

MEMORANDUM

TO: File No. S7-02-13

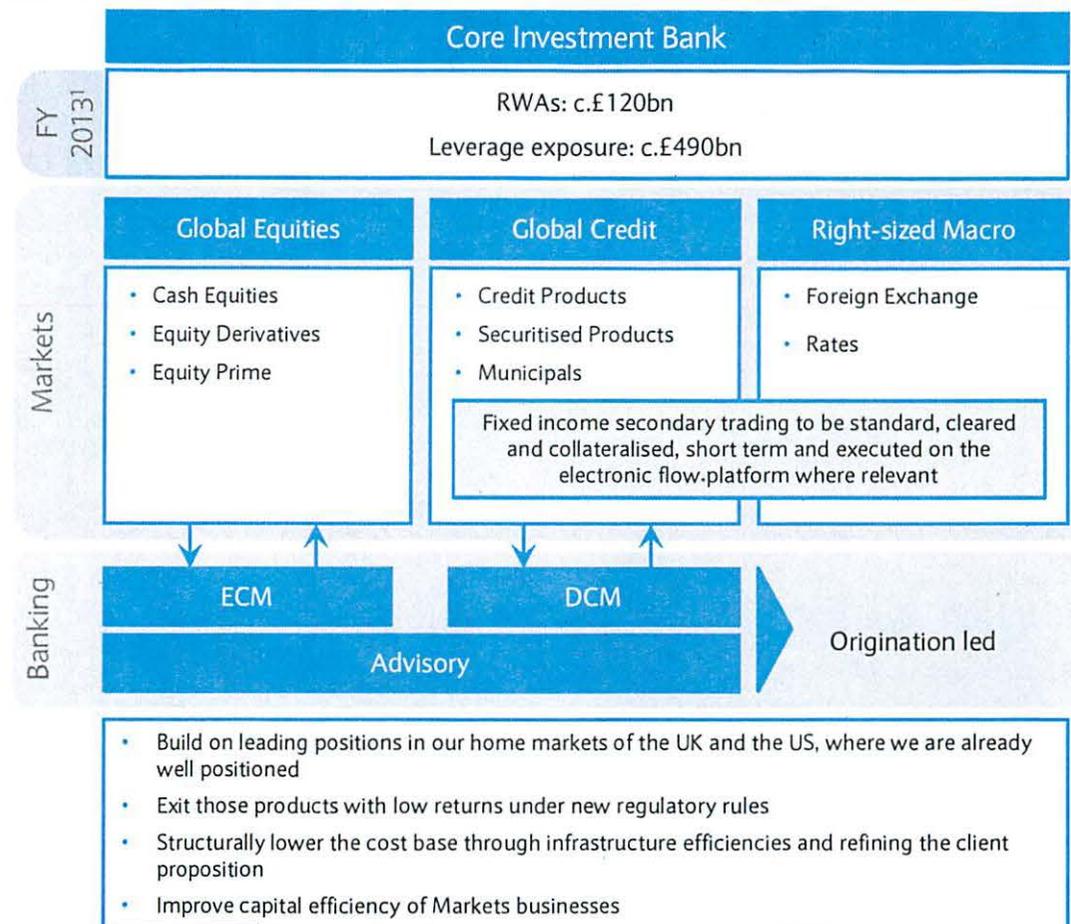
FROM: Paul A. Gumagay
Office of Commissioner Luis A. Aguilar

DATE: May 22, 2014

SUBJECT: Meeting with Representatives of Barclays

On May 22, 2014, Paul A. Gumagay, Counsel to Commissioner Aguilar, and Christopher McLean, Counsel to Commissioner Aguilar, met with Barclays representatives Patrick Durkin (Managing Director), Chris Allen (Head of Regulatory Policy, Managing Director), and Emma Bailey (Managing Director, Legal). The discussion included, among other things, the Commission's proposed rules regarding Cross-Border Security-Based Swap Activities; Re-Proposal of Regulation SBSR and Certain Rules and Forms Relating to the Registration of Security-Based Swap Dealers and Major Security-Based Swap Participants.

Core Investment Bank: Building on competitive advantages



Non-core Investment Bank

RWAs: c.£90bn

Leverage exposure: c.£340bn

Markets

- Exit Quadrant Assets
- Most physical commodities
- Certain Emerging Markets products
- Capital intensive Macro transactions

Principal Businesses

- Investments
- Credit

Banking

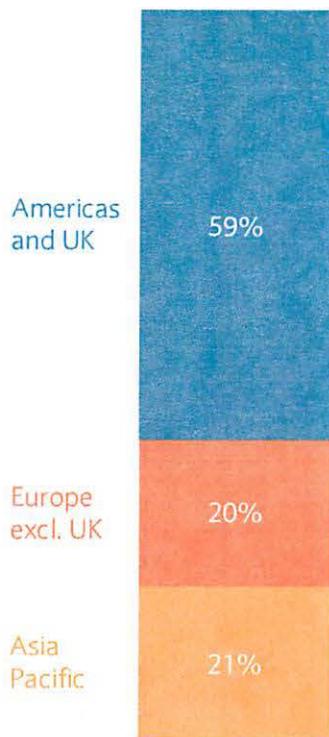
- Front-to-back efficiency driven headcount reductions

¹ CRD IV basis

Capitalising on strength of existing client franchise

Our two home markets represent largest investment banking revenue pools

Global revenue pools by region¹
(H1 2013)



Where we have strong market positions



Focusing on smaller number of key clients

- Target top three fee share with core clients
 - c.1,000 clients generated >75% of total Investment Bank revenues in 2013
- Focus resources on leading clients, meaningfully reducing the number of non-core global, corporate and institutional clients
- A tiered service model based on client profitability
- Further leverage existing strong client franchises
 - Dual home markets in UK and US
 - Maintain relevant and efficient footprint in all other geographies
- More selective balance sheet use to support core client activity

NOTE: Market positions based on 2013 data | ¹Coalition: Revenue Pools are based upon the 1H13 results, and adopt the 'franchise' view; market positions are based upon the FY13 results, adopt the 'product' view and are based on the Coalition Index banks | ² Dealogic |

BARCLAYS INVESTMENT BANK KEY STATISTICS 2014 1Q

INVESTMENT BANKING

Gained share every single year since 2008 (this is five years in a row – six counting Q1 this year), catapulting into a #6 player globally vs. #10 in 2008. (Dealogic)

Advisory

- #4 Global M&A, advising on 54 deals with combined volume of US\$141bn, with 19.4% share, up from #5 and 16.5% share (Dealogic, Any Involvement, Q1 2014 vs FY 2013)
- #3 US M&A with 31.7% market share, up from #4 and 29.8% (Dealogic, US Targets, Q1 2014 vs FY 2013)
- Advisory role on significant YTD 2014 announced transactions, including financial advisor to:
 - Comcast on its acquisition of Time Warner Cable for US\$67bn - the largest media transaction since '01 and largest deal in Q1
 - Valeant Pharmaceuticals in connection with the US\$47.5bn offer to acquire Allergan Inc
 - Exelon Corp on its acquisition of Pepco Holdings for US\$12.2bn (advisory and committed financing)
 - Mallinckrodt on its US\$5.6bn acquisition of Questcor Pharmaceuticals, Inc (advisory and committed financing)
- Advisory role in 3 of the top 5 completed deals in Q1 2014:
 - Verizon Communications US\$130bn acquisition of add'l 45% stake in Verizon Wireless
 - Thermo Fisher Scientific US\$15.76bn acquisition of Life Technologies
 - American Realty Capital Properties US\$11.2bn acquisition of Cole Real Estate Investments

