Barclays PLC

2016 Financial Results

23 February 2017

Jes Staley

Barclays Group Chief Executive Officer

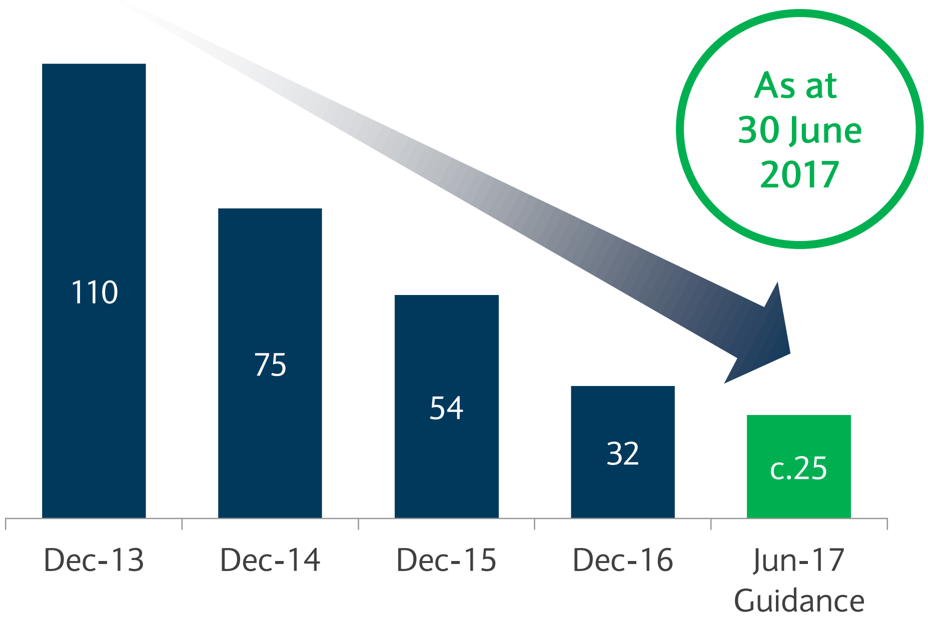
Strong evidence of strategic progress in 2016

Strong Core business	9.4% Core RoTE[1] • Barclays UK 19.3% • Barclays International 8.0%
Africa sell-down	First stake sold and separation terms agreed
Non-Core rundown	Accelerated progress, closing ahead of schedule
Group returns	Focused on generating attractive and sustainable Group returns

[1] FY16 RoTEs excluding notable items |

Announcing Non-Core closure six months early at June 2017

RWAs (£bn)[1]



Will have reduced RWAs by c.£85bn in just over three years

Businesses	RWAs (£bn)[2] Dec-14	Dec-16
Significant deals announced or completed • IB offices in nine countries • Index business[3] • Asia wealth • Southern European cards • Italy retail • France retail • Egypt	18	7
Derivatives		
• Accelerated derivative rundown in 2016	31	12
Securities & loans		
• Restructured ESHLA portfolio	16	8

[1] Dec-13 and Dec-14 RWAs are on a pre-restatement basis. Dec-15 onward are on a post-restatement basis i.e. inclusive of c.£8bn of RWAs added to Non–Core in Q116 | [2] Excludes Op risk and DTAs RWAs of £9bn as at Dec-14 and £5bn as at Dec-16 | [3] Barclays Risk Analytics and Index Solutions |

Africa sell-down on track with consistent capital guidance

1 Separation terms agreed — £765m phased contributions to BAGL agreed[1]

2 Regulatory approval — Approval for further sell-down requested from relevant regulators

3 Capital guidance — Guidance of >75bps CET1 ratio accretion[2]

Major milestone in the simplification of Barclays

[1] Subject to regulatory approval | [2] Assuming 31 December 2016 GBP ZAR FX rate of 16.78 and BAGL share price of 168.69. Aggregate effect following regulatory deconsolidation and projected separation costs, including £765m phased contributions and contribution to a new Black Economic Empowerment scheme. Implementation of Barclays' intentions is subject to, amongst other things, regulatory approval. The realisation of these plans and their intended benefits is subject to significant execution risks, including in relation to market factors, and there can be no assurance the intended benefits will be achieved on any proposed timetable or at all |

Strong Core business performance in 2016

Core

Income	Cost: income ratio	Profit before tax	RoTE	Average allocated tangible equity
£22.0bn	61%	£6.4bn	9.4%	£41.3bn
↑ 7%	↓ 1%	↑ 4%	↓ 1.8%	↑ £4.1bn

Barclays UK

UK consumer and business bank differentiated by scale, data analytics and digital

RoTE	19.3%
Robust NIM	3.62%
Low cost: income ratio	53%

Barclays International

Diversified transatlantic wholesale and consumer bank

RoTE	8.0%
CC&P income growth	+21%
CIB income growth	+6%

All financial metrics are FY16 excluding notable items. Deltas represent the year-on-year change |

Barclays is a major contributor to the UK economy

Provided c.£70bn of lending to UK businesses

Involved in c.160 UK banking deals, with c.£250bn of value

Lent c.£3.6bn to UK SMEs and supported around 100k start-ups

Provided c.£19bn of mortgage lending to c.90,000 households

Processed c.260bn of payments for UK consumers and businesses

£1 in every £3 was spent through Barclaycard

Barclays in the UK report – December 2016. FY16 figures |

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Operational and technological strength will be a key advantage

Barclays UK

- Personal Banking
- Barclaycard Consumer UK
- Wealth, Entrepreneurs & Business Banking

Barclays International

- Corporate & Investment Bank
- Consumer, Cards & Payments

Shared Platforms

World-class operational architecture

Technology & Data

- Enhanced innovation and data analytics
- Centralised global cyber security

Operations

- Centralised client contact centres, collections and fraud
- Enhanced controls and risk management

Services

- Shared functions (e.g. Treasury, Risk, Finance)
- Procurement and real estate

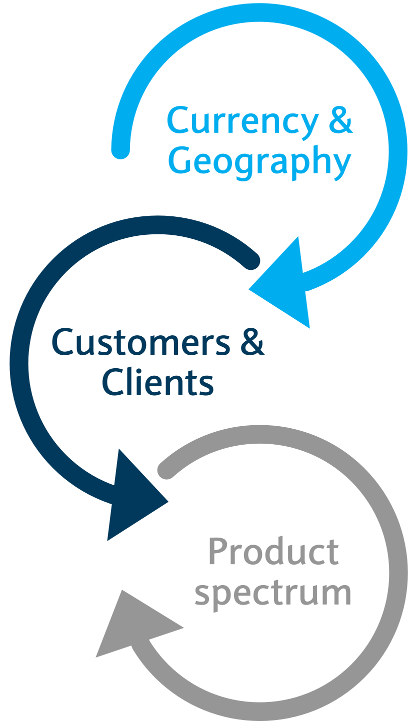
Driving efficiencies, cost synergies and scalability, delivering high quality analytics and controls, as well as excellent customer experience

Diversification provides balance and stability

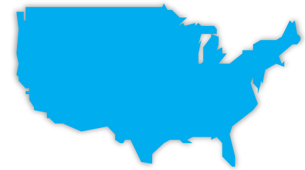
c.50% income

Corporate & Investment Bank

£10.5bn income



c.35% income



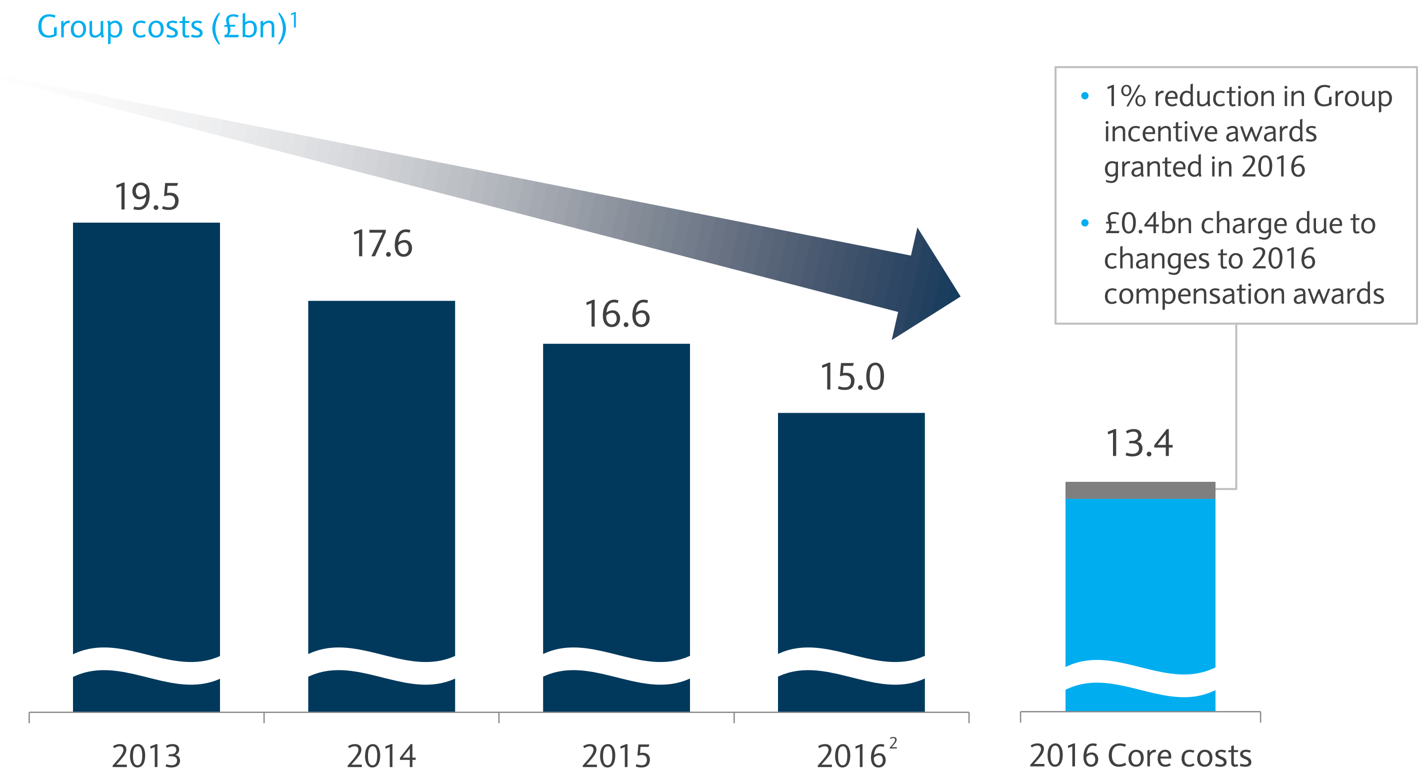
Consumer businesses[1]

£11.4bn income

Current accounts	Wealth & Investments	Payments	Corporate banking	Capital markets
Mortgages	Personal loans	Credit cards	Merchant acquiring	Investment banking

[1] Barclays UK and Consumer, Cards & Payments, excluding notable items |

Driving cost efficiency towards our target



Group cost: income ratio target

<60%

61%
Core cost: income ratio[3]

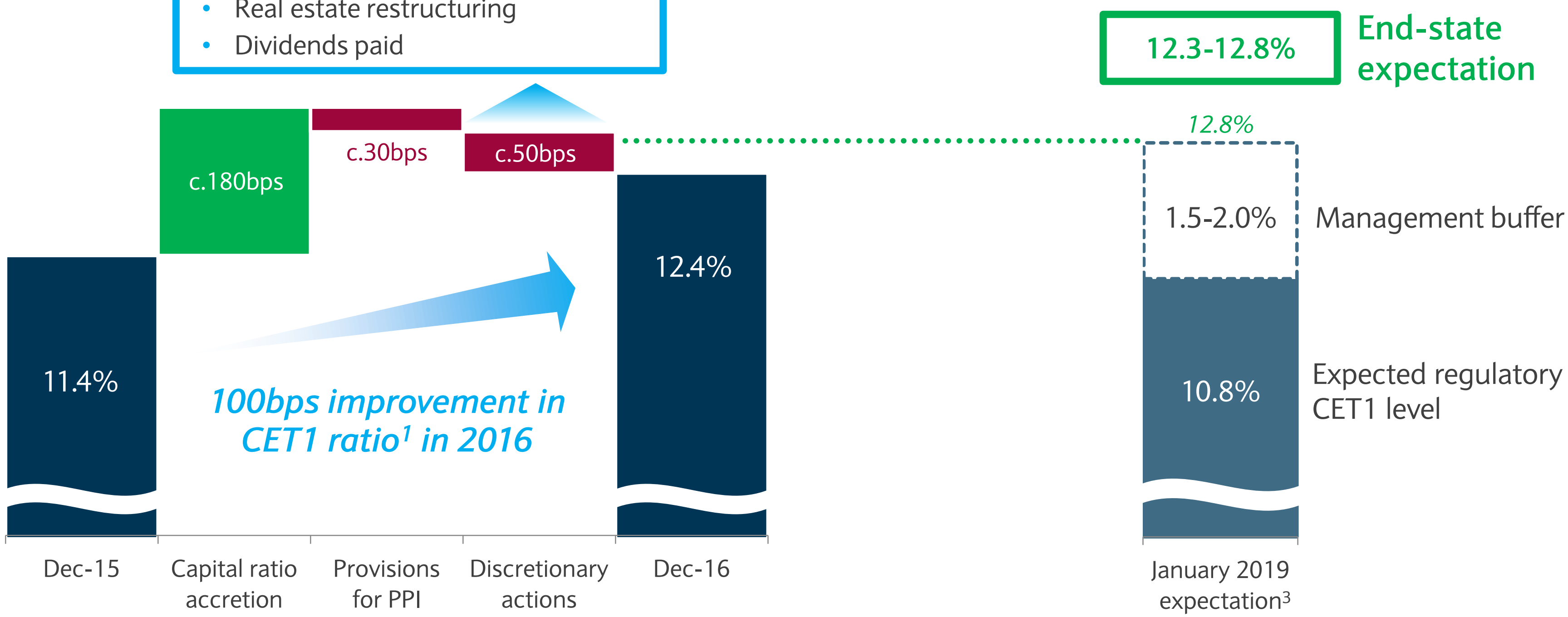
[1] Total operating expenses, excluding conduct and litigation, and other notable items | [2] Africa Banking treated as a discontinued operation | [3] Excluding notable items |

Capital position approaching our end-state

Strong capital accretion in 2016…

…and approaching our end-state CET1 level[2]

Discretionary actions and dividends
- Non-Core restructuring
- Preference share redemptions
- Compensation adjustment
- Real estate restructuring
- Dividends paid



[1] Fully loaded CET1 ratio. Definition as footnoted on slide 31 | [2] Subject to, amongst other impacts, future legacy conduct resolution costs | [3] See slide 31 for composition of, and relevant footnotes relating to, Barclays' expected capital requirements |

Approaching the end of Barclays' restructuring

1	Non-Core rundown	Closing Non-Core six months early at 30 June 2017
2	Africa sell-down	On track with significant milestone reached
3	Building shared architecture	Driving operational reliability, scalability and efficiency
4	Capital strength	Capital position approaching end-state level
5	Attractive returns	Diverse business mix with strong core franchises

Tushar Morzaria

Barclays Group Finance Director

Our strategy is on track with encouraging progress in 2016

Robust Core returns	Core RoTE of 9.4%, with Barclays UK RoTE of 19.3% and Barclays International RoTE 8.0%[1]
Strong capital generation	CET1 ratio of 12.4%, with 100bps ratio accretion in 2016 and 80bps in Q416
Accelerated Non-Core rundown	£22bn reduction in RWAs in 2016 to £32bn, including £12bn in Q416
Focus on cost efficiency	Core cost: income ratio of 61%[2]. Expect to achieve a Group cost: income ratio of <60% over time

[1] FY16 RoTEs excluding notable items | [2] Excluding notable items |

FY16 Statutory Group results

Year ended – December (£m)	2016	2015	% change
Income	21,451	22,040	(3%)
Impairment	(2,373)	(1,762)	(35%)
– *Operating expenses*	*(14,565)*	*(13,723)*	*(6%)*
– *Bank levy*	*(410)*	*(426)*	*4%*
– *Litigation and conduct*	*(1,363)*	*(4,387)*	*69%*
Total operating expenses	(16,338)	(18,536)	12%
Other net income/(expenses)	490	(596)	
Profit before tax (PBT)	3,230	1,146	182%
Tax charge	(993)	(1,149)	14%
Profit/(loss) after tax – continuing operations	2,237	(3)	
Profit after tax – discontinued operation	591	626	(6%)
NCI – continuing operations	(346)	(348)	1%
NCI – discontinued operation	(402)	(324)	(24%)
Other equity holders	(457)	(345)	(32%)
Attributable profit/(loss)[1]	1,623	(394)	
Performance measures			
Return on average tangible shareholders' equity (RoTE)	3.6%	(0.7%)	
Cost: income ratio	76%	84%	
Loan loss rate (LLR)	53bps	42bps	
Basic earnings per share	10.4p	(1.9p)	
	Dec-16	**Dec-15**	
Tangible net asset value per share (TNAV)	290p	275p	
Risk weighted assets (RWA)	£365.6bn	£358.4bn	
Notable items (£m)			
Sum of notable items[2]	(420)	(3,330)	

