Barclays PLC Pillar 3 Report

30 June 2018

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Notes

The term Barclays or Group refers to Barclays PLC together with its subsidiaries. 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 date the interim results were approved.

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.

A glossary of terms and remuneration disclosures can be found at: home.barclays.com/annualreport

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 Barclays 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 Barclays Group's future financial position, income growth, assets, impairment charges, provisions, business strategy, 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, estimates of capital expenditures, 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 applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions; the effects of any 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 Barclays 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 Barclays Group's control. As a result, the Barclays 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 Barclays Group's forward-looking statements. Additional risks and factors which may impact the Barclays 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.

Disclosure Background

Barclays' Pillar 3 disclosures complement those disclosed in the Barclays 2018 Interim Results Announcement and provide additional information about Barclays' risk profile, including its regulatory capital, risk weighted assets (RWAs) and leverage exposures for the Group – Barclays PLC (B PLC), and its significant subsidiaries Barclays Bank PLC and Barclays Bank UK PLC.

The information disclosed in this report is prepared in accordance with the Capital Requirements Regulation and Capital Requirements Directive (CRR and CRD IV, also known as the 'CRD IV legislative package'). The disclosures have been prepared in accordance with the EBA Guidelines on materiality, proprietary and confidentiality and on disclosure frequency under Articles 432(1), 432(2) and 433 of Regulation (EU) No 575/2013 (EBA/GL/2014/14) and EBA Guidelines on disclosure requirements under Part Eight of Regulation (EU) No 575/2013.

The data presented in this report are prepared using both regulatory prescribed calculations and internal models which are periodically reviewed for improvement and accuracy. Models rely on assumptions and inputs, and there is a risk of misuse or errors affecting the accuracy of their outputs. Barclays's model risk management framework seeks to address these risks, including through validation and approval by an independent model validation unit within the firm and, as appropriate, by regulators. Nevertheless, there remains a risk of model and mechanical error in modelled outputs. Throughout the half year ended 30 June 2018, and to date, Barclays has operated a framework of disclosure controls and procedures to support the appropriateness of the Group's Pillar 3 disclosures. Barclays is committed to operating within a strong system of internal controls. A framework of disclosure controls and procedures is in place to support the approval of the Group's external financial disclosures. Specific governance committees are responsible for examining the Group's reports and disclosures so that they have been subject to adequate verification and comply with applicable standards and legislation. These Committees report their conclusions to the Board Audit Committee (BAC) which debates its conclusions and provides further challenge. Finally the Board reviews and approves the Pillar 3 disclosures. This governance process is in place to provide both management and the Board with sufficient opportunity to debate and challenge the Group's disclosures before they are made public.

Impact of structural reform

In H118, Barclays successfully implemented structural reform by transferring substantially all of the Barclays UK division of Barclays Bank PLC to Barclays Bank UK PLC, the ring-fenced bank of the Group. Immediately following the transfer, Barclays Bank PLC's shares in Barclays Bank UK PLC were distributed to the Parent company, Barclays PLC, establishing Barclays Bank UK PLC as a direct subsidiary of Barclays PLC. Barclays Bank PLC Group continues to house the Barclays International division. The two banking entities operate alongside one another, together with Barclays Execution Services Limited (BX), as subsidiaries of Barclays PLC within the Barclays Group.

Significant subsidiaries

As per CRR Article 13, Barclays PLC's significant subsidiaries are required to disclose information to the extent applicable in respect of own funds, capital requirements, capital buffers, credit risk adjustments, remuneration policy, leverage and use of credit risk mitigation techniques on an individual or sub-consolidated basis.
In determining its significant subsidiaries for CRR reporting purposes, Barclays PLC has considered the CRR requirements. Barclays PLC's significant subsidiaries as at 30 June 2018 are Barclays Bank PLC and Barclays Bank UK PLC.

Barclays Bank PLC

Barclays Bank PLC (BB PLC) is regulated by the Prudential Regulation Authority (PRA) on a solo consolidated basis and comprises Barclays Bank PLC solus as well as certain additional subsidiaries, subject to PRA approval. The disclosures provided in this document for BB PLC are based on this regulatory scope of consolidation. This differs from the accounting disclosures, where Barclays Bank PLC Group relates to Barclays Bank PLC and all its subsidiaries.

Barclays Bank UK PLC

Barclays Bank UK PLC solus (BBUK PLC) is currently regulated by the Prudential Regulation Authority (PRA) on an individual basis. The disclosures provided in this document for BBUK PLC are based on this regulatory scope of consolidation. This differs from the accounting disclosures, where Barclays Bank UK PLC Group relates to Barclays Bank UK PLC and all its subsidiaries. BBUK PLC Group is expected to become regulated by the PRA from 1 January 2019.

The significant subsidiaries disclosures included in this document do not have comparatives on the basis that these are published for the first time as at 30 June 2018.

Table 1: KM1 - Key metrics and movements

		As at 30.06.18 £m	As at 31.03.18 £m	As at 31.12.17 £m	As at 30.09.17 £m	As at 30.06.17 £m
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)[1]	**41,398**	40,246	41,565	42,329	42,834
1a	Fully loaded Expected Credit Loss (ECL) accounting model[2]	**40,096**	38,932	41,565	42,329	42,834
2	Tier 1[3]	**53,049**	52,110	53,914	54,941	54,241
2a	Fully loaded ECL accounting model Tier 1[4]	**48,904**	47,743	50,376	51,139	50,398
3	Total capital [3]	**65,421**	64,548	67,175	68,900	67,673
3a	Fully loaded ECL accounting model total capital[4]	**62,813**	61,560	64,646	65,936	64,709
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)[1]	**319,299**	317,946	313,033	324,296	327,414
4a	Fully loaded ECL accounting model total risk-weighted assets (RWA)[2]	**319,171**	317,970	313,033	324,296	327,414
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	**13.0%**	12.7%	13.3%	13.1%	13.1%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	**12.6%**	12.2%	13.3%	13.1%	13.1%
6	Tier 1 ratio (%)	**16.6%**	16.4%	17.2%	16.9%	16.6%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	**15.3%**	15.0%	16.1%	15.8%	15.4%
7	Total capital ratio (%)	**20.5%**	20.3%	21.5%	21.2%	20.7%
7a	Fully loaded ECL accounting model total capital ratio (%)	**19.7%**	19.4%	20.7%	20.3%	19.8%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (%)	**1.9%**	1.9%	1.3%	1.3%	1.3%
9	Countercyclical buffer requirement (%)	**0.3%**	0.0%	0.0%	0.0%	0.0%
10	Bank G-SIB and/or D-SIB additional requirements (%)	**1.1%**	1.1%	1.0%	1.0%	1.0%
11	Total of bank CET1 specific buffer requirements(%) (row 8 + 9 + 10)	**3.3%**	3.0%	2.3%	2.3%	2.3%
12	CET1 available after meeting the bank's minimum capital requirements (%)	**8.5%**	8.2%	8.8%	8.6%	8.6%
	CRR leverage ratio					
13	Total CRR leverage ratio exposure measure	**1,163,773**	1,169,217	1,124,521	1,150,611	1,122,089
14	Fully loaded CRR leverage ratio (%)	**4.2%**	4.1%	4.5%	4.4%	4.5%
	Average UK leverage ratio (Transitional)[5, 6]					
13a	Total average UK leverage ratio exposure measure[7]	**1,081,840**	1,089,910	1,044,560	1,035,137	1,092,169
14a	Transitional average UK leverage ratio (%)	**4.6%**	4.6%	4.9%	4.9%	4.8%
	UK leverage ratio (Transitional)[5, 6]					
13b	Total UK leverage ratio exposure measure	**1,030,145**	1,030,784	984,710	1,002,136	999,286
14b	Transitional UK leverage ratio (%)	**4.9%**	4.8%	5.1%	5.1%	5.0%
	Liquidity Coverage Ratio					
15	Total HQLA	**207,989**	203,591	214,637	214,929	198,588
16	Total net cash outflows	**134,712**	138,436	139,760	136,909	133,569
17	LCR ratio (%)	**154%**	147%	154%	157%	149%

1 *CET1 capital and RWAs are calculated applying the transitional arrangements of the CRR. This includes IFRS 9 transitional arrangements.*
2 *Fully loaded CET1 capital and RWAs are calculated without applying the transitional arrangements of the CRR.*
3 *Transitional Tier 1 and Total capital include AT1 and T2 capital that are calculated applying the grandfathering of CRR non-compliant capital instruments.*
4 *Fully loaded Tier 1 and Total capital include AT1 and T2 capital that are calculated without applying the grandfathering of CRR non-compliant capital instruments.*
5 *Transitional UK leverage ratios are calculated applying the IFRS 9 transitional arrangements and in line with the PRA Handbook, which excludes grandfathered AT1 instruments allowed under CRR.*
6 *Fully loaded average UK leverage ratio was 4.5%, with £1,081bn of leverage exposure. Fully loaded UK leverage ratio was 4.8%, with £1,029bn of leverage exposure. Fully loaded UK leverage ratios are calculated without applying the transitional arrangements of the CRR.*
7 *Average UK leverage exposure for 30 June 2018 uses an exposure measure for each day in the quarter. For periods prior to 1 January 2018 the exposure measure was based on the last day of each month in the quarter.*

Capital

Barclays' fully loaded CET1 regulatory requirement is expected to be 11.4% comprising a 4.5% Pillar 1 minimum, a 2.5% Capital Conservation Buffer (CCB), a 1.5% Global Systemically Important Institution (G-SII) buffer, a 2.4% Pillar 2A requirement and an expected 0.5% Countercyclical Capital Buffer (CCyB).

The CCB and the G-SII buffer, determined by the PRA in line with guidance from the Financial Stability Board (FSB), are subject to phased implementation at 25% per annum from 2016 with full effect from 2019. The CCB has been set at 2.5% with 1.9% applicable for 2018. The G-SII buffer has been set at 1.5% with 1.1% applicable for 2018. On 21 November 2017 the FSB confirmed that the G-SII buffer will remain at 1.5% applicable for 2019.

On 27 June 2018, the Financial Policy Committee (FPC) increased the UK CCyB rate from 0% to 0.5% resulting in a 0.27% CCyB for Barclays for H118. From November 2018, the rate is expected to increase to 1% and based on current UK exposures, Barclays' CCyB is expected to be approximately 0.5% from November 2018. Other national authorities also determine the appropriate CCyBs that should be applied to exposures in their jurisdiction, however based on current exposures none of those set are material.

Barclays' Pillar 2A requirement as per the PRA's Individual Capital Guidance (ICG) for 2018 is 4.3%, of which at least 56.25% needs to be met in CET1 form, equating to approximately 2.4% of RWAs. Certain elements of the Pillar 2A requirement are a fixed quantum whilst others are a proportion of RWAs and are based on a point in time assessment. The Pillar 2A requirement is subject to at least annual review.

On 1 January 2018, IFRS 9 transitional capital arrangements were implemented by Regulation (EU) 2017/2395. Barclays elected to apply the transitional arrangements at both consolidated and individual entity levels and will disclose both transitional and fully loaded CET1 ratios until the end of the transitional period. The transitional benefit is phased out over a 5 year period with 95% applicable for 2018; 85% for 2019; 70% for 2020; 50% for 2021; 25% for 2022 and with no transitional benefit from 2023.

The transitional arrangements, implemented under a modified static approach, allow for transitional relief on the "day 1" impact on adoption of IFRS 9 (static element) and for the increase between "day 1" and the reporting date (modified element), subject to eligibility. For the static element, stage 1, stage 2 and stage 3 provisions are eligible for transition, whereas for the modified element, stage 3 provisions are excluded.

