

Barclays PLC 2013 Full Year Results Announcement**Analyst and Investor Conference Call****Antony Jenkins, Group Chief Executive****Tushar Morzaria, Group Finance Director****Antony Jenkins, Group Chief Executive Officer****Slide 2: Name Slide – Antony Jenkins**

Good morning and welcome to the call.

2013 has been a year of significant progress for Barclays.

We have executed year 1 of our Transform programme. We have taken steps to de-risk the business and strengthened the balance sheet through bold management actions. And we have implemented multiple initiatives to increase the efficiency of our operations. This is reflected in the performance we are reporting today.

These results clearly demonstrate the benefits of the diversity we enjoy in the Group, as well as the strength of our core franchises.

In aggregate our performance has translated at a headline level into adjusted income of £28.2bn in the year, and adjusted PBT of £5.2bn.

While profits have clearly been impacted by the amount of restructuring and de-risking activity we executed in the period, this represents a resilient performance.

On capital, we have made really strong progress on managing down our CRD IV RWAs, bringing us in a little under our Transform target of £440bn, well ahead of the 2015 timeline we set a year ago.

You should expect some fluctuations in that position in the coming year as we continue to invest and mitigate. But it is gratifying that we have been able to move more quickly in disposing of Exit Quadrant assets than originally anticipated. This is positive, even if it impacted revenues in the short term.

Supported by our £5.8bn Rights Issue, we have reached a CRD IV fully loaded CET1 ratio of 9.3% at the end of 2013. We remain on track to meet our target of 10.5% in 2015.

Rigorous control around leverage exposure reduction, as well as £2.1bn of Additional Tier 1 issuance, has taken our estimated CRD IV fully loaded leverage ratio to 3.1%, and our PRA adjusted leverage ratio to just under 3% at the year end.

The fact that we have virtually achieved the PRA leverage target 6 months in advance of the June 2014 deadline we were set is obviously pleasing. But more than that it is a very important demonstration of the effort and focus we applied in tackling that challenge and putting it behind us.

As you know, I am on record many times as saying that I view cost as the strategic battleground for banks in the next decade. Those who control and get on top of it will be winners, and I intend Barclays to be in the vanguard of that group.

We had a cost target in 2013 for Barclays of £18.5bn, excluding cost to achieve Transform. The outturn, as you can see from the announcement, is a little higher at £18.7bn.

This is largely due to a year-end decision to increase certain litigation provisions, and we notified the market of that on the 29th of January.

Excluding these items, the true operating performance of the business on cost is on track, although there is still work to do.

Progress on cost reduction will not be linear or uniform quarter by quarter this year - but we remain committed to the Transform target of a cost base of £16.8bn in 2015.

This was a challenging target when we set it last year and it remains so. But I have made clear to the business - and to my Senior Leadership Team in particular - that our objectives on cost are going to be met. There will be no re-trading on these.

While revenues may fluctuate, particularly in the short term, our intent on cost is that the market will see steady and increasing positive jaws over time.

Confidence in our ability to meet the cost ambition is supported by the programmes that we have in flight.

For example in the course of the next month some 220 Managing Directors across Barclays will leave, as well as 600 Directors. I have also introduced strict criteria on new hires at either of these levels. This action will have the twin benefits of taking cost out and contribute to streamlining and delayering the organisation.

Tushar will take you through some more detail on cost programmes – including broader restructuring plans – in his presentation.

While we are taking out headcount, compensation for key talent is one area where we have been prepared to invest strategically in 2013 in order to protect and grow our franchise.

At Barclays we believe in paying for performance and paying competitively. Ensuring that we have the right people in the right roles serving our customers and clients effectively in a highly competitive global environment is vital to our ability to generate sustainable shareholder returns.

After careful consideration, we determined that an increase of £210m in the incentive pool was required in 2013 compared to a year earlier, in order to protect and build our franchise in the long term interests of shareholders.

Notwithstanding this increase, we remain committed to our goal of reducing the compensation to net income ratio for the Group to the mid-30s over time.

So, in summary, 2013 was a year of enormous change for our company, but a year in which the business also continued to perform.

Consequently we begin 2014 in a healthier position than we have been for many years. There are 3 reasons in particular why that is so:

First of all, 2013 showed the tremendous value in having the breadth and diversity of Barclays' earnings profile, and we have seen continued evidence of the strong fundamentals which are essential for longer term growth.

