BARCLAYS PLC
Form F-4/A
July 10, 2007

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As filed with the US Securities and Exchange Commission on July 9, 2007
Registration No. 333-143666

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

AMENDMENT NO. 1
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)

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Barclays Bank PLC
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(Name, address, including zip code, and telephone number, including area code, of agent for service)

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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.

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 9, 2007

Offer to Exchange

Each Ordinary Share **Each American Depositary Share**

of

ABN AMRO Holding N.V.

for

3.225 Ordinary Shares **0.80625 American Depositary Shares**

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 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, wherever located, to effect the exchange offer. Separate offering documentation is being sent to holders of ABN AMRO ordinary shares located outside of the United States and Canada. Barclays is offering to exchange in the manner set out in this document 3.225 Barclays ordinary shares, nominal value 25p per share, for each ABN AMRO ordinary share, and 0.80625 Barclays American Depositary Shares, each representing four Barclays ordinary shares (Barclays ADSs) 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 exchange offer is being made on the terms and pursuant to the conditions set forth in this document 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 July [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 52% and 48%, 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 6,114,529,347 Barclays ordinary shares (including Barclays ordinary shares represented by Barclays ADSs) in the exchange offer.

The managing board of ABN AMRO (the ABN AMRO Managing Board) and the supervisory board of ABN AMRO (the ABN AMRO Supervisory Board), after giving due consideration to the strategic, financial and social aspects of the exchange offer, have unanimously concluded that the exchange offer is in the best interest of ABN AMRO and the ABN AMRO shareholders, and the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have each unanimously resolved to recommend that the ABN AMRO shareholders accept 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 July [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, wherever located, to effect the exchange offer. The distribution of this document and any other documentation regarding the exchange offer and the combination, the making of the exchange offer and the issuance and offering of Barclays ordinary shares and Barclays ADSs may, in some jurisdictions, be restricted by law. This exchange offer is not being made, 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 may lawfully make 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 applicable law and with the acceptance procedure and requirements set out in this document (see The Exchange Offer Procedure for Tendering). Persons not resident in the Offer Jurisdictions who come into possession of this document should inform themselves of and observe these restrictions and the laws and regulations applicable to such persons. Any failure to comply with these restrictions may constitute a violation of the laws of that jurisdiction where such person is resident. Neither Barclays nor any person acting on its behalf assumes any responsibility for any violation by any person of any of these restrictions. 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 any such use, means, instrumentality or facilities from or within Japan. The exchange offer is not being made to residents of Japan or in 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 ABN AMRO Managing Board and the ABN AMRO Supervisory Board and the board of directors of Barclays (the Barclays Board) believe 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 3.225 Barclays ordinary shares for each outstanding ordinary share of ABN AMRO, and 0.80625 Barclays ADSs 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.

Q: Does ABN AMRO support the exchange offer and the proposed combination?

A: Yes, the ABN AMRO Managing Board and the ABN AMRO Supervisory Board consider that the exchange offer is in the best interests of ABN AMRO and all of its shareholders and have each unanimously resolved to recommend the exchange offer for acceptance by the holders of ABN AMRO ordinary shares and ABN AMRO ADSs.

Q: Will ABN AMRO s senior management participate in the exchange offer?

A: The members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have each undertaken to tender all ABN AMRO ordinary shares and ABN AMRO ADSs held or to be held by them under the exchange offer. These undertakings are revocable jointly with the recommendations of the exchange offer by the ABN AMRO Supervisory Board and the ABN AMRO Managing Board.

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 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.

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. During any subsequent offering period there will be no withdrawal rights available for ABN AMRO ordinary shares or ABN AMRO ADSs tendered 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 separately 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 separately 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; and

The Merger Protocol has not been terminated.

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

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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 48% 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 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 an ABN AMRO American Depositary Receipt (ADR) or through the Direct Registration System (DRS) of the Depository Trust Company (DTC), 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 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 Barclays ordinary shares or Barclays ADSs that they receive?

US holders of ABN AMRO ordinary shares or ABN AMRO ADSs will likely 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, so you should consider Barclays financial condition before you decide to 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.

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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 may 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 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.

If 95% or more of the issued and outstanding share capital of ABN AMRO is tendered in the exchange offer, Barclays intends to effectuate the 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 by initiating a compulsory acquisition procedure, through its subsidiary, in accordance with section 2:92a of the Dutch Civil Code (the Ordinary Squeeze-Out) and/or squeeze out procedures that may be included in Dutch law, implementing the EU Takeover Directive (2004/25/ EC) (the Takeover Squeeze-Out). In such circumstances, the price to be paid for such shares would be paid in cash only, in an amount determined by the Enterprise Chamber of the Amsterdam Court of Appeals, which amount may be different from the consideration that holders of ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, received in the exchange offer.

Barclays may also use any other compulsory squeeze-out procedure permitted by law in respect of the ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, or one or more classes thereof from time to time if and when it meets the statutory threshold and other requirements applicable to such other procedures. Similarly, Barclays may seek to initiate a statutory squeeze-out procedure that may be available to it from time to time under any applicable jurisdiction in respect of any instruments by which ABN AMRO ordinary shares or ABN AMRO ADSs may be substituted as a result of post-closing restructuring steps. The choice of jurisdiction

in this respect depends on, among other things, whether the number of ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, acquired by Barclays enables Barclays to acquire the minority shareholder interest in ABN AMRO remaining 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.

If Barclays does not acquire 95% or more of the issued and outstanding share capital, Barclays may 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 merger between ABN AMRO and Barclays, a sale and/or transfer of ABN AMRO Bank (and/or other assets and liabilities of ABN AMRO and/or ABN AMRO Bank) and other possible measures. See Post-Offer Restructuring . 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 ADs) 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.

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.

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 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	July [l], 2007
Expected date of publication of interim results for the six months ending June 30, 2007 by ABN AMRO	[l], 2007
Expected date of publication of interim results for the six months ending June 30, 2007 by Barclays	[l], 2007
Extraordinary general meeting of ABN AMRO shareholders	[l], 2007
Extraordinary general meeting of Barclays shareholders and Barclays ordinary shareholder class meeting	[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 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
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
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 became unconditional, Barclays ordinary shares for ABN AMRO ordinary shares at the ordinary share exchange ratio. Tendering holders of ABN AMRO ADSs will receive Barclays ADSs 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 during or 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 July [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.

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.

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.

Based on the closing price of ABN AMRO ADSs on the NYSE on July [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 78)

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 ABN AMRO Managing Board and the ABN AMRO Supervisory Board and the Barclays Board believe 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 ABN AMRO and Barclays believe 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 42)

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.

Recommendation by the ABN AMRO Managing Board and the ABN AMRO Supervisory Board (see page 51)

The ABN AMRO Managing Board and the ABN AMRO Supervisory Board, after giving due consideration to the strategic, financial and social aspects of the exchange offer, have unanimously concluded that the exchange offer is in the best interests of ABN AMRO and the holders of ABN AMRO ordinary shares and ABN AMRO ADSs, and the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have each unanimously resolved to recommend that ABN AMRO shareholders accept the exchange offer.

The ABN AMRO Managing Board and the ABN AMRO Supervisory Board are of the opinion that the ABN AMRO ordinary share exchange ratio is fair from a financial point of view.

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Reasons for the Transaction (see page 51)

Based on Barclays and ABN AMRO s reasons for the combination described in this document (see The Transaction Reasons for the Transaction), the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and the Barclays Board are recommending the exchange offer because they believe 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. ABN AMRO and Barclays believe that the combined group will generate significant and sustained future incremental earnings growth for shareholders.

Third-Party Acquisition Proposals (see page 126)

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 ABN AMRO Managing Board and 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.

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. See The Transaction Background to the Transaction .

The Exchange Offer (see page 86)

Under the terms of the exchange offer, Barclays will, in the manner set out in this document, exchange 3.225 newly issued Barclays ordinary shares for each issued and outstanding ABN AMRO ordinary share and 0.80625 Barclays ADSs for each ABN AMRO ADS. 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 July [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 July [l], 2007.

At the time of announcement of the proposed transaction on April 23, 2007, the exchange offer valued each ABN AMRO ordinary share at 36.25 ($49.28) and each ABN AMRO ADS at $48.38, based on the share price of Barclays ordinary shares of £7.50 on April 20, 2007, the last business day before the announcement, including the 0.60 ABN AMRO final 2006 dividend, and using the exchange rates of £1 = 1.4739 and 1 = $1.3594, as published by the Financial Times on April 21, 2007.

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 .

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In addition to the exchange offer for the ABN AMRO ordinary shares and ABN AMRO ADSs described in this document, Barclays is separately offering to acquire all of the outstanding ABN AMRO DR Preference Shares. Barclays is also separately 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 95)

The initial offer period of the exchange offer begins on July [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 95)

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 95)

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 96)

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. 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, and Barclays will accept for exchange any ABN AMRO ordinary shares tendered during the subsequent offer period at the same exchange ratio as in the exchange offer.

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Election of Exchange Alternatives (see page 86)

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 issued under the exchange offer as may be determined in accordance with the ABN AMRO ordinary share exchange ratio. 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 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, 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 (in accordance with the ordinary share exchange ratio) to the holders of ABN AMRO ordinary shares, completing the transaction for ABN AMRO ordinary shareholders.

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 pursuant to the exchange offer to tendering holders of ABN AMRO ordinary shares. The number of Barclays ordinary shares issued pursuant to the exchange offer in exchange for the transfer of the Barclays (Netherlands)

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shares will be determined by applying the ordinary share exchange ratio 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, as determined in accordance with the ordinary share exchange ratio. 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.

Holders of ABN AMRO ordinary shares who select the Alternative Exchange, will tender their 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 to the tendering holders of ABN AMRO ordinary shares. 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 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, other than US holders, 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 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 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 the ADS exchange agent will distribute the Barclays ADSs to former holders of ABN AMRO ADSs.

Fractional Shares (see page 99)

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 any fractional entitlements down in accordance with their usual practice and sell the aggregate fractional entitlements in the secondary market (although in certain cases an Admitted Institution may have in place arrangements with its clients that would allow it to round fractional entitlements up 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 100)

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 during the initial offer period will receive, within five Euronext trading days following the date on which the exchange offer became unconditional, Barclays ordinary shares for ABN AMRO ordinary shares at the ordinary share exchange ratio. Tendering holders of ABN AMRO ADSs will receive Barclays ADSs as

soon as practicable after the Barclays ordinary shares have been delivered to the Depositary s custodian. 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 during or promptly following the expiration of the subsequent offering period.

Post-Closing Restructuring (see page 108)

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.

Shares held by members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board (see page 83)

Shareholdings of the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board as at May 31, 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. Scott-Barrett[(b)]	54,548	497,221
Mr. Boumeester	85,168	213,372
Mr. Overmars	41,590	293,372
Mr. Teerlink	35,615	312,403
Total	446,330	2,821,179

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

(b) The resignation of Mr. Scott-Barrett has been announced on May 10, 2007. He will step down by August 1, 2007.

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

The members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have undertaken to tender all ABN AMRO ordinary shares and/or ABN AMRO ADSs held or to be held by them under the exchange offer on the same terms and conditions of the exchange offer as described in this document. For a detailed description of these undertakings, see The Transaction Irrevocable Undertakings .

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Interests of ABN AMRO Directors and Officers in the Combination (see page 83)

In considering the unanimous recommendations by the ABN AMRO Managing Board and the ABN AMRO Supervisory Board, 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. The members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board were aware of these relationships, agreements and arrangements during their respective deliberations on the merits of the combination. 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.

Opinions of ABN AMRO s Financial Advisors (see page 57)

Opinion of Morgan Stanley & Co. Limited

On April 22, 2007, at a special meeting of the ABN AMRO Managing Board held to evaluate the proposed exchange offer, 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, to the effect that, as of that date and based upon and subject to the various considerations set forth in the opinion, the ordinary share exchange ratio set forth pursuant to the Merger Protocol to be received by holders of ABN AMRO ordinary shares, 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 ordinary shareholders of ABN AMRO. The full text of Morgan Stanley & Co. Limited s opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the scope of the review undertaken by Morgan Stanley & Co. Limited. You are encouraged to read the entire opinion, attached as Annex B to this document, carefully. Morgan Stanley & Co. Limited s opinion is directed to the ABN AMRO Managing Board and addresses only the fairness, from a financial point of view, to holders of ABN AMRO s ordinary shares (other than Barclays and its affiliates) of the ordinary share exchange ratio set forth pursuant to the Merger Protocol to be received by such holders solely in their capacity as holders of ABN AMRO ordinary shares, as of the date of the opinion. It does not address any other aspect or implication of the exchange offer or any other agreement, arrangement or understanding entered into in connection with the exchange offer or otherwise (including, without limitation, the merits of ABN AMRO s underlying business decision with respect to the exchange offer) and does not constitute a recommendation to any holder as to whether such holder should tender ABN AMRO ordinary shares into the exchange offer or as to how such holder should vote or act in connection with any matter relating to the exchange offer.

Opinion of UBS Limited

On April 22, 2007, at a special meeting of the ABN AMRO Managing Board held to evaluate the proposed offer, UBS Limited 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 ordinary share exchange ratio 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. The full text of UBS

Limited s opinion describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by UBS Limited. UBS Limited s opinion is directed only to the fairness, from a financial point of view, of the ordinary share exchange ratio to be received by holders of ABN AMRO ordinary shares, other than Barclays and its affiliates, and does not address any other aspect of the offer. The opinion does not address the relative merits of the offer or any related transactions as compared to other business strategies or transactions that might be available with respect to ABN AMRO or ABN AMRO s underlying business decision to effect the offer or any related transactions. The opinion does not constitute a recommendation to any holder of ABN AMRO ordinary shares as to how such holder should act or vote with respect to the offer or any related transactions or as to whether or not such holder should tender such shares in connection with the offer. You are encouraged to read this opinion, attached as Annex C to this document, carefully in its entirety.

Opinion of Goldman Sachs International

On April 22, 2007, at a special meeting of the ABN AMRO Supervisory Board held to evaluate the proposed exchange offer, Goldman Sachs International rendered to the ABN AMRO Supervisory Board an oral opinion, later confirmed in writing, dated April 22, 2007, that, as of that date and based upon and subject to the factors and assumptions set forth therein, the ordinary share exchange ratio pursuant to the Merger Protocol was fair from a financial point of view to holders of ABN AMRO ordinary shares.

The full text of the written opinion of Goldman Sachs International, dated April 22, 2007, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex D to this document. Goldman Sachs International provided its opinion for the information and assistance of the ABN AMRO Supervisory Board in connection with its consideration of the proposed exchange offer. Goldman Sachs International s opinion is not a recommendation as to whether any holder of ABN AMRO ordinary shares should tender such shares in connection with the proposed exchange offer. Pursuant to an agreement dated April 16, 2007, ABN AMRO agreed to pay Goldman Sachs International a customary fee payable upon delivery of the opinion referred to above. In addition, pursuant to an agreement dated May 5, 2007, ABN AMRO agreed to pay Goldman Sachs International a customary fee payable upon the earlier of the proposed exchange offer or substitute transaction becoming unconditional or being withdrawn.

The Exchange Offer Is Subject to the Various Conditions (see page 89)

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).

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.

ABN AMRO Extraordinary General Meeting

An extraordinary general meeting of the ABN AMRO shareholders will be convened on [l], 2007 at [l], during which information on the exchange offer, the combination and the measures to implement it will be presented the shareholders of ABN AMRO and at which the shareholders will have an opportunity to ask questions of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board. The exchange offer is not required to be and will not be submitted to an ABN AMRO shareholder vote.

Barclays Extraordinary General Meeting and Class Meeting

At [l], British Summer Time and [l], 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 [l]. 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 102)

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 106)

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 141)

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. 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

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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 102)

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 187)

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 101)

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 pound 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 pound sterling (converted at the then prevailing market rate). Existing holders of Barclays ordinary shares will continue to receive dividends paid in pound 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. 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 133)

US holders of ABN AMRO ordinary shares or ABN AMRO ADSs will likely 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 148)

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 pound sterling, at December 31, 2006.

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Summary Selected Historical Consolidated Financial Information of ABN AMRO (see page 154)

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.

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.

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 (except per share data)	m	m
(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 161)

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

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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	40.0
Diluted	39.3
Total assets	1,635,512
Total liabilities	1,560,951
Total shareholders equity	74,561

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 3.225 Barclays ordinary shares 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	0.59
Dividends declared per ordinary share	0.41
Book value per share	7.73

Unaudited Pro Forma per ABN AMRO Ordinary Share Equivalents

Unaudited pro forma per share of ABN AMRO ordinary shares:	
Basic earnings per ordinary share	1.90
Dividend per ordinary share	1.31
Book value per share	24.93

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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, and July [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 [l], 2007	£[l]	[l]

	Barclays ADSs	ABN AMRO ADSs
March 16, 2007	$53.50	$36.24
April 20, 2007	$60.00	$49.29
July [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.

	Barclays Ordinary Shares	ABN AMRO Equivalent per Share
March 16, 2007	£6.825	32.13(a)
April 20, 2007	£7.50	35.65(b)
July [l], 2007	£[l]	[l](c)

(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 price of £[l] on July [l], 2007 and the exchange rate of £1 = [l], as published by the Financial Times on July [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	$ 43.13[a]
April 20, 2007	$60.00	$ 48.38[a]
July [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.

	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

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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 .

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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 will receive a fixed number of Barclays ordinary shares or Barclays ADSs, respectively, in the exchange offer, 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 tender their securities 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 the 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 practicable trading day before the public announcement of the Merger Protocol and July [l], 2007.

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

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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 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 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

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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.

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 substantially different in form and/or value 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, 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 by Barclays at any level of acceptances above 50%). 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 substantially different in form and/or value 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

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- 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 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 less than 95% of the outstanding ABN AMRO ordinary shares (including ABN AMRO ordinary shares underlying 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.

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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.

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 870 million by the end of 2008, 2,080 million by the end of 2009 and 2,800 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.

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 potential conflicts of interest in recommending that holders of ABN AMRO ordinary shares and ABN AMRO ADSs tender their ABN AMRO ordinary shares and ABN AMRO ADSs in the exchange offer.

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 and are unanimously recommending to the holders of ABN AMRO ordinary shares and ABN AMRO ADSs to tender their ABN AMRO ordinary shares and ABN AMRO ADSs in the exchange offer. 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 when considering the recommendation of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board that holders of ABN AMRO ordinary shares and ABN AMRO ADSs tender their ABN AMRO ordinary shares and ABN AMRO ADSs in the exchange offer (such recommendation having been made after those interests required to be disclosed under applicable law were disclosed).

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.

As a result of these interests, these members of the ABN AMRO Managing Board or the ABN AMRO Supervisory Board may be more likely to support the exchange offer and to vote to adopt the Merger Protocol than if they did not have these interests.

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 pound 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 other, 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.

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 52% and 48%, 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.

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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 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

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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 6,114,529,347 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 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 1 notes or the reserve capital instruments or Tier 1 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 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 each of the ABN AMRO Managing Board, the ABN AMRO Supervisory Board and the Barclays Board has resolved to recommend unanimously the exchange offer. Pursuant to the exchange offer, holders of ABN AMRO ordinary shares or ABN AMRO ADSs, as the case may be, will receive:

3.225 Barclays ordinary shares for every 1 ABN AMRO ordinary share; or

0.80625 Barclays ADSs for every 1 ABN AMRO ADS.

The exchange offer values each ABN AMRO ordinary share at [l] ($[l]), 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 July [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] 1 = $[l], as published by the Financial Times on July [l], 2007.

At the time of announcement of the proposed transaction on April 23, 2007, the exchange offer valued each ABN AMRO ordinary share at 36.25 ($49.28), each ABN AMRO ADS at $48.38, based on the share price of Barclays ordinary shares of £7.50 on April 20, 2007, the last business day before the announcement, including the 0.60 ABN AMRO final 2006 dividend, and using the exchange rates of £1 = 1.4739 and 1 = $1.3594, as published by the Financial Times on April 21, 2007.

Under the terms of the exchange offer, existing holders of ABN AMRO ordinary shares and ABN AMRO ADSs will own approximately 48% of the issued ordinary share capital of the combined group and existing holders of Barclays ordinary shares and Barclays ADSs will own approximately 52% of the issued ordinary share capital of the combined group, assuming all of the ABN AMRO ordinary shares and ABN AMRO ADSs currently in issue (on a fully-diluted basis, excluding ordinary shares held as treasury shares, but including options and share awards) are tendered in the exchange offer.

The total exchange offer consideration equates to [l] billion, 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 July [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] 1 = $[l], as published by the Financial Times on July [l], 2007. The exchange offer represents a premium for holders of ABN AMRO ordinary shares or ABN AMRO ADSs of approximately:

[l]% to the share price of ABN AMRO ordinary shares on Euronext on March 16, 2007, the last trading day prior to the announcement that ABN AMRO and Barclays were in talks; and

[l]% over the average share price of ABN AMRO ordinary shares in the six months up to and including March 16, 2007.

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. In addition, any

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reduction below $21 billion in the price to be received by ABN AMRO in connection with the sale of LaSalle will be treated as a capital return by ABN AMRO, and the exchange ratios will be adjusted accordingly. 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.

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. These discussions were continued on February 27, 2007.

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

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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, the Barclays Board 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 20, 2007, ABN AMRO and Barclays announced the principles of any potential combination between them.

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 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

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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

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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.

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.

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 .

Taking into account the excess capital released by the sale of LaSalle, approximately 12 billion is expected to be distributed to the shareholders of the combined group in a tax efficient form, primarily through share buy-backs, after the effective date of the combination. 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 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* 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 share-

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holder approvals and the pro forma financial impact upon each of the Royal Bank of Scotland Group PLC, 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 recommended 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

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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 13, 2007, Mr. Wilco G. Jiskoot, together with representatives of UBS Limited and Morgan Stanley & Co. Limited, met with Mr. Guy Whittaker, of Royal Bank of Scotland Group PLC, Mr. Gilbert Mittler, of Fortis S.A./ N.V. and Mr. Jose Antonio Alvarez, of Banco Santander Central Hispano S.A., together with a representative of Merrill Lynch, to clarify the consortium s proposed offer for ABN AMRO with the understanding that ABN AMRO would not consider or facilitate any offer that did not preserve the rights and obligations under the LaSalle Agreement.

