



# Barclays PLC Fixed Income Investor Call

H1 2019 Results Announcement

1 August 2019



Tushar Morzaria

Barclays Group Finance Director

# Q219 Group highlights

*Generated £1.1bn of attributable profit and 40bps of reported CET1 ratio accretion*

## Financial performance<sup>1</sup>

### Income

£5.5bn Q218: £5.6bn

### Costs

£3.5bn Q218: £3.3bn

### Cost: income ratio

63% Q218: 59%

### Impairment

£480m Q218: £283m

### PBT

£1.6bn Q218: £2.0bn

### RoTE

9.3% Q218: 12.3%

### EPS

6.3p Q218: 7.8p

### CET1 ratio

13.4% Mar-19: 13.0%

### TNAV

275p Mar-19: 266p

- Income decreased 1%, reflecting the challenging income environment
- Q219 costs of £3.5bn demonstrated continued cost discipline, while investing for the future
  - Expect lower cost in H219, excluding the Q4 bank levy
- Impairment of £480m, broadly in line with net write offs of £465m, and stable underlying credit metrics
- Attributable profit of £1.1bn, EPS of 6.3p and RoTE of 9.3%
- Reported CET1 ratio of 13.4%, with 40bps accretion in the quarter
- Continued to grow TNAV, with 9p increase in Q219
  - EPS of 6.3p and positive reserve movements, partially offset by payment of the 4p full year 2018 dividend

<sup>1</sup> Relevant income statement, financial performance measures and accompanying commentary excludes L&C (Group Q219: £53m; Group Q218: £81m) |



Kathryn McLeland

Group Treasurer

# H119 highlights

*Strong financial position across key metrics*

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Key principles

Key metrics

Capital

Prudently managing the Group's capital position;  
CET1 ratio of 13.4% at target

Funding

Strong progress towards meeting MREL requirement;  
HoldCo MREL ratio of 30.2% diversified across currencies

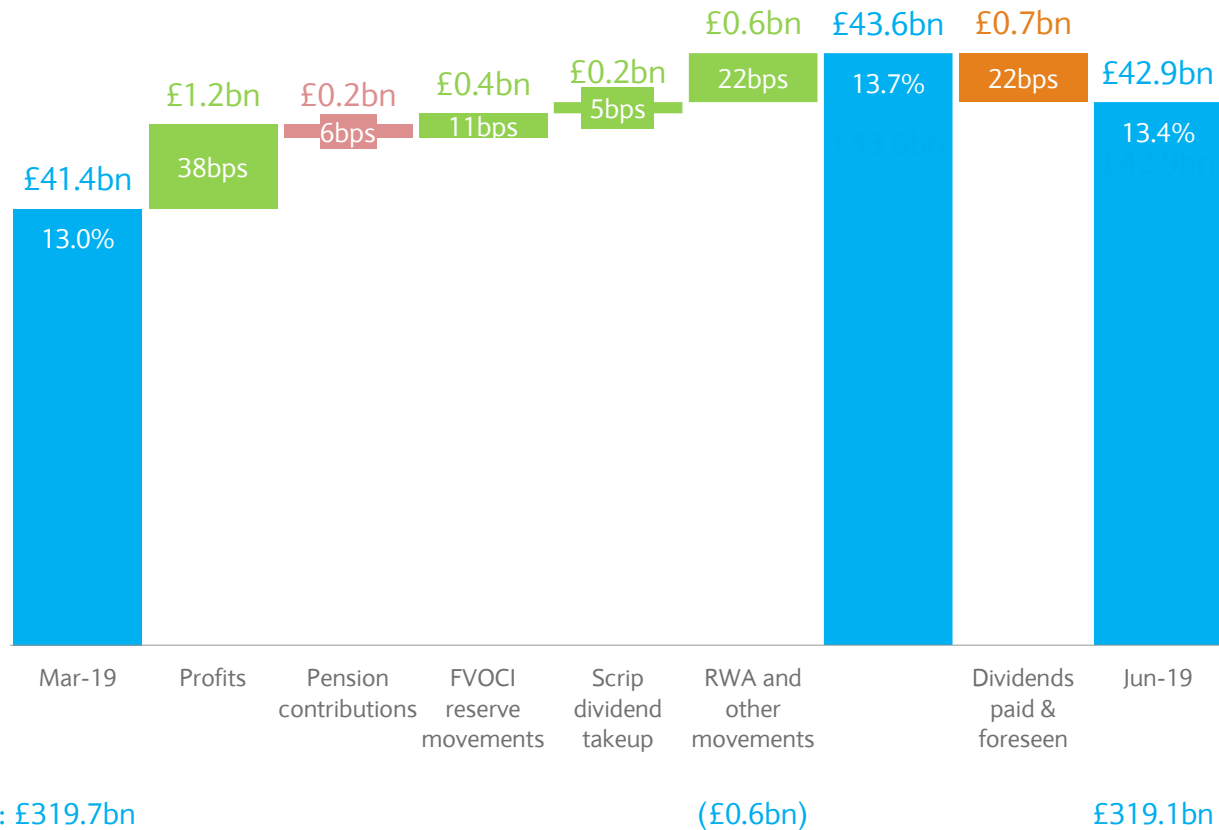
Liquidity

Liquidity remains in prudential surplus;  
Liquidity pool of £238bn, with LCR of 156%

# CET1 ratio progression

13.4% with strong capital generation from profits

## CET1 ratio<sup>1</sup>



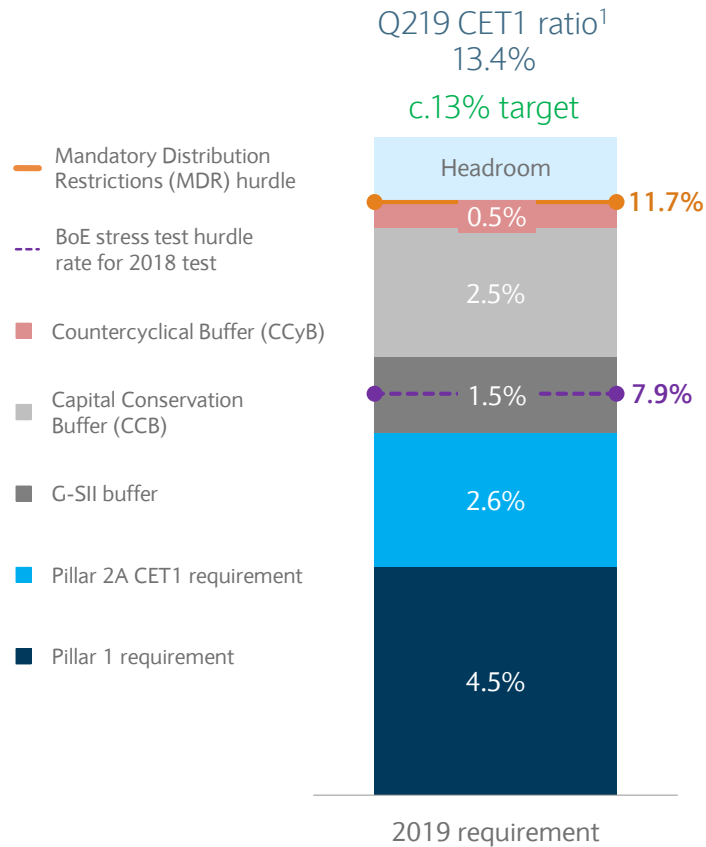
- CET1 ratio of 13.4%, due to:
  - 38bps of profits generated in the quarter
  - 11bps due to FVOCI reserve movements
  - 5bps benefit from the scrip dividend take-up
  - 22bps due to net favourable RWA and other movements net of FX
  - Partially offset by 6bps due to pension contributions of £250m (further £250m contribution to be made in Q319)
- Less 22bps for dividends paid and foreseen on ordinary dividends and AT1 coupons

<sup>1</sup> CET1 ratio is currently 170bps above the regulatory minimum level. The headroom will continue to be reviewed on a regular basis. The fully loaded CET1 ratio was 13.1% as at June 2019 |

