



Barclays PLC Fixed Income Investor Presentation¹

Q1 2017 Results Announcement

28 April 2017

Strategy & Performance

Transatlantic consumer, corporate and investment bank

Benefits of diversification by customer, product and geography showing through

Group returns converging with attractive Core returns

On track to close Non-Core at 30 June 2017 with c.£25bn of RWAs

Resilience from high asset quality across our portfolios and prudent risk management

Expect to deliver Group financial targets within a reasonable timeframe

Group financial targets

Returns

Group Return on
Tangible Equity (RoTE)

Group to converge with Core RoTE

Capital

Group CET1 ratio

*150-200bps above
regulatory minimum level*

Costs

Group cost: income ratio

Below 60%

Our strategy is on track with further good progress in Q117

Robust Core returns

Core RoTE 11.0%, with Barclays UK RoTE 21.6% and Barclays International RoTE 12.5%

Accelerated Non-Core rundown

RWA reduction of £5bn in Q117 to £27bn and on track for closure at 30 June 2017

Focus on cost efficiency

Group cost: income ratio 62% and Core cost: income ratio 59%, with positive jaws

CET1 ratio of 12.5%

Significant capital generation enabling RoTE enhancing actions and offsetting capital headwinds

Group RoTE converging towards Core

| Three months ended (£m) | Mar-17 | Mar-16 | % change |
|--|--------------|------------|--------------|
| Income | 5,823 | 5,041 | 16% |
| Impairment | (527) | (443) | (19%) |
| – Operating expenses (excluding L&C) | (3,591) | (3,747) | 4% |
| – Litigation & conduct | (28) | (78) | 64% |
| Operating expenses | (3,619) | (3,825) | 5% |
| Other net income | 5 | 20 | (75%) |
| Profit before tax (PBT) | 1,682 | 793 | 112% |
| Tax charge | (473) | (248) | (91%) |
| Profit after tax – continuing operations | 1,209 | 545 | 122% |
| NCI – continuing operations | (79) | (94) | 16% |
| Other equity holders | (139) | (104) | (34%) |
| Attributable profit – continuing operations | 991 | 347 | 186% |
| Profit after tax – discontinued operation | (658) | 166 | |
| NCI – discontinued operation | (143) | (80) | (79%) |
| Attributable profit | 190 | 433 | (56%) |
| Performance measures | | | |
| Basic earnings per share (EPS) | 1.3p | 2.7p | |
| Basic EPS – continuing operations | 6.1p | 2.2p | |
| Return on average tangible equity (RoTE) | 1.8% | 3.8% | |
| Cost: income ratio | 62% | 76% | |
| Loan loss rate (LLR) | 47bps | 40bps | |
| Balance sheet | | | |
| Tangible net asset value per share (TNAV) | 292p | 286p | |
| Risk weighted assets (RWA) | £361bn | £363bn | |

Q117 performance metrics

- Group results reflected strong Core performance, with Core PBT up 20%, and a materially reduced drag from Non-Core
- Group PBT more than doubled to £1.7bn, with increased income and a reduction in operating expenses resulting in positive jaws and an improved cost: income ratio of 62%
- Income grew 16% to £5.8bn, with strong growth in the Core business and a significant reduction in negative income in Non-Core
- Impairment increased 19% to £527m mostly due to a £121m increase in Consumer, Cards & Payments reflecting the impact of a change in portfolio mix in US Cards, business growth and FX movements
- Costs reduced 5% to £3.6bn, driven by a 72% reduction in Non-Core, offset by a 6% increase in Core
- Attributable profit of £190m was impacted by £884m impairment of Barclays' holding in Barclays Africa Group Limited (BAGL) allocated to acquisition goodwill, included in discontinued operations
 - Driven by the 17% decline in BAGL's share price in the quarter
- TNAV increased 2p to 292p from Q416 driven by profit generated in the period
- RoTE of 1.8% (Q116: 3.8%) included a 720bps impact from the impairment of Barclays' holding in BAGL allocated to acquisition goodwill, while EPS was 1.3p (Q116: 2.7p)
 - EPS from continuing operations was 6.1p (Q116: 2.2p)
- Group RoTE of 9.0% in Q117 excluding the impairment of Barclays' holding in BAGL allocated to acquisition goodwill
 - Converging towards Core returns

Core RoTE improved 110bps to 11.0%

| Business performance | | | |
|--|---------|---------|----------|
| Three months ended (£m) | Mar-17 | Mar-16 | % change |
| Income | 5,897 | 5,283 | 12% |
| Impairment | (524) | (414) | (27%) |
| – Operating expenses (excluding L&C) | (3,443) | (3,258) | (6%) |
| – Litigation & conduct | (19) | (12) | (58%) |
| Operating expenses | (3,462) | (3,270) | (6%) |
| Profit before tax (PBT) | 1,923 | 1,608 | 20% |
| Attributable profit | 1,184 | 950 | 25% |
| Performance measures | | | |
| Basic earnings per share | 7.2p | 5.8p | |
| Return on average tangible equity (RoTE) | 11.0% | 9.9% | |
| Average allocated tangible equity ¹ | £44.2bn | £39.3bn | |
| Cost: income ratio | 59% | 62% | |
| Loan loss rate (LLR) | 53bps | 42bps | |
| Balance sheet (£bn) | | Mar-17 | Mar-16 |
| Risk weighted assets (RWA) ¹ | | 334 | 312 |
| Profit/(loss) before tax (£m) | | | |
| | Mar-17 | Mar-16 | % change |
| – Barclays UK | 708 | 704 | 1% |
| – Barclays International | 1,356 | 1,027 | 32% |
| – Head Office | (141) | (123) | (15%) |
| Core | 1,923 | 1,608 | 20% |

Q117 performance metrics

- Core RoTE increased 110bps to 11.0%, on a higher tangible equity base
 - Average allocated tangible equity has increased by £4.9bn since Q116
- PBT increased 20% to £1.9bn reflecting strong profit growth in Barclays International, including the benefit of the appreciation of USD and EUR against GBP, and solid performance in Barclays UK
 - Demonstrated the benefits of diversification
- Income grew 12% to £5.9bn, mainly driven by strong growth in Barclays International across both the Corporate and Investment Bank (CIB) and Consumer, Cards & Payments, with modest Barclays UK growth
- Impairment rose to £524m due to increases in Consumer, Cards & Payments and Barclays UK
 - LLR increased by 11bps to 53bps, although delinquency rates remained well controlled
- Costs increased 6% to £3.5bn, reflecting the appreciation of USD and EUR against GBP, the change in compensation awards introduced in Q416 and business growth, partially offset by cost efficiencies
 - Cost: income ratio improved to 59%, reflecting positive jaws

Barclays UK – RoTE of 21.6%

- Income growth of 2% reflected continued pricing discipline and improved NIM, offsetting asset margin compression
- Delivered positive cost: income jaws with costs flat at £955m despite the costs of setting up the ring-fenced bank

Barclays International – RoTE of 12.5%

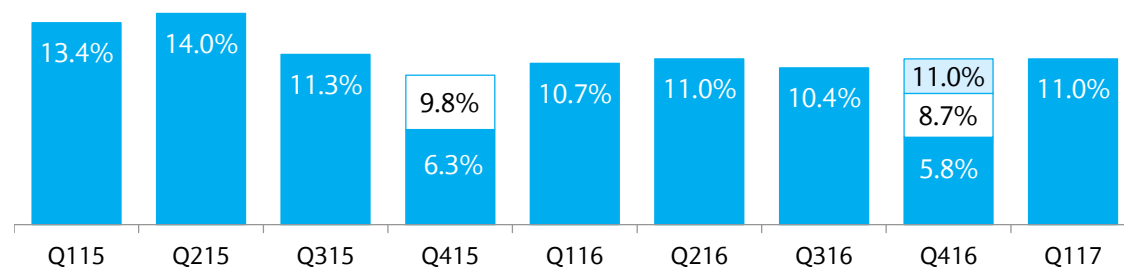
- Income growth of 18% outstripped increased costs of 10%, generating positive cost: income jaws
- PBT increased 32% to £1.4bn reflecting encouraging CIB results, continued momentum in Consumer, Cards & Payments, and the benefit from the appreciation of average USD and EUR against GBP

¹ Risk weighted assets and average allocated tangible equity for Africa Banking are included within Core |

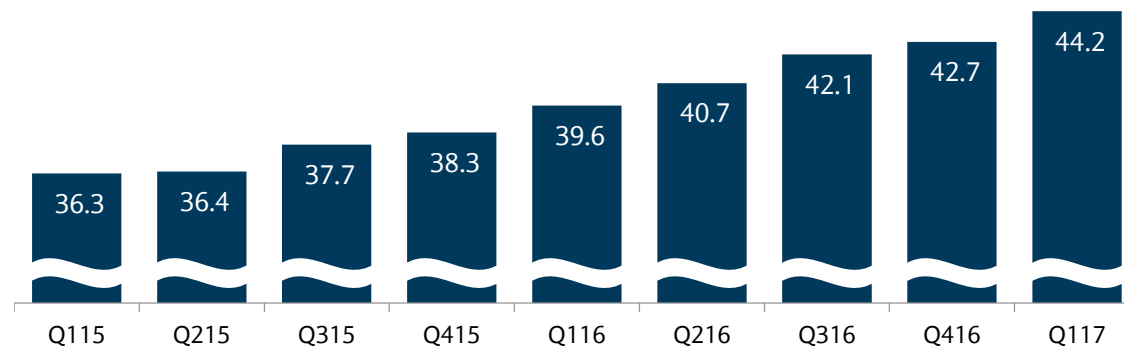
Generating a consistently strong Core RoTE on an increasing tangible equity base

Core return on average allocated tangible equity¹

- RoTE
- RoTE excluding UK bank levy
- RoTE excluding UK bank levy and additional charge relating to 2016 compensation awards

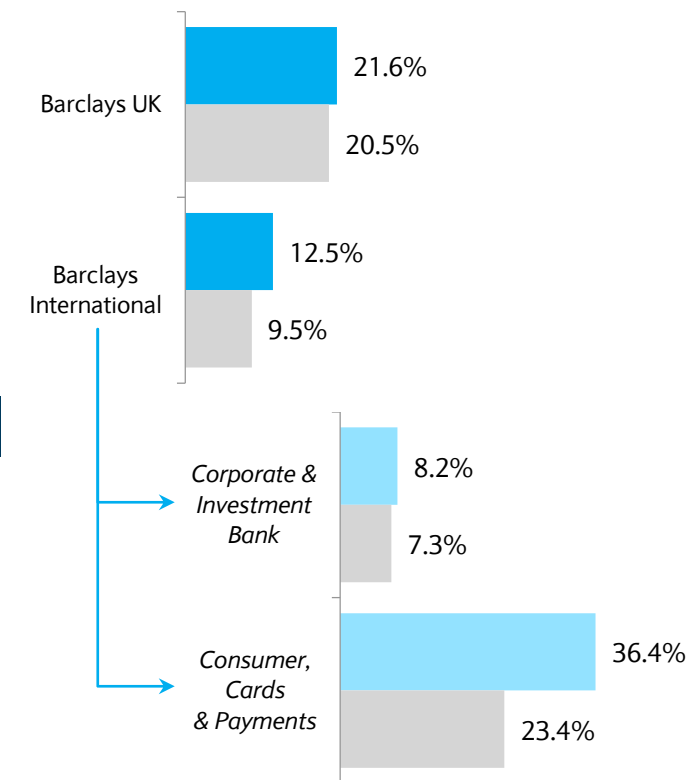


Core average allocated tangible equity (£bn)²



Return on average allocated tangible equity

- Q117
- Q116



¹ Q115 to Q416 RoTE excludes notable items as listed in the FY16 results announcement | ² Q115 to Q416 average allocated equity excludes the cumulative post-tax impact of Own Credit

Non-Core: On track for closure at 30 June 2017

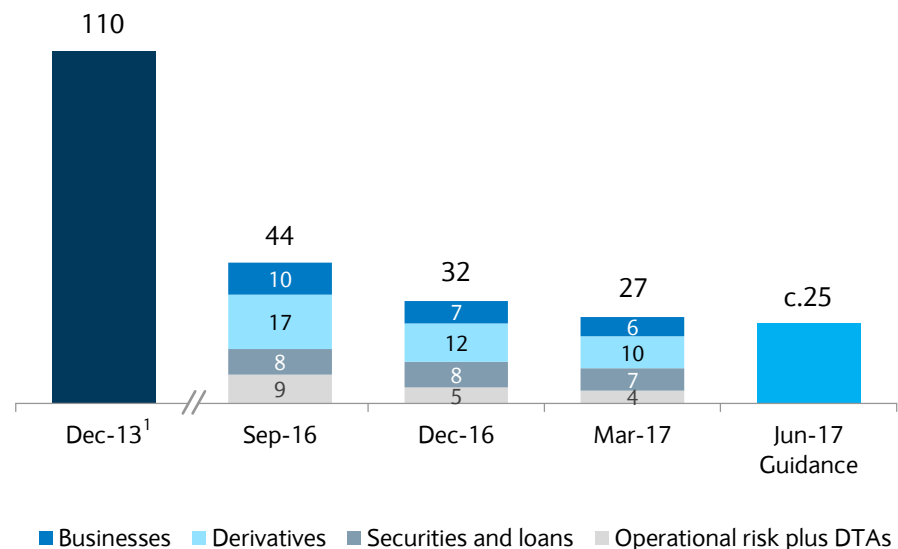
| Business performance | | | |
|--|--------|--------|--------|
| Three months ended (£m) | Mar-17 | Dec-16 | Mar-16 |
| –Businesses | 51 | (73) | 196 |
| –Securities and loans | 68 | 161 | (402) |
| – ESHLA FV | 46 | 43 | (374) |
| –Derivatives | (193) | (507) | (36) |
| Income | (74) | (419) | (242) |
| Impairment | (3) | (47) | (29) |
| –Operating expenses (excluding bank levy and L&C) | (148) | (341) | (489) |
| –Bank levy | - | (76) | - |
| –Litigation & conduct | (9) | (51) | (66) |
| Operating expenses | (157) | (468) | (555) |
| Other net (expenses)/income | (7) | 146 | 11 |
| Loss before tax | (241) | (788) | (815) |
| Attributable loss | (193) | (498) | (603) |
| Performance measures | | | |
| Basic loss per share | (1.1p) | (2.9p) | (3.6p) |
| Average allocated tangible equity | £5.2bn | £6.5bn | £9.0bn |
| Period end allocated tangible equity | £4.8bn | £5.4bn | £8.5bn |
| Balance sheet (£bn) | | | |
| Risk weighted assets (RWA) | 27 | 32 | 51 |

Q117 vs. Q416 performance metrics

- Loss before tax decreased to £241m due to lower operating expenses and improved income, partially offset by lower other net income
- Income improved to an expense of £74m
 - Derivatives income increased to a net expense of £193m primarily due to reduced cost of exits
 - Businesses income increased to £51m due to the non-recurrence of losses on the termination of internal funding and hedging positions
 - Securities and loans income reduced to £68m driven by lower restructuring gains on a component of the ESHLA portfolio and lower disposal gains
- Other net income decreased to an expense of £7m mainly due to the non-recurrence of the Q416 gain on sale of the Asia Wealth and Investment Management business
- Credit impairment charges decreased £44m due to lower charges in Europe and business exits
- Operating expenses decreased to £157m driven by the exit of businesses, lower restructuring costs and lower litigation & conduct costs
- RWAs reduced £5bn in the quarter to £27bn, driven by a £2bn reduction in Derivatives, a £1bn reduction in Securities and loans, and a £1bn reduction in Businesses
- Non-Core remains on track to close at 30 June 2017, with c.£25bn RWAs

