



Africa outside of South Africa

7 November 2014



Financial overview

David Hodnett



Our strategy differentiates between our local, regional and global propositions

Competitors

Local competitors, e.g.
Kenya Commercial Bank

Local competitors. e.a.

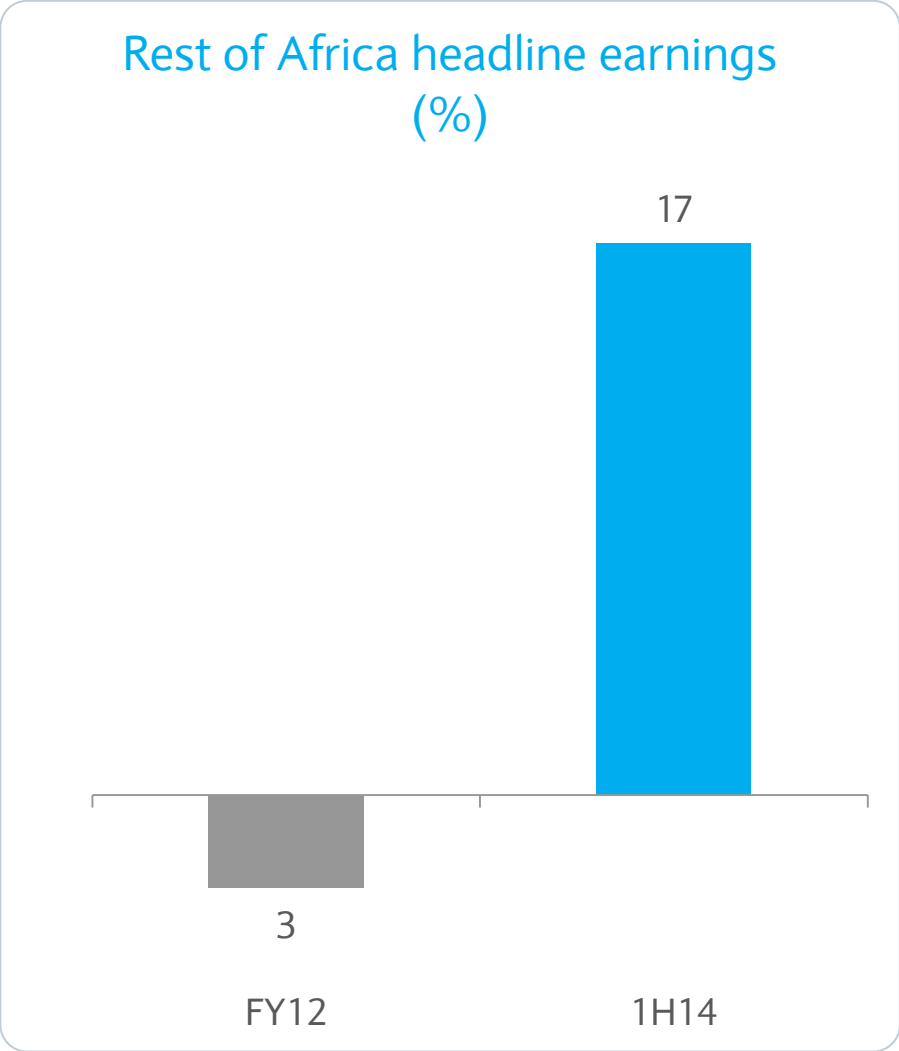
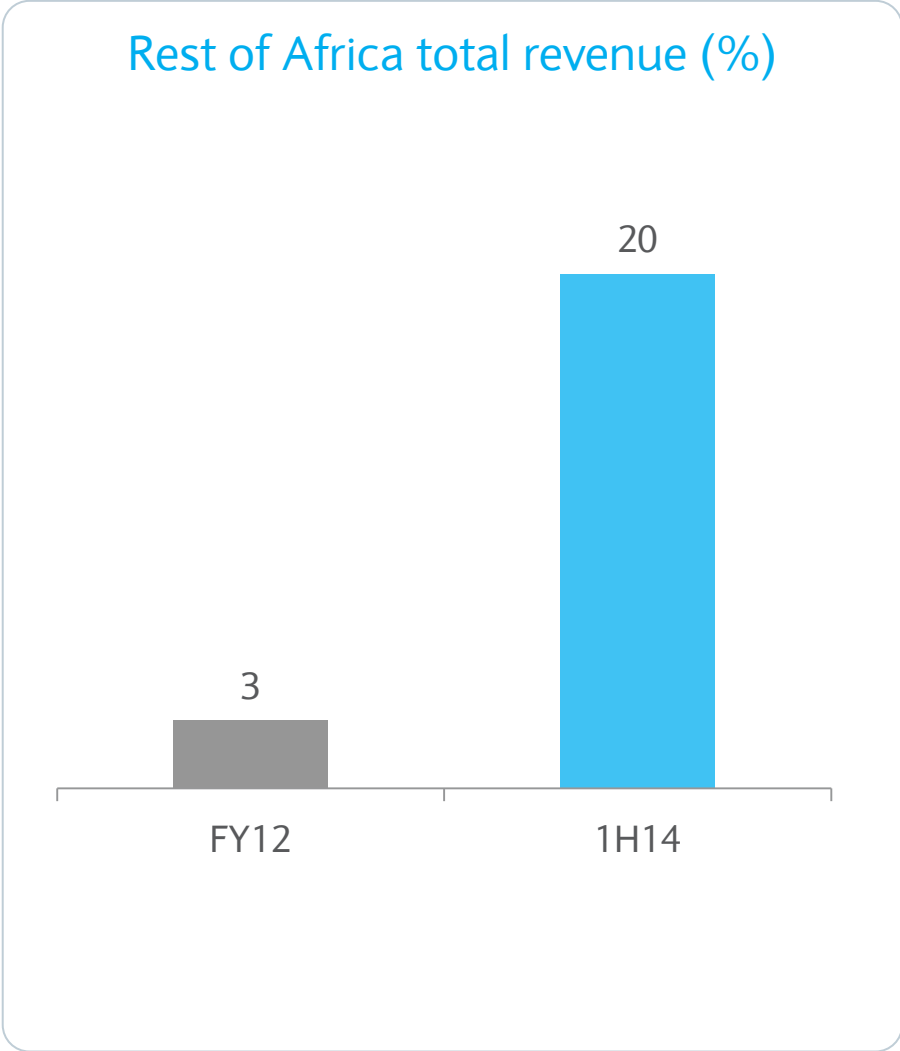
'Go-To'

- Fully global segments/ products
- CIB – MNCs and regional clients
 - CIB – Markets
 - Card/Payments
 - WIMI
- Localized segments/ products with global/ regional expertise
- CIB – local clients
 - Retail customers
 - SME and commercial customers
- Selected fully local segments/products
- Sizeable local RBB segments / products

Differentiator to win

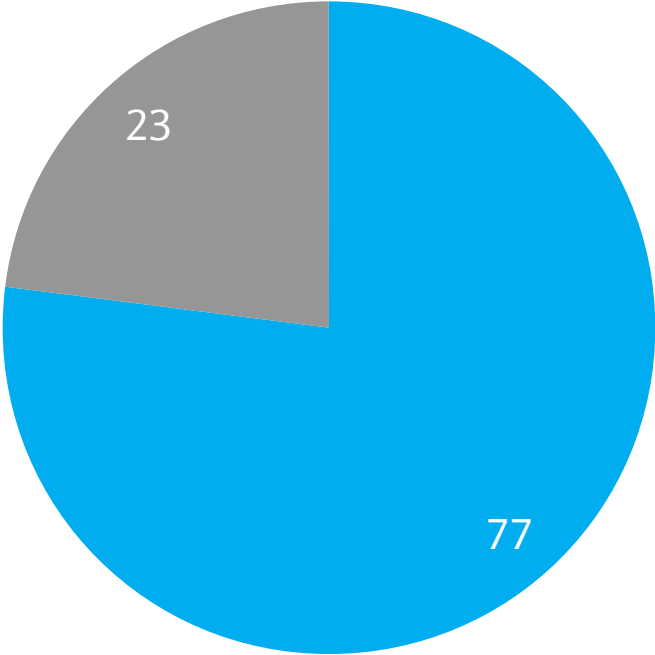
- Barclays' global relationships, franchise footprint and key capabilities
- Provide local coverage and expertise to global / regional customers
- Lower cost for building competitive global systems
- Successfully localize global 'Go-To' practices and expertise
- Leverage strong local network to bring global standards and products to local customers
- Lower cost for building locally competitive systems
- Scale and strength of presence in the market
- Higher standards of execution (e.g. KYC standards or process security)

Acquisition transformed our geographic mix



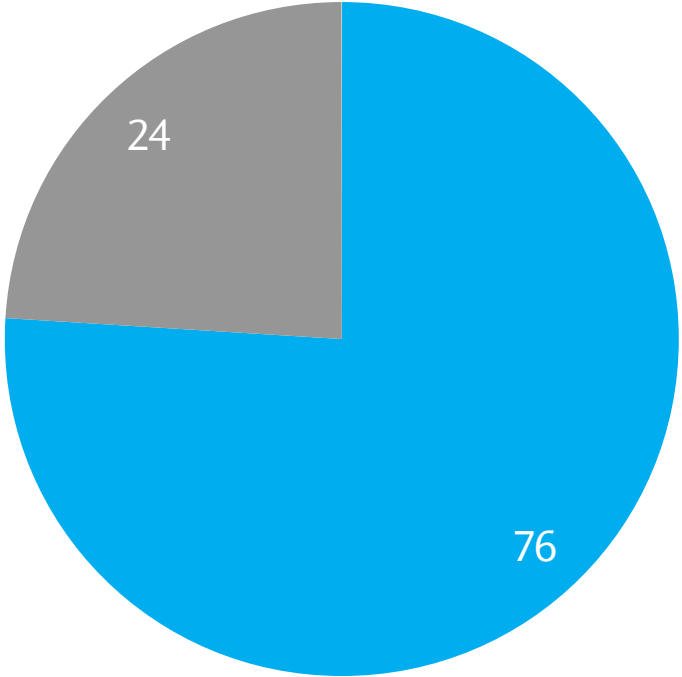
A quarter of our customers and staff

Customer numbers (%)



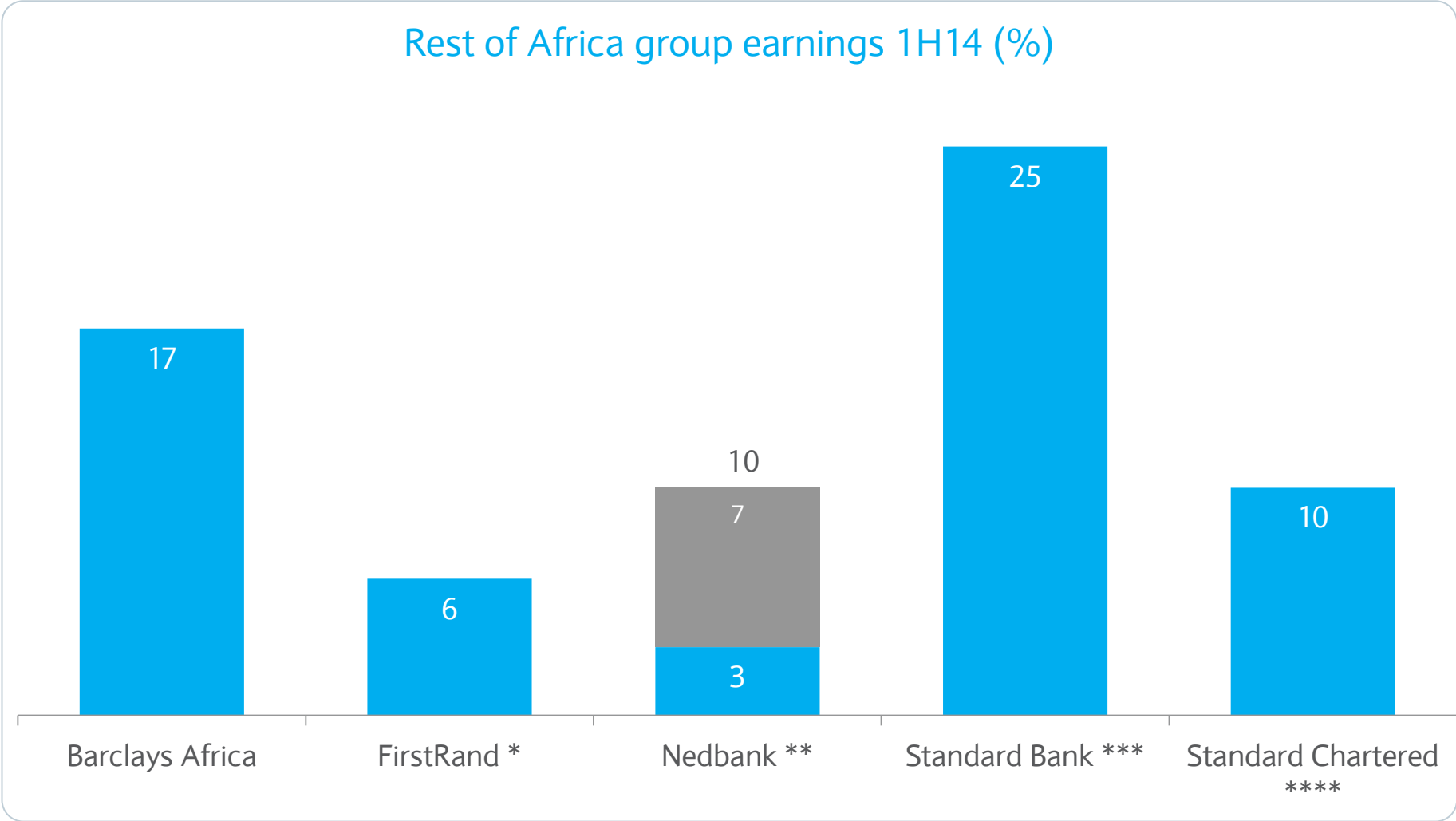
■ South Africa ■ Rest of Africa

Employee numbers by geography (%)



■ South Africa ■ Rest of Africa

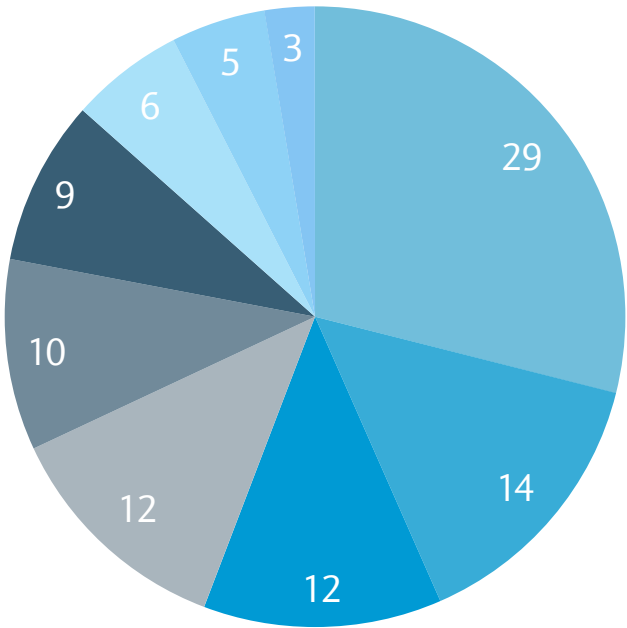
Above average rest of Africa contribution



Notes: * FY14; ** includes ETI pro forma impact; *** to continuing earnings; **** includes SA

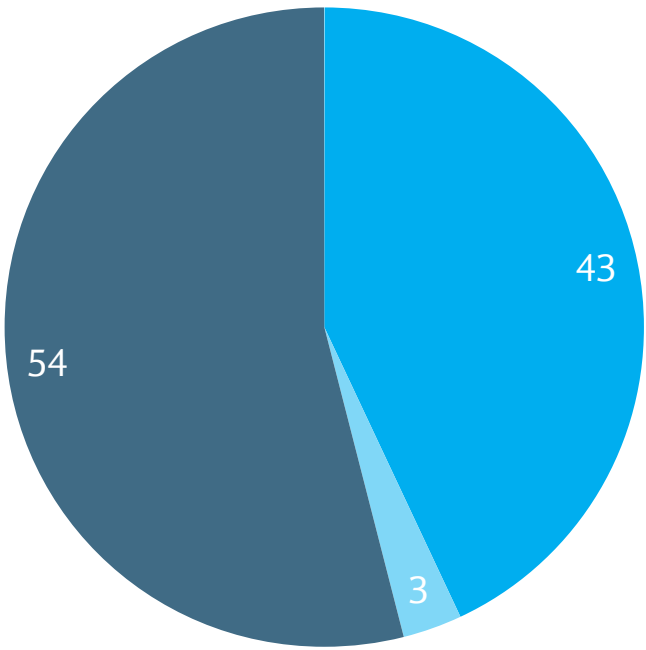
A balanced rest of Africa portfolio ...

1H14 Revenue by country (%)



- Kenya
- Ghana
- Botswana
- Tanzania *
- Zambia
- Mauritius
- Uganda
- Mozambique
- Seychelles

Headline earnings by business (%) **

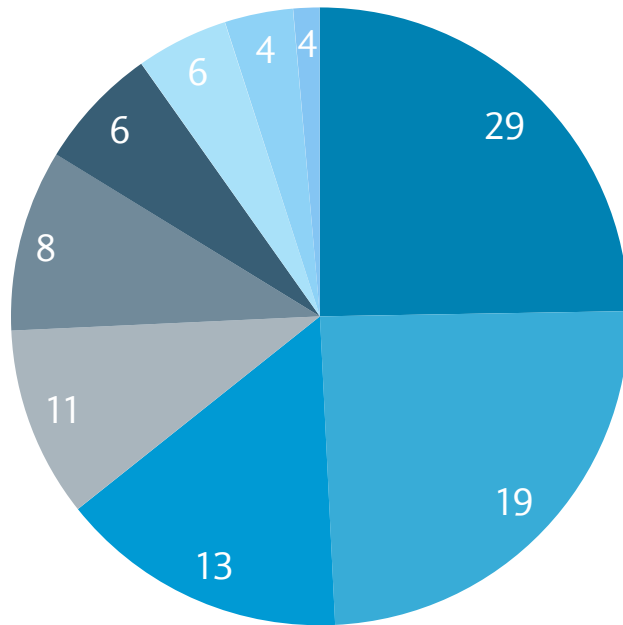


- RBB
- WIMI
- CIB

Note: * NBC and Barclays Bank Tanzania ** Retail and Business Banking, Wealth, Investment Management and Insurance, and Corporate and Investment Banking

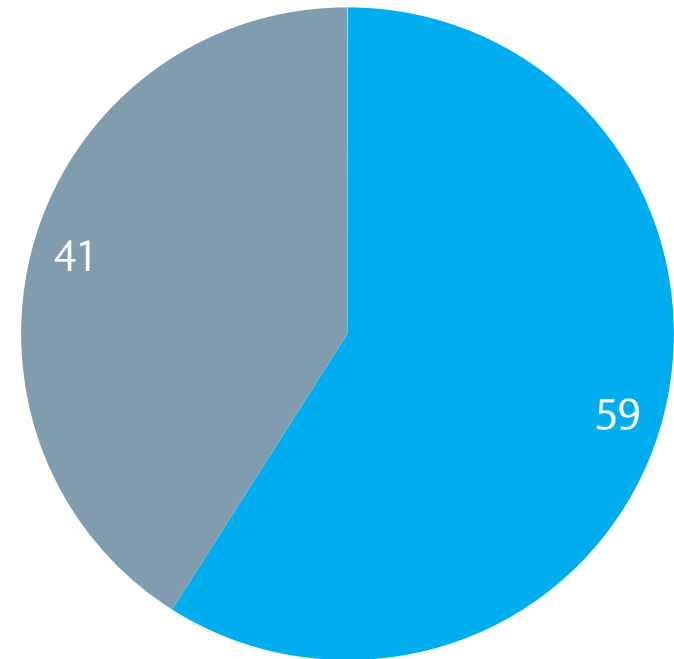
... and loan book

1H14 Loans by country (%)



- Kenya
- Mauritius
- Botswana
- Tanzania*
- Zambia
- Ghana
- Mozambique
- Uganda
- Seychelles

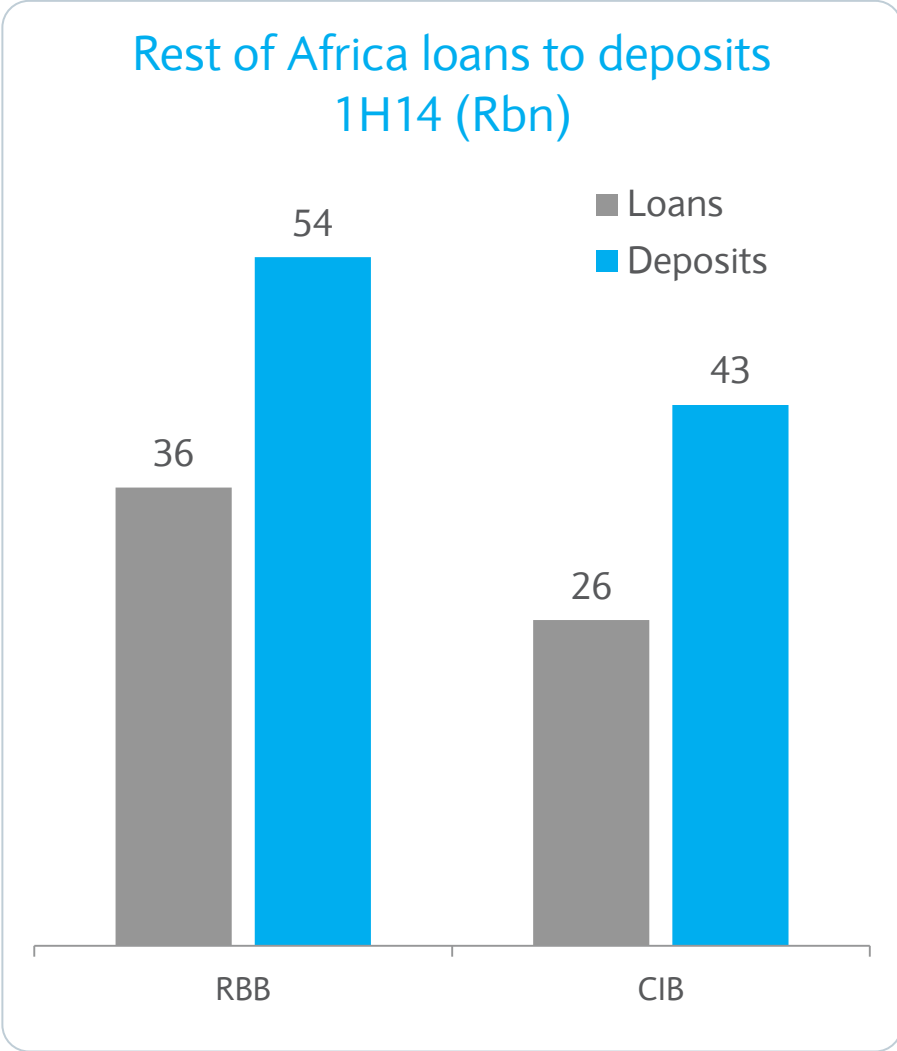
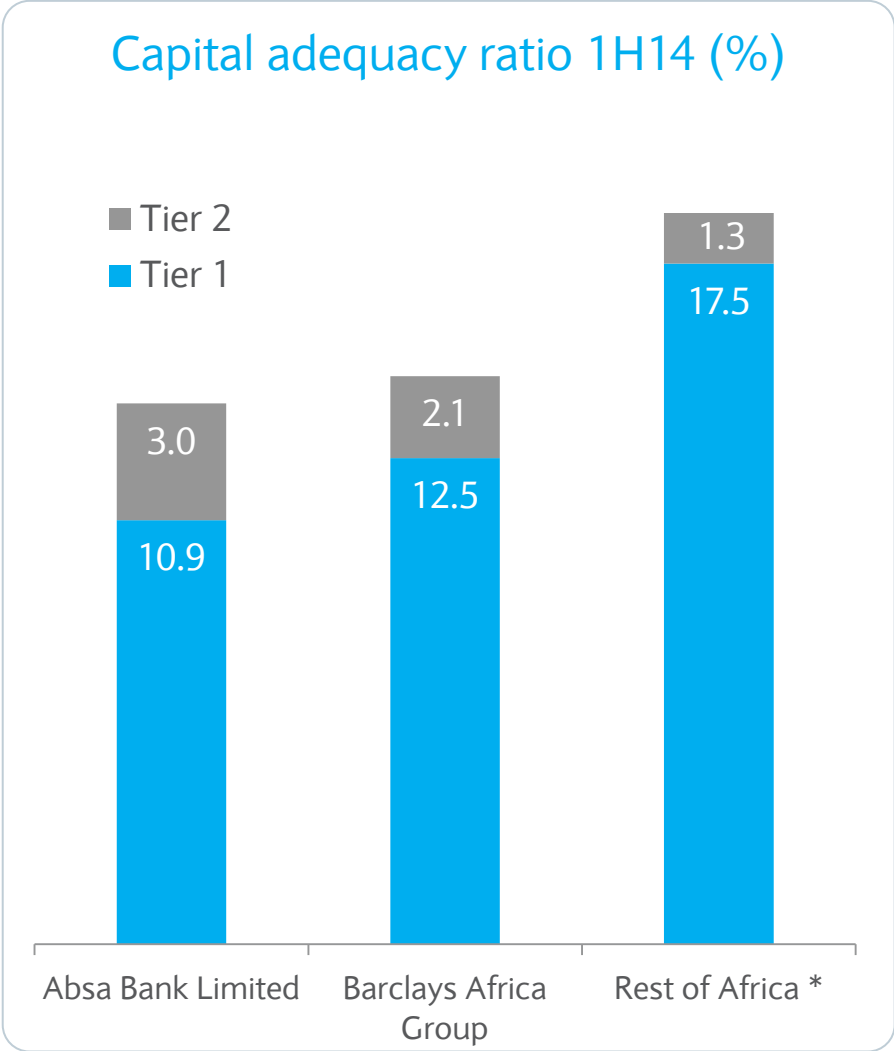
1H14 Loans by business (%)



- RBB
- CIB

Note: * NBC and Barclays Bank Tanzania

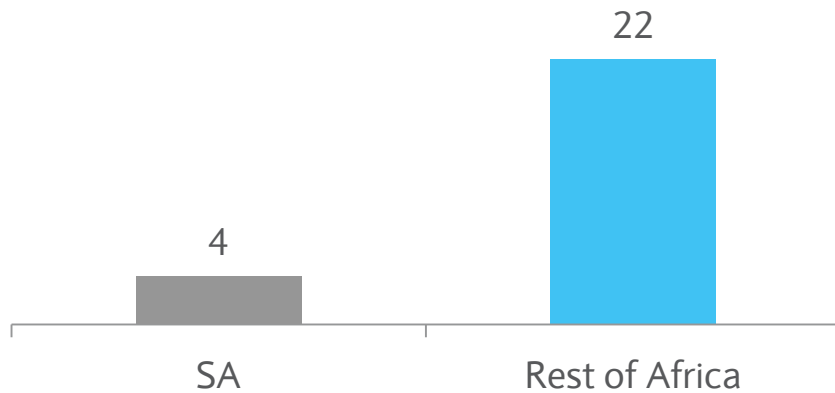
Strong capital and funding position



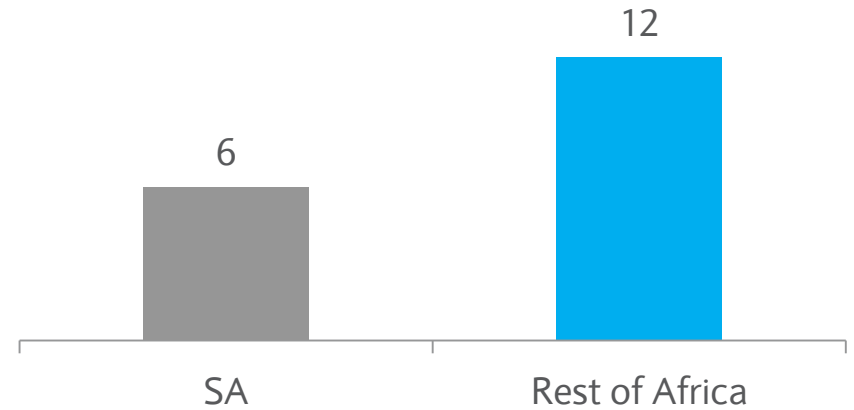
Notes: * weighted average

Rest of Africa improved our 1H14 growth

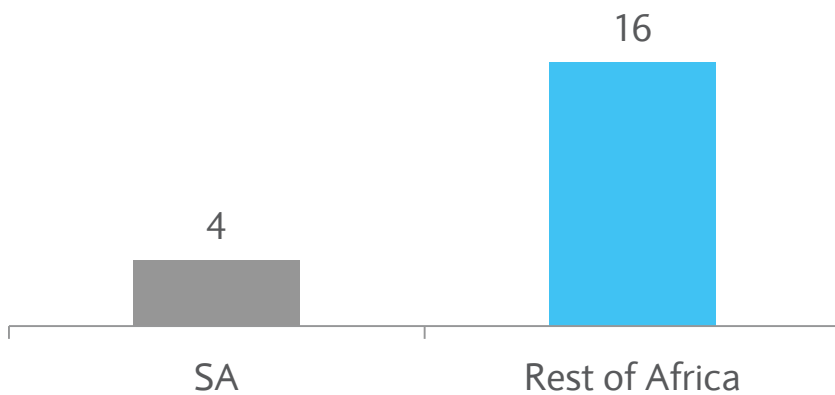
Loan growth YoY (%)