[1] Attributable profit in respect of the Africa Banking discontinued operation is reported at the Group level only | [2] Notable items are presented on slide 35 |

FY16 performance metrics

- Profit before tax increased 182% to £3.2bn
  - £2.9bn reduction in notable items to a £0.4bn loss
  - 2016 notable items included a £1.0bn provision for UK customer redress, £615m gain on disposal of Barclays' share of Visa Europe Limited, and £35m own credit charge
- Income decreased 3% driven by increased negative income in Non-Core
  - Core income increased 6% including the FX benefit from a weaker GBP
- Impairment increased 35% to £2.4bn, including the management review of impairment modelling
  - LLR increased to 53bps
- Costs decreased 12% driven by a £3.0bn reduction in litigation and conduct
  - Cost: income ratio reduced to 76%
- Other net income of £0.5bn in 2016 was driven by gains on Non-Core business disposals
- Attributable profit of £1.6bn drove an improvement in RoTE to 3.6% and EPS of 10.4p
- Final dividend of 2p declared
  - Total FY16 dividend of 3p
- TNAV improved to 290p per share, driven by an increase in profits and favourable currency translation reserve movements

FY16 and Q4 Core financials excluding notable items

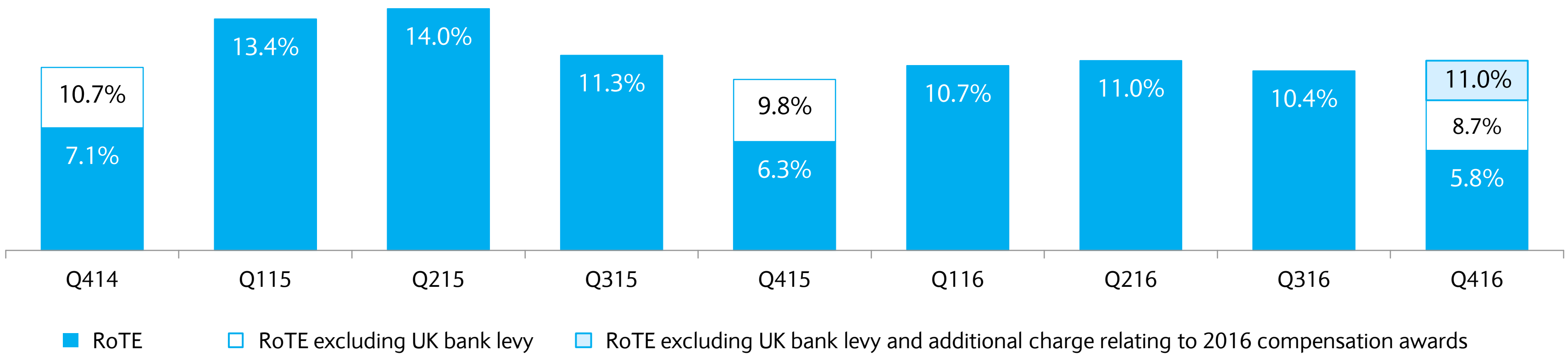
	Year ended – December (£m)			Three months ended (£m)		
	2016	2015	% change	Dec-16	Dec-15	% change
Income	22,035	20,502	7%	5,365	4,691	14%
Impairment	(2,251)	(1,628)	(38%)	(606)	(522)	(16%)
– *Operating expenses (including bank levy)*	*(13,390)*	*(12,532)*	*(7%)*	*(3,805)*	*(3,330)*	*(14%)*
– *Litigation and conduct*	*(117)*	*(202)*	*42%*	*(46)*	*(75)*	*39%*
Total operating expenses	(13,507)	(12,734)	(6%)	(3,851)	(3,405)	(13%)
Other net income	159	51		164	10	
Profit before tax (PBT)	6,436	6,191	4%	1,072	774	39%
Tax charge	(1,962)	(1,538)	(28%)	(282)	(18)	
Profit after tax – continuing operations	4,472	4,653	(4%)	790	756	4%
Attributable profit	3,781	4,105	(8%)	590	584	1%
Return on average allocated tangible equity (RoTE)	9.4%	11.2%		5.8%	6.3%	
Average allocated tangible equity	£41.3bn	£37.2bn		£42.7bn	£38.3bn	
Cost: income ratio	61%	62%		72%	73%	
Loan loss rate (LLR)	58bps	45bps		61bps	57bps	
Basic earnings per share	23.1p	24.9p		3.7p	3.6p	
	Dec-16	Dec-15				
Risk weighted assets (RWA)	£333.5bn	£304.1bn				

FY16 performance metrics

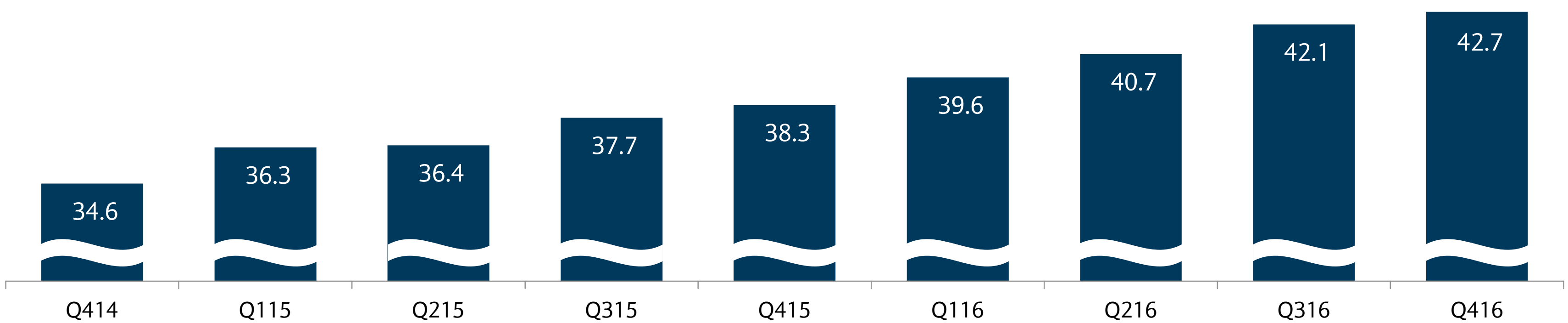
- Income increased 7% to £22.0bn, with growth in Barclays International and stable income in Barclays UK
- Costs excluding litigation and conduct of £13.4bn were impacted by an additional charge relating to 2016 compensation awards, real estate restructuring charges and structural reform implementation costs
- PBT increased 4% to £6.4bn driven by positive jaws, delivering a cost: income ratio of 61%
- RoTE was 9.4% on a £4.1bn higher average tangible equity base

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

Core return on average allocated tangible equity excluding notable items



Core average allocated tangible equity excluding notable items (£bn)



Barclays UK: Robust RoTE of 17.1% as PBT increased 7%

Business performance excluding notable items

Three months ended (£m)	Dec-16	Dec-15	% change
– *Personal Banking*	*934*	*945*	*(1%)*
– *Barclaycard Consumer UK*	*507*	*505*	*-*
– *Wealth, Entrepreneurs & Business Banking*	*387*	*384*	*1%*
Income	1,828	1,834	-
Impairment	(180)	(219)	18%
– *Operating expenses*	*(989)*	*(920)*	*(8%)*
– *Bank levy*	*(48)*	*(77)*	*38%*
– *Litigation and conduct*	*(28)*	*(75)*	*63%*
Total operating expenses	(1,065)	(1,072)	1%
Profit before tax (PBT)	583	544	7%
Attributable profit	359	338	6%

Performance measures excluding notable items

Return on average allocated tangible equity (RoTE)	17.1%	14.8%
Average allocated tangible equity	£8.6bn	£9.2bn
Cost: income ratio	58%	58%
Loan loss rate (LLR)	42bps	51bps
Net interest margin (NIM)	3.56%	3.58%

	Dec-16	Dec-15
Loans and advances to customers	£166.4bn	£166.1bn
Customer deposits	£189.0bn	£176.8bn
Risk weighted assets (RWA)	£67.5bn	£69.5bn

Notable items (£m)	Dec-16	Dec-15
– *Provisions for UK customer redress*	-	*(1,391)*

Q416 performance metrics

- Increased PBT and positive jaws delivered an improved RoTE of 17.1%
- Income was maintained at £1.8bn as balance growth and liability repricing initiatives offset asset margin compression
- Impairment improved to £180m primarily due to the non-recurrence of updates to impairment model methodologies in UK cards in Q415
  - Underlying impairment remained stable, with improved delinquency rates in the UK cards portfolio and stable trends in mortgages
- Delivered a cost: income ratio of 58% as total costs decreased by 1% reflecting lower litigation and conduct and bank levy charges
  - Costs excluding these items increased as strategic savings were more than offset by structural reform implementation costs and investment in digital
  - Aiming for a cost: income ratio of <50% over time

Key drivers/highlights

Personal Banking

- Strong deposit growth of £8.3bn year-on-year to £139.3bn. Repricing strategies drove an increase in net interest income
- Maintained strict pricing discipline and prudent underwriting criteria, while driving growth through deeper engagement and enhanced customer journeys

Barclaycard Consumer UK

- Steady growth in loans and advances, up 2% year-on-year to £16.5bn
- Stable underlying impairment trends, reflected in improved 30 and 90 day delinquency rates of 1.9% and 0.9% (Dec-15: 2.3% and 1.2%) respectively

Wealth, Entrepreneurs & Business Banking

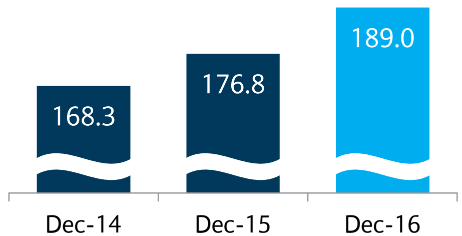
- Income increased 1% as strong deposit growth of 9% to £49.7bn was partially offset by declining fee income due to reduced transactional appetite from investors

Barclays UK: Resilient NIM and prudent growth in balances

Income (£m) – Three months ended	Dec-16	Dec-15	% change
Net interest income (NII)	1,502	1,509	-
– *Net interest margin (NIM)*	*3.56%*	*3.58%*	
Non-interest income	326	325	-
Total income	1,828	1,834	-

Loans & advances to customers (£bn)

Customer deposits (£bn)



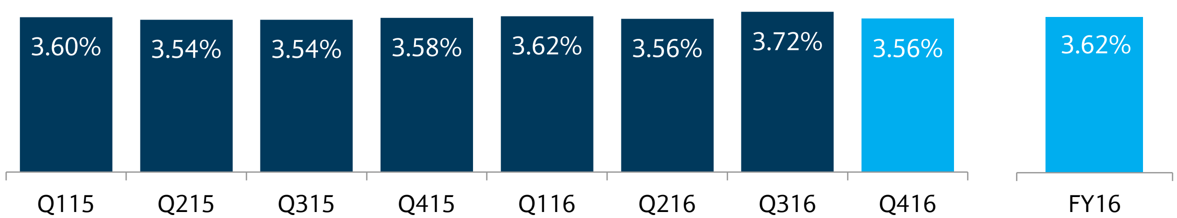
Stable income

- Broadly stable NIM of 3.56% in Q416, with NII maintained at £1.5bn
  - Growth in balances and liability repricing initiatives offset mortgage margin compression
- Non-interest income remained flat at £326m as impact of EU interchange fee regulation was partially offset by an increase in card volumes

Growth in balances

- Consistently strong deposit growth driven by franchise strength
- Prudent growth in loans and advances reflects a conservative risk appetite, with focus retained on remortgage and lower LTV segments, and unsecured loans to existing customers
- LDR of 88% (Dec-15: 94%), reflecting strong funding position and prudent risk appetite

Net Interest Margin (NIM)



NIM sensitivity

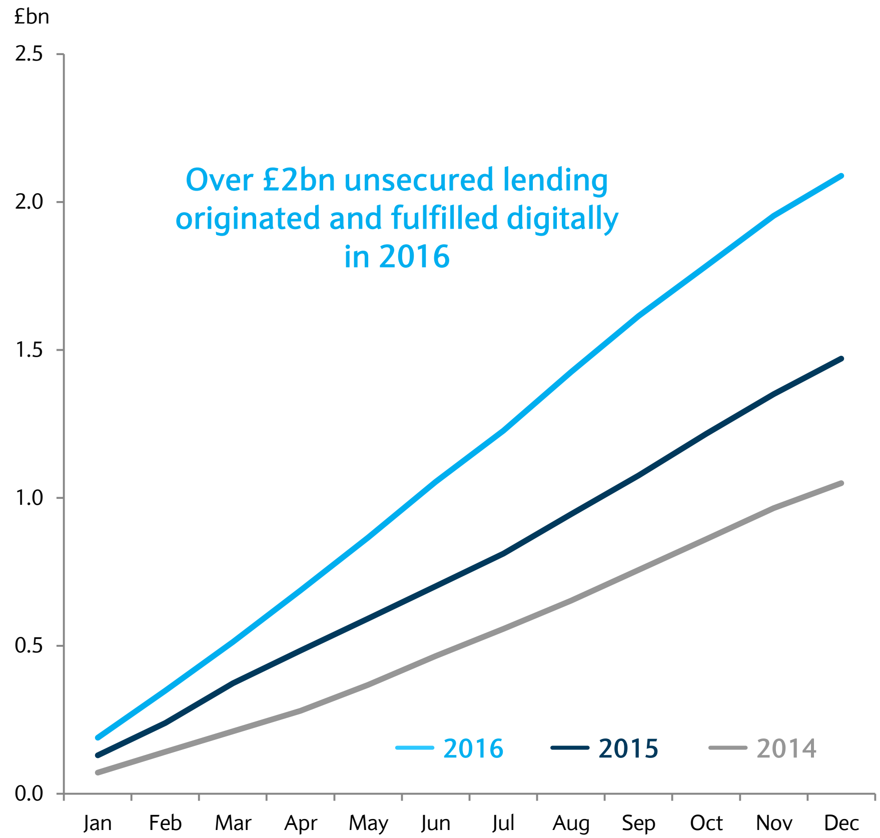
BoE base rate	FY17 range
0.25%	350-360bps

Barclays UK: Growth through leadership in digital banking

Significant growth in digital banking year-on-year

Barclays Mobile Banking	**5.7m** Mobile Banking users	+21%
Digital	**9.5m** Digitally active customers	+9%
Digital log-ins	**141m** Monthly average in 2016	+24%
Payments & transfers	**£23.1bn** Monthly average in 2016	+22%
Pingit	**£1.2bn** Payments in 2016	+11%
Digital Eagles	**1.5m** People Barclays has helped since April 2013	

Annual unsecured lending originated and fulfilled digitally



Digitally originated and fulfilled unsecured lending has a cost: income ratio in the low 20s

Barclays International: Encouraging performance in CIB and strong growth in Consumer, Cards & Payments

Business performance excluding notable items

Three months ended (£m)	Dec-16	Dec-15	% change
– *Corporate & Investment Bank (CIB)*	*2,531*	*2,097*	*21%*
– *Consumer, Cards & Payments (CC&P)*	*1,061*	*871*	*22%*
Income	3,592	2,968	21%
Impairment	(426)	(303)	(41%)
– *Operating expenses*	*(2,497)*	*(2,007)*	*(24%)*
– *Bank levy*	*(284)*	*(253)*	*(12%)*
– *Litigation and conduct*	*(17)*	*(6)*	
Total operating expenses	(2,798)	(2,266)	(23%)
Profit before tax (PBT)	373	407	(8%)
Attributable profit	43	210	(80%)

Performance measures excluding notable items

Return on average allocated tangible equity (RoTE)	1.0%	3.5%
Average allocated tangible equity	£26.6bn	£24.9bn
Cost: income ratio	78%	76%
Loan loss rate (LLR)	78bps	65bps
Net interest margin (NIM)[1]	3.91%	3.79%
Risk weighted assets (RWA)	£212.7bn	£194.8bn

Notable items (£m)

