



Barclays PLC

Fixed Income Investor Presentation

Q1 2015 Interim Management Statement

29 April 2015

Q1 financial highlights

Increased adjusted pre-tax profits by 9% – Core up 14%

Core business continued to performed well with PBT of £2.1bn and RoE of 10.9%

Further progress on shrinking Non-Core and releasing capital; RWAs down to £65bn

Building capital: CET1 ratio increased to 10.6% and leverage ratio maintained at 3.7%

Group adjusted costs of £4.1bn, down 7%, delivering positive jaws



Performance Overview

Summary Group financials: Adjusted profits up 9%

Three months ended – March (£m)		2014	2015	% change
Income		6,650	6,430	(3%)
Impairment		(548)	(477)	13%
Total operating expenses		(4,435)	(4,124)	7%
– <i>Costs to achieve Transform (CTA)</i>		(240)	(120)	50%
Adjusted profit before tax		1,693	1,848	9%
Tax		(561)	(529)	6%
NCI and other equity interests		(250)	(260)	(4%)
Adjusted attributable profit		882	1,059	20%
Adjustments	– <i>Provisions for investigations and litigation primarily relating to Foreign Exchange</i>	–	(800)	
	– <i>Provisions for PPI redress</i>	–	(150)	
	– <i>Gain on valuation of a component of the defined retirement benefit</i>	–	429	
	– <i>Loss on sale of Spanish business</i>	–	(118)	
	– <i>Own credit</i>	119	128	
Statutory profit before tax		1,812	1,337	(26%)
Statutory attributable profit/(loss)		965	465	(52%)
Basic earnings per share ¹		5.5p	6.5p	
Return on average equity ¹		6.5%	7.6%	
Dividend per share		1.0p	1.0p	

Financial performance

- Adjusted profit before tax increased 9%
- Adjusted income decreased 3%, due to Non-Core run-down, while impairment reduced 13%
- Total adjusted operating expenses decreased 7% to £4.1bn driven by savings from Transform programmes and lower costs to achieve Transform
- Adjusted attributable profit was £1.1bn, resulting in EPS of 6.5p
- Group RoE was 7.6%, with Core RoE of 10.9%
- Dilution on Group RoE from Barclays Non-Core was 3.3%
- Statutory attributable profit was £465m:
 - Further provisions of £800m for investigations and litigation primarily relating to Foreign Exchange
 - Additional PPI redress provision of £150m
 - Gain of £429m recognised as valuation of a component of the defined retirement benefit liability was aligned to statutory provisions
 - Loss of £118m relating to completion of the Spanish business sale

¹ EPS and RoE calculations are based on adjusted attributable profit, also taking into account tax credits on AT1 coupons |

Strengthening key financial metrics

(£bn)		Dec-14	Mar-15	Highlights
Balance Sheet	Total assets	1,358	1,416	<ul style="list-style-type: none"> Progressive strengthening of key balance sheet metrics CET1 capital has increased to £42bn and RWAs reduced to £396bn improving the CET1 ratio to 10.6% Leverage exposure increased slightly to £1.255trn (Dec 2014: £1.233trn), mainly as a result of seasonal effects, but the leverage ratio was maintained at 3.7% Liquidity position remains robust with liquidity pool of £148bn and LCR of 122% Funding profile remain conservative and well diversified Overall funding requirements reducing as Non-Core is run-down Further progress on proactive transition towards Holding Company capital and funding model <ul style="list-style-type: none"> Raised £2bn of senior unsecured debt at Barclays PLC which was used to subscribe for senior unsecured debt at Barclays Bank PLC. With a proxy TLAC ratio of 24%⁶, we are well positioned to meet future TLAC requirement
	Leverage exposure ¹	1,233	1,255	
	Leverage ratio ¹	3.7%	3.7%	
Capital ²	Fully loaded CET1 ratio	10.3%	10.6%	
	Fully loaded CET1 capital	41.5	41.8	
	Risk-weighted assets	402	396	
Liquidity	Liquidity coverage ratio ³	124%	122%	
	Liquidity pool	149	148	
Funding	Loan to Deposit Ratio ⁴	89%	89%	
	Wholesale funding ⁵	171	178	
	NSFR ³	102%	n/a	

¹ Mar-15 based on end-point CRR definition of Tier 1 capital for the numerator and the CRR definition of leverage exposure as adopted by the European Union delegated act. This is broadly consistent with the BCBS 270 definition, which was the basis of Dec-14 comparatives | ² Based on Barclays interpretation of the final CRD IV text and latest EBA technical standards | ³ LCR based on CRD IV rules as per the EU Delegated Act and the NSFR based on the final guidelines published by the BCBS in October 2014. NSFR disclosed semi-annually | ⁴ LDR calculated for PCB, Africa Banking, Barclaycard and Non-Core retail | ⁵ Excludes repurchase agreements | ⁶ Based on certain assumptions – refer to slide 19 for more details

Core business performing well: Positive jaws and PBT up 14%

Three months ended – March (£m)	2014	2015	% change
Income	6,277	6,420	2%
Impairment	(481)	(448)	7%
Total operating expenses	(3,969)	(3,885)	2%
– <i>Costs to achieve Transform (CTA)</i>	(216)	(109)	50%
Adjusted profit before tax	1,847	2,104	14%
Tax	(589)	(615)	(4%)
NCI and other equity interests	(205)	(231)	(13%)
Adjusted attributable profit	1,053	1,258	19%

Adjusted financial performance measures		
Average allocated equity	£40bn	£47bn
Return on average tangible equity	13.2%	13.2%
Return on average equity	10.7%	10.9%
Cost:income ratio	63%	61%
Basic EPS contribution	6.6p	7.7p
	Dec-14	Mar-15
CRD IV RWAs	£327bn	£331bn
Leverage exposure	£956bn	£1,019bn

Financial performance

- PBT up 14% at £2.1bn:
 - PCB profits up 14%
 - Investment Bank profits up 37%
 - Africa Banking profits up 23%
 - Barclaycard profits were down 1%
- Income increased 2% to £6.4bn, with non-investment banking businesses up 4%
- Impairment improved 7%, principally reflecting the improving UK economic environment benefitting PCB
- Operating expenses reduced 2% to £3.9bn reflecting Transform savings across the businesses
- Attributable profit was £1.3bn with EPS of 7.7p
- RoE excluding CTA was 11.6% on average allocated equity of £47bn, up £7bn year on year

Barclays Non-Core: Continued shrinkage and capital recycling

Three months ended – March (£m)	2014	2015
– <i>Businesses</i>	301	122
– <i>Securities and Loans</i>	87	(73)
– <i>Derivatives</i>	(15)	(39)
Income	373	10
Impairment	(67)	(29)
Total operating expenses	(466)	(239)
– <i>Costs to achieve Transform (CTA)</i>	(24)	(11)
Loss before tax	(154)	(256)
Tax credit	28	86
NCI and other equity interests	(45)	(29)
Attributable loss	(171)	(199)
Financial performance measures		
Average allocated equity	£15.2bn	£10.3bn
Period end allocated equity	£14.9bn	£9.7bn
Return on average equity drag ¹	(4.2%)	(3.3%)
Basic EPS contribution	(1.1p)	(1.2p)
CRD IV RWAs	£75bn	£65bn

Highlights

- Period end equity reduced by £5.2bn to £9.7bn, including a £1.3bn reduction in Q1
- RWAs reduced £41bn to £65bn, with a reduction of £10bn in Q1, including the completion of the sale of the Spanish business
- Income reduced £363m to £10m, reflecting sale of income generating assets
- Credit impairment improved to £29m, driven by the impact of sale of the Spanish business and improved performance in European retail
- Costs reduced 49% to £239m due to savings from Transform programmes, including non-retail headcount reductions, and savings from the sale of the Spanish and UAE businesses
- Attributable loss was £199m, but with the reduction in allocated equity, the Non-Core dilution on Group RoE was 3.3%

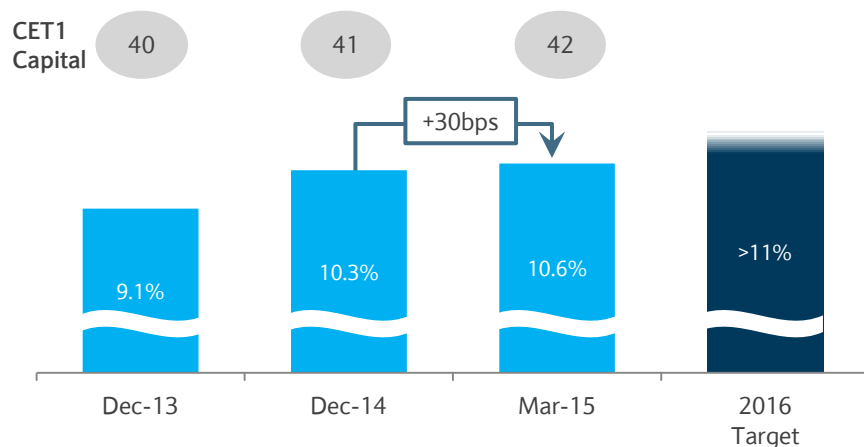
¹ Return on average equity and average tangible equity for Barclays Non-Core represents its impact on the Group, being the difference between Barclays Group returns and Barclays Core returns. This does not represent the return on average equity and average tangible equity of the Non-Core business |



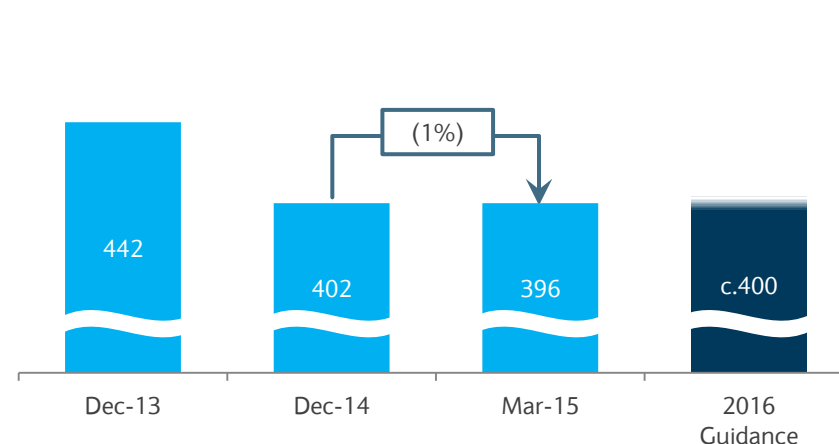
Capital & Leverage

Continued progress on CET1 ratio despite adjusting items

Fully loaded (FL) CRD IV CET1 ratio progression¹



RWA reduction (€bn)¹

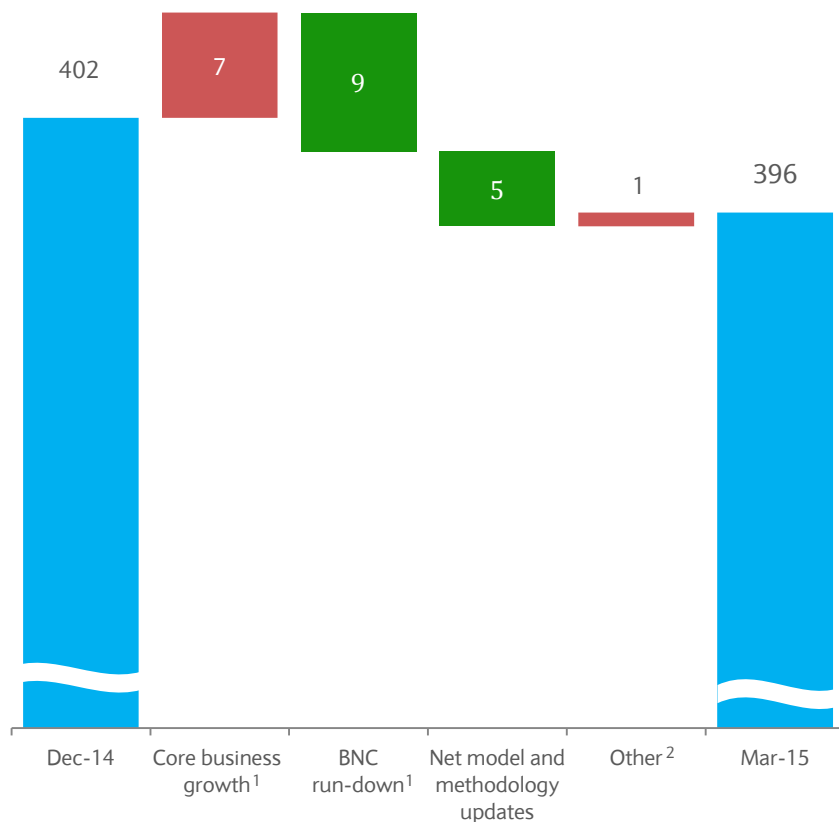


- FL CRD IV CET1 ratio up 30bps demonstrating good progress towards 2016 Transform target of greater than 11%, absorbing significant litigation provisions
- Continued capital build as FL CRD IV CET1 capital grew by £0.4bn to £41.8bn, despite absorbing net adjusting items of £0.6bn
- Confident that our planned trajectory positions us well to meet future regulatory requirements
- RWAs reduced by £6bn, mainly driven by a £10bn reduction in Non-Core to £65bn including the sale of the Spanish business and the run-down of legacy structured and credit products
- Decreases in Non-Core were recycled into Core business growth

¹ Based on Barclays interpretation of the final CRD IV text and latest EBA technical standards. Following the full implementation of CRD IV reporting in 2014, the previously reported 31 December 2013 RWAs were revised by £6.9bn to £442bn and fully loaded CET1 ratio by (0.2%) to 9.1% |

RWAs: Closely managed to support business growth and capital ratio accretion

RWAs (£bn)



