BARCLAYS PLC
Form FWP
June 01, 2015

Q1 2015 Interim Management Statement
29 April 2015
Barclays PLC
Fixed Income Investor Presentation
Free Writing Prospectus
Filed Pursuant to Rule 433
Reg. Statement No.
333-195645

|
Barclays Q1 2015 Fixed Income Investor Presentation
Q1 financial highlights
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HOLDING COMPANY

TRANSITION
CAPITAL &
LEVERAGE
ASSET QUALITY
Increased
adjusted
pre-tax
profits
by
9%

Core
up
14%
Core business continued to performed well with PBT of £2.1bn and RoE of 10.9%
Further progress on shrinking Non-Core and releasing capital; RWAs down to £65bn
Building capital: CET1 ratio increased to 10.6% and leverage ratio maintained at
3.7%
Group adjusted costs of £4.1bn, down 7%, delivering positive jaws

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Performance Overview

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Financial performance

Adjusted profit before tax increased 9%

Adjusted income decreased 3%, due to Non-Core run-down, while impairment reduced 13%

Total adjusted operating expenses decreased 7% to £4.1bn driven by savings from Transform programmes and lower costs to achieve Transform

Adjusted attributable profit was £1.1bn, resulting in EPS of 6.5p

Group RoE was 7.6%, with Core RoE of 10.9%

Dilution on Group RoE from Barclays Non-Core was 3.3%

Statutory attributable profit was £465m:
Further provisions of £800m for investigations and litigation primarily relating to Foreign Exchange
Additional PPI redress provision of £150m
Gain of £429m recognised as valuation of a component of the defined retirement benefit liability was aligned to statutory provisions
Loss of £118m relating to completion of the Spanish business sale
Summary Group financials: Adjusted profits up 9%
1
EPS and RoE calculations are based on adjusted attributable profit, also taking into account tax credits on AT1 coupons |
4
Three months ended
March (£m)
2014
2015
% change
Income
6,650
6,430
(3%)
Impairment
(548)
(477)
13%
Total operating expenses
(4,435)
(4,124)
7%

Costs to achieve Transform (CTA)
(240)
(120)
50%
Adjusted profit before tax
1,693
1,848
9%
Tax
(561)
(529)
6%
NCI and other equity interests
(250)
(260)
(4%)
Adjusted attributable profit
882
1,059
20%

Provisions for investigations and litigation primarily relating to Foreign Exchange

(800)

Provisions for PPI redress

(150)

Gain on valuation of a component of the defined retirement benefit

429

Loss on sale of Spanish business

(118)

Own credit
119
128
Statutory profit before tax
1,812
1,337
(26%)
Statutory attributable profit/(loss)
965

465
(52%)
Basic
earnings
per
share
1
5.5p
6.5p
Return
on
average
equity
1
6.5%
7.6%
Dividend per share
1.0p
1.0p

|
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ASSET QUALITY
(£bn)
Dec-14
Mar-15
Balance
Sheet
Total assets
1,358
1,416
Leverage
exposure
1
1,233
1,255
Leverage
ratio
1
3.7%
3.7%
Capital
2
Fully loaded CET1 ratio
10.3%
10.6%
Fully loaded CET1 capital
41.5
41.8
Risk-weighted assets
402
396
Liquidity
Liquidity
coverage
ratio
3
124%
122%
Liquidity pool
149
148
Funding
Loan to Deposit Ratio
4
89%
89%
Wholesale funding
5
171
178

NSFR
3
102%
n/a
Strengthening key financial metrics
1
Mar-15
based
on
end-point
CRR
definition
of
Tier
1
capital
for
the
numerator
and
the
CRR
definition
of
leverage
exposure
as
adopted
by
the
European
Union
delegated
act.
This
is
broadly
consistent
with
the
BCBS
270
definition,
which
was
the
basis
of
Dec-14
comparatives

|
2 Based on Barclays interpretation of the final CRD IV text and latest EBA technical standards
|
3 LCR based on CRD IV rules as per the EU Delegated Act and the NSFR based on the final guidelines published by the BCBS in October 2014. NSFR disclosed semi-annually
|

4
LDR
calculated
for
PCB,
Africa
Banking,
Barclaycard
and
Non-Core
retail
|
5
Excludes
repurchase
agreements
|
6
Based
on
certain
assumptions

refer
to
slide
19
for
more
details
5

Progressive strengthening of key balance sheet metrics

CET1 capital has increased to £42bn and RWAs reduced to £396bn improving the CET1 ratio to 10.6%

Leverage exposure increased slightly to £1.255trn (Dec 2014: £1.233trn), mainly as a result of seasonal effects, but the leverage ratio was maintained at 3.7%

Liquidity position remains robust with liquidity pool of £148bn and LCR of 122%

Funding profile remain conservative and well diversified

Overall funding requirements reducing as Non-Core is run-down

Further progress on proactive transition towards Holding Company capital and funding model

With a proxy TLAC ratio of 24%[6], we are well positioned to meet future TLAC requirement

Highlights

Raised £2bn of senior unsecured debt at Barclays PLC which was used to subscribe for senior unsecured debt at Barclays Bank PLC.

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PBT up 14% at £2.1bn:
PCB profits up 14%
Investment Bank profits up 37%
Africa Banking profits up 23%
Barclaycard profits were down 1%

Income increased 2% to £6.4bn, with non-investment banking businesses up 4%

Impairment improved 7%, principally reflecting the improving UK economic environment benefitting PCB

Operating expenses reduced 2% to £3.9bn reflecting Transform savings across the businesses

Attributable profit was £1.3bn with EPS of 7.7p

RoE excluding CTA was 11.6% on average allocated equity of £47bn, up £7bn year on year
Core business performing well: Positive jaws and PBT up 14%
Three months ended
March (£m)
2014
2015
% change
Income
6,277
6,420
2%
Impairment
(481)
(448)
7%
Total operating expenses
(3,969)
(3,885)
2%

Costs to achieve Transform
(CTA)
(216)
(109)
50%
Adjusted profit before tax
1,847
2,104

14%
Tax
(589)
(615)
(4%)
NCI and other equity interests
(205)
(231)
(13%)
Adjusted attributable profit
1,053
1,258
19%
Adjusted financial performance measures
Average allocated equity
£40bn
£47bn
Return on average tangible equity
13.2%
13.2%
Return on average equity
10.7%
10.9%
Cost:income ratio
63%
61%
Basic EPS contribution
6.6p
7.7p
Dec-14
Mar-15
CRD IV RWAs
£327bn
£331bn
Leverage exposure
£956bn
£1,019bn
6
Financial performance

|
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Period end equity reduced by £5.2bn to £9.7bn, including a £1.3bn reduction in Q1

RWAs reduced £41bn to £65bn, with a reduction of £10bn in Q1, including the completion of the sale of the Spanish business

Income reduced £363m to £10m, reflecting sale of income generating assets

Credit impairment improved to £29m, driven by the impact of sale of the Spanish business and improved performance in European retail

Costs reduced 49% to £239m due to savings from Transform programmes, including non-retail headcount reductions, and savings from the sale of the Spanish and UAE businesses

Attributable loss was £199m, but with the reduction in allocated equity, the Non-Core dilution on Group RoE was 3.3%