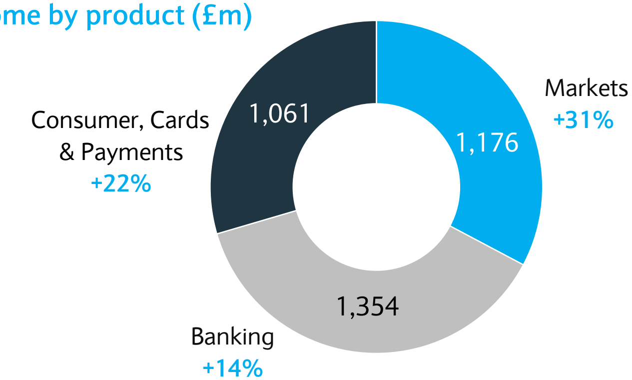
– *Provisions for ongoing investigations and litigation including Foreign Exchange*	-	*(145)*

[1] Margins have been restated to include interest earning lending within the investment banking business |

Q416 performance metrics

- Income increased by 21% to £3.6bn highlighting the strong momentum in the business and the benefit of diversification across products and geographies
  - Strong income growth across both CIB and CC&P of 21% and 22% respectively
  - Income benefitted from the appreciation of USD and EUR against GBP, with over 50% of income in USD
- Impairment increased £123m driven by CC&P, reflecting 24% balance growth, some shift in portfolio mix and the impact of FX movements, while Barclaycard US delinquency rates increased
- Costs were impacted by an additional charge relating to 2016 compensation awards, structural reform implementation costs and the impact of FX
  - Generated positive cost: income jaws excluding the additional charge relating to 2016 compensation awards
- PBT was impacted by the additional charge relating to 2016 compensation awards
  - Excluding this, profits increased driven by encouraging CIB performance and growth in CC&P

Q416 income by product (£m)



Barclays International: Corporate & Investment Bank
Income increase demonstrating franchise strength

Business performance excluding notable items

Three months ended (£m)	Dec-16	Dec-15	% change
Markets	1,176	896	31%
– *Credit*	*261*	*195*	*34%*
– *Equities*	*410*	*319*	*29%*
– *Macro*	*505*	*382*	*32%*
Banking	1,354	1,185	14%
– *Banking fees*	*650*	*458*	*42%*
– *Corporate lending*	*303*	*312*	*(3%)*
– *Transactional banking*	*401*	*415*	*(3%)*
Income[1]	2,531	2,097	21%
Impairment	(90)	(83)	(8%)
Total operating expenses	(2,287)	(1,817)	(26%)
Profit before tax (PBT)	155	197	(21%)
Performance measures excluding notable items			
Return on average allocated tangible equity (RoTE)	(1.2%)	1.8%	
Risk weighted assets (RWA)	£178.6bn	£167.3bn	

Q416 performance metrics

- Strongest Q4 income performance in three years, with improved performance in both Markets and Banking delivering a 21% increase in income to £2.5bn
  - Income also benefitted from the appreciation of average USD against GBP, with over 50% of income in USD
- Impairment charges of £90m arose from a number of single name exposures
- Costs were impacted by adverse FX movements, an additional charge relating to 2016 compensation awards and structural reform implementation costs
  - Delivered positive cost: income jaws excluding the additional charge relating to 2016 compensation awards
- PBT was impacted by the additional charge relating to 2016 compensation awards. Excluding this, PBT more than doubled
- RWAs increased 7% to £179bn driven by adverse FX movements

Key drivers/highlights

Markets income +31%

- Credit increased 34%, primarily driven by the US flow business which benefitted from increased client activity
- Macro increased 32% driven by a strong performances in rates
- Equities increased 29% driven by gains in cash, derivatives and financing, primarily in the US

Banking income +14%

- Banking fees increased 42%, primarily driven by Advisory recording its highest quarter since Q114[2]
  - Highest quarterly M&A fee share in over two years[3]
  - #5 for total banking fee products (Advisory, DCM and ECM) in our combined US and UK home markets in FY16[3]
- Corporate lending and Transactional banking were impacted by some margin compression

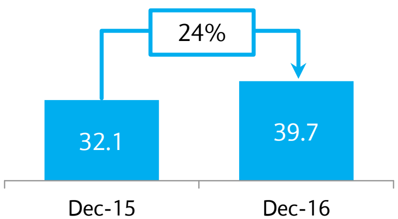
[1] Includes Other income | [2] Data pre-2014 was not restated following resegmentation in Q116 | [3] Dealogic data |

Barclays International: Consumer, Cards & Payments
Strong income and balance growth

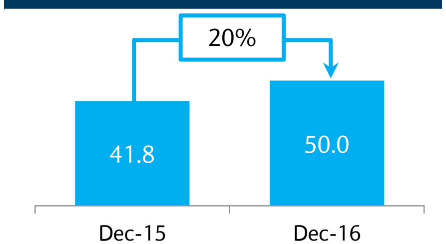
Business performance excluding notable items

Three months ended (£m)	Dec-16	Dec-15	% change
Income	1,061	871	22%
Impairment	(336)	(219)	(53%)
Total operating expenses	(511)	(449)	(14%)
Profit before tax (PBT)	218	210	4%
Performance measures excluding notable items			
Return on average allocated tangible equity (RoTE)	13.2%	15.7%	

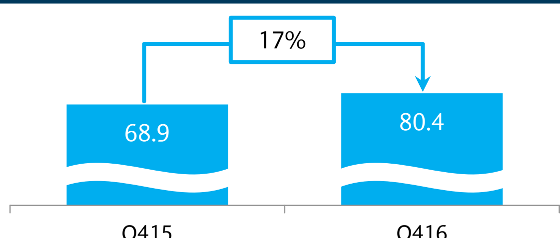
Loans and advances to banks and customers (£bn)



Customer deposits (£bn)



Total card spend and payments processed (£bn)



[1] Includes balance transfers |

Q416 performance metrics

- PBT increased 4%, generating an RoTE of 13.2%
- Continued growth across all key businesses and the appreciation of average USD and EUR against GBP drove a 22% improvement in income
- Impairment increased by £117m, driven by 24% balance growth together with some shift in portfolio mix and the impact of FX movements, while Barclaycard US 30 and 90 day delinquency rates increased to 2.6% (Dec-15: 2.2%) and 1.3% (Dec-15: 1.1%) respectively
- Costs increased 14% driven by business growth and the impact of FX
  - Delivered positive jaws and an improved cost: income ratio of 48%

Key drivers/highlights

Barclaycard US

- Loans and advances to customers increased 37% to £21.6bn (including the impact of FX)
- Card spend value of £16.2bn in Q416, up 35% vs. Q415[1]

Barclaycard Germany

- 11% growth in customers since Q415, to 1.2m
- 28% growth in net loans and advances to £3.0bn (including the impact of FX)

Barclaycard Business Solutions

- The merchant acquiring business processed payments to the value of £60.6bn in Q416, (average of £659m per day), up 13% on Q415
- Continued to win and retain several key corporate clients, including Centrica, TfL, Greggs and Sainsbury's

Private Banking

- Strong client balance growth of £5.5bn, including 9% increase in deposits

Non-Core: Accelerated rundown throughout 2016

Business performance excluding notable items

(£m)	Three months ended		Year ended	
	Dec-16	Sep-16	2016	2015
– Businesses	(73)	181	485	1,139
– Securities and loans	161	(34)	(638)	(350)
– *Of which: ESHLA*	*43*	*(12)*	*(393)*	*(359)*
– Derivatives	(507)	(306)	(1,011)	(177)
Income	(419)	(159)	(1,164)	612
Impairment	(47)	(20)	(122)	(134)
– *Operating expenses*	*(341)*	*(311)*	*(1,509)*	*(1,859)*
– *Bank levy*	*(76)*	-	*(76)*	*(88)*
– *Litigation and conduct*	*(51)*	*(102)*	*(246)*	*(176)*
Total operating expenses	(468)	(413)	(1,831)	(2,123)
Other net income/(expenses)	146	498	331	(70)
Loss before tax	(788)	(94)	(2,786)	(1,715)
Attributable profit/(loss)	(498)	72	(1,916)	(1,711)
Performance measures excluding notable items				
Average allocated tangible equity	£6.5bn	£7.6bn	£7.8bn	£10.9bn
Period end allocated tangible equity	£5.4bn	£7.2bn	£5.4bn	£8.5bn
Basic earnings/(loss) per share	(2.9p)	0.5p	(11.3p)	(10.2p)
Risk weighted assets (RWA)	£32.1bn	£43.9bn	£32.1bn	£54.3bn
Notable items (£m)				
Sum of notable items[1]	-	-	-	(888)

Q416 vs. Q316 performance metrics

- Loss before tax increased to £788m in the quarter primarily due to lower other net income and increased negative income
  - Income reduced to an expense of £419m driven by increased derivative exit costs, lower business income following sales and the termination of internal funding and hedging positions
- Total operating expenses increased to £468m due to the bank levy charge in Q4 and higher restructuring costs, partially offset by lower litigation and conduct charges
  - Restructuring costs were in line with the FY16 guidance of £400m
- Other net income reduced to £146m due to the non-recurrence of the Q316 gain on sale of the Index business[2], partially offset by gains on the sale of the Asia wealth and Southern European cards businesses
- Management actions reduced RWAs by c.£7bn reflecting reductions in the derivatives portfolio and business exits
  - Additional £4bn of operational risk RWAs associated with businesses sold and assets exited were transferred to Head Office

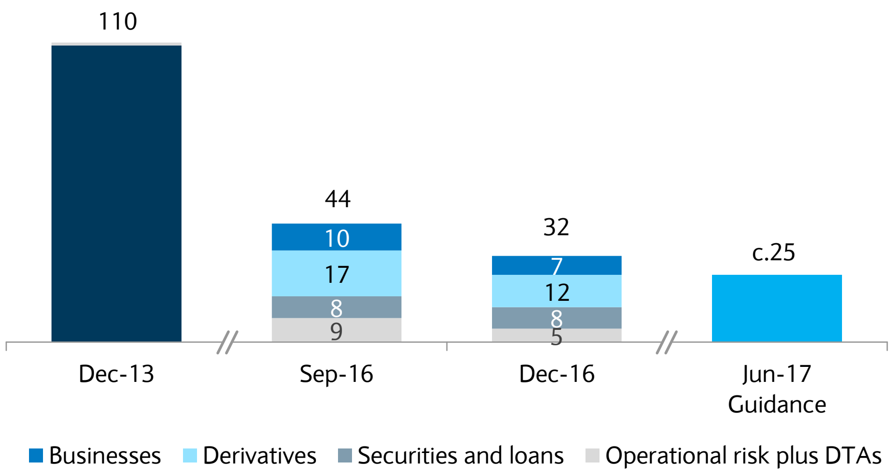
Key highlights/drivers

- Continued good momentum with the sale of businesses
  - Completed sales of the Asia wealth and Southern European cards businesses in Q416
  - Pipeline for completion of business sales in 2017 include Barclays Egypt and the French retail business

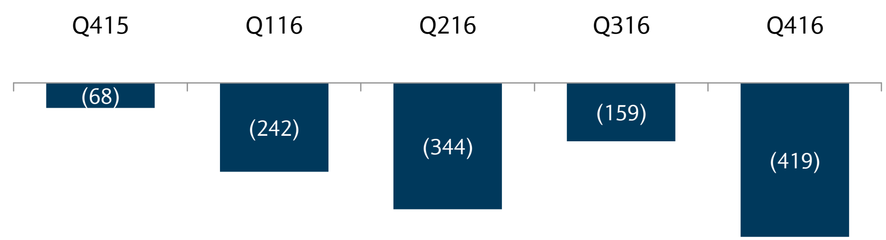
[1] FY15 notable items include; Provisions for UK customer redress (£123m), Provisions for ongoing investigations and litigation including Foreign Exchange (£201m), Impairment of goodwill and other assets relating to businesses being disposed (£96m), and Losses on sale relating to the Spanish, Portuguese and Italian businesses (£468m) | [2] Barclays Risk Analytics and Index Solutions |

Intend to close Non-Core six months early at June 2017 with c.£25bn of RWAs

RWAs – Rundown and guidance (£bn)[1]



Income – Quarterly progression (£m)



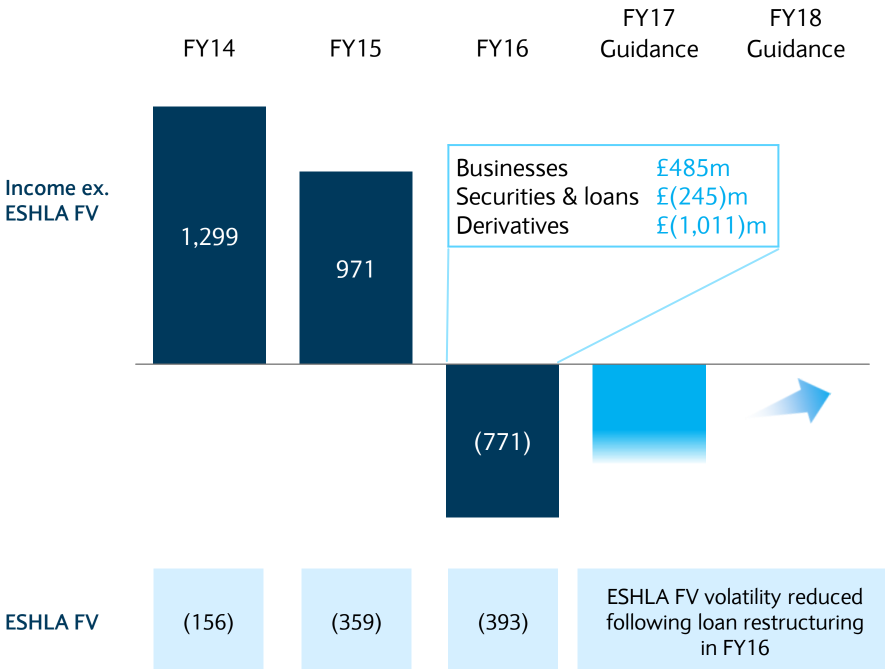
- Good execution of the Non-Core rundown while preserving capital
- RWA reduction of £12bn in Q416 and £22bn throughout 2016
- £3bn RWA reduction in Businesses in Q416
  - Pipeline for completion of business disposals in 2017 include Barclays Egypt and the French retail business
- Further £5bn RWA reduction in Derivatives in Q416
  - Continued confidence in derivatives rundown in 2017
- £4bn of operational risk RWAs associated with businesses sold and assets exited transferred to Head Office

- Income reduced to an expense of £419m in Q416
  - Derivatives income reduced to an expense of £507m principally reflecting the cost of exits, resulting in Derivatives RWAs reducing by £5bn in the quarter
  - Businesses income reduced to an expense of £73m due to the sale of businesses and the termination of internal funding and hedging positions
  - Securities and loans income increased to £161m driven by a £95m gain on restructuring of a further component of the ESHLA portfolio and £43m of fair value gains on the portfolio

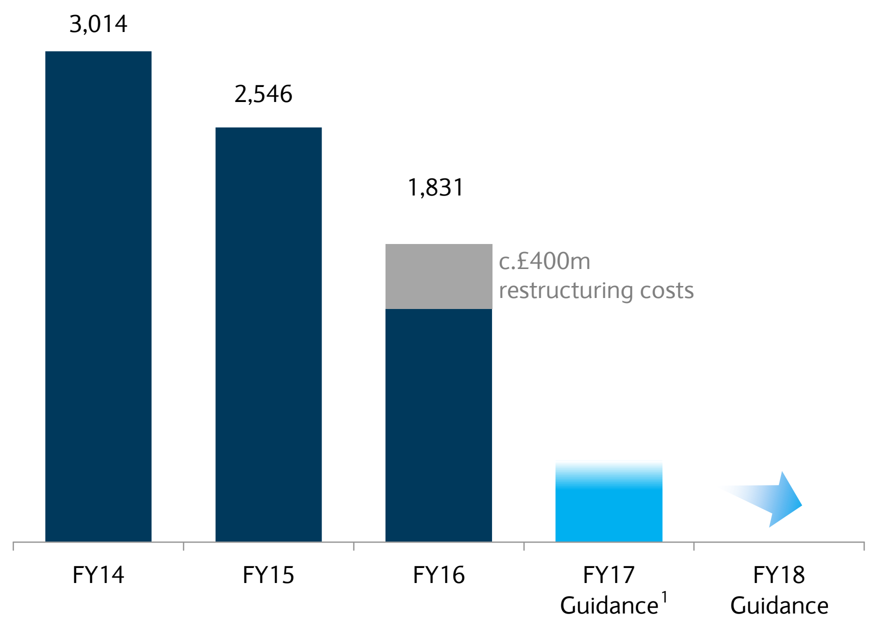
[1] Dec-13 RWAs are on a pre-restatement basis. Sep-16, Dec-16 and Jun-17 Guidance are on a post-restatement basis i.e. inclusive of c.£8bn of RWAs added to Non–Core in Q116 |

Non-Core 2017 loss before tax expected to be approximately £1bn, weighted towards the first half of the year

Income (£m)



Costs (£m)