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 is independent legal advice issued to the Supreme Court.

It is expected that in mid-July 2007, the Supreme Court of The Netherlands will issue a decision on the appeal filed by ABN AMRO on May 15, 2007.

Recommendation by the ABN AMRO Managing Board and the ABN AMRO Supervisory Board

The ABN AMRO Managing Board and the ABN AMRO Supervisory Board, after giving due consideration to the strategic, financial and social aspects of the exchange offer, have unanimously concluded that the exchange offer is in the best interest of ABN AMRO and the ABN AMRO shareholders, and the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have each unanimously resolved to recommend that ABN AMRO shareholders accept the exchange offer.

The ABN AMRO Managing Board and the ABN AMRO Supervisory Board are of the opinion that the ABN AMRO ordinary share exchange ratio is fair from a financial point of view.

Reasons for the Transaction

In reaching its decisions to approve the Merger Protocol, recommend the transaction and acceptance of the exchange offer to the holders of ABN AMRO ordinary shares and ABN AMRO ADSs and the holders of Barclays ordinary shares and Barclays ADSs, as applicable, each of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and 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. The foregoing decisions of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board were made at special meetings of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board, held on April 22, 2007. In light of the number and wide variety of factors considered in connection with its evaluation of the transaction, each of the ABN AMRO Managing Board and the ABN AMRO Supervisory 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. Each of the ABN AMRO Managing Board and the ABN AMRO Supervisory 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 .

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Strategic Considerations

Each of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and 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 in comparison to other global industries;

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;

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 fundamental based capabilities;

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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

Each of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and the Barclays Board also considered a number of financial factors pertaining to the combination as generally supporting its decision to enter into the Merger Protocol. 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, and Integration Costs Revenue Benefits	**2008e**	**2009e**	**2010e**
	(m)	**(m)**	**(m)**
Cost Synergies	870	2,080	2,800
Revenue Benefits	(470)		700
Total Cost Synergies and Revenue Benefits	400	2,080	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.

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.

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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.

Other Synergies

It is estimated that further cost synergies of 200 million are expected to arise from the rationalization of the two head offices and approximately 100 million are expected to arise from the reduction of overlap in wealth and asset management.

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. Employee rights will be safeguarded under applicable law and any redundancies will be subject to the applicable process of employee consultation.

Financial Terms

Each of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and the Barclays Board also considered the financial terms of the exchange offer, including:

- the 3.225 Barclays ordinary shares that ABN AMRO ordinary shareholders would receive in the exchange offer for each of their ABN AMRO ordinary shares or the 0.80625 Barclays ADSs that ABN AMRO ADS holders would receive in the exchange offer for each of their ABN AMRO ADSs;

- the fact that the exchange offer represented, at that time, a premium of 33% over the closing price of ABN AMRO ordinary shares on Euronext on March 16, 2007, the last trading day prior to the announcement that ABN AMRO and Barclays were having discussions, and a premium of 49% over the average share price of ABN AMRO ordinary shares in the six months up to and including March 16, 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 52% and ABN AMRO ordinary shareholders will hold approximately 48% 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).

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(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.

Each of the ABN AMRO Managing Board, the ABN AMRO Supervisory Board and the Barclays Board also considered the results of the financial, legal and operational due diligence performed by their respective senior management and financial advisors, including Barclays historical share performance.

Opinions of ABN AMRO s Financial Advisors

At the special meeting held on April 22, 2007, the ABN AMRO Managing Board considered the oral opinion, subsequently confirmed in writing and dated April 22, 2007 of Morgan Stanley & Co. Limited to the effect that as of that date and based upon and subject to the various considerations set forth in such opinion, the ordinary share exchange ratio to be received by holders of ABN AMRO ordinary shares as set forth pursuant to the 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 ordinary shareholders of ABN AMRO. See Opinions of ABN AMRO s Financial Advisors .

At the same meeting, UBS Limited also 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 ordinary share exchange ratio 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. See Opinions of ABN AMRO s Financial Advisors .

At the special meeting held on April 22, 2007, the ABN AMRO Supervisory Board considered the oral opinion of Goldman Sachs International, later confirmed in writing, dated April 22, 2007, that, as of that date, and based upon and subject to the factors and assumptions set forth in such opinion, the ordinary share exchange ratio to be received by holders of ABN AMRO ordinary shares under the Merger Protocol is fair from a financial point of view to such holders. See Opinions of ABN AMRO s Financial Advisors .

Other Transaction Considerations

Each of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and 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 is expected to 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%).

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Risks

Each of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and 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;
- 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 ABN AMRO Managing Board and the ABN AMRO Supervisory Board also considered the additional risk associated with a fixed exchange ratio, which, by its nature would not adjust upwards to compensate for declines (or downwards to compensate for increases) in Barclays ordinary shares price prior to the completion of the proposed combination and that the terms of the Merger Protocol did not include collar provisions, or stock-price-based termination rights that would be triggered by a decrease of the value of the consideration implied by the market price of Barclays ordinary shares and Barclays ADS.

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

In considering the proposed combination, each of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board and the Barclays Board were 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 .

Opinions of ABN AMRO s Financial Advisors

Opinion of Morgan Stanley & Co. Limited

ABN AMRO retained Morgan Stanley & Co. Limited (Morgan Stanley) to provide it with financial advisory services and a financial opinion in connection with the exchange offer. ABN AMRO selected Morgan Stanley to act as its financial advisor based on Morgan Stanley s qualifications, expertise and reputation and its knowledge of the business and affairs of ABN AMRO. At the meeting of the ABN AMRO Managing Board on April 22, 2007, Morgan Stanley rendered 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 ordinary share exchange ratio to be received by holders of ABN AMRO ordinary shares set forth pursuant to the 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 ordinary shareholders of ABN AMRO.

The full text of the written opinion of Morgan Stanley, dated April 22, 2007, to the ABN AMRO Managing Board is attached to this document as Annex B. The opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the scope of the review undertaken by Morgan Stanley in rendering its opinion. Holders of ABN AMRO ordinary shares are encouraged to read the entire opinion carefully. Morgan Stanley s opinion is directed to the ABN AMRO Managing Board and addresses only the fairness, from a financial point of view, to holders of ABN AMRO ordinary shares (other than Barclays and its affiliates) of the ordinary share exchange ratio to be received by holders of ABN AMRO ordinary shares set forth pursuant to the Merger Protocol, solely in their capacity as ordinary shareholders of ABN AMRO, as of the date of the opinion. It does not address any other aspect or implication of the exchange offer or any other agreement, arrangement or understanding entered into in connection with the exchange offer or otherwise (including, without limitation, the merits of ABN AMRO s underlying business decision with respect to the exchange offer) and does not constitute a recommendation to any holder of ABN AMRO ordinary shares as to whether such holder should tender such shares into the exchange offer or as to how such holder should vote or act in connection with any matter relating to the exchange offer. The summary of the opinion of Morgan Stanley set forth in this document is qualified in its entirety by reference to the full text of the opinion. Morgan Stanley consented to the inclusion of its written opinion in this document.

In rendering its opinion, Morgan Stanley:

reviewed certain publicly available earnings forecasts, financial statements and other business and financial information of or relating to ABN AMRO and Barclays, respectively;

reviewed certain internal financial statements and other financial and operating data concerning ABN AMRO and Barclays including certain internal estimates as to potential cost savings and other synergies expected to result from the exchange offer that were prepared and provided to Morgan Stanley by management of ABN AMRO and Barclays and not publicly available;

reviewed certain financial projections prepared by, and which were provided to or discussed with Morgan Stanley by, the management of ABN AMRO;

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reviewed certain other financial information and data relating to ABN AMRO and Barclays which were provided to or discussed with Morgan Stanley by the respective managements of ABN AMRO and Barclays, including information relating to the potential strategic implications and operational benefits (including the amount, timing and achievability thereof) anticipated by the managements of ABN AMRO and Barclays to result from the exchange offer;

discussed the past and current operations and financial condition and the prospects of ABN AMRO with senior executives of ABN AMRO and analysed the potential pro forma impact of the exchange offer;

reviewed the prices and trading activity for the ordinary shares of ABN AMRO and Barclays, respectively;

compared the financial performance of ABN AMRO and Barclays with that of certain other publicly-traded companies comparable with ABN AMRO and Barclays;

reviewed the financial terms, to the extent publicly available, of certain comparable acquisition transactions;

participated in discussions and negotiations among representatives of ABN AMRO and Barclays and their respective financial and legal advisors;

reviewed the draft, dated April 22, 2007, of the Merger Protocol;

reviewed the draft, dated April 22, 2007, of the LaSalle Agreement;

reviewed the financial impact of the LaSalle Agreement on the exchange ratio and the conditionality of the exchange offer with the LaSalle Agreement; and

reviewed such other information and performed such other analyses that Morgan Stanley deemed appropriate.

In arriving at its opinion, Morgan Stanley assumed and relied, without independent verification, upon the accuracy and completeness of the information and data publicly available or supplied to or otherwise made available to it by ABN AMRO and Barclays for the purposes of this opinion and upon the assurances of the managements of ABN AMRO and Barclays that they were unaware of any facts that would make such information inaccurate or misleading and that they were not aware of any relevant information that had been omitted or that remained undisclosed to Morgan Stanley. With respect to the financial information and data relating to ABN AMRO and Barclays provided to or otherwise reviewed by or discussed with Morgan Stanley, Morgan Stanley were advised by the respective managements that such financial information and data were reasonably prepared on bases reflecting the best currently available estimates and judgments of managements of ABN AMRO and Barclays with respect to the potential strategic implications and operational benefits (including amount, timing and achievability thereof) anticipated to result from the exchange offer. Morgan Stanley also assumed with ABN AMRO s consent that the information and data concerning the synergies and the potential strategic implications and operational benefits (including amount, timing and achievability thereof) anticipated to result from the exchange offer had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of ABN AMRO and Barclays.

Morgan Stanley assumed that the exchange offer will be consummated on the basis of the terms and conditions set out in the draft of the Merger Protocol reviewed by Morgan Stanley without material amendment. In addition, Morgan Stanley assumed that in connection with the receipt of all the necessary regulatory or other approvals or consents required for the proposed exchange offer, no delays, limitations, conditions or restrictions will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived from the proposed exchange offer.

Morgan Stanley s opinion relates to the relative values of ABN AMRO and Barclays. Morgan Stanley did not express any opinion as to what the value of the Barclays ordinary shares actually will be when issued pursuant to the exchange offer or the price at which the ABN AMRO ordinary shares or Barclays

ordinary shares will trade at any time. Morgan Stanley are not legal, tax, regulatory or accountancy advisors and have relied upon, without independent verification, the assessment of ABN AMRO and its legal, regulatory, tax and accountancy advisors with respect to matters of law, regulation, tax and accountancy. Morgan Stanley did not make any independent valuation or appraisal of the assets or liabilities of ABN AMRO or Barclays, nor was Morgan Stanley furnished with any such appraisals. The valuation of securities is inherently imprecise and is subject to uncertainties and contingencies, all of which are difficult to predict and beyond Morgan Stanley s control. Morgan Stanley s opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Morgan Stanley as at, April 22, 2007, the date of the opinion. Events occurring after the date of the opinion, may affect Morgan Stanley s opinion and the assumptions used in preparing it, and Morgan Stanley did not assume any obligation to update, revise or reaffirm its opinion. In addition, Morgan Stanley cannot provide any assurance that its opinion could be repeated by the facts and circumstances in existence at any future date, and in particular on any date on which its opinion is included in an offer document, such as this registration statement, or is disclosed pursuant to any legal or regulatory requirement.

The following is a summary of the material analyses performed by Morgan Stanley in connection with its oral opinion and the preparation of its written opinion letter dated April 22, 2007. Certain of the analyses summarized below were based on closing prices for ABN AMRO ordinary shares as of February 19, 2007, the last full trading day preceding the day of the publication of the letter from The Children Investment Fund to Mr. Martinez and Mr. Groenink, which urged ABN AMRO to actively pursue the potential break up, spin off, sale or merger of ABN AMRO or of its various businesses (the TCI letter). The TCI letter put forward five specific motions to this effect to be included on the agenda of ABN AMRO s annual general meeting of shareholders planned for April 26, 2007. Following the TCI letter becoming public knowledge, ABN AMRO s ordinary share price increased by over 7% over the subsequent three day period. Some of these summaries of financial analyses include information presented in tabular format. In order to fully understand the financial analyses used by Morgan Stanley, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses.

Trading Range Analysis

Morgan Stanley reviewed the range of closing prices of ABN AMRO ordinary shares for various periods ending on February 19, 2007, the day prior to the publication of the TCI letter. Morgan Stanley observed the following:

Period Ending February 19, 2007	Range of Closing Prices
Spot	25.9
Prior 3 Calendar Months	22.5 - 25.9
Prior 6 Calendar Months	21.2 - 25.9
Prior 12 Calendar Months	20.5 - 25.9
Prior 24 Calendar Months	18.3 - 25.9

Morgan Stanley reviewed the range of closing prices of Barclays ordinary shares for various periods ending on April 20, 2007 (the last full trading day preceding the ABN AMRO Managing Board meeting to consider, approve, adopt and authorize the merger protocol with Barclays). Morgan Stanley observed the following:

Period Ending April 20, 2007	Range of Closing Prices
Spot	£7.5
Last 3 Calendar Months	£6.7-£7.9

Last 6 Calendar Months	£6.7-£7.9
Last 12 Calendar Months	£5.9-£7.9
Last 24 Calendar Months	£5.2-£7.9

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Based on the Barclays ordinary share closing price of £7.50 as of April 20, 2007 (the last full trading day preceding the ABN AMRO Managing Board meeting to consider, approve, adopt and authorize the Merger Protocol with Barclays) and on a £/ exchange rate of 0.6787, Morgan Stanley calculated that the ordinary share exchange ratio valued each ABN AMRO ordinary share at 36.24 as of April 20, 2007, including the value to ABN AMRO ordinary shareholders of the declared 0.60 final dividend for 2006.

Comparable Company Analysis

Morgan Stanley compared certain financial information of ABN AMRO and Barclays with publicly available consensus earnings estimates for other companies that shared similar business characteristics with ABN AMRO and Barclays. The companies used in this comparison included the following companies:

With respect to ABN AMRO: Société Générale SA, BNP Paribas SA, Deutsche Bank AG, Nordea Bank AB, Banco Santander Central Hispano SA, Banco Bilbao Vizcaya Argentaria Group SA, Unicredit Group SpA, Intesa San Paolo SpA, Barclays PLC, HBOS plc, Royal Bank of Scotland Group plc, Lloyds TSB Group plc;

With respect to Barclays: HBOS plc, Lloyds TSB Group plc and Royal Bank of Scotland Group plc;

For purposes of this analysis, Morgan Stanley analysed the ratio of price to estimated earnings for calendar year 2008 (based on publicly available estimates) of each of these companies for comparison purposes.

Based on this analysis, Morgan Stanley applied the range of financial multiples of the comparable companies to the ABN AMRO and Barclays 2008 estimated earnings per share. The share prices used for this analysis were the closing prices as of February 19, 2007 for the ordinary shares of ABN AMRO and its comparable companies, and April 20, 2007 for the ordinary shares of Barclays and its comparable companies. For purposes of estimated calendar year 2008 earnings, Morgan Stanley calculated a range of estimates by utilising publicly available consensus earnings estimates from the Institutional Brokers Estimate System, or IBES for ABN AMRO and Barclays as of February 19, 2007, and April 20, 2007, respectively. Based on ABN AMRO s and Barclays outstanding shares and options, Morgan Stanley estimated the implied value per ABN AMRO and Barclays ordinary share as follows:

Price to Estimated 2008 Earnings	2008 Earnings Per Share Estimate	Comparable Company Price/ Earnings Range	Implied Value Per Share Range
ABN AMRO	2.56	9.1x - 11.5x	23.2 - 29.5
Barclays	£0.80	8.6x - 10.4x	£6.9 - £8.3

In addition, Morgan Stanley conducted a regression analysis of the ratio of the price to book value versus return on equity. In this analysis, publicly-traded companies comparable with ABN AMRO and Barclays were evaluated using each of their respective estimated returns on equity for 2007 (based on consensus earnings estimates from publicly available equity research analyst reports), as well as the ratios of their respective current share price divided by their book value per share expected at the end of 2007 (based on consensus estimates from IBES). The companies used in this comparison included the following companies:

With respect to ABN AMRO and Barclays: Société Générale SA, BNP Paribas SA, Deutsche Bank AG, Nordea Bank AB, Banco Santander Central Hispano SA, Banco Bilbao Vizcaya Argentaria Group SA, Barclays PLC, HBOS plc, Royal Bank of Scotland Group plc, Lloyds TSB Group plc.

Results were then compared with the regression line that best fits the comparable companies evaluated in order to derive a theoretical over- or under-valuation of ABN AMRO and Barclays relative to the regression line of the comparable companies based on estimated 2007 return on equity and price to book value multiples as of February 20, 2007 for ABN AMRO (the last full trading day preceding the day of the publication of the TCI letter) and April 20, 2007 for Barclays (the last full trading day preceding the

ABN AMRO Managing Board meeting to consider, approve, adopt and authorize the Merger Protocol with Barclays) respectively.

No company utilized in the comparable company analysis is identical to ABN AMRO or Barclays. In evaluating comparable companies, Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of ABN AMRO or Barclays, such as the impact of competition on the businesses of ABN AMRO or Barclays and the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of ABN AMRO or Barclays or the industry or in the financial markets in general. Mathematical analysis (such as determining the average or median) is not in itself a meaningful method of using comparable company data.

Securities Research Analysts   Price Targets

Morgan Stanley reviewed and analysed future public market trading price targets for ABN AMRO and Barclays ordinary shares prepared and published by equity research analysts. These targets reflect each analyst s estimate of the future public market trading price of ABN AMRO and Barclays ordinary shares. For ABN AMRO, Morgan Stanley reviewed research published by equity research analysts prior to the publication of the TCI letter on February 19, 2007. The range of equity analyst price targets consisted of a representative range for ABN AMRO of   22.0 to   26.4 and a range for Barclays of £6.6 to £9.0.

The public market trading price targets published by securities research analysts do not necessarily reflect current market trading prices for ABN AMRO or Barclays ordinary shares and these estimates are subject to uncertainties, including the future financial performance of ABN AMRO or Barclays and future financial market conditions.

Equity Research Analysts Sum-of-The-Parts Analysis

Morgan Stanley reviewed and analysed the sum-of-the-parts price targets for ABN AMRO and Barclays ordinary shares prepared and published by equity research analysts. Such price targets reflect the potential value of ABN AMRO and Barclays assuming that each of ABN AMRO s and Barclays main business units are valued separately. For ABN AMRO, Morgan Stanley reviewed research published by equity research analysts prior to the publication of the TCI letter on February 19, 2007. For Barclays, Morgan Stanley reviewed research published by equity research analysts prior to April 20, 2007. The range of equity analysts sum-of-the-parts price targets consisted of a range for ABN AMRO of   25.1 to   30.6 and a range for Barclays of £7.7 to £9.0.

The sum-of-the-parts price targets published by securities research analysts do not necessarily reflect current market trading prices for ABN AMRO or Barclays ordinary shares and these estimates are subject to uncertainties, including the future financial performance of ABN AMRO or Barclays and future financial market conditions.

Trading Multiple Sum-of-The-Parts Analysis

Morgan Stanley analyzed the potential value of ABN AMRO, excluding LaSalle, assuming that each of ABN AMRO s main business units were valued at levels based upon trading multiples for various publicly traded companies that were comparable to ABN AMRO s various business units. Morgan Stanley applied trading multiples that it considered appropriate in the circumstances to reflect the fact that such business units were not identical to the publicly traded companies reviewed. Morgan Stanley analyzed the value of each of ABN AMRO s business units, excluding LaSalle, using estimates of 2007 earnings as provided by ABN AMRO management. Morgan Stanley then combined such business unit values and added the proposed offer price for LaSalle to derive an aggregate estimated per share value range for ABN AMRO ordinary shares of   30.1 to   31.1.

No company utilized in the comparable company analysis is identical to ABN AMRO or any of its business units. In evaluating comparable companies, Morgan Stanley made judgments and assumptions

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with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of ABN AMRO, such as the impact of competition on the businesses of ABN AMRO and the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of ABN AMRO or of any of its business units or the industry or in the financial markets in general. Mathematical analysis (such as determining the average or median) is not in itself a meaningful method of using comparable company data.

Break-Up Valuation Analysis

Morgan Stanley analysed the potential value of ABN AMRO assuming that each of ABN AMRO s main business units were sold separately at value levels for each transaction consistent with values achieved for similar assets in comparable precedent acquisition transactions. Morgan Stanley analysed, using estimates of 2007 earnings as provided by ABN AMRO management, the acquisition value of each of ABN AMRO s business units. Morgan Stanley then combined such acquisition values and assumed no breakup costs, transaction costs, capital gains or other form of taxes to derive an aggregate estimated per share value range for ABN AMRO ordinary shares of 34.3 to 35.3.

Exchange Ratio Premium Analysis

Morgan Stanley reviewed the ratios of the closing prices of ABN AMRO ordinary shares divided by the corresponding closing prices of Barclays ordinary shares over various periods, as follows:

- Using ABN AMRO s preceding 30-day trading average share price as of April 20, 2007, and Barclays preceding 30-day trading average share price prior to speculation as to a potential combination involving ABN AMRO and Barclays which appeared in the press on March 18, 2007, Morgan Stanley noted that the exchange ratio was 2.92x

- Using ABN AMRO s and Barclays share prices as of April 20, 2007, Morgan Stanley noted that the exchange ratio was 3.28x

Morgan Stanley noted that the exchange offer valued each ABN AMRO ordinary share at 36.24, taking into account that ABN AMRO ordinary shareholders would be entitled to receive the declared 0.60 final dividend for 2006.