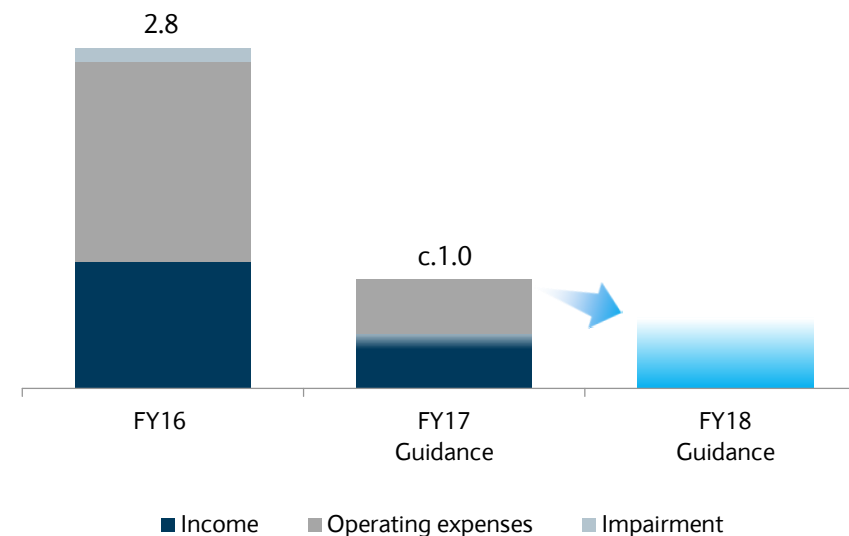
Non-Core: Rundown guidance

RWAs rundown (£bn)



- Continued good execution of the Non-Core rundown while preserving capital
- £5bn RWA reduction during Q117
 - £2bn in Derivatives, reflecting rundown of portfolios
 - £1bn in Businesses due to divestments and business exits
 - £1bn in Securities and loans primarily due to trade unwinds

Loss before tax (£bn)²



- Non-Core loss before tax expected to be approximately £1bn in FY17, weighted towards the first half of the year
 - Both negative income and costs in FY17 expected to be significantly lower than FY16
 - Expect negative income and costs to fall further in 2018, reducing the drag on Group returns after Non-Core is closed

¹ Dec-13 RWAs are on a re-statement basis i.e. excluding c.£8bn of RWAs added to Non-Core in Q116 | ² Total includes other net income |

Barclays Africa selldown on track

**Confident of executing BAGL selldown
and achieving regulatory deconsolidation**

in line with previously guided timeline of 1-2 years

c.75bps

CET1 ratio benefit from
regulatory deconsolidation¹

No impact on CET1 capital or TNAV

**Impairment of Barclays' holding in BAGL
allocated to acquisition goodwill
of £884m in Q117, driven by the decline
in BAGL's share price**

**Cumulative currency translation reserve loss
to be recycled through the income statement
on accounting deconsolidation
– current balance c.£1.2bn**

| Q117 impairment calculation | £bn |
|---|-------|
| Fair value of BAGL less costs to sell ² | 7.2 |
| Carrying value on Barclays' balance sheet (pre-impairment) | 8.1 |
| Impairment (allocated to goodwill) | (0.9) |
| Carrying value on Barclays' balance sheet (post-impairment) | 7.2 |

¹ Using 31 March 2017 GBPZAR FX rate of 16.68 and BAGL share price of 139.51, with no premium or discount on sale. Aggregate effect following regulatory deconsolidation and projected separation costs, including phased contributions and contribution to a new Black Economic Empowerment scheme, totaling £827m. Implementation of Barclays' intentions is subject to, amongst other things, regulatory approval | ² Assuming share price of ZAR 139.51 and GBPZAR FX rate of 16.68 as at 31 March 2017, with number of BAGL shares 848m. Including £0.2bn for value of BAGL issued preference shares |

Barclays Africa selldown on track

Impairment

- Per IFRS5, impairment is assessed based on the difference between carrying value (CV) of a disposal group and its fair value less costs to sell (FV)
 - As a result of the 17% decline in the BAGL share price from Dec-16 to ZAR139.5, the FV of BAGL reduced to £7.2bn¹ (Dec-16: £8.6bn)
 - CV, including expected separation contributions of £827m, was £8.1bn at Mar-17 (Dec-16: £8.1bn), prior to the impairment of Barclays' holding in BAGL
- As FV was lower than the CV as at Mar-17, an impairment of £884m was recognised in Q117 and allocated to acquisition goodwill, resulting in a revised CV of £7.2bn
 - As goodwill is excluded from CET1 capital and TNAV, the impairment had no impact on either
 - At Mar-17, £42m of acquisition goodwill remained on Barclays balance sheet with regard to its interest in BAGL
- Were FV to be below the CV in the future, any further impairment would firstly be applied to remaining goodwill and then allocated proportionally to BAGL fixed and intangible assets

Impairment calculation

| Impairment calculation | £bn |
|---|-------|
| Fair value of BAGL less costs to sell ¹ | 7.2 |
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CET1 ratio guidance

- Estimate c.75bps CET1 ratio benefit from regulatory deconsolidation based on BAGL share price at Mar-17 of ZAR139.5²
 - Decline in the BAGL share price since Dec-16 has impacted CET1 ratio benefit estimate by c.20bps

Other financial effects

- Cumulative Currency Translation Reserve (CTR) losses of c.£1.2bn have accumulated in relation to Barclays' holding in BAGL, due to the depreciation of ZAR against GBP since July 2005
 - In line with IAS21, CTR will be recycled through the income statement upon accounting deconsolidation, but has no impact on CET1 capital or TNAV given it is already included in both
- Africa Banking attributable loss of £801m in Q117 due to £884m impairment allocated to acquisition goodwill
 - Underlying operational performance was resilient, as profit before tax, excluding the impairment of Barclays' holding in BAGL, increased to £325m (Q116: £231m)

Confident of executing BAGL selldown and achieving regulatory deconsolidation

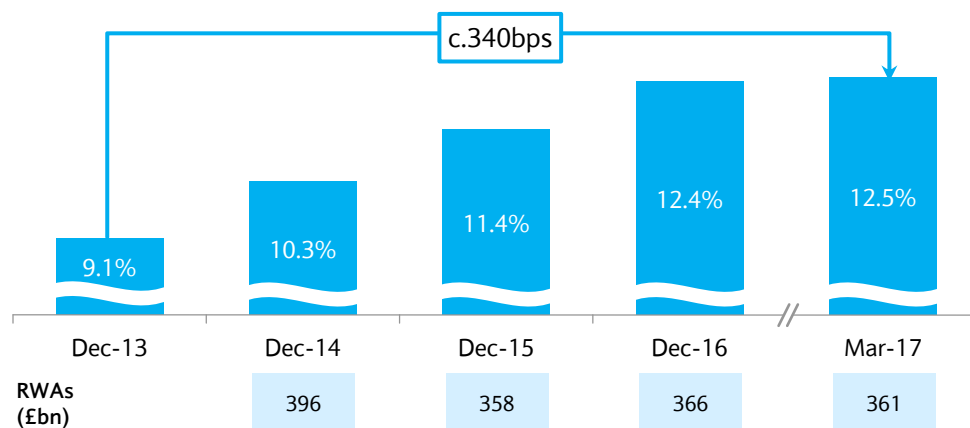
**c.75bps
CET1 ratio uplift²**

¹ Assuming share price of ZAR 139.51 and GBPZAR FX rate of 16.68 as at 31 March 2017, with number of BAGL shares 848m. Including £0.2bn for value of BAGL issued preference shares | ² Using 31 March 2017 GBPZAR FX rate of 16.68 and BAGL share price of 139.51, with no premium or discount on sale. Aggregate effect following regulatory deconsolidation and projected separation costs, including phased contributions and contribution to a new Black Economic Empowerment scheme, totaling £827m implementation of Barclays' intentions is subject to, amongst other things, regulatory approval |

Capital & Leverage

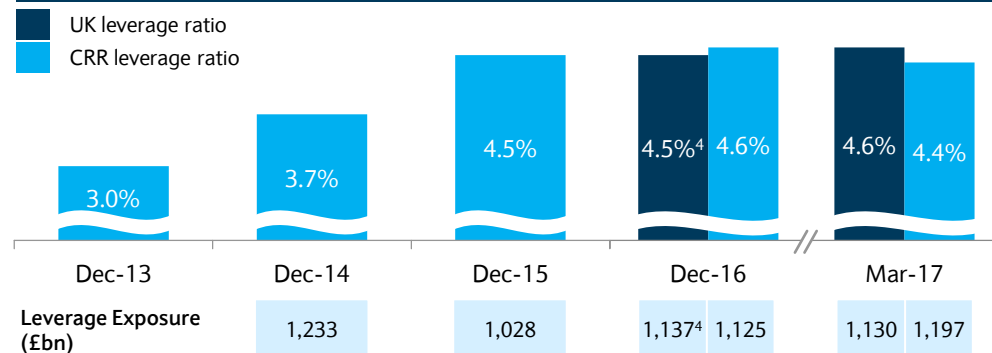
Strong CET1 and leverage ratio progression

Fully Loaded CET1 ratio



- CET1 ratio increased to 12.5% at Mar-17, representing
 - 33bps of capital ratio accretion from profits
 - £5bn reduction in RWAs, predominantly driven by Non-Core
- Partially offset by 34bps of CET1 ratio reduction from RoTE accretive actions and capital headwinds
 - 13bps on redemption of the Series 3 USD preference share – returns accretive going forward
 - 12bps from share purchases to meet vesting share awards
 - 9bps of defined benefit pension scheme deficit reduction contributions
- Estimate a further c.75bps increase in the CET1 ratio from the regulatory deconsolidation of BAGL based on 31 March 2017 share price¹
- The decrease in RWAs principally reflected the £5bn reduction in Non-Core RWAs, partially offset by increased trading activity in investment banking businesses

Leverage ratio²



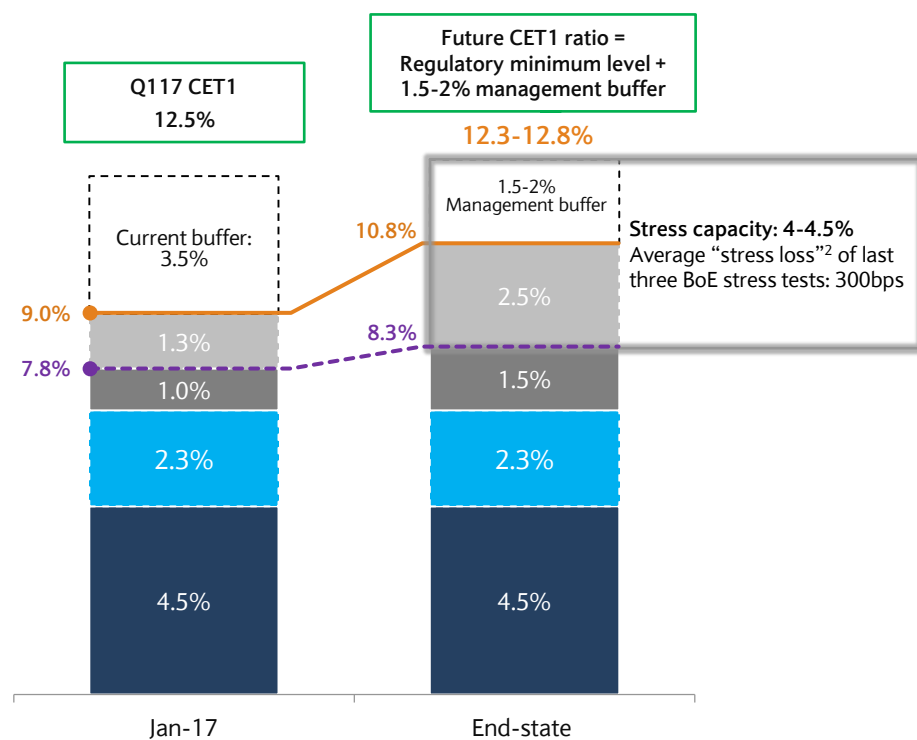
- UK leverage ratio (excluding qualifying central bank claims³) of 4.6% at Mar-17 (Dec-16: 4.5%⁴)
 - £7bn decrease in UK leverage exposure to £1,130bn
 - £0.7bn increase in average fully loaded Tier 1 capital to £52.3bn reflecting the increase in AT1 issuance in the quarter
- CRR leverage ratio of 4.4% at Mar-17 (down from 4.6% at Dec-16)
 - CRR leverage exposure was £72bn higher at £1,197bn due to increased settlement balances and the £20bn increase in the liquidity pool to £185bn
 - Partially offset by a £1.0bn increase in fully loaded Tier 1 capital to £53.0bn reflecting the increase in AT1 issuance in the quarter
- Expect to grow the leverage ratio further over time, maintaining the ratio comfortably above future minimum requirements

¹ Using 31 March 2017 GBPZAR FX rate of 16.68 and BAGL share price of 139.51, with no premium or discount on sale. Aggregate effect following regulatory deconsolidation and projected separation costs, including phased contributions and contribution to a new Black Economic Empowerment scheme, totaling £827m. Implementation of Barclays' intentions is subject to, amongst other things, regulatory approval | ² Dec-13 not comparable to the estimates as of Dec-14 onwards due to different basis of preparation | ³ As long as these are matched by deposits denominated in the same currency, subject to firms obtaining permission from the PRA | ⁴ Average quarterly exposure and corresponding ratio as at 31 December 2016 has been restated to exclude qualifying central banks claims |

Managing evolving future minimum CET1 levels

Illustrative evolution of minimum CET1 requirements and buffers

- Minimum CRD IV CET1 requirement
- 2017 Pillar 2A CET1 requirement
- G-SIB buffer
- Capital Conservation Buffer (CCB)
- CRDIV Mandatory distribution restrictions hurdle
- BoE stress test systemic reference point for 2017 tests¹

