairness, from a financial point of view, of the consideration to be received by ABN AMRO pursuant to the LaSalle Agreement, as of such date and based upon and subject to the various considerations set forth in the written opinion.

Representatives from Lehman Brothers Europe Limited delivered to the ABN AMRO Managing Board an oral opinion, confirmed by delivery of a written opinion, dated April 22, 2007, as to the fairness, from a financial point of view, of the consideration to be received by ABN AMRO pursuant to the LaSalle Agreement, as of such date and based upon and subject to the various considerations set forth in the written opinion.

On April 22, 2007, ABN AMRO Bank entered into the LaSalle Agreement with Bank of America pursuant to which ABN AMRO Bank agreed to sell LaSalle (which includes ABN AMRO s US commercial, retail and trust banking operations and related businesses) to Bank of America for a total consideration of $21 billion in cash (subject to adjustment based on the financial performance of LaSalle before the closing of the sale). ABN AMRO will retain its global operations and, with limited exceptions, its other operations outside the US, as well as its principal broker dealer, investment advisory, wholesale banking and asset management operations in the US.

The sale of LaSalle is subject to regulatory approvals and other customary closing conditions. See The Exchange Offer Terms of LaSalle Agreement . The completion of the sale of LaSalle is an offer condition to the proposed combination. See The Exchange Offer Conditions . The full value of the sale of LaSalle to ABN AMRO shareholders was reflected in the exchange ratio agreed with Barclays.

Events after the Announcement of the Transaction

The LaSalle Agreement included a go shop provision that permitted ABN AMRO, for a period of 14 calendar days from April 22, 2007, to enter into a purchase and sale agreement for LaSalle with an alternative bidder, provided that such alternative bidder s proposal was superior from a financial point of view to the LaSalle Agreement, for cash and not subject to a financing condition. The go shop provision

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granted Bank of America a right to match any such superior proposal and provided for Bank of America to receive a $200 million termination fee if it did not match such superior proposal.

On April 25, 2007, ABN AMRO received an indicative proposal from the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium, to acquire ABN AMRO. Following that date, ABN AMRO made repeated requests to the consortium to clarify the terms of their indicative proposal.

On April 26, 2007, *Vereniging van Effectenbezitters (VEB)* filed suit in the Enterprise Chamber of the Amsterdam Court of Appeal seeking, among other things, a provisional injunction restraining ABN AMRO and ABN AMRO Bank from proceeding to completion under the LaSalle Agreement without approval of ABN AMRO s shareholders. On that date, the ABN AMRO Supervisory Board also engaged Debevoise & Plimpton LLP to provide it with independent US legal advice.

On April 27, 2007, a purported class action lawsuit relating to the sale of LaSalle was filed in the New York State Supreme Court for New York County against ABN AMRO, each member of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and Bank of America. The lawsuit, *Halpert Enterprises v. ABN AMRO Holding N.V., et al.*, generally alleges, among other things, that members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board violated their fiduciary duties by, among other things, preventing a full and fair sale process for the whole of ABN AMRO. The complaint also names Bank of America as a defendant and seeks, among other forms of relief, a declaration that the termination fee is unenforceable, a declaration that the LaSalle Agreement was entered into in breach of fiduciary duties and therefore is unlawful and unenforceable, an injunction against the consummation of the LaSalle Agreement, the imposition of a constructive trust in favor of plaintiff and the alleged class and an award of attorneys   fees and expenses.

On April 28, 2007, ABN AMRO entered into a confidentiality agreement with the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium, and made available the same information regarding LaSalle as had been made available to Bank of America.

On May 3, 2007, the Enterprise Chamber of the Amsterdam Court of Appeal granted a provisional injunction restraining ABN AMRO and ABN AMRO Bank from proceeding to completion under the LaSalle Agreement without approval of ABN AMRO s shareholders.

On May 4, 2007, Bank of America filed a lawsuit in the United States District Court of the Southern District of New York against ABN AMRO. The lawsuit, *Bank of America Corporation v. ABN AMRO BANK N.V. and ABN AMRO Holding N.V.*, generally alleges, among other things, that ABN AMRO Bank breached its representation in the LaSalle Agreement that no shareholder vote was necessary regarding the sale of LaSalle. The complaint seeks injunctive relief that ABN AMRO Bank be precluded from negotiating for the sale of LaSalle except as provided for in the   go shop   provision of the LaSalle Agreement, an order of specific performance for the delivery of LaSalle to Bank of America and unspecified money damages.

On May 5, 2007, ABN AMRO received an acquisition proposal from the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium, to purchase LaSalle for $24.5 billion. This proposal was conditional on the purchase by the consortium of ABN AMRO for an indicative price of   38.40 per ABN AMRO ordinary share and a number of other conditions. The considered view of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board, having received advice from their respective financial and legal advisors, was that the consortium s acquisition proposal for LaSalle did not constitute an alternative proposal that was superior from a financial point of view to the LaSalle Agreement. This conclusion was principally based on the fact that the consortium s proposal for LaSalle was dependent on the success of a potential offer to be made for ABN AMRO and the various conditions and uncertainties attached to that potential offer. In particular, fundamental aspects of the potential offer for ABN AMRO, including with respect to financing, required regulatory notifications, tax clearances, the proposed material adverse change condition, required shareholder approvals and the pro forma financial impact upon each of the Royal Bank of Scotland Group PLC,

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Fortis S.A./N.V. and Banco Santander Central Hispano S.A., remained unclear despite repeated requests for clarification since April 25, 2007, the date on which ABN AMRO received an indicative proposal from the consortium to acquire ABN AMRO. Prior to making their determination on May 6, 2007, the ABN AMRO Managing Board and the ABN AMRO Supervisory Board sent a detailed information request letter seeking clarification and evidence on various aspects of the consortium s potential offer for ABN AMRO which had first been requested on April 25, 2007, but the requested information was not provided. Without details about the consortium s financing and the pro forma financial impact on each of the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., the ABN AMRO Supervisory Board and the ABN AMRO Managing Board were unable to assess the likelihood that any separate shareholder vote required by the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A. would be successful, and therefore whether or not the potential offer to acquire ABN AMRO had a reasonable likelihood of consummation.