Barclays Non-Core: Continued shrinkage and capital recycling

Three months ended March (£m)	2014	2015
Businesses	301	122
Securities and Loans	87	(73)
Derivatives	(15)	(39)
Income	373	10
Impairment	(67)	(29)
Total operating expenses	(466)	

(239)

Costs to achieve Transform (CTA)
(24)
(11)
Loss before tax
(154)
(256)
Tax credit
28
86
NCI and other equity interests
(45)
(29)
Attributable loss
(171)
(199)
Financial performance measures
Average allocated equity
£15.2bn
£10.3bn
Period end allocated equity
£14.9bn
£9.7bn
Return
on
average
equity
drag
1
(4.2%)
(3.3%)
Basic EPS contribution
(1.1p)
(1.2p)
CRD IV RWAs
£75bn
£65bn
Highlights
1
Return on average equity and average tangible equity for Barclays Non-Core represents its impact on the Group, being the diff
average equity and average tangible equity of the Non-Core business |
7

Capital & Leverage

|
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ASSET QUALITY
Fully
loaded
(FL)
CRD
IV
CET1
ratio
progression
1
RWA reduction (£bn)
1
Continued progress on CET1 ratio despite adjusting
items

FL CRD IV CET1 ratio up 30bps demonstrating good progress towards 2016 Transform target of greater than 11%, absorbing significant litigation provisions

Continued capital build as FL CRD IV CET1 capital grew by £0.4bn to £41.8bn, despite absorbing net adjusting items of £0.6bn

Confident that our planned trajectory positions us well to meet future regulatory requirements

RWAs reduced by £6bn, mainly driven by a £10bn reduction in Non-Core to £65bn including the sale of the Spanish business and the run-down of legacy structured and credit products

Decreases in Non-Core were recycled into Core business growth
+30bps
40
41
42
CET1
Capital
(1%)
9
9.1%
10.3%
10.6%
>11%
Dec-13
Dec-14
Mar-15
2016
Target
Dec-13

Dec-14
Mar-15
2016
Guidance
442
402
396
c.400
Based on Barclays interpretation of the final CRD IV text and latest EBA technical standards. Following the full implementat
£6.9bn to £442bn and fully loaded CET1 ratio by (0.2%) to 9.1% |
1

HOLDING COMPANY
TRANSITION
RWAs (£bn)
Highlights

RWAs reduced by £6bn reflecting continued progress on the run-down of Non-Core, and growth in Core businesses

Core business growth of £7bn driven by growth in PCB due to increased corporate and mortgage lending

Net Non-Core run-down of £10bn, reflecting the sale of the Spanish business and reduction in legacy structures and credit products

Model and methodology driven updates resulted in a net £5bn reduction in RWAs driven by improved market risk diversification methodology and a credit and counterparty risk model update

RWAs: Closely managed to support business growth and capital ratio accretion

1 Excludes model and methodology driven movements |

2 Includes foreign exchange movements of £0.5bn. This does not include movements for modelled counterparty risk or modelled market risk |

396
1
402
10
7
1
9
5
Dec-14
Core business
growth
BNC
run-down
Net model and
methodology
updates
Other
2
Mar-15
1
1

|
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Barclays Non-Core: Further RWA reduction
278
236
1
Operational risk includes DTAs
1
2
382
110
45
75
65
11
RWA reduction bridge (£bn)
Leverage exposure by type (£bn)
Operational risk
Securities and loans
Derivatives
Businesses
9
8
16
15
31
31
18
11
Dec-13
Dec-14
Mar-15
39
23
107
99
114
101
18
13
180
Jun-14
Dec-14
Mar-15
2016
Target
Businesses
Securities and loans
Derivatives
Other

Total
reflects
rounding
2
2016
Target

|
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Continued progress on the transition towards our target
end-state capital structure

Fully loaded CRD IV CET1 ratio at 10.6% on track to meet our target of > 11% in 2016. The ratio was well in excess of the 7% PRA regulatory target[1]

Robust buffers to contingent capital triggers[2]
AT1 contingent capital: c.360bps or £14.1bn
T2 contingent capital: c.530bps or £20.8bn[3]

As we build CET1 capital over the transitional period, we currently expect to hold an internal management buffer of up to c.150bps over minimum requirements in end state4

Transitional total capital ratio increased to 16.8% (Dec 2014: 16.5%), and fully loaded total capital ratio increased to 15.6% (Dec 2014 : 15.4%)

Further clarity required on Total Loss Absorbing Capacity (TLAC) quantum and composition. In the interim, we continue to build towards our target end-state capital structure which assumes at least 17% of total capital; final requirements subject to PRA discretion

Barclays 2015 Pillar 2A requirement as per the PRA s Individual Capital Guidance (ICG) is 2.8%. The ICG is subject to at least annual review
CET1 of 1.6% (assuming 56%)
AT1 of 0.5% (assuming 19%)

T2 of 0.7% (assuming 25%)

The PRA consultation on the Pillar 2 framework (CP1/15), and Basel Committee consultations and reviews of approaches to Pillar 1 and Pillar 2 risk might further impact the Pillar 2A requirement in the future
3.5%
(£13.7bn)
T2
>17%
Total capital ratio
CCCB/
Sectoral
buffers
16.8%
Total capital ratio
1.6% P2A
Pillar 2A requirement
5
4.5%
CET1
1.7% (£6.8bn)
Legacy T1
2.5%
Capital
Conservation buffer
Max 1.5%
Internal buffer
2.0%
AT1 (incl. P2A)
2.9%
T2 (incl. P2A)
2.0%
G-SII
12
Evolution of capital structure
1.1% (£4.2bn) AT1
10.6%
(£41.8bn)
CET1
Barclays'
'target' end-state
capital structure
Barclays Q1 15
capital structure
(PRA Transitional)
Fully loaded CRD IV capital position

1 Being the higher of 7% PRA expectation and CRD IV capital requirements | 2 CRD IV rules on mandatory distribution restrictions apply from 1 January 2016 onwards based on transitional CET1 requirements | 3 Based on the CRD IV CET1 transitional (FSA October 2012 statement) the ratio was

12.3% as at 31 March 2015 based on £48.5bn of transitional CRD IV CET1 capital and £396bn of RWAs | 4 Barclays current regulatory target is to meet a FL CRD IV CET1 ratio of 9% by 2019, plus a Pillar 2A add-on. Pillar 2A requirements for 2015 held constant out to end-state for illustrative purposes. The PRA buffer is assumed to be below the combined buffer requirement of 4.5% in end-state albeit this might not be the case. CCCB, other systemic and sectoral buffer assumed to be zero | 5 Point in time assessment made at least annually, by

the
PRA,
to
reflect
idiosyncratic
risks
not
fully
captured
under
Pillar
1
|

|
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We intend to manage our CET1 capital ratio to mitigate against the risk of mandatory distribution restrictions

Mandatory restrictions to discretionary distributions
2
will
apply
to
all
European
banks, under CRD IV, from 1 January 2016 (Art. 162.2 of CRD)

As outlined in Art. 141 of CRD, mandatory distribution restrictions apply if an institution fails to meet the combined buffer requirement (CBR)
3
at which point a Maximum Distributable Amount (MDA) is calculated on a reducing scale

CBR is phased in from 2016. In end state, we intend to hold an internal management buffer of up to c.150bps above CBR providing prudent headroom to the mandatory distribution restriction point

