Barclays PLC

Q2 2018 Financial Results

2 August 2018

Jes Staley

Barclays Group Chief Executive

Transatlantic Consumer and Wholesale Bank

Double digit Group and operating business returns in Q218

Group RoTE 12.3%[1]

TNAV 259p, up 8p

CET1 ratio 13.0%, with 44bps from profits

Cost: income ratio 59%[1]

2.5p interim dividend declared and intend to pay 6.5p total for 2018[2]

[1] Excluding £81m L&C | [2] Subject to regulatory approvals |

Tushar Morzaria

Barclays Group Finance Director

Q218 Group highlights

Double digit Group returns with positive jaws driving improved profitability

Financial performance[1]

Income ↑ 10%
£5.6bn[2] (Q217: £5.1bn)

Costs ↓ 3%
£3.3bn (Q217: £3.4bn)

Cost: income ratio
59%[2] (Q217: 67%)

PBT ↑ 44%
£2.0bn[2] (Q217: £1.4bn)

RoTE
12.3%

EPS
7.8p

CET1 ratio
13.0%

TNAV
259p

- Group RoTE was 12.3% as PBT increased 44%
  - Double digit returns in BUK of 18.8% and BI of 12.2%
- Income growth of 10% and improved operating efficiency drove 13% positive jaws
  - Group cost: income ratio improved to 59%
- Impairment decreased 46% reflecting
  - Single name recoveries in wholesale banking
  - Improved macroeconomic forecasts in the US in Q118
  - Higher than expected seasonal repayment of certain US card balances
- CET1 ratio increased 30bps QoQ to 13.0%, in line with c.13% end-state target
  - Included 44bps from profits generated in Q218
- TNAV increased by 8p to 259p in the quarter, reflecting strong profits
- Interim dividend of 2.5p declared for H118
  - Intention to pay 6.5p per share dividend in total for 2018[3]

[1] Financial performance and accompanying commentary excludes L&C (Group Q218: £81m; Group Q217: £715m) | [2] Including one-off gain of £155m from the settlement of receivables relating to the Lehman Brothers acquisition and a £53m gain on sale of a US card portfolio in Q218 | [3] Subject to regulatory approvals |

Q218 Barclays UK results

RoTE of 18.8% with growth in customer balances and ongoing investment in digital banking

Financial performance[1]

Income ⬆1%
£1.8bn (Q217: £1.8bn)

Cost: income ratio
53% (Q217: 54%)

PBT ⬆5%
£0.7bn (Q217: £0.6bn)

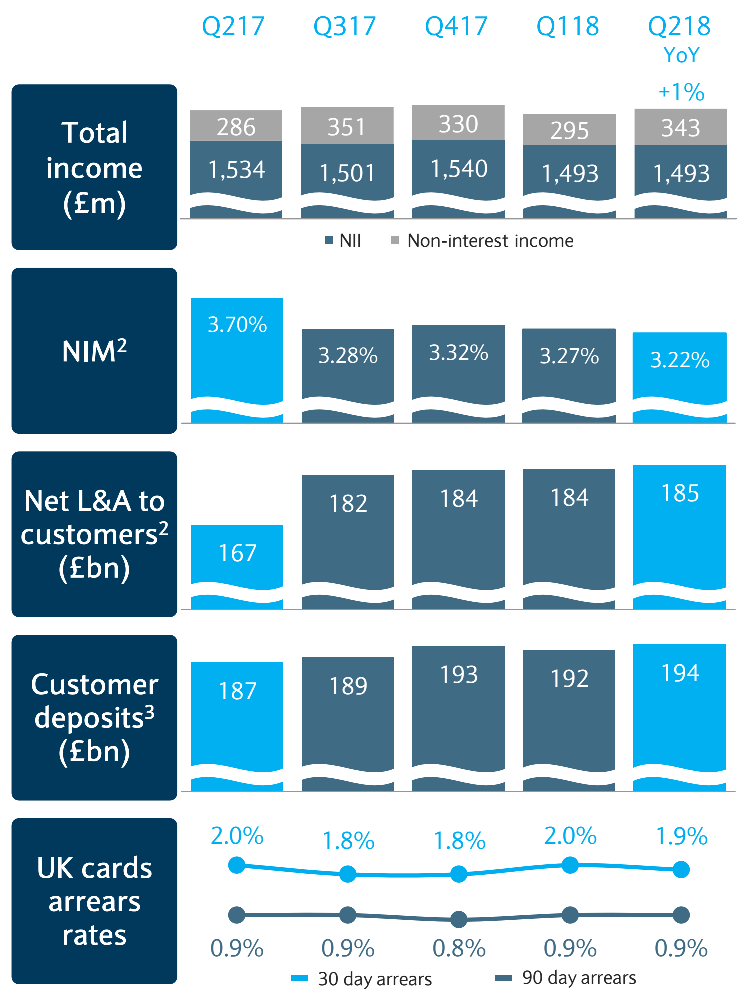
RoTE
18.8% (Q217: 19.1%)

NIM[2]
3.22% (Q217: 3.70%)

LLR
45bps (Q217: 52bps)

RWAs ⬆£2.5bn
£75.0bn (Mar-18: £72.5bn)

- Stable income in a competitive market
  - NIM of 3.22%, including impact of mix shift given growth in secured lending
  - Recategorisation of certain treasury income also impacted NIM
  - Expect FY18 NIM to be at the lower end of 3.20-3.30% guidance range
- Net L&A increased 1% QoQ to £185bn
  - Continued mortgage growth, up £1.6bn QoQ and £5.9bn YoY
- Savings balances continued to increase, demonstrating franchise strength
- Risk remained well-controlled, reflecting prudent appetite, with impairment broadly flat
  - Stable underlying credit metrics, with improved UK cards 30 day and stable 90 day arrears QoQ and YoY
- Costs down 1%, despite continued investment in digitising the bank, generating slight positive jaws
- RWAs increased £2.5bn on Q118 largely reflecting regulatory methodology changes for ESHLA



[1] Financial performance and accompanying commentary excludes L&C | [2] Q317 onward affected by ESHLA integration on 1 July 2017. Net L&A at amortised cost | [3] Customer deposits at amortised cost |

Q218 Barclays International results

Double digit returns with strong performance across CIB and CC&P

Financial performance[1]

Income ⬆3%
£3.7bn (Q217: £3.6bn)

Impairment ⬇76%
£68m (Q217: £279m)

Cost: income ratio
62% (Q217: 63%)

PBT ⬆7%
£1.3bn (Q217: £1.3bn)

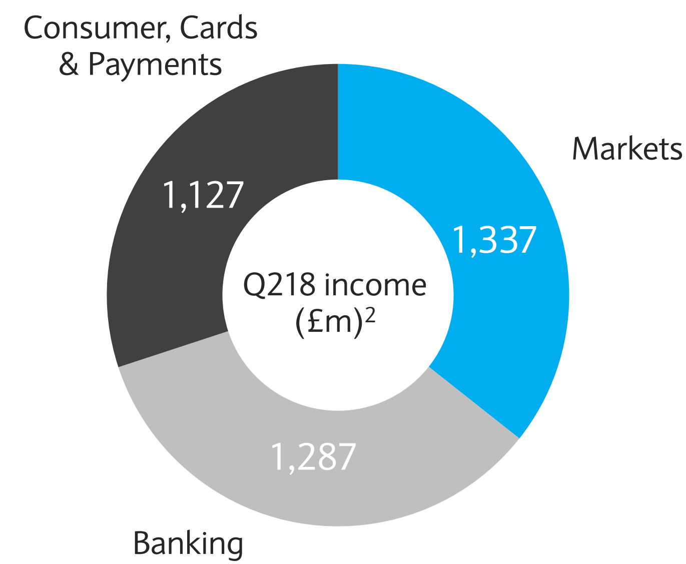
RoTE
12.2% (Q217: 12.3%)

LLR
22bps (Q217: 54bps)

RWAs ⬆£3.8bn
£218.0bn (Mar-18: £214.2bn)

- Barclays International delivered a 12.2% RoTE as PBT increased 7%
- 6% depreciation of average USD against GBP was a headwind to profits and income, and a tailwind to impairment and costs
- Income increased 3% despite the currency headwind
  - Improved income in CIB reflecting continued strength in Markets
  - Income growth in CC&P driven by US Cards, including a £53m gain on sale of a US card portfolio
- Impairment decreased reflecting recoveries in CIB and impact of IFRS 9
- Delivered positive jaws, with a 1% increase in costs driven by investment and business growth in CC&P
- Increase in RWAs driven by CC&P

Income balanced across businesses



c.50% of income in USD

[1] Financial performance and accompanying commentary excludes L&C | [2] Excludes Other income of (£44m) |

Q218 Barclays International: Corporate & Investment Bank results

Continued strength in Markets and Banking fees

Financial performance[1]

Income ⬆ 1%
£2.6bn (Q217: £2.6bn)

Impairment
£23m release
(Q217: £1m release)

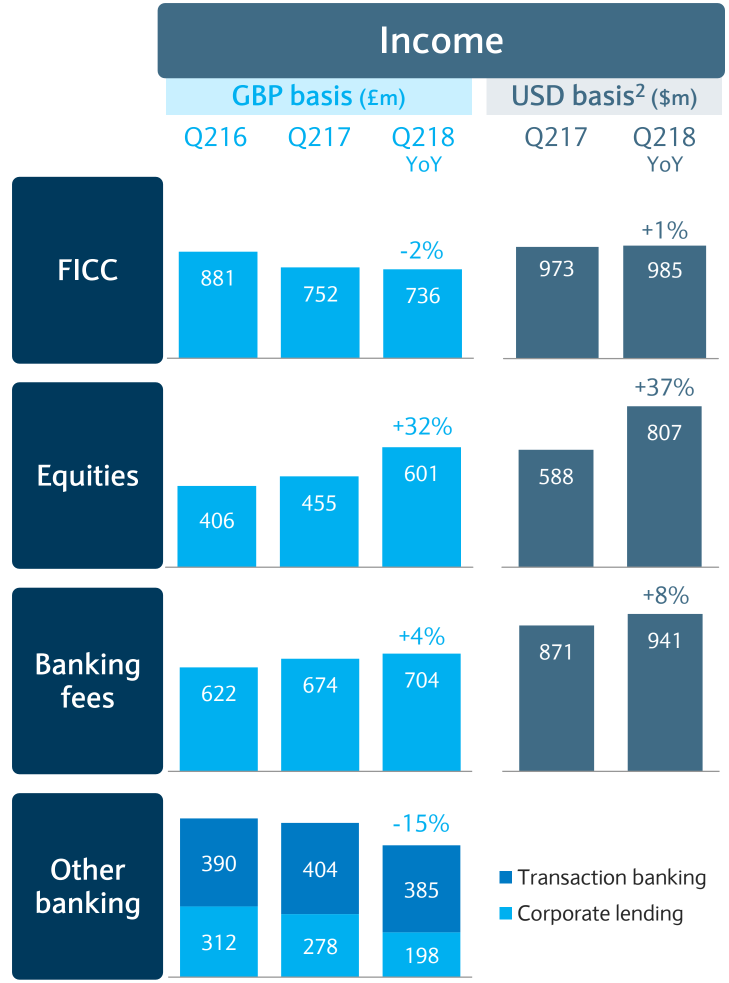
Costs ⬆ 1%
£1.8bn (Q217: £1.8bn)

PBT ⬇ 9%
£0.8bn (Q217: £0.9bn)

RoTE
9.1% (Q217:11.1%)

RWAs ⬇ £0.9bn
£180.4bn (Mar-18: £181.3bn)

- Markets income increased 11%, or 15% in USD
  - Equities increased 37% in USD driven by derivatives and equity financing
  - FICC increased 1% in USD on stable macro and credit performance
- Second highest quarter for Banking fee income in GBP[3], increasing 4% or 8% in USD
  - Increased global banking fee share since FY17, ranked #6 globally, and #1 European bank in the US[4]
  - Joint bookrunner on 8/10 largest investment grade debt issuances in H118
- Corporate lending income impacted by redeployment of RWAs within CIB to improve returns, and negative fair value moves on hedges
- Net impairment release of £23m included single name recoveries
- Committed to improving returns through continued investment in technology
- PBT increased 3% excluding £109m one-off in Q217[5]



[1] Financial performance and accompanying commentary excludes L&C | [2] USD basis is calculated by translating GBP revenues by month for Q218 and Q217 using the corresponding GBP/USD FX rates | [3] Data pre-2014 was not restated following resegmentation | [4] Source: Dealogic | [5] £109m gain on sale of Barclays' share in Vocalink |

Q218 Barclays International: Consumer, Cards & Payments results

Strong returns whilst investing in growth across CC&P businesses

Financial performance[1]

Income ⬆8%
£1.1bn (Q217: £1.0bn)

Impairment ⬇68%
£91m (Q217: £280m)

Costs ⬆3%
£0.5bn (Q217: £0.5bn)

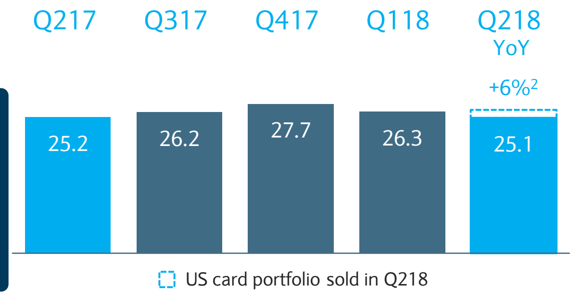
PBT ⬆51%
£0.5bn (Q217: £0.3bn)

RoTE
28.9% (Q217: 19.4%)

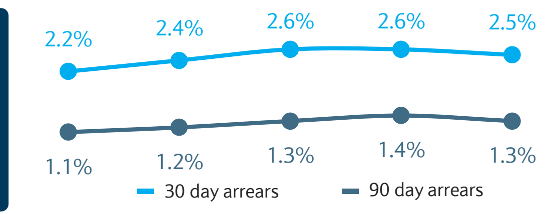
RWAs ⬆£4.7bn
£37.6bn (Mar-18: £32.9bn)

- Income increased 8% reflecting continued underlying growth in US Cards and £53m gain on sale of a US card portfolio
- Underlying US Cards net receivables grew 6% YoY[2], driven by continued strong growth in partnership balances
  - American Airlines and JetBlue balances saw double digit growth
  - Over 70% of partnership book is covered by agreements that last through 2022
- Impairment decreased 68%
  - Higher than expected seasonal repayment of certain US card balances
- Neutral underlying jaws[3], as cost increase reflected investment and business growth
- Deposits increased by 5% YoY across both Private Banking and International Cards
- RWAs increased due to changes in operational risk RWA allocations