The 14-day go shop period expired at 11:59 pm New York time on May 6, 2007, and no alternative agreement was entered into prior to that time. Two other parties had signed confidentiality agreements and certain due diligence information had been provided to them but ultimately neither submitted a bid for LaSalle.

On May 15, 2007, ABN AMRO filed an appeal in the Supreme Court of The Netherlands requesting that the Supreme Court nullify the decision of the Enterprise Chamber of the Amsterdam Court of Appeal issued on May 3, 2007 which granted a provisional injunction restraining ABN AMRO and ABN AMRO Bank from proceeding to completion under the LaSalle Agreement without approval of ABN AMRO s shareholders. Bank of America filed an appeal seeking similar relief with the Supreme Court of The Netherlands also on May 15, 2007, as did Barclays.

On May 17, 2007, two ABN AMRO shareholders filed a lawsuit against Bank of America in the United States District Court of the Southern District of New York. The lawsuit, *Sadowsky v. Bank of America Corporation*, generally alleges, among other things, that Bank of America entered into the LaSalle Agreement with knowledge that it was a defensive mechanism designed to foreclose alternative proposals to purchase ABN AMRO and that Bank of America s lawsuit against ABN AMRO was filed in breach of the LaSalle Agreement. The complaint seeks rescission of the LaSalle Agreement, an injunction preventing Bank of America from enforcing the LaSalle Agreement, including the termination fee provisions therein, unspecified money damages and an award of attorneys fees and expenses.

On May 23, 2007, Barclays and ABN AMRO announced that they were making progress with the key regulatory filings required to proceed with the combination and expected to disseminate offer documentation in July 2007.

On May 29, 2007, the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium, announced a proposed offer for ABN AMRO.

On May 30, 2007, ABN AMRO announced publicly that the ABN AMRO Supervisory Board had formed a Transaction Committee, formed of the same members as the previously existing *ad hoc* committee (Mr. Martinez, Mr. Olijslager and Mr. van den Bergh) which will liaise with the ABN AMRO Managing Board and key staff and advisors of ABN AMRO on all matters with respect to the offer by Barclays and with respect to the proposed offer announced by the Royal Bank of Scotland Group PLC, Fortis S.A./N.V. and Banco Santander Central Hispano S.A., acting together as a consortium. The Transaction Committee will operate in all respects so as to enable the ABN AMRO Supervisory Board to take on an informed basis and with the help of its own independent financial and legal advisors the appropriate decisions with due consideration of the interests of ABN AMRO and its stakeholders.

On June 11, 2007, at the joint request of Bank of America and ABN AMRO, the United States District Court for the Southern District of New York adjourned the initial conference in the lawsuit filed by Bank of America against ABN AMRO until July 27, 2007 in view of the pendency of the appeals filed by ABN AMRO and Bank of America to the Dutch Supreme Court from the decision of the Enterprise Chamber of the Amsterdam Court of Appeal dated May 3, 2007.

On June 12, 2007, Barclays announced publicly that, in collaboration with ABN AMRO, it has made substantially all of the pre-acquisition competition and regulatory filings required to proceed with the proposed combination and expected to publish the offer documentation in July 2007.

On June 12, 2007, Barclays also announced publicly that it had filed the draft documentation in relation to the exchange offer with regulators in The Netherlands, the United Kingdom and the United States of America (including the draft registration statement on Form F-4 containing the preliminary version of the Offer Document/ Prospectus).

On June 26, 2007, the Advocate General to the Supreme Court of The Netherlands published a recommendation to the Supreme Court to nullify the decision of the Enterprise Chamber of the Amsterdam Court of Appeal issued on May 3, 2007. This recommendation was independent legal advice issued to the Supreme Court.

On June 28, 2007, four trade unions joined the investigation proceedings initiated on April 26, 2007 by VEB at the Enterprise Chamber of the Amsterdam Court of Appeal. The trade unions have put forward certain additional objections and requested that the Enterprise Chamber of the Amsterdam Court of Appeal order an investigation into certain affairs of ABN AMRO in respect of the offer process.

On July 9, 2007, ABN AMRO filed a statement of defense in response to the request of VEB to order an investigation into certain affairs of ABN AMRO in respect of the offer process.

On July 10, 2007, VEB requested that the Enterprise Chamber of the Amsterdam Court of Appeal, in the context of the investigation proceedings initiated by it on April 26, 2007, appoint three independent members of the ABN AMRO Supervisory Board. The request was revoked prior to the hearing, which was then cancelled.

On July 13, 2007, the Supreme Court of the Netherlands upheld the appeals filed by ABN AMRO, Bank of America and Barclays on May 15, 2007 against the decision of the Enterprise Chamber of the Amsterdam Court of Appeal issued on May 3, 2007. The Supreme Court nullified the decision of the Enterprise Chamber of the Amsterdam Court of Appeal and irrevocably dismissed the request of VEB for a provisional injunction restraining ABN AMRO and ABN AMRO Bank from proceeding to completion under the LaSalle Agreement without approval of ABN AMRO s shareholders.

On July 16, 2007, the consortium announced its intention to make an offer to acquire ABN AMRO for approximately $98 billion.

On the evening of July 18, 2007, Mr. Varley informed Mr. Groenink that the AFM had granted Barclays an extension so that an announcement of its formal offer documentation being available could be made on or before August 6, 2007. Mr. Varley also informed Mr. Groenink that Barclays was considering possible alternative offer structures, including the introduction of a partial cash consideration element into its offer.

On July 19, 2007, Barclays announced it was considering possible alternative offer structures, including the introduction of a partial cash consideration element into its offer but that no decision had yet been taken.

On July 21 and 22, 2007, representatives of ABN AMRO and Barclays discussed and agreed the provisions of an amendment to the Merger Protocol dated April 23, 2007.

On July 23, 2007, Barclays announced the revised terms of its offer for ABN AMRO.

On August 2, 2007, a hearing is scheduled to be held at the Enterprise Chamber of the Amsterdam Court of Appeal in respect of the requests of VEB and four trade unions to order an investigation into certain affairs of ABN AMRO in respect of the offer process. In relation thereto, ABN AMRO has committed to continue to update investors in accordance with all applicable laws and regulations.