# Strong capital position

Well positioned on capital: above target CET1 ratio and manageable near term regulatory headwinds

Continue to manage CET1 ratio to meet requirements

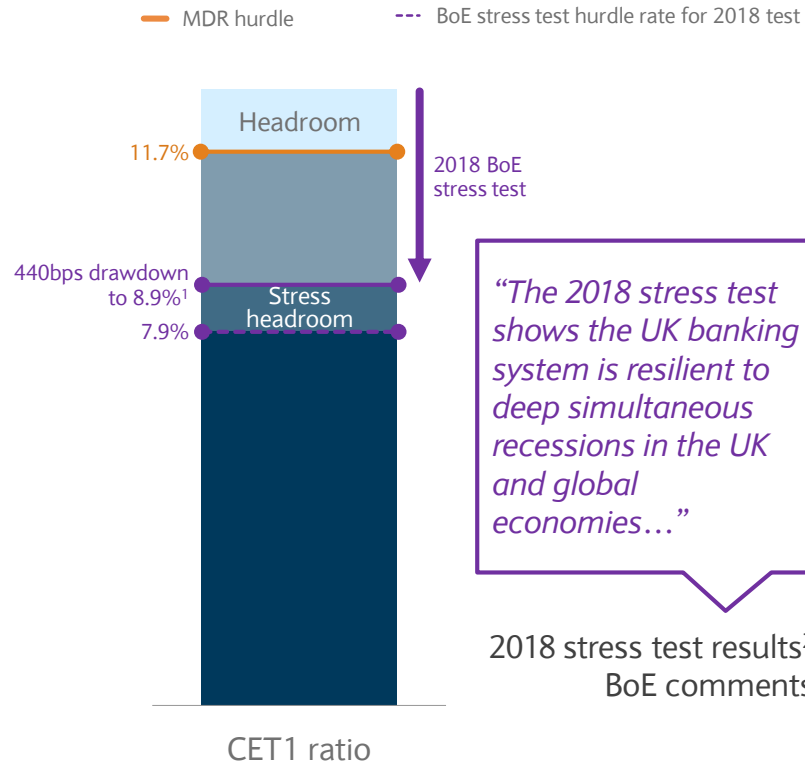


- We manage the Group’s capital to remain above the regulatory minimums, to pass stress tests and, for risk-based capital to absorb any PRA buffer
- Manageable near-term regulatory-driven RWA increases, each in low single digit billions<sup>2</sup>:
  - Mortgages (Definition of Default moving from 180 to 90 days and adoption of hybrid model) in December 2020 (BUK)
  - Securitisation in January 2020 (CIB)
  - Standardised Counterparty Credit Risk (SA-CCR) in June 2021 (CIB)
- SA-CCR change expected to reduce leverage exposure modestly

<sup>1</sup> CET1 ratio calculated applying CRR and IFRS 9 transitional arrangements, as amended by CRR II as at the reporting date | <sup>2</sup> All regulatory models are subject to PRA approval before adoption. The impacts may change as a result |

# Demonstrated ability to pass stress tests

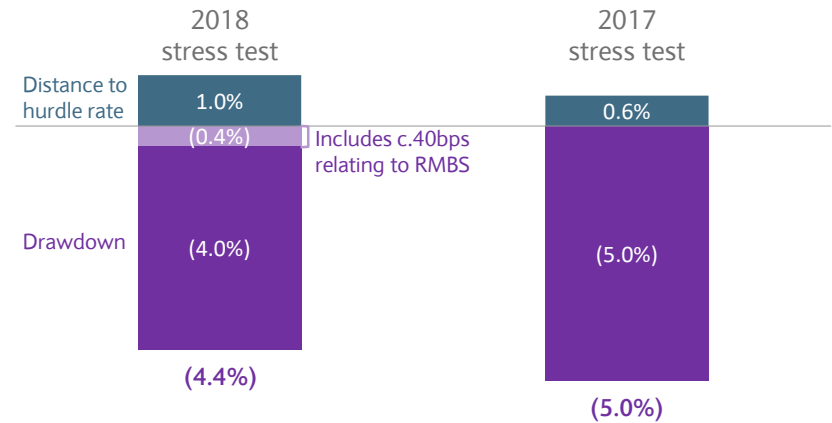
Q219 CET1 ratio: 13.4%  
c.13% target



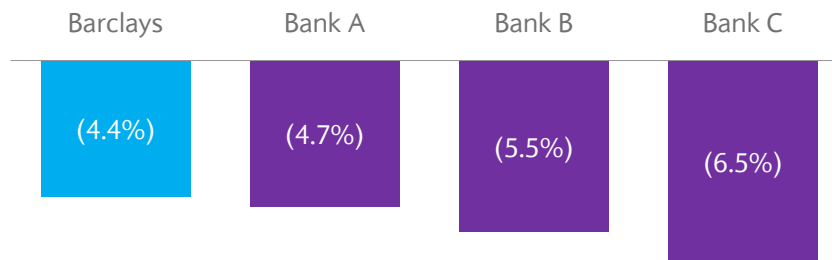
*“The 2018 stress test shows the UK banking system is resilient to deep simultaneous recessions in the UK and global economies...”*

2018 stress test results<sup>2</sup>  
BoE comments

Favourable drawdown in 2018 BoE stress test compared to 2017, reflecting de-risking and reduced CET1 headwinds



Favourable drawdown in 2018 BoE stress test compared to major UK peers



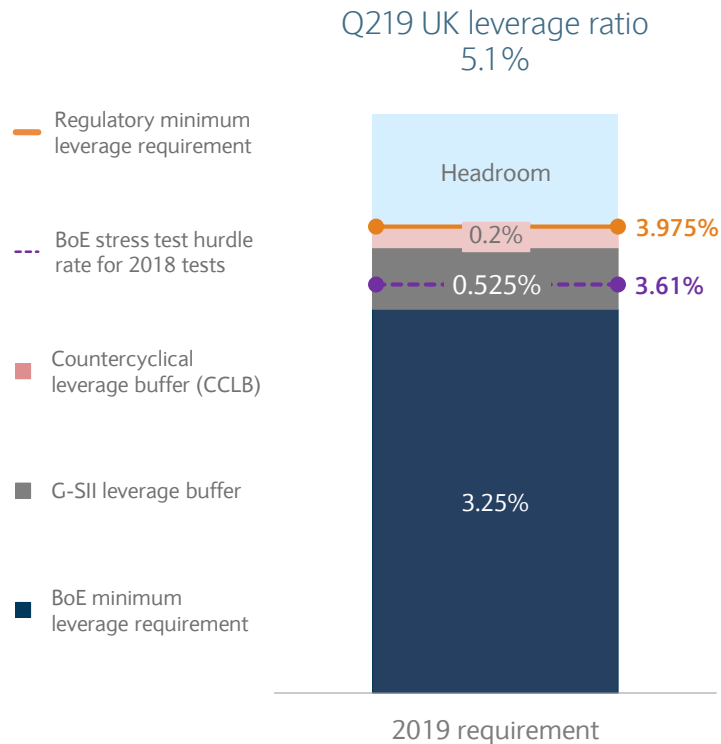
**We believe that c.13% is the appropriate CET1 level for Barclays**

<sup>1</sup> Drawdown to 8.9% based on Dec-17 starting point of 13.3% | <sup>2</sup> Bank of England Financial Stability Report, Issue No. 44 (November 2018) |