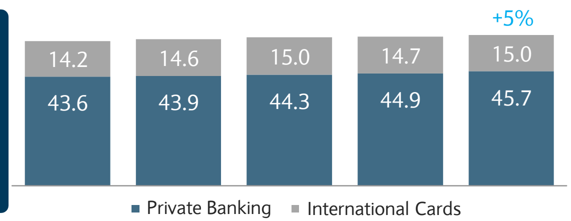
US Cards net receivables ($bn)



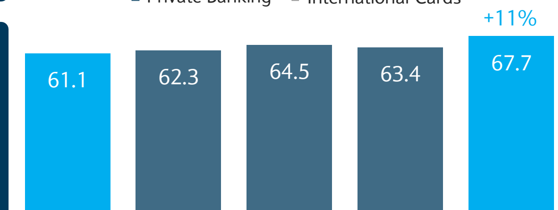
US Cards arrears rates



Deposits[4] (£bn)

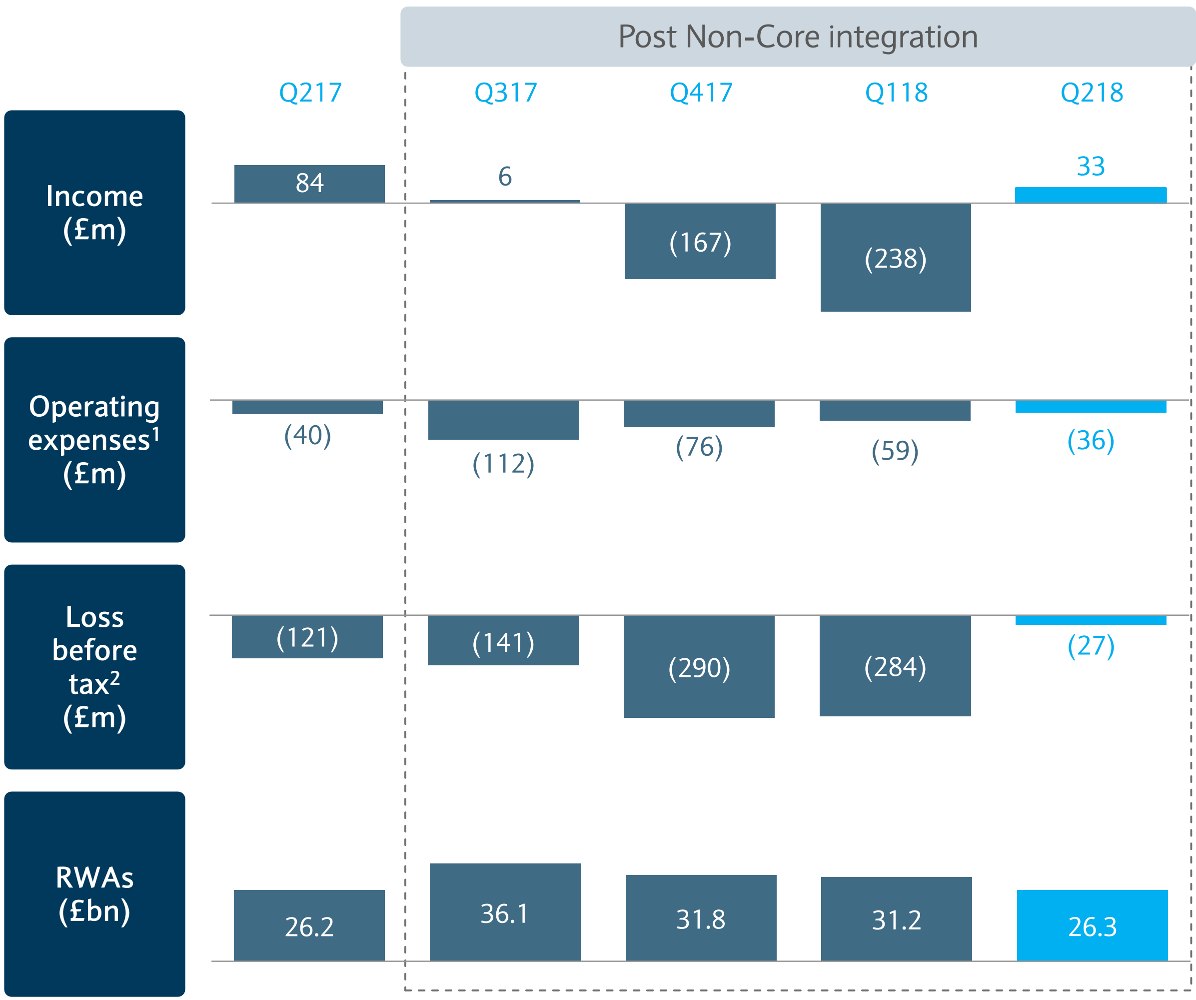


Merchant acquiring payments processed (£bn)



[1] Excluding L&C | [2] Excluding impact of $1.5bn US card portfolio sale | [3] Excluding FX, litigation and conduct, and gain on sale of a US card portfolio | [4] Includes deposits from banks and customers at amortised cost |

Head Office



- Income included a one-off gain of £155m from settlement of receivables relating to Lehman Brothers acquisition and a £46m dividend from stake in BAGL
  - Excluding these, negative income reflected c.£90m impact from certain legacy capital instrument funding costs per quarter and a hedge accounting drag, expected to be £100-200m per year
  - Expect these two items to recur in coming quarters, but decline over time
- RWAs decreased primarily due to the regulatory deconsolidation of BAGL
- Period end allocated tangible equity was £3.6bn
  - Tangible equity is allocated to businesses at 13.0% (2017: 12.0%) of RWAs, adjusted for capital deductions
  - Head Office represents the difference between the Group's average tangible shareholders' equity and the amounts allocated to businesses

[1] Excluding L&C and UK bank levy | [2] Excluding L&C |

Impairment

Q218 impairment

1. In the UK, underlying credit metrics were broadly stable and economic conditions steady, resulting in steady impairment charges in BUK
2. Material improvement in CC&P reflecting higher than expected seasonal repayment of certain US card balances
3. Further single-name recoveries in CIB in Q2, following material recoveries in Q1, which are not expected to recur in coming quarters

Retail L&A

As at 30.06.18 As at 31.03.18	Barclays UK	Barclays International	Group[1]
Total gross exposure (£bn)	161.1 159.3	30.7 29.3	200.2 197.3
Total impairment allowance (£bn)	2.7 2.7	2.6 2.6	5.8 5.7
Total coverage ratio (%)	1.7% 1.7%	8.6% 8.8%	2.9% 2.9%
Loan impairment charge (£m)	1 180 180	2 88 251	268 440
LLR (bps)	45 46	115 348	54 90

Wholesale L&A

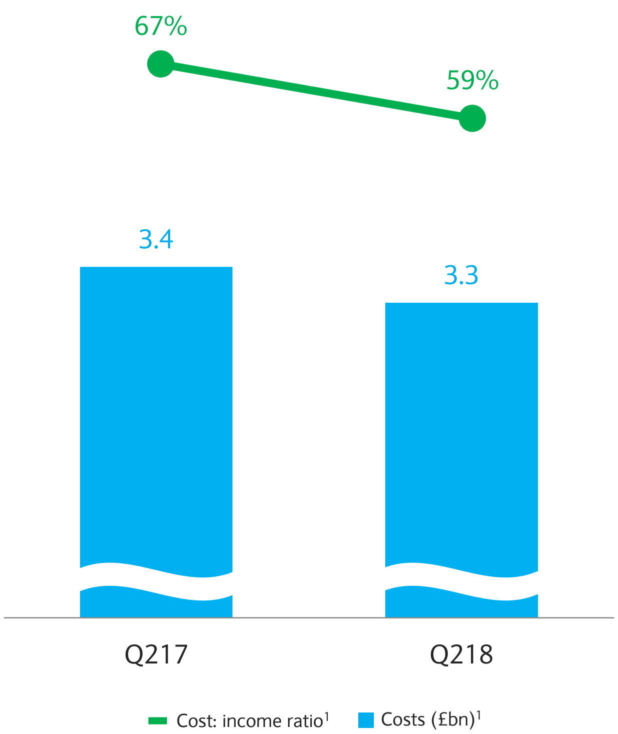
As at 30.06.18 As at 31.03.18	Barclays UK	Barclays International	Group[1]
Total gross exposure (£bn)	28.8 28.3	98.3 91.7	127.6 128.7
Total impairment allowance (£bn)	0.2 0.2	0.9 1.0	1.2 1.3
Total coverage ratio (%)	0.8% 0.8%	0.9% 1.1%	0.9% 1.0%
Loan impairment charge (£m)	1 34 21	3 (19) (158)	15 (153)
LLR (bps)	47 30	(8) (70)	5 (48)

[1] Group also includes Head Office |

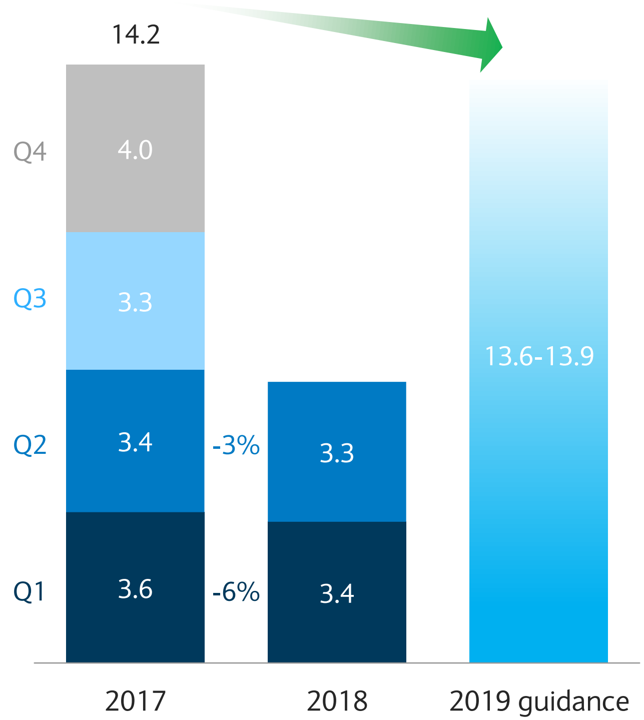
Continued cost reduction towards 2019 guidance

Improved operational efficiency creating capacity to invest in growth and digitisation

Targeting cost: income ratio below 60%



Further absolute cost reduction to 2019 (£bn)[1]



BX generating significant operational leverage

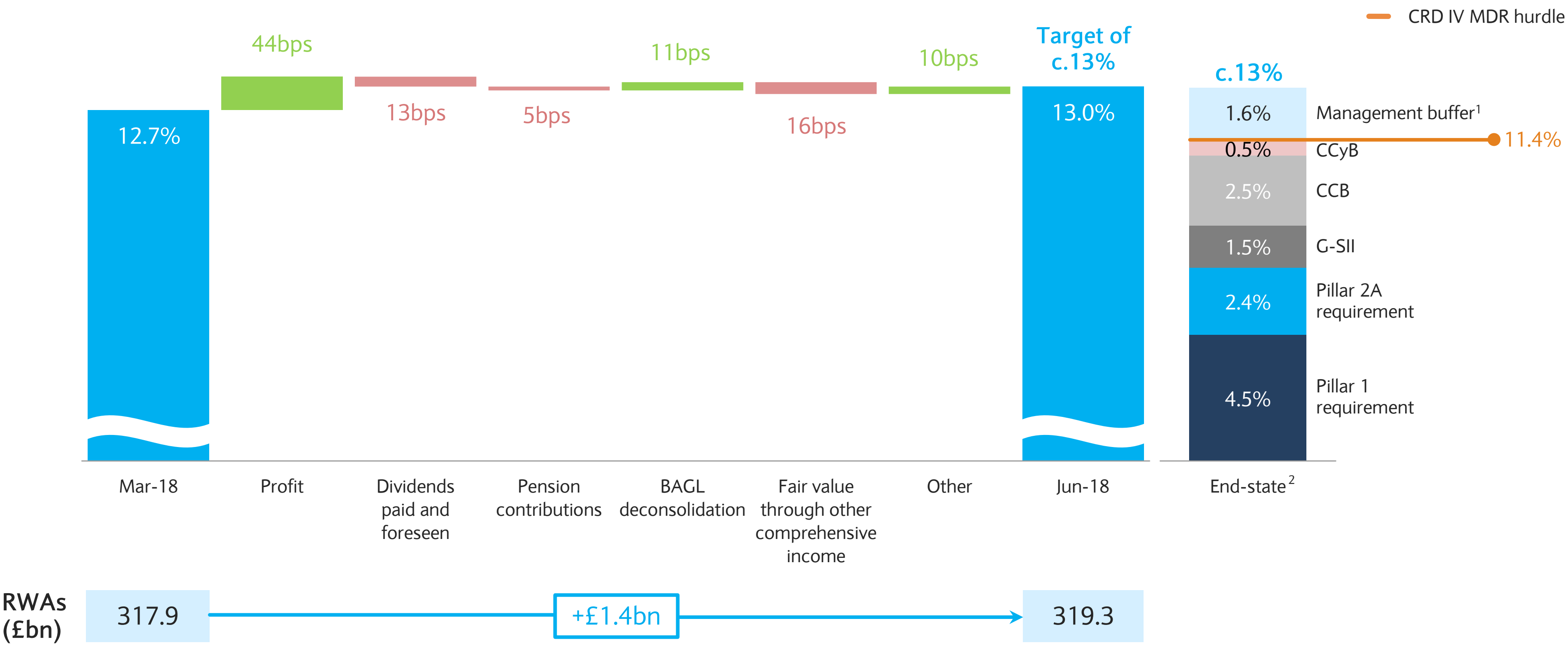
- Process automation
  - Standardised front to back processes across the bank
  - Reduced duplication across businesses and functions
- Technology and digital
  - Digital transformation of the bank
  - Transition of data to the cloud
- Rightsizing our infrastructure
  - Branch optimisation
  - Reduction in high cost locations
- Supplier optimisation
  - Discipline on preferred suppliers
  - Insourcing of technology employees

[1] Costs exclude L&C |

Capital accretion driven by strong profitability

Generating capacity for attractive capital returns to shareholders over time

CET1 ratio[1]