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Reasons for the Transaction

In reaching its decisions to approve the Merger Protocol, recommend the transaction to the holders of Barclays ordinary shares and Barclays ADSs, the Barclays Board consulted with management and its respective financial and legal advisors and considered a variety of factors, including the material factors described below. In light of the number and wide variety of factors considered in connection with its evaluation of the transaction, the Barclays Board did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors that it considered in reaching its determination. The Barclays Board viewed its position as being based on all of the information available and the factors presented to and considered by it. In addition, individual directors or members may have given different weight to different factors. This explanation of the reasons for the proposed combination and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under Forward-Looking Statements .

Strategic Considerations

The Barclays Board, considered a number of factors pertaining to the strategic rationale for the transaction as generally supporting its decision to enter into the Merger Protocol, including the following:

- the expectation that the proposed combination of ABN AMRO and Barclays would create one of the world s leading universal banks in a sector which is still fragmented;

- the belief that universal banking is the model best equipped for success in an industry where customer needs are converging and where demand-led growth will be significant across the globe;

- the belief that harmonization of customer needs is already well advanced in investment banking and investment management and is increasingly apparent in retail and commercial banking;

- the belief that the proposed combination brings together two sets of high quality product capabilities and brands, which are well placed to create growth for shareholders from the relationship extension opportunities that exist in a combined base of approximately 46 million personal and 1.4 million commercial customers;

- the belief that, in global retail and commercial banking, ABN AMRO and Barclays bring together two sets of highly complementary geographies. Approximately 90% of the combined group s branches will be in seven countries. In Europe the combination will have leading franchises in the UK and The Netherlands and attractive positions in the Italian, Spanish and Portuguese markets. Additionally, the combination will have significant exposure to the high growth developing economies of Brazil and South Africa offering substantial revenue and profit growth opportunities. The combined group will also leverage ABN AMRO s fast growing Asian business;

- the expectation that customers will benefit from the enhanced retail and commercial product capabilities of the combined group drawing on, for example, ABN AMRO s global cash and payments infrastructure and Barclays expertise in credit cards;

- the fact that ABN AMRO and Barclays are both recognized leaders in commercial banking and both have relevant presence in the mid-market segment. The combination is expected to accelerate Barclays ambition to develop its business banking activities globally. The combined group should be further strengthened by the linkage between a strong investment banking product range and the track record of both ABN AMRO and Barclays in selling investment banking products to mid-market clients across the combined group s broad geographic footprint;

- the belief that there is significant opportunity for increased cost efficiency through the optimization of the operating infrastructure and processes;

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the belief that the combination of ABN AMRO and Barclays will support the ambition to be a leading global investment bank in risk management and financing through enhanced product expertise and broader geographic exposure;

the expectation that Barclays existing investment banking product capabilities will be considerably enhanced, particularly in commodities, FX, equities, M&A, corporate broking, structured credit and private equity and its geographic and client reach will also be extended significantly into Asia, Latin America and Continental Europe;

the fact that the combined group will be the world s largest institutional asset manager and that Barclays Global Investors index-based, exchange-traded fund and quantitative active capabilities will be complemented by ABN AMRO s active fundamentals-based capabilities and products;

the expectation that there are expanded opportunities for retail distribution of the current product set including Barclays Global Investors rapidly growing iShares exchange-traded funds; and

the fact that the combined group will be the world s eighth largest wealth manager and that the expanded distribution network will position the merged business well to benefit from favorable demographic trends and increasing demand-led client volumes.

Financial Considerations

The Barclays Board also considered a number of financial factors pertaining to the combination as generally supporting its decision. Potential synergies arising from the combination have been assessed by a joint team from ABN AMRO and Barclays through a detailed bottom up approach involving business leaders from both banks.

Below is a summary of the estimated pre-tax annual cost synergies and revenue benefits, and the estimated costs to achieve them, that are expected to be realized in the three calendar years commencing 2008:

Pre-Tax Annual Cost Synergies, Revenue Synergies and Integration Costs	**2008e**	**2009e**	**2010e**
	(m)	**(m)**	**(m)**
Cost Synergies	1,195	2,270	2,800
Revenue Synergies	(470)		700
Total Synergies and Benefits	725	2,270	3,500
Integration Costs	2,160	1,080	360

Global Retail and Commercial Banking

It is estimated that the pre-tax annual cost synergies in retail and commercial banking will be 1,650 million in 2010, representing approximately 10% of the combined group s retail and commercial banking cost base excluding LaSalle. The cost synergies are expected to result from the consolidation of the retail and commercial banking activities into a universal banking model including:

best practice off-shoring, improved procurement and real estate rationalization;

the consolidation of data centers and supporting IT networks;

the use of ABN AMRO s trade and payments back office operations in the Barclays network and integration of card operations under Barclaycard; and the reduction of overlaps in management structures and the retail and commercial operations in the eight overlapping countries.

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Revenue benefits are estimated to amount to at least 150 million on a pre-tax basis in 2010, which is equivalent to 0.5% of combined revenues. These are expected to be primarily derived from extending ABN AMRO s broader cash management product offering, increasing ABN AMRO s revenue per credit card towards Barclays comparable levels and realizing the network benefits of increased global presence.

Investment Banking and Investment Management

The estimated annual pre-tax cost synergies in investment banking in 2010 are expected to amount to approximately 850 million. Pre-tax cost synergies are equivalent to 8% of combined costs. The cost synergies are expected to be derived from the integration of the two banks operations onto one operating platform and subsequent reduction of back office staff and non-staff cost.

It is estimated that revenue benefits, net of assumed revenue attrition, in investment banking in 2010 will be 500 million pre-tax, equivalent to 3% of combined revenues. These benefits are expected to be derived from offering a stronger and broader product set to the combined client base and building on the productivity gains within ABN AMRO s investment banking operations. It is expected that, in addition to the revenue benefits, the combined business will continue to be able to deliver attractive organic growth consistent with Barclays Capital s and ABN AMRO s existing prospects.

Further revenue benefits of approximately 50 million are estimated to arise primarily in the wealth and asset management businesses as a result of the enhanced distribution capabilities of the combined group. Approximately 100 million is expected to arise from the reduction of overlap in wealth and asset management.

Other Synergies

It is estimated that further cost synergies of 200 million are expected to arise from the rationalization of the two head offices.

