Barclays PLC

2014 Interim Results

30 July 2014

Antony Jenkins

Barclays Group Chief Executive

Good progress with tangible results

- Core business performed well with PBT of £3.8bn and RoE of 11%
- Investment Bank re-positioning on track
- Good start to Barclays Non-Core rundown
- Costs excluding CTA down for second consecutive quarter, with headcount lowest since 2007
- Continued to build capital with CET1 ratio of 9.9% and leverage ratio of 3.4%

2016 Transform financial commitments

Group	1 Capital	CRD IV FL CET1 ratio >11.0%
	2 Leverage	Leverage ratio >4.0%
	3 Dividend	Payout ratio 40-50%
Barclays Core	4 Returns	Adjusted RoE >12%
	5 Cost	Adjusted operating expenses <£14.5bn
Barclays Non-Core	6 Returns	Drag on adjusted RoE <(3%)

Tushar Morzaria

Barclays Group Finance Director

Good Core performance with Non-Core reductions on track

Core business producing double-digit returns

- Core RoE of 11% (incl. CTA)
- RoTE of 13.5%

Capital and leverage ratios continuing to improve steadily

- Group CET1 ratio increased to 9.9%
- PRA leverage exposure reduced by £99bn to £1,266bn
- PRA and BCBS leverage ratios at 3.4%

Non-Core reductions on track

- RWAs reduced by £22bn to £87bn
- PRA leverage exposure reduced by £85bn to £315bn

TNAV reduced to 279p

- Adjusted attributable profit added 11p, offset by currency translation reserve movement and PPI provision

Summary Group financials

Six months ended – June (£m)	2013	2014
Income	15,071	13,332
Impairment	(1,631)	(1,086)
Total operating expenses	(9,781)	(8,877)
- Litigation and conduct	*(126)*	*(211)*
- Costs to achieve Transform (CTA)	*(640)*	*(494)*
Adjusted profit before tax	3,591	3,349
Tax	(1,124)	(1,109)
NCI and other equity interests	(412)	(480)
Adjusted attributable profit	2,055	1,760
Adjusting items:		
- Own credit	*86*	*52*
- Provision for PPI redress	*(1,350)*	*(900)*
- Provision for IRHP redress	*(650)*	*-*
Statutory profit before tax	1,677	2,501
Statutory attributable profit	671	1,126
Adjusted financial performance measures		
Return on average equity[1]	7.8%	6.5%
Basic EPS[1]	15.2p[2]	10.9p
Net tangible asset value	283p[3]	279p

Financial performance

- Adjusted profit fell by 7% to £3.3bn, driven largely by a 12% reduction in income, primarily in the Investment Bank
- Partial offset from improved profit in Personal and Corporate Banking (PCB), Barclaycard, and Barclays Non-Core
- Continued strong credit risk management led to 33% improvement in impairment and loan loss rate of 45bps
- Steady progress on operating expenses with total Group cost base falling by 9% to £8.9bn
- Adjusted attributable profit was £1.8bn, resulting in EPS of 10.9p, with adjustments related principally to the additional PPI provision
- Statutory profit before tax was 49% higher at £2.5bn, with attributable profit up 68% to £1.1bn
- Group RoE fell to 6.5%, including Costs to achieve Transform, while Core RoE was 11%
- Barclays Non-Core loss before tax reduced by 27% to £491m, and RoE drag fell to 4.5%
- TNAV fell slightly as currency moves and the impact of PPI offset the improvement from our underlying profitability

[1] EPS and RoE calculations are based on adjusted attributable profit, also taking into account tax credit on AT1 coupons | [2] H1 2013 EPS is adjusted for the impact of the rights issue | [3] TNAV as at 31 December 2013 |

Strengthening key financial metrics

As at:		Dec-13	Jun-14
Capital / Leverage	Fully-loaded CET1 ratio[1]	9.1%	9.9%
	PRA leverage ratio[2]	3.0%	3.4%
	BCBS leverage ratio[2]		3.4%
Liquidity	Liquidity coverage ratio[3]	96%	107%
	Liquidity pool	£127bn	£134bn
Funding	Loan to deposit ratio[4]	91%	92%
	Weighted average maturity[5]	69mths	80mths
Credit risk	Loan loss rate	64bps	45bps

Highlights

- CET1 increased to 9.9%, tracking towards 2016 target of >11%
- PRA leverage ratio reached 3.4%, tracking towards 2016 target of >4%
- LCR was above 100% requirement with a surplus of £9bn
- Liquidity pool increased to £134bn, comprising 84% cash and deposits with central banks and high quality government bonds
- Funding profile remained balanced with loan to deposit ratio of 92%
- Wholesale funding outstanding was £179bn, of which £86bn matures in <1year
- Loan loss rate improved to 45bps, reflecting lower impairments in all businesses

[1] Based on our 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 have been revised by £6.9bn to £442bn and fully loaded CET1 ratio revised by (0.2)% to 9.1% | [2] Respective estimated leverage exposure calculations reflecting Barclays' current understanding of the regulatory requirements and guidance, and their application in the industry | [3] Based on CRD IV rules, as implemented by the EBA | [4] LDR calculated for PCB, Africa Banking, Barclaycard and Non-Core Retail | [5] Weighted average maturity excluding liquidity pool assets |

Core business performing well and as expected

Six months ended – June (£m)	2013	2014
Income	13,597	12,674
Impairment	(1,075)	(937)
Total operating expenses	(8,314)	(7,944)
- Litigation and conduct	*(86)*	*(177)*
- Costs to achieve Transform (CTA)	*(223)*	*(453)*
Adjusted profit before tax	4,264	3,840
Tax	(1,235)	(1,234)
NCI and other equity interests	(354)	(382)
Adjusted attributable profit	2,675	2,224
Adjusted financial performance measures		
Return on average tangible equity	19.3%	13.5%
Return on average equity	15.1%	11.0%
Cost : income ratio	61%	63%
Basic EPS contribution	19.8p	13.8p
	Dec-13	Jun-14
CRD IV RWAs	£333bn	£324bn
Average allocated equity[1]	£36.6bn	£40.6bn
PRA leverage exposure[2]	£1trn	£951bn
BCBS leverage exposure[2]		c.£970bn

Financial performance

- Good performance in Core business, despite weakness in Investment Bank, with PBT down 10% to £3.8bn
  - PCB and Barclaycard profits up 23% and 24% respectively
  - Africa Banking income up 8% and profits up 13% on a constant currency basis
- Income fell 7% to £12.7bn, reflecting lower Investment Bank income, particularly in Markets, and Africa Banking income due to currency movements
- NII for PCB, Barclaycard and Africa Banking increased 3% to £5.6bn reflecting growth in lending and margin
- Continued strong credit quality led to improved impairment of 13%
- Cost discipline continued from Q1, with operating expenses down 4% to £7.9bn (down 7% excluding CTA)
- Core attributable profit was £2.2bn and Core EPS of 13.8p
- Core RoE was 11% (12.6% excluding CTA) on allocated equity of £40.6bn

[1] Average allocated equity for preceding 6 months | [2] Respective estimated leverage exposure calculations reflecting Barclays' current understanding of the regulatory requirements and guidance, and their application in the industry |

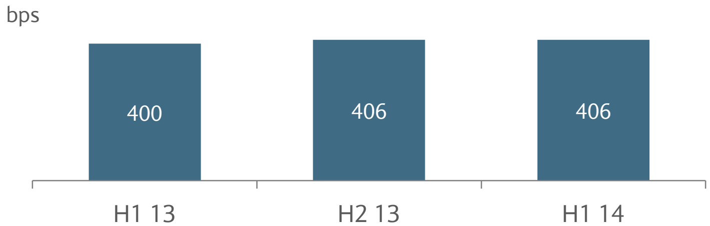
Core customer assets and NIM growth driving NII

Core income

Six months ended – June (£m)	2013	2014
Personal and Corporate Banking	4,305	4,361
Barclaycard	2,019	2,124
Africa Banking	2,055	1,773
Investment Bank	5,222	4,257
Total Core Income[1]	13,597	12,674

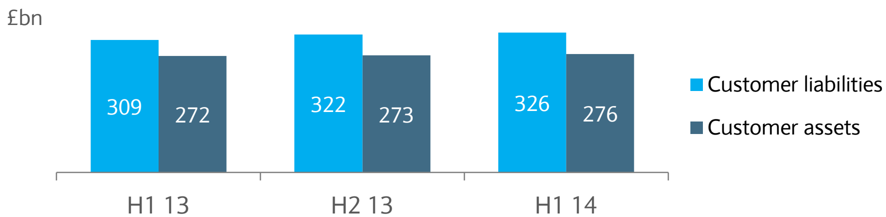
- Steady performance in PCB and Barclaycard
  - PCB grew NII 7% driven by strong savings and mortgage growth, while fee income declined 10%
  - Barclaycard grew NII 8% driven by volume growth
- Africa Banking income was up 8% excluding currency impact, with NII up 11% on the same basis
- Investment Bank income fall reflected a decline in Markets

Net interest margin[2,3]



- NIM increased from 400 to 406 bps, measured across PCB, Barclaycard and Africa Banking
- NII for these businesses grew 3% to £5.6bn, reflecting modest growth in both NIM and customer assets
- Risk-adjusted NIM remained very strong, reflecting disciplined pricing and credit risk management

Average customer assets and liabilities[2]