Equity Capital Markets

- #1 bookrunner of UK IPOs by both volume and number of transactions (Dealogic, FY2013-YTD2014)
- Appointed Corporate Broker in Q1 2014 to all six UK clients Barclays helped to float in 2013
- Significant Q1 2014 transactions include:
 - ISS €1.3bn IPO – second largest European IPO YTD
 - Ally Financial US\$2.4bn IPO – the largest US IPO YTD
 - Rice Energy's US\$1bn IPO – the largest natural resources IPO YTD

Debt Capital Markets

- Leading positions for Q1 2014, including:
 - #1 Global DCM (ex self-led)
 - #1 All International DCM
 - #1 Global SSA
 - #1 in Global and US All Investment Grade Debt (ex self-led)
- Significant Q1 2014 transactions include:
 - Cisco Systems Inc.'s US\$8bn multi-tranche issue - second largest USD Technology bond offering ever
 - ExxonMobil's US\$5.5bn issue - the first time that XOM has accessed the debt capital markets since 1993
 - Syndicated bond issues for Ireland, Italy, Spain and Portugal, securing funding totaling approx. €24bn across 5 deals – the only bank mandated to lead all 5 issues
 - Leading 8 of the 11 syndicated Eurozone sovereign benchmark transactions totaling approx. €32bn
 - Commonwealth of Puerto Rico's US\$3.5bn bond issue - the largest high yield municipal bond deal in history
 - Altice/Numericable's €16.7bn debt financing – the largest ever leveraged finance deal in Europe
 - Joint Bookrunner on 6 of the 10 largest High Yield Debt offerings and 6 of the 10 largest Leveraged Loans

MARKETS

Equities and Credit

- Top rankings in Credit Sales, Trading, Research (Orion Consultants ranking, March 2014)
 - Europe: Top-2 for IG credit trading; Top-2 for IG sales; #1 for research
 - Americas: Top-3 for IG credit sales; #1 for research
- Highest ever market share on London Stock Exchange in March 2014, as well as highest ever average daily volumes
- Barclays LX US ranked #1 among reporting dark pools, growing 24% YOY (March 2014 vs March 2013, Rosenblatt Securities)
- #1 Prime Broker (*Institutional Investor's Alpha Awards*, February 2014)

Macro

- #2 tied Overall Global Fixed Income Market Share for the past two years, and #1 Greenwich Quality Leader for the past three years (Greenwich Associates, January 2014)
- #1 Overall European Fixed Income Market Share for the past four years (Greenwich Associates, November 2013)
- #3 global FX market share (Euromoney FX Poll, May 2014)
- OTC Client Clearing Service of the Year (Risk Annual Awards, January 2014); cleared approximately US\$37.1tn notional of interest rates, credit and FX OTC derivatives transactions on behalf of clients since 2009, with more than US\$6.9tn cleared in Q1 2014

RESEARCH

Fixed Income Research

- Top 3 in the US for the past 14 years (Institutional Investor All-America Fixed Income Research Poll, September 2013)
- Top 3 in Europe for the past 4 years (Institutional Investor All-Europe Fixed Income Research Poll, March 2014)
- #1 in Asia for the past five years (FinanceAsia Fixed Income Research Poll, October 2013)

Equity Research

- Top 5 in the US for the past 13 years (Institutional Investor All-America Research Team survey, October 2013)

Boy are they managing

Equity | United Kingdom | Banks-Retail
08 May 2014

Bank of America Merrill Lynch



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Non Core exceeds our expectations

Barclays strategy shift is wide-ranging and skilful, we think and exceeds our [expectations](#) in terms of RWA/leverage reduction and size of the IB. Whilst execution risk clearly remains, we think there is enough granularity and existing earnings power in Core for the shares to re-rate materially over the medium term. We reiterate the Buy rating. We think there are 3 key points from today.

Core EPS of 29p rising to 35p by 2016 if costs met/rev flat

Barclays has split into Core and Non-Core. Core is the UK bank, Barclaycard, Africa and the new "smaller IB". The IB is 30% of Core RWAs. In 2013 the Core bank had revenues of £25.7bn and EPS of ~29p (see Table 1). Barclays has set out new ambitious targets to cut costs by a further £1.7bn, taking Core costs to <£14.5bn by 2016. If we assume flat revenue and use our current bad debt estimates, this gives ~35-36p of Core EPS by 2016. In our current estimates we have the Core non IB growing income by ~£2bn; flat Core revenues thus implies a ~30% fall in IB income.

Non-Core book value of 72p is money good, we think

Based on Core and Non-Core RWAs we can derive the Core and Non-Core T/NAV. Non-Core was 72p at 1Q14 (Table 2). 57p of this is in the IB and the balance is Europe R&C. We think losses in the IB will be small. Exhibit 1 is lifted from today's slides. 16p of NAV is in 'exit quadrant' credit assets, which are mark-to-market and should be able to be sold at a small discount (Exhibit 2). 23p is in short dated liquid assets. 14p is in structured rates, which the FD said will be run-off by 2020 and 7p is other. Whilst there is a time value attached shareholders should get this back.

Valuation is extremely cheap – Reiterate buy

[Before](#) today's cost cuts we thought the UK was worth 240p, Africa 30p and W/E 10p. The IB was -ve. Today's moves add visibility and boosts valuation further. Buy.

Estimates (Dec)

(GBp)	2012A	2013A	2014E	2015E	2016E
Net Profit (£m)	(624)	540	2,869	5,267	6,747
EPS (Adjusted)	37.9	20.7	26.5	35.6	41.4
Dividend / Share	6.5	6.5	7.1	14.6	20.7
Adjusted NAV PS	338	277	289	308	329
ADR EPS (Adjusted - US\$)	2.40	1.29	1.80	2.42	2.81
ADR Dividend / Shares (US\$)	0.41	0.41	0.48	0.99	1.41

Valuation (Dec)

	2012A	2013A	2014E	2015E	2016E
Adj P/E	7.1x	12.9x	10.1x	7.5x	6.4x
EPS Change (YoY)	70.0%	-45.4%	27.9%	34.6%	16.3%
Price / BV	0.63x	0.79x	0.77x	0.73x	0.70x
Price / NAV	0.77x	0.94x	0.90x	0.85x	0.79x
Net Yield	2.5%	2.5%	2.7%	5.6%	7.9%
DPS Change (YoY)	8.33%	0%	9.45%	106%	41.6%
Price / GOP	3.05x	4.04x	4.34x	3.69x	3.29x

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Refer to important disclosures on page 8 to 11. Analyst Certification on Page 6. Price Objective Basis/Risk on page 6. Link to Definitions on page 6. 11386569

