Introduction

Bob Diamond, Barclays Chief Executive
Execution Priorities

• Capital
• Returns
• Income growth
• Citizenship
Retail and Business Banking

Antony Jenkins, Chief Executive
Our 2013 commitments

Happy customers
- Increased customer satisfaction
- Relentless reduction in complaints

Strong financial performance
- Solid income growth
- Positive operating jaws

Returns
- 13-15% RoE
# Retail and Business Banking

## PBT (£m, 2010)

<table>
<thead>
<tr>
<th>Region</th>
<th>GRB</th>
<th>RBB</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>989</td>
<td>989</td>
</tr>
<tr>
<td>Europe</td>
<td>(139)</td>
<td>(139)</td>
</tr>
<tr>
<td>Barclaycard</td>
<td>791</td>
<td>791</td>
</tr>
<tr>
<td>Barclays Africa</td>
<td>188</td>
<td></td>
</tr>
<tr>
<td>Absa</td>
<td>616</td>
<td>804</td>
</tr>
</tbody>
</table>

**Total**

$$\text{GRB: } 1,829 + \text{Absa: } 616 = 2,445$$

**Total**

$$\text{RBB: } 2,445$$
Returns profile

RBB RoE composition, pro forma at 10% CT1 (%, 2010)

- UK: 11%
- Barclaycard: 12%
- Europe: 0%
- Africa: 12%
- Total RBB: 10%

RBB RWA composition (% of total, 2010)

- Africa: 31%
- Europe: 14%
- Barclaycard: 26%
- UK: 29%

£123bn RWAs

2013 Barclays target
**Strong franchise**

**Strong Brand**
- Leading brand in core markets:
  - UK
  - Africa
  - Barclaycard UK

**Scale**
- Top 3 bank in 13 out of 22 countries\(^{(1)}\)
- c.50m customers globally
- Access to 60% of the global revenue pool

**Innovation**
- Strong track record:
  - First UK credit card and acquiring network
  - First UK card company online
  - First ATM in the world “Barclaycash”
  - First in UK contactless cards and terminals
  - First mobile payments provider in UK

\(^{(1)}\) 2010, by revenue for retail and by outstanding balances for card-only presences
Our vision

The goal

the ‘go-to’ bank in our chosen markets

The vision

Lives Made Much Easier

The means

• Deeper impact with customers
• Greater scale in all our markets
• Higher performance
Driving the customer agenda for sustainable growth

Enhancing customer experience...

Examples:
- Debit cards
- Zambia
- Innovation in channels and products

...driving sustainable value creation

- Sustainable income growth
- Lower cost to serve
- Superior risk insight

Getting the basics right

Innovation through customer insight
UK: Strong customer franchise

Strong customer franchise

- >15m personal customers
- c.45% bank with us >10 years

- >700k Mass Affluent
- c.80% hold 3 or more products

- >750k Business Clients
- 40% have relationship <3 years

Solid footprint

- 1,658 branches
- 3,345 ATMs
- c.3.5m online banking active users

Distinctive products and channels

- Winner of ‘Transforming customer service’ for .mobi
- “Best Mortgage Provider”
- Great Escape product
UK: Delivering on commitments

Productivity and innovation
- Launched online investment platform
- Successful performance in mobile banking
- Continued investment in multi-channel platform

Business bank build out
- Enhanced end-to-end key customer processes
- New services

Tailored Mass Affluent value proposition
- Differentiated service for customers
- New products

>100%
Mobile banking user growth (09-10)

5%
Income growth (09-10)

18%
Premier income growth (09-10)
UK: Outpacing industry growth

Mortgage growth (%)

- **RBB UK**
  - 2008-09: 7%
  - 2009-10: 15%\(^{(1)}\)

- **Total UK**
  - 2008-09: 0%\(^{(2)}\)
  - 2009-10: 1%\(^{(2)}\)

Personal customer deposits growth (%)

- **RBB UK**
  - 2008-09: 5%
  - 2009-10: 13%\(^{(1)}\)

- **Total UK**
  - 2008-09: 2%\(^{(2)}\)
  - 2009-10: 3%\(^{(2)}\)

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(1) Includes SLB
(2) Total UK data sources: Bank of England data (deposits excl. NS&I)
UK: Liability margins

Personal customer liability spread (%, 2008 – 2013)