Separate calculations are performed for standardised and advanced IRB portfolios, reflecting the different ways these frameworks take account of provisions. Under the standardised approach, increases in provisions for both the static and modified elements are eligible for transition. Under the advanced approach, for both the static and modified elements, provisions are only eligible for transitional relief to the extent that they exceed regulatory expected losses.

As at 30 June 2018, Barclays' transitional CET1 ratio was 13.0% which exceeded the H118 transitional minimum requirement of 10.2% comprising a 4.5% Pillar 1 minimum, a 1.9% CCB, a 1.1% G-SII buffer, a 0.27% CCyB and a 2.4% Pillar 2A requirement.

Table 2: Capital resources

This table shows the Group's capital resources. Table 4 presents the components of regulatory capital on both a transitional and fully loaded basis as at 30 June 2018.

Capital ratios [1,2,3]	As at 30.06.18	As at 31.12.17
CET1	13.0%	13.3%
Tier 1 (T1)	16.6%	17.2%
Total regulatory capital	20.5%	21.5%
Capital resources	£bn	£bn
Total equity excluding non-controlling interests per the balance sheet	**61.1**	**63.9**
Less: other equity instruments (recognised as AT1 capital)	(8.9)	(8.9)
Adjustment to retained earnings for foreseeable dividends	(0.6)	(0.4)
Other regulatory adjustments and deductions		
Additional value adjustments (PVA)	(1.6)	(1.4)
Goodwill and intangible assets	(7.9)	(7.9)
Deferred tax assets that rely on future profitability excluding temporary differences	(0.5)	(0.6)
Fair value reserves related to gains or losses on cash flow hedges	(0.7)	(1.2)
Excess of expected losses over impairment	-	(1.2)
Gains or losses on liabilities at fair value resulting from own credit	0.1	0.1
Defined benefit pension fund assets	(0.8)	(0.7)
Direct and indirect holdings by an institution of own CET1 instruments	(0.1)	(0.1)
Adjustment under IFRS 9 transitional arrangements	1.3	-
CET1 capital	**41.4**	**41.6**
AT1 capital		
Capital instruments and related share premium accounts	8.9	8.9
Qualifying AT1 capital (including minority interests) issued by subsidiaries	2.8	3.5
Other regulatory adjustments and deductions	(0.1)	(0.1)
AT1 capital	**11.7**	**12.3**
T1 capital	**53.0**	**53.9**
T2 capital		
Capital instruments and related share premium accounts	6.6	6.5
Qualifying T2 capital (including minority interests) issued by subsidiaries	6.1	7.0
Credit risk adjustments (excess of impairment over expected losses)	-	-
Other regulatory adjustments and deductions	(0.3)	(0.3)
Total regulatory capital	**65.4**	**67.2**
Total RWAs[1]	**319.3**	**313.0**

1 CET1, T1 and T2 capital, and RWAs are calculated applying the transitional arrangements of the CRR. This includes IFRS 9 transitional arrangements and the grandfathering of CRR non-compliant capital instruments.

2 The fully loaded CET1 ratio, as is relevant for assessing against the conversion trigger in Barclays PLC additional tier 1 (AT1) securities, was 12.6%, with £40.1bn of CET1 capital and £319.2bn of RWAs calculated without applying the transitional arrangements of the CRR.

3 The Barclays PLC CET1 ratio, as is relevant for assessing against the conversion trigger in Barclays Bank PLC T2 Contingent Capital Notes, was 13.0%. For this calculation CET1 capital and RWAs are calculated applying the transitional arrangements under the CRR, including the IFRS 9 transitional arrangements. The benefit of the Financial Services Authority (FSA) October 2012 interpretation of the transitional provisions, relating to the implementation of CRD IV, expired in December 2017.

Table 3: Summary of movements in CET1 capital

	Six months ended 30.06.18 £bn
Opening CET1 capital	**41.6**
Effects of changes in accounting policies	(2.2)
Profit for the period attributable to equity holders	0.8
Dividends paid and foreseen	(0.8)
Decrease in retained regulatory capital generated from earnings	-
Net impact of share schemes	(0.2)
Fair value through other comprehensive income reserve	(0.5)
Currency translation reserve	0.3
Decrease in other qualifying reserves	**(0.3)**
Pension remeasurements within reserves	(0.1)
Defined benefit pension fund asset deduction	(0.1)
Net impact of pensions	**(0.2)**
Additional value adjustments (PVA)	(0.2)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	0.1
Excess of expected loss over impairment	1.2
Adjustment under IFRS 9 transitional arrangements	1.3
Increase in regulatory capital due to adjustments and deductions	**2.5**
Closing CET1 capital	**41.4**

CET1 capital decreased £0.2bn to £41.4bn.

Profit for the period attributable to equity holders of £0.8bn was offset by a £0.8bn regulatory deduction for dividends paid and foreseen. Other movements in the period were:

- A £0.3bn decrease in other qualifying reserves including a £0.5bn decrease in the fair value through other comprehensive income reserve offset by a £0.3bn increase in the currency translation reserve driven by the appreciation of period end USD against GBP
- A £0.2bn decrease as a result of movements relating to pensions, largely due to deficit contribution payments of £0.3bn in April 2018

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.

Table 4: Regulatory capital

This table shows the components of regulatory capital presented on both a transitional and fully loaded basis as at 30 June 2018. This disclosure has been prepared using the format set out in Annex IV and Annex VI of the final 'Implementing technical standards with regard to disclosure of own funds requirements for institution' (Commission implementing regulation- EU 1423/2013)

	Common Equity Tier 1 (CET1) capital: instruments and reserves	Group		BB PLC		BBUK PLC	
		As at 30.06.18 Transitional position	As at 30.06.18 Fully loaded position	As at 30.06.18 Transitional position	As at 30.06.18 Fully loaded position	As at 30.06.18 Transitional position	As at 30.06.18 Fully loaded position
		£m	£m	£m	£m	£m	£m
1	Capital instruments and the related share premium accounts	22,144	22,144	8,627	8,627	13,049	13,049
	of which: ordinary shares	*22,144*	*22,144*	*8,627*	*8,627*	*13,049*	*13,049*
2	Retained earnings	25,441	25,441	23,664	23,664	1,415	1,415
3	Accumulated other comprehensive income (and other reserves)	4,532	4,532	86	86	189	189
5a	Independently reviewed interim net profits net of any foreseeable charge or dividend[1]	(600)	(600)	(186)	(186)	(356)	(356)
	Scope of consolidation adjustment	(47)	(47)	380	380	-	-
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**51,470**	**51,470**	**32,571**	**32,571**	**14,297**	**14,297**
	Common Equity Tier 1 (CET1) capital: regulatory adjustments						
7	Additional value adjustments	(1,581)	(1,581)	(1,165)	(1,165)	(167)	(167)
8	Intangible assets (net of related tax liability)	(7,877)	(7,877)	(192)	(192)	(3,682)	(3,682)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(485)	(485)	(223)	(223)	-	-
11	Fair value reserves related to gains or losses on cash flow hedges	(652)	(652)	219	219	(11)	(11)
12	Negative amounts resulting from the calculation of expected losses amounts	-	-	(143)	(143)	-	-
14	Gains or losses on liabilities at fair value resulting from changes in own credit standing	117	117	117	117	-	-
15	Defined-benefit pension fund assets	(846)	(846)	(844)	(844)	-	-
16	Direct and indirect holdings by an institution of own CET1 instruments	(50)	(50)	-	-	-	-
18	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	-	(1)	-	-
19	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	(5,767)	(6,780)	-	-
22	Amount exceeding the 17.65% threshold	-	-	(718)	(1,110)	-	-
23	*of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*	-	-	*(507)*	*(752)*	-	-
25	*of which: deferred tax assets arising from temporary difference*	-	-	*(211)*	*(358)*	-	-
	Adjustment under IFRS 9 transitional arrangements	1,302	-	456	-	233	-
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(10,072)**	**(11,374)**	**(8,260)**	**(10,122)**	**(3,627)**	**(3,860)**
29	**Common Equity Tier 1 (CET1) capital**	**41,398**	**40,096**	**24,311**	**22,449**	**10,670**	**10,437**

1 *Adjustment to retained earnings for foreseeable dividends only.*

Table 4: Regulatory capital (continued)

		Group		BB PLC		BBUK PLC	
		As at 30.06.18 Transitional position £m	As at 30.06.18 Fully loaded position £m	As at 30.06.18 Transitional position £m	As at 30.06.18 Fully loaded position £m	As at 30.06.18 Transitional position £m	As at 30.06.18 Fully loaded position £m
	Additional Tier 1 (AT1) capital: instruments						
30	Capital instruments and the related share premium accounts	8,938	8,938	6,912	6,912	2,070	2,070
31	*of which: classified as equity under IFRS*	*8,938*	*8,938*	*6,912*	*6,912*	*2,070*	*2,070*
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	-	3,703	-	-	-
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests) issued by subsidiaries and held by third parties	2,843	-	-	-	-	-
35	*of which: instruments issued by subsidiaries subject to phase out*	*4,261*	-	-	-	-	-
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**11,781**	**8,938**	**10,615**	**6,912**	**2,070**	**2,070**
	Additional Tier 1 (AT1) capital: regulatory adjustments						
37	Direct and indirect holdings by an institution of own AT1 instruments	(130)	(130)	(130)	(130)	-	-
40	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	(1,781)	(1,924)	-	-
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**(130)**	**(130)**	**(1,911)**	**(2,054)**	-	-
44	**Additional Tier 1 (AT1) capital**	**11,651**	**8,808**	**8,704**	**4,858**	**2,070**	**2,070**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**53,049**	**48,904**	**33,015**	**27,307**	**12,740**	**12,507**
	Tier 2 (T2) capital: instruments and provisions						
46	Capital instruments and the related share premium accounts	6,558	6,558	10,533	11,961	3,171	3,171
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	-	564	-	-	-
48	Qualifying own funds instruments included in T2 capital (including minority interests) issued by subsidiaries and held by third parties	6,064	7,443	-	-	-	-
49	*of which: instruments issued by subsidiaries subject to phase out*	*564*	-	-	-	-	-
50	Credit risk adjustments	-	158	-	-	151	354
51	**Tier 2 capital before regulatory adjustments**	**12,622**	**14,159**	**11,097**	**11,961**	**3,322**	**3,525**
	Tier 2 capital: regulatory adjustments						
52	Direct and indirect holdings of own T2 instruments and subordinated loans	(250)	(250)	(250)	(250)	-	-
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)	-	-	-	(2)	-	-
55	Direct and indirect holdings by the institution of T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	-	-	(2,826)	(3,197)	-	-
57	**Total regulatory adjustments to Tier 2 capital**	**(250)**	**(250)**	**(3,076)**	**(3,449)**	-	-
58	**Tier 2 capital**	**12,372**	**13,909**	**8,021**	**8,512**	**3,322**	**3,525**
59	**Total capital (TC = T1 + T2)**	**65,421**	**62,813**	**41,036**	**35,819**	**16,062**	**16,032**

Table 4: Regulatory capital (continued)