P&L Guidance

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

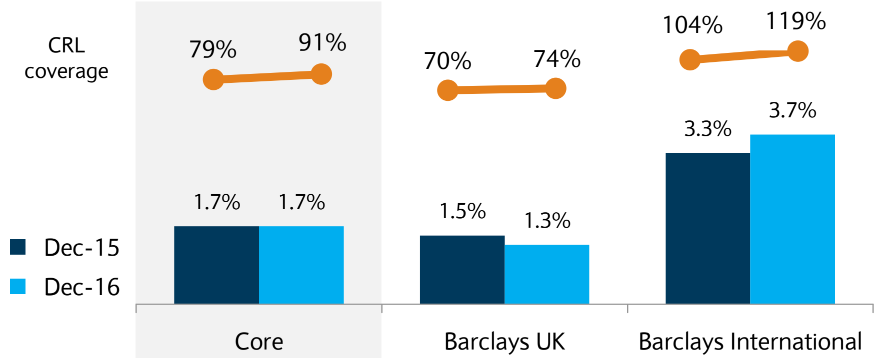
[1] Excluding notable items |

Underlying stable trends reflect prudent approach to credit risk management

Prudent risk management

- Remain well-positioned, having maintained a consistently prudent risk appetite since the financial crisis
- Impairment charges increased in 2016 primarily reflecting refinements to impairment modelling
  - Comprehensive review of impairment models across UK and US cards in Q316 led to a one-off £320m charge
- Underlying retail delinquency rates remained well controlled, with decreases in UK cards, and increases in US cards reflecting a change in portfolio mix
- Strong retail CRL coverage ratios provide significant protection
  - Core CRL coverage ratio increased to 91% at Dec-16

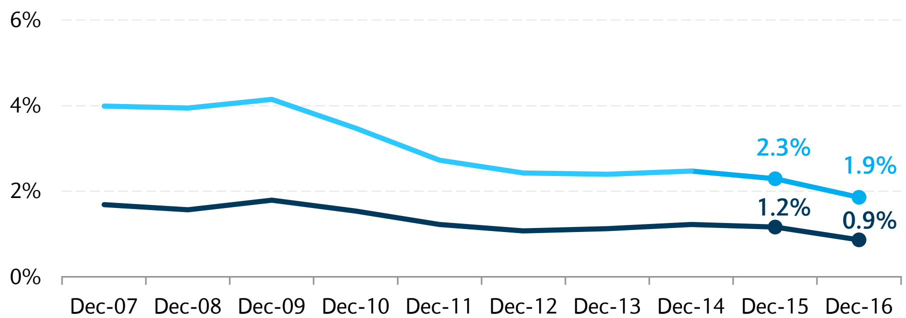
Retail CRL % of gross loans and advances (L&A)



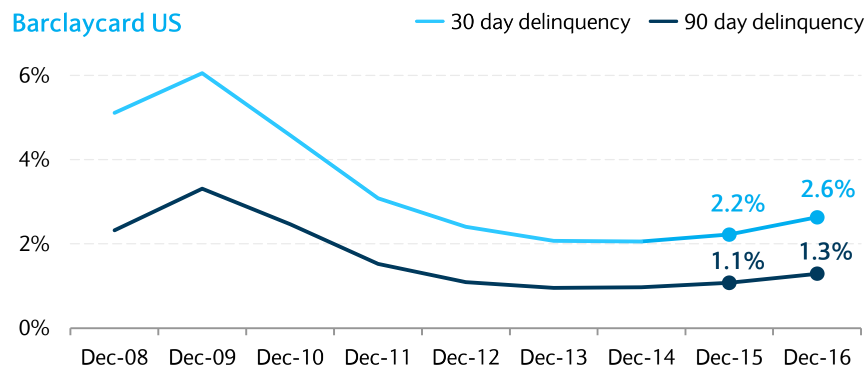
	Core	Barclays UK	Barclays International
CRLs (£m)	3,293	2,044	1,249
L&As (£m)	189,214	155,729	33,485

Breakdown by delinquency bucket – UK and US Cards

Barclaycard Consumer UK



Barclaycard US

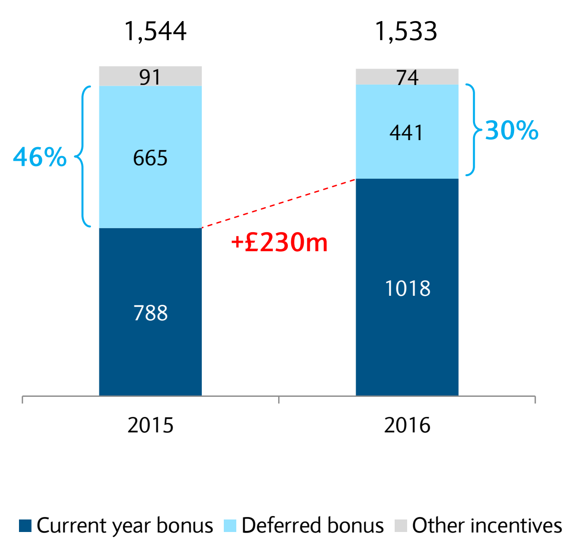


Aligning income statement recognition more closely with performance awards

Reduction of 1% in incentive awards granted, but changes to 2016 compensation awards increased the income statement charge by £395m

(£m)	2016	2015	% change
Total incentive awards granted	1,533	1,544	(1%)
Items reconciling incentive awards to income statement charge	364	217	68%
Income statement charge for performance costs	1,897	1,761	8%
Total compensation costs	7,445	7,301	2%
Compensation as % of income excluding notable items	36%	35%	
Of which: Charge resulting from changes to 2016 compensation awards[1]	395	-	
Total compensation costs excluding changes to 2016 compensation awards	7,050	7,301	(3%)

1 Increase in current year bonus / reduction in proportion of bonus awards deferred[2]



2 Acceleration of income statement charge for deferred awards

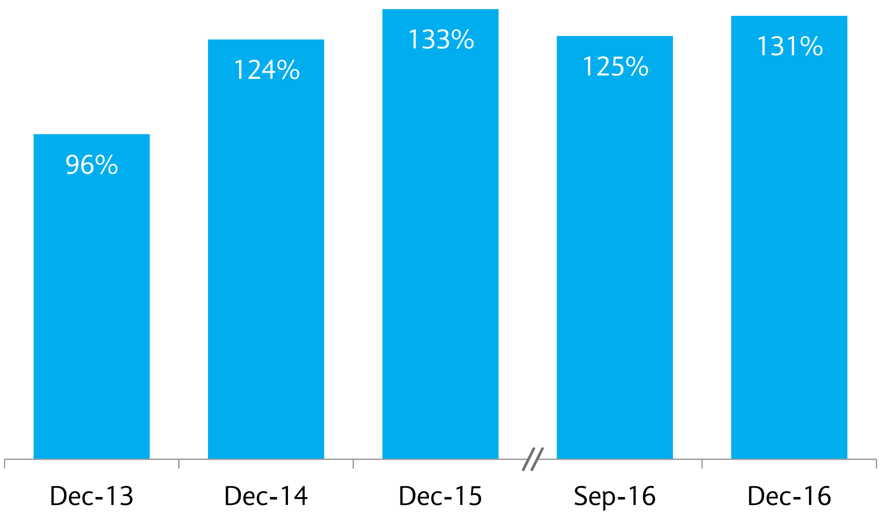
Expected payments dates[3]	Year in which income statement charge arises[4]	
	Post-2016	Pre-2016
+£141m	2016 (33%)	2016 (0%)
	2017 (33%)	2017 (48%)
Mar 2018 (33%)	2018 (22%)	2018 (35%)
Mar 2019 (33%)	2019 (10%)	2019 (15%)
Mar 2020 (33%)	2020 (2%)	2020 (2%)

More closely aligning income statement recognition with performance awards, with c.80% of 2016 incentive awards granted recognised in the income statement in the current year

[1] £395m includes £23m of National Insurance contributions in addition to the charges detailed to the right of the table | [2] Deferral percentages are the proportion of the discretionary pool excluding other incentives | [3] Grant date March 2017. Certain awards may be subject to an additional holding period | [4] The income statement charge is based on the period over which conditions are met |

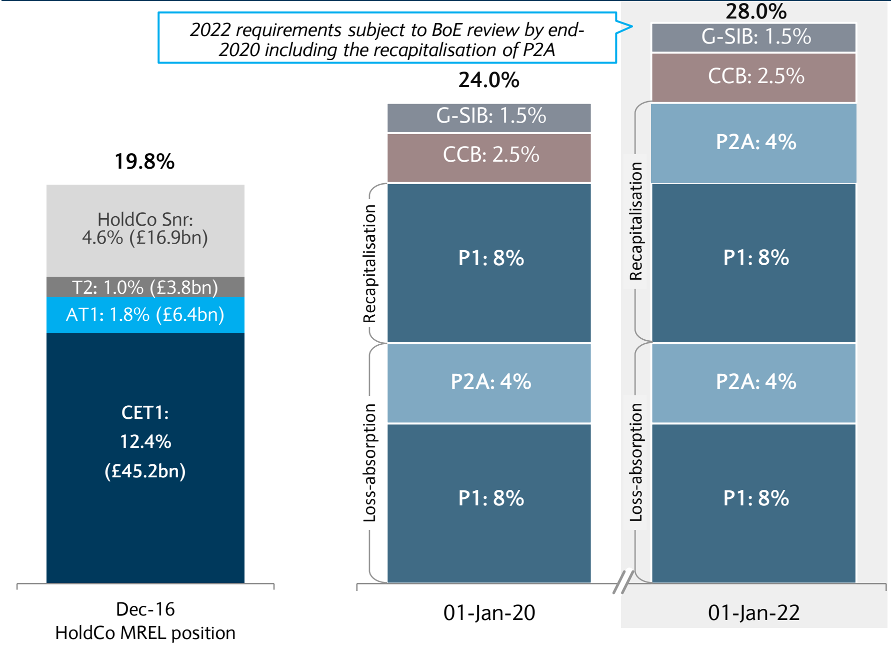
Strong liquidity metrics and good progress in MREL funding and liability management

LCR[1] well above minimum requirements



- Liquidity pool increased to £165bn (Sep-16: £157bn) and the LCR was 131% (Sep-16: 125%) equivalent to a surplus of £39bn
- Quality of the pool remains high with the majority held in cash, deposits with central banks and high quality government bonds
- Although not a requirement, the liquidity pool is 2.3 times the wholesale funding that matures within 1 year

HoldCo MREL at 19.8% as at Dec-16[2]

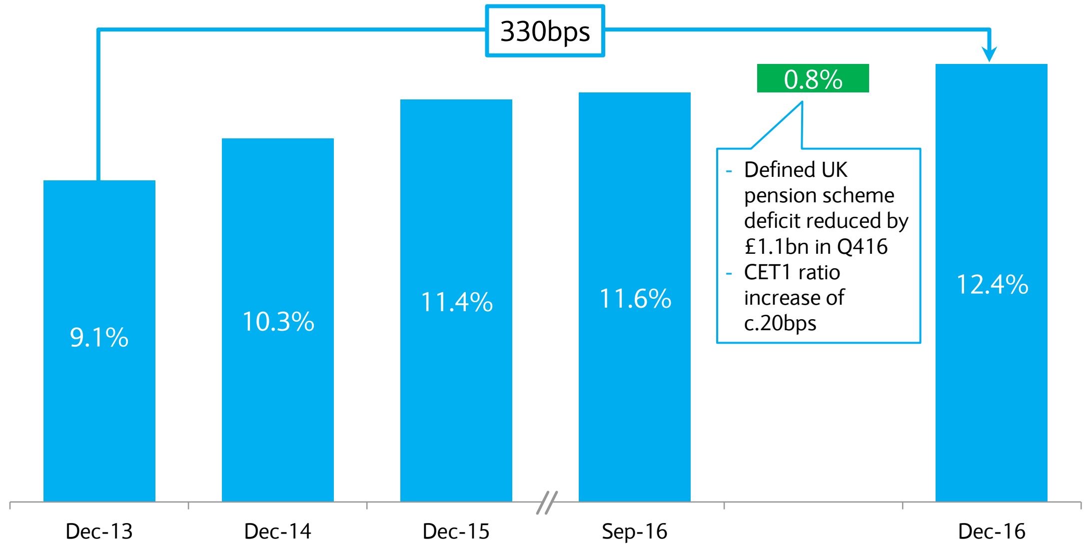


- Strong progress with HoldCo transition and MREL build in 2016, with £12bn issued across senior and subordinated instruments in a range of currencies
- Continued to retire legacy OpCo senior debt and capital instruments during 2016 as part of Barclays' ongoing liability management
  - £5.3bn equivalent of senior instruments
  - £2.2bn of capital instruments, including the Series 2 and 4 USD preference shares

[1] Liquidity Coverage Ratio estimated based on the CRD IV rules as implemented by the European Commission delegated act | [2] Barclays actual final MREL requirements are still subject to change including as a result of final international guidance from the FSB, for example on internal TLAC, and implementation of the final European requirements both of which may impact the BoE's position on MREL and the bank specific MREL requirements which the BoE are yet to confirm to Barclays. Based on Barclays' understanding of the Bank of England's policy statement on "The minimum requirement for own funds and eligible liabilities (MREL) – buffers and Threshold Conditions" (PS30/16) published on 8 November 2016. Barclays has not received the bank specific MREL requirement from the Bank of England |

Continued CET1 ratio progression in 2016

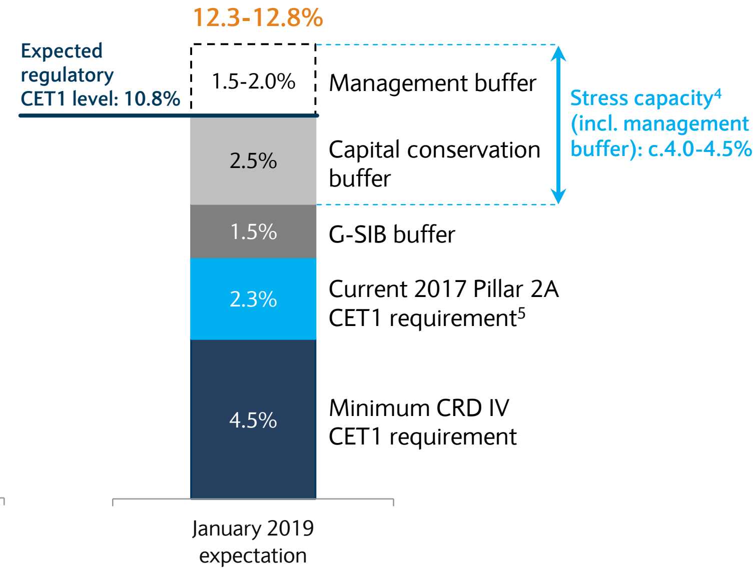
Fully Loaded CET1 ratio[1]



	Dec-13	Dec-14	Dec-15	Sep-16	Dec-16
RWAs (£bn)		396	358	373	366

- CET1 ratio of 12.4% at Dec-16, representing 80bps accretion in Q4 and 100bps in the year
  - Despite discretionary actions to enhance returns and a £1.0bn provision for UK customer redress
  - Demonstrates strong capital generation
- Expect a further >75bps[2] increase in the CET1 ratio from the regulatory deconsolidation of BAGL

Current expected capital requirements[3]



- Revised end-state expectation of 12.3-12.8%:
  - Updated management buffer of 150-200bps following recalibration to reflect 2016 BoE stress test outcome
  - Expected minimum requirement of 10.8% reflecting the 0.5% reduction in the G-SIB buffer
  - Updated P2A requirement, of which 2.3% is required to be held in CET1 form

[1] Based on Barclays' interpretation of the current CRD IV text and EBA technical standard | [2] Assuming 31 December 2016 GBPZAR FX rate of 16.78 and BAGL share price of 168.69. Aggregate effect following regulatory deconsolidation and projected separation costs, including £765m phased contributions and contribution to a new Black Economic Empowerment scheme. Implementation of Barclays' intentions is subject to, amongst other things, regulatory approval. The realisation of these plans and their intended benefits is subject to significant execution risks, including in relation to market factors, and there can be no assurance the intended benefits will be achieved on any proposed timetable or at all | [3] This illustration is based on Barclays' interpretation of current CRD IV requirements as implemented in the UK, which are subject to change including as a result of proposals published by the EC during 2016, and is not a forecast of Barclays' results of operations or capital position or otherwise. This illustration is also based on certain assumptions, which cannot be assured and are subject to change, including: holding constant the P2A at 2017 level despite it being subject to at least annual review; and assumed CRD IV buffers, which are subject to change | [4] Indication based on capital buffers that can be used in stress tests. This should not be interpreted as an indication of Barclays' 2017 PRA buffer which remains confidential between the BoE and the respective banks it regulates | [5] Point in time assessment made at least annually by the PRA to reflect idiosyncratic risks not fully captured under Pillar 1. The 2017 total Pillar 2A requirement of c.4.0% is split as follows: 2.3% in CET1 form (56% of total requirement), 0.8% in AT1 form (19% of total requirement), and 1.0% in T2 form (25% of total requirement) |