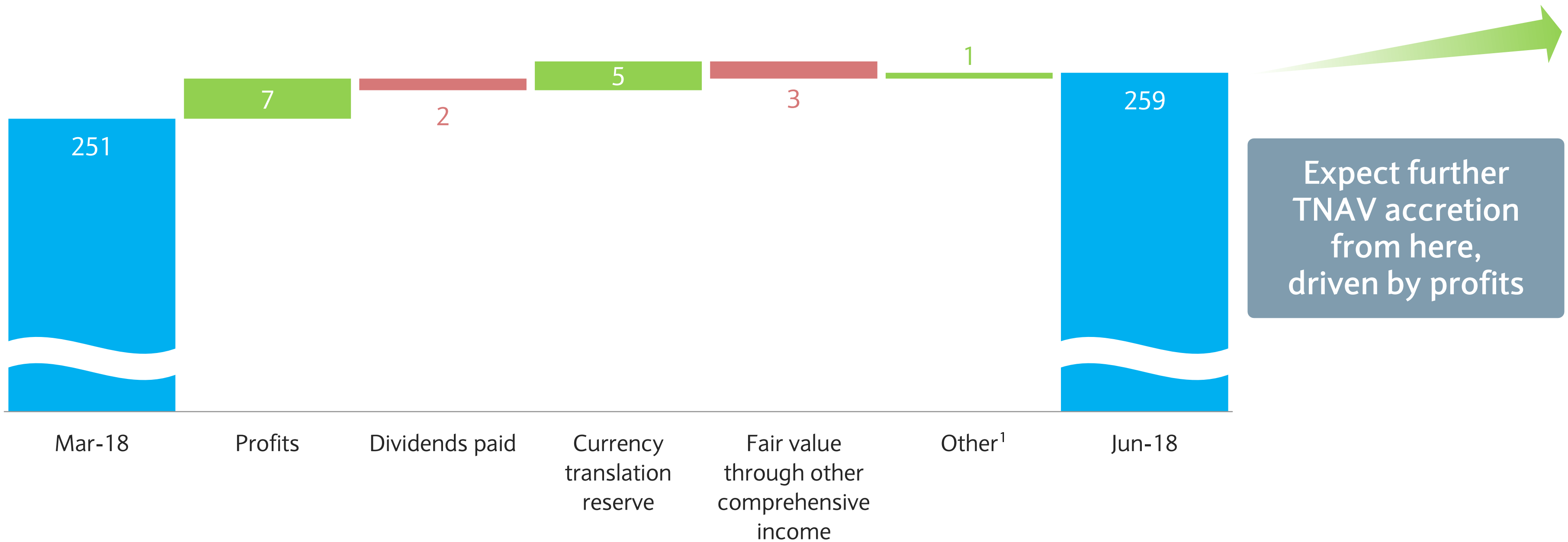
Reaffirmed intention to pay 2018 dividend of 6.5p[3]

[1] CET1 ratio is currently 160bps above the expected end point regulatory minimum level, within our end-state target range. The management buffer incorporates any PRA buffer and will continue to be reviewed on a regular basis | [2] Refer to slide 32 for more detail | [3] Subject to regulatory approvals. Interim dividend of 2.5p declared |

Tangible Net Asset Value

TNAV accretion of 8p driven by strong profitability

TNAV (pence per share)



- TNAV increased by 8p in the quarter driven by:
  - 7p from profits
  - 5p per share increase from the currency translation reserve due to GBP weakening vs. USD

  Partially offset by:
  - Payment of 2p FY17 final dividend
  - 3p per share reduction in fair value though other comprehensive income, including a reduction in the value of BAGL stake

[1] Other items includes a movement in the pension remeasurement reserve |

Focused on profitability and returning capital to shareholders

Q218 highlights	Group targets	
Double digit returns – Group 12.3%[1]	RoTE[2]	>9% in 2019 >10% in 2020
CET1 ratio of 13.0% and full regulatory deconsolidation of BAGL	CET1 ratio[3]	c.13%
59% Group cost: income ratio with 13% positive jaws[1]	Costs	£13.6-13.9bn in 2019[1] Cost: income ratio <60%

[1] Excluding L&C | [2] Excluding L&C and based on a CET1 ratio of c.13% | [3] CET1 ratio is currently 160bps above the expected end point regulatory minimum level, within our end-state target range of 150-200bps. The management buffer incorporates any PRA buffer and will continue to be reviewed on a regular basis |

Barclays PLC

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Appendix

Litigation & conduct and other items

Litigation & conduct (£m)	Q218	Q217	
PPI	-	(700)	Barclays UK
Other	(81)	(15)	Group (across divisions)
Total	**(81)**	**(715)**	

Other items of interest (£m)			
Income			
Settlement of receivables relating to Lehman Brothers acquisition	155	-	Head Office
Gain on sale of a US card portfolio	53	-	Consumer, Cards & Payments
Operating expenses			
Structural reform costs	(7)	(106)	Group (across divisions)
Effect of change in compensation awards introduced in Q416	(7)	(49)	Group (across divisions)
Other net income/(expenses)			
Gain on sale of Barclays' share in VocaLink	-	109	Corporate & Investment Bank
Gain on sale of a joint venture in Japan	-	76	Consumer, Cards & Payments
(Recycling of currency translation reserve losses on sale of Barclays Bank Egypt)/gain on sale	-	(180)/189	Head Office/Non-Core
Discontinued operation – Africa Banking			
– *Impairment of Barclays' holding in BAGL (pre-tax)*	-	*(206)*	
– *Loss on sale of 33.7% of BAGL's issued share capital*	-	*(1,435)*	
Africa sell down effects	-	(1,641)	

Q218 Group results

Three months ended (£m)	Jun-18	Jun-17	% change
Income	5,576	5,058	10%
Impairment	(283)	(527)	46%
– Operating expenses (excluding L&C)	*(3,310)*	*(3,398)*	*3%*
– Litigation and conduct	*(81)*	*(715)*	*89%*
Operating expenses	(3,391)	(4,113)	18%
Other net (expenses)/income	(7)	241	
PBT	1,895	659	
Tax charge	(433)	(305)	(42%)
Profit after tax – continuing operations	1,462	354	
Loss after tax – discontinued operation	-	(1,537)	
NCI – continuing operations	(55)	(59)	7%
NCI – discontinued operation	-	3	
Other equity instrument holders	(175)	(162)	(8%)
Attributable profit/(loss)	1,232	(1,401)	
Performance measures			
Basic earnings/(loss) per share	7.5p	(8.0p)	
RoTE	11.8%	(11.0%)	
Cost: income ratio	61%	81%	
LLR	35bps	49bps	
Balance sheet (£bn)			
RWAs	319.3	327.4	

Excluding L&C – Three months ended (£m)	Jun-18	Jun-17	% change
PBT	1,976	1,374	44%
Attributable profit / (loss)	1,291	(698)	
Performance measures			
Basic earnings/(loss) per share	7.8p	(3.8p)	
RoTE	12.3%	(5.3%)	
Cost: income ratio	59%	67%	

Q218 Barclays UK results

Business performance			
Three months ended (£m)	Jun-18	Jun-17	% change
– Personal Banking	*1,015*	*1,033*	*(2%)*
– Barclaycard Consumer UK	*504*	*495*	*2%*
– Business Banking	*317*	*292*	*9%*
Income	1,836	1,820	*1%*
– Personal Banking	*(49)*	*(60)*	*18%*
– Barclaycard Consumer UK	*(139)*	*(149)*	*7%*
– Business Banking	*(26)*	*(11)*	
Impairment	(214)	(220)	*3%*
– Operating expenses (excluding L&C)	*(968)*	*(974)*	*1%*
– Litigation and conduct	*(3)*	*(699)*	
Operating expenses	(971)	(1,673)	*42%*
Profit/(loss) before tax	656	(74)	
Attributable profit/(loss)	464	(285)	

Performance measures		
RoTE	18.8%	(12.7%)
Average allocated tangible equity	£10.1bn	£8.7bn
Cost: income ratio	53%	92%
LLR	45bps	52bps
NIM	3.22%	3.70%

Balance sheet (£bn)		
L&A to customers[1]	185.3	166.6
Customer deposits[1]	194.3	187.4
RWAs	75.0	66.1

Excluding L&C – Three months ended (£m)	Jun-18	Jun-17	% change
PBT	659	625	5%
Attributable profit	465	406	15%

Performance measures		
RoTE	18.8%	19.1%
Cost: income ratio	53%	54%

Income (£m) – Three months ended	Jun-18	Jun-17	% change
NII	1,493	1,534	(3%)
Non-interest income	343	286	20%
Total income	1,836	1,820	1%

[1] At amortised cost |

Think digital, think Barclays UK

Building meaningful relationships with our 24 million customers

6 pillars of our digital strategy

- Front end digitisation
- Automation
- Data
- New business models
- Engineering
- Culture and trust

Changing the shape of our business

Delivering sustainable income generation through digital transformation	Investing in digital talent, cyber resilience and digital technology

Digital metrics

10.3m	Digitally active customers
6.7m	Active Mobile Banking users[1] #1 UK Banking App[2]
4.7m	Digital only customers[3]
85%	Branch transactions available in virtual channel
>4.8m	Customers took action to keep themselves digitally safe

H118 digital origination

32%	Mortgages (£ switching)
60%	Loans (£ lending)
66%	Overdrafts (£ lending)
74%	Cards (£ lending)
12%	Digital current account growth (£ deposits vs. H117)

[1] Includes UK card mobile active users | [2] Source: The Forrester Banking WaveTM: European Mobile Apps Q218 | [3] Customers that exclusively use our digital channel in the last 3 months |

Q218 Barclays International results

Business performance			
Three months ended (£m)	**Jun-18**	**Jun-17**	**% change**
– CIB	*2,580*	*2,564*	*1%*
– CC&P	*1,127*	*1,046*	*8%*
Income	3,707	3,610	3%
– CIB	*23*	*1*	
– CC&P	*(91)*	*(280)*	*68%*
Impairment	(68)	(279)	76%
– Operating expenses (excluding L&C)	*(2,306)*	*(2,276)*	*(1%)*
– Litigation and conduct	*(47)*	*4*	
Operating expenses	(2,353)	(2,272)	(4%)
Other net income	11	202	(95%)
PBT	1,297	1,261	3%
Attributable profit	890	819	9%
Performance measures			
RoTE	11.8%	12.4%	
Average allocated tangible equity	£31.4bn	£27.4bn	
Cost: income ratio	63%	63%	
LLR	22bps	54bps	
NIM	4.03%	4.07%	
Balance sheet (£bn)			
RWAs	218.0	212.2	

Excluding L&C – Three months ended (£m)	Jun-18	Jun-17	% change
PBT	1,344	1,257	7%
Attributable profit	924	816	13%
Performance measures			
RoTE	12.2%	12.3%	
Cost: income ratio	62%	63%	

Q218 Barclays International: Corporate & Investment Bank and Consumer, Cards & Payments results

CIB Business performance				
Three months ended (£m)	Jun-18	Jun-17	% change GBP basis	% change USD basis
– FICC	*736*	*752*	*(2%)*	*1%*
– Equities	*601*	*455*	*32%*	*37%*
Markets	1,337	1,207	11%	15%
– Banking fees	*704*	*674*	*4%*	*8%*
– Corporate lending	*198*	*278*	*(29%)*	
– Transaction banking	*385*	*404*	*(5%)*	
Banking	1,287	1,356	(5%)	
Income[1]	2,580	2,564	1%	
Impairment	23	1		
Operating expenses	(1,773)	(1,756)	(1%)	
Other net income	5	116	(96%)	
PBT	835	925	(10%)	
Performance measures				
RoTE	9.1%	11.1%		
Balance sheet (£bn)				
RWAs	180.4	178.9		

Excluding L&C – Three months ended (£m)	Jun-18	Jun-17	% change
PBT	835	921	(9%)
Performance measures			
RoTE	9.1%	11.1%	

[1] Includes Other income of Q218: (£44m); Q217: £1m |

CC&P Business performance			
Three months ended (£m)	Jun-18	Jun-17	% change
Income	1,127	1,046	8%
Impairment	(91)	(280)	68%
Operating expenses	(580)	(516)	(12%)
Other net income	6	86	(93%)
PBT	462	336	38%
Performance measures			
RoTE	26.2%	19.4%	
Balance sheet (£bn)			
RWAs	37.6	33.3	

Excluding L&C – Three months ended (£m)	Jun-18	Jun-17	% change
PBT	509	336	51%
Performance measures			
RoTE	28.9%	19.4%	

Head Office and Non-Core results

Head Office Business performance		
Three months ended (£m)	Jun-18	Jun-17
Income	33	84
Impairment	(1)	(1)
– *Operating expenses (excluding L&C)*	*(36)*	*(40)*
– *Litigation and conduct*	*(31)*	*(1)*
Operating expenses	(67)	(41)
Other net expenses	(23)	(164)
LBT	(58)	(122)
Performance measures (£bn)		
Average allocated tangible equity	2.0	8.8
Balance sheet (£bn)		
RWAs	26.3	26.2

Excluding L&C – Three months ended (£m)	Jun-18	Jun-17
LBT	(27)	(121)
Attributable loss	(98)	(174)

Non-Core Business performance		
Three months ended (£m)	Jun-18	Jun-17
Income	-	(456)
Impairment	-	(27)
– *Operating expenses (excluding L&C)*	-	*(108)*
– *Litigation and conduct*	-	*(19)*
Operating expenses	-	(127)
Other net income	-	204
LBT	-	(406)
Balance sheet (£bn)		
RWAs	-	22.8

- The Non-Core segment was closed on 1 July 2017 with the residual assets and liabilities reintegrated into Barclays UK, Barclays International and Head Office

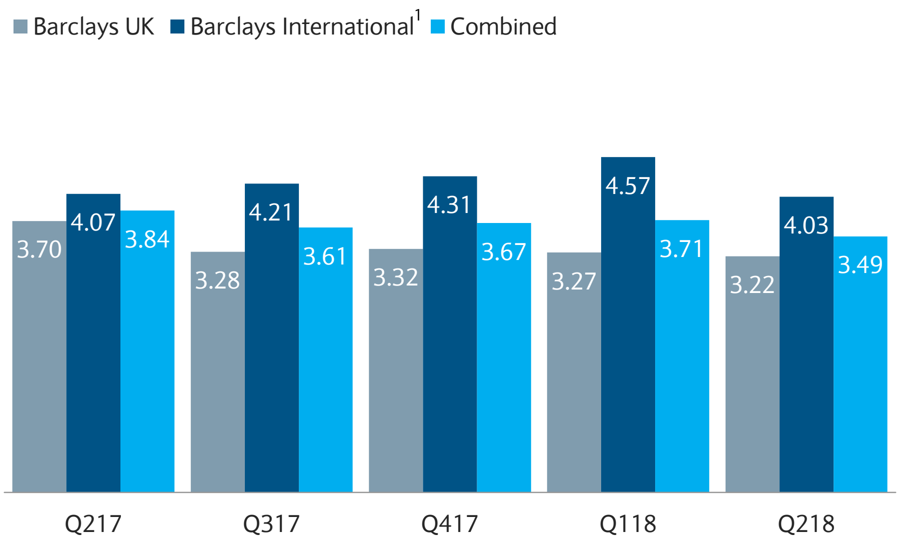
Income and margins

NII (£m) – Three months ended	Jun-18	Jun-17	% change
– *Barclays UK*	*1,493*	*1,534*	*(3%)*
– *Barclays International*[1]	*962*	*1,064*	*(10%)*
– *Other*[2]	*(265)*	*(19)*	
Total NII	2,190	2,579	(15%)
Non-interest income	3,386	2,479	37%
Total Group income	5,576	5,058	10%