		Group		BB PLC		BBUK PLC	
		As at 30.06.18 Transitional position	As at 30.06.18 Fully loaded position	As at 30.06.18 Transitional position	As at 30.06.18 Fully loaded position	As at 30.06.18 Transitional position	As at 30.06.18 Fully loaded position
		£m	£m	£m	£m	£m	£m
60	**Total risk weighted assets**	**319,299**	**319,171**	**187,584**	**184,540**	**75,640**	**75,784**
	Capital ratios and buffers						
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	13.0%	12.6%	13.0%	12.2%	14.1%	13.8%
62	Tier 1 (as a percentage of risk exposure amount)	16.6%	15.3%	17.6%	14.8%	16.8%	16.5%
63	Total capital (as a percentage of risk exposure amount)	20.5%	19.7%	21.9%	19.4%	21.2%	21.2%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer) expressed as a percentage of risk exposure amount)	7.8%	8.8%	6.6%	7.2%	6.9%	7.5%
65	*of which: capital conservation buffer requirement*	*1.9%*	*2.5%*	*1.9%*	*2.5%*	1.9%	2.5%
66	*of which: countercyclical buffer requirement*	*0.3%*	*0.3%*	*0.2%*	*0.2%*	0.5%	0.5%
67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	*1.1%*	*1.5%*	*0.0%*	*0.0%*	0.0%	0.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	8.5%	8.1%	8.5%	7.7%	9.6%	9.3%
	Amounts below the thresholds for deduction (before risk weighting)						
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	3,344	3,344	3,037	3,034	-	-
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	1,230	1,230	3,080	3,034	154	169
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability)	3,228	3,586	1,286	1,444	645	721
	Applicable caps on the inclusion of provisions in Tier 2						
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	939	926	730	725	63	63
78	Credit risk adjustments included in T2 in respect of exposures subject to internal rating-based approach (prior to the application of the cap)	-	158	-	-	151	359
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	817	823	520	520	354	354
	Capital instruments subject to phase out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)						
82	Current cap on AT1 instruments subject to phase out arrangements	3,703	-	3,703	-	-	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	558	-	558	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements	1,107	-	1,107	-	-	-

Table 5: IFRS 9-FL - Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

		Group	
		As at 30.06.18	As at 31.03.18[1]
		£m	£m
	Available capital (amounts)		
1	Common Equity Tier 1 (CET1) capital[2]	**41,398**	40,246
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**40,096**	38,932
3	Tier 1 capital[3]	**53,049**	52,110
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**51,747**	50,796
5	Total capital[3]	**65,421**	64,548
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**64,277**	63,431
	Risk-weighted assets (amounts)	£m	£m
7	Total risk-weighted assets[2]	**319,299**	317,946
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**319,171**	317,970
	Capital ratios		
9	Common Equity Tier 1 (as a percentage of risk exposure amount)	**13.0%**	12.7%
10	Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**12.6%**	12.2%
11	Tier 1 (as a percentage of risk exposure amount)	**16.6%**	16.4%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**16.2%**	16.0%
13	Total capital (as a percentage of risk exposure amount)	**20.5%**	20.3%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**20.1%**	19.9%
	Leverage ratio	£m	£m
15	Leverage ratio total exposure measure	**1,163,773**	1,169,217
16	Leverage ratio[4]	**4.2%**	4.1%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**4.2%**	4.1%

1 *The comparative information relates to the initial IFRS9 disclosure as at Q1 2018.*
2 *Transitional CET1 capital and RWAs are calculated applying the transitional arrangements of the CRR. This includes IFRS 9 transitional arrangements.*
3 *Transitional T1 and Total capital are calculated applying the transitional arrangements of the CRR. This includes the grandfathering of CRR non-compliant capital instruments and IFRS 9 transitional arrangements.*
4 *Leverage ratio is calculated applying the fully phased in treatment of the CRR.*

Table 5a: IFRS 9-FL - Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs for significant subsidiaries

		BB PLC As at 30.06.18 £m	BBUK PLC As at 30.06.18 £m
	Available capital (amounts)		
1	Common Equity Tier 1 (CET1) capital[1]	24,311	10,670
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	23,586	10,437
3	Tier 1 capital[2]	33,015	12,740
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	32,289	12,507
5	Total capital[2]	41,036	16,062
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	40,310	16,032
	Risk-weighted assets (amounts)		
7	Total risk-weighted assets[1]	187,584	75,640
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	186,929	75,769
	Capital ratios		
9	Common Equity Tier 1 (as a percentage of risk exposure amount)	13.0%	14.1%
10	Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.6%	13.8%
11	Tier 1 (as a percentage of risk exposure amount)	17.6%	16.8%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17.3%	16.5%
13	Total capital (as a percentage of risk exposure amount)	21.9%	21.2%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	21.6%	21.2%
	Leverage ratio		
15	Leverage ratio total exposure measure	807,743	252,055
16	Leverage ratio[3]	4.1%	5.1%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4.0%	5.0%

1 *Transitional CET1 capital and RWAs are calculated applying the transitional arrangements of the CRR. This includes IFRS 9 transitional arrangements.*
2 *Transitional T1 and Total capital are calculated applying the transitional arrangements of the CRR. This includes the grandfathering of CRR non-compliant capital instruments and IFRS 9 transitional arrangements.*
3 *Leverage ratio is calculated applying the grandfathering of CRR non-compliant capital instruments and with the application of the IFRS9 transitional arrangements.*

Risk weighted assets

Table 6: Risk weighted assets by risk type and business

This table shows risk weighted assets by business and risk type.

Risk weighted assets (RWAs) by risk type and business

	Credit risk		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std	A-IRB	Std	A-IRB	Settlement risk	CVA	Std	IMA		
As at 30.06.18	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Barclays UK	3.9	59.1	0.2	-	-	-	-	-	11.8	75.0
Barclays International	51.1	74.4	15.6	16.4	0.1	2.9	14.7	14.4	28.4	218.0
Head Office[1]	4.4	5.2	-	0.2	-	-	-	-	16.5	26.3
Barclays Group	**59.4**	**138.7**	**15.8**	**16.6**	**0.1**	**2.9**	**14.7**	**14.4**	**56.7**	**319.3**
As at 31.03.18										
Barclays UK	3.2	57.1	-	-	-	-	-	-	12.2	72.5
Barclays International	47.5	71.9	17.8	17.0	0.1	2.5	16.1	13.6	27.7	214.2
Head Office	2.8	9.0	0.1	0.5	-	0.2	0.1	1.6	16.8	31.2
Barclays Group	**53.6**	**138.0**	**17.9**	**17.5**	**0.1**	**2.7**	**16.2**	**15.2**	**56.7**	**317.9**
As at 31.12.17										
Barclays UK	3.8	55.0	-	-	-	-	-	-	12.2	70.9
Barclays International	49.1	69.5	17.0	17.2	0.1	2.8	13.3	13.5	27.7	210.3
Head Office	2.9	9.8	0.1	0.6	-	0.2	0.1	1.4	16.8	31.8
Barclays Group	**55.8**	**134.2**	**17.1**	**17.9**	**0.1**	**3.0**	**13.4**	**14.9**	**56.7**	**313.0**

1 *Head Office operational risk RWAs include the difference between the standardised and advanced measurement approaches.*

Table 6a: Risk weighted assets by significant subsidiaries

	Credit risk		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std	A-IRB	Std	A-IRB	Settlement risk	CVA	Std	IMA		
As at 30.06.18	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
BB PLC	45.9	72.2	12.7	14.6	-	3.0	7.1	14.9	17.2	187.6
BBUK PLC	4.6	58.9	0.5	-	-	0.1	-	-	11.5	75.6

BBUK PLC is the UK ring-fenced bank largely comprising Personal Banking, Barclaycard Consumer UK and Business Banking. These are part of Barclays UK business segment that is included within Barclays PLC Group.

BB PLC primarily consists of the Corporate and Investment Bank (CIB), Consumer, Cards and Payments and Head Office. These are part of Barclays International business segment that is included within Barclays PLC Group. The difference between BB PLC and Barclays International is largely due to subsidiaries of BB PLC Group that are not included within the regulatory scope of BB PLC.

Table 7: OV1 - Overview of risk weighted assets by risk type and capital requirements

The table shows RWAs, split by risk type and approach. For credit risk, RWAs are shown by credit exposure class.

Please see additional disclosures for each risk type in the Analysis of Credit Risk (page 25), Counterparty Credit Risk (page 58) and Market Risk (page 75).

		RWA		Minimum Capital Requirements	
		As at 30.06.18 £m	As at 31.12.17 £m	As at 30.06.18 £m	As at 31.12.17 £m
1	**Credit risk (excluding counterparty credit risk) (CCR)**	**181,990**	177,869	**14,559**	14,230
2	Of which standardised approach	**56,357**	55,437	**4,509**	4,435
3	Of which the foundation IRB (FIRB) approach	**-**	-	**-**	-
4	Of which the advanced IRB (AIRB) approach	**125,633**	122,432	**10,051**	9,795
5	Of which equity IRB under the simple risk-weight approach or the internal models approach	**-**	-	**-**	-
6	Counterparty credit risk (CCR)	**35,213**	37,843	**2,817**	3,027
7	Of which mark to market	**1,844**	2,515	**148**	201
8	Of which original exposure	**-**	-	**-**	-
9	Of which standardised approach	**-**	-	**-**	-
9a	Of which financial collateral comprehensive method	**8,672**	9,768	**694**	781
10	Of which internal model method	**20,619**	21,299	**1,650**	1,704
11	Of which risk exposure amount for contributions to the default fund of a CCP	**1,102**	1,261	**88**	101
12	Of which CVA	**2,976**	3,001	**238**	240
13	Settlement risk	**104**	101	**8**	8
14	Securitisation exposures in banking book (after the cap)	**4,061**	4,169	**325**	333
14a	Of which capital deduction approach (CAPD)	**25**	39	**2**	3
14b	Of which look through approach (KIRB)	**189**	621	**15**	50
15	Of which IRB approach	**3,435**	3,107	**275**	249
16	Of which IRB supervisory formula approach (SFA)	**-**	-	**-**	-
17	Of which internal assessment approach (IAA)	**412**	401	**33**	32
18	Of which standardised approach	**-**	-	**-**	-
19	Market risk	**29,103**	28,313	**2,328**	2,265
20	Of which the standardised approach	**14,674**	13,401	**1,174**	1,072
21	Of which IMA	**14,429**	14,912	**1,154**	1,193
22	Large exposures	**-**	-	**-**	-
23	Operational risk[1]	**56,660**	56,660	**4,533**	4,533
24	Of which basic indicator approach	**-**	3,252	**-**	260
25	Of which standardised approach	**56,660**	-	**4,533**	-
26	Of which advanced measurement approach	**-**	53,408	**-**	4,273
27	Amounts below the thresholds for deduction (subject to 250% risk weight)	**12,168**	8,079	**973**	646
28	Floor Adjustments	**-**	-	**-**	-
29	**Total**	**319,299**	313,033	**25,544**	25,043

1 *Barclays has adopted the standardised approach for Operational risk capital as at 30 June 2018, but has conservatively elected to retain its previous Operational risk RWA value unchanged for 2018.*

Risk weighted assets

Table 8: Movements in risk weighted assets

The below tables show movements in RWAs, split by risk types and macro drivers

Movement analysis of risk weighted assets

	Credit Risk	Counterparty Credit Risk[1]	Market Risk	Operational Risk	Total
	£bn	£bn	£bn	£bn	£bn
As at 01.01.18	**190.0**	**38.0**	**28.3**	**56.7**	**313.0**
Book size	9.8	(1.0)	(0.6)	-	8.2
Acquisitions and disposals	(3.2)	(0.3)	(0.2)	-	(3.7)
Book quality	(2.4)	0.2	-	-	(2.2)
Model updates	(0.2)	-	-	-	(0.2)
Methodology and policy	3.1	(1.5)	1.6	-	3.2
Foreign exchange movement[2]	1.0	-	-	-	1.0
As at 30.06.18	**198.1**	**35.4**	**29.1**	**56.7**	**319.3**

1 RWAs in relation to default fund contributions are included in counterparty credit risk.
2 Foreign exchange movement does not include FX for counterparty risk or market risk.