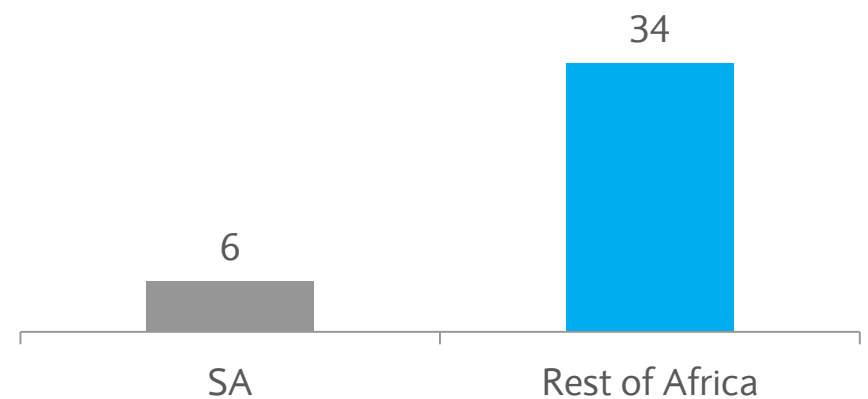
Revenue growth YoY (%)



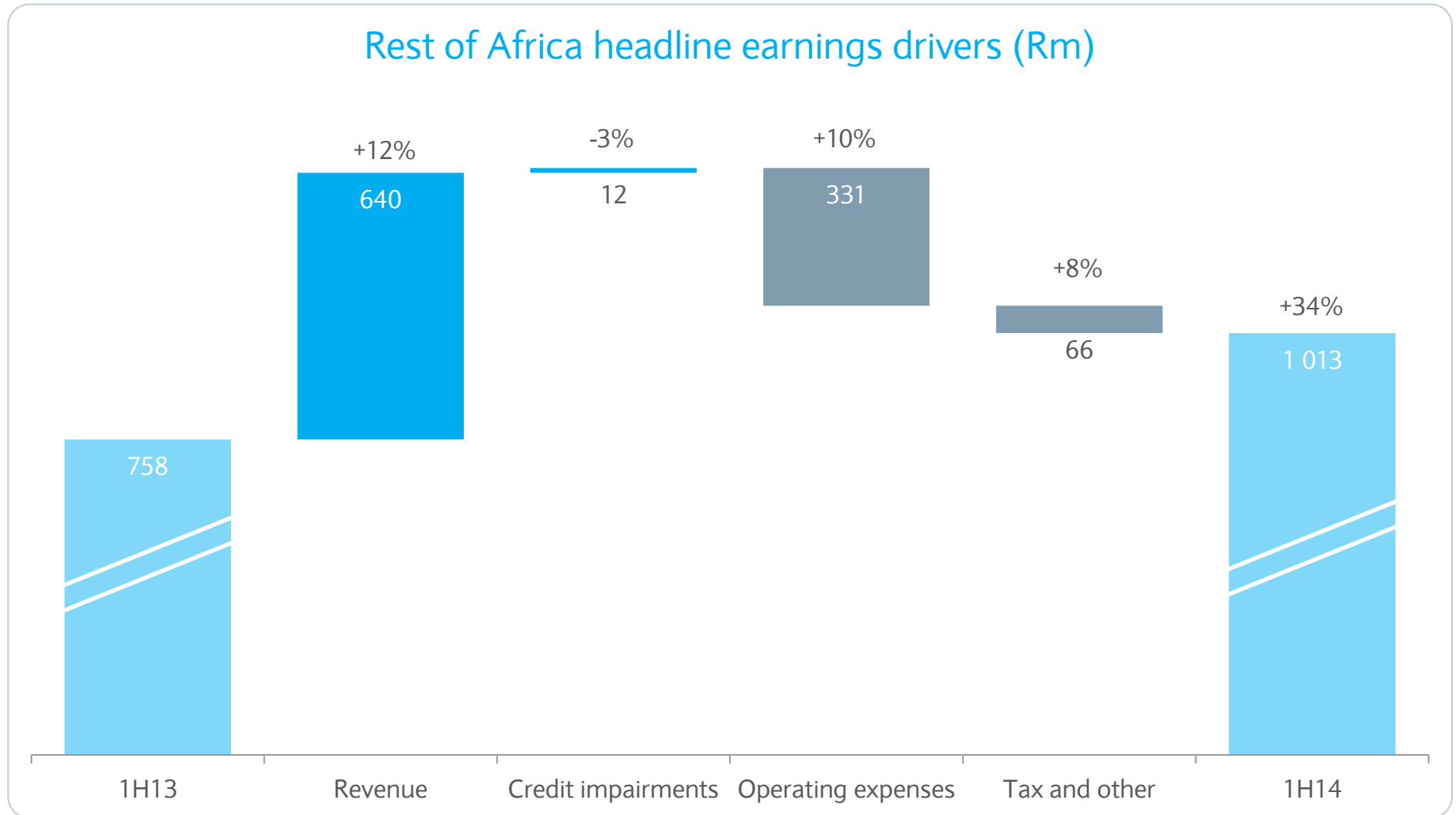
Pre-provision profit growth YoY (%)



Headline earnings growth YoY (%)

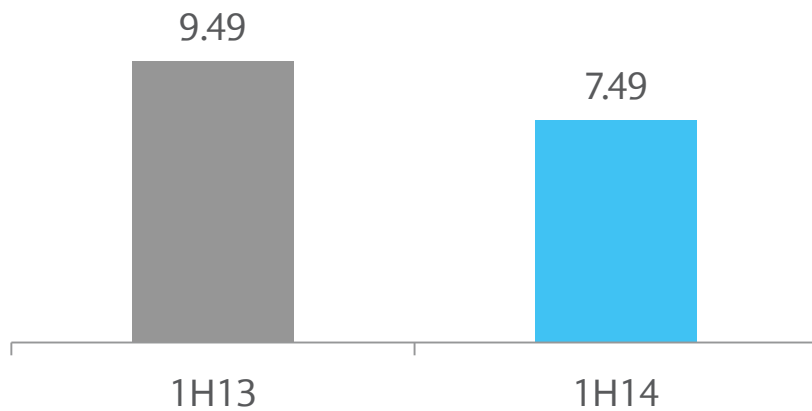


Revenue growth, lower credit cost drove earnings

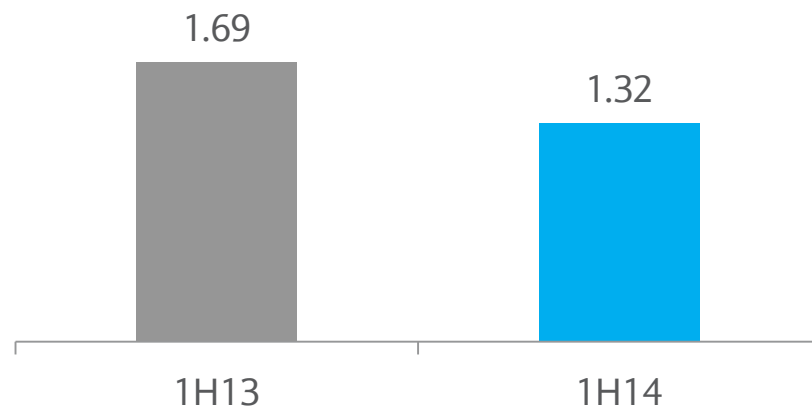


Rest of Africa 1H14 salient features

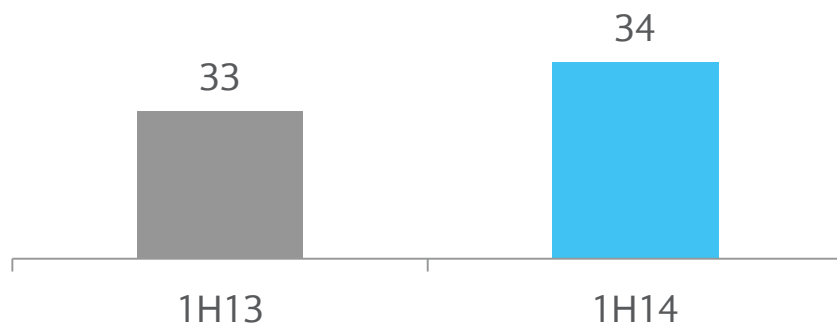
Lower net interest margin (%)



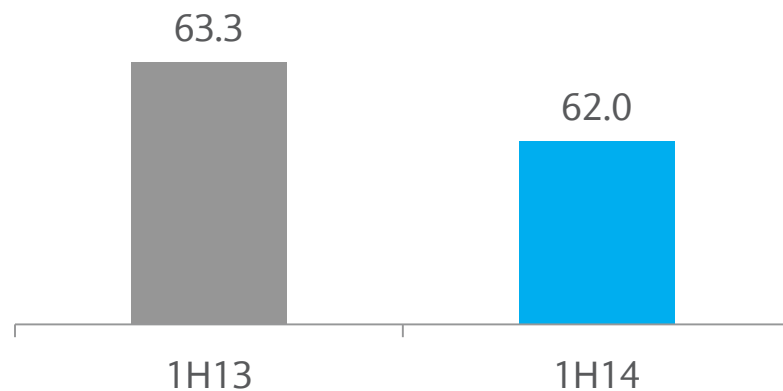
Improving credit loss ratio (%)



Non-interest income to total relatively low (%)

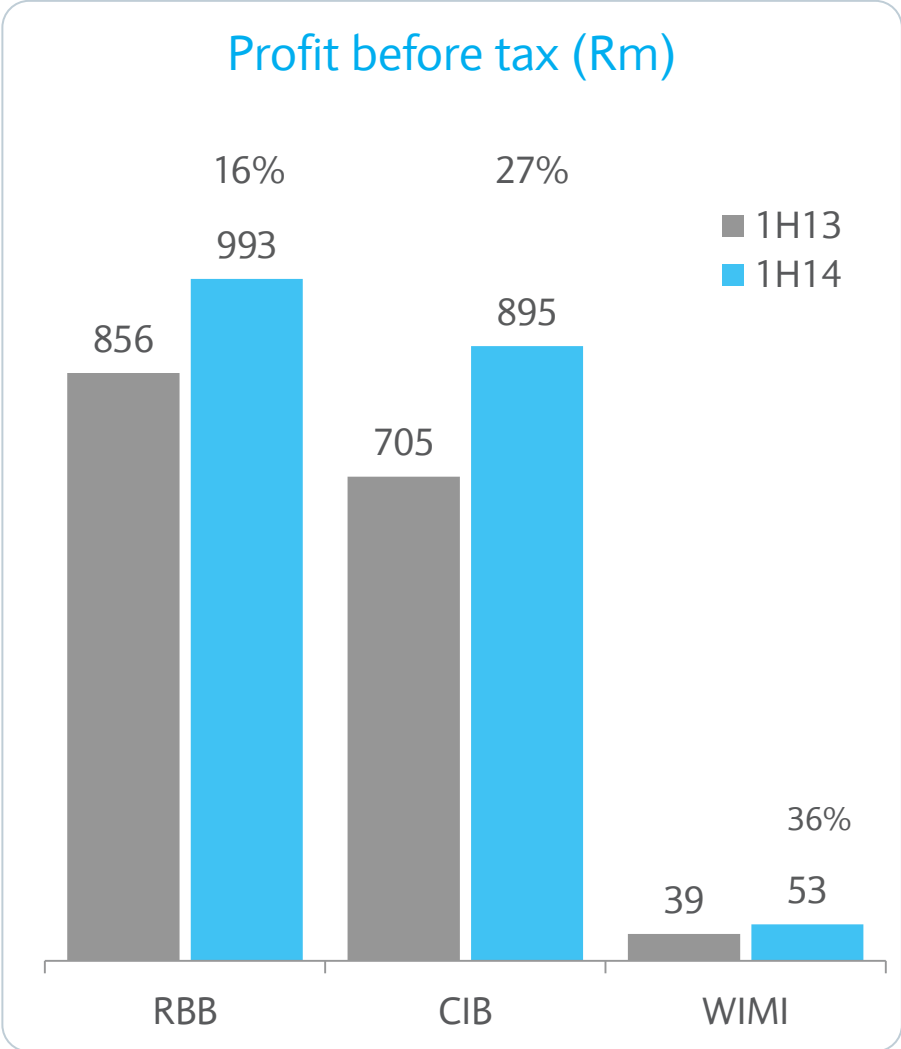


Cost to income ratio improving (%)



All businesses contributed to pre-tax growth

- Profitable Retail franchise
- Opportunities in:
 - Corporate Banking
 - Markets
 - Business Banking
 - WIMI



Contributing to achieving our targets

Rest of Africa 20% to 25% of total revenue

Top 3 by revenue in our 5 biggest markets - South Africa, Kenya, Ghana, Botswana and Zambia

Cost to income ratio in the low 50s by 2016

RoE 18% to 20% by 2015

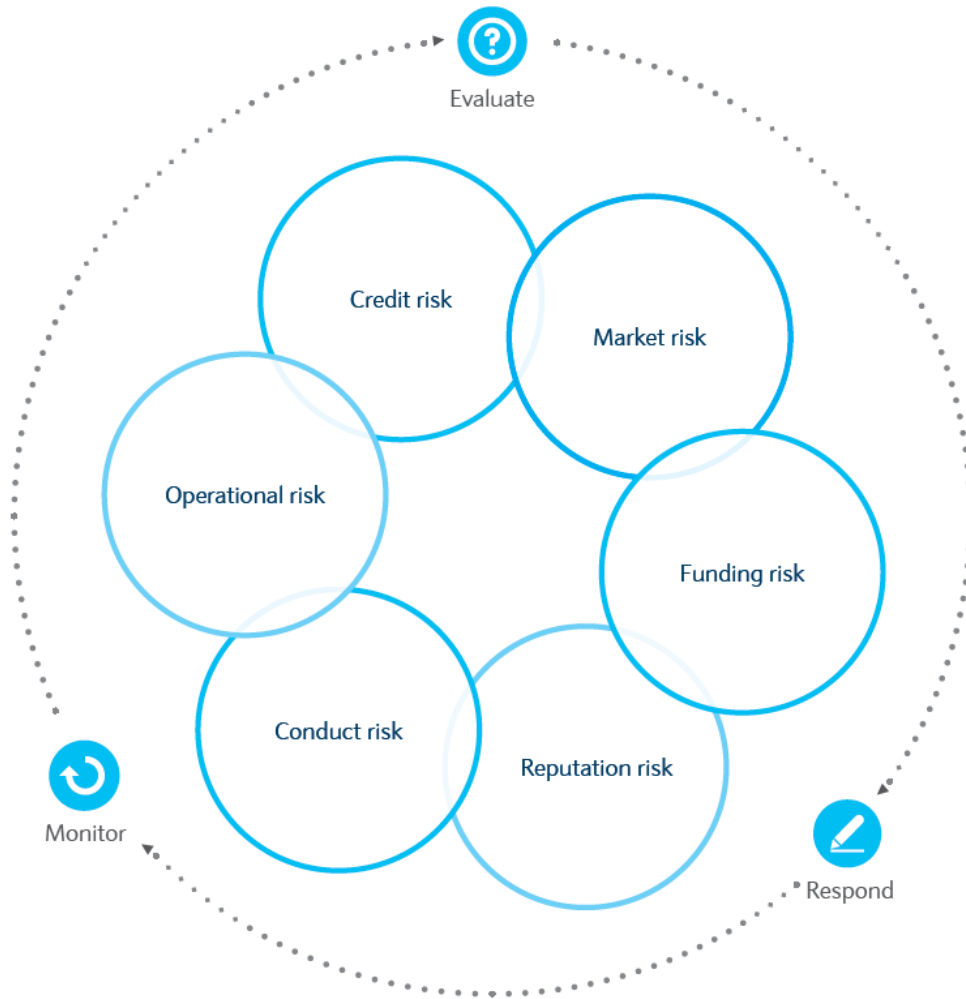


Risk Overview

Anil Hinduja



Enterprise Risk Management Framework outlines approach to managing risk

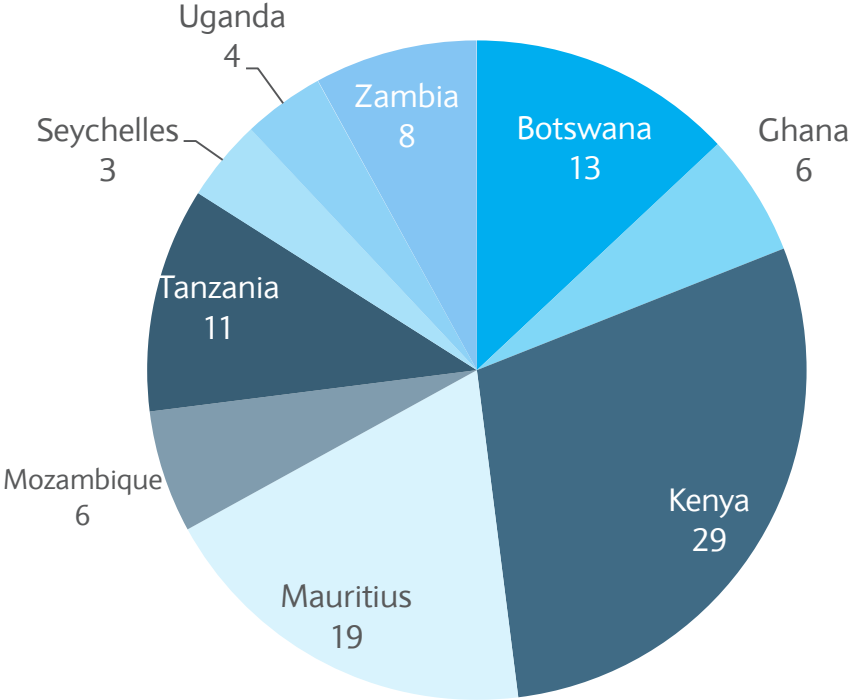


- Integrated risk management
- Strengthened team
- Implemented three lines of defence
- Well positioned for execution

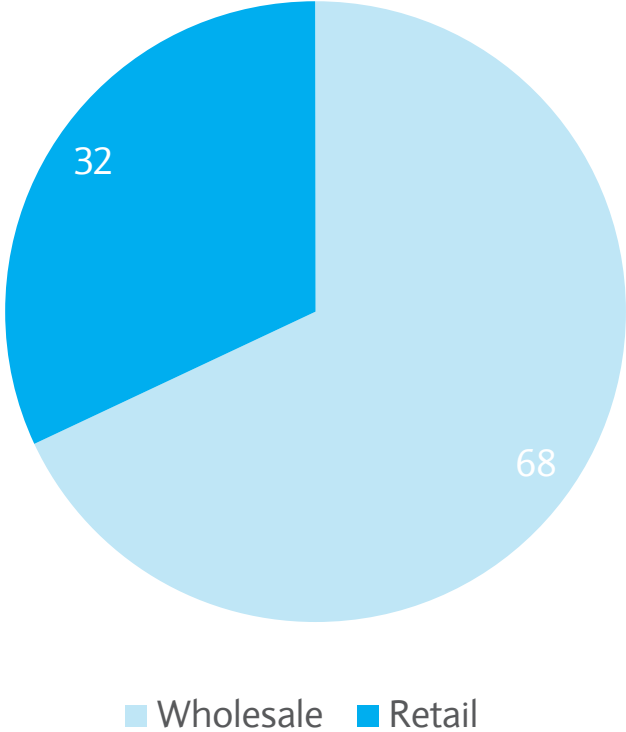
Credit risk profile

Balanced portfolio

1H14 loans by country (%)



1H14 retail vs wholesale (%)

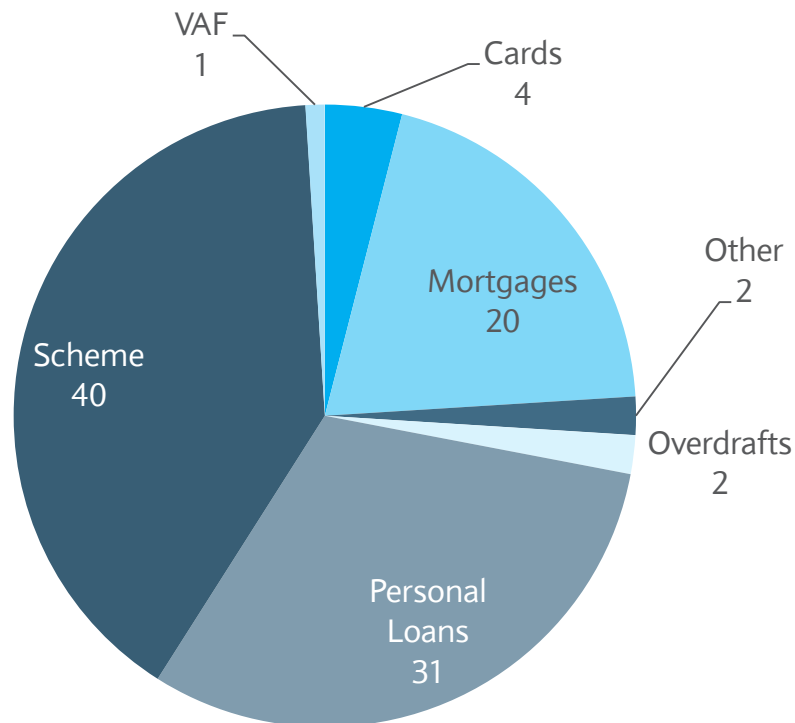


Note: Wholesale includes Business Bank and CIB

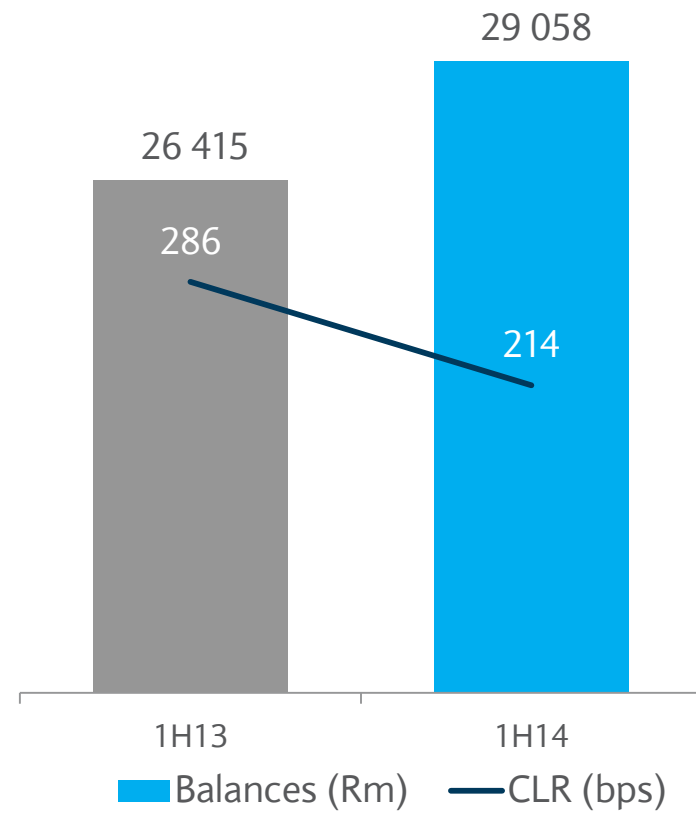
Retail

Improving performance, opportunity for targeted growth

1H 2014 Portfolio by product (%)



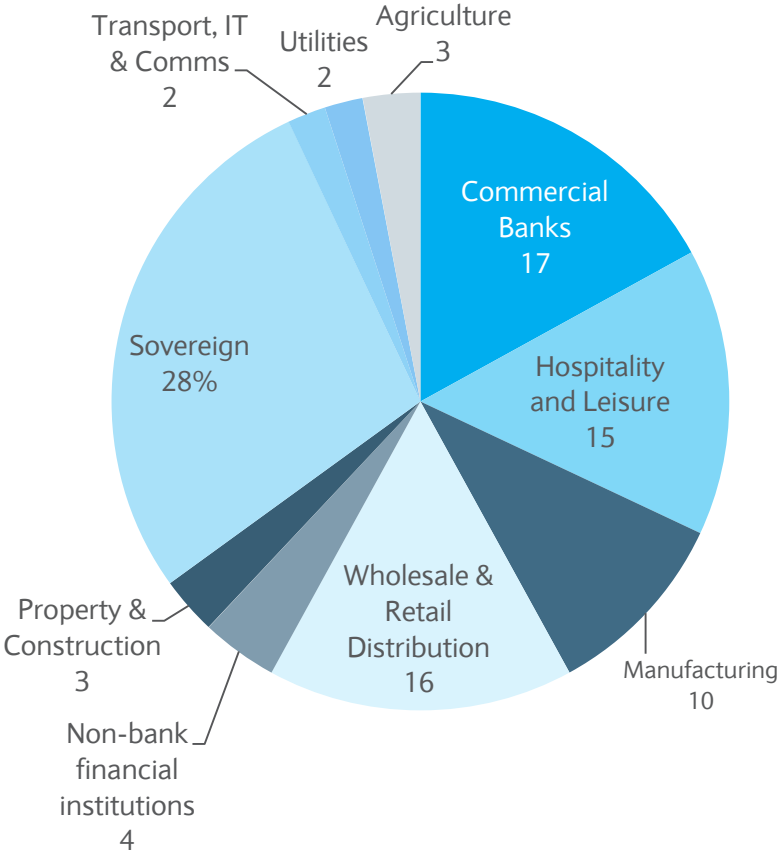
Balances and credit loss ratio



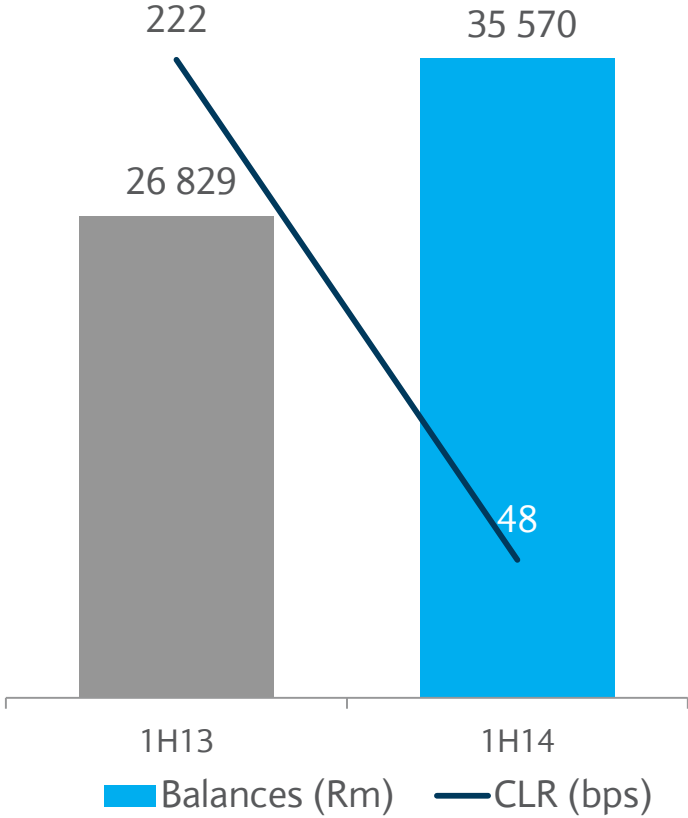
Wholesale

Risk appetite defined along client/sector/product & geography

1H14 Portfolio by industry (%)



Balances and credit loss ratio



Operational risk

- Increased focus on enhancing control
- Technology investment prioritised to improve resiliency and support growth
- Customer/Client centric approach to on-boarding
- Fraud Risk management continues to be an area of investment
- People are a core component as we build out the franchise

Market and funding risk

- Traded risk remains low (average DVaR < 4m)
- Focus is on expanding product to deliver risk management solutions to clients
- Lack of derivatives market makes it difficult to hedge non-traded risk
- Strong deposit franchises in countries
- Liquidity risk management approach being refined in line with regulatory change

In conclusion

- Investing in core capabilities to enable sustainable growth
- Focussing on effective risk management and control
- Augmenting risk-adjusted returns, while reducing volatility
- Leveraging global expertise
- Monitoring potential headwinds to course correct



Corporate and Investment Bank

Stephen van Coller



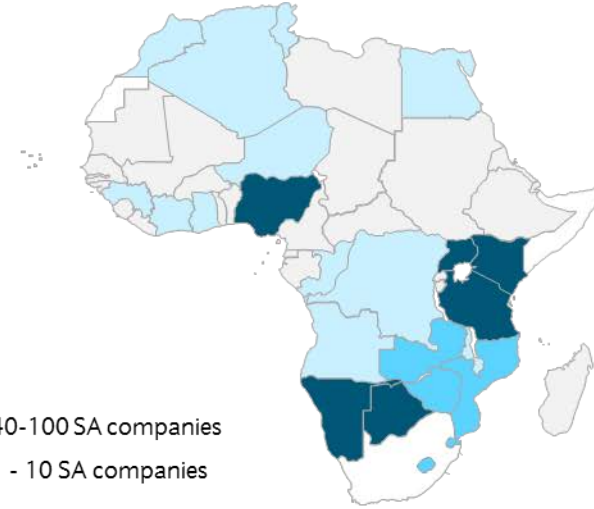
Follow our Pan-African clients into Africa

