Barclays PLC

Q3 2013 Interim Management Statement

30 October 2013

Q3 2013 financial progress

- Focus on earnings generation – and increasing capital strength
- PBT of £5.0bn for first nine months, down £1.2bn
  - Resilient retail and corporate performance
  - Lower income in IB FICC, notably from Exit Quadrant assets
  - Improved impairment
  - Costs to achieve Transform of £0.7bn
- Financial strength – good initial progress with Leverage Plan
  - Rights issue completed in October
  - RWAs down and leverage exposure reduced

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Adjusted financial highlights

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	21,516	22,494	(4)
Impairment charges	(2,353)	(2,515)	(6)
Net operating income	19,163	19,979	(4)
Operating expenses (excluding costs to achieve Transform)	(13,403)	(13,873)	(3)
Costs to achieve Transform	(741)	-	
Adjusted profit before tax[1]	**4,976**	**6,204**	**(20)**
Statutory profit before tax	2,851	962	

[1] Adjusted profit before tax in this and subsequent slides includes: share of post-tax results of associates and joint ventures; profit or loss on disposal of subsidiaries, associates and joint ventures; and gains on acquisitions

Adjusting items to profit before tax

Nine months ended – September	2013 (£m)	2012 (£m)
Statutory profit before tax	2,851[1]	962
Own credit charge	125	4,019
Gain on disposal of BlackRock investment	-	(227)
Provision for PPI redress	1,350	1,000
Provision for interest rate hedging products redress	650	450
Adjusted profit before tax	4,976[1]	6,204

[1] Includes costs to achieve Transform of £741m

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Adjusted financial performance measures

Nine months ended – September	2013	2012
Return on average shareholders' equity	7.1%	9.7%
Return on average tangible shareholders' equity	8.4%	11.5%
Cost: income ratio[1]	66%	62%
Basic earnings per share	21.9p	30.7p
Dividend per share	3.0p	3.0p

[1] For the nine months ended September 2013, cost: income ratio would have been 62% excluding costs to achieve Transform of £741m

Adjusted income and profit/(loss) before tax by cluster

	Income			Profit/(loss) before tax		
Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)	2013 (£m)	2012 (£m)	Change (%)
UK RBB	3,374	3,307	2	983	950	3
Europe RBB	512	547	(6)	(815)	(229)	
Africa RBB	1,995	2,207	(10)	344	217	59
Barclaycard	3,566	3,204	11	1,172	1,147	2
Investment Bank	8,584	9,181	(7)	2,852	3,230	(12)
Corporate Banking	2,351	2,300	2	678	399	70
Wealth and Investment Management	1,380	1,337	3	54	169	(68)
Head Office and Other Operations	(246)	411		(292)	321	
Group	21,516	22,494	(4)	4,976	6,204	(20)

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Analysis of Net Interest Income

Nine months ended – September	2013 (£m)	2012 (£m)
Customer assets	5,360	4,974
Customer liabilities	2,406	2,352
Total customer income[1]	7,766	7,326
Product structural hedge	644	731
Equity structural hedge	232	234
Other	(90)	(49)
Total non-customer income[1]	786	916
Total RBB, Barclaycard, Corporate Banking and Wealth & IM	8,552	8,242
Investment Bank	176	361
Head Office and Other Operations	(235)	200
Group net interest income[2]	8,493	8,803

[1] Includes RBB, Barclaycard, Corporate Banking and Wealth and Investment Management [2] Of which, total structural hedge was £1,150m (2012: £1,298m)

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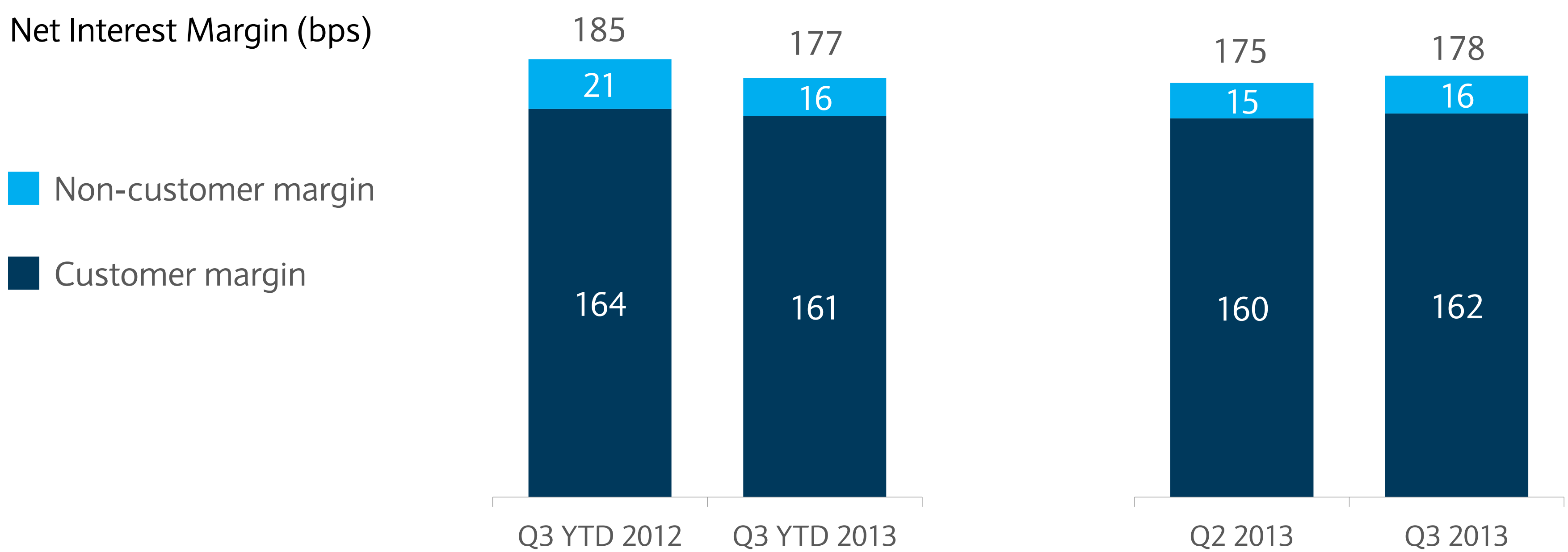
Drivers of Net Interest Income

Nine months ended – Sept	2012 (£m)	2013 (£m)	Change
Average customer assets	316,877	326,409	+3%
Average customer liabilities	279,298	319,377	+14%



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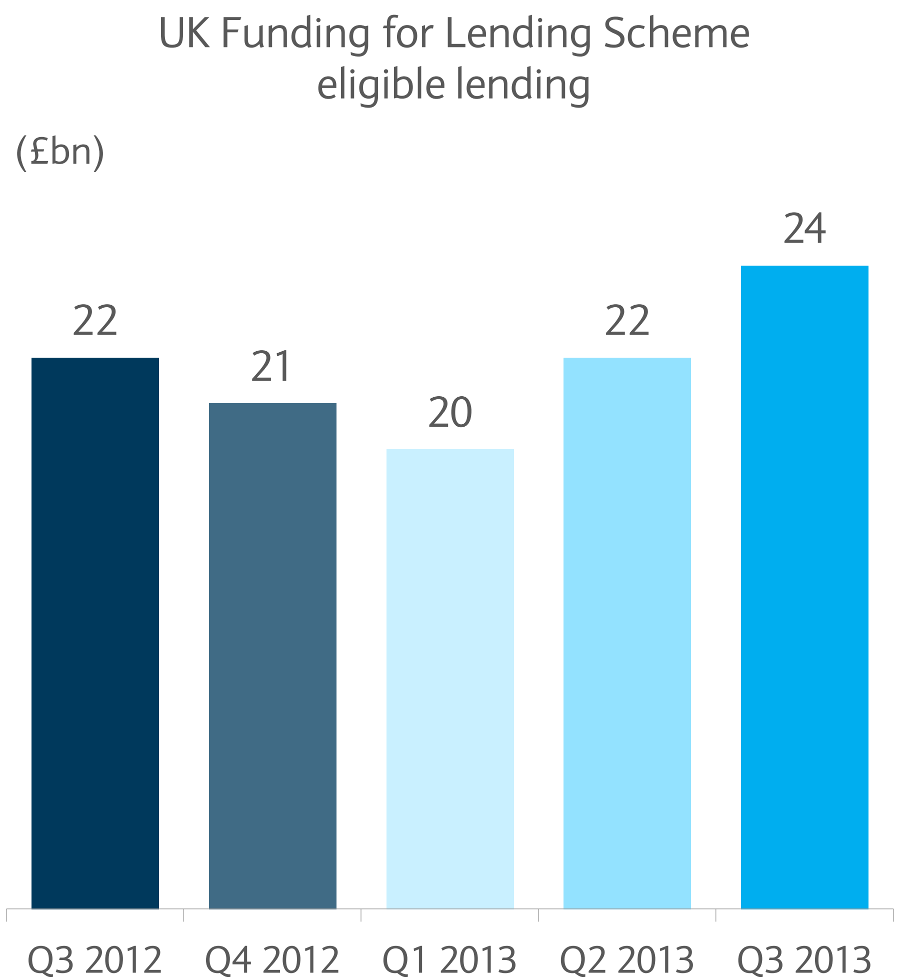
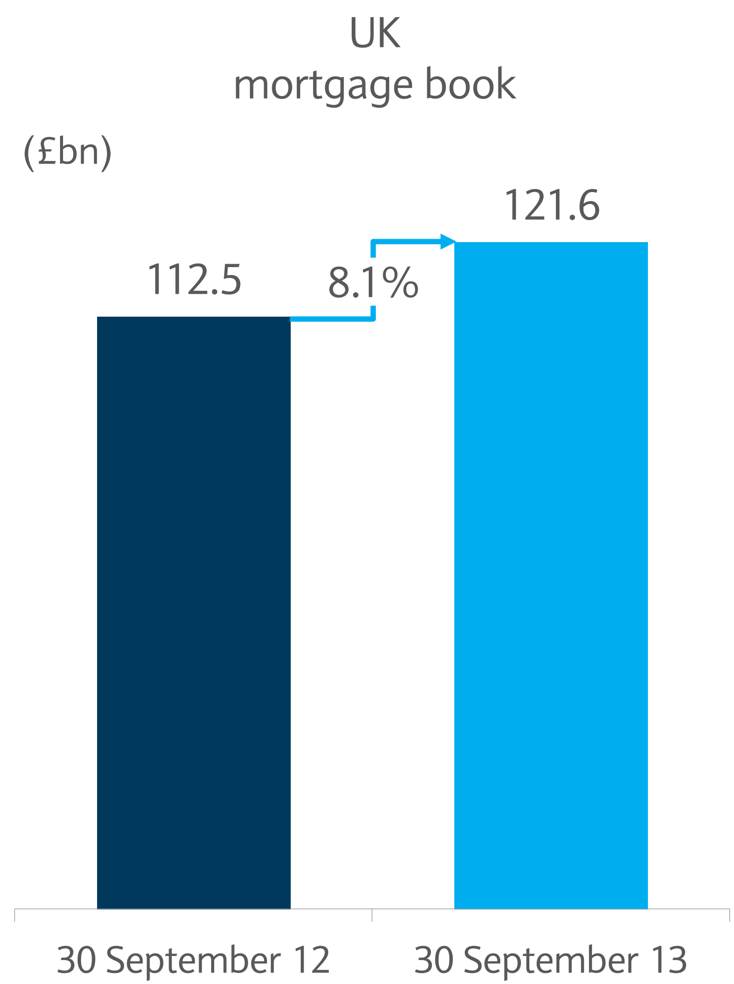
Loan growth in the UK





