BARCLAYS PLC
Form FWP
March 09, 2015

Barclays PLC
Fixed Income Investor Presentation
2014 Full Year Results
3 March 2015
Free Writing Prospectus
Filed Pursuant to Rule 433
Reg. Statement No. 333-195645

Financial highlights
1
Including Spain disposal |
Barclays Full Year 2014 Fixed Income Investor Presentation
2
Increased
adjusted
pre-tax
profits
by
12%

Core
up
3%,
Non-Core

losses
down 24%
Costs excluding CTA £16.9bn, ahead of £17bn guidance
Building
capital:
CET1
ratio
10.5%
and
BCBS
leverage
ratio
3.8%
1
Core business performed well with PBT of £6.7bn and RoE of 9.2% (10.9%
ex-CTA)
Strong progress on shrinking Non-Core and releasing capital

Performance Overview
ASSET QUALITY
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FUNDING
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Financial performance

Adjusted profit before tax increased by 12% to £5.5bn as PCB and Barclaycard continued to grow profits. This was partly offset by reduced income in the Investment Bank, which made progress on its origination-led strategy whilst driving cost savings and RWA efficiencies

Adjusted income decreased 8% while impairment reduced by

29% due to a £732m reduction in Non-Core to £168m and 8% reduction in the Core business

Total adjusted operating expenses decreased 9% to £18.1bn driven by savings from Transform programmes and favourable currency movements. Operating expenses excluding CTA were £16.9bn, down from £18.7bn in 2013 and ahead of the £17bn 2014 target

Adjusted attributable profit was £2.8bn, resulting in EPS of 17.3p

Core
RoE
was
9.2%
(or
10.9%
excluding
CTA)

Group RoE
was 5.1%

Barclays Non-Core attributable loss reduced by 43% to £1.1bn, and RoE drag fell to 4.1%
Summary Group financials: Adjusted profits up 12%
1
EPS and RoE calculations are based on adjusted attributable profit, also taking into account tax credits on AT1 coupons |
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Year ended

December (£m)
2013
2014
Income
27,896
25,728
Impairment
(3,071)

(2,168)
Total operating expenses
(19,893)
(18,069)

Costs to achieve Transform (CTA)
(1,209)
(1,165)
Adjusted profit before tax
4,908
5,502
Tax
(1,963)
(1,704)
NCI and other equity interests
(757)
(1,019)
Adjusted attributable profit
2,188
2,779

Provisions for PPI and IRH redress
(2,000)
(1,110)

Gain on US Lehman acquisition
assets
259
461

Provision for ongoing investigations
and litigation relating to Foreign
Exchange

(1,250)

Loss on announced sale of the
Spanish business

(446)

ESHLA valuation revision

(935)

Own credit and goodwill impairment
(299)
34
Statutory profit before tax
2,868

2,256
Statutory attributable profit/(loss)
540
(174)
Basic EPS
1
15.3p
17.3p
Return
on average equity
1
4.1%
5.1%

|
(£bn)
Dec-13
Sep-14
Dec-14
Balance
Sheet
Total assets
1,344
1,366
1,358

Leverage exposure
1
n/a
1,324
1,233
Leverage ratio
1
n/a
3.5%
3.7%
Capital
2
Fully loaded CET1 ratio
9.1%
10.2%
10.3%
Fully loaded CET1
capital
40.4
42.0
41.5
Risk-weighted assets
442
413
402
Liquidity
Liquidity coverage
ratio
3
96%
115%
124%
Liquidity pool
127
146
149
Funding
Loan to Deposit Ratio
4
91%
90%
89%
Wholesale funding
5
186
178
171
NSFR
3
94%

n/a
102%

Continued strengthening of all key balance sheet metrics

Good progress on capital position with fully loaded CRD IV CET1 ratio of 10.3% and BCBS leverage ratio of 3.7%, both well on track towards 2016 Transform targets

Liquidity pool increased to £149bn, 82% of which in cash and deposits with central banks and high quality government bonds

Solid LCR with a £30bn surplus above 100% future requirement

Funding profile remained conservative with Loan to Deposit Ratio of 89% in retail and corporate businesses

Wholesale funding outstanding was £171bn, of which £75bn matures in <1 year

NSFR exceeded 100% well ahead of implementation date
Strengthening key financial metrics
Highlights
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1
Estimates
based
on
current
understanding
of
the
BCBS
270
standards
and
the

requirements
contained
in
the
European
Commission
delegated
act
|
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 |

|
Highlights
Financial performance

PBT up 3% at £6.7bn:

PCB and Barclaycard profits up 29% and 13% respectively

Africa Banking profits down 6%, but up 13% on a constant currency basis

Investment Bank profits down 32% in a year of transition

Income fell 4% to £24.7bn

Impairment improved by 8% to £2.0bn, reflecting the improving UK economic environment benefitting PCB and reduced impairment in Africa Banking South Africa mortgages portfolio

Operating expenses down 6% to £16.1bn reflecting Transform savings across the businesses, partially offset by an increase in CTA spend, including restructuring of the branch network and technology improvements to increase automation in PCB

Core attributable profit was £3.9bn with Core EPS of 24p

Core RoE was 9.2% (10.9% excluding CTA) on average allocated equity of £42bn, up £6bn from 2013
Core business performing well
Year
ended

December
(£m)
2013
2014
Income
25,603
24,678
Impairment
(2,171)
(2,000)
Total operating expenses
(17,048)
(16,058)

Costs to achieve Transform (CTA)
(671)
(953)
Adjusted profit before tax
6,470
6,682
Tax
(1,754)
(1,976)
NCI and other equity interests
(638)

(842)
Adjusted attributable profit
4,078
3,864
Adjusted financial performance
measures
Average allocated equity
£36bn
£42bn
Return on average tangible equity
14.4%
11.3%
Return on average equity
11.3%
9.2%
Cost: income ratio
67%
65%
Basic EPS contribution
28.5p
24.0p
Dec-13
Dec-14
CRD IV RWAs
£333bn
£327bn
Leverage exposure
1
n/a
£956bn
1
BCBS
270
leverage
exposure.
All
references
to
leverage
exposure
in
this
document
is
on
this
basis
|
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|
ASSET QUALITY
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Year
ended

December (£m)	2013	2014
Businesses	1,498	1,101
Securities and Loans	642	117
Derivatives	153	(168)
Income	2,293	1,050
Impairment	(900)	(168)
Total operating expenses	(2,845)	(2,011)
Costs to achieve Transform (CTA)	(538)	(212)
Loss before tax	(1,562)	(1,180)
Tax	(209)	272
NCI and other equity interests	(119)	(177)
Attributable profit/(loss)	(1,890)	(1,085)
Financial performance measures		
Average allocated equity[1]	£17bn	£13bn
Period end allocated equity	£15bn	

£11bn
Return on average tangible equity drag
(9.6%)
(5.4%)
Return on average equity drag
(7.2%)
(4.1%)
Basic EPS contribution
(13.2p)
(6.7p)
Highlights

Loss before tax reduced by 24% to £1,180m as improvements in impairments and costs were partially offset by significant declines in income due to sales and rundown of businesses, securities and loans and the non-recurrence of favourable fair value movements on derivatives

2013 CTA spend primarily reflects restructuring in Europe, with the subsequent savings flowing through 2014 operating expenses

The income and costs relating to Spain will exit on completion, with a c.£280m reduction in annualised income, offset by c.£240m saving in gross costs

Period end equity reduced by £4.1bn to £11.0bn

Reduced loss and lower allocated equity reduced drag on Group RoE to 4.1%, well within the 6% to 3% drag guidance

Continued shrinkage and capital return in Non-Core
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|
Fully
loaded
(FL)
CRD
IV
CET1
ratio
progression
1
RWA reduction (£bn)