Second, we have started to put many of our legacy issues behind us, and have greater certainty on what the future holds, particularly in terms of regulation.

And third, the strong progress we have made on our Transform programme in 2013 means we are well set to reap the substantive benefits of that work in 2014 and 2015.

Let me now hand over to Tushar who will take you through the detail of our 2013 financials and, importantly, the outcome of the balance sheet review which I asked him to lead in the Autumn. Tushar...

Slide 3: Name Slide – Tushar Morzaria

Thanks, Antony, and good morning.

Antony mentioned the headline figures from the Group results for the year. I'm going to go into more detail on the key themes, as well as divisional performance.

Slide 4: Resilient outcome driven by traditional banking franchises

Starting with the Group P&L, Barclays' adjusted profit before tax was £5.2 billion, on £28.2 billion of income, while statutory profit before tax was £2.9 billion.

This is a resilient outcome in light of the significant transition Barclays is implementing. We made substantial investment in future cost reduction under Transform, with £1.2 billion of cost to achieve, or CTA, while we also started to reposition our balance sheet and strengthen the capital base.

We continued to resolve legacy conduct issues, taking provisions and write-offs, including £2 billion in conduct charges for PPI and swaps taken at the half year. This has been excluded from our adjusted results, which are the basis for most of my discussion today.

Income of £28.2 billion reflected growth in our Barclaycard, UK retail and UK Corporate businesses, as well as the Equities business within the Investment Bank. These increases helped to offset declines in other areas, demonstrating the benefit of diversity.

We charged just over £3 billion in impairment during the year as we maintained good control on credit risk, with an annual loan loss rate of 64 basis points. I should add that we kept the same risk appetite throughout the year.

Total operating expenses including CTA were £19.9 billion.

Excluding CTA, operating expenses were £18.7 billion. This is above our earlier guidance of £18.5 billion, mainly due to additional litigation provisions of £220 million we took in the 4th quarter. We've also shown on this slide several other items from Q4 which affected the full year results.

We have not, however, adjusted for CTA charges, even though they are material, as we do not expect them to be incurred beyond next year. We believe that keeping these in our adjusted results, will provide better control over cost and benefit within the businesses.

Our effective tax rate for the year of 39% on adjusted profit, reflects a £440 million write down of Spanish deferred tax assets taken through the 2013 tax charge.

Our CRD IV capital ratio reached 9.3% and leverage ratio 3.1%, which translates to nearly 3.0% on a PRA-adjusted basis – the level the PRA requested we aim for in June of this year.

I consider both of these to be good achievements on which to build, and they reflect a lot of work completed in the past year.

As I get further into my role at Barclays, there are two features of the Group that I think are particularly noteworthy: First, the underlying strength, growth, and stability provided by our traditional banking businesses.

And second, the benefit provided by our financial ‘fundamentals’, which are essential to long-term, sustainable profitability for any bank.

Slide 5: Balanced consumer/wholesale franchises with diversity of income

Starting with this first point, as you can see on slide 5, Barclays has a remarkable mix and diversity of businesses that are anchored by traditional retail and commercial banking franchises. These franchises performed well through the crisis and are leaders in their field. These include the UK retail and UK corporate businesses, and Barclaycard, which combined, drove more than £11.5 billion of income and over £3.6 billion in adjusted PBT last year. These businesses are strong in their home markets, have excellent brand recognition, and, equally, have good growth potential.

Complementing these of course is the Investment Bank, which is an essential part of Barclays and has several ‘cornerstone’ businesses itself.

Within the IB today, we have particular strengths in several FICC asset classes, like flow rates, flow credit, and FX. Our Equities and Investment Banking businesses have seen strong growth in terms of market share, and provide income diversity that Barclays didn’t have pre-crisis. Our geographical diversity is also a strength – with 80% of income spread across our three key markets of the UK, Africa and the US.

My second observation is that Barclays has a number of fundamental strengths, many of which are seen in the balance sheet metrics on the next slide. These include funding, liquidity, and capital – solid credit risk management and net interest margins.

Slide 6: Balance sheet metrics steadily improving but optimisation continues

Our balance sheet today is considerably smaller than it was two years ago in IFRS terms. We have higher fully loaded CET 1 capital levels and ratios, lower leverage, and substantially higher levels of customer deposits.