Highlights

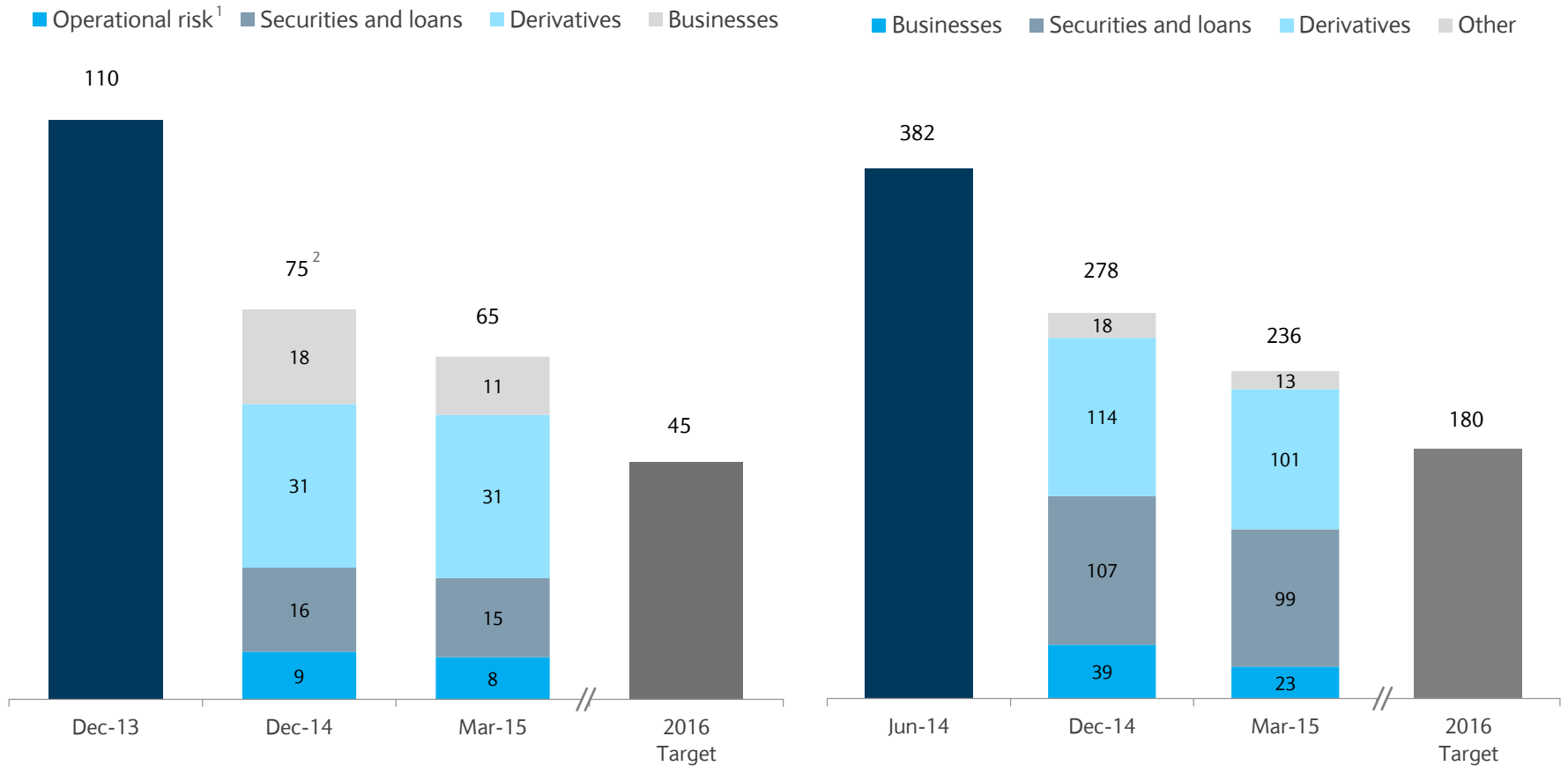
- RWAs reduced by £6bn reflecting continued progress on the run-down of Non-Core, and growth in Core businesses
- Core business growth of £7bn driven by growth in PCB due to increased corporate and mortgage lending
- Net Non-Core run-down of £10bn, reflecting the sale of the Spanish business and reduction in legacy structures and credit products
- Model and methodology driven updates resulted in a net £5bn reduction in RWAs driven by improved market risk diversification methodology and a credit and counterparty risk model update

¹ Excludes model and methodology driven movements | ² Includes foreign exchange movements of £0.5bn. This does not include movements for modelled counterparty risk or modelled market risk |

Barclays Non-Core: Further RWA reduction

RWA reduction bridge (£bn)

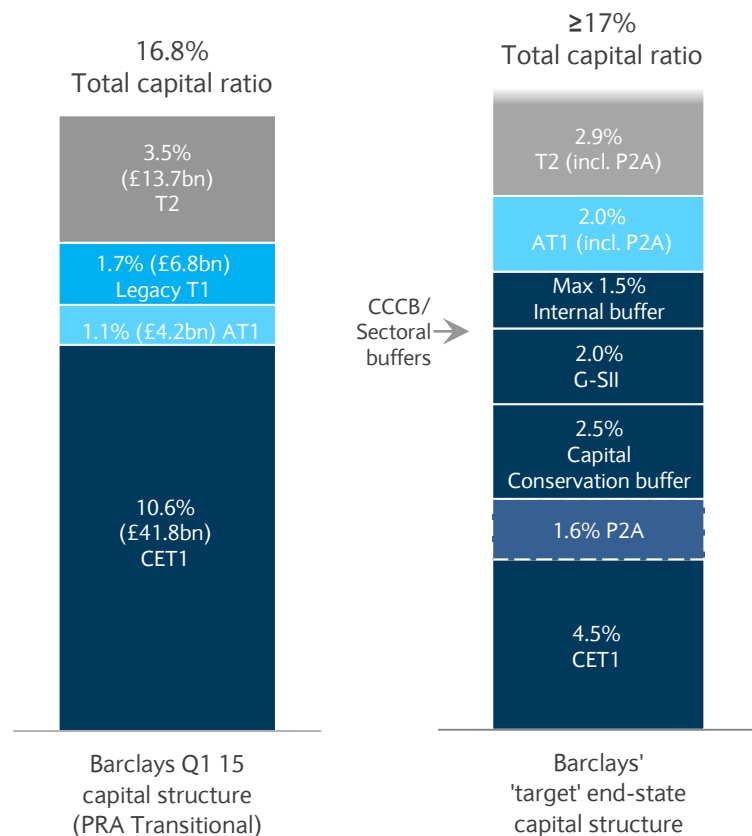
Leverage exposure by type (£bn)



¹ Operational risk includes DTAs | ² Total reflects rounding |

Continued progress on the transition towards our 'target' end-state capital structure

Evolution of capital structure



Fully loaded CRD IV capital position

- Fully loaded CRD IV CET1 ratio at 10.6% on track to meet our target of > 11% in 2016. The ratio was well in excess of the 7% PRA regulatory target¹
- Robust buffers to contingent capital triggers²
 - AT1 contingent capital: c.360bps or £14.1bn
 - T2 contingent capital: c.530bps or £20.8bn³
- As we build CET1 capital over the transitional period, we currently expect to hold an internal management buffer of up to c.150bps over minimum requirements in end state⁴
- Transitional total capital ratio increased to 16.8% (Dec 2014: 16.5%), and fully loaded total capital ratio increased to 15.6% (Dec 2014 : 15.4%)
- Further clarity required on Total Loss Absorbing Capacity (TLAC) quantum and composition. In the interim, we continue to build towards our 'target' end-state capital structure which assumes at least 17% of total capital; final requirements subject to PRA discretion

Pillar 2A requirement⁵

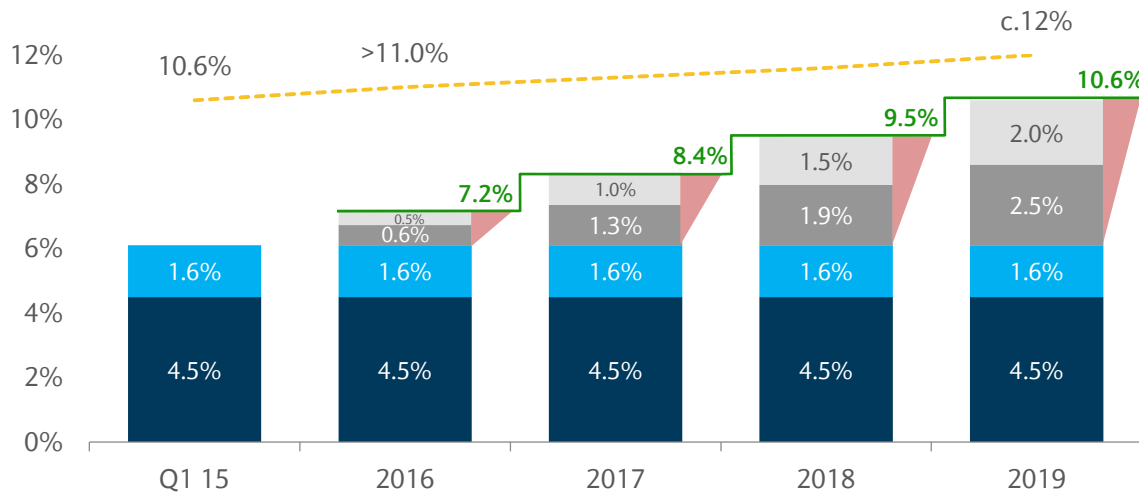
- Barclays 2015 Pillar 2A requirement as per the PRA's Individual Capital Guidance (ICG) is 2.8%. The ICG is subject to at least annual review
 - CET1 of 1.6% (assuming 56%)
 - AT1 of 0.5% (assuming 19%)
 - T2 of 0.7% (assuming 25%)
- The PRA consultation on the Pillar 2 framework (CP1/15), and Basel Committee consultations and reviews of approaches to Pillar 1 and Pillar 2 risk might further impact the Pillar 2A requirement in the future

¹ Being the higher of 7% PRA expectation and CRD IV capital requirements | ² CRD IV rules on mandatory distribution restrictions apply from 1 January 2016 onwards based on transitional CET1 requirements | ³ Based on the CRD IV CET1 transitional (FSA October 2012 statement) the ratio was 12.3% as at 31 March 2015 based on £48.5bn of transitional CRD IV CET1 capital and £396bn of RWAs | ⁴ Barclays current regulatory target is to meet a FL CRD IV CET1 ratio of 9% by 2019, plus a Pillar 2A add-on. Pillar 2A requirements for 2015 held constant out to end-state for illustrative purposes. The PRA buffer is assumed to be below the combined buffer requirement of 4.5% in end-state albeit this might not be the case. CCCB, other systemic and sectoral buffer assumed to be zero | ⁵ Point in time assessment made at least annually, by the PRA, to reflect idiosyncratic risks not fully captured under Pillar 1 |

We intend to manage our CET1 capital ratio to mitigate against the risk of mandatory distribution restrictions

CET1 requirements¹ (as at 1 January except Q115)

- Minimum CET1 ratio
- Pillar 2A
- Capital conservation buffer (CET1)
- G-SII buffer (CET1)
- Trajectory of fully loaded CET1 ratio, assuming >11% target is met after which we build towards c.12% in end state³
- Distributions subject to mandatory distribution restrictions
- ▲ Sliding scale of restrictions



- Mandatory restrictions to discretionary distributions² will apply to all European banks, under CRD IV, from 1 January 2016 (Art. 162.2 of CRD)
- As outlined in Art. 141 of CRD, mandatory distribution restrictions apply if an institution fails to meet the combined buffer requirement (CBR)³ at which point a Maximum Distributable Amount (MDA) is calculated on a reducing scale
- CBR is phased in from 2016. In end state, we intend to hold an internal management buffer of up to c.150bps above CBR providing prudent headroom to the mandatory distribution restriction point
- As at 1 January 2016, mandatory distribution restrictions on interest payment would apply at 7.2%, stepping up to 10.6% by 2019 when the CRD IV transitional rules are fully phased in¹
- Barclays expects to have full discretion in the allocation of permitted distributions within the MDA

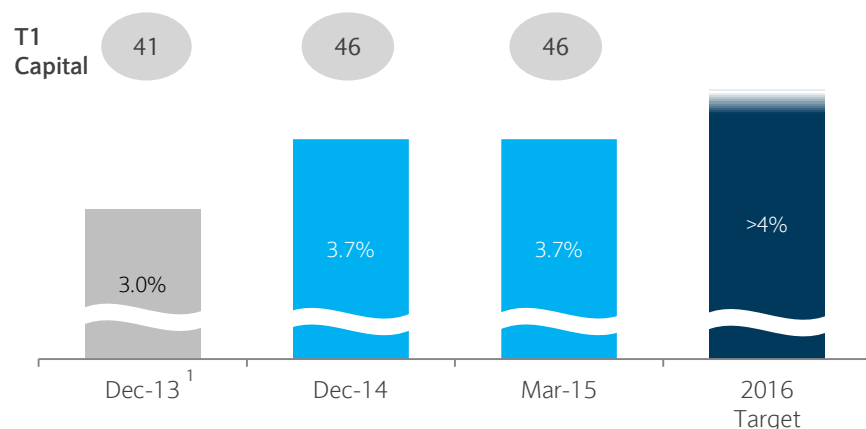
Estimated buffers¹ (fully loaded CET1 ratio vs. AT1 7% trigger and vs. MDA restrictions)

To AT1 7% trigger	c.£14bn	>£16bn	c.£17bn	c.£18bn	c.£20bn
To MDA restriction	n/a	>£15bn	c.£12bn	c.£9bn	c.£6bn

¹ This analysis is presented for illustrative purposes only and is not a forecast of Barclays' results of operations or capital position or otherwise. The analysis is based on certain assumptions, which cannot be assured and are subject to change, including: straight line progress towards meeting our CET1 ratio targets; holding the 2015 P2A requirement constant (which may not be the case as the requirement is subject to at least annual review); and CET1 resources are not required to meet the AT1 or T2 components of the minimum capital requirement. This illustration does not consider proposals in the FSB Consultative Document on the adequacy of loss-absorbing capacity of global systemically important banks in resolution ² Dividends on ordinary shares, interest payments in respect of AT1 securities and variable compensation ³ As per Art. 128(6) of CRD: total CET1 capital required to meet the requirement for the capital conservation buffer, as well as an institution specific countercyclical buffer (CCCB), G-SII buffer, O-SII buffer and systemic risk buffer as applicable. For Barclays this is currently the 2.5% Capital Conservation Buffer and 2% G-SII buffer while the CCCB and other systemic risk and sectoral buffers are assumed to be zero