Good progress on CET1 ratio towards 2016 Transform target

FL CRD IV CET1 ratio up 120bps, or c.140bps if including the sale of the Spanish businesses, demonstrating good progress towards 2016 Transform target of greater than 11%

Continued capital build as FL CRDIV CET1 capital grew by £1.1bn to £41.5bn, after absorbing £3.3bn of adjusting items

Confident that our planned trajectory positions us well to meet future regulatory requirements

RWAs reduced by £41bn, or £46bn including the sale of the Spanish businesses, reflecting excellent progress on the run-down of Non-Core to £75bn

Increases due to model updates largely offset by methodology and policy driven decreases
Spain
c.16bps
2
40
42
41
CET1
Capital
(9%)
o/w
Spain
(£5bn)
2
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%
|
2
As
announced
on
2
January
2015
|
CAPITAL &
LEVERAGE
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LIQUIDITY &
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9.1%
10.2%
10.3%
>11%
Dec-13
Sep-14
Dec-14
2016
442
413
402
c.400
Dec-13
Sep-13
Dec-14
2016
Target
Guidance
+120bps

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RWAs (£bn)
Highlights

RWAs reduced by £40.6bn, or £46bn including the sale of the Spanish businesses, reflecting excellent progress on the rundown of Non-Core, allowing for growth in Core businesses

Non-Core RWAs reduced £35bn to £75bn reflecting the disposal of businesses, rundown and exit of securities and loans, and derivative risk reductions

If excluding the impact of methodology and model changes, Investment Bank RWAs reduced by £11bn driven principally by trading book risk reductions

Increases due to model updates largely offset by methodology and policy driven decreases
RWAs: Well managed to support business growth and returns
1
Excludes
model
and
methodology
driven
movements
|
2
Includes
foreign
exchange
movements
of
£(1.5)bn.
This
does
not
include
movements
for
modelled
counterparty
risk
or
modelled
market
risk
|
1
402
1

Spain
1
1
442
2
CAPITAL &
CAPITAL &
LEVERAGE
LEVERAGE
Barclays Full Year 2014 Fixed Income Investor Presentation
10
2013
Core
business
growth
(ex. IB)
BNC
run-down
IB
reduction
Net model
and
methodology
updates
Other
2014
9
5
34
11
1
3

Barclays Non-Core: Outperforming on RWA
Spain
2
1
Derivatives
figure
for
Sep-14
has

been
adjusted
following
reclassification
of
assets
previously
reported
in
securities
and
loans
|
2
Portion
of
Spain
within
Barclays
Non-Core
|
3
2016
target
amended
to
reflect
the
impact
of
Spain
|
Target = 80
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11
Dec-13
Disposals
Efficiencies
Maturities
and other
Dec-14
110
75
19
11
5
Dec-13
Sep-14
Dec-14
2016

Target[3]
Operational risk and DTA
Securities and loans
Derivatives
1
Businesses
110
45
9
9
22
16
31
31
19
13
5
Revised
Target
75
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RWA reduction bridge (£bn)
RWA by type (£bn)
81

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 10.3% (10.2% on PRA transitional basis) on track to meet our target of > 11% in 2016. The ratio was well in excess of the 7% PRA regulatory target

Robust buffers to contingent capital triggers

AT1 contingent capital: c.330bps or £13.3bn

T2 contingent capital: c.530bps or £21.5bn

As we build CET1 capital over the transitional period, we expect to reach a range of 11.5-12% in end-state reflecting our intention to hold an internal management buffer of up to 150bps over future minimum requirements

Transitional total capital ratio increased to 16.5% (2013: 15.0%), and fully loaded total capital ratio increased to 15.4% (2013: 13.9%)

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

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
1.8% (£7.4bn)
Legacy T1
3.5%
(£14.3bn)
T2
17%
Total capital ratio
CCCB/
Sectoral
buffers
16.5%
Total capital ratio
1.6% P2A
Pillar
2A
requirement
6
4.5%
CET1
1.7% (£6.9bn)
Legacy T1
1
Difference
to
fully
loaded
ratio
of
10.3%
arises
from
a
regulatory
adjustment
relating
to
unrealised
gains
|
2
Being
the
higher
of
7%
PRA
expectation
and

CRD
IV
capital
requirements
|
3
CRD
IV
rules
on
mandatory
distribution
restrictions
apply
from
1
January 2016
onwards
based
on
transitional
CET1
requirements
|
4
Based
on
the
CRD
IV
CET1
transitional
(FSA
October
2012
statement)
the
ratio
was
12.3%
as
at
31
December
2014
|
5
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
|
6
Point
in
time
assessment
made
at
least
annually,
by
the
PRA,
to
reflect
idiosyncratic
risks
not
fully
captured
under
Pillar
1
|
2.5%
Capital
Conservation buffer
Max 1.5%
Internal buffer
2.0%
AT1 (incl. P2A)
2.9%
T2 (incl. P2A)
2.0%
G-SII

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CAPITAL &
LEVERAGE
10.2%
1
(£40.9bn)
CET1
1.1% (£4.3bn) AT1
Barclays FY 14
capital structure
(PRA Transitional)
Barclays'
'target' end-state
capital structure
2
3
5
4

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

Mandatory restrictions to discretionary distributions
2
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 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 in
1

Barclays expects to have full discretion in the allocation of permitted distributions within the MDA

To AT1
7% trigger
c.£13bn
c.£15bn
>16bn
c.£17bn
c.£18bn
To MDA
restriction
n/a
n/a
>15bn
c.£12bn
c.£9bn
c.£4-6bn

CET1 requirements
1
(as at 1 January except FY14)
Capital conservation buffer (CET1)
G-SII buffer (CET1)
Trajectory of fully loaded CET1 ratio, assuming >11% target
is met
after
which
we
build
towards
11.5-12%
in
end
state
3
Distributions subject to mandatory distribution restrictions
Minimum CET1 ratio
Estimated
buffers
1
(fully
loaded
CET1
ratio
vs.
AT1
7%
trigger
and
vs.
MDA
restrictions)
Sliding scale of restrictions
Pillar 2A
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
(including
a
straight
line
progress
towards
meeting
the
>11%
CET1
ratio
target
in
2016,
and
11.5-12%
in
end-state,
and
that
the
P2A
requirement
for
2015
is
constant
out
to
2019
which
may
not

be the case as the requirement is subject to at least annual review) which cannot be assured and are subject to change. 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
|
CAPITAL &
LEVERAGE
Barclays Full Year 2014 Fixed Income Investor Presentation
|
10.6%
8.4%
7.2%
9.5%
4.0%
4.5%
4.5%
4.5%
4.5%
4.5%
1.4%
1.6%
1.6%
1.6%

1.6%
1.6%
0.6%
1.3%
1.9%
2.5%
0.5%
1.0%
1.5%
2.0%
10.3%
>11.0%
11.5-12%
0%
2%
4%
6%
8%
10%
12%
FY 14
2015
2016
2017
2018
2019
c.£18-20bn

|
ASSET QUALITY
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LIQUIDITY &
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Leverage

ratio
progression
1
Leverage
exposure
reduction
(£trn)
1

Significant reduction in leverage exposure, driven
principally by reductions in Non-Core and in the Core
Investment Bank

Leverage exposure decreased by £91bn in Q4 2014
driven mainly by a £35bn reduction in SFT exposure,
£16bn reduction in PFE, and a seasonal £28bn
reduction in settlement balances
+30bps
41
45
46
T1
Capital
1
(9%)
BCBS 270
impact
1
Dec-13 not comparable to the estimates as of Jun-14 onwards due to different basis of preparation. Dec-13 estimated ratio and
PRA defined deductions, and a PRA adjusted leverage exposure measure. From Jun-14 onwards, estimated ratios based on cur
Commission
delegated
act.
|
2
As
announced
on
2
January
2015
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Leverage ratio progression ahead of plan
Dec-13
Jun-14
Dec-14
2016
Target
3.0%

