

Barclays PLC

Q1 2018 Results Announcement

31 March 2018

Performance Highlights

Double digit returns across Barclays UK and Barclays International, and resolution of a significant legacy litigation matter

<ul style="list-style-type: none"> Returns: 	<ul style="list-style-type: none"> Attributable profit was £1.2bn, excluding litigation and conduct charges of £2.0bn principally relating to a £1.4bn settlement with the United States Department of Justice (DoJ) relating to Residential Mortgage-Backed Securities (RMBS) and additional charges of £400m relating to Payment Protection Insurance (PPI) Group Return on Tangible Equity (RoTE) was 11.0% (Q117: 2.0%), excluding litigation and conduct, with double digit returns in both Barclays UK and Barclays International Group RoTE targets of greater than 9% in 2019 and greater than 10% in 2020, excluding litigation and conduct and based on a Group Common Equity Tier 1 (CET1) ratio of c.13%
<ul style="list-style-type: none"> Cost efficiency: 	<ul style="list-style-type: none"> Group operating expenses decreased 6% to £3.4bn, resulting in a cost: income ratio of 63% (Q117: 62%), excluding litigation and conduct of £2.0bn (Q117: £28m) Guidance for Group operating expenses of £13.6-13.9bn in 2019, excluding litigation and conduct
<ul style="list-style-type: none"> Capital and dividends: 	<ul style="list-style-type: none"> CET1 ratio declined to 12.7% (December 2017: 13.3%), as organic capital generation from profits was more than offset by a 61bps impact from litigation and conduct charges, and a £4.9bn increase in risk weighted assets (RWAs) Final dividend of 2.0p per share for 2017 was paid on 5 April 2018 Reiterated intention to pay a dividend of 6.5p per share for 2018, subject to regulatory approvals

- Group loss before tax was £236m (Q117: profit of £1,682m).** Excluding litigation and conduct, profit before tax increased 1% to £1,725m driven by a 45% improvement in credit impairment charges, primarily reflecting single name recoveries in wholesale and the improved macroeconomic forecasts in the US, and a 6% reduction in operating expenses, partially offset by an 8% decline in income. Results were impacted by the 12% depreciation of average USD against GBP
 - Barclays UK RoTE was negative 1.1% (Q117: positive 21.6%).** Excluding litigation and conduct, RoTE was 15.7% (Q117: 21.5%) as profit before tax decreased to £581m (Q117: £704m) reflecting 3% lower income, a 5% increase in operating expenses due to increased investment and a 13% increase in credit impairment charges
 - Barclays International RoTE was 13.4% (Q117: 12.5%),** with double digit returns in both the Corporate and Investment Bank (CIB) and Consumer, Cards and Payments. Profit before tax increased 4% to £1,413m driven by a 73% decrease in credit impairment charges and a 5% reduction in operating expenses, while income declined 8%
- Attributable loss was £764m (Q117: profit of £190m),** including litigation and conduct charges, and basic loss per share was 4.2p (Q117: earnings per share of 1.3p). Excluding litigation and conduct, earnings per share was 7.1p (Q117: 1.5p)
- Tangible net asset value per share decreased to 251p (December 2017: 276p)** primarily due to the impact of the implementation of IFRS 9, litigation and conduct charges in the quarter, and adverse movements across the currency translation and cash flow hedging reserves

Performance Highlights

James E Staley, Group Chief Executive Officer, said:

“This has been a significant quarter for Barclays, one in which we have shown that our new operating model and our portfolio of diversified, profitable businesses are capable of producing improved returns for shareholders.

Our transatlantic wholesale and consumer bank has produced a Group Return on Tangible Equity (RoTE) of 11.0%, excluding litigation and conduct, with both Barclays UK and Barclays International delivering double digit returns.

Demonstrating the benefits of diversification, lower revenues in our UK businesses, driven by one-offs, were offset by a stronger performance in Barclays International, particularly in the Corporate and Investment Bank, which reported profit before tax up 49% and a RoTE of 13.0%.

The first quarter is typically a strong one of course, but this performance does increase confidence in our capacity to meet our Group RoTE targets of greater than 9% in 2019, and greater than 10% in 2020, excluding litigation and conduct and based on a Group CET1 ratio of c.13%.

This quarter we also reached an agreement with the US Department of Justice to resolve issues related to the sale of Residential Mortgage-Backed Securities between 2005 and 2007. While the penalty was substantial, this settlement represents a major milestone for Barclays, putting behind us a significant decade-old legacy matter.

The settlement with the US Department of Justice, together with additional charges relating to PPI, reduced our CET1 ratio by around 60bps to 12.7%, but given the earnings power of the Group, and our strong record in capital management, we are confident that we will get back to around 13% in good time.

It remains our intention to pay a dividend for 2018 of 6.5p, and we look forward to returning an increasing amount of capital to shareholders, both through the annual dividend, and via other means of return, such as buybacks, going forward.”

James E Staley
Group Chief Executive Officer

Performance Highlights

Barclays Group results for the three months ended

	31.03.18 £m	31.03.17 £m	% Change
Total income	5,358	5,823	(8)
Credit impairment charges and other provisions	(288)	(527)	45
Net operating income	5,070	5,296	(4)
Operating expenses excluding litigation and conduct	(3,364)	(3,591)	6
Litigation and conduct ¹	(1,961)	(28)	
Operating expenses	(5,325)	(3,619)	(47)
Other net income	19	5	
(Loss)/profit before tax	(236)	1,682	
Tax charge	(304)	(473)	36
(Loss)/profit after tax in respect of continuing operations	(540)	1,209	
Loss after tax in respect of discontinued operation	-	(658)	
Non-controlling interests in respect of continuing operations	(53)	(79)	33
Non-controlling interests in respect of discontinued operation	-	(143)	
Other equity instrument holders ²	(171)	(139)	(23)
Attributable (loss)/profit	(764)	190	

Performance measures

Return on average tangible shareholders' equity ²	(6.5%)	1.8%
Average tangible shareholders' equity (£bn)	44.2	49.4
Cost: income ratio	99%	62%
Loan loss rate (bps)	36	47
Basic (loss)/earnings per share ²	(4.2p)	1.3p
Basic (loss)/earnings per share in respect of continuing operations ²	(4.2p)	6.1p

Performance measures excluding litigation and conduct¹

Profit before tax	1,725	1,710	1
Attributable profit	1,166	209	
Return on average tangible shareholders' equity ²	11.0%	2.0%	
Cost: income ratio	63%	62%	
Basic earnings per share ²	7.1p	1.5p	

Balance sheet and capital management³

	As at 31.03.18	As at 31.12.17	As at 31.03.17
Tangible net asset value per share	251p	276p	292p
Common equity tier 1 ratio	12.7%	13.3%	12.5%
Common equity tier 1 capital (£bn)	40.2	41.6	44.9
Risk weighted assets (£bn)	317.9	313.0	360.9
Average UK leverage ratio ⁴	4.6%	4.9%	4.6%
Average tier 1 capital ⁴ (£bn)	50.0	51.2	52.3
Average UK leverage exposure ⁴ (£bn)	1,090	1,045	1,130

Funding and liquidity

Group liquidity pool (£bn)	207	220	185
CRD IV liquidity coverage ratio	147%	154%	140%
Loan: deposit ratio ⁵	84%	81%	85%

¹ Refer to pages 29-33 for further information and calculations of performance measures excluding litigation and conduct.

² The profit after tax attributable to other equity instrument holders of £171m (Q117: £139m) is offset by a tax credit recorded in reserves of £46m (Q117: £38m). The net amount of £125m (Q117: £101m), along with non-controlling interests, is deducted from profit after tax in order to calculate earnings per share and return on average tangible shareholders' equity.

³ Capital, RWAs and leverage measures are calculated applying the IFRS 9 transitional arrangements under Article 473a of the CRR. For more information refer to the Barclays PLC Pillar 3 Report Q1 2018, located at home.barclays/results.

⁴ The average UK leverage ratio uses capital based on the last day of each month in the quarter and an exposure measure based on each day in the quarter. The comparatives for the average UK leverage exposure were calculated based on the last day of each month in the quarter. Both exclude qualifying central bank claims from the leverage exposure. The UK leverage ratio was 4.8% (December 2017: 5.1%).

⁵ Loan: deposit ratio is calculated as loans and advances at amortised cost divided by deposits at amortised cost. Comparatives have been restated based on this approach.

Group Finance Director's Review

In the first quarter of 2018, both Barclays UK and Barclays International delivered double digit returns, driving a Group RoTE of 11.0% excluding litigation and conduct. While Group statutory profits and capital were impacted by the settlement with the US DoJ regarding RMBS and additional charges relating to PPI, this marked an important step towards resolving significant outstanding legacy litigation and conduct matters. Additionally, on 1 April 2018 Barclays successfully established its ring-fenced bank, Barclays Bank UK PLC (BBUKPLC), nine months ahead of the regulatory deadline. Together with the extensive restructuring completed last year, Barclays is now well-positioned to deliver strong earnings going forward and remains confident of achieving its returns and cost targets. Barclays reiterated the intention to pay a 6.5p dividend for 2018, subject to regulatory approvals.

Group performance

- RoTE was 11.0% (Q117: 2.0%) and earnings per share was 7.1p (Q117: 1.5p), excluding litigation and conduct
- Loss before tax of £236m (Q117: profit of £1,682m) included litigation and conduct charges of £1,961m (Q117: £28m), principally reflecting the £1.4bn settlement relating to RMBS and additional charges of £400m relating to PPI. Excluding these items, profit before tax increased 1% to £1,725m driven by a 45% decrease in credit impairment charges and a 6% reduction in operating expenses, partially offset by an 8% reduction in income. The 12% depreciation of average USD against GBP adversely impacted profits and income, and positively affected credit impairment charges and operating expenses
- Total income decreased to £5,358m (Q117: £5,823m) driven by a £330m decrease in Barclays International, primarily due to the non-recurrence of a £192m gain relating to an asset sale in US Cards and a £74m valuation gain on Barclays' preference shares in Visa Inc. in Q117, and a £156m decrease in Head Office
- Credit impairment charges decreased 45% to £288m primarily reflecting single name recoveries in wholesale and the improved macroeconomic forecasts in the US. Impairment declined 73% in Barclays International and increased 13% in Barclays UK. The Group loan loss rate decreased 11bps to 36bps
- Operating expenses of £5,325m (Q117: £3,619m) included litigation and conduct charges of £1,961m (Q117: £28m), excluding which, Group operating expenses decreased 6% to £3,364m. This was driven by a 6% reduction in Barclays International and the non-recurrence of costs associated with the former Non-Core division. The cost: income ratio, excluding litigation and conduct, was 63% (Q117: 62%)