Investment Bank

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	8,584	9,181	(7)
Impairment charges	(206)	(205)	
Net operating income	8,378	8,976	(7)
Operating expenses (excluding costs to achieve Transform)	(5,373)	(5,781)	(7)
Costs to achieve Transform	(175)	-	
Profit before tax	**2,852**	**3,230**	**(12)**
Return on average equity	12.3%	13.0%	
Cost: income ratio	65%	63%	
Compensation: income ratio	41%	40%	
CRD III RWAs	157.2bn	180.3bn	

CRD IV RWAs reduced to £234bn at 30 Sept 2013

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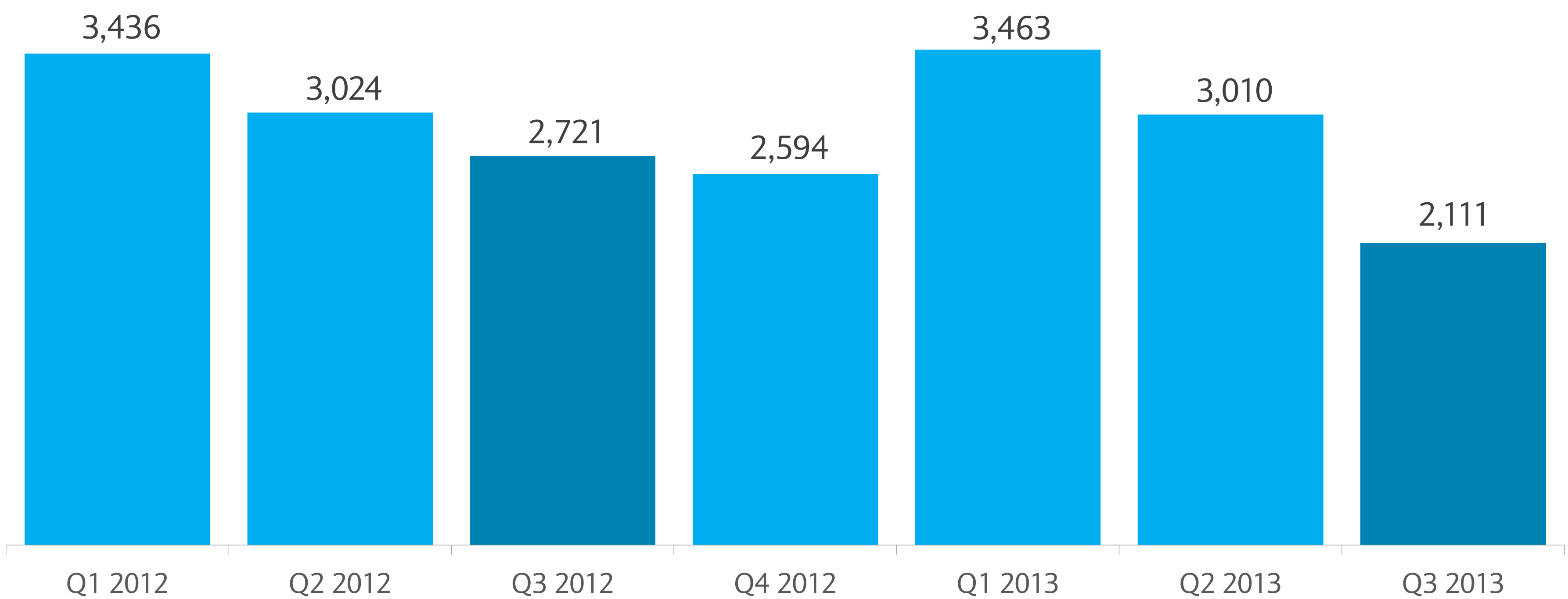
Investment Bank quarterly income - total

(£m) Total Income



Total income

- Q3 2013 vs. Q3 2012 down 22%
- Q3 2013 vs. Q2 2013 down 30%

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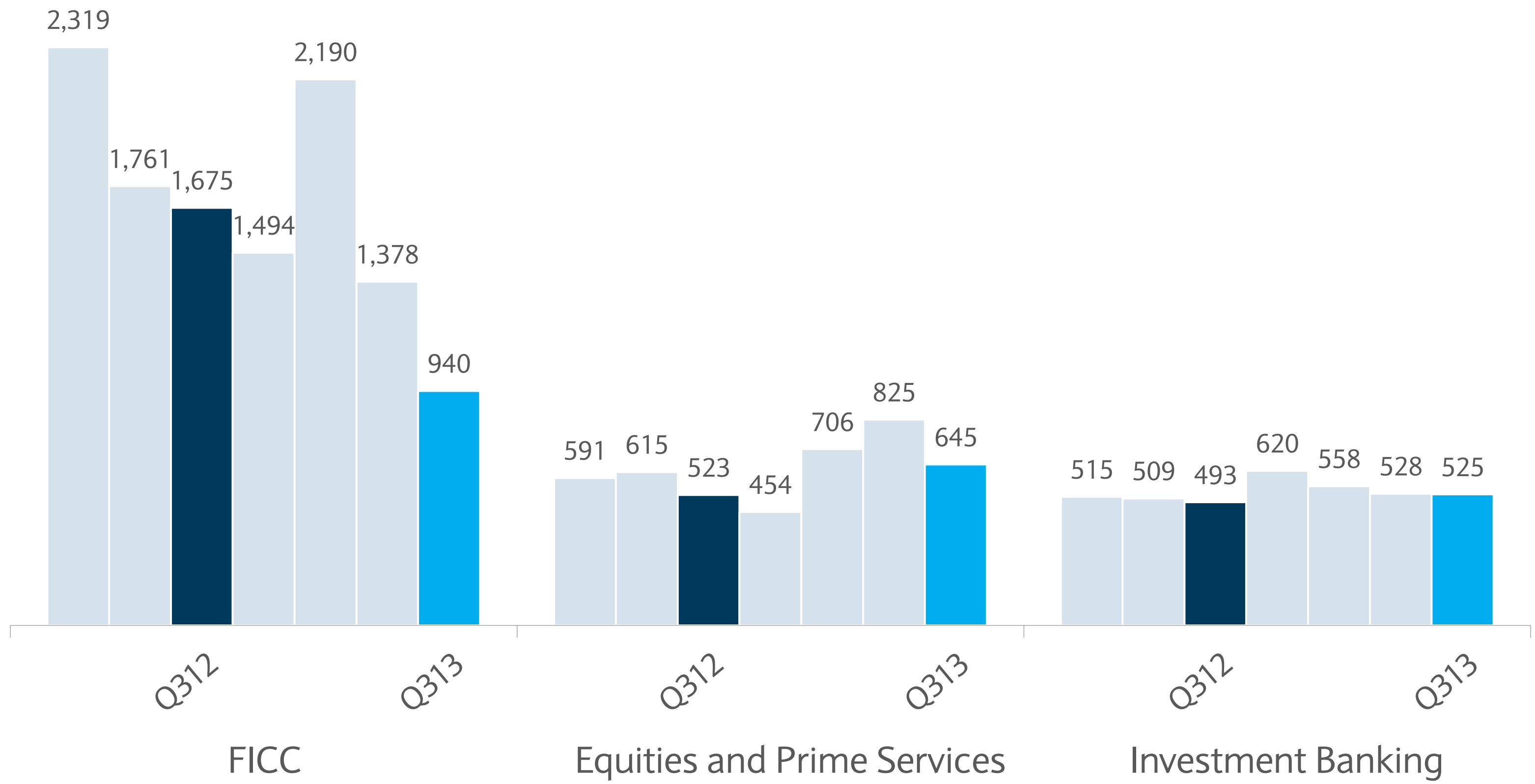
Investment Bank quarterly income

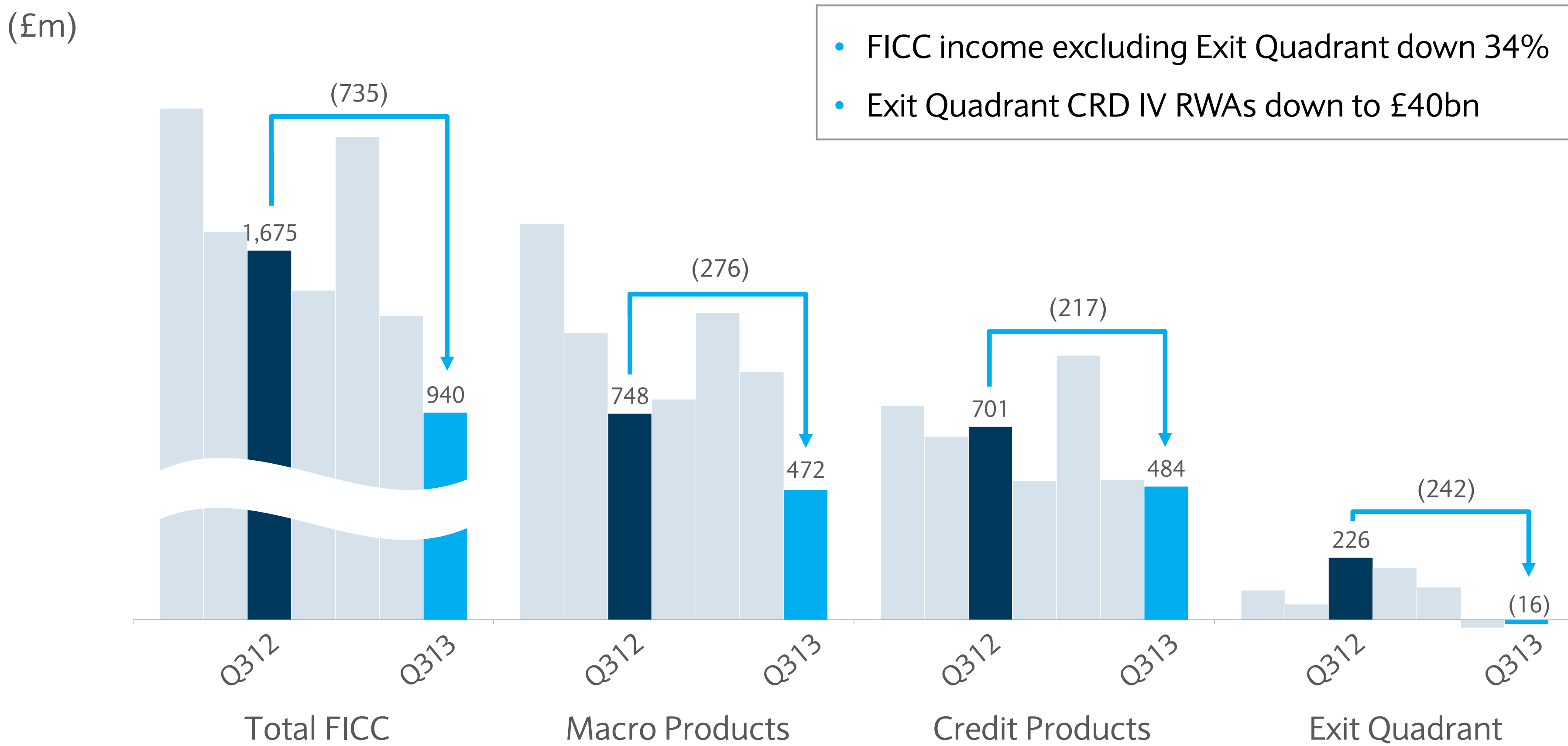
(£m)