Interest Rate Spread

Potential incremental income from margin unwind

Proportion of base rate increase passed on to customers

Base rate expectations (bps) +25 +50 +100
UK: Efficiencies through relentless simplification

The approach

- 15 key customer processes
- End-to-end process simplification
- Reducing waste, cycle times, operating costs and increasing control

Expected impact on 2010 base by 2013

- 20-50% Customer complaints reduction per process
- £30-50m Total cost reduction
UK: Commitments

- Income growth: Solid income growth
- Costs: Positive operating jaws
- Returns: 14-15% RoE
Europe: Solid presence in challenging conditions

<table>
<thead>
<tr>
<th>2010</th>
<th>Customers (m)</th>
<th>Distribution points (#)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>0.9</td>
<td>587</td>
</tr>
<tr>
<td>Portugal</td>
<td>0.8</td>
<td>279</td>
</tr>
<tr>
<td>Italy</td>
<td>0.8</td>
<td>380</td>
</tr>
<tr>
<td>France</td>
<td>0.2</td>
<td>117</td>
</tr>
<tr>
<td>Total Europe</td>
<td>2.7</td>
<td>1,363</td>
</tr>
</tbody>
</table>

2010 PBT: (£139m)
Europe: Taking action to reposition the franchise

- **Management strength**
  - New leadership team in place

- **Income growth**
  - Targeted strategy on higher return segments, (Premier and primary relationships)
  - Leveraging capabilities across RBB

- **Cost management**
  - Restructuring the business and network

- **Impairment reduction**
  - Upgraded capabilities in risk analytics and collections
Europe: Leveraging the opportunity - focus on Premier

Opportunity

- Large retail revenue pool of >£100bn

- Strategic fit and proximity to UK

- Barclays with low shares, but high potential to grow

<table>
<thead>
<tr>
<th></th>
<th>Customer growth (09-10)</th>
<th>Income growth (09-10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>3%</td>
<td>15%</td>
</tr>
<tr>
<td>Portugal</td>
<td>39%</td>
<td>10%</td>
</tr>
<tr>
<td>Italy</td>
<td>75%</td>
<td>24%</td>
</tr>
<tr>
<td>France</td>
<td>4%</td>
<td>21%</td>
</tr>
</tbody>
</table>

(1) Spain, Portugal, Italy and mass affluent revenue France
Europe: Key priorities

Spain
- New management team
- Significant restructuring
- Optimise portfolio

Portugal
- Building on profitable cards business
- Streamline customer experience
- Leverage RBB capabilities
Europe: Key priorities

**Italy**
- Reshaping and optimising portfolio
- Rebalancing liquidity profile
- Growing within current network

**France**
- Specialist Premier offering
- Effective use of alternative channels
- Enhance returns
Europe: Commitments

Income growth: Good income growth

Profitability: Return to profit in 2012
Positive operating jaws

Returns: 4-5% RoE in 2013
13% RoE by 2015
Barclaycard: Scale and diversified payment provider

PBT (%, 2010)

Business Payment Products
- Payment Acceptance
- Commercial Payments
- Barclays Partner Finance

International Consumer Credit Cards
- United States
- Germany
- South Africa
- Scandinavia JV

UK Consumer Credit Cards
- 43%
- 42%
- 15%
Barclaycard: Strong growth in the UK

Growth in receivables: top 5 credit cards UK players (%, 2009-2010)

- Barclaycard #1 in UK
- Player A (9%)
- Player B (9%)
- Player C (4%)
- Player D (2%)

Risk trends in Barclaycard UK (%, 2009-2010)

- 1 month arrears
  - 2010: 3.4%
  - 2009: 4.2%
- 3 month arrears
  - 2010: 1.5%
  - 2009: 1.8%

Note: Egg acquisition completed April 2011, 2010 growth shown on pro forma basis
Source: Annual Reports
Barclaycard: Strong growth internationally

Barclaycard US

- Focused partnership model
  - US Air
  - LL Bean
  - NFL

- Customer solutions, e.g. iPhone app.

