

## **Shareholder Event**

12 March 2015

Welcome



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Chief Executive

### Today's presentation



Ambition to be #1 for customer service, trust and advocacy

Strategy working – strong execution against 2014 targets

### 2014 creates the platform to go further, faster on strategy:

- Further reshaping of CIB
- CET1 ratio target raised to 13% for the period of CIB restructuring
- Citizens deconsolidation and RCR completion targeted by end 2015
- Higher cost reduction targets
- Simplify the bank for customers and colleagues

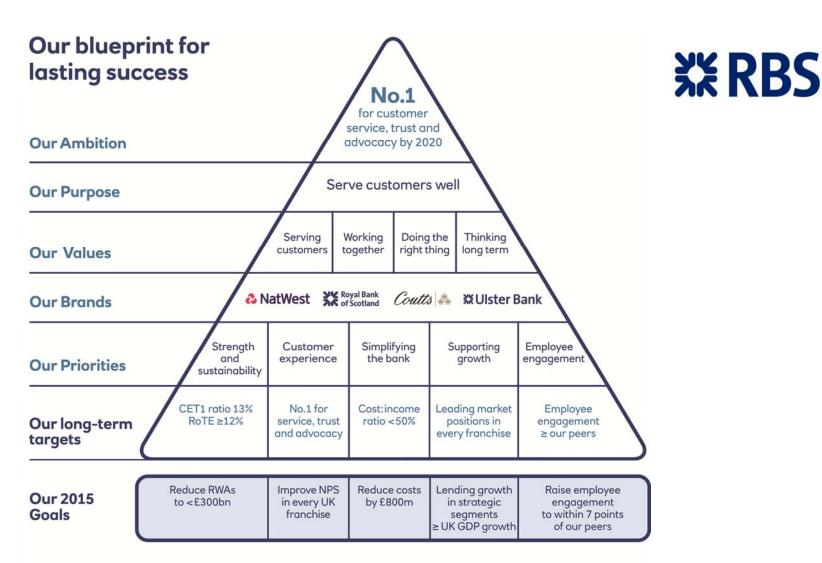
Significant net capital benefits from acceleration of strategy with intent to distribute capital above CET1 target ratio<sup>(1)</sup>

Strong returns from a lower risk banking franchise

### 2014 financial results



	FY13	FY14
Income	£19.4bn	£18.2bn
Operating costs (excl. restructuring, conduct & litigation)	£14.0bn	£12.4bn
Restructuring, conduct & litigation costs	£4.5bn	£3.5bn
Impairment (losses) / recoveries	£(8.4)bn	£1.2bn
Operating (loss) / profit	£(7.5)bn	£3.5bn
Attributable (loss)	£(9.0)bn	£(3.5)bn
RWAs	£429bn	£356bn
CET1 ratio	8.6%	11.2%
Leverage ratio	3.4%	4.2%



#### To Note:

The cost reduction target excludes the costs of restructuring, conduct, litigation and intangible write-off charges, as well as the operating costs of Citizens Financial Group and Williams & Glyn.

Employee engagement is measured against the Global Financial Services norm which currently stands at 83%.



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Q&A