Stock Data

Price (Common / ADR)	261.00p / US\$16.51
Price Objective	290.00p / US\$19.26
Date Established	13-Mar-2014 / 13-Mar-2014
Investment Opinion	C-1-7 / C-1-7
Volatility Risk	HIGH / HIGH
52-Week Range	228.30p-312.41p
Market Value (mn)	£42,162
Shares Outstanding (mn)	16,154.0 / 4,038.5
Average Daily Volume	50,399,570
BofAML Ticker / Exchange	BCLYF / LSE
BofAML Ticker / Exchange	BCS / NYS
Bloomberg / Reuters	BARC LN / BARC.L
ROE (2014E)	5.3%
Est. 5-Yr EPS / DPS Growth	26.0% / 47.2%
Free Float	100.0%

iQprofileSM Barclays

Key Income Statement Data (Dec)	2012A	2013A	2014E	2015E	2016E
(£ Millions)	IFRS	IFRS	IFRS	IFRS	IFRS
Net Interest Income	11,654	11,600	11,928	12,303	13,116
Net Fee Income	9,380	9,411	9,599	9,997	10,412
Securities Gains / (Losses)	7,926	6,773	5,925	6,328	6,596
Other Income	401	371	354	374	396
Total Non-Interest Income	17,707	16,555	15,879	16,699	17,404
Total Operating Income	29,361	28,155	27,807	29,002	30,520
Operating Expenses	(18,562)	(18,684)	(17,888)	(17,304)	(17,324)
Pre-Provision Profit	10,799	9,471	9,919	11,698	13,197
Provisions Expense	(3,340)	(3,071)	(2,866)	(2,690)	(2,774)
Operating Profit	7,459	6,400	7,053	9,008	10,423
Non-Operating Items	(6,662)	(3,532)	(1,913)	(610)	92.2
Pre-Tax Income	797	2,868	5,140	8,398	10,515
Net Income to sh/holders	(624)	540	2,869	5,267	6,747
Adjusted Cash Earnings	4,634	2,961	4,269	5,771	6,747

Key Balance Sheet Data

Total Assets	1,488,335	1,312,267	1,283,590	1,285,344	1,297,356
Average Interest Earning Assets	1,152,817	1,150,766	1,166,840	1,188,424	1,221,835
Weighted Risk Assets	387,400	435,600	430,715	427,866	431,784
Total Gross Customer Loans	433,582	437,669	443,025	453,548	467,686
Total Customer Deposits	385,411	427,902	453,576	480,791	509,638
Tier 1 Capital	51,235	55,820	57,900	61,164	64,918
Tangible Equity	42,700	45,637	47,777	51,088	54,873
Common Shareholders' Equity	50,615	53,322	55,042	57,933	61,298

Key Metrics

Net Interest Margin	1.02%	1.00%	1.02%	1.02%	1.06%
Tier 1 Ratio	13.2%	12.8%	13.4%	14.3%	15.0%
Core Tier 1 Ratio	10.8%	10.7%	11.3%	12.0%	12.7%
Basel 3 "fully phased in" Tier 1 Ratio	8.22%	9.27%	9.78%	10.7%	11.6%
Effective Tax Rate	77.3%	54.8%	30.0%	28.0%	28.0%
Loan / Assets Ratio	28.5%	32.8%	34.0%	34.7%	35.5%
Loan / Deposit Ratio	110%	101%	96.1%	92.9%	90.4%
Oper Leverage (Inc Growth - Cost Growth)	6.64%	-4.76%	3.02%	7.56%	5.12%
Gearing (Assets / Equity)	29.4x	24.6x	23.3x	22.2x	21.2x
Tangible Equity / Assets	2.87%	3.48%	3.72%	3.97%	4.23%
Tangible Equity / WRAs	11.0%	10.5%	11.1%	11.9%	12.7%

Business Performance

Revenue Growth	2.98%	-4.11%	-1.24%	4.30%	5.24%
Operating Expense Growth	-3.66%	0.66%	-4.26%	-3.27%	0.12%
Provisions Expense Growth	-12.2%	-8.05%	-6.68%	-6.12%	3.11%
Operating Revenue / Average Assets	0.49%	0.46%	0.54%	0.70%	0.81%
Operating Expenses / Average Assets	-1.22%	-1.33%	-1.38%	-1.35%	-1.34%
Pre-Provision ROA	0.71%	0.68%	0.76%	0.91%	1.02%
ROA	-0.04%	0.04%	0.22%	0.41%	0.52%
Pre-Provision ROE	20.6%	18.2%	18.3%	20.7%	22.1%
ROE	-1.19%	1.04%	5.30%	9.32%	11.3%
RoTE	10.4%	6.70%	9.14%	11.7%	12.7%
RoWRAs	1.19%	0.72%	0.99%	1.34%	1.57%
Dividend Payout Ratio	17.1%	31.4%	26.9%	41.1%	50.0%
Efficiency Ratio (Cost / Income Ratio)	63.2%	66.4%	64.3%	59.7%	56.8%

Quality of Earnings

Total Non-Interest Inc / Operating Inc	60.3%	58.8%	57.1%	57.6%	57.0%
Market-Related Revenue / Total Revenues	29.9%	26.5%	23.6%	24.0%	23.7%
Provisioning Burden as % of PPP	30.9%	32.4%	28.9%	23.0%	21.0%
NPLs plus Foreclosed Real Estate / Loans	3.65%	2.39%	1.89%	1.48%	1.14%
Loan Loss Reserves / NPLs	62.6%	70.5%	87.2%	108%	134%
Loan Loss Reserves / Total Loans	2.28%	1.69%	1.65%	1.59%	1.53%
Provisions Expense / Average Loans	0.78%	0.72%	0.66%	0.61%	0.61%

Company Description

Barclays is a leading global universal bank. It has a top 5 FICC franchise and had ambitions to be a top 3 global investment bank across all major disciplines. Barclays Retail and Commercial Banking franchise is dominated by the UK, though it does have large businesses in Spain and South Africa, with a growing presence in US cards and Emerging Markets. Pre crisis it aimed to balance its earnings 2/3 Retail and Commercial and 1/3 Investment Banking.

Investment Thesis

Barclays is an international banking group, with profit broadly equally split between the UK and overseas. Barclays targets a >11.5% ROE by 2016, but is facing stiff challenges in its Investment Bank that it needs to tackle. Whilst we think this is achievable over time, the market will need to see evidence of progress before giving Barclays the credit. When it does it will have powerful valuation implications.

Stock Data

Shares / ADR	4.00
Price to Book Value	0.8x

Key exhibits

Table 1: Core EPS of 29p, rising to 35p

£bn	2013	2016 tgt
Income	25.7	25.7
Costs	-16.2	-14.5
Pre-prov	9.5	11.2
Bad debt	-2.2	-2.4
Adj PBT	7.3	8.8
Tax	-2.0	-2.4
Minority	-0.7	-0.7
Attrib	4.6	5.7
No Shares	16150	16150
EPS	28.7	35.4
Core NAV	212.0	292.7
Core RoTE	14%	12%

Source: BofA Merrill Lynch Global Research estimates, Barclays

Table 2: Split of Core and Non Core book derived from proforma RWAs

	Pence per share
Group NAV	284
Group RWA	429
Core NAV	212
Core RWA	320
Non Core	72

Source: BofA Merrill Lynch Global Research estimates, company report

Table 3: IB Non Core income/RWA/T/NAV split at end 2013

£bn)	Income	RWA	T/NAV
Credit assets	0.1	24	16p
Trading book	0.7	35	23p
Rates	-0.1	22	14p
Other	0.8	10	7p
Total	1.5	91	60p

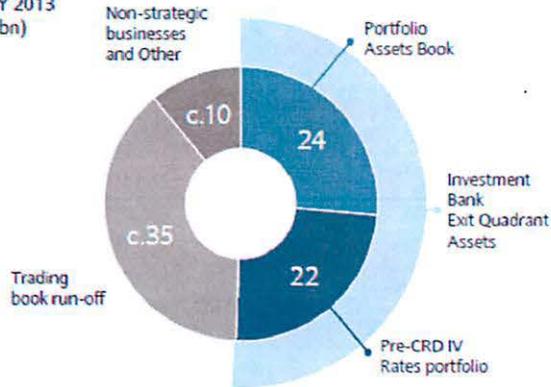
Source: BofA Merrill Lynch Global Research estimates, company report

Exhibit 1: Investment Bank assets in Non Core

Investment Bank assets are majority of non-core

Portfolios and businesses included:

Split of FY 2013
RWAs (£bn)