# Managing evolving future Group minimum leverage requirements

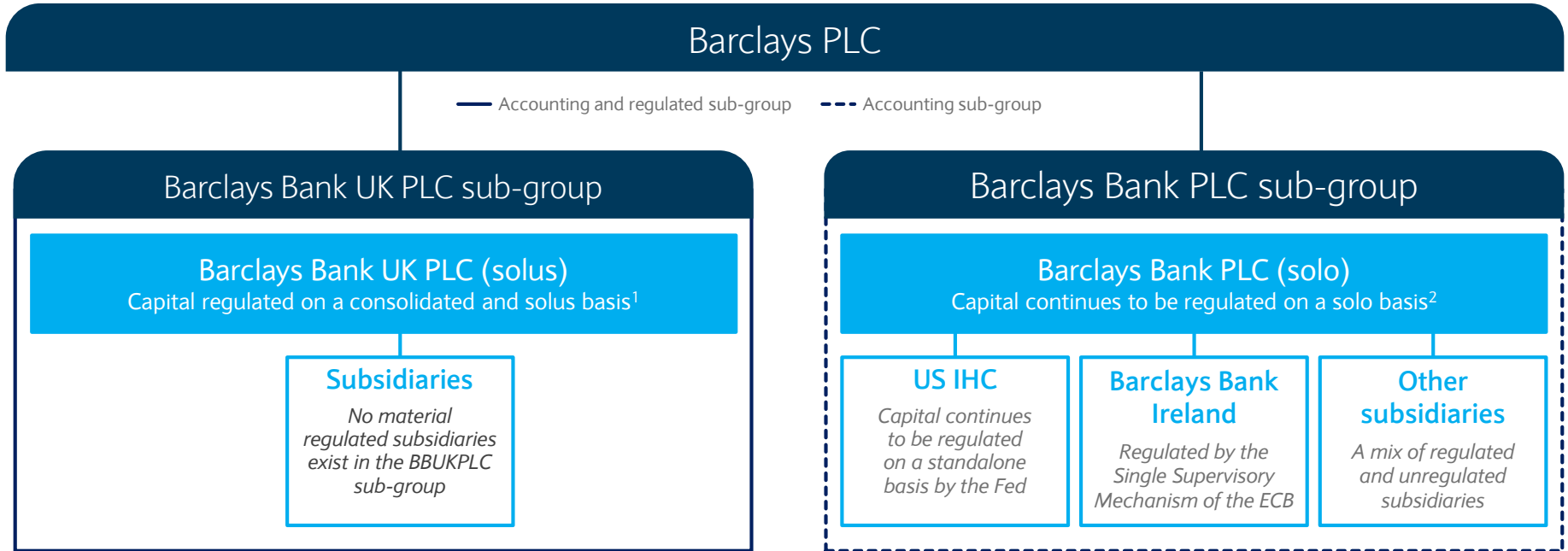
## Minimum leverage requirements and buffers under the UK regime



- We continue to view leverage as a backstop measure in determining the capital Barclays holds. Our business mix means the risk based RWA measure of capital remains our binding constraint
- The Group currently has one leverage requirement, as measured under the UK's PRA leverage regime. The requirement must be met on a daily basis, and is reflected in the daily average leverage exposure
- As at 30 June 2019, the UK leverage ratio was c.110bps above the 2019 requirement and c.150bps above the 2018 BoE stress test hurdle rate
- Barclays' UK spot leverage ratio is consistently c.5%, with the daily average ratio typically 40-60bps below as we deploy incremental leverage in high velocity businesses
- We continue to closely monitor leverage regulatory developments, cognisant of future FPC statements

# Strong legal entity capital and liquidity positions

Group expects to accommodate all legal entity capital requirements within Group CET1 ratio target of c.13%



BBUKPLC metrics <sup>3</sup>	H119	FY18 <sup>4</sup>
CET1 ratio	14.4%	14.2%
Tier 1 ratio	18.1%	17.0%
Total capital ratio	22.8%	21.3%
LCR <sup>5</sup>	160%	164%
Liquidity pool	£47bn	£45bn

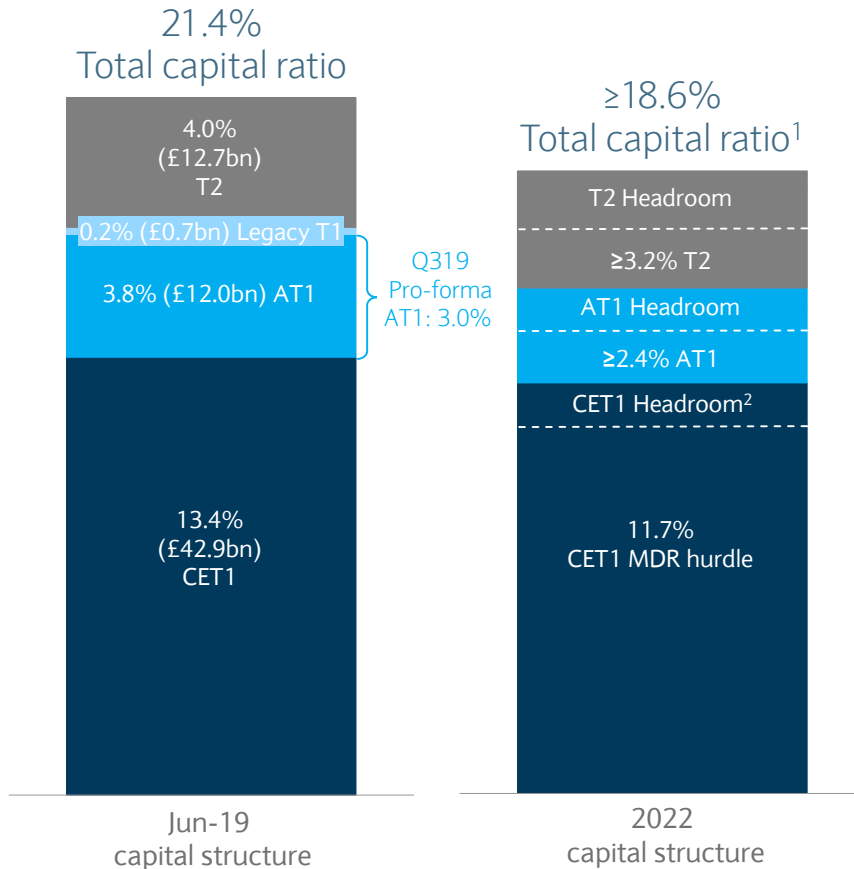
BBPLC (solo) metrics <sup>3</sup>	H119	FY18
CET1 ratio	13.4%	13.5%
Tier 1 ratio	18.1%	18.4%
Total capital ratio	21.6%	22.2%
LCR <sup>5</sup>	141%	147%
Liquidity pool	£191bn	£182bn

<sup>1</sup> Regulation on a consolidated basis became effective on 1 January 2019 | <sup>2</sup> Barclays Bank PLC (solo) contains additional relatively small entities that are brought into scope for regulatory solo requirements | <sup>3</sup> Capital metrics calculated based on CRR and IFRS 9 transitional arrangements, as amended by CRR II as at the reporting date | <sup>4</sup> BBUKPLC capital comparatives are based on BBUKPLC Solus reported values | <sup>5</sup> Barclays Bank UK Group and Barclays Bank PLC DoLSub liquidity coverage ratio |

# Transition to 2022 capital structure well established

Expect to hold prudent headroom above AT1 and Tier 2 minimums

## Illustrative evolution of regulatory capital structure



## Well managed and balanced total capital structure

- BBPLC issued capital instruments are expected to be included as MREL, until 1 January 2022<sup>3</sup>, and may continue to qualify as Tier 2 regulatory capital thereafter
- Aim is to manage our capital structure in an efficient manner:
  - Expect to be a regular issuer of AT1 and to hold around the low 3% level of RWAs in AT1 over time
  - Expect to continue to maintain a headroom to 3.2% of Tier 2
- Following regulatory approval, Barclays intends to call the three AT1 instruments which are eligible for call on 15 September 2019. The redemptions will result in a pro-forma decrease in Q319 AT1 to 3.0% of RWAs