Integration Costs

The total pre-tax integration cost of realizing the synergy benefits is estimated to be 3,600 million of which approximately 2,160 million is expected to be incurred in 2008, approximately 1,080 million is expected to be incurred in 2009 and approximately 360 million is expected to be incurred in 2010.

Financial Terms

The Barclays Board also considered the financial terms of the exchange offer, including:

the 2.13 Barclays ordinary shares and 13.15 in cash that ABN AMRO ordinary shareholders would receive in the exchange offer for each of their ABN AMRO ordinary shares or the 0.5325 Barclays ADSs and 13.15 that ABN AMRO ADS holders would receive in the exchange offer for each of their ABN AMRO ADSs, in each case subject to the Mix and Match Facility;

the fact that the exchange offer represents a premium of 33% over the closing price of ABN AMRO ordinary shares on Euronext on July 20, 2007, the last trading day prior to the announcement of the revised offer on July 23, 2007 and a premium of 49% over the average share price of ABN AMRO ordinary shares in the six months up to and including July 20, 2007;

the earnings, cash flow and balance sheet impact of the proposed combination based on public information and third-party analyst forecasts, as well as the historical financial performance of Barclays and the historical trading price of Barclays ordinary shares and Barclays ADSs and ABN AMRO ordinary shares and ABN AMRO ADSs;

the expectation that Barclays ordinary shareholders will hold approximately 56% and ABN AMRO ordinary shareholders will hold approximately 35% of the outstanding shares of the combined group immediately after the combination and will have the opportunity to share in the future growth and expected synergies of the combined group; and

the expectation that the proposed combination will lead to 5% accretion in Barclays adjusted earnings per share[(a)] in 2010[(b)] and that the return on investment will be approximately 13% in 2010, and significant accretion in ABN AMRO s 2008 adjusted earnings per share[(a)] in 2008 for accepting holders of ABN AMRO ordinary shares (including ABN AMRO ordinary shares represented by ABN AMRO ADSs).

(a) Adjusted earnings per share is the profit attributable to ordinary shareholders adjusted to exclude the amortization of identifiable intangible assets, and fair value adjustments and integration costs related to the combination, divided by the weighted average number of ordinary shares.

(b) This statement is not intended to be and should not be interpreted to mean that the future adjusted earnings per share of Barclays will necessarily match or exceed its historical published adjusted earnings per share.

The Barclays Board also considered the results of the financial, legal and operational due diligence performed by its senior management and financial advisors.

Other Transaction Considerations

The Barclays Board also considered a number of additional factors in its decision to enter into the Merger Protocol, including the following:

the UK corporate governance structure of the combined group with a unitary board;

the fact that the head office of the combined group will be located in Amsterdam with management of the combined group the responsibility of a group Executive Committee;

the fact that the Dutch Central Bank and the FSA have agreed that the FSA will be lead supervisor of the combined group and that the Dutch Central Bank and FSA will be the consolidated supervisors of the ABN AMRO and Barclays groups, respectively;

the fact that the holding company for the combined group, Barclays, will remain UK incorporated and will remain a UK tax resident; and

the fact that the holding company for the combined group will remain UK listed and is expected to qualify for a inclusion with a full weighting in the FTSE 100 index and in the AEX index (subject to a maximum weighting cap of 15%).

Risks

The Barclays Board also considered a number of uncertainties, risks and other potentially negative factors associated with the combination, including the following:

the value of the Barclays ordinary shares and Barclays ADSs at the time of the closing of the combination could be lower than the price of Barclays ordinary shares and Barclays ADSs as of the date of the Merger Protocol as a result of, among other things, a change in the value of the assets and liabilities of Barclays and ABN AMRO;

the risk that the amount of cost savings and revenue synergies that are actually achieved by the combination may turn out to be less than originally projected;

the possibility that regulatory or governmental authorities in the United States, Europe or elsewhere might seek to impose conditions on or otherwise prevent or delay the combination;

the risks and costs to Barclays and ABN AMRO if the combination is not completed, including the potential diversion of management and employee attention, potential employee attrition and the potential effect on business and customer relationships;

the risk that the potential benefits of the combination may not be fully or partially realized, recognizing the many potential management and regulatory challenges associated with successfully combining the businesses of Barclays and ABN AMRO;

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the risk of diverting management focus and resources from other strategic opportunities and from operational matters, and potential disruption associated with combining and integrating the companies;

the risk that certain members of Barclays and ABN AMRO senior management who have been selected to hold senior management positions in the combined company might not choose to remain with the combined company;

the potential challenges and difficulties relating to integrating the operations of Barclays and ABN AMRO;

the risk that holders of Barclays ordinary shares or Barclays ADSs may fail to approve the combination or that an insufficient number of holders of ABN AMRO ordinary shares or ABN AMRO ADSs tender their ABN AMRO ordinary shares or ABN AMRO ADSs into the exchange offer;

that some officers and directors of Barclays and ABN AMRO have interests in the combination as individuals in addition to, and that may be different from, the interests of holders of Barclays ordinary shares or Barclays ADSs or ABN AMRO ordinary shares or ABN AMRO ADSs;

the fees and expenses associated with completing the combination; and

various other risks associated with the combination and the business of the Barclays, ABN AMRO and the combined company described under Risk Factors .

The Barclays Board believed that these potential risks and drawbacks were greatly outweighed by the potential benefits that the Barclays Board expected Barclays and ABN AMRO to achieve as a result of the proposed combination.

In considering the proposed combination, the Barclays Board was aware of the interests of certain officers and directors of, and advisors to, ABN AMRO or Barclays and their boards in the combination, as described under The Transaction Interests of ABN AMRO s and Barclays Directors and Officers in the Combination and The Transaction Certain Relationships and Related Party Transactions .

The Combined Group after the Combination

General

The proposed combination of ABN AMRO and Barclays will create one of the world s leading universal banks. Both ABN AMRO and Barclays operate in a sector which is still fragmented in comparison to other global industries. Universal banking is the model best equipped for success in an industry where customer needs are converging and where demand-led growth will be significant across the globe. Harmonization of customer needs is already well advanced in investment banking and investment management and is increasingly apparent in retail and commercial banking.

The proposed combination brings together two sets of high quality product capabilities and brands, which are well placed to create growth for shareholders from the relationship extension opportunities that exist in a combined base of 46 million personal and 1.4 million commercial customers.