Rapid expansion of South African corporates across the continent

No. of companies 1990 - 2006



No. of companies 2006 - 2013



100+ SA companies
11 - 39 SA companies

40-100 SA companies
1 - 10 SA companies

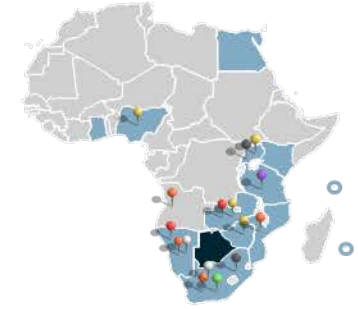
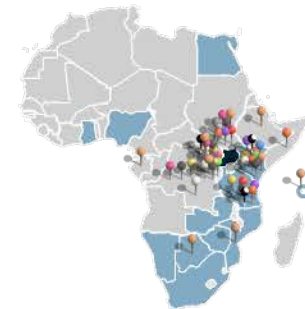
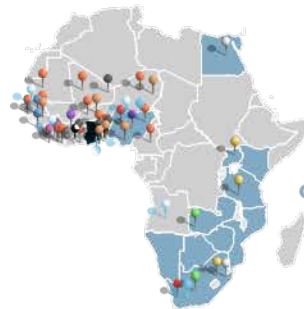
Expansion of emerging African corporates

e.g. Ghanaian Corporates

e.g. Ugandan Corporates

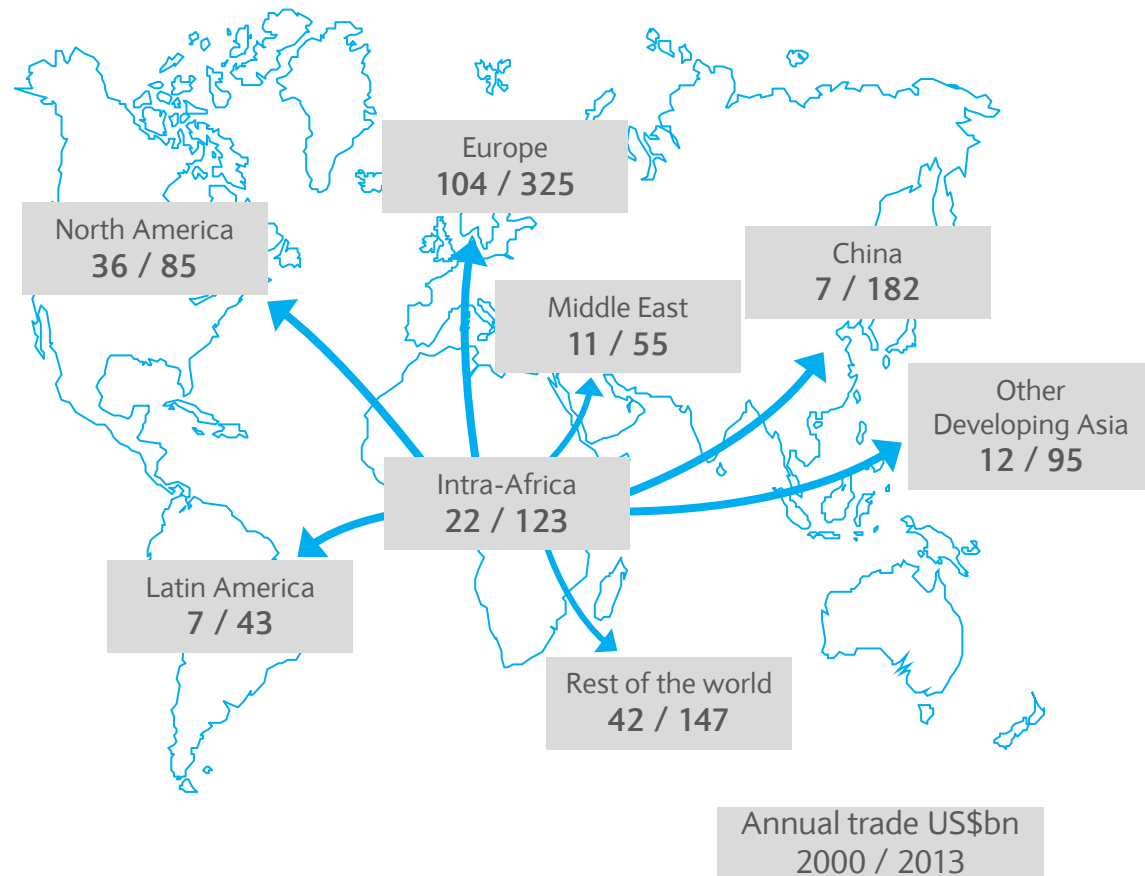
e.g. Botswana Corporates

- Multi-domestic footprint
- Successful in their home country
- Ambitious expansion drive into Africa

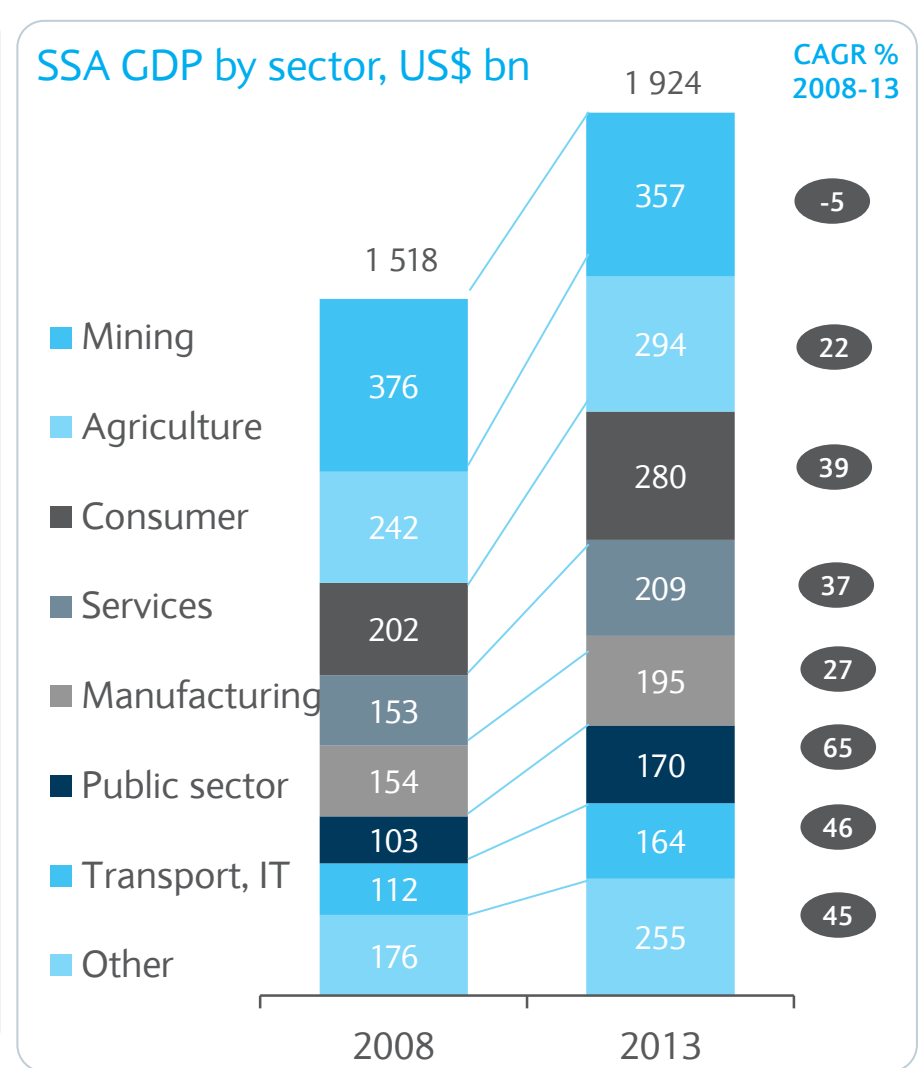
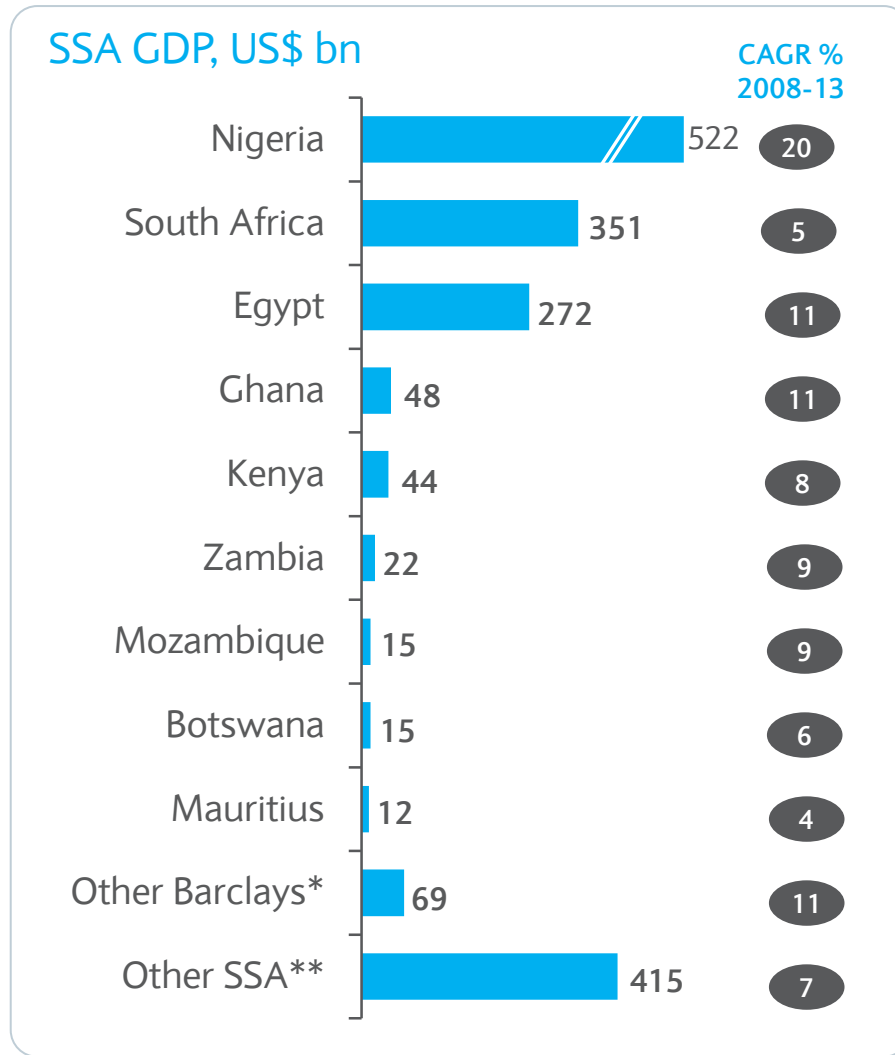


Meeting the needs of global clients across Africa

Africa's trade with the world is not only growing quickly, it is increasingly reflecting ties with the fastest growing regions of the world



Growing economies ... an exciting opportunity



Sources: World Bank, IMF Global GDP Databases; * Seychelles, Tanzania, Uganda, Zimbabwe; ** All other SSA countries not included in the list above plus Other Barclays

The opportunity in Africa

South Africa



Economy	1994	2014
JSE market cap	US\$ 101 bn	US\$ 843 bn*
GDP	US\$ 136 bn	US\$ 382 bn
CPI	8.94%	5.90%
Wholesale Banking revenue pools	?	US\$ 10 bn (doubling every 4-7 years)*

Africa

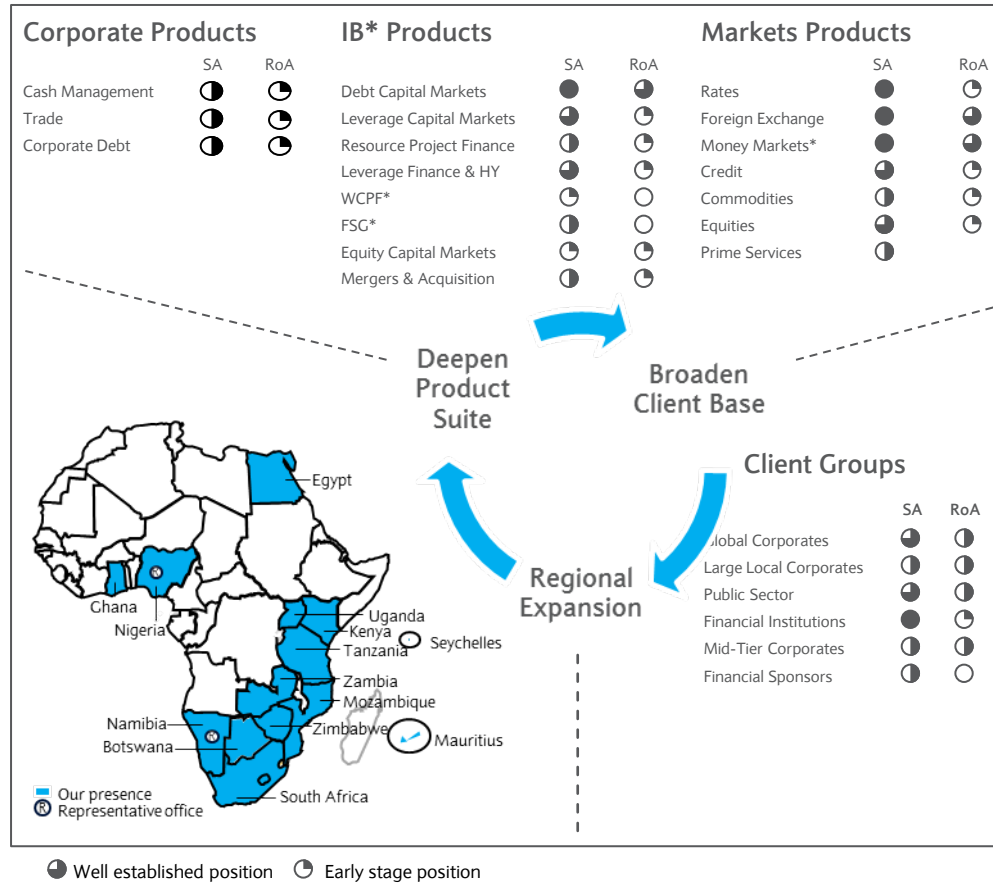


Economy	2004	2014
No. of sovereign credit ratings	10	22
GDP	US\$ 1.9 trn	US\$ 2.39 trn*
Trade Volumes*	US\$ 241 bn	US\$1,005 trn
CPI	13.3%	4.2%
Wholesale Banking revenue pools	?	US\$ 23 billion*

Sources: *Oliver Wyman, IMF DOTS , World Bank, JSE

The strategy remains unchanged

Targeted strategic approach



Strategic objectives

Scorecard metrics

Client	Be a preferred partner for clients	<ul style="list-style-type: none"> Client franchise contribution Customer service index Awards
Conduct	To deliver execution excellence	<ul style="list-style-type: none"> Barclays Way implementation Regulatory fines Complaints Employee opinion survey
Colleagues	To be the employer of choice	<ul style="list-style-type: none"> Transformation Leavers, joiners stats Succession planning Training Mobility
Citizenship	To be a responsible corporate citizen	<ul style="list-style-type: none"> Environmental projects Corporate client support to SMEs BEE lending % volunteers
Company	To deliver superior returns to our shareholders	<ul style="list-style-type: none"> Headline earnings Revenue, costs Risk-weighted assets Strategic initiative delivery

* IBD – Investment Banking; WCPF – Wholesale Commercial Property Finance; FSG – Financial Solutions Group (incl. Preference Shares); Money Markets part of Group Treasury Function

Winning client confidence



Solar Deal of the Year 2013



#1 M&A South Africa ranking (by Deal Value)



#1 Investment Adviser by transaction value
#1 Sponsor by transaction value



Overall African Deal of the Year 2013
African Power Deal of the Year 2013



1 in brokerage weighted category
'Dealing: Fixed Interest Securities'



Best Securitisation and Structured Finance Deal in Africa



Best Investment Bank in Africa
Best M&A House in Africa
Best Bank in Ghana



Top Overall Bank in the 2014 Risk South Africa Rankings survey (5th consecutive year)

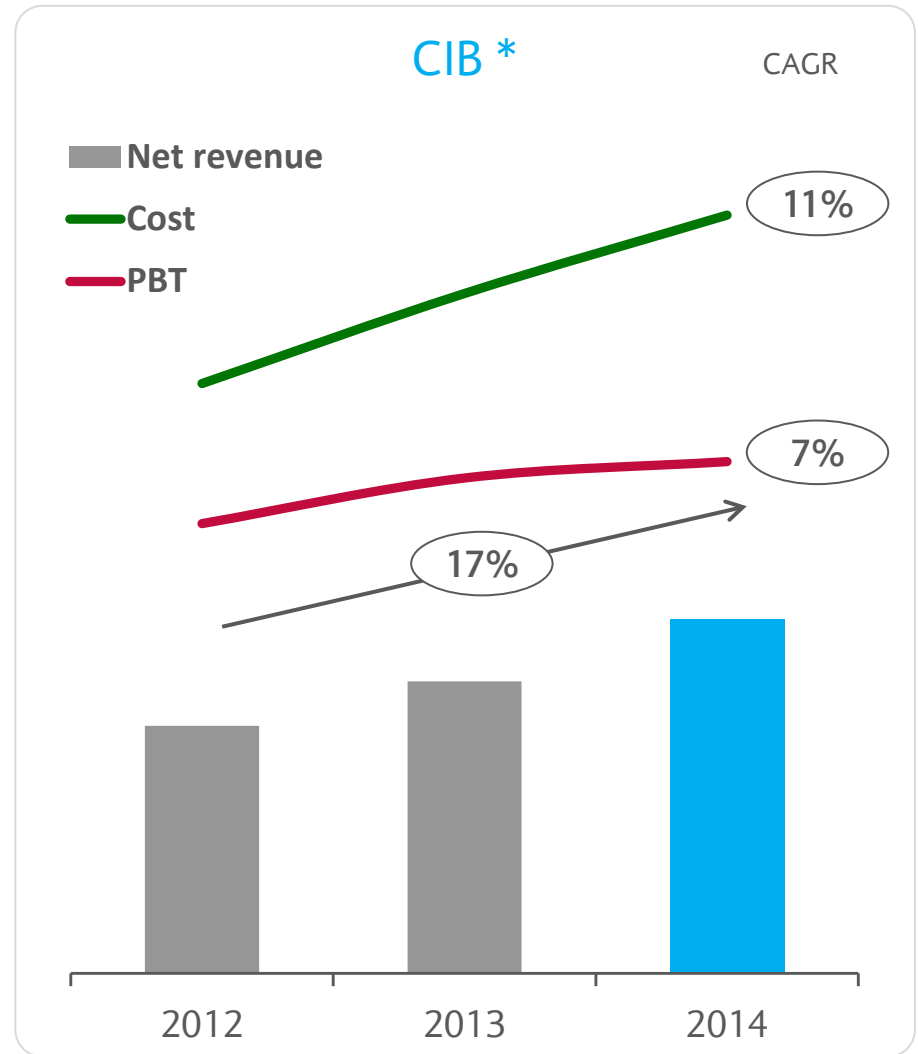
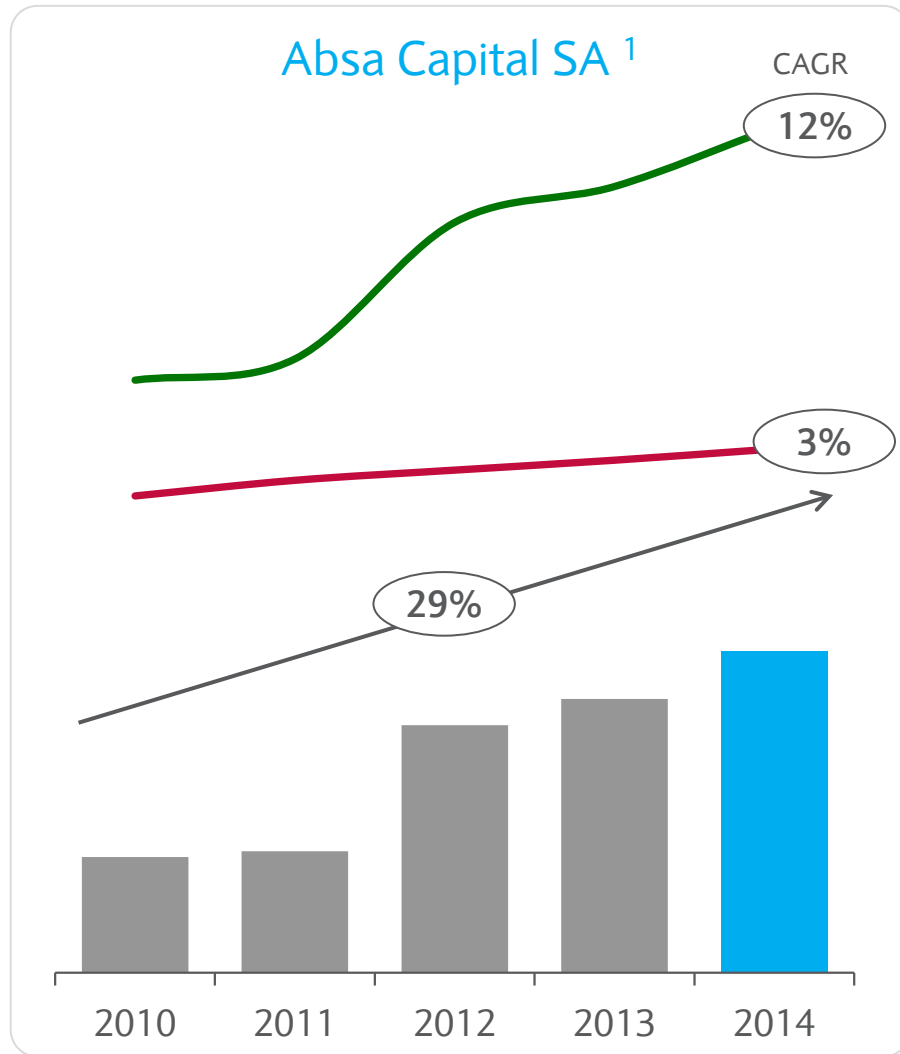


Best Fixed Income House as well as the roll up awards for Best Bond House, Best IRD House and Best FX House



Best Domestic Cash Manager Botswana, Ghana Kenya, South Africa, Zambia, Zimbabwe

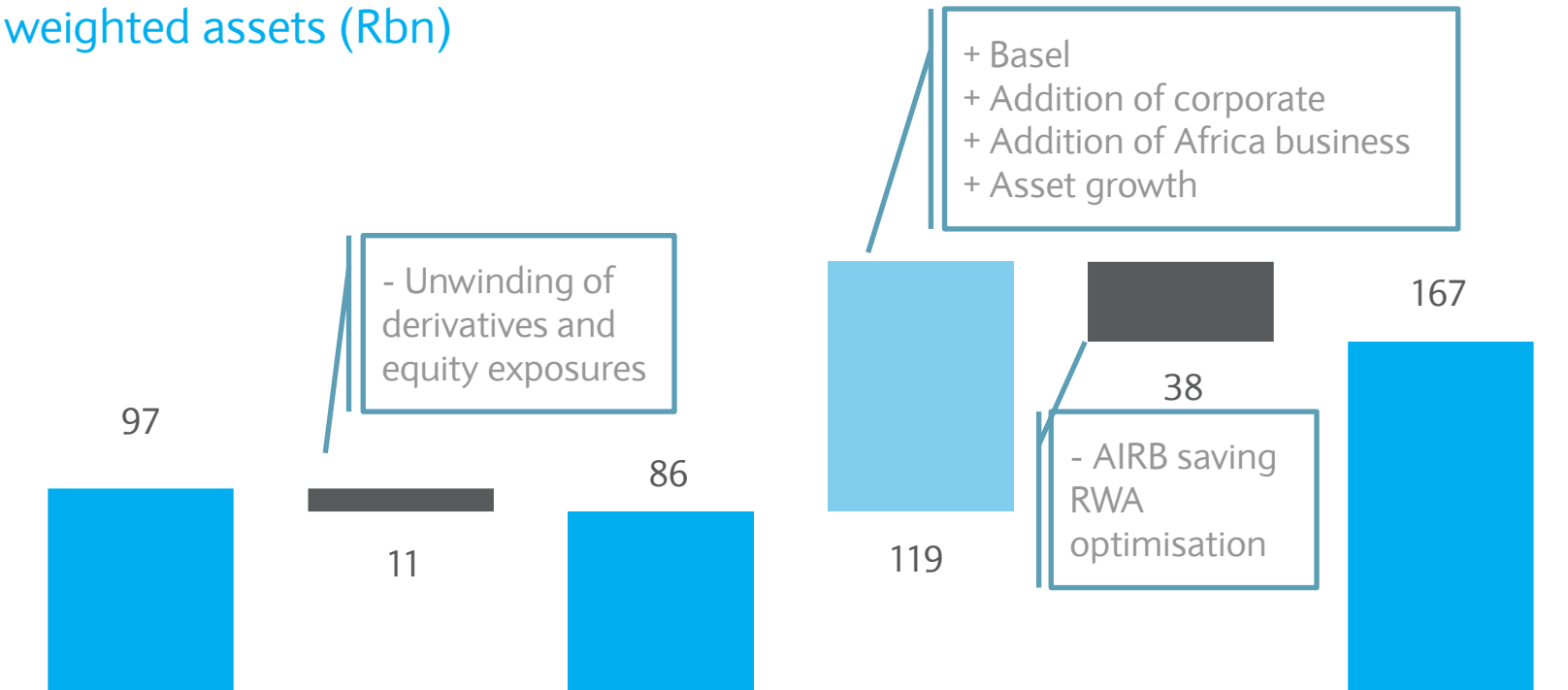
CIB strategy gaining traction



¹ Absa Capital SA normalised for exclusion of non-core businesses; * 2014 is 1H annualized, not a full year forecast

Creating returns accretive business a priority

Risk weighted assets (Rbn)

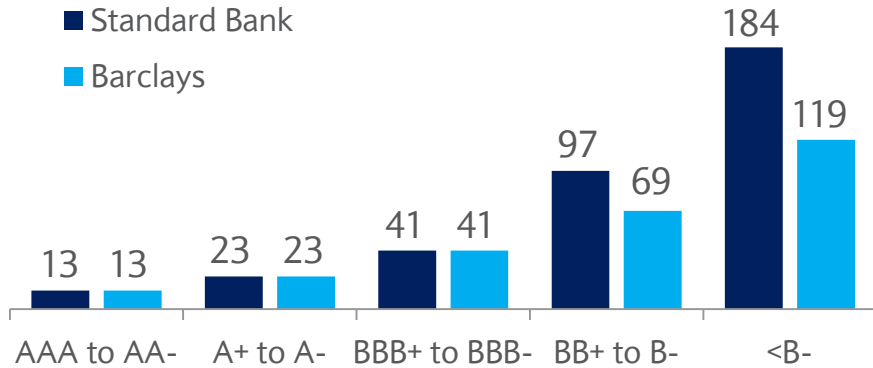


RoRC	11,79%	16,53%	18,71%
RoRWA	3,94%	4,20%	6,85%

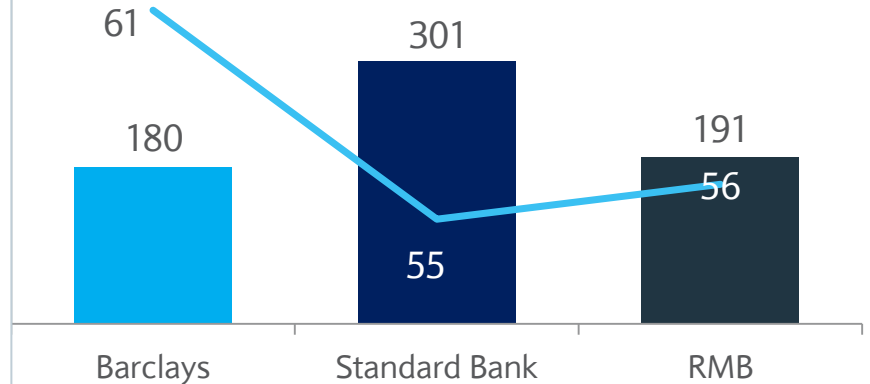
Spot RWA as per convention and includes Private Equity business; RoRC based on YTD averages

The mid-corporate opportunity is significant

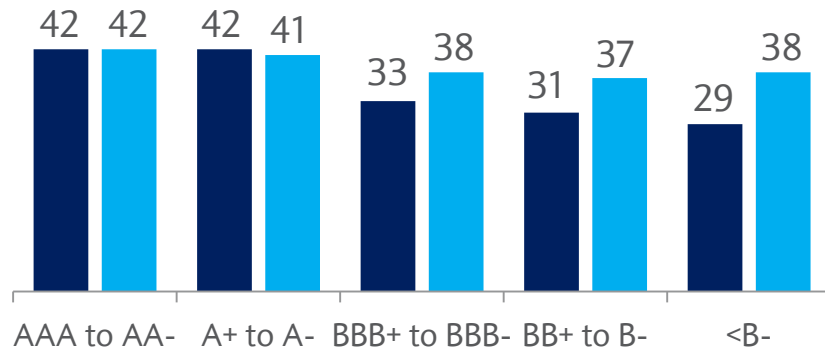
Lower average 'Corporate' RWAs (%)



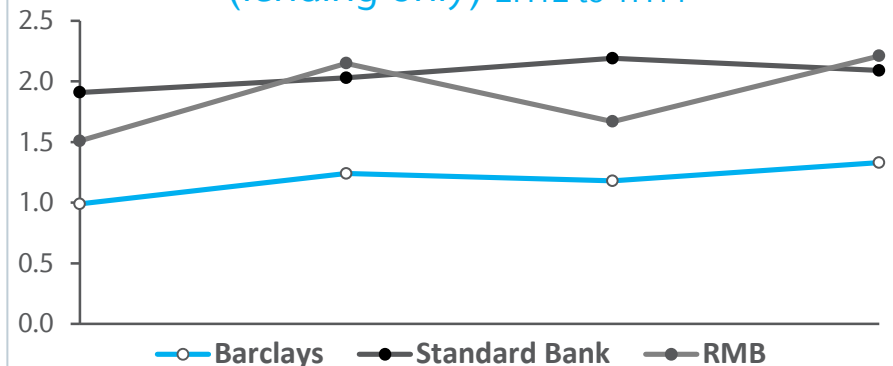
Average RWA (%) versus book sizes



Lower LGDs in midrange corporate risk (%)



Advances margin – Investment Bank (lending only) 2H12 to 1H14



All the analyses have been performed using information published by SBC in its risk and capital management reports. The information relates to the BASEL 'Corporate' classification (excluding SME) for obligor names which largely represent CIB / IBD exposures. This information enables comparative analysis since the BASEL classifications are more consistent than segmental classification.