Our strategy is on track with encouraging progress

- Benefits of diversification by customer, product and geography showing through
- Core business delivering attractive returns on a materially higher equity base
- Intend to close Non-Core six months early at June 2017 with c.£25bn of RWAs
- On track to deliver Group financial targets within a reasonable timeframe

Group financial targets

Returns	Capital	Costs
Group Return on Tangible Equity (RoTE) *Group to converge with Core RoTE*	Group CET1 ratio *150-200bps above regulatory minimum level*	Group cost: income ratio *Below 60%*

Barclays PLC

2016 Financial Results

23 February 2017

Appendices

Notable Items – FY15 and FY16

	2016					
Notable items (£m)	**Barclays UK**	**Barclays International**	**Head Office**	**Core**	**Non-Core**	**Group**
Total income						
– *Own credit*	-	-	(35)	(35)	-	(35)
– *Gain on disposal of Barclays' share of Visa Europe Limited*	151	464	-	615	-	615
Litigation and conduct						
– *Provisions for UK customer redress*	(1,000)	-	-	(1,000)	-	(1,000)
Total	(849)	464	(35)	(420)	-	(420)

	2015					
Notable items (£m)	**Barclays UK**	**Barclays International**	**Head Office**	**Core**	**Non-Core**	**Group**
Total income						
– *Own credit*	-	-	430	430	-	430
– *Gain on US Lehman acquisition assets*	-	496	-	496	-	496
Litigation and conduct						
– *Provisions for UK customer redress*	(2,431)	(218)	-	(2,649)	(123)	(2,772)
– *Provisions for ongoing investigations and litigation including Foreign Exchange*	-	(984)	(52)	(1,036)	(201)	(1,237)
Operating expenses						
– *Gain on valuation of a component of the defined retirement benefit liability*	296	133	-	429	-	429
– *Impairment of goodwill and other assets relating to businesses being disposed*	-	-	-	-	(96)	(96)
Other net expenses						
– *Losses on sale relating to the Spanish, Portuguese and Italian businesses*	-	-	(112)	(112)	(468)	(580)
Total	(2,135)	(573)	266	2,442	(888)	(3,330)

FY16 and Q4 Group financials excluding notable items

	Year ended – December (£m)			Three months ended (£m)		
	2016	2015	% change	Dec-16	Dec-15	% change
Income	20,871	21,114	(1%)	4,946	4,623	7%
Impairment	(2,373)	(1,762)	(35%)	(653)	(554)	(18%)
– *Operating expenses*	*(14,565)*	*(14,056)*	*(4%)*	*(3,812)*	*(3,451)*	*(10%)*
– *Bank levy*	*(410)*	*(426)*	*4%*	*(410)*	*(426)*	*4%*
– *Litigation and conduct*	*(363)*	*(378)*	*4%*	*(97)*	*(105)*	*8%*
Total operating expenses	(15,338)	(14,860)	(3%)	(4,319)	(3,982)	(8%)
Other net income/(expenses)	490	(16)		310	(13)	
Profit before tax (PBT)	3,650	4,476	(18%)	284	74	284%
Tax charge	(982)	(1,390)	29%	39	(138)	
Profit after tax – continuing operations	2,667	3,086	(14%)	323	(64)	
Attributable profit	2,054	2,696	(24%)	42	(245)	
Performance measures						
Return on average tangible shareholders' equity (RoTE)	4.4%	5.8%		0.7%	(1.9%)	
Average tangible shareholders' equity	£49.0bn	£48.1bn		£49.2bn	£48.0bn	
Cost: income ratio	73%	70%		87%	86%	
Loan loss rate (LLR)	53bps	42bps		58bps	53bps	
Basic earnings per share	12.9p	16.6p		0.5p	(1.3p)	
Risk weighted assets (RWA)	£365.6bn	£358.4bn				

FY16 Barclays UK and Barclays International financials excluding notable items

Barclays UK

Year ended (£m)	2016	2015	% change
Income	7,366	7,343	-
Impairment	(896)	(706)	(27%)
– *Operating expenses*	*(3,792)*	*(3,760)*	*(1%)*
– *Bank levy*	*(48)*	*(77)*	*38%*
– *Litigation and conduct*	*(42)*	*(80)*	*48%*
Total operating expenses	(3,882)	(3,917)	1%
Profit before tax (PBT)	2,587	2,720	(5%)
Attributable profit	1,685	1,962	(14%)
Performance measures			
Return on average allocated tangible equity (RoTE)	19.3%	21.1%	
Average allocated tangible equity	£8.9bn	£9.3bn	
Cost: income ratio	53%	53%	
Loan loss rate (LLR)	52bps	42bps	
Net interest margin (NIM)	3.62%	3.56%	
Loans and advances to customers	£166.4bn	£166.1bn	
Customer deposits	£189.0bn	£176.8bn	
Risk weighted assets (RWA)	£67.5bn	£69.5bn	

Barclays International

Year ended (£m)	2016	2015	% change
– *Corporate & Investment Bank*	*10,533*	*9,954*	*6%*
– *Consumer, Cards & Payments*	*3,998*	*3,297*	*21%*
Income	14,531	13,251	10%
Impairment	(1,355)	(922)	(47%)
– *Operating expenses*	*(9,129)*	*(8,162)*	*(12%)*
– *Bank levy*	*(284)*	*(253)*	*(12%)*
– *Litigation and conduct*	*(48)*	*(108)*	*56%*
Total operating expenses	(9,461)	(8,523)	(11%)
Profit before tax (PBT)	3,747	3,851	(3%)
Attributable profit	1,961	2,319	(15%)
Performance measures			
Return on average allocated tangible equity (RoTE)	8.0%	9.5%	
Average allocated tangible equity	£25.5bn	£24.9bn	
Cost: income ratio	65%	64%	
Loan loss rate (LLR)	63bps	49bps	
Net interest margin (NIM)[1]	3.98%	3.80%	
Risk weighted assets (RWA)	£212.7bn	£194.8bn	

[1] Margins have been restated to include interest earning lending within the investment banking business |

FY16 Corporate & Investment Bank and Consumer, Cards & Payments financials excluding notable items

Corporate & Investment Bank			
Year ended (£m)	2016	2015	% change
Markets	5,279	4,844	9%
– *Credit*	*1,185*	*824*	*44%*
– *Equities*	*1,790*	*1,912*	*(6%)*
– *Macro*	*2,304*	*2,108*	*9%*
Banking	5,249	5,111	3%
– *Banking fees*	*2,397*	*2,087*	*15%*
– *Corporate lending*	*1,195*	*1,361*	*(12%)*
– *Transactional banking*	*1,657*	*1,663*	-
Income[1]	10,533	9,954	6%
Impairment	(260)	(199)	(31%)
Total operating expenses	(7,624)	(6,805)	(12%)
Profit before tax (PBT)	2,650	2,950	(10%)
Performance measures			
Return on average allocated tangible equity (RoTE)	6.1%	8.2%	
Risk weighted assets (RWA)	£178.6bn	£167.3bn	

Consumer, Cards & Payments			
Year ended (£m)	2016	2015	% change
Income	3,998	3,297	21%
Impairment	(1,095)	(723)	(51%)
Total operating expenses	(1,837)	(1,718)	(7%)
Profit before tax (PBT)	1,097	901	22%
Performance measures			
Return on average allocated tangible equity (RoTE)	19.1%	18.9%	

[1] Includes Other income |

FY16 and Q416 Head Office financials ex. notable items

	Year ended – December (£m)		Three months ended (£m)	
	2016	2015	Dec-16	Dec-15
Income	138	(92)	(55)	(110)
Impairment	-	-	-	-
– *Operating expenses*	*(135)*	*(272)*	*15*	*(64)*
– *Bank levy*	*(2)*	*(8)*	*(2)*	*(8)*
– *Litigation and conduct*	*(27)*	*(14)*	*(1)*	*6*
Total operating expenses	(164)	(294)	12	(66)
Other net income	128	(6)	159	1
Profit/(loss) before tax	102	(380)	116	(175)
Attributable profit/(loss)	135	(176)	138	61
Performance measures				
Average allocated tangible equity[1,2]	£6.8bn	£2.9bn	£7.5bn	£4.1bn
Risk weighted assets[2]	£53.3bn	£39.7bn	£53.3bn	£39.7bn

- Head Office Q416 PBT increased to £116m reflecting:
  - Increased net income from Treasury operations
  - Reduced structural reform implementation costs (as they are now allocated to the businesses)
  - Increased other net income due to the recycling of currency translation reserves to the P&L on the completion of the sale of the Southern European cards business

[1] Based on risk weighted assets and capital deductions in Head Office plus the residual balance of average tangible ordinary shareholders' equity | [2] Includes Africa Banking tangible equity and risk weighted assets |

FY16 and Q416 Africa Banking financials

	Year ended – December (£m)		
	2016	2015	% change
Income	3,746	3,414	10%
Impairment	(445)	(353)	(26%)
– *Operating expenses*	*(2,345)*	*(2,091)*	*(12%)*
– *Bank levy*	*(65)*	*(50)*	*(30%)*
Total operating expenses	(2,410)	(2,141)	(13%)
Profit before tax (PBT)	897	927	(3%)
Profit after tax[1]	591	626	(6%)
Non-controlling interests[1]	(402)	(324)	(24%)
Attributable profit	189	302	(37%)
Risk weighted assets (RWA)	£42.3bn	£31.7bn	

	Three months ended (£m)		
	Dec-16	Dec-15	% change
	1,067	814	31%
	(105)	(93)	(13%)
	(727)	*(501)*	*(45%)*
	(65)	*(50)*	*(30%)*
	(792)	(551)	(44%)
	172	173	(1%)
	71	101	(30%)
	(122)	(76)	(61%)
	(52)	25	
	£42.3bn	£31.7bn	

- Africa Banking profit after tax and non-controlling interests presented in the Group income statement as a discontinued operation
- Tangible equity and risk weighted assets of Africa Banking included within Head Office
- Africa Banking carrying value (which includes Barclays goodwill on acquisition and internal balances between Barclays and BAGL) as at 31 December 2016 was £7.3bn

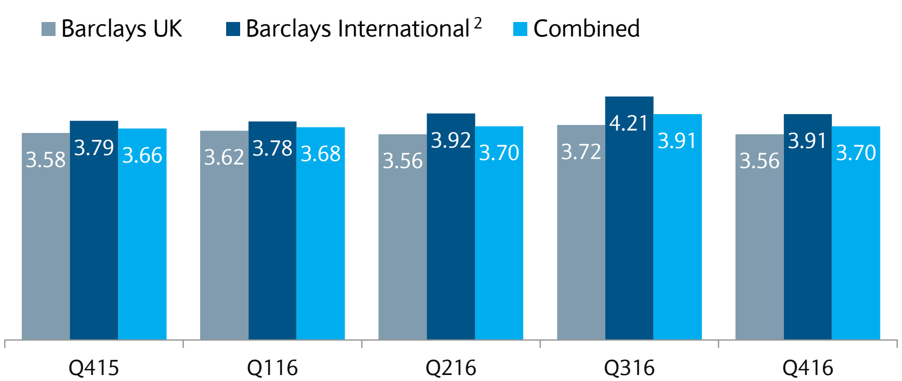
[1] Included in Group income statement as profit after tax in respect of discontinued operation and non-controlling interests in respect of discontinued operation |

Core income and margins – Q416

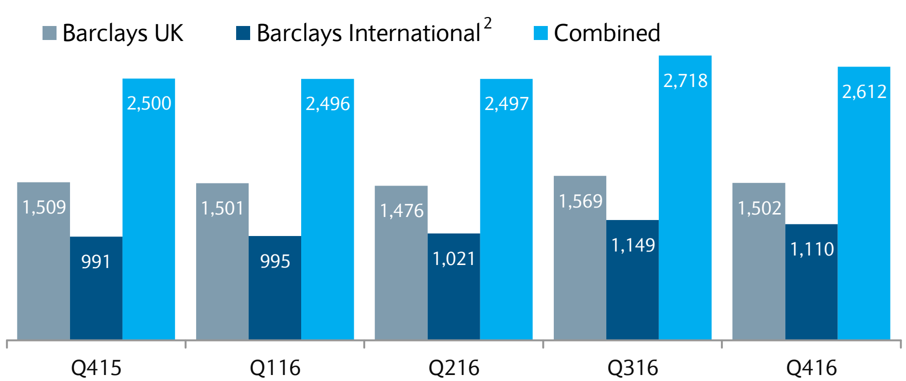
Income (£m)[1] – Three months ended	Dec-16	Dec-15	% change
– *Barclays UK*	*1,502*	*1,509*	*-*
– *Barclays International*[2]	*1,110*	*991*	*12%*
– *Other*[3]	(35)	*55*	
Net interest income (NII)	2,577	2,555	1%
Non-interest income	2,788	2,136	31%
Total Core income	5,365	4,691	14%

- Core income increased 14% driven by a 31% increase in non-interest income
- Barclays UK NII was maintained at £1.5bn as growth in balances and liability repricing initiatives offset asset margin compression
  - NIM of 3.56% was broadly flat on Q415, though reduced compared to the prior quarter mainly due to one-off Treasury contributions in Q316
- Barclays International[2] NII increased 12% mainly driven by balance growth in CC&P and FX movements
  - NIM improved to 3.91%
- Overall Core NIM increased to 3.70%
- Non-interest income increased 31% to £2.8bn driven by growth in CIB Markets and Banking income
- Group net structural hedge contribution in FY16 of £1.5bn (FY15: £1.4bn)

Net Interest Margin (%)



Net Interest Income (£m)

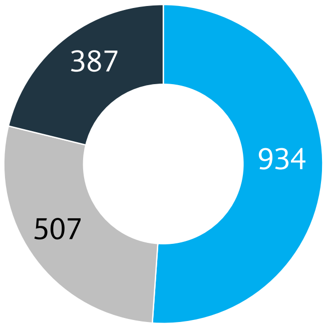


[1] Excluding notable items | [2] Barclays International margins have been restated to include interest earning lending within the investment banking business | [3] Other includes Head Office and non-lending related investment banking balances |

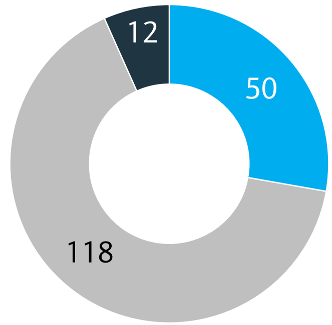
Barclays UK and Barclays International analysis

Barclays UK – Q416

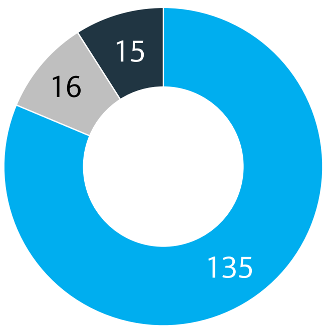
Split of income (£m)



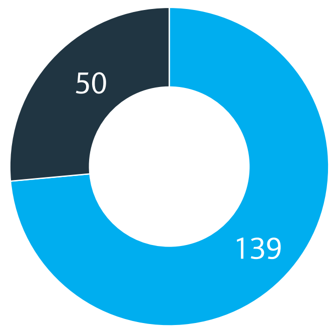
Split of impairment (£m)



Split of loans and advances to customers (£bn)



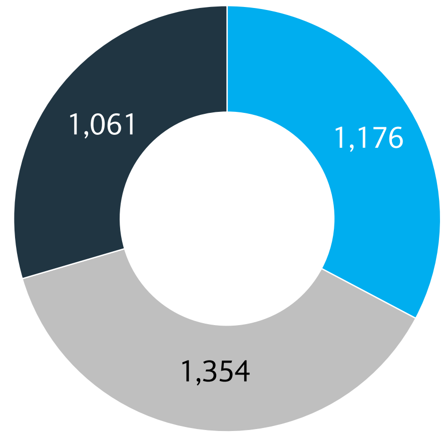
Split of customer deposits (£bn)



Personal Banking   Barclaycard Consumer UK   Wealth, Entrepreneurs & Business Banking