3.4%
3.7%
>4%
Dec-13
Jun-14
Sep-14
Dec-14
1.36
1.35
1.32
1.23
CAPITAL &
LEVERAGE

Leverage ratio up significantly to 3.7%, or 3.8% if reflecting the sale of the Spanish businesses[2], well on track to meet 2016 Transform target of in excess of 4%

Improvement over the year driven by T1 capital growth, including £2.3bn of AT1 issuance, and leverage exposure reduction

Leverage ratio already in line with expected minimum end-state requirement of 3.7% as outlined by the Financial Policy Committee

|
ASSET QUALITY
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FUNDING
BCBS
leverage
exposure

1
(£bn)
Highlights

Leverage exposures during Q4 14 decreased by £91bn to £1,233bn

Loans and advances and other assets decreased by £52bn to £713bn primarily due to a seasonal reduction in settlement balances of £28bn and a £13bn reduction in cash balances

SFTs decreased £35bn to £157bn driven by a £26bn reduction in IFRS reverse repurchase agreements and £9bn in SFT adjustments, reflecting deleveraging in BNC and a seasonal reduction in trading volumes

Total derivative exposures decreased £8bn due to a £16bn reduction in the potential future exposure (PFE), partially offset by an increase in IFRS derivatives and cash collateral
PFE on derivatives decreased £16bn to £179bn mainly due to reductions in business activity and optimisations, including trade compressions and tear-ups. This was partially offset by an increase relating to sold options driven by a change to the basis of calculation
Other derivatives exposures (excluding PFE) increased £8bn to £92bn driven by an increase in IFRS derivatives of £57bn to £440bn and cash collateral £13bn to £73bn. This was broadly offset by increases in allowable derivatives netting
Steady progression on leverage ratio
1,353
1,324
L&A and other assets
SFTs
Undrawn commitments
Derivatives
BCBS leverage
ratio
1
1
Current
understanding
of
the
BCBS
270
standards
and
the
requirements

contained
in
the
European
Commission
delegated
act
|
2
Loans
and
advances
and
other
assets
net
of
regulatory
deductions
and
other
adjustments
|
1,233
CAPITAL &
LEVERAGE
Barclays Full Year 2014 Fixed Income Investor Presentation
15
3.4%
3.5%
3.7%
732
743
690
288
279
271
228
192
157
105
110
115
Jun-14
Sep-14
Dec-14

2

|
17

Losses arise at OpCo, and are transmitted to HoldCo through write-down of intercompany instruments

Losses at HoldCo are limited to its investment in the OpCo

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
Expected
creditor
hierarchy
during
transition
1
Barclays position

Barclays has started to issue 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 rank
1

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
Transition towards a holding company capital and
funding model
Barclays Bank
PLC (OpCo)
External capital
External equity
External senior
Subscription of internal OpCo
issued equity, capital and
debt
2
1

st
OpCo Equity
2
nd
OpCo external
& intercompany
AT1
3
rd
OpCo external
& intercompany
T2
4
th
OpCo external
& intercompany
senior
unsecured debt
External OpCo
senior
External OpCo
capital
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. Detailed disclosure can be found in the Barclays PLC and Barclays Bank PLC 2014 annual reports | 3 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

I
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Barclays PLC
(HoldCo)
When required to qualify as TLAC
3
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

|
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LEVERAGE
Balance sheet

As at 31 December	Notes	2014 £m	2013 £m
Assets			
Investment in subsidiary	46	33,743	30,059
Loans and advances to subsidiary	46	2,866	-
Derivative financial instrument	46	313	271
Other assets		174	812
Total assets		37,096	31,142
Liabilities			
Deposits from banks		528	400
Subordinated liabilities	46	810	-
Debt securities in issue	46	2,056	-
Other liabilities		10	-
Total liabilities		3,404	400
Called up share capital	31	4,125	4,028
Share premium account	31	16,684	

15,859
Other equity instruments
31
4,326
2,063
Capital redemption reserve
394
394
Retained earnings
8,163
8,398
33,692
30,742
37,096
31,142
Barclays PLC Parent Company Balance Sheet
Extract from notes to Parent Company Balance Sheet
46 Barclays PLC (the Parent Company)
Investment in subsidiary
The investment in subsidiary of £33,743m (2013: £30,059m) represents investments made into Barclays Bank PLC, including £4,326m (2013: £2,063m) of Additional Tier 1 (AT1) securities. The increase of £3,684m during the year was due to a £2,263m increased holding in Barclays Bank PLC issued securities and a further cash contribution of £1,421m.
Loans and advances to subsidiary and debt securities in issue
During the period, Barclays PLC issued £810m equivalent of Fixed Rate Subordinated Notes (Tier 2) and £2,056m equivalent of Fixed Rate Senior Notes accounted for as subordinated liabilities and debt securities in issue respectively. The proceeds raised through these transactions were used, respectively, to subscribe for £810m equivalent of Fixed Rate Subordinated Notes (Tier 2) issued by Barclays Bank PLC, and to make £2,056m equivalent of Fixed Rate Senior Loans to Barclays Bank PLC, in each case with a ranking corresponding to the notes issued by Barclays PLC.
Barclays PLC Parent company accounts
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Barclays Full Year 2014 Fixed Income Investor Presentation
18
Total liabilities and shareholders equity
Total shareholders equity
Shareholders equity

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

Good 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
at
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
Proxy
Total
Loss
Absorbing
Capacity
(TLAC)
1
(£bn)
Dec-14
PRA transitional Common Equity Tier 1 capital
41
PRA transitional Additional Tier 1 regulatory capital
11
Barclays PLC (HoldCo)

4
Barclays Bank PLC (OpCo)
7
PRA transitional Tier 2 regulatory capital
14
Barclays PLC (HoldCo)
1
Barclays Bank PLC (OpCo)
13
PRA transitional total regulatory capital
66
HoldCo
term
non-structured
senior
unsecured
debt
2
2
OpCo
term
non-structured
senior
unsecured
debt
3
29
Total term non-structured senior unsecured debt
97
CRD IV RWAs
402
BCBS leverage exposure
1,233
Proxy risk-weighted TLAC ratio
~ 24%
Proxy leverage based TLAC ratio
~ 8%
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 , 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
I
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
a
fully
phased
in
basis.
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FUNDING
CAPITAL &
LEVERAGE
Balance sheet is conservatively funded

20
Trading portfolio assets and reverse repurchase agreements are largely funded in wholesale markets by repurchase agreements and trading portfolio liabilities
Customer loans and advances largely funded by customer deposits
Decreasing reliance on wholesale funding (£171bn as at 31 December 2014, down £15bn since 31 December 2013)
Liquidity pool predominantly funded through wholesale markets, and well in excess of short-term wholesale funds
Derivative assets and liabilities matched
1
Matched cash collateral and settlement balances
|
2
The Group Loan to Deposit Ratio (LDR) includes BAGL, cash collateral and settlement balances
|
3
Including L&A to banks, financial assets at fair value, AFS securities (excluding

liquidity
pool),
unencumbered
trading
portfolio
assets,
and
excess
derivative
assets
|
4
Including
excess
cash
collateral
and
settlement
balances
|
LIQUIDITY &
FUNDING
Barclays Full Year 2014 Fixed Income Investor Presentation
Derivatives, 438
Reverse repo, 132
Matched
funding
£709bn
Trading portfolio assets, 37
Other
matched
assets[1],
102
Other
assets[3],
135
Customer loans & advances, 311
Liquidity pool, 149
100%
Group
LDR
2
Customer deposits, 332
Other
liabilities,
31
4
>1 year wholesale funds, 96
<1 year wholesale funds, 75
Other

matched
liabilities[1],
102
Trading portfolio liabilities, 45
Repo, 124
Derivatives, 438
Total assets
Total Liabilities and Equity
Balance sheet structure -
£1.3tn (excluding BAGL), 31 Dec 14
Equity, 61

|
High quality liquidity pool (£bn)
Key messages

Further strengthened liquidity position with the Group liquidity pool up by £22bn to £149bn, building a larger surplus to the internal Liquidity Risk Appetite