Robust plan to deliver business platforms

Business priorities		Supporting strategic initiatives	Delivery schedule				
			2014	2015			2016
Corporate	Channel	Host to Host	KEN, ZAM, GHA, BWA	MUS, MOZ, TZA, SIM, SYC			
		Barclays.Net	RSA				
		Business Online	KEN, MOZ, TZA, UGA	ZAM, GHA, BWA, ZIM, SYC	MUS, EGY		
	Trade & Working Capital	Doc Trade Platform		RSA			
		Supplier Finance		RSA			
Markets	Foreign Exchange	FX onto Front		RSA			
		BARX	All countries ex MUS & SYC	MUS, SYC			
	Trading	Front Arena trading system	All countries ex ZIM	ZIM			
	Rates	Rates E-Commerce	RSA				

... as well as delivery of infrastructure platforms

Business priorities	Supporting strategic initiatives	Delivery schedule			
		2014	2015	2016	2017
Improving control	<ul style="list-style-type: none"> Golden source of data in Africa PCG reporting consolidation in Africa 	RSA	KEN, ZNB, GHA, MUS, EGY, BWA, MOZ, TZA, UGA, ZIM, SYC		
	<ul style="list-style-type: none"> SWIFT upgrade and MT (message type) standardisation 	All countries ex MOZ	MOZ		
	<ul style="list-style-type: none"> Traded market risk framework 		KEN, ZNB, GHA, MUS, EGY, BWA, MOZ, TZA, UGA, ZIM, SYC		
Improving efficiency	<ul style="list-style-type: none"> Workforce planning / activity management 	RSA			
	<ul style="list-style-type: none"> Payments enhancements 	KEN, ZNB, GHA, MUS, EGY, BWA, MOZ, TZA, UGA, ZIM, SYC			
	<ul style="list-style-type: none"> Africa CRM for Trade Service improvement plan-initiatives targeting the improvement of stability and IT 	KEN, ZNB, GHA, MUS, EGY, BWA, MOZ, TZA, UGA, ZIM, SYC			

Client centricity will change the way we go to market

Rationale

Commoditisation of core business

1. Rapid change in operating environment
2. Drives product development,
3. Competition drives margin compression commoditisation

Increased client expectations

“[The most important thing is]...understand the business needs and intentions of the client and partner with the client in facilitating that from a financial point of view”

“Banks who do not make the effort to listen to their clients and insist on pushing products will lose my business”

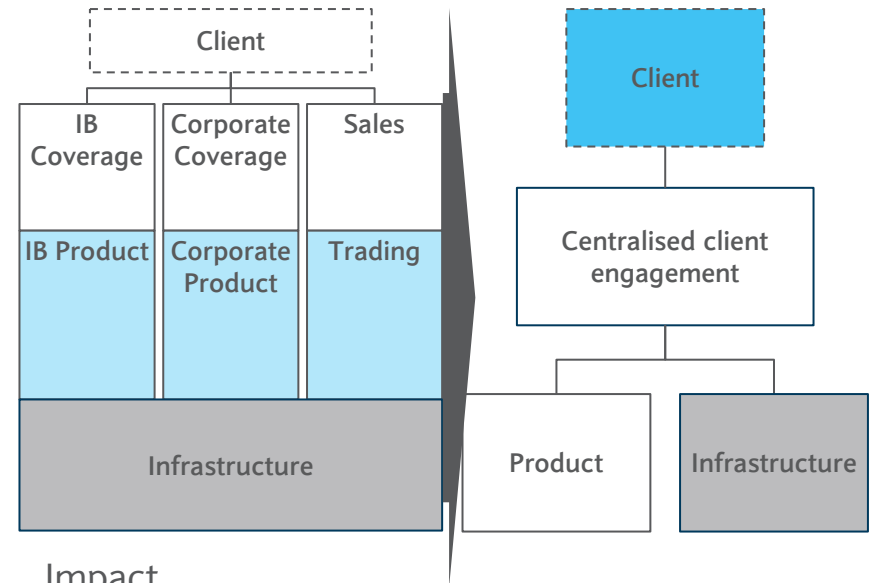
Intensified competition

“No Need for Banks in an Era of Intellectual Capital” - Financial Times (Aug 2014)

“Funding a New Small Business? Don't Bother with Banks” - Bloomberg Businessweek (Feb 2014)

“Banks new competitors: Starbucks, Google and Alibaba” Harvard Business Review (Feb 2014)

Our approach



Impact

- Deliver bespoke and integrated solutions
- Bolster new and existing client relationships
- Help our clients achieve their ambitions
- Gain competitive advantage and differentiate

Building e-Bank to respond to changing dynamics

Digital banking drivers

McKinsey & Company

“ To stay competitive, companies must stop experimenting with digital and commit to transforming themselves into full digital business ”

“ We estimate that digital transformation will put upward of 30% of the revenues of a typical European Bank in play ”

“ We also estimate that banks can remove 20–25% of their cost base ”

accenture

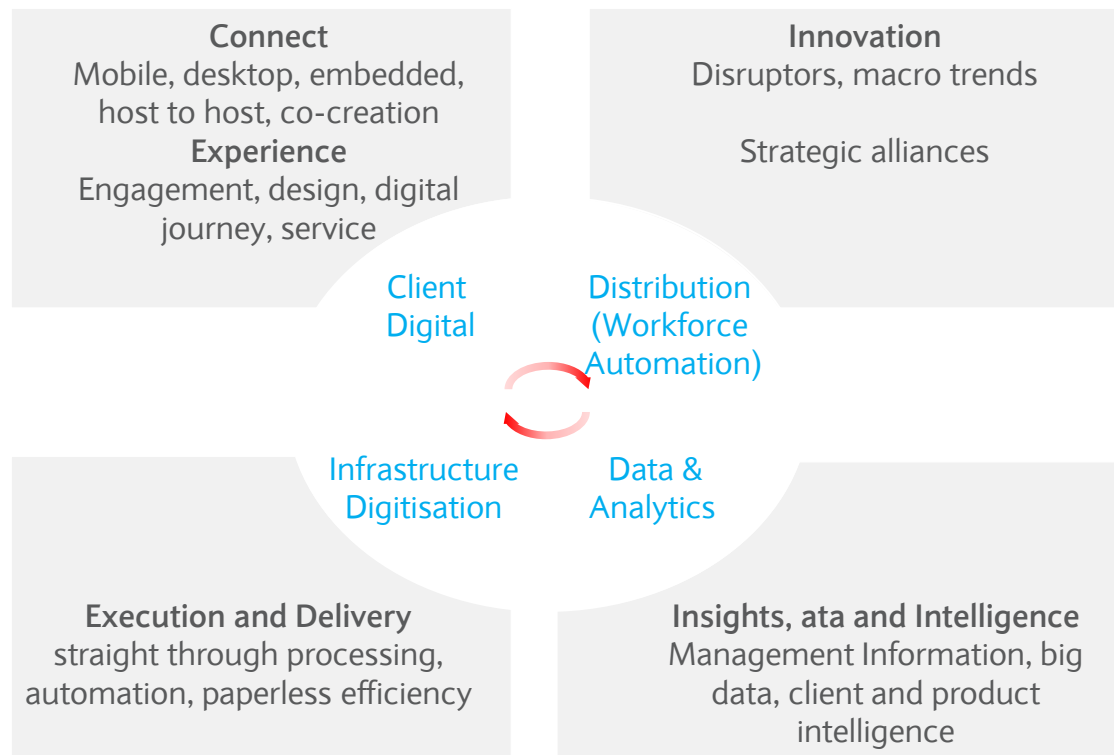
“ Banks are at a crossroad. They face critical choices that can set them on the path forward becoming an Everyday Bank – Trusted, Indispensable and Central to consumers’ everyday activities or purely transactional providers. With up to a third of their revenues at risk banks cannot afford to make the sage choice ”

“ Customers rule the digital world, setting expectations for companies they interact with personally & professional ”

Focus building blocks of e-bank

Success for the bank

- Keep clients by linking them to the bank: Keep revenue intact
- Grow clients by connecting them with each other: Growing revenue for CIB
- Help clients optimise their businesses: Become integral to their business ambitions



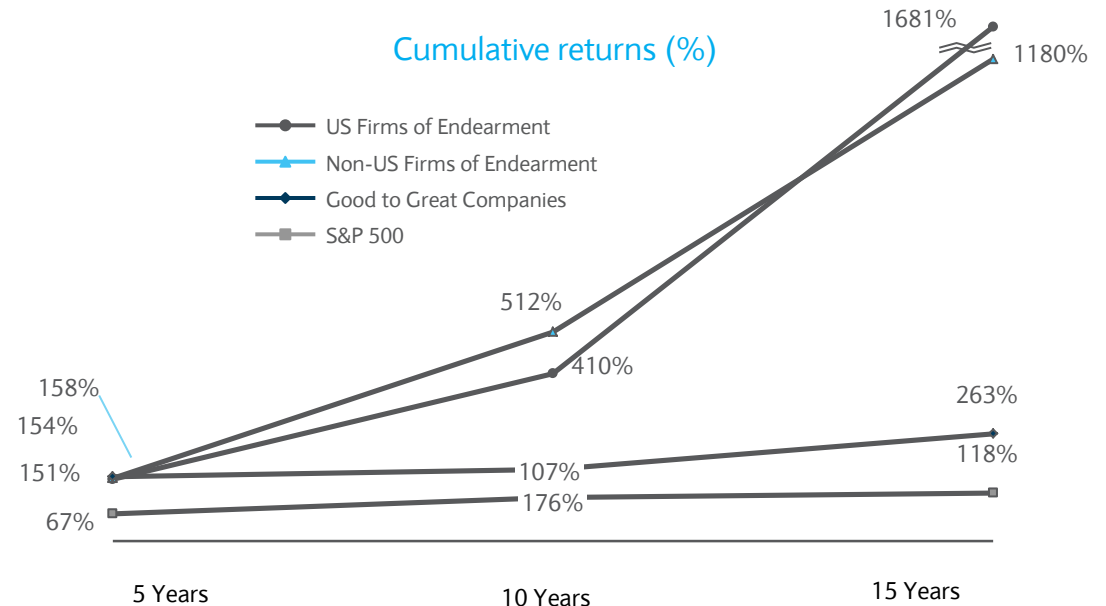
Citizenship is becoming a business imperative

Becoming a company that is concerned with the broader environment has a more sustainable future

43% of global consumers said they are willing to spend *more* for a product or service that supports a cause. Examples: Southwest Airlines, IKEA, Whole Foods, Trader Joes, The Container Store, Whole Foods

Source: *Global Survey on Corporate Social Responsibility, Nielsen, August 2013*

The survey of 29,000 Internet respondents in 58 countries examines the interaction between respondents who say they are willing to pay extra for products and services that give back to society and those that actually do so



CIB has is integrating our 3 citizenship pillars into our business fabric



The way we do business



Contributing to growth



Supporting our communities

Source: Firms of Endearment, Raj Sisodia, Jagdish N. Sheth, David B. Wolf, 2014

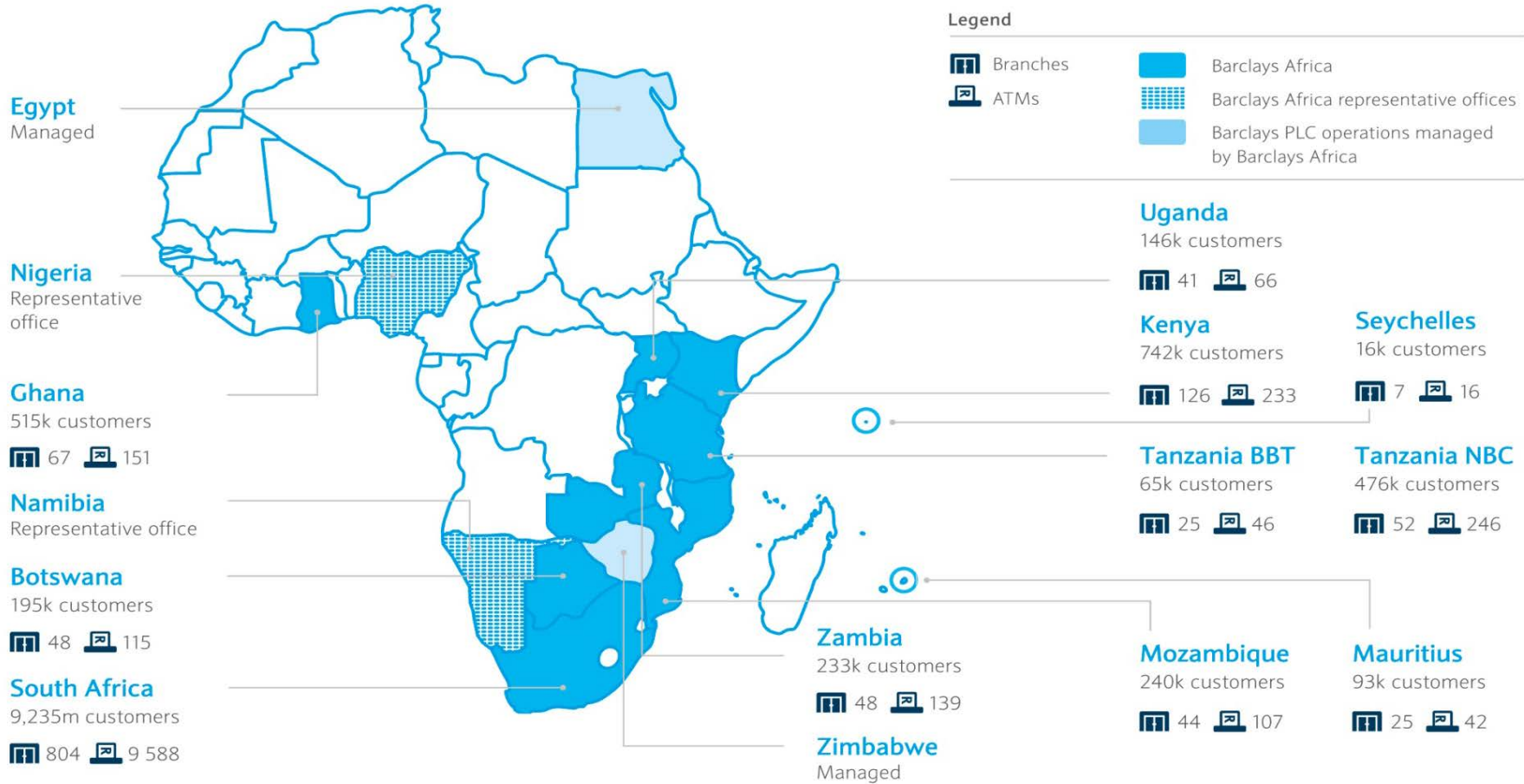
Retail and Business Banking

Craig Bond



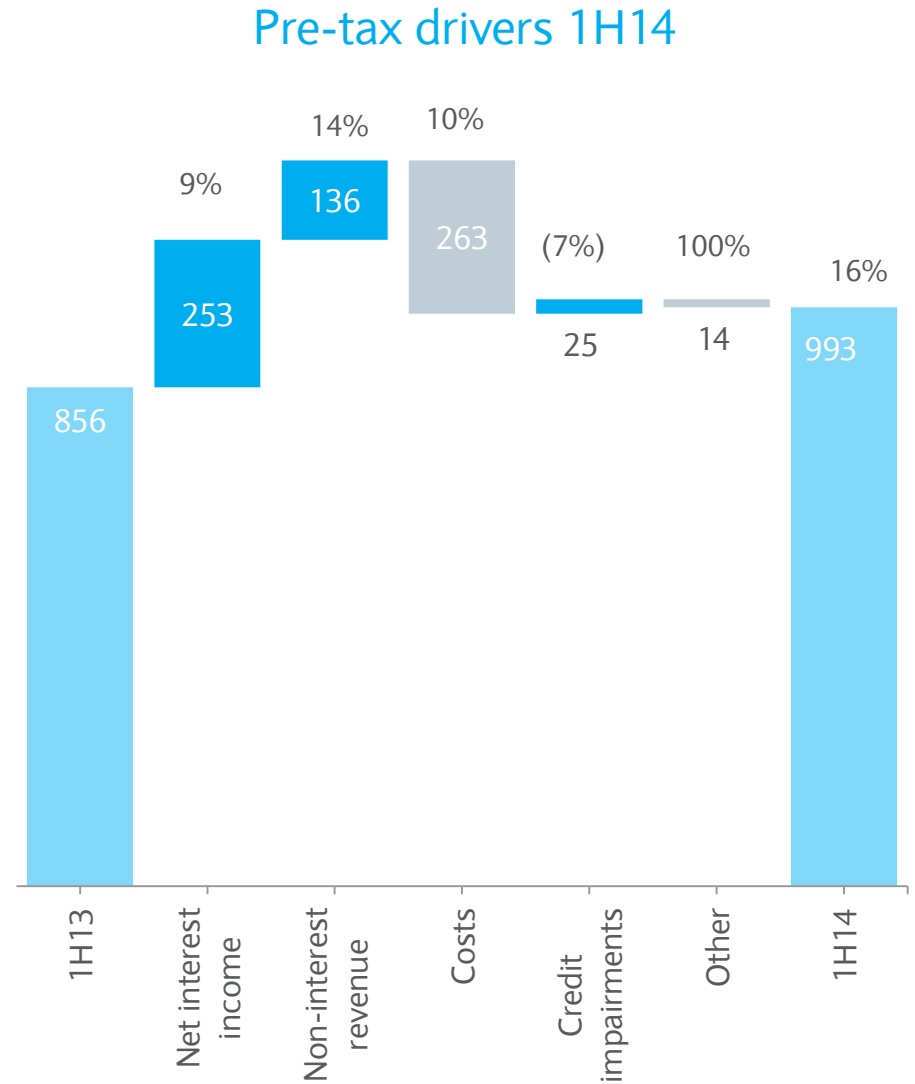
A leading African franchise

12 countries
12 million customers
1 287 branches
10 749 ATMs
42 114 permanent employees



Solid underlying growth

- Healthy loan growth
- Regulatory changes and lower rates reduced net interest margin
- Improving transaction volumes offset pricing pressure
- Credit quality improved
- Constant currency costs well contained, despite investment
- High effective tax rate



Key RBB initiatives

Move from product driven operating model to customer needs led, centrally solutions and locally executed



Putting customers at the heart of everything we do – get service right, no matter what



Physical and digital channels to be future proof sales and service channels, where NPS improves and costs decline



Stabilise the business as usual environment
Define desired end-state enterprise and architecture
Invest and refresh Africa IT infrastructure



Make most of our marketing spend and leverage sponsorships to reinforce brand awareness and build on issues of trust, value and innovation



Simplify complexity of processes and automate / digitise as required
Ensure alignment to fix end-to-end processes



Drive digital initiatives as key enabler for customers and colleagues



Drive strong cultural transformation, underpinned by servant leadership philosophy driven by customer needs



Develop management skills and drive strong partnerships to expand access to select client bases and channels

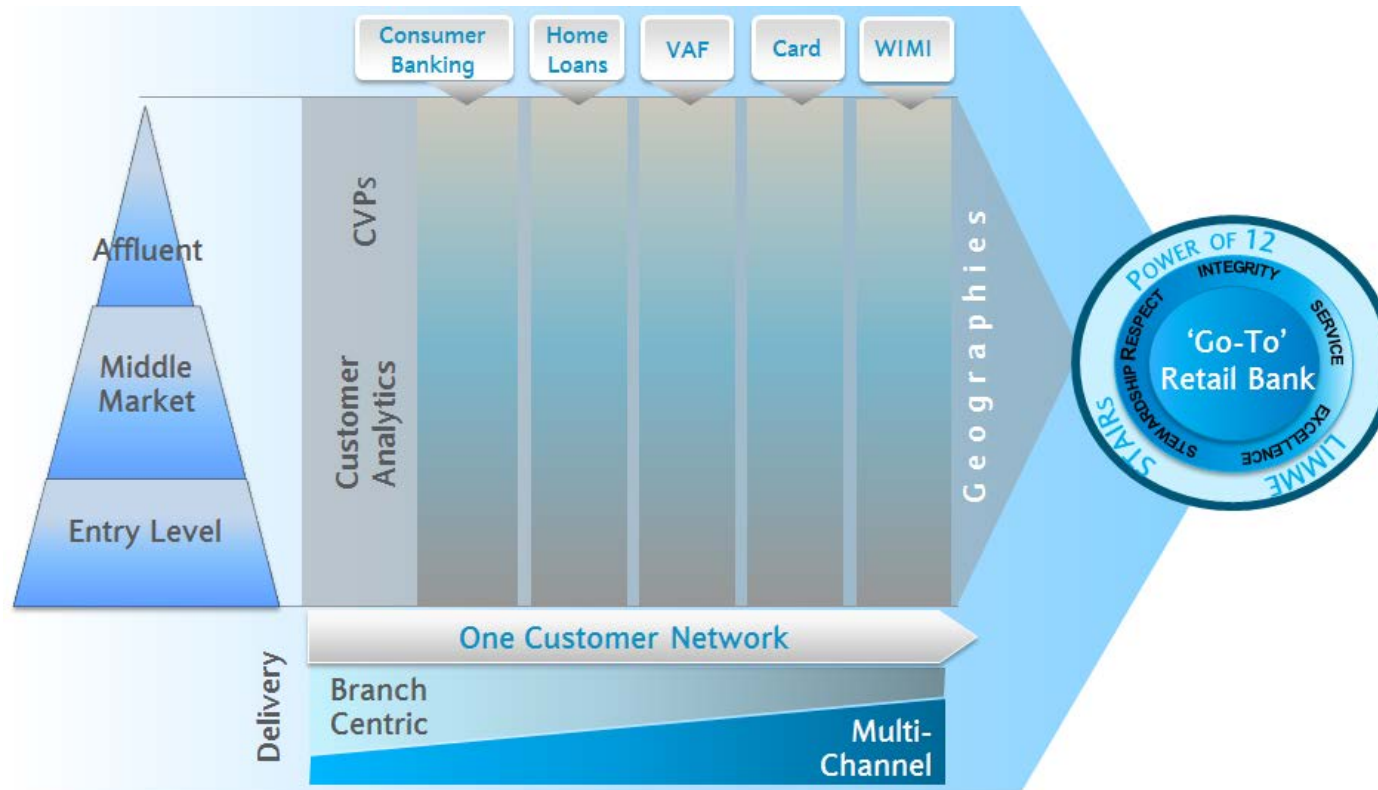


Radically simplify product offering and improve value to customers



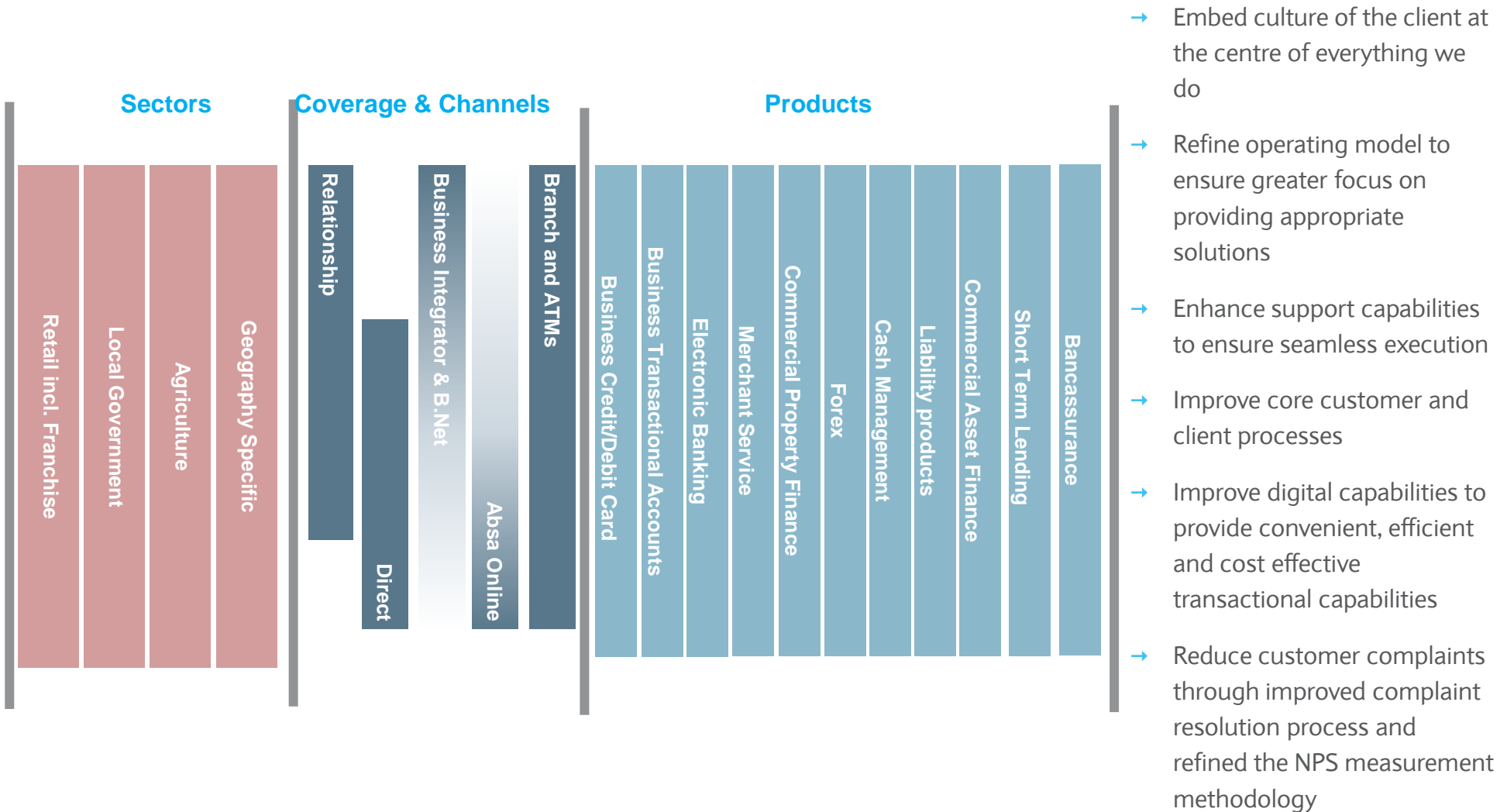
Develop, nurture and attract local and global talent across RBB to lead transformation and bolster specialist skills

Retail strategy focus areas



- Building leadership and simplifying structure
- Building customer needs-led and product management discipline
- Driving culture of accountability and ownership
- Getting management process and governance right (council driven)
- Building product management discipline
- Unlocking franchise value, think and lead collectively
- De-risking franchise and enhance control environment
- Align retail across all Africa franchises
- Think, act and lead collectively

Business Banking focus areas



Wealth Investment Management and Insurance (WIMI)

Lanz Zulu



WIMI strategy

Our ambition is to be the 'Go-To' provider of integrated non-banking financial solutions

Strategic Pillars

WIMI Solutions in South Africa

Build on strengths

1. Leverage bancassurance competency
2. Grow multi-channel distribution capability
3. Build out the WIM proposition

Compete where we can win

4. Go for growth
5. Drive customer focus

Simplify how we operate

6. Embed efficient control environment
7. Enhance operational efficiency
8. Build a culture of excellence and collaboration