Barclays UK

- RoTE declined to negative 1.1% (Q117: positive 21.6%) due to additional charges of £400m (Q117: £nil) relating to PPI. Excluding litigation and conduct charges, RoTE was 15.7% (Q117: 21.5%) as profit before tax decreased 17% to £581m
- Total income decreased 3% to £1,788m reflecting the non-recurrence of a valuation gain on Barclays' preference shares in Visa Inc. in Q117 and customer remediation provisions
 - Personal Banking income decreased 6% to £889m driven by the non-recurrence of the Visa gain and a customer remediation provision
 - Barclaycard Consumer UK income increased 6% to £527m
 - Wealth, Entrepreneurs & Business Banking (WEBB) income decreased 7% to £372m driven by a customer remediation provision
- Net interest margin decreased 42bps to 3.27% reflecting the integration of the Education, Social Housing and Local Authority (ESHLA) portfolio
- Credit impairment charges increased 13% to £201m driven by increased impairment in Personal Banking and a single name case in WEBB, however 30 and 90 day arrears rates in UK cards remained flat at 2.0% (Q117: 2.0%) and 0.9% (Q117: 0.9%), respectively
- Operating expenses excluding litigation and conduct increased 5% to £1,005m due to continued investment in digitising the bank, resulting in a cost: income ratio of 56% (Q117: 52%)
- RWAs increased to £72.5bn (December 2017: £70.9bn) predominantly as a result of IFRS 9 implementation and asset transfers in preparation for structural reform

Group Finance Director's Review

Barclays International

- Profit before tax increased 4% to £1,413m resulting in a RoTE of 13.4% (Q117: 12.5%), reflecting double digit returns in both CIB and Consumer, Cards and Payments of 13.0% (Q117: 8.2%) and 15.6% (Q117: 36.4%), respectively
- The 12% depreciation of average USD against GBP adversely impacted profits and income, and positively affected credit impairment charges and operating expenses
- Total income decreased 8% to £3,808m
 - CIB income increased 1% to £2,799m as Markets income increased 8% to £1,459m, partially offset by a decrease in Banking income of 4% to £1,337m
 - FICC income decreased 2% to £869m as a strong performance in foreign exchange was offset by a decline in credit
 - Equities income increased 28% to £590m reflecting an improved performance in derivatives as a result of increased client activity and market volatility, and a strong performance in equity financing
 - Banking fee income decreased 6% to £683m from a strong Q117. Global fee share increased across all products compared to Q417 and FY17
 - Corporate lending declined 11% to £240m driven by the reallocation of RWAs within CIB and lower lending balances due to the realignment of clients between Barclays UK and Barclays International in preparation for structural reform, partially offset by lower losses on fair value hedges
 - Transaction banking increased 4% to £414m driven by higher average deposit balances
 - Consumer, Cards and Payments income decreased 26% to £1,009m driven by the non-recurrence of a £192m gain relating to an asset sale in US Cards and a £74m valuation gain on Barclays' preference shares in Visa Inc. in Q117. Excluding these items, income declined 7% reflecting the impact of repositioning the US Cards portfolio towards a lower risk mix, partially offset by underlying growth in US Cards
- Credit impairment charges decreased 73% to £93m
 - CIB credit impairment charges decreased to a release of £159m (Q117: charge of £51m) primarily due to write-backs and updated macroeconomic forecasts
 - Consumer, Cards and Payments credit impairment charges decreased 15% to £252m due to the impact of repositioning the US Cards portfolio towards a lower risk mix and the improved macroeconomic forecasts in the US, partially offset by increased delinquency rates in US Cards. 30 and 90 day arrears rates within US Cards increased to 2.6% (Q117: 2.3%) and 1.4% (Q117: 1.2%), respectively
- Operating expenses decreased 5% to £2,315m
 - CIB operating expenses decreased 8% to £1,786m driven by the reduction of restructuring and structural reform costs, and the reduced impact of the change in compensation awards introduced in Q416
 - Consumer, Cards and Payments operating expenses increased 4% to £529m reflecting continued growth and investment
- RWAs increased to £214.2bn (December 2017: £210.3bn) due to increased trading activity

Head Office

- Loss before tax was £1,819m (Q117: £141m)
- Total income reduced to an expense of £238m (Q117: expense of £82m) reflecting certain legacy capital instrument funding costs now charged to Head Office of £88m in Q118, hedge accounting and an increased net expense from treasury operations
- Operating expenses increased to £1,594m (Q117: £59m) reflecting an increase in litigation and conduct charges, including the settlement relating to RMBS, and costs associated with former Non-Core assets and businesses which were integrated on 1 July 2017. Excluding litigation and conduct charges, operating expenses were £59m (Q117: £49m)
- RWAs decreased to £31.2bn (December 2017: £31.8bn)

Group Finance Director's Review

Group capital and leverage

- The CET1 ratio decreased to 12.7% (December 2017: 13.3%) due to a decrease in CET1 capital of £1.3bn to £40.2bn and an increase in RWAs of £4.9bn to £317.9bn
 - Organic capital generation from profits of £1.3bn were more than offset by litigation and conduct charges, including £1.4bn from the settlement relating to RMBS and additional charges of £0.4bn relating to PPI
 - The implementation of IFRS 9 on 1 January 2018 resulted in a net increase in CET1 capital as the £2.2bn decrease in shareholders' equity on initial adoption was more than offset by the application of transitional relief of £1.3bn and the removal of the £1.2bn excess of expected loss over impairment capital deduction
 - The increase in RWAs was principally due to business growth in investment banking businesses, offset by the depreciation of period end USD against GBP
- The average UK leverage ratio decreased to 4.6% (December 2017: 4.9%) primarily driven by increased exposures due to securities financing transactions and trading portfolio assets trading activity, as well as the decrease in capital
- Tangible net asset value per share decreased to 251p (December 2017: 276p) primarily due to the impact of the implementation of IFRS 9, litigation and conduct charges in the quarter, and adverse movements across the currency translation and cash flow hedging reserves

Group funding and liquidity

- The Group continued to maintain surpluses to its internal and regulatory requirements. The liquidity pool decreased to £207bn (December 2017: £220bn) driven largely by the deployment of funding to support business growth. The liquidity coverage ratio decreased to 147% (December 2017: 154%), equivalent to a surplus of £65bn (December 2017: £75bn) to the 100% requirement
- Wholesale funding outstanding excluding repurchase agreements was £147bn (December 2017: £144bn). The Group issued £2.4bn equivalent of term senior unsecured debt from Barclays PLC and £2.1bn from Barclays Bank PLC (BBPLC). In the same period, £0.7bn of Barclays PLC senior unsecured debt and £2.2bn of BBPLC subordinated debt were either called or matured

Other matters

- In Q118 Barclays reached a settlement with the US Department of Justice (DoJ) to resolve the civil complaint brought by the DoJ in December 2016 relating to Residential Mortgage-Backed Securities (RMBS) sold by Barclays between 2005 and 2007. Barclays has agreed to pay a civil monetary penalty of \$2,000m (£1,420m), which was recognised in Q118
- Additional charges of £400m (Q117: £nil) relating to PPI were recognised mainly as a result of continued higher complaints flow in Q118. The remaining PPI provision as at 31 March 2018 was £1.7bn (December 2017: £1.6bn) to cover claims through to the deadline of 29 August 2019. Management views its current PPI provision as appropriate, but will continue to closely monitor complaint trends and the associated provision adequacy

Structural reform

- On 9 March 2018 Barclays was granted approval from the Prudential Regulation Authority (PRA) and the High Court of Justice of England and Wales to implement the "ring-fencing" of Barclays' day-to-day banking services using a legal process called a Ring-Fencing Transfer Scheme (the "Scheme") under Part VII of the Financial Services Markets Act 2000. Barclays implemented the Scheme and established BBUKPLC on 1 April 2018
- Illustrative, unaudited pro-forma financials as at 31 December 2017 for BBUKPLC and BBPLC have been published and are available at home.barclays/annualreport. More information can be found at home.barclays/about-barclays/ring-fencing-explained

IFRS 9 Financial Instruments

- Barclays adopted IFRS 9 Financial Instruments from 1 January 2018, replacing IAS 39 Financial Instruments: Recognition and Measurement. As a result, shareholders' equity decreased by £2.2bn post-tax, equating to a reduction in tangible net asset value of 13p per share as at 31 March 2018. Barclays elected to apply transitional arrangements, as outlined in Capital Requirements Regulation (CRR) Article 473a. For further detail, please refer to the Barclays PLC IFRS 9 Transition Note that can be found at home.barclays/results
- IFRS 9 requires the recognition of impairment earlier in the lifecycle of a product having considered forward-looking information. As a result, measurement involves more complex judgement with impairment likely to be more volatile as the economic outlook changes. Management continues to closely monitor observed trends

Tushar Morzaria, Group Finance Director

Quarterly Results Summary

Barclays Group

	Q118	Q417	Q317	Q217 ¹	Q117 ¹	Q416 ¹	Q316 ¹	Q216 ¹
	£m	£m	£m	£m	£m	£m	£m	£m
Income statement information								
Net interest income	2,188	2,272	2,475	2,579	2,519	2,523	2,796	2,530
Net fee, commission and other income	3,170	2,750	2,698	2,479	3,304	2,469	2,650	3,442
Total income	5,358	5,022	5,173	5,058	5,823	4,992	5,446	5,972
Credit impairment charges and other provisions	(288)	(573)	(709)	(527)	(527)	(653)	(789)	(488)
Net operating income	5,070	4,449	4,464	4,531	5,296	4,339	4,657	5,484
Operating expenses excluding UK bank levy and litigation and conduct	(3,364)	(3,621)	(3,274)	(3,398)	(3,591)	(3,812)	(3,581)	(3,425)
UK bank levy	-	(365)	-	-	-	(410)	-	-
Litigation and conduct ²	(1,961)	(383)	(81)	(715)	(28)	(97)	(741)	(447)
Operating expenses	(5,325)	(4,369)	(3,355)	(4,113)	(3,619)	(4,319)	(4,322)	(3,872)
Other net income/(expenses)	19	13	(2)	241	5	310	502	(342)
(Loss)/profit before tax	(236)	93	1,107	659	1,682	330	837	1,270
Tax (charge)/credit	(304)	(1,138)	(324)	(305)	(473)	50	(328)	(467)
(Loss)/profit after tax in respect of continuing operations	(540)	(1,045)	783	354	1,209	380	509	803
(Loss)/profit after tax in respect of discontinued operation	-	-	-	(1,537)	(658)	71	209	145
Attributable to:								
Ordinary equity holders of the parent	(764)	(1,294)	583	(1,401)	190	99	414	677
Other equity instrument holders	171	181	157	162	139	139	110	104
Non-controlling interests in respect of continuing operations	53	68	43	59	79	90	70	92
Non-controlling interests in respect of discontinued operation	-	-	-	(3)	143	123	124	75
Balance sheet information								
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total assets	1,142.2	1,133.2	1,149.3	1,135.3	1,203.8	1,213.1	1,324.0	1,351.3
Risk weighted assets	317.9	313.0	324.3	327.4	360.9	365.6	373.4	366.3
Average UK leverage exposure	1,089.9	1,044.6	1,035.1	1,092.2	1,130.4	1,137.3	n/a	n/a
Performance measures								
Return on average tangible shareholders' equity	(6.5%)	(10.3%)	5.1%	(11.0%)	1.8%	1.1%	3.6%	5.8%
Average tangible shareholders' equity (£bn)	44.2	48.1	48.9	49.3	49.4	48.9	49.4	48.3
Cost: income ratio	99%	87%	65%	81%	62%	87%	79%	65%
Loan loss rate (bps)	36	56	66	49	47	58	66	41
Basic (loss)/earnings per share	(4.2p)	(7.3p)	3.7p	(8.0p)	1.3p	0.8p	2.6p	4.2p
Basic (loss)/earnings per share in respect of continuing operations	(4.2p)	(7.3p)	3.7p	1.0p	6.1p	1.1p	2.1p	3.8p
Performance measures excluding litigation and conduct²								
	£m	£m	£m	£m	£m	£m	£m	£m
Profit before tax	1,725	476	1,188	1,374	1,710	427	1,578	1,717
Attributable profit/(loss)	1,166	(943)	660	(698)	209	151	1,140	1,124
Return on average tangible shareholders' equity	11.0%	(7.4%)	5.7%	(5.3%)	2.0%	1.6%	9.5%	9.5%
Cost: income ratio	63%	79%	63%	67%	62%	85%	66%	57%
Basic earnings/(loss) per share	7.1p	(5.3p)	4.1p	(3.8p)	1.5p	1.1p	6.9p	6.8p

¹ Results include Barclays Non-Core and the Africa Banking discontinued operation; refer to pages 27-28 for further detail.