With this reduction has come a shift in composition – a rising proportion of loans and advances, and a fall in our financial assets, notably netted derivatives due to the effects of central clearing.

Returns, both on equity and assets, are below our expectations, but we have a clear plan to achieve our RoE targets.

Slide 7: Many anticipated future minimum requirements already being met

Regulation in its various forms is a reality. While the picture is clearer than a year ago, it's important to highlight that we are already meeting many of the anticipated future minimum requirements ahead of their compliance dates, as shown on this slide.

We will anticipate regulation where we can and stay ahead of the curve, as part of future proofing. But, we will also remain commercially sensible in terms of how, and when, we implement the necessary changes.

Slide 8: Stable and diverse sources of funding bolstered by strong liquidity

Going through the financial 'fundamentals' and beginning with Funding and Liquidity on slide 8. I have been impressed with the transformation in our profile over recent years.

The Bank's deposit base has increased by 17% over the last two years, driving the loan to deposit ratio down to 101%. This enables us to almost completely self-fund our 'customer' balance sheet.

As you know, we have been gradually reducing and remixing our liquidity pool to bring it more in line with regulatory and internal stress requirements, but I'd like to draw your attention to the high quality assets we continue to hold.

This active, but conservative, management strategy has resulted in Barclays having maintained an LCR above 100%.

At the same time we have continued to extend the duration of our wholesale funding, with 56% now maturing in over one year.

We estimate that these actions would enable us to operate without access to wholesale funding markets for 42 months, up from 37 months in December 2012.

Slide 9: Significantly improved leverage ratios and capital position

In terms of leverage and capital, I mentioned in October that my priority was a detailed review of our balance sheet, assessing businesses and products through both a risk weighted and leverage lens.

I'll talk shortly about where we are headed next, but as you can see, we have already made significant progress to improve our leverage position in just the past few months.

We completed the £5.8 billion Rights Issue in October and subsequently issued £2.1 billion of qualifying AT1.

The PRA adjustments to our Tier 1 capital have been reduced by half, mainly by the alignment of our PVA calculations, leaving a residual £2.2 billion adjustment.

In terms of the denominator, we have already exceeded our £65-80 billion target for reduction in Leverage Exposure. As at December, our leverage exposure stood at £1.38 trillion, or £1.36 trillion adjusting for the relief for central clearing as per the recent PRA and Basel announcements.

This is a reduction of nearly £200 billion since June 2013, or approximately £140 billion excluding the favourable FX move.

And importantly, this has been achieved without impacting income generation, as we start the process of optimizing the balance sheet for better returns going forward.

Bringing all of this together, our PRA leverage ratio was just shy of the 3% expectation for June, an increase of almost 80 basis points in the last six months. Our estimated CRD IV leverage ratio improved to 3.1%.

On risk weighted assets, we have made good progress in managing down our fully loaded CRD IV RWAs to £436 billion, a reduction of £32 billion over the course of the year.

Our Exit Quadrant RWAs for legacy assets have reduced from £94 billion at the end of 2012 to £54 billion.

The rights issue, combined with attributable profit and the exercise of warrants earlier in the year, strengthened our CET1 base considerably.

This was offset somewhat by the provisions for both PPI and swaps we took at the half year, as well as adverse movement in our pension deficit and an increase in PVA. We are also adjusting fully loaded CRD IV capital for the final 2013 dividends, in line with the recent EBA confirmation of this methodology.

As a result, we finished the year with a fully loaded CET1 ratio of 9.3%.

Slide 10: Net interest income - driven by volume growth

Moving on to net interest income, the total was £11.4 billion, driven by increased customer NII. We calculate our net interest margin across our retail, corporate and wealth businesses – and we use total assets plus liabilities as the denominator.

Average customer assets for these businesses were up 2% and average customer liabilities were up 14%, as volume growth offset NIM pressures to drive an increase in NII for the year. NIM saw an 8 basis point decline to 176 basis points.

As a percentage of average customer assets, the way some banks report their margins, NIM actually increased from 347 basis points to 350.

Most of our NIM pressure resulted from reduced contributions from structural hedges. This was anticipated, and over the medium term, I expect the customer margin to stabilise, while the non-customer margin will be driven by prevailing interest rates.

However I would emphasise that we have many opportunities to grow volumes (particularly in the UK) to offset margin pressure and grow NII.