Miscellaneous

In connection with the review of the exchange offer by ABN AMRO s Managing Board, Morgan Stanley performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a financial opinion is a complex process and is not necessarily susceptible to a partial analysis or summary description. In arriving at its opinion, Morgan Stanley considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor it considered. Morgan Stanley believes that selecting any portion of its analyses, without considering all analyses as a whole, would create an incomplete view of the process underlying its analyses and opinion. In addition, Morgan Stanley may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis described above should not be taken to be Morgan Stanley s view of the actual value of ABN AMRO. In performing its analyses, Morgan Stanley made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of ABN AMRO. Any estimates contained in Morgan Stanley s analyses are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by such estimates.

Morgan Stanley conducted the analyses described above solely as part of its analysis of the fairness of the ordinary share exchange ratio pursuant to the Merger Protocol from a financial point of view to holders of ABN AMRO ordinary shares (other than Barclays and its affiliates), solely in their capacity as ordinary shareholders of ABN AMRO, and in connection with the delivery of its opinion to the ABN AMRO Managing Board. These analyses do not purport to be appraisals or to reflect the prices at which shares

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of ABN AMRO or shares of Barclays might actually trade. The ordinary share exchange ratio and the other terms of the Merger Protocol were determined through arm s-length negotiations between ABN AMRO and Barclays and were approved by the ABN AMRO Managing Board and the ABN AMRO Supervisory Board. Morgan Stanley provided financial advice to the ABN AMRO Managing Board during these negotiations. Morgan Stanley did not, however, recommend any specific consideration to ABN AMRO or that any specific consideration constituted the only appropriate consideration for the exchange offer.

Morgan Stanley s opinion was one of many factors taken into consideration by the ABN AMRO Managing Board in deciding to approve, adopt and authorise the Merger Protocol. Consequently, the analyses as described above should not be viewed as determinative of the opinion of the ABN AMRO Managing Board with respect to the ordinary share exchange ratio or of whether the ABN AMRO Managing Board would have been willing to agree to a different consideration.

The ABN AMRO Managing Board retained Morgan Stanley based upon Morgan Stanley s qualifications, experience and expertise. Morgan Stanley is an internationally recognised investment banking and financial advisory firm. Morgan Stanley, as part of its investment banking and financial advisory business, is continuously engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate, estate and other purposes. In the ordinary course of its trading, brokerage, investment management and financing activities, Morgan Stanley or its affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of ABN AMRO or Barclays or any other company or any currency that may be involved in the exchange offer. In the past, Morgan Stanley and its affiliates have provided financial advisory and financing services for ABN AMRO and Barclays and their respective affiliates and have received fees in connection with such services. Morgan Stanley and its affiliates may also seek to provide such services to ABN AMRO and Barclays in the future and may receive fees for the rendering of these services.

Under the terms of its engagement letter with Morgan Stanley, ABN AMRO agreed to pay Morgan Stanley a transaction fee of approximately 39.0 million if a combination transaction occurs on or prior to December 31, 2007 and 50.7 million if the combination transaction occurs after December 31, 2007. If a combination transaction has not been completed by March 31, 2008 and there is no reasonable prospect that a combination transaction can complete, the transaction fee shall be 12.5 million. In addition, ABN AMRO agreed to pay Morgan Stanley a flat fee of 2.0 million in connection with the sale of LaSalle. ABN AMRO has also agreed to reimburse Morgan Stanley for certain expenses incurred in performing its services. In addition, ABN AMRO has agreed to indemnify Morgan Stanley and its affiliates, their respective directors, officers, agents and employees and each person, if any, controlling Morgan Stanley or any of its affiliates against certain liabilities and expenses, including certain liabilities under the U.S. federal securities laws, related to or arising out of Morgan Stanley s engagement.

In the past, Morgan Stanley and its affiliates have provided financial advisory and financing services, including engaging in transactions concerning securities and other instruments, with ABN AMRO, Barclays and certain of their respective affiliates and may do so in the future. In connection with these services Morgan Stanley and its affiliates have received, or may receive in the future, remuneration. Except for the remuneration payable by ABN AMRO to Morgan Stanley in connection with the proposed combination transaction and the sale of LaSalle (as described in the paragraph above), the investment banking business of Morgan Stanley has not had any material engagements with ABN AMRO and its affiliates within the past two years for which it has received remuneration.

Opinion of UBS Limited

On April 22, 2007, at a special meeting of the ABN AMRO Managing Board held to evaluate the proposed offer, UBS Limited (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 of for each ABN AMRO ordinary share (the ordinary share exchange ratio) tendered pursuant to the offer, to be received by holders of ordinary shares of ABN AMRO, other than Barclays and its affiliates, was fair, from a financial point of view, to such holders.

The full text of UBS opinion describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by UBS. This opinion is attached as Annex C and is incorporated into this document by reference. **UBS opinion is directed only to the fairness, from a financial point of view, of the ordinary share exchange ratio to be received by holders of ABN AMRO ordinary shares, other than Barclays and its affiliates, and does not address any other aspect of the offer. The opinion does not address the relative merits of the offer or any related transactions as compared to other business strategies or transactions that might be available with respect to ABN AMRO or ABN AMRO s underlying business decision to effect the offer or any related transactions. The opinion is not a recommendation to any holder of ordinary shares of ABN AMRO as to how such holder should act or vote with respect to the offer or any related transactions or as to whether or not such holder should tender such shares in connection with the offer. Holders of ordinary shares of ABN AMRO are encouraged to read this opinion carefully in its entirety.** The summary of UBS opinion described below is qualified in its entirety by reference to the full text of its opinion.

In arriving at its opinion, UBS, among other things:

- reviewed certain publicly available business and historical financial information relating to ABN AMRO and Barclays;

- reviewed certain internal financial information, estimates and other data relating to the business and financial prospects of ABN AMRO (both including and excluding LaSalle) that were prepared and provided to UBS by the management of ABN AMRO and not publicly available, including financial forecasts and estimates prepared by the management of ABN AMRO (the Company Estimates);

- reviewed publicly available research analysts estimates as compiled by the Institutional Brokers Estimate System, referred to as IBES consensus estimates, relating to the future financial performance of ABN AMRO and Barclays (in the case of Barclays, the Barclays IBES Estimates);

- reviewed publicly available broker estimates of future risk-weighted assets for Barclays (the Barclays RWA Estimates); and growth rates for Barclays dividends for the period between the period covered by the Barclays IBES Estimates and 2014, interpolated based on the average growth rate for Barclays dividends in such Barclays IBES Estimates and the long term inflation rate (the Barclays Medium-Term Growth Rate Estimates);

- reviewed certain internal estimates as to potential cost savings and other synergies expected to result from the offer that were prepared and provided to UBS by the managements of ABN AMRO and Barclays and not publicly available (the Synergies Estimates);

- conducted discussions with members of the senior managements of ABN AMRO and Barclays concerning the business and financial prospects of ABN AMRO and Barclays;

- reviewed current and historical market prices of ABN AMRO ordinary shares and Barclays ordinary shares;

- reviewed publicly available financial and stock market data with respect to certain other companies UBS believed to be generally relevant;

compared the financial terms of the offer with the publicly available financial terms of certain other transactions UBS believed to be generally relevant;

considered certain potential pro forma effects of the offer on Barclays financial statements and Barclays capital position resulting from the offer (the Pro Forma Effects);

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reviewed a draft of the Merger Protocol, dated April 22, 2007, and a draft of the LaSalle Agreement, dated April 22, 2007; and

conducted such other financial studies, analyses and investigations, and considered such other information, as UBS deemed necessary or appropriate.

In connection with its review, with the consent of the ABN AMRO Managing Board, UBS did not assume any responsibility for independent verification of any of the information provided to or reviewed by UBS for the purpose of its opinion and, with the consent of the ABN AMRO Managing Board, UBS relied on such information being complete and accurate in all material respects and further relied upon the assurances of management of ABN AMRO that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. In addition, with the consent of the ABN AMRO Managing Board, UBS did not make any independent evaluation or appraisal of any assets or liabilities (contingent or otherwise) of ABN AMRO or Barclays, and was not furnished with any such evaluation or appraisal. With respect to the Company Estimates (including and excluding LaSalle), the Barclays IBES Estimates, the Barclays RWA Estimates, the Barclays Medium-Term Growth Rate Estimates, the Synergy Estimates and the Pro Forma Effects, UBS assumed, at the direction of the ABN AMRO Managing Board, that they were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of ABN AMRO as to the future financial performance of ABN AMRO (including and excluding LaSalle, as the case may be) and Barclays. In addition, UBS assumed with the approval of the ABN AMRO Managing Board that such financial forecasts and estimates (in the case of the Company Estimates, either including or excluding LaSalle, as the case may be), including synergies, would be achieved at the times and in the amounts projected. UBS is not an expert in the evaluation of loan or lease portfolios or allowances for losses with respect thereto, was not requested to conduct, and did not conduct, a review of individual credit files, and was advised and therefore assumed that such allowances for ABN AMRO and Barclays were in the aggregate appropriate to cover such losses. UBS opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to UBS as of, the date of its opinion. Although developments and events occurring after the date of its opinion might affect the information UBS reviewed in connection with its opinion and the assumptions used in preparing it, UBS assumed no obligation to update or revise its opinion.

At the direction of the ABN AMRO Managing Board, UBS was not asked to, nor did UBS, offer any opinion as to the terms, other than the ordinary share exchange ratio to the extent expressly specified in UBS opinion, of the Merger Protocol or the form of the offer or any related transactions. UBS expressed no opinion as to what the value of Barclays ordinary shares would be when issued pursuant to the offer or the price at which Barclays ordinary shares would trade at any time. In rendering its opinion, UBS assumed, with the consent of the ABN AMRO Managing Board, that (i) the final executed form of the Merger Protocol and the LaSalle Agreement would not differ in any material respect from the drafts that UBS examined; (ii) ABN AMRO and Barclays would comply with all the material terms of the Merger Protocol and ABN AMRO and any other party or parties thereto would comply with all the material terms of the LaSalle Agreement; (iii) the offer and any related transactions would be consummated in accordance with the terms of the Merger Protocol, without any adverse waiver or amendment of any material term or condition thereof; and (iv) with respect to LaSalle, the LaSalle sale would be consummated in accordance with the terms of the LaSalle Agreement for $21 billion in cash, without any adverse waiver or amendment of any material term or condition thereof, or, alternatively, that LaSalle would not be sold. UBS also assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the offer and related transactions would be obtained without any material adverse effect on ABN AMRO, Barclays or the offer. UBS was not authorized to solicit and did not solicit indications of interest in a business combination with ABN AMRO from any third party. Except as described above, ABN AMRO imposed no other instructions or limitations on UBS with respect to the investigations made or the procedures followed by UBS in rendering its opinion.

In connection with rendering its opinion to the ABN AMRO Managing Board, UBS performed a variety of financial and comparative analyses which are summarized below. The following summary is not a complete description of all analyses performed and factors considered by UBS in connection with its opinion. The preparation of a financial opinion is a complex process involving subjective judgments and is not necessarily susceptible to partial analysis or summary description. With respect to the selected companies analysis and the selected transactions analysis summarized below, no company or transaction used as a comparison is either identical or directly comparable to ABN AMRO, Barclays or the offer. These analyses necessarily involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the public trading or acquisition values of the companies concerned.

UBS believes that its analyses and the summary below must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying UBS analyses and opinion. UBS did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis for purposes of its opinion, but rather arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole.

The estimates of the future performance of ABN AMRO provided by ABN AMRO s management, the Synergies Estimates, the brokers estimates for Barclays and the IBES estimates for ABN AMRO and Barclays in or underlying UBS analyses are not necessarily indicative of future results or values, which may be significantly more or less favorable than those estimates. In performing its analyses, UBS considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of ABN AMRO. Estimates of the financial value of companies do not purport to be appraisals or necessarily reflect the prices at which companies actually may be sold.

The ordinary share exchange ratio was determined through negotiation between ABN AMRO and Barclays and the decision to effect the offer was solely that of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board. UBS opinion and financial analyses were only one of many factors considered by the ABN AMRO Managing Board in its evaluation of the offer and should not be viewed as determinative of the views of the ABN AMRO Managing Board with respect to the offer or the ordinary share exchange ratio.

The following is a brief summary of the material financial analyses performed by UBS and reviewed with the ABN AMRO Managing Board in connection with its opinion relating to the proposed offer. **The financial analyses summarized below include information presented in tabular format. In order to fully understand UBS financial analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of UBS financial analyses.**

ABN AMRO Financial Analyses

In considering these analyses, UBS assumed, except as described below, a sale of LaSalle for $21 billion, prior to the completion of the Barclays transaction. The sale proceeds have been valued on a dollar-for-dollar basis, while the value of the remaining components has been compared/assessed according to the methodologies described below.

<u>Selected Public Companies Analysis</u>

UBS compared selected financial and stock market data of ABN AMRO with corresponding data, to the extent publicly available, of the following nine publicly traded companies in the banking and financial services industry:

- BNP Paribas S.A.
- Banco Bilbao Vizcaya Argentaria S.A.

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Fortis SA/ NV

ING Groep N.V.

Intesa Sanpaolo S.p.A.

KBC Groupe S.A.

Société Générale S.A.

Banco Santander Central Hispano, S.A.

UniCredit S.p.A.

UBS reviewed, among other things, closing stock prices of the selected companies on April 20, 2007 as a multiple of calendar years 2008 and 2009 estimated earnings per share (referred to as EPS) and of December 31, 2006 (actual) and December 31, 2007 (estimated) book values per share (referred to as BVPS). UBS then compared these multiples derived from the selected companies with corresponding multiples implied for ABN AMRO excluding LaSalle based on the implied value of the exchange offer consideration, utilizing the ordinary share exchange ratio, the closing price of Barclays ordinary shares on April 20, 2007, converted at a £/ foreign exchange rate of 0.6787 as of April 20, 2007, and assuming additionally the receipt of an ABN AMRO final 2006 dividend of 0.60 per share and subtracting from the exchange offer consideration per share the value per share of LaSalle. UBS calculated the implied value of the exchange offer consideration to be equal to 36.24 per ABN AMRO ordinary share and to 27.87 per ABN AMRO ordinary share net of the value per share of the LaSalle consideration equal to 8.37, based on a $/ foreign exchange rate of 1.35935 as of April 20, 2007 and a number of ordinary shares of 1,846 million. UBS also compared these multiples with corresponding multiples implied for the whole of ABN AMRO (including LaSalle) based on the implied value of the exchange offer consideration calculated as previously detailed. Financial data of the selected companies were based on IBES estimates, public filings and other publicly available information. Estimated financial data of LaSalle were based on Company Estimates. Estimated financial data of ABN AMRO, including LaSalle were based on (a) Company Estimates and (b) IBES estimates. This analysis indicated the following implied high, mean and low multiples for the selected companies, as compared to corresponding range of multiples implied for ABN AMRO, both excluding and including LaSalle, based on both Company Estimates and IBES estimates:

	Implied Multiples for Selected Companies			Implied Multiples for ABN AMRO (both excluding and including LaSalle) based on both Company Estimates and IBES
	High	Mean	Low	
Closing Stock Price as Multiple of EPS:				
2008E	12.2x	10.4x	9.4x	13.4x-14.2x
2009E	10.7x	9.4x	8.6x	11.1x-13.9x
Closing Stock Price as Multiple of BVPS:				
December 31, 2006A	2.98x	2.08x	1.36x	2.79x-3.03x
December 31, 2007E	2.59x	1.88x	1.30x	2.56x-2.75x

Selected Precedent Transactions Analysis

UBS reviewed transaction value multiples in the following eight selected cross-border transactions in the European banking industry involving companies with transaction values of over 1 billion announced

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since January 1, 2000. UBS also reviewed for reference four domestic transactions with the same characteristics:

Announcement Date	Acquiror	Target
Cross-border transactions		
February 4, 2006	BNP Paribas S.A.	Banca Nazionale del Lavoro S.p.A.
June 12, 2005	UniCredit S.p.A.	Bayerische Hypo- und Vereinsbank AG
March 30, 2005	ABN AMRO Holding N.V.	Banca Antoniana Popolare Veneta S.p.A.
July 26, 2004	Banco Santander Central Hispano, S.A.	Abbey National plc
May 8, 2003	Barclays PLC	Banco Zaragozano S.A.
July 22, 2000	Bayerische Hypo- und Vereinsbank AG	Bank Austria Creditanstalt AG
April 1, 2000	HSBC Holdings plc	Crédit Commercial de France S.A.
March 6, 2000	Nordic Baltic Holding (NBH) AB	Unidanmark A/S
Domestic transactions		
August 28, 2006	Banca Intesa S.p.A.	Sanpaolo IMI S.p.A.
December 16, 2002	Crédit Agricole S.A.	Crédit Lyonnais S.A.
May 4, 2001	Halifax Group plc	Bank of Scotland
April 1, 2001	Allianz AG	Dresdner Bank AG

UBS reviewed purchase prices in the selected transactions as multiples of the target companies historical and estimated forward 12 months EPS and book value per share as of the most recently completed accounting period prior to public announcement of the relevant transaction. UBS then compared these multiples derived from the selected cross-border transactions with corresponding multiples implied in the offer for ABN AMRO excluding LaSalle. UBS also compared these multiples with corresponding multiples implied for the whole of ABN AMRO (including LaSalle), based on the implied value of the transaction consideration calculated as previously detailed.

Multiples for the selected transactions were based on IBES mean EPS estimates, public filings and other publicly available information at the time of announcement of the relevant transaction. Financial data for ABN AMRO were based on the Company Estimates, public filings and IBES estimates. This analysis indicated the following implied high, mean and low multiples for the selected transactions, as compared to corresponding range of multiples implied for ABN AMRO both excluding and including LaSalle, based on both Company Estimates and IBES estimates:

	Implied Multiples for Selected Cross-Border Transactions				Implied Multiples for ABN AMRO (both excluding and including LaSalle) based on both Company Estimates and IBES
Transaction Value as Multiple of:	**High**	**Mean**	**Mean (>50% shares)[(a)]**	**Low**	

Historical EPS	27.2x	18.6x	11.2x	7.8x	13.4x-14.0x
1-year Forward EPS	24.9x	17.3x	13.5x	11.5x	15.1x-15.5x
BVPS (last reported)	3.5x	2.2x	1.6x	1.2x	2.8x-3.0x

(a) The mean where the percentage of offer consideration in the form of equity was greater than 50%.

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Discounted Cash Flow Analysis

UBS performed a discounted cash flow analysis of ABN AMRO by applying the discounted dividend methodology to calculate the estimated present value of the standalone dividends that ABN AMRO (excluding LaSalle) could pay out over calendar years 2007 through 2013, assuming the maintenance of a target Core Tier I ratio. The analysis was based on net income and risk weighted asset estimates included in the Company Estimates and the assumptions described below. UBS calculated a range of terminal values by undertaking a sensitivity analysis of the assumed target Core Tier I ratio range applied to:

the long-term growth rate applied to ABN AMRO s calendar year 2013 estimated dividends; and

the discount rate applied to determine the present value of the dividends.

For purposes of this analysis, UBS utilized the following data and assumptions as discussed with and confirmed as reasonable by ABN AMRO s management:

the Company Estimates, as discussed with the management of ABN AMRO, adjusted to assume no buy-back of shares from 2007 (and therefore a constant number of shares);

a long-term dividend growth rate range of 1.8% to 2.2%;

a target Core Tier I ratio range of 5.5% to 6.5%; and

a discount rate range of 10.2% to 10.6% (based on Capital Asset Pricing Model formula, assuming a risk-free rate of 4.5% (average of US, Brazilian and Euro area (Germany) risk free rates, respectively weighted for the contribution of BU North America, BU Latin America and other activities to ABN AMRO s 2006 net income), a beta range of 1.13-1.22 and a market risk premium of 5.0%).

This analysis indicated an implied value range per ordinary share for ABN AMRO, excluding LaSalle, of 23.25 to 27.28, as compared to the 27.87 per ordinary share value implied for ABN AMRO (excluding LaSalle) in the offer, based on the implied value of the transaction consideration and the value per share of the LaSalle consideration equal to 8.37, calculated as previously detailed.

Barclays Financial Analyses

Selected Public Companies Analysis

UBS compared selected financial and stock market data of Barclays with corresponding data, to the extent publicly available, of the following six publicly traded companies in the banking and financial services industry:

BNP Paribas S.A.

HBOS plc

HSBC Holdings plc

Lloyds TSB Group plc

The Royal Bank of Scotland Group PLC

Société Générale S.A.

UBS reviewed, among other things, closing stock prices of the selected companies on April 20, 2007 as a multiple of calendar years 2008 and 2009 estimated EPS and of December 31, 2006 (actual) and December 31, 2007 (estimated) BVPS. UBS then compared these multiples derived from the selected companies with corresponding multiples implied for Barclays based on the closing price of its ordinary shares on April 20, 2007. Financial data of the selected companies were based on IBES estimates, public filings and other publicly available information. Estimated financial data of Barclays were based on the

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Barclays IBES Estimates. This analysis indicated the following implied high, mean and low multiples for the selected companies, as compared to corresponding multiples implied for Barclays:

	Implied Multiples for Selected Companies			Implied Multiples for Barclays based on IBES Estimates
	High	**Mean**	**Low**	
Closing Stock Price as Multiple of EPS:				
2008E	11.5x	10.0x	8.7x	9.6x
2009E	10.6x	9.2x	7.9x	8.7x
Closing Stock Price as Multiple of BVPS:				
December 31, 2006A	2.99x	2.10x	1.59x	2.48x
December 31, 2007E	2.76x	1.92x	1.46x	2.20x

Discounted Cash Flow Analysis

UBS performed a discounted cash flow analysis of Barclays by applying the discounted dividend methodology to calculate the estimated present value of the standalone dividends that Barclays could pay out over calendar years 2007 through 2014, assuming the maintenance of a target Core Tier I ratio. Estimated financial data for Barclays were based on the Barclays IBES Estimates for calendar years 2007 to 2009, the Barclays RWA Estimates and the assumptions set out below. UBS calculated a range of terminal values by undertaking a sensitivity analysis of the assumed target Core Tier I ratio range for Barclays to:

- the long-term growth rate applied to Barclays calendar year 2014 estimated dividend; and
- the discount rate applied to determine the present value of the dividends.