As at 1 January 2016, mandatory distribution restrictions on interest payment would apply at 7.2%, stepping up to 10.6% by 2019 when the CRD IV transitional rules are fully phased in
1

Barclays expects to have full discretion in the allocation of permitted distributions within the MDA
To AT1
7% trigger
c.£14bn
>£16bn
c.£17bn
c.£18bn
c.£20bn
To MDA
restriction

n/a
>£15bn
c.£12bn
c.£9bn
c.£6bn
Capital conservation buffer (CET1)
G-SII buffer (CET1)
Trajectory of fully loaded CET1 ratio, assuming >11% target is
met
after
which
we
build
towards
c.12%
in
end
state
3
Distributions subject to mandatory distribution restrictions
Minimum CET1 ratio
Estimated
buffers
1
(fully
loaded
CET1
ratio
vs.
AT1
7%
trigger
and
vs.
MDA
restrictions)
Sliding scale of restrictions
Pillar 2A
10.6%
8.4%
7.2%
9.5%
1
This
analysis
is
presented
for
illustrative
purposes

only
and
is
not
a
forecast
of
Barclays
results
of
operations
or
capital
position
or
otherwise.
The
analysis
is
based
on
certain
assumptions,
which
cannot
be
assured
and
are
subject
to
change,
including:
straight
line
progress
towards
meeting
our
CET1
ratio
targets;
holding
the
2015
P2A
requirement
constant
(which
may

not
be
the
case
as
the
requirement
is
subject
to
at
least
annual
review);
and
CET1
resources
are
not required to meet the AT1 or T2 components of the minimum capital requirement. This illustration does not consider propos
important
banks
in
resolution
|
2
Dividends
on
ordinary
shares,
interest
payments
in
respect
of
AT1
securities
and
variable
compensation
|
3
As
per
Art.
128(6)
of
CRD:
total
CET1
capital

required
to
meet
the
requirement
for
the
capital
conservation buffer, as well as an institution specific countercyclical buffer (CCCB), G-SII buffer, O-SII buffer and systemic r
while the CCCB and other systemic risk and sectoral buffers are assumed to be zero |
13
CET1
requirements
1
(as
at
1
January
except
Q115)
4.5%
4.5%
4.5%
4.5%
4.5%
1.6%
1.6%
1.6%
1.6%
1.6%
1.3%
1.9%
2.5%
1.0%
1.5%
2.0%
10.6%
>11.0
%
c.12%
0%
2%
4%
6%
8%
10%
12%
Q1 15
2016
2017

2018
2019
0.6%
0.5%

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ASSET QUALITY
Leverage
ratio
progression
1
Leverage
exposure
(£trn)
1
Leverage ratio on track for 2016 target

Leverage ratio at 3.7% well on track to meet 2016 Transform target of in excess of 4%

The ratio was maintained as £0.3bn of T1 capital growth was offset by a £22bn increase in leverage exposure

Leverage ratio already in line with expected minimum end-state requirement of 3.7% as outlined by the Financial Policy Committee

Leverage exposure increased by £22bn in Q1 2015, mainly due to fluctuations in settlement balances

Non-Core leverage exposure reduced by £41bn to £236bn primarily driven by the sale of the Spanish business, as well as continued reduction in derivatives exposure reflecting maturities and trade compressions

Core leverage exposure increased by £63bn driven by an increase in loans and advances and other assets due to the seasonal increase in settlement balances
41
46
46
T1
Capital
1
BCBS 270
impact
14
3.0%
3.7%
3.7%
>4%
Dec-13
Dec-14
Mar-15
2016

Target
1.36
1.35
1.23
1.26
Dec-13
Jun-14
Dec-14
Mar-15
1
Mar-15
based
on
end-point
CRR
definition
of
Tier
1
capital
for
the
numerator
and
the
CRR
definition
of
leverage
exposure
as
adopted
by
the
European
Union
delegated
act.
This
is
broadly
consistent
with
the
BCBS
270
definition,
which
was
the

basis
of
Jun-14
and
Dec-14
comparatives.
Dec-13
not
comparable
to
the
estimates
as
of
Jun-14
onwards
due
to
different
basis
of
preparation:
estimated
ratio
and
T1
capital
based
on
PRA
leverage
ratio
calculated
as
fully
loaded
CRD
IV
T1
capital
adjusted
for
certain
PRA
defined
deductions,
and
a
PRA
adjusted

leverage
exposure
measure.
l

|
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Leverage
exposure
1
(£bn)
Highlights
Leverage ratio maintained at 3.7%
1,353
1,233
L&A
and
other
assets
2
SFTs
Undrawn commitments
Derivatives
Leverage
ratio
1
1,255

Leverage exposures during Q1 15 increased by £22bn to £1,255bn

Loans and advances and other assets increased by £19bn to £709bn primarily due to a seasonal increase in settlement balances, partly offset by a decrease in cash balances

Net derivatives exposures decreased £9bn due to offsetting moves between IFRS derivatives and allowable netting

Trade compressions and tear-ups continued to benefit PFE, but reductions achieved during the quarter were largely offset by new activity

SFT exposure was impacted by reduced netting
1
Mar-15
based
on
end-point
CRR
definition
of
Tier
1
capital
for

the numerator and the CRR definition of leverage exposure as adopted by the European Union delegated act. This is broadly consistent with the BCBS 270 definition, which was the basis of Jun-14 and Dec-14 comparatives | 2 Loans and advances and other assets net of regulatory deductions and other adjustments

|
15
732
690
709
288
271
262
228
157
170
105
115
114
Jun-14
Dec-14
Mar-15
3.4%
3.7%
3.7%

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Holding company transition
HOLDING COMPANY
TRANSITION

Losses arise at OpCo, and are transmitted to HoldCo through write-down of intercompany instruments

Holdco s losses are limited to its investments (equity and debt) in the OpCo

Losses should be allocated in accordance with the insolvency hierarchy, meaning *pari passu* treatment of equal-ranked internal and external claims

No creditor worse off
than in insolvency safeguard expected to
apply for senior unsecured debt
Better aligning credit proposition during transition
towards a holding company capital and funding model
Barclays PLC
(HoldCo)
Barclays Bank
PLC (OpCo)
External capital
External equity
External senior
Subscription of internal
OpCo issued equity, capital
and debt[2]
External OpCo
senior
External OpCo
capital
1
Based
on
Barclays
expectations
of
the
creditor
hierarchy
in
a
resolution
scenario;
assumes
internal
subordination
not
imposed
during
transition
|
Internal
issuance
in
each
case
currently
with
ranking

corresponding to external HoldCo issuance. Further detail on Barclays PLC parent company balance sheet on slide 18 | Assumes equivalent loss absorption and recapitalisation at HoldCo and OpCo | 4 Total loss absorbing capacity (TLAC) as proposed in the FSB Consultative Document on the adequacy of loss-absorbing capacity of global

systemically
important
banks
in
resolution
dated
10
November
2014
I
Expected creditor hierarchy during transition[1]
Barclays position
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CAPITAL &
LEVERAGE
ASSET QUALITY
3
3
2
4
th
OpCo external
& intercompany
senior
unsecured
debt
3
rd
OpCo external
& intercompany
T2
2
nd
OpCo external
& intercompany
AT1
1
st
OpCo Equity

Barclays is committed to issuing most of its capital and term senior unsecured debt out of Barclays PLC, the Holding Company