Slide 11: Asset quality trends remain favourable

Our strong risk management was reflected in the impairment charge of £3.1 billion. This was an 8% improvement on 2012, with significantly lower charges in Corporate Banking and Africa

RBB, driven by on-going action to reduce exposures in Europe, and lower charges in the South African home loans recovery book.

This more than offset increases in other retail businesses, as we grew them.

Credit metrics are strong, as Credit Risk Loans continued to fall as a percentage of loans and the CRL coverage ratio continued to improve, despite the reduction in the total impairment allowance.

The overall outlook remains benign with most delinquency statistics improving or broadly stable.

As I hope you can see, all of the fundamentals I have mentioned which are essential for any bank, are I believe, particular strengths for Barclays.

Slide 12: Transitioning the cost base for structurally lower operating expenses

Turning now to costs, a critical element of the Transform programme.

Overall costs were £19.9 billion, of which £1.2 billion represented the CTA charge, as per our previous guidance.

Excluding CTA, we saw a £160 million increase in Bank Levy, as well as infrastructure costs in the IB to meet regulatory requirements.

As a consequence, cost to income ratio rose to 71% due to the CTA charges and reduced income for the year.

The largest component of CTA was related to restructuring charges of £853 million. As you can see in the table, we are in the process of reducing headcount by over 7,500 which will ultimately achieve an annual run rate gross cost saving of over £800 million.

We expect to make additional savings with the recent Managing Director and Director redundancies that Antony mentioned, which is equivalent to 10% of staff at this level across the Bank.

We are continuing to implement further cost-saving actions and remain confident of achieving our objective to deliver a £16.8 billion cost base ex-CTA in 2015.

Slide 13: UK RBB – well positioned for UK economic recovery

Turning now to each of the businesses, UK RBB performed well, and is strongly positioned for economic recovery.

Income was up 3%, driven by 6% growth in NII, particularly from mortgages – both organically and from the ING Direct acquisition.

Mortgage stock share reached a record 9.9%, up from 9.4% last year.

Operating expenses ex CTA were down 2%.

Our return on equity was 11.5%, and return on tangible equity 20%, and we are confident that the business will generate attractive returns, comfortably above the Group's current cost of equity.

Slide 14: Barclaycard – continued strong growth

Barclaycard continued to grow the UK and international businesses, delivering 10% income growth, and maintaining strong returns with an RoE of 18.4%.

With PBT of £1.5 billion, low leverage, and further growth opportunities, Barclaycard is a key element in the delivery of attractive returns to shareholders at the Group level.

Slide 15: Africa, ERBB, Wealth – turnaround or repositioning plans underway

Moving on to Africa RBB, Europe RBB, and Wealth, I've grouped these together as all three are implementing plans to improve returns.

Africa RBB improved performance with PBT just over £400 million, up 25% despite a significant depreciation in the Rand.

This improvement reflects actions we took in 2012 to provide against risk, particularly in the South African home loans recovery book.

We still have some way to go to bring returns up to a satisfactory level, but we have strong market positions in Africa and critical mass across the continent – another element in our geographic diversity.

The loss for Europe RBB includes £403 million of CTA, reflecting the significant restructuring we announced in the first quarter, as we reduced branches and distribution points by nearly 50% over the course of the year.

The new management team in Wealth has started to implement a revised strategy to simplify the way the business operates.

The revised strategy involved a CTA charge of £158 million with a planned 7% reduction in FTEs - and goodwill impairment of £79 million.

Slide 16: Investment Bank – continued growth in Equities and Advisory helped offset a tough FICC environment

The Investment Bank generated £2.5 billion of PBT for the year. Confidence in FICC markets was subdued, particularly in the second half of 2013 as uncertainty over the effect of proposed tapering depressed client activity, but our Equities and Investment Banking businesses continued to make good progress.

Income was £10.7 billion, with declines in FICC businesses partially offset by growth in Equities of 22% and 3% in Investment Banking.

We are showing our Exit Quadrant income separately from FICC – and have also included the gain relating to the recoverability of Lehman assets in H1 in that line, to allow a cleaner comparison.

Impairment continued at low levels and costs were £8 billion in total, which included a CTA charge of £262 million.

There were headwinds from the allocation of bank levy of £333 million – an increase of 62% – and infrastructure costs of over £300m relating to regulatory compliance. We nevertheless made progress in implementing our cost reduction programmes, the benefits of which are not fully reflected in the cost run rates.