RWAs increased £6.3bn to £319.3bn:

- Book size increased RWAs £8.2bn primarily due to increased lending activity in the investment banking businesses
- Acquisitions and disposals decreased RWAs £3.7bn primarily due to the regulatory deconsolidation of Barclays Africa Group Limited (BAGL)
- Book quality decreased RWAs £2.2bn primarily due to changes in the risk profile in Barclays International
- Methodology and policy increased RWAs £3.2bn primarily due to regulatory methodology changes for the Education, Social Housing and Local Authority (ESHLA) portfolio
- Foreign exchange movements increased RWAs £1.0bn primarily due to the appreciation of period end USD against GBP

Tables 9, 10 and 11 below show a subset of the information included in table 8, focused on positions captured under modelled treatment.

Table 9: CR8 - RWA flow statement of credit risk exposures under the advanced IRB approach

		RWA £bn	Capital requirements £bn
1	**As at 01.01.2018**	**134.2**	**10.7**
2	Asset size	6.2	0.5
3	Asset quality	(1.7)	(0.1)
4	Model updates	(0.2)	-
5	Methodology and policy	3.1	0.2
6	Acquisitions and disposals	(3.7)	(0.3)
7	Foreign exchange movements	0.8	0.1
8	Other	-	-
9	**As at 30.06.2018**	**138.7**	**11.1**

Advanced credit risk RWAs increased RWAs to £4.5bn driven by:

- Asset size increased RWAs by £6.2bn primarily due to increased lending activity in the investment banking businesses
- Asset quality decreased RWAs by £1.7bn primarily due to changes in the risk profile in Barclays International
- Methodology and policy increased RWAs by £3.1bn primarily due to regulatory methodology changes for the ESHLA portfolio
- Acquisitions and disposals decreased RWAs by £3.7bn primarily due to the regulatory deconsolidation of BAGL

Table 10: CCR7 - RWA flow statement of counterparty credit risk exposures under the IMM

The total in this table shows the contribution of IMM exposures to CCR RWAs (under both standardised and advanced IRB) and will not directly reconcile to CCR advanced IRB RWAs in table 6.

		RWA £bn	Capital requirements £bn
1	**As at 01.01.18**	**21.4**	**1.7**
2	Asset size	(0.8)	(0.1)
3	Credit quality of counterparties	0.1	-
4	Model updates (IMM only)	-	-
5	Methodology and policy (IMM only)	0.1	-
6	Acquisitions and disposals	-	-
7	Foreign exchange movements	-	-
8	Other	-	-
9	**As at 30.06.18**	**20.8**	**1.6**

Internal model method RWAs remained broadly stable at £20.8bn.

Table 11: MR2-B- RWA flow statement of market risk exposures under the IMA

		VaR £bn	SVaR £bn	IRC £bn	Other £bn	Total RWA £bn	Total Capital requirements £bn
1	**As at 01.01.18**	**2.8**	**6.8**	**3.0**	**2.3**	**14.9**	**1.2**
2	Movement in risk levels	0.5	(0.1)	(1.9)	0.1	(1.4)	(0.1)
3	Model updates/changes	-	-	-	-	-	-
4	Methodology and policy	0.4	0.7	-	-	1.1	0.1
5	Acquisitions and disposals	(0.1)	(0.1)	-	-	(0.2)	-
6	Other			-	-	-	-
7	**As at 30.06.18**	**3.6**	**7.3**	**1.1**	**2.4**	**14.4**	**1.2**

Internal model approach RWAs remained broadly stable at £14.4bn.

Leverage ratios and exposures

The following leverage tables show the components of the leverage ratio using the CRR definition for the leverage exposures and the tier 1 capital. The disclosures have been prepared using the format set out in 'Implementing technical standards with regard to disclosure of the leverage ratio for institutions' (Commission implementing regulation (EU) 2016/200). Barclays is not subject to binding leverage ratio requirements under CRR. Barclays Group is however subject to minimum leverage requirements under the UK leverage ratio framework as implemented by the PRA. As at 30 June 2018, Barclays' Average UK leverage ratio was 4.6% which exceeded the H118 transitional minimum requirement of 3.7%.

Barclays manages the risk of excessive leverage through the Group's Capital Management process which is outlined in the Annual Report. Barclays' leverage exposures are continually monitored against internal targets, which are approved by the Group Executive Committee and take into consideration the risk appetite, growth and strategic aims of the Group. Additionally, agreed leverage exposure limits are regularly monitored against early warning indicators which trigger actions to mitigate risk. The Group's leverage exposure is also subject to regular internal and external stress testing.

Table 12: Summary reconciliation of accounting assets and leverage ratio exposures

This table is a summary of the total leverage exposure and comprises total IFRS assets used for statutory purposes, regulatory consolidation and other leverage adjustments.

		As at 30.06.18			As at 31.12.17
		Group £bn	BB PLC £bn	BBUK PLC £bn	Group £bn
1	Total assets as per published financial statements	**1,150**	**914**	**248**	1,133
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	**-**	**(1)**	**-**	8
4	Adjustments for derivative financial instruments	**(100)**	**(104)**	**-**	(125)
5	Adjustments for securities financing transactions (SFTs)	**19**	**36**	**-**	19
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	**106**	**113**	**10**	103
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio exposure measure in accordance with Article 429 (7) of Regulation (EU) No 575/2013)	**-**	**(140)**	**(2)**	
7	Other adjustments	**(11)**	**(10)**	**(4)**	(13)
8	**Total leverage ratio exposure**	**1,164**	**808**	**252**	1,125

Table 13: Leverage ratio common disclosure

This table shows the leverage ratio calculation and includes additional breakdowns for the leverage exposure measure.

GROUP		As at 30.06.18 £bn	As at 31.12.17 £bn
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	763	749
2	Asset amounts deducted in determining tier 1 capital	(11)	(13)
3	**Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets)**	**752**	736
Derivative exposures			
4	Replacement cost associated with *all* derivatives transactions (ie net of eligible cash variation margin)	51	54
5	Add-on amounts for PFE associated with *all* derivatives transactions (mark-to-market method)	128	120
7	Deductions of receivables assets for cash variation margin provided in derivatives transactions	(30)	(33)
8	Exempted CCP leg of client-cleared trade exposures	(1)	(1)
9	Adjusted effective notional amount of written credit derivatives	286	278
10	Adjusted effective notional offsets and add-on deductions for written credit derivatives	(266)	(264)
11	**Total derivative exposures**	**168**	154
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	333	336
13	Netted amounts of cash payables and cash receivables of gross SFT assets	(214)	(223)
14	Counterparty credit risk exposure for SFT assets	19	19
16	**Total securities financing transaction exposures**	**138**	132
Other off-balance sheet exposures			
17	Off-balance sheet exposures at gross notional amount	328	322
18	Adjustments for conversion to credit equivalent amounts	(222)	(219)
19	**Other off-balance sheet exposures**	**106**	103
Capital and total exposures			
20	Tier 1 capital	48.9	50.4
21	**Total leverage ratio exposures**	**1,164**	1,125
Leverage ratio			
22	**Leverage ratio**	4.2%	4.5%

Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	Fully phased in

The CRR leverage ratio decreased to 4.2% (December 2017: 4.5%) driven by a £1.5bn decrease in fully loaded tier 1 capital to £48.9bn and a £39bn increase in leverage exposure to £1,164bn.

- On-balance sheet exposures increased £16bn to £752bn. This was primarily due to a £19bn increase in settlement balances and a £6bn increase in bonds held by Treasury, offset by a £10bn decrease in cash and balances at central banks held as part of the Barclays Group liquidity pool and £8bn decrease due to the regulatory deconsolidation of BAGL
- PFEs increased £8bn to £128bn primarily driven by an increase in foreign exchange and interest rate derivatives
- SFTs increased £6bn to £119bn primarily driven by trading activity

Table 13a: Leverage ratio common disclosure for significant subsidiaries

		As at 30.06.18	
		BB PLC	BBUK PLC
		£bn	£bn
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	511	247
2	Asset amounts deducted in determining tier 1 capital	(10)	(4)
3	**Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets)**	**501**	**243**
Derivative exposures			
4	Replacement cost associated with *all* derivatives transactions (ie net of eligible cash variation margin)	52	-
5	Add-on amounts for PFE associated with *all* derivatives transactions (mark-to-market method)	121	-
7	Deductions of receivables assets for cash variation margin provided in derivatives transactions	(30)	-
8	Exempted CCP leg of client-cleared trade exposures	(1)	-
9	Adjusted effective notional amount of written credit derivatives	286	-
10	Adjusted effective notional offsets and add-on deductions for written credit derivatives	(266)	-
11	**Total derivative exposures**	**162**	**-**
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	359	1
13	Netted amounts of cash payables and cash receivables of gross SFT assets	(223)	-
14	Counterparty credit risk exposure for SFT assets	36	-
16	**Total securities financing transaction exposures**	**172**	**1**
Other off-balance sheet exposures			
17	Off-balance sheet exposures at gross notional amount	262	69
18	Adjustments for conversion to credit equivalent amounts	(149)	(59)
19	**Other off-balance sheet exposures**	**113**	**10**
Exempted exposures in accordance with CRR Article 429 (7) and (14) (on and off balance sheet)			
EU-19a	Exemption of intragroup exposures (solo basis) in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet)	(140)	(2)
Capital and total exposures			
20	Tier 1 capital	33.0	12.7
21	**Total leverage ratio exposures**	**808**	**252**
Leverage ratio			
22	**Leverage ratio**	4.1%	5.1%
Choice on transitional arrangements and amount of derecognised fiduciary items			
EU-23	Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional

Leverage

Table 14: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

The table shows a breakdown of the on-balance sheet exposures excluding derivatives, SFTs and exempted exposures, by asset class.

		As at 30.06.18 £bn	As at 31.12.17 £bn
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	**763**	749
EU-2	Trading book exposures	**169**	149
EU-3	Banking book exposures, of which:	**594**	600
EU-4	Covered bonds	**-**	-
EU-5	Exposures treated as sovereigns	**234**	237
EU-6	Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns	**1**	1
EU-7	Institutions	**23**	24
EU-8	Secured by mortgages of immovable properties	**147**	149
EU-9	Retail exposures	**56**	57
EU-10	Corporate	**85**	80
EU-11	Exposures in default	**10**	6
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	**38**	46

Further details on the key movements during the reporting period are disclosed on page 20.

Table 15: LIQ1 - Liquidity Coverage ratio

This table shows the level and components of the Liquidity Coverage Ratio. This disclosure has been prepared in accordance with the requirements set out in the 'Guidelines on LCR disclosure to complement the disclosure of liquidity risk management under Article 435 of Regulation (EU) No 575/2013' as specified in Annexure II which complements Article 435(1)(f) of Regulation (EU) No 575/2013.