Life Insurance

- Credit life
- Complex life
- Accident
- Funeral cover

Short Term Insurance

- Personal lines
- Commercial
- Agri crop and assets
- idirect

Wealth and Investment Management

- Institutional - asset management (active, passive, alternative, multi-management)
- Individual – wealth management, unit trust, stockbroking, linked investments

Employee Benefits

- Private Funds for corporate clients
- Umbrella funds & plan-based funds
- Retirement Annuities

Trust

- Wills
- Trusts
- Estates

Africa

- Current: Botswana, Zambia, Mozambique and launching Kenya
- Future targets: Ghana, Tanzania, Uganda, Egypt

Strategy and business model overview

- Market strategy
 - Operate where Barclays has established a presence including Botswana, Egypt, Ghana, Kenya, Mozambique, Tanzania, Uganda, and Zambia
 - Appropriate local approach to manufacturing, sales and distribution
- Strategic philosophy
 - Regional capability, local relevance
 - Increase geographic coverage for scale and profit
 - Fully leverage model across the continent
 - Use South African competencies and intellectual property
 - Offer a competitive WIMI product offering (including micro-insurance)
 - Establish affinity partnerships and joint venture agreements with local providers
 - Grow multi-channel distribution capability
- Where are we today?
 - Steady growth in Botswana, Mozambique (primarily life and short-term) and Zambia
- Growth ambitions
 - Accelerate market penetration
 - Ensure full product range (life, short-term insurance and wealth and investment management)
 - Enter markets with full WIMI proposition (Kenya, Tanzania, Uganda, Egypt and Ghana)

WIMIs integrated Pan-Africa strategy

Pan-African components

Business focus areas

- Work closely with RBB in-country to deepen penetration
- Focus on Botswana, Ghana, Kenya, Mozambique, Zambia and Egypt
- Support Business Bank proposition via integrated client offering
- Ensure fully integrated front- and back end processing systems (straight through processing)
- Deepen RBB penetration

Products

- Full value proposition for target segments across:
 - Life
 - Short-term
 - Investments
 - Wealth (global offering)
- Diversify product set in all markets

Customer segments

- Premier – grow
- Standard – grow
- Mass – maintain via appropriate channels
- Small to medium enterprises / Business Banking – grow
- Corporates – grow
- Develop micro insurance product proposition

Channels

- Grow multi-channel distribution capability across all markets for customer convenience
- Match channel to segment needs and affordability
- Seamless customer experience across channels
- Affinities (telcos and retailers)
- Other banks, financial institutions

Market specific growth areas

Botswana

- Life insurance focus
- Short-term insurance via JVs
- Grow distribution channels (kiosks and advisors)
- Launch investment proposition
- Open call centre

Egypt

- Enter in 2016

Ghana

- Enter in 2015

Kenya

- Enter in 2H14 (combination of organic and acquisition)
- Develop mobile business case
- Use as regional hub to enter Tanzania and Uganda

Mozambique

- Focus on bancassurance opportunities (initially acquired a corporate led business)
- Support RBB through reverse leads
- Grow branch presence
- Invest in investment management business

Zambia

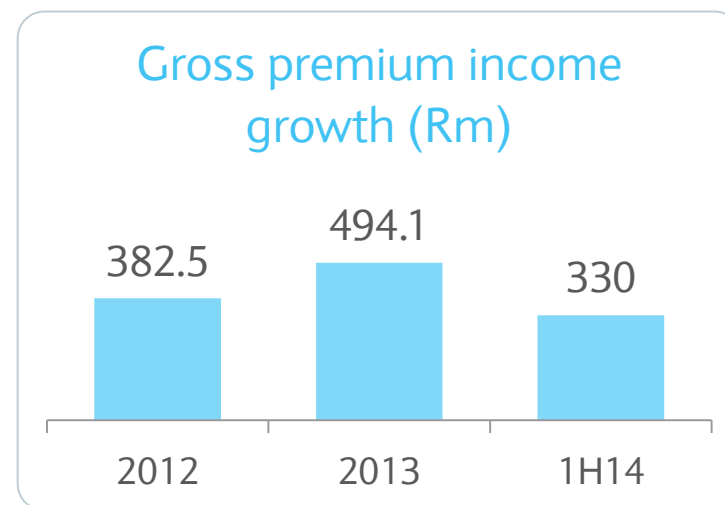
- Life insurance focus
- Build short-term insurance capability
- Grow distribution channels (kiosks and advisors)
- Investment product launch
- Deepen broker penetration with a focus on Group Life assurance

Positive progress to date

Commitment	Achievements	Next steps
Accelerate expansion into new markets	<ul style="list-style-type: none"> • Barclays Life Botswana (March 2011) • Global Alliance, Mozambique (September 2011) • Barclays Life Zambia (August 2012) 	<ul style="list-style-type: none"> • Kenya greenfield business operationally ready, identifying suitable target for both life and non-life acquisition • Ghana identifying acquisition
Be 'Go-To' bancassurer through customer focus	<ul style="list-style-type: none"> • Developed product roadmap for life and short-term insurance products • Developed Ghana and Kenya Wealth and Investment Management strategies 	<ul style="list-style-type: none"> • Integrated customer value proposition, prioritising Premier segment • Continue to grow standalone product sales • Enhance customer experience via automated and straight through processes and operating systems • Identify Pan African health insurance partner
Focus to grow profitability	<ul style="list-style-type: none"> • Mozambique continues to grow strongly • Botswana standalone sales gathering momentum at kiosk channels • Zambia sales momentum growing rapidly via kiosk channels 	<ul style="list-style-type: none"> • Focus on managing costs, product profitability, commissions • Roll out full product range • Launch paypoint sales channel
Optimise business performance	<ul style="list-style-type: none"> • Kiosk model launched to drive straight through processing and stand alone sales 	<ul style="list-style-type: none"> • Finalise testing and roll out system for investment products. • Roll out Kiosk model to the remaining branches and rollout into Kenya
Build visionary bancassurance culture	<ul style="list-style-type: none"> • Built strong relationships between Retail and Business Banking and in-country Wealth, Investment Management and Insurance (WIMI) operations • Joint Venture agreement signed with Hollard for short term insurance products in Botswana • Non-exclusive agency agreement with Marsh for non-life solutions. 	<ul style="list-style-type: none"> • Quarterly review process with RBB and CIB • Seamless integration with RBB, CIB and support functions • Fully integrated WIMI Business Banking strategy • Fully integrated marketing strategy • Group and In-country Exco KPIs to incorporate WIMI targets.

Solid growth to date

	1H14 (Rm)	FY13 (Rm)	FY12 (Rm)	FY11 (Rm)
Global Alliance Mozambique	25,0	40,3	23,3	11,2
Barclays Life Botswana	24,6	26,3	17,1	(8,1)
Barclays Life Zambia	0,8	(3,2)	(4,8)	-
Total	50,4	63,4	35,6	3,1



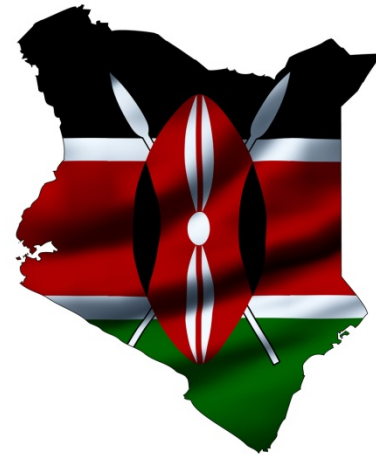
	CAR cover Sept 2014 (times)	1H14 RoE (%)	PBT CAGR FY11-1H14 annualised
Global Alliance Mozambique	2,36	27	65
Barclays Life Botswana	3,10	60	42
Barclays Life Zambia	5,00	25	-
Barclays Life Assurance Kenya	3,00	-	-

Expansion plans

- Present in 8 markets by 2016
- Provide full product offering (life, short-term, wealth and investment management) where commercially viable
- Kenya – full WIMI proposition
- Ghana – planned WIMI entry in 2015
- Egypt – consider entering after bedding down West and East Africa
- Accelerate partnerships
- To be a 30%+ earnings contributor to Bank earnings in each market (aspirational)

Kenya

Jeremy Awori



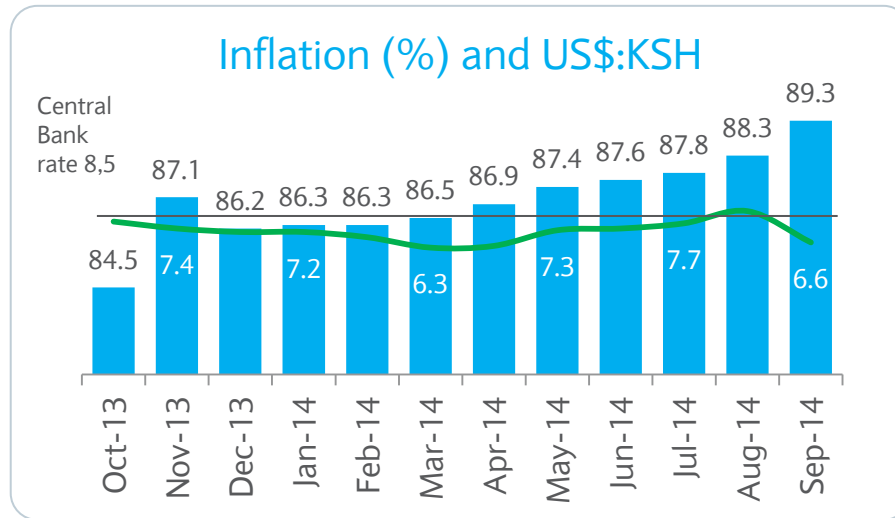
Key market statistics



GDP 2013 (US\$ bn)	53,3
GDP per capita 2013 (US\$)	1 229
GDP growth 2014E ¹ (%)	5.5
Central Bank Reference Rate (%)	8,5
Inflation (%)	6,60
Credit rating	B1 (Moody's); B+ (Fitch)
Public debt to GDP (%)	48
Population (million)	44,3

Source : Government of Kenya; GDP up 25% following re-base in September 2014

Stable market with strong growth opportunities



- Disciplined monetary policy
- Stable exchange rate
- Inflation within target range
- GDP growth driven by transport, communication, financial service and real estate sectors
- Pressure to reduce rates to stimulate growth

Source: ¹ Reuters, Bloomberg, Central Bank of Kenya, Kenya National Statistics

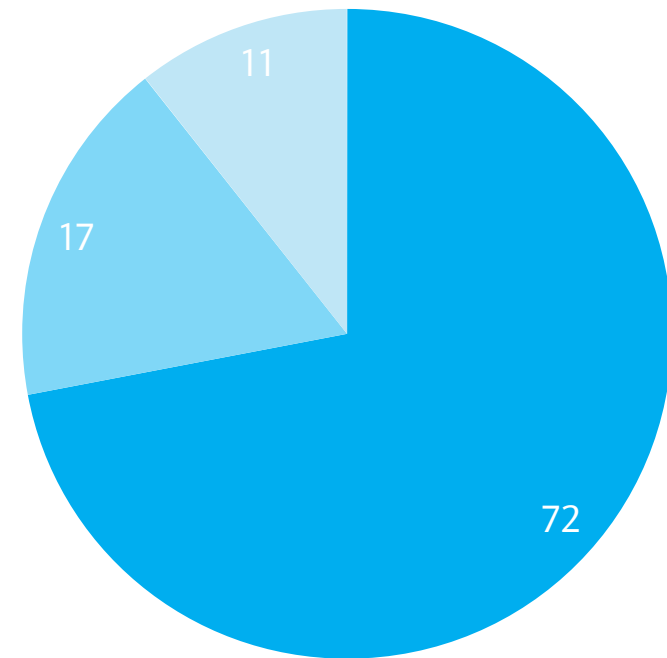
Barclays Bank Kenya



Operating metrics

Established	1917
BAGL ownership (%)	68,5
Outlets	121
ATMs	232
Employees (permanent)	2 815
Customers (thousand)	742
Ranking by revenue (1H14)	4
Market capitalisation (KSH bn) *	90,7

1H14 PBT split (%)

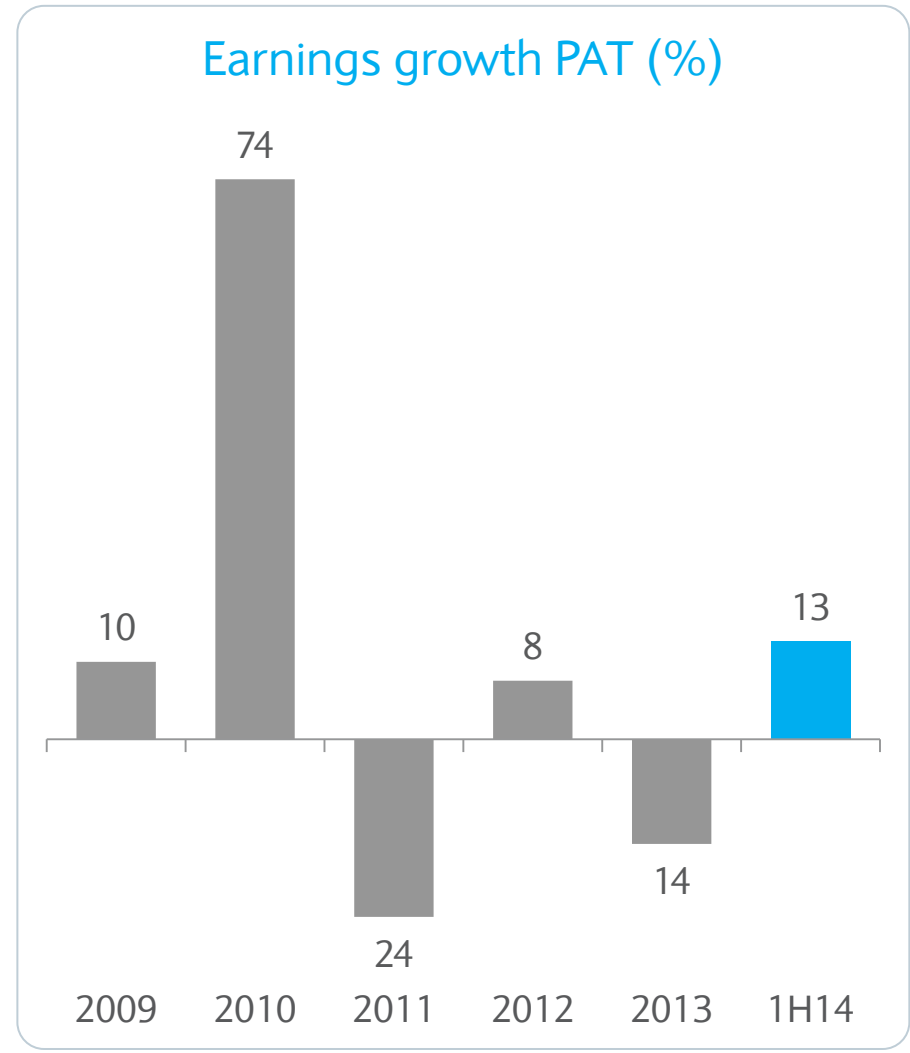
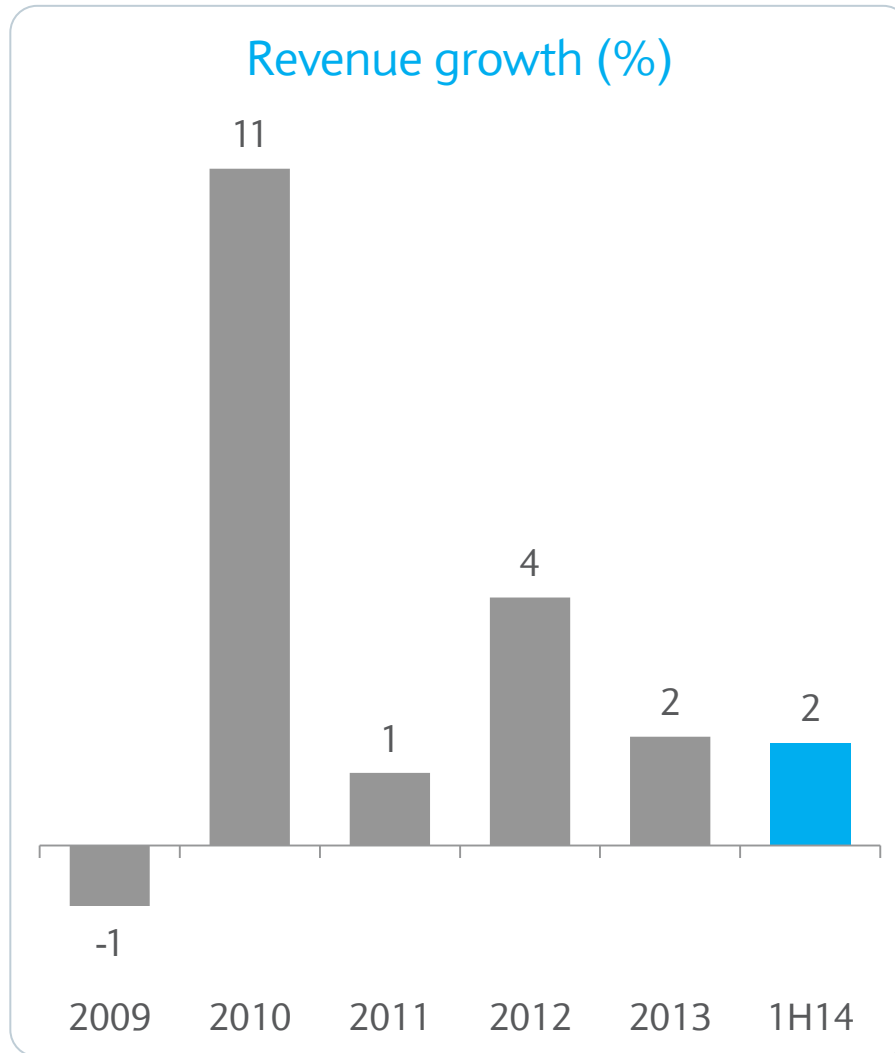


■ RBB ■ CIB ■ Treasury

* As at 5 November 2014

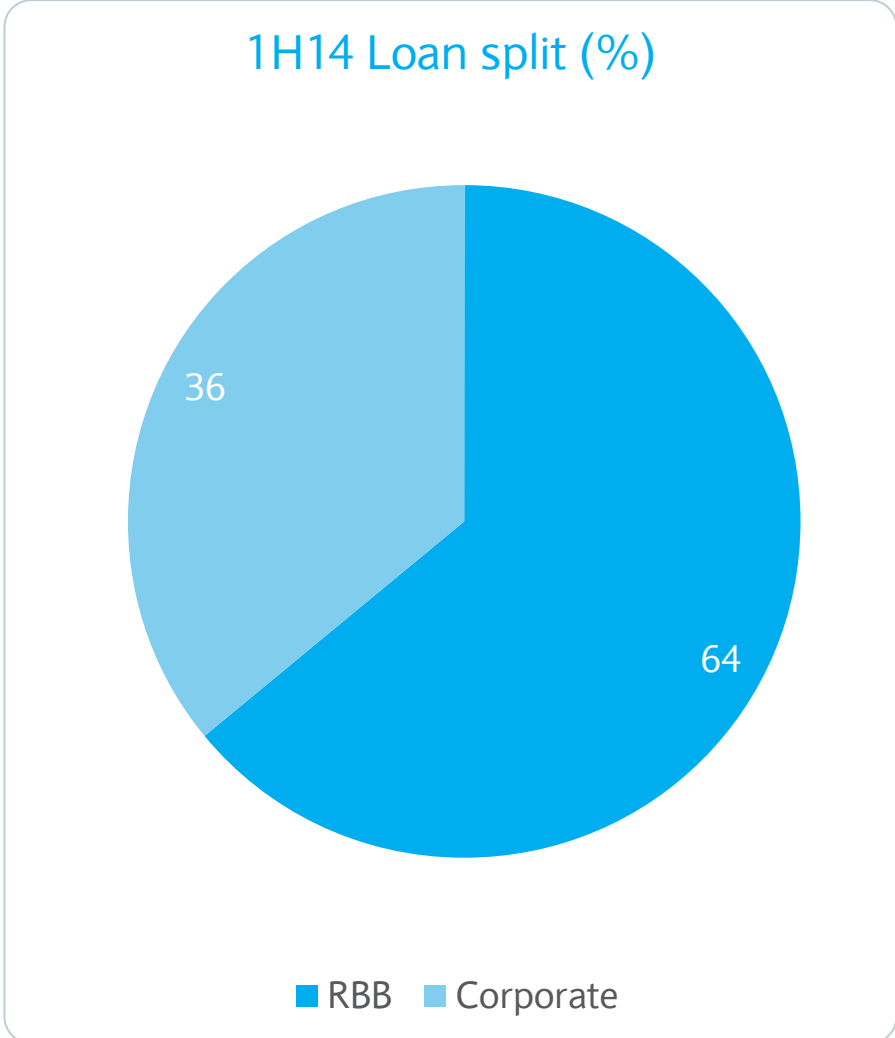
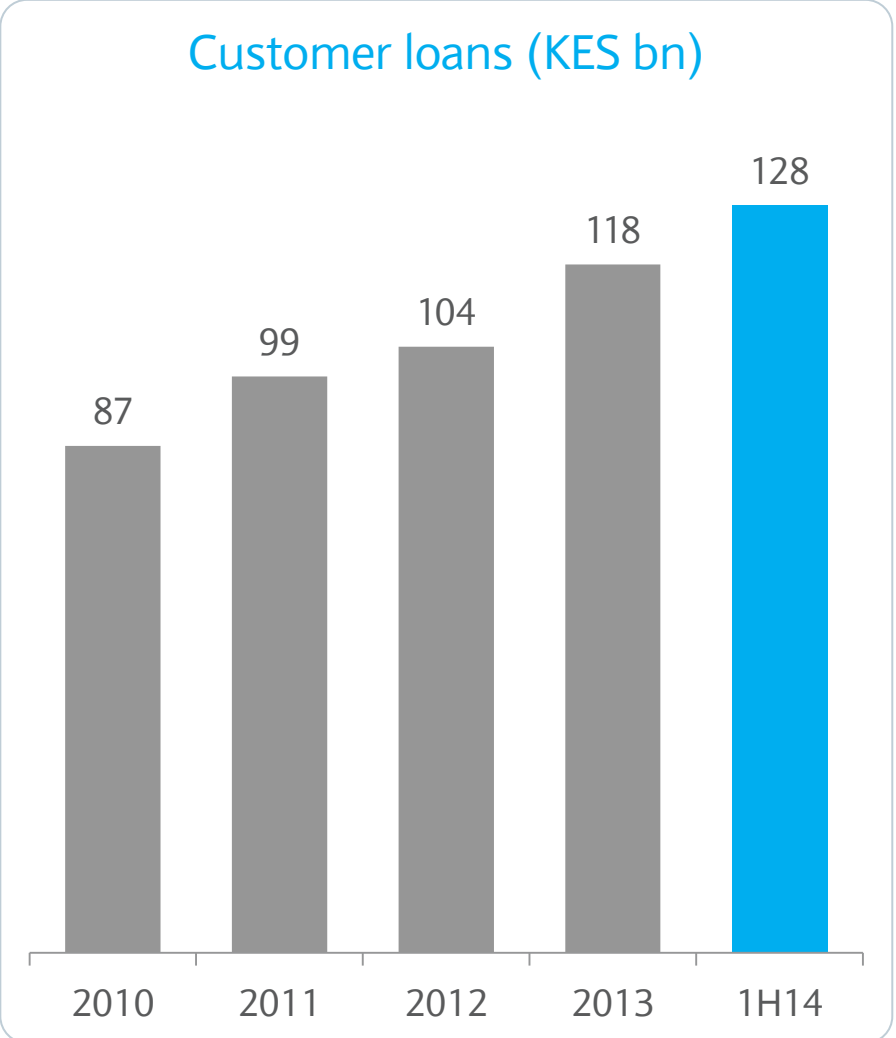


Earnings impacted by one offs





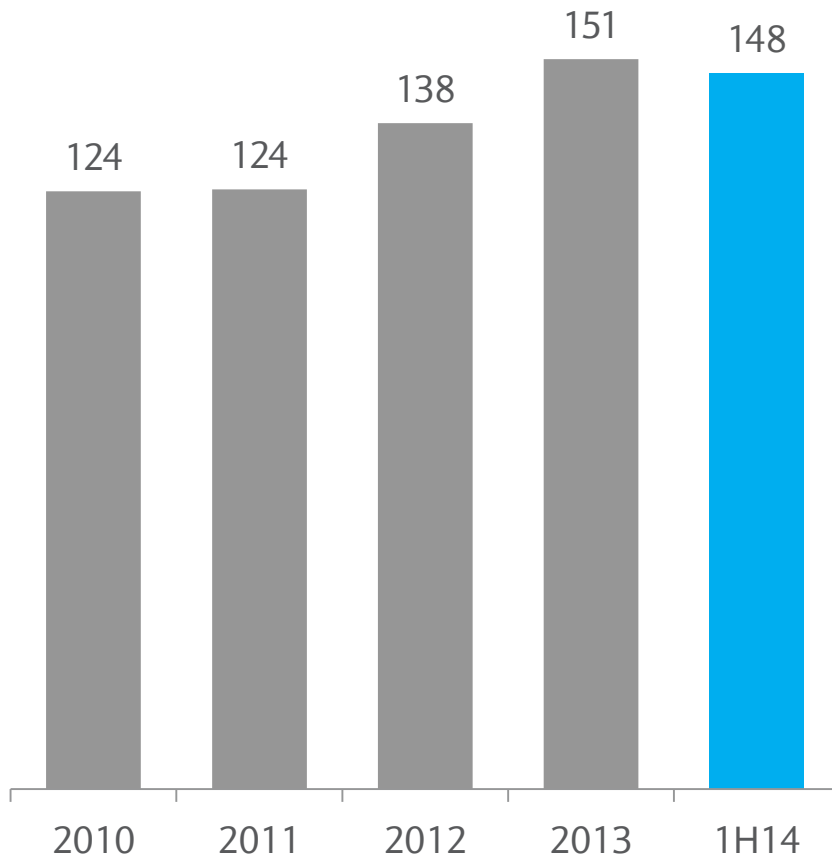
Double digit growth in customer loans



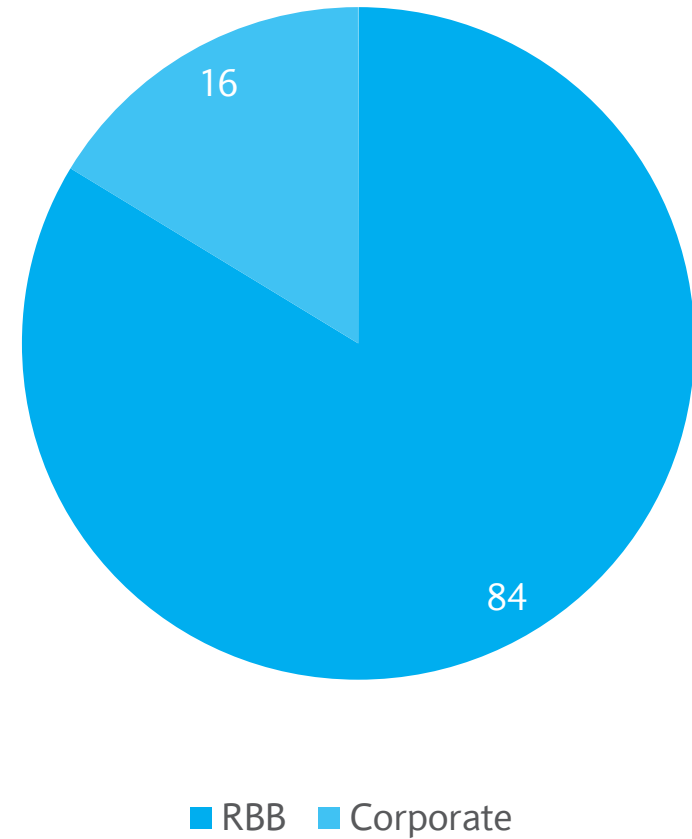
Rising competition increases cost of funding



Customer deposits (KES bn)



1H14 Deposit split (%)



Strong cost control whilst still investing for growth



	1H14 Rm	1H13 Rm	Change %
Net interest income	1 180	1 124	5
Non-interest income	519	547	(5)
Total revenue	1 698	1 671	2
Credit losses	88	71	24
Operating expenses	867	933	(7)
Profit before tax	744	667	12
Taxation	229	212	8
Profit after tax	515	454	13

- Net interest margin pressure dampened revenue growth
- Lower non-interest income
- Core costs grew 3% - industry leaders
- Higher credit impairments track 20% book growth



Steady performance in a competitive and turbulent environment

	1H14 (%)	1H13 (%)	
Net interest margin	10,73	12,12	→ Lower rates and deposits pressure hurt net interest margin
Non-interest income to total revenue	30,5	32,7	→ Cost to income ratio remains close to target even with investment
Cost to income ratio *	51,0	50,1	
Credit loss ratio	1,10	1,06	→ Stable credit loss ratio
Return on equity	24,9	24,7	→ Returns remain solid
Return on risk weighted assets	4,11	4,12	→ Strong capital ratio
Return on assets	3,98	4,02	
Common equity tier 1	15,4	14,8	

* Excludes 1H13 restructuring costs

Strategic challenges



- Rapid technological innovation
- Intense competitive landscape
- Insecurity and terrorism
- Devolution and political transition
- Increasingly complex regulatory environment
- War for talent