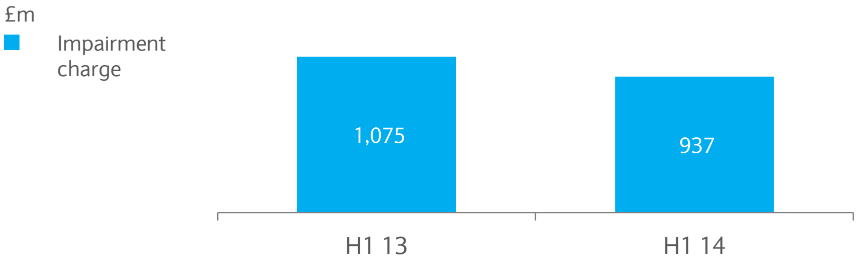


- Average customer assets increased 1.7% to £276bn, with growth in PCB and Barclaycard offsetting a decline in Africa Banking due to currency moves

[1] Includes Head Office income | [2] For Personal and Corporate Banking, Barclaycard and Africa Banking | [3] Using customer assets as the denominator |

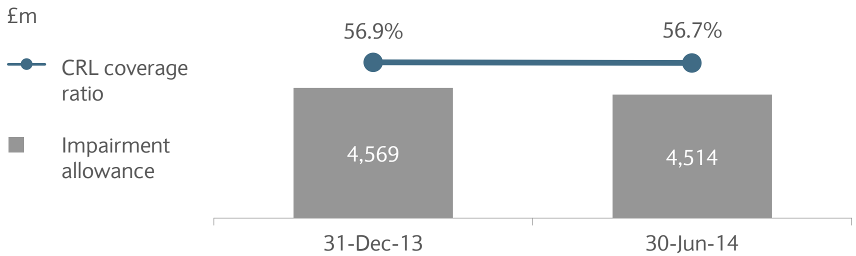
Core impairment reduced across all businesses

Impairment charge



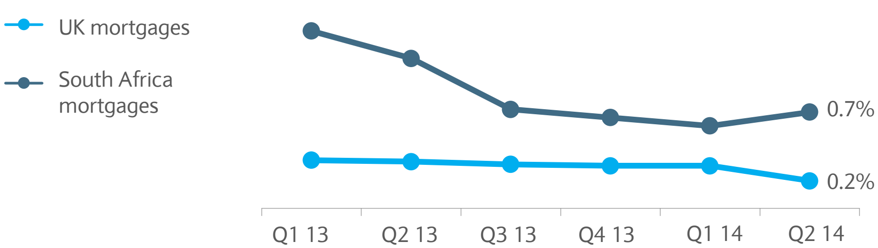
- Continued improvement in asset quality, with Core impairment falling 13% to £937m, with reductions across all businesses
- Expect credit risk metrics and conditions to remain broadly stable

CRL coverage ratio



- Loan growth in PCB and Barclaycard has not been to the detriment of asset quality
- Core impairment allowances and coverage ratios continue to remain stable

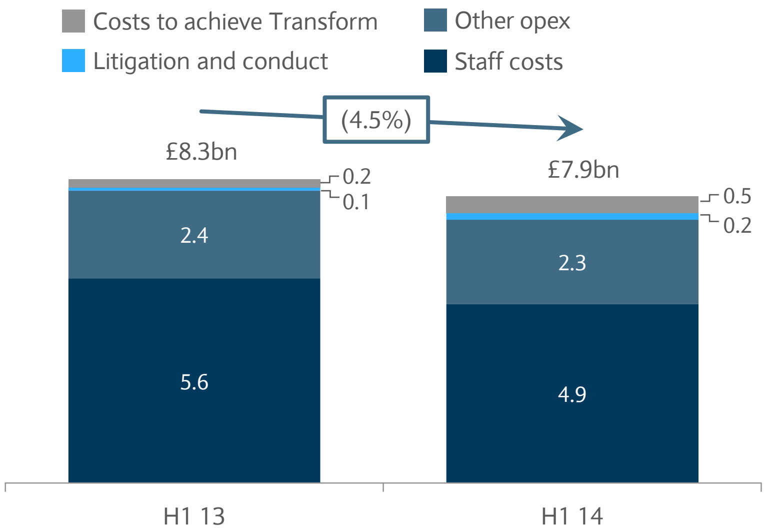
90-day delinquency trends



- UK and SA mortgage delinquency rates remained broadly stable, reflecting high quality mortgage books
- Delinquency trends on unsecured lending portfolio also remain benign

Costs reduced across the Core business

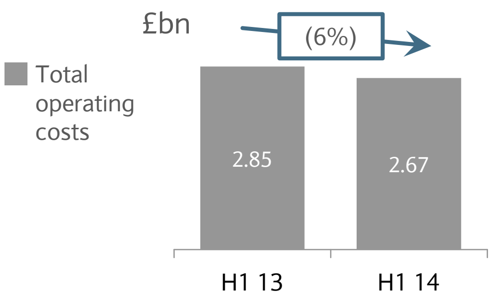
Core operating expenses (£bn)



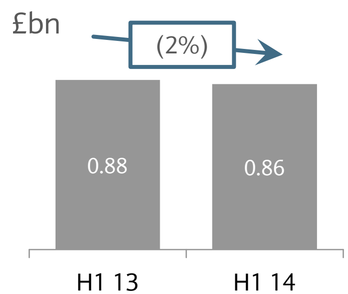
Highlights

- Significant cost reductions from Transform programme, bringing sustainable benefits
- Core costs down 4.5%, across all businesses year on year, with further savings expected through to 2016
- Decline driven by two main components:
  - Restructuring related savings in Core IB and PCB
  - Favourable currency movements
- Savings partially offset by increased cost of litigation and conduct charges
- FTE reduced by 4,900 since H1 2013, driven by branch rationalisation and front office restructuring in Core IB

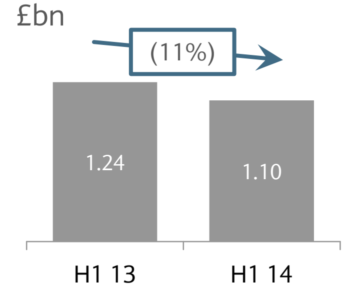
Personal and Corporate



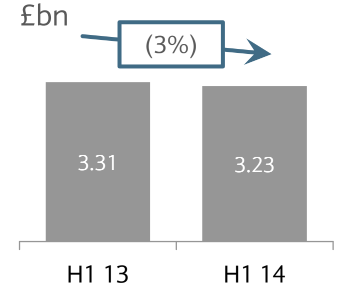
Barclaycard



Africa Banking[1]



Investment Bank



[1] Africa Banking operating expenses were up 10% on a constant currency basis, due to local inflationary pressures and investment

Personal and Corporate Banking – good progress in H1

Six months ended – June (£m)	2013	2014
Income	4,305	4,361
Impairment	(299)	(230)
Total operating expenses	(2,846)	(2,669)
- Costs to achieve Transform	*(92)*	*(115)*
Profit before tax	1,197	1,468
Financial performance measures		
Return on average tangible equity	13.5%	16.1%
Return on average equity	10.3%	12.1%
Cost : income ratio	66%	61%
Loan loss rate	28bps	21bps
Net interest margin	2.88%	2.96%
	Dec-13	Jun-14
Loans and advances to customers	£212.2bn	£216.7bn
Customer deposits	£295.9bn	£298.3bn
CRD IV RWAs	£118.3bn	£117.9bn
Average allocated equity[1]	£17.5bn	£17.3bn

Financial performance

- Largest business by PBT made good progress in H1
- Income increased by 1%, driven by strong savings and mortgage growth, partially offset by lower fees
  - Continued increase in share of mortgage stock to just over 10%[2]
- Net interest margin increased 8bps, while loans and advances were up 2% due to £2.3bn of mortgage growth
- Net fee and commission income declined 10% to £1.3bn primarily due to lower fees received from current accounts and insurance products, and corporate banking
- Credit impairment improved by 23% driven by some provision releases and recoveries on corporate loans
- Operating costs fell by 6%, as a result of headcount reductions
- RoE grew to 12.1%, while tangible RoE improved to 16.1%
- Digital channel users continued to grow substantially:
  - Mobile Banking users nearly doubled to 3m
  - Pingit users more than doubled to 1.7m

[1] Average allocated equity for preceding 6 months | [2] Source: Bank of England lending statistics (May 2014) and Barclays estimates |

Barclaycard – growth across all businesses and geographies

Six months ended – June (£m)	2013	2014
Income	2,019	2,124
Impairment	(540)	(537)
Total operating expenses	(879)	(858)
- Costs to achieve Transform	*(5)*	*(36)*
Profit before tax	616	764
Financial performance measures		
Return on average tangible equity	21.7%	23.6%
Return on average equity	16.8%	18.9%
Cost : income ratio	44%	40%
Loan loss rate	342bps	311bps
Net interest margin	9.03%	9.05%
	Dec-13	Jun-14
Loans and advances to customers	£31.5bn	£33.2bn
Customer deposits	£5.1bn	£5.9bn
CRD IV RWAs	£35.7bn	£37.7bn
Average allocated equity[1]	£5.4bn	£5.7bn

[1] Average allocated equity for preceding 6 months

Financial performance

- Encouraging growth across all businesses and geographies with income up by 5%, despite USD depreciation
  - UK income (including payments) increased by 8% to £1.4bn reflecting net lending growth and lower funding costs
  - International income was flat at £756m reflecting higher customer asset balances in the US and Germany, offset by USD depreciation vs. GBP
- NII increased by 8% to £1.5bn driven by volume growth
- Impairment was flat, with impact of volume growth offset by LLR reduction of 31bps from improved UK and US delinquency rates
- Operating costs were down 2% to £858m driven by volume growth, offset by increased Costs to achieve Transform
- Profit before tax improved 24% to £764m, while RoE increased to18.9%
- Consumer and business customer base grew by 2.3m and 12,600 respectively
- Balances grew with total loans reaching £33.2bn, up 10% year on year