For purposes of this analysis, UBS utilized the following data and assumptions as discussed with and confirmed as reasonable by ABN AMRO s management:

- the growth rates for Barclays dividends for the period between the period covered by the Barclays IBES Estimates (2007 2009) and 2014 were determined assuming a linear decrease from the 2007 2009 compound annual growth rate of Barclays earnings to a long-term growth rate of 2%;
- a long-term dividend growth rate range of 1.8% to 2.2%;
- a target Core Tier I ratio range of 5.0% to 6.0%; and
- a discount rate range of 10.9% to 11.0% (based on Capital Asset Pricing Model formula, assuming a risk-free rate of 5.1% (UK 10 year government bond), a beta range of 1.15-1.18 and a market risk premium of 5.0%).

This analysis indicated an implied per share equity reference range for Barclays of £6.94 to £7.81, as compared to the closing price of Barclays ordinary shares on April 20, 2007 of £7.50.

Pro Forma Transaction Analysis

UBS analyzed the potential pro forma financial effect of the offer on the Barclays IBES Estimates for EPS for calendar years 2007, 2008 and 2009 after giving effect to the Synergies Estimates anticipated by the managements of

ABN AMRO and Barclays to result from the offer and assuming, for purposes of such analysis, that 100% of the total transaction consideration would be payable in Barclays ordinary shares. Estimated standalone data for ABN AMRO were based on the Company Estimates for net income

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for calendar years 2007, 2008 and 2009. For purposes of this analysis, UBS utilized the following assumptions as discussed with and confirmed as reasonable by ABN AMRO s management:

a closing date for the merger of December 31, 2007;

pre-tax cost and revenue synergies of 3.5 billion, phased as follows: 0% in 2007, 11% in 2008, 59% in 2009, 100% in 2010; and

a pre-tax restructuring charge of 3.6 billion, phased as follows: 0% in 2007, 60% in 2008, 30% in 2009, 10% in 2010.

UBS also assumed that all cash proceeds from the sale of LaSalle would be returned to shareholders in the form of a share buy-back at Barclays ordinary share price as of April 20, 2007 converted into euro at the £/ exchange rate of 0.6787 as of April 20, 2007.

Based on the ordinary share exchange ratio and the closing price of Barclays ordinary shares on April 20, 2007, this analysis suggested that the offer could be dilutive to Barclays estimated EPS (before restructuring charges) in calendar years 2007 and 2008, and accretive to Barclays estimated EPS in calendar year 2009.

For comparison purposes, the estimated net income per Barclays ordinary share pro forma for the combination, including synergies (before restructuring charges) was calculated to reflect the net income of Barclays per ABN AMRO ordinary share (taking into account the ordinary share exchange ratio). Based on this analysis, UBS concluded that, based on the Company Estimates, the combination would be accretive to ABN AMRO s standalone estimated EPS in each of 2007, 2008 and 2009.

The actual results achieved by the combined group may vary from projected results and the variations may be material.

Other factors

In rendering its opinion, UBS also reviewed and considered other factors, including:

the offer price implied for ABN AMRO in the offer based on the ordinary share exchange ratio (including and excluding LaSalle) relative to the:

- closing price of ABN AMRO ordinary shares the last trading day prior to the announcement that ABN AMRO and Barclays entered into the Merger Protocol;
- the last 1 month average closing price of ABN AMRO ordinary shares prior to February 21, 2007 (the date of disclosure of The Children s Investment Fund letter to Mr. Martinez and Mr. Groenink); and
- the last 1 month average closing price of ABN AMRO ordinary shares prior to March 19, 2007 (the date of press reports indicating that Barclays and ABN AMRO were in merger discussions);

the share prices for ABN AMRO and Barclays for the period January 1, 2006 to April 20, 2007, relative to the Dow Jones Eurostoxx index;

the net present value of the Synergies Estimates per ABN AMRO ordinary share, valued at 100% and 48% (the latter being ABN AMRO s contribution to the combined market capitalization, based on the fully diluted number of shares and the ordinary share exchange ratio); and

the value of the internally estimated cost and revenue synergies as a percentage of ABN AMRO s historical cost and revenue base respectively, and the estimated restructuring costs as a percentage of one year s fully phased-in cost synergies. These ratios were compared with the corresponding implied synergy ratios, based on the respective company s announcements, for the precedent European cross-border transactions listed earlier in this section.

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Miscellaneous

Under the terms of its engagement letter with UBS, ABN AMRO agreed to pay UBS a transaction fee of approximately 39.0 million if a combination transaction occurs on or prior to December 31, 2007 and 50.7 million if the combination transaction occurs after December 31, 2007. If a combination transaction has not completed by March 31, 2008 and there is no reasonable prospect that a combination transaction can complete, the transaction fee shall be 12.5 million. In addition, ABN AMRO has agreed to reimburse UBS for its expenses, including fees, disbursements and other reasonable charges of counsel, and to indemnify UBS and related parties against liabilities, including liabilities under US federal securities laws, relating to, or arising out of, its engagement. UBS and its affiliates in the past have provided services to ABN AMRO and Barclays and certain of their respective affiliates, unrelated to the proposed exchange offer, for which services UBS and its affiliates have received compensation, including having acted as financial advisor to ABN AMRO in its sale of LaSalle, financial advisor to ABN AMRO in connection with its disposal of Bouwfonds to Rabobank and SNS REAAL in December 2006; financial advisor to ABN AMRO Asset Management in the restructuring of its China Joint Venture Fund Management Company in May 2006; and financial advisor to ABN AMRO in the disposal of its US mutual fund business in April 2006. The aggregate compensation received by UBS and its affiliates in connection with the above transactions was approximately 8.2 million. Additionally, in September 2006, UBS AG purchased ABN AMRO s Global Futures and Options Business for a cash consideration of $386 million plus net tangible assets. UBS and its affiliates regularly engage in transactions concerning securities and other instruments with ABN AMRO, Barclays and certain of their respective affiliates, for which, or in which, UBS and its affiliates have received or may receive compensation. In the ordinary course of business, UBS, its successors and affiliates may hold or trade, for their own accounts and the accounts of their customers, securities of ABN AMRO and Barclays, and, accordingly, may at any time hold a long or short position in such securities. ABN AMRO selected UBS as its financial advisor in connection with the exchange offer because UBS is an internationally recognized investment banking firm with substantial experience in similar transactions and is familiar with ABN AMRO and its business. UBS is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, leveraged buyouts, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities and private placements.

Opinion of Goldman Sachs International

On April 22, 2007, at a special meeting of the ABN AMRO Supervisory Board held to evaluate the proposed exchange offer, Goldman Sachs International (Goldman Sachs) rendered to the ABN AMRO Supervisory Board an oral opinion, later confirmed in writing, dated as of April 22, 2007, that, as of that date and based upon and subject to the factors and assumptions set forth therein, the ordinary share exchange ratio pursuant to the Merger Protocol was fair from a financial point of view to holders of ABN AMRO ordinary shares. The full text of the written opinion of Goldman Sachs, dated April 22, 2007, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex D to this document. Goldman Sachs provided its opinion for the information and assistance of the ABN AMRO Supervisory Board in connection with its consideration of the proposed exchange offer. Goldman Sachs opinion is not a recommendation as to whether any holder of ABN AMRO ordinary shares should tender such shares in connection with the proposed exchange offer.

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

- the Merger Protocol;
- annual reports to shareholders and the ABN AMRO 2006 Form 20-F and the Barclays 2006 Form 20-F;
- certain quarterly and interim reports to shareholders of ABN AMRO;

certain interim reports to shareholders of Barclays;

certain other communications from ABN AMRO and Barclays to their respective shareholders;

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certain publicly available research analyst reports with respect to the future financial performance of ABN AMRO and Barclays;

certain internal analyses and budgets for 2007 for Barclays prepared by the senior management of Barclays;

certain financial analyses and forecasts for ABN AMRO reviewed and approved by the Management Board of ABN AMRO: and

certain cost savings and operating synergies projected by the managements of ABN AMRO and Barclays to result from the proposed exchange offer.

Goldman Sachs also held discussions with members of the senior management of ABN AMRO regarding their assessment of the strategic rationale for, and the potential benefits of, the proposed exchange offer and with the senior managements of ABN AMRO and Barclays regarding the past and current business operations, financial condition, and future prospects of their respective companies. In addition, Goldman Sachs reviewed the reported price and trading activity for ABN AMRO ordinary shares and Barclays ordinary shares, compared certain financial and stock market information for ABN AMRO and Barclays with similar information for certain other companies the securities of which are publicly traded, and reviewed the financial terms of certain recent business combinations in the banking industry specifically and in other industries generally and performed such other studies and analyses, and considered such other factors, as it considered appropriate.

Goldman Sachs relied upon the accuracy and completeness of all of the financial, legal, accounting, tax and other information discussed with or reviewed by it and assumed such accuracy and completeness for purposes of rendering the opinion described above. Goldman Sachs assumed, with the consent of the ABN AMRO Supervisory Board, that the ABN AMRO forecasts, the Barclays budget and savings and synergies referred to above were reasonably prepared on a basis reflecting the best currently available estimates of ABN AMRO and Barclays, as the case may be. Barclays did not make available to Goldman Sachs any projections regarding its expected future financial performance (other than the Barclays budget) and, accordingly, Goldman Sachs review of such matters was limited to discussions with members of the senior management of Barclays regarding the Barclays budget and certain publicly available research analyst estimates of the future financial performance of Barclays. Goldman Sachs assumed that, except to the extent it is not meaningful to its analysis, there will be no changes to the terms of the Merger Protocol, the conditions to the Merger Protocol will be satisfied or waived and the proposed exchange offer will proceed in accordance with the terms set out therein. Goldman Sachs also assumed that all the government, regulatory, tax or other consents and approvals necessary for the consummation of the proposed exchange offer will be obtained without any adverse effect on ABN AMRO or Barclays or on the expected benefits of the proposed exchange offer contemplated by the Merger Protocol in any way meaningful to its analysis. In addition, Goldman Sachs did not review individual credit files or make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or off-balance-sheet assets and liabilities) of ABN AMRO or Barclays or any of their respective subsidiaries and Goldman Sachs was not furnished with any such evaluation or appraisal. Goldman Sachs is not an expert in the evaluation of loan and lease portfolios for purposes of assessing the adequacy of the allowances for impairments with respect thereto and, accordingly, assumed that such allowances are in the aggregate adequate to cover such impairments. Goldman Sachs also was not requested to solicit, and did not solicit, interest from other parties with respect to an acquisition of or other business combination with ABN AMRO. Goldman Sachs opinion did not address the underlying business decision of ABN AMRO to engage in the proposed exchange offer or the relative merits of the proposed exchange offer as compared to any alternative transaction that might be available to ABN AMRO nor did Goldman Sachs express any opinion as to the prices at which the Barclays Shares will trade at any time. Goldman Sachs opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Goldman Sachs as of, the date thereof.

The following is a summary of the material financial analyses delivered by Goldman Sachs to the ABN AMRO Supervisory Board in connection with rendering the opinion described above. The following

summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before April 22, 2007 and is not necessarily indicative of current market conditions.

Historical Share Trading Analysis

Goldman Sachs reviewed the historical trading prices for ABN AMRO ordinary shares and for Barclays ordinary shares as at April 20, 2007, the trading day prior to the announcement of the proposed exchange offer and as at February 20, 2007, the trading day prior to the publication of The Children s Investment Fund letter to Mr. Martinez and Mr. Groenink and the share price low and high for the 1-month, 3-month, 6-month and 12-month periods ended February 20, 2007. Goldman Sachs found that:

	Value per Share	
ABN AMRO ( )	**Low**	**High**
April 20, 2007	36.3	36.3
February 20, 2007	25.9	25.9
1-Month (period ended February 20, 2007)	24.5	25.9
3-Month (period ended February 20, 2007)	22.5	25.9
6-Month (period ended February 20, 2007)	21.2	25.9
12-Month (period ended February 20, 2007)	20.5	25.9
Barclays (p)		
April 20, 2007	750	750
February 20, 2007	785	785
1-Month (period ended February 20, 2007)	740	785
3-Month (period ended February 20, 2007)	676	785
6-Month (period ended February 20, 2007)	644	785
12-Month (period ended February 20, 2007)	586	785

Public Market Trading Multiples

Goldman Sachs reviewed and compared certain financial information for ABN AMRO and Barclays to corresponding financial information, ratios and public market multiples for the 20 largest publicly traded corporations by market capitalization in the banking industry in Europe (including ABN AMRO and Barclays prior to the publication of The Children s Investment Fund letter to Mr. Martinez and Mr. Groenink):

Banco Bilbao Vizcaya Argentaria S.A.

BNP Paribas S.A.

Crédit Agricole S.A.

Credit Suisse Group

Deutsche Bank AG

Fortis N.V.

Halifax Bank of Scotland plc

HSBC Holdings plc

ING Groep N.V.

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Intesa Sanpaolo S.p.A.

KBC Groupe S.A.

Lloyds TSB Group plc

Nordea Bank AB

Royal Bank of Scotland Group plc

Banco Santander Central Hispano SA

Société Générale SA

Union Bank of Switzerland AG

UniCredit S.p.A.

Although none of the selected companies is directly comparable to either ABN AMRO or Barclays, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of ABN AMRO and Barclays.

Goldman Sachs calculated and compared the ratio of price to estimated earnings for calendar year 2008 and 2009. The analysis for ABN AMRO was based on information provided by ABN AMRO management and IBES estimates. The analysis for Barclays was based on IBES estimates.

In addition, Goldman Sachs conducted a price to book value versus return on equity regression analysis. In this analysis certain other publicly-traded companies comparable with ABN AMRO were evaluated using current share price divided by the book value per share at the end of 2006 versus the estimated return on equity in 2008 and 2009 based on consensus earnings estimates from IBES and, in the case of ABN AMRO, IBES and management estimates. Results were then compared with the regression line that best fits the comparable companies in order to derive a theoretical under- or over-valuation of ABN AMRO and Barclays relative to this regression line based on market conditions prevailing at that time.

Based on these analyses, Goldman Sachs calculated values per ABN AMRO Share and Barclays Share as follows:

	Value per Share	
ABN AMRO ( )	**Low**	**High**
P/ E 2008E and 2009E	24.4	28.1
Regression Analysis (2006A P/ BV vs. 2008/09E RoAE)	25.0	29.1
Barclays (p)		
P/ E 2008E and 2009E	836	836
Regression Analysis (2006A P/ BV vs. 2008E/09E RoAE)	827	844

Sum-of-the-Parts Valuation

Goldman Sachs analyzed the potential value of each of ABN AMRO and Barclays assuming that each of their respective main business units were valued separately at value levels comparable to trading levels of similar businesses in similar geographies or business lines. Goldman Sachs analyzed, using estimates of 2008 consensus earnings estimates and, in the case of ABN AMRO, 2008 consensus earnings estimates and management estimates, and public market multiples of peer groups for each business unit,

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the trading value of each of ABN AMRO s and Barclays business units. Based on these analyses, Goldman Sachs calculated values per ABN AMRO share and Barclays share as follows:

	Value per Share	
	Low	High
ABN AMRO ( )	25.2	30.6
Barclays (p)	768	998

Dividend Discount Analysis

Goldman Sachs performed a dividend discount analysis of ABN AMRO and Barclays using for ABN AMRO (a) ABN AMRO s management projections and (b) consensus estimates; and for Barclays consensus estimates. Goldman Sachs made certain assumptions with respect to target Core Tier 1 capital ratio, long-term cost-income targets, discount rate and long-term growth rate. Goldman Sachs calculated free dividends for the years 2007 through 2013 and a terminal value in 2013 and used discount rates ranging from 9.5% to 10.0% for ABN AMRO and 11.0% to 12.0% for Barclays and long-term growth rates of 1.5% to 2.5%.

The following table presents the results of this analysis:

	Value per Share	
	Low	High
ABN AMRO ( )	27.7	33.5
Barclays (p)	840	931

Selected Transactions Analysis.

Goldman Sachs analyzed certain information relating to (i) recent large Dutch transactions; and (ii) selected European cross-border transactions in the banking industry:

Selected Large Dutch Transactions

SHV Holdings NV	NPM Capital NV
Fortis(NL)NV	ASR Verzekeringsgroep
Dexia SA	Kempen & Co NV
Westfield Holdings Ltd	Rodamco North America NV
Brack Capital Real Estate BV	Haslemere NV
VDXK Acquisition BV	Koninklijke Vendex KBB NV
AP Moller Maersk A/ S	Koninklijke P&O Nedlloyd NV
Tele2 AB	Versatel Telecom Intl
BAM NBM NV	AM NV
Valcon Acquisition BV	VNU NV
Unibail S.A.	Rodamco N.V.

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Selected European Banking Transactions

Royal Bank of Scotland Group plc	National Westminster Bank plc
Banca Intesa S.p.A.	SanPaolo IMI S.p.A.
UniCredit S.p.A.	Bayerische Hypo und Vereinsbank (HVB) AG
Crédit Agricole S.A.	Crédit Lyonnais S.A.
Banco Santander Central Hispano SA	Abbey National plc
Halifax Group plc	Bank of Scotland plc
Banque Nationale de Paris S.A.	Paribas S.A.
Banca Intesa S.p.A.	Banca Commerciale Italiana S.p.A.
Banco Santander SA	Banco Central Hispano SA

For the UniCredit S.p.A./ Bayerische Hypo und Vereinsbank (HVB) AG and the Banco Santander Central Hispano SA/ Abbey National plc transactions, Goldman Sachs reviewed purchase price multiples of the targets full year estimated earnings in the accounting period in which the announcement of the pertinent transaction occurred and the book value per share as of the most recently completed accounting period prior to announcement of the pertinent transaction. For the large Dutch transactions and the selected European cross-border transactions in the banking industry, Goldman Sachs reviewed the premium paid to one-month and three-month average share prices of the target prior to the pertinent announcement. Goldman Sachs then used these to determine the implied values of ABN AMRO shares.

The following table presents the results of this analysis:

	Value per ABN AMRO Share ( )	
	Low	**High**
Cross-border Banking Transactions	34.1	35.5
Premia Analysis	30.0	33.2

Synergy Analysis

Goldman Sachs calculated based on management s assessment of the synergy potential arising from the combination between ABN AMRO and Barclays the net present value of the synergies and conducted an analysis to apportion such synergies between ABN AMRO and Barclays on the basis of the ownership level resulting from the combination as well as on the basis of an equal division of the synergy potential between ABN AMRO and Barclays.

The following table presents the results of this analysis:

	Value per ABN AMRO Share ( )	
	Low	**High**
Synergy Analysis	29.4	34.4

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or

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transaction used in the above analyses as a comparison is directly comparable to ABN AMRO or Barclays or the contemplated transaction.

Goldman Sachs prepared these analyses for purposes of Goldman Sachs providing its opinion to the ABN AMRO Supervisory Board as to the fairness from a financial point of view of the ordinary share exchange ratio pursuant to the Merger Protocol. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of ABN AMRO, Barclays, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

As described above, Goldman Sachs opinion to the ABN AMRO Supervisory Board was one of many factors taken into consideration by the ABN AMRO Supervisory Board in making its determination to recommend the exchange offer. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex D.

The ABN AMRO Supervisory Board selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the proposed exchange offer. Pursuant to an agreement dated April 16, 2007, ABN AMRO agreed to pay Goldman Sachs a fee of 4 million payable upon delivery of the opinion referred to above. In addition, pursuant to an agreement dated May 5, 2007, ABN AMRO agreed to pay Goldman Sachs a fee of 15.0 million payable upon the earlier of the proposed Barclays exchange offer or a substitute transaction becoming unconditional or withdrawn. In addition, ABN AMRO has agreed to reimburse Goldman Sachs expenses and indemnify Goldman Sachs against certain liabilities arising out of its engagement, including liabilities under US federal securities laws. Further, Goldman Sachs shall receive 2.0 million per opinion for any financial opinion delivered.

Goldman Sachs and its affiliates, as part of their investment banking business, are continually engaged in performing financial analyses with respect to businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and other transactions as well as for estate, corporate and other purposes. In addition, Goldman Sachs has provided certain investment banking services to ABN AMRO and Barclays from time to time and may do so in the future. In connection with the above-described investment banking services Goldman Sachs has received, and may receive in the future, compensation. The investment banking business of Goldman Sachs has not had any material engagements with ABN AMRO and its affiliates within the past two years for which it has received remuneration.

Goldman Sachs and certain of its affiliates are full service securities firms engaged, either directly or through their respective affiliates, in securities trading, investment management, financial planning and benefits counseling, risk management, hedging, financing and brokerage activities for both companies and individuals. In the ordinary course of these activities, Goldman Sachs and its affiliates may provide such services to ABN AMRO, Barclays and their respective affiliates, may actively trade the debt and equity securities (or related derivative securities) of ABN AMRO or Barclays for their own account and for the accounts of their customers and may at any time hold long and short positions of such securities.

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.

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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).

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.

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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. 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 following the settlement date.

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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.