² Refer to pages 29-33 for further information and calculations of performance measures excluding litigation and conduct.

Quarterly Results by Business

Barclays UK

	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
	£m	£m	£m	£m	£m	£m	£m	£m
Income statement information								
Net interest income	1,493	1,540	1,501	1,534	1,511	1,502	1,569	1,476
Net fee, commission and other income	295	330	351	286	330	326	374	467
Total income	1,788	1,870	1,852	1,820	1,841	1,828	1,943	1,943
Credit impairment charges and other provisions	(201)	(184)	(201)	(220)	(178)	(180)	(350)	(220)
Net operating income	1,587	1,686	1,651	1,600	1,663	1,648	1,593	1,723
Operating expenses excluding UK bank levy and litigation and conduct	(1,005)	(1,117)	(980)	(974)	(959)	(989)	(904)	(947)
UK bank levy	-	(59)	-	-	-	(48)	-	-
Litigation and conduct ¹	(411)	(53)	(11)	(699)	4	(28)	(614)	(399)
Operating expenses	(1,416)	(1,229)	(991)	(1,673)	(955)	(1,065)	(1,518)	(1,346)
Other net (expenses)/income	(1)	(5)	1	(1)	-	-	-	(1)
Profit/(loss) before tax	170	452	661	(74)	708	583	75	376
Attributable (loss)/profit	(38)	245	423	(285)	470	383	(163)	141

	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Balance sheet information								
Loans and advances to customers at amortised cost	184.3	183.8	182.2	166.6	164.5	166.4	166.6	166.0
Total assets	235.2	237.4	230.4	203.4	203.0	209.6	209.1	204.6
Customer deposits at amortised cost	192.0	193.4	189.3	187.4	184.4	189.0	185.5	181.7
Loan: deposit ratio ²	96%	95%	97%	89%	90%	89%	91%	92%
Risk weighted assets	72.5	70.9	70.0	66.1	66.3	67.5	67.4	67.1
Period end allocated tangible equity	9.8	9.6	9.5	8.6	8.8	8.5	8.5	8.6

Performance measures								
Return on average allocated tangible equity	(1.1%)	10.7%	18.4%	(12.7%)	21.6%	18.2%	(7.1%)	6.6%
Average allocated tangible equity (£bn)	9.8	9.6	9.4	8.7	8.9	8.6	8.7	9.0
Cost: income ratio	79%	66%	54%	92%	52%	58%	78%	69%
Loan loss rate (bps)	43	39	43	52	43	42	82	52
Net interest margin	3.27%	3.32%	3.28%	3.70%	3.69%	3.56%	3.72%	3.56%

	£m	£m	£m	£m	£m	£m	£m	£m
Performance measures excluding litigation and conduct¹								
Profit before tax	581	505	672	625	704	611	689	775
Attributable profit	373	282	431	406	467	380	464	551
Return on average allocated tangible equity	15.7%	12.3%	18.7%	19.1%	21.5%	18.0%	21.6%	24.9%
Cost: income ratio	56%	63%	53%	54%	52%	57%	47%	49%

¹ Refer to pages 29-33 for further information and calculations of performance measures excluding litigation and conduct.

² Loan: deposit ratio is calculated as loans and advances to customers at amortised cost and loans and advances to banks at amortised cost of £0.4bn (Q417: £0.5bn), divided by customer deposits at amortised cost and deposits from banks at amortised cost of £nil (Q417: £nil). Comparatives have been restated to include loans and advances to banks at amortised cost and deposits from banks at amortised cost.

Quarterly Results by Business

Analysis of Barclays UK

	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
Analysis of total income	£m	£m	£m	£m	£m	£m	£m	£m
Personal Banking	889	1,020	926	933	944	934	970	1,068
Barclaycard Consumer UK	527	445	539	495	498	507	561	463
Wealth, Entrepreneurs & Business Banking	372	405	387	392	399	387	412	412
Total income	1,788	1,870	1,852	1,820	1,841	1,828	1,943	1,943
Analysis of credit impairment (charges)/releases and other provisions								
Personal Banking	(76)	(56)	(60)	(56)	(50)	(50)	(47)	(44)
Barclaycard Consumer UK	(113)	(124)	(145)	(149)	(123)	(118)	(291)	(169)
Wealth, Entrepreneurs & Business Banking	(12)	(4)	4	(15)	(5)	(12)	(12)	(7)
Total credit impairment charges and other provisions	(201)	(184)	(201)	(220)	(178)	(180)	(350)	(220)
Analysis of loans and advances to customers at amortised cost	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Personal Banking	140.5	139.8	138.4	136.5	134.4	135.0	135.3	134.7
Barclaycard Consumer UK	15.2	16.4	16.3	16.2	16.1	16.5	16.2	16.2
Wealth, Entrepreneurs & Business Banking	28.6	27.6	27.5	13.9	14.0	14.9	15.1	15.1
Total loans and advances to customers at amortised cost	184.3	183.8	182.2	166.6	164.5	166.4	166.6	166.0
Analysis of customer deposits at amortised cost								
Personal Banking	141.4	141.1	140.1	138.5	137.3	139.3	137.2	134.8
Barclaycard Consumer UK	-	-	-	-	-	-	-	-
Wealth, Entrepreneurs & Business Banking	50.6	52.3	49.2	48.9	47.1	49.7	48.3	46.9
Total customer deposits at amortised cost	192.0	193.4	189.3	187.4	184.4	189.0	185.5	181.7

Quarterly Results by Business

Barclays International

	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
	£m	£m	£m	£m	£m	£m	£m	£m
Income statement information								
Net interest income	1,013	987	1,148	1,060	1,112	1,046	1,355	1,001
Net trading income	1,416	935	815	1,039	1,182	1,131	1,074	1,130
Net fee, commission and other income	1,379	1,397	1,352	1,511	1,844	1,415	1,422	1,908
Total income	3,808	3,319	3,315	3,610	4,138	3,592	3,851	4,039
Credit impairment charges and other provisions	(93)	(386)	(495)	(279)	(346)	(426)	(420)	(240)
Net operating income	3,715	2,933	2,820	3,331	3,792	3,166	3,431	3,799
Operating expenses excluding UK bank levy and litigation and conduct	(2,300)	(2,428)	(2,182)	(2,276)	(2,435)	(2,497)	(2,337)	(2,074)
UK bank levy	-	(265)	-	-	-	(284)	-	-
Litigation and conduct ¹	(15)	(255)	(5)	4	(13)	(17)	(17)	(10)
Operating expenses	(2,315)	(2,948)	(2,187)	(2,272)	(2,448)	(2,798)	(2,354)	(2,084)
Other net income	13	21	19	202	12	5	8	11
Profit before tax	1,413	6	652	1,261	1,356	373	1,085	1,726
Attributable profit/(loss)	973	(1,168)	359	819	837	43	623	1,171

	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Balance sheet information								
Loans and advances at amortised cost ²	117.5	126.8	134.4	135.2	145.5	153.7	152.7	149.4
Trading portfolio assets	114.9	113.0	91.2	83.3	83.0	73.2	73.8	68.1
Derivative financial instrument assets	214.1	236.2	242.8	108.4	105.3	156.2	155.6	181.4
Derivative financial instrument liabilities	210.8	237.8	242.9	116.8	112.8	160.6	160.5	187.5
Reverse repurchase agreements and other similar secured lending	0.4	12.4	15.5	17.2	17.6	13.4	17.3	19.7
Financial assets at fair value through the income statement	150.6	104.1	103.7	94.1	81.3	62.3	72.0	68.3
Total assets	866.6	856.1	867.1	681.6	677.2	648.5	681.9	679.9
Deposits at amortised cost ²	167.2	187.3	191.9	192.0	189.4	184.7	175.7	175.0
Loan: deposit ratio ³	70%	68%	70%	70%	77%	83%	87%	85%
Risk weighted assets	214.2	210.3	218.2	212.2	214.3	212.7	214.6	209.3
Period end allocated tangible equity	30.0	27.5	28.0	26.8	27.1	25.6	25.9	25.3

Performance measures

Return on average allocated tangible equity	13.4%	(15.9%)	5.4%	12.4%	12.5%	1.0%	10.0%	19.2%
Average allocated tangible equity (£bn)	30.1	28.5	28.9	27.4	27.7	26.6	25.7	24.8
Cost: income ratio	61%	89%	66%	63%	59%	78%	61%	52%
Loan loss rate (bps)	31	76	88	54	62	78	71	41
Net interest margin	4.57%	4.31%	4.21%	4.07%	4.06%	3.91%	4.21%	3.92%

Performance measures excluding litigation and conduct¹

	£m	£m	£m	£m	£m	£m	£m	£m
Profit before tax	1,428	261	657	1,257	1,369	390	1,102	1,736
Attributable profit/(loss)	985	(918)	363	816	846	57	640	1,181
Return on average allocated tangible equity	13.6%	(12.4%)	5.5%	12.3%	12.6%	1.2%	10.3%	19.3%
Cost: income ratio	60%	81%	66%	63%	59%	77%	61%	51%

¹ Refer to pages 29-33 for further information and calculations of performance measures excluding litigation and conduct.

² Loans and advances at amortised cost have been restated to exclude cash collateral and settlement balances. Deposits at amortised cost have been restated to include deposits from banks and customers at amortised cost, and exclude cash collateral and settlement balances.

³ Loan: deposit ratio is calculated as loans and advances at amortised cost divided by deposits at amortised cost. Comparatives have been restated based on this approach.