Strategic opportunities



Retail	Credit cards	CIB and Treasury
<ul style="list-style-type: none"> • Propositions versus products • Grow balance sheet • Rapid digitisation • Optimise distribution • Enhance customer experience 	<ul style="list-style-type: none"> • Substantial room for growth • Cross sell • Build on leadership position • Leverage acquiring network • Innovate 	<ul style="list-style-type: none"> • Holistic end-to-end client solutions • Deepen segment penetration • Tap into economic growth drivers • Leverage group product expertise • Fixed Income trading • Risk management solutions • Leverage technology • Grow investment banking
Bancassurance	Business Banking	
<ul style="list-style-type: none"> • Significant opportunity • Cross sell • Standalone and embedded products • Leverage distribution network • Use South Africa capabilities 	<ul style="list-style-type: none"> • Leverage existing customer base • Propositions versus Products • Clear segmental approach • Rapid digitisation • Leverage distribution network 	



Building on a strong foundation

Start to build momentum

- One Africa
- Review and define clear strategic agenda
- Drive balance sheet growth
- Invest in our people

Outstanding delivery

- Profit and balance sheet growth
- Drive digital agenda
- Simplify and enhance customer service and experience
- Build brand visibility
- Secure new revenue streams

Driving sustainable value

- Greater contribution of new revenue streams
- Leader in innovation and digitisation
- Service a key differentiator
- Strong brand loyalty
- Stewardship

2013

Foundation built

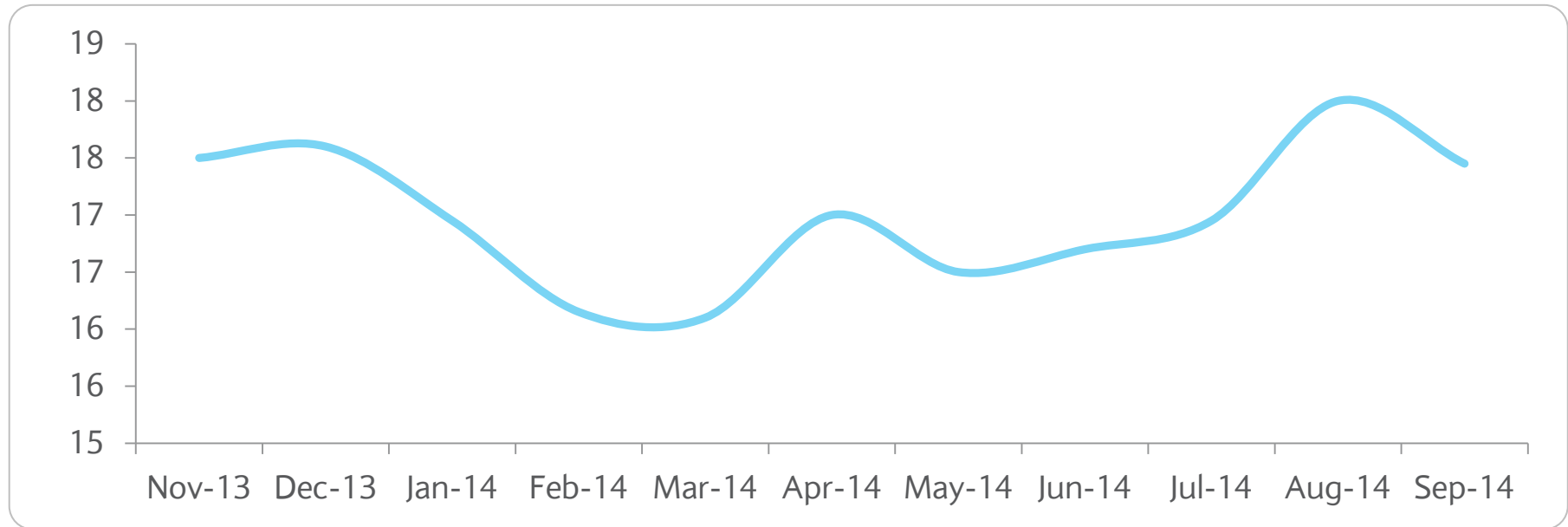
2014

Accelerate growth

2015+

Deliver sustainable performance

Share information



- Listed on the Kenyan Stock Exchange in 1954
- Average monthly trade KES 26bn (R3bn)
- Market capitalisation KES 90.7bn* (R11,3bn)

Note: *At 5 November 2014

Botswana

Reinette van der Merwe





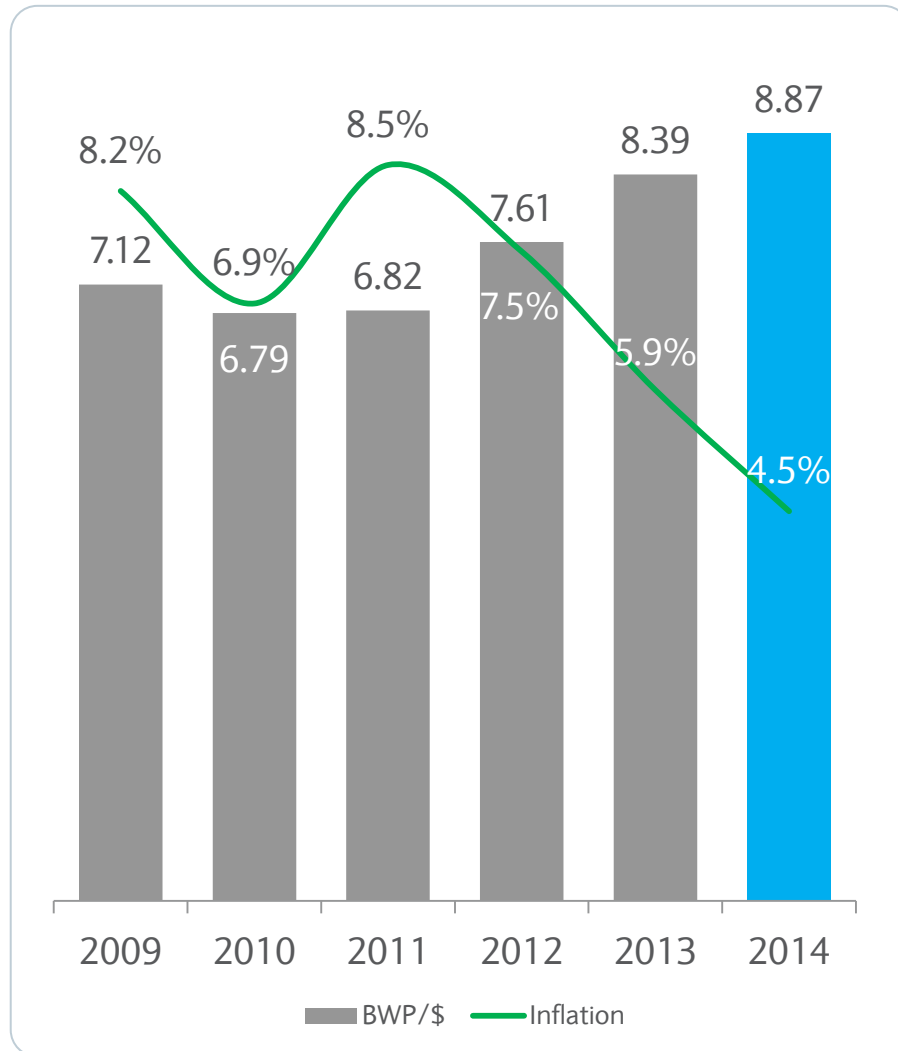
Key market statistics

GDP 2013 (US\$, bn)	5,9
GDP per capita 2013 (US\$)	7 040
GDP growth 2014E ¹ (%)	4.6
Key interest rate (Prime)	9,0
Inflation (%)	4,6
Credit rating (foreign currency long term debt)	A2 (Moody's)
Public debt (% of GDP) ²	18,5
Population (million)	2,0

Source: Barclays Botswana research; Fiscal year ending March 2014



Moderate growth outlook



- National elections unlikely to affect macro environment meaningfully
- Monetary policy expected to support growth and rate unchanged through 2014 and 2015
- Inflation eased to 4,5% in Sept 2014
- Currency depreciating against the US\$
- Poverty remains a challenge with about 20% unemployment rate
- Positive economic growth is expected, although less than anticipated

Source: Statistics Botswana and Bank of Botswana

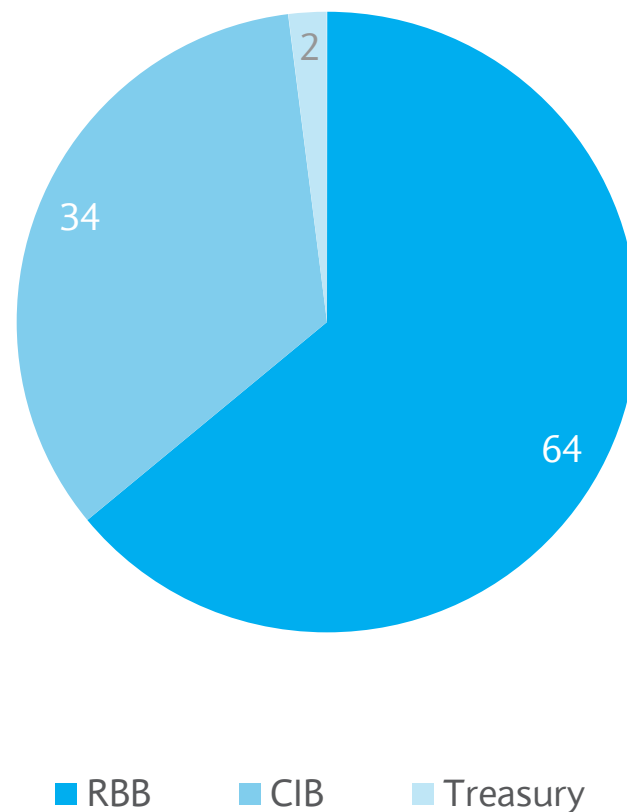
Barclays Bank Botswana



Operating metrics

Established	1950
BAGL ownership	67,8
Outlets	43
ATMs	112
Employees	1 245
Customers (thousand)	132
Ranking by revenue (1H14)	3
Market capitalisation (BWP bn) *	2,9

1H14 PBT split (%)



* As at 5 November 2014



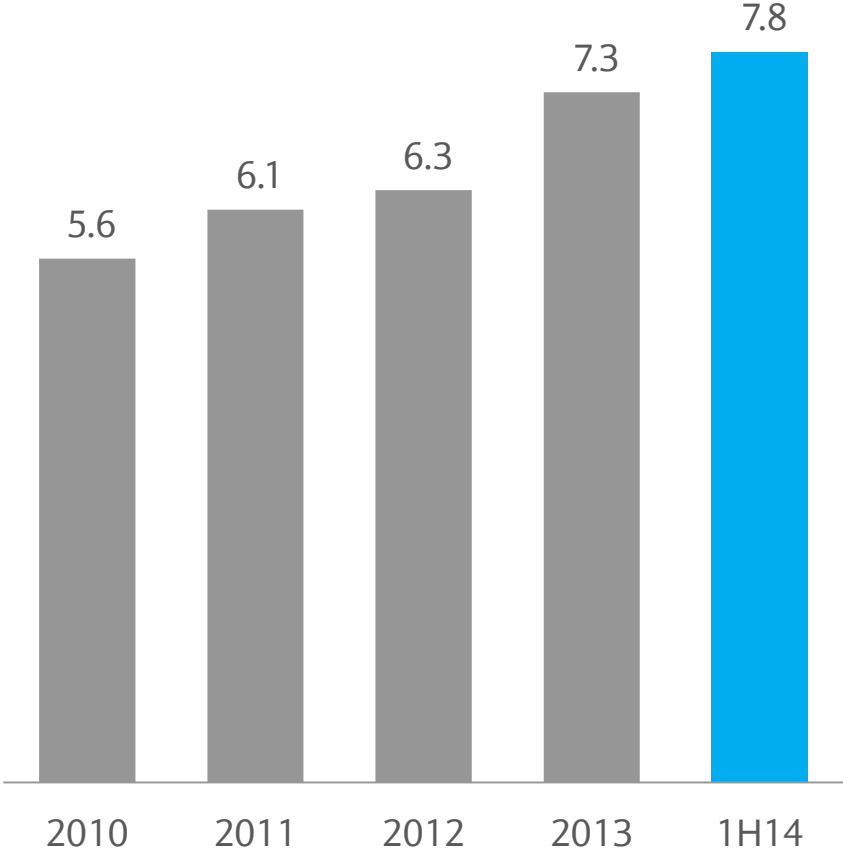
Substantial decline in earnings



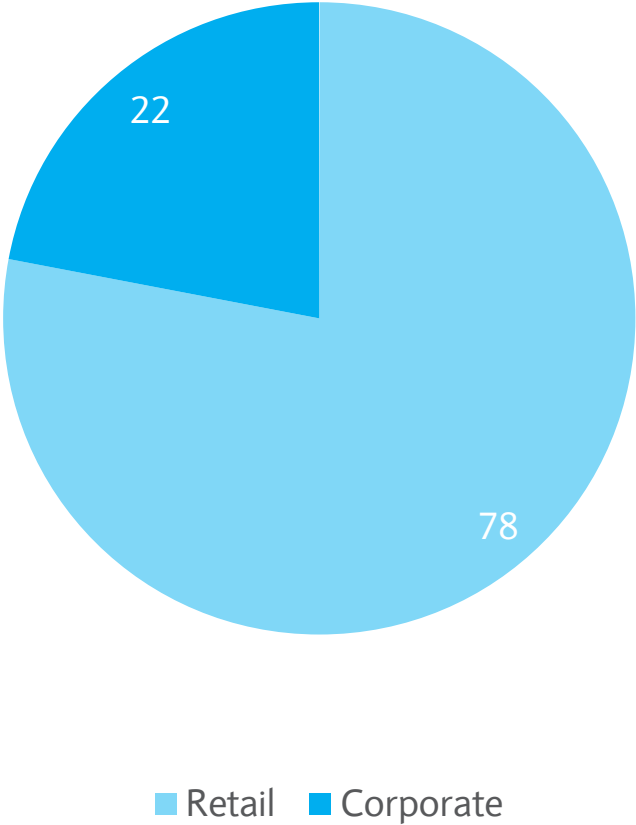


Continued growth in loans and advances

Customer loans (BWP bn)



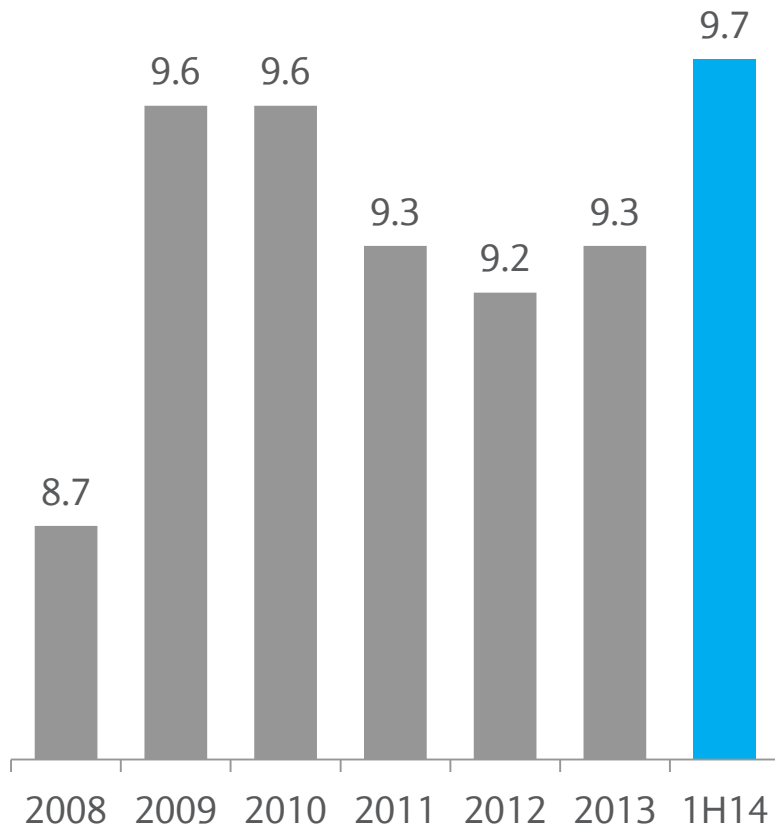
1H14 Loan split (%)



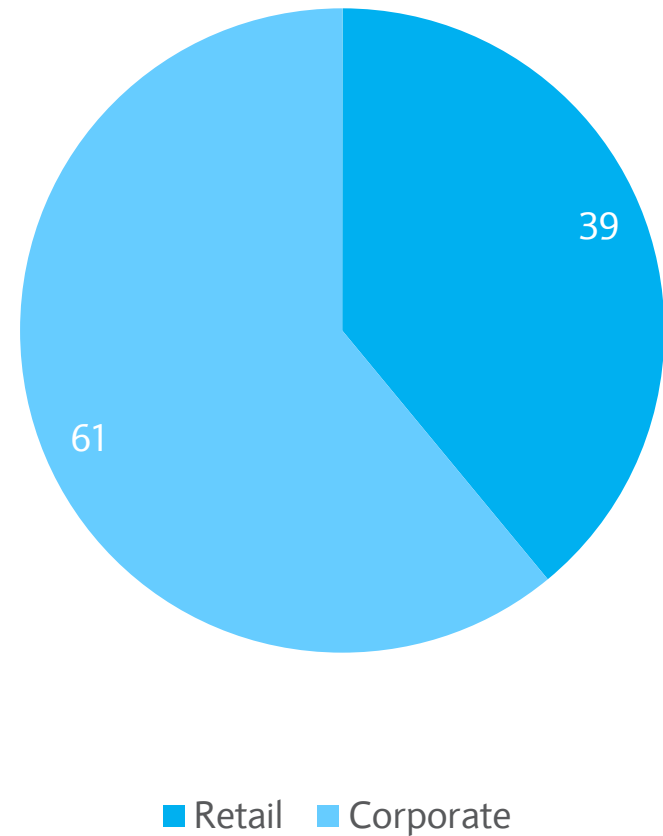


Focus on growing core liabilities reduces deposits

Customer deposits (BWP bn)



1H14 Deposit split (%)





Lower NIM and bank charge freeze...

	1H14 Rm	1H13 Rm	Change %	
Net interest income	528	564	(7)	→ Interest income affected by 200 bps cut in 2013
Non-interest income	205	213	(4)	→ Central Bank announced fees moratorium for 2014/5
Total revenue	733	777	(6)	
Credit losses	123	99	24	→ Impairments mainly due to new methodology and improved collections
Operating expenses	417	379	10	
Profit before tax	192	299	(36)	
Taxation	44	72	(39)	→ 70% of spend increase related to strategic investment
Profit after tax	149	227	(35)	



Key performance ratios

	1H14 (%)	1H13 (%)	
Net interest margin	8,14	8,89	→ NIM reflects optimised balance sheet and lower rates
Non-interest income to total revenue	28,0	27,7	→ CIR higher due to increased strategic investment and declining income
Cost to income ratio	56,9	52,5	
Credit loss ratio	1,36	1,28	
Return on equity	18,0	21,0	→ RoE fell due to declining profitability and capital overhang
Return on risk-weighted assets	1,55	2,10	
Return on assets	1,09	1,57	
Common equity tier 1	16,5	20,6	



Successes in 2014

- Relatively low cost base
- Grew corporate balance sheet by 70%
- Diamond financing deals initiated
- Partnering with government and VISA in the e-government strategy
- Increased wallet share under Ministry of Finance and Development Planning
- Banker to US\$25 million USAID credit guarantee scheme for SME
- 1st bank to launch remote account opening and paperless banking
- Euromoney 2014 Best Domestic Cash Management House

Challenges



- Regulatory pressure on fees
- Lower GDP growth and interest rates
- Increased competition due to new entrants
- Household debt at 80% of total country debt on the back of limited savings



Strategic focus areas

- Create an empowered culture where employees are appropriately rewarded and are proudly Barclays
- Increase customer and client convenience through more services through electronic channels
- Offer a range of lifestyle products such as insurance and FX
- Deepen public sector capability through public private partnership and advisory services
- Focus on Business Banking growth
- To improve our customer experience to be the best in market



Key messages

- Becoming the 'Go-To' bank for our stakeholders
- Revenue streams will continue to diversify
- Continue to invest in technology to improve customer convenience and extract operational efficiencies
- Optimising our balance sheet
- Improve RoE and PBT growth

Zambia

Saviour Chibiya



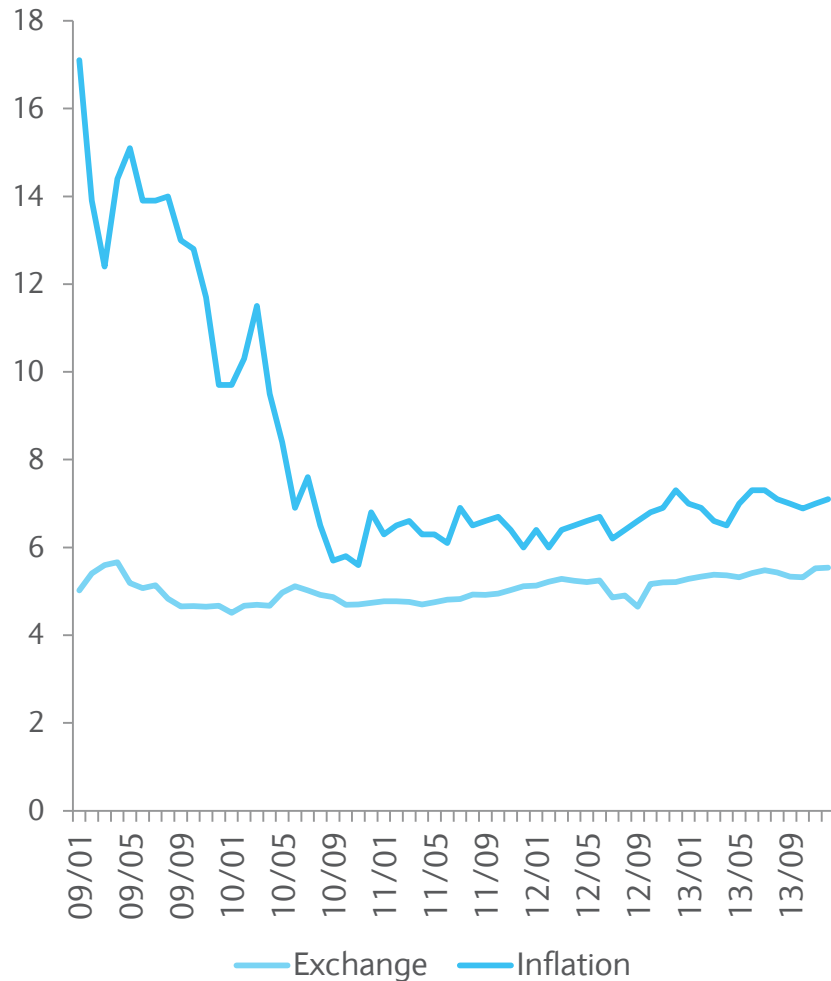
 BARCLAYS

Key market statistics



GDP 2014E (US\$ bn)	27,0
GDP per capita 2014E (US\$)	2 054
GDP growth 2014E (%)	6,5
Key interest rate – 6 month T-bill rate (%)	16,6
Inflation 2014E (%)	7,9
Credit rating	B (Fitch) B+ (S&P)
Public debt to GDP (%)	27
Population (million)	14,6

Strong growth expected



- GDP growth expected to be higher than 6,5%
- Fairly stable inflation rate
- Presidential by-elections in January 2015 and general elections in 2016
- Expect a surplus current account balance going forward
- Currency has been relatively stable in 2H14 after a rapid depreciation in 1H14

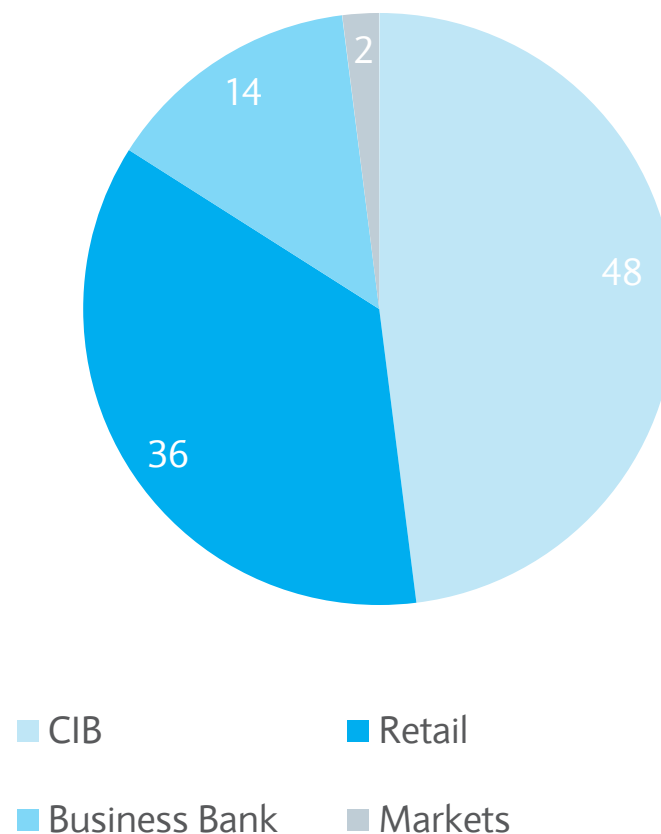
Barclays Bank Zambia



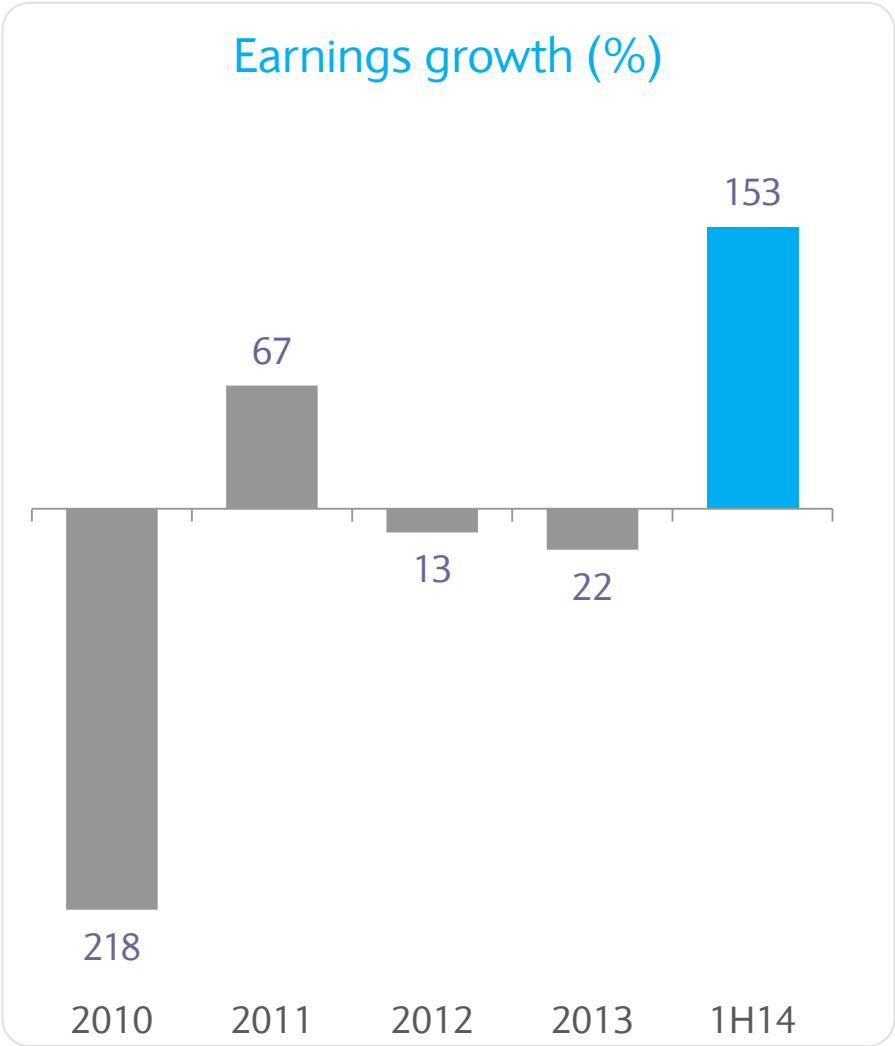
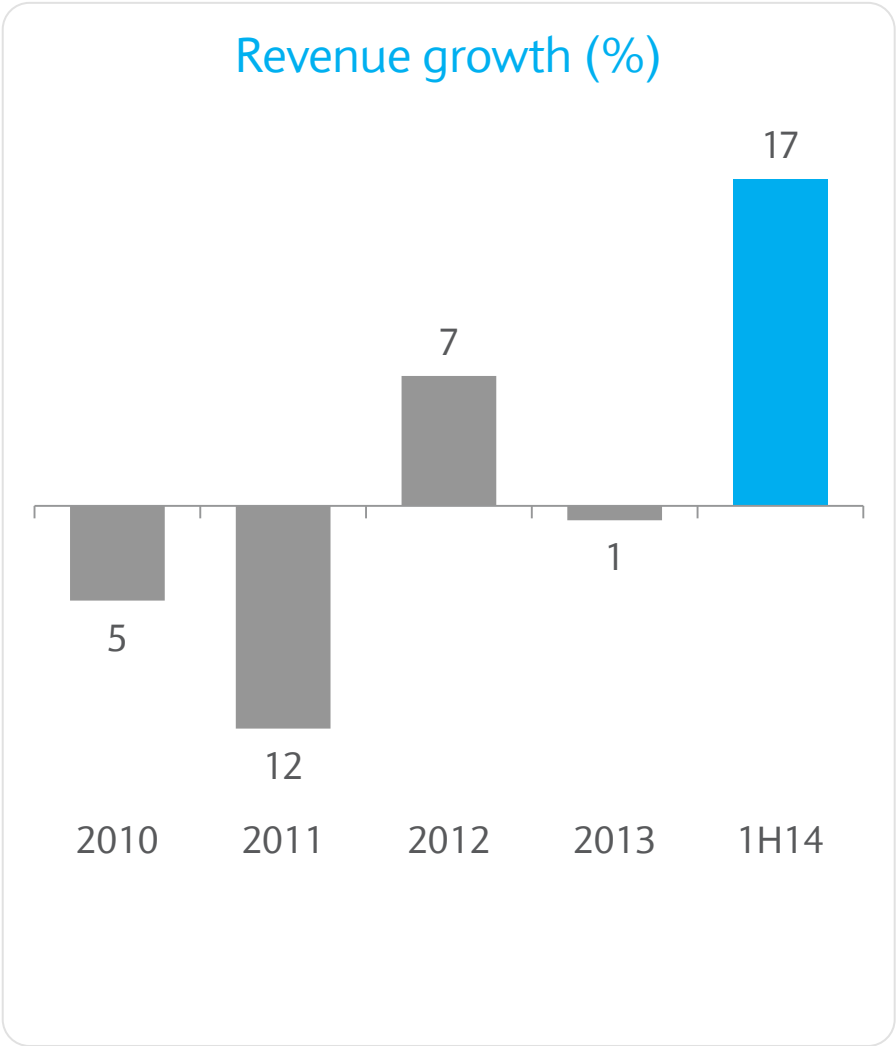
Operating metrics