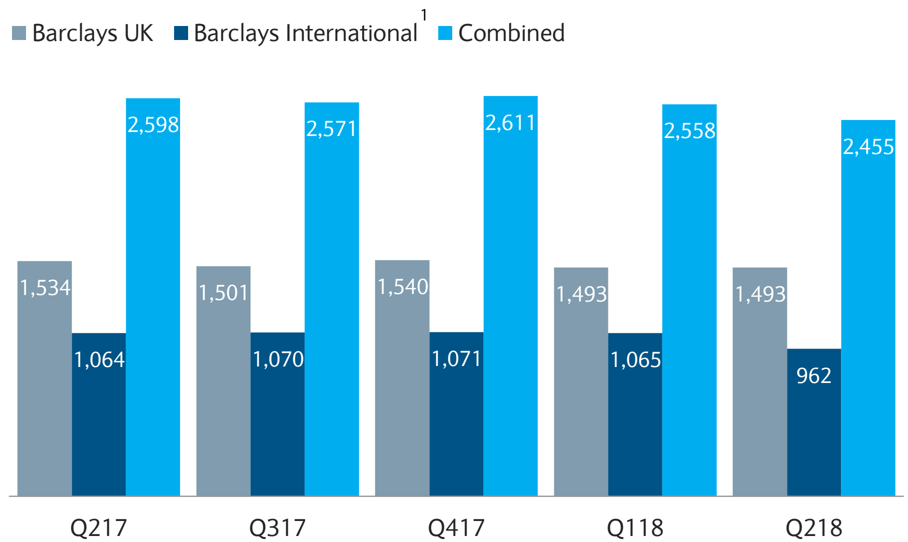
Q218 performance metrics

- Combined Barclays UK and Barclays International[1] NIM decreased to 349bps
  - Barclays UK NIM declined to 322bps, including the impact from the inclusion of ESHLA portfolio
  - Barclays International[1] NIM declined to 403bps including the recategorisation of certain treasury income following ring-fencing (from NII to non-interest income)

NIM (%)



NII (£m)



[1] Barclays International margins include interest earning lending balances within the investment banking business | [2] Other includes Head Office and non-lending related investment banking balances. Barclays Non-Core is included in the comparative period |

Interest rate sensitivity

Illustrative sensitivity of Group NII to a 100bps parallel upward shift in interest rates[1]

Change in NII (£m)		
Year 1	**Year 2**	**Year 3**
Assuming higher pass-through on deposits		
c.200	c.550	c.900
Assuming lower pass-through on deposits		
c.500	c.900	c.1,250

Reconciling items

- This analysis is based on the modelled performance of the consumer and corporate banking book, and includes the impact of both the product and equity structural hedges
- It assumes an instantaneous +100bps parallel shift in interest rate curves
- The NII sensitivity is calculated using a constant balance sheet i.e. maturing business is reinvested at a consistent tenor and margin
- However, it is assumed that a material proportion of balances deemed to be potentially rate sensitive immediately leave the bank following the rate shock
  - The estimated NII change is highly sensitive to this assumption from Year 1
- The sensitivity scenarios illustrated assume a higher and a lower pass through of rate rises to deposit pricing. Neither of these scenarios necessarily reflect pricing decisions that would be made in the event of rate rises
- The majority of the increased benefits in Years 2 and 3 can be attributed to the income from structural hedges becoming incrementally larger over the 3 year period, as the balances are rolled into hedges at higher rates
- The sensitivities illustrated do not represent a forecast of the effect of a change in interest rates on Group NII

[1] This sensitivity is provided for illustrative purposes only and is based on a number of assumptions regarding variables which are subject to change. This sensitivity is not a forecast of interest rate expectations, and Barclays' pricing decisions in the event of an interest rate change may differ from the assumptions underlying this sensitivity. Accordingly, in the event of an interest rate change the actual impact on Group NII may differ from that presented in this analysis |

P&L bridge from Barclays UK division to Barclays Bank UK PLC (BBUKPLC) legal entity

H118 (£m)	Barclays UK	1 Removal of BUK B Group Q118 impact	2 Head Office within BBUKPLC	3 BX Service Company margin	4 Other	BBUKPLC Group
Total income	3,624	(1,788)	(44)	-	51	1,843
Credit impairment charges and other provisions	(415)	201	-	-	1	(213)
Operating expenses	(2,387)	1,416	(7)	(37)	(46)	(1,061)
Other net income	4	1	-	-	(5)	-
Profit before tax	826	(170)	(51)	(37)	1	569

Reconciling items

1. Prior to the transfer of the Barclays UK banking business on 1 April 2018, the majority of the business results, including litigation and conduct, were reported within the BBPLC legal entity rather than BBUKPLC

2. Head Office sub-segmental results, as reported in BBUKPLC accounts. Includes hedge arrangements that were in place for the Barclays UK business that were terminated and re-established at a legal entity level when the business was transferred to BBUKPLC. The impact of re-establishing these hedging relationships has no impact at the Barclays PLC Group level

3. BBUKPLC pays BX (the Service Company) for services that it receives. The payment includes a margin that is paid over and above the direct cost of the services. The margin is recognised within the legal entity financial results but not in the business results of the Barclays PLC Group where it is eliminated on consolidation

4. Other includes
   - BBUKPLC Q118 P&L, pre-ring fencing on 1 April 2018
   - Intra group transactions which net to nil on consolidation at the Barclays PLC Group level

P&L bridge from Barclays International division to Barclays Bank PLC (BBPLC) legal entity

H118 (£m)	Barclays International	1 Head Office within BBPLC	2 BX Service Company margin	3 Other	4 BBPLC Group
Total income	7,515	(257)	-	(5)	7,253
Credit impairment charges and other provisions	(161)	5	-	-	(156)
Operating expenses	(4,668)	(1,622)	(87)	(7)	(6,384)
Other net income	24	(13)	-	1	12
Profit before tax	2,710	(1,887)	(87)	(11)	725

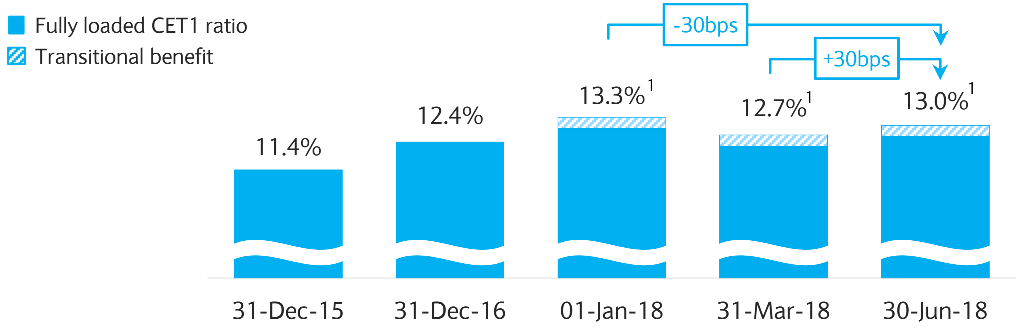
Reconciling items

1. Head Office sub-segmental results, as reported in BBPLC accounts
   - This is materially the same as the Head Office division as reported in Barclays PLC accounts, including, amongst other items, certain legacy capital instrument funding costs in income and the £1.4bn settlement charge with the US DoJ relating to RMBS within operating expenses
   - Also includes other Head Office reconciling items exclusive to BBPLC, which are primarily offset at a Barclays PLC Group level, and underlying hedge accounting effects
2. BBPLC pays BX (the Service Company) for services that it receives. The payment includes a margin that is paid over and above the direct cost of the services. The margin is recognised within BBPLC results, but not in the Barclays International business results of the Barclays PLC Group where it is eliminated on consolidation
3. Primarily relates to intra group transactions which net to nil on consolidation at the Barclays PLC Group level
4. The £725m PBT does not include a £47m loss in respect of discontinued operations (net of tax). This primarily reflects Barclays UK and Head Office business transferred to BBUKPLC on 1 April 2018, including any BX margin relating to Barclays UK businesses in BBPLC during Q118

Fixed income appendix

Strong Group CET1 and leverage ratios

Fully loaded and transitional CET1 ratio

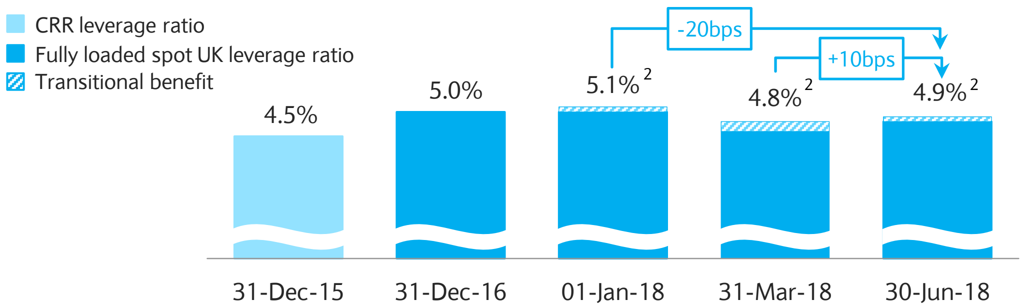


	31-Dec-15	31-Dec-16	01-Jan-18	31-Mar-18	30-Jun-18
Fully loaded RWAs (£bn)	358	366	314	318	319
Transitional RWAs (£bn)			314	318	319

- Transitional CET1 ratio increased by 30bps in the quarter to 13.0%
- Transitional CET1 ratio decreased by 30bps in the half to 13.0% positively impacted by:
  - 86bps of organic capital generation from profits
  - 11bps from BAGL deconsolidation

  More than offset by:
  - 61bps of litigation and conduct in Q1 relating to the settlement of RMBS with the US DoJ and additional PPI provision
  - 25bps from dividends paid and foreseen
  - 14bps relating to fair value through other comprehensive income reserve movements, largely seen in Q2
  - 5bps relating to employee share awards
  - 5bps of pension contributions in Q2
  - 17bps from RWA and other movements

Fully loaded and transitional leverage ratio



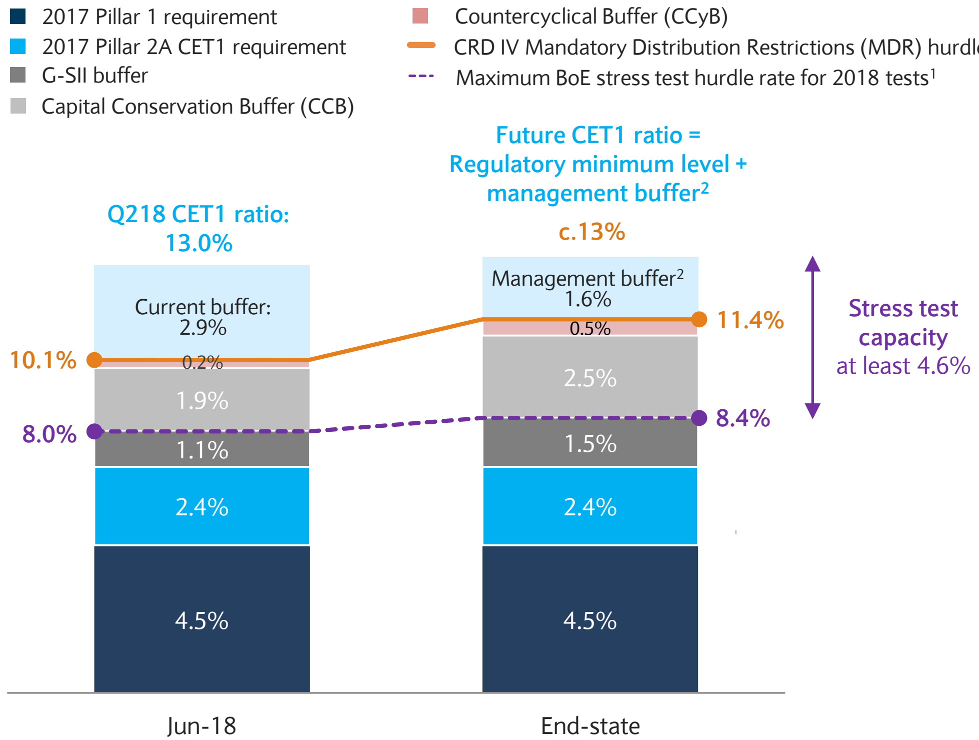
	31-Dec-15	31-Dec-16	01-Jan-18	31-Mar-18	30-Jun-18
Leverage exposure (£bn)[3]	1,028	1,050	985	1,031	1,030

- Transitional spot UK leverage ratio increased by 10bps in the quarter to 4.9% driven by the increase in CET1 capital
- Transitional spot UK leverage ratio decreased by 20bps in the half driven by litigation and conduct charges in Q1
- We remain comfortably above the expected 4% UK leverage minimum requirement applicable from 2019
- Average transitional UK daily leverage ratio was 4.6% as at 30 June 2018

[1] Represents transitional CET1 ratios. Fully loaded CET1 ratio as at 01-Jan-18 was 12.9%, as at 31-Mar-18 was 12.2% and as at 30-Jun-18 was 12.6% | [2] Represents transitional leverage ratios. Fully loaded leverage ratio as at 01-Jan-18 was 5.0%, as at 31-Mar-18 was 4.6% and as at 30-Jun-18 was 4.8% | [3] Represents transitional UK leverage exposure. Fully loaded leverage exposures are materially the same as transitional leverage exposures |

Managing Group capital position above mandatory distribution restrictions

Illustrative evolution of minimum CET1 requirements and buffers



- Maintained robust capital buffers based on 30 June 2018 capital position:
  - Buffer to 30 June 2018 MDR hurdle: c.2.9% or c.£9bn
  - Buffer to 7% AT1 trigger event: c.5.6% or c.£18bn based on the fully loaded CET1 ratio of 12.6%, excluding transitional relief, in line with AT1 terms and conditions