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 is expected to remain UK tax resident.

Capital Management and Dividend Policy

ABN AMRO Bank and Barclays Bank will seek to maintain their strong credit ratings. The combined group will take a disciplined approach to capital optimization and will target an Equity Tier 1 ratio of 5.75% and a Tier 1 ratio of 7.75%, which broadly approximate to the current pro forma ratios for the combined group. It has been assumed, for the purpose of estimating financial effects, that excess equity over and above the target Equity Tier 1 ratio after accounting for dividends and organic growth in risk weighted assets would be returned to shareholders by way of share buy-backs.

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 pound 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 pound sterling (converted at the then prevailing market rate). Existing holders of Barclays ordinary shares will continue to receive dividends paid in pound 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.

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.

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.

Irrevocable Undertakings

The members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board have undertaken to tender all ABN AMRO ordinary shares held or to be held by them under the exchange offer on the same terms and conditions of the exchange offer as described in this document, including the exchange offer conditions as set out in The Exchange Offer Conditions . As of May 31, 2006, such undertakings represented a total of 492,396 ABN AMRO ordinary shares, which have an aggregate nominal value of 275,742 and equal less than 0.03% of the total ABN AMRO ordinary shares (including ABN AMRO ADSs) outstanding as of that date. The exact numbers of ABN AMRO ordinary shares as well as the exact numbers of share options held by each of the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board as of May 31, 2006, are set out in the tables below.

The undertakings by the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board include the undertaking to cast the voting rights attached to the ABN AMRO ordinary shares in any general meeting of shareholders of ABN AMRO to vote in favor of any resolutions proposed to the general meeting of shareholders of ABN AMRO by the ABN AMRO Managing Board and the ABN AMRO Supervisory Board, the adoption of which constitutes a condition of the exchange offer.

The undertakings are revocable jointly with the recommendations of the exchange offer by the ABN AMRO Managing Board and the ABN AMRO Supervisory Board.

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Other than information contained in this document, Barclays did not disclose to the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board any material information regarding the exchange offer, which would be relevant for holders of ABN AMRO ordinary shares when considering to tender ABN AMRO ordinary shares under the exchange offer.

Shareholdings of the members of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board as at May 31, 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. Scott-Barrett[(b)]	54,548	497,221
Mr. Boumeester	85,168	213,372
Mr. Overmars	41,590	293,372
Mr. Teerlink	35,615	312,403
Total	446,330	2,821,179

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

(b) The resignation of Mr. Scott-Barrett has been announced on May 10, 2007. He will step down by August 1, 2007.

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

In considering approval by the ABN AMRO Managing Board and the ABN AMRO Supervisory Board of the exchange offer and the Merger Protocol, 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. The ABN AMRO Managing Board and the ABN AMRO Supervisory Board were aware of these relationships, agreements and arrangements during their deliberations on the merits of the combination. See The Transaction Reasons for the Transaction .

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

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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.

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. Mr. Agius is expected to be compensated for his services in that capacity in accordance with a customary director compensation policy. 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

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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 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 May 31, 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:

3.225 Barclays ordinary shares for every 1 ABN AMRO ordinary share; or

0.80625 Barclays ADSs for every 1 ABN AMRO ADS.

Upon completion of the exchange offer, the nominal ordinary share capital of Barclays will be increased by a maximum of £1,528,632,337 from £1,635,638,762 to £3,164,271,099 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 6,114,529,347 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 6,542,555,046 as at April 20, 2007 to 12,657,084,393. The maximum of 6,114,529,347 Barclays ordinary shares offered to holders of ABN AMRO ordinary shares and ABN AMRO ADSs represents approximately 48% of the share capital and voting rights of Barclays after the completion of the exchange offer. The issue of a maximum of 6,114,529,347 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 separately offering to acquire all of the outstanding ABN AMRO DR Preference Shares. Barclays is also separately 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, 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 as may be determined in accordance with the ABN AMRO ordinary share exchange ratio. 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, these shares may be sold without any charge to United Kingdom stamp duty reserve tax on (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 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 (in accordance with the ordinary share exchange ratio) to the holders of ABN AMRO ordinary shares, completing the transactions for ABN AMRO ordinary shareholders.

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 pursuant to the exchange offer to tendering holders of ABN AMRO ordinary shares. The number of Barclays ordinary shares issued 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 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, as determined in accordance with the ordinary share exchange ratio. 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 available withdrawal rights under the exchange offer.

Holders of ABN AMRO ordinary shares who select the Alternative Exchange will tender their 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 Barclays ordinary shares to the tendering holders of ABN AMRO ordinary shares. The 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 being issued into the Euroclear Nederland clearance system and accordingly United Kingdom stamp duty or 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 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 in respect of those ABN AMRO ordinary

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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 the ADS exchange agent will distribute the Barclays ADSs to former holders of ABN AMRO ADSs.

Adjustment of Exchange Ratio

The Merger Protocol contains no provision that permits either party to terminate the Merger Protocol, or that alters the exchange ratio, because the price of Barclays or ABN AMRO ordinary shares or ABN AMRO ADSs has fallen below any agreed-upon minimum price or risen above an agreed-upon maximum price. The Merger Protocol does provide for the exchange ratio to be adjusted in certain situations in order to factor into the exchange ratio the impact on the relative values of ABN AMRO ordinary shares and Barclays ordinary shares arising from certain actions.

The ordinary share exchange ratio was determined on the basis of the number of ABN AMRO ordinary shares (excluding treasury shares) and Barclays share price of 750 pence on April 20, 2007, being the last trading day prior to April 23, 2007 (the announcement date), the date on which ABN AMRO and Barclays announced their agreement in the Merger Protocol. Depending on their terms, issuances of ordinary shares or paid-for newly granted rights to acquire the issued Barclays ordinary shares or ABN AMRO ordinary shares, as applicable (any such issuance, a Capital Raising), or, subject to specified exceptions, the declaration of a dividend, capital repayment or any other distribution in respect of their respective ordinary shares (any such declaration, a Capital Return) by either or both of ABN AMRO and Barclays may be accretive or dilutive to the value of the ABN AMRO ordinary shares and/or the Barclays ordinary shares. For this reason, the terms of the exchange offer provide for the adjustment of the ordinary share exchange ratio in the event that there are Capital Raisings or Capital Returns by either or both of ABN AMRO and Barclays between April 20, 2007 and the date on which the exchange offer is declared unconditional. Where ABN AMRO receives cash consideration for the sale of LaSalle (the LaSalle Proceeds) which is less than $ 21 billion (the LaSalle Amount), an amount equal to the shortfall shall be deemed to have been a distribution by ABN AMRO and therefore amounts to a Capital Return by ABN AMRO. However, where the LaSalle Proceeds are in excess of the LaSalle Amount, this shall not amount to a Capital Raising and, consequently, there shall be no adjustment to the ordinary share exchange ratio as a result of the excess proceeds.

The adjustment seeks to address the possible impact on the ABN AMRO ordinary share price of any such Capital Raisings or Capital Returns by ABN AMRO, and the possible impact on the Barclays ordinary share price of any such Capital Raisings or Capital Returns by Barclays, such that the terms of the exchange offer continue to reflect both the ABN AMRO and Barclays understanding of the fundamental value of the exchange offer.

The ordinary share exchange ratio shall be adjusted in accordance with the following formula (calculated to 3 decimal places):-

The adjusted ordinary share exchange ratio is equal to:

$$\frac{(A \times B \times C) + (D - E)}{F} \div \frac{(B \times G) + (H - I)}{J}$$

Where:

A is the ordinary share exchange ratio of 3.225 Barclays ordinary shares for each ABN AMRO ordinary share on the calculation date;

B is the Barclays share price of 750 pence per Barclays ordinary share on April 20, 2007 being the last business day prior to the announcement date;

C is the number of ABN AMRO ordinary shares in issue (excluding treasury shares) of 1,895,978,092 on a fully diluted basis on April 20, 2007;

D is the aggregate value of Capital Raising(s) by ABN AMRO between April 20, 2007 and the settlement date (in pound sterling);

E is the aggregate value of Capital Return(s) by ABN AMRO between April 20, 2007 and the settlement date (in pound sterling);

F is the number of ABN AMRO ordinary shares in issue on a fully diluted basis (excluding ordinary shares held as treasury shares, but includes options and share awards) on the settlement date plus all ordinary shares repurchased on April 20, 2007 to the settlement date;

G is the number of Barclays ordinary shares in issue (excluding treasury shares) of 6,646,524,779 on a fully diluted basis on April 20, 2007;

H is the aggregate value of Capital Raising(s) by Barclays between April 20, 2007 and the settlement date (in pound sterling);

I is the aggregate value of Capital Return(s) by Barclays between April 20, 2007 and the settlement date (in pound sterling); and

J is the number of Barclays ordinary shares in issue on a fully diluted basis (excluding ordinary shares held as treasury shares, but including options and share awards) on the settlement date plus all Barclays ordinary shares repurchased on April 20, 2007 to the settlement date.

Both ABN AMRO and Barclays are permitted to repurchase shares at a price not exceeding the market price of the shares at the time of repurchase or, in the case of ABN AMRO, the daily reference price. Any such repurchase shall not result in an adjustment of the exchange ratio.

In any calculation of the adjusted ordinary share exchange ratio, the £/ exchange rate shall be the relevant reference rate as published by the European Central Bank (and quoted on its website) prevailing on the date of the Capital Return or the Capital Raising.

The proposed dividends to be declared (paid) by Barclays and ABN AMRO relating to the financial year ended December 31, 2006 and any interim dividends in respect of the financial year commenced on January 2007 (provided any such interim dividend is consistent with the dividend policy and does not exceed reasonable market expectations as at April 20, 2007) do not fall within the definition of Capital Returns or Capital Raising and shall not result in an adjustment of the ordinary share exchange ratio.

Any adjustment to the ordinary share exchange ratio and the ADS exchange ratio as contemplated above will be communicated to holders of ABN AMRO ordinary shares and ABN AMRO ADSs and holders of Barclays ordinary shares and Barclays ADSs by means of a public announcement and may require an extension to the initial offer period. See The Exchange Offer Exchange Offer Period Extensions of the Initial Offer Period.

Conditions

The exchange offer is subject to the satisfaction or waiver of a number of conditions all of which must be either satisfied or waived prior to the exchange offer being declared unconditional and the expiration of the initial offer period, including, among others:

At least 80% (or such lower percentage as Barclays in its discretion may decide) of the issued ABN AMRO ordinary shares (including ABN AMRO ordinary shares represented by 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 circumstance, occurrence or development has occurred since the date of the Merger Protocol that will constitute or constitutes: (i) suspension of or limitation in trading in the ABN AMRO ordinary shares or ABN

AMRO s convertible shares (other than on a temporary basis in the ordinary course of trading); or (ii) suspension of or limitation in trading in Barclays ordinary shares (other than on a temporary basis in the ordinary course of trading);

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 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 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 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;

ABN AMRO and Barclays 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 has approved the appointment of the proposed directors to the Barclays Board;

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 merger 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 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 UK 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 hereby and the Barclays ADSs representing such shares have been approved for listing on the NYSE;

The general meetings of shareholders of 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 annual reports and the annual accounts for 2006 of ABN AMRO and Barclays respectively or otherwise disclosed and that can reasonably be expected to have a negative impact on the consolidated operating income in 2006 of ABN AMRO or Barclays of respectively 5% or more; and

The Merger Protocol has not been terminated.

Terms of LaSalle Agreement

As described above, the exchange offer is subject to, among other things, 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 sale of LaSalle has been completed in accordance with its terms. The following is a summary of terms of the LaSalle Agreement that may be material to the proposed combination. This summary is qualified in its entirety by reference to the LaSalle Agreement, which was filed by ABN AMRO with the SEC on a Current Report on Form 6-K on April 24, 2007 and is incorporated by reference in this document. See Where You Can Find More Information . You should read carefully the full text of the LaSalle Agreement.

Purchase Price Adjustment

If the sum of (i) the actual net income of LaSalle for the three months ended March 31, 2007 and (ii) the net income of LaSalle, with certain limited adjustments, for the period commencing on April 1, 2007 and concluding on the earlier of the date of the closing of the sale of LaSalle and December 31, 2007 (the Measurement Period), is less than the Income Threshold (as defined below), the $21 billion purchase price will be decreased by the amount of the shortfall. Income Threshold means at any time the amount equal to the sum of (a) the product of (x) $600 million and (y) a fraction, the numerator of which is the number of calendar days that have elapsed during the Measurement Period and the denominator of which is 274 and (b) $270 million.

Certain Pre-Closing Actions

Prior to the closing of the sale, ABN AMRO Bank will cause LaSalle to distribute the stock of its subsidiary ABN AMRO WCS Holding Company to ABN AMRO Bank or an affiliate of ABN AMRO Bank.

Prior to the closing of the sale, ABN AMRO Bank will convert $6,148 million of intercompany debt owed by LaSalle to ABN AMRO Bank or affiliates of ABN AMRO Bank into shares of common stock of LaSalle s parent holding company that will be purchased by Bank of America pursuant to the LaSalle Agreement. The additional shares to be issued as a result of the conversion are included in the $21 billion purchase price, as may be adjusted as described above.

Conditions to Completing the Sale of LaSalle to Bank of America

The obligations of Bank of America and ABN AMRO Bank to complete the sale are subject to the following material conditions:

- receipt of approval of the Federal Reserve Board and the expiration of any waiting periods under the Bank Holding Company Act of 1956, as amended, and the HSR Act;

- accuracy of the other party s representations and warranties, except, (1) in the case of ABN AMRO Bank, for inaccuracies that, in the aggregate, would not have a material adverse effect on LaSalle, and that do not constitute material inaccuracies in ABN AMRO Bank s capitalization and authority representations, and (2) in the case of Bank of America, for inaccuracies that, in the aggregate, would not materially impede Bank of America s ability to consummate the transaction;

- material compliance by each party with its obligations and covenants under the LaSalle Agreement; and

- the absence of any order, injunction, decree or judgment issued by a governmental entity prohibiting the completion of the transaction, and the absence of any action by or settlement with the US Department of Justice or any US Attorney s Office imposing a material restriction, condition or burden on LaSalle or Bank of America (including any of its subsidiaries).

A material adverse effect on LaSalle is any event, circumstance, change or effect that has a material adverse effect on the business, results of operations or financial condition of LaSalle, but excluding any effects to the extent resulting from (1) changes in generally accepted accounting principles, regulatory accounting requirements, laws, rules or regulations applicable to depositary institutions or their holding companies generally; (2) changes in political conditions generally or in general or regional economic or market conditions affecting depositary institutions and their holding companies generally; (3) public disclosure of the LaSalle Agreement; and (4) certain actions or inactions required by the LaSalle Agreement or requested by Bank of America. In addition, a material adverse effect occurs with respect to a party if there is an event that prevents such party from consummating the transactions contemplated by the LaSalle Agreement.

Efforts to Complete the Sale of LaSalle to Bank of America

The parties have agreed to take all commercially reasonable actions necessary or advisable to comply promptly with all legal requirements that may be imposed on such party with respect to the sale, including in connection with obtaining any third-party consent that may be required to be obtained in connection therewith, as well as to obtain any consent, authorization, order or approval of, or any exemption by, any governmental entity that is required or advisable to be obtained.

The parties have agreed to take all commercially reasonable actions to resolve any objections that may be asserted by any governmental entity with respect to the sale, and that it would be commercially reasonable for Bank of America to take any action, or commit to take any action, or agree to any condition or restrictions, in connection with obtaining the foregoing approvals of governmental entities or third parties, unless doing so would reasonably be expected to have a material adverse effect on the business, results of operations or financial condition of LaSalle or Bank of America (measured on a scale relative to LaSalle) following the closing of the sale. The parties have also agreed that any actions, conditions or restrictions that relate to Bank of America s compliance with the conditions in Section 3(d)(2) of the Bank Holding Company Act of 1956, as amended, or the Bank Merger Act relating to the nationwide deposit cap and to any applicable state deposit caps would be deemed not to have a such a material adverse effect.

Non-Solicitation and Solicitation Period

Non-Solicit

In the LaSalle Agreement, ABN AMRO Bank agreed that, except for the actions permitted during the solicitation period described below, it would terminate any discussion with any person with respect to any Acquisition Proposal (as defined below). ABN AMRO Bank also agreed that, except for the actions permitted during the solicitation period described below, ABN AMRO Bank and its affiliates would not, directly or indirectly, take certain actions, including soliciting competing Acquisition Proposals or participating in discussions or negotiations relating thereto. Acquisition Proposal means any offer or proposal, or any indication of interest in making an offer or proposal, made by a person or group at any time which is structured to permit such person or group to acquire, directly or indirectly, beneficial ownership of LaSalle pursuant to a merger, consolidation or other business combination, sale of shares of capital stock, sale of assets, tender offer or exchange offer or similar transaction, including any single or multi-step transaction or series of related transactions, in each case other than the sale of LaSalle to Bank of America, any transaction expressly permitted under the conduct of business covenants described below and any transaction involving a combination with or acquisition of ABN AMRO Bank and its affiliates substantially as a whole (but, in such latter case, would preserve the rights and obligations under the LaSalle Agreement).

Solicitation Period

For a period beginning April 22, 2007 and continuing for 14 calendar days, ABN AMRO Bank and its representatives were permitted to solicit Acquisition Proposals from any Qualified Purchaser (as defined below) relating to the purchase of LaSalle (including by way of providing access to non-public information pursuant to a confidentiality agreement no less favorable to ABN AMRO Bank than the existing confidentiality agreement between ABN AMRO Bank and Bank of America) and conduct discussions with respect to Acquisition Proposals. Qualified Purchaser means any US or foreign bank or bank holding company that is reasonably capable of entering into, within the 14-day solicitation period, an alternative acquisition agreement.

If ABN AMRO Bank had received an Acquisition Proposal from any Qualified Purchaser prior to the end of the 14-day period that ABN AMRO Bank concluded in good faith constituted a Superior Proposal (as defined below), ABN AMRO Bank was permitted to enter into an agreement with respect to such Superior Proposal. Superior Proposal means any bona fide Acquisition Proposal made in writing that

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(1) is on terms that ABN AMRO Bank determines in its good faith judgment (after taking into account all legal, financial, regulatory and other aspects of the proposal, including likelihood of consummation) is superior from a financial point of view to the LaSalle Agreement for ABN AMRO Bank s shareholders and (2) is for cash and is not subject to any financing condition.

Match Right

If ABN AMRO Bank had entered into an alternative agreement, Bank of America would have had a period of five business days thereafter to revise the terms of the LaSalle Agreement so that the Acquisition Proposal ceased to constitute a Superior Proposal. If Bank of America had revised the terms of the LaSalle Agreement such that ABN AMRO Bank had concluded that the alternative agreement no longer constituted a Superior Proposal, the alternative agreement would have automatically terminated (without any cost, liability or obligation to LaSalle, Bank of America or their respective subsidiaries). If during such period, Bank of America did not revise the terms of the LaSalle Agreement accordingly, ABN AMRO Bank was permitted to terminate the LaSalle Agreement, subject to payment by ABN AMRO Bank to Bank of America of a $200 million termination fee.

Termination

The LaSalle Agreement can be terminated at any time prior to the closing of the sale by mutual consent and by either party in the following circumstances:

if any required regulatory approval is denied, and such denial is final and non-appealable, or any governmental entity of competent jurisdiction has issued a final, non-appealable injunction permanently enjoining or otherwise prohibiting the consummation of the sale of LaSalle to Bank of America;

if the closing of the sale of LaSalle to Bank of America has not occurred on or before May 1, 2008 (provided that the right to terminate the LaSalle Agreement for this reason is not available to any party whose action or failure to act was the cause of or resulted in the failure of the closing to occur on or before such date and such action or failure to act constituted a breach of the LaSalle Agreement); or

if there is a breach by the other party that would cause the failure of the closing conditions described above, unless the breaching party is using all commercially reasonable efforts to cure such breach.

The LaSalle Agreement could also have been terminated pursuant to the solicitation period provisions described above.

If the LaSalle Agreement is terminated pursuant to the termination provisions described above, neither party will have any liability or further obligation to the other party except for certain limited continuing covenants and except that any such termination will not relieve a breaching party from liability for any willful and material breach of the LaSalle Agreement.

Indemnification

From and after the closing of the sale, ABN AMRO Bank is required to indemnify Bank of America and its officers, directors, employees, agents, advisors, representatives and affiliates for losses to the extent resulting or arising from breaches of certain of ABN AMRO Bank s covenants, the businesses excluded from the sale of LaSalle to Bank of America, liabilities of ABN AMRO Bank to the extent not related to the business being acquired and certain specified pre-closing tax and ERISA matters.

From and after the closing of the sale, Bank of America is required to indemnify ABN AMRO Bank and its officers, directors, employees, agents, advisors, representatives and affiliates for losses to the extent resulting or arising from breaches of Bank of America s covenants and liabilities of LaSalle to the extent not related to the businesses excluded from the sale of LaSalle to Bank of America.

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Conduct of Business Covenants

ABN AMRO Bank has agreed that, until the earlier of the closing and the termination of the LaSalle Agreement, it will, and will cause LaSalle and each of its subsidiaries to: (1) conduct LaSalle s business in all material respects in the usual, regular and ordinary course consistent with past practice; and (2) use commercial reasonable efforts to maintain and preserve intact the business organizations and goodwill of LaSalle s business and such business s current relationships with customers, regulators, employees and other persons with which such business has significant business or other relationships.

ABN AMRO Bank has further agreed during that period not to undertake certain actions without the prior written consent of Bank of America (which may not be unreasonably withheld or delayed), including certain actions relating to indebtedness, dividends, capital expenditures, share and option transactions, sales and acquisitions of assets, compensation, employee benefits, settlement of litigation and other accounting, tax or business management policies.