- 'Trading book run-off' comprises non-core elements of commodities, emerging markets, fixed income financing and securitised products
- Counterparty credit risk is included in pre-CRD IV Rates portfolio, Portfolio Assets Book and Trading book run-off
- Leverage exposure related to Investment Bank non-core is estimated at c.£340bn

Preliminary FY 13	Income (£m)	RWAs (£bn)
Portfolio Assets Book	142	24
Pre-CRD IV Rates portfolio	(140)	22
Investment Bank Exit Quadrant Assets	2	47
Trading book run-off	c.710	c.35
Non-strategic businesses and other	c.785	c.10
Additional non-core assets	c.1,495	c.45
Total Investment Bank non-core	c.1,500	c.90

Source: Barclays

Exhibit 2: Exit Quadrant asset break-down

	CRD IV RWAs ¹			Balance Sheet			Three Months Ended 31.03.14		
	As at 31.03.14 £bn	As at 31.12.13 £bn	As at 31.12.12 £bn	As at 31.03.14 £bn	As at 31.12.13 £bn	As at 31.12.12 £bn	Income/ (Expense) £m	Impairment (Charge)/ Release £m	Net Operating (Expense) / Income £m
Investment Bank									
US Residential Mortgages	0.9	1.1	5.3	0.6	0.5	2.2	27	-	27
Commercial Mortgages and Real Estate	1.6	2.0	3.1	1.7	2.0	4.0	9	-	9
Leveraged and Other Loans	9.5	9.7	10.1	5.7	6.0	11.5	(21)	-	(21)
CLOs and Other Insured Assets	3.6	3.7	5.9	11.1	11.7	16.3	17	-	17
Structured Credit and Other ²	1.9	3.8	9.4	4.5	5.3	8.9	10	-	10
Monoline Derivatives	2.4	2.2	3.1	0.2	0.3	0.6	(16)	-	(16)
Corporate Derivatives	2.2	1.9	8.3	2.1	2.2	3.6	-	-	-
Portfolio Assets	22.1	24.4	45.2	25.9	28.0	47.1	26	-	26
Pre-CRD IV Rates Portfolio	22.5	22.2	33.9						
Total Investment Bank	44.6	46.6	79.1						

Source: Barclays

Price objective basis & risk

Barclays (BCLYF / BCS)

Our price objective for Barclays is 290p (US\$19.26 per ADR), which is based upon a SoTP methodology. The multiples for each business are arrived at using allocated capital at 10.5% of RWA (3.5% leverage in the IB) and applying an ROE/COE methodology for the given growth. We reconcile to Basel 3 capital requirements on a fully loaded basis with the surplus or deficit valued at 1x book in centre. We have haircut the PO by 25p to allow for potential litigation costs of Libor. Downside risks to our price objective are weaker earnings than anticipated from higher impairment losses if the UK economy performs worse than we presently expect, a relapse in the credit markets and tougher regulation than we currently think likely.

Link to Definitions

Financials

Click [here](#) for definitions of commonly used terms.

Analyst Certification

I, Michael Helsby, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

EMEA - Banks Coverage Cluster

Investment rating	Company	BofA Merrill Lynch ticker	Bloomberg symbol	Analyst
BUY	Bank Of Ireland Group	IRE	IRE US	Alastair Ryan
	Bank Of Ireland Group	IRLBF	BKIR ID	Alastair Ryan
	Barclays	BCLYF	BARC LN	Michael Helsby
	Barclays	BCS	BCS US	Michael Helsby
	BNP Paribas	BNPQF	BNP FP	Sergio Gamez
	BNP Paribas	BNPQY	BNPQY US	Sergio Gamez
	Commerzbank	CRZBF	CBK GR	Johan Ekblom, CFA
	Credit Suisse Group	CSGKF	CSGN VX	Michael Helsby
	Credit Suisse Group	CS	CS US	Michael Helsby
	Danske Bank	DNSKF	DANSKE DC	Johan Ekblom, CFA
	DNB	DNBHF	DNB NO	Johan Ekblom, CFA
	HSBC	HBCYF	HSBA LN	Alastair Ryan
	Intesa Sanpaolo	IITSF	ISP IM	Alberto Cordara
	KBC Group	KBCSF	KBC BB	Tarik El Mejjad
	Lloyds Banking Group	LLDTF	LLOY LN	Michael Helsby
	Lloyds Banking Group	LYG	LYG US	Michael Helsby
	Paragon Group	NHMLF	PAG LN	Michael Helsby
	Societe Generale	SCGLF	GLE FP	Sergio Gamez
	Societe Generale	SCGLY	SCGLY US	Sergio Gamez
	StanChart	SCBFF	STAN LN	Alastair Ryan
	UBS	UBSRF	UBSN VX	Michael Helsby
	UBS	UBS	UBS US	Michael Helsby
NEUTRAL	BPM	BPMLF	PMI IM	Alberto Cordara
	CaixaBank	CIXPF	CABK SM	Sergio Gamez
	Cembra Money Bank	XMUHF	CMBN SE	Tarik El Mejjad
	Credit Agricole	CRARF	ACA FP	Sergio Gamez
	Deutsche Bank	DB	DB US	Michael Helsby
	Deutsche Bank	XDUSF	DBK GR	Michael Helsby



Rating
Buy

Europe
United Kingdom

Banks
Banks

Company
Barclays Alert

Reuters BARC.L	Bloomberg BARC LN	Exchange LSE	Ticker BARC
ADR Ticker BCS	ISIN US06738E2046		

Date
8 May 2014

Breaking News

Price at 7 May 2014 (GBP)	243.30
Price Target (GBP)	300.00
52-week range (GBP)	333.85 - 230.95

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Redrawing the boundaries

Barclays releases headlines of strategy update

Barclays has released an RNS containing the headlines of revised group strategy to be presented to investors at 10am UK, webcast at www.barclays.com/investorrelations. The bank is creating a non-core division housing £115bn or 26% of FY13 CRD IV RWAs, which should allow investors to better understand the ongoing shape of the bank, improving returns and the mix of the business. Barclays aims to deliver a >12% ROE for the Core bank in 2016, with Non-Core a < 3% drag at that point from -6% last year.

A significant reduction in Investment Bank activities is the key shift

By RWAs, the Non-Core division is 80% composed of IB assets, reducing the IB to 30% of Group capital consumed from 51%. Europe RBB (14%) and non-UK Corporate (8%) make up the rest. This should upgrade the quality of earnings, lower volatility and capital intensity, reduce regulatory risk, increase returns and make for a more flexible cost base. Barclays aim to reduce Non-Core RWAs by ~60% to end 2016, with restructuring costs increasing from £2.7bn budgeted under TRANSFORM to £3.5bn. Ongoing IB RWAs of £132bn are about 45% the size of JPM's, for example. By comparison, RBS's non-core division when announced had ~20% / £240bn of funded assets in it.

Core to earn a similar ROE as previously targeted for Group, but with better mix

These targets imply Barclays is aiming for ~9-12% group ROE in 2016 which compared with current P/TNAV of 0.8x may appear unexciting at the low end. But with a Core division intended to make more than a 12% ROE in 2016 on a 20% larger capital base than today, assisted by a 10% or more reduction in costs to £14.5bn we'd expect the bank to trade on Core earnings in a path well trodden by RBS, LBG and others. We await better disclosure on the P&L of the Non-Core division but expect share upside when valued thus. Capital targets of a > 4% leverage ratio and CRDIV ratio above 11% in 2016 look conservatively struck to us and are based on an increasingly stable earnings mix.

