Jes Staley
Barclays Group Chief Executive Officer
Strong evidence of strategic progress in 2016

- **Strong Core business**: 9.4% Core RoTE\(^1\)
  - Barclays UK 19.3%
  - Barclays International 8.0%

- **Africa sell-down**: First stake sold and separation terms agreed

- **Non-Core rundown**: Accelerated progress, closing ahead of schedule

- **Group returns**: Focused on generating attractive and sustainable Group returns

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\(^1\) FY16 RoTEs excluding notable items
Non-Core closure six months early at June 2017

Will have reduced RWAs by c.£85bn in just over three years

Businesses

<table>
<thead>
<tr>
<th>Dec-14</th>
<th>Dec-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>7</td>
</tr>
</tbody>
</table>

Significant deals announced or completed

- IB offices in nine countries
- Index business
- Asia wealth
- Southern European cards
- Italy retail
- France retail

Derivatives

| 31 | 12 |

- Accelerated derivative rundown in 2016

Securities & loans

| 16 | 8 |

- Restructured ESHLA portfolio

RWAs (£bn)\(^1\)

As at 30 June 2017

RWAs (£bn)\(^2\)

Dec-14 and Dec-14 RWAs are on a pre-restatement basis. Dec-15 onward are on a post-restatement basis i.e. inclusive of c.£8bn of RWAs added to Non-Core in Q116. \(^3\)Excludes Op risk and DTAs RWAs of £9bn as at Dec-14 and £5bn as at Dec-16. \(^4\)Barclays Risk Analytics and Index Solutions.
Africa sell-down on track with consistent capital guidance

1. Separation terms agreed
   - £765m phased contributions to BAGL agreed¹

2. Regulatory approval
   - Approval for further sell-down requested from relevant regulators

3. Capital guidance
   - Guidance of >75bps CET1 ratio accretion²

¹ Subject to regulatory approval | ² Assuming 31 December 2016 GBP ZAR FX rate of 16.78 and BAGL share price of 168.69. Aggregate effect following regulatory deconsolidation and projected separation costs, including £765m phased contributions and contribution to a new Black Economic Empowerment scheme. Implementation of Barclays’ intentions is subject to, amongst other things, regulatory approval. The realisation of these plans and their intended benefits is subject to significant execution risks, including in relation to market factors, and there can be no assurance the intended benefits will be achieved on any proposed timetable or at all.
## Strong Core business performance in 2016

<table>
<thead>
<tr>
<th>Core</th>
<th>Barclays UK</th>
<th>Barclays International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>£22.0bn up 7%</td>
<td>19.3% RoTE</td>
</tr>
<tr>
<td>Cost: income ratio</td>
<td>61% down 1%</td>
<td>8.0% RoTE</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>£6.4bn up 4%</td>
<td>3.62% Robust NIM</td>
</tr>
<tr>
<td>RoTE</td>
<td>9.4% down 1.8%</td>
<td>+21% CC&amp;P income growth</td>
</tr>
<tr>
<td>Average allocated tangible equity</td>
<td>£41.3bn up £4.1bn</td>
<td>53% Low cost: income ratio</td>
</tr>
</tbody>
</table>
A scale operator in the UK with opportunities to leverage data and digital capabilities

- Provided c.£70bn of lending to UK businesses
- Lent c.£3.6bn to UK SMEs and supported around 100k start-ups
- Provided c.£19bn of mortgage lending to c.90,000 households
- £1 in every £3 was spent through Barclaycard

Leveraging data and digital capabilities:
- Mortgages for Premier customers
- Barclaycards offered through Barclays Mobile Banking
- Smart Business
- Business lending via mobile app

Growth opportunities
Cost efficiency
Barclays International: Encouraging progress in 2016 and well positioned for the future

Corporate & Investment Bank

**Increase in Banking fee share**
- 5th in US
- 3rd in UK

**Best Investment Bank** in Western Europe

**#2 Corporate bank in the UK**

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Consumer, Cards & Payments

**c.£24bn** US cards portfolio

**#2 merchant acquirer in Europe**

**£60bn** payments processed in Q416

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1 Dealogic data as of 31 December 2016. 5th in the US excluding self-led deals. 2 Euromoney Awards for Excellence - 2016. 3 Charterhouse survey results - FY16 market share data. 4 By volume. Nilson Report - 2016.
Operational and technological strength will be a key advantage

Driving efficiencies, cost synergies and scalability, delivering high quality analytics and controls, as well as excellent customer experience.
Diversification provides balance and stability

- c.50% income
- c.35% income

Corporate & Investment Bank
- £10.5bn income

Currency & Geography

Customers & Clients

Product spectrum

Consumer businesses
- £11.4bn income

1 Barclays UK and Consumer, Cards & Payments, excluding notable items

- Current accounts
- Wealth & Investments
- Payments
- Corporate banking
- Mortgages
- Personal loans
- Credit cards
- Merchant acquiring
- Capital markets
- Payments
- Investment banking

10 | Morgan Stanley European Financials Conference | 21 March 2017
Capital position approaching our end-state

Strong capital accretion in 2016…

- **Discretionary actions and dividends**
  - Non-Core restructuring
  - Preference share redemptions
  - Compensation adjustment
  - Real estate restructuring
  - Dividends paid

…and approaching our end-state CET1 level²

<table>
<thead>
<tr>
<th>Capital ratio accretion</th>
<th>Provisions for PPI</th>
<th>Discretionary actions</th>
<th>Dec-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.4%</td>
<td></td>
<td></td>
<td>12.4%</td>
</tr>
</tbody>
</table>

*100bps improvement in CET1 ratio¹ in 2016*

- c.180bps
- c.30bps
- c.50bps

End-state expectation

- 12.3-12.8%

Management buffer
- 1.5-2.0%

Expected regulatory CET1 level
- 10.8%

1. Fully loaded CET1 ratio. See slide 31 of Barclays’ Full Year 2016 Results Presentation for full definition. 
2. Subject to, amongst other impacts, future legacy conduct resolution costs. 
3. See slide 31 of Barclays’ Full Year 2016 Results Presentation for composition of, and relevant footnotes relating to, Barclays’ expected capital requirements.
### Approaching the end of Barclays’ restructuring

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<thead>
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<tbody>
<tr>
<td>1</td>
<td>Non-Core rundown</td>
<td>Closing Non-Core six months early at 30 June 2017</td>
</tr>
<tr>
<td>2</td>
<td>Africa sell-down</td>
<td>On track with significant milestone reached</td>
</tr>
<tr>
<td>3</td>
<td>Building shared architecture</td>
<td>Driving operational reliability, scalability and efficiency</td>
</tr>
<tr>
<td>4</td>
<td>Capital strength</td>
<td>Capital position approaching end-state level</td>
</tr>
<tr>
<td>5</td>
<td>Attractive returns</td>
<td>Diverse business mix with strong core franchises</td>
</tr>
</tbody>
</table>
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