To better align the credit proposition between investors in HoldCo and OpCo securities during the transition period, proceeds raised by Barclays PLC have been used to subscribe for capital and senior unsecured term debt in Barclays Bank PLC with corresponding ranking

As the HoldCo is a creditor of the OpCo alongside OpCo external creditors, respecting the creditor hierarchy should require *pari passu* treatment between internally and externally OpCo issued capital and debt of the same rank
1

Maturing capital and term senior unsecured debt to be refinanced out of HoldCo during the transition period, making the external creditor hierarchy simpler post transition
When required to qualify as TLAC
4
in a material subsidiary,
senior obligations with >1 year residual maturity would need to be downstreamed in subordinated form to its excluded liabilities
Investment at HoldCo gives exposure to diversified businesses post ring-fencing, comparable to the position of OpCo investors today

Evolving regulation, including the implementation of MREL beginning 1 Jan 2016 and any subsequent regulatory policy interpretations, may require a change to the current approach. Any change would be communicated to the market

Balance sheet
2014
Q1 15
Notes
£m
£m
Assets
Investment in subsidiary
33,743
33,743
Loans and advances to subsidiary
2,866
4,927
Derivative financial instrument
313
232
Other assets
174
1,221
Total assets
37,096
40,123
Liabilities
Deposits from banks
528
561
Subordinated liabilities
810
839
Debt securities in issue
2,056
4,088
Other liabilities
10
453
Total liabilities
3,404
5,941
Called up share capital
4,125
4,179
Share premium account
16,684
17,202
Other equity instruments
4,326
4,326
Capital redemption reserve
394
394

Retained earnings
8,163
8,081
33,692
34,182
37,096
40,123

Barclays PLC is the holding company (HoldCo) of the
Barclays Group

The HoldCo s primary assets currently are its investments in,
and loans and advances made to, its sole subsidiary, Barclays
Bank PLC, the operating company (OpCo)

As Barclays is committed to issuing most capital and term
senior unsecured debt out of the HoldCo going forward, the
HoldCo balance sheet is expected to increase
Barclays PLC parent company accounts
Notes to the parent company balance sheet
Investment in subsidiary
The investment in subsidiary of £33,743m (2014: £33,743m) represents
investments made into Barclays Bank PLC, including £4,326m (2014:
£4,326m) of Additional Tier 1 (AT1) securities.
Loans and advances to subsidiary and debt securities in issue
During the quarter, Barclays PLC issued £2,032m equivalent of Fixed Rate
Senior Notes accounted for as debt securities in issue. The proceeds
raised through these transactions were used to make £2,032m equivalent
of Fixed Rate Senior Loans to Barclays Bank PLC, with a ranking
corresponding to the notes issued by Barclays PLC.
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Barclays PLC parent company balance sheet
Notes
Shareholders equity
Total shareholders equity
Total liabilities and shareholders equity

|
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HOLDING COMPANY TRANSITION

Proactive transition towards a HoldCo funding and capital model positions us well to meet potential future TLAC requirements

While requirements remain to be set, Barclays current expectation is a multi-year conformance period

Majority portion of OpCo term senior unsecured debt maturing before 2019 which can be refinanced from HoldCo

Based on Barclays current interpretation of TLAC requirements, proxy TLAC ratio is 24%[4] on the assumption that Barclays Bank PLC term non-structured senior unsecured debt is refinanced from HoldCo and subordinated to OpCo excluded liabilities

Currently do not intend to use HoldCo senior unsecured debt proceeds to subscribe for OpCo liabilities on a subordinated basis until required to do so

The future TLAC-ratio will further benefit from CET1 capital growth and AT1 issuance towards end-state expectations

As TLAC rules are finalised, and as we approach implementation date, we will assess the appropriate composition and quantum of our future TLAC stack

Proxy Total Loss Absorbing Capacity

(TLAC)
1
(£bn)
Mar-15
PRA transitional Common Equity Tier 1 capital
42
PRA transitional Additional Tier 1 regulatory capital
11
Barclays PLC (HoldCo)
4
Barclays Bank PLC (OpCo)
7
PRA transitional Tier 2 regulatory capital
14
Barclays PLC (HoldCo)
1
Barclays Bank PLC (OpCo)
13
PRA transitional total regulatory capital
67
HoldCo
term
non-structured
senior
unsecured
debt
2
4
OpCo
term
non-structured
senior
unsecured
debt
3
26
Total term non-structured senior unsecured debt
97
RWAs
396
Leverage exposure
1,255
Proxy risk-weighted TLAC ratio
~ 24%
Proxy leverage based TLAC ratio
~ 8%
1
For
illustrative
purposes

only reflecting Barclays interpretation of the FSB Consultative Document on Adequacy of loss-absorbing capacity of global systemically important banks in resolution , published 10 November 2014, including
certain assumptions on the inclusion or exclusion of certain liabilities where further regulatory guidance is necessary. Evolving
interpretations, may require a change to the current approach | 2 Barclays PLC issued senior unsecured term debt assumed to qualify for consolidated

TLAC purposes I

3 Comprise all outstanding Barclays Bank PLC issued public and private term senior unsecured debt, regardless of residual maturity. This excludes £35bn of notes issued under the structured notes programmes |

4 Including the 4.5% combined buffer requirement which needs to be met in CET1. The combined

buffer
requirement
comprises
a
2%
G-SII
buffer
and
2.5%
capital
conservation
buffer
on
a
fully
phased
in
basis.
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Liquidity & Funding

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ASSET QUALITY

Stable liquidity position with the Group liquidity pool
maintained at £148bn, providing a surplus to internal and
external minimum requirements

Quality of the pool remains high:
81% held in cash, deposits with central banks and high
quality government bonds
94% of government bonds are securities issued by UK,
US, Japanese, French, German, Danish, Swiss and
Dutch sovereigns

Even though not a regulatory requirement, the size of our
liquidity pool is over 1.8x that of wholesale debt maturing in
less than a year

Additional significant sources of contingent funding in the form
of high quality assets pre-positioned with central banks
globally
Maintaining a robust liquidity position, with pool well in
excess of internal and external minimum requirements
Estimated
CRD IV/Basel 3 liquidity ratios
Metric
Dec-14
Mar-15
Expected 100%
requirement date
LCR
1
124%
122%
1 January 2018
Surplus
£30bn
£28bn
NSFR
2
102%
n/a
1 January 2018
Surplus to 30-day Barclays-specific LRA (as at 31 December14)
2013
2014
LRA
104%
124%
Surplus
£5bn
£29bn

149
127
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21
High quality liquidity pool (£bn)
Key messages
1
LCR
estimated
based
on
the
EU
delegated
act
|
2
Estimated
based
on
the
final
BCBS
rules
published
in
October
2014
|
43
37
31
62
85
88
22
27
29
Dec-13
Dec-14
Mar-15
Cash & Deposits at Central Banks
Government Bonds
Other Available Liquidity
148

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Total funding (excluding BAGL, as at 31 December 14)

We guided to issuance of a gross amount of £10-15bn in 2015 across public and private senior unsecured, secured and subordinated debt. This is materially below term maturities of £23bn in 2015, of which £14bn remaining this year

In Q1 15, we issued £4bn publicly against this plan, including $3bn of senior unsecured debt from the HoldCo in two transactions, a £1bn covered bond from Barclays Bank PLC, and a $500m US cards securitisation from Barclays Bank Delaware