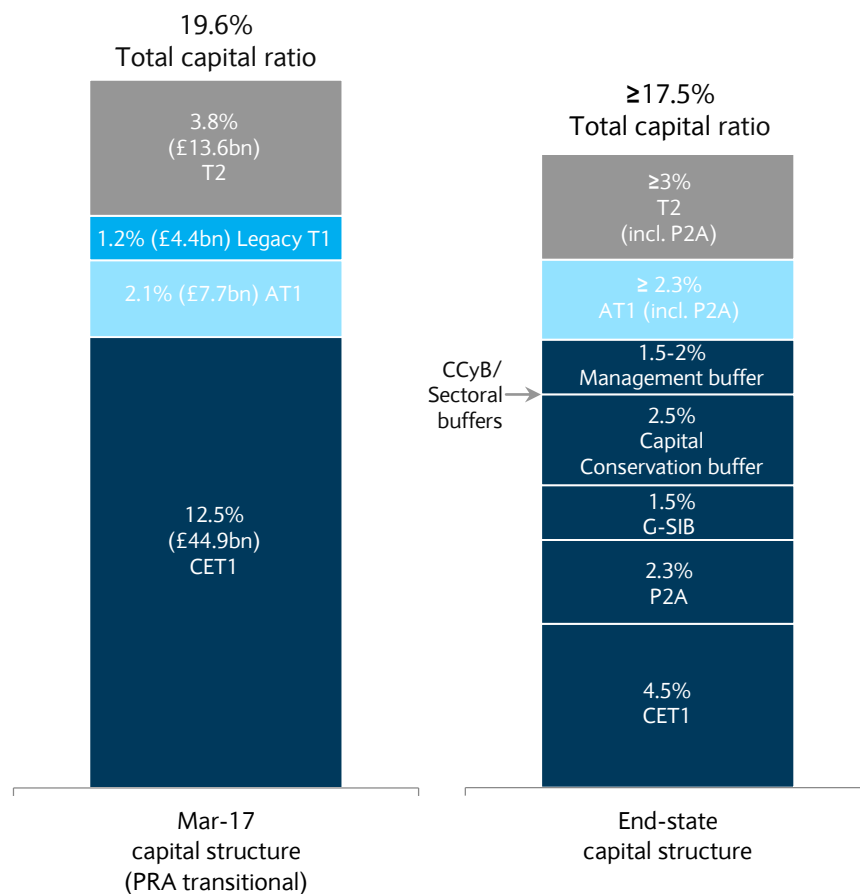


- End-state expectation of 12.3-12.8%:
 - Management buffer of 150-200bps resulting in 400-450bps stress capacity
- As capital buffers and RWAs will evolve over time, we manage our CET1 position to maintain a prudent internal management buffer over future minimum levels. This is to guard against mandatory distribution restrictions pursuant to CRD IV and to take into account stress testing
- The management buffer is prudently calibrated, intended to absorb fluctuations in the CET1 ratio, cover event risk and stress, and to ensure management actions can be taken in sufficient time to avoid breaching mandatory distribution restrictions
- We continue to monitor regulatory developments as part of our capital planning and conservatively manage our capital position as the regulatory landscape normalises

¹ Based on Barclays' understanding of "The Bank of England's approach to stress testing the UK banking system" published in October 2015 and "Stress testing the UK banking system: key elements of the 2016 stress test", published March 2016 | ² Market derived average stress-loss of past three years based on applicable year-end CET1 ratios against low-point stress outcomes |

Evolving CRD IV capital structure transitioning to HoldCo over time

Illustrative evolution of CRD IV capital structure



Well managed and balanced total capital structure

- Transitional total capital ratio remained stable at 19.6% (Dec-16: 19.6%), while the fully loaded total capital ratio increased 14bps to 18.7% (Dec-16: 18.5%)
- Currently most OpCo capital is expected to be eligible CRD IV capital during and, to the extent outstanding, after the grandfathering period. It is also mostly expected to qualify as MREL until 1 January 2022 based on our understanding of the current Bank of England position
- We aim to manage our capital structure in an efficient manner:
 - Expect to build towards at least 2.3% of AT1 in end-state through regular issuance over time
 - The appropriate balance of Tier 2 will be informed by relative pricing of Tier 2 and senior unsecured debt and investor appetite

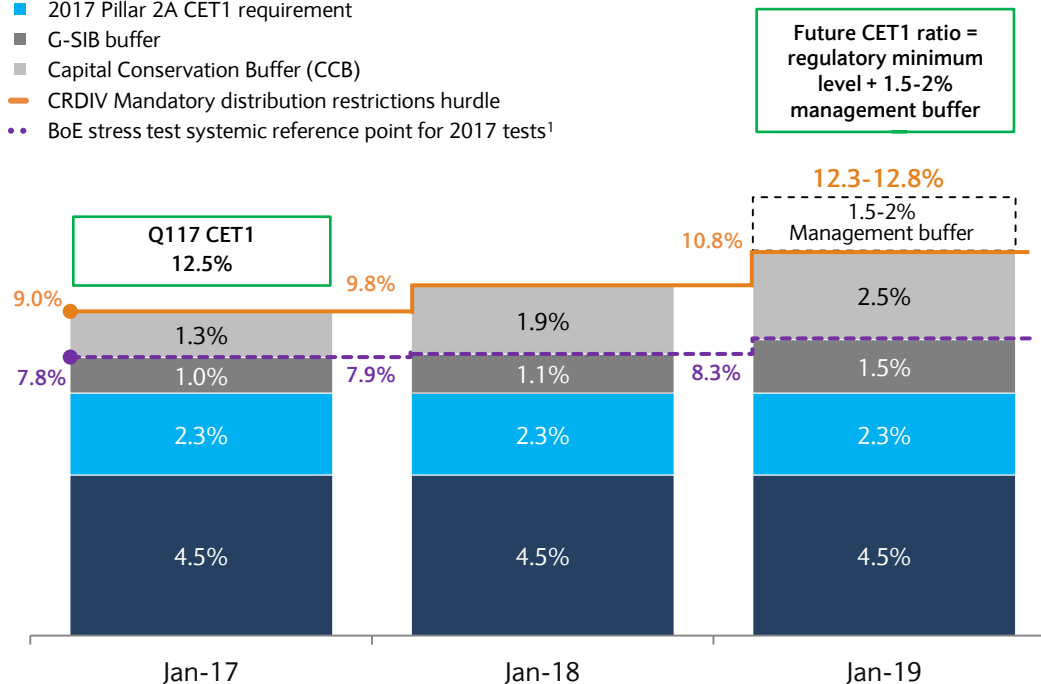
Pillar 2A requirement

- Barclays' 2017 Pillar 2A requirement as per the PRA's Individual Capital Guidance (ICG) is c.4.0%. The ICG is subject to at least annual review. This is split:
 - CET1 of 2.3% (assuming 56% of total P2A requirement)
 - AT1 of 0.8% (assuming 19% of total P2A requirement)
 - T2 of 1.0% (assuming 25% of total P2A requirement)
- Basel Committee consultations and reviews of approaches to Pillar 1 and Pillar 2 risk might further impact the Pillar 2A requirement in the future

Managing capital position above mandatory distribution restrictions and stress test hurdles

Barclays' expected MDA thresholds and systemic reference points for 2017 BoE stress test

- Minimum CRD IV CET1 requirement
- 2017 Pillar 2A CET1 requirement
- G-SIB buffer
- Capital Conservation Buffer (CCB)
- CRDIV Mandatory distribution restrictions hurdle
- BoE stress test systemic reference point for 2017 tests¹



- Maintained robust capital buffers based on 31 March 2017 capital position:
 - Buffer to 7% AT1 Trigger Event: c.5.5% or c.£20bn
 - Buffer to 1 January 2017 MDA hurdle: c.3.5% or c.£13bn

Distribution restrictions and management

- Maintaining a CET1 ratio comfortably above mandatory distribution threshold remains a critical management objective
- Distribution restrictions² apply if an institution fails to meet the CRD IV Combined Buffer Requirement (CBR) at which point the MDA is calculated on a reducing scale
- Currently Barclays targets an internal management buffer of 1.5-2% above regulatory CET1 levels providing a prudent buffer above MDA restriction levels
- Barclays recovery plan actions are calibrated to take effect ahead of breaching the CBR
- It is the Board's current intention that, whenever exercising its discretion to declare dividends on ordinary shares or to cancel interest on AT1 securities, it will take into account the relative ranking of these instruments in its capital structure³
- In addition, we note that under CRD IV MDA restrictions, the PRA has broad powers to require the issuer to limit or cancel interest on the securities

Stress tests

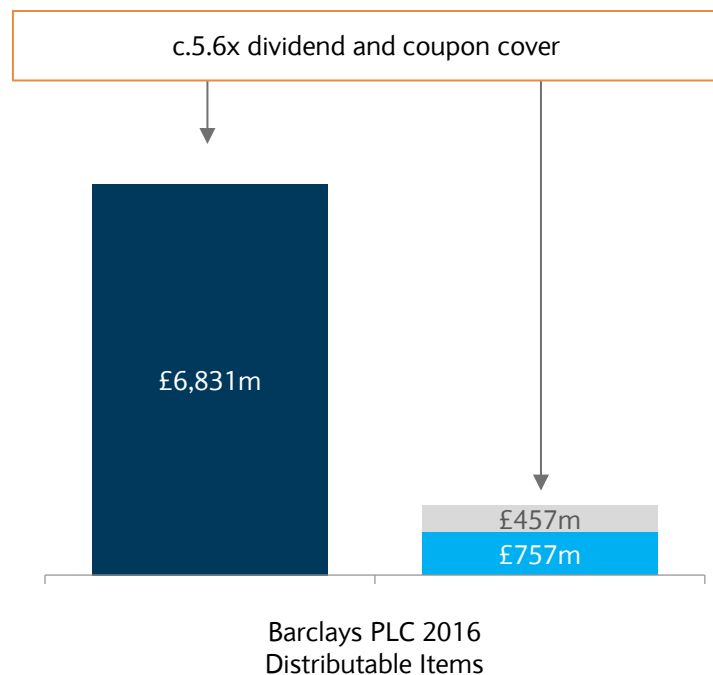
- Barclays' end state stress buffer is expected to be c.4-4.5% when including the management buffer, incorporating 2016 BoE stress test results, providing ample headroom should future stress losses be higher than the average experienced to date
- The stressed capital ratio for each year over the stress test horizon will be measured against the respective applicable stress test systemic reference point
- For the 2017 BoE stress tests, the stress test systemic reference point will include the minimum CRD IV CET1 requirement, P2A, and a phased-in G-SIB buffer

¹ Based on Barclays' understanding of "The Bank of England's approach to stress testing the UK banking system" published in October 2015 and "Stress testing the UK banking system: key elements of the 2016 stress test", published March 2016 | ² As per CRD Art. 141, and subject to any changes under the proposed CRR2, restrictions on discretionary distributions would apply in case of a breach of the CBR as defined in CRD Art 128(6) | ³ While the Board currently has discretion to depart from this policy, we note that the EC's current proposal in the draft of CRD V would codify these existing intentions if implemented as currently proposed |

ADI position supports strong distribution capacity

Distribution capacity as at 31 December 2016

■ ADI ■ BPLC Dividend payments ■ BPLC AT1 coupons



Distributable items

- Barclays PLC has significant Available Distributable Items (ADIs)¹ to cover dividends on ordinary shares and AT1 distributions
- Barclays has never missed an external discretionary interest payment on its capital instruments, including during the financial crisis
- We continue to manage ADIs as part of our capital planning, including planning for structural reform

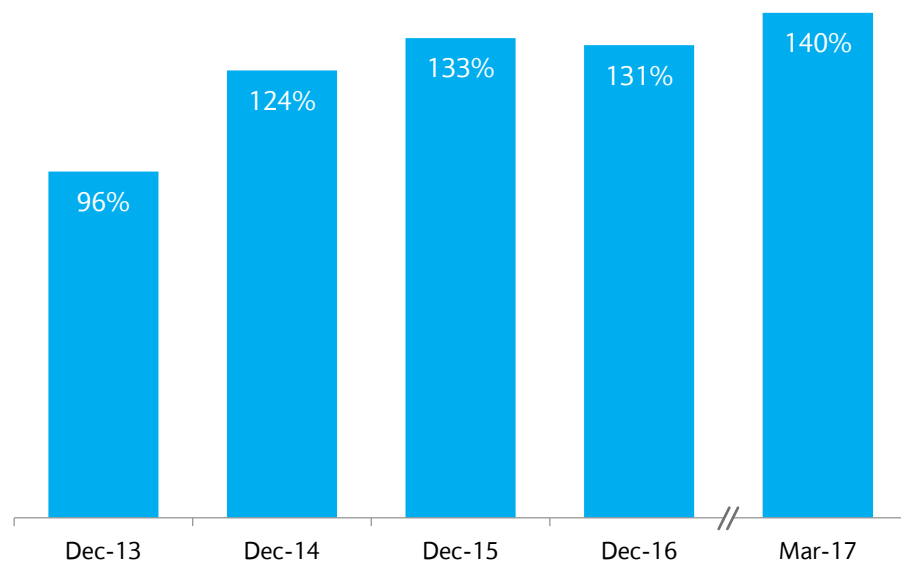
¹ Coupon payments on AT1s have to be paid out of an institutions' ADIs (CRR Art 52(1)(l)). Should the level of ADIs be insufficient, coupons cannot be paid. The CRR does not provide for a particular method for the calculation of ADIs. In the absence of further regulatory guidance, Barclays PLC's distributable items are calculated consistently with the requirements of the UK Companies Act, as applicable to ordinary shares, and IFRS |



Liquidity, Funding and MREL

High level of liquidity

LCR progression since 2013



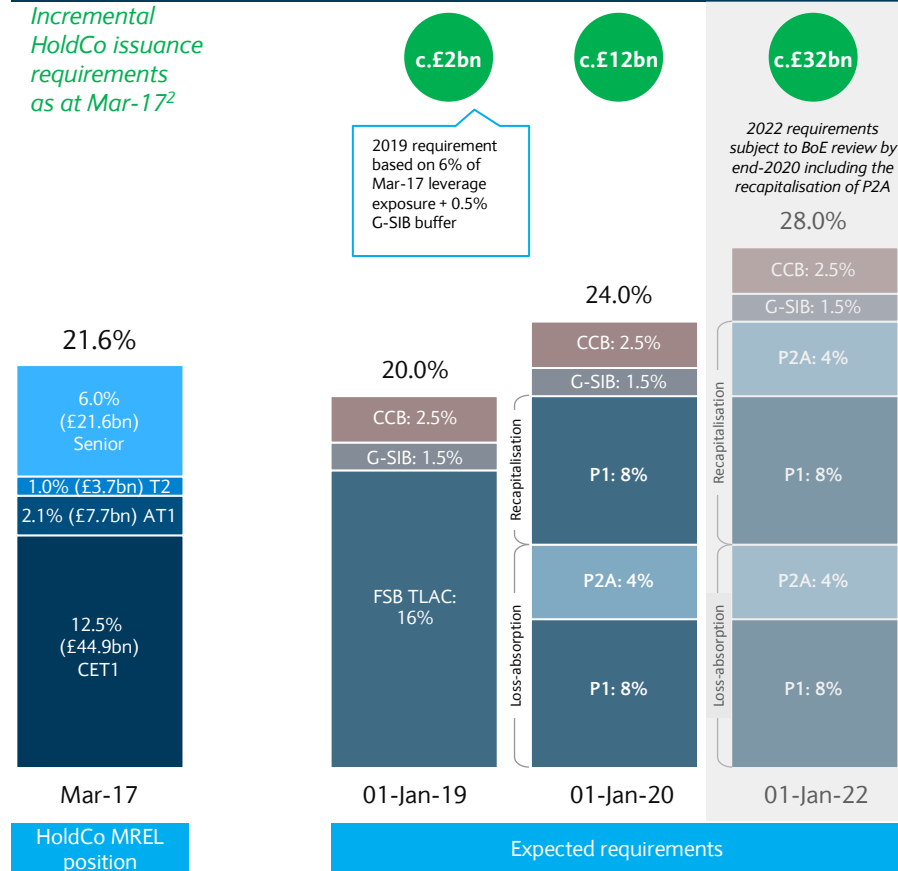
LCR continues to remain in prudential surplus

