

30 April 2009

**Barclays GBP Financing Limited, A Subsidiary Of Barclays Bank PLC
Announces Upper Tier 2 Exchange Offers**

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Barclays GBP Financing Limited ("**BFL**"), a wholly-owned subsidiary of Barclays Bank PLC ("**Barclays**"), has today launched invitations to holders of certain existing Upper Tier 2 securities (as described below) issued by Barclays to offer to exchange any or all of such securities for new Lower Tier 2 notes to be issued by Barclays (the "**Exchange Offers**"). The Exchange Offers are being made on the terms and subject to the conditions and restrictions set out in an Exchange Offer Memorandum dated 30 April 2009 (the "**Exchange Offer Memorandum**").

The Exchange Offers provide an opportunity for the holders of the Existing Notes (as defined below) to exchange such Existing Notes for more senior dated securities and will generate additional equity Tier 1 capital for Barclays (commensurate with the level of acceptances).

Capitalised terms used and not otherwise defined in this announcement have the meanings given in the Exchange Offer Memorandum.

The Exchange Offers

Subject to certain restrictions set out in the Exchange Offer Memorandum, all holders (the "**Noteholders**") of the existing securities listed below (the "**Existing Notes**") are being invited by BFL to offer to exchange their Existing Notes for new dated subordinated notes to be issued by Barclays (the "**New Notes**"). BFL is not under any obligation to accept any offer of Existing Notes for exchange pursuant to an Exchange Offer and shall not be liable to any person for the failure to accept any offer of Existing Notes for exchange pursuant to an Exchange Offer. Offers of Existing Notes for exchange may be rejected in the sole discretion of BFL for any reason.

The Existing Notes (which comprise Upper Tier 2 capital of Barclays) and the New Notes (which will comprise Lower Tier 2 capital of Barclays) for which they may be exchanged are as follows:

Existing Notes

Issuer	Description of Existing Notes	ISIN	Exchange Price
Barclays Bank PLC	£100,000,000 9 per cent. Permanent Interest Bearing Capital Notes	XS0046132014 and GB0000870369	80%
Barclays Bank PLC	£150,000,000 9.25 per cent. Perpetual Subordinated Notes	XS0071252919	80%
Barclays Bank PLC	£650,000,000 6.875 per cent. Undated Subordinated Notes	XS0120327571	75%
Barclays Bank PLC	£465,000,000 6.375 per cent. Undated Subordinated Notes	XS0145875190	73%
Barclays Bank PLC	£525,000,000 7.125 per cent. Undated Subordinated Notes	XS0118932366	75%
Barclays Bank PLC	£550,000,000 6.125 per cent. Undated Subordinated Notes	XS0145875513	70%
Barclays Bank PLC	£1,000,000,000 8.25 per cent. Undated Subordinated Notes	XS0350187430	80%

New Notes

To the extent that any Existing Notes are accepted for exchange by BFL, they will be exchanged for the New Notes, which will be Sterling denominated dated subordinated notes to be issued by Barclays pursuant to its £60,000,000,000 Debt Issuance Programme. The aggregate principal amount (the "**New Issue Amount**") of New Notes to be delivered in exchange for each Series of Existing Notes will be determined by BFL in its sole and absolute discretion following the expiration of the Exchange Offers, subject to such amount being not less than £100,000,000. Where the acceptance of all Existing Notes validly submitted for exchange would require a greater aggregate principal amount of New Notes to be issued than the New Issue Amount specified by BFL, BFL (subject to its discretion not to accept offers to exchange for any reason) intends to accept such Existing Notes for exchange on a *pro rata* basis.

The maturity date (the "**New Issue Tenor**") and the issue price (the "**New Issue Price**") applicable to the New Notes will be determined by BFL in its sole and absolute discretion as described in, and will be announced in accordance with the terms of, the Exchange Offer Memorandum. The New Issue Coupon will be equal to the annual equivalent of the sum of the mid-market arithmetic mean, expressed as a percentage and rounded up to the nearest 0.001 per cent. of the Swap Rates, as determined by the Dealer Manager at the Pricing Time, and a spread (the "**New Issue Spread**") to be determined by BFL in its sole and absolute discretion as further described in the Exchange Offer Memorandum.