Africa Banking – income growth and good credit performance

Six months ended – June (£m)	2013	2014	Constant currency
Income	2,055	1,773	2,223
Impairment	(274)	(196)	(249)
Total operating expenses	(1,239)	(1,099)	(1,366)
- Costs to achieve Transform	*(9)*	*(17)*	*(22)*
Profit before tax	547	484	616
Financial performance measures			
Return on average tangible equity	13.0%	13.3%	
Return on average equity	9.4%	9.6%	
Cost : income ratio	60%	62%	
Loan loss rate	134bps	110bps	
Net interest margin	5.68%	5.87%	
	Dec-13	Jun-14	
Loans and advances to customers	£34.9bn	£33.8bn	£35.3bn
Customer deposits	£34.6bn	£33.2bn	£34.6bn
CRD IV RWAs	£38.0bn	£36.5bn	
Average allocated equity[1]	£4.1bn	£3.8bn	

Financial performance

- PBT on a constant currency basis increased by 13%, driven by 8% income growth and a 9% reduction in credit impairment charges
  - Retail and Business Bank[2] income increased by 6%, and PBT by 11% driven by lower impairments
  - Corporate and Investment Banking[2] increased PBT by 23%, from solid revenue growth and disciplined cost management
  - Wealth, Investment Management and Insurance[2] grew PBT by 3% on income growth of 5% offset by increased spend on sales capacity and expansion
- Impairment reduced 9% on a constant currency basis, driven by SA mortgages, partially offset by an increase in the card portfolio
- Costs were higher due to increased spend on key initiatives in addition to higher staff costs
- RoE improved to 9.6%, reflecting goodwill held on the Group balance sheet while return on tangible equity was 13.3%

[1] Average allocated equity for preceding 6 months | [2] Africa Banking business unit performance based on BAGL results, excluding Egypt and Zimbabwe |

Investment Bank – early signs of progress

Six months ended – June (£m)	2013	2014	Q2 13	Q2 14	GBP change	USD change[2]
- Banking	1,278	1,343	629	727	+16%	+28%
- Markets	3,699	2,892	1,678	1,403	(16%)	(8%)
- Other	245	22	252	24		
Income	5,222	4,257	2,559	2,154	(16%)	(7%)
Impairment release	38	26				
Total operating expenses	(3,309)	(3,225)				
- Costs to achieve Transform	*(116)*	*(282)*				
Profit before tax	1,951	1,058				

Financial performance measures		
Return on average tangible equity	16.3%	5.9%
Return on average equity	15.7%	5.7%
Cost : income ratio	63%	76%

	Dec-13	Jun-14
CRD IV RWAs	£126.0bn	£125.5bn
Average allocated equity[1]	£15.6bn	£15.6bn

Financial performance

Q2 14 vs. Q2 13

- Income fell 16% due to a decline in Markets, the non-recurrence of Lehman fair value adjustment and adverse currency movements
- Strong Banking income up 16% from standout results in Investment Banking fees with debt and equity underwriting and advisory up 35% to £661m
- Markets income decreased 16% reflecting currency movements, trading activity and the strategic repositioning
  - Credit up 13% to £270m
  - Equities down 16% to £629m
  - Macro down 27% to £504m

H1 14 vs. H1 13

- Income decreased 18% due to the prior year Lehman gain and adverse currency movements; excluding these, income fell 10%
- Operating expenses decreased 3% to £3.2bn
- Costs to achieve Transform of £282m primarily related to restructuring initiatives across Europe, Asia and the Americas
- RoE excluding CTA was 8.2%

[1] Average allocated equity for preceding 6 months | [2] USD change represents monthly spot rate conversion of GBP results

Barclays Non-Core – good start to RWA reduction

Six months ended – June (£m)	2013	2014
Income	1,474	658
Impairment	(556)	(149)
Total operating expenses	(1,467)	(934)
- Costs to achieve Transform (CTA)	*(418)*	*(41)*
Loss before tax	(673)	(491)
Tax	112	125
NCI and other equity interests	(58)	(98)
Attributable profit / (loss)	(619)	(464)
Financial performance measures		
RoTE drag	(10.2%)	(6.0%)
RoE drag	(7.3%)	(4.5%)
Basic EPS contribution	(4.6p)	(2.9p)
	Dec-13	Jun-14
CRD IV RWAs	£109.9bn	£87.5bn
Average allocated equity[1]	£16.5bn	£14.5bn
PRA leverage exposure[2]	£400bn	£315bn
BCBS leverage exposure[2]		c.£385bn

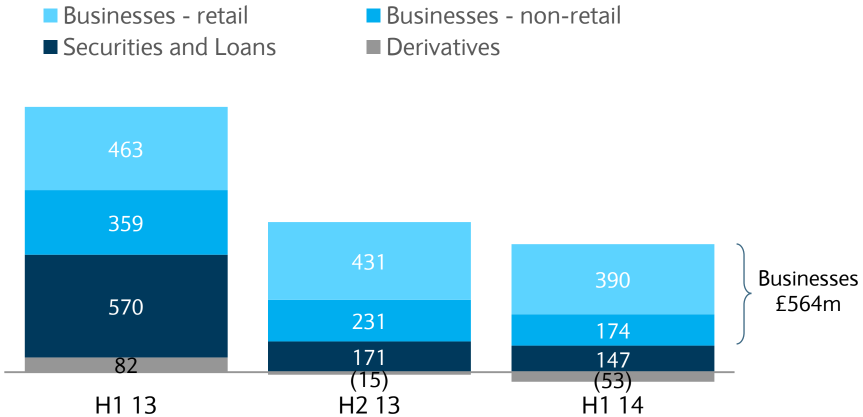
Highlights

- Attributable loss before tax reduced by 25% following significant declines in income, impairment and cost
- RWAs reduced by £22bn mainly driven by disposals of both securities and loans and further RWA optimisation
- Average allocated equity reduced by £2bn to £14.5bn in H1 2014
- Reduced loss and lower allocated equity reduced drag on Group RoE to 4.5%
- Leverage exposure also reduced, with the PRA measure down to £315bn, driven by reduction in PFE derivatives

[1] Average allocated equity for preceding 6 months | [2] Respective estimated leverage exposure calculations reflecting Barclays' current understanding of the regulatory requirements and guidance, and their application in the industry |

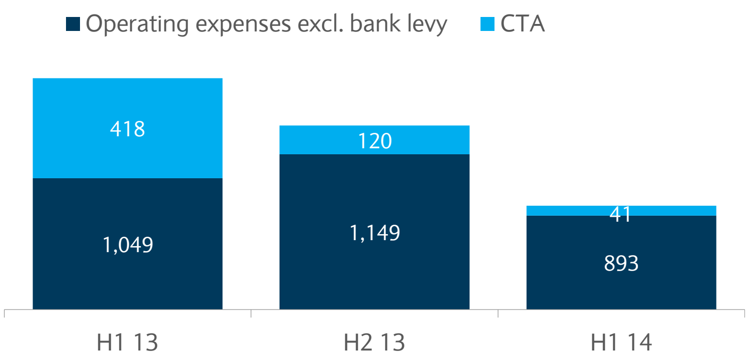
Barclays Non-Core – income and cost on track

Non-Core adjusted income splits (£m)



- Non-retail business reduction of £185m due to winding down and exiting principal businesses
- Over half the remaining income relates to the relatively stable income of retail operations
- Securities and Loans reduced £423m driven by sales or paydowns of non-agency RMBS, leveraged loans and other Non-Core assets
- Derivatives contributed negative income of £53m

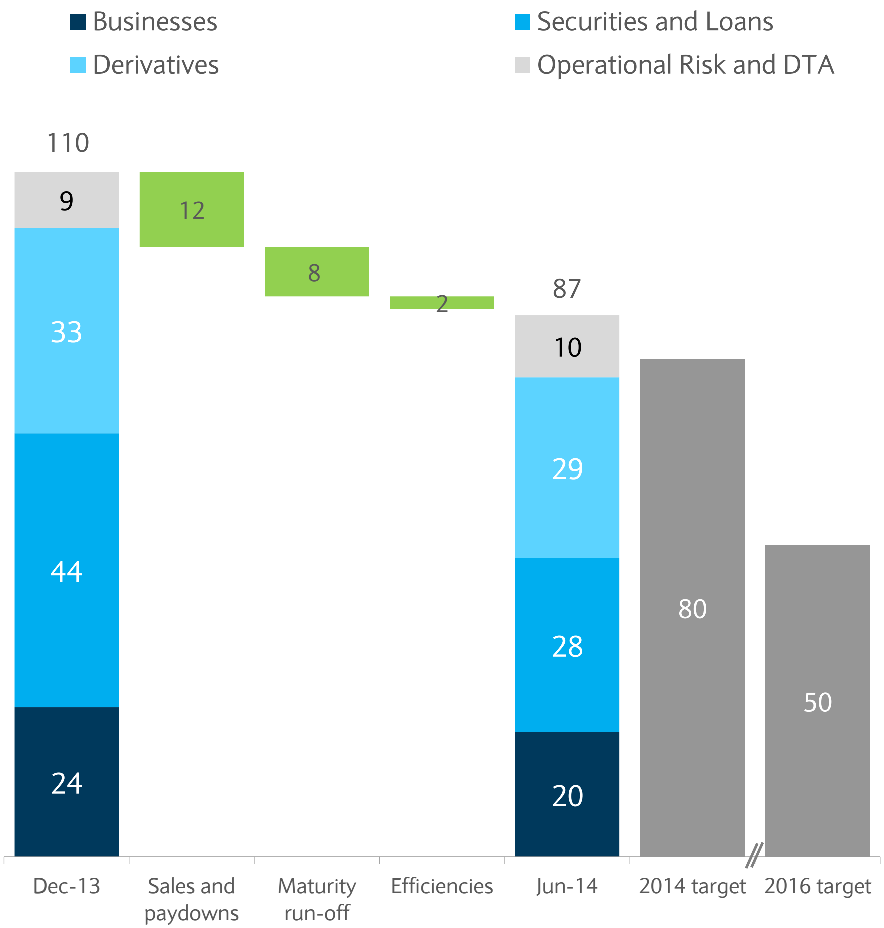
Non-Core costs (£m)