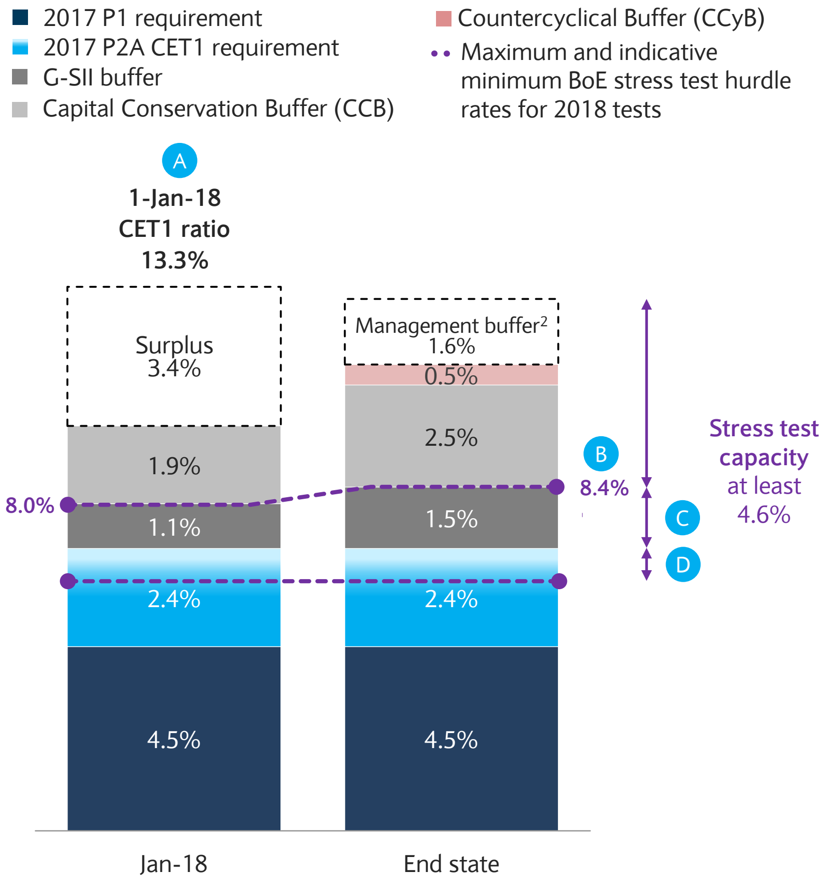
Distribution restrictions and management buffer

- End-state CET1 ratio expectation of c.13%
  - Assuming the introduction of a UK CCyB of 1% from November 2018 would translate to c.50bps for the Group, based on our UK exposures
  - This would result in a CRD IV MDR hurdle rate of 11.4%
- Maintaining our CET1 ratio comfortably above the mandatory distribution threshold remains a critical management objective
- Barclays' management buffer is 1.6% above our current end-state regulatory CET1 levels, providing a buffer above MDA restriction levels, intended to absorb fluctuations in the CET1 ratio, cover event risk and stress and to enable management actions to be taken in sufficient time to avoid mandatory distribution restrictions. This buffer will continue to be reviewed on a regular basis
- Distribution restrictions[3] apply if an institution fails to meet the CRD IV Combined Buffer Requirement (CBR), at which point the maximum distributable amount is calculated on a reducing scale
- Barclays' recovery plan actions are calibrated to take effect ahead of breaching the CBR
- In determining any proposed distributions to shareholders, the Board notes it will consider the expectation of servicing more senior securities
- As capital buffers and RWAs will evolve over time, the CET1 position will be managed to maintain a prudent buffer over future minimum levels, to guard against mandatory distribution restrictions pursuant to CRD IV

[1] Based on Barclays' understanding of "Stress testing the UK banking system: key elements of the 2018 stress test", published March 2018 | [2] CET1 ratio is currently 160bps above the expected end point regulatory minimum level, within our end state target range. The management buffer incorporates any PRA buffer and will continue to be reviewed on a regular basis | [3] As per CRD Art. 141, and subject to any changes under the proposed CRR2, restrictions on discretionary distributions would apply in case of a breach of the CBR as defined in CRD Art 128(6) |

Managing capital position above stress test hurdles

Barclays' expected hurdle rate for 2018 BoE stress test[1]



Stress tests

- Barclays' end-state stress buffer is expected to be at least c.4.6% when including the management buffer[2], providing prudent headroom should future stress losses be higher than the average experienced to date

Key changes vs. 2017

A **Improved capital positioning:** Barclays' CET1 ratio starting point for the stress test this year is 90bps higher than 2017 at 13.3%. The balance sheet was also further de-risked during 2017 and significant litigation and conduct items were resolved e.g. DoJ RMBS settlement

B **Revised hurdle rate framework:** The two static thresholds for G-SIIs in the prior two tests has been replaced with a single dynamic hurdle rate. A breach of the hurdle rate would require submission of a revised capital plan

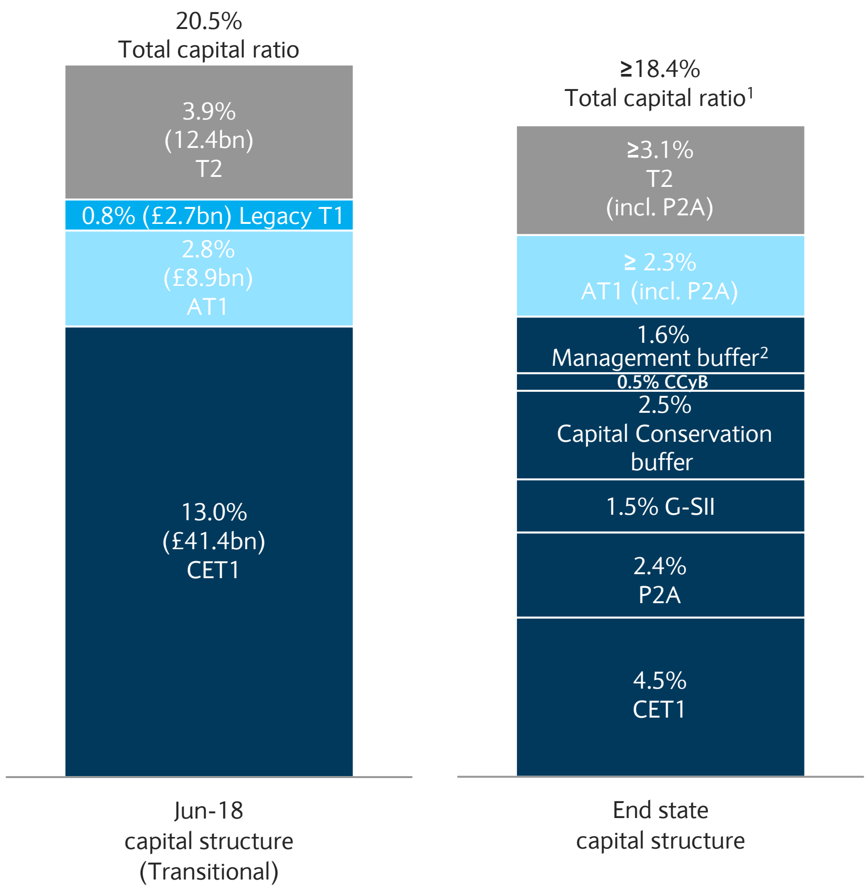
C **IFRS 9 treatment:** The stress scenario has been kept the same as 2017 in order for the BoE to assess the impact of IFRS 9. The BoE has stated that the standard does not change the total amount of losses a bank would incur through a stress. They will make an adjustment to banks' hurdle rates to reflect any incremental drawdown as a result of the IFRS 9 impact subject to P1 and P2A requirements being met

D **Adjustments to P2A:** Previously, P2A had been maintained as a constant ratio of RWA throughout the period of the stress test. This year, the BoE is expected to reflect more closely the possible impact of the stress on the risks being captured in P2A. This would likely translate to a lower P2A percentage requirement and hence a lower threshold

[1] Based on Barclays' understanding of "Stress testing the UK banking system: key elements of the 2018 stress test", published March 2018 | [2] CET1 ratio is currently 160bps above the expected end point regulatory minimum level, within our end state target range. The management buffer incorporates any PRA buffer and will continue to be reviewed on a regular basis. |

Transition to CRD IV capital structure well established

Illustrative evolution of CRD IV capital structure



Well managed and balanced total capital structure

- BBPLC issued capital instruments are expected to qualify as MREL in line with their regulatory capital values until 1 January 2022[3]. Those that are outstanding beyond 1 January 2022 will no longer qualify as MREL but, depending on their individual characteristics, may continue to qualify as Tier 2 regulatory capital
- Aim is to manage our capital structure in an efficient manner:
  - Expect to continue to hold a surplus to 2.3% of AT1 through regular issuance over time
- The appropriate balance of Tier 2 will continue to be informed by relative pricing of Senior and Tier 2, investor appetite, maturity profile of the existing stack and MREL eligibility
- Legacy capital instruments maturing or callable post 2022 is modest and short-dated, with the majority of the tail maturing within 2022

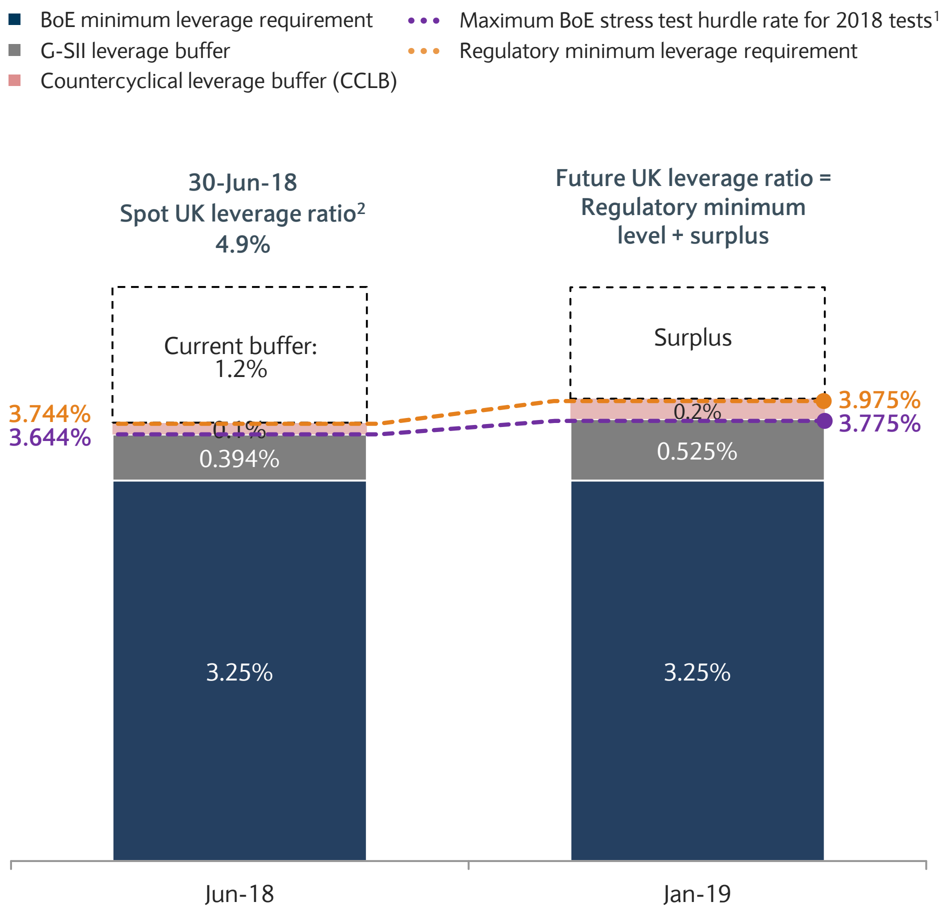
Pillar 2A requirement

- Barclays' Pillar 2A requirement is set as part of a "Total Capital Requirement" (P1 + P2A) reviewed and prescribed at least annually by the PRA
- Barclays Group P2A requirement for 2018 is 4.3% and is split:
  - CET1 of 2.4% (assuming 56% of total P2A requirement)
  - AT1 of 0.8% (assuming 19% of total P2A requirement)
  - Tier 2 of 1.1% (assuming 25% of total P2A requirement)
- Basel Committee consultations and reviews of approaches to Pillar 1 and Pillar 2 risk might further impact the Pillar 2A requirement in the future

[1] Includes combined buffer requirement and management buffer | [2] CET1 ratio is currently 160bps above the expected end point regulatory minimum level, within our end state target range. The management buffer incorporates any PRA buffer and will continue to be reviewed on a regular basis | [3] Based on Barclays' understanding of the current BoE position |

Managing evolving future Group minimum leverage requirements

Illustrative evolution of minimum leverage requirements and buffers under the UK regime



Leverage requirements

- Leverage continues to be a backstop requirement in determining the capital Barclays holds. Our business mix means RWAs remain our binding constraint
- The Group currently has one leverage requirement, as measured under the UK's PRA leverage regime. The requirement has to be met on a daily basis
- As at H118, spot UK leverage ratio was c.120bps above the 2018 requirement
- In terms of future regulatory requirements, we continue to monitor developments closely
- Under the BoE stress testing framework, we expect an adjustment to a banks' hurdle rates to reflect any incremental drawdown as a result of the IFRS 9 impact subject to P1 requirements being met

[1] Based on Barclays' understanding of "Stress testing the UK banking system: key elements of the 2018 stress test", published March 2018 | [2] Represents transitional ratio |

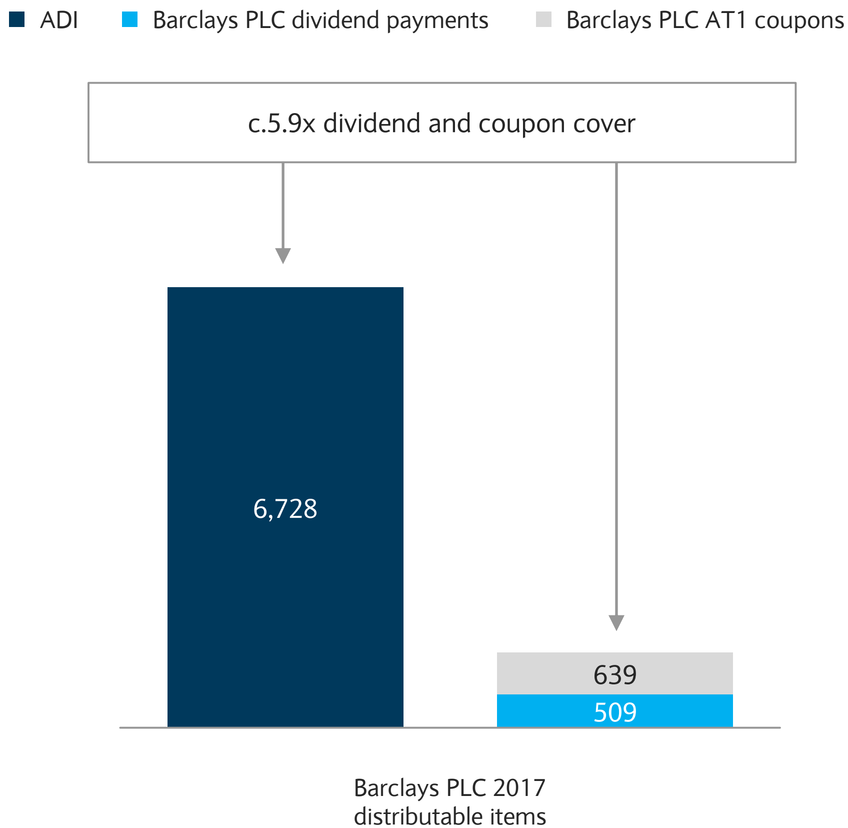
Leverage requirements

		Requirements			Disclosure obligations		Basis of preparation	
		30- Jun-18	01-Jan-19[1]	01-Jan-22	FY17	Q118 onwards	Today	01-Jan -22[5]
UK regime	Pillar 1	3.25%	3.25%	FPC expected to review the UK leverage ratio framework[3]	1. Spot basis *and* 2. Monthly average	1. Spot basis *and* 2. Daily average[4]	Per CRR[5] less central bank exposure for leverage exposure against qualifying customer deposits	
	G-SII	0.394%	0.525%					
	CCyB	0.1%	0.2%					
	Total	**3.744%**	**3.975%**					
	o/w stress test hurdle rate[2]	*3.644%*	*3.775%*					
	Composition requirements	>75% of Pillar 1 to be met by CET1; 100% of G-SII and CCyB to be met by CET1						
CRR regime	Pillar 1	No requirements	3%	3%	Spot basis only for monitoring purposes		Per CRR[5]	Per CRR[5] less qualifying central bank exemption at discretion of local regulator[6]
	G-SII		-	0.75%				
	Cash exemption		-	TBD				
	Total		**3%**	**≥3.75%**				
	Composition requirements	None specified						