Quality of the pool remains high:
82% held in cash, deposits with central banks and high quality government bonds

Over 95% 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 almost double 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

Continued strengthening of estimated CRD IV/Basel 3 liquidity ratios:
Estimated LCR increased to 124%, mainly due to the increase in the size of the liquidity pool, resulting in a £30bn surplus above the future 100% requirement
Estimated NSFR strengthened to 102%, primarily driven by the progress on run-down of Non-Core
Maintaining a robust liquidity position, with pool well in excess of internal and external minimum requirements

Estimated
CRD IV/Basel 3 liquidity ratios

Metric	2013	2014	Expected 100% requirement date
LCR[2]	96%	124%	1 January 2018
Surplus	-	£30bn	
NSFR[3]	94%	102%	1 January 2018

Surplus to 30-day Barclays-specific LRA

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

127
150
1
Barclays
interpretation
of
current
rules
and
guidance
|
2
LCR
estimated
based
on
the
EU
delegated
act
|
3
Estimated
based
on
the
final
BCBS
rules
published
in
October
2014
|
Barclays Full Year 2014 Fixed Income Investor Presentation
21
85
43
37
46
62
85
19
22
27
2012
2013
2014
Cash & Deposits at Central Banks
Government Bonds

Other Available Liquidity
149
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CAPITAL &
LIQUIDITY &
1

Continue to access diverse wholesale funding sources
across multiple products, currencies and maturities
Key Messages
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%
Wholesale funding by product (as at 31 December 2014)
By
remaining
maturity
1
:
WAM
net
of
liquidity
pool
105
months
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)
|
2
1
2
LIQUIDITY &
FUNDING
Barclays Full Year 2014 Fixed Income Investor Presentation
10%
16%
3%
13%
26%
13%
12%
7%
Depostis from banks
CDs and CPs
ABCPs
Public benchmark MTNs
Privateley place MTNs
Covered bonds / ABS
Suborindated liabilities
Other
10%
14%
8%
8%
4%
8%
21%
27%

1 month
> 1 mth but <
3 mths
> 3 mths but
6 mths
> 6 mths but
9 mths
> 9 mths but
12 mths
> 1 year but
2 years
> 2 years but
> 5 years

Overall stock of wholesale funding continues to fall as we de-lever the balance sheet, with total wholesale funding (excluding repurchase agreements) of £171bn as at 31 December 2014, a reduction of £69bn since 2012 (31 December 2013: £186bn)
£75bn matures in less than one year, while £17bn matures within one month (31 December 2013: £82bn and £20bn respectively)

£15bn of term funding (net of early redemptions) issued in 2014. Activity includes:
£8bn public benchmark senior unsecured debt, £2bn of which issued by Barclays PLC
£0.8bn Tier 2 deal issued by Barclays PLC
£1.5bn of Covered bonds, as well as £3bn US and UK credit card backed securities, issued by Barclays Bank PLC
<
<
<
<
>
<
1
5 years
1

We have £23bn of term funding maturing 2015 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
<

Asset quality
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|
Continued strong asset quality
1
Africa Banking impairment was down 14% on a constant currency basis |

Credit impairment charges improved 8% to £2bn, reflecting lower impairments in PCB and Africa Banking

PCB benefitted from the improving economic environment in the UK, particularly for Corporate which benefited from one-off releases and lower defaults from large UK Corporate clients

Africa Banking saw improvements in the South Africa mortgages portfolio and business banking

Barclaycard increased 8% due to asset growth and enhanced coverage for forbearance. Delinquency rates remained broadly stable and the loan loss rate reduced 24bps to 308bps
Barclays Full Year 2014 Fixed Income Investor Presentation
24
2,171
2,000
FY13
FY14
8%
Impairment charge (£m)
Highlights
Personal and Corporate Banking
Barclaycard
Africa Banking
1
Impairment (£m)
22%
621
482
FY13
FY14
(8%)
27%
1,096
1,183
FY13
FY14
479
349
FY13
FY14
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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 impairment charges improved
29% year-on-year to £2.2bn
(31 December 2013: £3.1bn), principally
reflecting lower charges in Personal &
Corporate Banking, Africa Banking and
Non-Core

Group LLRs declining in both retail and
wholesale in line with improving macro
economic conditions
Retail loan loss rate (bps)
Group impairment improved 29%, with positive trends
across businesses
LLR
Annualised impairment charge
Gross loans and advances
Wholesale loan loss rate (bps)
Highlights
25
ASSET QUALITY
Barclays Full Year 2014 Fixed Income Investor Presentation
25
180
332
94
78
91
18
138
308
85
75
84
Personal &
Corporate
Banking
Africa
Banking
Barclaycard
Core
Barclays
Non-Core

Group
Dec-13
Dec-14
(3)
34
56
16
133
37
(1)
28
33
13
12
12
Investment
Bank
Personal &
Corporate
Banking
Africa Banking
Core
Barclays
Non-Core
Group
Dec-13
Dec-14

|
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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
Reduced exposure to Eurozone periphery
Exposures by geography (£bn)[1]
Exposures by asset class (£bn)
59.2
53.1
43.2
59.0
52.8
Key Messages
43.2
26
1
Net on balance sheet
Barclays Full Year 2014 Fixed Income Investor Presentation
5.4
2.2
2.0
5.7
6.5
17.7
9.3
7.1
4.3
32.5
31.4
16.6
6.3
5.9
2.6
2012
2013
2014
Sovereign
Financial institutions

Corporate
Residential mortgages
Other retail lending
23.5
19.2
15.6
22.7
20.6
18.0
7.9
6.3
4.8
4.9
6.7
4.8
2012
2013
2014
Spain
Italy
Portugal
Ireland
ASSET QUALITY

|
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Managing country exposures
Passing stress tests

stressed CET1 ratios
Risk
Minimising potential headwinds
Managing sector exposures (£bn)

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

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

Total net exposure of £27m in Greece

Investment grade makes up c.90%
of limits in oil and gas
1
Total on and off balance sheet |
1
1
Barclays Full Year 2014 Fixed Income Investor Presentation
27
ASSET QUALITY
All other
exposure
Oil majors
Exploration
and
production
Midstream
(pipelines)
Refining
Oilfield
services
PRA stress test
EBA stress test
Barclays CET1
stressed ratio
UK Peers CET1
stressed ratio
Oil and gas

|
|
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Credit ratings
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credit ratings remain strong and in line with
peers
As at 3 March 2015
Barclays PLC
Barclays Bank
PLC
Standard & Poor s
Long Term
BBB (Stable)
A
(Credit Watch Negative)
Short Term
A-2
A-1
(Credit Watch Negative)
Stand-Alone Credit Profile
(SACP)
n/a
bbb+ (Stable)
Moody s
Long Term
A3 (Negative)
A2 (Negative)
Short Term
P-2
P-1
Bank Financial Strength (BFS)
n/a
C-
(Stable)
Fitch
Long Term
A (Stable)
A (Stable)
Short Term
F1
F1
Viability Rating
a
a
DBRS
Long Term
n/a
AA low (Stable)
Short Term
n/a
R-1 middle (Stable)

Current ratings reflect Barclays
strong franchise ,

diverse revenue streams , good asset quality relative to peers , historically less volatile earnings than peers and sounds financial profile

S&P s Barclays PLC rating reflects 3 February 2015 decision to remove sovereign support notches from UK and Swiss Bank Non-Operating Holding Company (NOHC) ratings to reflect their view that NOHCs in these jurisdictions are unlikely to receive sovereign support. Barclays PLC benefitted from 2 notches of support previously