We intend to maintain access to diverse sources of wholesale funding, through different products, currencies, maturities and channels

We expect to be a regular issuer of AT1 securities over the next few years
We maintain access to stable and diverse sources of funding, across customer deposits and wholesale debt
2015 Funding Plan
£508bn
£522bn
£521bn
Customer deposits
Sub. debt
Secured term funding
Short-term debt and other deposits
Unsecured term funding
1
LDR for PCB, Barclaycard, Africa Banking and Non-Core retail |
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22
Broadly
self-funded
retail
businesses
(£bn)
Key messages
351
349
347
321
309
310
Dec-13
Dec-14
Mar-15
Deposits from customers
91%

89%
89%
62%
61%
62%
4%
4%
4%
7%
7%
8%
14%
14%
13%
14%
13%
13%
2013
H1 14
2014
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L&A to customers

Group Loan to Deposit Ratio (LDR) and the LDR for PCB,
Barclaycard
and
Africa
Banking
at
101%
and
89%
respectively

Excess customer
deposits in PCB, Barclaycard and Africa
Banking predominantly used to fund the liquidity buffer
requirements for these businesses, making them broadly self
funded

Overall funding requirements for the Group reducing as Non-
Core assets are run down
Retail LDR
1
1

|
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Declining Loan Loss Rate (LLR) trend across the Group reflecting Barclays well-managed and conservative risk profile

The Group LLR of 46bps remains significantly below the longer term average of 88bps

Group LLRs declining in both retail and wholesale in line with improving macro economic conditions
Group impairment stable (31 December 2014)
LLR
Annualised impairment
charge
Gross loans and advances
Wholesale loan loss rate (bps)
26
Retail loan loss rate (bps)
Highlights
34
56
(3)
16
133
37
28
33
(1)
13
12
12
Personal &
Corporate
Banking
Africa Banking
Investment
Bank
Core
Barclays
Group
Dec-13
Dec-14
25
180
332

94
78
91
18
138
308
85
75
84
Personal &
Corporate
Banking
Africa Banking
Barclaycard
Core
Barclays
Group
Dec-13
Dec-14
Non-Core
Non-Core

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Credit ratings

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Contractual outflows
Barclays manages and reserves for potential rating
actions in the liquidity pool (31 December 2014)
Contractual credit rating downgrade exposure
Total cumulative cash
outflow (£bn)
One-notch
Two-notch
Securitisation derivatives
5
6
Contingent liabilities
8
8
Derivatives margining
-
1
Liquidity facilities
1
2
Total
14
17
1
These numbers do not include the potential liquidity impact from loss of unsecured funding, such as from money market funds
31
Key Messages

Potential outflows related to a multiple-notch credit
downgrade of Barclays Bank PLC are included in the
liquidity risk appetite (LRA)

The table on the left hand side shows contractual
collateral requirements and contingent obligations
following potential future one and two notch long-term
and associated short-term simultaneous downgrades of
Barclays
Bank
PLC
across
all
credit
rating
agencies
Behavioural outflows

During 2014 the Group strengthened its liquidity position,
building a larger surplus to its liquidity risk appetite

This positions the Group well for any potential contractual or behavioural outflows as a consequence of the potential loss of the A-1 short term rating for Barclays Bank PLC by S&P as the credit rating agency assess sovereign support notches in its ratings
1

ASSET QUALITY
Barclays Q1 2015 Fixed Income Investor Presentation
Summary

Diversified international bank focused on delivering improved and more sustainable returns

Concentrating on high growth opportunities where we have competitive advantage, eliminating marginal businesses and sharpening our focus on costs
Business model

Strengthened capital position with fully loaded CRD IV CET1 ratio of 10.6% as at 31 March 2015, on track to deliver a ratio of greater than 11% in 2016

Building on good track record in reducing RWAs as we run-down Barclays Non-Core and reinvest in Core businesses outside of the Investment Bank
Capital

Diversified funding base, combining customer deposits and wholesale funding, in multiple currencies and different maturities

Robust liquidity position, well positioned to meet anticipated future regulatory requirements
Liquidity & funding

Proactive and practical approach to managing regulatory changes

Established track record of adapting to regulatory developments.
Regulation

Leverage ratio maintained at 3.7% as at 31 March 2015, close to our target of greater than 4% in 2016

Additional planned reductions in leverage exposure by 2016 mainly through reduction in Barclays Non-Core and the Core Investment Bank
Leverage
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Repositioning and simplifying Barclays
Delivering a structurally lower cost base
Allocating capital to growth businesses
Establishing a dedicated Non-Core unit and a
new Personal and Corporate Banking business
Rightsizing and focusing the Investment Bank
Generating higher and more sustainable returns
As
presented
at
the
Group
Strategy
Update
on
8
th
May
2014

|
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2016 Transform targets
Returns
Cost
Barclays Core
Adjusted RoE >12%
Adjusted operating expenses
<£14.5bn
Leverage
Dividend
Capital
Group
Leverage ratio >4.0%
Payout ratio 40-50%
CRD IV FL CET1 ratio >11.0%
Returns
Barclays Non-Core
Drag on adjusted RoE <(3%)
11.6%
2
£3.8bn
3
3.7%
1p
1
10.6%
(3.3%)
Q1 2015
1
Dividend
per
share
paid
for
the
quarter
-
payout
ratio
is
not
meaningful
at
Q1
|
2
Excluding
CTA.
Adjusted

RoE
including
CTA
is
10.9%
|
3
Excluding
CTA.
Bank
Levy
is
accounted
for
in
Q4
each
year
|
2016 Target
35

|
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Barclays Q1 2015 Fixed Income Investor Presentation
Simpler, focused and balanced structure
Barclays Non-Core
LBT £256m
RWAs £65bn
Barclaycard
PBT £366m
RWAs £40bn
Personal and
Corporate Banking
PBT £787m
RWAs £123bn
Africa
Banking
PBT £295m
RWAs £39bn
Investment
Bank
PBT £675m
RWAs £123bn
Barclays Group
Adjusted
results
1
Income
£6.4bn
Risk weighted assets (RWA)
£331bn
Impairment
£(0.4bn)
Average allocated equity
£47bn
Operating expenses
£(3.9bn)
Return on average equity (RoE)
10.9%
Profit before tax
£2.1bn
Return on tangible equity (RoTE)
13.2%
RoE drag
(3.3%)
1
Includes Head Office as part of Core, representing £6bn RWAs and £19m loss before tax |
All figures for quarter ended Q1 2015
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Barclays Q1 2015 Fixed Income Investor Presentation
Reducing and reallocating RWAs to drive growth and
returns
<15%
Investment
Bank
222
49%
51%
Retail and
Commercial
214
RWAs
£436bn
Non-Core
c.115
Core IB
c.120
Core
(excl. IB)
c.200
£436bn
c.£400bn
+15%
c.55%
26%
28%
46%
Maintained
Core
(excl. IB)
c.230
Core IB
c.120
Non-Core
c.50
<15%
c.55%
Leverage exposure
£1.4tn
£1.4tn
c.£1.1tn
1
The Core Investment Bank will represent no more than 30% of the Group s RWAs
1
2016
leverage

exposure
estimated
on
the
basis
of
calculation
methodology
set
out
in
BCBS
Jan-14
proposals.
All
other
regulatory
metrics
calculated
on
a
CRD
IV
basis
37
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numbers
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th
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2013 pre-resegmentation (£bn)
2013 post-resegmentation estimate (£bn)
2016 guidance (£bn)
30%

|
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Barclays Q1 2015 Fixed Income Investor Presentation
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Markets