[1] For CRR, this takes the European Commission's initial proposals from November 2016 | [2] Hurdle rate for Bank of England 2018 tests based on Barclays' understanding of "Stress testing the UK banking system: key elements of the 2018 stress test", published March 2018 | [3] Once there is further clarity on the finalised implementation of the leverage ratio requirement in EU law and how it might affect UK firms | [4] The The average UK leverage ratio uses capital based on the last day of each month in the quarter and an exposure measure for each day in the quarter | [5] See Barclays PLC Pillar 3 Report Q2 2018 for full disclosure | [6]As proposed in the Dec-17 Basel 3 reforms ("Basel 4"), implementation date TBD |

ADI position supports strong distribution capacity

Distribution capacity as at 31 December 2017 (£m)



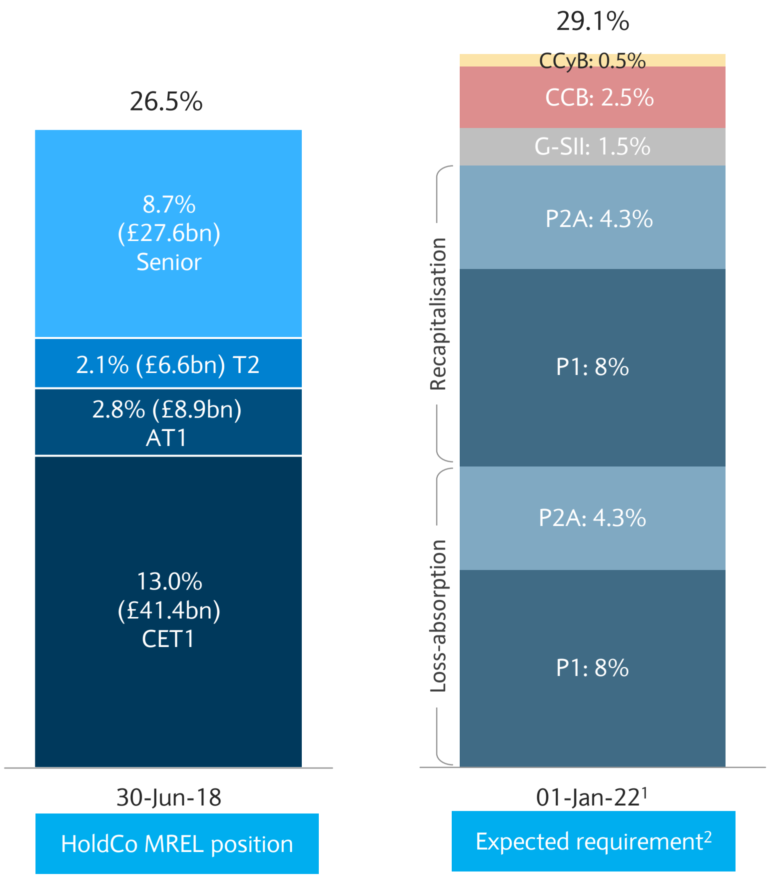
Distributable items

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

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

Transition to HoldCo funding model continues steadily

HoldCo MREL position and requirement including requisite buffers



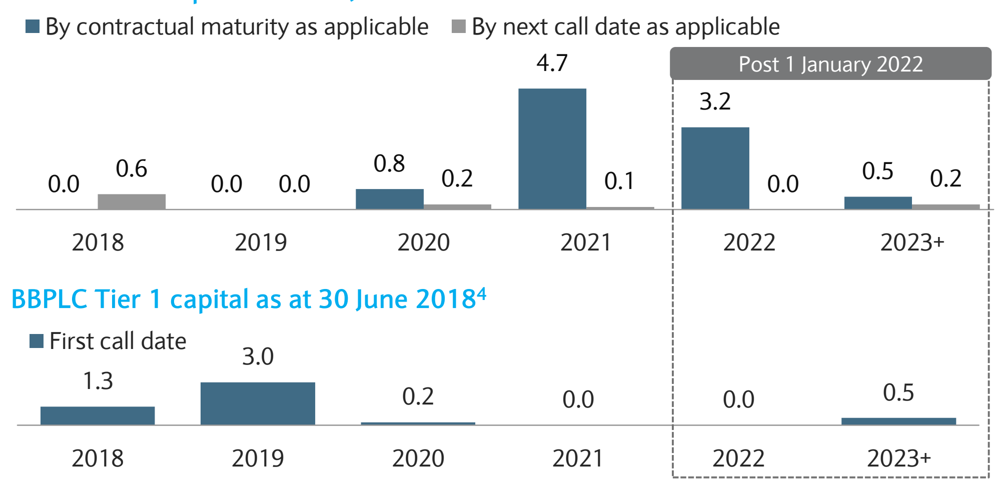
Well advanced on HoldCo issuance plan

2018 issuance plan – currently expect c.£10bn equivalent issuance in 2018[3]

- Issued £6.2bn equivalent of MREL in H118, all in senior form, with maturities ranging from 6 to 15 years
- Subject to market conditions, expect to issue a total of c.£10bn equivalent in 2018[3] to meet MREL requirements and allow for an MREL management buffer
- MREL position of 29.2% as at June 2018 on a transitional basis i.e. including eligible OpCo instruments, compared to 26.5% on a HoldCo-only basis

Legacy capital call and maturity profile

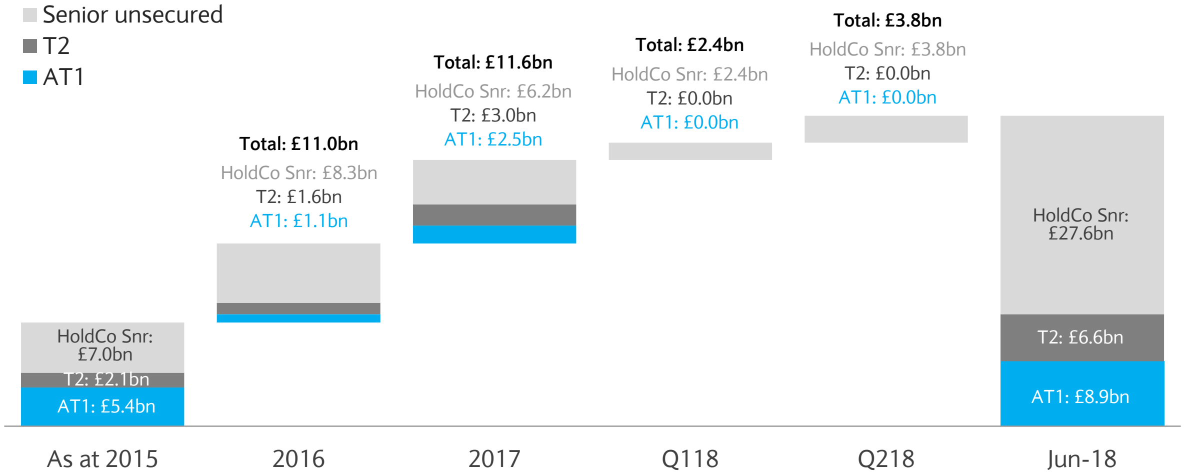
BBPLC Tier 2 capital as at 30 June 2018[4]



[1] 2022 requirements subject to BoE review by end-2020 | [2] MREL expectation is based on current capital requirements, including the current published Pillar 2A, and is therefore subject to review | [3] Issuance plan subject to, amongst other considerations, market conditions and regulatory requirements which are subject to change and may differ from current expectations | [4] Prepared on a nominal basis which will not reconcile with regulatory or accounting bases due to adjustments |

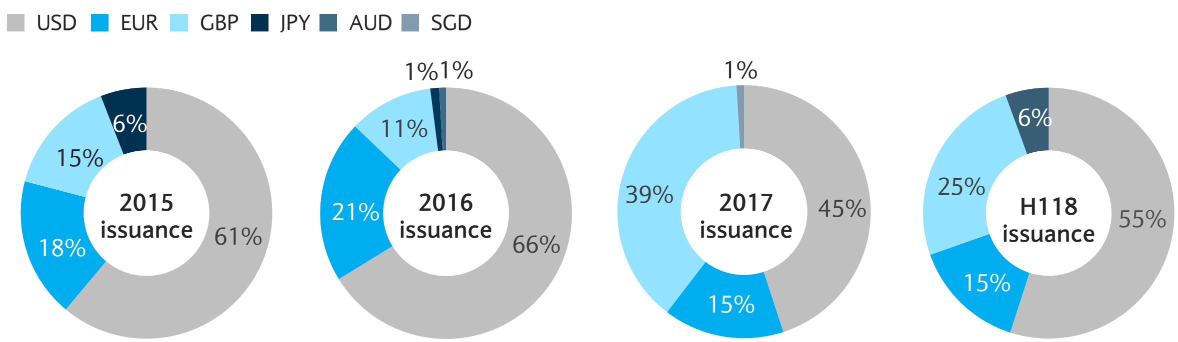
Proactive transition to HoldCo capital and funding model

HoldCo issuance by year[1]



- The Group has continued to make strong progress on its commitment to transition to a HoldCo capital and term funding model during the quarter
  - Successfully issued £3.8bn equivalent from the HoldCo
- Aim to retain a diversified funding profile at the HoldCo across currencies, maturities and markets

Currency split of HoldCo issuance by period



Q218 highlights

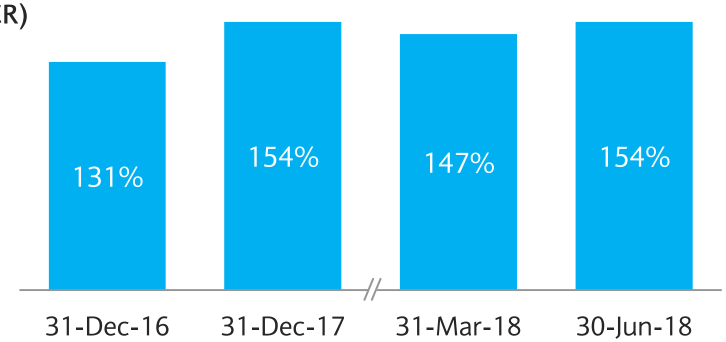
- Continued to diversify funding profile:
  - $4.5bn senior issuance across three tranches, including both fixed and floating rate notes
  - A$600m senior issuance, across three tranches, adding further diversification to investor base

[1] Annual issuance balances based on FX rate on 30 June 2018 for debt accounted instruments and historical transaction rates for equity accounted instruments |

High quality liquidity and funding position with a conservatively positioned liquidity pool and stable LDR

Liquidity remains in prudential surplus

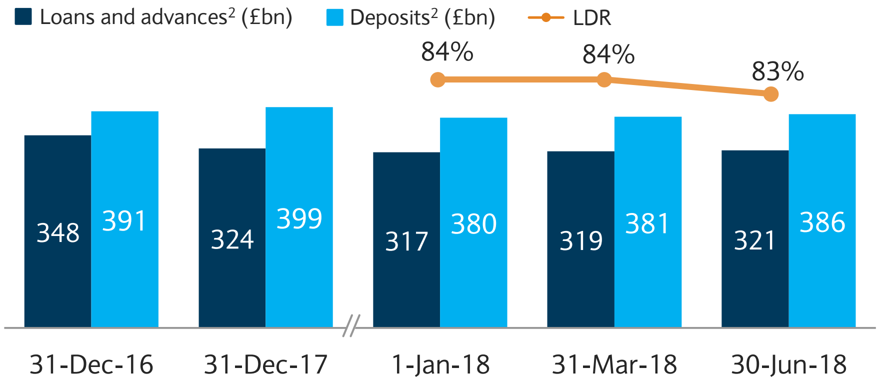
Liquidity Coverage Ratio (LCR) (%)



	31-Dec-16	31-Dec-17	31-Mar-18	30-Jun-18
Liquidity pool (£bn)	165	220	207	214

- Liquidity pool increased £7bn in the quarter to £214bn, whilst LCR increased to 154% from 147%, equivalent to a surplus of £73bn to the 100% requirement
- Increase was largely driven by deposit growth, lower loans and advances and lower Markets funding consumption
- Quality of the liquidity pool remains high, with the majority held in cash and deposits with central banks, and highly rated government bonds
- Liquidity pool continues to be conservatively positioned to meet the changing geopolitical and market environment, using cost efficient sources of funding
- NSFR continues to exceed expected future minimum requirements

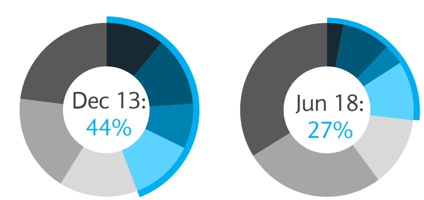
Loan: deposit ratio[1]



- Loan: deposit ratio of 83% as at 30 June 2018, with increase in loans and advances and deposits from 31 March 2018

Decrease in reliance on <1yr wholesale funding

≤ 1 month | 1-3 months | 3-6 months | 6-12 months | 1-2 years | 2-5 years | > 5 years



- Decreased reliance on <1yr wholesale funding with the ratio improving to 27% of total wholesale funding as at June 2018 from 44% as at December 2013

[1] Loan: deposit ratio is calculated as loans and advances at amortised cost divided by deposits at amortised cost. 31-Dec-16 and 31-Dec-17 comparatives have been restated based on this approach. Additionally, 1-Jan-18, 31-Mar-18 and 30-Jun-18 reflect the impact of IFRS 9 | [2] At amortised cost |

Wholesale funding composition as at 30 June 2018[1]