- Reduced CTA spend reflected 2013 initiatives to right-size the European retail distribution network
  - Branch network and headcount reduced by 45% and 18% respectively, since the start of 2013
- IB Non-Core cost savings driven by reduced staff costs
- Approximately half of the remaining cost base of £893m relates to retail operations
- Structurally reducing the cost base is a key component of achieving a RoE drag of <3% by 2016

Barclays Non-Core – encouraging progress on RWA reductions

RWA reduction (£bn)



Highlights

- RWA reductions concentrated in Securities and Loans
- Sales and paydowns accounted for £12bn of the RWA decrease
  - Majority came from the reduction of non-agency RMBS inventory, repayment of leveraged loan positions and further action on structured assets
- Maturity run-off includes the natural attrition of derivatives and European retail and corporate run-off
- Limited market risk in residual Non-Core Investment Bank
- European retail assumed to remain in Non-Core and represents c.£15bn of target RWAs in 2016

Costs reduced across all businesses

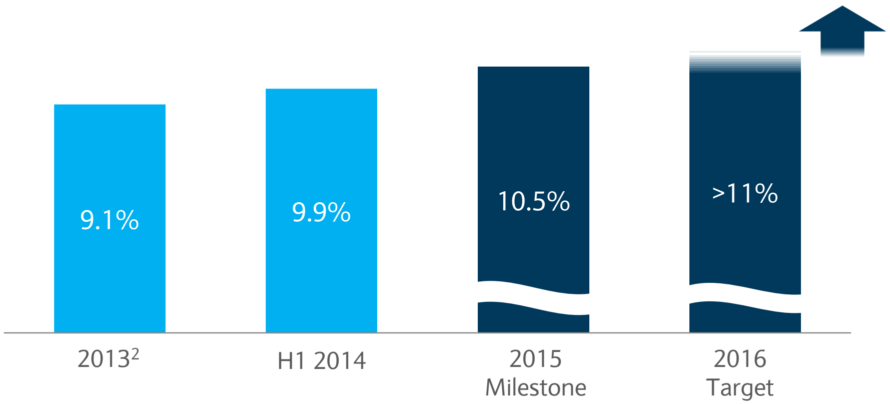
Operating expenses progress (£m)

	H113 operating expenses[1]	H114 operating expenses[1]	Net decrease YoY	CTA spend to date	Savings initiatives from CTA
PCB	2,754	2,554	200	499	• 1,700 FTE reduction from increased customers' self-serve • Increased digitalisation and automation, including New Client Service operations, and streamlining of wealth business model
Barclaycard	874	822	52	85	• Savings from increased customers' self-serve through 'Digital' and 'Instant' processes and applications
Africa Banking	1,230	1,082	148	43	• Savings from rationalisation of branch footprint and integrating technology across Africa • Cost increases from investments and inflation more than offset by local currency depreciation
Investment Bank	3,193	2,943	250	472	• Front Office restructuring of c.800 FTE, plus additional infrastructure savings
Core (excl. CTA)[2]	8,091	7,491	600	1,124	
CTA	223	453	(230)		
Total Core	8,314	7,944	370		
Total Non-Core (excl. CTA)	1,049	893	156	579	• Business exits, branch rationalisation in Europe and other efficiency savings

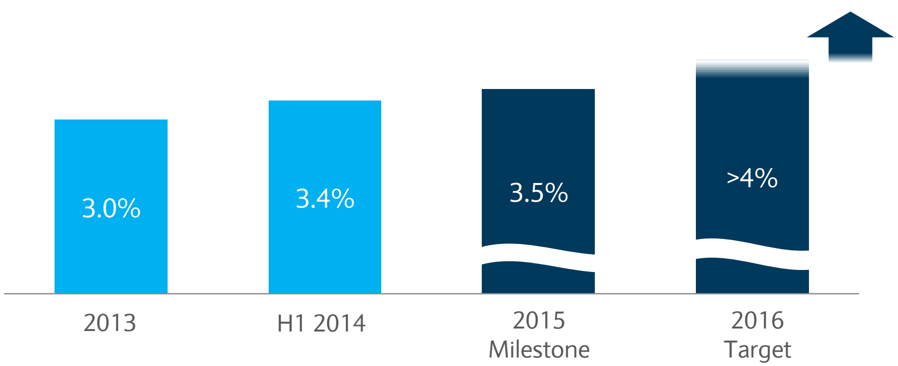
[1] Excluding CTA | [2] Includes Head Office costs of £41m and £91m in H113 and H114 respectively, and £24m of CTA spend to date |

Progressive strengthening of capital and leverage ratios

Fully loaded CRD IV CET1 ratio (%)[1]



Estimated leverage ratio (%)[3]

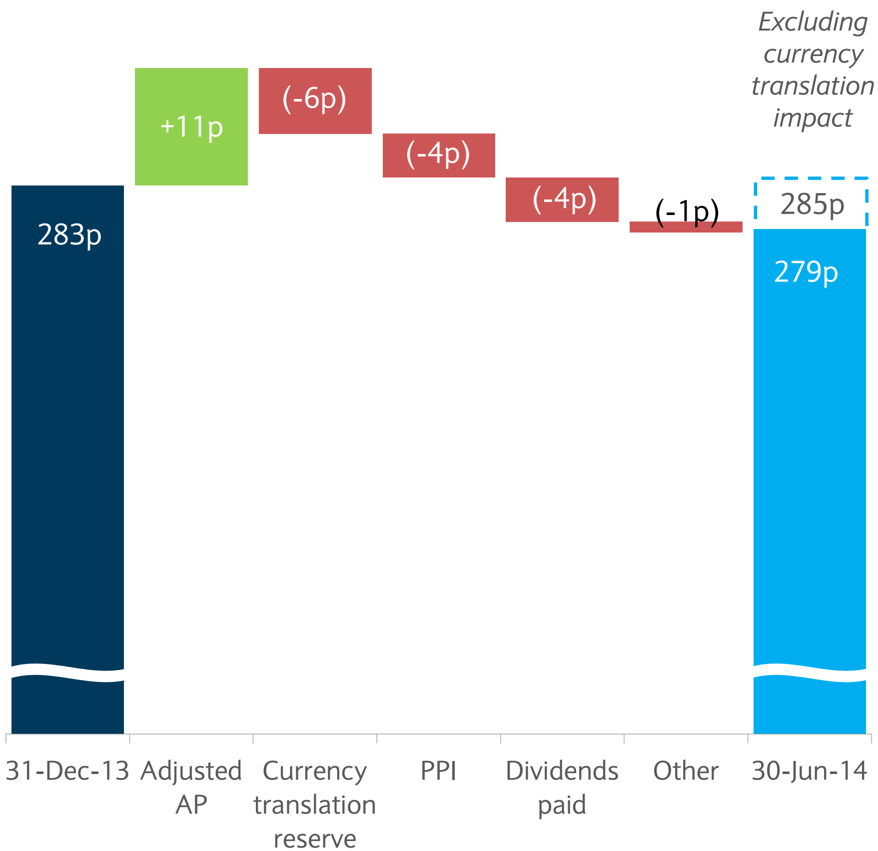


- Continue to show good progress on our CRD IV CET1 ratio and estimated PRA leverage ratio towards 2016 targets
- CRD IV CET1 ratio reached 9.9% at the end of June 2014, representing good progress towards our 2016 target of >11%
- Estimated PRA leverage ratio increased to 3.4%, primarily reflecting a £99bn reduction in PRA leverage exposure and a £2.3bn increase in PRA adjusted Tier 1 capital as a result of the recent T1 exchange
- With an estimated BCBS leverage ratio of 3.4% as at H1 2014, we already exceed the PRA's request to meet a 3% leverage ratio on this calculation basis from 1 July 2014
- Confident that our planned trajectory of capital and leverage positions us well to meet future regulatory requirements

[1] Based on our interpretation of the final CRD IV text and latest EBA technical standards | [2] Following the full implementation of CRD IV reporting in 2014, the previously reported 31 December 2013 RWAs have been revised by £6.9bn to £442bn and fully loaded CET1 ratio revised by (0.2)% to 9.1%. As at 31 March 2014, these figures were a £5.7bn increase and 0.1% decrease respectively | [3] 2013 leverage ratio is the PRA leverage ratio based on PRA adjusted fully loaded CET1 capital and CRD IV and PRA qualifying T1 capital over PRA adjusted leverage exposure as defined in the PRA supervisory statement SS3/13, while the H1 2014 ratio and the leverage targets are estimated based on the BCBS Jan-14 calculation which excludes the headwind deductions to capital contained in the PRA definition of the ratio |