		Total unweighted value (average)			Total weighted value (average)		
		30.06.18	31.03.18	31.12.17	30.06.18	31.03.18	31.12.17
	Number of data points used in calculation of averages	12	12	12	12	12	12
	High-quality liquid assets	£m	£m	£m	£m	£m	£m
1	Total high-quality liquid assets (HQLA)				218,475	213,064	203,944
	Cash outflows						
2	**Retail deposits and deposits from small business customers, of which:**	192,396	192,581	193,217	16,813	16,890	17,232
3	*Stable deposits*	109,219	108,453	102,757	5,461	5,423	5,138
4	*Less stable deposits*	83,167	84,117	90,460	11,342	11,457	12,094
5	**Unsecured wholesale funding, of which:**	154,975	154,762	154,737	81,940	81,741	80,825
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	28,464	28,002	27,177	6,982	6,873	6,678
7	*Non-operational deposits (all counterparties)*	121,326	121,952	123,681	69,773	70,060	70,268
8	*Unsecured debt*	5,185	4,808	3,879	5,185	4,808	3,879
9	**Secured wholesale funding**				53,728	53,834	51,642
10	**Additional requirements, of which:**	174,244	176,455	184,102	53,146	53,301	55,124
11	*Outflows related to derivative exposures and other collateral requirements*	20,272	19,537	18,827	19,427	18,781	18,112
12	*Outflows related to loss of funding on debt products*	7,662	7,477	7,490	7,662	7,477	7,490
13	*Credit and liquidity facilities*	146,310	149,441	157,785	26,057	27,043	29,522
14	**Other contractual funding obligations**	11,969	11,482	11,821	832	929	917
15	**Other contingent funding obligations**	149,707	149,941	152,396	3,769	3,821	4,351
16	**Total cash outflows**				210,228	210,516	210,091
	Cash inflows						
17	**Secured lending (e.g. reverse repos)**	351,784	342,735	326,599	51,364	51,309	49,853
18	**Inflows from fully performing exposures**	11,757	12,600	13,920	8,848	9,893	11,400
19	Other cash inflows[1]	9,313	9,207	9,674	4,619	4,591	5,305
20	**Total cash inflows**	372,854	364,542	350,193	64,831	65,793	66,558
	Fully exempt inflows	-	-	-	-	-	-
	Inflows subject to 90% cap	-	-	-	-	-	-
	Inflows subject to 75% cap	287,092	280,990	272,374	64,831	65,793	66,558
21	**Liquidity buffer**				218,475	213,064	203,944
22	**Total net cash outflows**				145,397	144,723	143,533
23	**Liquidity coverage ratio (%)**				150%	147%	142%

1 *Difference between total weighted inflows and total weighted outflows arise from transactions in countries where there are transfer restrictions or which are denominated in non-convertible currencies.*

Liquidity

As at 30 June 2018, the Barclays Group LCR was 154% (December 2017: 154%) as shown on Table 1. The average LCR for the 12 months to 30 June 2018 increased to 150%, as growth in the liquidity buffer exceeded growth in stresses. This reflects the Barclays Group strengthening its liquidity position during the 12 month period.

The Barclays Group continued to maintain surpluses to its internal and regulatory liquidity requirements. Growth in the average liquidity buffer during the 12 month period is largely driven by net deposit growth, the wind down of legacy non-core portfolios, short-term borrowing and drawdown from the Bank of England Term Funding Scheme. The average liquidity coverage ratio has increased over the year, as growth in liquidity buffer exceeded the overall growth in the LCR stresses, arising largely from net business deposit growth and regulatory changes.

The composition of the liquidity pool is subject to limits set by the Barclays PLC Board and the independent liquidity risk, credit risk, and market risk functions. In addition, the investment of the liquidity pool is monitored for concentration risk by issuer, currency and asset type. Given the incremental returns generated by these highly liquid assets, the risk and reward profile is continuously managed.

As at 30 June 2018, 94% (December 2017: 93%) of the liquidity pool was located in Barclays Bank PLC and Barclays Bank UK PLC. The residual portion of the liquidity pool outside of these entities, which is predominantly in the US subsidiaries, is held against entity-specific stress outflows and local regulatory requirements. To the extent the use of this portion of the liquidity pool is restricted due to regulatory requirements, it is assumed to be unavailable to the rest of the Barclays Group in the LCR.

The strong deposit franchise within BBUK PLC and BB PLC is one of the primary funding sources for Barclays Group. Issuances to meet Minimum Requirements for Own Funds and Eligible Liabilities (MREL) raised by Barclays PLC also provide a long term stable source of funding to the Barclays Group.

Barclays Bank PLC and Barclays Bank UK PLC maintain access to a variety of sources of wholesale funding in major currencies, including those available from term investors across a range of distribution channels and geographies, short-term funding markets and repo markets. In addition, Barclays Bank PLC has direct access to US, European and Asian capital markets through its global investment banking operations and to long-term investors through its clients worldwide. As a result, wholesale funding is well diversified by product, maturity, geography and currency across the Barclays Group.

Key sources of wholesale funding for Barclays Bank PLC include money markets, certificates of deposit, commercial paper, and medium-term issuances (including structured notes). Key sources of wholesale funding for Barclays Bank UK PLC include money markets, commercial paper, covered bonds and securitisations. Barclays Bank PLC and Barclays Bank UK PLC also support various central bank monetary initiatives including participation in the Bank of England's Term Funding Scheme.

Table 16: Detailed view of credit risk RWAs and Capital Requirement

This table shows RWAs for credit risk by exposure class for credit risk in the banking book.

Risk weighted assets credit exposure class As at 30.06.18	Barclays UK £m	Barclays International £m	Head Office £m	Total £m	Capital requirements £m
Credit risk					
Standardised approach					-
Central governments or central banks	-	4	28	32	3
Regional governments or local authorities	-	30	-	30	2
Public sector entities	3	98	-	101	8
Multilateral development banks	-	-	-	-	-
International organisations	-	-	-	-	-
Institutions	139	1,524	98	1,761	141
Corporates	716	21,740	56	22,512	1,801
Retail	991	18,826	-	19,817	1,586
Secured by mortgages	1,096	4,448	10	5,554	444
Exposures in default	429	2,594	102	3,125	250
Items associated with high risks	11	1,384	4,100	5,495	440
Covered bonds	46	7	-	53	4
Securitisation positions	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-
Equity positions	-	-	-	-	-
Other items	456	488	8	952	76
Total standardised approach credit risk exposure	3,887	51,143	4,402	59,432	4,755
Advanced IRB approach					
Central governments or central banks	27	2,343	-	2,370	190
Institutions	2,435	4,006	18	6,459	517
Corporates	8,144	53,702	472	62,318	4,986
Retail					
- Small and medium-sized enterprises (SMEs)	3,815	-	-	3,815	305
- Secured by real estate collateral	16,841	-	2,707	19,548	1,564
- Qualifying revolving retail	18,404	1,563	-	19,967	1,597
- Other retail	6,192	-	1	6,193	495
Equity	-	-	-	-	-
Securitisation positions	162	3,778	-	3,940	315
Non-credit obligation assets	3,063	9,055	1,937	14,055	1,124
Total advanced IRB credit risk exposure	59,083	74,447	5,135	138,665	11,093
Total credit risk weighted assets	62,970	125,590	9,537	198,097	15,848

Table 16: Detailed view of credit risk RWAs by business - continued

Risk weighted assets credit exposure class

As at 31.12.17	Barclays UK £m	Barclays International £m	Head Office £m	Total £m	Capital requirements £m
Credit risk					
Standardised approach					
Central governments or central banks	-	3	405	408	32
Regional governments or local authorities	-	9	-	9	1
Public sector entities	-	88	17	105	8
Multilateral development banks	-	-	-	-	-
International organisations	-	-	-	-	-
Institutions	112	1,452	38	1,602	128
Corporates	410	21,606	559	22,575	1,806
Retail	1,095	19,765	226	21,086	1,687
Secured by mortgages	1,140	2,527	45	3,712	297
Exposures in default	627	1,946	200	2,773	222
Items associated with high risk	101	1,178	1,274	2,553	204
Covered bonds	-	-	-	-	-
Securitisation positions	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-
Equity positions	-	-	94	94	8
Other items	326	484	49	859	69
Total standardised approach credit risk exposure	3,811	49,058	2,907	55,776	4,462
Advanced IRB approach					
Central governments or central banks	567	2,909	87	3,563	285
Institutions	2,612	4,186	100	6,898	552
Corporates	5,387	48,057	2,168	55,612	4,449
Retail					
- Small and medium-sized enterprises (SMEs)	3,729	29	123	3,881	310
- Secured by real estate collateral	16,327	-	3,706	20,033	1,603
- Qualifying revolving retail	18,190	1,528	291	20,009	1,601
- Other retail	6,121	-	518	6,639	531
Equity	-	-	-	-	-
Securitisation positions	171	3,893	4	4,068	325
Non-credit obligation assets	1,851	8,918	2,769	13,538	1,083
Total advanced IRB credit risk exposure	54,955	69,520	9,766	134,241	10,739
Total credit risk weighted assets	58,766	118,578	12,673	190,017	15,201

Risk weighted assets increased by £8.1bn to £198.1bn. The key movements by business were as follows:

- Barclays UK's RWAs increased £4.2bn to £63.0bn primarily due to regulatory methodology changes for the ESHLA portfolio
- Barclays International's RWAs increased £7.0bn to £125.6bn primarily due to increased lending activity in investment banking businesses
- Head Office's RWAs decreased £3.1bn to £9.5bn primarily driven by the regulatory deconsolidation of BAGL

Table 16a: Detailed view of credit risk RWAs and Capital Requirement by significant subsidiaries

	BB PLC		BBUK PLC	
As at 30.06.18	RWA £m	Capital requirements £m	RWA £m	Capital requirements £m
Standardised approach				
Central governments or central banks	21	2	-	-
Regional governments or local authorities	23	2	-	-
Public sector entities	97	8	3	-
Multilateral development banks	-	-	-	-
International organisations	-	-	-	-
Institutions	3,133	251	202	16
Corporates	23,739	1,899	1,046	84
Retail	1,838	147	1,009	81
Secured by mortgages	4,237	339	1,096	88
Exposures in default	2,186	175	375	30
Items associated with high risks	9,992	799	419	33
Covered bonds	7	1	46	4
Securitisation positions	-	-	-	-
Collective investment undertakings	-	-	-	-
Equity positions	512	41	12	1
Other items	68	5	374	30
Total standardised approach credit risk exposure	**45,853**	**3,669**	**4,582**	**367**
Advanced IRB approach				
Central governments or central banks	2,347	188	27	2
Institutions	3,691	295	2,435	195
Corporates	53,240	4,259	8,144	651
Retail				
- Small and medium-sized enterprises (SMEs)	-	-	3,815	305
- Secured by real estate collateral	2,668	213	16,841	1,347
- Qualifying revolving retail	1,563	125	18,404	1,472
- Other retail	-	-	6,193	496
Equity	-	-	-	-
Securitisation positions	5,127	410	162	13
Non-credit obligation assets	3,593	288	2,926	234
Total advanced IRB credit risk exposure	**72,229**	**5,778**	**58,947**	**4,715**
Total credit risk weighted assets	**118,082**	**9,447**	**63,529**	**5,082**

Table 17: CR3 – CRM techniques

This table shows the use of CRM techniques broken down by loans and debt securities. This table includes unsecured and secured exposures including collateral, financial guarantees and credit derivatives for both standardised and advanced IRB approaches.

