



Barclays Africa Group Limited

FY15 results presentation

1 March 2016



Strategic update

Maria Ramos





Financial review

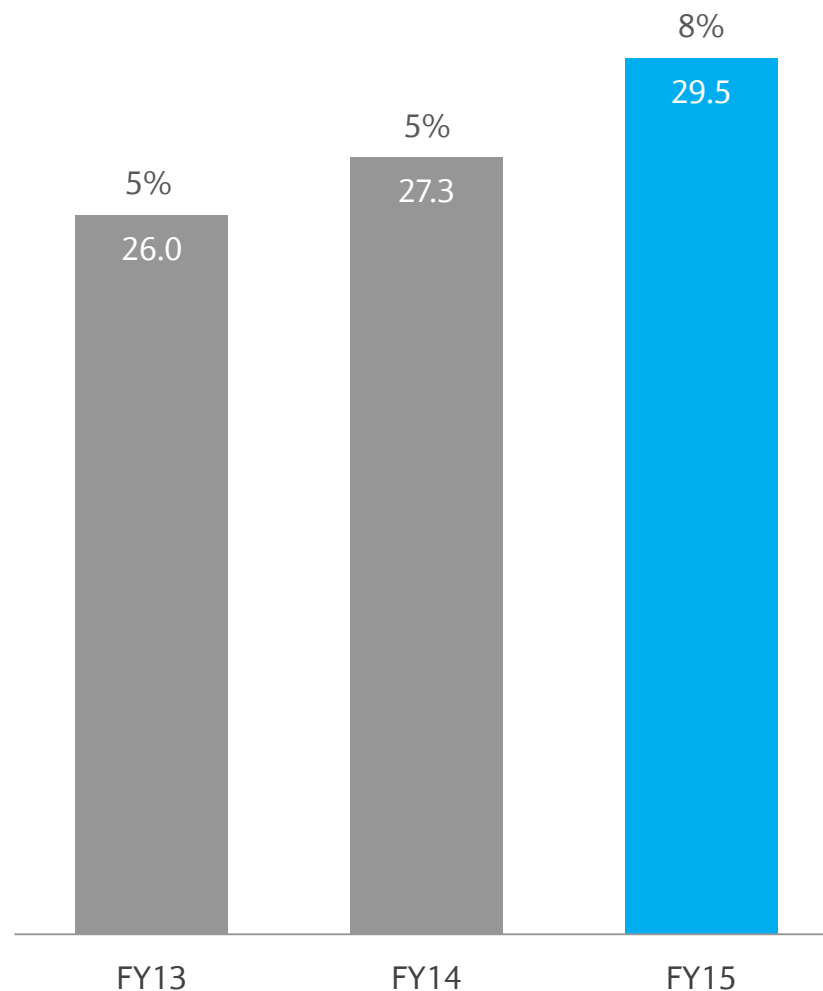
David Hodnett



Pre-provision profit drove earnings growth

	FY15 Rm	FY14 Rm	Change %
Net interest income	38 407	35 601	8
Non-interest income	28 791	27 524	5
Total revenue	67 198	63 125	6
Credit impairments	(6 920)	(6 290)	10
Operating expenses	(37 661)	(35 848)	5
Other*	(1 314)	(1 270)	3
Taxation	(5 899)	(5 573)	6
Non-controlling interest	(1 073)	(928)	16
Attributable earnings	14 331	13 216	8
Headline earnings	14 287	13 032	10

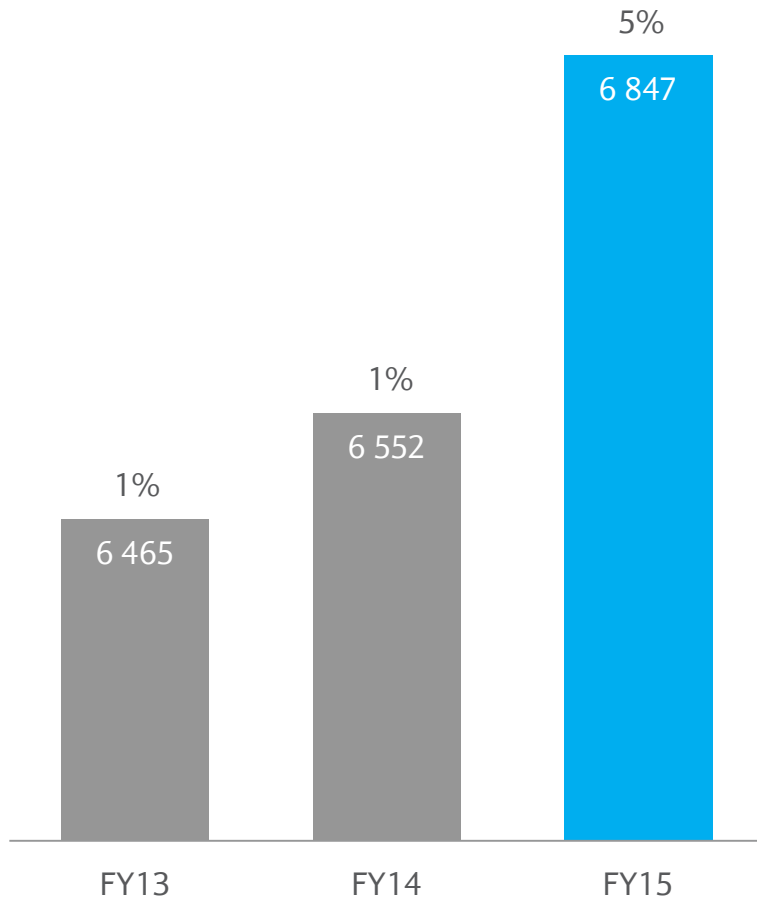
Pre-provision profit (Rbn)



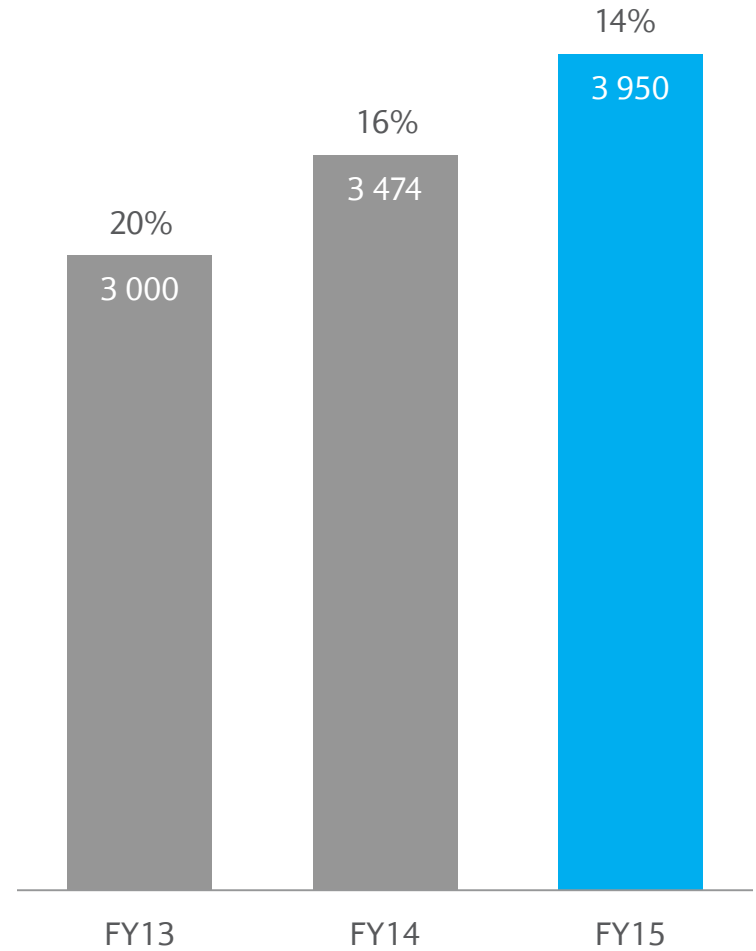
Note: * Includes other impairments, indirect tax and associates

Gaining traction in growing annuity revenue...

Retail SA Transactional and Deposits non-interest income (Rm)



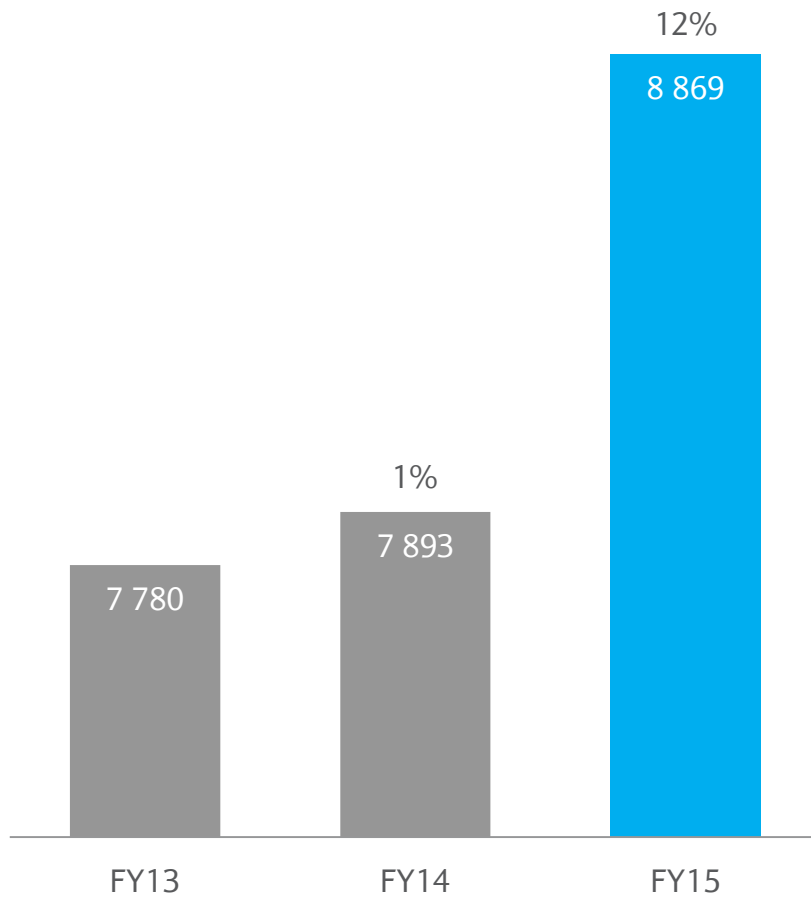
Corporate SA net revenue* (Rm)