Q3 13 vs. Q3 12	FICC	Equities and Prime Services	Investment Banking
	(44%)	23%	6%

Investment Bank quarterly income - FICC

- FICC income excluding Exit Quadrant down 34%
- Exit Quadrant CRD IV RWAs down to £40bn



	Total FICC	Macro Products	Credit Products	Exit Quadrant
Q313 vs. Q312	(44%)	(37%)	(31%)	(107%)

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Progress in Equities and Investment Banking

- Leveraging the Equities build out
  - Up 26% vs. 2012
- Investment Banking wins:
  - 39 Corporate Broking mandates, including three recent wins
  - Acting on major M&A/financing deals e.g. Verizon
  - Good pipeline in M&A, DCM and ECM

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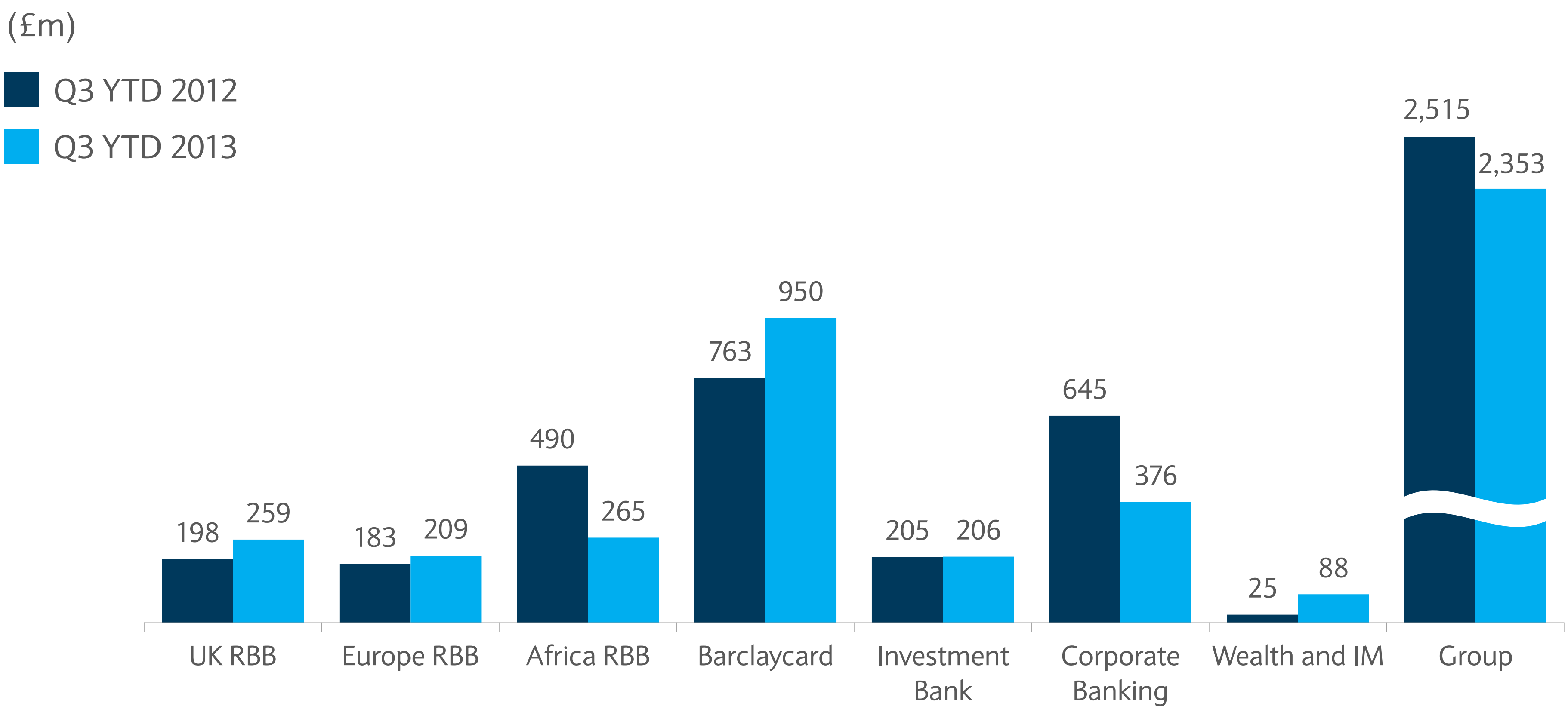
Impairment down 6% to £2.4bn



	UK RBB	Europe RBB	Africa RBB	Barclaycard	Investment Bank	Corporate Banking	Wealth and IM	Group
2013 YTD LLR (bps)	25	71	134	347	17	74	51	64
Movement	↑	↑	↓	↑	↑	↓	↑	↓

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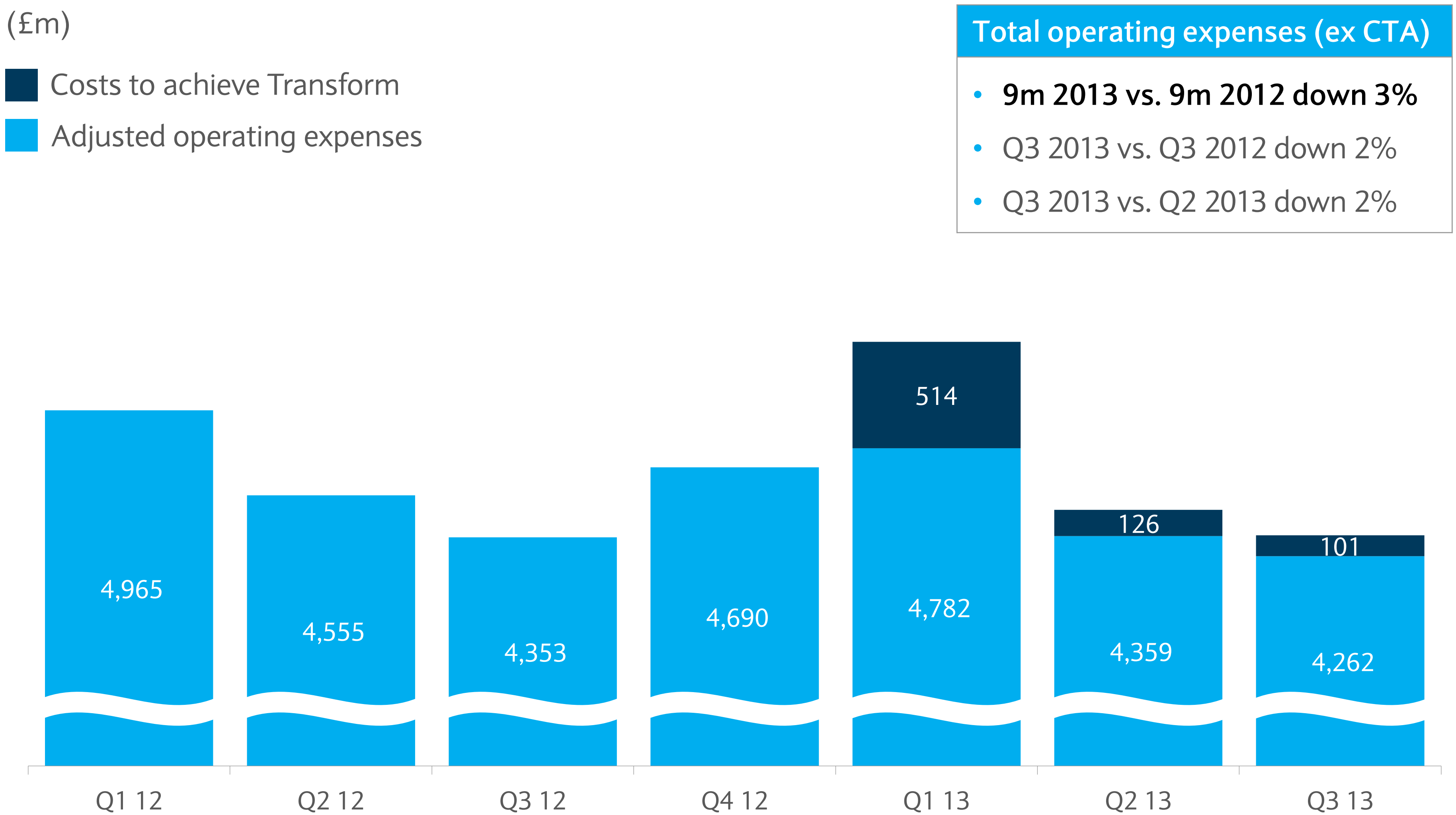
Operating expenses excluding CTA down 3%

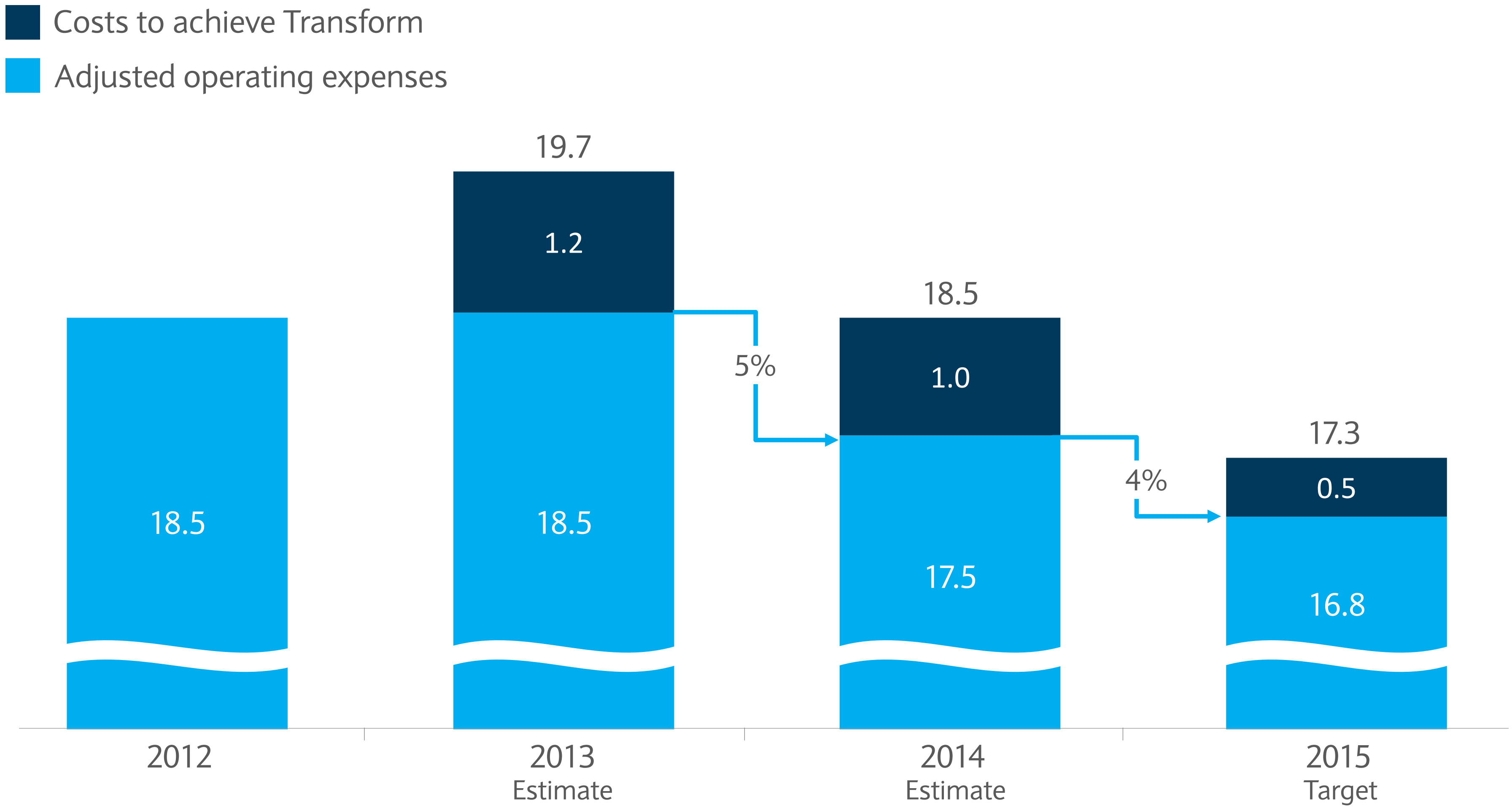
Total operating expenses (ex CTA)