Quarterly Results by Business

Analysis of Barclays International

Corporate and Investment Bank	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
FICC ¹	869	607	627	752	889	766	947	881
Equities	590	362	350	455	462	410	461	406
Markets	1,459	969	977	1,207	1,351	1,176	1,408	1,287
Banking fees	683	605	607	674	726	650	644	622
Corporate lending	240	269	277	278	269	303	284	312
Transaction banking	414	408	419	404	398	401	458	390
Banking	1,337	1,282	1,303	1,356	1,393	1,354	1,386	1,324
Other	3	1	-	1	38	1	1	-
Total income	2,799	2,252	2,280	2,564	2,782	2,531	2,795	2,611
Credit impairment releases/(charges) and other provisions	159	(127)	(36)	1	(51)	(90)	(38)	(37)
Operating expenses	(1,786)	(2,384)	(1,661)	(1,756)	(1,941)	(2,287)	(1,872)	(1,665)
Other net income	3	7	10	116	-	1	-	-
Profit/(loss) before tax	1,175	(252)	593	925	790	155	885	909

Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances at amortised cost ²	81.3	88.2	95.4	96.7	106.8	114.0	115.9	114.0
Deposits at amortised cost ²	107.6	128.0	133.4	134.1	131.0	134.0	126.7	127.4
Risk weighted assets	181.3	176.2	185.2	178.9	180.6	178.6	182.5	178.4

Performance measures

Return on average allocated tangible equity	13.0%	(20.2%)	5.9%	11.1%	8.2%	(1.2%)	9.2%	9.5%
Average allocated tangible equity (£bn)	25.6	24.3	24.8	23.3	23.5	22.6	21.9	21.3

Consumer, Cards and Payments

Income statement information	£m	£m	£m	£m	£m	£m	£m	£m
Total income	1,009	1,067	1,035	1,046	1,356	1,061	1,056	1,428
Credit impairment charges and other provisions	(252)	(259)	(459)	(280)	(295)	(336)	(382)	(203)
Operating expenses	(529)	(564)	(526)	(516)	(507)	(511)	(482)	(419)
Other net income	10	14	9	86	12	4	8	11
Profit before tax	238	258	59	336	566	218	200	817

Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances at amortised cost ²	36.2	38.6	39.0	38.5	38.7	39.7	36.8	35.4
Deposits at amortised cost ²	59.6	59.3	58.5	57.9	58.4	50.7	49.0	47.6
Risk weighted assets	32.9	34.1	33.0	33.3	33.7	34.1	32.1	30.9

Performance measures

Return on average allocated tangible equity	15.6%	8.9%	2.2%	19.4%	36.4%	13.2%	14.8%	77.9%
Average allocated tangible equity (£bn)	4.5	4.2	4.2	4.1	4.2	4.0	3.7	3.5

¹ Fixed income, currencies and commodities (FICC) is composed of Credit and Macro income which were previously reported separately.

² Loans and advances at amortised cost have been restated to exclude cash collateral and settlement balances. Deposits at amortised cost have been restated to include deposits from banks and customers at amortised cost, and exclude cash collateral and settlement balances.

Quarterly Results by Business

Head Office

	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
	£m	£m	£m	£m	£m	£m	£m	£m
Income statement information								
Net interest income	(318)	(254)	(174)	108	(115)	29	(206)	14
Net fee, commission and other income ¹	80	87	180	(24)	33	(38)	17	320
Total income	(238)	(167)	6	84	(82)	(9)	(189)	334
Credit impairment releases/(charges) and other provisions	6	(3)	(13)	(1)	-	-	1	(2)
Net operating (expenses)/income	(232)	(170)	(7)	83	(82)	(9)	(188)	332
Operating expenses excluding UK bank levy and litigation and conduct	(59)	(76)	(112)	(40)	(49)	15	(29)	(36)
UK bank levy	-	(41)	-	-	-	(2)	-	-
Litigation and conduct ²	(1,535)	(75)	(65)	(1)	(10)	(1)	(8)	(11)
Operating expenses	(1,594)	(192)	(177)	(41)	(59)	12	(37)	(47)
Other net income/(expenses)	7	(3)	(22)	(164)	-	159	(4)	(28)
(Loss)/profit before tax	(1,819)	(365)	(206)	(122)	(141)	162	(229)	257
Attributable (loss)/profit	(1,699)	(371)	(199)	(175)	(123)	223	(203)	182
Balance sheet information	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total assets	40.4	39.7	51.7	17.3	74.5	75.2	73.3	87.7
Risk weighted assets ³	31.2	31.8	36.1	26.2	52.9	53.3	47.5	43.2
Period end allocated tangible equity	3.0	10.0	10.4	9.0	8.8	9.7	6.9	7.1
Performance measures								
Average allocated tangible equity (£bn)	4.3	10.0	10.5	8.8	7.6	7.2	7.4	6.6
Performance measures excluding litigation and conduct²	£m	£m	£m	£m	£m	£m	£m	£m
(Loss)/profit before tax	(284)	(290)	(141)	(121)	(131)	163	(221)	268
Attributable (loss)/profit	(192)	(307)	(134)	(174)	(116)	224	(195)	189

¹ Following the early adoption of the own credit provisions of IFRS 9 on 1 January 2017, own credit, which was previously reported in net fee, commission and other income, is recognised within other comprehensive income from Q117.

² Refer to pages 29-33 for further information and calculations of performance measures excluding litigation and conduct.

³ Includes Africa Banking RWAs of £6.4bn (December 2017: £6.4bn).

Performance Management

Margins and balances

	Three months ended 31.03.18			Three months ended 31.03.17		
	Net interest income £m	Average customer assets £m	Net interest margin %	Net interest income £m	Average customer assets £m	Net interest margin %
Barclays UK	1,493	185,351	3.27	1,511	166,065	3.69
Barclays International ¹	1,065	94,530	4.57	1,121	112,060	4.06
Total Barclays UK and Barclays International	2,558	279,881	3.71	2,632	278,125	3.84
Other ²	(370)			(113)		
Total Barclays Group³	2,188			2,519		

1 Barclays International margins include interest earning lending balances within the investment banking business.

2 Other includes Head Office and non-interest earning lending balances within the investment banking business. Barclays Non-Core is included in the comparative period.

3 Group net interest income includes net structural hedge contributions of £0.2bn (Q117: £0.4bn).

Quarterly analysis for Barclays UK and Barclays International

	Net interest income £m	Average customer assets £m	Net interest margin %
Three months ended 31.12.17			
Barclays UK	1,540	184,058	3.32
Barclays International ¹	1,071	98,500	4.31
Total Barclays UK and Barclays International	2,611	282,558	3.67

Three months ended 30.09.17			
Barclays UK	1,501	181,419	3.28
Barclays International ¹	1,070	100,828	4.21
Total Barclays UK and Barclays International	2,571	282,247	3.61

Three months ended 30.06.17			
Barclays UK	1,534	166,345	3.70
Barclays International ¹	1,064	104,899	4.07
Total Barclays UK and Barclays International	2,598	271,244	3.84

Three months ended 31.03.17			
Barclays UK	1,511	166,065	3.69
Barclays International ¹	1,121	112,060	4.06
Total Barclays UK and Barclays International	2,632	278,125	3.84

1 Barclays International margins include interest earning lending balances within the investment banking business.

Credit Risk

Financial instruments subject to impairment

	As at 31.03.18			As at 01.01.18 ¹		
	Gross exposure ²	Impairment allowance ²	Net exposure	Gross exposure ²	Impairment allowance ²	Net exposure
	£m	£m	£m	£m	£m	£m
Home loans	147,514	468	147,046	146,973	464	146,509
Cards, unsecured loans and other retail lending	56,548	5,279	51,269	58,792	5,266	53,526
Corporate loans	121,928	1,158	120,770	118,525	1,378	117,147
Loans and advances at amortised cost	325,990	6,905	319,085	324,290	7,108	317,182
Off-balance sheet loan commitments and financial guarantee contracts	331,720	252	331,468	334,573	420	334,153
Total	657,710	7,157	650,553	658,863	7,528	651,335

1 Comparatives are as at 1 January 2018 to reflect the adoption of IFRS 9 from this date.

2 Excludes gross exposure of £63.7bn (1 January 2018: £53.2bn) and impairment allowance of £4m (1 January 2018: £3m) on financial assets at fair value through other comprehensive income.

Analysis of loans and advances at amortised cost and off-balance sheet exposures

	As at 31.03.18				Three months ended 31.03.18	
	Gross exposure	Impairment allowance	Net exposure	Coverage ratio	Impairment charge ¹	Loan loss rate
	£m	£m	£m	%	£m	bps
Barclays UK	159,349	2,709	156,640	1.7	180	46
Barclays International	29,277	2,583	26,694	8.8	251	348
Head Office	8,626	362	8,264	4.2	9	42
Total Group retail	197,252	5,654	191,598	2.9	440	90
Barclays UK	28,279	231	28,048	0.8	21	30
Barclays International	91,722	964	90,758	1.1	(158)	(70)
Head Office	8,737	56	8,681	0.6	(16)	(74)
Total Group wholesale	128,738	1,251	127,487	1.0	(153)	(48)
Total loans and advances at amortised cost	325,990	6,905	319,085	2.1	287	36
Off-balance sheet loan commitments and financial guarantee contracts	331,720	252	331,468	0.1		
Total	657,710	7,157	650,553	1.1		

	As at 01.01.18 ²			
	Gross exposure	Impairment allowance	Net exposure	Coverage ratio
	£m	£m	£m	%
Barclays UK	158,787	2,594	156,193	1.6
Barclays International	30,944	2,676	28,268	8.6
Head Office	9,046	364	8,682	4.0
Total Group retail	198,777	5,634	193,143	2.8
Barclays UK	27,807	227	27,580	0.8
Barclays International	88,804	1,182	87,622	1.3
Head Office	8,902	65	8,837	0.7
Total Group wholesale	125,513	1,474	124,039	1.2
Total loans and advances at amortised cost	324,290	7,108	317,182	2.2
Off-balance sheet loan commitments and financial guarantee contracts	334,573	420	334,153	0.1
Total	658,863	7,528	651,335	1.1

1 Includes impairment charges on loans and advances at amortised cost, and off-balance sheet loan commitments and financial guarantee contracts. Excludes impairment charge of £1m on financial assets at fair value through other comprehensive income.

2 Comparatives are as at 1 January 2018 to reflect the adoption of IFRS 9 from this date.

Treasury and Capital Risk

Capital ratios

	As at 31.03.18	As at 31.12.17
CET1 ¹	12.7%	13.3%
Tier 1 (T1)	16.4%	17.2%
Total capital	20.3%	21.5%

Capital resources

	£m	£m
Total equity excluding non-controlling interests per the balance sheet	59,519	63,905
Less: other equity instruments (recognised as additional tier 1 (AT1) capital)	(8,941)	(8,941)
Adjustment to retained earnings for foreseeable dividends	(664)	(392)
Other regulatory adjustments and deductions:		
Additional value adjustments (PVA)	(1,365)	(1,385)
Goodwill and intangible assets	(7,858)	(7,908)
Deferred tax assets that rely on future profitability excluding temporary differences	(525)	(593)
Fair value reserves related to gains or losses on cash flow hedges	(709)	(1,161)
Excess of expected losses over impairment	-	(1,239)
Gains or losses on liabilities at fair value resulting from own credit	120	83
Defined benefit pension fund assets	(565)	(732)
Direct and indirect holdings by an institution of own CET1 instruments	(50)	(50)
Adjustment under IFRS 9 transitional arrangements	1,314	-
Other regulatory adjustments	(30)	(22)
CET1 capital¹	40,246	41,565
AT1 capital²		
Capital instruments and related share premium accounts	8,941	8,941
Qualifying AT1 capital (including minority interests) issued by subsidiaries	3,053	3,538
Other regulatory adjustments and deductions	(130)	(130)
AT1 capital	11,864	12,349
T1 capital	52,110	53,914
Tier 2 (T2) capital²		
Capital instruments and related share premium accounts	6,293	6,472
Qualifying T2 capital (including minority interests) issued by subsidiaries	6,253	7,040
Credit risk adjustments (excess of impairment over expected losses)	143	-
Other regulatory adjustments and deductions	(251)	(251)
Total regulatory capital	64,548	67,175
Total RWAs¹	317,946	313,033

1 CET1 capital and RWAs are calculated applying the IFRS 9 transitional arrangements under Article 473a of the CRR. For more information refer to the Barclays PLC Pillar 3 Report Q1 2018, located at home.barclays/results.