Noteholders who validly offer to exchange their Existing Notes will, if their offer to exchange is accepted by BFL, receive an aggregate nominal amount of the New Notes (rounded down to the nearest £1,000) equal to the product of (i) the aggregate nominal amount of the relevant series of Existing Notes validly offered for exchange and (ii) the Exchange Ratio for such series of Existing Notes, following any adjustments on a *pro-rata* basis. The Exchange Ratio in respect of each series of Existing Notes will be the ratio (rounded down to six decimal places) calculated by dividing the relevant Exchange Price by the New Issue Price.

BFL intends to announce the New Issue Spread and the New Issue Tenor for the New Notes not later than 3.00 p.m., London time, on Wednesday, 6 May 2009. BFL intends to announce (i) its decision whether to accept valid offers of Existing Notes for exchange pursuant to any or all of the Exchange Offers and, if so accepted, (ii) the New Issue Price and the New Issue Coupon for the New Notes, (iii) the Exchange Ratio for each series of the Existing Notes and (iv) the final aggregate nominal amounts of each series of Existing Notes accepted for exchange and the New Issue Amount as soon as reasonably practicable after the Pricing Time. The New Issue Price and New Issue Coupon will be calculated in accordance with market convention and the New Issue Price will be as close as possible to 100 per cent. of the nominal amount of the New Notes, allowing for rounding down of the New Issue Coupon to the nearest 0.125 per cent in accordance with market convention.

A cash amount in sterling will be paid by or on behalf of BFL on the Settlement Date to each relevant Noteholder equal to (i) the Accrued Interest Payment and (ii) the Cash Rounding Amount (if applicable) which arises as a result of the application of the relevant Exchange Ratio.

No offer to exchange the Existing Notes of a relevant series will be accepted by BFL unless such offer to exchange by a Noteholder relates to an aggregate nominal amount of Existing Notes of that series, including following any acceptance on a *pro-rata* basis, that would be sufficient for such Noteholder to be eligible to receive, in accordance with the terms of the Exchange Offers, a principal amount of New Notes at least equal to £100,000.

Noteholders wishing to participate in the Exchange Offers must deliver, or arrange to have delivered on their behalf, a valid Exchange Instruction that is received by the Exchange Agent by the Expiration Deadline.

Settlement of the Exchange Offers is expected to occur on 21 May 2009.

Noteholders are advised to check with the bank, securities broker, or other intermediary through which they hold their Existing Notes whether such intermediary applies different deadlines for any of the events specified above, and then to allow for such deadlines if such deadlines are prior to those set out above. The deadlines set by each Clearing System will be earlier than the relevant deadlines above.

Expected Timetable of Events

The times and dates below are indicative only.

Events

Times and Dates

Commencement of the Exchange Offers

Exchange Offers and Exchange Prices announced. Exchange Offer Memorandum available from the Dealer Manager and the Exchange Agent.

Thursday, 30 April 2009

Pricing Announcement

Announcement of the New Issue Spread and New Issue Tenor.

No later than 3.00 p.m. (London time) on
Wednesday, 6 May 2009

IMS Publication

Publication by Barclays PLC of the Q1 '09 Interim Management Statement.

On or around Thursday, 7 May 2009

Revocation Deadline

4.00 p.m. on the second Business Day following the publication of a Supplement to the Programme Prospectus relating to the IMS.

At or around 4.00 p.m. (London time) on Monday 11 May 2009

Expiration Deadline

Final deadline for receipt of valid Exchange Instructions by the Exchange Agent in order for Noteholders to be able to participate in the Exchange Offers.

4.00 p.m. (London time) on
Wednesday, 13 May 2009

Pricing Time

Determination of the Mid-Swap Rate and calculation of the New Issue Yield, New Issue Price, New Issue Coupon, Exchange Ratios, Accrued Interest and New Issue Amount as applicable.