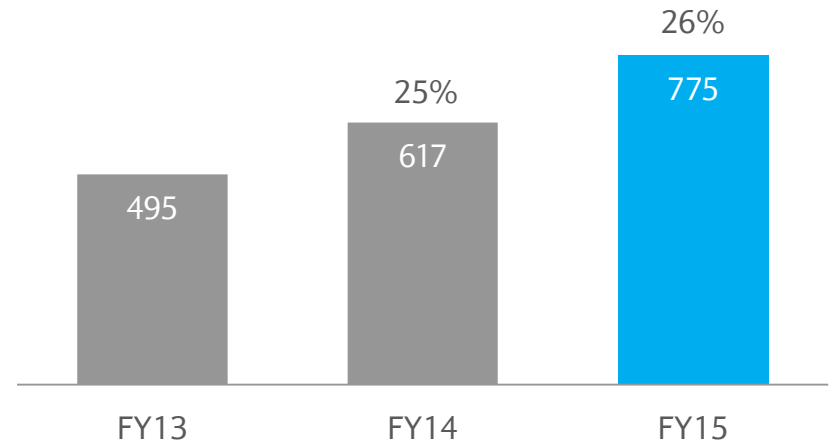
Note: *Excluding Custody and Trustee

... in the rest of Africa ...

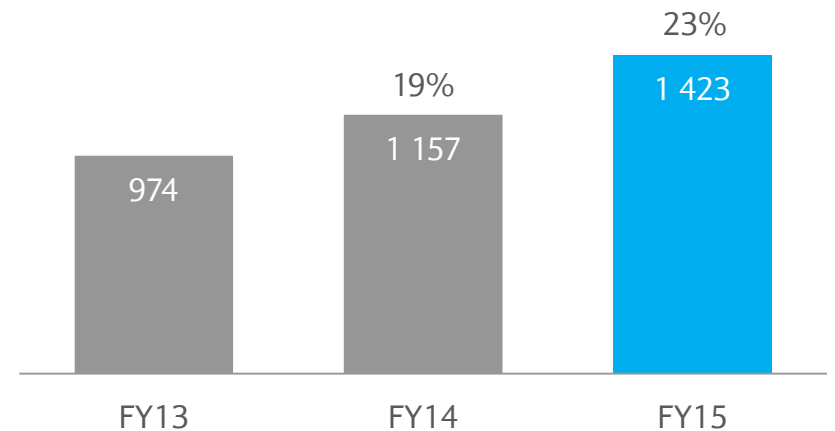
RBB Rest of Africa revenue (Rm)



WIMI Rest of Africa net premiums (Rm)



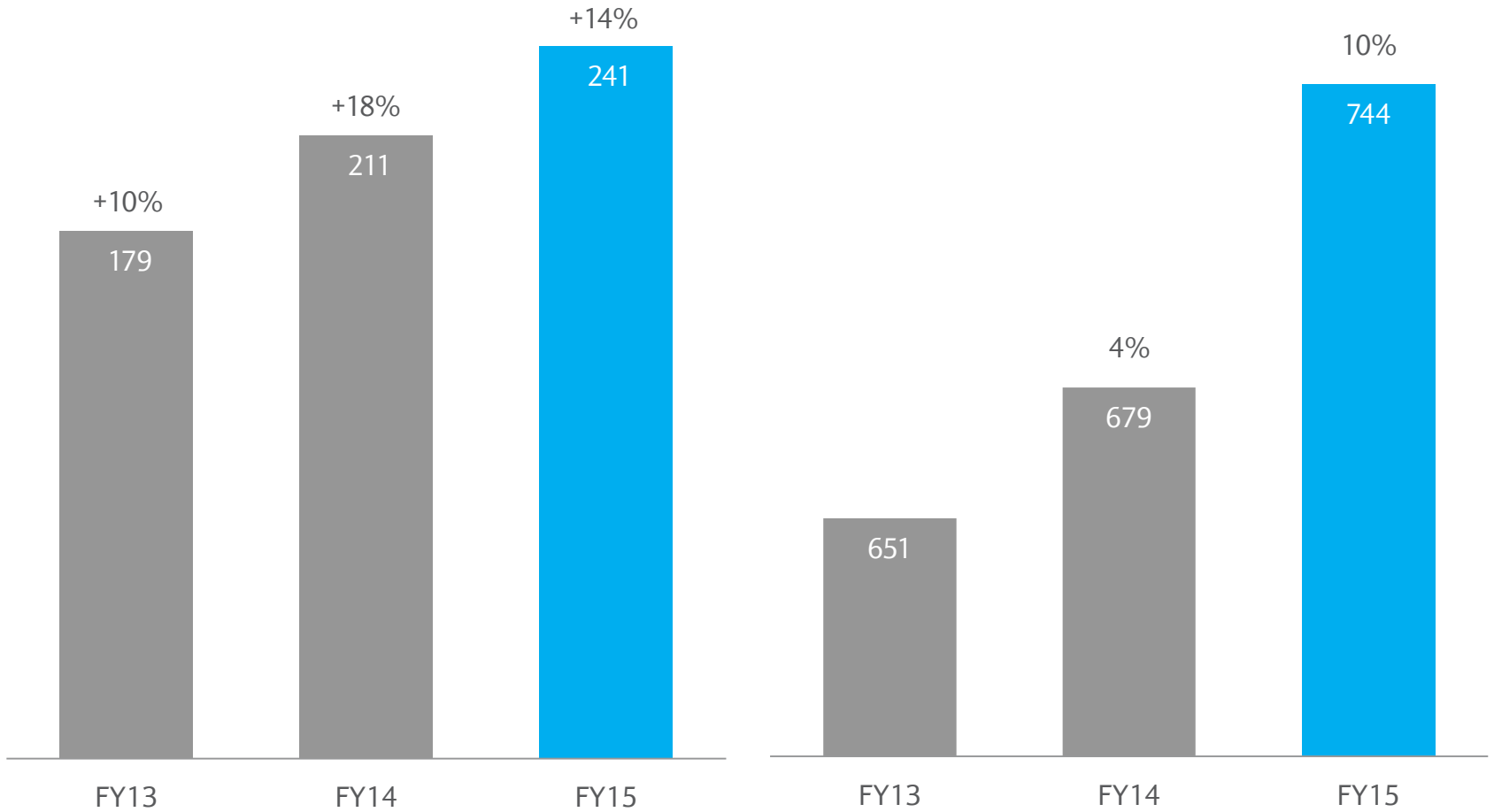
Markets Rest of Africa net revenue (Rm)



... and in less capital intensive activities

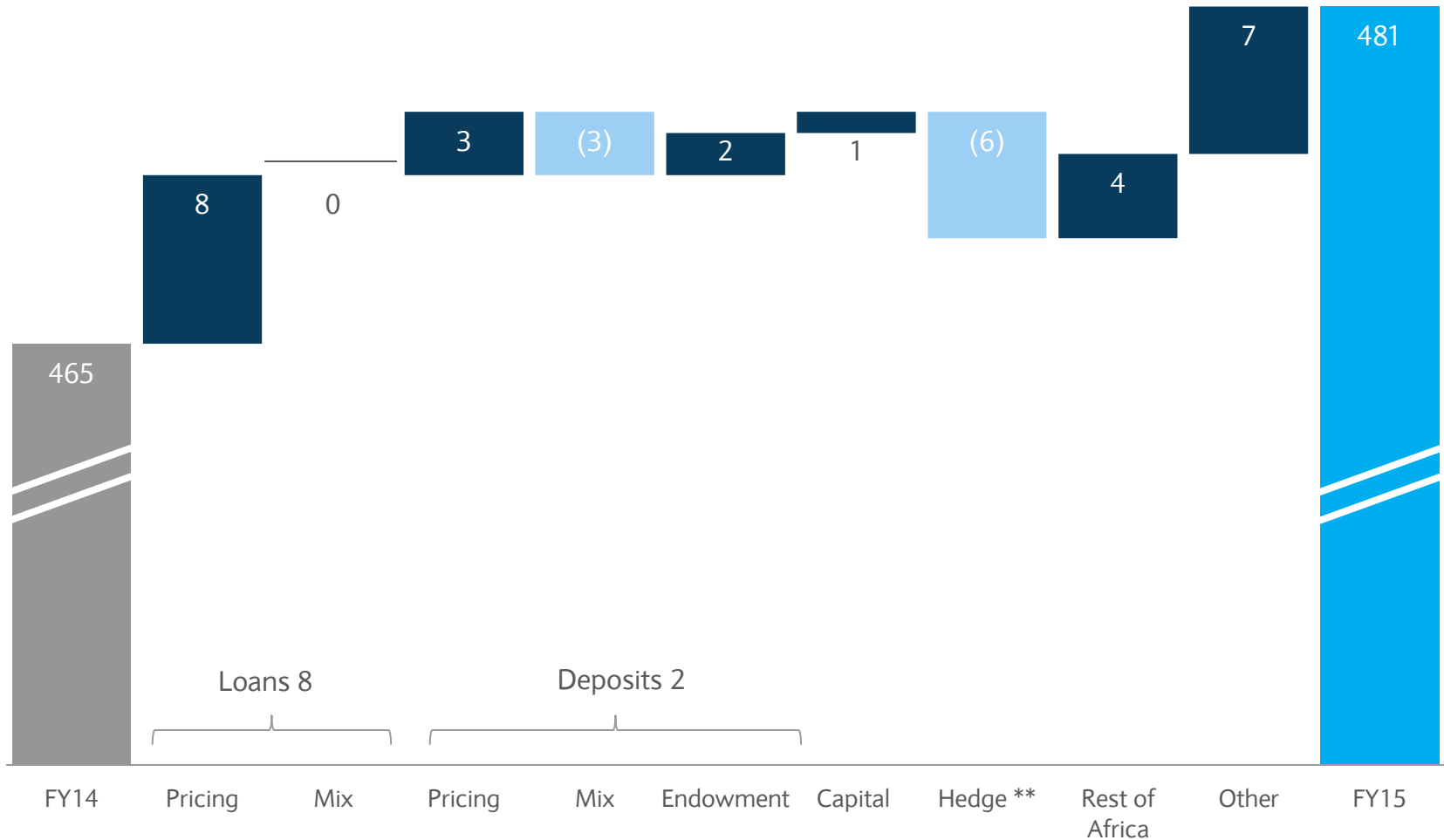
SA Card acquiring volumes SA (Rbn)