- **9m 2013 vs. 9m 2012 down 3%**
- Q3 2013 vs. Q3 2012 down 2%
- Q3 2013 vs. Q2 2013 down 2%



Cost targets

(£bn)



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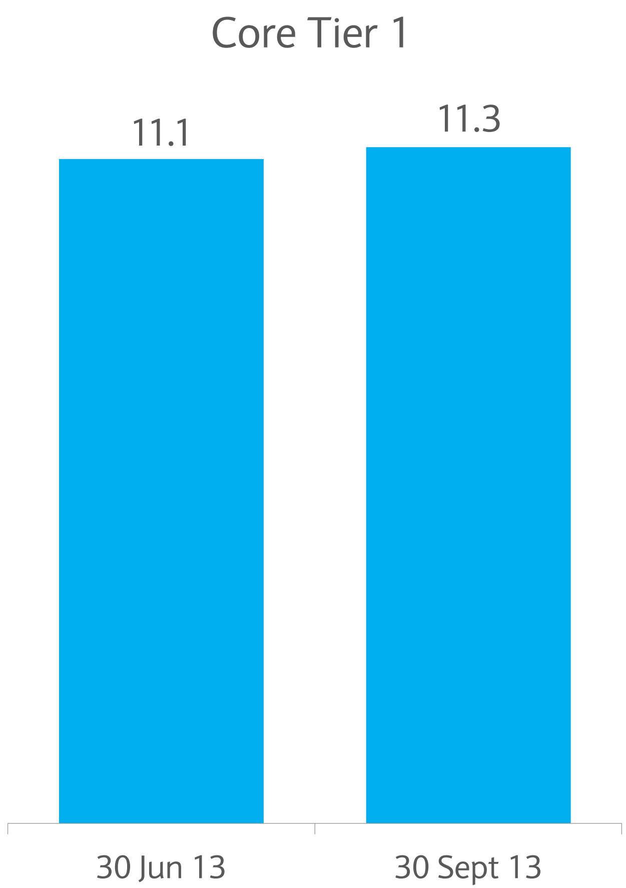
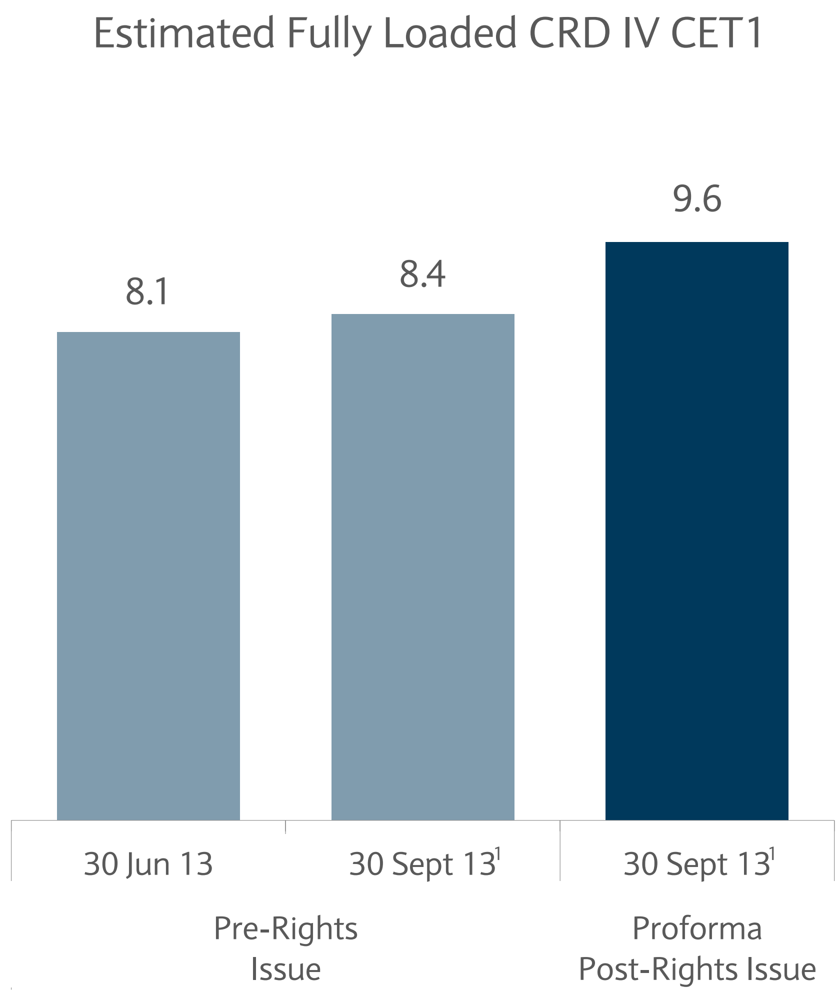
Stronger capital ratios

(%)





[1] For details and basis of calculation, see slides 40-42

Capital, leverage and funding measures

As at	30 Sept 13	30 June 13	31 Dec 12
Liquidity pool	£130bn	£138bn	£150bn
Group Loan: deposit ratio	100%	102%	110%
Core Tier 1 capital	£42.0bn	£42.9bn	£41.7bn
Fully loaded CET1 capital	£37.4bn	£38.1bn	£37.3bn
CRD IV RWAs	£448.1bn	£471.5bn	£468.0bn
Fully loaded CET1 ratio	8.4%	8.1%	8.2%
Estimated CRD IV leverage exposure	£1,481bn	£1,559bn	£1,498bn
Estimated CRD IV leverage ratio	2.5%[1]	2.5%[1]	2.5%

Proforma for the rights issue, the fully loaded CET1 ratio was 9.6% and the leverage ratio was 2.9%

[1] The PRA applied additional capital deductions to this measure of £4.1bn as at 30 June 2013 to calculate a PRA leverage ratio of 2.2% at that date

Closing comments

- Current trading
- Businesses remain in good shape
- Managing down Exit Quadrant assets
- Executing Leverage Plan
- Accelerating cost actions as we move into 2014

Tushar Morzaria

Barclays Group Finance Director

Estimated CRD IV Leverage Ratio

(£bn)	31 Dec 12[1]	30 Jun 13	*Q3 13 movements*	30 Sept 13
Total assets (IFRS balance sheet)	1,488	1,533	*(128)*	1,405
Derivative financial IFRS assets	*469*	*403*		*356*
Derivatives netting adjustment	*(390)*	*(324)*		*(287)*
Potential Future Exposure (PFE) add-on	*287*	*308*		*295*
Derivative CRD IV Exposure	**366**	**387**	***(23)***	**364**
Reverse repurchase agreements and other similar SFTs	*177*	*223*		*203*
Remove net IFRS SFTs	*(177)*	*(223)*		*(203)*
Add leverage exposure measure for SFTs	*119*	*93*		*98*
SFT CRD IV Exposure	**119**	**93**	***5***	**98**
Undrawn commitments	**187**	**190**	**-**	**190**
Loans and advances and other assets	**842**	**907**	***(61)***	**846**
Regulatory deductions and other adjustments	**(16)**	**(18)**	***1***	**(17)**
Fully loaded CRD IV leverage exposure measure	**1,498**	**1,559**	***(78)***	**1,481**
CRD IV fully loaded Tier 1 capital	**37.5**	**38.3**	***(0.7)***	**37.6**
CRD IV fully loaded leverage ratio*	2.5%	2.5%		2.5%
Proforma Post-Rights Issue fully loaded leverage ratio				2.9%

**The PRA applied additional capital deductions of £4.1bn to this measure as at 30 June 2013 to calculate a PRA leverage ratio of 2.2%*

[1] Represents revised estimate of leverage incorporating changes following the issuance of the final CRD IV text in June 2013, including updates to methodology arising from changes in the text and other refinements to the calculations, applied as at 31 Dec 2012

Focus on Leverage Exposure reduction

Category	Leverage Exposure at 30 Sept 13 (£bn)	Comments
Overall balance sheet management	1,481	• Refine capital allocation framework → risk-weighted measures supplemented by leverage lens
Key exposure categories:		
Derivatives	364	• Enhance netting arrangements • Optimisation of derivatives portfolio • Trade compaction and tear-ups
SFTs	98	• Enhance netting arrangements • Operational improvements • Efficient management of underlying repo book
Undrawn commitments	190	• Review of outstanding arrangements • Tight control of new extensions