At or around 10.30 a.m. (London time) on
Thursday 14 May 2009

Announcement of Pricing and Exchange Offer Results

Announcement of whether BFL will accept valid offers of Existing Notes for exchange pursuant to all or any of the Exchange Offers, any relevant adjustments for acceptances of valid offers on a *pro rata* basis (if applicable), and of the above rate, yield, price, coupon and ratios, and the final aggregate nominal amount(s) of (i) each series of Existing Notes accepted for exchange and (ii) New Notes to be issued, in each case as applicable.

As soon as reasonably practicable
after the above Pricing Time

Settlement

Expected settlement date for the Exchange Offers.

Thursday, 21 May 2009

Noteholders are advised to read carefully the Exchange Offer Memorandum for full details of, and information on, the procedures for participating in the Exchange Offers.

Subject to applicable law and as provided in the Exchange Offer Memorandum, BFL may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate any or all of the Exchange Offers at any time.

Noteholders who have submitted Exchange Instructions in relation to an Exchange Offer before the Revocation Deadline may revoke their Exchange Instructions at any time up until the Revocation Deadline (subject to any earlier deadline required by the Clearing

Systems and any intermediary through which Noteholders hold their Existing Notes), after which Noteholders will have only limited revocation rights as set out in the Exchange Offer Memorandum.

The Exchange Offers are not being made in the United States or Italy or to any U.S. person or to any person located or resident in Italy and are also restricted in other jurisdictions, as more fully described below and in the Exchange Offer Memorandum.

For Further Information

A complete description of the terms and conditions of the Exchange Offer is set out in the Exchange Offer Memorandum. Further details about the transaction can be obtained from:

The Dealer Manager

Barclays Capital

5 The North Colonnade
Canary Wharf
London E14 4BB
Tel: +44 (0)20 7773 8990
Email: eu.lm@barcap.com
Attn: Liability Management Group

The Exchange Agent

Lucid Issuer Services Limited

436 Essex Road
London N1 3QP
United Kingdom
Tel: +44 20 7704 0880
Fax: +44 20 7067 9098
Email: barclays@lucid-is.com
Attn: Sunjeev Patel, Lee Pellicci, Yves Theis

A copy of the Exchange Offer Memorandum is available to eligible persons upon request from the Exchange Agent.

Analyst and Investor Information

Further information for analysts and investors can be obtained from the following contacts at Barclays:

Investor Relations

Stephen Jones
Tel: +44 (0) 20 7116 5752

Barclays Treasury

Steven Penketh

Tel: +44 (0)20 7773 0125

Media Relations

Alistair Smith

Tel: +44 (0) 20 7116 6132

DISCLAIMER

This announcement must be read in conjunction with the Exchange Offer Memorandum. No offer or invitation to acquire or exchange any securities is being made pursuant to this announcement. This announcement and the Exchange Offer Memorandum contain important information, which must be read carefully before any decision is made with respect to the Exchange Offers. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own legal, tax and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Exchange Offers. None of BFL, Barclays, Barclays Capital, the investment banking division of Barclays Bank PLC as dealer manager (the "**Dealer Manager**"), the Exchange Agent, or any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether Noteholders should participate in the Exchange Offers.

OFFER RESTRICTIONS

General

Neither this announcement nor the Exchange Offer Memorandum constitutes an offer to sell or buy or the solicitation of an offer to sell or buy the Existing Notes and/or New Notes, as applicable, and offers of Existing Notes for exchange pursuant to the Exchange Offers will not be accepted from Noteholders in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Exchange Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in such jurisdictions, such Exchange Offer shall be deemed to be made by the Dealer Manager or its affiliate (as the case may be) on behalf of BFL in such jurisdictions.

In addition to the representations referred to below in respect of the United States, each holder of Existing Notes participating in an Exchange Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to below and generally as set out in "Procedures for Participating in the Exchange Offers" in the Exchange Offer Memorandum. Any offer of Existing Notes for exchange pursuant to the

Exchange Offers from a Noteholder that is unable to make these representations will not be accepted. Each of BFL, the Dealer Manager and the Exchange Agent reserves the right, in its absolute discretion, to investigate, in relation to any offer of Existing Notes for exchange pursuant to an Exchange Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result BFL determines (for any reason) that such representation is not correct, such offer shall not be accepted.