Business Banking SA electronic banking revenue (Rm)



Loan pricing and rest of Africa lift margin

Change in net interest margin* (basis points)

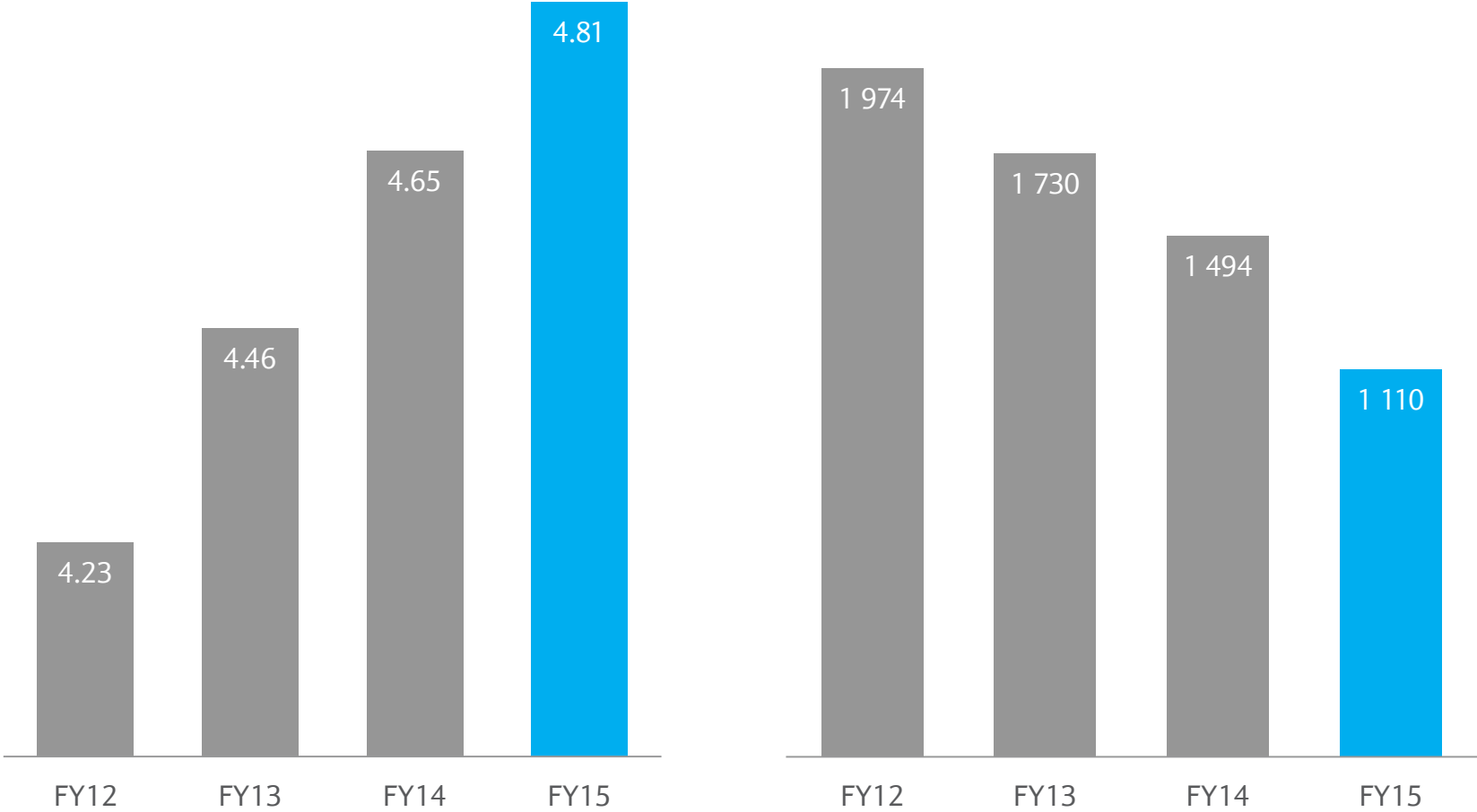


Note: * Average interest bearing assets; ** interest rate risk management

Strong net interest margin trend

Net interest margin (%)*

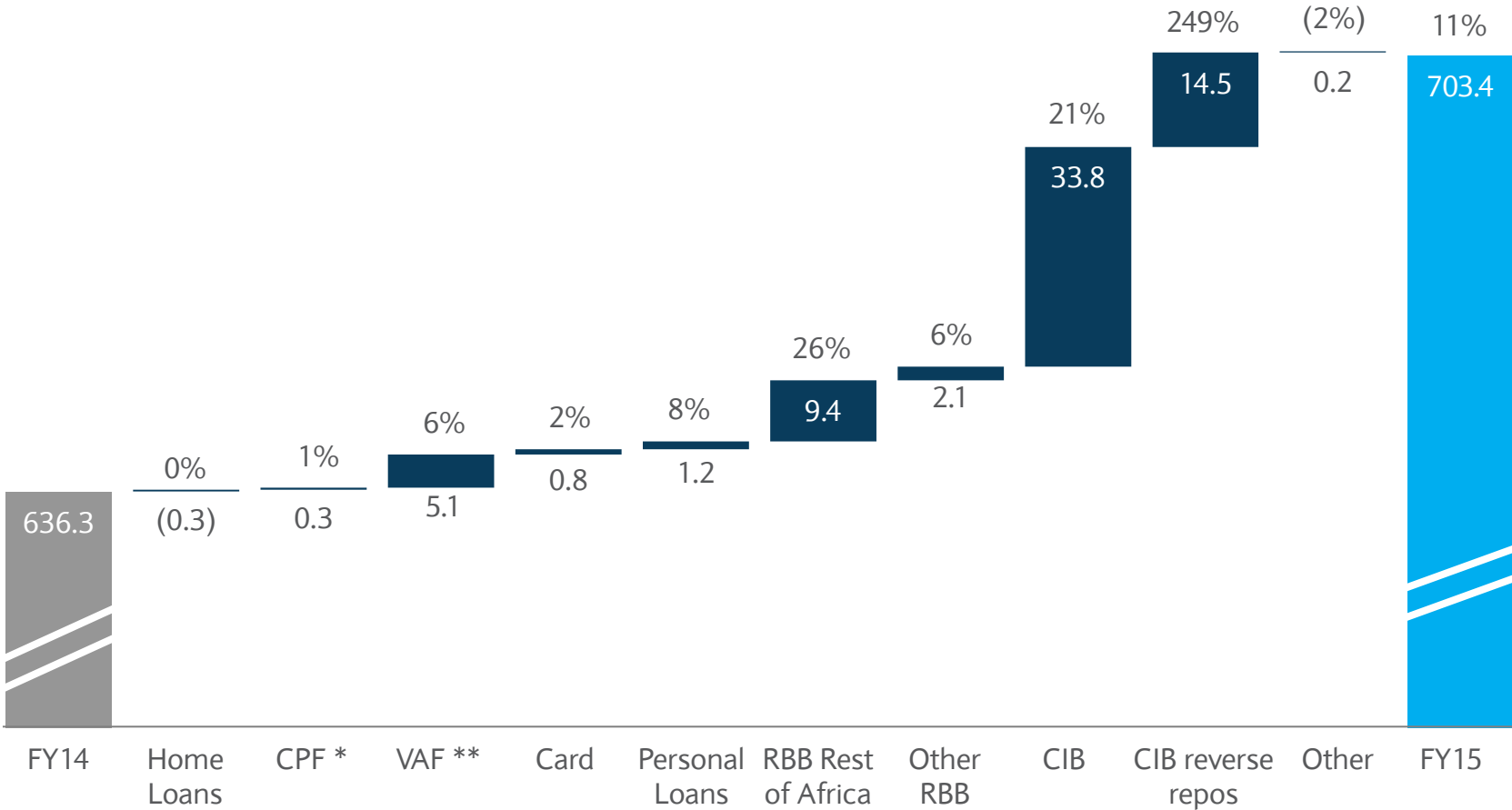
Hedge contribution (Rm)



Note: * Average interest bearing assets

Strong CIB and rest of Africa loan growth

YoY change in net customer loans (Rbn)

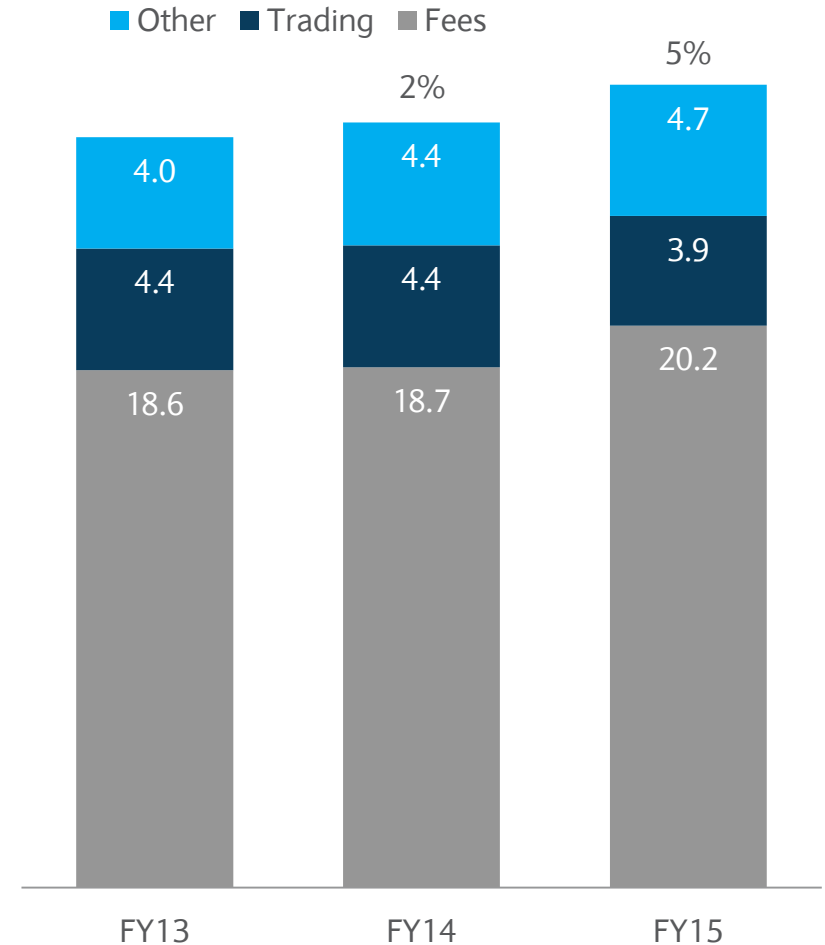


Note: * Commercial property finance, includes Business Bank mortgages; ** instalment credit agreements and associates and JVs