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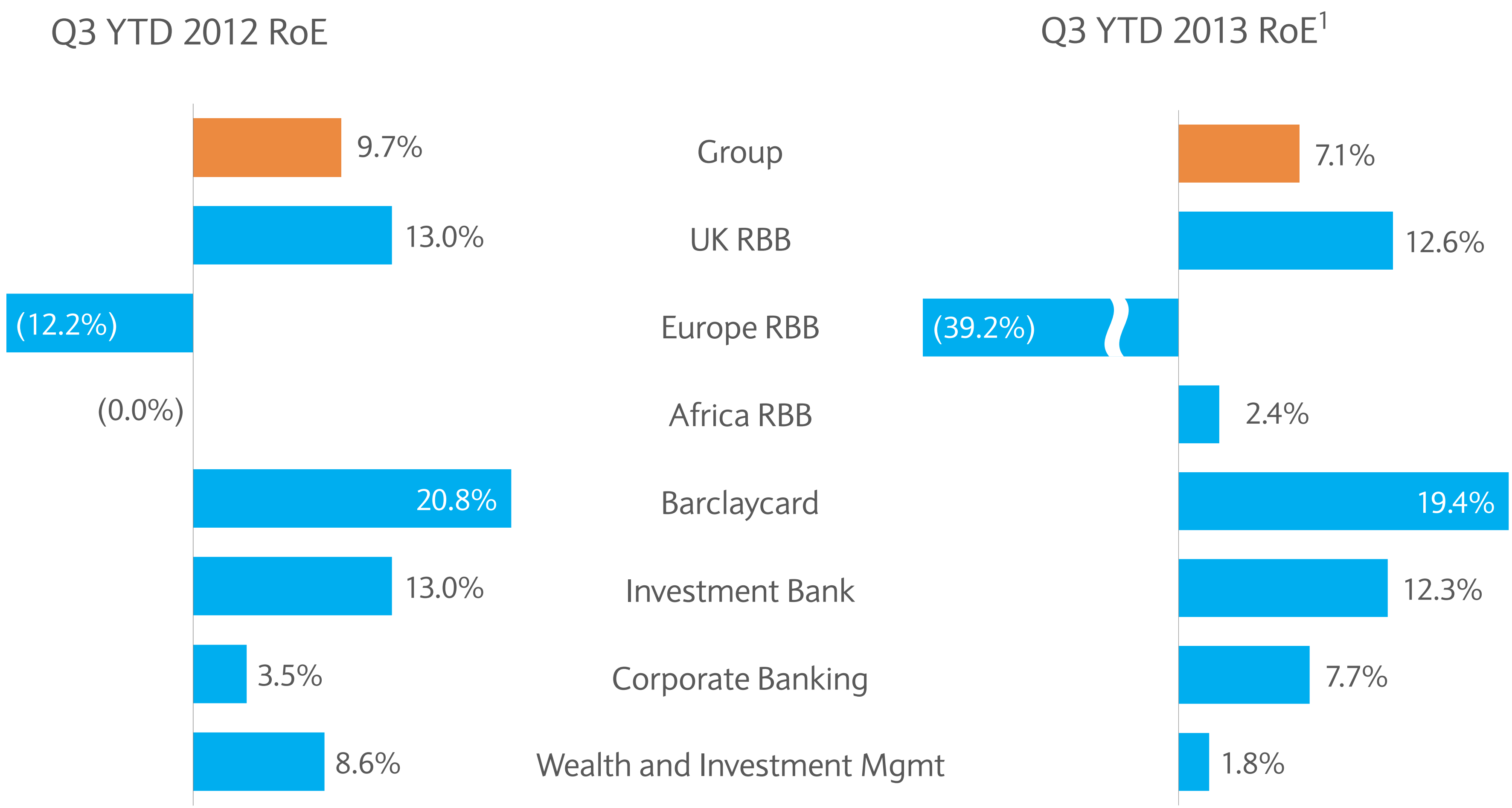
Appendix 1

Business Results

Adjusted Return on Equity (RoE)



[1] Includes effect of costs to achieve Transform – for RoE excluding costs to achieve Transform, see next slide

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Impact of costs to achieve Transform

Adjusted performance measures by business, excluding costs to achieve Transform	Nine months ended – September 2013			
	Costs to achieve Transform (£m)	Profit before tax (£m)	Return on average equity (%)	Cost: income ratio (%)
UK RBB	(56)	1,039	13.3	62
Europe RBB	(357)	(458)	(23.6)	122
Africa RBB	(11)	355	2.8	69
Barclaycard	(11)	1,183	19.6	41
Investment Bank	(175)	3,027	13.2	63
Corporate Banking	(54)	732	8.3	53
Wealth and Investment Management	(77)	131	4.9	85
Head Office and Other Operations	-	(292)	(2.2)	
Group excluding costs to achieve Transform	**(741)**	**5,717**	**8.4**	**62**

UK Retail and Business Banking

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	3,374	3,307	2
Impairment charges	(259)	(198)	31
Net operating income	3,115	3,109	-
Operating expenses (excluding costs to achieve Transform and provision for PPI redress)	(2,103)	(2,159)	(3)
Costs to achieve Transform	(56)	-	
Adjusted profit before tax[1]	**983**	**950**	**3**
Adjusted return on average equity	12.6%	13.0%	
Adjusted cost: income ratio	64%	65%	

[1] Adjusted profit before tax and adjusted performance measures excludes the impact of the provision for PPI redress of £660m (Q3 YTD 2012: £850m)

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Europe Retail and Business Banking

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	512	547	(6)
Impairment charges	(209)	(183)	14
Net operating income	303	364	(17)
Operating expenses (excluding costs to achieve Transform)	(625)	(602)	4
Costs to achieve Transform	(357)	-	
Other net expense	(136)	9	
Loss before tax	**(815)**	**(229)**	
Return on average equity	(39.2%)	(12.2%)	
Cost: income ratio	192%	110%	

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Africa Retail and Business Banking

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	1,995	2,207	(10)
Impairment charges	(265)	(490)	(46)
Net operating income	1,730	1,717	1
Operating expenses (excluding costs to achieve Transform)	(1,380)	(1,505)	(8)
Costs to achieve Transform	(11)	-	
Profit before tax	**344**	**217**	**59**
Return on average equity	2.4%	(0.0%)	
Cost: income ratio	70%	68%	

NOTE The average ZAR/GBP exchange rate for the nine months ended 30 Sept 2013 was 14.62 - an increase of 15% versus the rate for the nine months ended 30 Sept 2012, which was 12.69

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Barclaycard

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	3,566	3,204	11
Impairment charges	(950)	(763)	25
Net operating income	2,616	2,441	7
Operating expenses (excluding costs to achieve Transform and provision for PPI)	(1,461)	(1,318)	11
Costs to achieve Transform	(11)	-	
Adjusted profit before tax[1]	**1,172**	**1,147**	**2**
Adjusted return on average equity	19.4%	20.8%	
Adjusted cost: income ratio	41%	41%	

[1] Adjusted profit before tax and adjusted performance measures exclude the impact of the provision for PPI redress of £690m (Q3 YTD 2012: £150m)

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Investment Bank

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	8,584	9,181	(7)
Impairment charges	(206)	(205)	
Net operating income	8,378	8,976	(7)
Operating expenses (excluding costs to achieve Transform)	(5,373)	(5,781)	(7)
Costs to achieve Transform	(175)	-	
Profit before tax	2,852	3,230	(12)
Return on average equity	12.3%	13.0%	
Cost: income ratio	65%	63%	
Compensation: income ratio	41%	40%	
CRD III RWAs	157.2bn	180.3bn	

CRD IV RWAs reduced to £234bn at 30 Sept 2013

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Corporate Banking

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	2,351	2,300	2
Impairment charges	(376)	(645)	(42)
Net operating income	1,975	1,655	19
Operating expenses (excluding provision for interest rate hedging products redress and costs to achieve Transform)	(1,245)	(1,260)	(1)
Costs to achieve Transform	(54)	-	
Adjusted profit before tax[1]	**678**	**399**	**70**
Adjusted profit/(loss) before tax by geographic segment			
UK	799	633	26
Europe	(217)	(297)	(27)
Rest of the World[2]	96	63	52

[1] Adjusted profit before tax and adjusted performance measures exclude the provision for interest rate hedging products redress of £650m (Q3 YTD 2012: £450m) [2] Post restatement – now includes additional African corporate business

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Wealth and Investment Management

Nine months ended – September	2013 (£m)	2012 (£m)	Change (%)
Income	1,380	1,337	3
Impairment charges	(88)	(25)	
Net operating income	1,292	1,312	(2)
Operating expenses (excluding costs to achieve Transform)	(1,171)	(1,144)	2
Costs to achieve Transform	(77)	-	
Profit before tax	54	169	(68)
Return on average equity	1.8%	8.6%	
Cost: income ratio	90%	86%	

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Head Office and Other Operations

Nine months ended – September	2013 (£m)	2012 (£m)
Total adjusted (expense)/income	(246)	411
Impairment charges	-	(6)
Adjusted net operating (expense)/income	(246)	405
Operating expenses (excluding costs to achieve Transform)	(45)	(104)
Costs to achieve Transform	-	-
Adjusted (loss)/profit before tax[1]	(292)	321

[1] Adjusted (loss)/profit before tax excludes the impact of £125m own credit charge (Q3 YTD 2012: £4,019m) and £nil gain on disposal of strategic investment in BlackRock, Inc. (Q3 YTD 2012: £227m)

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Net interest margins and volumes

Nine months ended – Sept 2013	UK RBB	Europe RBB	Africa RBB	Barclay-card	Corporate Banking	Wealth and IM	Total[1]
Net interest margin (%)	1.28	0.79	3.14	8.36	1.24	1.04	**1.77**
Of which customer margin (%)	*1.05*	*0.43*	*2.95*	*8.59*	*1.14*	*0.93*	***1.61***
Average customer assets (£m)	133,690	39,894	28,162	36,153	66,251	22,259	**326,409**
Average customer liabilities (£m)	126,723	14,029	18,455	3,512	96,918	59,740	**319,377**
Nine months ended – Sept 2012							
Net interest margin (%)	1.37	0.78	3.21	8.62	1.26	1.24	**1.85**
Of which customer margin (%)	*1.03*	*0.46*	*2.99*	*9.21*	*1.16*	*0.98*	***1.64***
Average customer assets (£m)	123,217	40,433	31,941	33,068	68,893	19,325	**316,877**
Average customer liabilities (£m)	111,044	15,034	19,740	1,015	83,283	49,182	**279,298**

[1] Includes RBB, Barclaycard, Corporate Banking and Wealth and Investment Management

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Net interest margins and volumes

Three months ended – Sept 2013	UK RBB	Europe RBB	Africa RBB	Barclay-card	Corporate Banking	Wealth and IM	Total[1]
Net interest margin (%)	1.31	0.75	3.23	8.39	1.25	1.00	**1.78**
Of which customer margin (%)	*1.08*	*0.39*	*2.98*	*8.57*	*1.13*	*0.96*	***1.62***
Average customer assets (£m)	135,483	39,432	26,658	36,380	66,251	22,259	**326,463**
Average customer liabilities (£m)	131,465	13,842	17,892	4,084	96,918	59,470	**323,941**
Three months ended – Jun 2013							
Net interest margin (%)	1.26	0.81	3.15	8.24	1.27	1.06	**1.75**
Of which customer margin (%)	*1.03*	*0.45*	*3.00*	*8.46*	*1.20*	*0.91*	***1.60***
Average customer assets (£m)	134,986	39,767	27,925	36,069	66,869	22,351	**327,967**
Average customer liabilities (£m)	129,843	13,943	18,405	3,629	95,178	60,670	**321,668**

[1] Includes RBB, Barclaycard, Corporate Banking and Wealth and Investment Management