TNAV – underlying profit growth offset by FX impact and PPI

Tangible net asset value



Highlights

- TNAV reduced by 4p over the past six months to 279p
  - Excluding the movement in the currency translation reserve, TNAV would have been up 2p at 285p
- Adjusted attributable profits totalled £1.8bn over H1 2014, generating 11p of TNAV
- This was offset by:
  - The appreciation in Sterling against the USD, EUR and Rand currencies which led to a £941m reduction in the currency translation reserve, which represented 6p of TNAV
  - The £900m increase in provision for PPI redress represented 4p of TNAV which is net of tax
  - Dividends paid of £728m in H1 2014 eroded TNAV by 4p
  - Additional positive moves in cash flow hedging and AFS reserves were offset by moves in Treasury shares and employee share schemes

Good Core performance with Non-Core reductions on track

- Core business producing double digit returns
- Capital and leverage ratios continuing to improve steadily
- Non-Core reductions on track
- TNAV reduced to 279p

Antony Jenkins

Barclays Group Chief Executive

2016 Transform financial commitments

Group	1 Capital	CRD IV FL CET1 ratio >11.0%
	2 Leverage	Leverage ratio >4.0%
	3 Dividend	Payout ratio 40-50%
Barclays Core	4 Returns	Adjusted RoE >12%
	5 Cost	Adjusted operating expenses <£14.5bn
Barclays Non-Core	6 Returns	Drag on adjusted RoE <(3%)

Legal Disclaimer

Important Notice

The information, statements and opinions contained in this document do not constitute a public offer under any applicable legislation or an offer to sell or solicitation of any offer to buy any securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments.

Forward-looking Statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, assets, impairment charges and provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the Transform Programme and Group Strategy Update, run-down of assets and businesses within Barclays Non-Core, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards (IFRS), evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, US, Africa Eurozone and global macroeconomic and business conditions; the effects of continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of the Group; the potential for one or more countries exiting the Eurozone; the implementation of the Transform Programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements. Additional risks and factors are identified in our filings with the SEC including our Annual Report on Form 20-F for the fiscal year ended 31 December 2013, which are available on the SEC's website at www.sec.gov.

Any forward-looking statements made herein speak only as of the date they are made and it should not be assumed that they have been revised or updated in the light of new information or future events. Except as required by the Prudential Regulation Authority, the Financial Conduct Authority, the London Stock Exchange plc (the LSE) or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Barclays' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has published or may publish via the Regulatory News Service of the LSE and/or has filed or may file with the SEC.

Appendix

Reorganising to a simpler, focused and balanced structure

Barclays Group – H1 2014

Personal & Corporate Banking
PBT £1,468m
RoE 12.1%
RWAs £117.9bn

Barclaycard
PBT £764m
RoE 18.9%
RWAs £37.7bn

Africa Banking
PBT £484m
RoE 9.6%
RWAs £36.5bn

Investment Bank
PBT £1,058m
RoE 5.7%
RWAs £125.5bn

Barclays Non-Core (BNC)
LBT £491m
RoE drag 4.5%
RWAs £87.5bn

H1 2014 adjusted results[1]

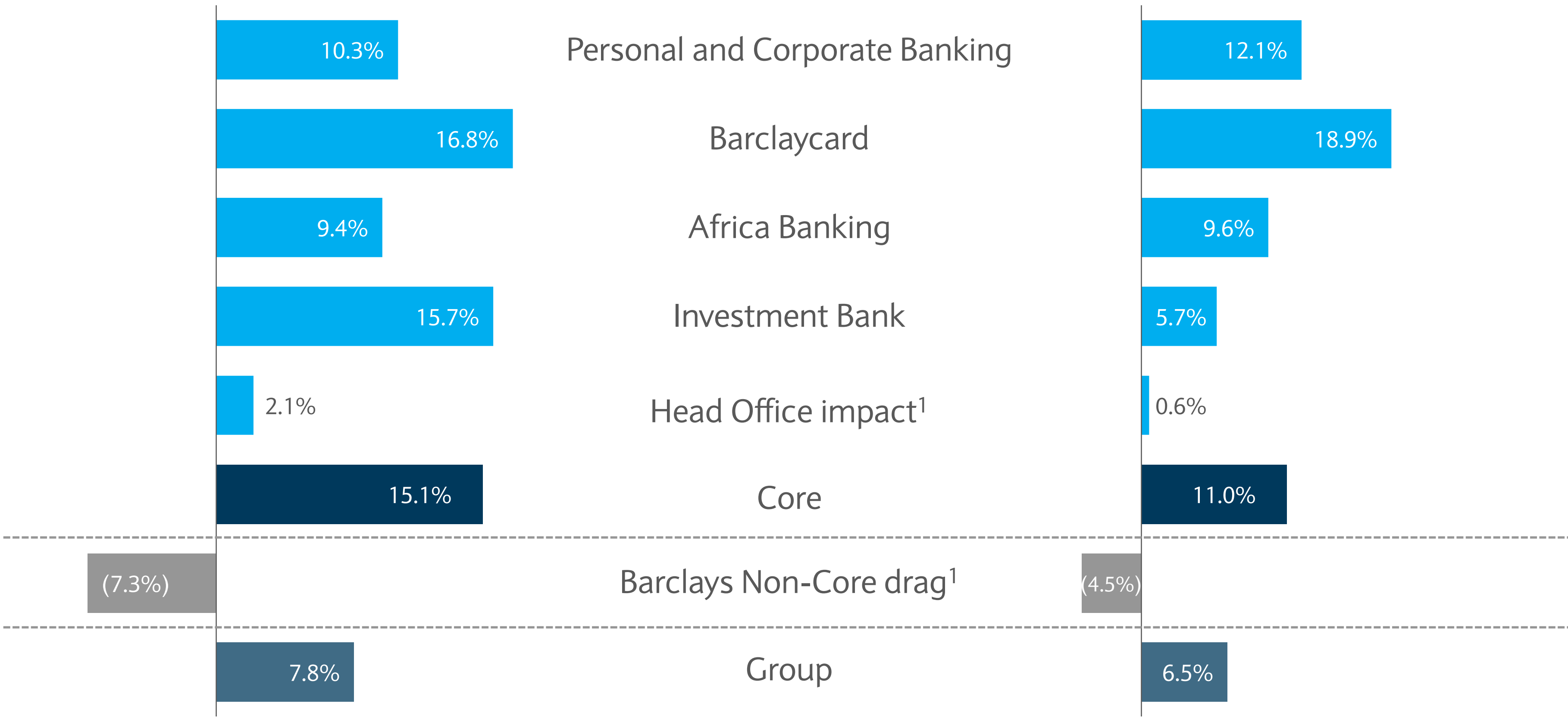
Income	£12.7bn	Return on average equity (RoE)[2]	11.0%
Impairment	(£0.9bn)	Return on tangible equity (RoTE)	13.5%
Operating expenses	(£7.9bn)	Risk weighted assets (RWA)	£324bn
Profit before tax	£3.8bn	Average allocated equity	£41bn

[1] Includes Head Office as part of Core, representing £6bn RWAs and £66m profit before tax | [2] Excluding CTA Core RoE was 12.6% |

Adjusted Return on Average Equity (RoE)

RoE – Six months ended – June 2013

RoE – Six months ended – June 2014



[1] RoE for Head Office and Barclays Non-Core represents their impact on Barclays Core and the Group respectively |

Impact of Costs to achieve Transform

Adjusted performance measures by business	Costs to achieve Transform (£m)	Profit before tax[1] (£m)	Return on average equity[1,2] (%)	Cost : income ratio[1] (%)
	Six months ended – June 2014			
Personal and Corporate Banking	115	1,583	13.1	59
Barclaycard	36	799	19.8	39
Africa Banking	17	501	10.2	61
Investment Bank	282	1,340	8.2	69
Head Office	2	68	0.6	
Total Core	453	4,293	12.6	59
Barclays Non-Core	41	(450)	(4.9)	136
Group	494	3,843	7.7	63

[1] Excluding CTA | [2] RoE for Head Office and Barclays Non-Core represents their impact on Barclays Core and the Group respectively |