Barclays International – Q416

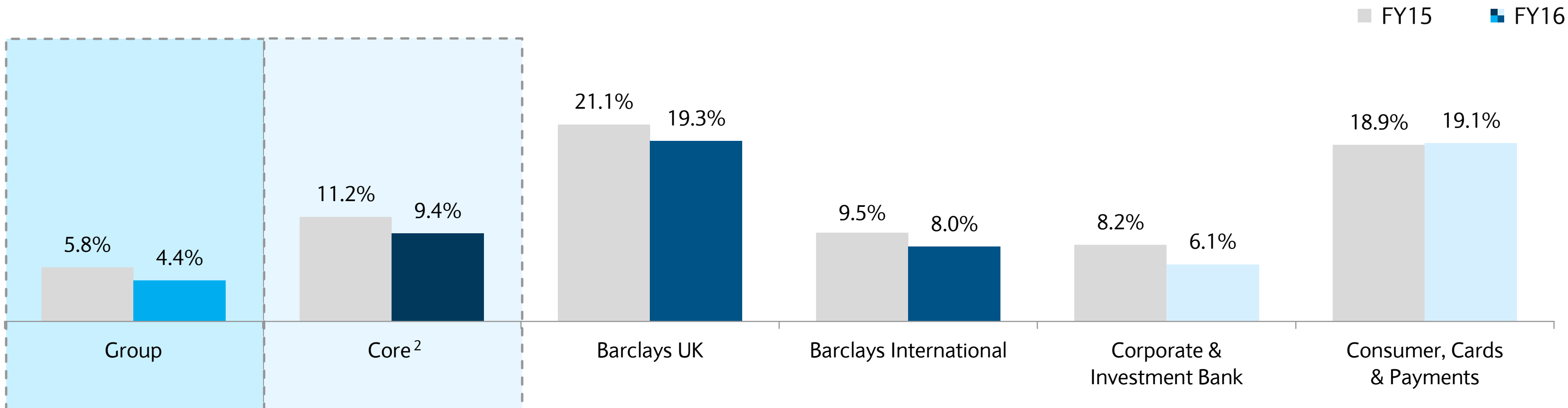
Split of income (£m)



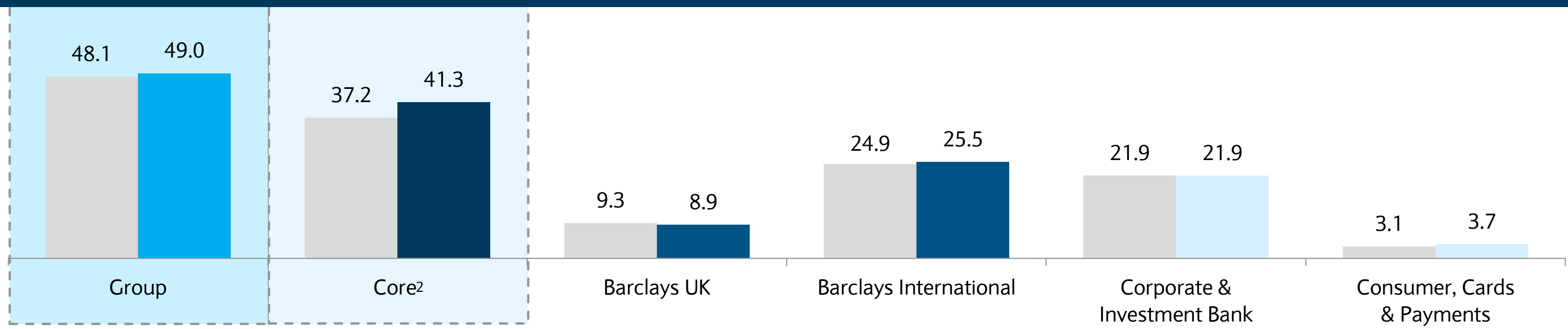
Consumer, Cards & Payments   Markets   Banking

Breakdown of RoTE by business – FY16

Return on average tangible equity[1]



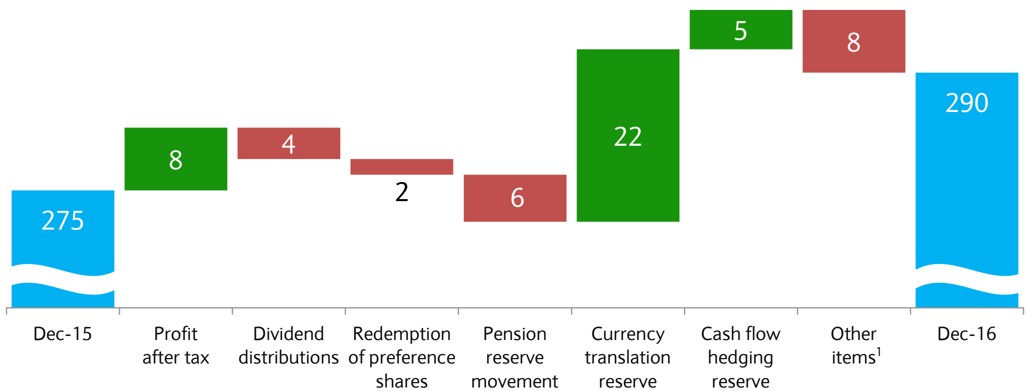
Average allocated tangible equity (£bn)[1]



[1] Excluding notable items | [2] Including Head Office |

Tangible Net Asset Value

TNAV (pence per share) – Dec-15 to Dec-16

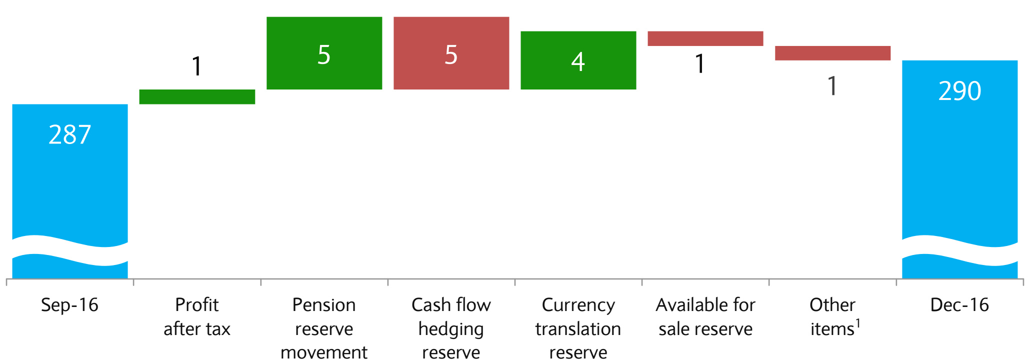


FY16 highlights

TNAV per share increased 15p in the year to 290p

- Profit after tax contributed 8p per share to TNAV
- Dividend distributions of £0.8bn in relation to a 3.5p final dividend payment for 2015 and a 1p 2016 interim payment resulted in a 4.5p per share reduction
- The redemption of USD preference shares reduced TNAV by 2p
- Pension related reserve movements had a 6p per share negative impact
- A £3.7bn increase in the currency translation reserve due to the strengthening of major currencies against GBP led to a 22p increase
- A £0.8bn increase in the cash flow hedging reserve due to an increase in the fair value of interest rate swaps held for hedging purposes resulted in a 5p per share increase

TNAV (pence per share) – Sep-16 to Dec-16



Q416 highlights

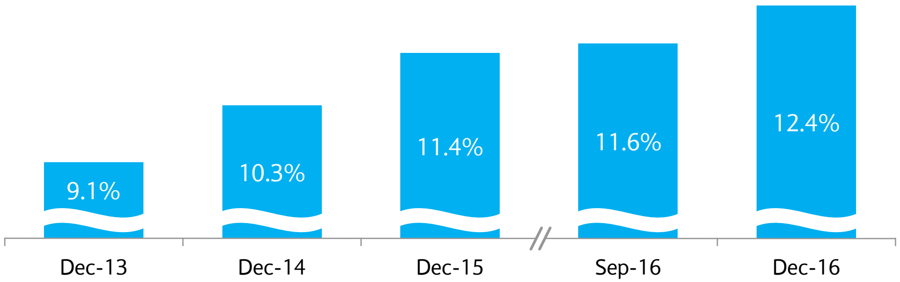
TNAV per share increased 3p in the quarter

- Profit after tax contributed 1p per share to TNAV
- Pension related reserve movements had a 5p per share positive impact
- A £0.9bn decrease in the cash flow hedging reserve resulted in a 5p per share decrease
- A £0.9bn increase in the currency translation reserve led to a 4p increase

[1] Other items include the net impact of share schemes, intangible assets and other reserves movements |

Strong CET1 and leverage ratio progression

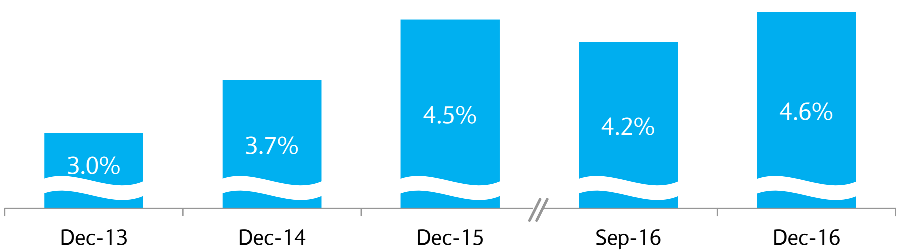
Fully Loaded CET1 ratio[1]



RWAs (£bn)		396	358	373	366

- The CET1 ratio increased to 12.4% (Dec-15: 11.4%) reflecting an increase in CET1 capital of £4.5bn to £45.2bn, despite RWAs increasing by £7bn to £366bn:
  - Increase in CET1 capital was largely driven by profits of £2.1bn generated in the period, after absorbing the impact of notable items
  - The increase in RWAs was principally due to the appreciation of ZAR, USD and EUR against GBP and business growth, which more than offset RWA reductions in Non-Core
- The 80bps increase in Q416 was driven by:
  - £8bn reduction in RWAs mainly as a result of Non-Core rundown; and
  - Reversal of the UKRF pension deficit which reduced from £1.1bn to £27m in the quarter
- Expect >75bps[2] increase in the CET1 ratio from the regulatory deconsolidation of BAGL

Leverage ratio[3]



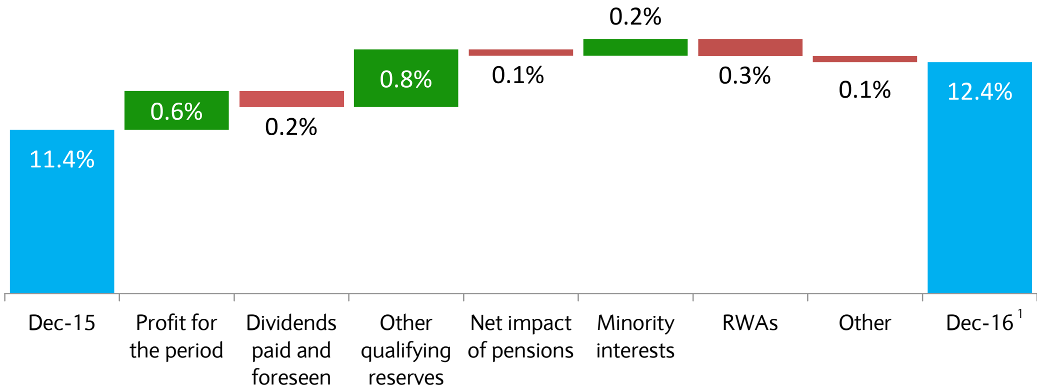
Leverage Exposure (£bn)		1,233	1,028	1,185	1,125

- Leverage ratio of 4.6% as at Dec-16, up 10bps over the year due to:
  - £5.8bn increase in Tier 1 capital reflecting the increase in CET1 and AT1 issuance partially offset by;
  - £97bn increase in leverage exposure primarily driven by the appreciation of major currencies against GBP
- The 40bps Q4 increase was mainly due to:
  - £60bn decrease in leverage exposure reflecting Non-Core rundown and seasonally low year-end positions mainly in the CIB
  - £2.1bn increase in Tier 1 capital reflecting the increase in CET1 capital
- Expect to grow the leverage ratio further over time, maintaining the ratio comfortably above future minimum requirements

[1] Based on Barclays' interpretation of the current CRD IV text and EBA technical standard | [2] Assuming 31 December 2016 GBPZAR FX rate of 16.78 and BAGL share price of 168.69. Aggregate effect following regulatory deconsolidation and projected separation costs, including £765m phased contributions and contribution to a new Black Economic Empowerment scheme. Implementation of Barclays' intentions is subject to, amongst other things, regulatory approval. The realisation of these plans and their intended benefits is subject to significant execution risks, including in relation to market factors, and there can be no assurance the intended benefits will be achieved on any proposed timetable or at all | [3] The leverage ratio has been calculated in accordance with the requirements of CRR which was amended effective from Jan 2015. The leverage calculation uses the end-point CRR definition of Tier 1 capital for the numerator and the CRR definition of leverage exposure for the denominator. This is broadly consistent with the BCBS 270 definition, which was the basis of Dec-14 comparatives. Dec-13 not comparable to the estimates as of Dec-14 onwards due to different basis of preparation |

Common Equity Tier 1 ratio progression

CET1 ratio progression – Dec-15 to Dec-16



FY16 CET1 ratio drivers

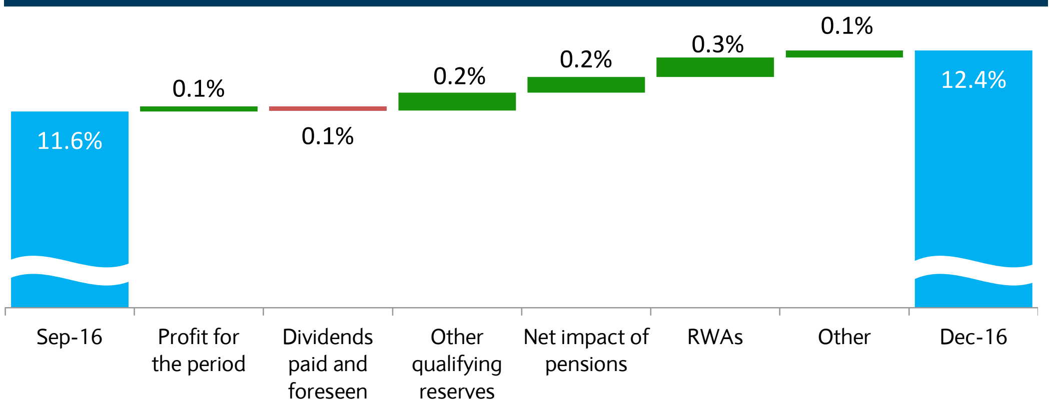
CET1 ratio increased 100bps to 12.4% driven by an increase to capital of £4.5bn including:

- £2.1bn of profits generated during the period
- £3.7bn increase in the currency translation reserve
- £0.9bn increase in minority interests

Partially offset by:

- £0.8bn of dividends paid and foreseen
- £0.3bn due to the net impact of pensions
- £7.3bn increase in RWAs, as reductions in Non-Core were more than offset by increases due to FX

CET1 ratio progression – Sep-16 to Dec-16



Q416 CET1 ratio drivers

CET1 capital increased 80bps to 12.4% driven by an increase to capital of £2.0bn including:

- £0.2bn of profits generated during the period
- £0.6bn increase in the currency translation reserve
- £0.8bn due to the net impact of pensions
- £7.7bn decrease in RWAs, as reductions in Non-Core were partially offset by increases due to FX

Partially offset by:

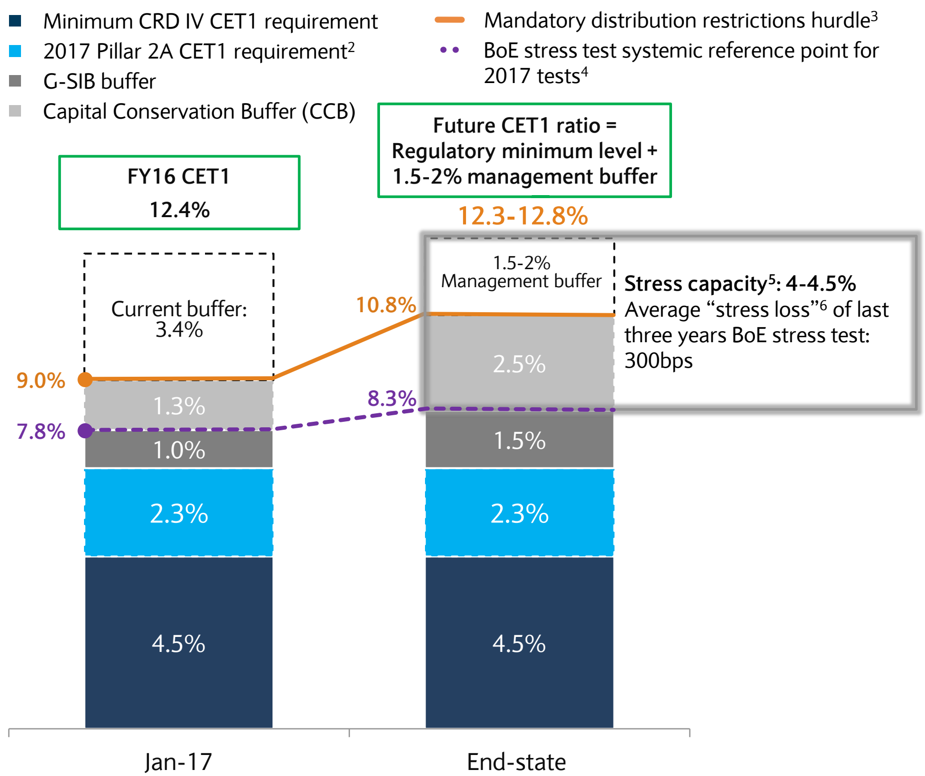
- £0.2bn of dividends paid and foreseen

The CET1 ratio is broadly hedged for currency movements

[1] Bridge does not cast across due to rounding differences |

Managing evolving future minimum CET1 levels

Illustrative evolution of minimum CET1 requirements and buffers[1]