	As at 30.06.18	Exposures unsecured – Carrying amount £m	Exposures secured – Carrying amount £m	Exposures secured by collateral £m	Exposures secured by financial guarantees £m	Exposures secured by credit derivatives £m
1	Total loans	411,793	204,964	197,885	6,881	198
2	Total debt securities	52,734	330	-	330	-
3	**Total exposures**	464,527	205,294	197,885	7,211	198
4	Of which defaulted	8,263	3,191	3,161	30	-
	As at 31.12.17					
1	Total loans	407,546	207,808	203,120	4,402	286
2	Total debt securities	44,723	1,340	-	1,340	-
3	**Total exposures**	452,269	209,148	203,120	5,742	286
4	Of which defaulted	7,030	3,417	3,407	10	-

- The total unsecured and secured exposure increased £8.4bn to £669.8bn primarily driven by an increase in facilities and bond positions partially offset by the regulatory deconsolidation of BAGL
- Exposures secured by collateral decreased by £5.2bn to £197.9bn primarily due to the regulatory deconsolidation of BAGL, partially offset by increased mortgage lending

Table 18: CR4 - Standardised – Credit Risk exposure and CRM effect

This table shows the impact of CCF and CRM on "on-balance sheet" and "off-balance sheet" exposure values, broken down by credit exposure class. This table includes exposures subject to the standardised approach only.
The term 'before CCF and CRM' means the original gross exposures before the application of credit conversion factor and before the application of credit risk mitigation techniques.

		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
As at 30.06.18		£m	£m	£m	£m	£m	£m
1	Central governments or central banks	175,749	30,651	175,792	34,988	32	0%
2	Regional governments or local authorities	712	123	452	1	30	7%
3	Public sector entities	412	63	380	13	101	26%
4	Multilateral development banks	3,714	-	3,714	-	-	0%
5	International Organisations	622	-	621	-	-	0%
6	Institutions	4,080	1,484	4,050	746	1,761	37%
7	Corporates	22,210	31,968	14,623	9,234	22,512	94%
8	Retail	26,927	71,174	26,283	140	19,817	75%
9	Secured by mortgages on immovable property	8,729	4,437	8,729	4,426	5,554	42%
10	Exposures in default	2,449	277	2,393	141	3,125	123%
11	Items associated with particularly high risk	2,951	87	2,814	54	5,495	192%
12	Covered Bonds	121	-	121	-	53	44%
13	Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-
16	Other items	3,792	-	3,793	-	952	25%
17	**Total**	**252,468**	**140,264**	**243,765**	**49,743**	**59,432**	**20%**
As at 31.12.17							
1	Central governments or central banks	139,280	27,652	139,342	30,674	408	0%
2	Regional governments or local authorities	577	89	576	3	9	2%
3	Public sector entities	336	53	336	11	105	30%
4	Multilateral development banks	3,863	-	3,863	-	-	0%
5	International Organisations	981	-	981	-	-	0%
6	Institutions	3,942	1,154	3,902	570	1,602	36%
7	Corporates	21,208	31,356	14,047	9,749	22,575	95%
8	Retail	28,592	76,648	27,982	148	21,086	75%
9	Secured by mortgages on immovable property	8,889	36	8,889	17	3,712	42%
10	Exposures in default	2,255	104	2,231	65	2,773	121%
11	Items associated with particularly high risk	1,629	132	1,516	111	2,553	157%
12	Covered Bonds	-	-	-	-	-	-
13	Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-
15	Equity exposures	38	-	38	-	94	250%
16	Other items	4,282	-	4,282	-	859	20%
17	Total	215,872	137,224	207,985	41,348	55,776	22%

Further information about the key drivers for pre-CCF and CRM exposures, post-CCF and CRM exposures and RWAs is provided in tables 16, 20, and 21.

Table 19: CR7 - Effect on RWA of credit derivatives used as CRM techniques (advanced IRB)

This table shows the effect of credit derivatives on the advanced IRB approach. It assumes the absence of recognition of credit derivative as a CRM technique (pre-credit derivatives RWAs).

		Pre-credit derivatives RWAs		Actual RWAs	
		As at 30.06.18 £m	As at 31.12.17 £m	As at 30.06.18 £m	As at 31.12.17 £m
1	**Exposures under foundation IRB**	**-**	-	**-**	-
2	Central governments and central banks	-	-	-	-
3	Institutions	-	-	-	-
4	Corporates - SME	-	-	-	-
5	Corporates - Specialised Lending	-	-	-	-
6	Corporates - Other	-	-	-	-
7	**Exposures under advanced IRB**	**134,768**	130,253	**134,726**	130,173
8	Central governments and central banks	**2,370**	3,563	**2,370**	3,563
9	Institutions	**6,462**	6,901	**6,459**	6,898
10	Corporates - SME	**9,382**	9,868	**9,382**	9,868
11	Corporates - Specialised Lending	**4,263**	4,241	**4,264**	4,241
12	Corporates - Other	**48,713**	41,580	**48,673**	41,503
13	Retail - Secured by real estate SME	-	-	-	-
14	Retail - Secured by real estate non-SME	**19,548**	20,033	**19,548**	20,033
15	Retail - Qualifying revolving	**19,967**	20,009	**19,967**	20,009
16	Retail - Other SME	**3,815**	3,881	**3,815**	3,881
17	Retail - Other non-SME	**6,193**	6,639	**6,193**	6,639
18	Equity IRB	-	-	-	-
19	Other non credit-obligation assets	**14,055**	13,538	**14,055**	13,538
20	**Total**	**134,768**	130,253	**134,726**	130,173

The increase in pre-credit derivative RWAs is consistent with the movement in RWA by business shown in table 16.

Table 20: CR5-A - Analysis of exposures by asset classes and risk weight pre-CCF and CRM under the standardised approach

This table shows exposure at default pre-CRM, broken down by Credit Exposure Class and risk weight. This table includes exposures subject to the standardised approach only.

EAD by asset classes and risk weights pre CCF and CRM

		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Deducted	Total	of which: Unrated
As at 30.06.18		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	206,322	-	-	-	-	-	55	-	-	23	-	-	-	-	-	-	206,400	5,932
2	Regional governments or local authorities	367	-	-	-	452	-	3	-	-	13	-	-	-	-	-	-	835	522
3	Public sector entities	-	-	-	-	421	-	31	-	-	23	-	-	-	-	-	-	475	443
4	Multilateral development banks	3,714	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,714	-
5	International Organisations	622	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	622	-
6	Institutions	-	-	-	-	3,476	-	1,482	-	-	606	-	-	-	-	-	-	5,564	1,079
7	Corporates	-	-	-	-	621	-	4,081	-	-	48,866	608	-	-	2	-	-	54,178	45,081
8	Retail	-	-	-	-	-	-	-	-	98,101	-	-	-	-	-	-	-	98,101	98,101
9	Secured by mortgages on immovable property	-	-	-	-	-	11,173	3	-	1,293	697	-	-	-	-	-	-	13,166	13,166
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,358	1,368	-	-	-	-	-	2,726	2,618
11	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,843	1,195	-	-	-	-	3,038	3,037
12	Covered Bonds	-	-	-	-	85	-	-	-	-	36	-	-	-	-	-	-	121	36
13	Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	1,391	-	-	-	1,869	-	-	-	-	532	-	-	-	-	-	-	3,792	3,784
17	**Total**	212,416	-	-	-	6,924	11,173	5,655	-	99,394	52,154	3,819	1,195	-	2	-	-	392,732	173,799

Table 20: CR5-A - Analysis of exposures by asset classes and risk weight pre-CCF and CRM under the standardised approach - continued

As at 31.12.17	0% £m	2% £m	4% £m	10% £m	20% £m	35% £m	50% £m	70% £m	75% £m	100% £m	150% £m	250% £m	370% £m	1250% £m	Others £m	Deducted £m	Total £m	of which: Unrated £m
1 Central governments or central banks	166,417	-	-	-	20	-	175	-	-	289	31	-	-	-	-	-	166,932	5,443
2 Regional governments or local authorities	545	-	-	-	112	-	-	-	-	9	-	-	-	-	-	-	666	123
3 Public sector entities	-	-	-	-	300	-	50	-	-	39	-	-	-	-	-	-	389	284
4 Multilateral development banks	3,863	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,863	-
5 International Organisations	981	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	981	-
6 Institutions	-	-	-	-	3,232	-	1,360	-	-	502	-	-	-	2	-	-	5,096	970
7 Corporates	-	-	-	-	694	-	3,759	-	-	47,454	655	-	-	2	-	-	52,564	43,520
8 Retail	-	-	-	-	-	-	-	-	105,238	2	-	-	-	-	-	-	105,240	105,240
9 Secured by mortgages on immovable property	-	-	-	-	-	7,856	2	-	260	806	-	-	-	-	-	-	8,924	8,924
10 Exposures in default	-	-	-	-	-	-	-	-	-	1,354	1,005	-	-	-	-	-	2,359	2,312
11 Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,649	113	-	-	-	-	1,762	1,755
12 Covered Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity exposures	-	-	-	-	-	-	-	-	-	-	-	38	-	-	-	-	38	38
16 Other items	1,674	-	-	-	2,190	-	-	-	-	418	-	-	-	-	-	-	4,282	4,276
17 Total	173,480	-	-	-	6,548	7,856	5,346	-	105,498	50,873	3,340	151	-	4	-	-	353,096	172,885

Standardised credit risk exposure pre-CCF and CRM increased by £39.6bn to £392.7bn primarily driven by a change in the composition of the Group liquidity pool regulatory exposures.

Table 21: CR5-B - Analysis of exposures by asset classes and risk weight post-CCF and CRM under the standardised approach

The difference between exposure at default pre-CRM set out in Table 20 and exposure at default post-CRM below is the impact of financial collateral and CCF as described in Table 18.

		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Total	of which: Unrated
As at 30.06.18		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	210,721	-	-	-	-	-	55	-	-	4	-	-	-	-	210,780	5,394
2	Regional governments or local authorities	361	-	-	-	76	-	3	-	-	13	-	-	-	-	453	140
3	Public sector entities	-	-	-	-	349	-	26	-	-	18	-	-	-	-	393	366
4	Multilateral development banks	3,714	-	-	-	-	-	-	-	-	-	-	-	-	-	3,714	-
5	International Organisations	621	-	-	-	-	-	-	-	-	-	-	-	-	-	621	-
6	Institutions	-	-	-	-	3,089	-	1,127	-	-	580	-	-	-	-	4,796	927
7	Corporates	-	-	-	-	421	-	1,995	-	-	21,013	426	-	-	2	23,857	19,354
8	Retail	-	-	-	-	-	-	-	-	26,423	-	-	-	-	-	26,423	26,423
9	Secured by mortgages on immovable property	-	-	-	-	-	11,169	3	-	1,293	690	-	-	-	-	13,155	13,155
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,352	1,182	-	-	-	2,534	2,459
11	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,675	1,193	-	-	2,868	2,868
12	Covered Bonds	-	-	-	-	85	-	-	-	-	36	-	-	-	-	121	36
13	Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	1,392	-	-	-	1,869	-	-	-	-	532	-	-	-	-	3,793	3,784
17	**Total**	216,809	-	-	-	5,889	11,169	3,209	-	27,716	24,238	3,283	1,193	-	2	293,508	74,906

Table 21: CR5-B - Analysis of exposures by asset classes and risk weight post-CCF and CRM under the standardised approach - continued

As at 31.12.17	0% £m	2% £m	4% £m	10% £m	20% £m	35% £m	50% £m	70% £m	75% £m	100% £m	150% £m	250% £m	370% £m	1250% £m	Others £m	Deducted £m	Total £m	of which: Unrated £m
1 Central governments or central banks	169,519	-	-	-	20	-	175	-	-	271	31	-	-	-	-	-	170,016	4,736
2 Regional governments or local authorities	545	-	-	-	32	-	-	-	-	2	-	-	-	-	-	-	579	36
3 Public sector entities	-	-	-	-	288	-	23	-	-	36	-	-	-	-	-	-	347	269
4 Multilateral development banks	3,863	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,863	-
5 International Organisations	981	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	981	-
6 Institutions		-	-	-	2,919	-	1,063	-	-	488	-	-	-	2	-	-	4,472	798
7 Corporates	-	-	-	-	350	-	1,762	-	-	21,353	329	-	-	2	-	-	23,796	19,408
8 Retail	-	-	-	-	-	-	-	-	28,128	2	-	-	-	-	-	-	28,130	28,130
9 Secured by mortgages on immovable property	-	-	-	-	-	7,850	2	-	257	797	-	-	-	-	-	-	8,906	8,905
10 Exposures in default	-	-	-	-	-	-	-	-	-	1,341	955	-	-	-	-	-	2,296	2,265
11 Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,516	111	-	-	-	-	1,627	1,620
12 Covered Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity exposures	-	-	-	-	-	-	-	-	-	-	-	38	-	-	-	-	38	38
16 Other items	1,674	-	-	-	2,190	-	-	-	-	418	-	-	-	-	-	-	4,282	4,276
17 Total	176,582	-	-	-	5,799	7,850	3,025	-	28,385	24,708	2,831	149	-	4	-	-	249,333	70,481

Standardised credit risk exposure post-CRM increased by £44.2bn to £293.5bn primarily driven by a change in the composition of the Group liquidity pool regulatory exposures.