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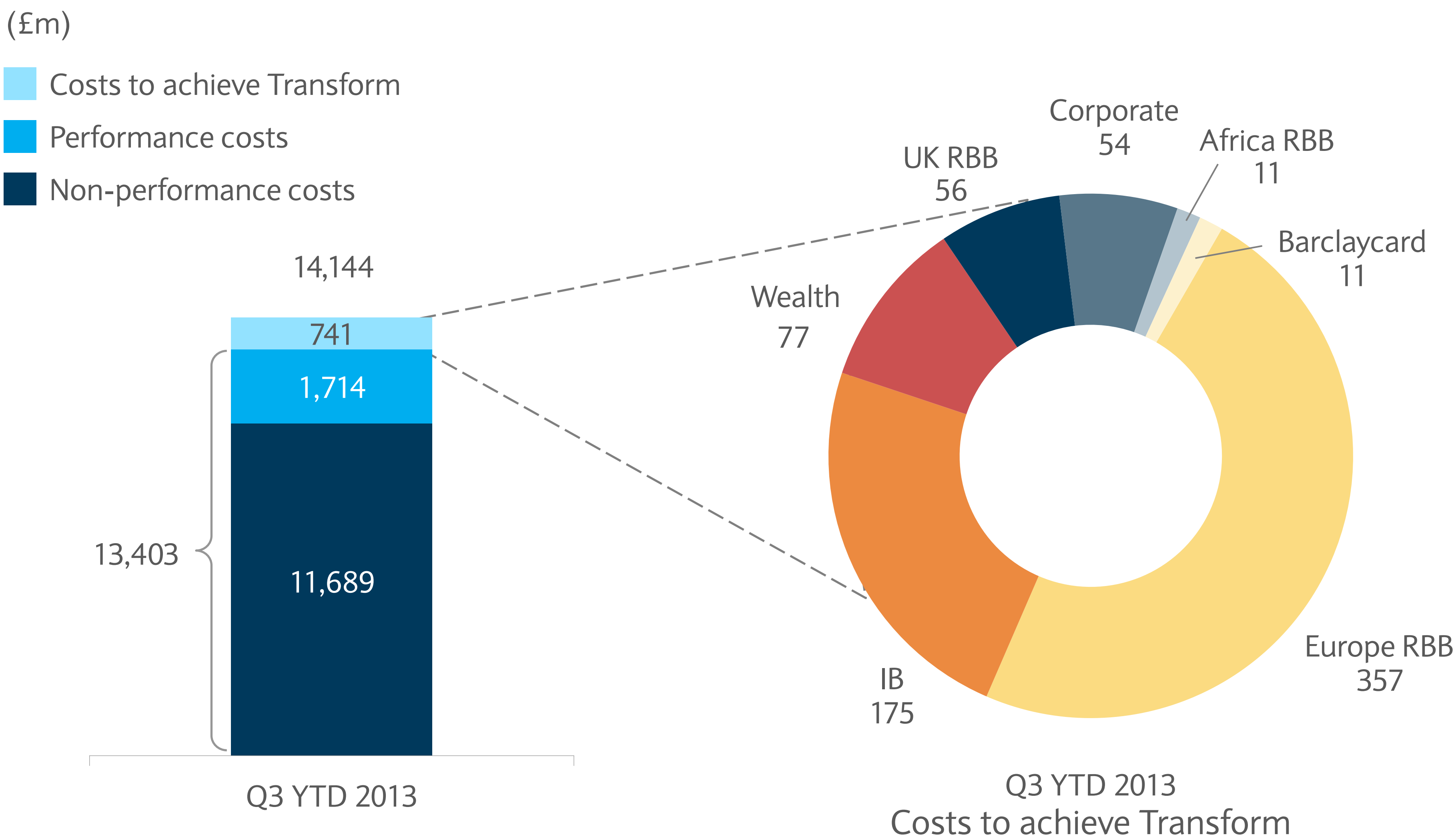
Cost analysis



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Stable exposure to the Eurozone periphery

As at 30 September 2013	Spain (£m)	Italy (£m)	Portugal (£m)	Ireland (£m)
Sovereign	316	2,495	357	49
Financial institutions	859	434	37	3,648
Corporate	3,474	1,472	1,087	1,165
Residential mortgages	13,030	15,550	3,481	105
Other retail lending	2,415	1,963	1,649	99
Total[1]	**20,094**	**21,914**	**6,611**	**5,066**
Total as at 30 June 2013	22,278	21,952	7,090	5,586

[1] Total net on-balance sheet exposure as at 30 Sept 2013 for Cyprus and Greece was £171m and £59m respectively

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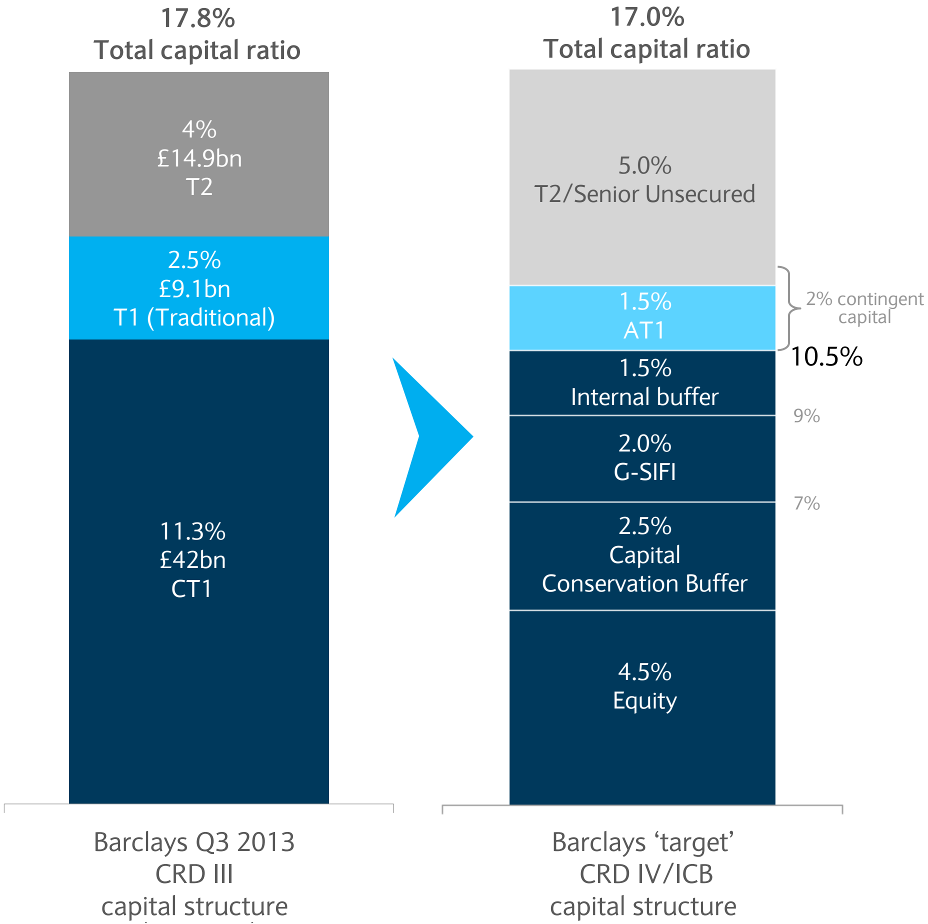
Appendix 2

Leverage, Capital and Balance Sheet

End-state capital structure

Our target capital structure anticipates the implementation of CRD IV, ICB1 and RRD2 proposals



- Capital plans delivering PRA adjusted 7% fully loaded CET1 ratio by December 2013
- Fully loaded CRD IV CET1 ratio of 10.5% expected to be achieved in early 2015
- Target capital structure anticipates:
  - Expected 9.0% minimum CET1 ratio requirement under CRD IV, excluding counter-cyclical buffer, for G-SIFI[3] banks
  - 1.5% CET1 'internal capital management buffer'
  - 1.5% Additional Tier 1 (AT1) ratio, being the minimum CRD IV requirement
  - 5% Tier 2 (T2)/senior unsecured debt capital to meet ICB 17% PLAC[4] proposal
- Significant role of contingent capital (currently targeting 2% of RWAs) in efficiently achieving our capital goal:
  - AT1 CoCos expected to count towards leverage ratio requirements (1.5% of RWAs)
  - T2 CoCos strengthen our capital position (0.5% of RWAs)
- Successful issuance of US$4bn Contingent Capital Notes (CCNs) across two transactions (in November 2012 and April 2013), contributing to the 0.5% T2 layer
- Our target end state capital structure may evolve as regulatory requirements change (Pillar 2a and counter-cyclical buffer)

[1] Independent Commission on Banking [2] Recovery and Resolution Directive [3] Global Systemically Important Financial Institution [4] Primary Loss Absorbing Capacity

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Estimated capital and RWAs

(£bn)		30 Sept 2013	
CT1 Capital (FSA 2009 definition)		42.0	
RWAs (CRD III)		371.1	
CT1 Ratio (CRD III)		11.3%	
CRD IV impact on CT1 Capital:		CET1 Transitional[1]	CET1 Fully-loaded[1]
Adjustments not impacted by transitional provisions	Conversion from securitisation deductions to RWAs	0.7	0.7
	Prudential Value Adjustments (PVA)	(2.0)	(2.0)
	Other	(0.2)	(0.2)
Adjustments impacted by transitional provisions	Goodwill and intangibles	6.0	-
	Expected losses over impairment	0.4	(0.9)
	Deferred tax assets deduction	(0.3)	(1.4)
	Excess minority interest	(0.1)	(0.4)
	Debit Valuation Adjustment (DVA)	(0.1)	(0.3)
	Pensions	(0.1)	(0.6)
	Gains on available for sale equity and debt	-	0.6
	Non-significant holdings in Financial Institutions	(0.5)	(2.3)
	Mitigation of non-significant holdings in Financial Institutions	0.5	2.3
CET1 Capital		46.5	37.4
CRD IV impact on RWAs:			
	Credit Valuation Adjustment (CVA)	27.3	
	Securitisation	20.9	
	Counterparty Credit Risk (including Central Counterparty Clearing)	17.1	
	Other	11.7	
	Gross impact	**77.0**	
RWAs (CRD IV)		448.1	
CET1 Ratio		10.4%	8.4%
Rights issue		5.8	
Estimated CT1 ratio (CRD III) post-rights issue		12.9%	
Estimated CET1 ratios (CRD IV) post-rights issue		11.7%	9.6%

[1] Estimated CET1 ratios subject to finalisation of regulation and market conditions

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Estimated CRD IV Capital and RWAs – notes

Estimated Capital Ratios are based on/subject to the following:

CRD IV, models and waivers

- We have estimated our CRD IV CET1 ratio, capital resources, RWAs and leverage based on the final CRD IV text assuming the rules applied as at 30 September 2013 on both a transitional and fully loaded basis. The final impact of CRD IV is dependent on technical standards to be finalised by the European Banking Authority (EBA) and on the final UK implementation of the rules
- In August 2013 we submitted our application for model approval to the PRA, including a self assessment of model readiness. Changes to our approach may be required as a result of the regulatory approval process