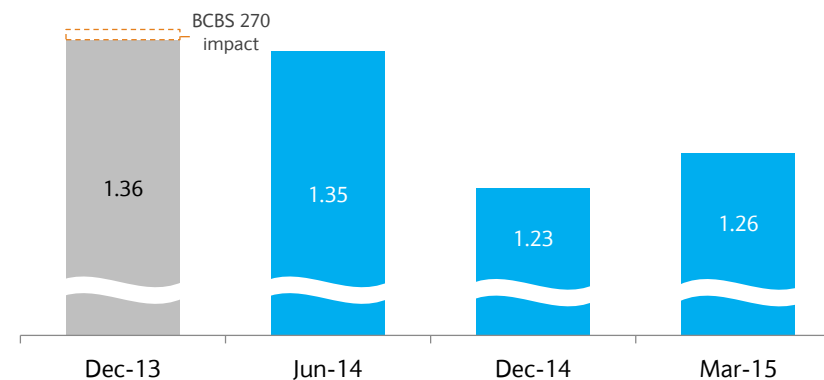
Leverage ratio on track for 2016 target

Leverage ratio progression¹



- Leverage ratio at 3.7% well on track to meet 2016 Transform target of in excess of 4%
- The ratio was maintained as £0.3bn of T1 capital growth was offset by a £22bn increase in leverage exposure
- Leverage ratio already in line with expected minimum end-state requirement of 3.7% as outlined by the Financial Policy Committee

Leverage exposure (£trn)¹



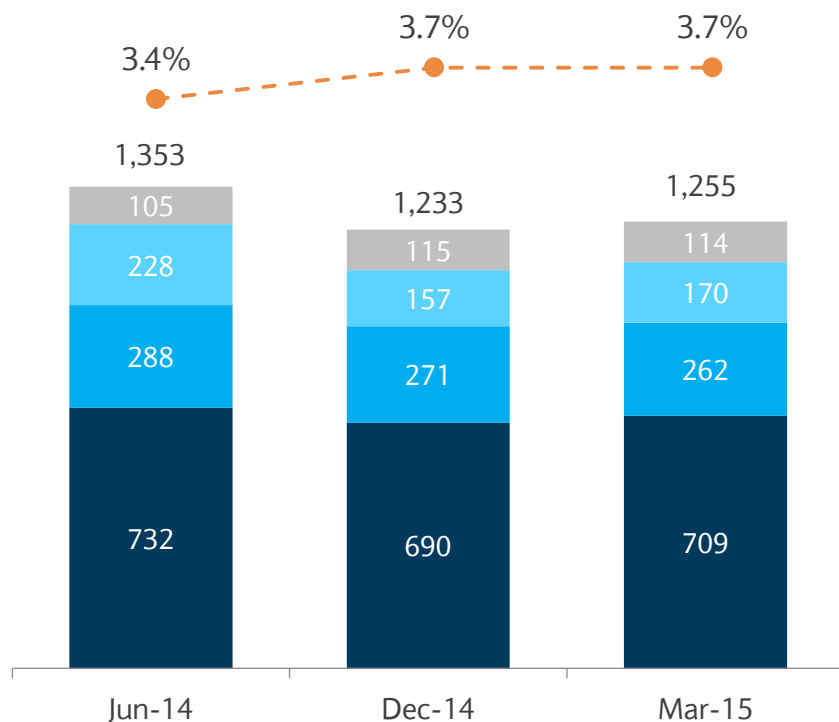
- Leverage exposure increased by £22bn in Q1 2015, mainly due to fluctuations in settlement balances
- Non-Core leverage exposure reduced by £41bn to £236bn primarily driven by the sale of the Spanish business, as well as continued reduction in derivatives exposure reflecting maturities and trade compressions
- Core leverage exposure increased by £63bn driven by an increase in loans and advances and other assets due to the seasonal increase in settlement balances

¹ Mar-15 based on end-point CRR definition of Tier 1 capital for the numerator and the CRR definition of leverage exposure as adopted by the European Union delegated act. This is broadly consistent with the BCBS 270 definition, which was the basis of Jun-14 and Dec-14 comparatives. Dec-13 not comparable to the estimates as of Jun-14 onwards due to different basis of preparation: estimated ratio and T1 capital based on PRA leverage ratio calculated as fully loaded CRD IV T1 capital adjusted for certain PRA defined deductions, and a PRA adjusted leverage exposure measure. |

Leverage ratio maintained at 3.7%

Leverage exposure¹ (£bn)

- L&A and other assets²
- Derivatives
- SFTs
- Undrawn commitments
- Leverage ratio¹



Highlights

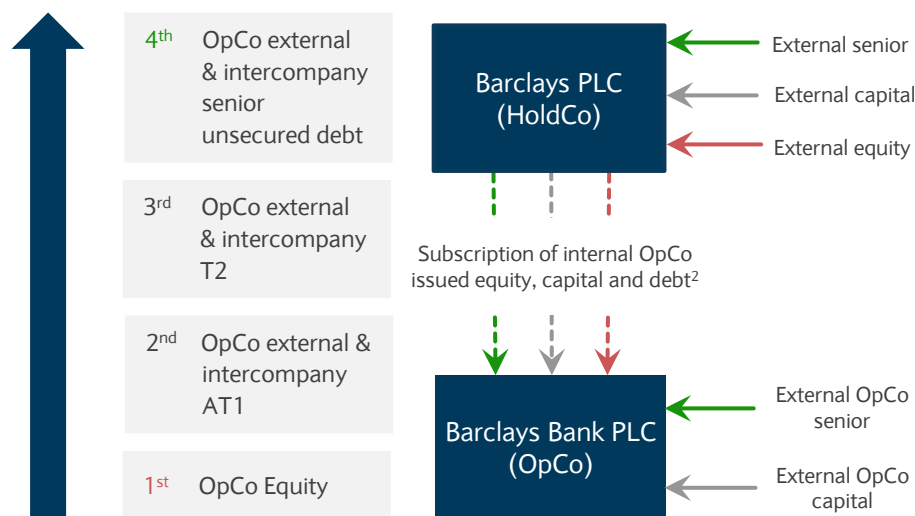
- Leverage exposures during Q1 15 increased by £22bn to £1,255bn
- Loans and advances and other assets increased by £19bn to £709bn primarily due to a seasonal increase in settlement balances, partly offset by a decrease in cash balances
- Net derivatives exposures decreased £9bn due to offsetting moves between IFRS derivatives and allowable netting
- Trade compressions and tear-ups continued to benefit PFE, but reductions achieved during the quarter were largely offset by new activity
- SFT exposure was impacted by reduced netting

¹ Mar-15 based on end-point CRR definition of Tier 1 capital for the numerator and the CRR definition of leverage exposure as adopted by the European Union delegated act. This is broadly consistent with the BCBS 270 definition, which was the basis of Jun-14 and Dec-14 comparatives | ² Loans and advances and other assets net of regulatory deductions and other adjustments |

Holding company transition

Better aligning credit proposition during transition towards a holding company capital and funding model

Expected creditor hierarchy during transition¹



- Losses arise at OpCo, and are transmitted to HoldCo through write-down of intercompany instruments
- HoldCo's losses are limited to its investments (equity and debt) in the OpCo³
- Losses should be allocated in accordance with the insolvency hierarchy, meaning *pari passu* treatment of equal-ranked internal and external claims
- 'No creditor worse off' than in insolvency safeguard expected to apply for senior unsecured debt

Barclays position

- Barclays is committed to issuing most of its capital and term senior unsecured debt out of Barclays PLC, the Holding Company
- To better align the credit proposition between investors in HoldCo and OpCo securities during the transition period, proceeds raised by Barclays PLC have been used to subscribe for capital and senior unsecured term debt in Barclays Bank PLC with corresponding ranking
- As the HoldCo is a creditor of the OpCo alongside OpCo external creditors, respecting the creditor hierarchy should require *pari passu* treatment between internally and externally OpCo issued capital and debt of the same rank¹
- Maturing capital and term senior unsecured debt to be refinanced out of HoldCo during the transition period, making the external creditor hierarchy simpler post transition
 - When required to qualify as TLAC⁴ in a material subsidiary, senior obligations with >1 year residual maturity would need to be downstreamed in subordinated form to its "excluded liabilities"
 - Investment at HoldCo gives exposure to diversified businesses post ring-fencing, comparable to the position of OpCo investors today
- Evolving regulation, including the implementation of MREL beginning 1 Jan 2016 and any subsequent regulatory policy interpretations, may require a change to the current approach. Any change would be communicated to the market

¹ Based on Barclays expectations of the creditor hierarchy in a resolution scenario; assumes internal subordination not imposed during transition | ² Internal issuance in each case currently with ranking corresponding to external HoldCo issuance. Further detail on Barclays PLC parent company balance sheet on slide 18 | ³ Assumes equivalent loss absorption and recapitalisation at HoldCo and OpCo | ⁴ Total loss absorbing capacity (TLAC) as proposed in the FSB Consultative Document on the adequacy of loss-absorbing capacity of global systemically important banks in resolution dated 10 November 2014 |

Barclays PLC parent company accounts

Barclays PLC parent company balance sheet

Balance sheet

	2014	Q1 15	
	Notes	£m	£m
Assets			
Investment in subsidiary		33,743	33,743
Loans and advances to subsidiary		2,866	4,927
Derivative financial instrument		313	232
Other assets		174	1,221
Total assets		37,096	40,123
Liabilities			
Deposits from banks		528	561
Subordinated liabilities		810	839
Debt securities in issue		2,056	4,088
Other liabilities		10	453
Total liabilities		3,404	5,941
Shareholders' equity			
Called up share capital		4,125	4,179
Share premium account		16,684	17,202
Other equity instruments		4,326	4,326
Capital redemption reserve		394	394
Retained earnings		8,163	8,081
Total shareholders' equity		33,692	34,182
Total liabilities and shareholders' equity		37,096	40,123

Notes

- Barclays PLC is the holding company (HoldCo) of the Barclays Group
- The HoldCo's primary assets currently are its investments in, and loans and advances made to, its sole subsidiary, Barclays Bank PLC, the operating company (OpCo)
- As Barclays is committed to issuing most capital and term senior unsecured debt out of the HoldCo going forward, the HoldCo balance sheet is expected to increase

Notes to the parent company balance sheet

Investment in subsidiary

The investment in subsidiary of £33,743m (2014: £33,743m) represents investments made into Barclays Bank PLC, including £4,326m (2014: £4,326m) of Additional Tier 1 (AT1) securities.

Loans and advances to subsidiary and debt securities in issue

During the quarter, Barclays PLC issued £2,032m equivalent of Fixed Rate Senior Notes accounted for as debt securities in issue. The proceeds raised through these transactions were used to make £2,032m equivalent of Fixed Rate Senior Loans to Barclays Bank PLC, with a ranking corresponding to the notes issued by Barclays PLC.

Proxy Total Loss Absorbing Capacity (TLAC)¹

(£bn)	Mar-15
PRA transitional Common Equity Tier 1 capital	42
PRA transitional Additional Tier 1 regulatory capital	11
<i>Barclays PLC (HoldCo)</i>	4
<i>Barclays Bank PLC (OpCo)</i>	7
PRA transitional Tier 2 regulatory capital	14
<i>Barclays PLC (HoldCo)</i>	1
<i>Barclays Bank PLC (OpCo)</i>	13
PRA transitional total regulatory capital	67
HoldCo term non-structured senior unsecured debt ²	4
OpCo term non-structured senior unsecured debt ³	26
Total term non-structured senior unsecured debt	97
RWAs	396
Leverage exposure	1,255
Proxy risk-weighted TLAC ratio	~ 24%
Proxy leverage based TLAC ratio	~ 8%

- Proactive transition towards a HoldCo funding and capital model positions us well to meet potential future TLAC requirements
- While requirements remain to be set, Barclays current expectation is a multi-year conformance period
- Majority portion of OpCo term senior unsecured debt maturing before 2019 which can be refinanced from HoldCo
- Based on Barclays current interpretation of TLAC requirements, proxy TLAC ratio is 24%⁴ on the assumption that Barclays Bank PLC term non-structured senior unsecured debt is refinanced from HoldCo and subordinated to OpCo excluded liabilities
- Currently do not intend to use HoldCo senior unsecured debt proceeds to subscribe for OpCo liabilities on a subordinated basis until required to do so
- The future TLAC-ratio will further benefit from CET1 capital growth and AT1 issuance towards end-state expectations
- As TLAC rules are finalised, and as we approach implementation date, we will assess the appropriate composition and quantum of our future TLAC stack

¹ For illustrative purposes only reflecting Barclays interpretation of the FSB Consultative Document on "Adequacy of loss-absorbing capacity of global systemically important banks in resolution", published 10 November 2014, including certain assumptions on the inclusion or exclusion of certain liabilities where further regulatory guidance is necessary. Evolving regulation, including the implementation of MREL beginning 1 Jan 2016 and any subsequent regulatory policy interpretations, may require a change to the current approach | ² Barclays PLC issued senior unsecured term debt assumed to qualify for consolidated TLAC purposes | ³ Comprise all outstanding Barclays Bank PLC issued public and private term senior unsecured debt, regardless of residual maturity. This excludes £35bn of notes issued under the structured notes programmes | ⁴ Including the 4.5% combined buffer requirement which needs to be met in CET1. The combined buffer requirement comprises a 2% G-SII buffer and 2.5% capital conservation buffer on a fully phased in basis.