- Liquidity pool increased £20bn in the quarter to £185bn and the LCR increased to 140% (Dec-16: 131%) equivalent to a surplus of £54bn to 100%
- The overall increase in the liquidity pool reflects increases across a variety of funding sources including continued build of our MREL, money markets and the BoE Term Funding Scheme
- Quality of the pool remains high with the majority held in cash, deposits with central banks and high quality government bonds

Manageable MREL requirements through proactive issuance

HoldCo MREL position and requirements including requisite buffers

Incremental HoldCo issuance requirements as at Mar-17²



Well advanced on 2017¹ HoldCo issuance plan

- In Q1 17 the BoE communicated our non-binding indicative MREL requirements at the consolidated Group level for 2019 to 2022 which were in line with our initial expected requirements published on announcement of FY16 results
- Barclays' non-binding indicative MREL is currently expected to be (prior to the application of any applicable regulatory buffers)
 - 6% of leverage exposure from 1 January 2019;
 - 20% of RWAs from 1 January 2020; and
 - 24% of RWAs from 1 January 2022
- Our indicative MREL issuance for 2017 is c.£10bn of which we have already issued c.£6.3bn equivalent. The residual issuance is expected to comprise of a combination of senior, Tier 2 and AT1
- Incremental HoldCo requirements to 1 January 2022 expected to be met largely through refinancing outstanding OpCo debt and capital instruments. OpCo debt and capital instruments of c.£26bn are maturing or callable by 1 January 2022³
- MREL position of 25.6% as at Mar-17 on a transitional basis, including eligible OpCo instruments, compared to 21.6% on a HoldCo basis

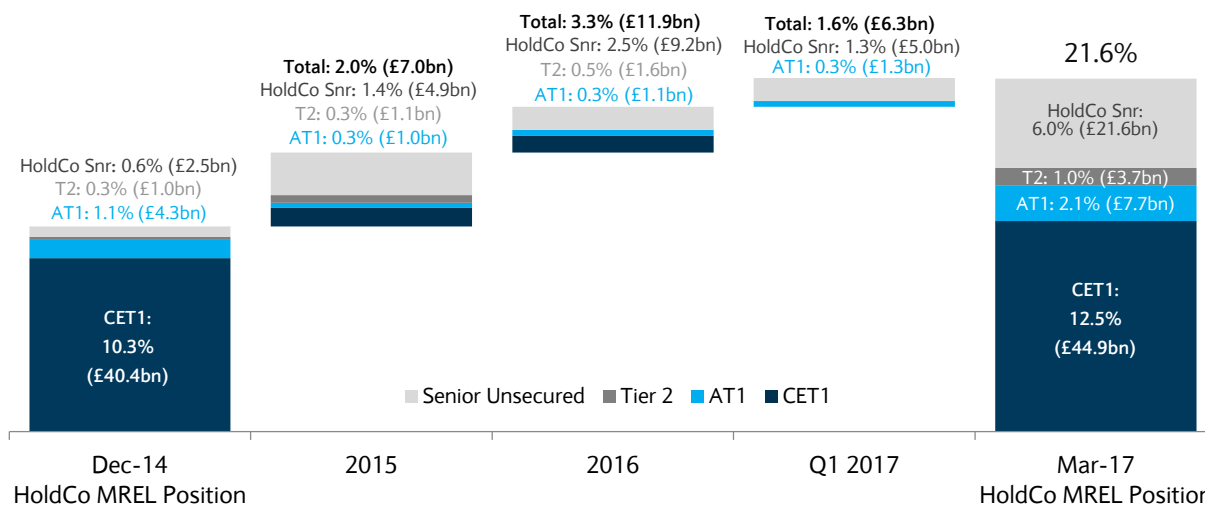
Assumptions for calculating HoldCo MREL position and incremental HoldCo requirements as follows:

- All OpCo instruments have been excluded. However, most subordinated instruments are expected to be eligible, in line with their regulatory capital value, until 1 January 2022 if still outstanding
- Includes refinancing of HoldCo senior unsecured debt maturing within the respective periods
- Does not include refinancing of HoldCo capital with first call dates during the respective periods, of which £1.2bn until 1 January 2019, £3.5bn until 1 January 2020 and £5.4bn until 1 January 2022
- RWAs of £361bn and CET1 capital of £44.9bn kept constant as at 31 March 2017
- 2019 issuance requirement based on Mar-17 CRR leverage exposure of £1,197bn
- All new MREL issuance over 2017 to 2022 is assumed to have maturities beyond 1 January 2022
- Counter cyclical buffer of 0% assumed

¹ Issuance plan subject to, amongst other things, market conditions and regulatory requirements which are subject to change and may differ from current expectations | ² Represents the difference between the applicable expected requirement, subject to assumptions described on the slide, and the 31 March 2017 HoldCo MREL position. Actual issuance may differ | ³ Aggregated Tier 1 and Tier 2 capital instruments, and public and private senior unsecured debt, excluding structured notes |

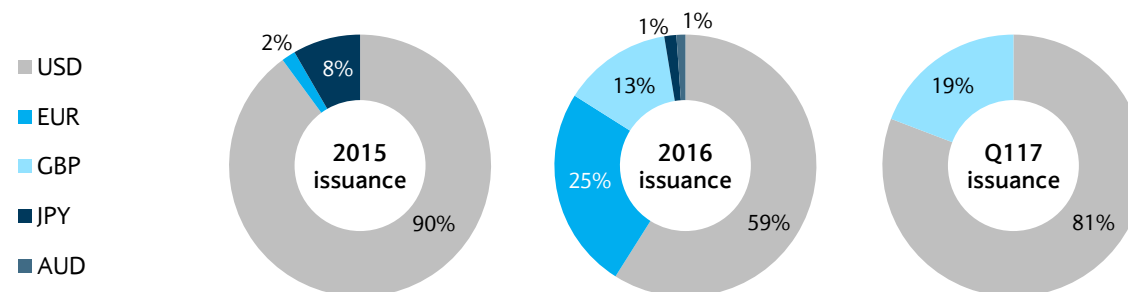
Proactive transition to HoldCo capital and funding model

HoldCo issuance by year^{1,2}



- The Group has continued to make strong progress on its commitment to transition to a HoldCo capital and term funding model during Q117:
 - Successfully issued £6.3bn equivalent from the HoldCo
 - £3.0bn³ of OpCo capital and senior public term instruments were either redeemed or matured, including the \$1.375bn 7.1% Series 3 USD preference shares
- Aim to build a diversified funding profile at the HoldCo across currencies, maturities and channels

Currency split of senior HoldCo issuance by period



- We continue to diversify the HoldCo funding profile with notable GBP transactions in Q117:
 - Completed £950m HoldCo senior issuance
 - Successfully priced a £1.25bn AT1 transaction

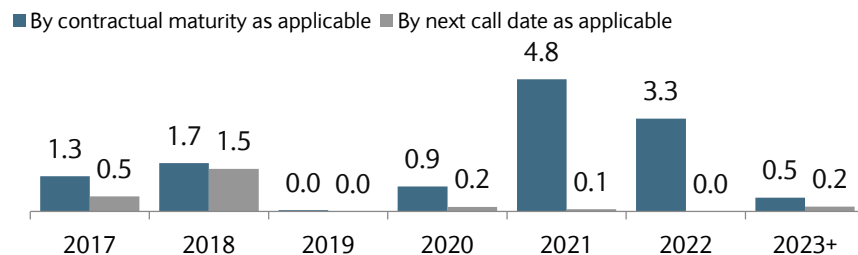
¹ Instruments assumed to qualify for MREL is based on Barclays' understanding of current regulatory proposals which are subject to change including "FSB's Total Loss-absorbing Capacity (TLAC) Term Sheet", published on 9 November 2015 | ² Annual issuance balances based on FX rate on 31 March 2017 for debt accounted instruments and historical transaction rates for equity accounted instruments with respective period-end RWAs. The sum of the respective annual balances may therefore not correspond to the aggregate March 2017 position | ³ Buyback and redemption based on FX rates at time of retirement for debt accounted instruments, and historical transaction rates for equity accounted instruments |

Continued progress on transition to HoldCo capital and funding model

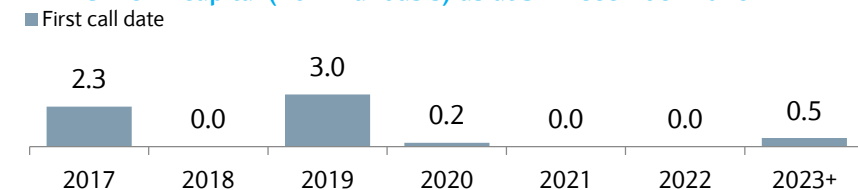
PRA transitional regulatory capital

| (£bn) | Mar-17 | Dec-16 |
|---|-------------|-------------|
| PRA transitional Common Equity Tier 1 capital | 44.9 | 45.2 |
| PRA transitional Additional Tier 1 regulatory capital | 12.1 | 11.8 |
| – Barclays PLC (HoldCo) | 7.7 | 6.4 |
| – Barclays Bank PLC (OpCo) | 4.4 | 5.3 |
| PRA transitional Tier 2 regulatory capital | 13.6 | 14.9 |
| – Barclays PLC (HoldCo) | 3.7 | 3.8 |
| – Barclays Bank PLC (OpCo) | 9.9 | 11.1 |
| PRA transitional total regulatory capital | 70.7 | 71.8 |

BB PLC Tier 2 capital (nominal basis) as at 31 December 2016¹



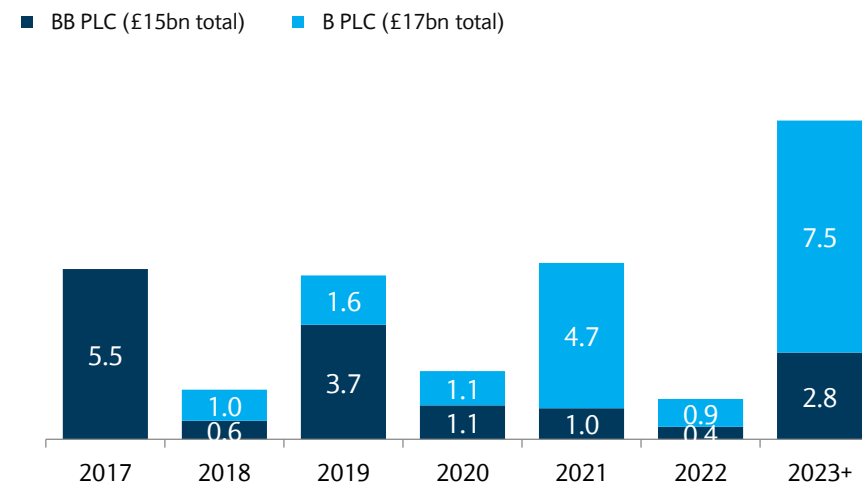
BB PLC Tier 1 capital (nominal basis) as at 31 December 2016¹



Outstanding term vanilla senior unsecured debt

| (£bn) | Mar-17 | Dec-16 |
|--|-------------|-------------|
| Barclays PLC (HoldCo) term vanilla senior unsecured debt | 21.6 | 16.9 |
| Barclays Bank PLC (OpCo) term vanilla senior unsecured debt ² | 13.5 | 15.1 |
| Total term vanilla senior unsecured debt | 35.1 | 32.0 |

Term vanilla senior unsecured debt maturities as at 31 December 2016¹



¹ Nominal basis will not reconcile with the regulatory basis due to regulatory adjustments. Excludes BAGL | ² Comprises all outstanding Barclays Bank PLC issued public and private term vanilla senior unsecured debt, regardless of residual maturity. This excludes £30.8bn of notes issued under the structured notes programmes



Structural Reform

Structural reform plan is on track achieving critical milestones as planned

H2 2017 Group Service Company setup

Milestones completed

- ✓ Legal entity repositioned and rated
- ✓ Target operating model agreed
- ✓ Relevant services identified and catalogued

Milestones to complete

- Migrate assets, contracts and employees
- Introduce arms-length service management
- Continue to prepare internal infrastructure

H1 2018 Legal entity separation

Milestones completed

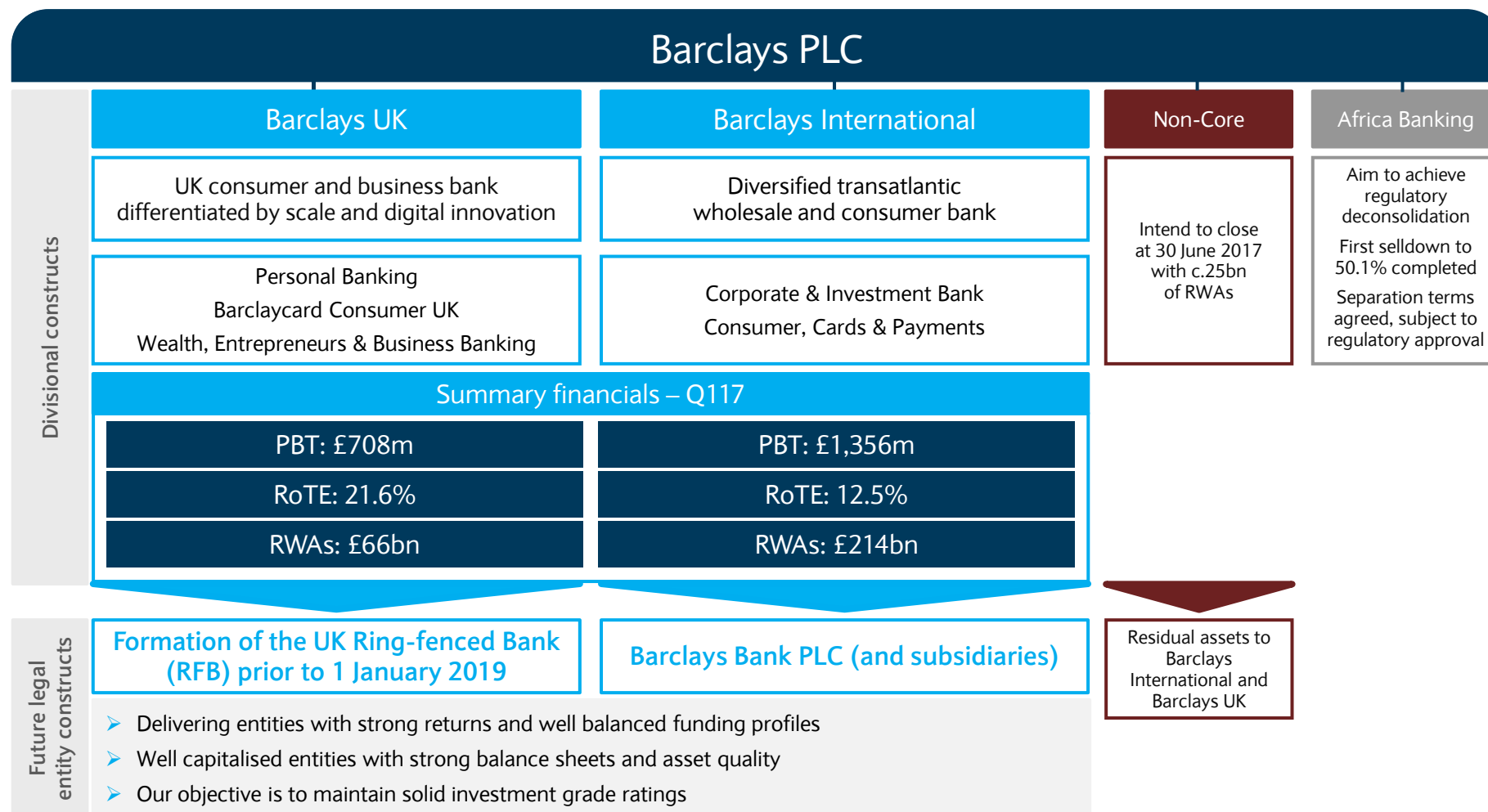
- ✓ Barclays UK and Barclays International established as operating divisions in March 2016 and will become the future-state legal entities
- ✓ Conditional banking licence approved for the Ring-fenced Bank in April 2017
- ✓ Ongoing communication with customers and clients with positive feedback to date