Stock & option liquidity data

Price Target (GBP)	300.00
Market cap (GBP)	39,595
Shares outstanding (m)	16,555
Free float (%)	-
Option volume (und. shrs., 1M avg.)	107,884,211

Source: Deutsche Bank

Key data

FYE 12/31	2013A	2014E	2015E
Revenue (GBP)	27,935	26,745	27,926
PBT (GBP)	5,451	6,571	8,527
Stated Net Profit (GBP)	540	3,138	4,339
EPS Adjusted (GBP)	29.10	25.81	30.71
Dividend Yield (%)	2.2	3.2	4.4
P/E Adjusted (x)	9.3	9.4	7.9

Source: Deutsche Bank

Figure 1: Comparison of existing and new financial targets

Key financial targets	Existing	New (2016)
CRD IV CET1	> 10.5% in '15	> 11%
CRD IV Lev ratio	n/a	> 4%
ROE	> 11.5% CoE	n/a
Core ROE	n/a	> 12%
Non Core ROE	-6% in '13	< 3% drag in 2016
Costs (2014)	17.5	17.0
Costs (2015)	16.8	16.3
Costs (2016 - Core)	n/a	< 14.5bn

Source: Deutsche Bank estimates, Company data

Deutsche Bank AG/London

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<http://gm.db.com/ger/disclosure/Disclosure.eqsr?ricCode=BARC.L> MCI (P) 148/04/2014.

Barclays

Radical shift in the strategy to improve returns; at 0.9x TNAV and 7.5x core P/E '16E, remain OW

We believe that the Barclays restructuring amounts to a radical shift in strategy to improve returns (Core ROE >12%) in the current regulatory and revenue environment, with capital deployed in the Core IB c30% of the group (2016E). However, execution of the restructuring and Non-core rundown has the potential to create short term volatility in earnings. That said, looking out to 2016 we believe that returns (c13.3% Core RoNAV) are attractive given current valuations, with Cost of Equity likely to decline. We publish our preliminary estimates based on the new Core & Non Core splits, estimating 2016 Core EPS at 34.9p with Core RoNAV of 13.4% and 2014 Core TNAV/s of 232p. We also change our valuation methodology and now value Barclays at 8x core EPS plus 0.5x Non Core TNAV, taking our fair value up to 305p from 285p. The stock trades at 7.5x core P/E FY16E and we remain OW.

- Group reorganization reduces IB gearing:** As a result of strategic review, Barclays has reorganized its group structure, with 5 main divisions: i) Personal and Corporate Banking ii) Barclaycard, iii) Africa Banking, iv) Core Investment Bank, and v) Noncore (see Table 4). We believe that the inception of noncore is likely to put more focus on core profitability trends
- Modeling Core operations:** We estimate Core EPS of 34.9p in FY16E following the strategic review using the preliminary disclosure. Our key assumptions are: i) Core revenue growth of 3% cumulative during FY13-16E o.w. core IB -8% and core non IB +8% over 3 years ii) Core costs of £14.5bn in FY16E, and iii) Core provisions of £2.0bn in FY16E. The group expects to incur incremental restructuring charges of £0.8bn in 15E-16E with no day 1 write down and indicated focus on preserving group TNAV.
- Noncore to runoff by 58% by FY16E:** The group added £55bn RWAs to its exit quadrant RWAs (£59bn) and created a noncore division with total c£115bn RWAs and c£400bn leverage exposure which it plans to reduce to c.£50bn RWAs and c.£180bn leverage exposure by 2016. The composition of noncore is i) c.£90bn IB RWAs, ii) c.£16bn Europe retail RWAs, and iii) c.£9bn of certain corporate, Barclaycard and Wealth RWAs.
- Changes to estimates:** With the Core/Non Core split, we introduce our Core EPS estimates based on the preliminary financials of 31.5p 2015 and 34.9p 2016. We also model in elevated non core losses, resulting in lower stated earnings but faster CT1 build (JPMe 12% '16E up from 11.3% previously).

Barclays Plc (BARC.L;BARC LN)

FYE Dec	2013A	2014E (Prev)	2014E (Curr)	2015E (Prev)	2015E (Curr)	2016E (Prev)	2016E (Curr)
Adj. EPS FY (p)	20.19	25.62	22.61	32.61	26.75	35.13	30.90
Adjusted P/E FY	13.0	10.2	11.6	8.0	9.8	7.5	8.5
NAV/Sh FY (p)	288	299	289	310	302	333	322
P/NAV FY	0.9	0.9	0.9	0.8	0.9	0.8	0.8
RoNAV FY	6.6%	8.9%	8.0%	10.9%	9.2%	11.2%	10.1%
Net Attributable Income FY (£ mn)	541	2,846	1,874	3,666	3,287	5,823	5,066
DPS FY (p)	6.50	7.10	6.50	9.10	10.00	14.40	12.00
Basel III CET1 ratio FY	9.3%	9.8%	10.2%	10.5%	11.0%	11.3%	12.0%

Source: Company data, Bloomberg, J.P. Morgan estimates.

See page 9 for analyst certification and important disclosures, including non-US analyst disclosures.

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Overweight

BARC.L, BARC LN

Price: 262p

▲ Price Target: 305p
Previous: 285p

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Price Performance



Company Data

Price (p)	262
Date Of Price	08 May 14
Price Target (p)	305
Price Target End Date	31-Dec-15
52-week Range (p)	312-228
Market Cap (£ bn)	42.29
Shares O/S (mn)	16,113
Fiscal Year End	Dec

Group estimates – core and noncore

Following the strategic review, we estimate Core EPS of 34.9p in FY16E using the preliminary disclosure. Our key assumptions are: i) Core revenue growth of 3% cumulative during FY13-16E o.w. core IB -8% and core non IB +8% over 3 years, ii) Core costs of £14.5bn in FY16E, and iii) Core provisions of £2.0bn in FY16E. We assume a significant fall in the noncore revenues base going forward as the group reduces its noncore portfolio.

Table 1: Barclays: Group P&L estimates underlying

£ million

	FY13	FY14E	FY15E	FY16E	FY14E / FY13	FY15E / FY14E	FY16E / FY15E
Income	28,155	26,245	26,617	27,217	-7%	1%	2%
Costs	-18,684	-16,992	-16,272	-15,693	-9%	-4%	-4%
PPOP	9,471	9,253	10,344	11,524	-2%	12%	11%
Provisions	-3,071	-2,515	-2,423	-2,458	-18%	-4%	1%
Operating profit	6,400	6,739	7,922	9,065	5%	18%	14%
Other income	-24	93	93	93			
PBT	6,376	6,831	8,014	9,158	7%	17%	14%
Tax		-2,118	-2,484	-2,839			
Post tax profit		4,714	5,530	6,319			
Minority interest, CCN coupons and preference dividend payments		-955	-1,035	-1,115			
Clean Net attributable		3,759	4,495	5,204			
Adj EPS		22.6p	26.8p	30.9p			
TNAV/s	288p	289p	302p	322p	0%	4%	7%
RoNAV		8.0%	9.2%	10.1%			
B3 CET1 ratio		10.2%	11.0%	12.0%			
RWAs	435,600	409,219	394,520	384,583	-6%	-4%	-3%

Source: J.P. Morgan estimates, Company data.