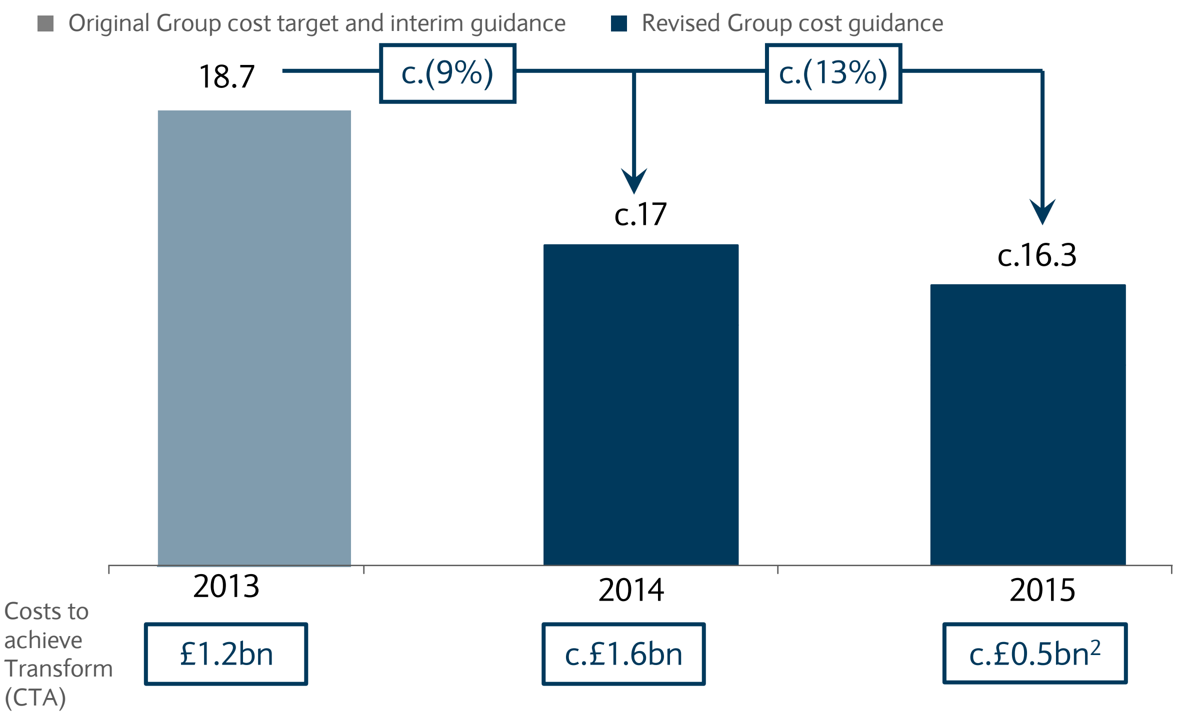
Net interest margins and balances[1]

	Six months ended – June 2013			Six months ended – June 2014		
	Net interest income (£m)	Average customer assets (£m)	Net interest margin (%)	Net interest income (£m)	Average customer assets (£m)	Net interest margin (%)
Personal and Corporate Banking	2,860	200,104	2.88	3,057	208,160	2.96
Barclaycard	1,385	30,932	9.03	1,500	33,410	9.05
Africa Banking	1,140	40,489	5.68	1,007	34,574	5.87
Total Personal and Corporate Banking, Barclaycard and Africa Banking	5,385	271,525	4.00	5,564	276,144	4.06
Investment Bank	164			334		
Head Office	(166)			1		
Total Core	5,383			5,899		
Barclays Non-Core	194			183		
Group	5,577			6,082		

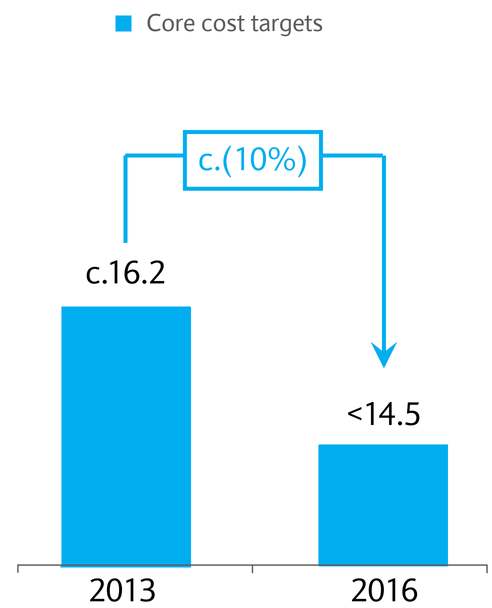
[1] Margins are calculated as net interest income over average customer assets |

Group Cost targets

Group cost guidance[1] (£bn)



Core cost targets[1] (£bn)



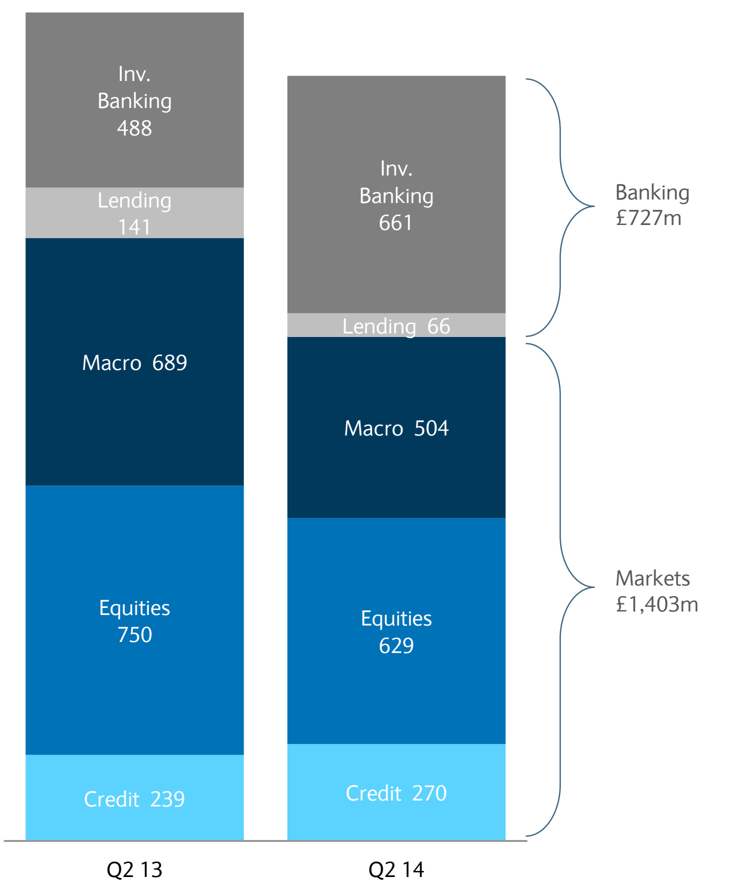
- Of original £2.7bn CTA estimate, approximately £1.7bn has been spent to date; an additional £800m is required principally to reposition the Investment Bank, including a gross reduction of 7,000 FTE through to 2016 across Core and Non-Core
- 2016 Core cost target of <£14.5bn assumes constant currency rates and excludes large extraordinary items, such as conduct charges
- Majority of future savings expected to occur through headcount reductions and greater levels of automation in all businesses

[1] Excludes provisions for PPI and IRHP redress, goodwill impairment and CTA | [2] £200m of additional CTA expected in 2016 across both Core and Non-Core |

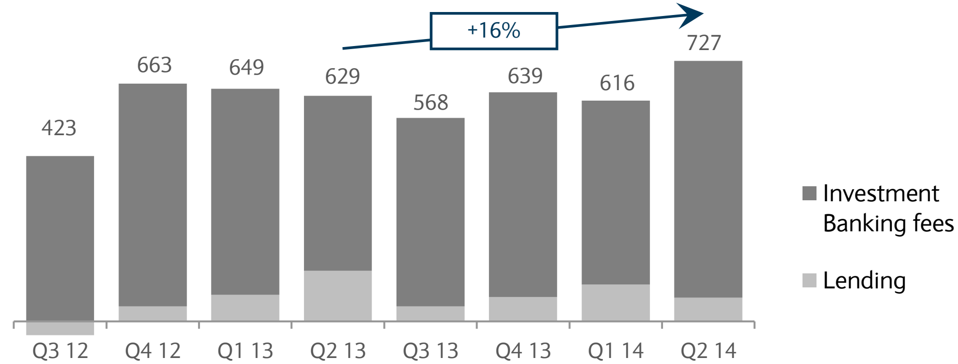
Investment Bank – quarterly progression

Q2 on Q2 change in business mix

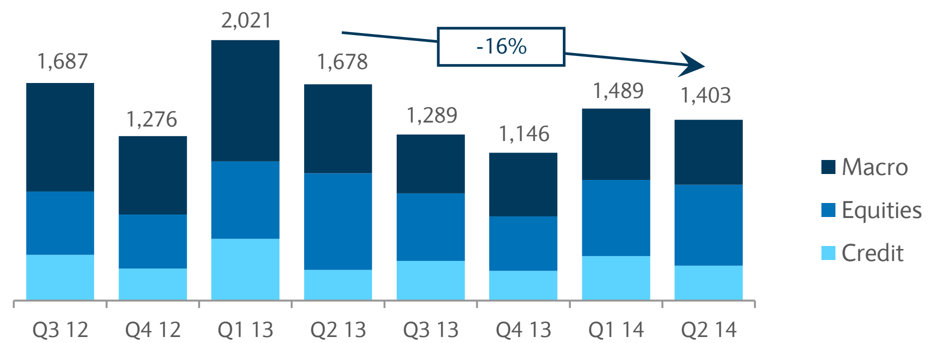
(£m)



Banking (£m)



Markets (£m)