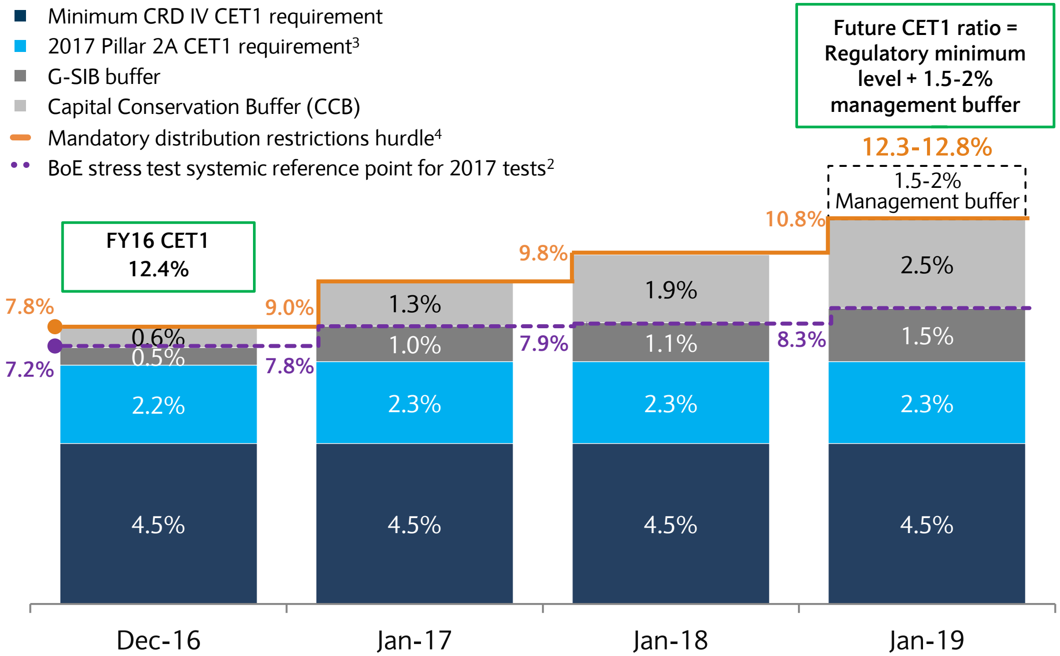
- New end-state expectation of 12.3-12.8% reflects:
  - Updated management buffer of 150-200bps from 100-150bps following recalibration to reflect 2016 BoE stress test outcome
  - 50bps reduction in the G-SIB buffer
  - Updated Pillar 2A[2] Individual Capital Guidance of c.4%, of which 2.3% is required to be held in CET1 form

- As capital buffers and RWAs will evolve over time, we manage our CET1 position to maintain a prudent internal management buffer over future minimum levels to guard against mandatory distribution restrictions[3]
- The management buffer is prudently calibrated, intended to absorb fluctuations in the CET1 ratio, cover against event risk and stress, and to ensure management actions can be taken in sufficient time to avoid breaching mandatory distribution restrictions
- We continue to monitor regulatory developments as part of our capital planning and conservatively manage our capital position as the regulatory landscape normalises

[1] This illustration is based on Barclays' interpretation of current CRD IV requirements as implemented in the UK, which are subject to change including as a result of proposals published by the European Commission during 2016, and is not a forecast of Barclays' results of operations or capital position or otherwise. This illustration is also based on certain assumptions, which cannot be assured and are subject to change, including: holding constant the P2A at 2017 level despite it being subject to at least annual review; and assumed CRD IV buffers, which are subject to change | [2] Point in time assessment made at least annually by the PRA to reflect idiosyncratic risks not fully captured under Pillar 1. The 2017 total Pillar 2A requirement of c.4.0% is split as follows: 2.3% in CET1 form (56% of total requirement), 0.8% in AT1 form (19% of total requirement), and 1.0% in T2 form (25% of total requirement) | [3] CRD IV rules on mandatory distribution restrictions applied from 1 January 2016 onwards based on transitional CET1 requirements. 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) | [4] Based on Barclays' understanding of "The Bank of England's approach to stress testing the UK banking system" published in October 2015 , which is subject to change, and "Stress testing the UK banking system: key elements of the 2016 stress test", published March 2016. Stress test hurdle rates for 2017 tests comprise the minimum CRD IV CET1 requirement and the CET1 component of Pillar 2A. For G-SIBs, the 'systemic reference point' also includes the applicable phased-in G-SIB buffer. Thereafter, the hurdle rates are subject to changes in Pillar 2A which is a point in time assessment updated at least annually | [5] Indication based on capital buffers that can be used in stress tests. This should not be interpreted as an indication of Barclays' 2017 PRA buffer which remains confidential between the BoE and the respective banks it regulates | [6] Market derived average stress-loss of past three years based on applicable year-end CET1 ratios against low-point stress outcomes |

Managing capital position above mandatory distribution restrictions and stress test hurdles[1]

Barclays' expected MDA thresholds and systemic reference points for 2017 BoE stress test[2]



- Maintained robust capital buffers to mandatory distribution restrictions hurdle at Dec-16[7]:
  - Buffer to AT1 Trigger Event: c.5.4% or c.£20bn
  - Buffer to MDAs: c.4.6% or c.£17bn

Distribution restrictions and management

- Maintaining a CET1 ratio comfortably above mandatory distribution threshold remains a critical management objective
- Distribution restrictions[4] apply if an institution fails to meet the combined buffer requirement (CBR)[5] at which point the MDA is calculated on a reducing scale
- Currently, Barclays targets to hold an internal management buffer of 1.5-2% above regulatory CET1 levels providing a prudent buffer above MDA restriction levels
- Barclays recovery plan actions are calibrated to take effect ahead of breaching the CBR
- It is the Board's current intention that, whenever exercising its discretion to declare dividends on ordinary shares or to cancel interest on AT1 securities, it will take into account the relative ranking of these instruments in its capital structure[6]
- In addition, we note that under CRD IV MDA restrictions, PRA has broad powers to require the issuer to limit or cancel interest on the securities

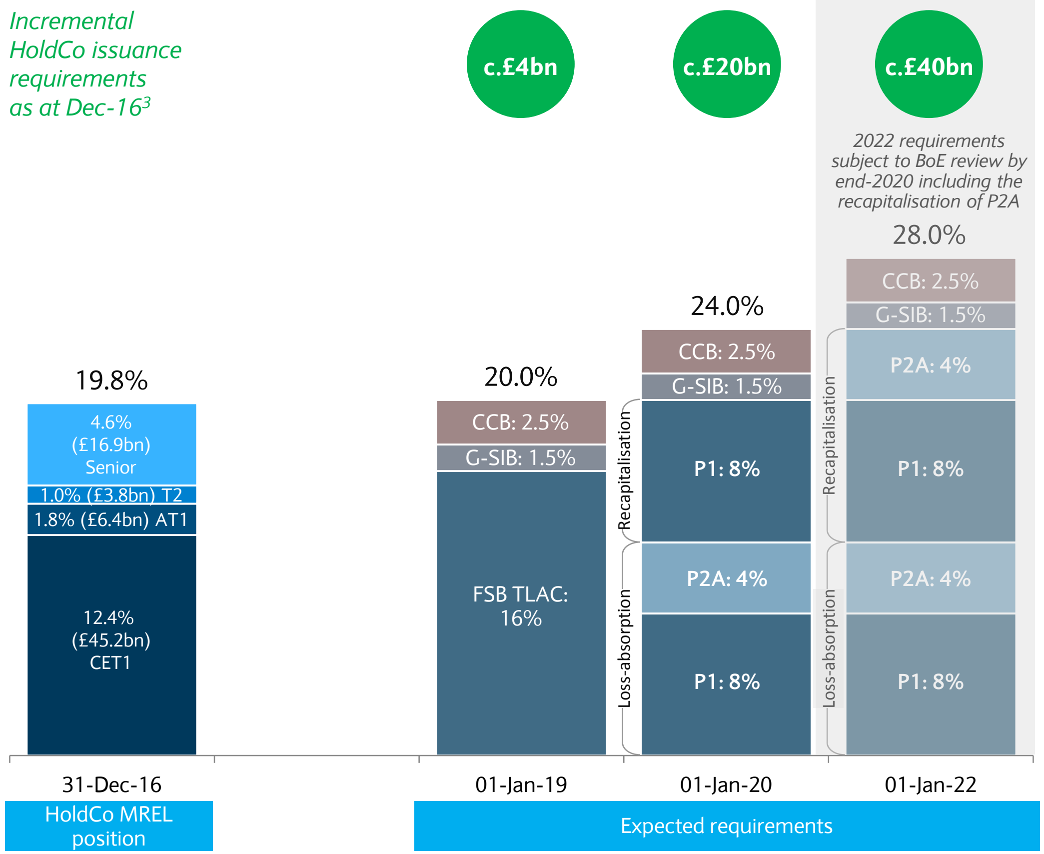
Stress tests

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

[1] Based on CRD IV as currently in force and implemented in the UK and subject to change as a result of future regulatory requirements including, amongst others, the impact of the EC's draft CRD V package of proposals | [2] Based on Barclays' understanding of "The Bank of England's approach to stress testing the UK banking system" published in October 2015 , which is subject to change, and "Stress testing the UK banking system: key elements of the 2016 stress test", published March 2016. Stress test hurdle rates for 2017 tests comprise the minimum CRD IV CET1 requirement and the CET1 component of Pillar 2A. For G-SIBs, the 'systemic reference point' also includes the applicable phased-in G-SIB buffer. Thereafter, the hurdle rates are subject to changes in Pillar 2A which is a point in time assessment updated annually | [3] Point in time assessment made at least annually by the PRA to reflect idiosyncratic risks not fully captured under Pillar 1. The 2017 total Pillar 2A requirement of c.4.0% is split as follows: 2.3% in CET1 form (56% of total requirement), 0.8% in AT1 form (19% of total requirement), and 1.0% in T2 form (25% of total requirement) | [4] CRD IV rules on mandatory distribution restrictions applied from 1 January 2016 onwards based on transitional CET1 requirements. 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) | [5] As per CRD Art. 128(6): total CET1 capital required to meet the requirement for the CCB, as well as an institution specific countercyclical buffer (CCCB), G-SIB buffer, O-SII buffer and systemic risk buffer as applicable. For Barclays this is currently the 2.5% CCB and 1.5% G-SIB buffer while the CCCB and other systemic risk and sectoral buffers are assumed to be zero | [6] While the Board currently has discretion to depart from this policy, we note that the EC's current proposal in the draft of CRD V would codify these existing intentions if implemented as currently proposed. | [7] Buffer calculation assumes the 1 January 2016 MDA restriction level of 7.8% against 31 December 2016 capital position (FL CET1 ratio of 12.4% and RWAs £366bn) |

Manageable MREL requirements through proactive issuance[1]

HoldCo MREL position and requirements based on Nov-16 BoE policy statement[1]



HoldCo issuance plan of c.£10bn for 2017[2]

- Our indicative MREL issuance for 2017 is c.£10bn of which we have already issued £4.7bn equivalent (c.47%). The residual issuance will be a combination of senior, Tier 2 and AT1
- Incremental HoldCo requirements to 1 January 2022 expected to be met largely through refinancing outstanding OpCo debt and capital instruments. OpCo debt and capital instruments of c.£28bn are maturing or callable by 1 January 2022[4]
- MREL position of 24.2% as at Dec-16 on a transitional basis, including eligible OpCo instruments, compared to 19.8% on a HoldCo basis

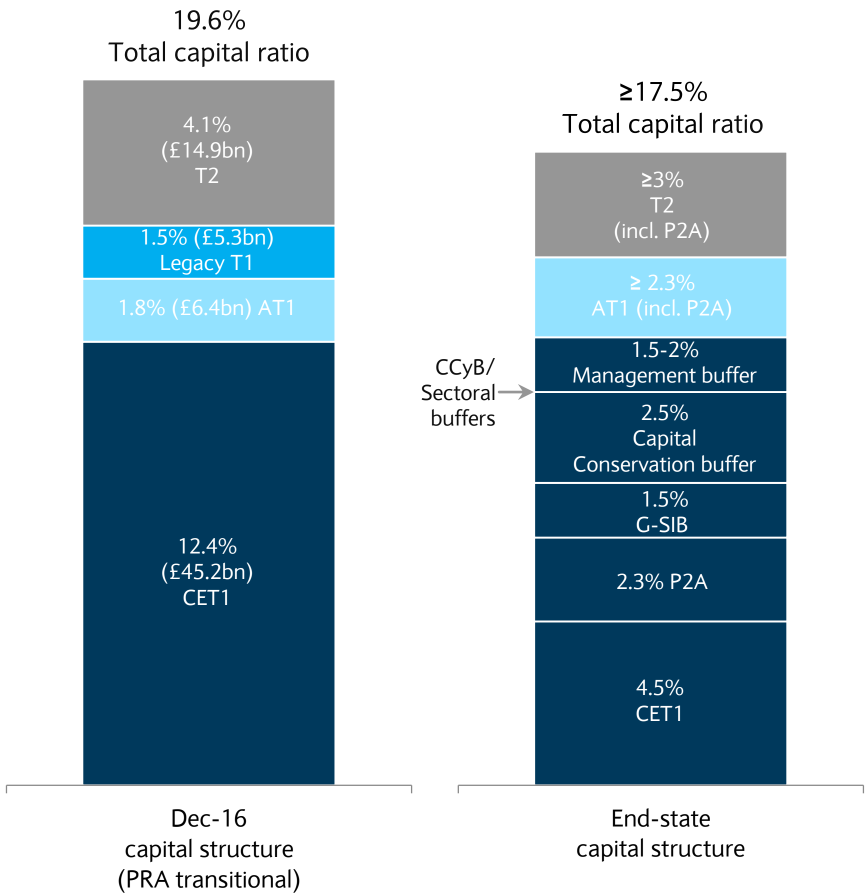
Assumption for calculating HoldCo MREL position and incremental HoldCo requirements

- All OpCo instruments have been excluded. However, most subordinated instruments are expected to be eligible, in line with their regulatory capital value, until 1 January 2022 if still outstanding
- Includes refinancing of HoldCo senior unsecured debt maturing within the respective periods
- Does not include refinancing of HoldCo capital with first call dates during the respective periods, of which £1.2bn until 1 January 2019, £3.5bn until 1 January 2020 and £5.4bn until 1 January 2022
- RWAs of £366bn and CET1 capital of £45.2bn kept constant as at 31 December 2016
- All new MREL issuance over 2017-2022 is assumed to have maturities beyond 1 January 2022

[1] Barclays actual final MREL requirements are still subject to change including as a result of final international guidance from the FSB, for example on internal TLAC, and implementation of the final European requirements both of which may impact the BoE's position on MREL and the bank specific MREL requirements which the BoE are yet to confirm to Barclays. Based on Barclays' understanding of the Bank of England's policy statement on "The minimum requirement for own funds and eligible liabilities (MREL) – buffers and Threshold Conditions" (PS30/16) published on 8 November 2016. Barclays has not received the bank specific MREL requirement from the Bank of England | [2] Issuance plan subject to, amongst other things, market conditions and regulatory requirements which are subject to change and may differ from current expectations | [3] Represents the difference between the applicable future expected requirement, subject to assumptions described on the slide, and the 31 December 2016 HoldCo MREL position. Actual issuance may differ | [4] Aggregated Tier 1 and Tier 2 capital instruments, and public and private senior unsecured debt, excluding structured notes |

Evolving CRD IV capital structure transitioning to HoldCo over time

Illustrative evolution of CRD IV capital structure[1]