United States

The Exchange Offers are not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, for the account or benefit of, U.S. persons. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the internet. Accordingly, copies of the Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offers are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to U.S. persons and the Existing Notes cannot be offered for exchange in the Exchange Offers by any such use, means, instruments or facilities or from within the United States or by U.S. persons. Any purported offer of Existing Notes for exchange resulting directly or indirectly from a violation of these restrictions will be invalid and any purported offer of Existing Notes for exchange made by a U.S. person, a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person will be invalid and will not be accepted.

The Exchange Offer Memorandum does not constitute an offer of securities for sale, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction where it is unlawful to do so. Securities may not be offered or sold in the United States absent registration or an exemption from registration. The New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act and the applicable state securities laws. The purpose of the Exchange Offer Memorandum is limited to the Exchange Offers and the Exchange Offer Memorandum may not be sent or given to a person in the United States or otherwise to any person other than in an offshore transaction in accordance with Regulation S under the Securities Act.

Each holder of Existing Notes participating in an Exchange Offer will represent that it is not located in the United States and is not participating in such Exchange Offer from the United States, that it is participating in such Exchange Offer in accordance with

Regulation S under the Securities Act and that it is not a U.S. person or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Exchange Offer from the United States and is not a U.S. person. For the purposes of this and the above two paragraphs, “United States” means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

Italy

The Exchange Offers are not being made, directly or indirectly, in the Republic of Italy (“Italy”). The Exchange Offers and the Exchange Offer Memorandum have not been submitted to the clearance procedures of the Commissione Nazionale per le Società e la Borsa (“CONSOB”) pursuant to Italian laws and regulations. Accordingly, holders of Existing Notes are notified that, to the extent such holders are located or resident in Italy, the Exchange Offers are not available to them and they may not offer Existing Notes for exchange pursuant to the Exchange Offers nor may the New Notes be offered, sold or delivered in Italy and, as such, any Exchange Instruction received from or on behalf of such persons shall be ineffective and void, and neither the Exchange Offer Memorandum nor any other documents or materials relating to the Exchange Offers, the Existing Notes or the New Notes may be distributed or made available in Italy.

United Kingdom

The communication of this announcement, the Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offers is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Financial Promotion Order”)) or persons who are within Article 43 of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

Belgium

Neither this announcement, the Exchange Offer Memorandum nor any other document or material relating to the Exchange Offers have been submitted to or will be submitted for approval or recognition to the Belgian Banking, Finance and Insurance Commission (Commission bancaire, financière et des assurances/Commissie voor het Bank-, Financie- en Assurantiewezen) and, accordingly, the Exchange Offers may not be made in Belgium by way of a public offering, as defined in Article 3 of the Belgian Law of 1 April 2007 on public takeover bids or as defined in Article 3 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of

placement instruments on regulated markets (together, the “**Belgian Public Offer Law**”), each as amended or replaced from time to time. Accordingly, the Exchange Offers may not be advertised and the Exchange Offers will not be extended, and neither the Exchange Offer Memorandum nor any other documents or materials relating to the Exchange Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than “qualified investors” in the sense of Article 10 of the Belgian Public Offer Law (as amended from time to time), acting on their own account. Insofar as Belgium is concerned, this Exchange Offer Memorandum has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Exchange Offers. Accordingly, the information contained in the Exchange Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

France

The Exchange Offers are not being made, directly or indirectly, to the public in the Republic of France (“**France**”). Neither the Exchange Offer Memorandum nor any other document or material relating to the Exchange Offers has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties and/or (ii) qualified investors (Investisseurs Qualifiés) other than individuals, in each case acting on their own account and all as defined in, and in accordance with, Articles L.411-2 and D.411-1 of the French Code Monétaire et Financier are eligible to participate in the Exchange Offers. The Exchange Offer Memorandum has not been and will not be submitted for clearance to nor approved by the Autorité des Marchés Financiers.