Table 2: Barclays: Core estimates underlying

£ million

	FY13	FY14E	FY15E	FY16E	FY14E / FY13	FY15E / FY14E	FY16E / FY15E
Income	25,655	24,949	25,624	26,378	-3%	3%	3%
Costs	-16,184	-15,112	-14,776	-14,488	-7%	-2%	-2%
PPOP	9,471	9,837	10,848	11,890	4%	10%	10%
Provisions	-2,171	-2,006	-2,014	-2,049	-8%	0%	2%
Operating profit	7,300	7,831	8,834	9,840	7%	13%	11%
Other income	-24	93	93	93			
PBT	7,276	7,924	8,927	9,933	9%	13%	11%
Tax		-2,456	-2,767	-3,079			
Post tax profit		5,467	6,159	6,854			
Minority interest, CCN coupons and preference dividend payments		-764	-872	-970			
Clean Net attributable		4,703	5,288	5,884			
Adj EPS		28.3p	31.5p	34.9p			
TNAV/s	212p	232p	254p	280p	9%	10%	10%
RoNAV		13.0%	13.2%	13.4%			
B3 CET1 ratio							
RWAs	320,600	327,579	332,352	334,607	2%	1%	1%

Source: J.P. Morgan estimates, Company data.

Table 3: Barclays: Noncore estimates

£ million

	FY13	FY14E	FY15E	FY16E	FY14E / FY13	FY15E / FY14E	FY16E / FY15E
Income	2,500	1,296	993	839	-48%	-23%	-15%
Costs	-2,500	-1,880	-1,496	-1,205	-25%	-20%	-19%
PPOP	0	-584	-503	-366		-14%	-27%
Provisions	-900	-509	-409	-409	-43%	-20%	0%
Operating profit	-900	-1,093	-912	-775	21%	-16%	-15%
Other income							
PBT	-900	-1,093	-912	-775	21%	-16%	-15%
Tax		339	283	240			
Post tax profit		-754	-630	-535			
Minority interest, CCN coupons and preference dividend payments		-190	-163	-145			
Clean Net attributable		-944	-793	-680			
Adj EPS		-5.7p	-4.7p	-4.0p			
TNAV/s	76p	58p	48p	42p			
RoNAV		-8.7%	-9.2%	-9.2%			
B3 CET1 ratio							
RWAs	115,000	81,640	62,168	49,976	-29%	-24%	-20%

Source: J.P. Morgan estimates, Company data.

Reorganisation of the group structure

As a result of strategic review, Barclays has reorganized its group structure, in line with the way group wants to manage the businesses going forward. The strategic review also resulted in the inception of a noncore division for Barclays. The five main divisions are:

- 1. Personal and Corporate Banking:** This division comprises Barclays' UK RBB operations, UK and International corporate operations and Wealth operations excluding assets transferred to noncore – Europe Retail, part of UK Corporate FV portfolio, part of Europe corporate operations etc. The group expects income and costs synergies from continuity of relationship, reduction in number of platforms and smaller management teams.
- 2. Barclaycard:** This division houses the strong Barclaycard franchise excluding Absa Card which is now included in Africa Banking.
- 3. Africa Banking:** This division includes Africa RBB business, Africa IB operations which were previously booked within the IB and Absa Card which was previously booked within Barclaycard.
- 4. Core Investment Bank:** This division houses the IB operations excluding i) exit quadrant assets, ii) physical commodities, iii) certain EM products, iv) capital intensive Macro transactions, and v) other non strategic businesses within the IB.
- 5. Noncore:** The non core division houses i) c.£90bn IB RWAs – non standard FICC derivatives, noncore commodities and specific EM products, ii) c.£16bn Europe retail RWAs – entire business, and iii) c.£9bn of certain corporate, Barclaycard and Wealth RWAs.

Table 4: Barclays: Group financials based on new organisation structure (FY13)

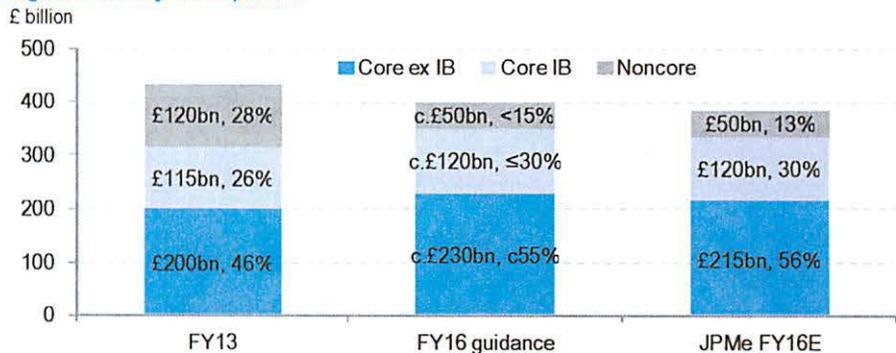
£ billion

	Personal & Corporate Banking	Barclaycard	Africa Banking	Core IB	Barclays Core	Noncore	Group
Income	8.8	4.1	4	8.7	25.7	2.5	28.2
Impairment	-0.6	-1.1	-0.5	0	-2.2	-0.9	-3.1
Operating expenses	-5.5	-1.8	-2.5	-6.2	-16.2	-2.5	-18.7
Clean PBT	2.7	1.2	1	2.5	7.3	-1	6.4
RoE	11-12%	16-17%	8-9%	9-10%	c.12%	c.(6%)	6.10%
Leverage exposure	c.£330bn	c.£45bn	c.£65bn	c.£490bn	c.£960bn	c.£400bn	£1.4trn
RWAs	c.£120bn	c.£35bn	c.£40bn	c.£120bn	c.£320bn	c.£115bn	£436bn
Average allocated equity	c.£17bn	c.£5bn	c.£4bn	c.£17bn	c.£36bn	c.£16bn	£52bn

Source: Company data.

The group targets core IB RWAs to be ≤30% to the group RWAs in 2016 with core IB RWAs expected to be flat, core non IB RWAs to increase and noncore RWAs to reduce.

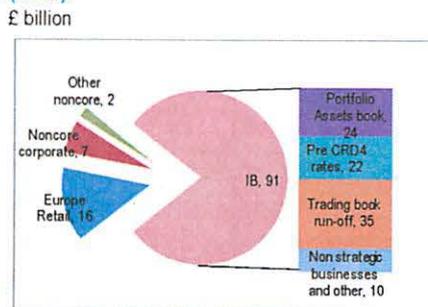
Figure 1: Barclays: Group RWAs



Source: J.P. Morgan estimates, Company data.

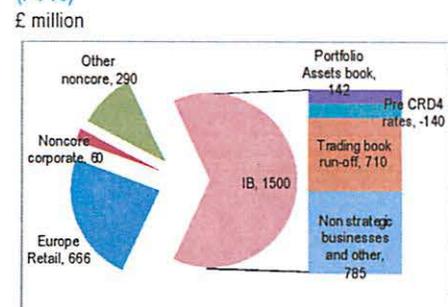
The noncore division has c£115bn RWAs and £400bn leverage exposure which the group plans to reduce to c.£50bn RWAs and c.£180bn leverage exposure by 2016. The non core division houses i) c.£90bn IB RWAs – non standard FICC derivatives, noncore commodities and specific EM products, ii) c.£16bn Europe retail RWAs – entire business, and iii) c.£9bn of certain corporate, Barclaycard and Wealth RWAs.

Figure 2: Barclays: Noncore portfolio RWAs (FY13)



Source: J.P. Morgan estimates, Company data.

Figure 3: Barclays: Noncore portfolio Income (FY13)



Source: J.P. Morgan estimates, Company data.

Changes to estimates and price target

Following Q114 results and the strategic announcement, we cut our reported EPS estimates by 35%, 14% and 12% in FY14E, 15E and 16E, respectively, due to lower IB estimates and due to higher losses in the noncore portfolio as the group has accelerated the non core rundown. Despite cuts to our EPS estimates, we increase our SOP based Dec 2015 price target to 305p (285p prev) due to change in our valuation methodology. We value FY16E core profits at 8.0x P/E and noncore profits at 0.5x P/B. We assume allocated equity of 12.0% for both core and noncore due to the group's target of 11.5-12.0% operating capital level. Our estimates include £2.5bn redress and litigation costs in 2014E-15E.