2 AT1 and T2 capital are calculated applying the grandfathering of CRR non-compliant capital instruments. For further information on the relevant ratio for AT1 securities refer to the Barclays PLC Pillar 3 Report Q1 2018.

Treasury and Capital Risk

Movement in CET1 capital

Three months
ended
31.03.18
£m

Opening CET1 capital	41,565
Effects of changes in accounting policies	(2,150)
Loss for the period attributable to equity holders	(593)
Own credit relating to derivative liabilities	(19)
Dividends paid and foreseen	(397)
Decrease in retained regulatory capital generated from earnings	(1,009)
Net impact of share schemes	(330)
Fair value through other comprehensive income reserve	64
Currency translation reserve	(602)
Other reserves	23
Decrease in other qualifying reserves	(845)
Pension re-measurements within reserves	(165)
Defined benefit pension fund asset deduction	167
Net impact of pensions	2
Additional value adjustments (PVA)	20
Goodwill and intangible assets	50
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	68
Excess of expected loss over impairment	1,239
Adjustment under IFRS 9 transitional arrangements	1,314
Other regulatory adjustments	(8)
Increase in regulatory capital due to adjustments and deductions	2,683
Closing CET1 capital	40,246

CET1 capital decreased £1.3bn to £40.2bn due to the following significant movements:

- A £0.6bn loss for the period attributable to equity holders as organic capital generation from profits of £1.3bn was more than offset by litigation and conduct charges, which included a £1.4bn settlement relating to RMBS
- A £0.4bn decrease due to dividends paid and foreseen
- A £0.3bn decrease largely due to the purchase of share awards
- A £0.6bn decrease in the currency translation reserve driven by the depreciation of period end USD against GBP

The implementation of IFRS 9 resulted in a net increase in CET1 capital as the initial decrease in shareholders' equity of £2.2bn on implementation was more than offset by the transitional relief of £1.3bn and the removal of £1.2bn of regulatory deduction for the excess of expected loss over impairment.

The UK Retirement Fund, which is the Group's main pension scheme, was in an IAS 19 surplus position of £0.7bn (December 2017: £1.0bn). As a surplus position is deducted from capital, and as no deficit reduction contributions were made in the quarter, there was no impact from pensions on the CET1 ratio in the quarter.

Treasury and Capital Risk

Risk weighted assets (RWAs) by risk type and business

	Credit risk		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std £m	IRB £m	Std £m	IRB £m	Settlement risk £m	CVA £m	Std £m	IMA £m	£m	£m
As at 31.03.18										
Barclays UK	3,245	57,113	-	-	-	-	-	-	12,167	72,525
Barclays International	47,546	71,889	17,818	16,999	72	2,491	16,117	13,583	27,708	214,223
Head Office ¹	2,827	8,995	109	506	-	230	102	1,644	16,785	31,198
Barclays Group	53,618	137,997	17,927	17,505	72	2,721	16,219	15,227	56,660	317,946
As at 31.12.17										
Barclays UK	3,811	54,955	-	-	-	-	-	-	12,167	70,933
Barclays International	49,058	69,520	17,000	17,243	101	2,776	13,313	13,547	27,708	210,266
Head Office ¹	2,907	9,766	65	633	-	225	88	1,365	16,785	31,834
Barclays Group	55,776	134,241	17,065	17,876	101	3,001	13,401	14,912	56,660	313,033

¹ Includes Africa Banking RWAs.

Movement analysis of RWAs

	Credit risk £bn	Counterparty credit risk £bn	Market risk £bn	Operational risk £bn	Total RWAs £bn
Three months ended 31.03.18					
Opening RWAs	190.0	38.0	28.3	56.7	313.0
Book size	3.9	1.2	2.8	-	7.9
Acquisitions and disposals	-	-	-	-	-
Book quality	(0.7)	(0.2)	-	-	(0.9)
Model updates	(0.6)	-	-	-	(0.6)
Methodology and policy	0.9	(0.7)	0.3	-	0.5
Foreign exchange movements ¹	(1.9)	-	-	-	(1.9)
Closing RWAs	191.6	38.3	31.4	56.7	317.9

¹ Foreign exchange movement does not include foreign exchange for counterparty credit risk or market risk.

RWAs increased £4.9bn to £317.9bn:

- Book size increased RWAs £7.9bn primarily as a result of business growth, and increased derivatives portfolio and securities financing transaction trading activity in investment banking businesses
- Foreign exchange movements decreased RWAs £1.9bn primarily due to the depreciation of period end USD against GBP

Treasury and Capital Risk

Leverage ratio and exposures

Barclays is subject to a UK leverage ratio requirement that is implemented on a phased basis, with a transitional requirement of 3.6% as at 31 March 2018; this comprises the 3.25% minimum requirement, a transitional G-SII additional leverage ratio buffer (G-SII ALRB) of 0.39% and a countercyclical leverage ratio buffer (CCLB) which is currently nil. Although the leverage ratio is expressed in terms of tier 1 capital, 75% of the minimum requirement, equating to 2.4375%, needs to be met with CET1 capital. In addition, the G-SII ALRB and CCLB must be covered solely with CET1 capital. The CET1 capital held against the 0.39% transitional G-SII ALRB was £4.1bn. The fully loaded UK leverage requirement is expected to be 4.0%.

From Q118, following the end of the transitional period, Barclays is required to disclose an average UK leverage ratio which is based on capital on the last day of each month in the quarter and an exposure measure for each day in the quarter. During the transitional period, the exposure measure was based on the last day of each month in the quarter. Barclays is also required to disclose a UK leverage ratio based on capital and exposure on the last day of the quarter. Both approaches exclude qualifying claims on central banks from the leverage exposures.

	As at 31.03.18 £bn	As at 31.12.17 £bn
Leverage ratios		
Average tier 1 capital ¹	50.0	51.2
Average UK leverage exposure ^{2,3}	1,090	1,045
Average UK leverage ratio	4.6%	4.9%
UK leverage ratio	4.8%	5.1%
CET1 capital	40.2	41.6
AT1 capital	8.8	8.8
Tier 1 capital¹	49.1	50.4

Leverage exposure

Accounting assets		
Derivative financial instruments	215	238
Derivative cash collateral	52	53
Securities financing transactions	128	113
Loans and advances and other assets	747	729
Total IFRS assets	1,142	1,133
Regulatory consolidation adjustments	8	8
Derivatives adjustments		
Derivatives netting	(195)	(217)
Adjustments to cash collateral	(34)	(42)
Net written credit protection	18	14
Potential future exposure (PFE) on derivatives	121	120
Total derivatives adjustments	(90)	(125)
Securities financing transactions (SFTs) adjustments	20	19
Regulatory deductions and other adjustments	(10)	(13)
Weighted off-balance sheet commitments	101	103
Qualifying central bank claims	(140)	(140)
UK leverage exposure³	1,031	985

¹ The tier 1 capital is calculated in line with the PRA Handbook, which excludes grandfathered AT1 instruments allowed under CRR.

² The average UK leverage exposure as at 31 December 2017 was calculated based on the last day of each month in the quarter.

³ Capital and leverage measures are calculated applying the IFRS 9 transitional arrangements under Article 473a of the CRR. For more information refer to the Barclays PLC Pillar 3 Report Q1 2018, located at home.barclays/results.

Treasury and Capital Risk

The average UK leverage ratio decreased to 4.6% (December 2017: 4.9%) partially driven by the change to the daily exposure measure. Average UK leverage exposures increased due to higher trading activity in SFTs and trading portfolio assets. Tier 1 capital decreased, primarily due to settlement of litigation and conduct charges.

The UK leverage ratio decreased to 4.8% (December 2017: 5.1%) due to a decrease in the tier 1 capital to £49.1bn (December 2017: £50.4bn) primarily driven by £2.0bn of litigation and conduct charges and an increase in UK leverage exposure to £1,031bn (December 2017: £985bn).

- Loans and advances and other assets increased £18bn to £747bn primarily driven by a £11bn increase in holdings of government securities and a £10bn increase in settlement balances, offset by a £14bn decrease in cash and balances at central banks held as part of the Group liquidity pool
- SFTs increased £15bn to £128bn primarily driven by matched book trading activity
- Net derivative leverage exposures, excluding net written credit protection and PFE on derivatives, increased £6bn to £38bn primarily driven by reduced collateral netting

The difference between the average UK leverage ratio and the UK leverage ratio was primarily driven by lower SFTs, trading portfolio assets and settlement exposures at quarter end.

Barclays is also required to disclose a CRR leverage ratio. This is included in the additional Barclays regulatory disclosures, prepared in accordance with European Banking Authority (EBA) guidelines on disclosure requirements under Part Eight of Regulation (EU) No 575/2013 (see Barclays PLC Pillar 3 Report Q1 2018), which will be disclosed on 26 April 2018, available at home.barclays/results.

Treasury and Capital Risk

Minimum requirement for own funds and eligible liabilities (MREL)

Under the Bank of England's statement of policy on MREL, the Bank of England will set MREL for UK Global Systemically Important Banks (G-SIBs) as necessary to implement the total loss-absorbing capacity (TLAC) standard. Institution or group-specific MREL requirements will depend on the preferred resolution strategy for that institution or group.

The MREL requirements will be phased in from 1 January 2019 and will be fully implemented by 1 January 2022, at which time G-SIBs with resolution entities incorporated in the UK, including Barclays, will be required to meet an MREL equivalent to the higher of either: (i) two times the sum of its Pillar 1 and Pillar 2A requirements or; (ii) the higher of two times its leverage ratio or 6.75% of leverage exposures. However, the PRA will review the MREL calibration by the end of 2020, including assessing the proposal for Pillar 2A recapitalisation which may drive a different 1 January 2022 MREL requirement than currently proposed. In addition, it is proposed that CET1 capital cannot be counted towards both MREL and the combined buffer requirement (CBR), meaning that the CBR will effectively be applied above both the Pillar 1 and Pillar 2A requirements relating to own funds and MREL.

Barclays' indicative MREL requirement is currently expected to be 29.1% of RWAs from 1 January 2022 consisting of the following components:

- Loss absorption and recapitalisation amounts consisting of 8% Pillar 1 and 4.3% Pillar 2A buffers
- Regulatory buffers including a 1.5% G-SII buffer, 2.5% CCB and 0.5% from the planned introduction of a 1% CCyB for the UK¹

MREL ratios and position

	As at 31.03.18	As at 31.12.17
MREL ratios		
CET1 capital ²	12.7%	13.3%
AT1 capital instruments and related share premium accounts	2.8%	2.9%
T2 capital instruments and related share premium accounts	2.0%	2.1%
Term senior unsecured funding	7.2%	6.8%
Total Barclays PLC (the Parent company) MREL ratio	24.7%	25.0%
Qualifying AT1 capital (including minority interests) issued by subsidiaries ³	0.9%	1.1%
Qualifying T2 capital (including minority interests) issued by subsidiaries ³	1.9%	2.2%
Total MREL ratio including eligible BBPLC instruments	27.5%	28.2%
MREL position		
	£m	£m
CET1 capital ²	40,246	41,565
AT1 capital instruments and related share premium accounts	8,941	8,941
T2 capital instruments and related share premium accounts	6,293	6,472
Term senior unsecured funding	22,921	21,166
Total Barclays PLC (the Parent company) MREL position	78,401	78,144
Qualifying AT1 capital (including minority interests) issued by subsidiaries ³	2,923	3,408
Qualifying T2 capital (including minority interests) issued by subsidiaries ³	6,145	6,789
Total MREL position including eligible BBPLC instruments	87,469	88,341
Total RWAs²	317,946	313,033

¹ 2022 requirements subject to Bank of England review by the end of 2020.