- Profitable franchise
  - Q1 2011 financial trends ahead of key competitors

Germany, Scandinavia, South Africa

- Leading positions
  - T2 franchises
  - Consistent growth trend, 85% profit growth in South Africa

- New solutions for customers
  - e.g. Maestro dual card in Germany
Barclaycard: Diversifying in business payment products

Attractive Segment

- c.£40bn revenue segment globally, >7% CAGR expected to 2013

Product economics:

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>RoRWA</td>
<td>5x</td>
<td>7x</td>
</tr>
<tr>
<td>Non-interest income contribution</td>
<td>4x</td>
<td>5x</td>
</tr>
</tbody>
</table>

Executing on Initiatives

- Commercial payments extended to 22 countries
- Expanding client franchise
Barclaycard: Leading in payments innovation

From Contactless...

Payments are evolving...

First UK contactless cards and terminals

>90% of contactless terminals (Dec 2010)\(^{(1)}\)

...we are driving the change

First mobile payments with Orange

>10 active discussions on further mobile launches

\(^{(1)}\) Source: APACS, Cards Association
Barclaycard: Commitments

- Income growth: Solid income growth
- Costs: Positive operating jaws
- Returns: 16-17% RoE
Africa

Maria Ramos, Absa Group Chief Executive
Africa is large and growing

Africa is ...

- Large
  - Population of over 1bn
  - Collective GDP of $1.7tr last year

- High growth
  - GDP of $2.4tr expected by 2015

- Under-penetrated
  - Low loans to GDP
  - High proportion of adults unbanked
  - Underdeveloped capital markets
  - Low insurance penetration

Revenue pool in our African countries

Source: United Nations, IMF, Barclays
We have a leading, well established presence

<table>
<thead>
<tr>
<th>Country</th>
<th>Presence since</th>
<th>Share by Assets (%)</th>
<th>Rank by Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>1864</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>South Africa</td>
<td>1888</td>
<td>22</td>
<td>2</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>1912</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Tanzania</td>
<td>1916</td>
<td>18</td>
<td>3 (1)</td>
</tr>
<tr>
<td>Ghana</td>
<td>1917</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Zambia</td>
<td>1918</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Mauritius</td>
<td>1919</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Kenya</td>
<td>1925</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Uganda</td>
<td>1927</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Botswana</td>
<td>1950</td>
<td>26</td>
<td>1</td>
</tr>
<tr>
<td>Seychelles</td>
<td>1959</td>
<td>24</td>
<td>1</td>
</tr>
<tr>
<td>Mozambique</td>
<td>2002</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

(1) Includes consolidated National Bank of Commerce and Barclays Tanzania data except for the ranking based on revenue where NBC is ranked 3rd and Barclays 6th

Source: Bank Annual Reports; Central banks; Global Credit Ratings; McKinsey
That generates meaningful revenues and profits

Barclays African revenue (£bn)

Barclays African pre-tax profit (£bn)

Source: Barclays
Innovating to grow retail and business banking

**Strong growth in African mobile phone banking customers (m)**

- **2006**: 0.0
- **2007**: 0.5
- **2008**: 1.0
- **2009**: 1.5
- **2010**: >10x

Source: Barclays
Capturing the wholesale flows

Barclays Capital has transformed Absa’s trading capability

Absa Capital Markets revenue (£m)

Source: Absa
Bancassurance – good growth prospects

Absa Financial Services RoE (Rand)

African insurance premiums to GDP (2010)

Source: Absa, AXCO country reports
Deep risk management capability

African loan loss rate

FY09: 2.0%
FY10: 1.5%

Source: Barclays
Ambitious One Africa targets

Income growth
- Double digit growth
- Focus on non-interest revenue

Costs
- Cost to income ratio improving, while continuing to invest

Returns
- RoE >13%
- RoRWA >2%

Figures for “One Africa” include RBB Africa, Absa Capital, Absa Wealth and Absa cards
Clear roadmap to drive income growth

Expected income growth (2010-2013)

Key drivers

- Product and segment share growth
- High growth opportunities
- New sources of income from product innovation
- Stable net interest margin
Delivering 13-15% RoE

RBB RoE composition\(^{(1)}\) (\%, 2013 Targets)

- UK
- Barclaycard
- Europe
- Africa
- Total RBB

Three of the four businesses above 13% RoE target by 2013
All businesses above target by 2015
RoTE above 20%

(1) Based on allocated tangible equity of 10% of RWAs
Our 2013 commitments

- Happy customers
  - Increased customer satisfaction
  - Relentless reduction in complaints

- Strong financial performance
  - Solid income growth
  - Positive operating jaws

- Returns
  - 13-15% RoE