Established	1918
BAGL ownership (%)	100
Outlets	55
ATMs	150
Employees	1 044
Customers (thousands)	233
Ranking by revenue (1H14)	4

1H14 PBT split (%)



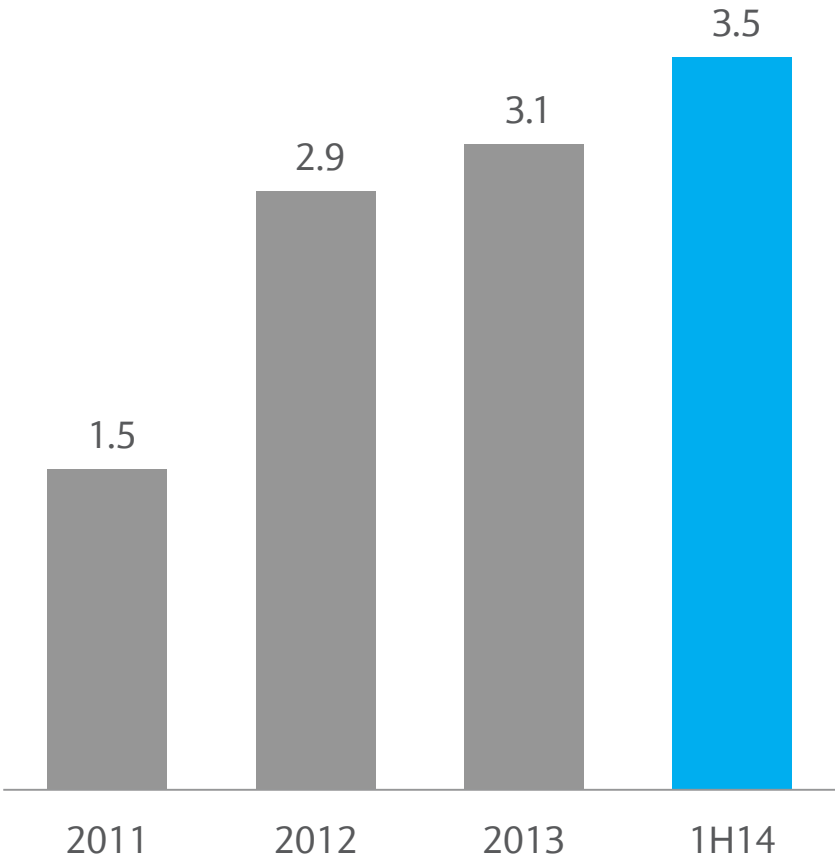
Strong rebound in revenue and earnings



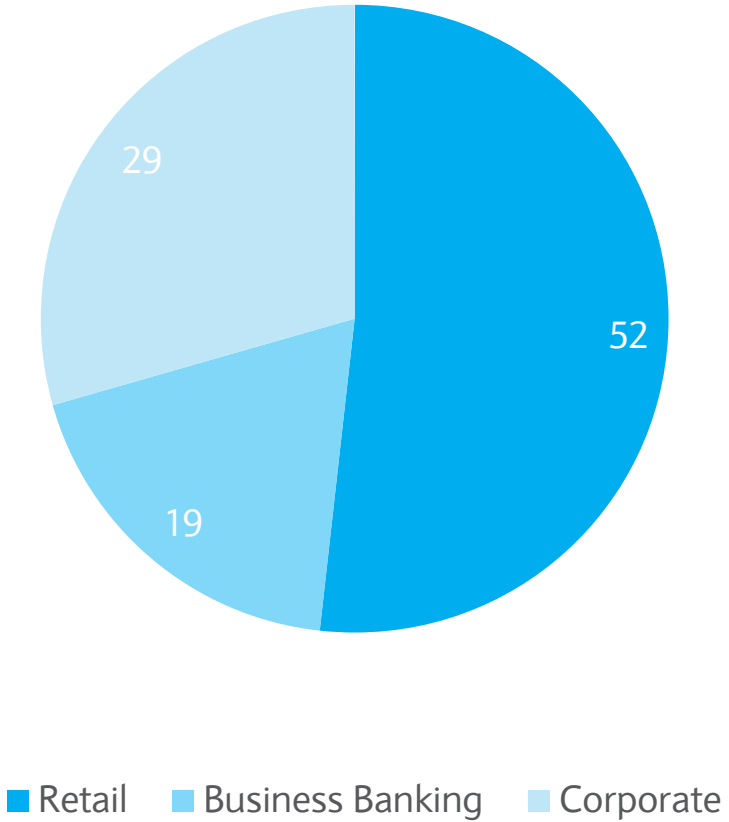
Solid loan growth



Customer loans (ZMK bn)



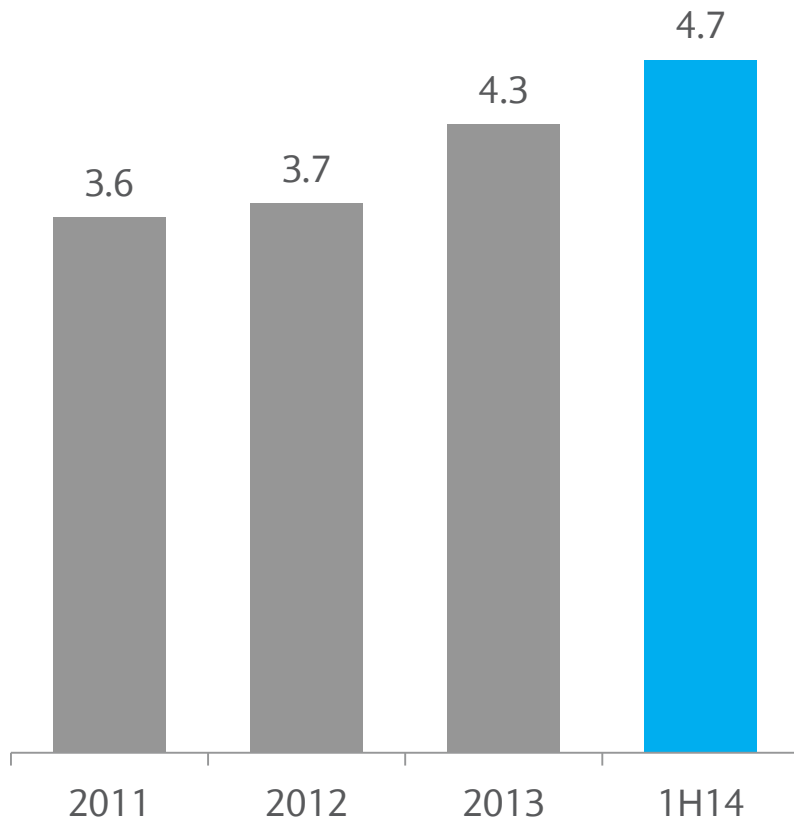
1H14 Loan split (%)



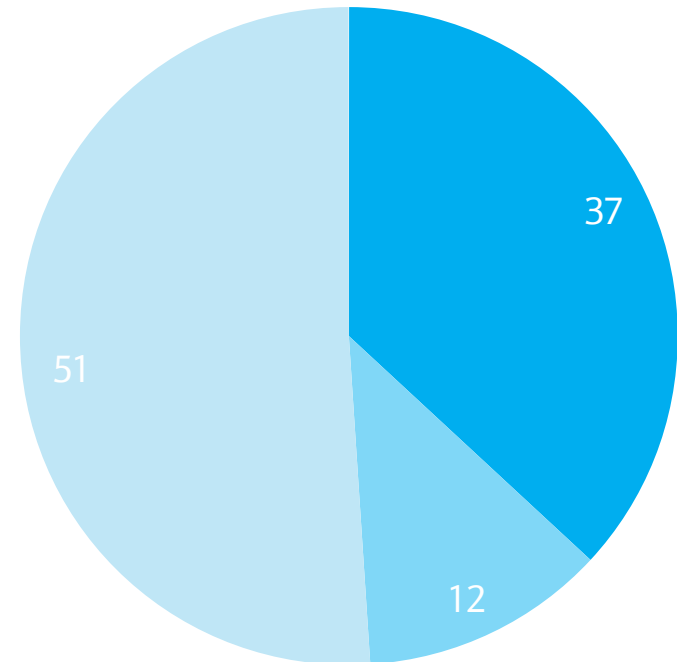
Improving deposit growth



Customers deposits (ZMK bn)



1H14 Deposit split (%)



■ Retail ■ Business Banking ■ Corporate

Substantial growth on large positive JAWS



	1H14 Rm	1H13 Rm	Change %
Net interest income	368	354	4
Non-interest income	280	201	39
Total revenue	648	556	17
Credit losses	17	43	(61)
Operating expenses	421	413	2
Profit before tax	211	100	110
Taxation	70	47	49
Profit after tax	141	53	164

- Strong balance sheet growth and increased fee income across all segments
- Lower credit charge on improved portfolio
- Costs containment through enhanced monitoring and control and increased efficiency through technology and process improvement

Improving efficiency and returns



	1H14 (%)	1H13 (%)	
Net interest margin	5,36	6,03	→ Net interest margin down due to higher cost of funding
Non-interest income to total revenue	43,2	36,2	→ Positive JAWS improve efficiency
Cost to income ratio	64,9	74,3	→ Credit loss ratio below through-the-cycle level
Credit loss ratio	0,24	0,73	→ Large improvement in returns given revenue growth, cost containment and lower credit charge
Return on equity	21,1	9,0	
Return on risk-weighted assets	3,8	1,7	→ 17% growth in risk-weighted assets
Return on assets	1,2	0,4	
Common equity tier 1	15,2	16,3	

Strategic challenges



- Lack of diversification of the economy which is heavily dependent on copper mining
- Regulation and legislation adversely impacting banking sector e.g. statutory capital requirement to \$100m from \$2.5m, introduction of controls on maximum lending rates and FX margins
- Stiff competition due to increasing commercial banks to 19 from 13
- Lack of skilled staff in an expanding banking sector causing war for talent

Strategic focus areas



- Increase market share in key economic sectors of mining, energy, agriculture, manufacturing, telecommunications and public sector
- Continue leveraging regional and global capabilities, expertise and relationships
- Drive growth in Premier (affluent), Prestige (mass affluent) and Personal (standard) segments to capture emerging middle class
- Automate processes and invest in technology to enhance efficiency
- Deliver innovative solutions for client and customers
- Build and nurture strong customer and client relationships and provide excellent service
- Invest in on-going development of talented employees



Key messages

- Positive macro backdrop with strong GDP growth
- Focus on increasing market share in key economic growth sectors
- Strong rebound in revenue and earnings improving returns
- Improving balance sheet growth
- Focus on providing excellent customer and client service
- Regulatory changes and increased competition

Mauritius

Ravin Dajee



Key market statistics



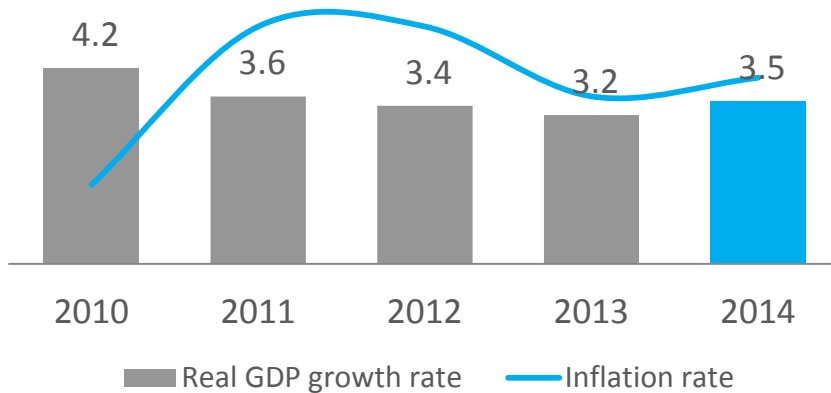
GDP 2014E (US\$, Bn)	20.2
GDP per capita 2013 (US\$)	9 160
GDP growth 2014E (%)	3,7
Savings interest rate	3,5
Inflation (%)	3,9
Credit rating	Baa1 (Moody's)
Public debt to GDP (%)	50,3
Population (million)	1,3

Source: International Monetary Fund

Steady economic growth with a positive outlook

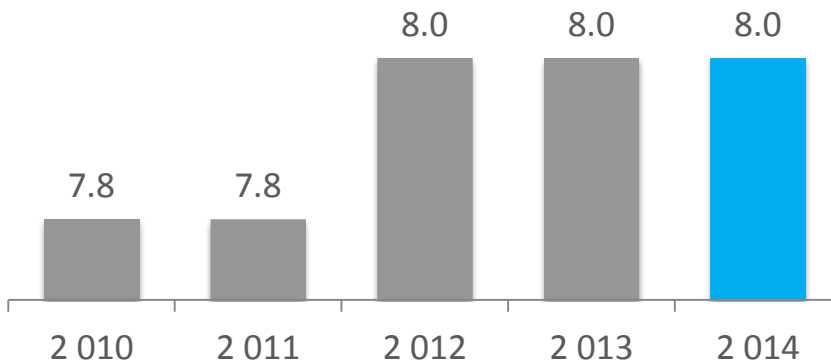


GDP growth and inflation rate (%)



- Steady economic growth despite weak EU main trading partner
- Outlook for 2014 broadly positive with 3,7% GDP growth and 3,9% inflation
- Main short-term risk is renewed EU stress; medium-term risks relate to weak future reform efforts
- IMF project debt to be sustainable, but recommend additional fiscal adjustment
- Moderately overvalued currency

Unemployment (%)



Notes: FY 2014e, Source: Statistics Mauritius

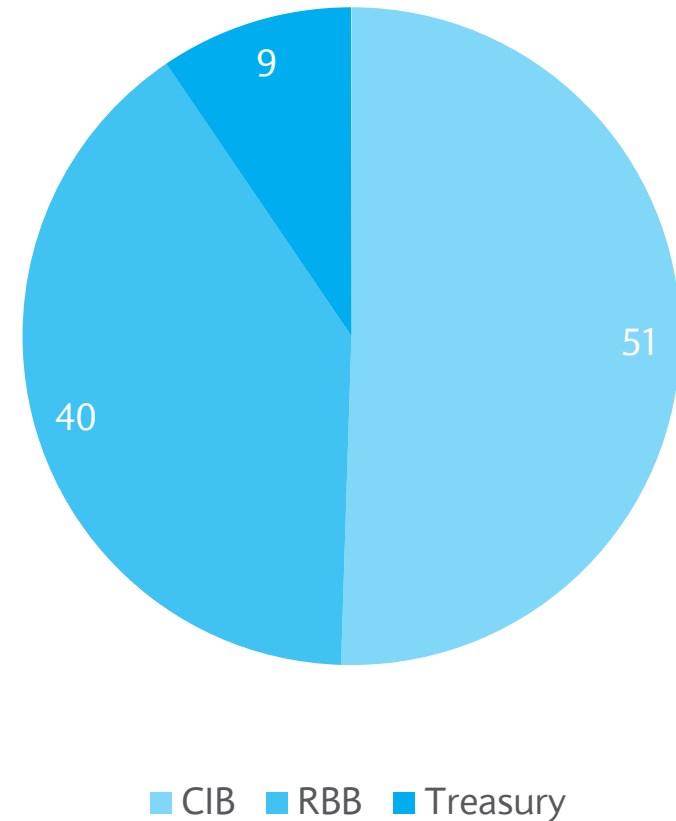
Barclays Bank Mauritius



Operating metrics

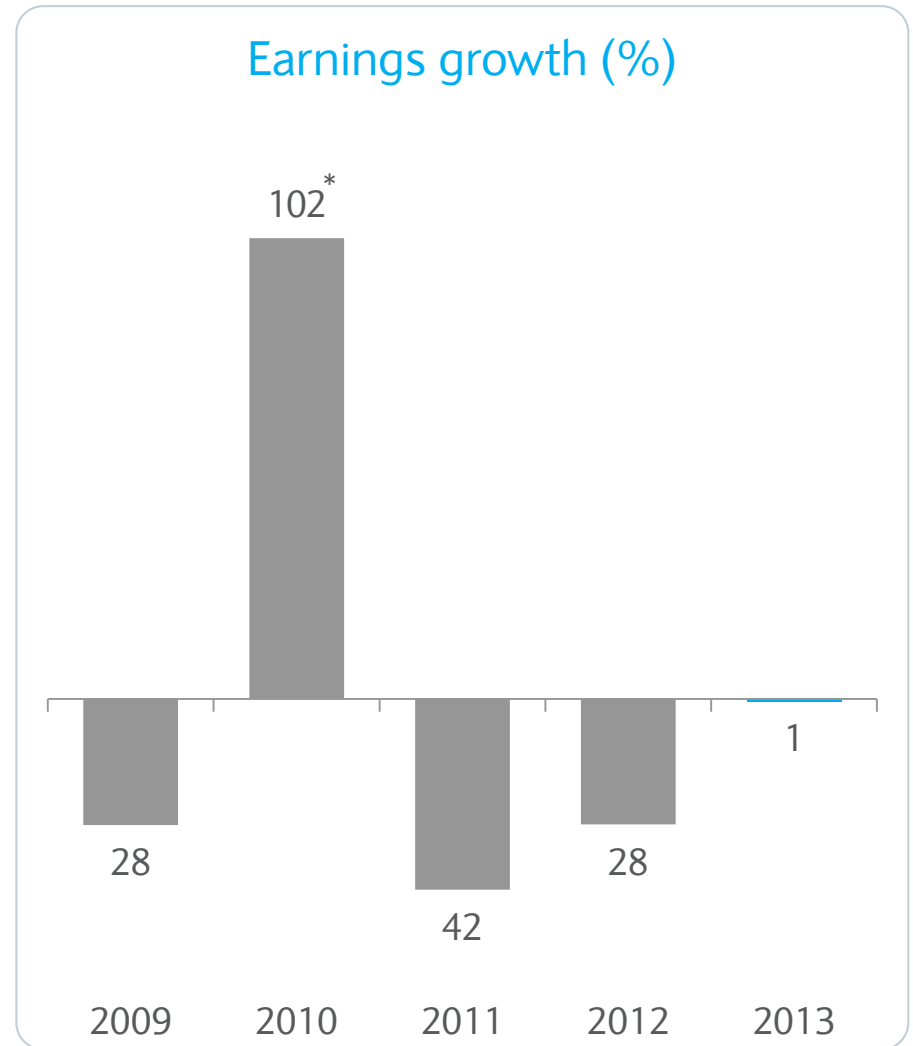
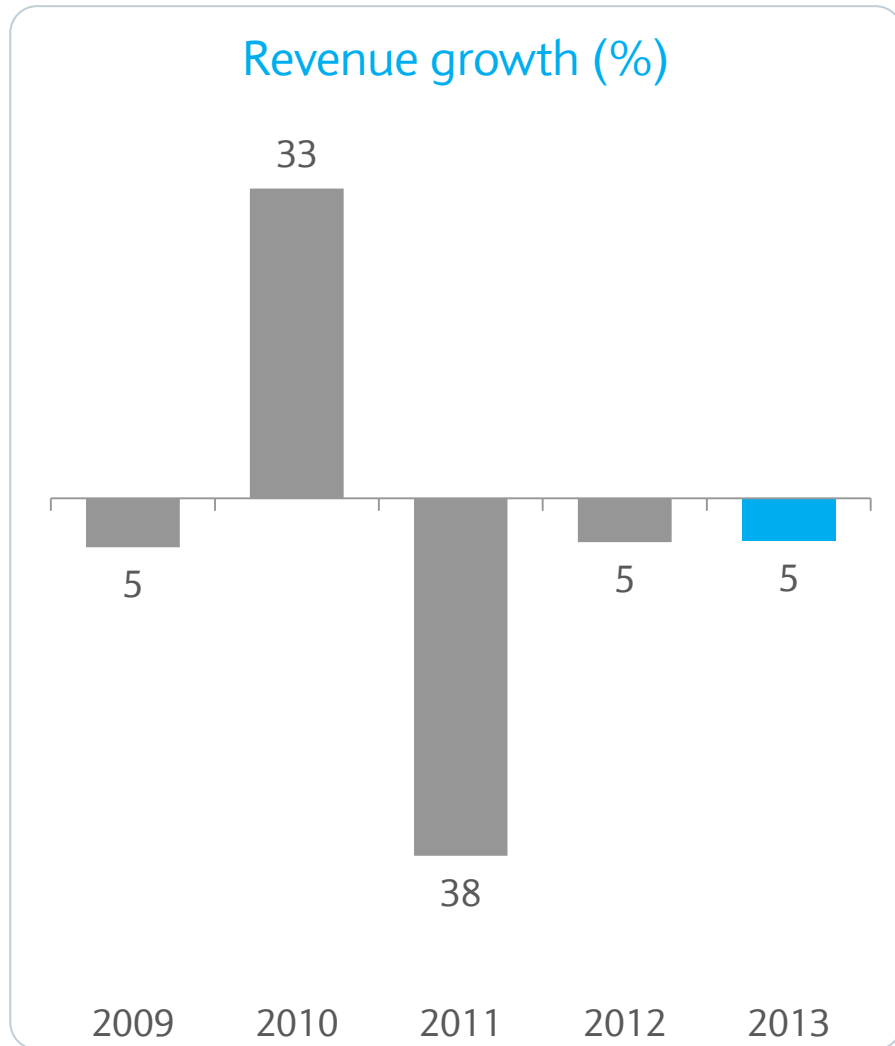
Established	1919
BAGL ownership (%)	100
Outlets	24
ATMs	42
Employees	814
Customers (thousands)	93
Ranking by revenue (1H14)	4

1H14 revenue split (%)



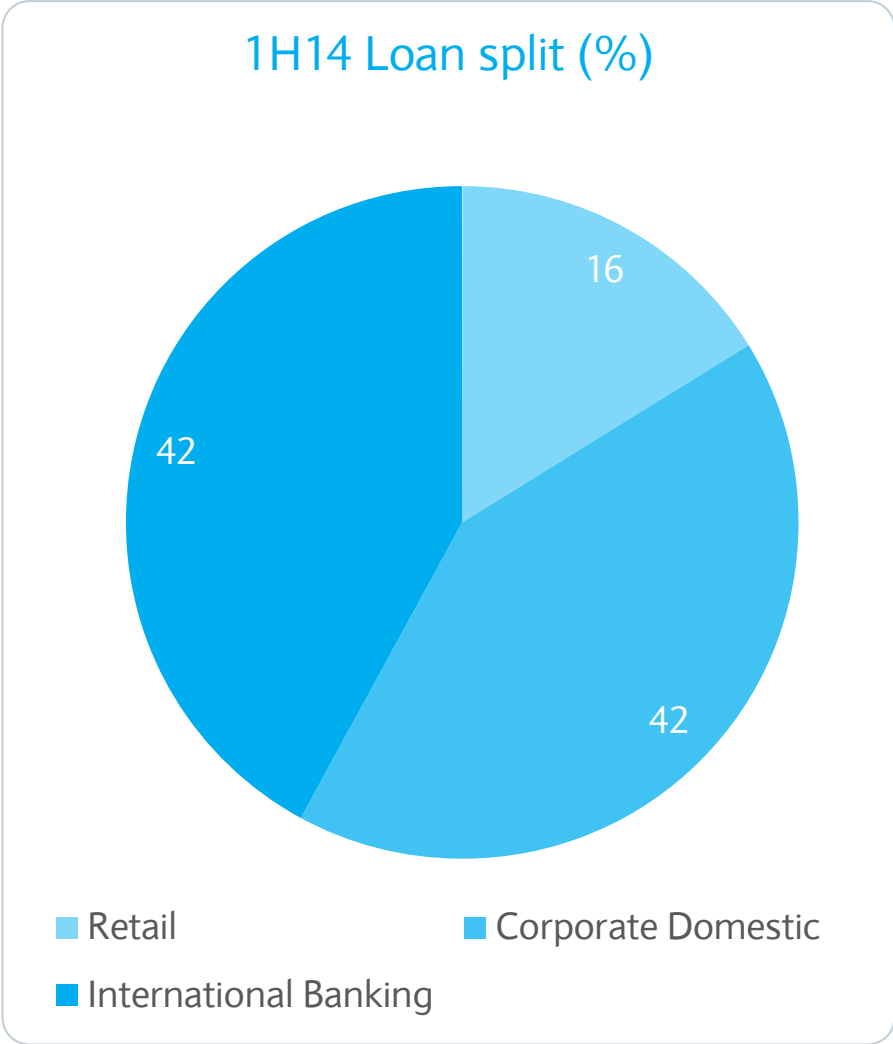
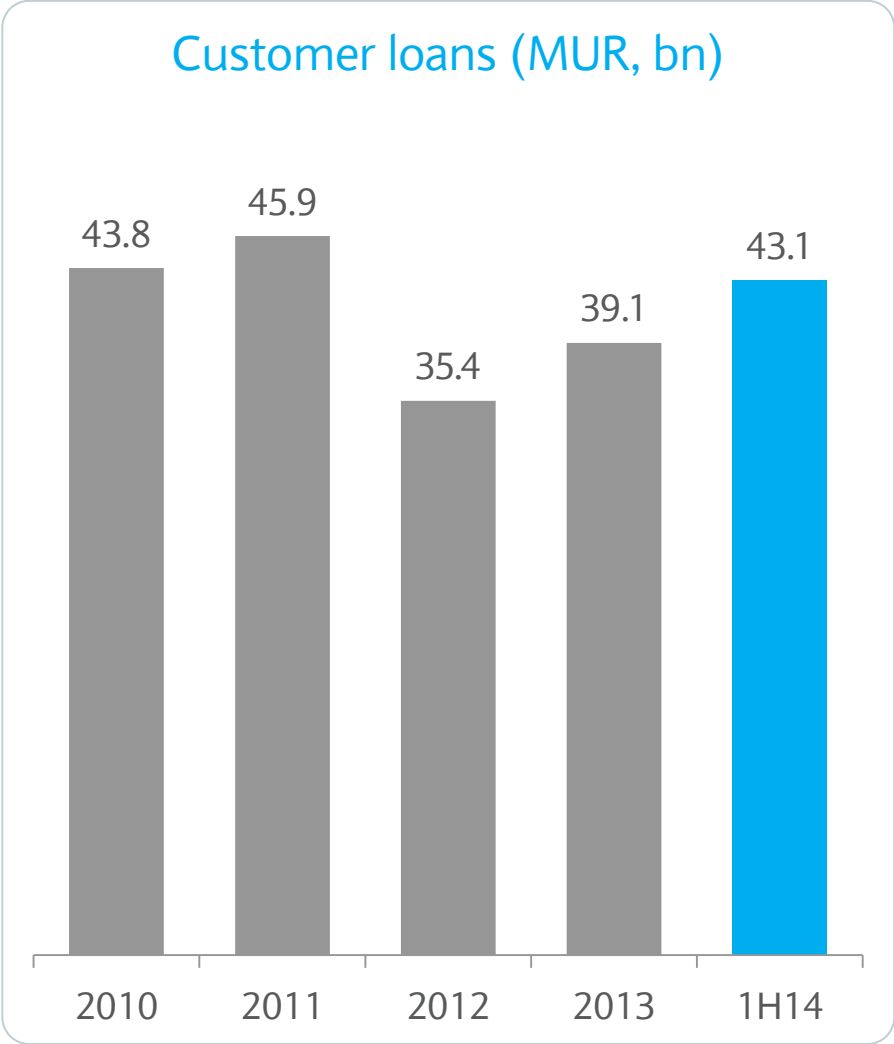
Note: * August 2014

Lower revenue reduced earnings



Note: *2010 includes proceeds from sale of Custody business.