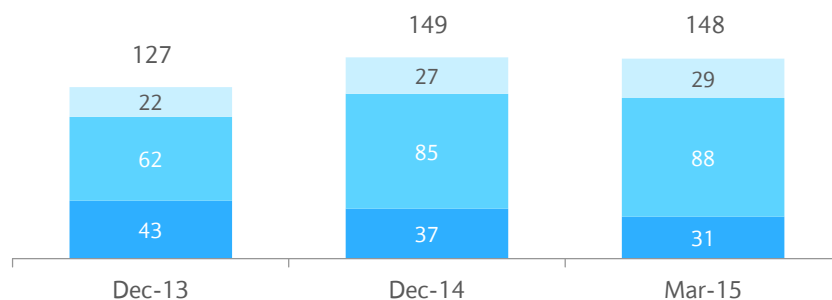


Liquidity & Funding

Maintaining a robust liquidity position, with pool well in excess of internal and external minimum requirements

High quality liquidity pool (£bn)

■ Cash & Deposits at Central Banks ■ Government Bonds ■ Other Available Liquidity



Estimated CRD IV/Basel 3 liquidity ratios

Metric	Dec-14	Mar-15	Expected 100% requirement date
LCR ¹	124%	122%	1 January 2018
Surplus	£30bn	£28bn	
NSFR ²	102%	n/a	1 January 2018

Surplus to 30-day Barclays-specific LRA (as at 31 December 14)

	2013	2014
LRA	104%	124%
Surplus	£5bn	£29bn

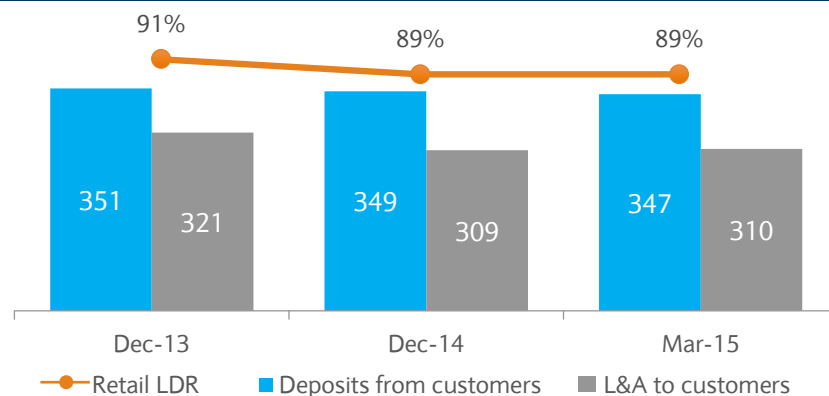
Key messages

- Stable liquidity position with the Group liquidity pool maintained at £148bn, providing a surplus to internal and external minimum requirements
- Quality of the pool remains high:
 - 81% held in cash, deposits with central banks and high quality government bonds
 - 94% of government bonds are securities issued by UK, US, Japanese, French, German, Danish, Swiss and Dutch sovereigns
- Even though not a regulatory requirement, the size of our liquidity pool is over 1.8x that of wholesale debt maturing in less than a year
- Additional significant sources of contingent funding in the form of high quality assets pre-positioned with central banks globally

¹ LCR estimated based on the EU delegated act | ² Estimated based on the final BCBS rules published in October 2014 |

We maintain access to stable and diverse sources of funding, across customer deposits and wholesale debt

Broadly self-funded retail businesses¹ (£bn)

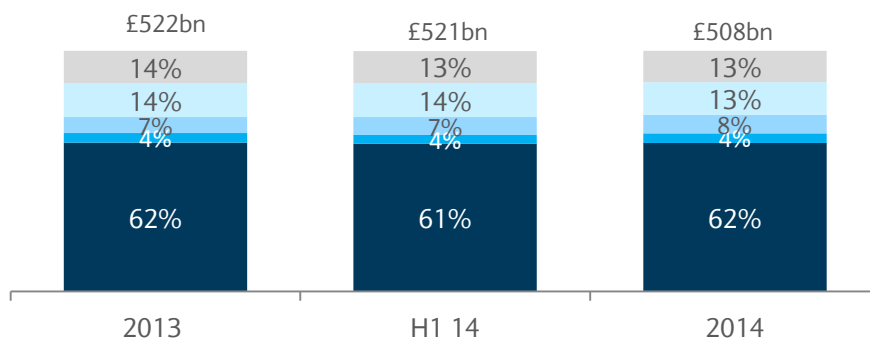


Key messages

- Group Loan to Deposit Ratio (LDR) and the LDR for PCB, Barclaycard and Africa Banking at 101% and 89% respectively¹
- Excess customer deposits in PCB, Barclaycard and Africa Banking predominantly used to fund the liquidity buffer requirements for these businesses, making them broadly self funded
- Overall funding requirements for the Group reducing as Non-Core assets are run down

Total funding (excluding BAGL, as at 31 December 14)

■ Customer deposits ■ Secured term funding ■ Sub. debt
 ■ Short-term debt and other deposits ■ Unsecured term funding



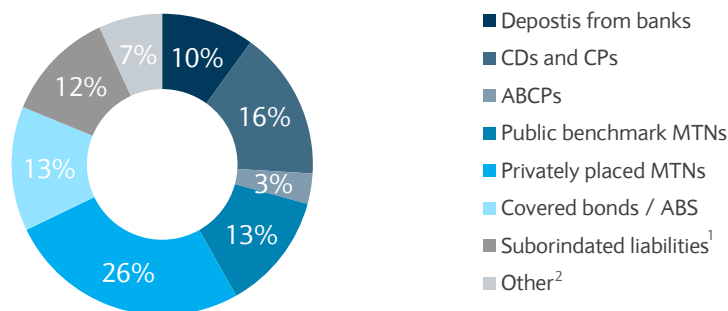
2015 Funding Plan

- We guided to issuance of a gross amount of £10-15bn in 2015 across public and private senior unsecured, secured and subordinated debt. This is materially below term maturities of £23bn in 2015, of which £14bn remaining this year
- In Q1 15, we issued £4bn publicly against this plan, including \$3bn of senior unsecured debt from the HoldCo in two transactions, a £1bn covered bond from Barclays Bank PLC, and a \$500m US cards securitisation from Barclays Bank Delaware
- We intend to maintain access to diverse sources of wholesale funding, through different products, currencies, maturities and channels
- We expect to be a regular issuer of AT1 securities over the next few years

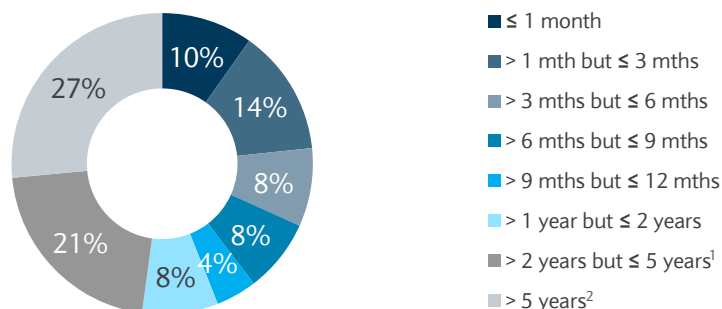
¹ LDR for PCB, Barclaycard, Africa Banking and Non-Core retail |

Continue to access diverse wholesale funding sources across multiple products, currencies and maturities

Wholesale funding by product (as at 31 December 2014)



By remaining maturity¹: WAM net of liquidity pool ≥ 105 months



By currency ¹	USD	EUR	GBP	Others
As at 31 December 2014	35%	32%	25%	8%
As at 31 December 2013	35%	36%	19%	10%

Key messages

- Overall funding requirements for the Group reducing as we de-lever the balance sheet. However, total wholesale funding (excluding repurchase agreements) increased in Q1 15 to £178bn, an increase of £7bn from 31 December 2014
 - £82bn matures in less than one year, while £22bn matures within one month (31 December 2013: £82bn and £20bn respectively)
- £4bn of term funding (net of early redemptions) issued in 2015. Activity includes:
 - \$3bn public benchmark senior unsecured debt issued by Barclays PLC
 - £1bn of Covered bonds issued by Barclays Bank PLC
- We have £23bn of term funding maturing in 2015 (£14bn remaining for April to December) and £13bn maturing in 2016
- We expect to issue a gross amount of £10-15bn in 2015 across public and private senior unsecured, secured and subordinated debt and to maintain a stable and diverse funding base by type, currency and distribution channel

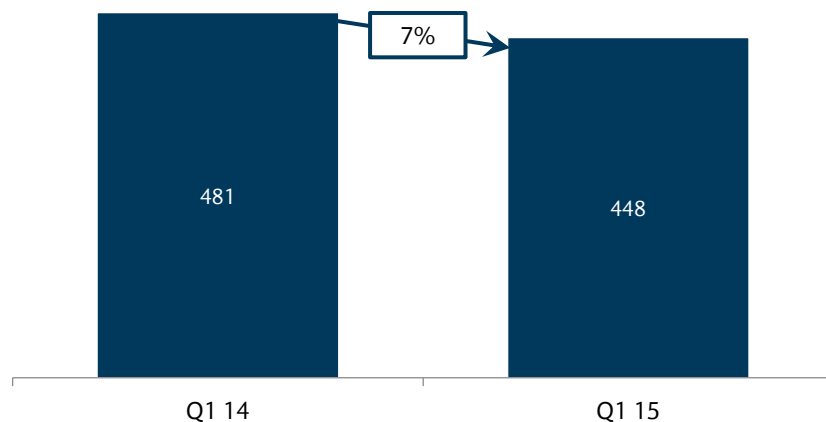
¹ Given different accounting treatments, AT1 capital is not included in outstanding subordinated liabilities, while T2 contingent capital notes are included | ² Primarily comprised of fair valued deposits (£5bn) and secured financing of physical gold (£5bn) |



Asset quality

Continued strong asset quality

Impairment charge (£m)



Highlights

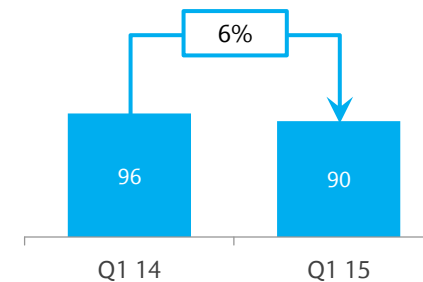
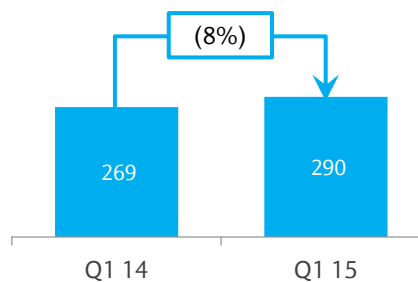
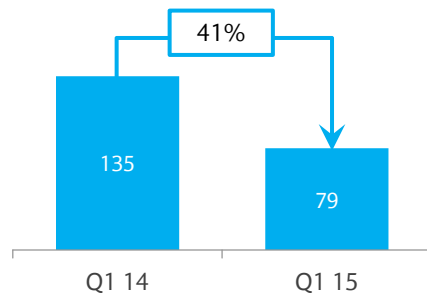
- Credit impairment improved 7% to £448m, principally reflecting lower impairments in PCB
- PCB benefitted from the improving economic environment in the UK, resulting in lower default rates and charges in corporate
- Barclaycard impairment increased 8% and was accompanied by loans and advances growth of 15%. The loan loss rate reduced 20bps to 305bps
- Africa Banking impairment improved 6% to £90m principally due to reduced charges in South Africa mortgages

Personal and Corporate Banking

Barclaycard

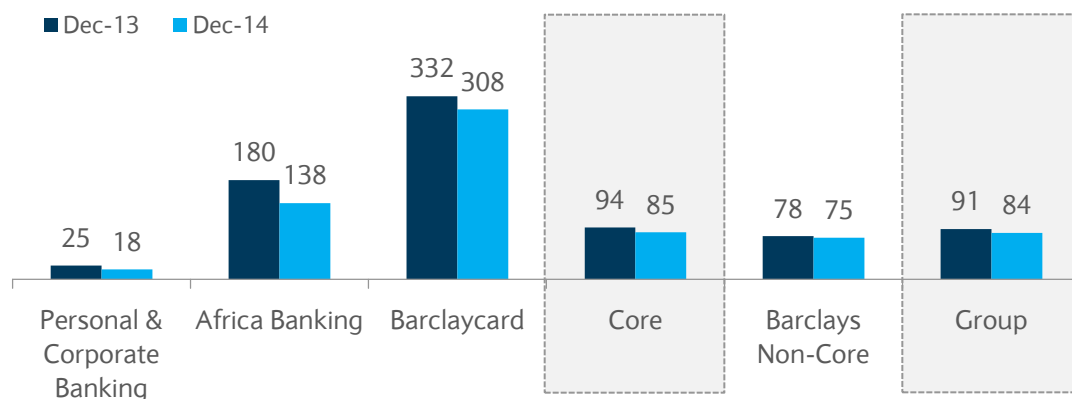
Africa Banking

Impairment (£m)



Group impairment stable (31 December 2014)

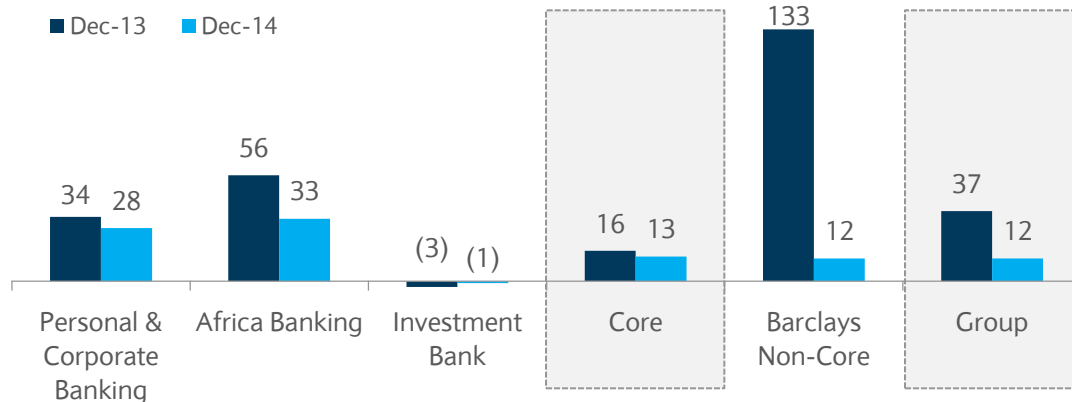
Retail loan loss rate (bps)



Highlights

- Declining Loan Loss Rate (LLR) trend across the Group reflecting Barclays' well-managed and conservative risk profile
- The Group LLR of 46bps remains significantly below the longer term average of 88bps
- Group LLRs declining in both retail and wholesale in line with improving macro economic conditions

Wholesale loan loss rate (bps)