Well managed and balanced total capital structure

- Transitional and fully-loaded total capital ratios both increased by 80bps in Q4 16 to 19.6% (Sep-16: 18.8%) and 18.5% (Sep-16: 17.7%), mainly driven by CET1 ratio accretion
- Capital efficient CRD IV grandfathering transition supported by recent LMEs
  - Currently most OpCo capital is expected to remain eligible CRD IV capital during and, to the extent outstanding, after the grandfathering period, and is expected to qualify as MREL until 1 January 2022 based on our understanding of the current Bank of England position[2]
- We aim to manage our capital structure in an efficient manner:
  - Expect to build towards at least 2.3%[3] of AT1 in end-state through regular issuance over time
  - The appropriate balance of Tier 2 will be informed by relative pricing of Tier 2 and senior unsecured debt and investor appetite

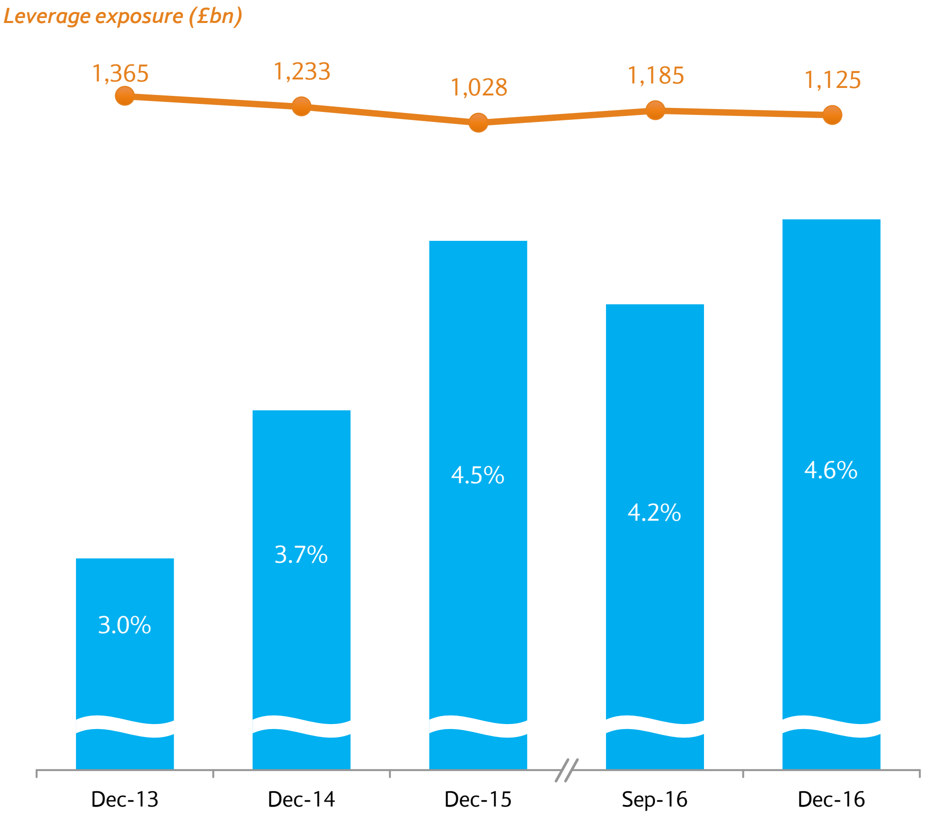
Pillar 2A requirement[3]

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

[1] Based on Barclays' understanding of current regulatory requirements which are subject to change including as a result of the finalisation of the European Commission's CRD V package of reforms | [2] BoE position on MREL and therefore the extent to which these instruments may qualify as MREL is subject to finalisation of the requirements at an international and European level | [3] Point in time assessment made at least annually by the PRA to reflect idiosyncratic risks not fully captured under Pillar 1. The 2017 total Pillar 2A requirement of c.4.0% is split as follows: 2.3% in CET1 form (56% of total requirement), 0.8% in AT1 form (19% of total requirement), and 1.0% in T2 form (25% of total requirement) which is added to the respective CRD IV minimum requirement |

Continued strong leverage position

Leverage ratio[1]



Highlights

Q416

- The 40bps increase was mainly due to a £60bn decrease in the leverage exposure, alongside a £2bn increase in CET1 capital
- The decrease in leverage exposure reflects Non-Core rundown and seasonally low year-end positions related mainly to the CIB
- Expect to grow the leverage ratio further over time, maintaining the ratio comfortably above future minimum requirements

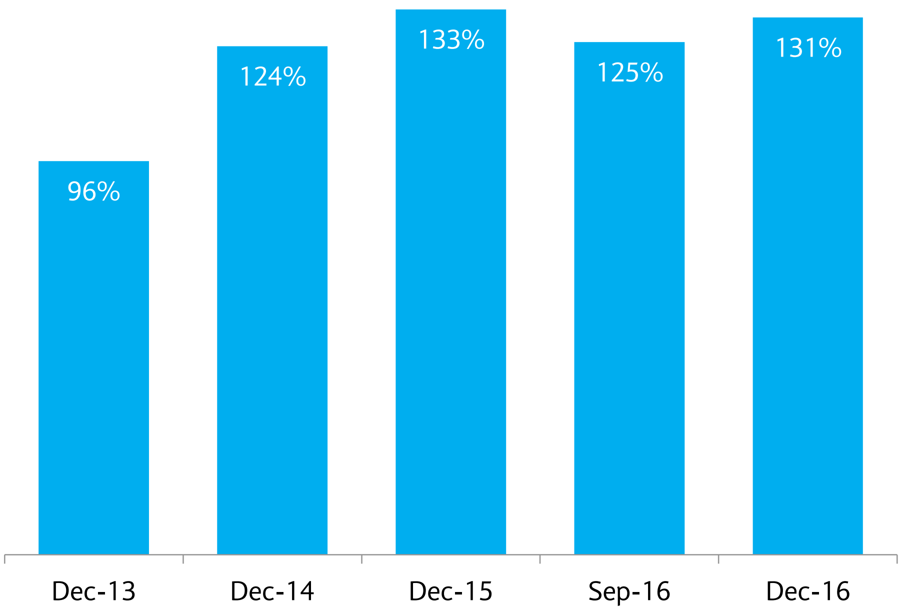
Regulatory developments

- From 1 January 2016, Barclays is required to also calculate an average leverage ratio based on the average capital measure divided by the average exposure measure for the quarter
- As at 31 December 2016, the average leverage ratio was 4.3%[2], well in excess of the expected minimum end-state requirement for Barclays of below 4%
- In August 2016, the PRA implemented the Financial Policy Committee's recommendation to allow firms to exclude qualifying central bank claims from the calculation of the leverage exposure measure[3]
- The impact of the PRA rule modification, which is effective Q117, would have resulted in an average leverage ratio of 4.5% and a leverage ratio at 31 December 2016 of 5.0%

[1] The leverage ratio has been calculated in accordance with the requirements of CRR which was amended effective from Jan 2015. The leverage calculation uses the end-point CRR definition of Tier 1 capital for the numerator and the CRR definition of leverage exposure. This is broadly consistent with the BCBS 270 definition, which was the basis of Dec-14 comparatives. Dec-13 not comparable to the estimates as of Dec-14 onwards due to different basis of preparation | [2] For further detail on calculation, see 'Leverage ratio and exposures' in the Barclays PLC FY 2016 Results Announcement | [3] As long as these are matched by deposits denominated in the same currency, subject to firms obtaining permission from the PRA |

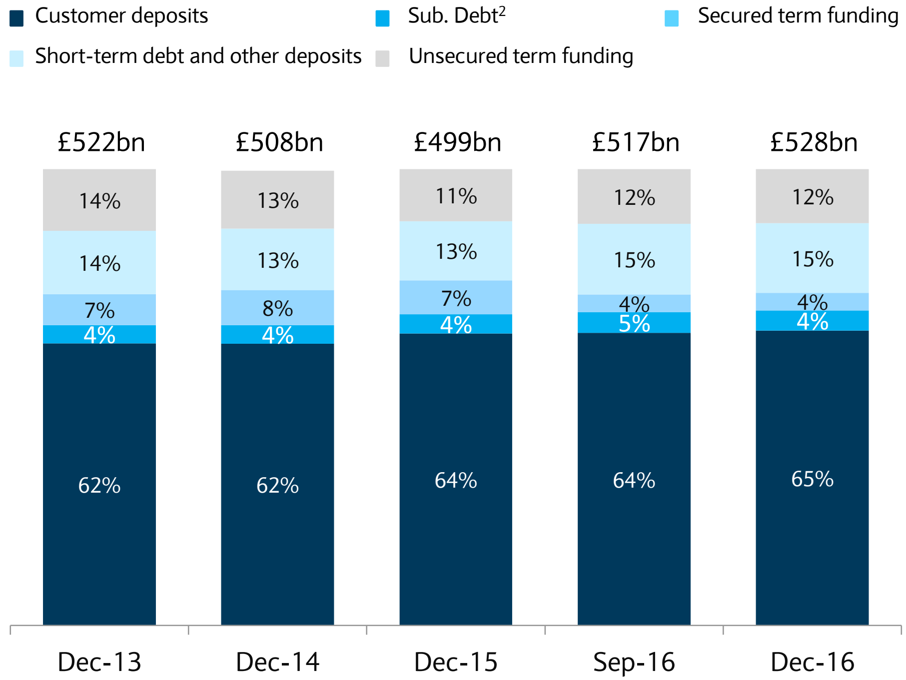
High level of liquidity and conservative funding profile

LCR[1] continues to remain in prudential surplus



- Liquidity pool increased to £165bn (Sep-16: £157bn) and the LCR was 131% (Sep-16: 125%) equivalent to a surplus of £39bn
- Quality of the pool remains high with the majority held in cash, deposits with central banks and high quality government bonds
- Although not a requirement, the liquidity pool is 2.3 times the wholesale funding that matures within 1 year

Conservative and stable funding profile (£bn – excludes BAGL)



- Retail loan to deposit ratio at 83% at end of Dec-16[3]
- Wholesale funding diversified across currencies, notably in USD, EUR and GBP
- The Group has £21bn of term funding maturing in 2017 across public and private senior unsecured and secured, and capital instruments
- NSFR exceeds future minimum requirement of 100%

[1] LCR based on the CRD IV rules as implemented by the European Commission delegated act | [2] Excludes AT1 capital and preference shares | [3] Loan: deposit ratio for Barclays UK, Barclays International and Non-Core, excluding investment banking businesses |

Progress on Group legal structure

Barclays PLC[1]

Divisional constructs

Barclays UK

UK consumer and business bank differentiated by scale and digital innovation

Group Service Company

Provides critical services to Barclays UK and Barclays International to deliver operational continuity

Barclays International

Diversified transatlantic wholesale and consumer bank

Future legal entity constructs

Formation of the UK Ring-fenced Bank prior to 1 January 2019

Entity has been positioned under BPLC and is now rated[2]

Barclays Bank PLC (and subsidiaries)

- **US IHC**
- **Multiple entities**

Progress Highlights

- Non-public IHC CCAR reporting on track for April private submission
- Ring-fenced Bank Licence application in review with regulators
- Infrastructure readiness progressing to plan

[1] Illustration of Barclays business divisions in preparation for regulatory ring-fencing. Plans are subject to internal and regulatory approvals and may change | [2] Rated "A-" (negative outlook) by S&P, in line with the Group Credit Profile |

Structural reform plan is on track achieving critical milestones as planned

H2 2017 Group Service Company setup	H1 2018 Legal entity separation
Milestones completed ✓ Legal entity re-positioned and rated ✓ Target operating model agreed ✓ Relevant services identified and catalogued **Milestones to complete** • Migrate assets, contracts and employees • Introduce arms-length service management • Continue to prepare internal infrastructure	**Milestones completed** ✓ Barclays UK and Barclays International established as operating divisions in March 2016 and will become the future-state legal entities ✓ Submission of Banking Licence application in September 2016 ✓ Ongoing communication with customers and clients with positive feedback to date **Milestones to complete** • Ring-Fenced Transfer Scheme (RFTS) court process to be initiated in Q4 2017 • Continue to prepare internal infrastructure including moving customer accounts to new sort codes

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

Ratings are a key strategic priority

Senior Long Term/ Short Term ratings	Fitch	Standard & Poor's	Moody's
Barclays PLC (B PLC - HoldCo)	A F1	BBB A-2	Baa2 P-3
Barclays Bank PLC (BB PLC - OpCo)	A DCR[1]: A F1	A- A-2	A1 CRA[2]: A1 P-1

Outlook			
Pre-referendum	STABLE	STABLE	STABLE
	=	↓	↓
Post-referendum	STABLE	NEGATIVE	NEGATIVE

Rating priorities

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

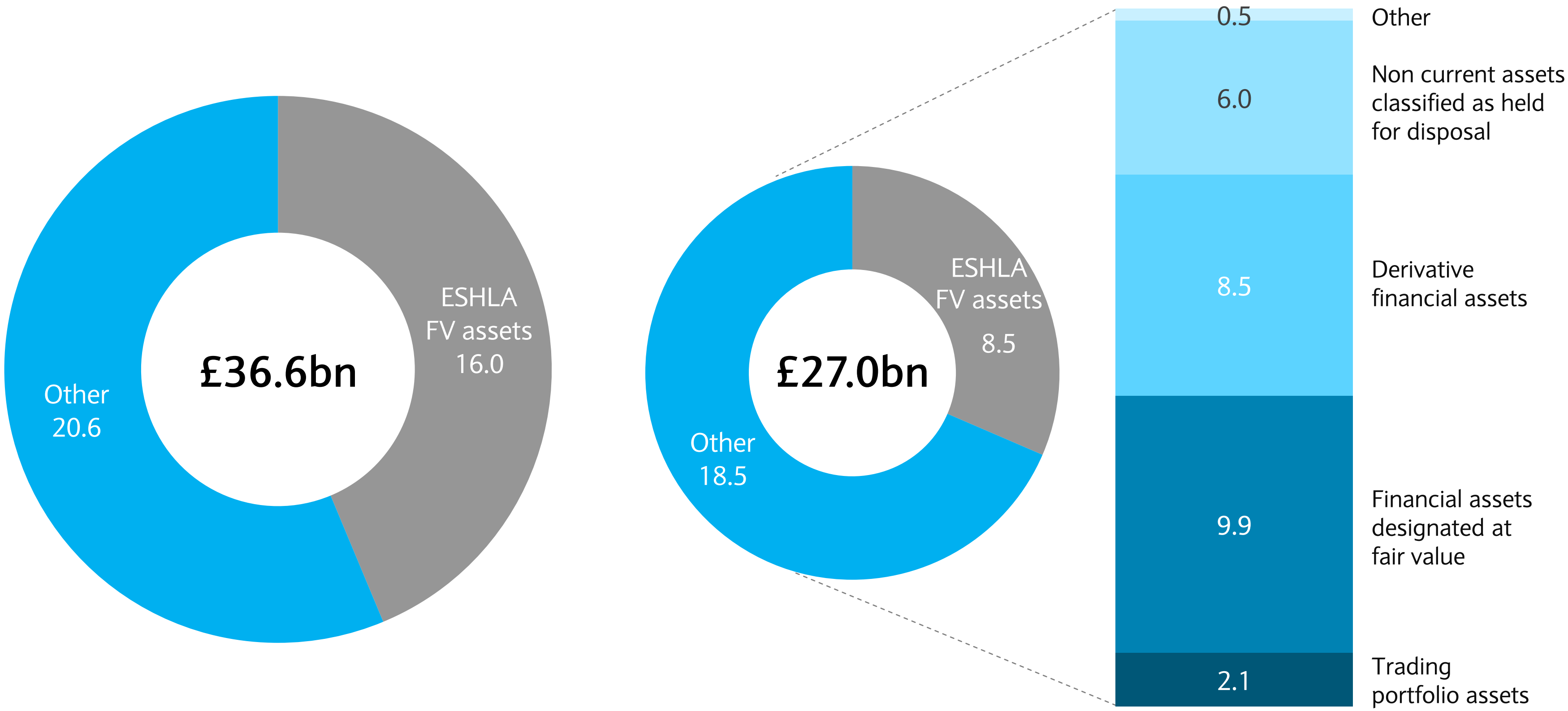
Rating developments in 2016

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

[1] Derivative counterparty rating | [2] Counterparty rating assessment |

Level 3 assets

31 December 2015 (£bn)	31 December 2016 (£bn)



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.

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 the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements or guidance regarding the Group's future financial position, income growth, assets, impairment charges, provisions, notable items, business strategy, structural reform, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the strategic cost programme and the Group Strategy Update, rundown of assets and businesses within Barclays Non-Core, sell down of the Group's interest in Barclays Africa Group Limited, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards, evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, future levels of notable items, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business conditions; the effects of continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entities within the Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; the implications of the results of the 23 June 2016 referendum in the United Kingdom and the disruption that may result in the UK and globally from the withdrawal of the United Kingdom from the European Union; the implementation of the strategic cost programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, expectations and guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our annual report on form 20-F for the fiscal year ended 31 December 2016), which are available on the SEC's website at www.sec.gov.

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.