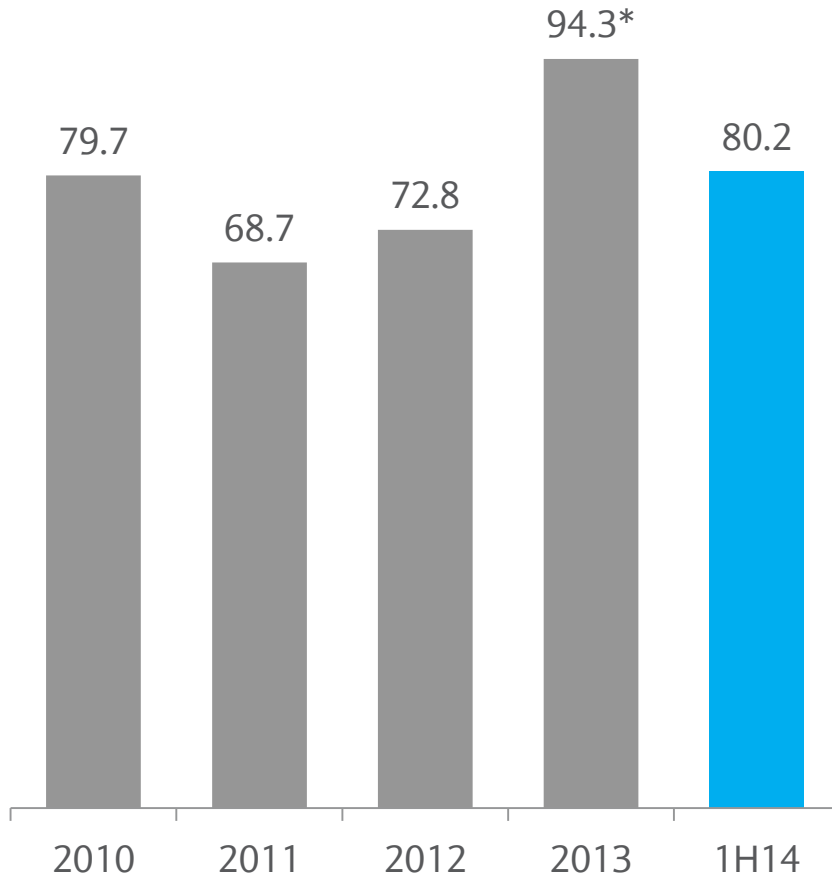
Stable loan growth since 2012



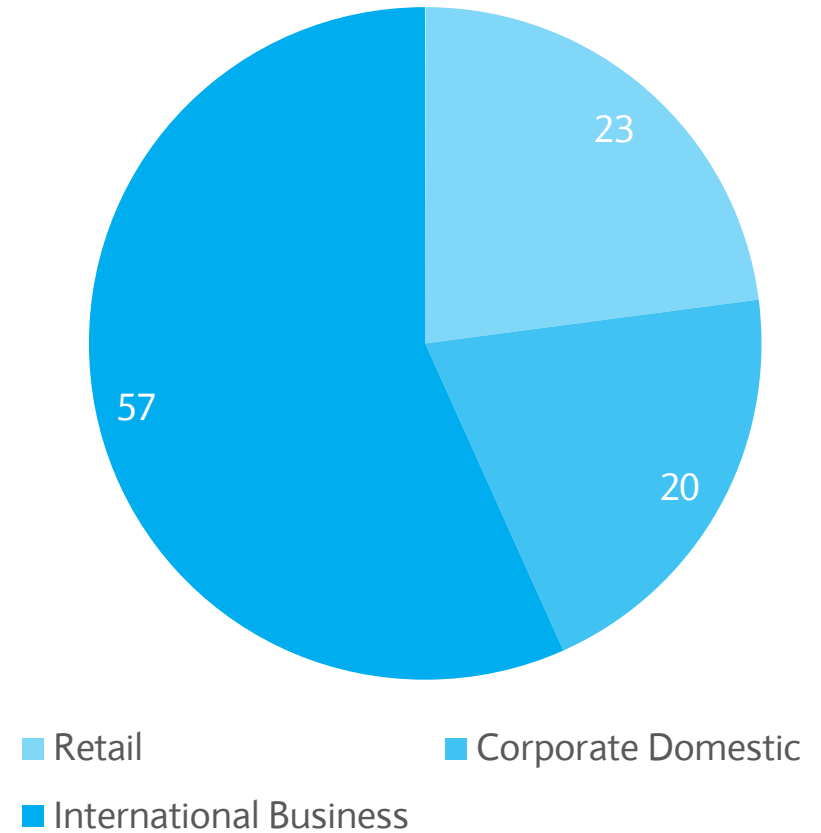
Comfortable liquidity position



Customer deposits (MUR, bn)



1H14 Deposit split (%)



Note: * Driven by one client deposit of US\$ 600m

Higher credit impairments dampen earnings



	1H14 Rm	1H13 Rm	Change %	
Net interest income	380	311	22	→ Strong net interest income growth
Non-interest income	123	158	(22)	→ Lower non- interest revenue mainly due to slack FX activity
Total revenue	503	470	7	
Credit losses	32	12	172	→ Higher credit charge on mortgage model changes and release in base
Operating expenses	306	286	7	→ Core costs well contained
Profit before tax	165	172	(4)	
Taxation	12	6	50	
Profit after tax	153	166	8	

Stable returns in challenging environment



	1H14 (%)	1H13 (%)	
Net interest margin	2,19	1,85	→ Net interest margin rose on sustained balance sheet growth assets and liabilities
Non-interest income to total revenue	24,5	33,6	
Cost to income ratio	60,7	60,9	→ Lower CIR from cost containment and efficiency initiatives
Credit loss ratio	0,5	0,2	
Return on common equity	8,7	8,1	→ Net fees and commission fell on lower margins and volumes on FX dealings
Return on risk weighted assets	1,38	1,69	
Return on assets	0,86	0,89	→ Well-managed credit, collections and recoveries
Common equity tier 1 ratio	10,7	12,0	



Focus areas

- Mauritius as an international financial centre
- Corridor strategy using Mauritius as an investment hub for US/UK/EU/Asian multi-national corporations into Africa
- In-depth knowledge of sophisticated products and specialised sectors
- Ability to draw talent from the group
- Loan booking centre for Africa
- Public infrastructure lending opportunities
- Ability to leverage relationships
- Investment banking opportunities

Challenges



- Legacy systems and heavy processes
- Uncompetitive credit policies, conditions and covenants
- Deposit pricing competition
- Better global alignment (offshore banks)
- Improve marketing
- Lacking market data and intelligence (customer profiling)
- Gaps in resourcing and skills



Key messages

- Cost control improves earnings growth
- Low FX activity and interest rates dampen revenue growth
- Stable 10% annual growth in customer loans for the last 2 years
- Comfortable liquidity position in both domestic and international banking businesses
- Growth strategy aligned to government's plan to make Mauritius an Africa-centric IFC

Ghana
Patience Akyianu





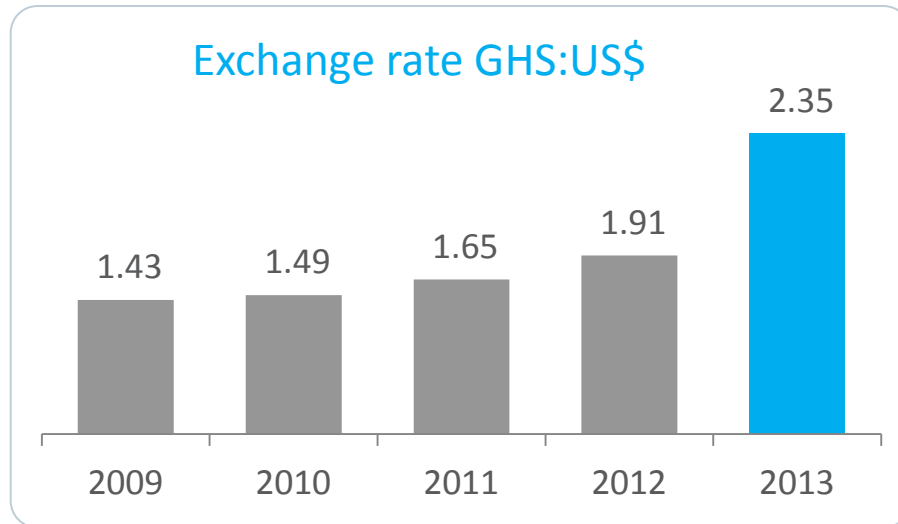
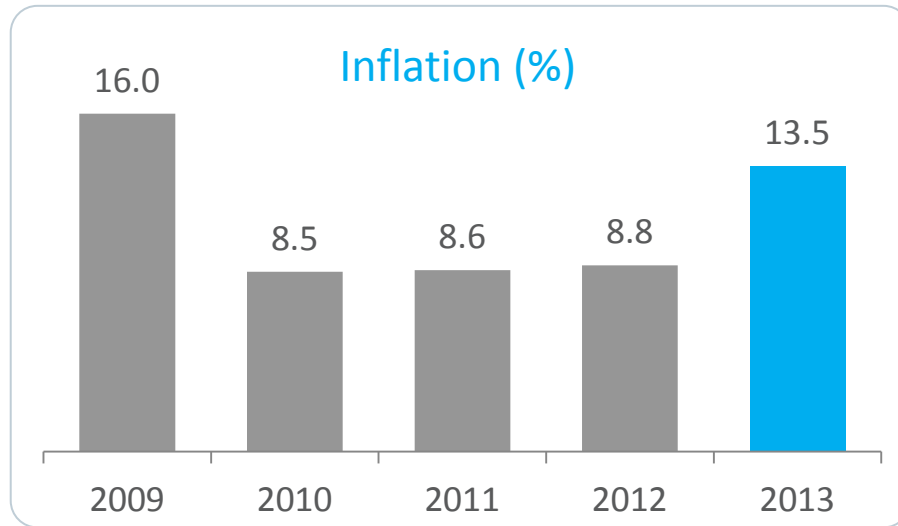
Key market statistics

GDP 2013 (US\$ bn)	48,9
GDP per capita 2013 (US\$)	1 838
GDP growth 2014E (%)	6,9
Key interest rate (%)	19
Inflation (%)	15,9
Credit rating	B Negative (Fitch)
Public debt to GDP (%)	55,8
Population (million)	25,9

Sources: World Bank, Ghana Statistical Service · Bank of Ghana, Economist Intelligence Unit



Strong growth along bumpy road



- Stable political climate post-election judicial decision
- Strong GDP growth
- High interest rates and inflation
- Weak Cedi
- Fiscal deficit
- Current IMF engagement
- Power deficit

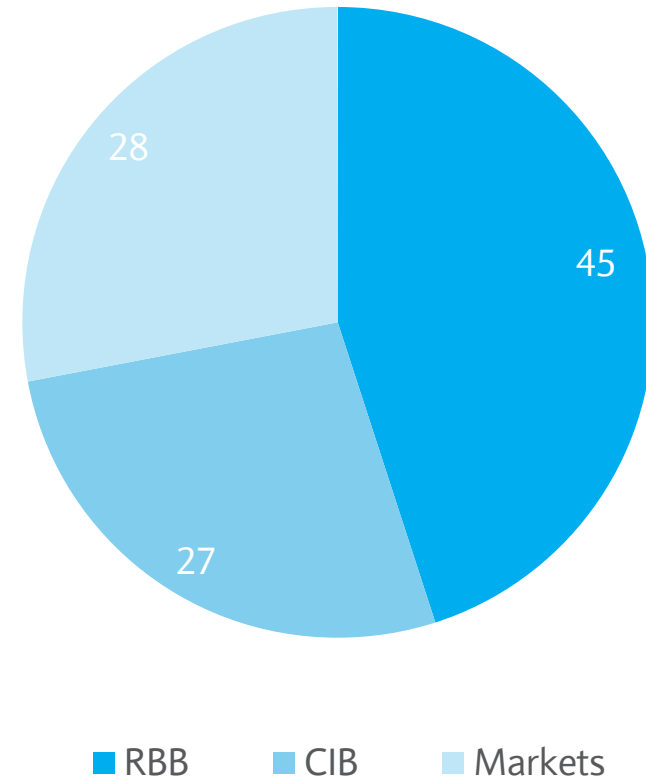
Barclays Bank Ghana



Operating metrics

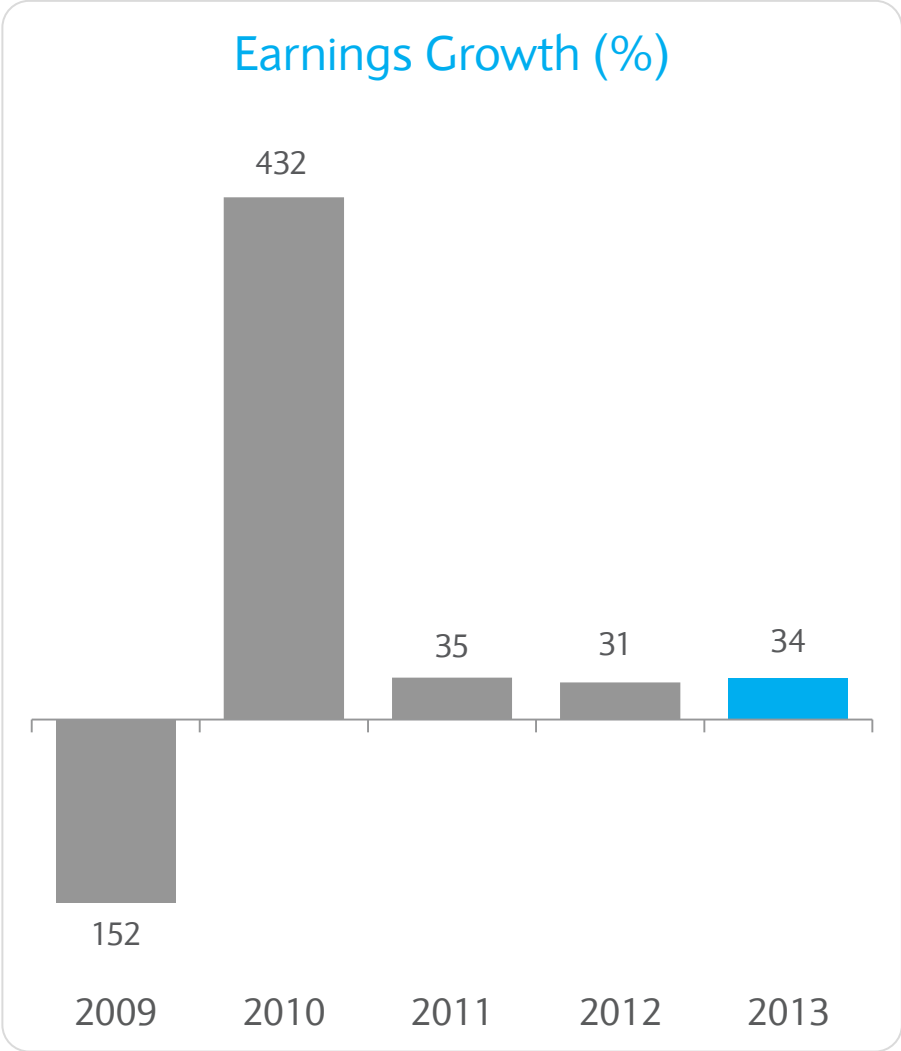
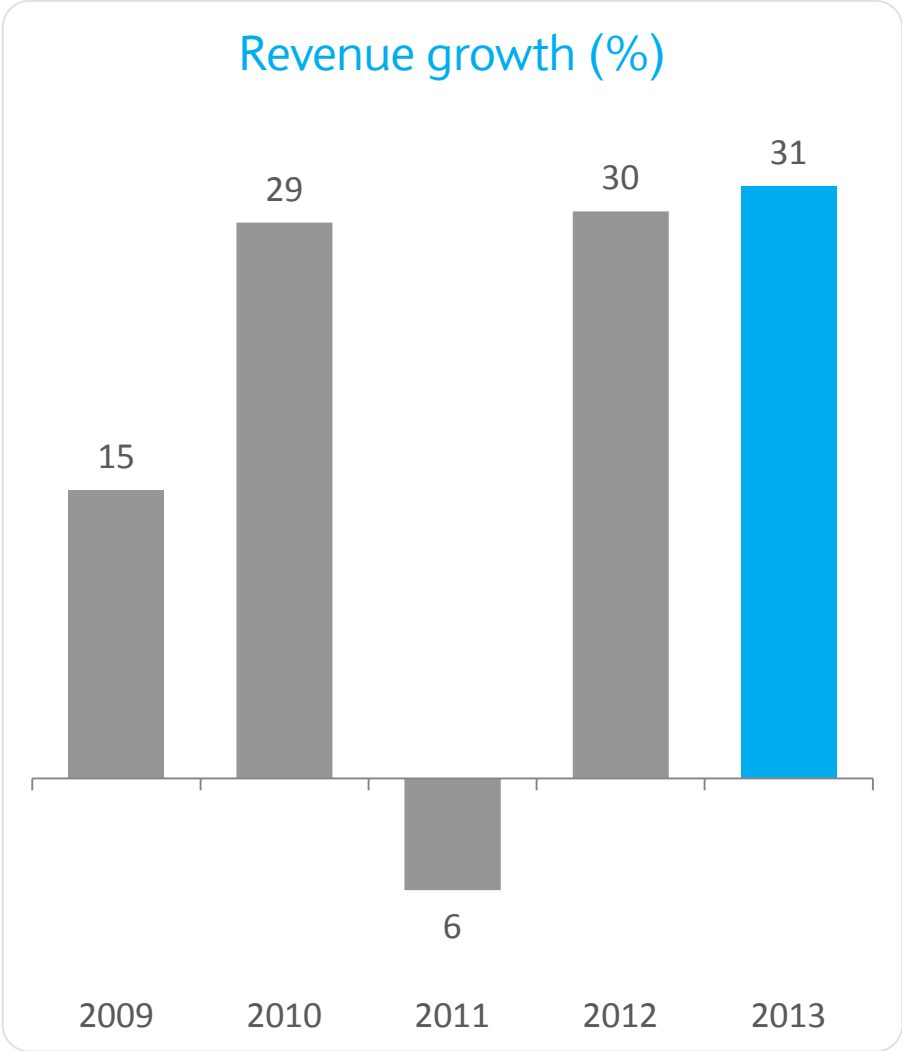
Established	1917
BAGL ownership (%)	100
Outlets	74
ATMs	158
Employees	1 147
Customers (thousand)	518
Ranking by revenue (1H14)	4

1H14 PBT split (%)





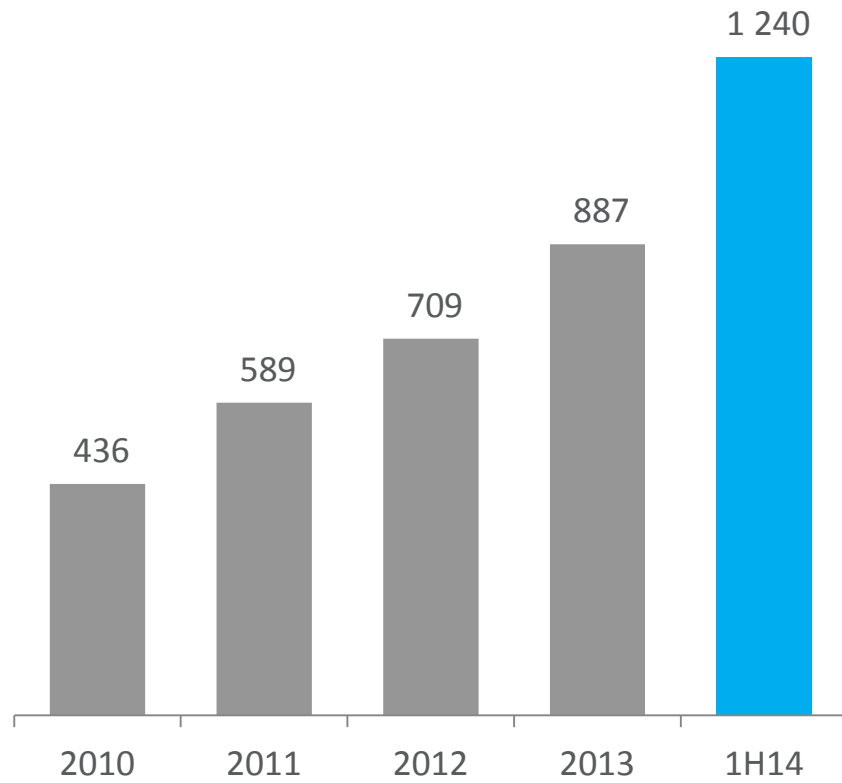
Strong growth since 2009...



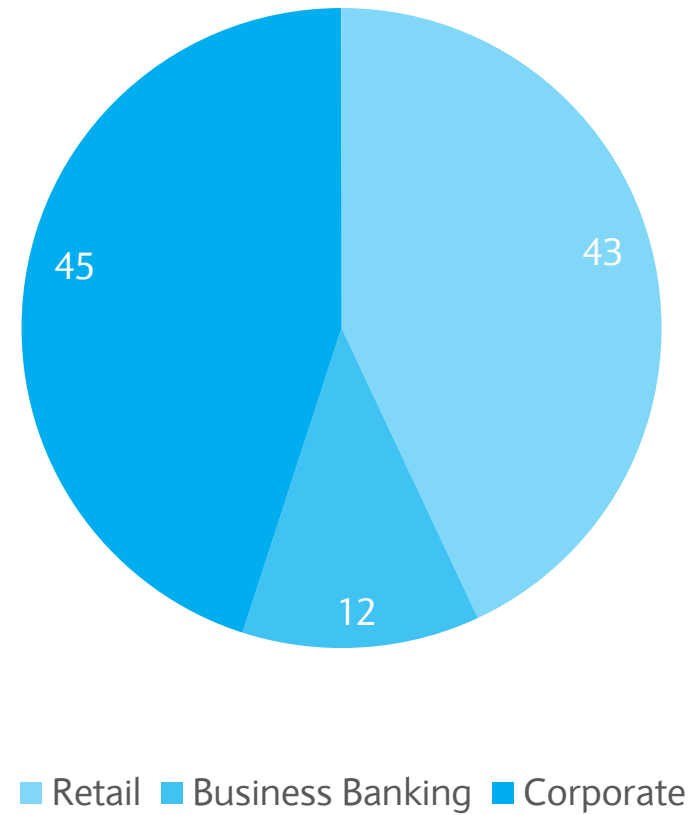


... with substantial loan growth

Customer loans (GHS million)



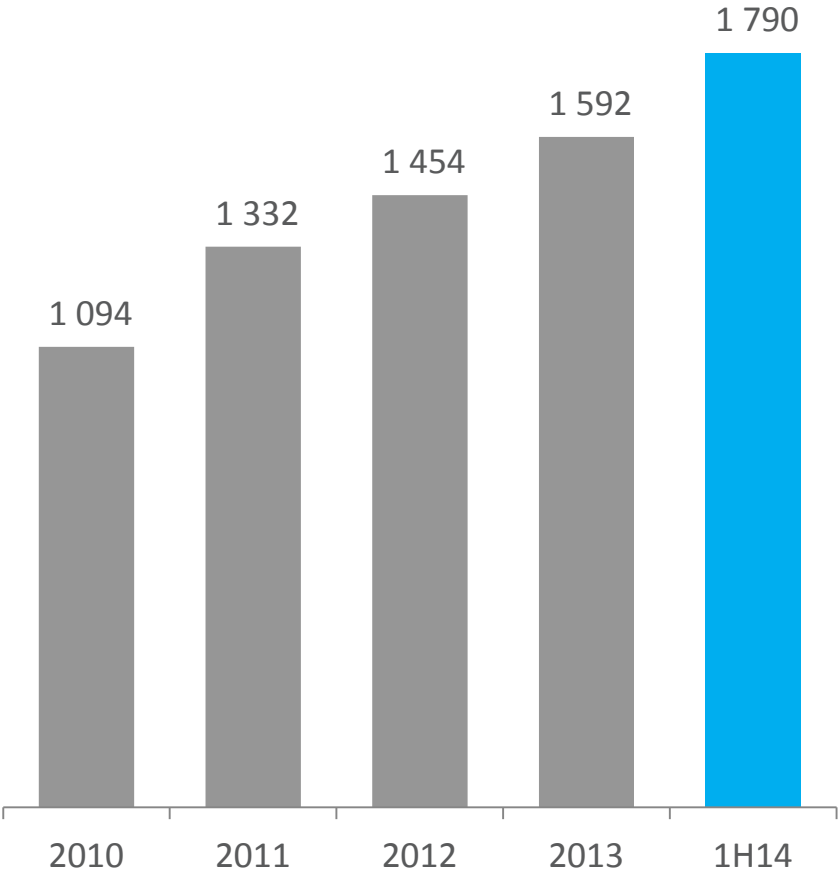
1H14 Loan split (%)



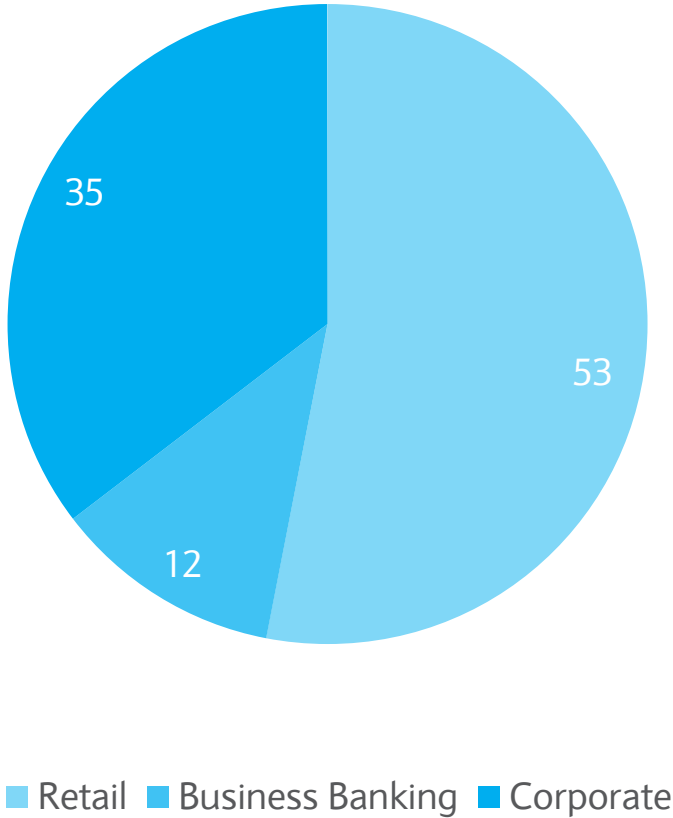


Strong deposit base ...

Customer deposits (GHS million)



1H14 Deposit split (%)





Resilient 1H14 performance

	1H14 Rm	1H13 Rm	Change %
Net interest income	708	595	19
Non-interest income	291	225	30
Total revenue	999	820	22
Credit losses	61	35	72
Operating expenses	414	342	21
Profit before tax	524	443	19
Taxation	180	112	61
Profit after tax	345	331	4

- 22% revenue growth driven by strong Market and Corporate business
- Consistent inflation and fuel price increases drove up costs
- Increased credit charge due to exchange losses on foreign currency impaired loans



Consistent ratios with room for improvement

	1H14 (%)	1H13 (%)	
Net interest margin	13,33	14,18	→ Cost of fixed deposits in high rate regime reduced net interest margin
Non-interest income to total revenue	29,2	27,4	→ Non-interest income to total income was higher in 1H14 compared to prior year due to higher inflows from bond sales and trading activities
Cost to income ratio	41,49	41,71	→ Prudent cost management
Credit loss ratio	2,18	1,88	→ Attractive returns
Return on equity	40,0	32,9	→ Central Bank increased reserve ratio requirement to 11% from 9%, reducing earning assets and return on assets
Return on risk-weighted assets	7,19	10,52	
Return on assets	5,63	6,72	
Common equity tier 1	11,0	22,2	



Strategic challenges

- Increasingly difficult macro backdrop
- High interest rate environment and pressure on traditional deposit base
- Increased competition from incumbents and new participants
- Technology change impacting bricks and mortar banking as mobile banking alternatives emerge
- Regulatory pressure as central bank seeks to stem Cedi slide and reign in liquidity to combat inflation



Strategic focus areas

- Leverage global and regional presence and experience in oil and gas, public sector and infrastructure
- Deploy leading technology platforms in country
- Market leading turnaround time for onboarding via smart technology
- Bring to market leading mobile banking solutions
- Invest in talent management succession plans and global and regional mobility



Key messages

- Strong performance in a tough operating environment
- Significant competitive pressures
- Regulatory changes
- Improving balance sheet
- Focus on providing excellent customer service

Disclaimer

Forward-looking statements

Certain statements (words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘believes’, ‘intends’, ‘plans’, ‘may’, ‘will’ and ‘should’ and similar expressions in this document are forward looking.

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