Exit Quadrant Assets

Most physical commodities

Certain Emerging Markets
products

Capital intensive Macro
transactions
Principal Businesses

Investments

Credit
Banking

Front-to-back efficiency driven
headcount reductions
RWAs: c.£90bn
Leverage exposure: c.£340bn
Global credit
Right-sized macro

Foreign exchange

Rates

Cash equities

Equity derivatives

Equity prime

Credit products

Securitised products

Municipals
Fixed income secondary trading to be standard,
cleared and collateralised, short term and executed
on the electronic flow platform where relevant
Global equities
RWAs: c.£120bn

Leverage exposure: c.£490bn

Build on leading positions in our home markets of the UK and the
US, where we
are already well positioned

Exit those products with low returns under new regulatory rules

Structurally lower the cost base through infrastructure efficiencies and refining the
client proposition

Improve capital efficiency of Markets businesses
DCM
Advisory
ECM
Origination led
1
CRD IV basis l
Core Investment Bank
Non-Core Investment Bank
Core Investment Bank:
Building on competitive advantages
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numbers
as
presented
at
the
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Update
on
8
th
May
2014

ASSET QUALITY
Barclays Q1 2015 Fixed Income Investor Presentation
PCB: Profits up 14%
1
Q1 15 CIR excluding CTA was 58%

Income was in line at £2,174m:
Personal income reduced 2% driven by a reduction in fee income and mortgage margin pressure from existing customer rate switching, partially offset by improved deposit margins
Corporate income increased 3% due to improved deposit margins and balance growth in both lending and deposits, partially offset by reduced margins in the lending business
Wealth income reduced 4% to £258m

Net interest margin improved to 3.02% primarily due to the revised overdraft proposition and higher savings and deposit margins in personal and corporate businesses, partially offset by margin compression in mortgages and the corporate lending business

Credit impairment charges improved 41% due to the positive economic environment in the UK resulting in lower default rates and charges in corporate, with a resulting loan loss rate of 14bps

Costs reduced 3% reflecting savings from Transform programmes, including headcount reductions and branch network rationalisation

Positive jaws contributed to an increased RoE of 12.9%, while RoTE improved to 17.1%

Three months ended March (£m)	2014	2015	% change
Personal	1,026	1,009	(2%)
Corporate	879	907	3%

Wealth
268
258
(4%)
Income
2,173
2,174
-
Impairment
(135)
(79)
41%
Total operating expenses
(1,355)
(1,310)
3%

Costs to achieve Transform
(57)
(42)
26%
Profit before tax
688
787
14%
Financial performance measures
Average allocated equity
£17.4bn
£18.1bn
Return on average tangible equity
14.7%
17.1%
Return on average equity
11.1%
12.9%
Cost:income ratio[1]
62%
60%
Loan loss rate
25bps
14bps
Net interest margin
2.99%
3.02%
Mar-14
Mar-15
Loans and advances to customers
£215.5bn
£219.0bn
Customer deposits

£297.2bn
£298.1bn
CRD IV RWAs
£116.1bn
£122.5bn
Financial performance
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Barclays Q1 2015 Fixed Income Investor Presentation

Income increased 9% to £1,135m driven by US cards and Barclaycard Business Solutions
Net interest margin reduced to 8.78% (Q1 14: 9.19%) due to change in product mix with relatively stronger growth in the lower margin US cards and Barclays Partner Finance businesses, but strongly up from 8.13% reported for Q4 14
Non-interest income increased 6% to £314m due to growth in US cards and Barclaycard Business Solutions, partially offset by the impact of interchange fee reductions in Europe

Credit impairment charges increased 8% to £290m and was accompanied by loans and advances growth of 15%. The loan loss rate reduced 20bps to 305bps

Costs increased 18% primarily reflecting business growth

PBT decreased slightly to £366m and attributable profit rose to £259m (2014: £254m)
Barclaycard: Income up 9% and RoE of nearly 17%

Three months ended March (£m)	2014	2015	% change
Income	1,042	1,135	9%
Impairment	(269)	(290)	(8%)
Total operating expenses	(415)	(490)	(18%)
Costs to achieve Transform	(13)	(25)	(92%)
Profit before tax	368	366	(1%)

Financial performance measures
Average allocated equity
£5.6bn
£6.3bn
Return on average tangible equity
22.6%
21.0%
Return on average equity
18.2%
16.6%
Cost:income ratio
40%
43%
Loan loss rate
325bps
305bps
Net interest margin
9.19%
8.78%
Mar-14
Mar-15
Loans and advances to customers
£31.9bn
£36.8bn
Customer deposits
£5.8bn
£8.0bn
CRD IV RWAs
£36.4bn
£39.9bn
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Currency movements had a limited effect on Q1 year on year comparisons. Discussion of business performance is therefore based on reported results in GBP:

PBT increased 23%, driven by 8% income growth exceeding 3% cost growth

Net interest income increased 6% to £533m, driven by higher loans to customers in Corporate and Investment Banking (CIB) and customer deposits in Retail and Business Banking

Non-interest income increased 11% to £415m, reflecting transactional income growth in South Africa and trading income in CIB

Credit impairment charges decreased 6% to £90m, driven by reduced impairments in the South Africa mortgages portfolio and business banking

Costs increased 3% reflecting inflationary pressures, resulting in higher staff costs, partially offset by the benefits of Transform programmes

RoE was 10.8% and RoTE was 14.7%
Africa Banking: Profits up 23%
1
Africa Banking business unit performance based on BAGL results, including Egypt and Zimbabwe
|
2
Barclays share of the statutory equity of

the BAGL entity (together with that of the Barclays Egypt and Zimbabwe businesses which remain outside the BAGL corporate entity), as well as the Barclays goodwill on acquisition of these businesses. The tangible equity for RoTE uses the same basis but excludes both the Barclays goodwill on acquisition and the

goodwill
and
intangibles
held
within
the
BAGL
statutory
equity
|
Three months ended
March (£m)
2014
2015
% change
Income
878
948
8%
Impairment
(96)
(90)
6%
Total operating expenses
(546)
(565)
(3%)

Costs to achieve Transform
(9)
(6)
33%
Profit before tax
240
295
23%
Financial performance measures
Average allocated equity
2
£3.7bn
£4.1bn
Return on average tangible equity
2
15.5%
14.7%
Return on average equity
2
11.1%
10.8%
Cost:income ratio

62%
60%
Loan loss rate
104bps
94bps
Net interest margin
5.91%
5.91%
Mar-14
Mar-15
Loans and advances to customers
£35.0bn
£35.7bn
Customer deposits
£34.0bn
£35.0bn
CRD IV RWAs
£36.6bn
£39.3bn
Financial
performance
1
41

|
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Q4 14
% change
638
(1)%
1,028
48%

PBT rose 37% driven by income up 2% and costs down 9%

RoE improved to 9.1%, or 9.6% excluding CTA

Income increased 2% to £2,149m:
Banking increased 3% driven by higher debt and equity underwriting fees, partially offset by a decrease in advisory fees and lending
Macro increased 13% due to higher income in rates and currency products, reflecting increased client activity and market volatility
Credit decreased 21% driven by lower income in distressed credit, but recovered strongly from Q4 14 due to increased client activity
Equities increased 5% driven by cash equities and equity financing, partially offset by equity derivatives