As at 30 June 2018 (£bn)	<1 month	1-3 months	3-6 months	6-12 months	Total <1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Barclays PLC (the Parent company)											
Senior unsecured (public benchmark)	-	0.1	-	-	0.1	2.3	2.8	2.7	2..4	16.8	27.1
Senior unsecured (privately placed)	-	0.1	-	-	0.1	-	0.1	0.1	-	0.5	0.8
Subordinated liabilities	-	-	-	-	-	-	-	-	-	6.6	6.6
Barclays Bank PLC (including subsidiaries)											
Certificates of deposit and commercial paper	0.9	8.9	3.2	8.5	21.5	1.1	0.8	0.5	0.3	-	24.2
Asset backed commercial paper	2.6	3.0	0.8	-	6.4	-	-	-	-	-	6.4
Senior unsecured (public benchmark)	-	-	-	1.5	1.5	1.8	2.8	0.1	-	0.8	7.0
Senior unsecured (privately placed)[2]	0.5	0.8	1.2	5.8	8.3	8.3	6.7	1.8	4.1	16.9	46.1
Covered bonds	-	-	-	-	-	-	-	-	-	0.2	0.2
Asset backed securities	-	-	0.4	0.3	0.7	2.0	-	-	0.6	1.6	4.9
Subordinated liabilities	-	-	-	-	-	-	5.6	1.3	2.2	4.4	13.5
Other	0.1	-	-	-	0.1	-	0.1	-	-	1.2	1.4
Barclays Bank UK PLC (including subsidiaries)											
Certificates of deposit and commercial paper	0.4	0.5	-	0.2	1.1	-	-	-	-	-	1.1
Covered bonds	-	-	-	-	-	2.8	1.0	2.3	1.3	1.0	8.4
Asset backed securities	-	-	-	-	-	0.8	-	-	-	-	0.8
Total	**4.5**	**13.4**	**5.6**	**16.3**	**39.8**	**19.1**	**19.9**	**8.8**	**10.9**	**50.0**	**148.5**
Total as at 31 December 2017	7.2	14.9	12.5	10.3	44.9	18.7	12.0	13.6	13.5	41.0	143.7

[1]The composition of wholesale funds comprises of the balance sheet reported financial liabilities at fair value, debt securities in issue and subordinated liabilities. It does not include participation in the central bank facilities reported within repurchase agreements and other similar secured borrowing. Term funding comprises of public benchmark and privately placed senior unsecured notes, covered bonds, asset backed securities (ABS) and subordinated debt where the original maturity of the instrument is more than 1 year | [2] Includes structured notes of £35.5bn, of which £5.4bn matures within 1 year from 30 June 2018 |

Simplified business divisions, aligned to legal entity construct

Barclays PLC

Divisions

Barclays UK

UK consumer and business bank differentiated by scale and digital innovation

- Personal Banking
- Barclaycard Consumer UK
- Business Banking

Barclays International and Head Office[1]

Diversified wholesale and consumer bank

- Consumer, Cards & Payments
- Corporate & Investment Bank
- Head Office

Barclays Execution Services (BX)

Legal entities

Barclays Bank UK PLC

Barclays Services Limited[2]

- Provides critical services to Barclays UK and Barclays International to deliver operational continuity
- Enabling world-class services for our customers and clients while driving efficiency

Barclays Bank PLC (and subsidiaries)

- US IHC
- Barclays Bank Ireland
- Multiple entities

- Entities with strong returns and well balanced funding profiles
- Well capitalised entities with strong balance sheets and asset quality
- Our objective is to maintain solid investment grade ratings

[1] The Head Office division (excluding Barclays Execution Services) materially remains in Barclays Bank PLC and incorporates re-integrated Non-Core assets and businesses and the residual holding in BAGL (Full regulatory deconsolidation effective 30 June 2018 |

[2] Rated "A" (stable outlook) by S&P, in line with the Group Credit Profile |

Deposit and wholesale funding sources of Barclays Bank UK PLC and Barclays Bank PLC

Barclays PLC

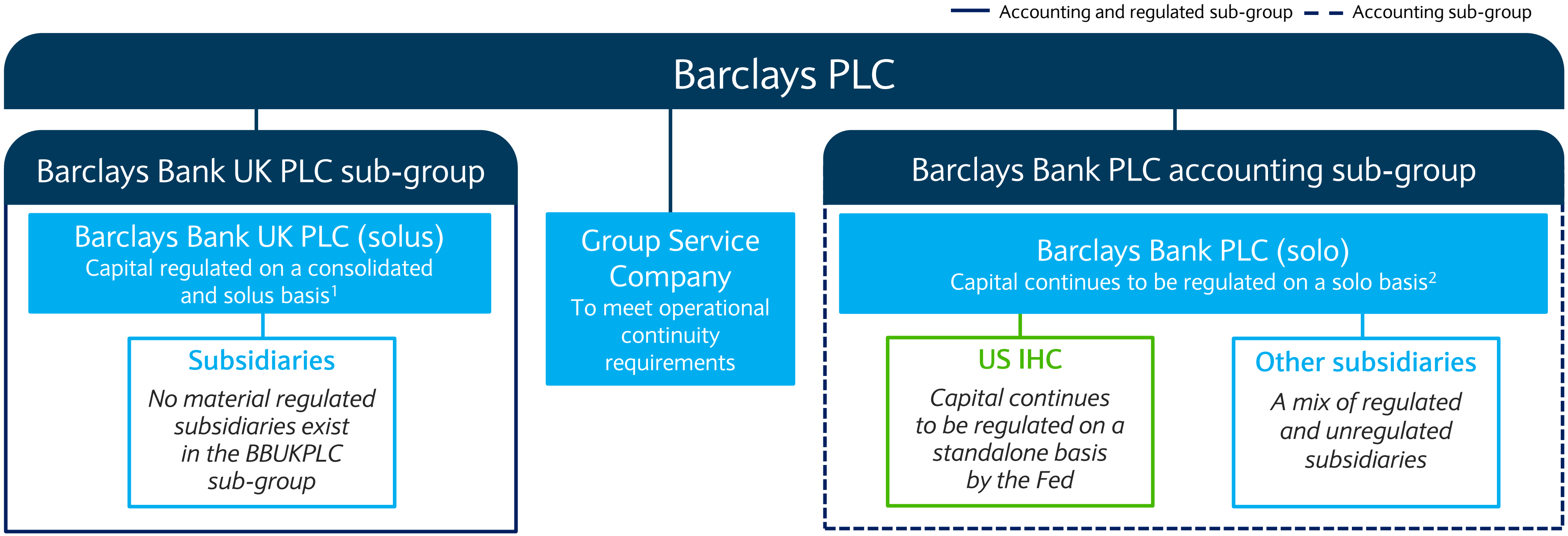
External funding sources[1] (£bn) as at 30-Jun-18	Barclays Bank UK PLC			Barclays Bank PLC (and subsidiaries)		
Deposit funding	– Personal Banking	153	194	– Corporate and Investment Bank	130	192[2]
	– Business Banking	41		– Consumer, Cards and Payments	61	
Operational funding (externally issued)	– Commercial paper	1	1	– Certificates of deposit, commercial paper and asset-backed commercial paper	31	60
	– Senior unsecured debt ≤3 year	-		– Senior unsecured debt ≤3 year	29	
Term funding	– Secured funding (e.g. covered bonds and asset-backed securities)	9	9	– Secured funding (e.g. asset-backed securities)	5	44
				– Residual outstanding BBPLC externally issued debt capital and term senior unsecured debt (including structured notes)	39	

Internal MREL	Both entities receive internal funding of equity, debt capital and term senior unsecured debt downstreamed from Barclays PLC
	Allocation to entities broadly determined by RWA size

	Barclays Bank UK PLC	Barclays Bank PLC
YTD legal entity public funding highlights	£1.25bn 5-year covered bond[3]	$2bn 3-year senior unsecured fixed rate note
	$650m 2-year issuance from Gracechurch cards securitisation programme	$1bn 3-year senior unsecured floating rate note

[1] Excludes participation in the Bank of England's Term Funding Scheme and other central bank facilities | [2] Includes £1bn for Head Office | [3] Covered bond issued pre ring-fencing and was transferred to Barclays Bank UK PLC via the Barclays ring-fenced transfer scheme on 1 April 2018 |

Group expects to accommodate all legal entity capital requirements within current Group CET1 guidance of c.13%



BBUKPLC (solus) H118 capital metrics

CET1 ratio	14.1%
Tier 1 ratio	16.8%
Total capital ratio	21.2%
CRR leverage ratio	5.1%

BBPLC (solo) H118 capital metrics

CET1 ratio	13.0%
Tier 1 ratio	17.6%
Total capital ratio	21.9%
CRR leverage ratio	4.1%

[1] Regulation on a consolidated basis to become effective on 1-Jan-19 | [2] Barclays Bank PLC (solo) contains additional relatively small entities that are brought into scope for regulatory solo requirements |

Preparation for Brexit

Plans in place to expand Barclays Bank Ireland (BBI) in advance of March 2019 to support activity with European clients

- Allows passported activity for EEA-domiciled clients post Brexit
- Expect to be operational by March 2019, with majority of existing positions expected to migrate in 2019
- Wholly owned subsidiary of BBPLC and will operate a branch network across Europe
- Expected to primarily consist of Corporate, Investment and Private Banking activity and the Barclaycard business in Germany[1]
- Diversified, well balanced funding sources and strong liquidity ratios. MREL and capital provided from within the Group
- Anticipate CET1 and CRR leverage ratios to be broadly in line with those of BBPLC and the Group
- Regulated by both the Central Bank of Ireland and as a significant institution, by the ECB and rated in line with BBPLC[2]

To provide a sense of size, using December 2017 numbers, the EEA-domiciled clients and assumed migrated business would result in the following pro-forma financial metrics:

BBI as at 31 December 2017[3]	£ bn
Total external assets	170
Total assets *Including internal transactions with Group entities*	224
Derivatives / total assets and liabilities *Including internal derivative transactions*	56%
Funded balance sheet *Excluding trading book gross-ups*	43
Shareholders' equity	5
PBT *If transfer occurred on 1 January 2017*	0.4

[1] The entity is also expected to incorporate an Italian mortgage portfolio | [2] BBI is rated A / RWP / F1 at Fitch, and A / Stable / A-1 at S&P | [3] Refer to the Important Notices for the basis of preparation and the key assumptions related to the illustrative financial information contained herein |

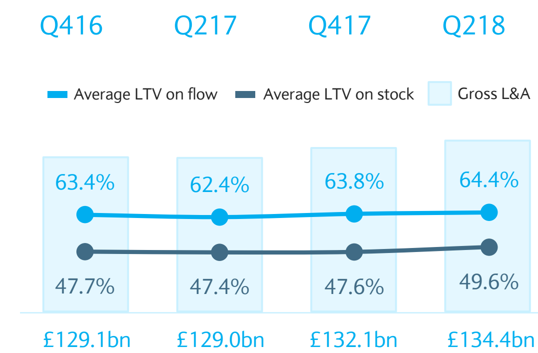
Prudently managing credit risk in both the UK and US

Conservatively positioned in the UK in the face of Brexit and the consumer credit cycle in the US

Bias to grow secured lending in the UK

- Low LTV mortgage book
  <50% average LTV on stock as at Q218
- Small proportion of buy-to-let lending
  12% of total mortgage book
- Growing mortgage book without impacting the risk profile
  £5.5bn increase since Q217

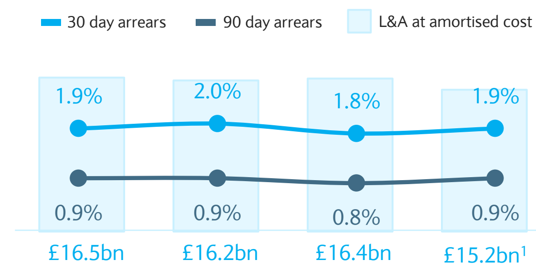
UK mortgage balance growth and low LTVs



Conservatively managing UK unsecured lending

- Balances decreasing slightly due to reduced back-book balance growth activity
- Stable delinquency rates underlining prudent approach to risk management
- Headline 0% Balance Transfer length reduced in line with strategy
  c.90% of 0% BTs have a duration of <24 mths

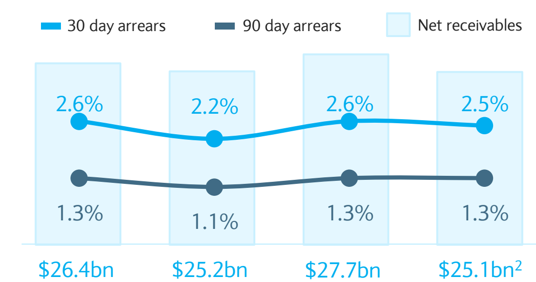
UK cards balances stable with low arrears rates



Improving the mix of the US Cards book to increase prime component

- 10% balance growth objective realistic within risk appetite
- Growing book in prime partnership portfolios
- Sale of higher risk assets in 2017 lowered 30 and 90 day arrears rates

Underlying US Cards balances increasing with low arrears rates



[1] Reduction driven by implementation of IFRS 9 on 01-Jan-18 | [2] Reduction driven by sale of a US Card portfolio in Q218 |

Ratings remain a key strategic priority

Current Senior Long and Short Term ratings	Standard & Poor's	Fitch	Moody's
Barclays PLC *HoldCo*	**BBB** Stable **A-2**	**A** Stable **F1**	**Baa3** Stable **P-3**
Barclays Bank PLC (BBPLC) *OpCo, NRFB*	**A** Stable **A-1** Resolution counterparty rating A+ / A-1	**A** RWP **F1** Derivative counterparty rating A RWP (dcr)	**A2** Stable **P-1** Counterparty risk assessment A2 / P-1 (cr)
Barclays Bank UK PLC (BBUKPLC) *OpCo, RFB*	**A** Stable **A-1**	**A** RWP **F1** Derivative counterparty rating A RWP (dcr)	**A1**[1] Stable **P-1** Counterparty risk assessment Aa2 / P-1 (cr)

Confirmed ratings of Barclays PLC, BBPLC and BBUKPLC

Rating agencies finalised their ratings for the holding company, ring-fenced bank and non ring-fenced bank following the implementation of ring-fencing

- **S&P** assigned ratings of A / A-1 to BBUKPLC, in line with BBPLC. The ratings are aligned as a result of their "core" designation to the Group. Barclays PLC continues to be rated BBB / A-2
- **Fitch** assigned ratings of A / F1 to BBUKPLC in line with BBPLC. Both were placed on Rating Watch Positive (RWP), in anticipation that they will both be upgraded to A+ once internal MREL is downstreamed on a subordinated basis. Barclays PLC continues to be rated A / F1
- **Moody's** assigned ratings of A1[1] / P-1 to BBUKPLC. They downgraded both BBPLC and Barclays PLC by one notch in April 2018 to A2 / P-1 and Baa3 / P-3, respectively, via the removal of the previous 1 notch uplift for business diversification