## Pillar 2A Requirement

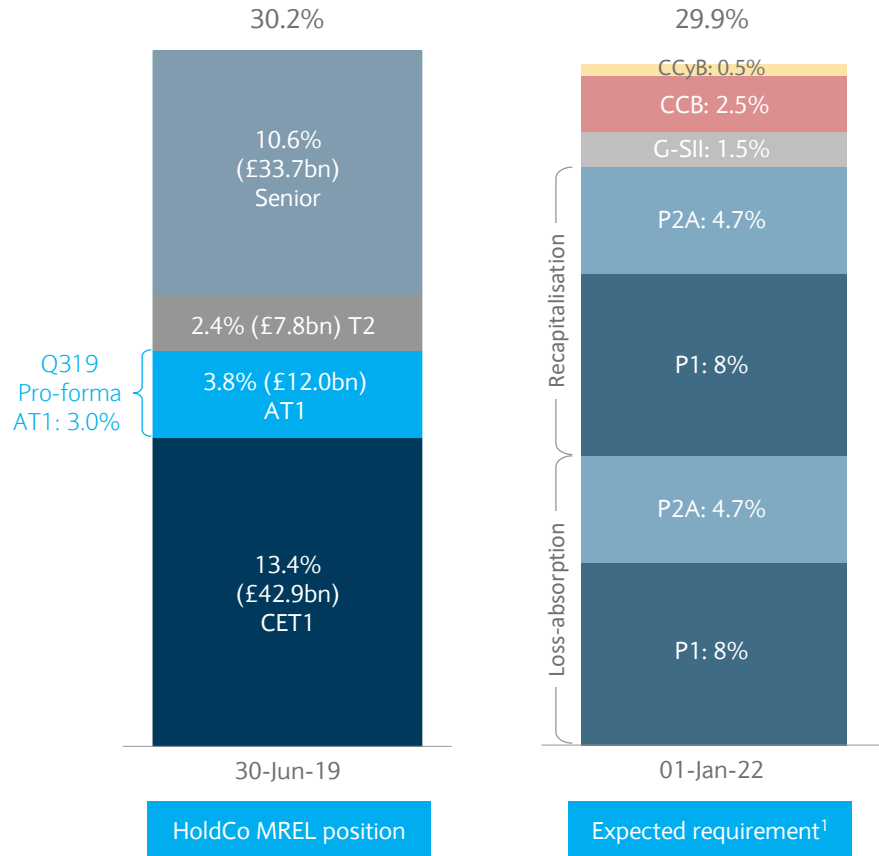
- Barclays' Pillar 2A requirement is set as part of a "Total Capital Requirement" (P1 + P2A) reviewed and prescribed at least annually by the PRA
- Barclays Group P2A requirement for 2019 is 4.7% and is split:
  - CET1 of 2.6% (assuming 56.25% of total P2A requirement)
  - AT1 of 0.9% (assuming 18.75% of total P2A requirement)
  - Tier 2 of 1.2% (assuming 25% of total P2A requirement)

<sup>1</sup> Includes combined buffer requirement and CET1 headroom | <sup>2</sup> CET1 ratio is currently 170bps above the regulatory minimum level, at our target of c.13% | <sup>3</sup> In line with their regulatory capital values until 1 January 2022; based on Barclays' understanding of the current BoE position |

# Successfully transitioning to a HoldCo funding model

Continue to expect c.£8bn of MREL issuance in 2019 of which c.£7bn equivalent issued to date

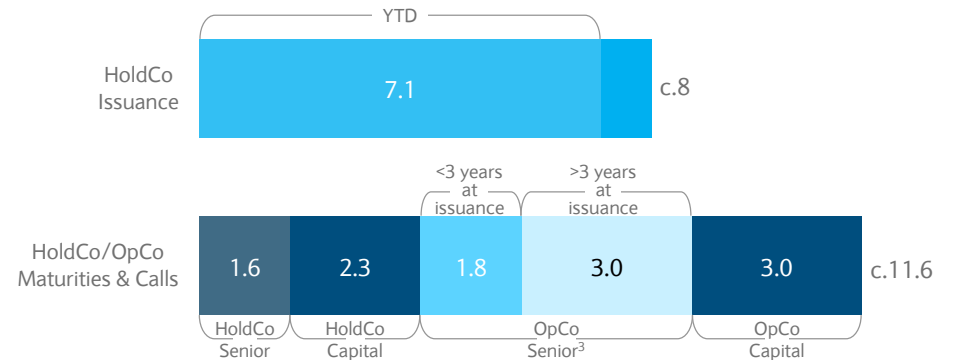
## HoldCo MREL position and expected requirement



## Well advanced on HoldCo issuance plan

- Issued £7.1bn equivalent of MREL year to date towards the 2019 HoldCo issuance plan, in senior, AT1 and Tier 2 form
- Continue to expect c.£8bn<sup>2</sup> of MREL issuance for 2019 across senior, AT1 and Tier 2 form
- Issuance plan out to 2022 calibrated to meet MREL requirements and allow for a prudent MREL headroom
- Transitional MREL ratio as at June 2019: 32.0%

## 2019 MREL issuance plans and maturities and calls (£bn)

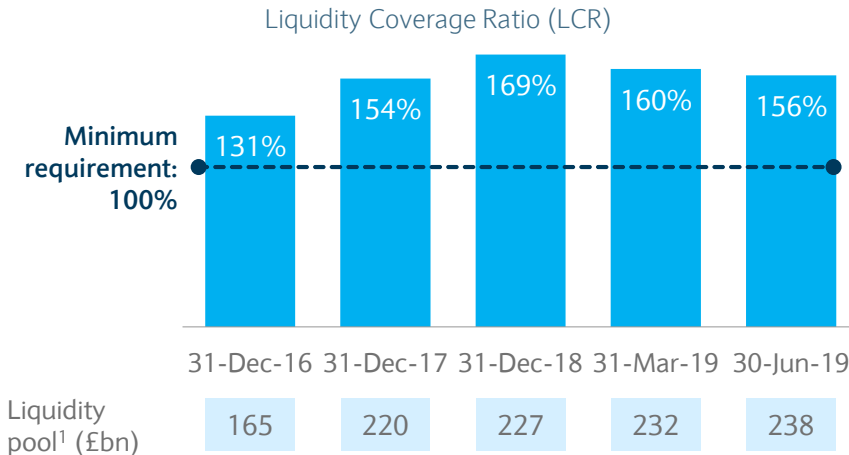


<sup>1</sup> 2022 requirements subject to BoE review by end-2020. MREL expectation is based on current capital requirements, including the current published Pillar 2A, and is therefore subject to review | <sup>2</sup> Issuance plan subject to, amongst other considerations, market conditions and regulatory requirements which are subject to change and may differ from current expectations | <sup>3</sup> Maturities of BBPLC public and private senior unsecured term debt issues in excess of £100m equivalent. Excludes structured notes |

# High quality liquidity position

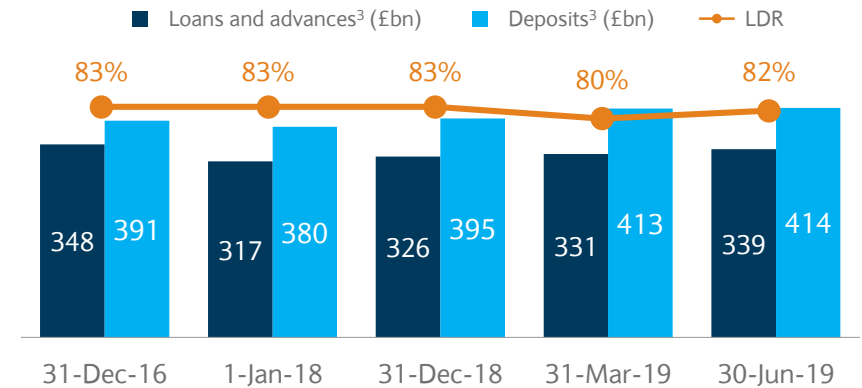
Conservatively positioned liquidity pool, LDR and lower reliance on short-term wholesale funding