Non-interest income growth improving

	FY15 Rm	Change %	Mix * %
Retail and Business Banking	18 238	7	63
○ Retail Banking SA	12 282	5	42
○ Business Banking SA	3 336	5	12
○ RBB Rest of Africa	2 620	21	9
CIB	5 926	(9)	20
○ South Africa	3 928	(17)	13
○ Rest of Africa	1 998	13	7
WIMI	4 962	7	17
Other	(335)	(47)	
Total	28 791	5	

Non-interest income mix (Rbn)

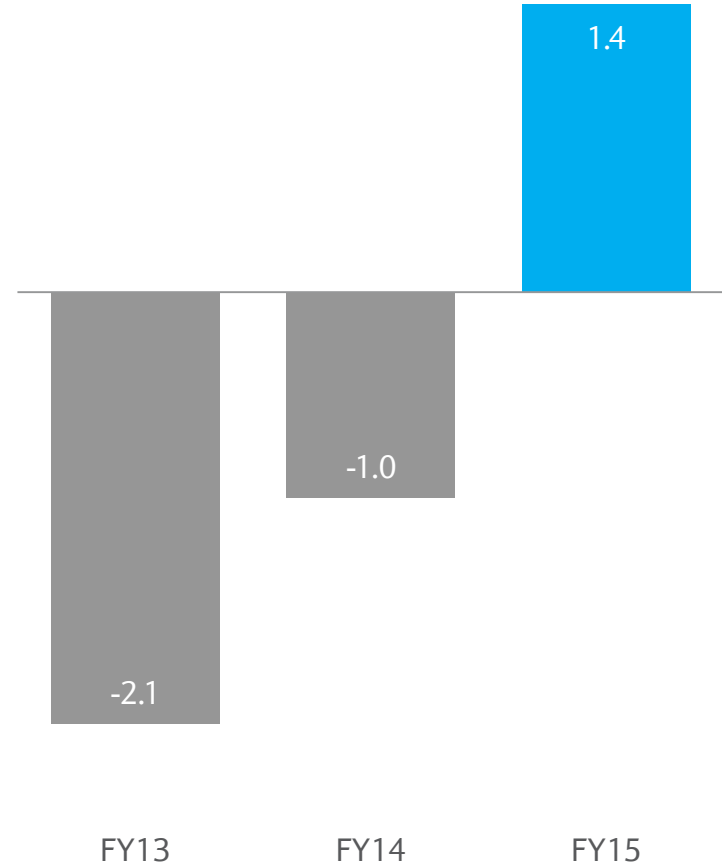


Note: * Excludes other

Continue saving to invest for growth

	FY15 Rm	Change %	Mix %
Staff costs	20 902	8	56
Property-related costs	5 209	(1)	14
Information technology	2 274	5	6
Amortisation	475	(6)	1
Marketing costs	1 740	8	5
Professional fees	2 179	16	6
Cash transportation	884	7	2
Other*	3 998	(7)	11
Total	37 661	5	

Group operating JAWS (%)**

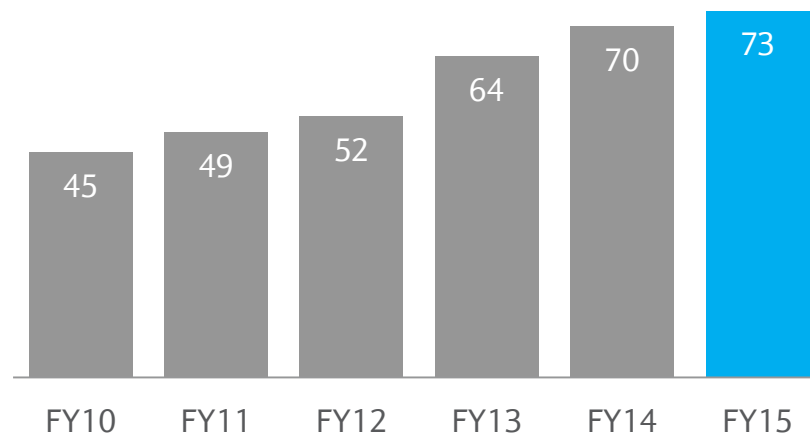


Note: * Includes administration fees, printing and stationery, telephone and postage, fraud losses etc; ** revenue growth minus operating expenses growth

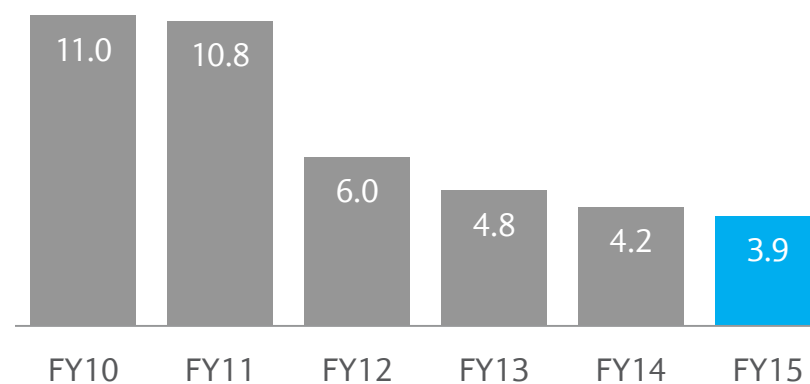
Building portfolio provisions increases charge

	FY15	FY14	FY15	FY14
	Credit loss ratio (bps)		NPL cover (%)	
Retail and Business Banking	129	132	44	44
Retail Banking SA	128	133	42	43
Cards *	607	619	70	72
VAF	98	101	39	46
Mortgages **	30	37	22	25
Personal Loans	564	606	65	65
Business Banking SA	87	87	35	36
RBB Rest of Africa	207	195	64	62
CIB	44	16	34	23
WIMI	(10)	46	48	72
Group	105	102	43	43

Provision to performing loans (bps)



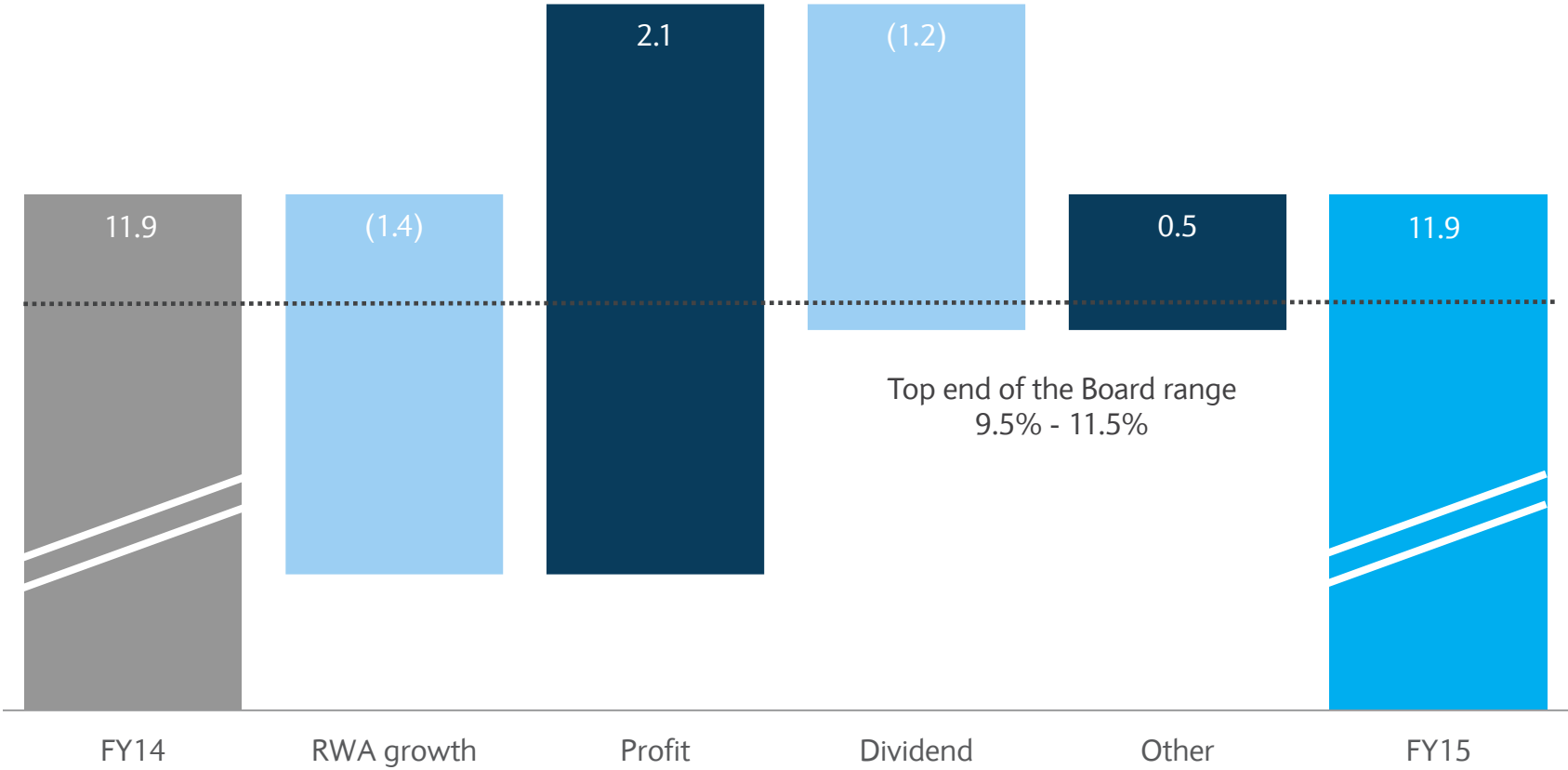
Non-performing loans (%)