Costs decreased 9% due to lower CTA and compensation costs, as well as savings from Transform programmes, including business restructuring and operational streamlining
Investment Bank: Profits up 37%
Three
months
ended

March
(£m)
2014
2015
% change
Banking
616
632
3%
Markets
1,489
1,517
2%

Credit
346

274
(21%)

Equities
591
619
5%

Macro
552
624
13%
Income
1
2,103
2,149
2%
Impairment release
19
11
(42%)
Total operating expenses
(1,631)
(1,485)
9%

Costs to achieve Transform
(130)
(31)
76%
Profit before tax
491
675
37%
Financial performance measures
Average allocated equity
£15.4bn
£15.4bn
Return on average tangible equity
6.4%
9.7%
Return on average equity
6.1%
9.1%
Cost:income ratio
78%
69%
Mar-14
Mar-15
CRD IV RWAs

£125.2bn
£123.0bn
Financial
performance

Q1
15
vs.
Q1
14
1
Includes Other
income |
42

|
Barclays Q1 2015 Fixed Income Investor Presentation
LIQUIDITY &
FUNDING
CREDIT RATING
PERFORMANCE
OVERVIEW
HOLDING COMPANY
TRANSITION
CAPITAL &
LEVERAGE

ASSET QUALITY
APPENDIX
Core income: growth in net interest income and margin

Improved performance in income across all businesses

NII for our retail and corporate businesses
2
grew 6%,
reflecting an increase in customer assets and NIM:
PCB grew NII 5% driven by lending and deposit
growth and margin improvement
Barclaycard grew NII 10% driven by volume growth
Africa Banking income was up 8%, with NII up 6%
1
Includes Head Office income l
2
For Personal and Corporate Banking, Barclaycard and Africa Banking l
Average
customer
assets
and
liabilities
2
(£bn)

NIM increased to 414bps, measured across PCB,
Barclaycard and Africa Banking
PCB NIM improved to 3.02% (Q1 14: 2.99%)
Net
interest
margin
2
(bps)

Average customer assets increased 5% to £289bn, with
growth in PCB, Barclaycard, and Africa Banking

Average customer liabilities increased 2% to £333bn, with
growth in all three businesses
Total income
NII
Three months ended
March
2014
2015
2014
2015
Personal and Corporate
Banking

2,173
2,174
1,528
1,601
5%
Barclaycard
1,042
1,135
746
821
10%
Africa Banking
878
948
503
533
6%
Investment Bank
2,103
2,149
Total Core
1
6,277
6,420
43
Core income (£m)

|
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ASSET QUALITY
APPENDIX
Group and Core cost targets
1
Excludes
provisions
for
PPI,
IRHP
and
FX
redress,
goodwill
impairment
and
CTA
|
2
2016
CTA
target
of
c.£0.2bn
|
Costs to
achieve
Transform
(CTA)
£1.2bn
c.£0.7bn
2
£1.2bn
Original Guidance = £17.5bn
44
Group cost guidance
1
(£bn)
Core cost target
1
(£bn)
18.7
16.9
c.16.3
FY13
FY14
FY15 Target
16.4
15.1
<14.5
FY13

FY14
FY16 Target
Revised Guidance = £17bn

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ASSET QUALITY
APPENDIX
Investment Bank: Downward trend in compensation
charge (31 December 2014)
Role based pay
3,978
3,620
Down
c.£160m
Deferred bonuses
brought forward
Other
compensation
costs
6,598
CTA
1
Bank levy
Compensation
Non-compensation
2
1
Excludes
compensation
related
CTA
of
£37m
|
2
Excludes
CTA
and
bank
levy
|
3
The
actual
amount
charged
depends
upon
whether
conditions
have
been
met
and
will

vary
compared
with
the
above
expectation
|
46
Investment Bank operating expenses (£m)
Investment Bank
Compensation actions
2,194
2,050
3,978
3,620
236
190
FY13
FY14
7%
Other
costs
3,045
2,566
c.200
933
854
c.700
FY13
FY14
FY15E
3
218
337
1
6,225
8%
ex-
CTA
c.700
3

Headcount down by 2,100 net

Incentive awards down 24%

Role based pay introduced and charged in 2014

Deferred bonus brought forward of £854m, but on downward trend
Down

9%

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Legal Disclaimer
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Important Notice
The information, statements and opinions contained in this document do not constitute a public offer under any applicable legis
solicitation of any offer to buy any securities or financial instruments or any advice or recommendation with respect to such se
instruments.
Forward-looking Statements
This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange
and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group s plans and its current goa

to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of that actual results could differ materially from those contained in the forward-looking statements. These forward-looking stater the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as ma aim , anticipate , target , projected , expect , estimate , intend , plan , goal , believe , achieve or other looking statements include, among others, statements regarding the Group s future financial position, income growth, assets, i provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ra growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in conne Programme and Group Strategy Update, run-down of assets and businesses within Barclays Non-Core, estimates of capital exp objectives for future operations, projected employee numbers and other statements that are not historical fact. By their nature, f involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legisl standards and interpretations under International Financial Reporting Standards (IFRS), evolving practices with regard to the in of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, futu provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with rega the Group) applicable to past, current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business c continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects o credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of the or more countries exiting the Eurozone; the impact of EU and US sanctions on Russia; the implementation of the Transform Pr of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Grou Group s actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, a the Group s forward-looking statements. Additional risks and factors are identified in our filings with the SEC, including our A for the fiscal year ended 31 December 2014 (2014 20-F), which are available on the SEC s website at http://www.sec.gov.

Any forward-looking statements made herein speak only as of the date they are made and it should not be assumed that they ha updated in the light of new information or future events. Except as required by the Prudential Regulation Authority, the Financ London Stock Exchange plc (the LSE) or applicable law, Barclays expressly disclaims any obligation or undertaking to release revisions to any forward-looking statements contained herein to reflect any change in Barclays expectations with regard there conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosu made or may make in documents it has published or may publish via the Regulatory News Service of the LSE and/or has filed including the 2014 20-F

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Barclays
has
filed
a
registration
statement
(including
a
prospectus)
and
has
filed,
or
will
file,
a
prospectus

supplement with the U.S. Securities and Exchange Commission (SEC) for the offering of securities to which this document relates. Before you invest, you should read the prospectus in that registration statement, the prospectus supplement relating to the offering of the Securities (when filed) and other documents that Barclays will file with the SEC. You may get these documents for free by searching the SEC online database (EDGAR®) at www.sec.gov. Alternatively, you may obtain a copy of the prospectus from Barclays Capital Inc. by calling 1-888-603-5847.