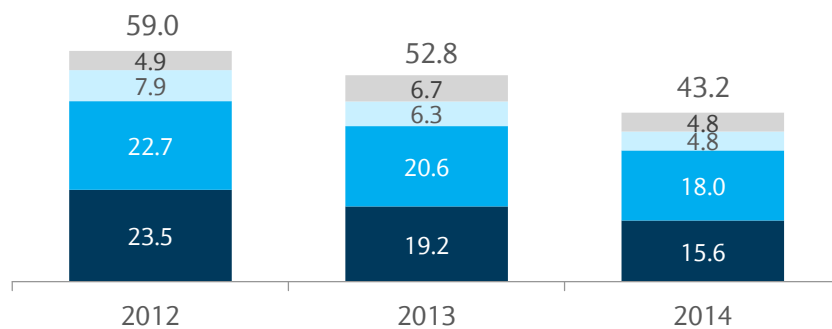


$$\text{LLR} = \frac{\text{Annualised impairment charge}}{\text{Gross loans and advances}}$$

Reduced exposure to Eurozone periphery (31 December 14)

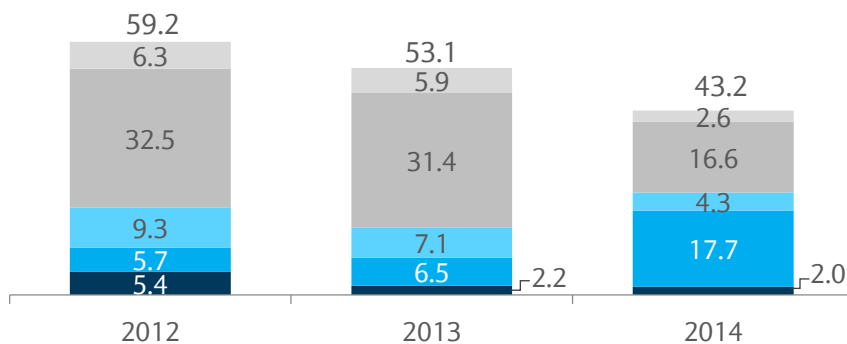
Exposures by geography (£bn)¹

■ Spain ■ Italy ■ Portugal ■ Ireland



Exposures by asset class (£bn)

■ Sovereign ■ Financial institutions ■ Corporate
 ■ Residential mortgages ■ Other retail lending



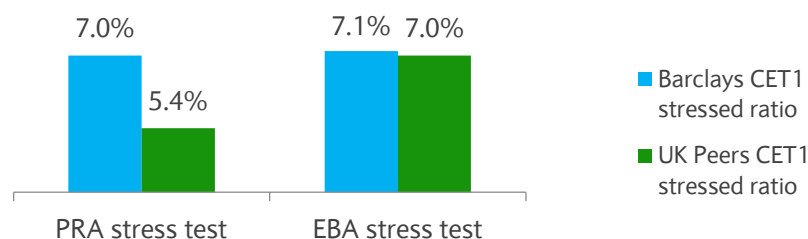
Key Messages

- The vast majority of the exposures to Spain have been disposed of as of 2 January 2015
- Exposure to Spain, Italy, Portugal and Ireland reduced further, down 18% to £43.2bn in December 2014 in line with Non-Core strategy
- £1bn of outstanding ECB LTRO as at 31 December 2014
- Local net funding mismatches decreased
 - Portugal: €1.9bn funding gap (2013: €3bn)
 - Italy: €9.9bn funding gap (2013: €11.6bn)
- We continue to explore options to exit our other European retail and corporate exposures or materially reduce the capital they consume

¹ Net on balance sheet

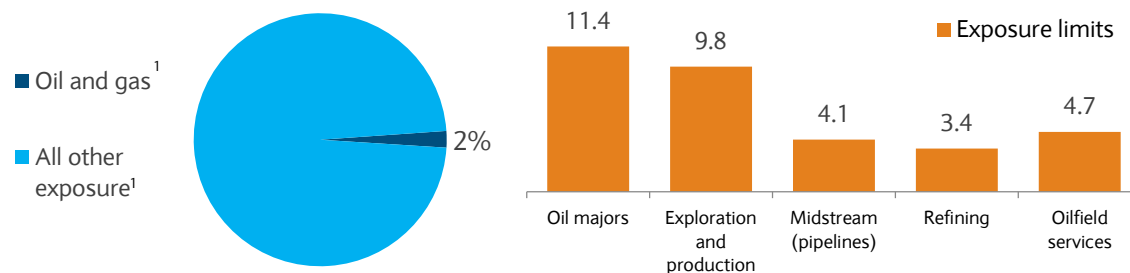
Risk – Minimising potential headwinds

Passing stress tests – stressed CET1 ratios



- Barclays has always maintained internal stress tests
- Barclays passed both the PRA and EBA stress tests in 2014, with stressed CET1 ratios ahead of UK peers
- Under the PRA test, the 7.0% represents pre-management actions, and significantly above the 4.5% minimum threshold

Managing sector exposures (£bn) (as at 31 December 2014)

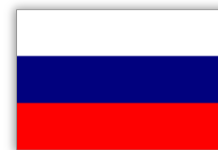


- Investment grade makes up c.90% of limits in oil and gas

Managing country exposures (as at 31 December 2014)



- Total net exposure of £27m in Greece



- No material operations in Russia, with <£2bn exposure in relation to financing and trading counterparties

¹ Total on and off balance sheet



Credit ratings

Recent industry-wide credit rating agency (CRA) action reflects evolving resolution frameworks

Ratings (29 May 15) ¹	S&P	Moody's	Fitch
Standalone rating	bbb+	Baa2	a
Barclays PLC (B PLC - HoldCo)			
Senior long-term	BBB / Stable	Baa3 / Stable	A / Stable
Senior short-term	A-2	P-3	F1
Tier 2	BB+	Baa3	A-
AT1	B	-	BB+
Barclays Bank PLC (BB PLC - OpCo)			
Senior long-term	A (CWN ²) ↓	A2 / Stable	A / Stable
Senior short-term	A-1 (CWN ²) ↓	P-1	F1
T2 CoCos	BB+	-	BBB-
UT2	BB+	Ba1	BBB
LT2	BBB-	Baa3/Ba1	A-
Tier 1	BB	Ba1/Ba2	BBB-/BB+
Rating action YTD 2015 – Industry wide	<ul style="list-style-type: none"> Certain UK, German, Austrian and Swiss non-operating holding companies downgraded Ratings of most UK, German and Austrian bank operating companies put on negative watch 	<ul style="list-style-type: none"> Bank rating actions globally following implementation of new bank rating methodology and reassessment of the likelihood of sovereign support 	<ul style="list-style-type: none"> Took action on sovereign support on 19 May 2015
Rating action YTD 2015 – Barclays specific	3 Feb 2015: <ul style="list-style-type: none"> B PLC's long-term senior ratings downgraded by two notches to BBB BB PLC's senior ratings put on CWN 	28 May 2015: <ul style="list-style-type: none"> B PLC's long-term senior rating downgraded by 3 notches to Baa3 due to removal of sovereign support B PLC's subordinate ratings upgraded by 1 notch to Baa3 due to application of "loss given failure" analysis 17 Mar 15: BB PLC's senior rating affirmed and outlook changed to Stable	<ul style="list-style-type: none"> No impact on Barclays as the standalone credit rating did not benefit from sovereign support uplift
Next steps & potential impact on Barclays ratings	<ul style="list-style-type: none"> CWN likely to be resolved by 'early June' Potential downgrade³ of BB PLC's senior ratings due to removal of 2 sovereign support notches, potentially partially offset by S&P's criteria for "Additional Loss Absorbing Capacity" Action on banks domiciled in countries that implement BRRD bail-in powers in Jan-16 expected late 2015 the earliest 	-	-

- Recent industry-wide CRA announcements driven by evolving resolution frameworks:
 - Reassessment of the likelihood of sovereign support for senior creditors resulting in downward pressure on senior credit ratings
 - Ratings methodology updates and changes to reflect cushion of junior debt that would absorb losses ahead of senior bank creditors may partially or fully offset sovereign support notch removal
- There has been no impact on Barclays standalone credit ratings which carries a stable outlook by all credit rating agencies
- Action on bank HoldCos more punitive:
 - No uplift for loss absorbing capacity provided to senior creditors to offset sovereign support notch removal, and/or
 - Expected increase in thickness of the senior layer which will benefit LGD over time not taken into account
- As implementation of bank resolution frameworks are progressing at different pace across jurisdictions, timelines for CRA action may differ

¹ Definitions of securities classes for comparison purposes and not necessarily in line with the respective CRA's own definitions | ² CreditWatch with negative implications | ³ Potential impact based on Barclays interpretation of S&P's public announcements. Actual ratings changes may be different as the outcome of the CWN review is at the discretion of S&P |

Barclays manages and reserves for potential rating actions in the liquidity pool (31 December 2014)

Contractual credit rating downgrade exposure		
Total cumulative cash outflow (£bn)	One-notch	Two-notch
Securitisation derivatives	5	6
Contingent liabilities	8	8
Derivatives margining	-	1
Liquidity facilities	1	2
Total	14	17

Key Messages

Contractual outflows

- Potential outflows related to a multiple-notch credit downgrade of Barclays Bank PLC are included in the liquidity risk appetite (LRA)
- The table on the left hand side shows contractual collateral requirements and contingent obligations following potential future one and two notch long-term and associated short-term simultaneous downgrades of Barclays Bank PLC across all credit rating agencies¹

Behavioural outflows

- During 2014 the Group strengthened its liquidity position, building a larger surplus to its liquidity risk appetite
- This positions the Group well for any potential contractual or behavioural outflows as a consequence of the potential loss of the A-1 short term rating for Barclays Bank PLC by S&P as the credit rating agency assess sovereign support notches in its ratings

¹ These numbers do not include the potential liquidity impact from loss of unsecured funding, such as from money market funds or loss of secured funding capacity |

Summary

Business model

- Diversified international bank focused on delivering improved and more sustainable returns
- Concentrating on high growth opportunities where we have competitive advantage, eliminating marginal businesses and sharpening our focus on costs

Capital

- Strengthened capital position with fully loaded CRD IV CET1 ratio of 10.6% as at 31 March 2015, on track to deliver a ratio of greater than 11% in 2016
- Building on good track record in reducing RWAs as we run-down Barclays Non-Core and reinvest in Core businesses outside of the Investment Bank

Leverage

- Leverage ratio maintained at 3.7% as at 31 March 2015, close to our target of greater than 4% in 2016
- Additional planned reductions in leverage exposure by 2016 mainly through reduction in Barclays Non-Core and the Core Investment Bank

Liquidity & funding

- Diversified funding base, combining customer deposits and wholesale funding, in multiple currencies and different maturities
- Robust liquidity position, well positioned to meet anticipated future regulatory requirements

Regulation

- Proactive and practical approach to managing regulatory changes
- Established track record of adapting to regulatory developments.



Appendix

Repositioning and simplifying Barclays

Rightsizing and focusing the Investment Bank

Establishing a dedicated Non-Core unit and a new Personal and Corporate Banking business

Allocating capital to growth businesses

Delivering a structurally lower cost base

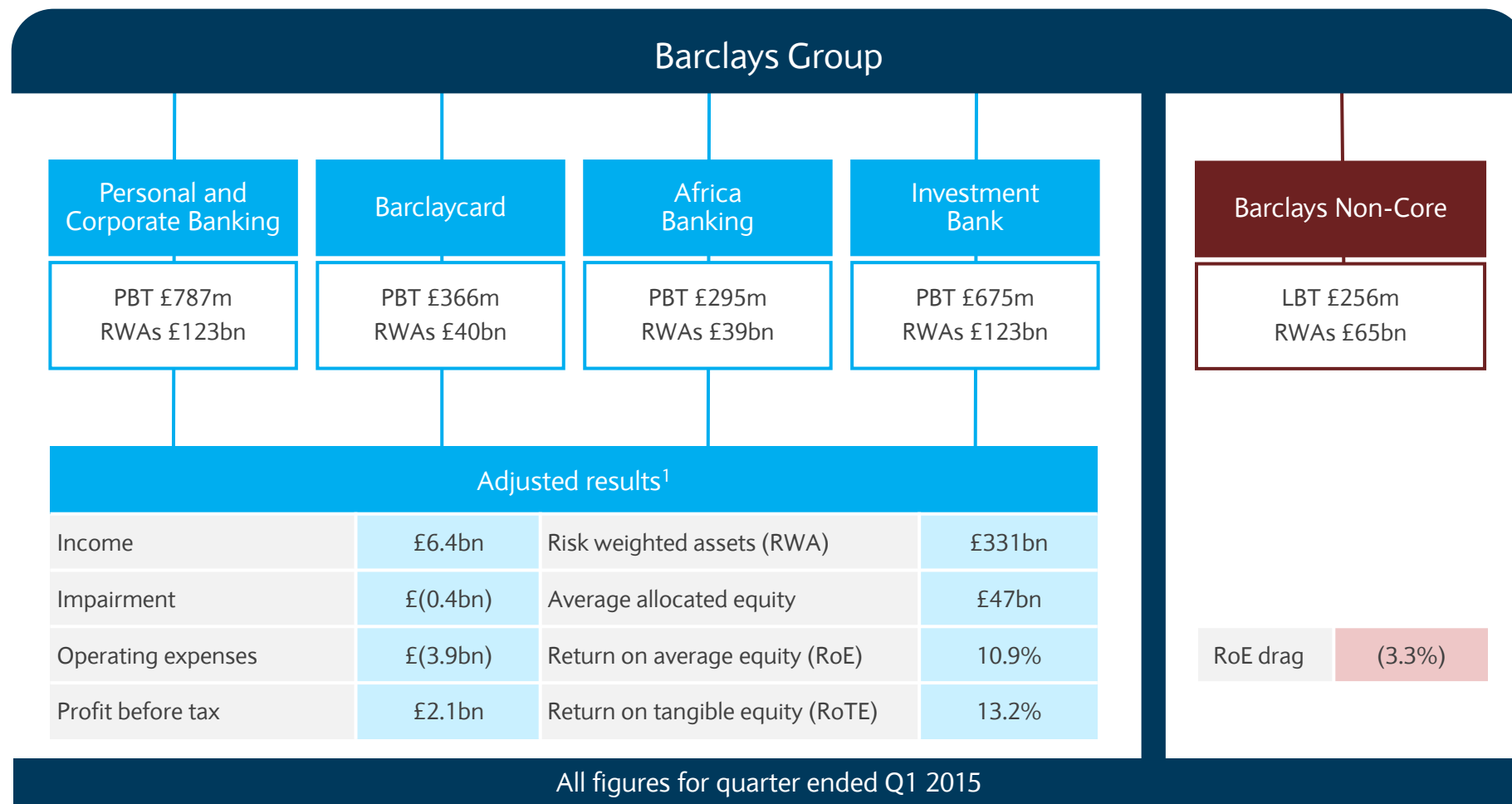
Generating higher and more sustainable returns