Capital Resources

- Transitional CET1 capital is based on application of the CRD IV transitional provisions and the PRA (formerly the FSA) guidance on their application. In line with this guidance, adjustments for own shares and interim losses are assumed to transition in at 100%. Other deductions (including goodwill and intangibles, expected losses over impairment and DVA) transition in at 20% in year 1 (except for AFS debt and equity gains which are 0% in the first year), 40% in year 2, 60% in year 3, 80% in year 4 with the full impact in subsequent years. The 30 September 2013 disclosures are on a consistent basis to those presented in the June 2013 Results Announcement
- The PVA deduction is shown as fully deducted from CET1 upon adoption of CRD IV. PVA is subject to a technical standard being drafted by the EBA and therefore the impact is currently based on methodology agreed with the PRA. The PVA deduction as at 30 September 2013 remained broadly flat at £2.0bn (June 2013: £2.1bn)
- As at 30 September 2013, net long non-significant holdings in financial entities were £7.3bn (30 June 2013: £9.3bn), which would result in a deduction from CET1 of £2.3bn (30 June 2013: £2.5bn) in the absence of identified management actions to eliminate this deduction. The EBA consultation paper on Own Funds identifies potential changes in the calculation, including the scope of application and the treatment of tranche positions, which are not reflected in these estimates
- The impact of changes in the calculation of allowable minority interest may be different pending the finalisation of the EBA's technical standards on own funds, particularly regarding the treatment of non-financial holding companies and the equivalence of overseas regulatory regimes. The estimated CRD IV numbers calculate the full impact and transitional capital base on the assumption that the Group's holding companies will be deemed eligible and their surplus capital due to minority interests consolidated in accordance with CRD IV rules. Our estimated CRD IV fully loaded CET1 capital base includes £1.6bn of minority interests relating to Absa

Estimated CRD IV Capital and RWAs – notes

Estimated Capital Ratios are based on/subject to the following:

RWAs

- It is assumed that corporates, pension funds and sovereigns that meet the eligibility conditions are exempt from CVA volatility charges
- It is assumed all Central Clearing Counterparties (CCPs) will be deemed to be 'Qualifying'. The final determination of Qualifying status will be made by the European Securities and Markets Authority (ESMA)
- The estimated RWA increase from CRD IV includes 1250% risk weighting of securitisation positions while estimated capital includes an add back of 50/50 securitisations deducted under the current rules
- Estimated RWAs for definition of default assume that national discretion over 180 days definition of default remains for UK retail mortgages
- 'Other' CRD IV impacts to RWAs include adjustments for withdrawal of national discretion of definition of default relating to non UK mortgage retail portfolios, Deferred Tax Assets, Significant Holdings in financial institutions, other counterparty credit risk and other items
- RWAs are sensitive to market conditions. The estimated impact on RWAs for all periods reflects market conditions as at 30 September 2013

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Capital Resources

As at	30 Sept 13 (£m)	30 Jun 13 (£m)	31 Dec 12 (£m)
Shareholders' equity (excluding NCIs)	49,436	51,083	50,615
Qualifying NCIs	1,981	2,281	2,450
Regulatory adjustments and deductions:			
Own credit cumulative loss[1]	741	593	804
Unrealised gains/losses on available for sale debt securities[1]	(343)	(293)	(417)
Unrealised gains on available for sale equity[1]	(145)	(137)	(110)
Cash flow hedging reserve[1]	(860)	(1,019)	(2,099)
Defined benefit pension adjustment[1]	584	12	49
Goodwill and intangible assets[1]	(7,556)	(7,583)	(7,622)
50% excess of expected losses over impairment[1]	(787)	(812)	(648)
50% of securitisation positions	(728)	(759)	(997)
Other regulatory adjustments	(347)	(423)	(303)
Core Tier 1 Capital	41,976	42,943	41,722
RWAs	371,080	387,230	387,373
Core Tier 1 ratio	11.3%	11.1%	10.8%

[1] The capital impacts of these items are net of tax

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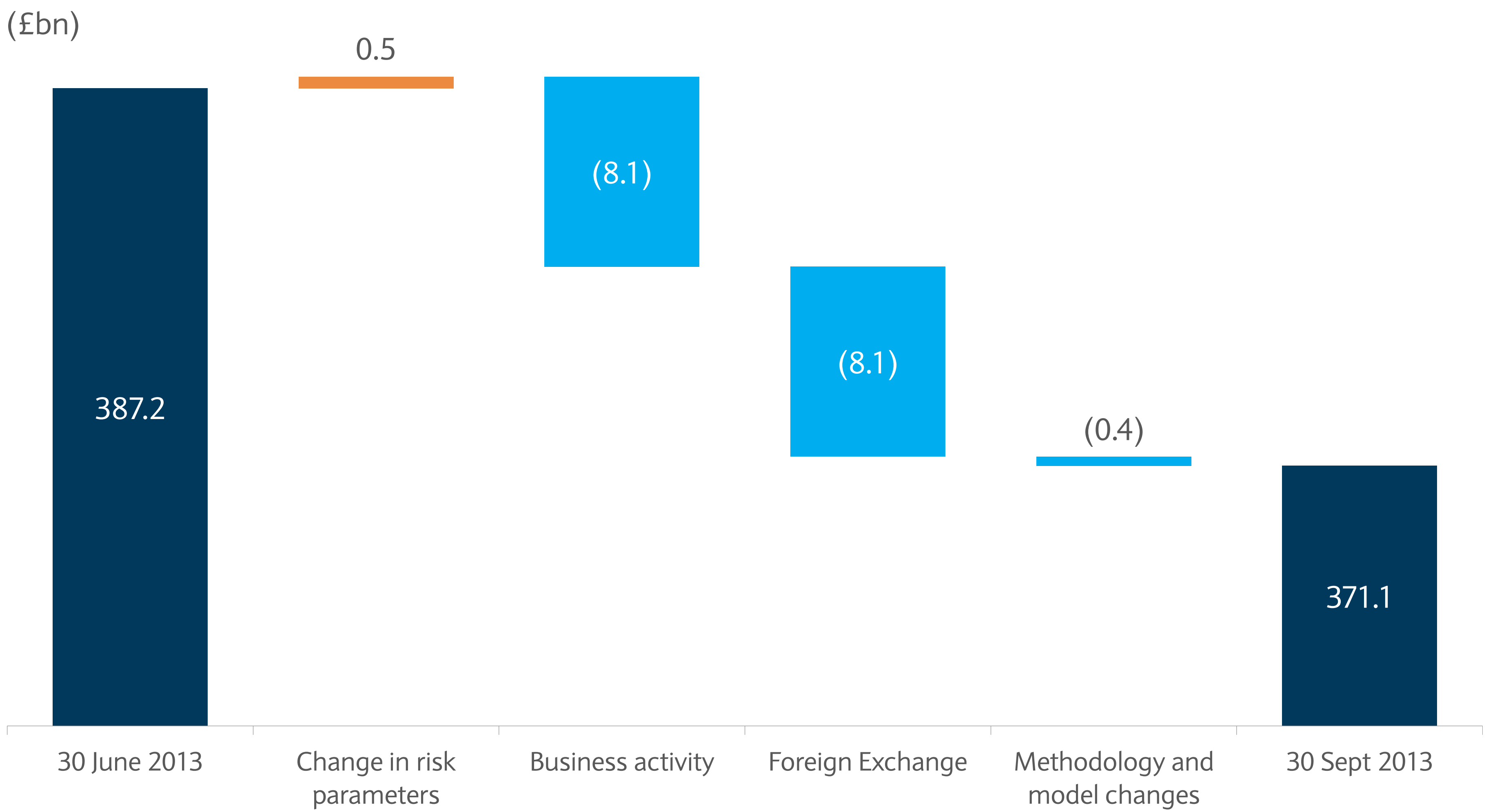
RWAs by Business

As at	30 Sept 13 (£m)	30 June 13 (£m)
UK RBB	43,209	43,609
Europe RBB	16,836	16,733
Africa RBB	24,148	25,492
Barclaycard	38,739	38,801
Investment Bank	157,185	168,842
Corporate Banking	70,544	73,120
Wealth and Investment Management	16,995	16,979
Head Office and Other Operations	3,424	3,654
Total RWAs	371,080	387,230

CRD III RWA Bridge



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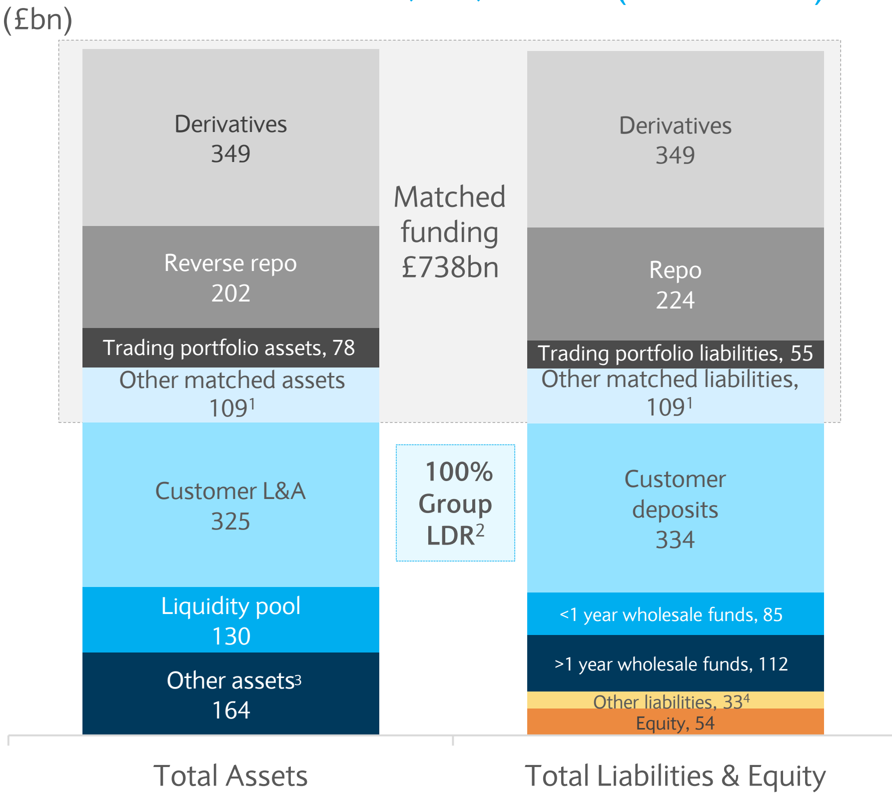
Balance sheet funding (Q3 2013)

While the balance sheet totals £1.4tn (excl. Absa), wholesale funding requirements are limited to £198bn as a consequence of its structure

Total balance sheet, £1,356bn (excl. Absa)



Highlights

- Derivative assets and liabilities largely matched
- Trading portfolio assets and reverse repurchase agreements largely funded in wholesale markets by repurchase agreements and trading portfolio liabilities