RWAs continue to be tightly controlled, and were reduced from £258 billion to £222 billion.

Slide 17: Investment Bank – a strong core franchise

The IB today is much more balanced than it was in the past, with the successful development of Equities and Investment Banking, which tend to be less capital intensive than much of FICC. This shielded us from some of the impact of falling FICC income that has affected the market over the past year.

The Equities and Investment Banking franchises are growing, with a record year in equity underwriting, acting as lead on almost 40% more equity offerings, and we were ranked #1 in UK IPOs.

FICC income fell 16% in the 4th quarter versus Q4 2012, which is broadly in the middle of the European peer group.

We remain confident that our 'flow' businesses are well positioned to grow in the new regulatory landscape – for example FX saw a 9% increase versus Q4 2012.

Slide 18: Corporate – shifting from turnaround to growth

Lastly, the turnaround in Corporate Banking continued, as PBT reached £800 million. This reflects rationalisation of the geographic footprint and further improvement in impairment, particularly in Spain.

PBT improved across all regions, with the UK business just under £1 billion, as we started to see the benefits of the repositioning of the business.

Returns overall are not yet at a satisfactory level, despite the increased PBT which was offset by the write down of the majority of the DTA in Spain – but we are confident about the direction of travel, as we remain focused on reducing RWAs and our Exit Quadrant assets.

Let me now turn in more detail to leverage, both on the reductions to date and where we go from here.

Slide 19: Deleveraging proceeding ahead of plan with minimal impact on income

As I indicated earlier, we are ahead of schedule with leverage exposure down to £1.36 trillion on the PRA adjusted basis, and we have achieved this with minimal impact on income.

Looking first at derivatives which generate a very material component of the estimated leverage exposure, we gave you a target of £30-35 billion in permanent reductions of Potential Future Exposures, or PFEs.

In the second half of 2013, we reduced PFEs by £46 billion, excluding the beneficial impact of FX. This was achieved by better application of netting rules and other operational efficiencies.

The PRA announcement late last year also gave some benefit for centrally cleared derivatives. This reduced our derivatives exposure by £14 billion and allows us to increase our business still further in this area.

Turning now to Securities Financing Transactions, or SFTs, we continued to reposition the portfolio in Q4 for higher returns on assets. For example, during the quarter we reduced Fixed Income repo and recycled the capacity into higher yielding SFTs, such as equity financing. We also worked on optimizing netting of collateral against exposures.

Overall in Q4, while the CRD IV measure did not show a net reduction, we achieved gross reductions in SFTs of £14 billion through optimizations. This is a good example of how we can improve the efficiency of our balance sheet, by utilising excess leverage capacity to generate higher returns.

Rebalancing leverage exposure in this way, on a broader scale, will be an important element of balance sheet optimization, which we will pursue vigorously this year – and this will be of particular importance given the additional exposure that SFTs would generate under the BCBS proposals.

Other movements included reductions in surplus liquidity, inventory, reductions in Exit Quadrant assets and seasonal effects at year end.

Overall the improvement in leverage exposure was £196 billion since June 2013, or approximately £140 billion excluding FX, which is a strong outcome in a relatively short space of time.

This has taken us very close to a 3% PRA leverage ratio at year end.

During our third quarter results, I said I would come back to you with further deleveraging actions, above and beyond the initial £65-80 billion exposure reduction, following the top-down analysis of our balance sheet that we have been undertaking.

With our achievements in the second half, we are now confident of reaching a 3.5% ratio by the end of 2015, and aim to be in the 3.5 to 4.0% range beyond that, as shown on the next slide.

Slide 20: Aiming for 3.5 – 4.0% leverage ratio over time

I encourage you to focus on the leverage ratio, rather than the component parts, as the numerator and denominator are subject to volatility from market based factors such as FX, interest rates, and credit spreads, as well as seasonal movements in the balance sheet.

Reducing the leverage exposure denominator is however key, and we believe that we can reduce this to below £1.3 trillion by 2015. This involves an additional net reduction of approximately £60 billion.

This would take total net deleveraging from June 2013 to approximately £200 billion, excluding the impact of FX.

This could be through a combination of the following:

On derivatives, we expect to achieve an additional reduction of around £50-60 billion through trade compressions, tear-ups, collateral optimization and other operational improvements. These should have a dual benefit to both the PFE add-on and derivatives replacement cost.