Negative outlook from Moody s reflect the expected removal of sovereign support notches

The outlooks on Barclays standalone credit profile remains stable by all rating agencies

Key Messages

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Rating agencies evolving approach to bank ratings

3 February 2015 announcement placed the OpCo ratings of most UK, German and Austrian banks on CreditWatch with Negative implications to reflect their view that, with the implementation of BRRD bail-in powers in these jurisdictions as of 1 January 2015, sovereig
support has become less predictable , but that they continue to see unresolved questions about how the legislation may ope

S&P expect to resolve the CWN on affected banks by early May 2015 , which could see sovereign support notches removed for bank OpCos and their rated subsidiaries and branches, in the same way as they have been removed for NOHCs. Barclays Bank PLC s rating currently benefit from two sovereign support notches

Concurrently, S&P are considering changes to their bank rating methodology to account for the impact that additional loss absorbing capacity (ALAC) instruments have on OpCo senior unsecured debt. This ALAC proposal has the potential to partially or comp mitigate the impact of sovereign support notch removal from some

bank
Operating
Companies,
if
implemented
in
the
current
draft
form
S&P

Barclays ratings currently include 3 notches of sovereign support, the negative outlook expressly references their publically sta
remove (in part or full) support notches from bank ratings

In parallel, Moody s is expected to implement their new proposed bank rating methodology which explicitly seeks to capture t
changing
bank
regulation
and
gives
benefit
to
some
asset
classes
from
loss
absorbing
capacity,
and
a
proposed
methodology
for
rating
counterparty risk

Moody s have indicated to the market that they seek to avoid rating volatility by announcing the implications of these changes
manner during H1 15

While difficult to predict precisely, methodology changes could partially or fully offset any contemplated removal of sovereign
some
liabilities
Moody s

In March 2014 Fitch revised the outlook on long term ratings to negative for banks in the US, EU and elsewhere that benefit fr
sovereign support floors

The agency is expected to take further action on sovereign support in H1 15, however as Barclays standalone credit rating does

benefit from sovereign support uplift at its current level, no rating implications are expected from any action as a consequence
Fitch
30
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Barclays manages and reserves for potential rating

actions in the liquidity pool
Contractual credit rating downgrade exposure
(as at 31 December 2014)
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
1
These numbers do not include the potential liquidity impact from loss of unsecured funding, such as from money market funds
Key messages
31
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Potential outflows related to a multiple-notch credit downgrade 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 across all credit rating agencies
1

During the year 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 A-1/P-1 short term ratings for Barclays Bank PLC as credit rating agencies assess sovereign support notches in their ratings
Behavioural outflows

Contractual outflows

Summary

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
Business model

Strengthened capital position with fully loaded CRD IV CET1 ratio of 10.3% as at 31 December 2014, 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
Capital

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
Liquidity & funding

Proactive and practical approach to managing regulatory changes

Established track record of adapting to regulatory developments.
Regulation

BCBS leverage ratio of 3.7% as at 31 December 2014, close to our target of greater than 4% in 2016

Planned reduction in leverage exposure by 2016 mainly through reduction in Barclays Non-Core and the Core Investment Bank
Leverage
CREDIT RATING
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Delivering a structurally lower cost base
Allocating capital to growth businesses
Establishing a dedicated Non-Core unit and a
new Personal and Corporate Banking business
Rightsizing and focusing the Investment Bank
Generating higher and more sustainable returns
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Repositioning and simplifying Barclays

|
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2016 Transform targets

Returns
Cost
Barclays Core
Adjusted RoE >12%
Adjusted operating expenses
<£14.5bn
Leverage
Dividend
Capital
Group
Leverage ratio >4.0%
Payout ratio 40-50%
CRD IV FL CET1 ratio >11.0%
Returns
Barclays Non-
Core
Drag on adjusted RoE <(3%)
10.9%
£15.1bn
3.8%
38%
10.5%
(4.1%)
2014
1
Including Spain disposal |
Excluding CTA. RoE 9.2% including CTA |
2016 Target
Barclays Full Year 2014 Fixed Income Investor Presentation
35
2
2
1
1
2

|
ASSET QUALITY
CREDIT RATING
APPENDIX
PERFORMANCE
OVERVIEW
LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
Simpler, focused and balanced structure

Barclaycard
Personal and
Corporate Banking
Africa
Banking
Investment
Bank
Barclays Group
RoE drag
(4.1%)
1
Includes Head Office as part of Core, representing £5.6bn RWAs and £97m profit before tax
All figures for year ended December 2014
Barclays Full Year 2014 Fixed Income Investor Presentation
36
1
LBT £1,180m
RWAs £75.3bn
PBT £1,377m
RWAs £122.4bn
PBT £984m
RWAs £38.5bn
PBT £1,339m
RWAs £39.9bn
PBT £2,885m
RWAs £120.2bn
Barclays Non-Core
(BNC)
Income
Impairment
Operating expenses
Profit before tax
£24.7bn
(£2.0bn)
(£16.1bn)
£6.7bn
Risk weighted assets (RWA)
Average allocated equity
Return on average equity (RoE)
Return on tangible equity (RoTE)
Adjusted results
£327bn
£42bn
9.2%
11.3%

|
ASSET QUALITY
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LIQUIDITY &
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CAPITAL &
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Reducing and reallocating RWAs to drive growth and
returns
Investment
Bank
222
2013 post-resegmentation estimate
(£bn)
2016 guidance (£bn)
2013 pre-resegmentation (£bn)
49%
51%
Retail and
Commercial
214
RWAs
£436bn
BNC
c.115
Core IB
c.120
Core
(excl. IB)
c.200
£436bn
c.£400bn
+15%
c.55%
26%
28%
46%
Maintained
Core
(excl. IB)
c.230
Core IB
c.120
BNC
c.50
<15%
c.55%
30%
Leverage exposure
£1.4tn
£1.4tn
c.£1.1tn
1
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 regulat
37

Preliminary
numbers
as
presented
at
the
Group
Strategy
Update
on
8
May
Barclays Full Year 2014 Fixed Income Investor Presentation
APPENDIX
th

|
ASSET QUALITY
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FUNDING
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LEVERAGE

38
Global credit
Right-sized macro

Foreign exchange

Rates

Cash equities

Equity derivatives

Equity prime

Credit products

Securitised products

Municipals
Fixed income secondary trading to be standard, cleared and collateralised, short term and executed on the electronic flow platform where relevant
Global equities
RWAs: c.£120bn
Leverage exposure: c.£490bn

Build on leading positions in our home markets of the UK and the US, where we are already well positioned

Exit those products with low returns under new regulatory rules

Structurally lower the cost base through infrastructure efficiencies and refining the client proposition

Improve capital efficiency of Markets businesses

DCM
Advisory
ECM
Origination led
1
CRD IV basis |
Core Investment Bank
Core Investment Bank:
Building on competitive advantages
Barclays Full Year 2014 Fixed Income Investor Presentation
APPENDIX
Markets

Exit Quadrant Assets

Most physical commodities

Certain Emerging Markets
products

Capital intensive Macro
transactions
Principal Businesses

Investments

Credit
Banking

Front-to-back efficiency driven
headcount reductions
RWAs: c.£90bn
Leverage exposure: c.£340bn
Non-Core Investment Bank
th
Preliminary
numbers
as
presented
at
the
Group
Strategy
Update
on
8
May

|
ASSET QUALITY
CREDIT RATING
PERFORMANCE
OVERVIEW
LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
Profit
before

tax
of
Core
business:
FY14
1
Retail and Corporate
Investment
Bank
Barclaycard
Personal
and
Corporate
Banking
Africa
Banking
Investment
Bank
Barclaycard
Personal
and
Corporate
Banking
Africa
Banking
1
Excluding
Head
Office
|
2
Includes
Head
Office
|
3
Costs
exclude
CTA
and
bank
levy
|
Year
ended