Highly liquid, comfortably exceeding minimum requirement



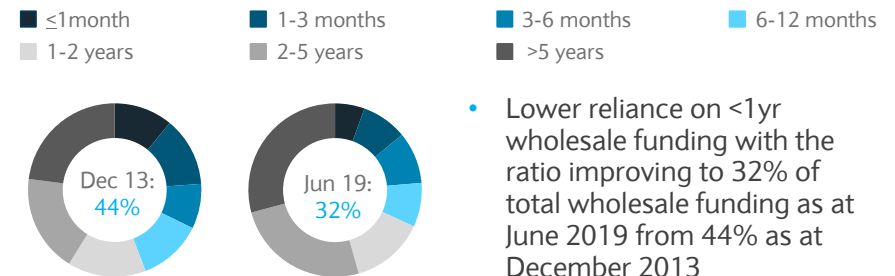
- Liquidity pool was £238bn at the quarter end, up £6bn QoQ
- LCR remained well above the 100% regulatory requirements at 156%, equivalent to a surplus of £83bn, broadly stable QoQ
- Quality of the liquidity pool remains high, with the majority held in cash and deposits with central banks, and highly rated government bonds
- Liquidity pool continues to be conservatively positioned to meet the changing geopolitical and market environment, using cost efficient sources of funding
- NSFR continues to exceed expected future minimum requirements

Conservative loan: deposit ratio<sup>2</sup>



- Loan: deposit ratio of 82% as at 30 June 2019, representing a 2% increase QoQ as loans and advances increased, while deposits remained broadly flat

Lower reliance on <1yr wholesale funding






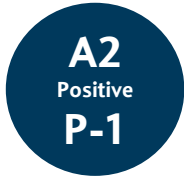





- Lower reliance on <1yr wholesale funding with the ratio improving to 32% of total wholesale funding as at June 2019 from 44% as at December 2013

<sup>1</sup> Liquidity pool as per the Barclays Group's Liquidity Risk Appetite (LRA) | <sup>2</sup> Loan: deposit ratio is calculated as loans and advances at amortised cost divided by deposits at amortised cost. Additionally, 1-Jan-18, 31-Dec-18, 31-Mar-19 and 30-Jun-19 reflect the impact of IFRS 9 | <sup>3</sup> At amortised cost

# Ratings remain a key priority

Focus on strategy execution and achieving performance targets to improve ratings

Current Senior Long and Short Term ratings	Standard & Poor's	Fitch	Moody's
Barclays PLC	 <p><b>BBB</b> Stable <b>A-2</b></p>	 <p><b>A</b> RWN <b>F1</b></p>	 <p><b>Baa3</b> Positive <b>P-3</b></p>
Barclays Bank PLC (BBPLC)	 <p><b>A</b> Stable <b>A-1</b></p> <p>Resolution counterparty rating A+/A-1</p>	 <p><b>A+</b> RWN <b>F1</b></p> <p>Derivative counterparty rating A+/Stable (dcr)</p>	 <p><b>A2</b> Positive <b>P-1</b></p> <p>Counterparty risk assessment A2/P-1 (cr)</p>
Barclays Bank UK PLC (BBUKPLC)	 <p><b>A</b> Stable <b>A-1</b></p>	 <p><b>A+</b> RWN <b>F1</b></p> <p>Derivative counterparty rating A+/Stable (dcr)</p>	 <p><b>A1<sup>1</sup></b> Stable <b>P-1</b></p> <p>Counterparty risk assessment Aa2/P-1 (cr)</p>

We solicit ratings from S&P, Fitch and Moody's for the HoldCo and both its OpCos that sit immediately beneath it.

- **S&P** affirmed all ratings for Barclays PLC, BBPLC and BBUKPLC in June 2019. They rate BBUKPLC and BBPLC in line with the Group's credit profile of A/A-1, as these subsidiaries are designated "core" status relative to the Group.
- **Fitch** affirmed all ratings for Barclays PLC, BBPLC and BBUKPLC in June 2019. They placed the outlooks of all entities on Rating Watch Negative (RWN) in March 2019, alongside UK peers to reflect their expectation that they would revise the outlooks to negative under a disruptive no deal Brexit scenario.
- **Moody's** ratings outlooks of Barclays PLC and BBPLC were revised from stable to positive in May 2019.

<sup>1</sup> Deposit rating |

# Focus on ESG

Growing momentum on key Environmental, Social and Governance factors across the firm

## Progress on key ESG factors

### Environment

- Continued to build green and sustainable finance platform across business lines
- Released *Energy and Climate Change* and *Forestry and Palm Oil* statements
- Integrating climate risk management including PRA supervisory statement and TCFD disclosures
- Issued inaugural BPLC Green Bond (November 2017) and continued to increase Green Bond investments held in Treasury

### Social

- Launched £14bn SME fund and held over 100 Brexit clinics
- 24% women in senior leadership roles of Director and Managing Director, up 1% YoY with new target of 28% by 2021
- Focused on strong data privacy and security with customer education initiatives

### Governance

- Strengthened control environment and resolved legacy litigation and conduct matters
- Conduct and Culture performance dashboards tracked by Board and senior leadership
- Established new Environmental and Social Impact Committee chaired by Group CEO

## Sustainability & Citizenship Commitments

### Capital and Products



£150bn social and environmental financing<sup>1</sup>  
£4bn green bond investment<sup>2</sup>

### Economic Growth



£14bn UK SME lending fund with dedicated regional and industry focused **growth funds**<sup>3</sup>  
Work with partners to **build thriving local economies**

### Environmental Stewardship



80% reduction in operational scope 1 and 2 emissions<sup>4</sup>  
RE100 commit to procure 100% of global operational electricity needs from renewable sources<sup>5</sup>

### Sustainable Innovation



250 high impact businesses supported through our Unreasonable Impact programme<sup>6</sup>  
Continue to support Barclays' **Social Innovation Facility**

### Skills and Employability



Ten million people<sup>7</sup> helped to improve skills through our **LifeSkills** programme  
250,000 people placed into work<sup>8</sup> through our **Connect with Work** partnerships

<sup>1</sup> Total financing volume in eligible social and environmental categories according to Barclays Impact Eligibility Framework (2018-25) | <sup>2</sup> Investments in labelled Green Bonds by Barclays Treasury (no end timeframe) | <sup>3</sup> Total capacity for UK SME lending 2019-21 | <sup>4</sup> Scope 2 emissions measured according to market basis under the Greenhouse Gas Protocol (2025 against a 2018 baseline) | <sup>5</sup> 100% by 2030, 90% by 2025 | <sup>6</sup> Total number of participating ventures since launch (2016-22) | <sup>7</sup> Total number of participants in the UK (2018-22) | <sup>8</sup> Total number of work placements across programmes and regions – UK, US, Asia (2019-22) |