SFTs, as captured under CRD IV, currently account for £92 billion of our leverage exposure.

We plan to reduce this by £25-30 billion through efficient management of underlying transactions, collateral optimization and further work on netting, as well as some inventory reduction.

As I mentioned earlier, we will also aim to increase the return profile of this portfolio as we focus our Prime Services business towards generating a higher return on assets – and this will become increasingly important as the BCBS proposals are developed.

For undrawn commitments, we have targeted only a modest reduction, as we expect to see some benefit in this area from the BCBS proposals.

Importantly for our franchises, none of these planned actions have any meaningful impact to current income run rates. They will be phased in over the next few years, and, as a result, we expect to forego some future income growth going forward, with a negative drag of approximately £300 million in 2015.

Think of this as the opportunity cost of running a £1.3 trillion leverage exposure versus a £1.5 trillion leverage exposure.

In addition to these deleveraging actions, our leverage ratio will also be increased by on-going capital accretion, including further AT1 issuance and retained earnings.

So what does this mean for how we intend to manage leverage going forward.

As I mentioned, we will be aiming for a fully loaded ratio of at least 3.5% by the end of 2015 and in the range 3.5-4.0% beyond that. Managing the business at these levels feels appropriate to me given the direction of regulation.

Despite this leverage guidance, we continue to believe that risk-based measures will be the primary business constraint, with leverage acting as a backstop to these measures.

We are currently embedding leverage management formally into our daily routines, to ensure the same levels of discipline around our leverage exposure, as we have in place for RWAs.

Clearly, given the evolving regulatory environment, there are a number of variables that still can impact the leverage calculation.

The BCBS announcement in January provided helpful clarity on a number of points. It remains early days but based on initial analysis, we anticipate that our leverage ratios could be reduced by approximately 20 bps under the BCBS proposals. However, this is before any management actions – and we are already looking closely at the areas which give rise to the most significant increases.

So to conclude on leverage, I am very pleased with the quick progress we've made in Q4.

We still have a lot of work to do this year, as we start optimizing the balance sheet for the best and most sustainable returns. We will be identifying and taking actions to optimize and will update you periodically.

Slide 21: Pillar 2A requirements – 10.5% fully-loaded CET1 ratio in 2015 consistent with end-state requirements

I'd like to turn now to capital and give you our latest thinking about the direction of risk-weighted capital ratios for Barclays.

You will recall that the PRA confirmed in December 2013 that UK banks will have to hold at least 56% of their Pillar 2A capital requirement in CET1, at least 19% in AT1, and the remainder in Tier 2 capital by January 2015.

The Pillar 2A requirement represents the capital that UK banks need to hold to cover idiosyncratic risks not fully captured under Pillar 1.

It is determined at least annually by the PRA, in consultation with each bank, as part of its capital adequacy assessment, and results in capital guidance to each bank.

The PRA expects to consult further on Pillar 2 during 2014, and the EBA are currently developing guidelines, so the approach to Pillar 2 requirements is not yet finally settled.

However, if our 2014 Pillar 2A add-on were to be the same next year, it would result in a Pillar 2A CET1 add-on of 140 basis points.

This number could vary one year to the next and could change before taking effect on 1 Jan 2015.

This reinforces that the 10.5% fully-loaded CET1 guidance we've given for 2015 remains a valid and sensible milestone, as it will be well in excess of the 7% PRA regulatory target at that time, and in excess of the end-state 10.4% that we've shown on this slide.

I expect that we will always operate with a certain level of management buffer above regulatory minimums, recalibrating it alongside the PRA's Individual Capital Guidance. We would not, however, expect it to be greater than the 150 basis points in our current plans.

Once combined buffer requirements are fully phased in, and we have decided on the appropriate calibration of the management buffer, we might be looking at an end-state ratio in the 11.5 to 12% range.

We are confident we can build to these levels organically over the next few years.

In terms of the outlook for dividends, I would see a 2014 dividend at the 40% pay-out level, and would not expect it to rise further into the 40 to 50% pay-out range until at least the 10.5% CET1 milestone has been reached, while we focus equally on capital accretion.

Slide 21: Summary

I've covered a lot here so let me pull together my thoughts for you.

As I reflect on the 2013 results for Barclays, I believe progress has been made and momentum is starting to build.

We have had a sharp focus on leverage and capital with solid progress on both.