² CET1 capital and RWAs are calculated applying IFRS 9 transitional arrangements under Article 473a of the CRR.

³ Includes other AT1 capital regulatory adjustments and deductions of £130m (December 2017: £130m) and T2 credit risk adjustments and other regulatory adjustments and deductions of £108m (December 2017: £251m).

Condensed Consolidated Financial Statements

Consolidated summary income statement

	Three months ended 31.03.18 £m	Three months ended 31.03.17 £m
Total income	5,358	5,823
Credit impairment charges and other provisions	(288)	(527)
Net operating income	5,070	5,296
Operating expenses excluding litigation and conduct	(3,364)	(3,591)
Litigation and conduct	(1,961)	(28)
Operating expenses	(5,325)	(3,619)
Other net income	19	5
(Loss)/profit before tax	(236)	1,682
Tax charge	(304)	(473)
(Loss)/profit after tax in respect of continuing operations	(540)	1,209
Loss after tax in respect of discontinued operation	-	(658)
(Loss)/profit after tax	(540)	551
Attributable to:		
Ordinary equity holders of the parent	(764)	190
Other equity instrument holders ¹	171	139
Total equity holders	(593)	329
Non-controlling interests in respect of continuing operations	53	79
Non-controlling interests in respect of discontinued operation	-	143
(Loss)/profit after tax	(540)	551
Earnings per share		
Basic (loss)/earnings per ordinary share ¹	(4.2p)	1.3p
Basic (loss)/earnings per ordinary share in respect of continuing operations ¹	(4.2p)	6.1p
Basic loss per ordinary share in respect of discontinued operation	-	(4.8p)

¹ The profit after tax attributable to other equity instrument holders of £171m (Q117: £139m) is offset by a tax credit recorded in reserves of £46m (Q117: £38m). The net amount of £125m (Q117: £101m), along with non-controlling interests, is deducted from profit after tax in order to calculate earnings per share and return on average tangible shareholders' equity.

Condensed Consolidated Financial Statements

Consolidated summary balance sheet

	As at 31.03.18 £m	As at 01.01.18 ¹ £m
Assets		
Cash and balances at central banks	157,332	171,082
Cash collateral and settlement balances	86,714	74,779
Loans and advances at amortised cost	319,085	317,182
Reverse repurchase agreements and other similar secured lending	1,082	597
Trading portfolio assets	115,819	114,173
Financial assets at fair value through the income statement	160,341	140,211
Derivative financial instruments	215,215	237,669
Financial assets at fair value through other comprehensive income	63,745	53,241
Investments in associates and joint ventures	700	699
Goodwill and intangible assets	7,806	7,849
Current tax assets	506	482
Deferred tax assets	4,196	4,084
Other assets	8,702	8,200
Assets included in disposal groups classified as held for sale	957	1,193
Total assets	1,142,200	1,131,441
Liabilities		
Deposits at amortised cost	381,326	379,841
Cash collateral and settlement balances	74,113	65,925
Repurchase agreements and other similar secured borrowing	18,610	15,053
Debt securities in issue	79,035	73,314
Subordinated liabilities	21,004	23,826
Trading portfolio liabilities	45,333	37,351
Financial liabilities designated at fair value	234,287	220,083
Derivative financial instruments	211,800	238,345
Current tax liabilities	787	586
Deferred tax liabilities	41	44
Other liabilities	14,234	13,207
Total liabilities	1,080,570	1,067,575
Equity		
Called up share capital and share premium	22,061	22,045
Other reserves	4,201	5,247
Retained earnings	24,316	25,522
Shareholders' equity attributable to ordinary shareholders of the parent	50,578	52,814
Other equity instruments	8,941	8,941
Total equity excluding non-controlling interests	59,519	61,755
Non-controlling interests	2,111	2,111
Total equity	61,630	63,866
Total liabilities and equity	1,142,200	1,131,441

¹ Barclays introduced changes to the balance sheet presentation as a result of the adoption of new accounting policies on 1 January 2018. The comparatives are presented under the new accounting policies to aid comparability. A reconciliation of the statutory balance sheet as at 31 December 2017 to 1 January 2018 is on pages 24-25.

Condensed Consolidated Financial Statements

Consolidated statement of changes in equity

Three months ended 31.03.18	Called up share capital and share premium £m	Other equity instruments £m	Other reserves £m	Retained earnings £m	Total £m	Non- controlling interests £m	Total equity £m
Balance as at 31 December 2017	22,045	8,941	5,383	27,536	63,905	2,111	66,016
Effects of changes in accounting policies ¹	-	-	(136)	(2,014)	(2,150)	-	(2,150)
Balance as at 1 January 2018	22,045	8,941	5,247	25,522	61,755	2,111	63,866
Profit after tax	-	171	-	(764)	(593)	53	(540)
Other comprehensive profit after tax for the period	-	-	(1,046)	(158)	(1,204)	-	(1,204)
Total comprehensive income for the period	-	171	(1,046)	(922)	(1,797)	53	(1,744)
Issue of shares under employee share schemes	16	-	-	132	148	-	148
Coupons paid on other equity instruments	-	(171)	-	46	(125)	-	(125)
Treasury shares	-	-	-	(478)	(478)	-	(478)
Dividends	-	-	-	-	-	(52)	(52)
Other movements	-	-	-	16	16	(1)	15
Balance as at 31 March 2018	22,061	8,941	4,201	24,316	59,519	2,111	61,630

Other reserves	As at 31.03.18 £m	As at 01.01.18 ¹ £m
Currency translation reserve	2,452	3,054
Fair value through other comprehensive income reserve	292	228
Cash flow hedging reserve	709	1,161
Own credit reserve	(235)	(179)
Other reserves and treasury shares	983	983
Total other reserves	4,201	5,247

¹ Barclays introduced changes to the balance sheet presentation as a result of the adoption of new accounting policies on 1 January 2018. The comparatives are presented under the new accounting policies to aid comparability. A reconciliation of the statutory balance sheet as at 31 December 2017 to 1 January 2018 is on pages 24-25.

Condensed Consolidated Financial Statements

Balance sheet movements

The table below presents the impact of the changes to balance sheet presentation, the transition to IFRS 15 and the transition to IFRS 9 on the Group's balance sheet, showing separately the changes arising from reclassification and any associated remeasurement, and the impact of increased impairment.

	As at 31.12.17 £m	Balance sheet presentation and IFRS 15 £m	IFRS 9 classification and measurement £m	IFRS 9 impairment change £m	As at 01.01.18 £m
Assets					
Cash and balances at central banks	171,082	-	-	-	171,082
Items in the course of collection from other banks	2,153	(2,153)	-	-	-
Loans and advances to banks	35,663	(35,663)	-	-	-
Loans and advances to customers	365,552	(365,552)	-	-	-
Cash collateral and settlement balances	-	77,168	(2,389)	-	74,779
Loans and advances at amortised cost	-	329,157	(9,467)	(2,508)	317,182
Reverse repurchase agreements and other similar secured lending	12,546	-	(11,949)	-	597
Trading portfolio assets	113,760	-	413	-	114,173
Financial assets designated at fair value	116,281	(116,281)	-	-	-
Financial assets at fair value through the income statement ¹	-	116,281	23,930	-	140,211
Derivative financial instruments	237,669	-	-	-	237,669
Financial investments	58,916	(57,415)	(1,501)	-	-
Financial assets at fair value through other comprehensive income	-	52,305	936	-	53,241
Investments in associates and joint ventures ²	718	-	(19)	-	699
Goodwill and intangible assets	7,849	-	-	-	7,849
Current tax assets	482	-	-	-	482
Deferred tax assets	3,457	(22)	-	649	4,084
Prepayments, accrued income and other assets	5,927	(5,927)	-	-	-
Other assets	-	8,169	31	-	8,200
Assets included in disposal groups classified as held for sale	1,193	-	-	-	1,193
Total assets	1,133,248	67	(15)	(1,859)	1,131,441
Liabilities					
Deposits from banks	37,723	(37,723)	-	-	-
Deposits at amortised cost	-	398,701	(18,860)	-	379,841
Items in the course of collection due to other banks	446	(446)	-	-	-
Customer accounts	429,121	(429,121)	-	-	-
Cash collateral and settlement balances	-	68,143	(2,218)	-	65,925
Repurchase agreements and other similar secured borrowing	40,338	-	(25,285)	-	15,053
Debt securities in issue	73,314	-	-	-	73,314
Subordinated liabilities	23,826	-	-	-	23,826
Trading portfolio liabilities	37,351	-	-	-	37,351
Financial liabilities designated at fair value	173,718	-	46,365	-	220,083
Derivative financial instruments	238,345	-	-	-	238,345
Current tax liabilities	586	-	-	-	586
Deferred tax liabilities	44	-	-	-	44
Accruals, deferred income and other liabilities	12,420	(12,420)	-	-	-
Other liabilities	-	12,866	-	341	13,207
Total liabilities	1,067,232	-	2	341	1,067,575
Equity					
Called up share capital and share premium	22,045	-	-	-	22,045
Other reserves	5,383	-	(139)	3	5,247
Retained earnings	27,536	67	122	(2,203)	25,522
Shareholders' equity attributable to ordinary shareholders of the parent	54,964	67	(17)	(2,200)	52,814
Other equity instruments	8,941	-	-	-	8,941
Total equity excluding non-controlling interests	63,905	67	(17)	(2,200)	61,755
Non-controlling interests	2,111	-	-	-	2,111
Total equity	66,016	67	(17)	(2,200)	63,866
Total liabilities and equity	1,133,248	67	(15)	(1,859)	1,131,441

¹ Financial assets at fair value through the income statement includes both designated and mandatory fair value assets.

² The impact of IFRS 9 on the Group's share of profit and loss from joint ventures is shown in the classification and measurement column.

Condensed Consolidated Financial Statements

Balance sheet presentation and IFRS 15

The following changes to the balance sheet have been introduced:

- “Items in the course of collection from other banks” and “prepayments, accrued income and other assets” are reported in “other assets”. Equally, “items in the course of collection due to other banks” and “accruals, deferred income and other liabilities” are reported in “other liabilities”
- “Loans and advances to banks” and “loans and advances to customers” have been disaggregated to “loans and advances at amortised cost” and “cash collateral and settlement balances”. Equally, “deposits from banks” and “customer accounts” have been disaggregated to “deposits at amortised cost” and “cash collateral and settlement balances”
- “Financial assets designated at fair value” have moved to “financial assets at fair value through the income statement” on adoption of IFRS 9
- The majority of “available for sale assets” have moved to “financial assets at fair value through other comprehensive income” from “financial investments” on adoption of IFRS 9. In addition, “held to maturity assets” have moved to “loans and advances at amortised cost”
- On adoption of IFRS 15, a transition adjustment of £67m has been recognised through retained earnings

IFRS 9 classification and measurement

This column represents the changes to the balance sheet from classification and measurement. The net effect is a decrease in shareholders’ equity of £17m, with no significant offsetting movements. The classification changes include the transfer of certain Barclays International Prime Services and Equities positions from an amortised cost to a fair value approach.