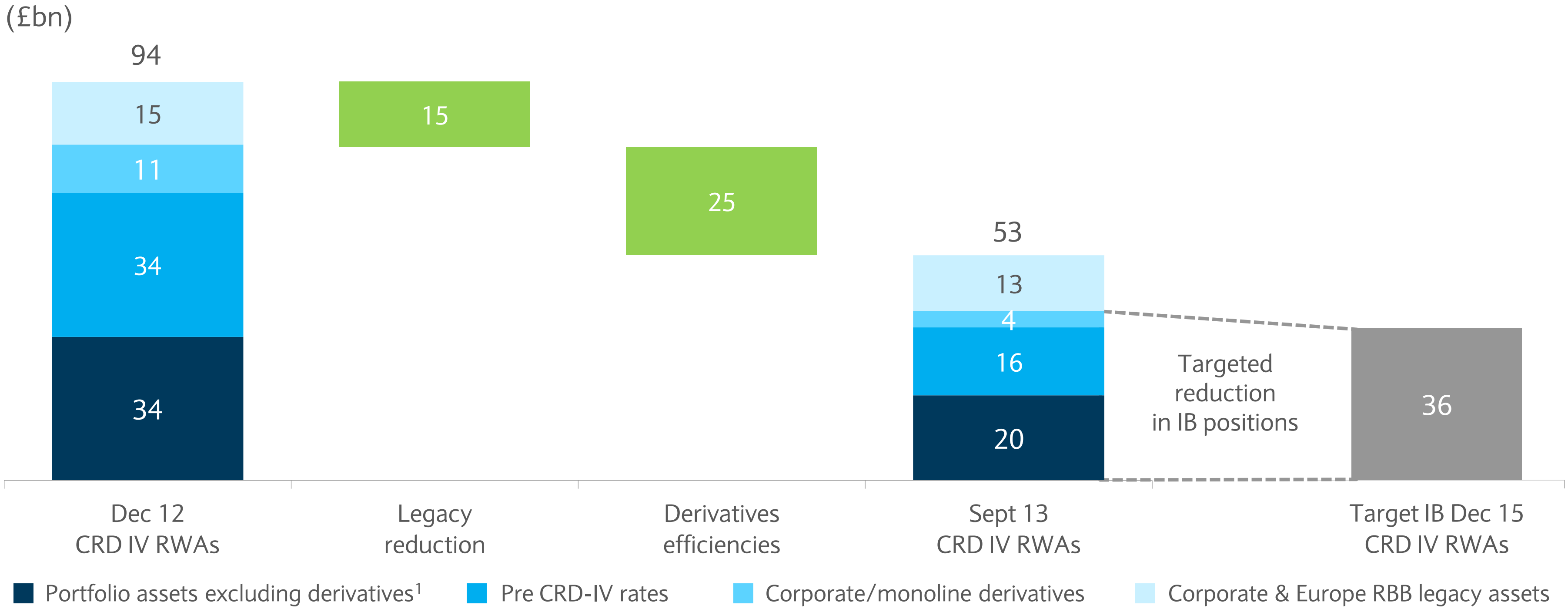
- RBB, Corporate and Wealth & Investment Management customer L&A largely funded by customer deposits

- Decreasing reliance on wholesale funding (£198bn as at 30 September 2013, down £19bn on 30 June 2013)
- Liquidity pool predominantly funded through wholesale markets and is well in excess of short-term wholesale funds

[1] Matched cash collateral and settlement balances [2] The Group Loan to Deposit Ratio (LDR) includes Absa, cash collateral and settlement balances [3] Including L&A to banks, financial assets at fair value, AFS securities (excl. liquidity pool), unencumbered trading portfolio assets, and excess derivative assets [4] Including excess cash collateral and settlement balances

Barclays Exit Quadrant

With a good track record in reducing legacy assets, we now focus on reducing our expanded Exit Quadrant portfolios



- We targeted a reduction of the legacy positions in the Investment Bank of £43bn to £36bn of estimated CRD IV RWAs by Dec 2015
- Since Dec 2012, Exit Quadrant CRD IV RWAs in the IB declined by £39bn driven by £14bn of legacy asset reductions and £25bn of derivatives efficiencies

[1] Portfolio assets include credit market exposures and additional legacy assets

Appendix 3

Leverage Plan

Original Transform financial commitments

Focus on CET1 ratio as limiting factor

	2012 Restated Results	Original 2015 Targets
Return on Equity	9.0%	> CoE
Operating Expenses	£18.6bn	£16.8bn
Cost:Income Ratio	63%	mid-50s
Pro forma B3 RWAs	£468bn	£440bn
Core Capital Ratio	10.8%	Transitional CET1 >10.5%
Dividend Payout Ratio	17%	30%

Becoming the 'Go-To' bank

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PRA capital adequacy review

- Capital adequacy review of major UK banks and building societies – results announced 20 Jun 2013
- Barclays' plan to meet 7% PRA stressed CET1 ratio by 31 Dec 2013 confirmed
- The PRA introduced a minimum 3% leverage ratio target, calculated on a PRA-adjusted CET1 capital base and using a CRD IV leverage exposure measure
- Barclays discussed a number of options with the PRA to meet the 3% PRA leverage ratio target
- Barclays was asked to submit a plan to achieve the target by 30 Jun 2014
- This is an accelerated timeline vs. expected international standards under CRD IV

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Barclays Leverage Plan

Leverage Plan agreed with the PRA to meet 3% target by 30 June 2014

Capital or capital equivalent actions of £12.8bn:

1) Rights issue raised £5.8bn (net of expenses)
2) Reduction of leverage exposure – £65-80bn (£2-2.5bn capital equivalent)
   - Already identified management actions with low execution risk
   - No material impact on revenue or profit before tax expected
   - Continue to support lending to customers and clients
3) Issue up to £2bn of CRD IV qualifying Additional Tier 1 securities
4) Retention of earnings (supported by conduct provisions) and other forms of capital accretion

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Rights Issue details

- £5.8bn proceeds (net of expenses)
- Underwritten on 30 July 2013
- 1 new share for every 4 existing shares
- Issue price 185 pence per Barclays share
- Shares went ex-rights on 18 September 2013 with a TERP of 276.2p
- Received acceptances of 94.63%, with the rump placed at 268p on 4 October 2013

Reduction of leverage exposure

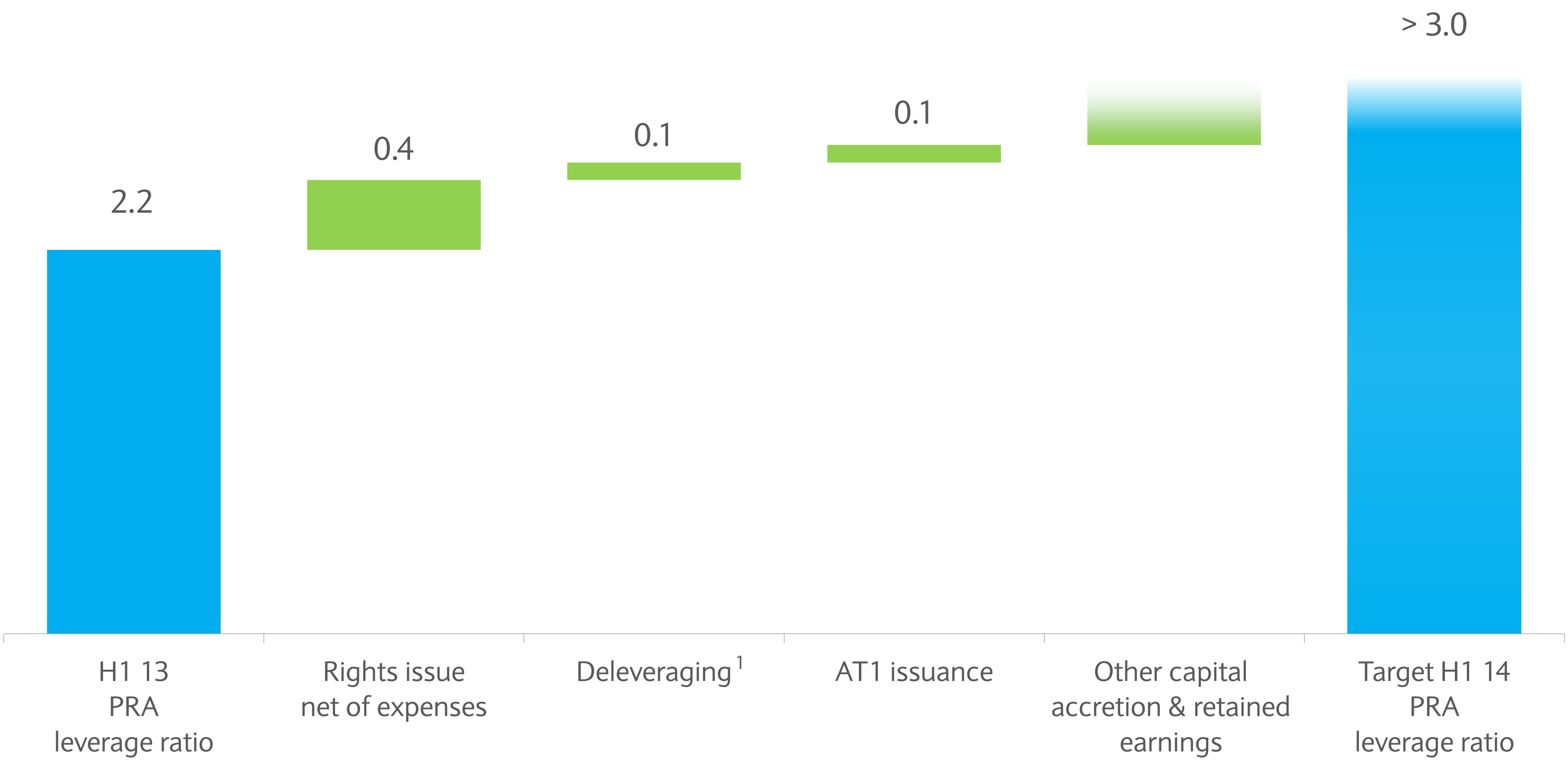
Leverage plan includes £65-80bn reduction in CRD IV leverage exposure by 30 June 2014

Planned CRD IV Leverage Exposure Actions (as at 30 June 2013)	(£bn)
Potential Future Exposure on derivatives	30-35
Securities Financing Transactions	20-25
Liquidity pools assets	15-20
Planned Reduction	65-80

Barclays continues to identify opportunities to reduce leverage exposure further

Barclays Leverage Plan

Leverage ratios (%)



[1] Reflects already identified, low execution risk management actions; £2.0-2.5bn capital equivalent

Revised Transform financial commitments

	Original 2015 Targets	Revised Targets	Dates
Return on Equity	> CoE	> CoE in 2016	2016
Operating Expenses	£16.8bn	£16.8bn	2015
Cost:Income Ratio	mid-50s	mid-50s	2015
Pro forma B3 RWAs	£440bn	£440bn	2015
Core Capital Ratio	Transitional >10.5%	Fully loaded >10.5%	Early 2015
Dividend Payout Ratio	30%	40-50%	From 2014

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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 certain of the Group's plans and its current goals and expectations relating to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "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 regarding the Group's future financial position, income growth, assets, impairment charges and provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios), projected levels of growth in the banking and financial markets, projected costs, original and revised commitments and targets in connection with the Transform Programme, deleveraging actions, estimates of capital expenditures and plans and objectives for future operations 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 (IFRS), evolving practices with regard to the interpretation and application of 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 (including with regard to the future structure of the Group) applicable to past, current and future periods; UK domestic, Eurozone and global macroeconomic and business conditions; the effects of continued 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 the Group; the potential for one or more countries exiting the Eurozone; the implementation of the Transform Programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements. Additional risks and factors are identified in our filings with the U.S. Securities and Exchange Commission (the SEC) including in our Annual Report on Form 20-F for the fiscal year ended 31 December 2012 and in our current report on Form 6K dated 16 September 2013, both of 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 have been revised or updated in the light of new information or future events. Except as required by the Prudential Regulation Authority, the Financial Conduct Authority, the London Stock Exchange plc (the LSE) or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Barclays' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has published or may publish via the Regulatory News Service of the LSE and/or has filed or may file with the SEC.

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