Table 5: Barclays: Group P&L estimates

£ million

	FY12	FY13	FY14E	FY15E	FY16E	Q114	Q214E	Q314E	Q414E
Net Interest Income	11,654	11,600	11,723	12,142	12,387				
Non Interest Income net of insurance claims	17,707	16,555	14,523	14,474	14,829				
Total Income	29,361	28,155	26,245	26,617	27,217	6,650	6,567	6,517	6,512
Operating Costs	-18,562	-18,684	-16,992	-16,272	-15,693	-4,195	-4,105	-3,977	-4,715
Pre Provision Operating profit	10,799	9,471	9,253	10,344	11,524	2,455	2,462	2,539	1,797
Provisions	-3,340	-3,071	-2,515	-2,423	-2,458	-548	-651	-657	-659
Profit on JVs and associates	141	-24	93	93	93	26	29	21	12
Clean PBT	7,600	6,376	6,831	8,014	9,158	1,933	1,840	1,904	1,150
Exceptional items (CTA)	0	-1,209	-1,600	-500	-200	-240	-400	-400	-560
Trading Exceptionals	-4,579	-220	119	0	0	119	0	0	0
Other Exceptionals (PPI, litigation etc)	-2,223	-2,079	-1,250	-1,250	0	0	-750	0	-500
Pretax profit	798	2,868	4,100	6,264	8,958	1,812	690	1,504	90
Tax	-616	-1,570	-1,271	-1,942	-2,777	-597	-214	-466	6
Profit After Tax	182	1,298	2,829	4,322	6,181	1,215	476	1,038	96
Minority Interests	-805	-757	-955	-1,035	-1,115	-250	-261	-274	-170
Profit Attributable to Shareholders	-623	541	1,874	3,287	5,066	965	215	764	-74
Group EPS Stated	-5.1p	4.0p	11.5p	20.0p	30.7p	5.9p	1.3p	4.7p	-0.4p
Group EPS Adj Diluted	33.9p	20.2p	22.6p	26.8p	30.9p	6.3p	6.5p	6.4p	4.3p
Group NAVps ex own debt inc pension deficit		288p	289p	302p	322p	285p	288p	290p	289p
Group Adjusted RoNAV ex own debt	9.7%	6.6%	8.0%	9.2%	10.1%	8.8%	9.1%	8.8%	5.9%
Basel 3 fully loaded CET1 ratio	8.2%	9.3%	10.2%	11.0%	12.0%	9.6%	9.8%	10.1%	10.2%
CRD4 RWAs	467.9	435.6	409.2	394.5	384.6	429.4	422.4	415.8	409.2
DPS	6.5p	6.5p	6.5p	10.0p	12.0p	1.0p	1.0p	1.0p	3.5p

Source: J.P. Morgan estimates, Company data.

Table 6: Barclays: SOP valuation 2016E

£ million

	Adj post tax profit 2016E	Allocated B3 Capital 2016E	Required B3 CET1 ratio	RWAs (€bn) 2016E	Valuation basis	P/E multiple	P/B multiple	Value (€m)	Value per share (€)
Core	5,884	40,153	12.0%	334.6	P/E	8.0x		47,070	2.86
Noncore	-680	5,997	12.0%	50.0	P/B		0.5x	2,999	0.18
Capital excess/ shortfall		183			1.0x excess/ shortfall			183	0.01
Group	5,204	46,333		384.6				50,251	3.05

Source: J.P. Morgan estimates, Company data.

Investment Thesis, Valuation and Risks

Barclays (Overweight; Price Target: 305p)

Investment Thesis

We believe that the Barclays restructuring amounts to a radical shift in strategy to improve returns (Core ROE >12%) in the current regulatory and revenue environment, with capital deployed in the Core IB c30% of the group (2016). However, execution of the restructuring and Non-core rundown has the potential to create short term volatility in earnings. That said, looking out to 2016 we believe that returns (c13.3% Core RoNAV) are attractive given current valuations. We publish our preliminary estimates based on the new Core & Non Core splits, estimating 2016 Core EPS at c34.9p with Core RoNAV of 13.4% and 2014 Core TNAV/s of 232p.

Valuation

Our SOP based Dec 2015 price target of 305p (285p prev) is calculated using 8.0x FY16E core profits and 0.5x noncore P/TBV. We assume allocated equity of 12.0% for both core and noncore due to the group's target of 11.5-12.0% operating capital level. Our estimates include £2.5bn redress and litigation costs in 2014E-15E.

Risks to Ratings and Price Target

The key downside risks that could prevent our rating and price target from being achieved include the following:

1. Litigation risks: Barclays may be exposed to litigation risks from regulators and customers across international jurisdictions, which may not be easily quantifiable and including LIBOR litigations, SFO investigation etc.
2. Regulatory risks: The key regulatory risk, in our view, is ICB recommendation implementations, including the structure of bail-in debt and PLAC. The other regulatory risks include proposed changes in Basel rules and financial reform in OTC derivatives.
3. Capital regime: We believe that the capital regime within the UK has become difficult to predict.
4. Capital Markets Performance: The group is geared to the fixed-income cycle and capital markets performance through the Investment Banking division and a slowdown in volumes poses risks to our investment thesis.
5. Credit Cycle Gearing: Through the Corporate banking and RBB businesses, Barclays is geared to the retail and corporate credit cycle and a further deterioration in the economic environment poses risks to our investment thesis.