Milestones to complete

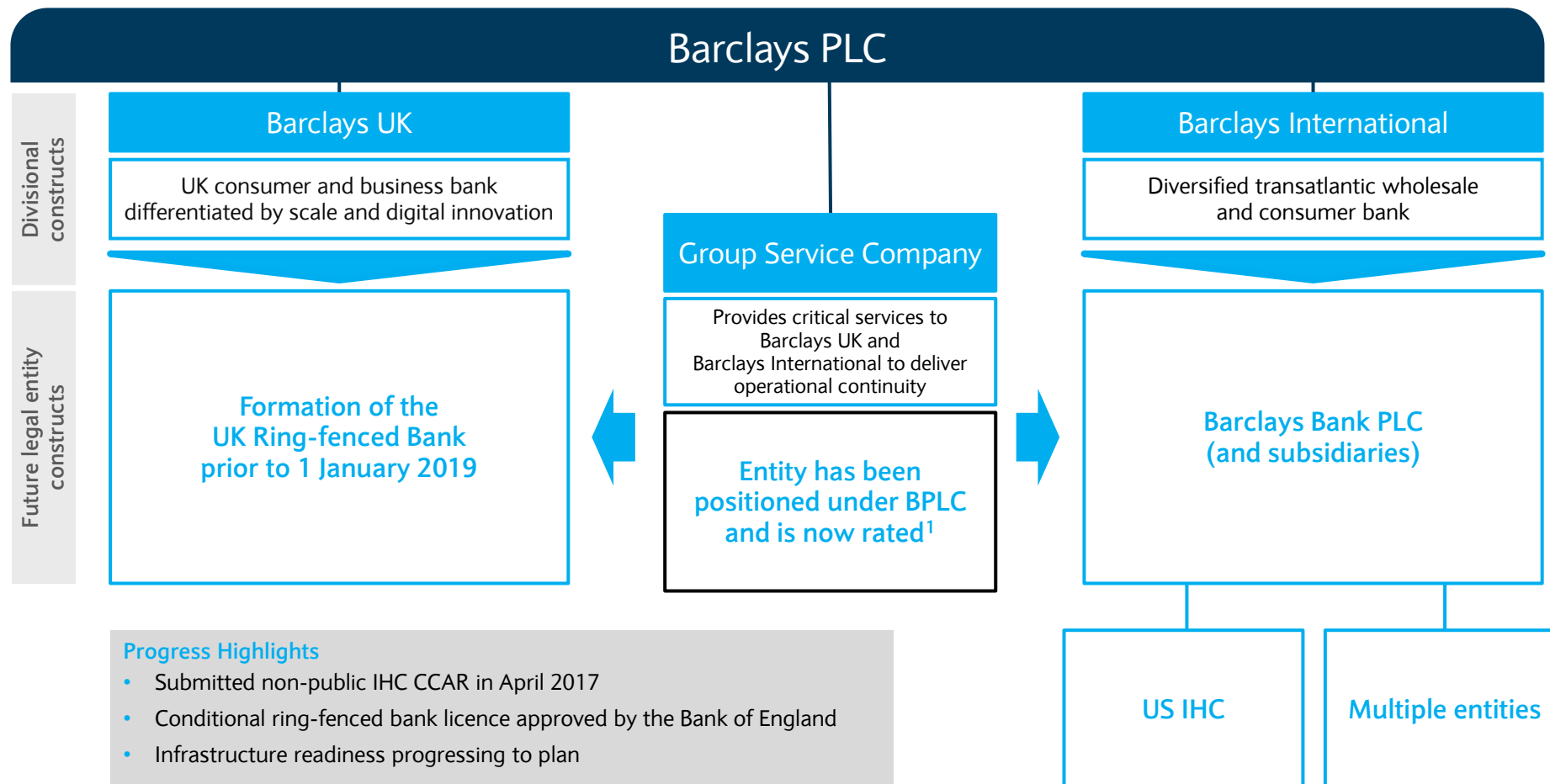
- Ring-Fenced Transfer Scheme (RFTS) court process to be initiated in Q4 2017
- Continue to prepare internal infrastructure including moving customer accounts to new sort codes

Supports delivery of fundamentally strong banking propositions for all our stakeholders, consistent with the Group's strategy of being a transatlantic, consumer, corporate and investment bank

Simplifying our business divisions for structural reform

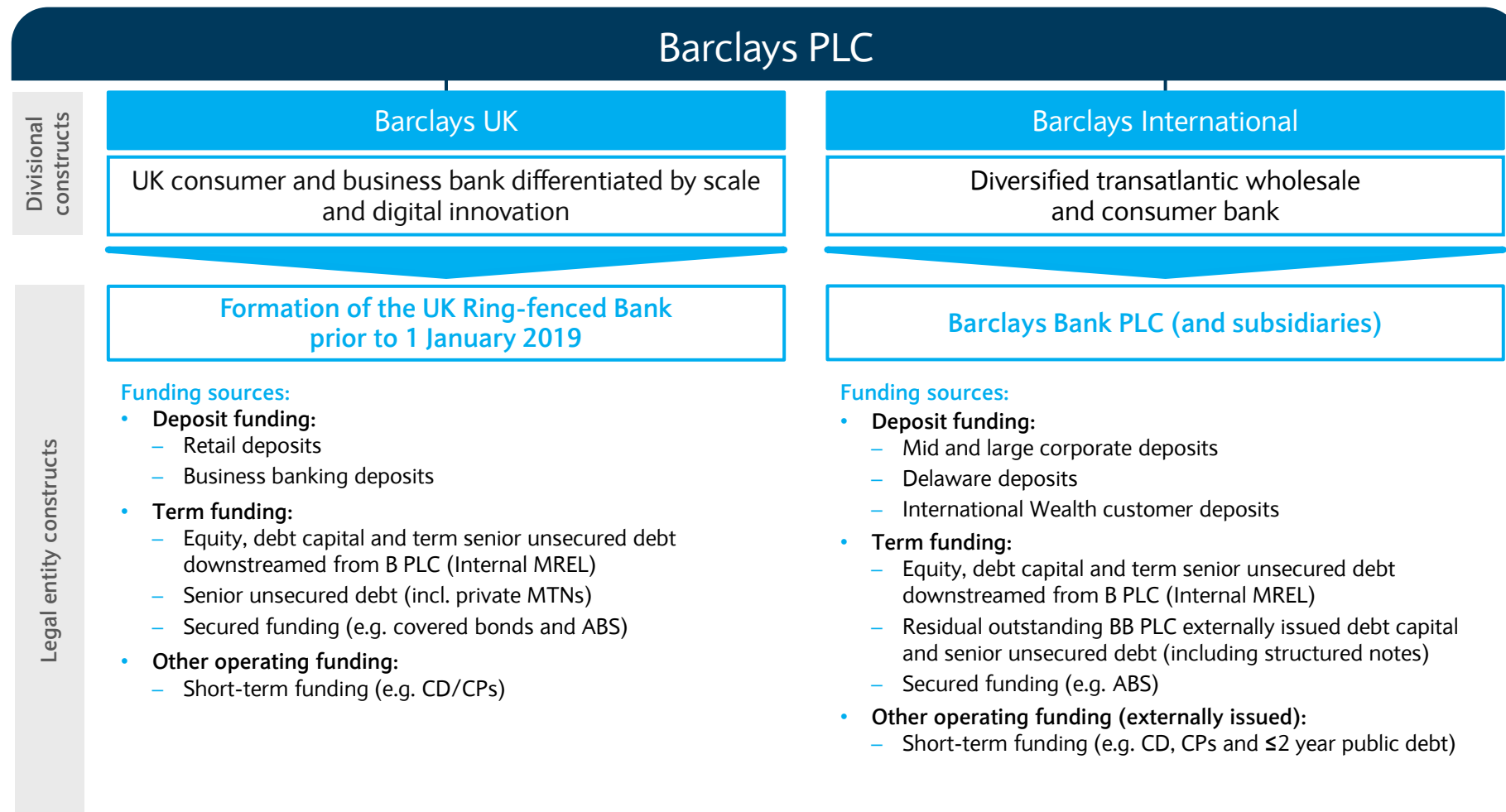


Progress on Group legal structure



¹ Rated "A-" (negative outlook) by S&P, in line with the Group Credit Profile |

Anticipated funding sources of future UK ring-fenced bank and Barclays Bank PLC (and subsidiaries)



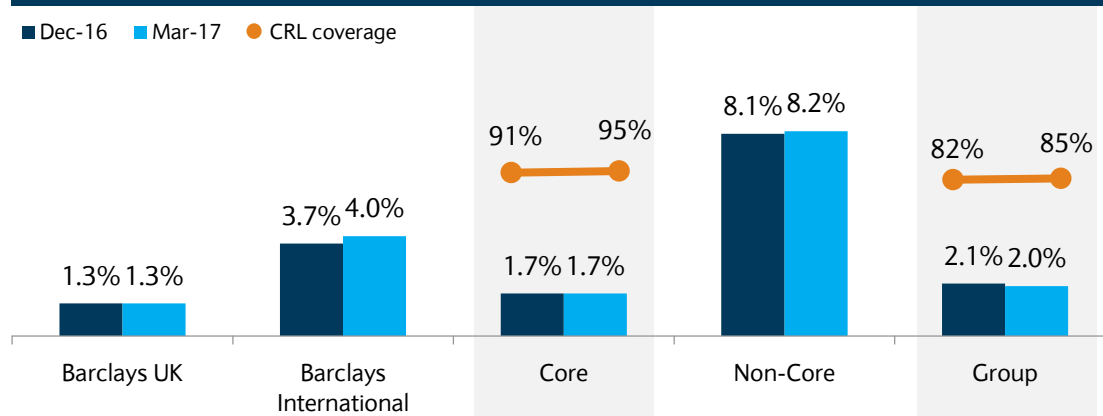


Asset Quality

Underlying stable trends reflect prudent approach to credit risk management

Retail CRL % of Gross L&A

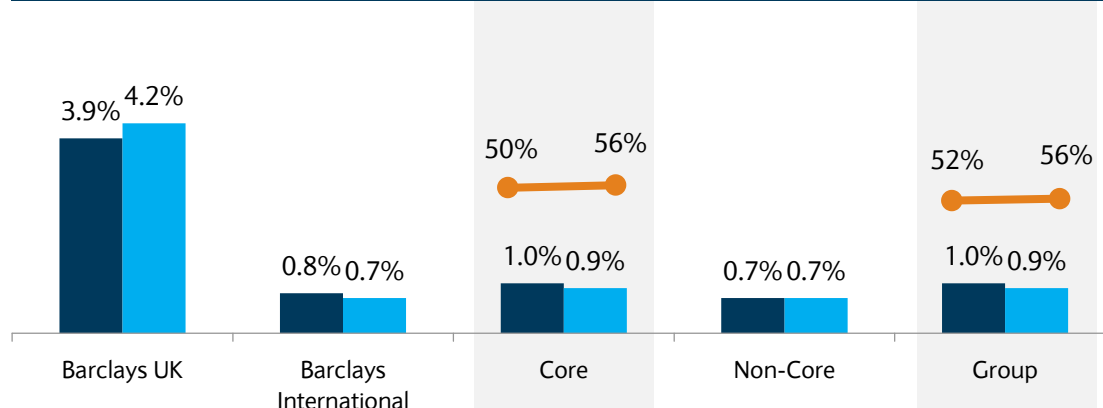
■ Dec-16 ■ Mar-17 ● CRL coverage



Prudent risk management

- Impairment charge increased on Q116 primarily reflecting an increase in Consumer, Cards & Payments due to a change in portfolio mix in US Cards, business growth and FX impacts
- In US cards, as part of our ongoing focus to rebalance the composition of our overall risk profile with a greater emphasis on high-quality credit card accounts, \$1.6bn of higher risk accounts were sold in Q117
- Underlying UK impairment remained stable, excluding non-recurrence of higher provision releases and recoveries in Q116
- Both UK and US Cards 30 and 90 day delinquency rates have remained stable
- Strong CRL coverage ratios continue to provide significant protection
 - Core Retail CRL coverage ratio of 95% (Dec-16: 91%)
 - Core Wholesale CRL coverage ratio of 56% (Dec-16: 50%)

Wholesale CRL % Gross L&A

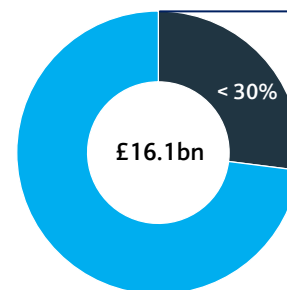


Stable UK Cards portfolio with flat underlying impairment trends

UK Cards portfolio

- UK macro environment remains benign, with record low unemployment rate of 4.7%
- Remain comfortable with underlying UK impairment trends and risk positioning
- UK 30 and 90 day delinquency rates have improved year-on-year
- Long experience of providing 0% Balance Transfers
 - Proportion of portfolio made up of 0% Balance Transfers is less than 30%
 - c.90% of these have a duration of two years or less outstanding
 - Maintained prudent EIR assumptions
- Interest earning lending (IEL) as percentage of balances has remained stable since 2014, while industry IEL balances have reduced