The combined group will have a simple and transparent management structure. The management team will be clearly accountable for delivering sustained incremental earnings growth and value for shareholders by leading strong performance from the underlying businesses and by capturing the substantial synergies made available by the merger.

There will be two principal business groupings within the combined group, Global Retail and Commercial Banking (GRCB) and Investment Banking and Investment Management (IBIM).

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Global Retail and Commercial Banking

ABN AMRO and Barclays bring together two sets of highly complementary geographies. Approximately 90% of the combined group s branches will be in seven countries. In Europe the combination will have leading franchises in the UK and The Netherlands and attractive positions in the Italian, Spanish and Portuguese markets.

Additionally, the combination will have significant exposure to the high growth developing economies of Brazil and South Africa offering substantial revenue and profit growth opportunities. The combined group will also leverage on ABN AMRO s fast growing Asian business. Customers will benefit from the enhanced product capabilities of the combined group drawing on, for example, ABN AMRO s global cash and payments infrastructure and Barclays expertise in credit cards.

ABN AMRO and Barclays are both recognized leaders in commercial banking. They both have relevant presence in the mid-market sector. The combination will accelerate Barclays ambition to develop its business banking activities globally. The franchise will be further strengthened by the linkage between a strong investment banking product range and the track record of both ABN AMRO and Barclays in selling investment banking products to mid-market clients across the combined group s broad geographic footprint.

There is significant opportunity for increased cost efficiency through the optimization of the operating infrastructure and processes.

Investment Banking

The combination of ABN AMRO and Barclays will support the ambition to be the premier global investment bank in risk management and financing through enhanced product expertise and broader geographic exposure. Barclays existing product capabilities will be considerably enhanced, particularly in commodities, FX, equities, M&A, corporate broking, structured credit and private equity and its geographic and client reach will also be extended significantly into Asia, Latin America and Continental Europe.

Asset Management

The combined group will be the world s largest institutional asset manager. Barclays Global Investors world leading index-based, exchange traded fund and quantitative active capabilities will be complemented by ABN AMRO s active fundamental based capabilities. There are expanded opportunities for retail distribution of the current product set including Barclays Global Investors rapidly growing iShares exchange traded funds.

Wealth Management

The combination of ABN AMRO and Barclays will create the world s eighth largest wealth manager, with a leading European onshore franchise with leading positions in The Netherlands and the UK, a strong European franchise across Germany, Belgium, France and Spain and attractive growing positions in Asia and Brazil. The product development capabilities of the combined asset management business together with an extensive distribution network will allow the merged business to benefit from favorable demographic trends and increasing demand-led client volumes.

Board Composition

The combined group will have a UK corporate governance structure with a unitary Group Board of Directors. Following the combination, the Group Board of Directors will initially consist of 10 members from Barclays and nine members from ABN AMRO. In addition to the Chairman and Deputy Chairman, there will be 12 non-executive directors, with five initially nominated by Barclays and seven initially nominated by ABN AMRO. China Development Bank and Temasek will each have the right to nominate a Barclays non-executive director. It is expected that Mr. Hoffman, Dr. Cronjé, Professor Dame Sandra Dawson, Sir Andrew Likierman, Mr. Russell and Sir John Sunderland will retire from the Barclays Board with effect from the settlement date, and that, following the settlement date, the Group Board of Directors composition will be as follows:

Chairman	Position as from the settlement date of the combination
Mr. Martinez	Chairman
Non-Executive Directors	
Mr. Agius	Deputy Chairman
Mr. Booth	Non-Executive Director
Sir Richard Broadbent	Non-Executive Director
Mr. Clifford	Non-Executive Director
Mr. Conti	Non-Executive Director
Mr. Groenink	Non-Executive Director
Mr. Kramer	Non-Executive Director
Ms. Maas-de Brouwer	Non-Executive Director
Mr. Olijslager	Non-Executive Director
Sir Nigel Rudd	Non-Executive Director
Mr. Ruys	Non-Executive Director
Mr. Scaroni	Non-Executive Director
Mr. van den Bergh	Non-Executive Director
Executive Directors	
Mr. Varley	Group Chief Executive
Mr. Boumeester	Group Chief Administrative Officer
Mr. Diamond	President of Barclays and CEO of IBIM
Mr. Lucas	Group Finance Director
Mr. Seegers	CEO of GRCB

Mr. Agius is expected to become Deputy Chairman of the combined group and will remain Chairman of Barclays Bank. It is expected that he will succeed Mr. Martinez as Chairman of the combined group when Mr. Martinez retires.

From the settlement date, Mr. Groenink is expected to cease to be Chairman of the ABN AMRO Managing Board, Mr. Hoffman is expected to cease to be the Group Vice-Chairman, and Mr. Boumeester, successor to Mr. Scott Barrett as Chief Financial Officer of ABN AMRO from July 1, 2007, is expected to cease to hold such office.

Management and Operating Model

The head office of the combined group will be located in Amsterdam in The Netherlands. Day to day management of the combined group is expected to be the responsibility of John Varley working with the Group Executive Committee, which is expected, at the closing of the exchange offer, to consist of:

Mr. Varley, Group Chief Executive

Mr. Diamond, Barclays President and CEO of IBIM

Mr. Seegers, CEO of GRCB

Mr. Overmars, CEO of Continental Europe and Asia, GRCB

Mr. Teerlink, Chief Operating Officer of GRCB

Mr. Idzik, Group Chief Operating Officer

Mr. Lucas, Group Finance Director

Mr. Boumeester, Group Chief Administrative Officer

Wilco Jiskoot is expected to become a Vice-Chairman of Barclays Capital with senior responsibility for client relationships.

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IBIM will be headquartered in London. IBIM will comprise: Barclays Capital which will incorporate Barclays Capital and ABN AMRO Global Markets and Global Clients and ABN AMRO Private Equity businesses; Barclays Global Investors and ABN AMRO Asset Management; and Wealth Management which will incorporate Barclays Wealth and ABN AMRO Private Clients.

GRCB will be headquartered in Amsterdam. GRCB will incorporate the retail & commercial banking operations of the combined group, including Barclays UK Retail Banking and UK Business Banking, International Retail and Commercial Banking and Barclaycard Operations; and ABN AMRO s Transaction Banking, BU Netherlands, BU Europe (ex Global Markets), Antonveneta, BU Latin America and BU Asia.