Certain non-IFRS Measures

Barclays management believes that the non-International Financial Reporting Standards (non-IFRS) measures included in this document provide valuable information to readers of its financial statements because they enable the reader to identify a more consistent basis for comparing the business performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays management. However, any non-IFRS measures in this document are not a substitute for IFRS measures and readers should consider the

IFRS
measures
as
well.
As
management
reviews
the
adjusting
items
described
below
at
a
Group
level,
segmental
results
are
presented
excluding
these
items
in
accordance
with
IFRS
8;
"Operating
Segments".
Statutory
and
adjusted
performance
is
reconciled
at
a
Group
level
only.
Key
non-IFRS
measures
included
in
this
document
and
the

most directly comparable IFRS measures are described below. Quantitative reconciliations of these measures to the relevant IFRS measures are included in Exhibit 99.1 of the Barclays Form 6-K filed with the SEC on April 29, 2015 (Film No. 15811411) (the April 29 Form 6-K) (available at http://www.sec.gov/Archives/edgar/data/312069/000119312514388991/d810869dex991.htm) and such quantitative reconciliations are incorporated by reference into this document.

Adjusted profit before tax is the non-IFRS equivalent of profit before tax as it excludes the impact of own credit; provisions for Payment Protection Insurance (PPI) and claims management costs and interest rate hedging redress; gain on US Lehman acquisition assets;

provision for investigations and litigation primarily relating to Foreign Exchange; loss on sale of the Spanish business; Education, Social Housing, and Local Authority (ESHLA) valuation revision, gain on valuation of a component of the defined retirement benefit liability, and goodwill impairment. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;

Adjusted profit after tax represents profit after tax excluding the post-tax impact of own credit; provisions for PPI redress; provision for investigations and litigation primarily relating to Foreign Exchange; loss on sale of the Spanish business; and gain on valuation of a component of the defined retirement benefit liability. A reconciliation to IFRS is presented on page 5 of the April 29 Form 6-K;

Adjusted attributable profit represents adjusted profit after tax less profit attributable to non-controlling interests. The comparable IFRS measure is attributable profit;

Adjusted income and adjusted total income net of insurance claims represents total income net of insurance claims excluding the impact of own credit. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;

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Adjusted
total
operating
expenses
represents
operating
expenses
excluding
the
provisions
for
PPI
redress;
provision
for
investigations

and litigation primarily relating to Foreign Exchange; and gain on valuation of a component of the defined retirement benefit liability. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;

Adjusted litigation and conduct represents litigation and conduct excluding the provisions for PPI redress;

and the provision for investigations and litigation primarily relating to Foreign Exchange. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;

Adjusted cost: income ratio represents cost: income ratio excluding the impact of own credit; the provisions for PPI redress; gain on US

Lehman acquisition assets; provision for investigations and litigation primarily relating to Foreign Exchange and gain on valuation of a component of the defined retirement benefit liability. The comparable IFRS measure is cost: income ratio, which represents operating expenses to income net of insurance claims. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;

Adjusted basic earnings per share represents adjusted attributable profit divided by the basic weighted average number of shares in issue. The comparable IFRS measure is basic earnings per share, which represents profit after tax and non-controlling interests, divided by the basic weighted average number of shares in issue;

Adjusted return on average shareholders equity represents annualised adjusted profit after tax for the period attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average shareholders equity,

excluding
non-controlling
interests
and
other
equity
instruments.
The
comparable
IFRS
measure
is
return
on
average
shareholders
equity
which
represents
annualised
profit
after
tax
for
the
period
attributable
to
ordinary
shareholders,
including
an
adjustment
for
the
tax
credit
in
reserves
in
respect
of
other
equity
instruments,
as
a
proportion
of
average

shareholders equity, excluding non-controlling interests and other equity instruments;

Adjusted return on average tangible shareholders equity represents annualised adjusted profit after tax for the period attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average

shareholders
equity
excluding
non-controlling
interests
and
other
equity
instruments
adjusted
for
the
deduction
of
intangible
assets
and
goodwill.
The
comparable
IFRS
measure
is
return
on
average
tangible
shareholders
equity
which
represents
annualised
profit
after
tax
for
the
period
attributable
to
ordinary
shareholders,
including
an
adjustment
for
the
tax
credit
in

reserves
in
respect
of
other
equity
instruments,
as
a
proportion
of
average
shareholders
equity
excluding
non-controlling
interests
and
other
equity
instruments
adjusted
for
the
deduction
of
intangible
assets
and
goodwill;

Barclays
Core
results
are
non-IFRS
measures
because
they
represent
the
sum
of
five
Operating
Segments,
each
of
which
is

prepared in accordance with IFRS 8; Operating Segments : Personal and Corporate Banking, Barclaycard, Africa Banking, Investment Bank and Head Office. A reconciliation to the corresponding statutory Group measures are provided on page 10 of the April 29 Form 6-K;

Constant currency results in Africa Banking are calculated by converting

ZAR results into GBP using the average exchange rate for the three months ended 31 March 2015 for the income statement and the 31 March 2015 closing exchange rate for the balance sheet and applying those rates to the results as of and for the three months ended 31 March

2014, in order to eliminate the impact of movement in exchange rates between the two periods;

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Liquidity
Coverage
Ratio
(LCR)
is
calculated
according
to
the
Commission
Delegated
Regulation
of

October 2014 that supplements Regulation (EU) 575/2013 (CRDIV) published by the European Commission in June 2013. The metric is a ratio that is not yet fully implemented in local regulations and, as such, represents a non-IFRS measure

Net Stable Funding Ratio (NSFR) is calculated according to the definition and methodology detailed in the standard provided by the Basel Committee on Banking Supervision. The original guidelines released in December 2010 (Basel III: International Framework for Liquidity Risk Measurement, Standards and Monitoring , December 2010) were revised for in January 2014 (Basel III: The Net Stable Funding Ratio , January 2014). The metric

is
a
regulatory
ratio
that
is
not
yet
finalised
in
local
regulations
and,
as
such,
represent
a non-
IFRS
measure.
This
definition
and
the
methodology
used
to
calculate
this
metric
is
subject
to
further
revisions
ahead
of
the
implementation
date
and
Barclays
interpretation
of
this
calculation
may
not
be
consistent
with

that of other financial institutions;

Transitional CET1 ratio according to FSA October 2012. This measure is calculated by taking into account the statement of the Financial Services Authority, the predecessor of the Prudential Regulation Authority, on CRD IV transitional provisions in October 2012, assuming such provisions were applied as

at
1
January
2014.
This
ratio
is
used
as
the
relevant
measure
starting
1
January
2014
for
purposes
of
determining
whether
the
automatic
write-down
trigger
(specified
as
a
Transitional
CET1
ratio
according
to
FSA
October
2012
of
less
than
7.00%)
has
occurred
under
the
terms
of
the
Contingent
Capital
Notes

issued by Barclays Bank PLC on November 21, 2012 (CUSIP: 06740L8C2) and April 10, 2013 (CUSIP: 06739FHK0). Please refer to page 20 of the April 29 Form 6-K for a reconciliation of this measure to CRD IV CET1 ratio; and

The estimate of Proxy Total Loss Absorbing Capacity (TLAC) ratio reflects Barclays current understanding of how the Financial Stability Board s Consultative Document on Adequacy of loss-absorbing capacity of global systemically important banks in resolution may be implemented in the United Kingdom. The estimate reflects certain assumptions on the inclusion or exclusion of certain liabilities where further regulatory guidance is necessary. Evolving regulation, including the implementation of MREL beginning 1 Jan 2016 and any subsequent regulatory policy interpretations, may require a change to the current approach. As such metric is subject to further regulatory guidance and it is not yet implemented in local regulations, the estimate of this metric represents

a
non-IFRS
measure
and
is
presented
in
this
document
for
illustrative
purposes
only.