Broad contribution by diverse businesses

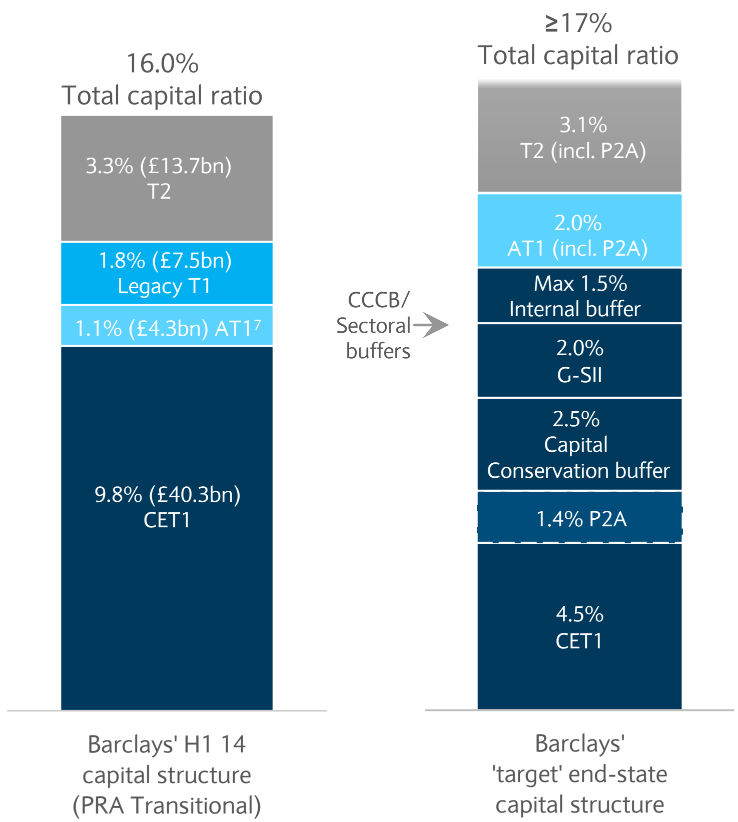
Six months ended – June (£m)	Income		Profit Before Tax	
	2013	2014	2013	2014
Personal and Corporate Banking	4,305	4,361	1,197	1,468
Barclaycard	2,019	2,124	616	764
Africa Banking	2,055	1,773	547	484
Investment Bank	5,222	4,257	1,951	1,058
Head Office	(4)	159	(47)	66
Total Core	13,597	12,674	4,264	3,840
Barclays Non-Core	1,474	658	(673)	(491)
Group	15,071	13,332	3,591	3,349

RWAs by Business

(£bn)	December 2013	June 2014
Personal and Corporate Banking	118.3	117.9
Barclaycard	35.7	37.7
Africa Banking	38.0	36.5
Investment Bank	126.0	125.5
Head Office	14.6	6.0
Total Core	332.6	323.5
Barclays Non-Core	109.9	87.5
Group	442.5	411.0

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

Evolution of capital structure



Fully loaded CRD IV capital position

- FLCRD IV CET1 ratio at 9.9% on track to meet target of >11% in 2016. The ratio was well in excess of the 7% PRA regulatory target[1]
- Robust buffers to contingent capital triggers[2]
  - AT1 contingent capital: 290bps or £11.9bn
  - T2 contingent capital: 490bps or £20.6bn[3]
- As we build CET1 capital over the transitional period, we expect to reach a range of 11.5-12% in end-state[4]
- Accelerated transition towards end-state capital structure by exchanging 9 non-CRD IV compliant T1 securities issued by Barclays Bank PLC for £2.3bn of PRA and CRD IV compliant equity convertible AT1 securities issued by Barclays PLC
- Fully loaded total capital ratio increased to 15.0% (31 December 2013: 13.9%) and transitional total capital ratio increased to 16.0% (31 December 2013: 15.0%)
- Further clarity required on PLAC and GLAC. In the meanwhile, we continue to build towards our target end-state capital structure which assumes at least 17% of total capital; final requirements subject to PRA discretion

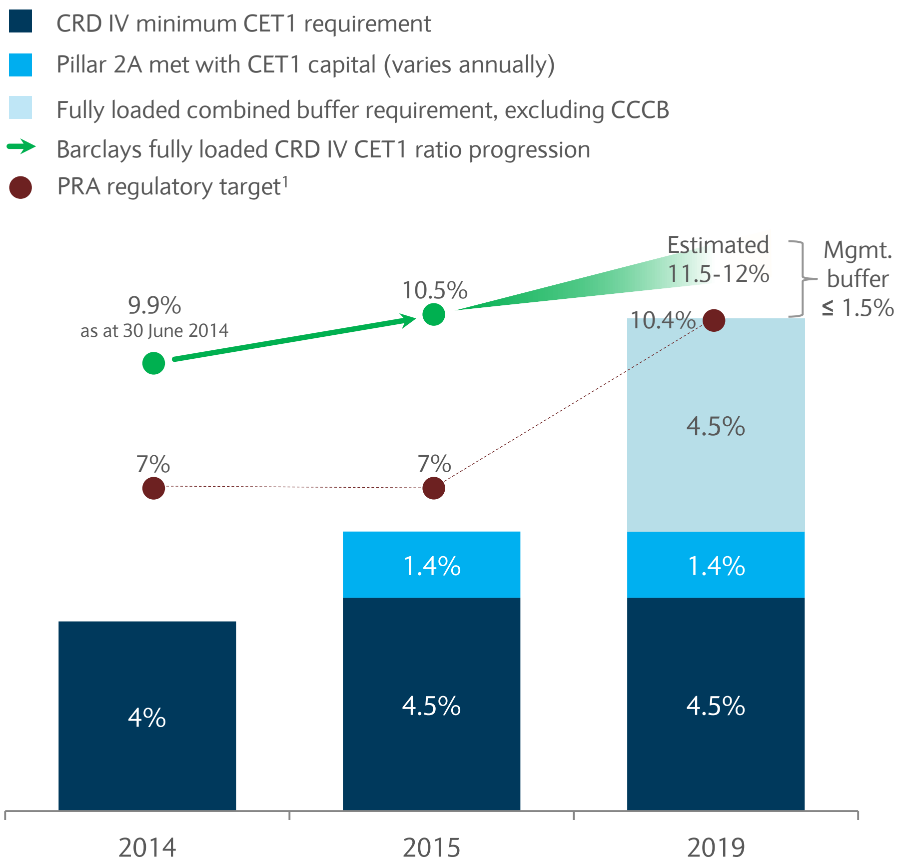
Pillar 2A guidance

- As per PS7/13[5], PRA expects UK banks to meet Pillar 2A by 1 January 2015. Barclays Pillar 2A requirement for 2014 is 2.5%[6]:
  - CET1 of 1.4% (assuming 56%)
  - AT1 of 0.5% (assuming 19%)
  - T2 of 0.6% (assuming 25%)
- Individual capital guidance determining Pillar 2A will be set and communicated at least annually, and will vary accordingly

[1] Being the higher of 7% PRA expectation and CRD IV capital requirements I [2] CRD IV rules on mandatory distribution restrictions apply from 1 January 2016 onwards based on transitional CET1 requirements I [3] Based on the CRD IV CET1 transitional (FSA October 2012 statement) the ratio was 12% as at 30 June 2014 I [4] Pillar 2A requirements for 2014 held constant out to end-state for illustrative purposes. The PRA buffer is assumed to be below the CBR of 4.5% in end-state albeit this might not be the case. CCCB, other systemic and sectoral buffer assumed to be zero I [5] The PRA intends to consult on its Pillar 2 proposal during 2014. The EBA is also developing guidelines on Pillar 2 capital which are likely to affect how the PRA approaches Pillar 2 | [6] Point in time assessment made at least annually, by the PRA, to reflect idiosyncratic risks not fully covered under Pillar 1. The PRA has stated (in CP5/13) that capital that firms use to meet their minimum requirements (Pillar 1 and Pillar 2A) cannot be counted towards meeting buffers | [7] Fully-loaded AT1 capital of £4.6bn including £0.3bn of BAGL Minority interest I

Plan incorporates the progressive implementation of CET1 requirements

Regulatory targets, excluding internal buffer



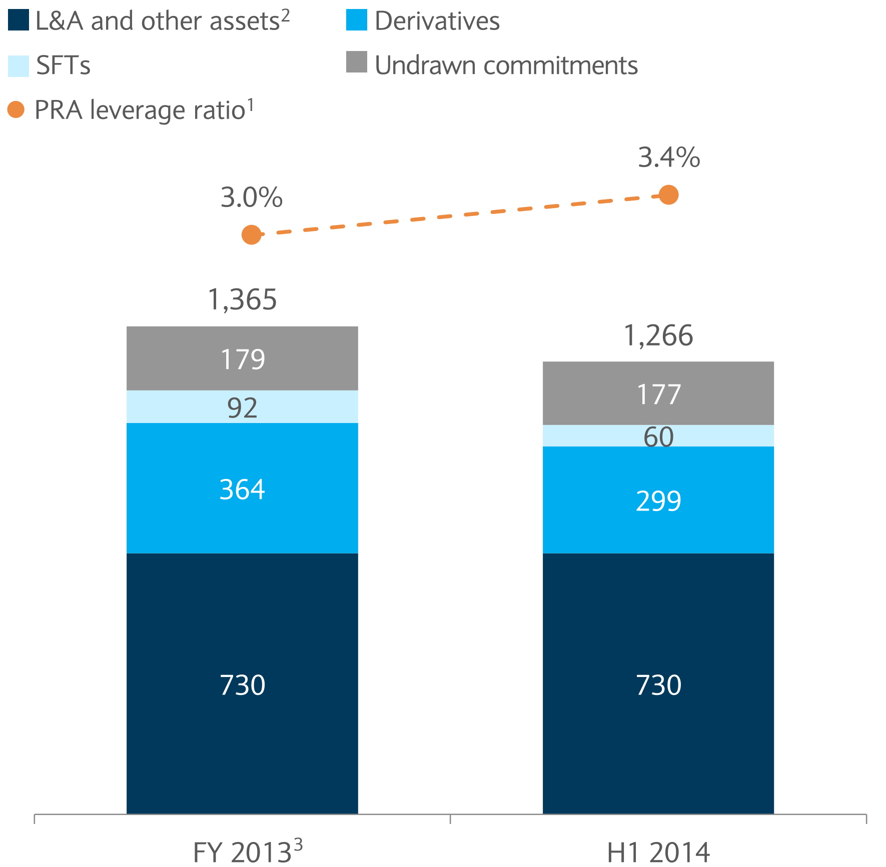
Key assumptions in this illustration

- CET1 minimum requirements per PRA implementation of CRR
- Pillar 2A met with CET1 capital for 2014 is 1.4% of RWAs; while subject to at least annual review, we hold it constant in 2019 for illustration purposes
- Combined buffer requirement (and associated rules for mandatory distribution restrictions), consisting of 2.5% capital conservation buffer and 2% G-SII buffer, transitions in from 1 January 2016 at 25% per annum
- In 2019, we have assumed that the PRA buffer will be less than 4.5% combined buffer requirement; however, this may not be the case
- Countercyclical (CCCB), other systemic and sectoral buffers are currently assumed to be zero[2]
- Internal management buffer, currently 1.5%, will be recalibrated over time and may be less than 1.5% by 2019
- During 2014, the PRA will refresh its "PRA buffer" following its stress testing exercise. In 2015, the combined CRD IV minimum requirements, Pillar 2A and PRA buffer may be greater than 7.0%