Rating priorities

- Barclays' objective is to maintain solid investment grade ratings
- Focus on execution of strategy to support credit fundamentals and ratings profile over time

[1] Deposit rating |

Barclays rating composition for senior debt

	Fitch	BPLC	BBPLC	BBUKPLC
Stand-alone rating	Viability Rating[1]	a	a	a
	Operating environment	aa to a+		
	Company profile	a to bbb+		
	Management & Strategy	a+ to a-		
	Risk appetite	a+ to a-		
	Financial profile	a+ to bbb		
Notching	Qualifying Junior Debt			
	Government Support			
	Total notching	0	0	0
Liability ratings	Rating	A	A	A
	Outlook	STABLE	RATING WATCH POSITIVE	RATING WATCH POSITIVE

	Moody's	BPLC	BBPLC	BBUKPLC
Stand-alone rating	Baseline Credit Assessment	baa3	baa3	a3
	Macro profile	Strong+	Strong+	Strong+
	Financial profile	baa2	baa2	a3
	Qualitative	-1	-1	0
	– Opacity and complexity	*-1*	*-1*	*0*
	– Diversification	*0*	*0*	*0*
Notching	Loss Given Failure (LGF)		+3	+1
	Government Support		+1	+1
	Total notching	0	+4	+2
Liability ratings	Rating	Baa3	A2	A1[2]
	Outlook	STABLE	STABLE	STABLE

	Standard & Poor's	BPLC	BBPLC	BBUKPLC
Stand-alone rating	Stand-Alone Credit Profile	bbb+		
	Anchor	bbb+		
	Business position	0		
	Capital and earnings	0		
	Risk position	0		
	Funding and liquidity	0		
Notching	Additional Loss Absorbing Capacity (ALAC)		+2	+2
	Group status		Core	Core
	Structural subordination	-1		
	Government support			
	Total notching	-1	+2	+2
Liability ratings	Rating	BBB	A	A
	Outlook	STABLE		

[1] The component parts relate to Barclays PLC consolidated | [2] Deposit rating |

Barclays rating composition for subordinated debt

Fitch

		BPLC		BBPLC			
		T2	AT1	T2 Coco	LT2	UT2	T1
Stand-alone rating	Viability Rating	a		a			
Notching	Loss severity	-1	-2	-2	-1	-1	-2
	Non-performance risk		-3	-2		-2	-2/-3
	Total notching	-1	-5	-4	-1	-3	-4/-5
Liability ratings	Rating	A-	BB+	BBB-	A-	BBB	BBB/ BB+
	Outlook	STABLE		STABLE			

Moody's

		BPLC		BBPLC				
		T2	AT1	T2 Coco	LT2	UT2	T1 (cum)	T1 (non-cum)
Stand-alone rating	Baseline Credit Assessment	baa3		baa3				
Notching	LGF	-1			-1	-1	-1	-1
	Coupon skip risk (cum)					-1	-1	
	Coupon skip risk (non-cum)							-2
	Model based outcome with legacy T1 rating cap		-3					
	Total notching	-1	-3		-1	-2	-2	-3
Liability ratings	Rating	Ba1	Ba3	n/a	Ba1	Ba2	Ba2	Ba3
	Outlook	STABLE		STABLE				

Standard & Poor's

		BPLC		BBPLC			
		T2	AT1	T2 Coco	LT2	UT2	T1
Stand-alone rating	Stand-Alone Credit Profile	bbb+					
Notching	Contractual subordination	-1	-1	-1	-1	-1	-1
	Bail-in feature	-1	-1	-1	-1	-1	-1
	Buffer to trigger		-1	-1			
	Coupon skip risk		-2			-1	-2
	Structural subordination	-1	-1				
	Total notching	-3	-6	-3	-2	-3	-4
Liability ratings	Rating	BB+	B+	BB+	BBB-	BB+	BB
	Outlook	STABLE					

UK approach to resolution

Illustrative UK resolution loss allocation waterfall assuming multiple OpCos[1]

OpCo waterfall

STEP 1

- Total OpCo losses are allocated to OpCo investors in accordance with the OpCo creditor hierarchy
- Each class of instrument should rank *pari passu* irrespective of holder, therefore PD/LGD of external and internal instruments of the same class are expected to be the same[2]

Intercompany investments

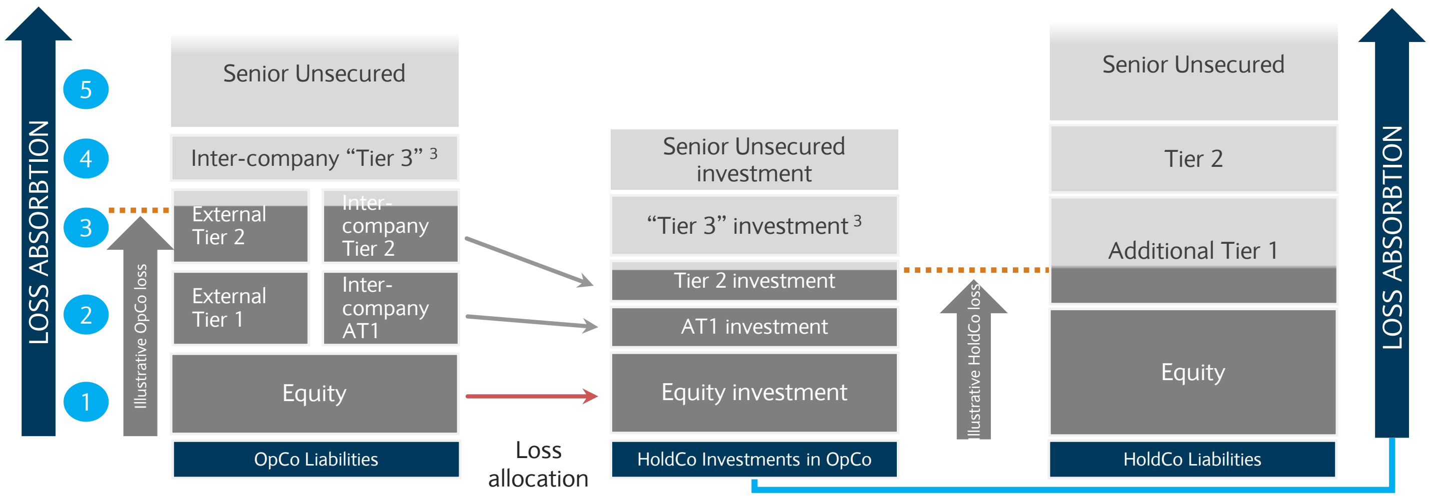
STEP 2

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

HoldCo waterfall

STEP 3

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



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

[1] Illustrative example based on Barclays expectations of the creditor hierarchy in a possible resolution scenario to demonstrate so-called "single-point-of-entry" in the UK in a situation where a HoldCo has more than one subsidiary, based on the assumptions that follow. This illustration assumes the loss absorption and recapitalisation required exceeds the failing OpCo's equity capacity. This illustration also assumes that losses occur at the OpCo, rather than the HoldCo, and that no additional incremental losses arise at the HoldCo, whether due to losses occurring or stability actions taken elsewhere in the Group or arising directly at the HoldCo for additional Group capitalisation. Each layer absorbs losses to the extent of its capacity, following which any recapitalisation of the entity requires write-down/conversion of more senior layers in accordance with the creditor hierarchy. In a situation where all losses can be absorbed within equity, existing shareholders would be diluted but not wiped out, and more senior layers of the hierarchy would be written down to recapitalise the failing firm | [2] Point of non-viability (PONV) power implemented in the UK in accordance with Article 59 of the Bank Recovery and Resolution Directive. The Bank of England has consulted on its proposals for internal MREL, including the requirement for contractual PONV triggers in internal MREL instruments, and has released its updated statement of policy in June 2018. There remains some uncertainty as to the intended interaction of such contractual triggers with the statutory PONV power. The illustration on this slide assumes that the PONV trigger for internal and external OpCo instruments of the same ranking is equivalent, whether via contractual or statutory mechanisms, such that the "pari passu" principle is respected in resolution | [3] Barclays MREL requirements are not yet finalised. The current BoE statement of policy remains subject to change, including as a result of final international guidance from the FSB on internal TLAC, and implementation of the final European requirements, both of which may impact the BoE's position on MREL | The illustration on this slide is subject to and should be read in conjunction with applicable regulation and supporting guidance from time to time published by the regulatory authorities. The implementation of an actual resolution exercise may operate differently and/or have differing consequences to those described in the above illustration. |

Abbreviations

AP	Attributable Profit
AT1	Additional Tier 1
BAGL	Barclays Africa Group Limited
BBI	Barclays Bank Ireland
BBPLC	Barclays Bank PLC
BBUKPLC	Barclays Bank UK PLC
BI	Barclays International
BoE	Bank of England
BT	Balance Transfers
BUK	Barclays UK
BX	Barclays Execution Services
CBR	Combined Buffer Requirement
CC&P	Consumer, Cards & Payments
CCB	Capital Conservation Buffer
CCyB	Countercyclical Buffer
CET1	Common Equity Tier 1
CIB	Corporate & Investment Bank
CRD IV	Common Requirement Directive IV
cr	Counterparty Rating
CRR	Capital Requirements Regulation
CTR	Currency Translation Reserve
dcr	Derivative Counterparty Rating
ECB	European Central Bank
EEA	European Economic Area
EPS	Basic Earnings per Share
ESHLA	Education, Social Housing & Local Authority
FICC	Fixed Income, Currencies and Commodities
FV	Fair Value
G-SIB	Global Systemically Important Banks
HO	Head Office
L&A	Loans and Advances
L&C	Litigation & Conduct
LBT	Loss Before Tax
LDR	Loan: Deposit Ratio
LLR	Loan Loss Rate
LTV	Loan to Value
MDA	Maximum Distributable Amount
MDR	Mandatory Distribution Restrictions
MREL	Minimum Requirement for own funds and Eligible Liabilities
NCI	Non-Controlling Interests
NII	Net Interest Income
NIM	Net Interest Margin
NRFB	Non-Ring-Fenced Bank
NSFR	Net Stable Funding Ratio
P&L	Profit and Loss
P1	Pillar 1
P2A	Pillar 2A
PBT	Profit Before Tax
PPI	Payment Protection Insurance
PRA	Prudential Regulation Authority
QoQ	Quarter-on-Quarter movement
RFB	Ring-Fenced Bank
RMBS	Residential Mortgage-Backed Securities
RoTE	Return on average Tangible Equity
RWAs	Risk Weighted Assets
RWP	Ratings Watch Positive
SRP	Structural Reform Programme
TNAV	Tangible Net Asset Value
US DoJ	US Department of Justice
US IHC	US Intermediate Holding Company
YoY	Year-on-Year movement
YTD	Year to Date

£	GBP	Great British Pound
$	USD	United States Dollar
A$	AUD	Australian Dollar

Disclaimer

Important Notice

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

Information relating to:

- regulatory capital, leverage, liquidity and resolution is based on Barclays' interpretation of applicable rules and regulations as currently in force and implemented in the UK, including, but not limited to, the BRRD, CRD IV and CRR texts and any applicable delegated acts, implementing acts or technical standards. All such regulatory requirements are subject to change;
- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL)" published in June 2018, updating the Bank of England's November 2016 policy statement, and the non-binding indicative MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into account a number of factors as described in the policy statement and as a result of the finalisation of international and European MREL/TLAC requirements;
- future regulatory capital, liquidity, funding and/or MREL, including forward-looking illustrations, are provided for illustrative purposes only and are not forecasts of Barclays' results of operations or capital position or otherwise. Illustrations regarding the capital flight path, end-state capital evolution and expectations and MREL build are based on certain assumptions applicable at the date of publication only which cannot be assured and are subject to change, including amongst others, holding constant the Pillar 2A requirement at the 2017 level despite it being subject to at least annual review and assumed CRD IV buffers, which are also subject to change.

The information set out on slide 44 (the "Illustrative Financial Information") is for illustrative purposes only and is subject to change. The Illustrative Financial Information, including indications of total assets, revenue, funding, balance sheet estimations and ratios has been compiled on a pro forma basis as if the following activities, customers and clients ("In-Scope Business") were comprised in the businesses of Barclays Bank Ireland ("BBIe") as at 31 December 2017:

i. all regulated activity of all existing European branches and client base of Barclays Bank PLC ("BBPLC") as at 31 December 2017; and

ii. all European clients of BBPLC who were located within the EEA (excluding the UK) as at 31 December 2017.

The Illustrative Financial Information represents a modelled view including estimates based on Barclays' current planning assumptions for the business and operating model for BBIe, and is presented to show the possible effect of the proposed business transfers as if they had occurred on 31 December 2017. In addition to this, certain of the Illustrative Financial Information has been sourced from the BBIe 2017 statutory accounts, management accounts of BBIe up to 31 December 2017 and also the general ledger . The Illustrative Financial Information has not been independently verified. While Barclays' plans for an expanded BBIe in response to the UK's withdrawal from the EU are well progressed, they remain subject to regulatory approval, Court approval and management discretion, and so are subject to changes which may be significant. Among other variables, the actual amount of In-Scope Business that may ultimately transfer to and/or continue to trade with BBIe in the future may differ significantly from the assumptions used in producing the Illustrative Financial Information. The Illustrative Financial Information is therefore provided for illustrative purposes only and is not a forecast of present or future financial condition or performance of BBPLC or BBIe. Whilst all reasonable care has been taken in providing the Illustrative Financial Information no responsibility or liability is or will be accepted by Barclays PLC and any of its subsidiaries, affiliates or associated companies or any of their respective officers, employees or agents in relation to the adequacy, accuracy, completeness of reasonableness of the Illustrative Financial Information or for any action taken in reliance upon that information by any party whether customer, client, counterparty, investor or otherwise. Nothing in the relevant slide should be taken as (or is) a representation or warranty, express or implied, as to any of the matters presented.

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This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Barclays Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Barclays Group's future financial position, income growth, assets, impairment charges, provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend payout ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets, estimates of capital expenditures, plans and objectives for future operations, projected employee numbers, IFRS 9 impacts 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 including the implementation of IFRS 9, 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 applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions; the effects of any volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entities within the Barclays Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; the implications of the exercise by the United Kingdom of Article 50 of the Treaty of Lisbon and the disruption that may result in the UK and globally from the withdrawal of the United Kingdom from the European Union; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Barclays Group's control. As a result, the Barclays Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, expectations and guidance set forth in the Barclays Group's forward-looking statements. Additional risks and factors which may impact the Barclays Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our annual report on form 20-F for the fiscal year ended 31 December 2017), which are available on the SEC's website at www.sec.gov.

Subject to our obligations under the applicable laws and regulations of the United Kingdom and the United States in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.