December
(£m)
2
2013

2014
Income
17,007
17,090
Adjusted profit before tax
4,450
5,305
Cost:
Income
ratio
58%
53%
+19%
PBT
CIR = 53%
69%
79%
Retail and Corporate
APPENDIX
Barclays Full Year 2014 Fixed Income Investor Presentation
39
Profit
before
tax
of
Core
business:
FY13
1
3

|
ASSET QUALITY
CREDIT RATING
PERFORMANCE
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LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
APPENDIX
Year

ended

December
(£m)
2013
2014
Income
8,723
8,828
Impairment
(621)
(482)
Total operating expenses
(5,910)
(5,475)

Costs to achieve Transform
(384)
(400)
Profit before tax
2,233
2,885
Financial performance measures
Average allocated equity
£17.3bn
£17.5bn
Return on average tangible equity
12.7%
15.8%
Return on average equity
9.7%
11.9%
Cost: income ratio
68%
62%
Loan loss rate
28bps
21bps
Net interest margin
2.91%
3.00%
Dec-13
Dec-14
Loans and advances to customers
£212.2bn
£217.0bn
Customer deposits
£295.9bn
£299.2bn
CRD IV RWAs

£118.3bn
£120.2bn
Financial performance

Total income increased 1% to £8.8bn due to balance growth and improved savings margins in Personal

Net interest margin improved by 9bps to 300bps driven primarily by personal savings

Credit impairment charges improved 22% due to the improving economic environment in the UK
Corporate benefitted from one-off releases and lower defaults from large UK Corporate clients

Costs fell 7% due to savings from Transform programme, including branch optimisation (net branch closure of 72) and increased automation from technology improvements

Positive jaws contributed to an increased RoE of 11.9%, while RoTE improved to 15.8%

Continue to lead the UK banking market in technology:
3.6 million customers of mobile banking
2.2 million customers of Pingit
Payment volume through our Pingit app grew almost threefold in 2014
The number of personal unsecured loans originating through digital channels increased by over 80% year-on-year, and this now accounts for c. 35% of all personal unsecured lending

UK mortgage market stock share was 10.1%
PCB: Profits up 29%
1
2014 CIR excluding CTA was 57% |
Bank of England lending statistics (December 2014) |
Barclays Full Year 2014 Fixed Income Investor Presentation
40
2
1
2

Strong customer number and asset growth across all geographies

Income increased 6%, reflecting growth in the UK consumer and merchant, Germany and US businesses, partially offset by depreciation of average USD against GBP

NII increased 8% to £3bn driven by volume growth; NIM decreased to 8.75% from 8.99% due to a change in product mix and impact of promotional offers

Impairment increased 8% due to asset growth and enhanced coverage for forbearance. Delinquency rates remained broadly stable and the loan loss rate reduced 24bps to 308bps

Costs broadly flat despite continued investment in the business

RoE increased to 16%

Net L&A increased 16% reflecting growth across all geographies, including the impact of promotional offers and the acquisition of portfolios in the US

14% growth in customers and 9% increase in payments processed
Barclaycard: Profits up 13%
Barclays Full Year 2014 Fixed Income Investor Presentation
41
2013
2014
Income
4,103
4,356
Impairment
(1,096)
(1,183)
Total operating expenses
(1,857)
(1,874)

Costs to achieve Transform
(49)
(118)
Profit before tax
1,183
1,339

Financial performance measures
Average allocated equity
£5.3bn
£5.9bn
Return on average tangible equity
19.9%
19.9%
Return on average equity
15.5%
16.0%
Cost: income ratio
45%
43%
Loan loss rate
332bps
308bps
Net interest margin
8.99%
8.75%
Dec-13
Dec-14
Loans and advances to customers
£31.5bn
£36.6bn
Customer deposits
£5.1bn
£7.3bn
CRD IV RWAs
£35.7bn
£39.9bn
Year ended
December (£m)

|
ASSET QUALITY
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Financial performance
Constant currency basis

PBT increased by 13%, driven by 7% income growth and a 14% reduction in credit impairment charges
NII benefitted from increased NIM driven by higher deposit margins in RBB South Africa in addition to strong growth in Corporate and Investment Banking loans

Impairment reduced 14% and the LLR improved by 35bps to 93bps driven by South Africa mortgages and business banking, partially offset by an increase in the card portfolio

Costs were up 8% due to inflationary increases resulting in higher staff costs. There was also increased CTA and spend on other key initiatives

RoE increased to 9.3% while RoTE was 12.9%
Africa Banking: Constant currency profits up 13%
Year
ended
1

December
(£m)
2013
2013
Constant
Currency
2014
Income
4,039
3,435
3,664
Impairment
(479)
(406)
(349)
Total operating expenses
(2,519)
(2,163)
(2,342)

Costs to achieve Transform
(26)
(23)
(51)

Profit before tax
1,049
873
984
Financial performance measures
Average
allocated
equity
£4.4bn
£3.9bn
Return
on
average
tangible
equity
11.3%
12.9%
Return
on
average
equity
8.1%
9.3%
Cost: income ratio
62%
64%
Loan loss rate
128bps
93bps
Net interest margin
5.81%
5.95%
Dec-13
Dec-13
Constant
Currency
Dec-14
Loans and advances to customers
£34.9bn
£33.6bn
£35.2bn
Customer deposits
£34.6bn
£33.3bn
£35.0bn
CRD IV RWAs
£38.0bn
£38.5bn
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
|
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Barclays Full Year 2014 Fixed Income Investor Presentation
42
2
2
2

|
ASSET QUALITY
CREDIT RATING
PERFORMANCE
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LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
Year ended
December (£m)

2013
2014

Banking
2,485
2,528

Markets
6,134
5,040

Other
(23)
20
Income
8,596
7,588
Impairment release
22
14
Total operating expenses
(6,598)
(6,225)

Costs to achieve Transform
(190)
(374)
Profit before tax
2,020
1,377
Financial performance measures
Average allocated equity
£15.9bn
£15.4bn
Return on average tangible equity
8.5%
2.8%
Return on average equity
8.2%
2.7%
Cost: income ratio
77%
82%
Dec-13
Dec-14
CRD IV RWAs
£124.4bn
£122.4bn
Q4 13
Q4 14

% Change
639
638

1,146
1,028
(10%)
(3)
-
1,782
1,666
(7%)
Q4 14 vs. Q4 13

Banking is in line with prior year at £638m. Decrease in Investment Banking fees was offset by an increase in Lending income

Markets income decreased 10%
Credit down 25% to £173m
Equities up 2% to £431m
Macro down 14% to £424m
FY14 vs. FY13

Income decreased 12%

Operating expenses decreased 6% reflecting a 9% reduction in compensation costs, as well as Transform savings

FY14 highlights
#2 in All International Bonds
Banking strength in dual home markets with #2 position in total UK fees and #6 in the US
Investment Bank: New strategy underpinning Q4 performance
Financial performance
1
Source: Dealogic |
APPENDIX

Barclays Full Year 2014 Fixed Income Investor Presentation
43
1
1

Group cost targets
Group cost guidance (£bn)
Core cost targets
(£bn)
1
Excludes provisions for PPI, IRHP and FX redress, goodwill impairment and CTA | 2
2016
CTA
target

of
c.£0.2bn
|
Costs to
achieve
Transform
(CTA)
£1.2bn
c.£0.7bn
£1.22bn
Revised Guidance =
£17bn
Original Guidance = £17.5bn
10%
Core cost target
2
8%
APPENDIX
Barclays Full Year 2014 Fixed Income Investor Presentation
44
18.7
16.9
c.16.3
FY13
FY14
FY15 Target
16.4
15.1
<14.5
FY13
FY14
FY16
APPENDIX
ASSET QUALITY
CREDIT RATING
PERFORMANCE
OVERVIEW
LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
1
1

|
ASSET QUALITY
CREDIT RATING
PERFORMANCE
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LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
Operating expenses significantly reduced
Operating

expenses
progress

excluding
CTA
(£bn)