Regulation and Tax

The FSA and the Dutch Central Bank have agreed that the FSA will be lead supervisor of the combined group and that the Dutch Central Bank and FSA will be the consolidated supervisors of the ABN AMRO and Barclays groups respectively.

Barclays, which will be the holding company for the combined group, will remain incorporated under the laws of England and will remain UK tax resident.

Capital Management and Dividend Policy

ABN AMRO Bank and Barclays Bank will seek to maintain their strong credit ratings. On the effective date, it is expected that the tier one ratio of the combined group will be 7.5% and the core equity tier one ratio 5%. The combined group will take a disciplined approach to capital optimisation and will seek to maintain the tier one ratio at 7.5% and rebuild the core equity tier one ratio to 5.25% by the end of 2009 from the retention of cash flow from earnings. It has been assumed, for the purpose of estimating financial effects, that excess equity over and above the target equity tier one ratio after accounting for dividends and organic growth in risk weighted assets would be returned to shareholders by way of share buy-backs. The 3.6 billion (£2.4 billion) proceeds of the unconditional investments by China Development Bank and Temasek will be used to fund the share buy-back program.

It is expected that the combined group will maintain ABN AMRO s and Barclays progressive dividend policy and that dividends per share will grow approximately in line with earnings per share over the longer term. With the benefit of the estimated synergies of the combination, Barclays annual dividend will be approximately twice covered by cash earnings. Management of each of ABN AMRO and Barclays believe that this policy will maintain an appropriate balance between income distribution to shareholders and earnings retention to fund growth. It is also expected that the combined group will continue Barclays practice of weighting the annual dividend towards the final dividend to maintain flexibility. It is not expected that the dividends per share in 2008 will be materially different to the dividend Barclays would have expected to distribute to holders of Barclays ordinary shares or Barclays ADSs had the combination not occurred.

Following implementation of the combination, the combined group will present financial statements in Euro and will declare dividends in Euro. Holders of ordinary shares in the combined group will be able to elect to receive dividends paid in Euro or Sterling (converted at the then prevailing market rate) at any time. Unless they validly elect otherwise, accepting holders of ABN AMRO ordinary shares who receive Barclays ordinary shares pursuant to the Primary Exchange will receive dividends paid in Euro. Unless they validly elect otherwise, accepting holders of ABN AMRO ordinary shares who receive Barclays ordinary shares pursuant to the Alternative Exchange will receive dividends paid in Sterling (converted at the then prevailing market rate). Existing holders of Barclays ordinary shares will continue to receive dividends paid in Sterling (converted at the then prevailing market rate), unless they validly elect to receive dividends paid in Euro.

Holders of Barclays ADSs in the combined group will receive dividends paid in US dollars converted at the then prevailing market exchange rate and will not be able to elect to receive dividends in any other currency. Existing holders of Barclays ADSs will continue to receive dividends paid in US dollars or can elect to have their dividends reinvested. Accepting holders of ABN AMRO ADSs who receive Barclays ADSs pursuant to the exchange offer will also receive dividends paid in US dollars or can elect to have their dividends reinvested.

Employee Consultation

Consultations have taken place with the trade unions involved, and the secretariat of the Social Economic Council (*Sociaal Economische Raad*) has been informed of the exchange offer in accordance with the SER Merger Code 2000 (*SER besluit Fusiegedragsregels 2000*).

Consultations have taken place with the European Staff Council (ESC) and Central Works Council (CWC) of ABN AMRO. These consultations have resulted in a positive opinion of the ESC and a positive advice of the CWC with respect to ABN AMRO s recommendation of the exchange offer.

ABN AMRO and Barclays have identified the possibility of rationalizing the number of staff of the combined group through a combination of natural attrition, off-shoring and outsourcing as well as redundancies. The rationalization of headcount is expected to be implemented over the three years following completion of the exchange offer.

ABN AMRO and Barclays have, in their meetings with employee representative groups, including trade unions and works councils, committed to avoiding compulsory redundancies wherever possible and maintaining current redundancy terms for all existing ABN AMRO and Barclays employees worldwide for a period of two years from the closing date.

The reduction in staff is a necessary part of the envisaged synergies from the combination of the two banks. Part of the expected staff reduction will be through establishing shared services and off-shoring those positions to low cost locations, such as India where new staff will be recruited at ABN AMRO s existing ACES operations.

It is expected that the combination of ABN AMRO and Barclays will result in a net reduction in staff of approximately 12,800. In addition, it is expected that approximately 10,800 full-time equivalent positions will be off-shored to low-cost locations. This will impact a gross total of approximately 23,600 full-time equivalent positions of the combined work force of approximately 220,600. (Barclays has approximately 126,600 employees, ABN AMRO has approximately 94,000 employees, excluding LaSalle). ABN AMRO and Barclays are aware of the fact that these measures can have difficult consequences for a number of staff. When it comes to matters affecting the staff of ABN AMRO and Barclays, both ABN AMRO and Barclays have a good reputation and are committed to that reputation. ABN AMRO and Barclays will inform and consult with the appropriate employee representative bodies in the relevant countries and will seek all necessary regulatory consents before taking decisions in relation to these anticipated effects of the combination. ABN AMRO and Barclays will honor all agreements with their respective unions.

Treatment of Options and Other Equity Awards

The Merger Protocol contains provisions in relation to the treatment of options and awards under the ABN AMRO Employee Share Plans, which are composed of the ABN AMRO Stock Option Plans, the ABN AMRO Share Award Plan, the ABN AMRO Share Investment and Matching Plan and the ABN AMRO Retention Plans. The ABN AMRO Retention Plans are the ABN AMRO Global Key Employee Retention Plan, the ABN AMRO Key Employee Equity Programme with Co-Investment Plan, the ABN AMRO Key Employee Equity Programme with Co-Investment Plan 2005, the ABN AMRO Asset Management Key Employee Retention Plan with Co-Investment Plan, the ABN AMRO Asset Management Key Employee Retention Plan with Co-Investment Plan 2005, the ABN AMRO BU Brazil Long Term Incentive Plan, the ABN AMRO BU North American Long Term Incentive Plan, and any other employee share plan or long term incentive plan adopted or implemented by ABN AMRO.