Note: * Includes Woolworths Financial Services and the Edcon portfolio; ** Home Loans credit loss ratio

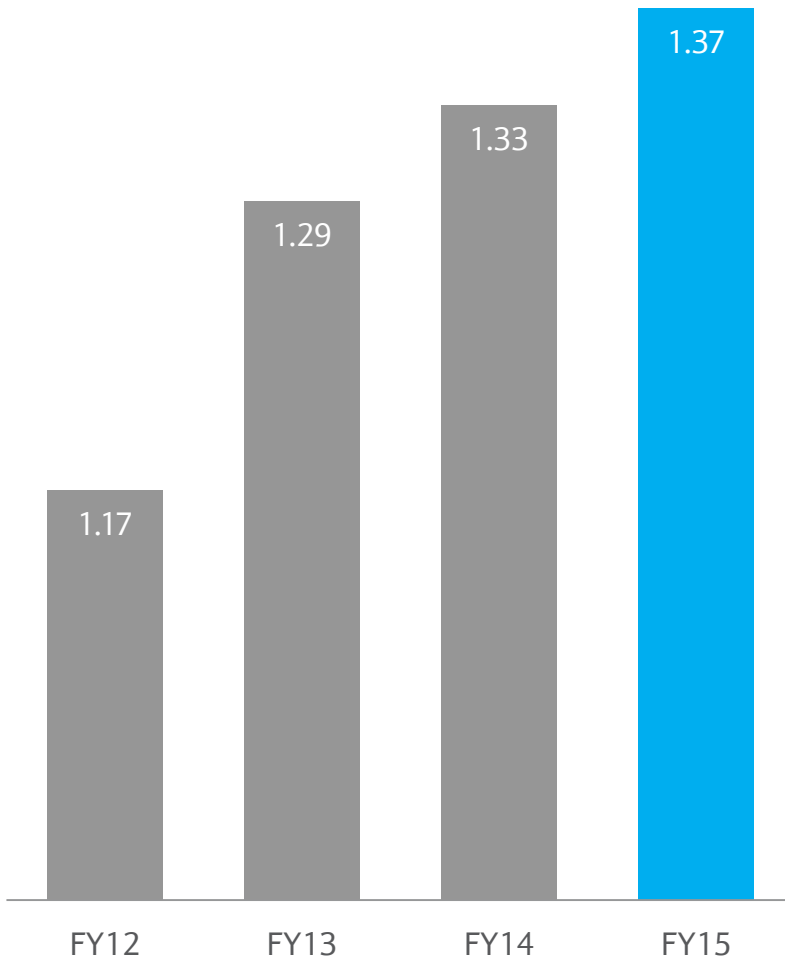
Capital levels remain strong

Barclays Africa Group Common Equity Tier 1 ratio (%)

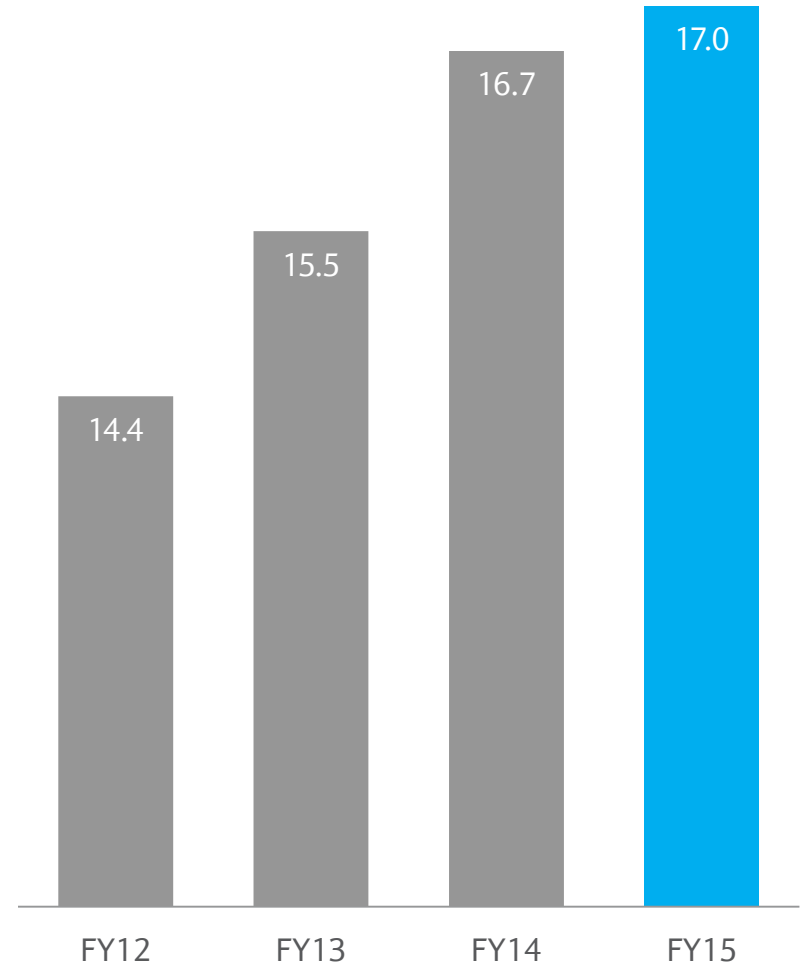


Return on assets continues to drive higher RoE

Return on assets (%)



Return on equity (%)

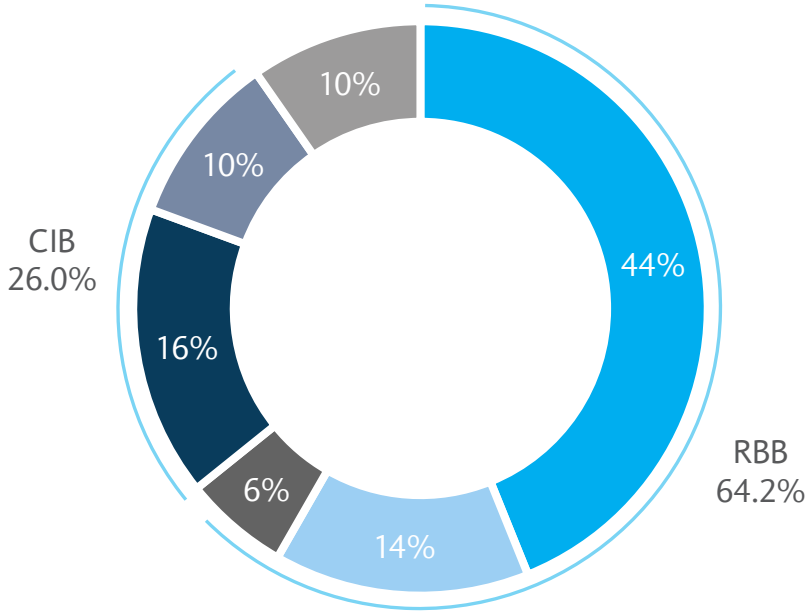
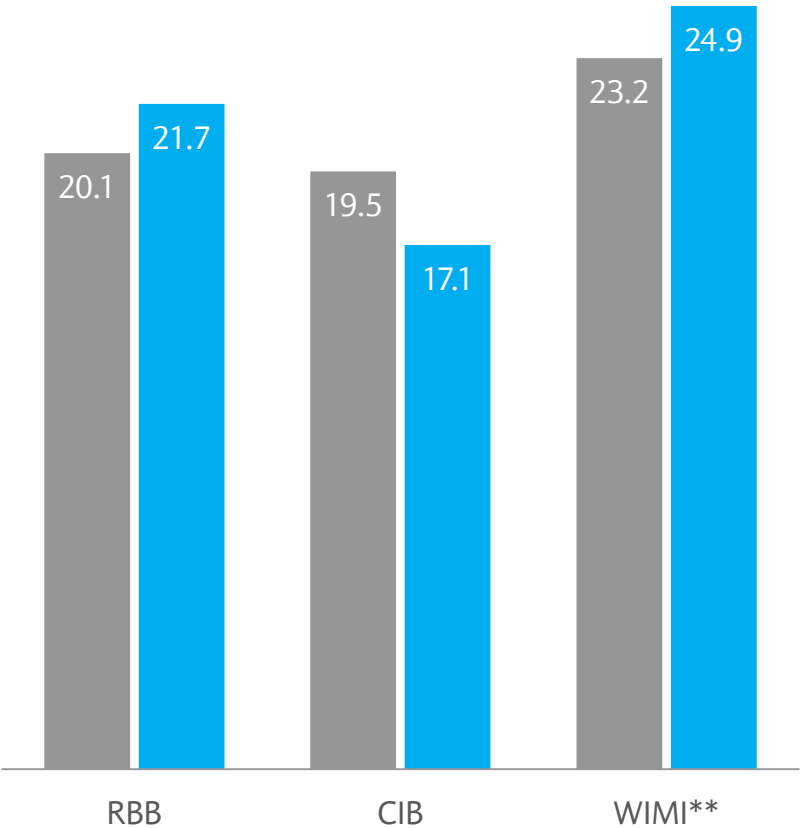