Transform saves:
FTE reductions from
Investment Bank front
office restructuring,
branch network
transformation in UK and
Africa and restructuring of
the European business
Optimisation of IT
platforms, consolidation of
middle office functions in
the Investment Bank and
process improvements

Reduction of performance
costs mainly in the Investment
Bank and PCB

Favourable currency moves
from a cost perspective in
Africa Banking, the Investment
Bank and Barclaycard
Highlights
APPENDIX
Barclays Full Year 2014 Fixed Income Investor Presentation
45
18.7
16.9
16.3
0.6
0.5
0.5
0.2
0.1

Core operating expenses (£bn)
Core operating costs
Highlights
Personal and Corporate
Banking
Barclaycard
Africa Banking
1
Investment Bank

Operating costs (excluding CTA and bank levy) (£bn)
1
Africa Banking operating expenses were up 7% on a constant currency basis, due to local inflationary pressures and investmen
8%

Core costs (excluding CTA) decreased by 8% year-on-year driven by Transform saves as well as currency movements

Transform initiatives delivered significant and sustainable cost reductions across all businesses driven by restructuring, industrialisation and automation

Saving were partially offset by increased costs of litigation and conduct charges and associated legal fees

Net headcount reduced by 6,200 (5%) driven by voluntary redundancies through branch rationalisation and front office restructuring in the Investment Bank which was partially offset by in-sourcing in Barclaycard

CTA increased by £300m year-on-year primarily reflecting further restructuring in the Investment Bank
3%
8%
9%
APPENDIX
Barclays Full Year 2014 Fixed Income Investor Presentation
46
FY13
FY14
Staff costs
Other operating costs
Costs to achieve Transform
17.0
16.1
5.46
5.00
FY13
FY14
1.79
1.73
FY13
FY14
2.45
2.25
FY13
FY14
6.17
5.63
FY13

FY14
10.4
9.6
6.0
5.5
0.7
1.0
8%
excl. CTA
ASSET QUALITY
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|
ASSET QUALITY
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FUNDING
CAPITAL &
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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
Investment
Bank

Compensation
actions
Investment Bank: Downward trend in compensation
charge
Investment
Bank
operating
expenses
(£m)
Role based pay
3,978
3,620
Down
c.£160m
Deferred bonuses
brought forward
Other
compensation
costs
6,598
CTA
1
Bank levy
Compensation
Non-
compensation
2
Down
9%
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
|
1
APPENDIX
Barclays Full Year 2014 Fixed Income Investor Presentation
47
7%
Other
costs
8%
ex-
CTA
3,045
2,566
c.200
933
854
c.700
FY13
FY14
FY15E
3
2,194
2,050
3,978
3,620
190
337

6,225
236
218
FY13
FY14

|
ASSET QUALITY
CREDIT RATING
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LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
Core income
growth in NII

Improved performance in PCB and Barclaycard income
PCB grew NII 7% driven by lending and deposit growth
and margin improvement
Barclaycard grew NII 8% driven by volume growth

Africa Banking income was up 7% on a constant currency
basis, with NII up 9% on the same basis
Average
customer
assets
and
liabilities
2
(£bn)

NIM increased from 402bps to 408bps, measured across PCB,
Barclaycard and Africa Banking
Net interest margin
2
(bps)

Average customer assets increased 2.7% to £280bn, with
growth in PCB and Barclaycard, and in Africa Banking on a
constant currency basis
Core
income
year
ended

December
(£m)
2013
2014
Personal and Corporate Banking
8,723
8,828
Barclaycard
4,103
4,356
Africa Banking
4,039
3,664
Investment Bank
8,596
7,588
Total Core
1
25,603
24,678

NII
for
these
businesses
2
grew
4%,
reflecting
an
increase
in
customer
assets
and
NIM
APPENDIX
Barclays Full Year 2014 Fixed Income Investor Presentation
48
402
408
FY13
FY14
273
280
317
334
FY13
FY14
Customer assets
Customer liabilities
1
Includes
Head
Office
income
|
2
For
Personal
and
Corporate
Banking,
Barclaycard
and
Africa Banking
|

|
ASSET QUALITY
CREDIT RATING
PERFORMANCE
OVERVIEW
LIQUIDITY &
FUNDING
CAPITAL &
LEVERAGE
Wholesale
funding

composition
as
at
December
2014
1
As at 31 December 2014 (£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)
-
-
-
-
-
-
-
1.3
0.8
2.1
Subordinated liabilities
-
-

-
-
-
-
-
-
0.8
0.8
Barclays Bank PLC
Deposits from banks
9.2
5.7
0.9
0.5
0.3
16.6
0.2
0.1
0.2
17.1
Certificates of deposit and
commercial paper
0.8
5.6
7.8
6.0
4.0
24.2
0.6
2.0
0.6
27.4
Asset backed commercial
paper
1.0
4.4
0.2
-
-
5.6
-
-
-
5.6
Senior unsecured MTNs
(public benchmark)
-
2.0
0.7
1.1

-
3.8
2.7
7.9
5.1
19.5
Senior unsecured MTNs
(private placement)
2
0.6
1.8
3.3
3.8
2.0
11.5
7.2
13.3
12.6
44.6
Covered bonds / ABS
2.7
2.0
0.7
1.6
0.2
7.2
2.2
7.5
6.0
22.9
Subordinated liabilities
-
0.1
-
-
-
0.1
-
2.9
16.7
19.7
Other
3
2.5
1.6
0.8
0.5
1.0
6.4
1.1

1.6
2.6
11.7
Total
16.8
23.2
14.4
13.5
7.5
75.4
14.0
36.6
45.4
171.4
Total as at 31 December 2013
20.3
24.0
15.5
15.9
6.3
82.0
27.1
33.8
42.6
185.5
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
|
49
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Barclays Full Year 2014 Fixed Income Investor Presentation

|
ASSET QUALITY
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FUNDING
CAPITAL &
LEVERAGE
Reduced exposure to the Eurozone
As at 31 December 2014 (£m)

	Spain	Italy	Portugal	Ireland	Total
Sovereign	108	1,716	105	37	1,966
Financial institutions	14,043	485	7	3,175	17,710
Corporate	1,149	1,128	531	1,453	4,261
Residential mortgages	12	13,530	2,995	43	16,580
Other retail lending	248	1,114	1,207	50	2,619
Total[1]	15,559	17,973	4,845	4,758	43,135
Total as at 31 December 2013	19,245	20,628	6,262	6,656	52,791

1 Total net on-balance sheet exposure as at 31 December 2014 for Cyprus and Greece was £123m (2013: £175m) and £27m resp

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Barclays Full Year 2014 Fixed Income Investor Presentation

|
ASSET QUALITY
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FUNDING
CAPITAL &
LEVERAGE
In line with the European Bank Recovery & Resolution Directive the UK Banking Act now includes a statutory

bail-in power
51

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 light of Article 55 of the BRRD, and as requested by the PRA, Barclays has begun the process of including in the terms of its wholesale term debt securities, governed by non-EEA laws, a provision acknowledging the scope of 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
Barclays Full Year 2014 Fixed Income Investor Presentation
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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:

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 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

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)
Considerations for Bondholders
Overview

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Richard Caven
+44 (0)20 7116 2809
richard.caven@barclays.com
Website:
barclays.com/barclays-investor-relations.html
Contact
Debt Investor Relations Team
Sofia Lonnqvist
+44 (0)20 7116 5716
sofia.lonnqvist@barclays.com