2016 Transform targets

		2016 Target	Q1 2015
Group	Capital	CRD IV FL CET1 ratio >11.0%	10.6%
	Leverage	Leverage ratio >4.0%	3.7%
	Dividend	Payout ratio 40-50%	1p ¹
Barclays Core	Returns	Adjusted RoE >12%	11.6% ²
	Cost	Adjusted operating expenses <£14.5bn	£3.8bn ³
Barclays Non-Core	Returns	Drag on adjusted RoE <(3%)	(3.3%)

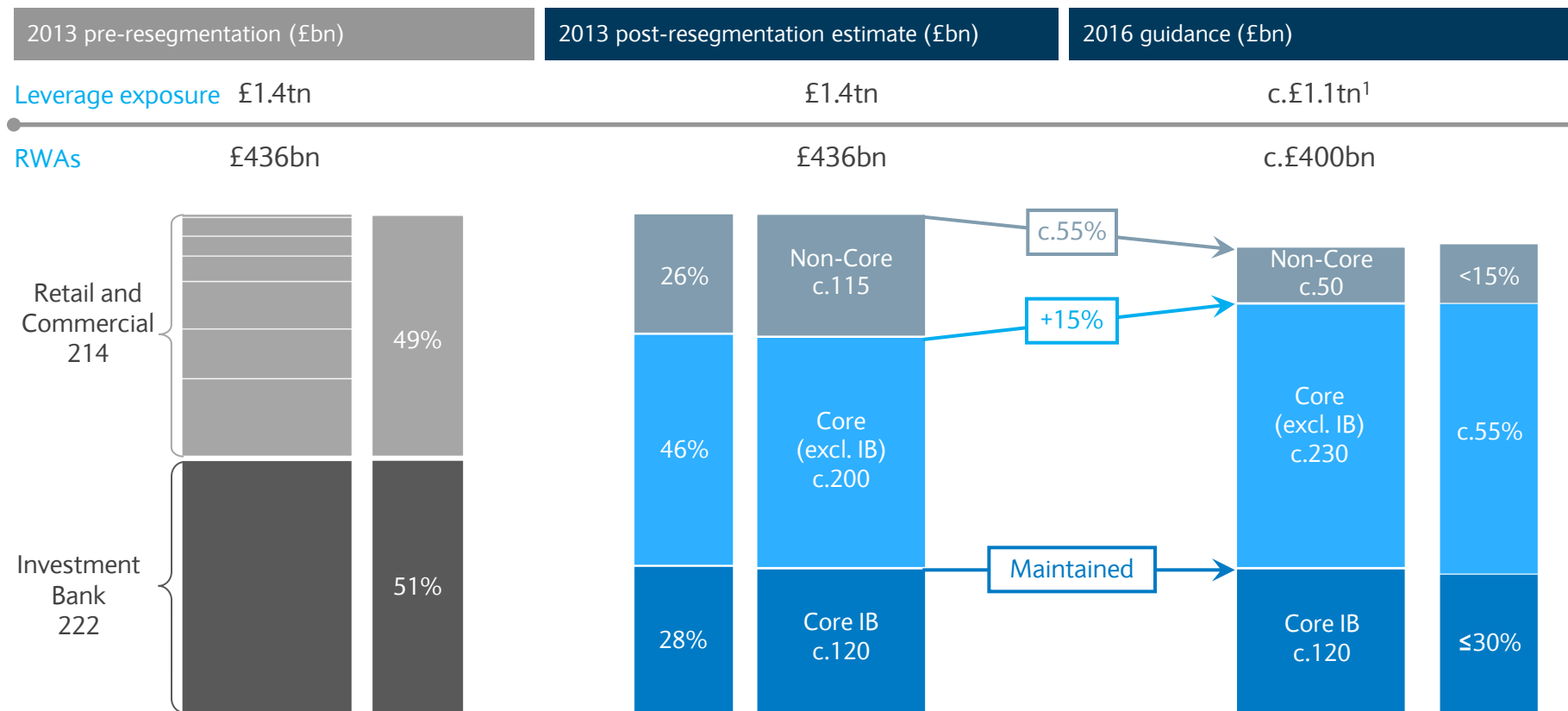
¹ Dividend per share paid for the quarter - payout ratio is not meaningful at Q1 | ² Excluding CTA. Adjusted RoE including CTA is 10.9% | ³ Excluding CTA. Bank Levy is accounted for in Q4 each year |

Simpler, focused and balanced structure



¹ Includes Head Office as part of Core, representing £6bn RWAs and £19m loss before tax |

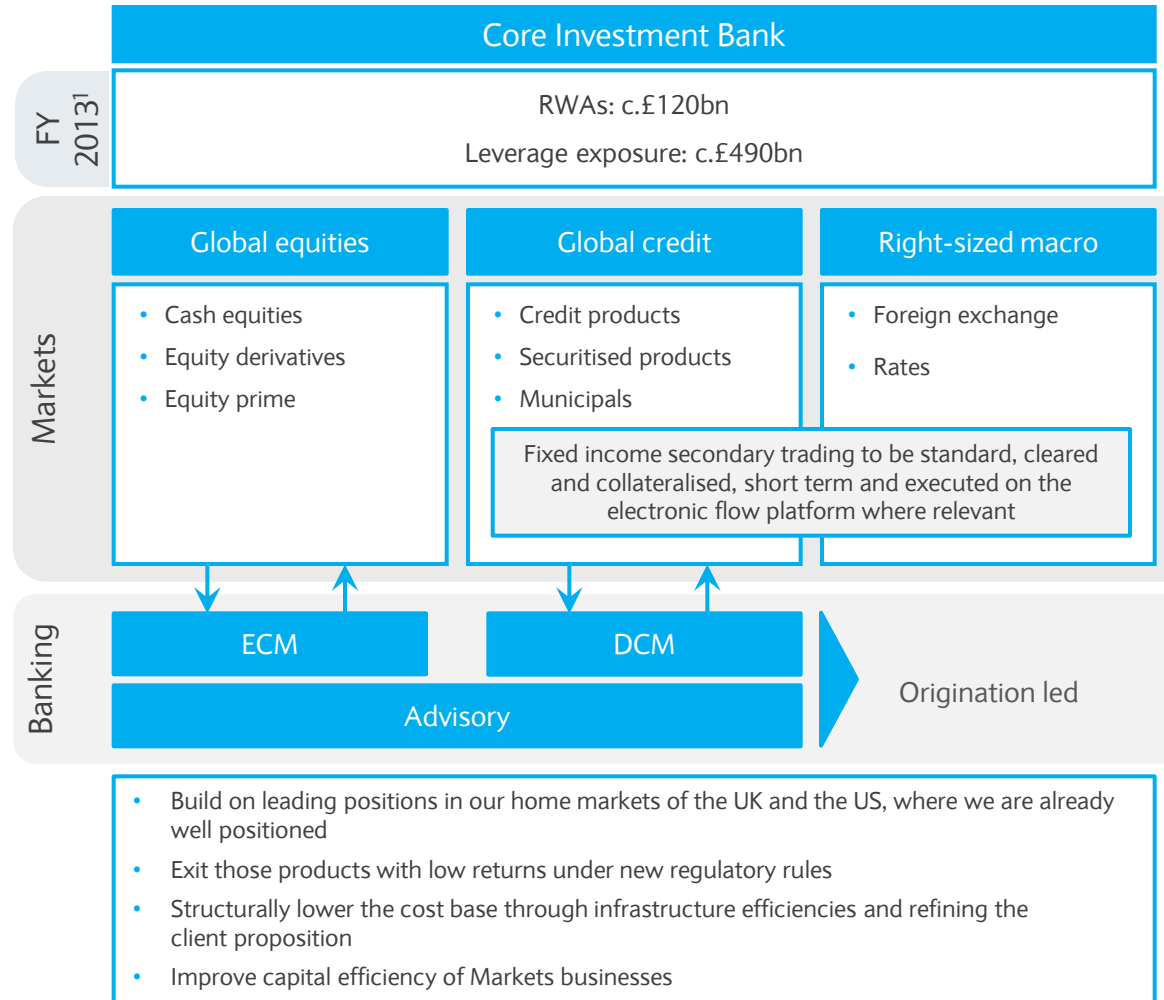
Reducing and reallocating RWAs to drive growth and returns



The Core Investment Bank will represent no more than 30% of the Group's RWAs

¹ 2016 leverage exposure estimated on the basis of calculation methodology set out in BCBS Jan-14 proposals. All other regulatory metrics calculated on a CRD IV basis

Core Investment Bank: Building on competitive advantages



¹ CRD IV basis |

PCB: Profits up 14%

Three months ended – March (£m)	2014	2015	% change
– <i>Personal</i>	1,026	1,009	(2%)
– <i>Corporate</i>	879	907	3%
– <i>Wealth</i>	268	258	(4%)
Income	2,173	2,174	-
Impairment	(135)	(79)	41%
Total operating expenses	(1,355)	(1,310)	3%
– <i>Costs to achieve Transform</i>	(57)	(42)	26%
Profit before tax	688	787	14%

Financial performance measures		
Average allocated equity	£17.4bn	£18.1bn
Return on average tangible equity	14.7%	17.1%
Return on average equity	11.1%	12.9%
Cost:income ratio ¹	62%	60%
Loan loss rate	25bps	14bps
Net interest margin	2.99%	3.02%
	Mar-14	Mar-15
Loans and advances to customers	£215.5bn	£219.0bn
Customer deposits	£297.2bn	£298.1bn
CRD IV RWAs	£116.1bn	£122.5bn

¹ Q1 15 CIR excluding CTA was 58% |

Financial performance

- Income was in line at £2,174m:
 - Personal income reduced 2% driven by a reduction in fee income and mortgage margin pressure from existing customer rate switching, partially offset by improved deposit margins
 - Corporate income increased 3% due to improved deposit margins and balance growth in both lending and deposits, partially offset by reduced margins in the lending business
 - Wealth income reduced 4% to £258m
- Net interest margin improved to 3.02% primarily due to the revised overdraft proposition and higher savings and deposit margins in personal and corporate businesses, partially offset by margin compression in mortgages and the corporate lending business
- Credit impairment charges improved 41% due to the positive economic environment in the UK resulting in lower default rates and charges in corporate, with a resulting loan loss rate of 14bps
- Costs reduced 3% reflecting savings from Transform programmes, including headcount reductions and branch network rationalisation
- Positive jaws contributed to an increased RoE of 12.9%, while RoTE improved to 17.1%

Barclaycard: Income up 9% and RoE of nearly 17%

Three months ended – March (£m)	2014	2015	% change
Income	1,042	1,135	9%
Impairment	(269)	(290)	(8%)
Total operating expenses	(415)	(490)	(18%)
– <i>Costs to achieve Transform</i>	(13)	(25)	(92%)
Profit before tax	368	366	(1%)

Financial performance measures		
Average allocated equity	£5.6bn	£6.3bn
Return on average tangible equity	22.6%	21.0%
Return on average equity	18.2%	16.6%
Cost:income ratio	40%	43%
Loan loss rate	325bps	305bps
Net interest margin	9.19%	8.78%
	Mar-14	Mar-15
Loans and advances to customers	£31.9bn	£36.8bn
Customer deposits	£5.8bn	£8.0bn
CRD IV RWAs	£36.4bn	£39.9bn

Financial performance

- Income increased 9% to £1,135m driven by US cards and Barclaycard Business Solutions
 - Net interest margin reduced to 8.78% (Q1 14: 9.19%) due to change in product mix with relatively stronger growth in the lower margin US cards and Barclays Partner Finance businesses, but strongly up from 8.13% reported for Q4 14
 - Non-interest income increased 6% to £314m due to growth in US cards and Barclaycard Business Solutions, partially offset by the impact of interchange fee reductions in Europe
- Credit impairment charges increased 8% to £290m and was accompanied by loans and advances growth of 15%. The loan loss rate reduced 20bps to 305bps
- Costs increased 18% primarily reflecting business growth
- PBT decreased slightly to £366m and attributable profit rose to £259m (2014: £254m)

Africa Banking: Profits up 23%

Three months ended – March (£m)	2014	2015	% change
Income	878	948	8%
Impairment	(96)	(90)	6%
Total operating expenses	(546)	(565)	(3%)
– <i>Costs to achieve Transform</i>	(9)	(6)	33%
Profit before tax	240	295	23%

Financial performance measures		
Average allocated equity ²	£3.7bn	£4.1bn
Return on average tangible equity ²	15.5%	14.7%
Return on average equity ²	11.1%	10.8%
Cost:income ratio	62%	60%
Loan loss rate	104bps	94bps
Net interest margin	5.91%	5.91%
	Mar-14	Mar-15
Loans and advances to customers	£35.0bn	£35.7bn
Customer deposits	£34.0bn	£35.0bn
CRD IV RWAs	£36.6bn	£39.3bn

Financial performance¹

Currency movements had a limited effect on Q1 year on year comparisons. Discussion of business performance is therefore based on reported results in GBP:

- PBT increased 23%, driven by 8% income growth exceeding 3% cost growth
- Net interest income increased 6% to £533m, driven by higher loans to customers in Corporate and Investment Banking (CIB) and customer deposits in Retail and Business Banking
- Non-interest income increased 11% to £415m, reflecting transactional income growth in South Africa and trading income in CIB
- Credit impairment charges decreased 6% to £90m, driven by reduced impairments in the South Africa mortgages portfolio and business banking
- Costs increased 3% reflecting inflationary pressures, resulting in higher staff costs, partially offset by the benefits of Transform programmes
- RoE was 10.8% and RoTE was 14.7%

¹ Africa Banking business unit performance based on BAGL results, including Egypt and Zimbabwe | ² Barclays share of the statutory equity of the BAGL entity (together with that of the Barclays Egypt and Zimbabwe businesses which remain outside the BAGL corporate entity), as well as the Barclays' goodwill on acquisition of these businesses. The tangible equity for RoTE uses the same basis but excludes both the Barclays' goodwill on acquisition and the goodwill and intangibles held within the BAGL statutory equity |