Barclays: Summary of Financials

Profit and Loss Statement						Ratio Analysis					
£ in millions, year end Dec	FY13A	FY14E	FY15E	FY16E	FY17E	£ in millions, year end Dec	FY13A	FY14E	FY15E	FY16E	FY17E
Net interest income						Per Share Data					
Net interest income	11,600	11,723	12,142	12,387		- EPS Reported	3.78	11.52	20.00	30.74	-
% Change Y/Y	(0%)	1%	4%	2%		- Adj Diluted EPS(p)	20.19	22.61	26.75	30.90	-
Non-interest income						% Change Y/Y					
Non-interest income	16,555	14,523	14,474	14,829		- % Change Y/Y	(40%)	12%	18%	16%	-
Fees & commissions	8,731	6,838	6,725	7,195		- DPS(p)	6.50	6.50	10.00	12.00	-
% YoY change	2%	(22%)	(2%)	7%		- % Change Y/Y	0%	0%	54%	20%	-
Trading revenues	6,760	6,760	6,760	6,628		- Dividend yield	2%	2%	4%	5%	-
% YoY change	(14%)	0%	0%	(2%)		- Payout ratio	176.2%	57.7%	51.1%	39.9%	-
Other income	(24)	93	93	93		- BV per share	3.31	3.33	3.46	3.66	-
Total operating revenues	28,155	26,245	26,617	27,217		- NAV per share	288	289	302	322	-
% change Y/Y	(4%)	(7%)	1%	2%		- Shares outstanding	16,113	16,420	16,460	16,500	-
Operating costs						Returns ratios					
Operating costs	(18,684)	(16,992)	(16,272)	(15,693)		- RoRWA	0.7%	0.9%	1.1%	1.3%	-
% change Y/Y	1%	(9%)	(4%)	(4%)		- Adj.RoNAV	6.6%	8.0%	9.2%	10.1%	-
Pre-provision operating profit	9,471	9,253	10,344	11,524		- ROE	5.7%	7.0%	8.0%	8.9%	-
% change Y/Y	(12%)	(2%)	12%	11%		-	-	-	-	-	-
Loan loss provisions						Revenues					
Loan loss provisions	(3,071)	(2,515)	(2,423)	(2,458)		- NIM	1.96%	1.95%	2.01%	2.02%	-
Other provisions	0	0	0	0		- Non-IR / average assets	1%	1%	1%	1%	-
Other non recurrent items	(3,508)	(2,731)	(1,750)	(200)		- Total rev / average assets	2%	2%	2%	2%	-
Pretax profit	2,868	4,100	6,264	8,958		- Nil / Total revenues	41%	45%	46%	46%	-
% change Y/Y	259%	43%	53%	43%		- Fees / Total revenues	31%	26%	25%	26%	-
Tax	(1,570)	(1,271)	(1,942)	(2,777)		- Trading / Total revenues	24%	26%	25%	24%	-
% Tax rate	55%	31%	31%	31%							
Minorities	(757)	(955)	(1,035)	(1,115)							
Net Income (Reported)	541	1,874	3,287	5,066							
Balance sheet						BALANCE SHEET GEARING					
£ in millions, year end Dec	FY13A	FY14E	FY15E	FY16E	FY17E	£ in millions, year end Dec	FY13A	FY14E	FY15E	FY16E	FY17E
ASSETS						Loan / deposit					
Net customer loans	430,411	432,703	439,232	449,006		- Loan / deposit	101%	100%	99%	98%	-
% change Y/Y	2%	1%	2%	2%		- Loan / assets	31%	33%	34%	35%	35%
Total assets	1,312,267	1,272,180	1,266,842	1,279,259		- Customer deposits / liabilities	34%	36%	37%	38%	-
LIABILITIES						CAPITAL					
Customer deposits	427,902	431,894	443,969	456,769		- RWAs	435,600	409,219	394,520	384,583	-
% change Y/Y	11%	1%	3%	3%		- % YoY change	(7%)	(6%)	(4%)	(3%)	-
Shareholders' equity	53,322	54,745	56,964	60,383		- Core Tier 1 Capital	46,784	41,603	43,247	46,333	-
Minorities	10,627	10,555	10,555	10,555		- % YoY change	12%	(11%)	4%	7%	-
Total liabilities & Shareholders Equity	1,312,267	1,272,180	1,266,842	1,279,259		-	-	-	-	-	-
						Core Tier 1 ratio	10.7%	10.2%	11.0%	12.0%	-
						Total Tier 1	55,820	44,666	47,310	51,396	-

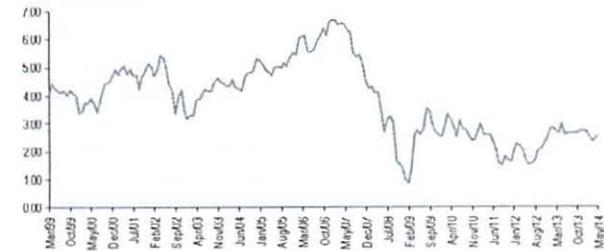
Source: Company reports and J.P. Morgan estimates.

JPM Q-Profile
Barclays PLC (BRITAIN / Financials)
 As of: 02-May-2014

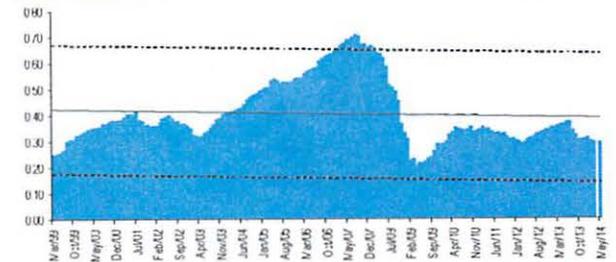
Global Equity Quantitative Analysis

Quant_Strategy@jpmorgan.com

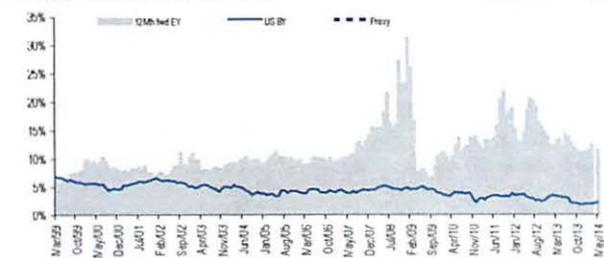
Local Share Price Current: **2.52**



12 Mth Forward EPS Current: **0.29**



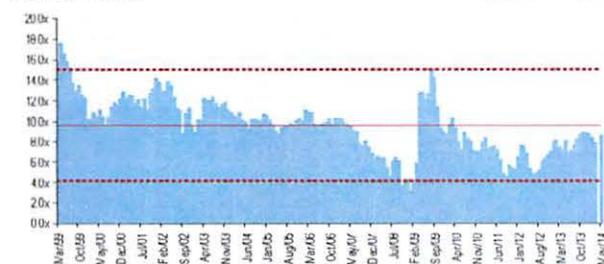
Earnings Yield (& local bond Yield) Current: **12%**



Implied Value Of Growth* Current: **-60.84%**



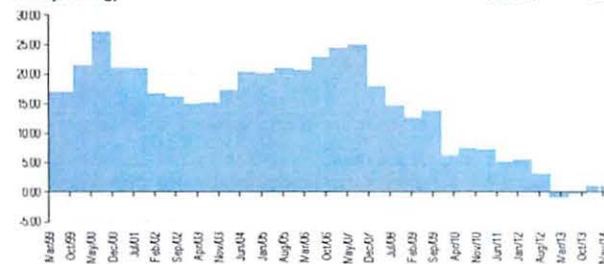
PE (1Yr Forward) Current: **8.6x**



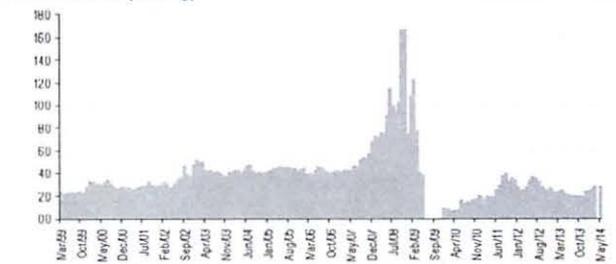
Price/Book Value Current: **0.7x**



ROE (Trailing) Current: **1.02**



Dividend Yield (Trailing) Current: **2.78**



Summary

Barclays PLC		SEDOL		3134865		As Of:		2-May-14			
BRITAIN						Local Price:		2.52			
Financials						EPS:		0.29			
	Latest	Min	Max	Median	Average	2 S.D.+	2 S.D. -	% to Min	% to Max	% to Med	% to Avg
12mth Forward PE	8.60x	3.17	17.62	9.72	9.58	15.01	4.14	-63%	105%	13%	11%
P/BV (Trailing)	0.73x	0.21	3.80	1.90	1.68	3.52	-0.16	-71%	418%	160%	129%
Dividend Yield (Trailing)	2.78	0.00	16.67	3.37	3.74	8.57	-1.08	-100%	499%	21%	34%
ROE (Trailing)	1.02	-0.84	27.30	16.77	14.72	30.38	-0.94	-182%	2580%	1546%	1344%
Implied Value of Growth	-60.8%	-2.21	0.52	-0.11	-0.26	0.78	-1.31	-264%	185%	82%	57%

Source: Bloomberg, Reuters Global Fundamentals, IBES CONSENSUS, J.P. Morgan Caiks

* Implied Value Of Growth = (1 - EY/Cost of equity) where cost of equity = Bond Yield + 5.0% (ERP)