Strong returns across diversified franchise

Divisional RoRC (%)*

Headline earnings by segment FY15 ***

■ FY14 ■ FY15

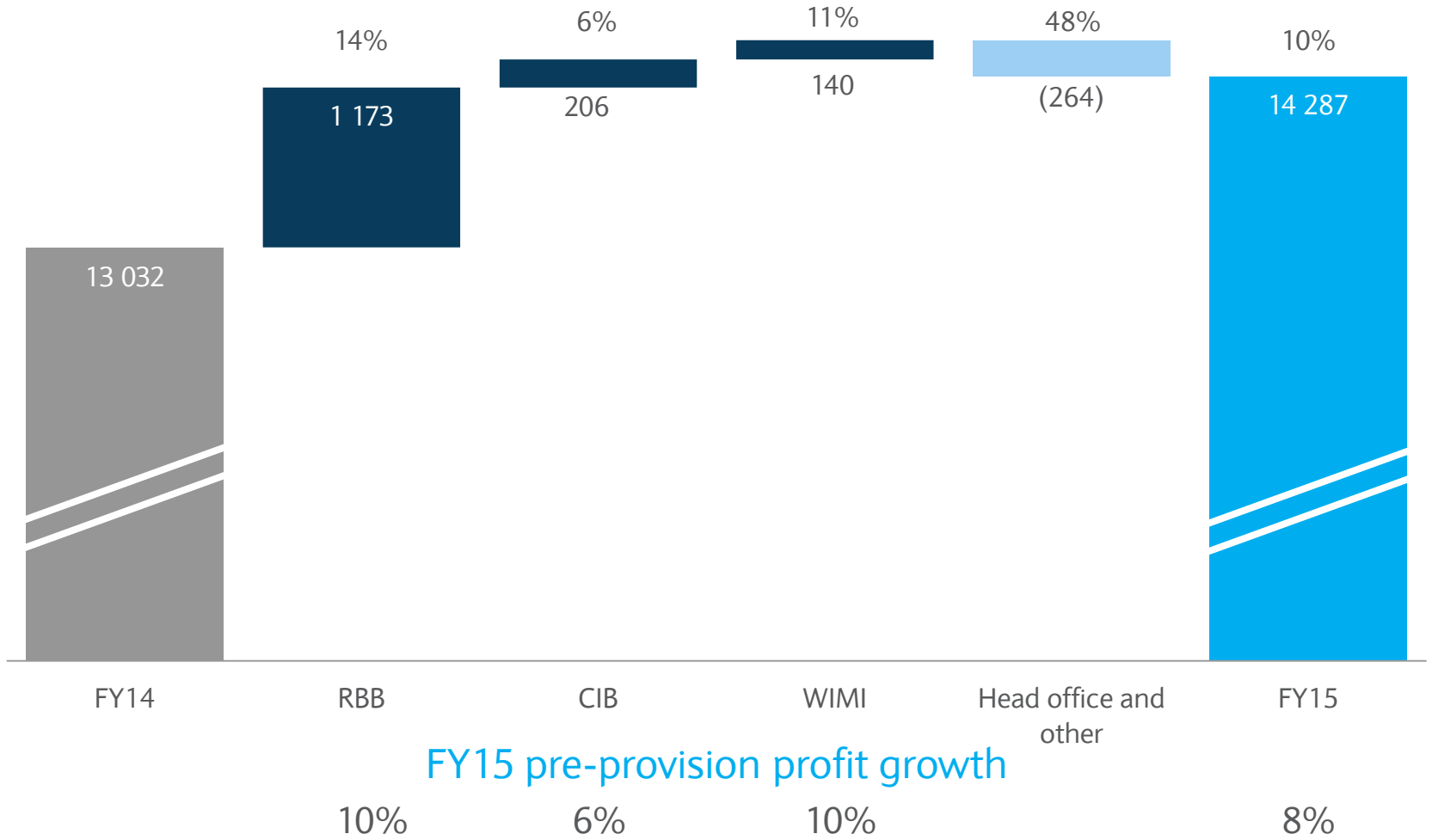


- Retail Banking SA
- RBB Rest of Africa
- CIB Rest of Africa
- Business Banking SA
- CIB SA
- WIMI

Note: * Return on regulatory capital; ** RoE *** Excluding Head Office, Treasury and other

RBB drove group earnings growth

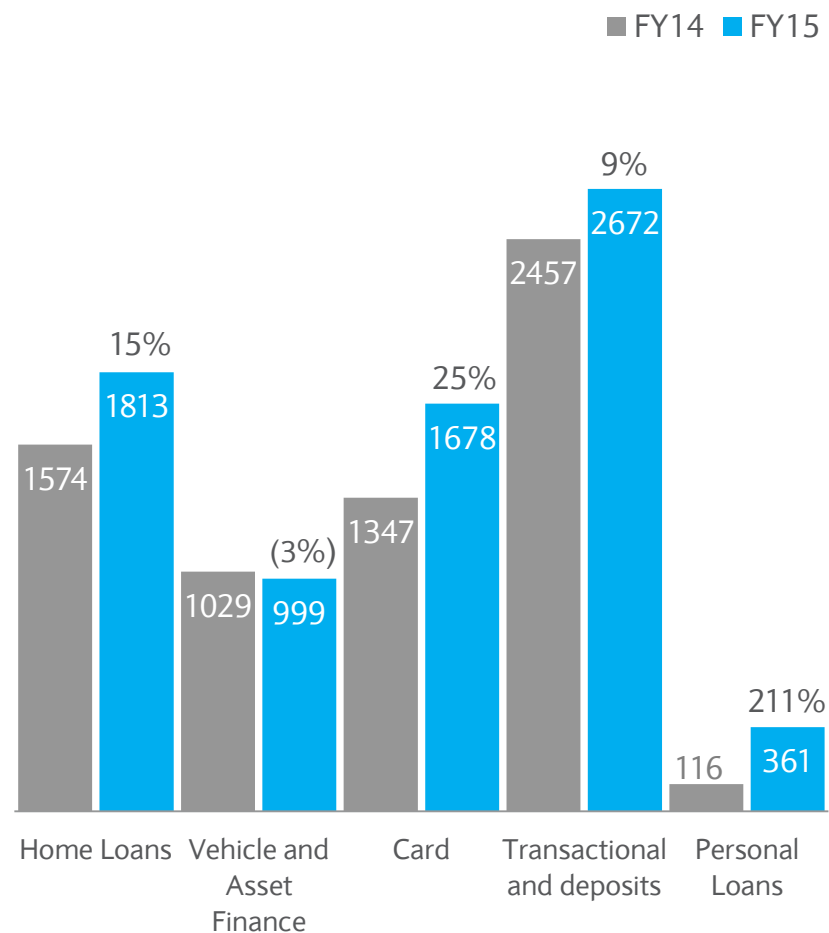
Headline earnings growth (Rm)



Retail Banking SA momentum continues ...

- Strong 16% earnings growth
- Sustainable profitable Home Loans growth
- Vehicle and Asset Finance bolstered by performance of joint ventures
- Card entrenching leading position
- Transactional benefited from account and deposit growth
- Substantial Personal Loans increase due to book growth at improved margins and lower credit impairments

Headline earnings* (Rm)

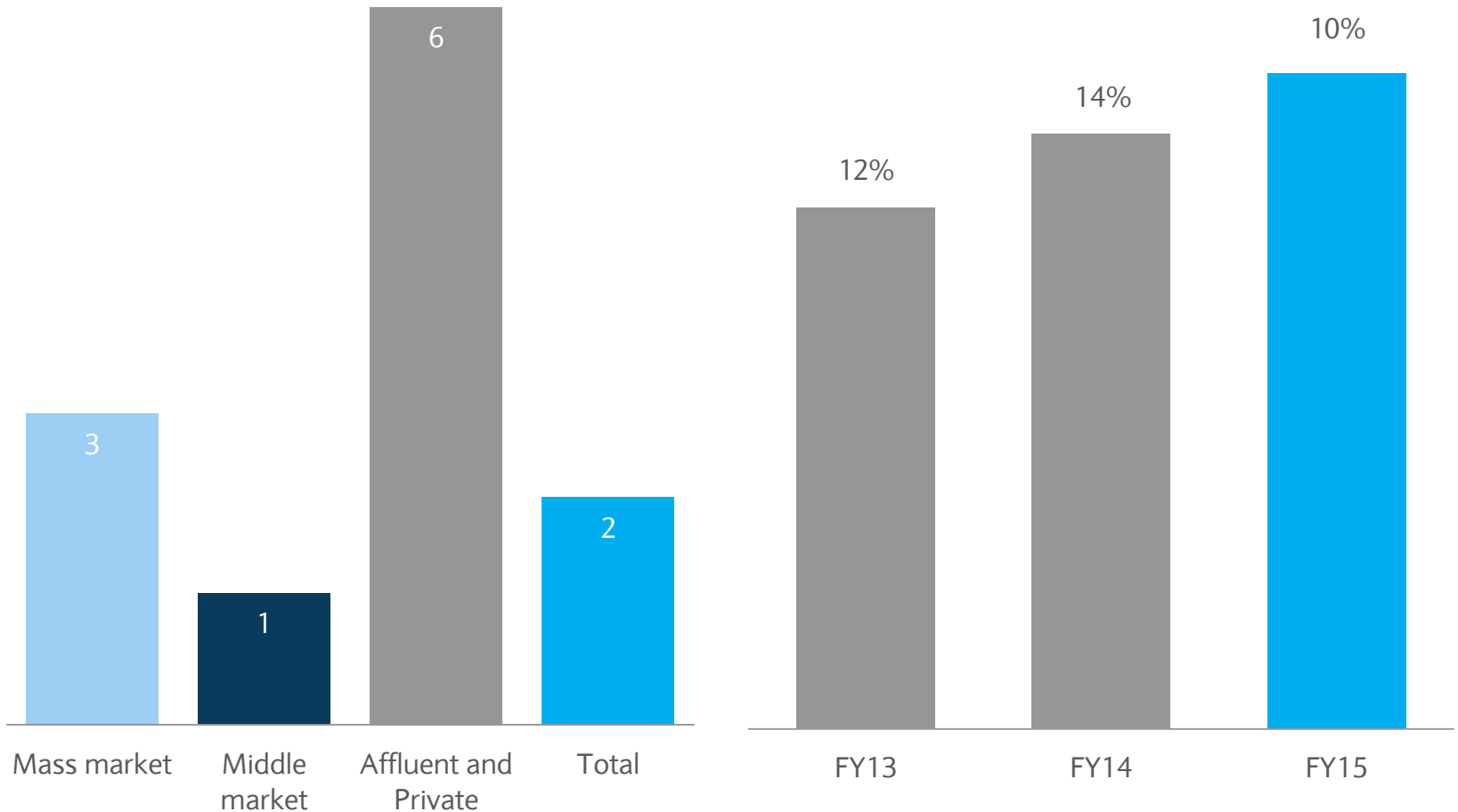


Note: * Excludes Other, which is largely central costs and lost R895m

...as customer trends continue to improve

YoY growth in customer numbers (%)