Investment Bank: Profits up 37%

Three months ended – March (£m)	2014	2015	% change
Banking	616	632	3%
Markets	1,489	1,517	2%
– Credit	346	274	(21%)
– Equities	591	619	5%
– Macro	552	624	13%
Income ¹	2,103	2,149	2%
Impairment release	19	11	(42%)
Total operating expenses	(1,631)	(1,485)	9%
– Costs to achieve Transform	(130)	(31)	76%
Profit before tax	491	675	37%

Q4 14	% change
638	(1)%
1,028	48%

Financial performance – Q1 15 vs. Q1 14

- PBT rose 37% driven by income up 2% and costs down 9%
- RoE improved to 9.1%, or 9.6% excluding CTA
- Income increased 2% to £2,149m:
 - Banking increased 3% driven by higher debt and equity underwriting fees, partially offset by a decrease in advisory fees and lending
 - Macro increased 13% due to higher income in rates and currency products, reflecting increased client activity and market volatility
 - Credit decreased 21% driven by lower income in distressed credit, but recovered strongly from Q4 14 due to increased client activity
 - Equities increased 5% driven by cash equities and equity financing, partially offset by equity derivatives
- Costs decreased 9% due to lower CTA and compensation costs, as well as savings from Transform programmes, including business restructuring and operational streamlining

Financial performance measures		
Average allocated equity	£15.4bn	£15.4bn
Return on average tangible equity	6.4%	9.7%
Return on average equity	6.1%	9.1%
Cost:income ratio	78%	69%
	Mar-14	Mar-15
CRD IV RWAs	£125.2bn	£123.0bn

¹ Includes 'Other' income |

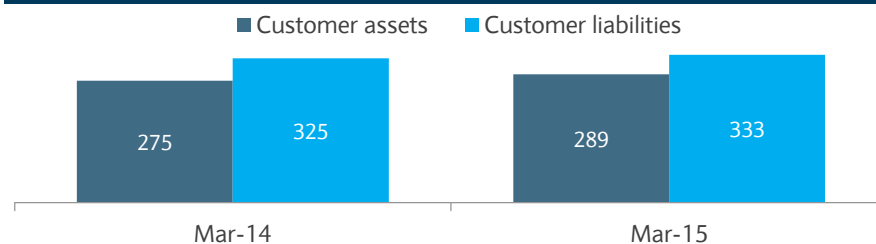
Core income: growth in net interest income and margin

Core income (£m)

Three months ended – March	Total income		NII		
	2014	2015	2014	2015	Δ
Personal and Corporate Banking	2,173	2,174	1,528	1,601	5%
Barclaycard	1,042	1,135	746	821	10%
Africa Banking	878	948	503	533	6%
Investment Bank	2,103	2,149			
Total Core¹	6,277	6,420			

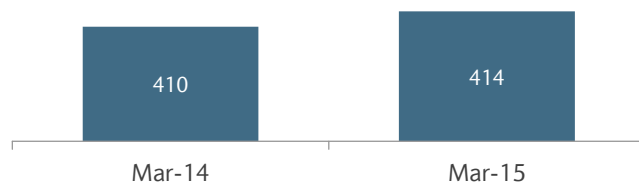
- Improved performance in income across all businesses
- NII for our retail and corporate businesses² grew 6%, reflecting an increase in customer assets and NIM:
 - PCB grew NII 5% driven by lending and deposit growth and margin improvement
 - Barclaycard grew NII 10% driven by volume growth
 - Africa Banking income was up 8%, with NII up 6%

Average customer assets and liabilities² (£bn)



- Average customer assets increased 5% to £289bn, with growth in PCB, Barclaycard, and Africa Banking
- Average customer liabilities increased 2% to £333bn, with growth in all three businesses

Net interest margin² (bps)



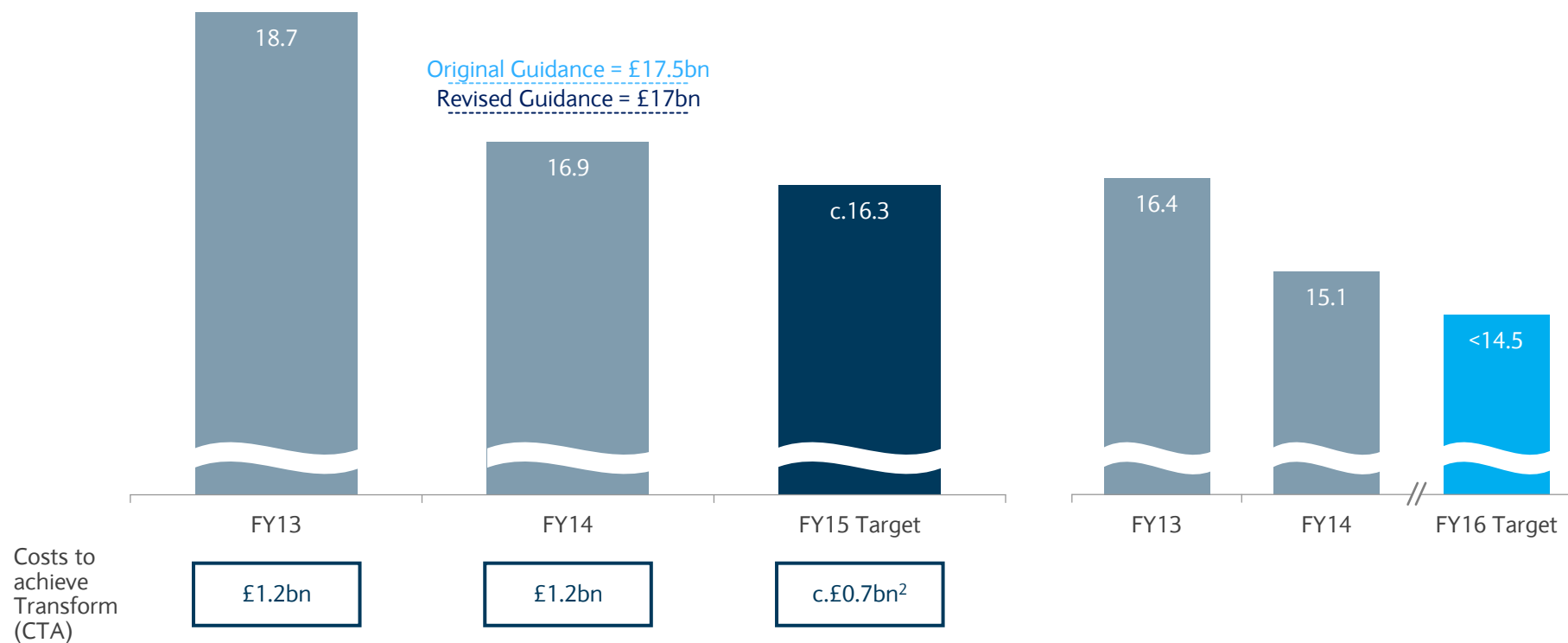
- NIM increased to 414bps, measured across PCB, Barclaycard and Africa Banking
 - PCB NIM improved to 3.02% (Q1 14: 2.99%)

¹ Includes Head Office income | ² For Personal and Corporate Banking, Barclaycard and Africa Banking |

Group and Core cost targets

Group cost guidance¹ (£bn)

Core cost target¹ (£bn)

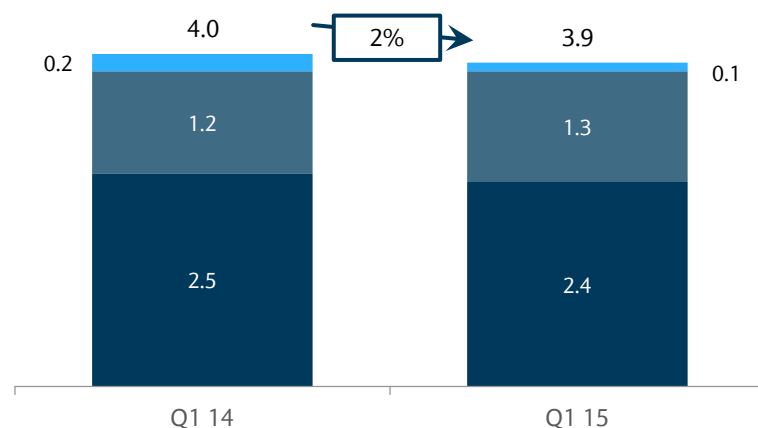


¹ Excludes provisions for PPI, IRHP and FX redress, goodwill impairment and CTA | ² 2016 CTA target of c.£0.2bn

Core operating costs

Core operating expenses¹ (£bn)

■ Staff costs ■ Other operating costs ■ Costs to achieve Transform



Highlights

- Core operating expenses decreased by 2% year on year driven by savings from Transform programmes principally in the Investment Bank and PCB, as well as lower CTA spend. This was partially offset by adverse FX movements
- Transform initiatives continued to drive significant and sustainable cost reductions by focusing on restructuring, business exits, industrialisation, innovation and property exits
- Investment Bank reduced operating expenses year on year predominately driven by front office restructuring and operational streamlining
- Barclaycard operating expenses increased primarily reflecting business growth

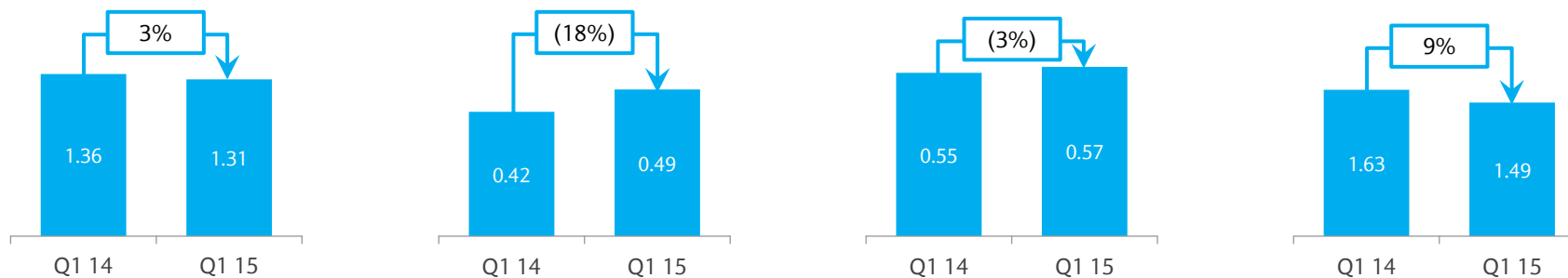
Personal and Corporate Banking

Barclaycard

Africa Banking

Investment Bank

Operating costs (£bn)

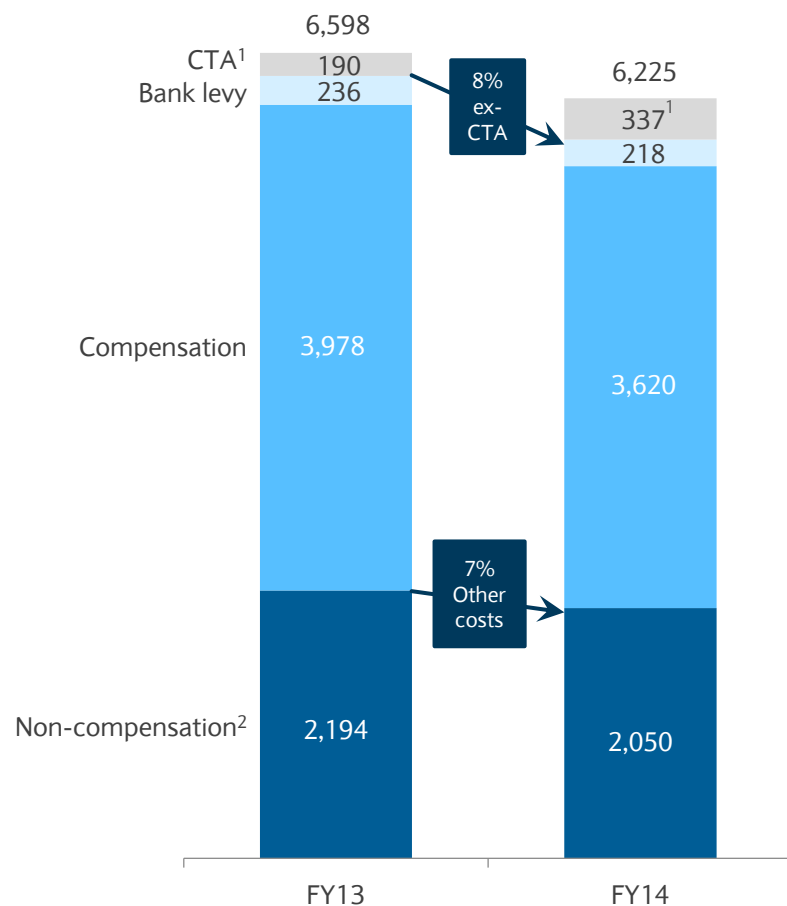


¹ Totals in graph reflect rounding |

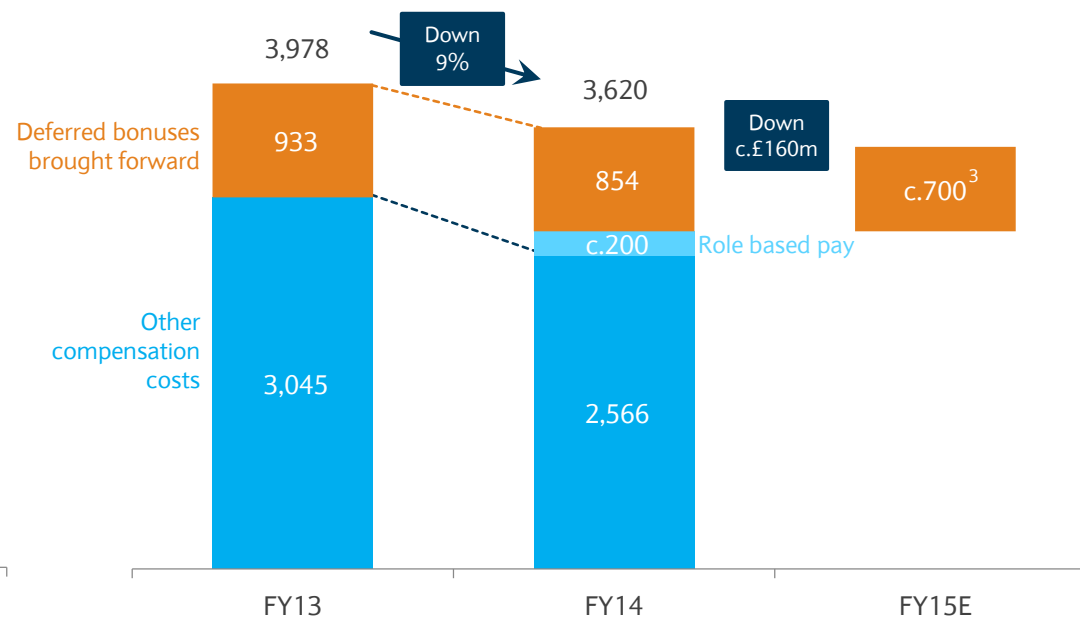
Investment Bank: Downward trend in compensation charge (31 December 2014)