Other Covenants

Bank of America and ABN AMRO Bank have agreed to cooperate to effect on mutually acceptable terms the transfer to LaSalle of the ownership interests in two Chicago properties that were subject to a sale/leaseback arrangement with ABN AMRO.

All intercompany debt, agreements and accounts between LaSalle, on the one hand, and ABN AMRO, on the other hand, will be repaid, settled or terminated effective as of the closing of the transaction, with the parties discussing in good faith the appropriate method to settle intercompany indebtedness and intercompany derivative contracts.

The parties have agreed to identify and transfer between LaSalle and ABN AMRO certain funding subsidiaries.

ABN AMRO Bank has agreed to take certain actions with respect to certain voting rights of shares of preferred stock issued by ABN AMRO North America Holding Company and its subsidiaries.

The parties have agreed to certain other customary covenants.

Representations and Warranties

The LaSalle Agreement contains customary representations and warranties for transactions of this type, including representations by ABN AMRO Bank as to corporate organization, capitalization, requisite corporate authority to enter into the agreements contemplated by the sale, consents and approvals, regulatory filings, financial statements, undisclosed liabilities, absence of certain changes since December 31, 2006, legal proceedings, tax and employee benefit matters, compliance with law, material contracts, investment securities and derivative instruments, environmental matters, insurance, properties, intellectual property, sufficiency of assets, investment advisor and broker/dealer subsidiaries, intercompany arrangements, divested businesses and broker s fees.

Choice of Law and Jurisdiction

The LaSalle Agreement provides that it is to be interpreted, construed and governed by New York law.

The parties agreed to submit to the exclusive jurisdiction of the federal courts in New York (or if federal court jurisdiction is not available, New York state court) in respect of any claim, dispute or controversy relating to or arising out of the negotiation, interpretation or enforcement of the LaSalle Agreement.

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Source and Amount of Funds

The exchange offer is not conditioned upon any financing arrangements. Barclays will use working capital to pay any cash requirements of the exchange offer.

Exchange Offer Period

General

The initial offer period of the exchange offer will commence on July [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 initial offer period is extended by Barclays.

Announcement of the Results of the Exchange Offer and Declaring the Exchange Offer Unconditional

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. Announcements will be made by means of a press release on the Dow Jones News Service, among others, and, to the extent required under applicable rules and regulations, by publication in the Daily Official List of Euronext and at least two Dutch national newspapers. In addition, notice will be posted on www.barclays.com.

If one or more of the offer conditions described in this document under Conditions is not fulfilled at the time the exchange offer is due to expire, Barclays may, with the prior written consent of ABN AMRO, extend the period of time for which the exchange offer is open to allow for all the conditions listed above under Conditions to be satisfied if possible or, to the extent permitted, waived. In accordance with Dutch law, Barclays may extend the period of time for which the exchange offer is open for a period of between two and ten weeks.

If Barclays extends, terminates, withdraws or declares the exchange offer unconditional (in accordance with applicable law), Barclays will notify the US exchange agent and the Dutch listing and exchange agent by written notice or oral notice confirmed in writing.

Extensions of the Initial Offer Period

If Barclays decides to extend the initial offer period, it will also make an announcement to that effect no later than the third Euronext trading day after the previously scheduled expiration date of the initial offer period. Barclays will announce any extension of the initial offer period by issuing a press release on, among others, the Dow Jones News Service and by publication in the Daily Official List of Euronext and at least two Dutch national newspapers. In addition, notice will be posted on www.barclays.com. During an extension of the initial offer period, any ABN AMRO ordinary shares or ABN AMRO ADSs validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not properly withdrawn will remain subject to the exchange offer, subject to the right of each holder to withdraw the ABN AMRO ordinary shares or ABN AMRO ADSs he or she has already tendered in the manner described in this document.

If Barclays extends the period of time during which the initial offer period is open, the offer will expire at the latest time and date to which Barclays extends the initial offer period.

Subject to the requirements of Dutch tender offer regulations and the US federal securities laws (including US federal securities laws which require that material changes to the offer be promptly disseminated to shareholders in a manner reasonably designed to inform them of such changes) and without limiting the manner in which Barclays may choose to make any public announcement, Barclays will have no obligation to communicate any public announcement other than as described above.

Barclays will extend the initial offer period if Barclays changes the consideration being offered within 10 US business days of the then-scheduled expiration date of the initial offer period, so that the initial offer period will expire no less than 10 US business days after the publication of the change. If, prior to the expiration date of the initial offer period, Barclays changes the consideration being offered in the exchange offer, the change will be applicable to all holders of ABN AMRO ordinary shares or ABN AMRO ADSs whose ABN AMRO ordinary shares or ABN AMRO ADSs are accepted for exchange pursuant to the exchange offer, whether or not those ABN AMRO ordinary shares or ABN AMRO ADSs were tendered prior to the change.

Barclays will also extend the exchange offer, to the extent required by applicable Dutch tender offer regulations or US federal securities laws, if Barclays:

- makes a material change to the terms of the exchange offer, other than a change in the consideration being offered in the offer; or

- makes a material change in the information concerning the exchange offer.

Reduction of the Minimum Acceptance Condition

Barclays reserves the right to reduce or waive the minimum acceptance condition (which may be reduced, subject to the terms of the Merger Protocol, to less than 50%). In accordance with US federal securities law requirements, Barclays will make an announcement five US business days prior to the date on which any reduction in the minimum acceptance condition may become effective (indicating, in the event of a reduction in the minimum acceptance condition, the exact percentage to which the condition may be reduced). Any such announcement will be made through a press release and by placing an announcement in a newspaper of national circulation in the United States. Any such announcement will advise shareholders to withdraw their acceptances immediately if their willingness to accept the offer would be affected by a reduction in the minimum acceptance condition. If the waiver or reduction is announced at the end of the initial offer period, then the initial offer period must be extended by five US business days, which period may include the subsequent offering period, but during such period ABN AMRO ordinary shares or ABN AMRO ADSs previously tendered may not be withdrawn. In the event that Barclays does reduce or waive the minimum acceptance condition, it will be able to declare the exchange offer unconditional on the date that such reduction or waiver becomes effective, at which point ABN AMRO ordinary shares or ABN AMRO ADSs previously tendered in the exchange offer will no longer be capable of being withdrawn, and Barclays will be entitled to acquire all such shares in accordance with the terms of the exchange offer.

Subsequent Offering Period

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 the exchange offer is declared unconditional. A subsequent offering period is an additional period of time, following the date 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, will commence immediately after the exchange offer is declared unconditional and is not an extension of the exchange offer, which already will have expired, and ABN AMRO ordinary shares or ABN AMRO ADSs previously tendered and accepted for exchange in the exchange offer will not be subject to any further withdrawal rights. 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 exchange offer, as described below under the heading Settlement and Delivery of Securities . During the subsequent offering period, tendering shareholders will not have withdrawal rights, and Barclays will accept for

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exchange any ABN AMRO ordinary shares and ABN AMRO ADSs tendered during the subsequent offering period at the same exchange ratio as in the exchange offer. Any subsequent offering period will be announced simultaneously with an announcement that the exchange offer has been declared unconditional.

Procedure for Tendering

You must follow the procedures described below in a timely manner in order to tender your ABN AMRO ordinary shares or ABN AMRO ADSs. The method of delivery of ordinary share forms of acceptance, ADS letters of transmittal, ADRs and any other documents (including documents required pursuant to the procedures of the bank, broker or other nominee through which you hold your ABN AMRO ordinary shares or ABN AMRO ADSs) is at your option and risk, and the delivery will be deemed made only when actually received by the addressee. In all cases, you should allow sufficient time to ensure timely delivery. Please do not send any ordinary share forms of acceptance, ADS letters of transmittal or other documents to Barclays directly.

Holders of ABN AMRO ordinary shares

Registered Holders

If you hold your ABN AMRO ordinary shares as the registered holder, you may tender your ABN AMRO ordinary shares to ABN AMRO Bank, the Dutch listing and exchange agent, by following the procedures set forth in the ordinary share form of acceptance you received with this document. The form should be completed, signed and returned so as to reach the Dutch listing and exchange agent not later than [l] New York City time ([l] Central European Summer Time) on the expiration date of the initial offer period, as it may be extended by Barclays, or the subsequent offering period, if one is provided by Barclays.

Other Holders

If you hold your ABN AMRO ordinary shares in street name though a bank, broker or other nominee, you must follow the procedures of your bank, broker or other nominee in order to tender your ABN AMRO ordinary shares. If you follow those procedures in a timely manner, your bank, broker or other nominee will in turn tender the ABN AMRO ordinary shares to the Admitted Institution through which the ABN AMRO ordinary shares are held (unless the bank, broker or other nominee is itself an Admitted Institution). The Admitted Institution, as the registered holder of the ABN AMRO ordinary shares, will then tender them to the Dutch listing and exchange agent.

Holders of ABN AMRO ADSs

Registered Holders

If you hold your ABN AMRO ADSs as the registered holder, either in ADR form or through the DRS of the DTC, you may tender your ABN AMRO ADSs to the ADS exchange agent by following the procedures set forth in the ADS letter of transmittal you received with this document. The ADS letter of transmittal should be properly completed and executed and returned so as to reach the ADS Exchange Agent no later than [l] New York City time ([l] Central European Summer Time) on the expiration date of the initial offer period, as it may be extended by Barclays, or the subsequent offering period, if one is provided by Barclays.

Other Holders

If you hold your ABN AMRO ADSs in street name though a bank, broker or other nominee, you must follow the procedures of your bank, broker or other nominee in order to tender your ABN AMRO ordinary shares. If you follow those procedures in a timely manner, your bank, broker or other nominee, as the registered holder of the ABN AMRO ADSs, will then tender them to the ADS exchange agent.

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Guaranteed Delivery Procedures

If you are a registered holder of ABN AMRO ADSs and you wish to tender them in the exchange offer but your ABN AMRO ADSs are not immediately available or time will not permit them to be validly tendered to the ADS exchange agent prior to the expiration of the exchange offer, you may nevertheless properly tender your ABN AMRO ADSs if all the following conditions are satisfied:

your tender is made by or through an eligible institution (as that term is defined in the ADS letter of transmittal you received with this document);

a properly completed and duly executed notice of guaranteed delivery substantially in the form provided with this document, is received by the ADS exchange agent as provided in the instructions thereto prior to the relevant expiration date; and

a duly executed letter of transmittal, together with any ADRs or other required documentation as described in the ADS letter of transmittal, is received by the ADS exchange agent within three NYSE trading days after the date of execution of the notice of guaranteed delivery. A NYSE trading day is a day on which the NYSE is open for business.

If you hold your ABN AMRO ADSs in street name through a bank, broker or other nominee, you may also be able to use a guaranteed delivery procedure. Please consult the procedures of your bank, broker or other nominee for further information.

Other

Tendered ABN AMRO ADSs will be held in an account controlled by the ADS exchange agent, and consequently you will not be able to sell, assign, transfer or otherwise dispose of such securities, until such time as (i) you withdraw your ABN AMRO ADSs from the exchange offer; (ii) your ABN AMRO ADSs have been exchanged in the manner set out in this document (subject to the terms and conditions of the exchange offer) for Barclays ADSs (in which case you will only be able to sell, assign, transfer or otherwise dispose of the Barclays ADSs received in respect of your ABN AMRO ADSs); or (iii) your ABN AMRO ADSs have been returned to you if the exchange offer is terminated or because they were not accepted for exchange.

Withdrawal Rights

General

ABN AMRO ordinary shares and ABN AMRO ADSs tendered for exchange may be withdrawn at any time prior to the expiration of the initial offer period, including during any extension of the initial offer period. Barclays may terminate withdrawal rights once all conditions to the offer are satisfied and/or waived. The minimum acceptance condition may be reduced or waived by Barclays. See The Exchange Offer Exchange Offer Period Reduction of the Minimum Acceptance Condition.

Withdrawal rights will not be extended during the subsequent offering period, if one is provided by Barclays. Withdrawal rights will not be offered during the period between the expiration of the initial offer, as it may be extended by Barclays and the commencement of any subsequent offer period, if one is provided by Barclays on the terms described in this document.

Withdrawal of Tendered ABN AMRO Ordinary Shares

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 effectively reduces or waives the minimum condition as described in this document).

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If you hold your ABN AMRO ordinary shares 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 nominees procedures in order to withdraw your ABN AMRO ADSs.

Withdrawal of Tendered ABN AMRO ADSs

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 your 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 effectively reduces or waives the minimum condition as described in this document).

If you hold your 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 ADSs.

Other

None of Barclays, ABN AMRO, the ADS exchange agent, the Dutch listing and exchange agent, the information agent, the dealer manager or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal nor will any of them incur any liability for failure to give any notification. Any ABN AMRO ordinary shares or ABN AMRO ADSs properly withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer. However, you may re-tender withdrawn ABN AMRO ordinary shares or ABN AMRO ADSs by following one of the procedures discussed under The Exchange Offer Procedure for Tendering at any time prior to the expiration of the initial offer period or the subsequent offering period, if one is provided by Barclays.

Validity of the Tendered Securities

Barclays will determine questions as to the validity, form, eligibility, including time of receipt, and acceptance for exchange of any tender of ABN AMRO ordinary shares or ABN AMRO ADSs, in its sole discretion and Barclays determination shall be final and binding. Barclays reserves the right to reject any and all tenders of ABN AMRO ordinary shares or ABN AMRO ADSs that it determines are not in proper form or the acceptance of or exchange for which may be unlawful. No tender of ABN AMRO ordinary shares or ABN AMRO ADSs will be deemed to have been validly made until all defects and irregularities in tenders of ABN AMRO ordinary shares have been cured or waived. Barclays interpretation of the terms and conditions of the exchange offer, including the acceptance forms and instructions thereto, will be final and binding.

Fractional Shares

No fractional entitlements to Barclays ordinary shares or Barclays ADSs issued in the exchange offer will be delivered to persons who validly tender and deliver ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer. Each 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 any fractional entitlements down in accordance with their usual practice and sell the aggregate fractional entitlements in the secondary market (although in certain cases an Admitted Institution may have in place arrangements with its clients that would allow it to round fractional entitlements up instead and receive payment from the clients in respect of the differential). The amount in euro (in the case of the Primary Exchange), pounds sterling (in the case of the Alternative Exchange) 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 and Delivery of Securities

Initial Offer Period

Delivery of Barclays Ordinary Shares

If the conditions referred to under Conditions have been fulfilled or, to the extent permitted, waived and the exchange offer is declared unconditional, Barclays will accept for exchange and will procure the exchange in the manner set out in this document of all ABN AMRO ordinary shares that have been validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and not withdrawn pursuant to the terms of the exchange offer during the initial offer period, and deliver or procure the delivery of Barclays ordinary shares for the account of the tendering holders by no later than five Euronext trading days after the exchange offer is declared unconditional.

Delivery of Barclays ADSs

Subject to the terms and conditions of the exchange offer, upon Barclays acceptance of the ABN AMRO ordinary shares represented by ABN AMRO ADSs tendered in the exchange offer and confirmation from the Depositary of receipt of the applicable number of Barclays ordinary shares to be represented by the Barclays ADSs to be issued in the exchange offer by the Depositary, the ADS exchange agent will deliver the applicable whole number of Barclays ADSs, together with any cash in respect of fractional entitlements to Barclays ADSs, to the tendering holders of ABN AMRO ADSs by means of DTC s book-entry confirmation system, either to the holder s DRS account in DTC, in the case of holders who were registered holders of ABN AMRO ADSs (regardless of whether they held them in ADR form or through DRS), or to the relevant bank s, broker s or other nominee s account in DTC, in the case of holders who held their ABN AMRO ADSs in street name.

Subsequent Offering Period

If a subsequent offering period is announced by Barclays, 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 and Barclays ADSs during or promptly following the expiration of the subsequent offering period.

Other

Under no circumstances will interest be paid on the exchange of ABN AMRO ordinary shares or ABN AMRO ADSs, regardless of any delay in making the exchange or any extension of the exchange offer.

Dividend Payments

The Barclays ordinary shares to be issued in connection with the exchange offer, including the Barclays ordinary shares to be represented by Barclays ADSs, will have the same dividend rights as the other currently outstanding Barclays ordinary shares.

Barclays

Barclays is expecting to announce an interim dividend in respect of the 2007 financial year on or about August 2, 2007. The ex-dividend date for such interim dividend will be August 15, 2007, and its record date will be August 17, 2007. The interim dividend is expected to be paid on October 1, 2007. The dividend will not affect the ordinary share exchange ratio.

ABN AMRO

ABN AMRO is expecting to announce a proposed interim dividend in respect of the 2007 financial year on July 30, 2007. The ex-dividend date for such interim dividend is expected to be July 31, 2007, and its record date is expected to be August 2, 2007. The interim dividend is expected to be paid on or about

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August 27, 2007, for holders of ABN AMRO ordinary shares and on or about September 4, 2007 for holders of ABN AMRO ADSs and holders of ABN AMRO ordinary shares and ABN AMRO ADSs will be able to receive and retain such dividend. The dividend will not affect the ordinary share exchange ratio.

The Combined Group

Assuming the settlement date occurs on or before the record date for the Barclays final dividend for 2007, which is expected to be in early March 2008, the first dividend payable to holders of Barclays ordinary shares or Barclays ADSs is expected to be the final dividend in respect of 2007.

Dividend Election Mechanism

Following the effective date of the combination, the combined group will present financial statements in euro and will declare dividends in euro. Barclays shareholders will be able to elect to receive dividends paid in euro or pound sterling. Accepting ABN AMRO ordinary shareholders who receive Barclays ordinary shares (other than those who validly elect to receive the Alternative Exchange under the exchange offer) will receive dividends paid in euro unless they validly elect to receive dividends paid in pound sterling. Existing Barclays holders of ordinary shares will continue to receive dividends paid in pound sterling 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 in the combined group will receive dividends paid in US dollars converted at the then prevailing market exchange rate. 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.

Brokerage Commissions

If (1) your ABN AMRO ordinary shares are registered in your name and you tender them to the Dutch listing and exchange agent, ABN AMRO Bank, (2) you instruct an Admitted Institution to tender your ABN AMRO ordinary shares, subject to policies of such Admitted Institution, or (3) if you hold ABN AMRO ADSs and you tender them directly to the US exchange agent, it is expected that you will not have to pay any brokerage commissions. If your ABN AMRO ordinary shares are held through a bank, broker or other nominee (which does not directly tender and deliver your ABN AMRO ordinary shares to the Dutch listing and exchange agent), 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.

Admitted Institutions will receive from the listing and exchange agent on behalf of Barclays a commission in the amount of 0.0029 in respect of each ABN AMRO ordinary share validly tendered (or defectively tendered provided that such defect has been waived by Barclays) and delivered, up to a maximum of 10,000 per ABN AMRO shareholder tender, as well as an additional compensation of 2.50 per deposit client for rounding off of fractions of Barclays ordinary shares. The commission must be claimed from Barclays through ABN AMRO Bank, the Dutch listing and exchange agent, within 30 days of the date on which the exchange offer becomes unconditional. No costs will be charged to the holders of ABN AMRO ordinary shares or ADSs by Barclays or ABN AMRO for the delivery of the ABN AMRO ordinary shares or ABN AMRO ADSs so long as an Admitted Institution is involved in making the delivery. Costs might be charged in case a foreign institution is involved in the delivery and payment of the ABN AMRO ordinary shares or ABN AMRO ADSs.

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 holders bank, broker or other nominee, which will be determined, and communicated to the holder, directly by such holder s bank, broker or other nominee).

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Trading in Shares During and After the Exchange Offer Period

ABN AMRO ordinary shares not tendered in the exchange offer will continue to trade on Euronext, and ABN AMRO ADSs not tendered in the exchange offer will continue to trade on the NYSE, during the exchange offer. The trading in ABN AMRO ordinary shares and ABN AMRO ADSs may continue on Euronext or the NYSE, as the case may be, after the completion of the exchange offer to the extent shares are not tendered in the exchange offer. However, following completion of the exchange offer and depending on the number of ABN AMRO ordinary shares and ABN AMRO ADSs acquired pursuant to the offer, Barclays intends to request that ABN AMRO seek the delisting of the ABN AMRO ordinary shares from Euronext and the delisting of the ABN AMRO ADSs from the NYSE as set forth in this document under the heading Delisting of ABN AMRO Ordinary Shares and ABN AMRO ADSs below. In addition, depending on the number of ABN AMRO ADSs acquired pursuant to the exchange offer, ABN AMRO ADSs may no longer be eligible for trading on the NYSE.

Approvals for Certain Purchases of ABN AMRO Shares Before and During the Exchange Offer

Barclays, ABN AMRO and their respective financial advisors applied have to the SEC for exemptive relief from the provisions of Rule 14e-5 under 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, or pursuant to the exceptions set forth in Rule 14e-5.

The relief granted permits, subject to certain enumerated condition as set forth in the relief letter, (i) Barclays, any of its subsidiaries or subsidiary undertakings and Lazard & Co., Limited and Lazard Frères & Co. LLC, Citigroup Global Markets Limited, Credit Suisse Group, JPMorgan Chase & Co. and Deutsche Bank AG and any other advisor, broker or financial institution acting as an advisor to Barclays and their respective affiliates and separately identifiable departments (collectively with such affiliates and departments, the Barclays Prospective Purchasers) and (ii) ABN AMRO, any of its subsidiaries or subsidiary undertakings and Lehman Brothers Europe Limited, Morgan Stanley & Co. Limited, UBS AG, NM Rothschild & Sons Limited, and Goldman Sachs International and any other advisor, broker or financial institution acting as an advisor to ABN AMRO and their respective affiliates and separately identifiable departments (collectively with such affiliates and departments, the ABN AMRO Prospective Purchasers and, collectively with the Barclays Prospective Purchasers, the Prospective Purchasers), to conduct certain trading activities involving ABN AMRO ordinary shares and ABN AMRO ADSs and various related derivative securities prior to and during the conduct of, but outside of the terms of, the exchange offer in the ordinary course of their businesses (including certain activities related to Barclays iShares business in the United States), none of which will be undertaken for the purpose of promoting or otherwise facilitating the exchange offer.