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Barclays and ABN AMRO are considering the proposed treatment of options and awards under the ABN AMRO Employee Share Plans although the treatment has not, at the date of this document, been finalized.

Shares held by Members of ABN AMRO Managing Board and ABN AMRO Supervisory Board

Shareholdings of the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board as at July 16, 2007 are as follows:

ABN AMRO Managing Board	Number of ABN AMRO ordinary shares	Number of options for ABN AMRO ordinary shares
Mr. Groenink	87,062	684,789
Mr. Jiskoot	69,679	410,011
Mr. Kuiper[(a)]	72,668	410,011
Mr. Boumeester	85,168	213,372
Mr. Overmars	41,590	293,372
Mr. Teerlink	35,615	312,403
Total	391,782	2,323,958

(a) Mr. Kuiper will retire upon the effective date of the combination.

ABN AMRO Supervisory Board	Number of ABN AMRO ordinary shares
Mr. Martinez	3,000
Mr. Olijslager	3,221
Mr. Pratini de Moreas	5,384
Mr. van den Bergh	13,112
Mr. Ruys	2,898
Mr. Scaroni	18,451
Total	46,066

At the date of this document, no options for ABN AMRO ordinary shares are held by any of the other members of the ABN AMRO Managing Board or the ABN AMRO Supervisory Board.

Interests of ABN AMRO s and Barclays Directors and Officers in the Combination

Interests of ABN AMRO Directors and Executive Officers

You should be aware that certain members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have relationships, agreements or arrangements that provide them with interests in the combination that may be in addition to or different from those of the ABN AMRO shareholders.

ABN AMRO Managing Board Members. The Group Board of Directors is expected to include Mr. Groenink (a proposed non-executive member of the Group Board of Directors) and Mr. Boumeester (the proposed chief administrative officer of the combined group). As of the completion of the exchange offer and combination, the combined group will be managed by a Group Executive Committee consisting of eight members. The Committee is expected to include Mr. Boumeester, Mr. Overmars, the proposed chief executive officer of continental Europe and Asia of the global retail and commercial banking segment of the combined group and Mr. Teerlink, the proposed chief operating officer of the global retail and commercial banking segment of the combined group. Mr. Jiskoot is expected to become a Vice Chairman of Barclays Capital with senior responsibility for client relationships.

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ABN AMRO Supervisory Board Members. In addition, pursuant to the terms of the Merger Protocol, Mr. Martinez, the current chairman of the ABN AMRO Supervisory Board, is expected to become the chairman of the combined group and Mr. Kramer, Ms. Maas-de Brouwer, Mr. Ruys, Mr. Olijslager, Mr. Scaroni and Mr. van den Bergh, are expected to become members of the Group Board of Directors. In addition, it is expected that ABN AMRO will nominate additional members of the ABN AMRO Supervisory Board to serve on the Group Board of Directors. Members of the ABN AMRO Supervisory Board who will serve on the Group Board of Directors are expected to be compensated for their services in accordance with Barclays fee structure for non-executive directors.

Beneficial Ownership of ABN AMRO Securities. As of December 31, 2006, the members of the ABN AMRO Managing Board, the ABN AMRO Supervisory Board and executive management beneficially owned a total of 387,232 ABN AMRO ordinary shares, representing less than 0.02% of the total ABN AMRO ordinary shares outstanding as of that date.

Interests of the Barclays Directors and Executive Officers

You should be aware that members of the Barclays Board and its executive management have relationships, agreements or arrangements that provide them with interests in the combination that may be in addition to or different from those of the holders of Barclays ordinary shares or Barclays ADSs. The Barclays Board was aware of these relationships, agreements and arrangements during its deliberations on the merits of the combination. See The Transaction Reasons for the Transaction .

Barclays Directors. Pursuant to the terms of the Merger Protocol, Mr. Agius, the current Chairman of the Barclays Board, is expected to become the Deputy Chairman of the Group Board of Directors and is expected to remain chairman of Barclays Bank. In addition, the Group Board of Directors is expected to include Mr. Varley (the Chief Executive Officer of Barclays), Mr. Diamond (the President of Barclays), Mr. Seegers (the Chief Executive Officer of the global retail and commercial banking segment of Barclays) and Mr. Lucas (the Group Finance Director of Barclays), each of whom serve as members of the Barclays Board prior to the effective date of the combination. In addition, certain other members of the Barclays Board are expected to serve as members of the Group Board of Directors.

Barclays Management. As of the completion of the combination, the combined group will be managed by a Group Executive Committee consisting of eight members. The Committee is expected to be chaired by Mr. Varley, the group Chief Executive Officer of Barclays, and include Mr. Diamond, the president of Barclays, Mr. Seegers, the Chief Executive Officer of the Global Retail and Commercial Banking segment of Barclays, Mr. Idzik, the Chief Operating Officer of Barclays, and Mr. Lucas, the Group Finance Director of Barclays.

Certain Relationships and Related Party Transactions

Except as set forth in Background to the Transaction of this document, neither Barclays nor, to the best of its knowledge, any of its affiliates, nor any of the current directors and executive officers of Barclays, has made any arrangement or understanding with any other person with respect to any securities of ABN AMRO, including, but not limited to, any agreement, arrangement or understanding concerning the transfer or the voting of any securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or the giving or withholding of proxies, consents or authorizations. Except as described in Background to the Transaction , there have been no material contacts, negotiations or transactions since January 1, 2004, between Barclays or, to the best of its knowledge, any of the current directors and executive officers of Barclays or any of Barclays affiliates on the one hand, and ABN AMRO or its affiliates, on the other hand, concerning a merger, consolidation, acquisition, a tender offer or other acquisition of ABN AMRO securities, an election of ABN AMRO s directors, or a sale or other transfer of a material amount of ABN AMRO s assets. In the normal course of their businesses, ABN AMRO and Barclays are parties to transactions and agreements with each other. Neither Barclays, nor, to the best of its knowledge, any of the persons named in Directors and Executive Officers of Barclays after the Combination , nor any of its affiliates has since January 1, 2004 engaged in

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any transaction with ABN AMRO or any of its executive officers, directors or affiliates that would require disclosure under the rules and regulations of the SEC applicable to the exchange offer. As of July 16, 2007, Barclays beneficially owns for its own account 64,745,922 ABN AMRO ordinary shares, representing approximately 3.40% of the total ABN AMRO ordinary shares outstanding as of that date. To the best of Barclays knowledge, (except as set forth in the preceding sentence and in Interests of ABN AMRO s and Barclays Directors and Officers in the Combination Interests of the Barclays Directors and Executive Officers ,) none of the persons named in Directors and Executive Officers of Barclays after the Combination , and none of Barclays and such persons respective associates and majority-owned subsidiaries own ABN AMRO ordinary shares or have engaged in any transactions in ABN AMRO ordinary shares in the past 60 days.