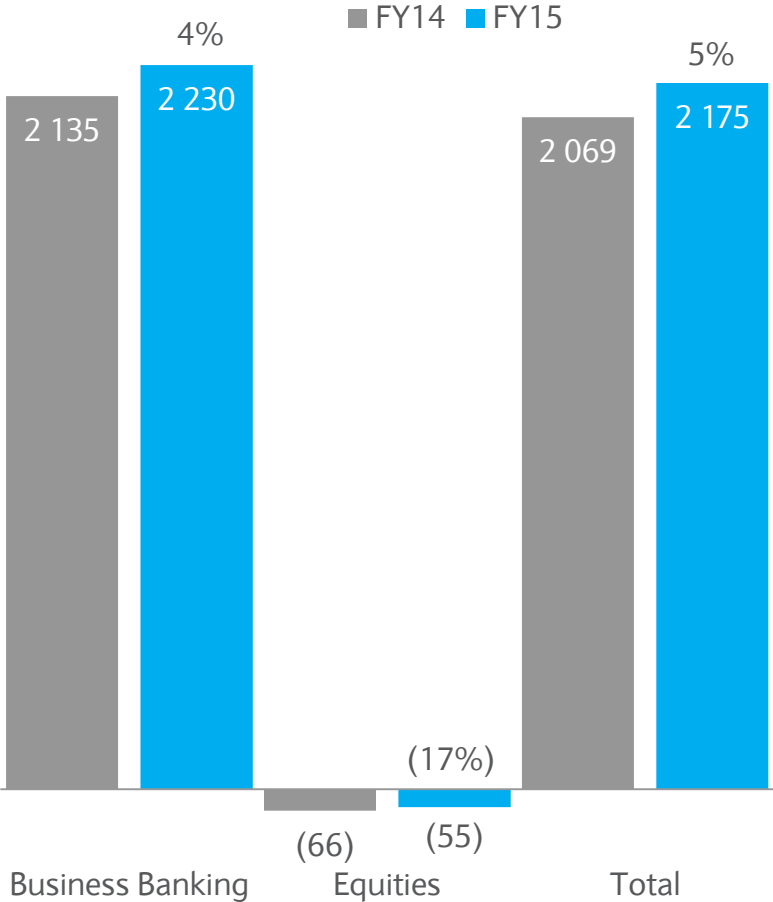
Average revenue per customer



Stabilizing Business Banking SA

- Improving balance sheet growth
- Planned migration to digital channels impacts revenue
- Stable credit impairments
- Investment in people and systems
- Maintained attractive returns

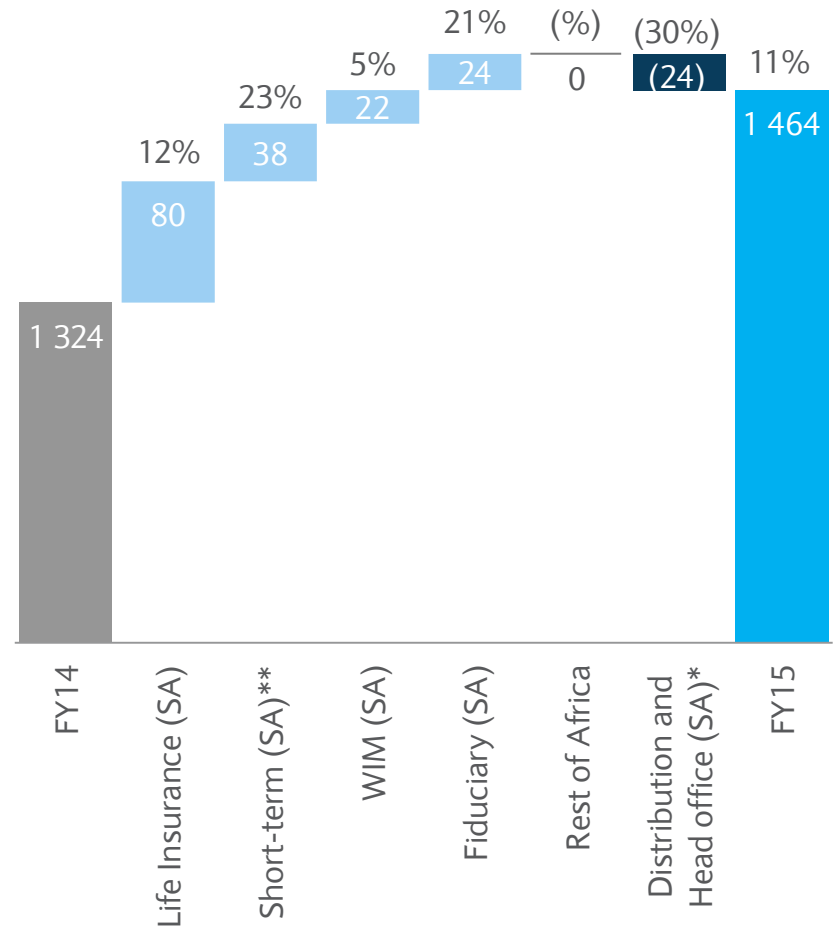
Headline earnings (Rm)



WIMI strategy delivers growth ...

- Short-term insurance margins within target range
- Continued revenue growth outside SA
- Strong growth in SA Life
- Assets under management increased by R15bn
- Life embedded value of new business down 4%
- RoE improved to 25%

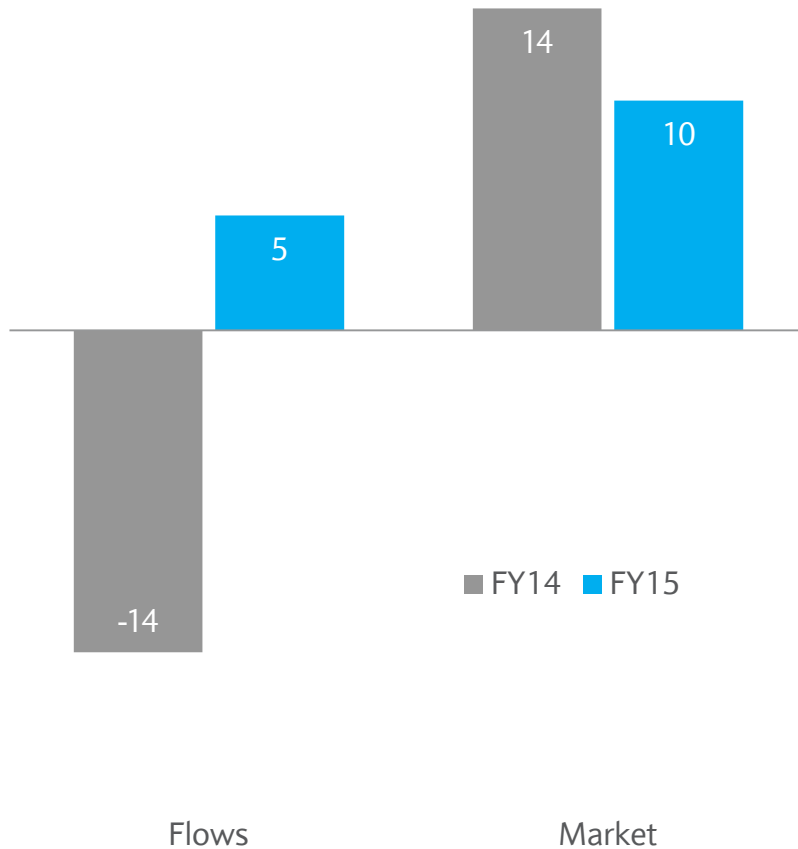
Change in headline earnings (Rm)



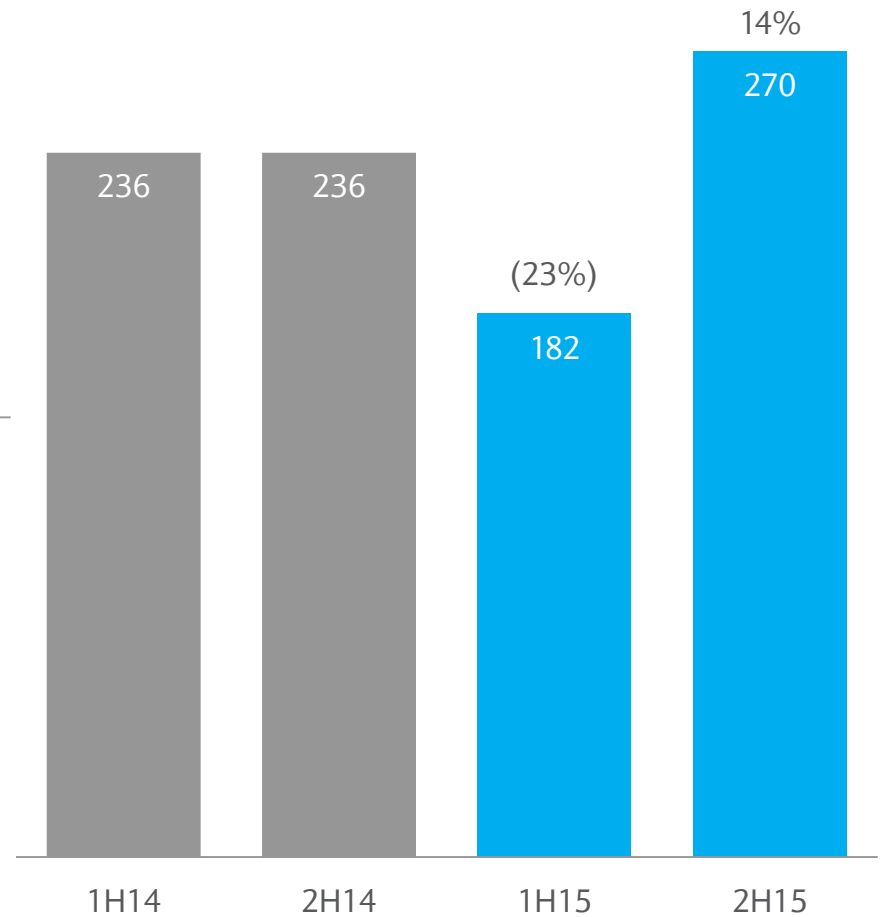
Note: * Distribution and Head Office; ** Short-term Insurance includes Agri