Table 22: Internal default grade probabilities and mapping to external ratings

The table below illustrates the approximate relationship between external rating agency grades and the PD bands for wholesale exposures. The EBA and internal Default Grade (DG) bands are based on TTC PD. Note that this relationship is dynamic and therefore, varies over time, region and industry.

		Default Probability					
EBA PD Range	Internal	>Min	Mid	<=Max	Financial statements description	Moody's	Standard and Poor's
0.00 to < 0.15	1	0.00%	0.01%	0.02%	Strong	Aaa, Aa1, Aa2	AAA, AA+
	2	0.02%	0.03%	0.03%		Aa3	AA, AA-
	3	0.03%	0.04%	0.05%		A1, A2	A+
	4	0.05%	0.08%	0.10%		A3	A, A-
	5	0.10%	0.13%	0.15%		Baa1	BBB+
0.15 to < 0.25	6	0.15%	0.18%	0.20%	Strong	Baa2	BBB+
	7	0.20%	0.23%	0.25%		Baa2	BBB
0.25 to < 0.50	8	0.25%	0.28%	0.30%	Strong	Baa3	BBB
	9	0.30%	0.35%	0.40%		Baa3	BBB-
	10	0.40%	0.45%	0.50%		Ba1	BBB-
0.50 to < 0.75	11	0.50%	0.55%	0.60%	Strong	Ba1	BB+
	12	0.60%	-	-		Ba2	BB+
0.75 to < 2.50	12	-	0.90%	1.20%	Satisfactory	Ba2	BB
	13	1.20%	1.38%	1.55%		Ba3	BB
	14	1.55%	1.85%	2.15%		Ba3	BB-
	15	2.15%	-	-		B1	BB-
2.50 to < 10.00	15	-	2.60%	3.05%	Satisfactory	B1	B+
	16	3.05%	3.75%	4.45%		B2	B+
	17	4.45%	5.40%	6.35%		B2	B
	18	6.35%	7.50%	8.65%		B3	B
	19	8.65%	10.00%	-		B3	B-
10.00 to < 100.00	19	-	-	11.35%	Higher risk	B3	B-
	20	11.35%	15.00%	18.65%		Caa1	CCC+
	21	18.65%	30.00%	100.00%		Caa2, Caa3, Ca, C	CCC, CCC-, CC+, CC, C
100.00 (Default)						D	D

IRB obligor grade disclosure

The following tables show credit risk exposure at default post-CRM for the advanced IRB approach for portfolios within both the trading and banking books. Separate tables are provided for the following credit exposure classes: central governments and central banks (Table 23), institutions (Table 24), corporates (Table 25), corporates subject to slotting (Table 27), Retail SME (Table 28), secured retail (Table 29), revolving retail (Table 30) and other retail (Table 31).

Barclays' Model Risk Management group reviews and approves the application of post model adjustments to models that do not fully reflect the risk of the underlying exposures.

The regulatory deconsolidation of BAGL has led to a reduction in the number of obligors, this is reflected in tables 23 to 31.

Table 23: CR6 - Credit risk exposures by exposure class and PD range for central governments and central banks

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	**53,701**	**861**	**43.2%**	**53,738**	**0.0%**	**31**	**45.0%**	**1.6**	**2,133**	**4.0%**	**2**	
0.15 to < 0.25	-	-	-	-	-	-	-	-	-	-	-	
0.25 to < 0.50	**577**	**1**	**45.0%**	**577**	**0.3%**	**4**	**33.3%**	**1.9**	**237**	**41.0%**	**1**	
0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to < 2.50	-	-	-	-	-	-	-	-	-	-	-	
2.50 to < 10.00	-	-	-	-	-	-	-	-	-	-	-	
10.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	
Total	**54,278**	**862**	**43.2%**	**54,315**	**0.0%**	**35**	**44.9%**	**1.7**	**2,370**	**4.4%**	**3**	**(4)**

As at 31.12.17	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	87,706	836	87.8%	88,372	0.0%	85	45.0%	1.5	3,250	3.7%	3	
0.15 to < 0.25	2	1	49.8%	2	0.2%	7	45.3%	5.4	1	52.3%	-	
0.25 to < 0.50	710	-	-	710	0.4%	7	31.8%	1.7	298	42.0%	1	
0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to < 2.50	5	6	50.9%	8	1.4%	4	45.0%	0.8	7	91.3%	-	
2.50 to < 10.00	3	5	0.0%	4	5.4%	7	45.2%	9.7	7	193.3%	-	
10.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	
Total	88,426	848	83.2%	89,096	0.0%	110	44.9%	1.5	3,563	4.0%	4	-

The exposure weighted average risk weight associated with advanced IRB exposures to central governments and central banks increased by 0.4% to 4.4%. This was primarily driven by a change in the composition of the Group liquidity pool regulatory exposures.

Table 24: CR6 - Credit risk exposures by exposure class and PD range for institutions

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	17,436	5,905	55.6%	20,116	0.0%	683	40.5%	19.2	4,490	22.3%	3	
0.15 to < 0.25	297	23	22.6%	187	0.2%	66	45.3%	2.7	70	37.7%	-	
0.25 to < 0.50	522	156	83.9%	645	0.4%	145	41.0%	4.0	452	70.1%	1	
0.50 to < 0.75	24	12	61.6%	31	0.6%	59	36.0%	7.1	31	99.9%	-	
0.75 to < 2.50	385	143	63.2%	466	1.4%	137	44.1%	2.3	492	105.6%	3	
2.50 to < 10.00	364	179	66.8%	453	3.7%	96	42.3%	12.9	722	159.4%	7	
10.00 to < 100.00	8	38	56.2%	26	21.0%	19	29.2%	3.3	42	162.4%	2	
100.00 (Default)	222	28	75.7%	244	100.0%	31	11.3%	14.5	160	65.7%	15	
Total	**19,258**	**6,484**	**58.5%**	**22,168**	**1.3%**	**1,236**	**40.3%**	**18.0**	**6,459**	**29.1%**	**31**	**(48)**

As at 31.12.17												
0.00 to < 0.15	18,857	6,023	57.5%	21,475	0.0%	1,003	41.6%	19.4	4,851	22.6%	4	
0.15 to < 0.25	452	87	18.3%	408	0.2%	82	30.9%	3.0	141	34.5%	-	
0.25 to < 0.50	399	100	59.2%	449	0.4%	132	51.3%	4.3	354	78.8%	1	
0.50 to < 0.75	148	65	46.5%	193	0.6%	76	43.5%	4.2	156	80.6%	-	
0.75 to < 2.50	298	36	54.4%	318	1.4%	201	48.0%	2.4	388	122.1%	2	
2.50 to < 10.00	366	160	53.0%	442	3.9%	124	40.1%	8.3	653	147.6%	7	
10.00 to < 100.00	18	49	39.5%	32	21.5%	33	32.0%	4.1	54	168.9%	2	
100.00 (Default)	198	46	56.7%	218	100.0%	29	18.1%	9.2	301	138.1%	15	
Total	20,736	6,566	52.7%	23,535	1.1%	1,680	41.5%	18.1	6,898	29.3%	31	(2)

The exposure weighted average risk weight associated with advanced IRB exposures to financial institutions remained broadly stable at 29.1%.

Table 25: CR6 - Credit risk exposures by exposure class and PD range for corporates

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	23,733	70,470	53.9%	58,531	0.1%	9,057	36.8%	6.9	15,071	25.7%	14	
0.15 to < 0.25	6,085	8,019	47.4%	8,781	0.2%	4,892	41.5%	5.5	4,407	50.2%	7	
0.25 to < 0.50	6,875	9,190	53.3%	10,717	0.4%	9,960	40.9%	4.1	6,686	62.4%	15	
0.50 to < 0.75	3,453	4,043	55.1%	5,344	0.6%	4,541	37.9%	8.6	3,752	70.2%	12	
0.75 to < 2.50	8,999	9,994	52.6%	13,522	1.6%	11,072	29.8%	3.8	10,798	79.9%	58	
2.50 to < 10.00	6,673	8,497	55.2%	10,645	4.4%	6,424	32.4%	4.0	11,642	109.4%	145	
10.00 to < 100.00	1,428	1,907	53.3%	2,314	18.9%	2,202	29.7%	3.3	3,348	144.7%	134	
100.00 (Default)	1,534	460	60.0%	1,806	100.0%	974	30.3%	3.4	2,351	130.2%	381	
Total	**58,780**	**112,580**	**53.4%**	**111,660**	**2.7%**	**49,122**	**36.1%**	**5.9**	**58,055**	**52.0%**	**766**	**(721)**
As at 31.12.17												
0.00 to < 0.15	23,814	66,890	49.0%	54,960	0.1%	8,096	36.2%	7.5	12,380	22.6%	13	
0.15 to < 0.25	5,693	8,006	46.5%	9,059	0.2%	4,066	41.2%	5.0	4,325	47.7%	7	
0.25 to < 0.50	7,061	9,488	49.3%	11,350	0.4%	11,212	42.1%	3.5	7,143	62.9%	17	
0.50 to < 0.75	3,718	4,095	51.7%	5,451	0.6%	6,359	37.2%	5.8	3,786	69.5%	12	
0.75 to < 2.50	8,249	8,784	39.0%	11,243	1.4%	23,408	31.9%	4.0	8,852	78.7%	49	
2.50 to < 10.00	5,535	7,963	43.0%	9,017	4.4%	62,251	32.0%	3.9	9,437	104.7%	125	
10.00 to < 100.00	1,576	2,137	44.5%	2,379	20.4%	3,598	33.9%	3.4	3,795	159.6%	175	
100.00 (Default)	1,312	330	54.2%	1,518	100.0%	1,887	35.3%	4.5	1,686	111.0%	418	
Total	56,958	107,693	47.0%	104,977	2.6%	120,877	36.4%	6.0	51,404	49.0%	816	(757)

The exposure weighted average risk weight associated with advanced IRB exposures to corporates increased by 3% to 52.0%. This was primarily driven by an increase in lending activities, and regulatory methodology changes for the ESHLA portfolio.