Q&A

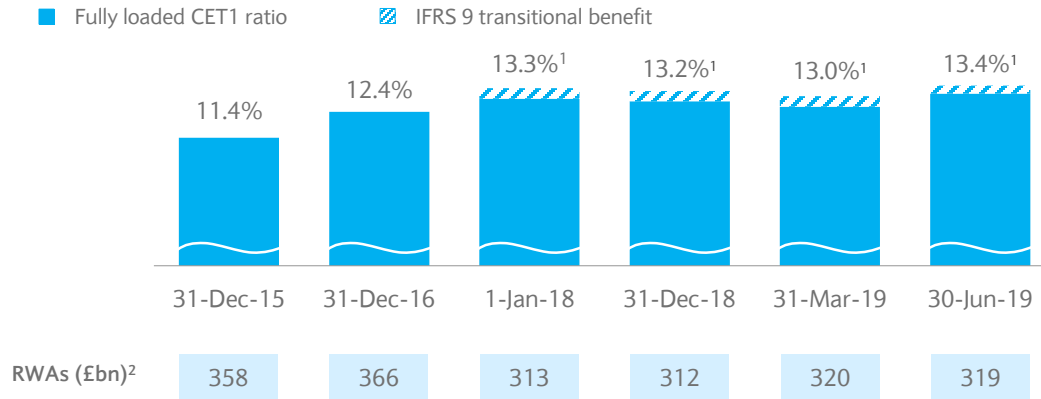




# Appendix

# Strong Group CET1 and leverage ratios

## Fully loaded and transitional CET1 ratio

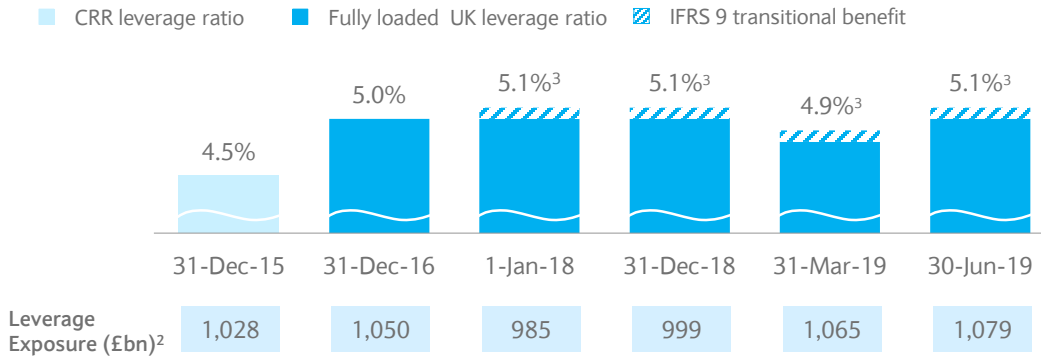


- Transitional CET1 ratio increased from 13.0% to 13.4% in the quarter, reflecting:
  - 38bps of organic capital generation from profits
  - 11bps due to FVOCI reserve movements
  - 5bps benefit from the scrip dividend take-up
  - 22bps due to net favourable RWA and other movements net of FX

Partly offset by:

- 6bps due to pension contributions
- 22bps dividends paid and foreseen on ordinary dividends and AT1 coupons

## Fully loaded and transitional leverage ratio

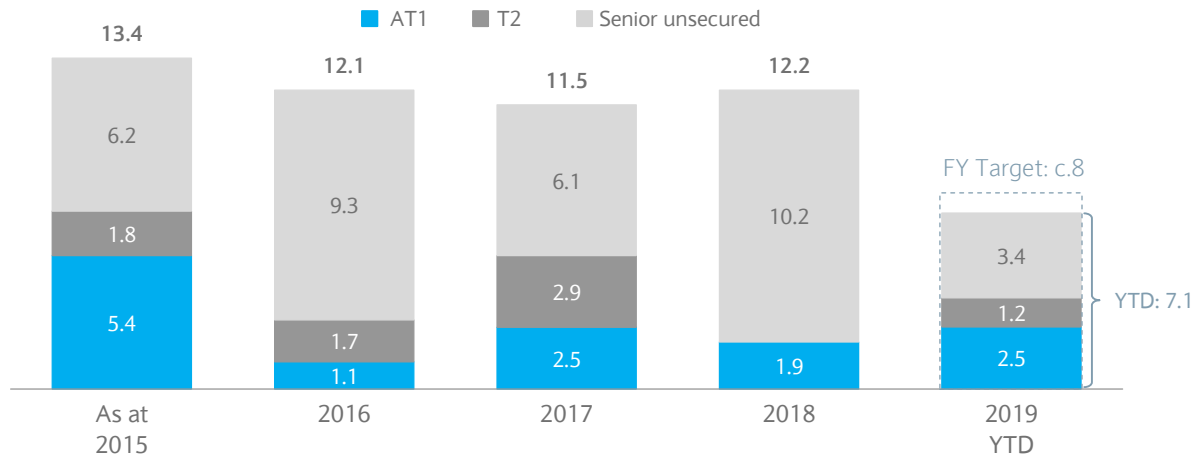


- Transitional UK leverage ratio increased by 20bps in the quarter to 5.1%, primarily driven by a £2.5bn increase in Tier 1 capital, reflecting accretion of CET1 capital and issuance of AT1 securities. This was partly offset by a £14bn increase in leverage exposure
- Average transitional UK daily leverage ratio was 4.7% as at 30 June 2019, up 10bps in the quarter. The average UK leverage exposure increased £29bn QoQ to £1,135bn
- Remain comfortably above the 4% UK leverage minimum requirement

<sup>1</sup> Represents transitional CET1 ratios. Fully loaded CET1 ratio as at 30 June 2019 was 13.1% | <sup>2</sup> Represents transitional RWA and UK leverage exposure for 1-Jan-18 onwards. Fully loaded RWA and leverage exposures are materially the same as on the transitional basis | <sup>3</sup> Represents transitional leverage ratios. Fully loaded leverage ratio as at 30 June 2019 was 5.0%

# Continued progress in HoldCo issuance

## HoldCo issuance by year<sup>1</sup> (£bn)



## H119 HoldCo issuance by currency<sup>3</sup>



**March:** USD 2bn AT1



**April:** USD 750m Senior tap



**May:** USD 2bn Senior



**May:** GBP 600m Senior



**June:** GBP 1bn AT1



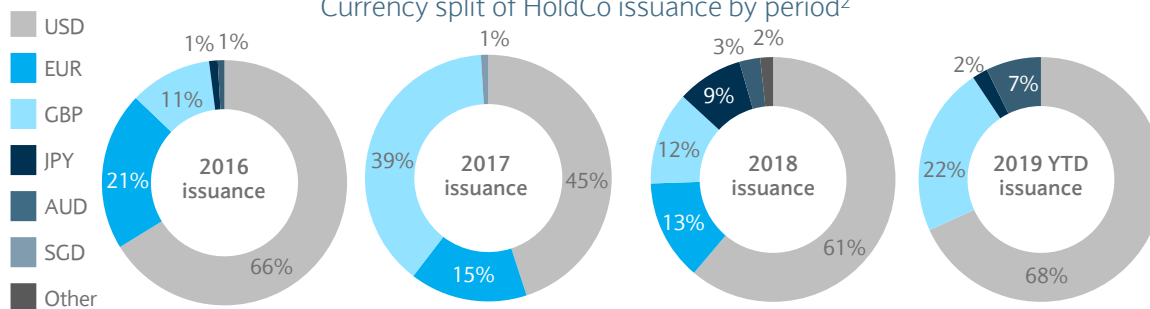
**June:** USD 1.5bn Tier 2



**June:** AUD 800m Senior

## Diversified currency of HoldCo issued instruments

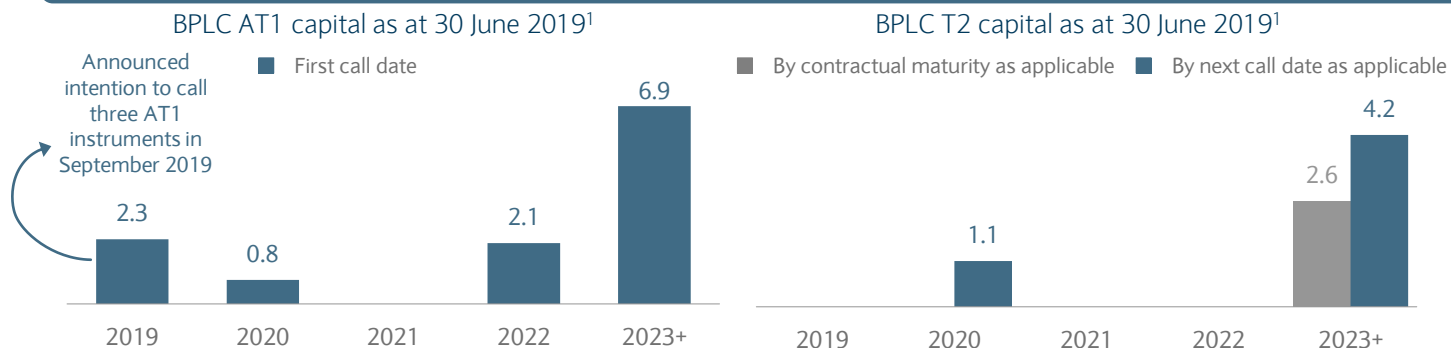
### Currency split of HoldCo issuance by period<sup>2</sup>



<sup>1</sup> Annual issuance balances based on FX rate at end of respective periods for debt accounted instruments and historical transaction rates for equity accounted instruments | <sup>2</sup> FX rates as at respective period ends | <sup>3</sup> Excludes private placements | <sup>Note:</sup> Charts may not sum due to rounding