Investment Bank operating expenses (£m)

Investment Bank – Compensation actions



- Headcount down by 2,100 net
- Incentive awards down 24%
- Role based pay introduced and charged in 2014
- Deferred bonus brought forward of £854m, but on downward trend



¹ Excludes compensation related CTA of £37m | ² Excludes CTA and bank levy | ³ The actual amount charged depends upon whether conditions have been met and will vary compared with the above expectation |

Wholesale funding composition¹

As at 31 March 2015 (£bn)	≤1 month	>1 month but ≤3 months	>3 months but ≤6 months	>6 months but ≤12 months	>9 months but ≤12 months	Total ≤1 year	>1 year but ≤2 years	>2 years but ≤5 years	>5 years	Total
Barclays PLC										
Senior unsecured MTNs (public benchmark)	-	-	-	-	-	-	-	2.0	2.1	4.1
Subordinated liabilities	-	-	-	-	-	-	-	-	0.8	0.8
Barclays Bank PLC										
Deposits from banks	10.8	6.1	2.1	0.7	0.4	20.1	0.5	0.1	0.4	21.1
Certificates of deposit and commercial paper	2.7	11.0	6.8	5.5	3.8	29.8	1.0	2.1	0.6	33.5
Asset backed commercial paper	4.5	1.5	0.6	-	-	6.6	-	-	-	6.6
Senior unsecured MTNs (public benchmark)	0.7	-	1.1	-	1.3	3.1	3.4	6.6	4.6	17.7
Senior unsecured MTNs (private placement) ²	0.9	2.5	3.8	1.8	2.2	11.2	7.2	13.6	11.4	43.4
Covered bonds / ABS	0.2	0.6	1.7	0.2	0.9	3.6	3.2	8.2	4.1	19.1
Subordinated liabilities	-	0.1	-	-	-	0.1	-	4.2	15.7	20.0
Other ³	2.1	1.4	1.7	1.0	0.8	7.0	1.0	1.5	2.2	11.7
Total	21.9	23.2	17.8	9.2	9.4	81.5	16.3	38.3	41.9	178.0
Total as at 31 December 2014	16.8	23.2	14.4	13.5	7.5	75.4	14.0	36.6	45.4	171.4

¹ The composition of wholesale funds comprises the balance sheet reported deposits from banks, financial liabilities at fair value, debt securities in issue and subordinated liabilities, excluding cash collateral and settlement balances. It does not include collateral swaps, including participation in the Bank of England's Funding for Lending Scheme. Included within deposits from banks are £1bn of liabilities drawn in the European Central Bank's 3 year LTRO. ² Includes structured notes of £35bn, £9bn of which matures within one year ³ Primarily comprised of fair value deposits £5bn and secured financing of physical gold £5bn |

In line with the European Bank Recovery & Resolution Directive the UK Banking Act now includes a statutory bail-in power

Overview

- Statutory bail-in of debt is a key part of the regulatory response to the financial crisis, aimed at avoiding the bail-out of failing financial institutions with tax-payer funds
- **European Bank Recovery and Resolution Directive (“BRRD”)**: a European-wide framework for the recovery and resolution of credit institutions and investment firms:
 - Statutory “bail-in” power in respect of eligible liabilities, to be implemented in home state legislation by no later than 1 January 2016 (Article 130)
 - Requirement for eligible liabilities governed by non-EEA laws to include a contractual recognition by creditors that they are bound by any exercise of the statutory bail-in power (Article 55)
- **UK Banking Act**: in line with the BRRD, the UK Banking Act was amended in January 2015 to include a “bail-in option” available to the UK resolution authority, enabling it to recapitalise a failed institution by allocating losses to its shareholders and unsecured creditors by writing down and/or converting their claims to equity:
 - Certain liabilities excluded from scope, such as insured deposits, secured liabilities (Section 48B(8))
 - Powers to be exercised broadly in a manner that respects the hierarchy of claims in liquidation
 - Principle that at least senior creditors should receive no less favourable treatment than they would have received in an insolvency

Considerations for Bondholders

- Under Depositor Preference, the BRRD introduces seniority of deposits from natural persons and SMEs over wholesale liabilities
- The scope of the UK bail-in power extends to include all outstanding unsecured wholesale liabilities of original tenor greater than 7 days
- Liabilities issued prior to the introduction of the statutory bail-in power, including those issued under non-EEA governing laws, may be subject to bail-in upon its introduction irrespective of issuance date, unless they are ‘excluded liabilities’ (i.e. all outstanding unsecured liabilities with an original tenor greater than 7 days may be subject to bail-in). Guiding principle is that the ordinary creditor hierarchy should be respected and that creditors holding eligible liabilities of equal rank should be treated equally
- In accordance with rules made by the PRA (reflecting Article 55 of the BRRD), Barclays has begun including in the terms of its wholesale term debt securities, governed by non-EEA laws, a provision whereby investors acknowledge the scope of, and agree to be bound by, the UK bail-in power
- Note, the inclusion of such an acknowledgement is not intended to change the ranking or treatment of such non-EEA law governed instruments relative to EEA law governed instruments in respect of a UK bail-in, rather it clarifies that all such instruments should be treated equally in the event of a UK bail-in

Contact – Debt Investor Relations Team

Lisa Bartrip

+44 (0)20 7773 0708

lisa.bartrip@barclays.com

Sofia Lonnqvist

+44 (0)20 7116 5716

sofia.lonnqvist@barclays.com

Dan Colvin

+44 (0)20 7116 6533

daniel.colvin@barclays.com

Website:

barclays.com/barclays-investor-relations.html

Legal Disclaimer

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 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 or savings, original and revised commitments and targets in connection with the Transform Programme and Group Strategy Update, run-down of assets and businesses within Barclays Non-Core, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers 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, US, 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 impact of EU and US sanctions on Russia; 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 SEC, including our Annual Report on Form 20-F for the fiscal year ended 31 December 2014 ("2014 20-F"), 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, including the 2014 20-F

Legal Disclaimer (continued)

Barclays has filed a registration statement (including a prospectus) and has filed, or will file, a prospectus supplement with the U.S. Securities and Exchange Commission (“SEC”) for the offering of securities to which this document relates. Before you invest, you should read the prospectus in that registration statement, the prospectus supplement relating to the offering of the Securities (when filed) and other documents that Barclays will file with the SEC. You may get these documents for free by searching the SEC online database (EDGAR®) at www.sec.gov. Alternatively, you may obtain a copy of the prospectus from Barclays Capital Inc. by calling 1-888-603-5847.

Certain non-IFRS Measures

Barclays management believes that the non-International Financial Reporting Standards (non-IFRS) measures included in this document provide valuable information to readers of its financial statements because they enable the reader to identify a more consistent basis for comparing the business’ performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays management. However, any non-IFRS measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. As management reviews the adjusting items described below at a Group level, segmental results are presented excluding these items in accordance with IFRS 8; “Operating Segments”. Statutory and adjusted performance is reconciled at a Group level only. Key non-IFRS measures included in this document and the most directly comparable IFRS measures are described below. Quantitative reconciliations of these measures to the relevant IFRS measures are included in Exhibit 99.1 of the Barclays’ Form 6-K filed with the SEC on April 29, 2015 (Film No. 15811411) (the “April 29 Form 6-K”) (available at <http://www.sec.gov/Archives/edgar/data/312069/000119312514388991/d810869dex991.htm>) and such quantitative reconciliations are incorporated by reference into this document.

- Adjusted profit before tax is the non-IFRS equivalent of profit before tax as it excludes the impact of own credit; provisions for Payment Protection Insurance (PPI) and claims management costs and interest rate hedging redress; gain on US Lehman acquisition assets; provision for investigations and litigation primarily relating to Foreign Exchange; loss on sale of the Spanish business; Education, Social Housing, and Local Authority (ESHLA) valuation revision, gain on valuation of a component of the defined retirement benefit liability, and goodwill impairment. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;
- Adjusted profit after tax represents profit after tax excluding the post-tax impact of own credit; provisions for PPI redress; provision for investigations and litigation primarily relating to Foreign Exchange; loss on sale of the Spanish business; and gain on valuation of a component of the defined retirement benefit liability. A reconciliation to IFRS is presented on page 5 of the April 29 Form 6-K;
- Adjusted attributable profit represents adjusted profit after tax less profit attributable to non-controlling interests. The comparable IFRS measure is attributable profit;
- Adjusted income and adjusted total income net of insurance claims represents total income net of insurance claims excluding the impact of own credit. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;

Legal Disclaimer (continued)

- Adjusted total operating expenses represents operating expenses excluding the provisions for PPI redress; provision for investigations and litigation primarily relating to Foreign Exchange; and gain on valuation of a component of the defined retirement benefit liability. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;
- Adjusted litigation and conduct represents litigation and conduct excluding the provisions for PPI redress; and the provision for investigations and litigation primarily relating to Foreign Exchange. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;
- Adjusted cost: income ratio represents cost: income ratio excluding the impact of own credit; the provisions for PPI redress; gain on US Lehman acquisition assets; provision for investigations and litigation primarily relating to Foreign Exchange and gain on valuation of a component of the defined retirement benefit liability. The comparable IFRS measure is cost: income ratio, which represents operating expenses to income net of insurance claims. A reconciliation to IFRS is presented on page 9 of the April 29 Form 6-K;
- Adjusted basic earnings per share represents adjusted attributable profit divided by the basic weighted average number of shares in issue. The comparable IFRS measure is basic earnings per share, which represents profit after tax and non-controlling interests, divided by the basic weighted average number of shares in issue;
- Adjusted return on average shareholders' equity represents annualised adjusted profit after tax for the period attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average shareholders' equity, excluding non-controlling interests and other equity instruments. The comparable IFRS measure is return on average shareholders' equity which represents annualised profit after tax for the period attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average shareholders' equity, excluding non-controlling interests and other equity instruments;
- Adjusted return on average tangible shareholders' equity represents annualised adjusted profit after tax for the period attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average shareholders' equity excluding non-controlling interests and other equity instruments adjusted for the deduction of intangible assets and goodwill. The comparable IFRS measure is return on average tangible shareholders' equity which represents annualised profit after tax for the period attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average shareholders' equity excluding non-controlling interests and other equity instruments adjusted for the deduction of intangible assets and goodwill;
- Barclays Core results are non-IFRS measures because they represent the sum of five Operating Segments, each of which is prepared in accordance with IFRS 8; "Operating Segments": Personal and Corporate Banking, Barclaycard, Africa Banking, Investment Bank and Head Office. A reconciliation to the corresponding statutory Group measures are provided on page 10 of the April 29 Form 6-K;
- Constant currency results in Africa Banking are calculated by converting ZAR results into GBP using the average exchange rate for the three months ended 31 March 2015 for the income statement and the 31 March 2015 closing exchange rate for the balance sheet and applying those rates to the results as of and for the three months ended 31 March 2014, in order to eliminate the impact of movement in exchange rates between the two periods;

Legal Disclaimer (continued)

- Liquidity Coverage Ratio (LCR) is calculated according to the Commission Delegated Regulation of October 2014 that supplements Regulation (EU) 575/2013 (CRDIV) published by the European Commission in June 2013. The metric is a ratio that is not yet fully implemented in local regulations and, as such, represents a non-IFRS measure
- Net Stable Funding Ratio (NSFR) is calculated according to the definition and methodology detailed in the standard provided by the Basel Committee on Banking Supervision. The original guidelines released in December 2010 ('Basel III: International Framework for Liquidity Risk Measurement, Standards and Monitoring', December 2010) were revised for in January 2014 ('Basel III: The Net Stable Funding Ratio', January 2014). The metric is a regulatory ratio that is not yet finalised in local regulations and, as such, represent a non-IFRS measure. This definition and the methodology used to calculate this metric is subject to further revisions ahead of the implementation date and Barclays' interpretation of this calculation may not be consistent with that of other financial institutions;
- Transitional CET1 ratio according to FSA October 2012. This measure is calculated by taking into account the statement of the Financial Services Authority, the predecessor of the Prudential Regulation Authority, on CRD IV transitional provisions in October 2012, assuming such provisions were applied as at 1 January 2014. This ratio is used as the relevant measure starting 1 January 2014 for purposes of determining whether the automatic write-down trigger (specified as a Transitional CET1 ratio according to FSA October 2012 of less than 7.00%) has occurred under the terms of the Contingent Capital Notes issued by Barclays Bank PLC on November 21, 2012 (CUSIP: 06740L8C2) and April 10, 2013 (CUSIP: 06739FHK0). Please refer to page 20 of the April 29 Form 6-K for a reconciliation of this measure to CRD IV CET1 ratio; and
- The estimate of "Proxy Total Loss Absorbing Capacity (TLAC) ratio" reflects Barclays' current understanding of how the Financial Stability Board's Consultative Document on "Adequacy of loss-absorbing capacity of global systemically important banks in resolution" may be implemented in the United Kingdom. The estimate reflects certain assumptions on the inclusion or exclusion of certain liabilities where further regulatory guidance is necessary. Evolving regulation, including the implementation of MREL beginning 1 Jan 2016 and any subsequent regulatory policy interpretations, may require a change to the current approach. As such metric is subject to further regulatory guidance and it is not yet implemented in local regulations, the estimate of this metric represents a non-IFRS measure and is presented in this document for illustrative purposes only.