Q117 UK Cards balance mix

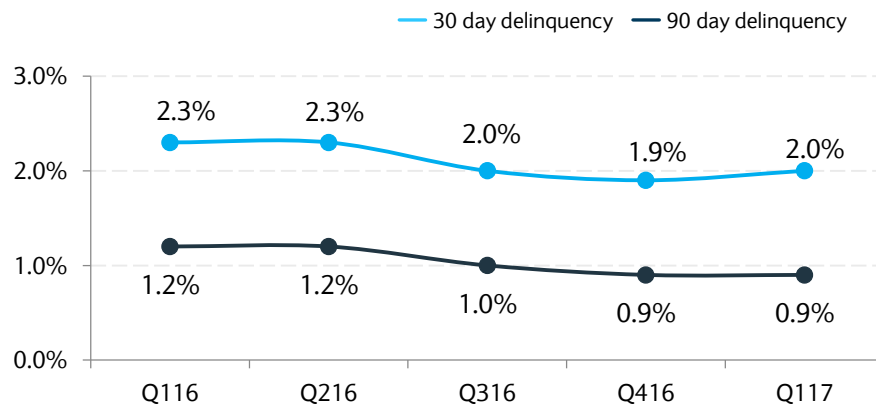


0% Balance Transfers <30%, of which

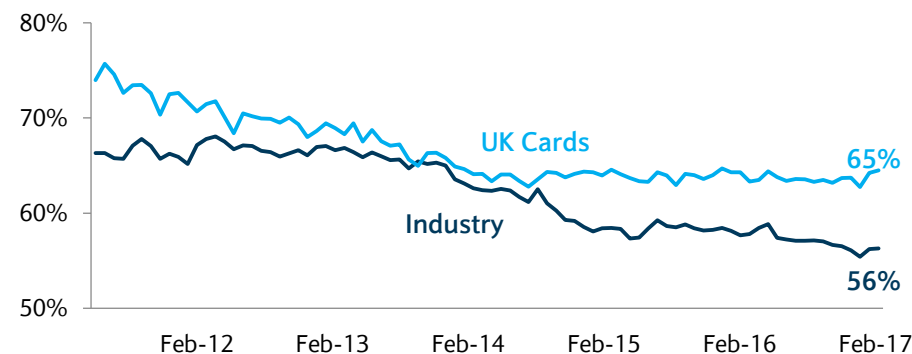
- c.90% has a duration of <24 months
- Majority taken by existing customers

■ 0% Balance Transfers

Stable delinquency rates



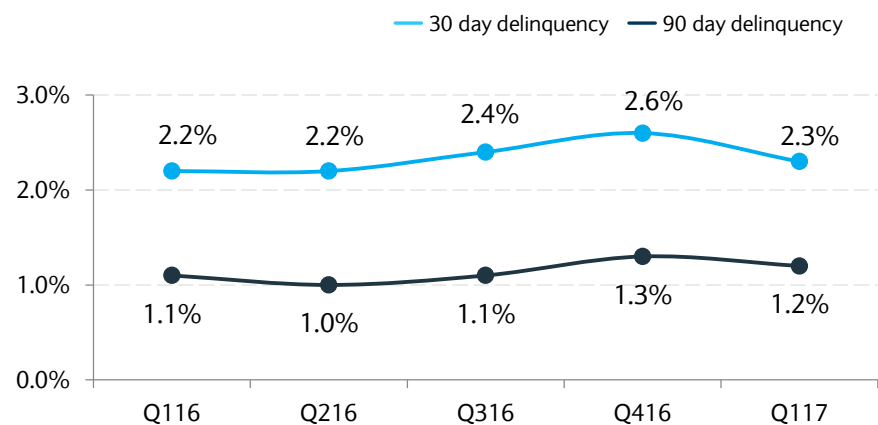
Interest earning lending (IEL), as % of balances¹



¹ Source: BBA, March 2017 |

Actively managed US Cards growth, including shifts in portfolio mix

US Cards delinquency rates



US Cards

- The US Cards portfolio is weighted towards a co-brand model, with a smaller proportion made up of branded cards
- In both segments emphasis has been on re-balancing the portfolio to a better quality mix
 - Asset sale of \$1.6bn of higher risk balances was completed in Mar-17
 - Mix shift expected from growth in lower risk partner cards including the American Airlines portfolio
- 30 and 90 day delinquency rates improved versus Q416 due to the asset sale
- Impairment reduced relative to Q416 on a stronger revenue base
- Risk-adjusted returns across the US Cards portfolios remain strong



Credit Ratings

Ratings are a key strategic priority

| Senior Long Term/ Short Term ratings | Fitch | Standard & Poor's | Moody's |
|---|---------------------------------|-------------------|------------------------------------|
| Barclays PLC (B PLC – HoldCo) | A F1 | BBB A-2 | Baa2 P-3 |
| Barclays Bank PLC (BB PLC – OpCo) | A DCR ¹ : A F1 | A- A-2 | A1 CRA ² : A1 P-1 |
| Outlook | | | |
| Pre-referendum | STABLE | STABLE | STABLE |
| Post-referendum | STABLE | NEGATIVE | NEGATIVE |

Rating priorities

- Barclays is committed to maintaining solid investment grade ratings
- We intend to create as much stability in the ratings of Barclays PLC and Barclays Bank PLC as we can – both before and after structural reform

Recent rating developments

- Following the EU referendum, all rating agencies took action on UK sovereign ratings
- S&P and Moody's also placed several UK banks on negative outlooks including Barclays, whilst affirming the ratings
- In December 2016 Moody's upgraded senior long term ratings for both the OpCo and HoldCo by one notch reflecting the continued build-up of loss absorbing capacity at the HoldCo
- In December 2016 S&P assigned an A- rating to the ServCo, aligned to the rating of Barclays Bank PLC
- Ratings and outlooks for Barclays have remained unchanged with Fitch after the UK referendum

¹ Derivative counterparty rating | ² Counterparty rating assessment |

Barclays rating composition for senior debt

| | Standard & Poor's | | Moody's | | Fitch | | | |
|--------------------|-----------------------------------|-----------------|-----------------------------------|-----------------|--------------------------------|---------------|----------|------|
| Stand-alone rating | Stand-Alone Credit Profile | bbb+ | Baseline Credit Assessment | baa2 | Viability Ratings | | a | |
| | Anchor | bbb+ | Macro profile | Strong+ | Operating environment | aa | to | a+ |
| | Business position | 0 | Financial profile | baa2 | Company profile | a | to | bbb+ |
| | Capital and earnings | 0 | Qualitative adjustments | 0 | Management & Strategy | a+ | to | a- |
| | Risk position | 0 | | | Risk appetite | a+ | to | a- |
| | Funding and liquidity | 0 | | | Financial profile | a+ | to | bbb |
| Additional factors | Additional factors | | Additional factors | | Additional factors | | | |
| | Notching (HoldCo) | -1 | Loss given failure (HoldCo) | 0 | Government support | | | 0 |
| | ALAC ¹ support (OpCo) | +1 | Government support (OpCo) | 1 | Qualifying junior debt | | | 0 |
| | Government support | 0 | Loss given failure (OpCo) | 3 | | | | |
| | Group support | 0 | | | | | | |
| Liability ratings | HoldCo senior long-term | BBB | HoldCo senior long-term | Baa2 | HoldCo senior long-term | A | | |
| | OpCo senior long-term | A- | OpCo senior long-term | A1 | OpCo senior long-term | A | | |
| | OpCo senior short-term | A-2 | OpCo senior short-term | P-1 | OpCo senior short-term | F1 | | |
| | Post-referendum outlook | Negative | Post-referendum outlook | Negative | Post-referendum outlook | Stable | | |

¹ Additional Loss Absorbing Capacity |

Barclays rating composition for subordinated debt

| | Standard & Poor's | | | | | | | Moody's | | | | | | | Fitch | | | | | | | | | |
|--------------------|----------------------------|----------|-----|---------|-----|------|----|---|----------------------------|----------|---------|------|------|----------|--------------|----------------------|-------------------------|--------|---------|------|-----|----------|--|--|
| Stand-alone rating | Stand-Alone Credit Profile | bbb+ | | | | | | | Baseline Credit Assessment | baa2 | | | | | | | Viability Rating | a | | | | | | |
| + | | HoldCo | | OpCo | | | | | | HoldCo | | OpCo | | | | | | HoldCo | | OpCo | | | | |
| | | T2 | AT1 | T2 Coco | UT2 | LT2 | T1 | T2 | | AT1 | T2 Coco | UT2 | LT2 | T1 (cum) | T1 (non-cum) | T2 | | AT1 | T2 Coco | UT2 | LT2 | T1 | | |
| Notching | Contractual subordination | -1 | -1 | -1 | -1 | -1 | -1 | LGF | -1 | | | -1 | -1 | -1 | -1 | Loss severity | -1 | -2 | -2 | -1 | -1 | -2 | | |
| | Bail-in feature | -1 | -1 | -1 | -1 | -1 | -1 | Coupon skip risk (cum) | | | | -1 | | -1 | | | | | | | | | | |
| | Buffer to trigger | | -1 | -1 | | | | Coupon skip risk (non cum) | | | | | | | -2 | | | | | | | | | |
| | Coupon skip risk | | -2 | | -1 | | -2 | Model-based outcome with legacy T1 rating cap | | -3 | | | | | | Non-performance risk | | -3 | -2 | -2 | | -2/-3 | | |
| | Structural subordination | -1 | -1 | | | | | | | | | | | | | | | | | | | | | |
| | Total notching | -3 | -6 | -3 | -3 | -2 | -4 | Total notching | -1 | -3 | | -2 | -1 | -2 | -3 | Total notching | -1 | -5 | -4 | -3 | -1 | -4/-5 | | |
| Liability ratings | Rating | BB+ | B+ | BB+ | BB+ | BBB- | BB | Rating | Baa3 | Ba2 | N/A | Ba1 | Baa3 | Ba1 | Ba2 | Rating | A- | BB+ | BBB- | BBB | A- | BBB-/BB+ | | |
| | Post-referendum outlook | Negative | | | | | | | Post-referendum outlook | Negative | | | | | | | Post-referendum outlook | Stable | | | | | | |



Appendix

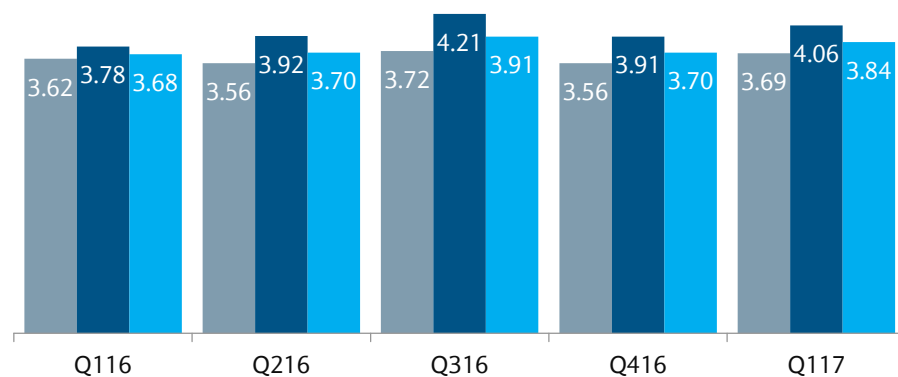
Core income and margins – Q117

| Income (£m) – Three months ended | Mar-17 | Mar-16 | % change |
|--------------------------------------|--------------|--------------|------------|
| –Barclays UK | 1,511 | 1,501 | 1% |
| –Barclays International ¹ | 1,121 | 995 | 13% |
| –Other ² | (124) | 95 | |
| Net interest income (NII) | 2,508 | 2,591 | (3%) |
| Non-interest income | 3,389 | 2,692 | 26% |
| Total Core income | 5,897 | 5,283 | 12% |

- Core income increased 12% driven by a 26% increase in non-interest income
- Barclays UK NII increased 1% to £1.5bn as growth in deposits and liability repricing initiatives offset headwinds from the lower UK base rate and asset margin compression
 - NIM of 3.69% was 7bps higher on Q116
- Barclays International¹ NII increased 13% to £1.1bn, delivering an improved NIM of 4.06%
- Overall Core NIM increased to 3.84%
- Non-interest income increased 26% to £3.4bn driven by growth in CIB income

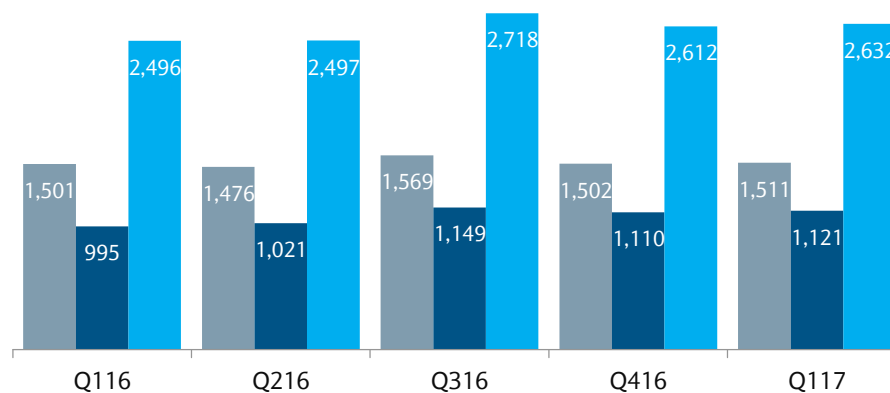
Net Interest Margin (%)

■ Barclays UK ■ Barclays International¹ ■ Combined



Net Interest Income (£m)

■ Barclays UK ■ Barclays International¹ ■ Combined

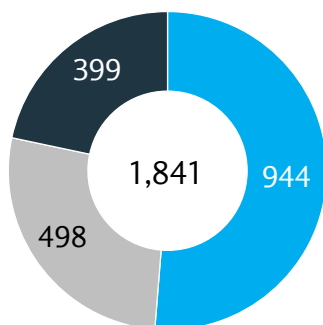


¹ Barclays International margins include interest earning lending balances within the investment banking business | ² Other includes Head Office and non-lending related investment banking balances |

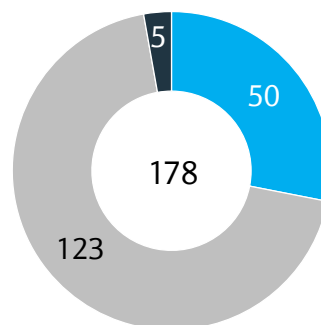
Barclays UK and Barclays International analysis

Barclays UK – Q117

Split of income (£m)

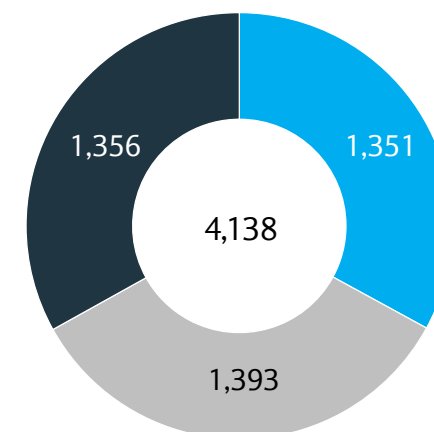


Split of impairment (£m)

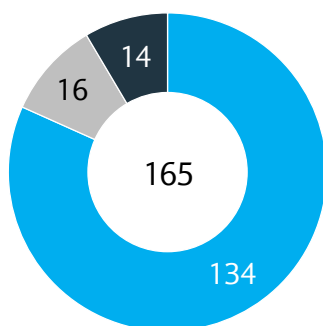


Barclays International – Q117

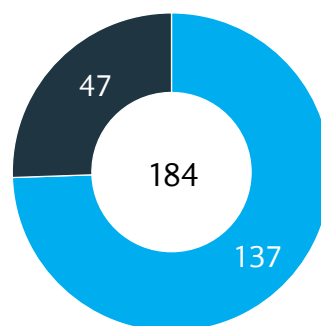
Split of income (£m)¹



Split of loans and advances to customers (£bn)



Split of customer deposits (£bn)