... in AUMs and new business volumes

Change in assets under management and administration (Rbn)

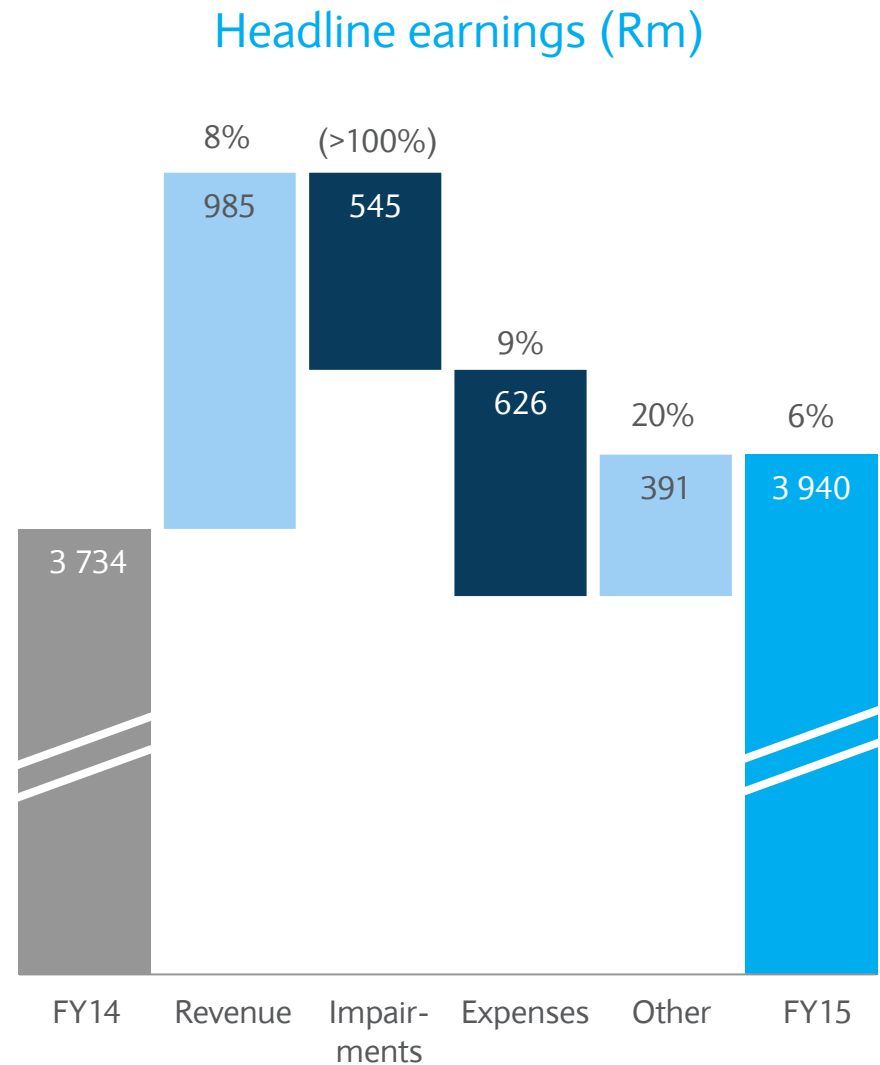


Embedded value of new business (Rm)



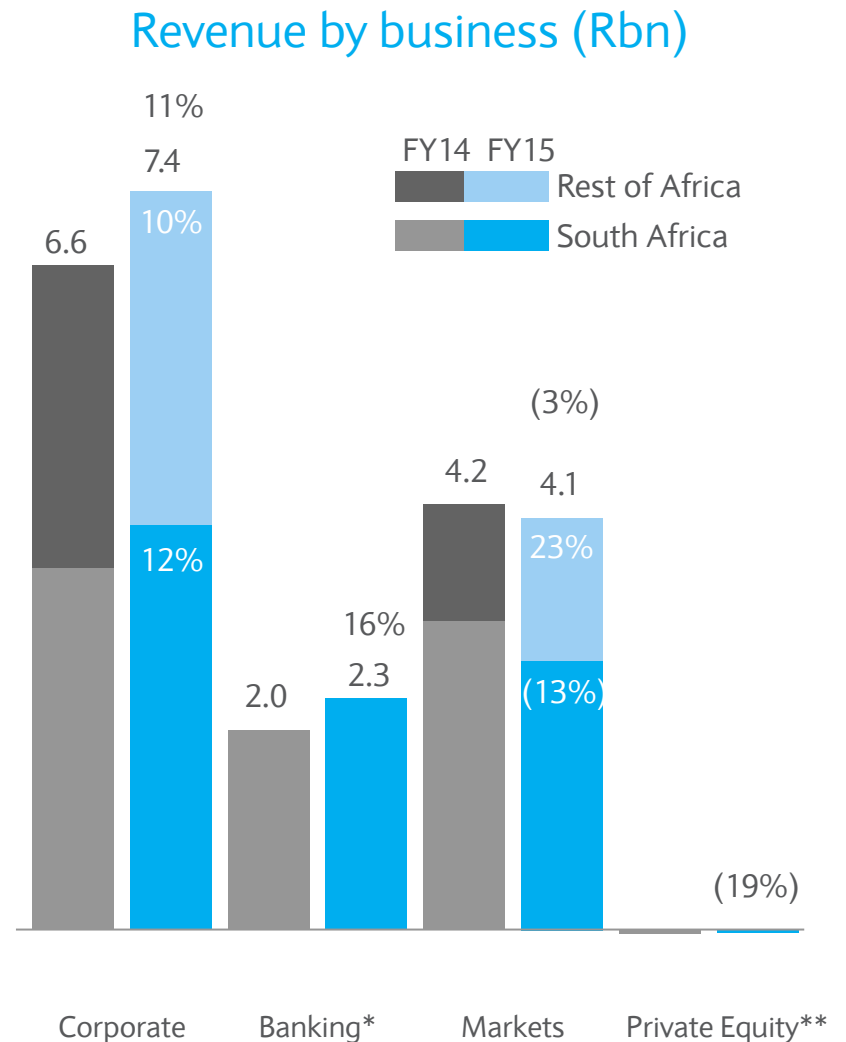
Credit impairments dampen CIB's topline growth

- Revenues benefit from integrated regional client offering
- Rest of Africa contributes 37% of earnings
- Strong balance sheet growth
- Substantial increase in credit impairments
- Accelerated investment in systems and technology



Client focus generates robust revenue growth

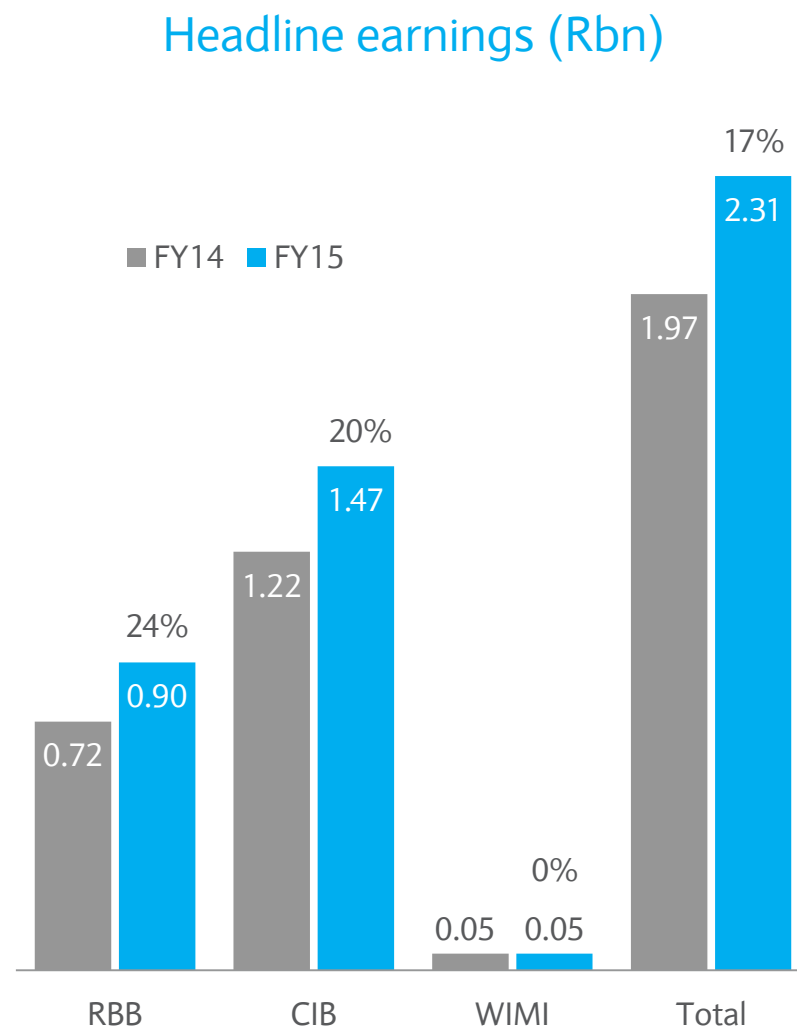
- Strong balance sheet-led revenue growth in rest of Africa
- Corporate SA maintains double digit topline growth
- Deeper client relationships lift Banking revenue
- Markets revenue benefited from diversification
- Continue to reduce Private Equity portfolio



Note: * Includes rest of Africa; **Private Equity and Infrastructure Investments

Strong growth across Rest of Africa portfolio

- Positive JAWs and lower taxation offset higher credit impairments
- Remains accretive with earnings up 17%
- Markets drove CIB growth
- WIMI expands into East Africa
- Improving RBB momentum
- Clear path to increase low RoE



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