IFRS 9 impairment change

Additional impairment from the adoption of IFRS 9 is shown in the impairment change column. The increase in impairment results in the recognition of a deferred tax asset that will amortise to current tax over time. The post-tax impact is a reduction in shareholders’ equity of £2.2bn. Impairment allowance under IFRS 9 considers both the drawn and the undrawn counterparty exposure. For retail portfolios, the total impairment allowance is allocated to the drawn exposure to the extent that the allowance does not exceed the exposure. Any excess is reported on the liability side of the balance sheet as a provision. For wholesale portfolios the impairment allowance on the undrawn exposure is reported on the liability side of the balance sheet as a provision.

For further details, refer to the Barclays PLC IFRS 9 Transition Note at home.barclays/results.

Summary balance sheet

	As at 31.03.18 £m	As at 31.12.17 £m
Assets		
Loans and advances to subsidiaries	23,381	23,970
Financial assets at fair value through the income statement	4,564	4,782
Derivative financial instruments	93	161
Investment in subsidiaries	40,854	39,354
Other assets	288	202
Total assets	69,180	68,469
Liabilities		
Deposits at amortised cost	495	500
Debt securities in issue	23,120	22,110
Subordinated liabilities	6,360	6,501
Other liabilities	191	153
Total liabilities	30,166	29,264
Equity		
Called up share capital and share premium	22,061	22,045
Other equity instruments	8,943	8,943
Other reserves	394	480
Retained earnings	7,616	7,737
Total equity	39,014	39,205
Total liabilities and equity	69,180	68,469

Investment in subsidiaries

The investment in subsidiaries of £40,854m (December 2017: £39,354m) predominately represents investments made into BBPLC, including £8,986m (December 2017: £8,986m) of AT1 securities.

Loans and advances to subsidiaries, subordinated liabilities and debt securities in issue

For the three months ended 31 March 2018, Barclays PLC issued £1,500m and €1,055m of Fixed Rate Senior Notes included within the debt securities in issue balance of £23,120m (December 2017: £22,110m). Barclays PLC did not issue any subordinated liabilities in the period.

Other reserves

As a result of the adoption of IFRS 9 on 1 January 2018, the available for sale reserve of £86m has been transferred to retained earnings.

Management of internal investments, loans and advances

Barclays PLC retains the discretion to manage the nature of its internal investments in subsidiaries according to their regulatory and business needs. Barclays PLC may invest capital and funding in BBPLC and other Group subsidiaries such as the Group Service Company, the US Intermediate Holding Company (IHC) and the UK ring-fenced bank. In October 2017, the Bank of England published a consultation on "Internal MREL" and following that consultation a final statement of policy is expected to be published in H118. Accordingly, during the course of 2018 Barclays expects to restructure certain investments in subsidiaries, including to subordinate internal MREL beneath operating liabilities, to the extent required to achieve compliance with internal MREL requirements which are expected to be in effect from 1 January 2019.

Barclays Non-Core Quarterly Results

The Barclays Non-Core segment was closed on 1 July 2017 with the residual assets and liabilities reintegrated into, and associated financial performance subsequently reported in, Barclays UK, Barclays International and Head Office. Financial results up until 30 June 2017 are reflected in the Barclays Non-Core segment within the Group's results.

Barclays Non-Core

	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
	£m	£m	£m	£m	£m	£m	£m	£m
Income statement information								
Net interest income	-	-	-	(123)	11	(54)	78	40
Net trading income	-	-	-	(411)	(77)	(462)	(288)	(463)
Net fee, commission and other income	-	-	-	78	(8)	97	51	79
Total income	-	-	-	(456)	(74)	(419)	(159)	(344)
Credit impairment charges and other provisions	-	-	-	(27)	(3)	(47)	(20)	(26)
Net operating expenses	-	-	-	(483)	(77)	(466)	(179)	(370)
Operating expenses excluding UK bank levy and litigation and conduct	-	-	-	(108)	(148)	(341)	(311)	(368)
UK bank levy	-	-	-	-	-	(76)	-	-
Litigation and conduct	-	-	-	(19)	(9)	(51)	(102)	(27)
Operating expenses	-	-	-	(127)	(157)	(468)	(413)	(395)
Other net income/(expenses)	-	-	-	204	(7)	146	498	(324)
Loss before tax	-	-	-	(406)	(241)	(788)	(94)	(1,089)
Tax credit	-	-	-	207	75	322	194	229
(Loss)/profit after tax	-	-	-	(199)	(166)	(466)	100	(860)
Non-controlling interests	-	-	-	(8)	(9)	(14)	(13)	(12)
Other equity instrument holders	-	-	-	(19)	(18)	(18)	(15)	(15)
Attributable (loss)/profit	-	-	-	(226)	(193)	(498)	72	(887)
Balance sheet information								
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances to banks and customers at amortised cost	-	-	-	48.3	49.5	51.1	58.7	68.5
Derivative financial instrument assets	-	-	-	150.3	164.2	188.7	253.2	262.8
Derivative financial instrument liabilities	-	-	-	143.0	155.3	178.6	243.0	253.4
Reverse repurchase agreements and other similar secured lending	-	-	-	-	-	0.1	0.1	0.1
Financial assets designated at fair value	-	-	-	12.1	13.4	14.5	15.5	15.4
Total assets	-	-	-	233.0	249.1	279.7	359.8	379.1
Customer deposits	-	-	-	11.8	12.9	12.5	16.0	17.4
Risk weighted assets	-	-	-	22.8	27.4	32.1	43.9	46.7

Discontinued Operation Quarterly Results

Following the reduction of the Group's interest in BAGL in 2017, Barclays' remaining holding of 14.9%, as at Q118, is reported as a financial asset at fair value through other comprehensive income in the Head Office segment, with Barclays' share of BAGL's dividend recognised in the Head Office income statement.

For regulatory reporting purposes, BAGL is treated on a proportional consolidated basis. Subject to regulatory approval, Barclays expects to fully deconsolidate BAGL from a regulatory perspective by the end of 2018.

Africa Banking

	Q118	Q417	Q317	Q217 ¹	Q117	Q416	Q316	Q216
	£m	£m	£m	£m	£m	£m	£m	£m
Income statement information								
Net interest income	-	-	-	407	617	626	561	502
Net fee, commission and other income	-	-	-	297	465	441	421	377
Total income	-	-	-	704	1,082	1,067	982	879
Credit impairment charges and other provisions	-	-	-	(71)	(106)	(105)	(96)	(133)
Net operating income	-	-	-	633	976	962	886	746
Operating expenses excluding UK bank levy and impairment of Barclays' holding in BAGL	-	-	-	(477)	(653)	(727)	(598)	(543)
UK bank levy	-	-	-	-	-	(65)	-	-
Other net income excluding loss on sale of BAGL	-	-	-	3	2	2	2	1
Profit before tax excluding impairment of Barclays' holding in BAGL and loss on sale of BAGL	-	-	-	159	325	172	290	204
Impairment of Barclays' holding in BAGL	-	-	-	(206)	(884)	-	-	-
Loss on sale of BAGL	-	-	-	(1,435)	-	-	-	-
(Loss)/profit before tax	-	-	-	(1,482)	(559)	172	290	204
(Loss)/profit after tax	-	-	-	(1,537)	(658)	71	209	145
Attributable (loss)/profit	-	-	-	(1,534)	(801)	(52)	85	70
Balance sheet information								
Total assets	-	-	-	-	66.0	65.1	61.1	56.0
Risk weighted assets ²	-	-	-	9.8	41.3	42.3	39.9	36.1

¹ The Q217 Africa Banking income statement represents two months of results as a discontinued operation to 31 May 2017.

² RWAs at 31 March 2018 of £6.4bn (December 2017: £6.4bn) are reported in Head Office.

Appendix: Non-IFRS Performance Measures

Barclays' management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of Barclays PLC and its subsidiaries (the Group). They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays' management.

Any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well.

Non-IFRS performance measures glossary

Measure	Definition
Loan: deposit ratio	Loans and advances at amortised cost divided by deposits at amortised cost.
Period end allocated tangible equity	Allocated tangible equity is calculated as 13.0% (2017: 12.0%) of risk weighted assets for each business, adjusted for capital deductions, excluding goodwill and intangible assets, reflecting the assumptions the Group uses for capital planning purposes. Head Office allocated tangible equity represents the difference between the Group's tangible shareholders' equity and the amounts allocated to businesses.
Average tangible shareholders' equity	Calculated as the average of the previous month's period end tangible equity and the current month's period end tangible equity. The average tangible shareholders' equity for the period is the average of the monthly averages within that period.
Average allocated tangible equity	Calculated as the average of the previous month's period end allocated tangible equity and the current month's period end allocated tangible equity. The average allocated tangible equity for the period is the average of the monthly averages within that period.
Return on average tangible shareholders' equity	Annualised statutory profit after tax attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average shareholders' equity excluding non-controlling interests and other equity instruments adjusted for the deduction of intangible assets and goodwill. The components of the calculation have been included on page 30.
Return on average allocated tangible equity	Annualised statutory profit after tax attributable to ordinary shareholders, including an adjustment for the tax credit in reserves in respect of other equity instruments, as a proportion of average allocated tangible equity. The components of the calculation have been included on page 30.
Cost: income ratio	Operating expenses divided by total income.
Loan loss rate	Quoted in basis points and represents total annualised impairment charges divided by gross loans and advances held at amortised cost at the balance sheet date. The components of the calculation have been included on page 14.
Net interest margin	Annualised net interest income divided by the sum of average customer assets. The components of the calculation have been included on page 13.
Tangible net asset value per share	Calculated by dividing shareholders' equity, excluding non-controlling interests and other equity instruments, less goodwill and intangible assets, by the number of issued ordinary shares. The components of the calculation have been included on page 34.
Performance measures excluding litigation and conduct	Calculated by excluding litigation and conduct charges from performance measures. The components of the calculations have been included on pages 31-33.

Appendix: Non-IFRS Performance Measures

Returns

Return on average tangible equity is calculated as annualised profit for the period attributable to ordinary equity holders of the parent (adjusted for the tax credit recorded in reserves in respect of interest payments on other equity instruments) divided by average tangible equity for the period, excluding non-controlling and other equity interests for businesses. Allocated tangible equity has been calculated as 13.0% (2017: 12.0%) of RWAs for each business, adjusted for capital deductions, excluding goodwill and intangible assets, reflecting the assumptions the Group uses for capital planning purposes. Head Office average allocated tangible equity represents the difference between the Group's average tangible shareholders' equity and the amounts allocated to businesses.