The relief also permits ABN AMRO to continue repurchases under its share repurchase program. The relief granted further permits, subject to certain enumerated conditions as set forth in the letter, the Barclays Prospective Purchasers to purchase or arrange to purchase ABN AMRO shares for their own account outside of the exchange offer in accordance with Dutch law.

ABN AMRO, Barclays and their respective financial advisors intend to carry on certain transaction 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 US and in accordance with Dutch and other applicable laws.

Listing of Barclays Shares and Barclays ADSs

It is intended that the Barclays ordinary shares issued pursuant to the exchange offer will be issued on the settlement date. The Barclays ordinary shares to be issued pursuant to the exchange offer will be

issued credited as fully paid and will rank pari passu in all respects with existing Barclays ordinary shares and will be entitled to all dividends and other distributions declared or paid by Barclays by reference to a record date after the settlement date but not otherwise. Barclays pays dividends semi-annually.

The Barclays ordinary shares issued pursuant to the exchange offer will be created under the Companies Act, and the legislation made thereunder, and will be issued in registered form. The Barclays ordinary shares issued pursuant to the exchange offer will be capable of being held in certificated and uncertificated form.

London Stock Exchange

Applications will be made to the FSA for the Barclays ordinary shares issued pursuant to this exchange offer to be admitted to the Official List of the UKLA and to the LSE for the Barclays ordinary shares be admitted to trading on the LSE s main market for listed securities under the symbols BARC . The applications are expected to become effective and dealings in the Barclays ordinary shares for normal settlement are expected to commence shortly following the settlement date. It is expected that the Barclays ordinary shares issued pursuant to the exchange offer, when issued and fully paid, will be eligible to be held and transferred by means of CREST. It is expected that the Barclays ordinary shares to be issued pursuant to the exchange offer will trade under ISIN GB0031348658.

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.

Euronext

Barclays will also apply for a secondary listing of Barclays ordinary shares on Euronext. It is expected that listing on Euronext of the Barclays ordinary shares will become effective and dealings, for settlement through the Euroclear Nederland System will also begin one day after the day that the exchange offer becomes unconditional.

New York Stock Exchange and Tokyo Stock Exchange

Applications will also be made to list the Barclays ordinary shares and the Barclays ADSs, which represent Barclays ordinary shares, issued pursuant to the exchange offer on the NYSE, where Barclays ADSs currently trade under the symbol BCS , and also to list the Barclays ordinary shares issued pursuant to the exchange offer on the TSE.

Delisting of ABN AMRO Ordinary Shares and ABN AMRO ADSs

Following completion of the exchange offer and depending on the number of ABN AMRO ordinary shares acquired pursuant to the exchange offer by Barclays, Barclays intends to request that ABN AMRO seek the delisting of the ABN AMRO ordinary shares from the Euronext and the ABN AMRO ADSs from the NYSE as soon as reasonably practicable following the completion of the transaction. In addition, depending on the number of ABN AMRO ADSs acquired pursuant to the exchange offer, the ABN AMRO ADSs may no longer be eligible for trading on the NYSE.

In order to seek de-listing of the ABN AMRO ordinary shares with the cooperation of Euronext, Barclays and its subsidiaries (other than ABN AMRO and its subsidiaries) must, in general, hold for its account at least 95% of the ABN AMRO ordinary shares.

While ABN AMRO ordinary shares could continue to be traded in the over-the-counter market and price quotations could be reported, there can be no assurance that such an over-the-counter market will develop. The extent of the public market for ABN AMRO ordinary shares and the availability of such quotations would depend upon such factors as the number of holders of ABN AMRO ordinary shares remaining at such time, the interest on the part of securities firms in maintaining a market in ABN AMRO ordinary shares, and the possible termination of registration of ABN AMRO ordinary shares under the Exchange Act, which would adversely affect the amount of publicly available information with respect to ABN AMRO.

Certain Legal and Regulatory Matters

General

ABN AMRO s and Barclays obligation to complete the combination is conditioned upon the receipt of certain approvals from governmental authorities. While ABN AMRO and Barclays believe that they will receive the requisite regulatory approvals for the combination, there can be no assurances regarding the timing of the approvals, their ability to obtain the approvals on satisfactory terms or the absence of litigation challenging these approvals. There can likewise be no assurance that non-US, US federal or state regulatory authorities will not attempt to challenge the combination on antitrust grounds or for other reasons, or, if a challenge is made, as to the results of the challenge. See The Merger Protocol Conditions to the Exchange Offer .

Competition and Antitrust

In order to complete the exchange offer, 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 combination and the exchange offer compatible with the Common Market without attaching to its decision any conditions or obligations. ABN AMRO and Barclays are also required to make notifications under the HSR Act and the rules promulgated thereunder.

While ABN AMRO and Barclays believe that they will receive the requisite 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.

Financial and Other Regulatory Authorities

The completion of the exchange offer is also subject to the receipt of the following approvals:

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;

ABN AMRO and Barclays 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 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;

The tax clearances from the relevant UK and Dutch tax authorities have not been withdrawn or amended; 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 on the LSE, authorized for listing on Euronext and the TSE, and the Barclays ADSs representing such shares or a portion thereof have been approved for listing on the NYSE.

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Commitment to Obtain Approvals

ABN AMRO and Barclays have agreed to use reasonable best efforts to obtain as promptly as reasonably practicable all consents and approvals of any governmental entity or any other person required in connection with the combination, subject to limitations as set forth in the Merger Protocol.

Certain Consequences of the Offer

Please see Risk Factors Risks Related to the Exchange Offer and the Combined Group for a discussion of potential consequences to holders of ABN AMRO ordinary shares who do not tender their ABN AMRO ordinary shares or ABN AMRO ADSs, if the transaction is consummated.

Accounting Treatment

The transaction will be accounted for as an acquisition under IFRS by use of the purchase method of accounting and as a business combination under US GAAP by use of the purchase method of accounting. For accounting purposes, Barclays will be the acquirer and ABN AMRO will be the acquired entity.

Dealer Manager and Related Fees and Expenses

Barclays has retained Deutsche Bank Securities, Inc. (Deutsche Bank Securities) to act as dealer manager in the United States in connection with the exchange offer. Deutsche Bank Securities will perform certain services in connection with the exchange offer, including soliciting tenders pursuant to the exchange offer and communicating generally with brokers, dealers, commercial banks and trust companies and other persons. Deutsche Bank Securities will be reimbursed for certain of its expenses, including certain attorneys fees, incurred in connection with performing such function. Barclays has agreed to indemnify Deutsche Bank Securities and related persons against certain liabilities and expenses in connection with their services, including liabilities and expenses under the Securities Act and the Exchange Act, or contribute to payments that the dealer manager may be required to make in that respect. Deutsche Bank Securities is currently engaged by Barclays, including as a financial advisor to Barclays in connection with the proposed combination with ABN AMRO, and has in the past provided, and may in the future provide, financial advisory or financing services to Barclays and has received, and may receive, fees for rendering these services. In the ordinary course of Deutsche Bank Securities business, Deutsche Bank Securities and its affiliates may actively trade securities of ABN AMRO and Barclays for their own account and for the accounts of their customers and, accordingly, may at any time hold a long or short position in these securities.

Other Fees and Expenses

Barclays has retained Georgeson as information agent in the United States in connection with the exchange offer. The information agent may contact holders of ABN AMRO ordinary shares or ABN AMRO ADSs by mail, telephone, telex, telegraph and personal interview and may request brokers, dealers and other nominee stockholders to forward material relating to the offer to beneficial owners of ABN AMRO ordinary shares and ABN AMRO ADSs. Barclays will pay the information agent reasonable and customary compensation for these services in addition to reimbursing the information agent for its reasonable out-of-pocket expenses. Barclays has agreed to indemnify the information agent against certain liabilities and expenses in connection with the exchange offer, including certain liabilities under the US federal securities laws.

In addition, Barclays has retained The Bank of New York to act as the ADS exchange agent to receive ABN AMRO ADSs validly tendered (or defectively tendered provided that such defect has been waived by Barclays) in the exchange offer and ABN AMRO Bank, an affiliate of ABN AMRO, to act as the Dutch listing and exchange agent in connection with the exchange offer for ABN AMRO ordinary shares. Barclays will pay these agents reasonable and customary compensation for their services in connection with the offer and will reimburse them for their reasonable out-of-pocket expenses and will indemnify them against certain liabilities and expenses.

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The expenses to be incurred in connection with the exchange offer to be paid by ABN AMRO and Barclays are estimated in the aggregate to be approximately [l] million. Such expenses include fees paid to financial advisors, transaction-related accounting and legal fees, printing costs, registration fees and transfer taxes, among others.

Appraisal Rights

Under Dutch law, holders of ABN AMRO ordinary shares (including ABN AMRO ordinary shares represented by ABN AMRO ADSs) will not be entitled to appraisal 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 a compulsory acquisition procedure under Dutch law, the consideration to be paid to ABN AMRO 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 term for acceptance of the bid has lapsed. See also The Exchange Offer-Appraisal Rights .

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Certain Information Relating to Barclays Directors and Officers

The business address and business telephone number of each executive officer and director of Barclays is c/o Barclays PLC, 1 Churchill Place, London E14 5HP, United Kingdom, telephone number +44 20 7116 1000. The country of citizenship of each director and officer of Barclays is as follows:

Chairman	**Citizenship**
Mr. Agius	British
Executive Director	**Citizenship**
Mr. Diamond	American and British
Mr. Hoffman	British
Mr. Lucas	British
Mr. Seegers	Dutch
Mr. Varley	British
Non-executive Director	**Citizenship**
Mr. Booth	American
Sir Richard Broadbent	British
Mr. Clifford	Australian
Mr. Conti	Italian
Dr. Cronjé	South African
Professor Dame Sandra Dawson	British
Sir Andrew Likierman	British
Sir Nigel Rudd	British
Mr. Russell	British
Sir John Sunderland	British
Officers	**Citizenship**
Mr. Britton	British
Mr. Dickinson	British
Mr. Harding	British
Mr. Idzik	American and British
Mr. Le Blanc	British and Canadian

During the past five years, none of the directors or officers of Barclays was convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), or was a party to any judicial or administrative proceeding (except for matters that were dismissed without sanction or settlement) that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws.

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POST-CLOSING RESTRUCTURING

Plans for ABN AMRO after the Exchange Offer

Once Barclays has completed the combination with ABN AMRO, it intends for ABN AMRO to continue its current operations, as a direct or indirect wholly owned subsidiary of Barclays.

Consideration Offered to Holders of ABN AMRO Ordinary Shares or ABN AMRO ADSs

Following the successful completion of the exchange offer, Barclays and ABN AMRO may implement a 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 the business of ABN AMRO being held in wholly owned subsidiaries of Barclays.

The post-closing restructuring measures will generally be structured to provide the holders of ABN AMRO ordinary shares or ABN AMRO ADSs who did not exchange their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer with the same consideration they would have received had they tendered their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer, or a consideration which, considering all circumstances, can be deemed to be reasonably equivalent thereto. Such equivalent can include cash, securities, dividend distributions in cash or in kind, shares in the entity resulting from a merger between ABN AMRO and Barclays, or a combination thereof, all as set out below in this section. The precise consideration that holders of ABN AMRO ordinary shares or ABN AMRO ADSs will receive on implementation of the post-closing restructuring measures may be different than the consideration that they would have received had they tendered their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer, because:

- Certain post-closing restructuring measures may provide for a consideration taking a form (cash or non-cash) other than proposed under the exchange offer;

- The consideration issued in certain post-closing restructuring measures may be determined by a court;

- The tax consequences to holders of ABN AMRO ordinary shares or ABN AMRO ADSs of receiving consideration in the post-closing restructuring 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 or Barclays ADSs received under the exchange offer may have a different value at the time of completion of the post-closing restructuring than at the time of the closing, and also, the value of the ABN AMRO ordinary shares or ABN AMRO ADSs (or substitute instruments resulting from intermediate steps) may have changed since; and

- The legal rights of the holders of ABN AMRO ordinary shares or ABN AMRO ADSs may change as a result of restructuring steps or vary depending on the form of the post-closing restructuring measures applied (such as dividend rights or voting rights, all as set out below).

Structural Steps to Implement the Post-Closing Restructuring

The following paragraphs describe certain steps, processes and measures that may be implemented by Barclays and ABN AMRO following the successful completion of the exchange offer. Any or all of these steps, measures and processes may be applied cumulatively, alternatively, they may be delayed or cancelled or may not take place at all, at the discretion of Barclays and ABN AMRO, subject to applicable provisions of Dutch or other applicable law, and may constitute a Rule 13e-3 transaction under the Exchange Act. The precise steps, processes and measures have not yet been determined by ABN AMRO and Barclays as this will depend on future developments such as the percentage of ABN AMRO ordinary shares and ABN AMRO ordinary shares underlying ABN AMRO ADSs that will actually be tendered in 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

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shares and ABN AMRO ADSs. This decision will take into account the applicable provisions of Dutch or other applicable law and corporate governance rules.

Post-closing restructuring measures may have adverse tax consequences for ABN AMRO shareholders or certain groups of ABN AMRO 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 restructuring 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.

Statutory Squeeze-out Procedure

In the event that Barclays has acquired 95% or more of the issued and outstanding share capital of ABN AMRO at or following the settlement date (excluding ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs that are held by ABN AMRO or its subsidiaries), Barclays may seek to acquire the remaining ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs through a statutory squeeze-out procedure (*uitkoopprocedure*) in accordance with Article 2:92a of the Dutch Civil Code (the Ordinary Squeeze-Out). In such circumstances, holders of ABN AMRO ordinary shares or of ABN AMRO ordinary shares underlying ABN AMRO ADSs may not receive the consideration that ABN AMRO ordinary shareholders of holders of ABN AMRO ordinary shares underlying ABN AMRO ADSs received in the exchange offer. Instead, the price to be paid for the ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs in the Ordinary Squeeze-Out would be paid in cash only, in an amount determined by the enterprise chamber (*ondernemingskamer)* of the Amsterdam court of appeals (*Gerechtshof Amsterdam*), which amount may be substantially different than the consideration that ABN AMRO ordinary shareholders or holders of ABN AMRO ordinary shares underlying ABN AMRO ADSs received in the exchange offer. Barclays may also use any other compulsory squeeze-out procedure permitted by law in respect of the ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs from time to time if and when it meets the statutory threshold and other requirements applicable to such other procedures. Such alternative compulsory squeeze-out procedure may include the squeeze-out procedure that are expected to be implemented in Dutch law in the second half of 2007, in accordance with the EU the Takeover Directive (2004/25/ EC) (the Takeover Squeeze Out). The Ordinary Squeeze-Out will continue to be available in addition to the Takeover Squeeze Out. Under the Takeover Squeeze-Out Barclays may initiate take over squeeze out proceedings against the remaining minority shareholders within 3 months of the end of the expiration of the initial offer period, as it may have been extended by Barclays. After that period, Barclays may still invoke the Ordinary Squeeze-Out. Barclays will be entitled to commence the Takeover Squeeze Out if it has acquired 95% of a single class of ABN AMRO shares, even if in aggregate it holds less than 95% of the total issued share capital (and represents less than 95% of the voting rights) of ABN AMRO with respect to the remaining shareholders holding the same class of shares. As is the case for the Ordinary Squeeze-Out, in such circumstances holders of ABN AMRO ordinary shares or of ABN AMRO ordinary shares underlying ABN AMRO ADSs may not receive the consideration that ABN AMRO ordinary shareholders of holders of ABN AMRO ordinary shares underlying ABN AMRO ADSs received in the Offer. Instead, the price to be paid for the ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs in the Takeover Squeeze-Out would be paid in cash only, in an amount determined by the Enterprise Chamber (*ondernemingskamer)* of the Amsterdam Court of Appeals (*Gerechtshof Amsterdam*), which amount may be different than the consideration that ABN AMRO ordinary shareholders or holders of ABN AMRO ordinary shares underlying ABN AMRO ADSs received in the exchange offer. The Takeover Squeeze-Out presumes that the consideration offered in the exchange offer for the ABN AMRO ordinary shares is presumed to be a fair squeeze out price if 90% or more of the shares were acquired pursuant to the exchange offer, and the squeeze out proceedings are initiated within the term of three months as mentioned above. The Amsterdam Court of Appeals may appoint one or three experts for advice on the fairness of the price and may set the squeeze out price at a lower price than the consideration offered in the exchange offer.

In the event of any such squeeze out procedure, Barclays may aim to pay a cash consideration per share derived from the value of the consideration paid per share of the relevant class of ABN AMRO ordinary shares under the exchange offer.

Similarly, Barclays may seek to initiate a statutory squeeze-out procedure that may be available to it from time to time under any applicable jurisdiction in respect of any instruments by which ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs may be substituted as a result of post-closing restructuring steps. The choice of jurisdiction in this respect depends on, among other things, whether the number of ABN AMRO ordinary shares, including ABN AMRO ordinary shares represented by ABN AMRO ADSs, acquired by Barclays enables Barclays to acquire the minority shareholder interest in ABN AMRO remaining 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.

Legal Merger

If and when the EU Cross-border Merger Directive has been implemented in both The Netherlands and the United Kingdom, or cross-border mergers of a relevant form will otherwise be possible, Barclays and ABN AMRO may initiate and seek the implementation of a legal merger between Barclays, or any of its affiliates, as the surviving company, and ABN AMRO as the disappearing company. As a result of such legal merger, ABN AMRO would cease to exist and the ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs which are not held by the surviving company at the time of the legal merger would be exchanged into shares, of a class to be determined, of the surviving company (subject to any cash or other alternative that would be available to either Barclays, ABN AMRO and/or holders of ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs under applicable law and the terms of the merger proposal). The result of such a merger will be that the holders of ABN AMRO ordinary shares or of ABN AMRO ADSs will become shareholder in a company with different assets and liabilities compared to those currently held by ABN AMRO and the value of such shares will also be determined by the business of the combined group or any part thereof, depending on the assets and/or liabilities held by ABN AMRO after such merger. In addition, it is possible that the shares in the surviving company held by former ABN AMRO shareholders or the ABN AMRO ordinary shares underlying ABN AMRO ADSs, will have different rights than the rights on the ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs, such as dividend rights and voting rights. In effecting such a merger, ABN AMRO and Barclays will be subject to their respective articles of association (as they may be amended from time to time) and applicable provisions of Dutch or other applicable law.

Sale and/or transfer of ABN AMRO Bank

At any time after the settlement date, Barclays and ABN AMRO may take steps to implement a sale and/or transfer of ABN AMRO Bank (and/or other assets and liabilities of ABN AMRO and/or ABN AMRO Bank) to Barclays or any of its affiliates against a consideration which may consist of cash, cash equivalents or securities or other financial instruments (i) whose equity and dividend entitlements are limited and/or (ii) whose value depends on the value of the business of the combined group or any part thereof, or shares in the capital of Barclays or any affiliate thereof. Any of such sales and transfers may lead to ABN AMRO shareholders or holders of ABN AMRO ADSs holding an interest in a company with different assets and liabilities compared to those currently held by ABN AMRO and the value of such an interest will also be determined by the business of the combined group or any part thereof, depending on the assets and/or liabilities held by ABN AMRO after such sale and transfer.

Other possible measures

Barclays and ABN AMRO may initiate, and seek the implementation of, a number of other post-closing restructuring steps, whether before, after, in combination with or as an alternative to the potential

measures set out under the subheadings Statutory Squeeze-out Procedure , Legal Merger and Sale and/or transfer of ABN AMRO Bank in this section.

Such other post-closing restructuring steps may include, but are not limited to, the following:

an amendment of the ABN AMRO articles of association, to permit the creation of separate classes of shares and/or other securities and/or to alter the rights attaching to one or more classes of ABN AMRO ordinary shares or ABN AMRO ADSs, which may have an impact on the voting rights on the ABN AMRO ordinary shares or ABN AMRO ADSs;

the issue of shares in the capital of ABN AMRO of one or more classes to Barclays or any of its affiliates (with the exclusion of pre-emptive rights, if any, of other ABN AMRO shareholders, all in accordance with applicable law), which shares can be paid up in cash and/or in kind, which could lead to a dilution of the interest of ABN AMRO shareholders in ABN AMRO;

the distribution of an extraordinary dividend or other distribution or repayment of capital on ABN AMRO ordinary shares or ABN AMRO ADSs or a particular class or classes of ABN AMRO ordinary shares or ABN AMRO ADSs, whether in cash or in kind. Any distributions made may take the form of a distribution out of reserves, an interim dividend, a final dividend, payment upon cancellation or, in case ABN AMRO is liquidated, a liquidation distribution, which may have certain tax consequences for ABN AMRO shareholders as described above; and

the sale and transfer by ABN AMRO, or any of its subsidiaries, to Barclays or any of its affiliates, of all or a portion of the assets of ABN AMRO or its subsidiaries. Any of such sales and transfers may lead to ABN AMRO shareholders or holders of ABN AMRO ADSs holding an interest in a company with different assets and liabilities compared to those currently held by ABN AMRO and the value of such an interest will also be determined by the business of the combined group or any part thereof, depending on the assets and/or liabilities held by ABN AMRO after such sale and transfer.

Any single post-closing restructuring step described above may but need not be implemented for the sole purpose of facilitating the implementation of one or more other post-closing restructuring steps described above, or for the sole purpose of achieving a result in terms of financial entitlement that is similar to the result of another post-closing restructuring measure if, it is likely that implementation, of that other measure can be achieved only after a longer period of time. For instance, a sale by ABN AMRO of all or substantially all of its assets and liabilities against an instrument tracking the value of the Barclays ordinary shares or Barclays ADSs may be implemented as a temporary measure if at the time of implementation it is not or not yet possible to implement a cross-border statutory legal merger between Barclays as the surviving company and ABN AMRO as the disappearing company.