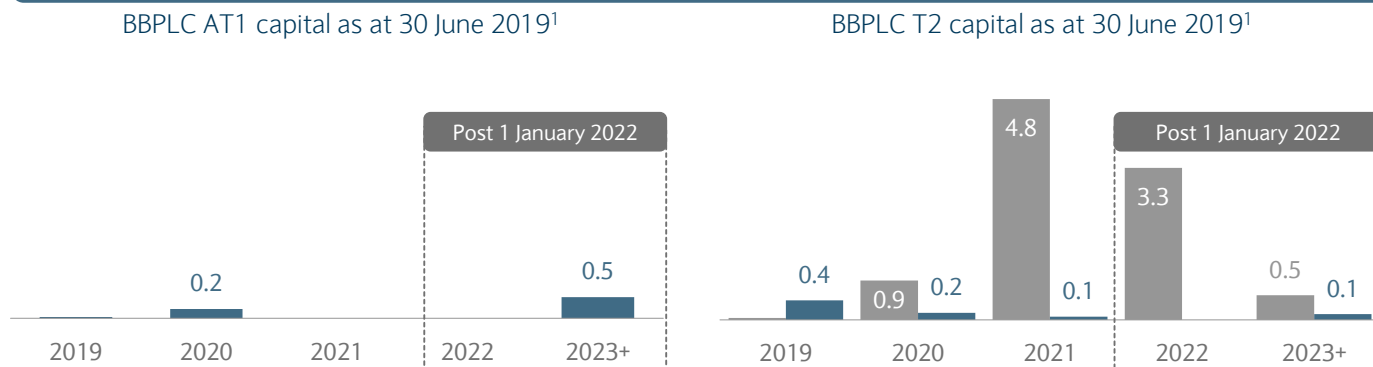
# Managing the call and maturity profiles of BPLC and BBPLC capital instruments

## BPLC capital call and maturity profile (£bn)



- First AT1 call effected on 15 December 2018
- Announced intention to call further three AT1 instruments, to be effected on 15 September 2019

## BBPLC capital call and maturity profile (£bn)



- Strong track record of managing outstanding legacy instruments
- Legacy capital instruments maturing or callable post 1 January 2022 are modest and short-dated, with c.90% of all instruments maturing or callable by the end of 2022

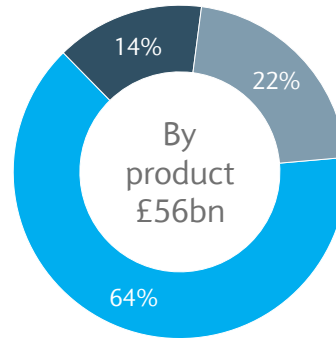
## Short and small tail of legacy capital by 1 January 2022

<sup>1</sup> Prepared on nominal basis which will not reconcile with regulatory or accounting bases due to adjustments |

# Balanced HoldCo funding profile by debt class and tenor

## Barclays PLC

■ AT1 ■ Tier 2 ■ Senior



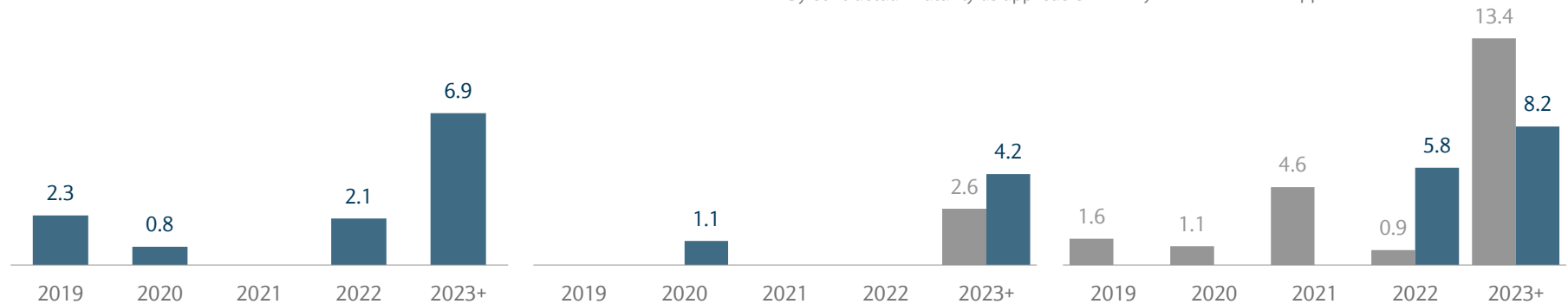
BPLC AT1 capital  
as at 30 June 2019<sup>1</sup>

BPLC T2 capital  
as at 30 June 2019<sup>1</sup>

BPLC Senior unsecured debt  
as at 30 June 2019<sup>1</sup>

■ First call date

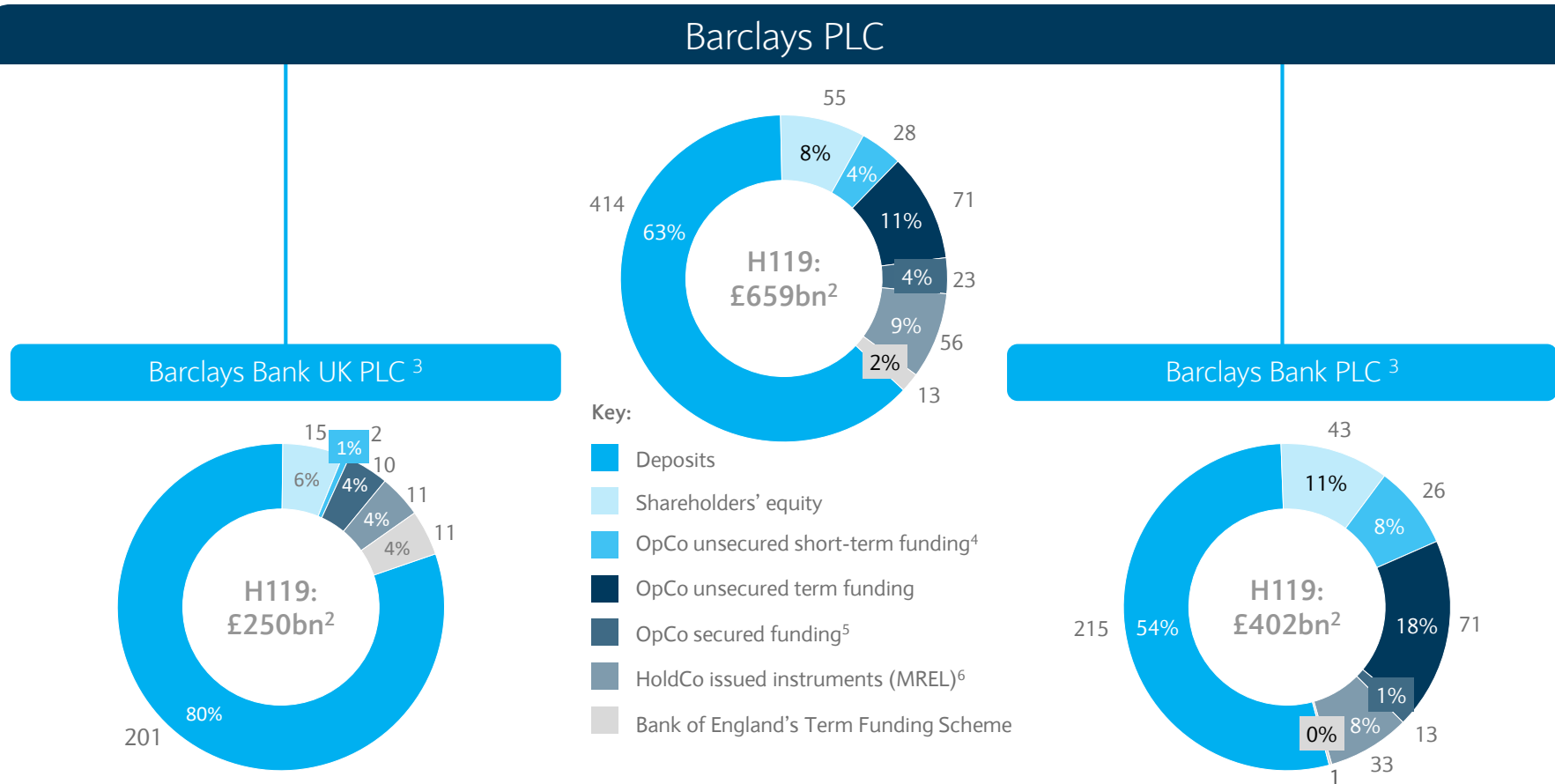
■ By contractual maturity as applicable ■ By next call date as applicable