	Attributable (loss)/profit	Tax credit in respect of payments on other equity instruments	(Loss)/profit attributable to ordinary equity holders of the parent	Average tangible equity	Return on average tangible equity
	£m	£m	£m	£bn	%
Three months ended 31.03.18					
Barclays UK	(38)	12	(26)	9.8	(1.1)
Corporate and Investment Bank	805	29	834	25.6	13.0
Consumer, Cards and Payments	168	5	173	4.5	15.6
Barclays International	973	34	1,007	30.1	13.4
Head Office	(1,699)	-	(1,699)	4.3	n/m
Barclays Group	(764)	46	(718)	44.2	(6.5)
Three months ended 31.03.17					
Barclays UK	470	9	479	8.9	21.6
Corporate and Investment Bank	460	23	483	23.5	8.2
Consumer, Cards and Payments	377	4	381	4.2	36.4
Barclays International	837	27	864	27.7	12.5
Head Office ¹	(123)	(3)	(126)	7.6	n/m
Barclays Non-Core	(193)	5	(188)	5.2	n/m
Africa Banking discontinued operation ¹	(801)	-	(801)	n/m	n/m
Barclays Group	190	38	228	49.4	1.8

¹ Average allocated tangible equity for Africa Banking is included within Head Office.

Appendix: Non-IFRS Performance Measures

Performance measures excluding litigation and conduct

Barclays Group

	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
	£m	£m	£m	£m	£m	£m	£m	£m
Profit before tax								
(Loss)/profit before tax	(236)	93	1,107	659	1,682	330	837	1,270
Impact of litigation and conduct	1,961	383	81	715	28	97	741	447
Profit before tax excluding litigation and conduct	1,725	476	1,188	1,374	1,710	427	1,578	1,717
Profit attributable to ordinary equity holders of the parent								
Attributable (loss)/profit	(764)	(1,294)	583	(1,401)	190	99	414	677
Impact of litigation and conduct ¹	1,930	351	77	703	19	52	726	447
Attributable profit/(loss) excluding litigation and conduct	1,166	(943)	660	(698)	209	151	1,140	1,124
Tax credit in respect of interest payments on other equity instruments	46	49	43	44	38	39	31	29
Profit/(loss) attributable to ordinary equity holders of the parent excluding litigation and conduct	1,212	(894)	703	(654)	247	190	1,171	1,153
Return on average tangible shareholders' equity								
Average tangible shareholders' equity (£bn)	44.2	48.1	48.9	49.3	49.4	48.9	49.4	48.3
Return on average tangible shareholders' equity excluding litigation and conduct	11.0%	(7.4%)	5.7%	(5.3%)	2.0%	1.6%	9.5%	9.5%
Basic earnings per ordinary share								
Basic weighted average number of shares (m)	17,037	16,996	16,994	16,989	16,924	16,860	16,866	16,859
Basic earnings/(loss) per ordinary share excluding litigation and conduct	7.1p	(5.3p)	4.1p	(3.8p)	1.5p	1.1p	6.9p	6.8p
Cost: income ratio								
Operating expenses	(5,325)	(4,369)	(3,355)	(4,113)	(3,619)	(4,319)	(4,322)	(3,872)
Impact of litigation and conduct	1,961	383	81	715	28	97	741	447
Operating expenses excluding litigation and conduct	(3,364)	(3,986)	(3,274)	(3,398)	(3,591)	(4,222)	(3,581)	(3,425)
Total income	5,358	5,022	5,173	5,058	5,823	4,992	5,446	5,972
Cost: income ratio excluding litigation and conduct	63%	79%	63%	67%	62%	85%	66%	57%

¹ Represents the post-tax impact.

Appendix: Non-IFRS Performance Measures

Barclays UK

	Q118	Q417	Q317	Q217	Q117	Q416	Q316	Q216
	£m	£m	£m	£m	£m	£m	£m	£m
Profit before tax								
Profit/(loss) before tax	170	452	661	(74)	708	583	75	376
Impact of litigation and conduct	411	53	11	699	(4)	28	614	399
Profit before tax excluding litigation and conduct	581	505	672	625	704	611	689	775
Profit attributable to ordinary equity holders of the parent								
Attributable (loss)/profit	(38)	245	423	(285)	470	383	(163)	141
Impact of litigation and conduct ¹	411	37	8	691	(3)	(3)	627	410
Attributable profit excluding litigation and conduct	373	282	431	406	467	380	464	551
Tax credit in respect of interest payments on other equity instruments	12	13	9	9	9	7	7	8
Profit attributable to ordinary equity holders of the parent excluding litigation and conduct	385	295	440	415	476	387	471	559
Return on average allocated tangible equity								
Average allocated tangible equity (£bn)	9.8	9.6	9.4	8.7	8.9	8.6	8.7	9.0
Return on average allocated tangible equity excluding litigation and conduct	15.7%	12.3%	18.7%	19.1%	21.5%	18.0%	21.6%	24.9%
Cost: income ratio								
Operating expenses	(1,416)	(1,229)	(991)	(1,673)	(955)	(1,065)	(1,518)	(1,346)
Impact of litigation and conduct	411	53	11	699	(4)	28	614	399
Operating expenses excluding litigation and conduct	(1,005)	(1,176)	(980)	(974)	(959)	(1,037)	(904)	(947)
Total income	1,788	1,870	1,852	1,820	1,841	1,828	1,943	1,943
Cost: income ratio excluding litigation and conduct	56%	63%	53%	54%	52%	57%	47%	49%

¹ Represents the post-tax impact.

Appendix: Non-IFRS Performance Measures

Barclays International

	Q118 £m	Q417 £m	Q317 £m	Q217 £m	Q117 £m	Q416 £m	Q316 £m	Q216 £m
Profit before tax								
Profit before tax	1,413	6	652	1,261	1,356	373	1,085	1,726
Impact of litigation and conduct	15	255	5	(4)	13	17	17	10
Profit before tax excluding litigation and conduct	1,428	261	657	1,257	1,369	390	1,102	1,736
Profit attributable to ordinary equity holders of the parent								
Attributable profit/(loss)	973	(1,168)	359	819	837	43	623	1,171
Impact of litigation and conduct ¹	12	250	4	(3)	9	14	17	10
Attributable profit/(loss) excluding litigation and conduct	985	(918)	363	816	846	57	640	1,181
Tax credit in respect of interest payments on other equity instruments	34	34	32	27	27	23	20	19
Profit/(loss) attributable to ordinary equity holders of the parent excluding litigation and conduct	1,019	(884)	395	843	873	80	660	1,200
Return on average allocated tangible equity								
Average allocated tangible equity (£bn)	30.1	28.5	28.9	27.4	27.7	26.6	25.7	24.8
Return on average allocated tangible equity excluding litigation and conduct	13.6%	(12.4%)	5.5%	12.3%	12.6%	1.2%	10.3%	19.3%
Cost: income ratio								
Operating expenses	(2,315)	(2,948)	(2,187)	(2,272)	(2,448)	(2,798)	(2,354)	(2,084)
Impact of litigation and conduct	15	255	5	(4)	13	17	17	10
Operating expenses excluding litigation and conduct	(2,300)	(2,693)	(2,182)	(2,276)	(2,435)	(2,781)	(2,337)	(2,074)
Total income	3,808	3,319	3,315	3,610	4,138	3,592	3,851	4,039
Cost: income ratio excluding litigation and conduct	60%	81%	66%	63%	59%	77%	61%	51%

Head Office

Profit before tax								
(Loss)/profit before tax	(1,819)	(365)	(206)	(122)	(141)	162	(229)	257
Impact of litigation and conduct	1,535	75	65	1	10	1	8	11
(Loss)/profit before tax excluding litigation and conduct	(284)	(290)	(141)	(121)	(131)	163	(221)	268
Profit attributable to ordinary equity holders of the parent								
Attributable (loss)/profit	(1,699)	(371)	(199)	(175)	(123)	223	(203)	182
Impact of litigation and conduct ¹	1,507	64	65	1	7	1	8	7
Attributable (loss)/profit excluding litigation and conduct	(192)	(307)	(134)	(174)	(116)	224	(195)	189

¹ Represents the post-tax impact.

Appendix: Non-IFRS Performance Measures

Tangible net asset value	As at 31.03.18 £m	As at 31.12.17 £m	As at 31.03.17 £m
Total equity excluding non-controlling interests	59,519	63,905	65,536
Other equity instruments	(8,941)	(8,941)	(7,690)
Goodwill and intangibles ¹	(7,806)	(7,849)	(8,328)
Tangible shareholders' equity attributable to ordinary shareholders of the parent	42,772	47,115	49,518
	m	m	m
Shares in issue	17,069	17,060	16,980
	p	p	p
Tangible net asset value per share	251	276	292

¹ Comparative figure as at March 2017 included goodwill and intangibles in relation to Africa Banking.

Shareholder Information

Results timetable¹

2018 Interim Results Announcement

Date

2 August 2018

Exchange rates ²	31.03.18	31.12.17	31.03.17	% Change ³	
				31.12.17	31.03.17
Period end - USD/GBP	1.40	1.35	1.25	4%	12%
3 month average - USD/GBP	1.39	1.33	1.24	5%	12%
Period end - EUR/GBP	1.14	1.13	1.17	1%	(3%)
3 month average - EUR/GBP	1.13	1.13	1.16	-	(3%)

Share price data

Barclays PLC (p)	206.50	203.10	225.10
Barclays PLC number of shares (m)	17,069	17,060	16,980

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More information on Barclays can be found on our website: home.barclays.

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Registrar

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Tel: 0371 384 2055⁴ from the UK or +44 (0) 121 415 7004 from overseas.

- ¹ Note that this date is provisional and subject to change.
- ² The average rates shown above are derived from daily spot rates during the year.
- ³ The change is the impact to GBP reported information.
- ⁴ Lines open 8.30am to 5.30pm (UK time), Monday to Friday, excluding UK public holidays in England and Wales.

Notes

The terms Barclays or Group refer to Barclays PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the three months ended 31 March 2018 to the corresponding three months of 2017 and balance sheet analysis as at 31 March 2018 with comparatives relating to 31 December 2017 and 31 March 2017. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '\$m' and '\$bn' represent millions and thousands of millions of US Dollars respectively; and the abbreviations '€m' and '€bn' represent millions and thousands of millions of Euros respectively.

There are a number of key judgement areas, for example impairment calculations, which are based on models and which are subject to ongoing adjustment and modifications. Reported numbers reflect best estimates and judgements at the given point in time.

Relevant terms that are used in this document but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the results glossary that can be accessed at home.barclays/results.

The information in this announcement, which was approved by the Board of Directors on 25 April 2018, does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2017, which included certain information required for the Joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC to the US Securities and Exchange Commission (SEC) and which contained an unqualified audit report under Section 495 of the Companies Act 2006 (which did not make any statements under Section 498 of the Companies Act 2006) have been delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

These results will be furnished as a Form 6-K to the SEC as soon as practicable following their publication. Once furnished with the SEC, copies of the Form 6-K will also be available from the Barclays Investor Relations website at home.barclays/results and from the SEC's website at www.sec.gov.

Barclays is a frequent issuer in the debt capital markets and regularly meets with investors via formal road-shows and other ad hoc meetings. Consistent with its usual practice, Barclays expects that from time to time over the coming quarter it will meet with investors globally to discuss these results and other matters relating to the Group.

Non-IFRS performance measures

Barclays' management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays' management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Refer to pages 29-34 for further information and calculations of non-IFRS performance measures included throughout this document, and the most directly comparable IFRS measures.

Forward-looking statements

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

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