[1] Being the higher of 7% PRA expectation and CRD IV capital requirements | [2] These buffers could be applied at the Group level, or at a legal entity, sub-consolidated or portfolio level | [3] Following the implementation of CRD IV as at 1 January 2014, the 7% trigger for the T2 contingent convertible notes is based on Barclays PLC's consolidated transitional CET1 ratio (as per FSA's press release of 26 October 2012). As at 30 June 2014, we estimated the transitional CET1 ratio to be 12.0% |

Continue to strengthen our leverage ratio and reduce leverage exposure

PRA leverage exposure[1] (£bn)



Highlights

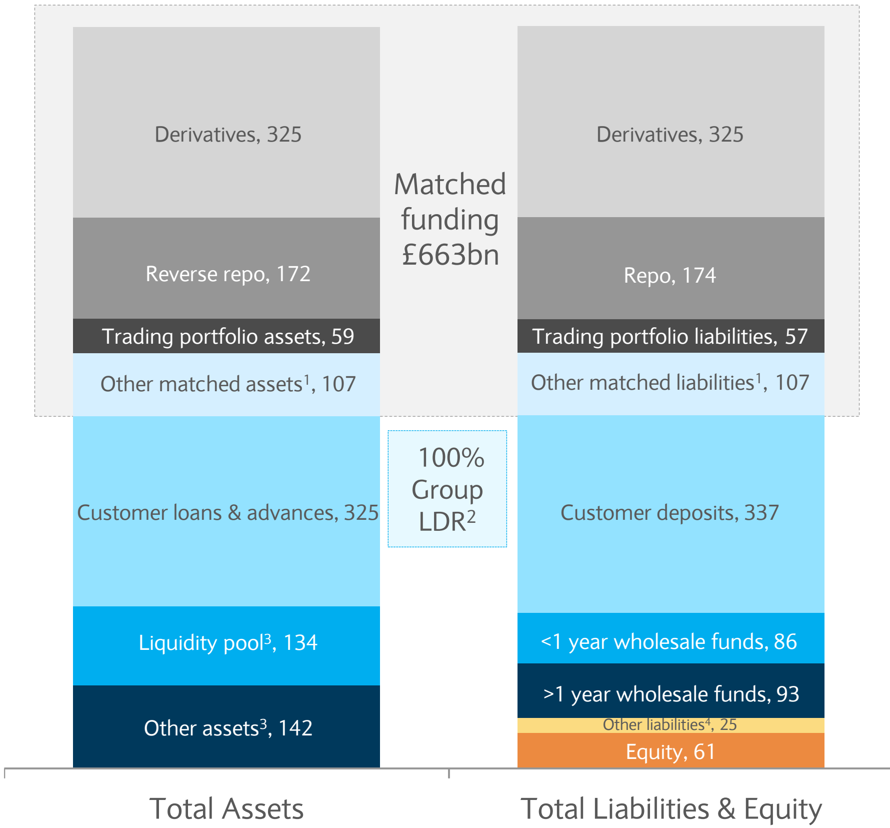
- Estimated PRA leverage ratio improved further as a result of regulatory capital accretion and additional deleveraging
- As at 30 June 2014, the ratio was 3.4%, exceeding the PRA's expected leverage ratio of 3%
- We continue to make good progress on deleveraging, reducing expected PRA leverage exposure by £99bn, including:
  - £54bn reduction in PFE on derivatives, including £18bn from trade compression and tear ups
  - £32bn reduction in SFT exposures, primarily driven by netting, collateral and other optimisations
- We continue to reposition the balance sheet for higher returning assets
- Estimated BCBS leverage ratio was 3.4% as at 30 June 2014

[1] Estimates based on current CRD IV and PRA guidance | [2] Loans and advances and other assets net of regulatory adjustments | [3] Dec-13 has been restated for IAS 32, resulting in a £2bn increase in the estimated PRA leverage exposure |

Balance sheet is conservatively funded

Total balance sheet as at 30 June 2014 of £1.3tn (excl. BAGL)

(£bn)



Highlights

- Derivative assets and liabilities largely matched
- 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 (£179bn as at 30 June 2014, down £61bn since 2012)
- Group liquidity pool primarily funded by wholesale debt, with the remainder funded by customer deposits
- The pool is well in excess of short-term wholesale funds

[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 (excl. liquidity pool), unencumbered trading portfolio assets, and excess derivative assets | [4] Including excess cash collateral and settlement balances |

Capital resources[1]

(£m)		31 December 2013	30 June 2014
Shareholders' equity (excluding non controlling interests) per the balance sheet		**55,385**	**58,068**
Less: other equity instruments (recognised as AT1 capital)		(2,063)	(4,326)
Adjustment to retained earnings for foreseeable dividends		(640)	(596)
Minority interests (amount allowed in consolidated CET1)		**1,238**	**1,171**
Other regulatory adjustments and deductions	Additional value adjustments	(2,479)	(2,492)
	Goodwill and intangible assets[2]	(7,618)	(7,828)
	Deferred tax assets that rely on future profitability excluding temporary differences	(1,045)	(1,062)
	Fair value reserves related to gains or losses on cash flow hedges[2]	(270)	(532)
	Negative amounts resulting from the calculation of expected loss amounts	(2,106)	(2,036)
	Gains or losses on liabilities at fair value resulting from own credit[2]	600	612
	Other regulatory adjustments	(119)	(172)
	Direct and indirect holdings by an institution of own CET1 instruments	(496)	(25)
Fully loaded Common Equity Tier 1 capital		40,387	40,782
Regulatory adjustments relating to unrealised gains[2]		(180)	(513)
PRA Transitional Common Equity Tier 1 capital		40,207	40,269
CRD IV RWAs (£bn)		442.5[3]	411.0
Fully Loaded Common Equity Tier 1 ratio[4,5]		9.1%	9.9%
PRA Transitional Common Equity Tier 1 ratio[4,5]		9.1%	9.8%

[1] The Capital Requirements Regulation and Capital Requirements Directive implemented Basel 3 within the EU (collectively known as CRD IV) on 1 Jan 2014. The rules are supplemented by Regulatory Technical Standards and the PRA's rulebook, including the implementation of transitional rules | [2] The capital impacts of these items are net of tax | [3] As part of the full implementation of CRD IV reporting in 2014, the previously reported 31 December 2013 RWAs have been revised by £6.9bn from to £443bn and fully loaded CET1 ratio revised by (0.2)% to 9.1%. As at 31 March 2014, these figures were a £5.7bn increase and 0.1% decrease respectively | [4] Estimated CET1 ratios subject to finalisation of regulation and market conditions | [5] The CRD IV CET1 ratio (FSA October 2012 transitional statement) as applicable to Barclays' Tier 2 Contingent Capital Notes was 12.0% based on £49.3bn of transitional CRD IV CET1 capital and £411bn RWAs. |

Estimated leverage exposure

(£bn)	PRA Leverage exposure		BCBS 270 Leverage exposure
	31 December 2013	30 June 2014	30 June 2014
IFRS derivative financial instruments	355	333	333
Mark-to-market and margin netting adjustments for derivatives	(288)	(268)	(298)
Cash collateral pledged on derivatives	48	39	17
Potential Future Exposures on derivatives	249	195	195
Net written credit protection	-	-	29
Total Derivatives	364	299	276
IFRS Reverse repurchase agreements and other similar secured lending	187	172	199
Remove: IFRS SFTs	(187)	(172)	-
Counterparty risk leverage exposure measure for SFTs	92	60	29
Total Securities Financing Transactions	92	60	228
Loans and advances and other assets	752	762	762
Weighted undrawn commitments	179	177	105
Regulatory deductions and other adjustments	(22)	(32)	(18)
Total other assets and adjustments	909	907	849
Total fully loaded leverage exposure	1,365[1]	1,266	1,353
Tier 1 capital	42.7	45.4	45.4
PRA deductions to CET1 capital	(2.2)	(2.2)	
PRA adjusted Tier 1 Capital	40.5	43.2	45.4
Fully loaded leverage ratio	3.0%	3.4%	3.4%

[1] Dec-13 has been restated to include the impact of IAS 32