■ Personal Banking

■ Barclaycard Consumer UK

■ Wealth, Entrepreneurs & Business Banking

■ Consumer, Cards & Payments

■ Markets

■ Banking

¹Includes other income in CIB of £38m |

Barclays UK: Robust RoTE of 21.6%

| Business performance | | | |
|--|--------|--------|----------|
| Three months ended (£m) | Mar-17 | Mar-16 | % change |
| – Personal Banking | 944 | 919 | 3% |
| – Barclaycard Consumer UK | 498 | 491 | 1% |
| – Wealth, Entrepreneurs & Business Banking | 399 | 393 | 2% |
| Income | 1,841 | 1,803 | 2% |
| – Personal Banking | (50) | (42) | (19%) |
| – Barclaycard Consumer UK | (123) | (105) | (17%) |
| – Wealth, Entrepreneurs & Business Banking | (5) | 1 | |
| Impairment | (178) | (146) | (22%) |
| Operating expenses | (955) | (953) | (0%) |
| Profit before tax (PBT) | 708 | 704 | 1% |
| Attributable profit | 470 | 467 | 1% |
| Performance measures | | | |
| Return on average allocated tangible equity (RoTE) | 21.6% | 20.5% | |
| Average allocated tangible equity | £8.9bn | £9.3bn | |
| Cost: income ratio | 52% | 53% | |
| Loan loss rate (LLR) | 43bps | 34bps | |
| Net interest margin (NIM) | 3.69% | 3.62% | |
| Balance sheet (£bn) ¹ | | | |
| Loans and advances to customers | 164.5 | 166.2 | |
| Customer deposits | 184.4 | 179.1 | |
| Risk weighted assets (RWA) | 66 | 70 | |

Q117 performance metrics

- Increased income and positive jaws delivered an improved RoTE of 21.6%, with PBT broadly in line at £708m
- Income increased 2% to £1.8bn, driven by a 1% increase in net interest income
 - Deposit growth and repricing more than offset headwinds from the UK base rate cut in 2016 and asset margin pressure, as well as reflecting Visa Inc. gains of £24m
- Impairment increased by £32m to £178m primarily due to the non-recurrence of higher provision releases and recoveries in Q116
 - Underlying impairment remained stable, with improved delinquency rates in the UK cards portfolio
- Operating expenses were flat at £955m, delivering an improved cost: income ratio of 52%
 - Cost efficiencies were offset by costs to set up the ring-fenced bank and investment in cyber resilience and technology
 - Aiming for a cost: income ratio of <50% over time

Key drivers/highlights

Personal Banking

- Strong deposit growth of £4.4bn year-on-year to £137.3bn with deposit repricing initiatives driving increased income
- Stable mortgage balances underpinned by reduced redemptions

Barclaycard Consumer UK

- Steady growth in loans and advances, up 1% year-on-year to £16.1bn
- Proportion of portfolio made up of 0% Balance Transfers is less than 30%
- Improved 30 and 90 day delinquency rates of 2.0% and 0.9% (Mar-16: 2.3% and 1.2%) respectively

Wealth, Entrepreneurs & Business Banking

- Income increased 2% driven by deposit growth in Business Banking and increased annuity fee income in Wealth

¹ Mar-17 balance sheet affected by the realignment of certain clients between Barclays UK and Barclays International in preparation for structural reform |

Barclays UK: Improved NIM and growth in deposits

| Income (£m) – Three months ended | Mar-17 | Mar-16 | % change |
|----------------------------------|--------------|--------------|-----------|
| Net interest income (NII) | 1,511 | 1,501 | 1% |
| – Net interest margin (NIM) | 3.69% | 3.62% | |
| Non-interest income | 330 | 302 | 9% |
| Total income | 1,841 | 1,803 | 2% |

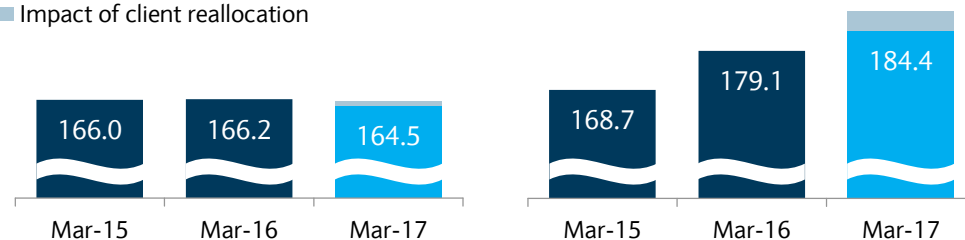
Q117 performance metrics

- NIM increased 7bps to 3.69% as NII grew 1% to £1.5bn
 - Growth in deposit balances and liability repricing initiatives offset headwinds from the lower UK base rate and asset margin pressure
- Non-interest income increased 9% to £330m reflecting Visa Inc. gains and an increase in debit card volumes
- Client reallocation between Barclays UK and Barclays International in preparation for structural reform reduced customer balances in Barclays UK, with modest PBT impact. Excluding this, Barclays UK demonstrated
 - Continued strong deposit growth
 - Stable loans and advances, reflecting a conservative risk appetite, with focus retained on remortgage and lower LTV segments, and unsecured lending to existing customers
- LDR of 89% (Mar-16: 93%), reflecting strong funding position and prudent risk appetite

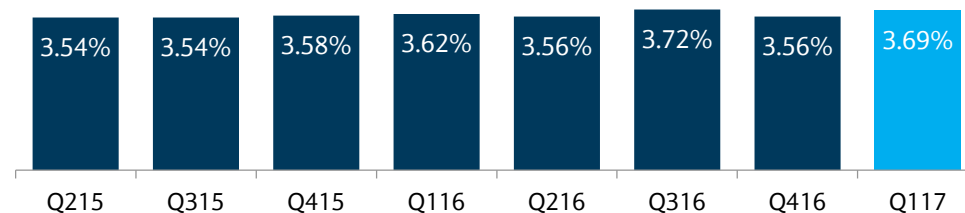
Loans & advances to customers (£bn)

Customer deposits (£bn)

■ Impact of client reallocation



Net Interest Margin (NIM)







NIM expectation

| BoE base rate | FY17 |
|---------------|----------|
| 0.25% | c.360bps |

Barclays UK: Realising the significant opportunity with our 24 million customers by leveraging digital and data

Significant growth in digital banking – year-on-year

| | | | |
|-----------------------------------|--|---|-------------|
| Barclays Mobile Banking |  | 4.9m Active users | +17% |
| Digital |  | 9.8m Digitally active customers | +10% |
| Digital log-ins |  | 147m Monthly average Last 12 months | +19% |
| Payments & transfers ¹ |  | £23bn Monthly average Last 12 months | +10% |
| Digital Eagles | | 1.6m People Barclays has helped since April 2013 | |

Leveraging our data to drive meaningful customer relationships

Income growth

Digital: reducing cost and increasing customer experience and satisfaction

Cost efficiency

Improved underwriting at a holistic customer level

Credit control

¹ Digital payments and transfers volumes include Pingit |

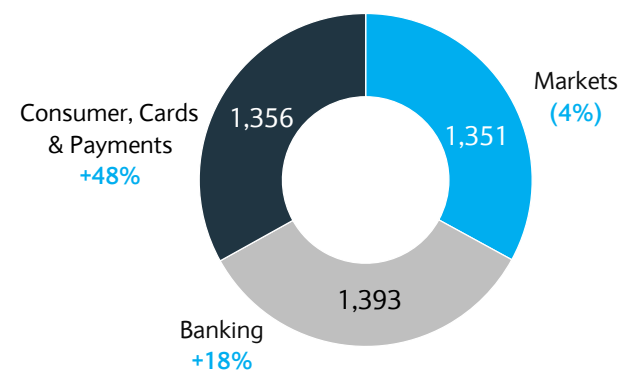
Barclays International: 12.5% RoTE with profit growth in CIB and Consumer, Cards & Payments

| Business performance | | | |
|--|---------|---------|----------|
| Three months ended (£m) | Mar-17 | Mar-16 | % change |
| –Corporate & Investment Bank (CIB) | 2,782 | 2,596 | 7% |
| –Consumer, Cards & Payments (CC&P) | 1,356 | 917 | 48% |
| Income | 4,138 | 3,513 | 18% |
| Impairment | (346) | (269) | (29%) |
| Operating expenses | (2,448) | (2,225) | (10%) |
| Profit before tax (PBT) | 1,356 | 1,027 | 32% |
| Attributable profit | 837 | 575 | 46% |
| Performance measures | | | |
| Return on average allocated tangible equity (RoTE) | 12.5% | 9.5% | |
| Average allocated tangible equity | £27.7bn | £25.1bn | |
| Cost: income ratio | 59% | 63% | |
| Loan loss rate (LLR) | 62bps | 50bps | |
| Net interest margin (NIM) | 4.06% | 3.78% | |
| Balance sheet (£bn) | | Mar-17 | Mar-16 |
| Risk weighted assets (RWA) | | 214 | 202 |

Q117 performance metrics

- PBT increased 32% to £1.4bn driven by encouraging CIB performance and continued momentum in CC&P, delivering an improved RoTE of 12.5%
- Income increased by 18% to £4.1bn
 - Income growth of 48% in CC&P was driven by a gain on an asset sale in US Cards, Visa Inc. gains and continued growth in US Cards, while CIB increased 7% driven by strong Banking performance
 - Income benefitted from the appreciation of USD and EUR against GBP, with over 50% of income in USD
- Impairment increased £77m driven by CC&P, reflecting a shift in US Cards portfolio mix, business growth and the impact of FX movements, partially offset by the non-recurrence of single name charges in CIB in Q116
- Costs rose 10%, impacted by FX movements, the change in compensation awards introduced in Q416 and continued business growth in CC&P, partially offset by lower restructuring costs in CIB
 - Generated positive jaws and a cost: income ratio of 59%

Q117 income by product (£m)



Barclays International: Corporate & Investment Bank

Strong banking performance drove 13% PBT growth

| Business performance | | | |
|--|------------|------------|------------|
| Three months ended (£m) | Mar-17 | Mar-16 | % change |
| Markets | 1,351 | 1,408 | (4%) |
| – Credit | 399 | 322 | 24% |
| – Equities | 462 | 513 | (10%) |
| – Macro | 490 | 573 | (14%) |
| Banking | 1,393 | 1,185 | 18% |
| – Banking fees | 726 | 481 | 51% |
| – Corporate lending | 269 | 296 | (9%) |
| – Transactional banking | 398 | 408 | (2%) |
| Income ¹ | 2,782 | 2,596 | 7% |
| Impairment | (51) | (95) | 46% |
| Operating expenses | (1,941) | (1,800) | (8%) |
| Profit before tax (PBT) | 790 | 701 | 13% |
| Performance measures | | | |
| Return on average allocated tangible equity (RoTE) | 8.2% | 7.3% | |
| Balance sheet (£bn) | | | |
| Risk weighted assets (RWA) | 181 | 173 | |

Q117 performance metrics

- Income growth of 7% to £2.8bn reflected strong performance in Banking, partially offset by lower income in Markets, compared to a strong Q116
 - Income benefitted from the appreciation of average USD against GBP, with over 50% of income in USD
- Impairment reduced to £51m due to the non-recurrence of oil and gas single name charges
- Costs increased 8%, reflecting both the stronger USD and the change in compensation awards introduced in Q416, partially offset by lower restructuring charges
 - Delivered positive cost: income jaws, excluding the compensation changes
- RWAs increased 5% to £181bn driven by FX movements

Key drivers/highlights

Markets income (4%)

- Strong Credit performance driven by continued strength in the flow business and higher performance in municipals due to increased volumes
- Macro reduced 14% driven by weaker trading performance in US rates and the exit of the energy-related commodities business, more than offsetting improved performance in FX and fixed income financing
- Equities fell 10% as improved performance in equity financing and cash equities was more than offset by lower trading income in US equity derivatives

Banking income +18%

- Banking fees increased 51%; strongest performance in 3 years primarily driven by DCM recording its highest quarter since Q114²
 - Highest DCM global quarterly fee share of 5.9%³
 - #1 in the UK and #5 in the US, for total banking fee products (Advisory, DCM and ECM)³
- Higher corporate lending income was more than offset by increased losses on fair value hedges
- Transactional banking income reduction driven by deposit margin compression

¹ Includes Other income | ² Data pre-2014 was not restated following resegmentation in Q116 | ³ Dealogic data |

Barclays International: Consumer, Cards & Payments

Continued momentum and strong business growth

Business performance

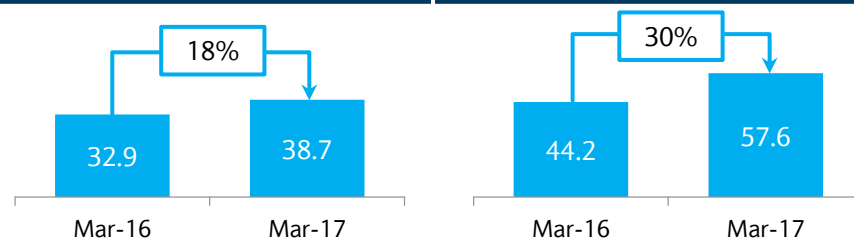
| Three months ended (£m) | Mar-17 | Mar-16 | % change |
|--------------------------------|------------|------------|------------|
| Income | 1,356 | 917 | 48% |
| Impairment | (295) | (174) | (70%) |
| Operating expenses | (507) | (425) | (19%) |
| Profit before tax (PBT) | 566 | 326 | 74% |

Performance measures

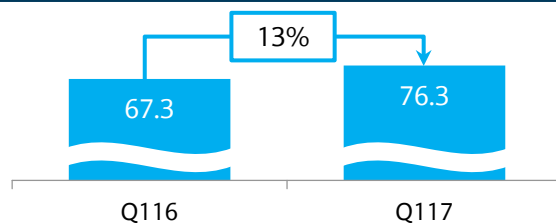
| | | |
|--|-------|-------|
| Return on average allocated tangible equity (RoTE) | 36.4% | 23.4% |
|--|-------|-------|

Loans and advances to banks and customers (£bn)¹

Customer deposits (£bn)¹



Total card spend and payments processed (£bn)



Q117 performance metrics

- PBT increased by 74%, generating an RoTE of 36.4%
- Income increased 48% driven by a gain of £192m relating to the sale of \$1.6bn of higher risk assets in US Cards, Visa Inc. gains of £74m, and continued growth in US Cards
- Impairment increased by £121m, driven by business growth, a shift in US Cards portfolio mix and the impact of FX movements
 - US Cards 30 and 90 day delinquency rates increased marginally to 2.3% (Mar-16: 2.2%) and 1.2% (Mar-16: 1.1%) respectively
 - Impairment fell £41m compared to Q416
- Costs increased 19% driven by business growth and the impact of FX
 - Cost: income ratio improved to 37%

Key drivers/highlights

Barclaycard US

- Loans and advances increased 18% to £19.4bn, including the impact of FX and the asset sale
- Card spend value of £14.9bn in Q117, increased by 27% on Q116²

Barclaycard Germany

- 10% growth in customers since Q116 to 1.2 million
- 20% growth in net loans and advances to £3.0bn, including the impact of FX

Barclaycard Business Solutions

- Merchant acquiring business processed payments to the value of £57.9bn in Q117 (average of £643m per day), up 11% on Q116

Private Banking

- 30% increase in customer deposits to £43bn on Q116, including client realignment of £7.9bn from Barclays UK