Guidance for a 10.5% CET1 ratio in 2015, rising to 11.5-12% over time, and a range of 3.5-4% for our leverage ratio, should provide a degree of future proofing as regulation settles.

There are a lot of strengths in the franchises, and I've found that there are several areas that are better than I expected or thought when I started.

As I look forward in 2014, it will likely be another year of transition, as we continue to make investments and re-position several businesses.

I am tracking our overall progress on the financial elements of Transform carefully, and while our objectives and plans remain appropriate, we will make business-level course corrections promptly when or where necessary.

My focus is now on optimization of our balance sheet as well as cost reduction, in order to generate higher, and more sustainable, returns.

These won't happen overnight, but the quick progress that we made in the fourth quarter on leverage for example, demonstrates the commitment that we have to make these happen.

I look forward to providing you with further updates as we go along.

With that, Antony, back over to you.

Slide 22: Name Slide – Antony Jenkins

Thanks Tushar.

What is clear from the analysis which Tushar has just shared is that the fundamentals of our business are strong.

And while we have answered the leverage question - with a good degree of future-proofing against regulatory shifts - we still have further work to do to optimise the balance sheet for returns.

That is the next phase in what will be a perpetual rather than cyclical examination of how we can make our balance sheet work harder for shareholders.

On February the 12th last year – a year to the day tomorrow - I shared the outcome of our strategic review and unveiled our programme for changing Barclays into the Go-To bank.

What gave particular credibility to that ambitious plan for transforming this business were the public commitments we made at that time.

As you will recall we made eight specific promises – six of them financial and two of them non-financial.

Across the financial commitments - as Tushar and I have recounted in our remarks - we are making good headway.

And this progress, plus the additional work on de-leveraging which Tushar has shared, means we remain convinced of our ability to deliver a Return on Equity for the Group in excess of the cost of equity during 2016.

There are, of course, always risks to a plan.

Last year I laid out four main areas which could pose a threat to achieving our goals. Let me give you a brief update on how I view these today.

The first was the risk of a major macro-economic downturn. This thankfully has not occurred, and here in the UK we are even starting to see signs of a sustained recovery. But while the threat of a downturn has somewhat lessened the environment remains uncertain and volatile.

Second was legacy issues. We have managed these well in 2013 and must continue to do so. Because the reality is that such matters will be with us for a few years to come.

The third was a failure to execute the plan. With a new senior management team established I am content that we have the appropriate focus on all work-streams.

Fourth was a significant unexpected change in regulation, and to date we have been adept at dealing with such challenges.

In the round therefore, our current confidence level on management of risks to the plan is high.

Turning to the two non-financial commitments we made in Transform.

The first of these, culture change, and in particular the process of embedding our Purpose and Values throughout the organisation, is going well.

But this morning I want to particularly focus on the second non-financial commitment – the introduction of a Balanced Scorecard for Barclays - which we are publishing for the first time today.

Slide 23: Balanced Scorecard

It is the crucial final component in our leadership system for becoming the Go-To bank.

The scorecard details how we are going to measure the holistic performance of our business over time across what we call the 5Cs.

How we are delivering for our Customers and Clients, our Colleagues, on Citizenship, on Conduct, and ultimately the financial benefits for our Company.

As you can see, we have specified 8 targets across these 5 categories.

What is really powerful in the Balanced Scorecard is the breadth of areas covered, the specificity of the targets we have set, and the transparency we intend to have in allowing people to see how we are tracking against them.

All stakeholders will be able to see progress, or otherwise, every year in our Annual Report.

We are measuring performance in this way because we are clear that Barclays' long term sustainable success relies on delivering for all of our stakeholder groups.

Finally, let me just say that Barclays is in a very different and more positive place than 12 months ago, and 2014 will be a pivotal year in the transformation we are undertaking.

We have invested considerably in that transformation, and in the months to come we will see many more benefits of that investment starting to flow through.

We do expect the operating environment to remain challenging. But today we are exercising much greater control over our own destiny as a consequence of the actions we have taken, and will take going forward.

We therefore have every reason to feel positive about our prospects.

Thank you. I'll now hand over to the operator to open up for questions.

Important Notice

The information, statements and opinions contained in this document do not constitute a public offer under any applicable legislation or 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.

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 Barclays Group's (the Group) 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 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 (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, United States, Africa, 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 ability to implement 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 the Form 6K (Film No. 131097818) 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.