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Important Notice
The information, statements and opinions contained in this document do not constitute a public offer under any applicable legis solicitation of any offer to buy any securities or financial instruments or any advice or recommendation with respect to such se instruments.
Forward-looking Statements
This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group s plans and its current goa to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of actual results could differ materially from those contained in the forward-looking statements. These forward-looking statement that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as may , w anticipate , target , projected , expect , estimate , intend , plan , goal , believe , achieve or other words statements include, among others, statements regarding the Group s future financial position, income growth, assets, impairme business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios), proje banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the

Group Strategy Update, run-down of assets and businesses within Barclays Non-Core, estimates of capital expenditures and pl operations, projected employee numbers and other statements that are not historical fact. By their nature, forward-looking state uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the develo interpretations under International Financial Reporting Standards (IFRS), evolving practices with regard to the interpretation ar and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of co and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors in following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the G current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business conditions; the effects of contin market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit marke valuation of issued securities; volatility in capital markets; changes in credit ratings of the Group; the potential for one or more Eurozone; the impact of EU and US sanctions on Russia; the implementation of the Transform Programme; and the success of disposals and other strategic transactions. A number of these influences and factors are beyond the Group s control. As a resul results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, and expectations set for looking statements. Additional risks and factors are identified in our filings with the SEC, including our Annual Report on For 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 ha in the light of new information or future events. Except as required by the Prudential Regulation Authority, the Financial Cond Stock Exchange plc (the LSE) or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicl any forward-looking statements contained herein to reflect any change in Barclays expectations with regard thereto or any ch circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barcl 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

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Barclays has filed a registration statement (including a prospectus) and has filed, or will file, a prospectus supplement with the 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 obtai
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
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 ta
performance is monitored by Barclays management. However, any non-IFRS measures in this document are not a substitute fo
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 r
measures to the relevant IFRS measures are included in Barclays
2014 20-F filed with the SEC on March 3, 2015 (available at
http://www.sec.gov/Archives/edgar/data/312069/000119312515075307/d793693d20f.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 fo
Insurance
(PPI)
and
claims
management
costs
and
interest
rate
hedging
redress;
gain
on
US
Lehman
acquisition
assets;
provision
for

ongoing
investigations and litigation relating to Foreign Exchange; loss
on announced sale of the Spanish business; Education, Social Housing, and Local
Authority (ESHLA) valuation revision and goodwill impairment. A reconciliation to IFRS is presented on page 198 of the 201
Adjusted profit after tax represents profit after tax excluding the post-tax impact of own credit; provisions for PPI and interest
gain on US Lehman acquisition assets; provision for ongoing investigations and litigation relating to Foreign Exchange; loss o
Spanish business; ESHLA valuation revision and goodwill impairment. A reconciliation to IFRS is presented on page 198 of th
Adjusted attributable profit represents adjusted profit after tax less profit attributable to non-controlling interests. The compara
attributable profit;

Adjusted income and adjusted total income net of insurance claims represents total income net of insurance claims excluding t
the gain on US Lehman acquisition assets and ESHLA valuation revision. A reconciliation to IFRS is presented on page 198 of the 2014 20-F;

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Adjusted total operating expenses represents operating expenses excluding the provisions for PPI and interest rate hedging red
for ongoing investigations and litigation relating to Foreign Exchange; and goodwill impairment. A reconciliation to IFRS is p
198 of the 2014 20-F;
Adjusted cost: income ratio represents cost: income ratio excluding the impact of own credit; the provisions for PPI and interes
redress; gain on US Lehman acquisition assets; and provision for ongoing investigations and litigation relating to Foreign Exch
ESHLA valuation revision. The comparable IFRS measure is cost: income ratio, which represents operating expenses to incom
insurance claims. A reconciliation to IFRS is presented on page 198 of the 2014 20-F;

Adjusted basic earnings per share represents adjusted attributable profit (page 212 of the 2014 20-F) divided by the basic weig number of shares in issue. The comparable IFRS measure is basic earnings per share, which represents profit after tax and non- interests, divided by the basic weighted average number of shares in issue;

Adjusted return on average shareholders equity represents adjusted attributable profit (page 212 of the 2014 20-F) divided by average equity, excluding non-controlling interests. The comparable IFRS measure is return on average shareholder s equity, represents profit attributable to equity holders of the parent divided by average equity, excluding non-controlling interests;

Adjusted return on average tangible shareholders equity represents adjusted attributable profit (page 212 of the 2014 20-F) di average adjusted tangible equity, excluding non-controlling interests. The comparable IFRS measure is return on average tangi shareholders equity, which represents profit after tax and non-controlling interests, divided by average tangible equity (page 2 20-F);

Barclays Core results are non-IFRS measures because they represent the sum of five Operating Segments, each of which is pre accordance with IFRS 8; Operating Segments : Personal and Corporate Banking, Barclaycard, Africa Banking, Investment E Office. A reconciliation to the corresponding statutory Group measures are provided on pages 197 and 198 of the 2014 20-F;

Constant currency results in Africa Banking are calculated by converting ZAR results into GBP using the average exchange ra ended 31 December 2014 for the income statement and the 31 December 2014 closing exchange rate for the balance sheet and those rates to the results as of and for the year ended 31 December 2013, in order to eliminate the impact of movement in exch between the two periods. See page 205 of the 2014 20-F for the corresponding statutory Group measures;

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Liquidity Coverage Ratio (LCR) is calculated according to the Commission Delegated Regulation of October 2014 that supple
575/2013 (CRDIV) published by the European Commission in June 2013. The metric is a ratio that is not yet fully implemente
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 b
on Banking Supervision. The original guidelines released in December 2010 (Basel III: International Framework for Liquidit
Standards and Monitoring , December 2010) were revised for in January 2014 (Basel III: The Net Stable Funding Ratio , Ja
a regulatory ratio that is not yet finalised in local regulations and, as such, represent a non-IFRS measure. This definition and th
calculate this metric is subject to further revisions ahead of the implementation date and Barclays interpretation of this calcul

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
Authority, the predecessor of the Prudential Regulation Authority, on CRD IV transitional provisions in October 2012, assumi
applied as at 1 January 2014. This ratio is used as the relevant measure starting 1 January 2014 for purposes of determining wh
write-down trigger (specified as a Transitional CET1 ratio according to FSA October 2012 of less than 7.00%) has occurred ur
Contingent Capital Notes issued by Barclays Bank PLC on November 21, 2012 (CUSIP: 06740L8C2) and April 10, 2013 (CU
Please refer to page 155 of the 2014 20-F for a reconciliation of this measure to CRD IV CET1 ratio;

BCBS 270 leverage exposure makes certain adjustments to Total assets under IFRS in accordance with Barclays understandi
requirements that are expected to be included in the revised CRD IV text and guidance from regulators. The Leverage table
20-F shows a reconciliation of BCBS 270 leverage exposure to total assets under IFRS;

BCBS 270 leverage ratio represents CRD IV Tier 1 capital divided by BCBS 270 leverage exposure. See the Leverage table
2014 20-F for a reconciliation of BCBS 270 leverage exposure to Total assets under IFRS; and

The estimate of Proxy Total Loss Absorbing Capacity (TLAC) ratio reflects Barclays current understanding of how the Fi
Consultative Document on Adequacy of loss-absorbing capacity of global systemically important banks in resolution may b
United Kingdom. The estimate reflects certain assumptions on the inclusion or exclusion of certain liabilities where further reg
necessary. Evolving regulation, including the implementation of MREL beginning 1 Jan 2016 and any subsequent regulatory p
may require a change to the current approach. As such metric is subject to further regulatory guidance and it is not yet impleme
regulations, the estimate of this metric represents a non-IFRS measure and is presented in this document for illustrative purpos