Barclays reserves the right to use any other method permitted by applicable law to obtain the entire issued and outstanding capital of ABN AMRO, as well as to align the company structure of ABN AMRO with the combined group s new holding and financing structure that will exist after the settlement date.

Further, Barclays and ABN AMRO reserve the right to pursue alterations to the corporate and capital structure of ABN AMRO, including internal reorganizations, changes to the accounting policies applied by ABN AMRO and/or one of the above, described methods, all to be effected in accordance with Dutch or other applicable law.

It is possible that Barclays may not be able to implement the post-closing restructuring promptly after the settlement date, that such restructuring is delayed or that such restructuring cannot take place at all. This will, among other things, depend on the percentage of ABN AMRO ordinary shares or ABN AMRO ordinary shares underlying ABN AMRO ADSs tendered under 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, taking into account the applicable provisions of Dutch or other applicable law and corporate governance rules. In addition, the post-closing restructuring could be the subject of litigation, and a court could delay the post-closing restructuring or prohibit it from occurring on the terms described in this document, or from occurring at all. Accordingly, holders of ABN AMRO ordinary shares or ABN AMRO ordinary shares

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underlying ABN AMRO ADSs who do not tender their ABN AMRO ordinary shares or ABN AMRO ADSs in the exchange offer may not receive the standard offer consideration for such ABN AMRO ordinary shares or ABN AMRO ADSs on or promptly after the settlement date, or at all, and the liquidity and value of any ABN AMRO ordinary shares or ABN AMRO ADSs that remain outstanding could be negatively affected. 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. Barclays may not be able to complete the post-closing restructuring of ABN AMRO and its affiliates promptly after the closing, such restructuring may be delayed or may not take place at all for the reasons described above. In addition, even if Barclays is able to effect the post-closing restructuring, the consideration that holders of ABN AMRO ordinary shares or ABN AMRO ADSs receive in the post-closing restructuring may be substantially different in form and/or value 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). See Risk Factors.

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ABN AMRO EXTRAORDINARY GENERAL MEETING

At [l], Central European Summer Time, on [l], 2007, the ABN AMRO extraordinary general meeting will be convened at [l], during which the exchange offer and the combination and the measures to implement it, will be explained and discussed in compliance with the provisions of article 9q of the Bte 1995 and at which the shareholders will have an opportunity to ask questions of the ABN AMRO Managing Board and the ABN AMRO Supervisory Board. The exchange offer is not required to be and will not be submitted to an ABN AMRO shareholder vote. The information necessary for the ABN AMRO shareholders to adequately assess the exchange offer, as meant in article 9q of the Bte 1995, is included in this document.

Notice of the ABN AMRO extraordinary general meeting has been given in accordance with the ABN AMRO Articles of Association 4748.

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BARCLAYS EXTRAORDINARY GENERAL MEETING AND CLASS MEETING

Overview

At [l], British Summer Time and [l], 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 [l].

Resolutions to be Presented at the Barclays Extraordinary General Meeting

[l].

Resolutions to be Presented at the Barclays Class Meeting

[l].

THE MERGER PROTOCOL

The following is a summary of selected provisions of the Merger Protocol. While Barclays believes this description covers the material terms of the Merger Protocol, it may not contain all the information that is important to you and is qualified in its entirety by reference to the Merger Protocol, which is incorporated by reference in its entirety and attached to this document as Annex A. Barclays urges you to read the Merger Protocol in its entirety.

Structure of the Merger and Future Corporate Governance

Structure of the Merger

Under the Merger Protocol, the merger is to be effected by way of public offers by Barclays into The Netherlands, the US and certain other jurisdictions to acquire all the issued and outstanding share capital of ABN AMRO. Barclays and ABN AMRO expect to use a newly incorporated Dutch company (Subco N.V .) to hold shares in ABN AMRO following completion of the exchange offer, with Barclays being the holding company of the combined group.

Future Corporate Governance and Identity

The registered office of the combined group will be in Amsterdam and the group will have a UK incorporated holding company. The Merger Protocol also prescribes the following corporate governance structure:

- the combined group will have a UK-style unitary board operating in accordance with UK corporate governance principles and best practices prevailing at the time;

- the Group Board of Directors will be composed of 19 directors, including the chairman, deputy chairman, chief executive officer, four other executive directors and twelve other non-executive directors;

- Barclays will select the board of directors of Subco N.V.;

- the chairman of the board and seven other non-executive directors will be nominated by ABN AMRO, while the deputy chairman, five non-executive directors and the next chief executive officer will be nominated by Barclays, each of them to be appointed with effect from the time the exchange offer is declared unconditional;

- in addition to the Executive Committee, the board will have a nomination committee, an audit committee and a remuneration committee, which will be chosen following a consultation process by the next chairman of the board with the other individual members of the board; the members of each such committee will include non-executive directors with suitable experience and qualifications;

- Barclays and ABN AMRO will establish an integration planning committee, comprising senior management from Barclays and ABN AMRO, which committee will be responsible for preparatory work and planning activities in relation to the integration of the two businesses following the merger;

- Barclays registered office will remain in England, while its head office will be located in Amsterdam, The Netherlands; thus, the majority of the members of the Executive Committee (i.e., the chief executive officer, chief financial officer, chief operating officer, group chief administrative officer and three executive officers responsible for global retail and commercial banking) and the global head office of retail and commercial banking will be based in The Netherlands; the meetings of the Executive Committee of Barclays will be held primarily in The Netherlands; and the heads, senior management and appropriate core staff of all relevant group functions (including risk, compliance, legal, audit, human resources and finance) will be based in The Netherlands;

Barclays ordinary shares will have a primary listing on the LSE, maintaining the inclusion of Barclays ordinary shares in the FTSE 100 Index, and a secondary listing on Eurolist by Euronext;

the supervisory board and the management board of ABN AMRO Bank, and the board of directors of Barclays Bank, will initially comprise members nominated by the Group Board of Directors;

the FSA is expected to be lead supervisor of the consolidated combined group and DNB and FSA are expected to be the consolidated supervisors of the ABN AMRO group and the Barclays group, respectively;

Barclays has agreed to respect and work within the Dutch employee co-determination regulations as applied by ABN AMRO as well as the covenant with the central works council of ABN AMRO; and

Barclays is intended to remain a UK tax resident following completion of the exchange offer.

The Exchange Offer

Merger Consideration

Barclays is offering to acquire each issued ABN AMRO ordinary share for 3.225 Barclays ordinary shares and each ABN AMRO ADS for 0.80625 Barclays ADSs.

Adjustments to the Exchange Ratio

The Merger Protocol provides for the exchange ratio to be adjusted in certain situations in order to factor into the exchange ratio the impact of such situations on the relative values of Barclays and ABN AMRO ordinary shares. See The Exchange Offer Adjustment of Exchange Ratio above.

LaSalle Consideration

In the event that ABN AMRO receives cash consideration for the sale of LaSalle which is less than $21 billion, an amount equal to the shortfall shall be deemed to have been a distribution by ABN AMRO for purposes of determining whether, and the amount that, the exchange ratios should be adjusted. There shall be no corresponding adjustment as a result of the cash consideration received being greater than $21 billion.

Discretion of Barclays

Barclays shall be entitled within its discretion to increase at any time the consideration offered for the ordinary shares.

Share Price

The Merger Protocol does not permit either party to terminate the Merger Protocol, nor provide for alteration of the exchange ratio, as a result of the price of Barclays or ABN AMRO ordinary shares or ADSs falling below any minimum price or rising above any maximum price.

Exchange Offer and Merger Process

The exchange offer will remain open for a minimum of 20 US business days or, if required by law in any other jurisdiction in which the exchange offer is made, 30 calendar days. The closing date of the exchange offer will be the initial date on which the exchange offer closes for acceptance, unless Barclays, with reasonable input from ABN AMRO, decides to extend the exchange offer, in which case, the closing date shall be the last date on which the extended exchange offer closes. Barclays may also, with reasonable input from ABN AMRO, decide the duration of the initial acceptance period and of any extension thereof.

In the event Barclays declares the exchange offer unconditional, Barclays may, with reasonable input from ABN AMRO, and in accordance with market practice and applicable rules and regulations, publicly announce a post-acceptance period and accept each ABN AMRO ordinary share that is tendered after the date of Barclays official notice to declare the exchange offer unconditional.

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Consultation Process and Information Sharing

Subject to confidentiality and certain other restrictions, the parties have each agreed to: (a) allow the other party and its advisors reasonable access to its directors, board members, certain agreed senior employees, information, documentation and advisors as may be reasonably requested by the other party in connection with the exchange offer or merger (except in respect of any Alternative Proposal or Barclays Alternative Proposal (as defined below)); (b) furnish the other party and its advisors, as soon as such is available, with regular updates on financial results and developments material to its group; and (c) provide such customary assistance reasonably requested by the other party in connection with any financing or regulatory compliance obligations affected by the exchange offer and merger or related matters.

Barclays and ABN AMRO have agreed to consult and cooperate in respect of relevant matters in preparation for the exchange offer, including on public relations and any change of control issues triggered by the exchange offer and the change of control contemplated thereby, subject to the terms and provisions of the Merger Protocol, and, except with respect to a Competing Offer (as defined below), notify each other promptly and provide relevant information of any event or circumstance it may become aware of and which could reasonably be expected to (a) have a significant impact on the fulfillment of the conditions to the exchange offer and/or merger, (b) prejudice the success of the exchange offer, or (c) cause or constitute a material breach of any covenants or agreements in the Merger Protocol, provided that any delay in or absence of such notification by either party shall not prejudice any of such party s rights under the Merger Protocol.

LaSalle Agreement

ABN AMRO Bank has entered into the LaSalle Agreement and ABN AMRO agrees that it will keep Barclays fully and promptly informed of the progress of the transaction contemplated by such agreement and further agrees, without the prior written approval of Barclays (such approval not to be unreasonably withheld or delayed), not to amend or vary the agreement in any material respect or waive any of its material rights thereunder. Should the LaSalle Agreement be terminated without completion of the sale of LaSalle, ABN AMRO will, after consultation with Barclays, appoint a financial advisor to assist with the process to find an alternative buyer for LaSalle. Such process shall include the goal of achieving the highest possible price for the sale, taking into account all relevant considerations such as the suitability of the potential bidders and the time to completion of the regulatory process in the US. ABN AMRO has further agreed to provide Barclays with copies of all material documents relating to the potential sale and, in advance of (a) the publication of any sale materials, (b) any key decision or (c) the issue of any material correspondence, to consult with Barclays and take into account Barclays reasonable comments and representations. The final terms of any sale will be subject to Barclays prior written approval (such approval not to be unreasonably withheld).

Substantially all of the after-tax proceeds received by ABN AMRO on completion of the LaSalle Agreement or on completion of a sale contract for the sale of LaSalle are expected to be distributed to shareholders of the combined group following completion of the exchange offer on terms approved by the Barclays board.

Irrevocable Undertakings

The parties have agreed, for the benefit of, and to be enforced or waived by Barclays, only that they shall endeavor to obtain, prior to the date of the commencement of the exchange offer, irrevocable undertakings from any holder of ABN AMRO ordinary shares that holds more than 3% of the ABN AMRO ordinary shares to tender such shares in the exchange offer.

All members of the ABN AMRO boards who hold, directly or indirectly, or who are the beneficial owners of one or more ABN AMRO ordinary shares, as soon as possible after the date of the Merger Protocol, will irrevocably undertake with Barclays to tender any such ABN AMRO ordinary shares held by them to Barclays under the terms and conditions of the exchange offer, subject to the ABN AMRO boards

recommendation not having been revoked, except to the extent a member of the ABN AMRO boards has already irrevocably undertaken with Barclays to do so on terms acceptable to Barclays. All members of the Barclays Board who hold, directly or indirectly, one or more Barclays ordinary shares, will cast the votes attached to those shares in favor of the resolution to be proposed at the Barclays shareholder meeting, subject to the Barclays Board recommendation not having been revoked.

ABN AMRO Share Plans

The parties will seek to agree, prior to the date of commencement of the exchange offer, on an offer to be made by Barclays to exchange all existing awards and options under the ABN AMRO employee share plans with new awards and options over Barclays shares on terms satisfying the requirements of the relevant ABN AMRO employee share plan. Barclays will consult with ABN AMRO prior and in relation to the making of such an offer and shall take into account ABN AMRO s reasonable suggestions or requests.

If the parties fail to agree in respect of such offer prior to the date of the commencement of the exchange offer, any of the ABN AMRO Managing Board, the ABN AMRO Supervisory Board, and corporate body or committee with authority with respect to the ABN AMRO employee share plans may discretionally exercise any of its authority to accelerate vesting following a change in control of ABN AMRO or cancel any awards or options in return for a cash payment to the holders of such options or awards and resolve that any award or option granted under the ABN AMRO employee share plans become vested and exercisable as a result of the exchange offer, provided that existing awards or options that may in accordance with the plan rules be pro-rated on a time and/or performance basis are so pro-rated and provided that in the event any awards are satisfied in cash, the total cash amount does not exceed 250 million.

ABN AMRO Shareholder Meeting

ABN AMRO will, no later than the date on which the exchange offer commences, send a notice to convene an extraordinary general meeting of shareholders in order to, among other things, (a) provide required information concerning, and give effect to, the exchange offer and merger and (b) if so requested by Barclays, propose to the shareholders any agreed amendments to ABN AMRO s articles of association and the proposed appointments of the nominated individuals to the ABN AMRO boards, subject to and with effect as of the time the exchange offer is declared unconditional. If Barclays does not request the proposal of such resolutions by ABN AMRO, ABN AMRO will undertake with Barclays to effect such steps as soon as possible following the time the exchange offer is declared unconditional, on terms reasonably satisfactory to Barclays.

Barclays Shareholder Meeting

Barclays will, on the date on which the exchange offer commences, include in its shareholder circular a notice to convene an extraordinary general meeting of shareholders and an ordinary shareholder class meeting at which resolutions will be proposed to approve, among other things, the exchange offer and merger and the implementing measures thereof, and the increase of Barclays authorized share capital and the issuance of the new Barclays ordinary shares.

Union and Works Council Communications

The parties have agreed to inform the unions in writing of (a) the reasoning behind the exchange offer and merger, (b) the intentions with respect to future business strategy and the related social, economic and legal consequences of the exchange offer and merger, and (c) any intended measures that will be taken in respect of such strategy. The unions will subsequently be given the opportunity to discuss the timing and manner of informing the employees of ABN AMRO. The parties will also cooperate fully and coordinate in relation to informing and, to the extent legally required, obtaining advice from their respective works councils on the exchange offer and merger.

Director and Officer Indemnification

Barclays and ABN AMRO have each agreed to indemnify each individual to become a member of a board of a company in its respective group, as of the time the exchange offer is declared unconditional, for any damages, costs, liabilities or expenses incurred by such individual arising out of inaccuracies or material misstatements in the parts of the applicable disclosure documentation for which such individual is or was responsible solely in his capacity as a proposed member of the relevant board with respect to the period prior to such person becoming a director to the same extent as available to members of the applicable board on the date of such documentation.

Post-Closing Actions

The parties desire that Barclays acquire all ABN AMRO ordinary shares, including any ABN AMRO ordinary shares not tendered in the exchange offer. Under Dutch law, such ABN AMRO ordinary shares may be acquired pursuant to compulsory buy-out procedures or takeover buy-out procedures. A cross-border legal merger may also take place, in which ABN AMRO would be the disappearing entity, and as a result of which, holders of shares in the capital of ABN AMRO would become shareholders of Barclays. Alternatively, under the Merger Protocol, Barclays may effect its acquisition of the remaining ABN AMRO shares through any other legal means permitted. Any such post-offer actions will be structured and implemented in a reasonably efficient manner, from operational, legal and tax perspectives, taking into account relevant circumstances and applicable laws.

Conditions to the Exchange Offer

Conditions to Commencement of the Exchange Offer

Mutual Conditions

Under the Merger Protocol, the obligation of Barclays to make the exchange offer was subject to each of the following conditions having been satisfied or waived by Barclays and ABN AMRO:

all notifications, filings and applications necessary or appropriate in connection with the merger or exchange offer and their implementation and the satisfaction of other conditions to the exchange offer or merger have been made (other than those notifications, filings or applications that cannot be made until after the commencement of the exchange offer);

all authorizations (other than with respect to the disclosure documentation) required for making the exchange offer have been obtained where the failure to obtain those authorizations (a) would result in Barclays violating any law, (b) reasonably could materially and adversely affect ABN AMRO, Barclays or the combined group, or (c) would otherwise mean that Barclays cannot reasonably be expected to continue with the exchange offer or merger;

Barclays and ABN AMRO have received written notification from the DNB and FSA confirming that the FSA will be lead supervisor of the consolidated combined group and act as the coordinator in relation to the combined group following completion of the exchange offer and the other arrangements and/or requirements that the DNB or FSA will implement or require in relation to the combined group, and neither party has received any notification from the DNB or FSA indicating there is likely to be any change with respect to the matters set out in such notifications;

clearances and confirmations from the relevant tax authorities in The Netherlands and the UK that, after the completion of the exchange offer Barclays will be considered to be resident for tax purposes in the United Kingdom, that, after consummation of the exchange offer, have been obtained in terms reasonably satisfactory to Barclays and ABN AMRO and that none of such clearances or confirmations has been withdrawn or modified;

all requisite employee consultations and information procedures with employee representative bodies of ABN AMRO and Barclays have been completed;

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the AFM and UKLA have approved, or declared they have no further comments on, the relevant disclosure documentation, and the registration statement on Form F-4 has become effective under the Securities Act and no stop order suspending the effectiveness of the registration statement shall have been issued and be in effect and no proceedings for that purpose shall have been initiated by the SEC and not withdrawn;

there is no indication that the Barclays ordinary shares issued pursuant to the exchange offer will not be admitted to the Official List of the UKLA, admitted to trading on the LSE, authorized for listing on the LSE, Euronext and the TSE, nor that the Barclays ordinary shares or Barclays ADSs issued pursuant to the exchange offer will not be approved for listing on the NYSE;

Euronext has confirmed it has no further comments on the proposed amendments to the articles of association of ABN AMRO;

the FTSE 100 Committee has provided written confirmation to the effect that Barclays ordinary shares will continue to be included in the FTSE 100 Index following the exchange offer being declared unconditional and the issue of new Barclays shares;

the parties have not received notification from the AFM that the preparations of the exchange offer are in breach of Netherlands law pursuant to which securities institutions would not be permitted to cooperate with the execution and completion of the exchange offer;

no condition to the merger has become permanently incapable of fulfillment and not been waived; and

the Merger Protocol has not been terminated.

Additional Barclays Conditions

Under the Merger Protocol, the obligation of Barclays to make the exchange offer was subject to the following conditions having been satisfied (or waived by Barclays):

no ABN AMRO Material Adverse Change has occurred prior to the closing of the exchange offer;

there has been no event, circumstance or series of linked events or circumstances not fairly disclosed in ABN AMRO s 2006 annual report or annual accounts or otherwise disclosed that can be expected to have a negative impact of 5% or more on ABN AMRO s 2006 consolidated operating income;

Barclays has reasonably determined that the conditions to the merger pertaining to regulatory approvals will be fulfilled as of the anticipated closing date of the exchange offer;

if required, at least 60 (sixty) calendar days have passed following the date on which Barclays application, if required, under Section 3 of the United States Bank Holding Company Act of 1956, as amended, has been accepted for processing by the Board of Governors of the US Federal Reserve System;

no governmental or similar body, court or agency in any jurisdiction has decided to, or indicated any intention to, implement or threaten any frustrating action, as defined in the Merger Protocol, such that the parties cannot reasonably be expected to continue with the merger;

Barclays and ABN AMRO have received copies of resignation letters from those members of the ABN AMRO Managing Board, the ABN AMRO Supervisory Board and the ABN AMRO Bank management and supervisory boards who, it has been agreed, shall resign subject to the exchange offer being declared unconditional;

all necessary corporate action has been taken in connection with the appointment of the nominated individuals to the supervisory board and management board of ABN AMRO Bank and Barclays (Netherlands) subject to and with effect as of the time the exchange offer has been declared unconditional;

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Barclays has received satisfactory irrevocable undertakings from the members of the ABN AMRO Managing Board and ABN AMRO Supervisory Board to tender all the ABN AMRO ordinary shares held by them;

no circumstance, occurrence or development has occurred since the date of the Merger Protocol that will constitute or constitutes suspension or limitation of trading in ABN AMRO ordinary shares or convertible shares (other than on a temporary basis in the ordinary course of trading);

The *Stichting Administratiekantoor Preferente Financieringsaandelen ABN AMRO* which acts as depository for ABN AMRO s convertible preference financing shares for which depositary receipts have been issued (the DR Prefs), with a nominal value of 0.56 each (the underlying preference shares) has irrevocably agreed with Barclays and ABN AMRO that, subject to:

(i) the exchange offer being declared unconditional;

(ii) an undertaking of Barclays not to exercise more voting rights on the underlying preference shares than it could exercise as holder of ABN AMRO s DR Prefs as long as the ABN AMRO ordinary shares are listed on Euronext; and

(iii) the amendment of the terms of ABN AMRO s DR Prefs necessary for an exchange by Barclays of DR Prefs for underlying preference shares and any other actions as may be legally required to enable such exchange,

it will take all necessary action to exchange any ABN AMRO DR Prefs for underlying preference shares, if and when requested by Barclays; and

all regulatory approvals required for completion of the LaSalle Agreement (or a purchase and sale agreement with another party) in accordance with its terms have been obtained.

Additional ABN AMRO Conditions

Under the Merger Protocol, the obligation of Barclays to make the exchange offer was subject to each of the following conditions having been satisfied (or waived by ABN AMRO):

no Barclays Material Adverse Change (as defined below) has occurred prior to the closing of the exchange offer;