¹ Mar-17 balance sheet affected by the realignment of certain clients between Barclays UK and Barclays International in preparation for structural reform | ² Includes balance transfers |

Head Office and Africa Banking summary financials

| Business performance | | |
|--|--------|--------|
| Head Office – Three months ended (£m) | Mar-17 | Mar-16 |
| Income | (82) | (33) |
| Impairment | - | 1 |
| – Operating expenses (excluding L&C) | (49) | (85) |
| – Litigation & conduct | (10) | (7) |
| Operating expenses | (59) | (92) |
| Loss before tax | (141) | (123) |
| Performance measures | | |
| Average allocated tangible equity ^{1,2} | £7.6bn | £5.0bn |
| Balance sheet (£bn) | Mar-17 | Mar-16 |
| Risk weighted assets ² | 53 | 40 |

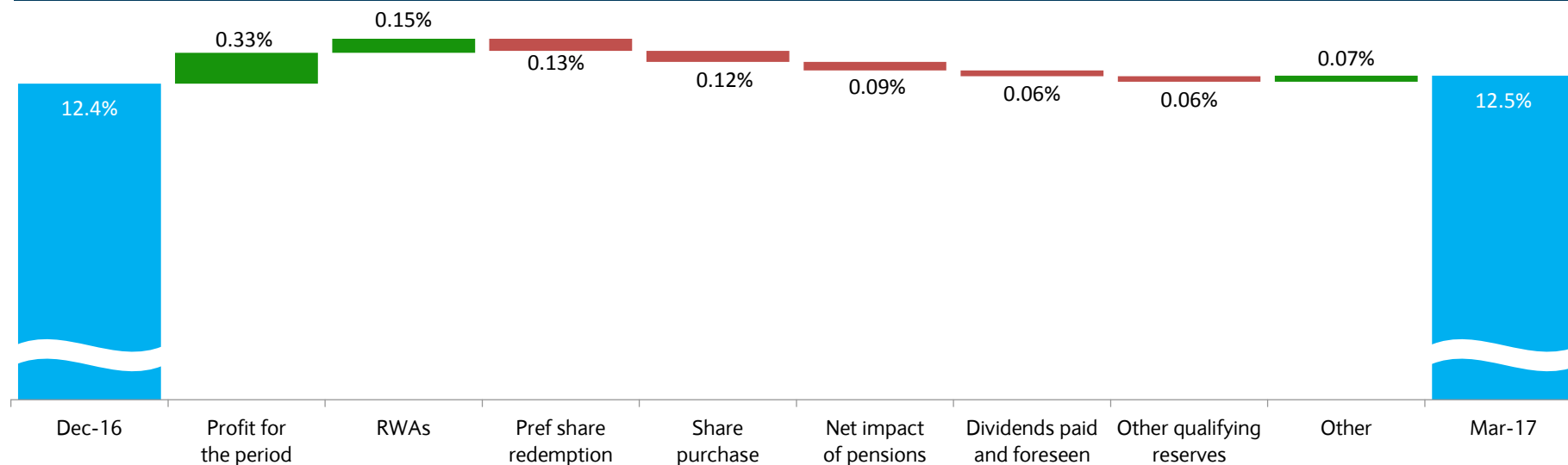
| Africa Banking – Three months ended (£m) | Mar-17 | Mar-16 | % change |
|---|---------|--------|----------|
| Income | 1,082 | 818 | 32% |
| Impairment | (106) | (111) | 5% |
| Operating expenses | (1,537) | (477) | |
| – Impairment of Barclays' holding in BAGL allocated to acquisition goodwill | (884) | - | |
| (Loss)/Profit before tax | (559) | 231 | |
| Profit before tax excluding impairment of goodwill | 325 | 231 | 41% |
| Profit after tax ³ | (658) | 166 | |
| | Mar-17 | Mar-16 | |
| Risk weighted assets | 41 | 34 | |

- Head Office loss before tax increased to £141m (Q116: £123m) reflecting reduced income from treasury operations, while operating expenses reduced reflecting increased cost allocations to businesses
- Africa Banking PBT, excluding impairment of Barclays' holding in BAGL allocated to acquisition goodwill, increased to £325m (Q116: £231m) mainly reflecting the appreciation of average ZAR against GBP
- Africa Banking profit after tax and non-controlling interests presented in the Group income statement as a discontinued operation
- Tangible equity and risk weighted assets of Africa Banking included within Head Office

¹ Based on risk weighted assets and capital deductions in Head Office plus the residual balance of average tangible ordinary shareholders' equity | ² Includes Africa Banking tangible equity and risk weighted assets | ³ Included in Group income statement as profit after tax in respect of discontinued operation |

Common Equity Tier 1 ratio progression

CET1 ratio progression – Dec-16 to Mar-17



Q117 CET1 ratio drivers

- CET1 capital ratio increased to 12.5% driven by:
 - 33bps largely from profits
 - 16bps due to a £4.8bn reduction in RWAs to £361bn, mainly driven by a £5bn reduction in Non-Core to £27bn from continued rundown
- Partially offset by:
 - 13bps on redemption of the Series 3 USD preference shares, which will be returns accretive going forward
 - 12bps from share purchases to meet vesting share awards
 - 9bps of defined benefit pension scheme deficit reduction contributions
- The impairment of Barclays' holding in BAGL allocated to acquisition goodwill in Q117 of £0.9bn had no impact on CET1 capital as there was an equivalent decrease in the goodwill and intangible deduction

UK approach to resolution

Illustrative UK resolution loss allocation waterfall assuming multiple OpCos¹

OpCo waterfall

- STEP 1**
- Total OpCo losses are allocated to OpCo investors in accordance with the OpCo creditor hierarchy
 - Each class of instrument should rank *pari passu* irrespective of holder, therefore LGD of external and internal instruments of the same class are expected to be the same

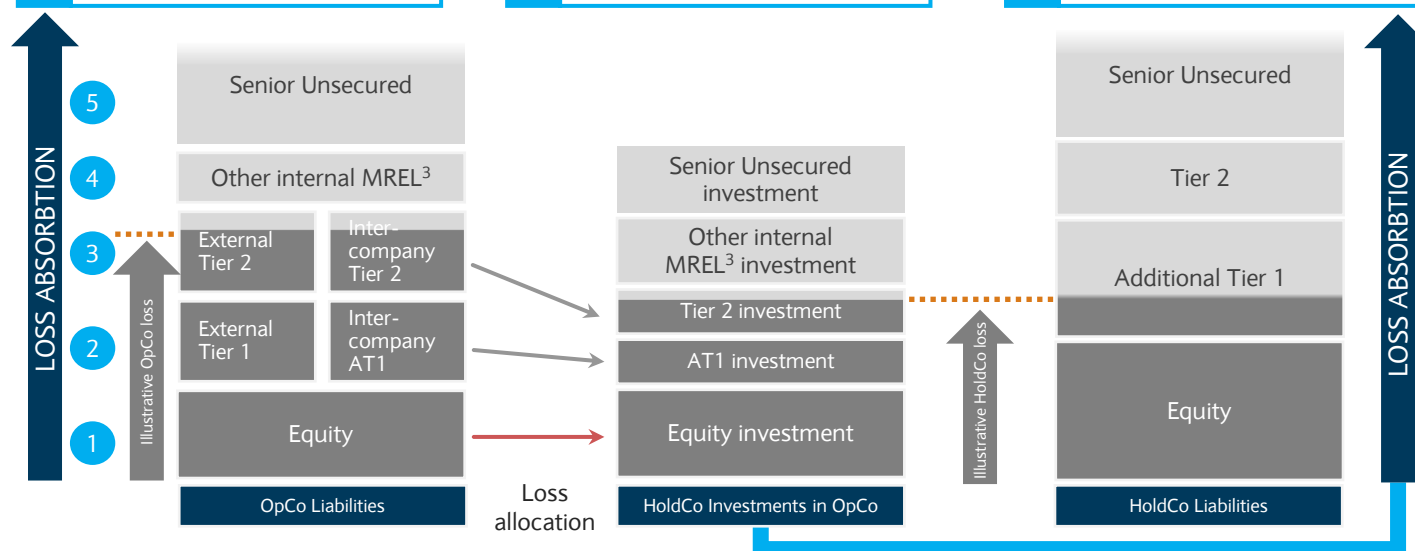
Intercompany investments

- STEP 2**
- Losses are transmitted to HoldCo through write-down of its intercompany investments in line with the OpCo's creditor hierarchy
 - The HoldCo's investments are impaired and/or written down to reflect the losses on each of the intercompany investments

HoldCo waterfall

- STEP 3**
- The loss on HoldCo's investment from step 2 is allocated to the HoldCo's investors in accordance with the HoldCo creditor hierarchy
 - The HoldCo creditor hierarchy remains intact

- BRRD PONV write-down powers ensures OpCo regulatory capital (external and internal) is written down after equity²
- The illustrative loss shows that external and internal OpCo investments of the same rank in resolution should have the same LGD. However, step 3 illustrates that the LGD for an OpCo instrument class could be different to that of the same class at the HoldCo where the diversification of a banking group is retained
- External loss absorbing capacity at OpCo provides support to HoldCo and its creditors
- Important for UK HoldCo investors to understand nature of intercompany arrangements



¹ Illustrative example based on Barclays expectations of the creditor hierarchy in a resolution scenario to demonstrate so-called "single-point-of-entry" in the UK in a situation where a HoldCo has more than one subsidiary. This illustration assumes the loss absorption and recapitalisation required exceeds the failing OpCo's equity capacity. This illustration also assumes that losses occur at the OpCo, rather than the HoldCo, and that no additional incremental losses arise at the HoldCo including for Group recapitalisation. Each layer absorbs losses to the extent of its capacity, following which any recapitalisation of the entity requires write-down/conversion of more senior layers in accordance with the creditor hierarchy. In a situation where all losses can be absorbed within equity, existing shareholders would be diluted but not wiped out, and more senior layers of the hierarchy would be written down to recapitalise the failing firm | ² Point of non-viability power implemented in the UK in accordance with Article 59 of the Bank Recovery and Resolution Directive | ³ Barclays MREL requirements are not yet finalised. Current BoE proposals remain subject to change, including as a result of final international guidance from the FSB on internal TLAC, and implementation of the final European requirements, both of which may impact the BoE's position on MREL |

Wholesale funding composition as at 31 December 2016¹

| As at 31 December 2016 (£bn) | ≤1 month | >1 month but ≤3 months | >3 months but ≤6 months | >6 months but ≤12 months | Total ≤1 year | >1 year but ≤2 years | >2 year but ≤3 years | >3 year but ≤4 years | >4 year but ≤5 years | >5 years | Total |
|---|-------------|------------------------------|-------------------------------|--------------------------------|------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------|--------------|
| Barclays PLC | | | | | | | | | | | |
| Senior unsecured MTNs (public benchmark) | - | - | - | - | - | 0.9 | 1.6 | 1.1 | 4.5 | 7.9 | 16.0 |
| Senior unsecured MTNs (private placements) | - | - | - | - | - | 0.1 | - | - | 0.2 | 0.5 | 0.8 |
| Subordinated liabilities | - | - | - | - | - | - | - | 1.1 | - | 2.7 | 3.8 |
| Barclays Bank PLC | | | | | | | | | | | |
| Deposits from banks | 9.2 | 4.3 | 1.7 | 1.1 | 16.3 | 0.2 | - | 0.3 | - | - | 16.8 |
| Certificates of deposit and commercial paper | 0.3 | 5.2 | 5.6 | 10.9 | 22.0 | 0.7 | 1.1 | 0.5 | 0.5 | 0.3 | 25.1 |
| Asset backed commercial paper | 3.7 | 3.1 | 0.7 | - | 7.5 | - | - | - | - | - | 7.5 |
| Senior unsecured MTNs (public benchmark) | 1.7 | 0.6 | 1.6 | - | 3.9 | - | 2.7 | 0.7 | 0.7 | 1.1 | 9.1 |
| Senior unsecured MTNs (private placement) ² | 0.6 | 1.5 | 3.6 | 3.5 | 9.2 | 7.3 | 5.5 | 3.2 | 1.6 | 10.0 | 36.8 |
| Covered bonds | - | 1.8 | 1.6 | 1.5 | 4.9 | 1.0 | 1.8 | - | 1.0 | 3.7 | 12.4 |
| ABS | - | 0.6 | 1.0 | 0.6 | 2.2 | 0.7 | 1.4 | 0.4 | - | 0.7 | 5.4 |
| Subordinated liabilities | - | - | - | 1.3 | 1.3 | 3.2 | 0.1 | 1.0 | 5.5 | 8.5 | 19.6 |
| Other ³ | 1.1 | 0.2 | 0.6 | 1.1 | 3.0 | 0.2 | 0.2 | 0.3 | 0.1 | 0.7 | 4.5 |
| Total | 16.6 | 17.3 | 16.4 | 20.0 | 70.3 | 14.3 | 14.4 | 8.6 | 14.1 | 36.1 | 157.8 |
| Total as at 30 September 2016 | 23.8 | 10.8 | 13.9 | 21.2 | 69.7 | 15.8 | 10.5 | 10.1 | 16.7 | 36.2 | 159.0 |
| Total as at 31 December 2015 | 15.8 | 15.3 | 8.6 | 13.8 | 53.5 | 16.5 | 12.6 | 13.7 | 8.3 | 37.3 | 141.9 |

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 and collateral swaps, included within deposits from banks are £4.5bn of liabilities drawn in the European Central Bank's facilities. Term funding maturities comprise public benchmark and privately placed senior unsecured notes, covered bonds/asset-backed securities (ABS) and subordinated debt where the original maturity of the instrument was more than 1 year | ² Includes structured notes of £30.8bn, £7.7bn of which mature within one year | ³ Primarily comprised of fair valued deposits £3bn and secured financing of physical gold £0.5bn |

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- regulatory capital, leverage, liquidity and resolution is based on Barclays' interpretation of applicable rules and regulations as currently in force and implemented in the UK, including, but not limited to, the BRRD, CRD IV and CRR texts and any applicable delegated acts, implementing acts or technical standards. All such regulatory requirements are subject to change;
- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The minimum requirement for own funds and eligible liabilities (MREL) – buffers and Threshold Conditions" (PS30/16) published on 8 November 2016 and the non-binding indicative MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into account a number of factors as described in the policy statement and as a result of the finalisation of international and European MREL/TLAC requirements;
- structural reform plans, including illustrations of Barclays business divisions in preparation for regulatory ring-fencing, are subject to internal and regulatory approvals and may change.
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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 the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures 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 or guidance regarding the Group's future financial position, income growth, assets, impairment charges, provisions, notable items, business strategy, structural reform, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the strategic cost programme and the Group Strategy Update, rundown of assets and businesses within Barclays Non-Core, sell down of the Group's interest in Barclays Africa Group Limited, 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, 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, future levels of notable items, 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 any entities within the Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; the implications of the exercise by the United Kingdom of Article 50 of the Treaty of Lisbon and the disruption that may result in the UK and globally from the withdrawal of the United Kingdom from the European Union; the implementation of the strategic cost 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, expectations and guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our annual report on form 20-F for the fiscal year ended 31 December 2016), which are available on the SEC's website at www.sec.gov.

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