<sup>1</sup> Prepared on nominal basis which will not reconcile with regulatory or accounting bases due to adjustments | Note: Charts may not sum due to rounding

# Diversified Funding Sources across all legal entities<sup>1</sup>

Majority of funding within legal entities through deposits



<sup>1</sup> The funding sources presented include external deposits at amortised cost, wholesale funding including public benchmark and privately placed senior unsecured notes, certificates of deposits, commercial paper, covered bonds, asset backed securities, subordinated debt, participation in Bank of England's Term Funding Scheme, Additional Tier 1 capital instruments and shareholders' equity | <sup>2</sup> Excludes derivative financial instruments, repurchase agreements and other similar secured borrowing, trading portfolio liabilities, cash collateral and settlement balances and other liabilities | <sup>3</sup> Barclays Bank PLC and Barclays Bank UK PLC funding profile includes subsidiaries | <sup>4</sup> OpCo unsecured short-term funding consists of certificates of deposit and commercial paper | <sup>5</sup> OpCo secured funding includes asset backed commercial paper, covered bonds and asset backed securities | <sup>6</sup> HoldCo MREL downstreamed to BBUKPLC, BBPLC, and other subsidiaries, including Barclays Execution Services Limited and Barclays Principal Investments Limited | *Note:* Charts may not sum due to rounding |

# Preparation for continuity of business in the event of Brexit

*Plans have been implemented to support activity with European clients through expanded Barclays Bank Ireland*

- Barclays Bank Ireland (BBI) is now fully operational and significant activity with European clients has now been migrated
- BBI obtained all regulatory authorisations and licences for its expanded activity in 2018 and is regulated by the Single Supervisory Mechanism of the ECB
- Operates a branch network across Europe; migration of all European branches has now been completed
- Rated in line with BBPLC at A+/RWN/F1 by Fitch and A/Stable/A-1 by S&P
- Expanded activity consists of Corporate, Investment and Private Banking activity and Barclaycard business in Germany<sup>1</sup>
- Diversified, well balanced funding sources and strong liquidity ratios. MREL and capital provided from within the Group
- Anticipate CET1 and CRR leverage ratios to be broadly in line with those of BBPLC and the Group

## Indicative BBI as at 31 December 2018<sup>2</sup>

Total external assets	£126bn
Total assets <i>Including internal transactions with Group entities</i>	£161bn
Derivatives/total assets and liabilities <i>Including internal derivative transactions</i>	53%
Funded balance sheet <i>Excluding trading book gross-ups</i>	£32bn
Shareholders' equity	£4bn
PBT <i>If transfer occurred on 1 January 2018</i>	£0.5bn

<sup>1</sup> The activity also incorporates a legacy Italian mortgage portfolio | <sup>2</sup> Refer to the Important Notice for the basis of preparation and the key assumptions related to the illustrative financial information contained herein |

# Disclaimer

## Important Notice

The terms Barclays or Barclays Group refer to Barclays PLC together with its subsidiaries. The information, statements and opinions contained in this presentation do not constitute a public offer under any applicable legislation, an offer to sell or solicitation of any offer to buy any securities or financial instruments, or any advice or recommendation with respect to such securities or other financial instruments.

Information relating to:

- regulatory capital, leverage, liquidity and resolution is based on Barclays' interpretation of applicable rules and regulations as currently in force and implemented in the UK, including, but not limited to, CRD IV (as amended by CRD V applicable as at the reporting date) and CRR (as amended by CRR II applicable as at the reporting date) texts and any applicable delegated acts, implementing acts or technical standards. All such regulatory requirements are subject to change;
- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL)" published in June 2018, updating the Bank of England's November 2016 policy statement, and the non-binding indicative MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into account a number of factors as described in the policy statement and as a result of the finalisation of international and European MREL/TLAC requirements;
- future regulatory capital, liquidity, funding and/or MREL, including forward-looking illustrations, are provided for illustrative purposes only and are not forecasts of Barclays' results of operations or capital position or otherwise. Illustrations regarding the capital flight path, end-state capital evolution and expectations and MREL build are based on certain assumptions applicable at the date of publication only which cannot be assured and are subject to change, including amongst others, holding constant the Pillar 2A requirement at the 2018 level despite it being subject to at least annual review and assumed CRD buffers, which are also subject to change.

The information set out in slide 23 (the "Illustrative Financial Information") is for illustrative purposes only and is subject to change. The Illustrative Financial Information, including indications of total assets, revenue, funding, balance sheet estimations and ratios has been compiled as if the following activities, customers and clients ("In-Scope Business") were comprised in the businesses of Barclays Bank Ireland ("BBle") as at 31 December 2018:

- i. all regulated activity and client base of the European branches of Barclays Bank PLC ("BBPLC") as at 31 December 2018; and
- ii. all regulated activity of European clients of BBPLC who were located within the EEA (excluding the UK) as at 31 December 2018.

The Illustrative Financial Information represents a modelled view including estimates based on Barclays' current planning assumptions for the business and operating model for BBle, and is presented to show the possible effect of the proposed business transfers as if they had occurred on 31 December 2018. In addition to this, certain of the Illustrative Financial Information has been sourced from the BBle 2018 statutory accounts, management accounts of BBle up to 31 December 2018 and also the general ledger. The Illustrative Financial Information has not been independently verified. While Barclays' plans for an expanded BBle in response to the UK's withdrawal from the EU are well progressed, they remain subject to the outcome of the political negotiation, ongoing regulatory engagement and management discretion, and so are subject to changes which may be significant. Among other variables, the actual amount of In-Scope Business that may ultimately transfer to (including, but not limited to, as a result of what activity is finally determined to be regulated activity) and/or continue to trade with BBle in the future may differ significantly from the assumptions used in producing the Illustrative Financial Information. The Illustrative Financial Information is therefore provided for illustrative purposes only and is not a forecast of present or future financial condition or performance of BBPLC or BBle. Whilst all reasonable care has been taken in providing the Illustrative Financial Information no responsibility or liability is or will be accepted by Barclays PLC and any of its subsidiaries, affiliates or associated companies or any of their respective officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of the Illustrative Financial Information or for any action taken in reliance upon that information by any party whether customer, client, counterparty, investor or otherwise. Nothing in the relevant slide should be taken as (or is) a representation or warranty, express or implied, as to any of the matters presented.

## Forward-looking Statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Barclays Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures 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 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Barclays Group's future financial position, income growth, assets, impairment charges, provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend payout ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets, estimates of capital expenditures, plans and objectives for future operations, projected employee numbers, IFRS impacts and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards including evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions; the effects of any volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entities within the Barclays Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; instability as a result of the exit by the United Kingdom from the European Union and the disruption that may subsequently result in the UK and globally; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Barclays Group's control. As a result, the Barclays Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, expectations and guidance set forth in the Barclays Group's forward-looking statements. Additional risks and factors which may impact the Barclays Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our Annual Report on Form 20-F for the fiscal year ended 31 December 2018), which are available on the SEC's website at [www.sec.gov](http://www.sec.gov). Subject to our obligations under the applicable laws and regulations of the United Kingdom and the United States in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## Non-IFRS Performance Measures

This presentation includes certain non-IFRS performance measures, such as income statement and financial performance measures excluding litigation and conduct. These measures are defined and reconciliations to the nearest IFRS measures are available in the appendix to Barclays Group's interim results announcement for the period ended 30 June 2019.