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THE EXCHANGE OFFER

General

Subject to the satisfaction or waiver of certain conditions, Barclays will make an exchange offer to holders of ABN AMRO ordinary shares or ABN AMRO ADSs, as the case may be, pursuant to which they will receive (subject to the Mix and Match Facility):

2.13 Barclays ordinary shares and 13.15 in cash for every 1 ABN AMRO ordinary share; or

0.5325 Barclays ADSs and 13.15 in cash for every 1 ABN AMRO ADS.

The cash consideration paid for each ABN AMRO ADS that is validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn, will be U.S. dollars, based on the conversion of the Euro consideration to which holders of ABN AMRO ADSs are entitled, net of any applicable fees and expenses, into U.S. dollars at the exchange rate obtainable by The Bank of New York, the ADS exchange agent, on the date the cash consideration is received by the ADS exchange agent for delivery in respect of such ABN AMRO ADSs.

Upon completion of the exchange offer, the nominal ordinary share capital of Barclays will be increased by a maximum of [£l] from £1,635,638,762 to [£l] as a consequence of the exchange offer. If all the holders of ABN AMRO ordinary shares, including holders of ABN AMRO ADSs, tender their securities to receive Barclays ordinary shares or Barclays ADSs, respectively, a maximum of [l] Barclays ordinary shares, including Barclays ordinary shares represented by Barclays ADSs, will be issued, and the number of issued Barclays ordinary shares will increase from 6,545,328,537 as at July 16, 2007 to [l]. The maximum of [l] Barclays ordinary shares offered to holders of ABN AMRO ordinary shares and ABN AMRO ADSs represents approximately 35% of the share capital and voting rights of Barclays after the completion of the exchange offer. The issue of a maximum of [l] Barclays ordinary shares is not expected to affect the operations or liabilities of ABN AMRO.

In addition to the exchange offer for the ABN AMRO ordinary shares and ABN AMRO ADSs described in this document, Barclays is offering to acquire all of the outstanding ABN AMRO DR Preference Shares. Barclays is also offering to acquire all of the outstanding ABN AMRO Formerly Convertible Preference Shares. Any holder of ABN AMRO DR Preference Shares or ABN AMRO Formerly Convertible Preference Shares should refer solely to the separate offer document and prospectus, date of even date with this document, for the terms and conditions of those offers.

Election of Exchange Alternatives

Holders of ABN AMRO ordinary shares are presented with two options pursuant to the exchange offer: (1) the Primary Exchange; or (2) the Alternative Exchange. Holders of ABN AMRO ordinary shares tendering their ABN AMRO ordinary shares without opting validly for the Primary Exchange or the Alternative Exchange will be deemed to have accepted the Primary Exchange. The ultimate consideration for accepting holders of ABN AMRO ordinary shares will in both cases be such number of new Barclays ordinary shares and cash as may be determined in accordance with the ABN AMRO ordinary share exchange ratio and any election made under the Mix and Match Facility. The Primary Exchange is likely to be preferred option for most holders of ABN AMRO ordinary shares. This is because the Barclays ordinary shares issued under the Primary Exchange will be issued into the Euroclear Nederland clearance system via the CREST account of Euroclear Nederland and accordingly for so long as these shares remain held in the Euroclear Nederland clearance system and certain conditions are satisfied, these shares may be sold without any charge to United Kingdom stamp duty reserve tax or (in practice) stamp duty. In contrast, the Barclays ordinary shares issued under the Alternative Exchange will be issued via CREST (by crediting a CREST member s account) or in certificated form rather than being issued into the Euroclear Nederland clearance system via the CREST account of Euroclear Nederland and accordingly on any subsequent sale of those shares United Kingdom stamp duty or stamp duty reserve tax is likely to be payable. However, electing for the Alternative Exchange may enable certain holders of ABN AMRO ordinary shares to obtain

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a tax deferral in certain jurisdictions on the exchange of their ABN AMRO ordinary shares for Barclays ordinary shares pursuant to the exchange offer. Holders of ABN AMRO ordinary shares should carefully consider the discussion under Taxation in this document.

The Primary Exchange will be effected through the use of Barclays (Netherlands), which is the company that is the intended direct holding company for ABN AMRO following completion of the exchange offer. Prior to the settlement of the exchange offer, Barclays (indirectly) owns, and after completion of all steps of the exchange offer Barclays will, directly or indirectly own, 100% of the shares of Barclays (Netherlands), which shares are held in the Euroclear Nederland clearance system. The Primary Exchange will be effected through the use of Barclays Nominees (No. 1) Limited as appointed nominee for the holders of ABN AMRO ordinary shares and the Dutch listing and exchange agent, who will effect transactions through the Euroclear Nederland clearance system.

The steps involved in the Primary Exchange will be effected consecutively on the settlement date and are as follows,

(a) By accepting the Primary Exchange, a holder of ABN AMRO ordinary shares
- (i) irrevocably instructs the nominee via his bank or broker to receive on such shareholder s behalf, such number of Barclays (Netherlands) shares as will, after the transfer contemplated in sub-paragraph (ii) below, have a market value equal to the ABN AMRO ordinary shares he or she undertakes to tender,
- (ii) irrevocably instructs the Dutch listing and exchange agent to transfer his or her ABN AMRO ordinary shares to Barclays (Netherlands) in return, and
- (iii) irrevocably instructs the nominee to transfer, immediately after receipt by the nominee, the Barclays (Netherlands) shares to Barclays.

(b) In exchange for the transfer to it of the Barclays (Netherlands) shares, Barclays will issue new Barclays ordinary shares and/or pay cash (as appropriate) in respect of the ABN AMRO ordinary shareholder,