Table 26: CR6 - Credit risk exposures by exposure class and PD range for corporate of which: SMEs

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	4,198	998	57.8%	4,697	0.1%	5,447	23.2%	13.4	1,320	28.1%	1	
0.15 to < 0.25	1,221	299	54.7%	1,371	0.2%	3,658	32.2%	11.0	474	34.6%	1	
0.25 to < 0.50	1,856	528	52.1%	2,090	0.4%	7,848	32.9%	5.9	818	39.1%	2	
0.50 to < 0.75	1,194	321	48.7%	1,344	0.6%	3,467	33.6%	4.5	640	47.6%	3	
0.75 to < 2.50	2,884	560	45.5%	3,113	1.4%	7,802	31.7%	5.3	1,914	61.5%	14	
2.50 to < 10.00	2,191	486	63.2%	2,440	4.4%	4,694	33.5%	5.3	2,158	88.4%	36	
10.00 to < 100.00	741	80	49.1%	758	23.4%	1,752	33.9%	5.0	1,020	134.5%	63	
100.00 (Default)	766	68	11.0%	766	100.0%	700	21.4%	4.7	1,038	135.4%	97	
Total	**15,051**	**3,340**	**53.3%**	**16,579**	**6.7%**	**35,368**	**29.5%**	**8.0**	**9,382**	**56.6%**	**217**	**(239)**

As at 31.12.17												
0.00 to < 0.15	4,419	1,202	50.0%	4,989	0.1%	4,338	22.9%	14.1	862	17.3%	1	
0.15 to < 0.25	1,368	318	48.2%	1,488	0.2%	2,812	33.0%	15.5	558	37.5%	1	
0.25 to < 0.50	1,900	564	53.0%	2,112	0.4%	8,736	33.8%	5.8	858	40.6%	3	
0.50 to < 0.75	1,280	314	56.0%	1,436	0.6%	5,073	32.1%	5.4	678	47.2%	3	
0.75 to < 2.50	3,437	696	50.5%	3,746	1.4%	17,372	31.7%	5.3	2,265	60.5%	17	
2.50 to < 10.00	2,736	624	36.2%	3,009	4.4%	58,125	34.4%	4.9	2,627	87.3%	45	
10.00 to < 100.00	1,054	136	49.6%	917	24.4%	2,990	35.4%	5.4	1,229	134.1%	85	
100.00 (Default)	549	52	14.0%	556	100.0%	1,594	27.3%	3.6	791	142.3%	111	
Total	16,743	3,906	46.5%	18,253	5.4%	101,040	30.2%	8.5	9,868	54.1%	266	(218)

The exposure weighted average risk weight associated with advanced IRB exposures to corporate SME increased by 2.5% to 56.6%. This was primarily due to regulatory methodology changes for the ESHLA portfolio.

Table 27: CR10 - Corporate exposures subject to specialised lending IRB

Slotting, also known as specialised lending, is an approach that is applied to financing of individual projects where the repayment is highly dependent on the performance of the underlying pool or collateral. It uses a standard set of rules for the calculation of RWAs, based upon an assessment of factors such as the financial strength of the counterparty. The requirements for the application of the Slotting approach are detailed in CRR article 153.

Group

Regulatory categories		Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
As at 30.06.18			£m	£m	%	£m	£m	£m
Category 1	Strong	Less than 2.5 years	**1,501**	**599**	**50%**	**1,795**	**898**	**-**
		Equal to or more than 2.5 years	**2,173**	**432**	**70%**	**2,396**	**1,677**	**10**
Category 2	Good	Less than 2.5 years	**965**	**170**	**70%**	**1,082**	**757**	**4**
		Equal to or more than 2.5 years	**460**	**159**	**90%**	**599**	**539**	**5**
Category 3	Satisfactory	Less than 2.5 years	**57**	**3**	**115%**	**58**	**66**	**2**
		Equal to or more than 2.5 years	**197**	**9**	**115%**	**207**	**238**	**5**
Category 4	Weak	Less than 2.5 years	**10**	**-**	**250%**	**10**	**25**	**1**
		Equal to or more than 2.5 years	**25**	**-**	**250%**	**25**	**63**	**2**
Category 5	Default	Less than 2.5 years	**301**	**51**	**0%**	**299**	**-**	**149**
		Equal to or more than 2.5 years	**58**	**2**	**0%**	**59**	**-**	**30**
Total		Less than 2.5 years	**2,834**	**823**	**-**	**3,244**	**1,746**	**156**
		Equal to or more than 2.5 years	**2,913**	**602**	**-**	**3,286**	**2,517**	**52**
As at 31.12.17								
Category 1	Strong	Less than 2.5 years	1,312	452	50%	1,538	769	-
		Equal to or more than 2.5 years	2,124	369	70%	2,361	1,653	9
Category 2	Good	Less than 2.5 years	789	142	70%	855	598	3
		Equal to or more than 2.5 years	536	249	90%	698	628	6
Category 3	Satisfactory	Less than 2.5 years	168	9	115%	171	196	5
		Equal to or more than 2.5 years	222	2	115%	222	255	6
Category 4	Weak	Less than 2.5 years	13	-	250%	13	32	1
		Equal to or more than 2.5 years	31	-	250%	31	77	2
Category 5	Default	Less than 2.5 years	205	14	0%	196	-	98
		Equal to or more than 2.5 years	120	5	0%	122	-	61
Total		Less than 2.5 years	2,487	617		2,773	1,595	107
		Equal to or more than 2.5 years	3,033	625		3,434	2,613	84

The overall exposures subject to specialised lending IRB approach remained broadly stable during the period.

Table 27a: CR10 - Corporate exposures subject to specialised lending IRB for significant subsidiaries

BB PLC

Regulatory categories		Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
As at 30.06.18			£m	£m	%	£m	£m	£m
Category 1	Strong	Less than 2.5 years	1,250	439	50%	1,481	741	-
		Equal to or more than 2.5 years	1,742	410	70%	1,951	1,366	8
Category 2	Good	Less than 2.5 years	833	152	70%	945	662	4
		Equal to or more than 2.5 years	243	159	90%	382	344	3
Category 3	Satisfactory	Less than 2.5 years	42	3	115%	43	49	1
		Equal to or more than 2.5 years	144	9	115%	153	176	3
Category 4	Weak	Less than 2.5 years	7	-	250%	7	17	1
		Equal to or more than 2.5 years	5	-	250%	5	12	-
Category 5	Default	Less than 2.5 years	246	49	0%	243	-	121
		Equal to or more than 2.5 years	16	2	0%	17	-	9
Total		Less than 2.5 years	2,378	643	-	2,719	1,469	127
		Equal to or more than 2.5 years	2,150	580	-	2,508	1,898	23

Table 27b: CR10 - Corporate exposures subject to specialised lending IRB for significant subsidiaries

BBUK PLC

Regulatory categories		Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
As at 30.06.18			£m	£m	%	£m	£m	£m
Category 1	Strong	Less than 2.5 years	100	18	50%	110	55	-
		Equal to or more than 2.5 years	273	-	70%	273	191	1
Category 2	Good	Less than 2.5 years	131	18	70%	136	96	1
		Equal to or more than 2.5 years	217	-	90%	217	196	2
Category 3	Satisfactory	Less than 2.5 years	15	-	115%	15	17	-
		Equal to or more than 2.5 years	54	-	115%	54	62	2
Category 4	Weak	Less than 2.5 years	3	-	250%	3	8	-
		Equal to or more than 2.5 years	21	-	250%	21	51	2
Category 5	Default	Less than 2.5 years	55	2	0%	55	-	27
		Equal to or more than 2.5 years	42	-	0%	42	-	21
Total		Less than 2.5 years	304	38	-	319	176	28
		Equal to or more than 2.5 years	607	-	-	607	500	28

Table 28: CR6 - Credit risk exposures by exposure class and PD range for retail SME

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	**56**	**22**	**3036%**	**738**	**0.1%**	**366,983**	**50.5%**	**70**	**9.5%**	**-**	
0.15 to < 0.25	**115**	**52**	**470%**	**360**	**0.2%**	**118,812**	**47.3%**	**59**	**16.4%**	**-**	
0.25 to < 0.50	**437**	**168**	**228%**	**818**	**0.4%**	**198,408**	**41.5%**	**170**	**20.7%**	**1**	
0.50 to < 0.75	**456**	**158**	**153%**	**697**	**0.6%**	**122,597**	**36.4%**	**168**	**24.1%**	**2**	
0.75 to < 2.50	**1,813**	**558**	**126%**	**2,516**	**1.5%**	**311,424**	**35.2%**	**845**	**33.6%**	**13**	
2.50 to < 10.00	**1,400**	**351**	**144%**	**1,905**	**4.8%**	**246,550**	**40.4%**	**948**	**49.8%**	**38**	
10.00 to < 100.00	**899**	**62**	**259%**	**1,061**	**27.2%**	**110,347**	**34.2%**	**675**	**63.6%**	**111**	
100.00 (Default)	**719**	**31**	**92%**	**748**	**100.0%**	**32,603**	**15.9%**	**880**	**117.7%**	**49**	
Total	**5,895**	**1,402**	**210%**	**8,843**	**13.2%**	**1,507,724**	**37.0%**	**3,815**	**43.1%**	**214**	**(59)**
As at 31.12.17											
0.00 to < 0.15	45	37	1302%	738	0.1%	467,205	52.2%	71	9.6%	-	
0.15 to < 0.25	128	65	363%	369	0.2%	120,361	44.4%	58	15.7%	-	
0.25 to < 0.50	465	217	172%	863	0.4%	227,859	39.4%	171	19.8%	1	
0.50 to < 0.75	490	188	126%	734	0.6%	125,325	33.8%	165	22.5%	2	
0.75 to < 2.50	1,926	631	118%	2,704	1.5%	371,796	35.3%	920	34.0%	14	
2.50 to < 10.00	1,521	382	124%	2,036	4.8%	285,568	40.2%	1,016	49.9%	40	
10.00 to < 100.00	918	68	244%	1,095	26.7%	118,064	34.6%	692	63.2%	121	
100.00 (Default)	654	33	80%	682	100.0%	46,313	23.2%	788	115.5%	105	
Total	6,147	1,621	174%	9,221	12.2%	1,762,491	37.4%	3,881	42.1%	283	(98)

The exposure weighted average risk weight associated with advanced IRB exposure to retail SMEs remained broadly stable at 43.1%.

Table 29: CR6 - Credit risk exposures by exposure class and PD range for secured retail

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	29,988	2,499	98.7%	32,077	0.1%	208,142	11.7%	1,382	4.3%	13	
0.15 to < 0.25	17,604	1,788	96.6%	18,742	0.2%	144,398	9.3%	969	5.2%	8	
0.25 to < 0.50	31,046	2,559	97.6%	32,799	0.4%	228,841	9.1%	2,096	6.4%	13	
0.50 to < 0.75	23,052	968	99.0%	23,775	0.6%	165,528	10.0%	2,311	9.7%	16	
0.75 to < 2.50	27,837	1,608	99.4%	29,271	1.2%	191,073	14.3%	6,543	22.4%	58	
2.50 to < 10.00	5,738	154	100.2%	5,906	4.9%	40,396	12.0%	2,444	41.4%	40	
10.00 to < 100.00	4,073	99	100.2%	4,180	29.9%	31,013	9.9%	2,500	59.8%	162	
100.00 (Default)	1,735	3	100.2%	1,742	100.0%	16,672	18.8%	1,303	74.8%	279	
Total	**141,073**	**9,678**	**98.5%**	**148,492**	**2.7%**	**1,026,063**	**11.1%**	**19,548**	**13.2%**	**589**	(395)

As at 31.12.17	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	29,236	2,345	98.8%	31,233	0.1%	184,624	11.7%	1,431	4.6%	13	
0.15 to < 0.25	18,821	1,772	90.9%	19,948	0.2%	151,452	9.5%	1,047	5.2%	8	
0.25 to < 0.50	35,280	3,305	90.9%	37,663	0.4%	260,722	10.0%	2,602	6.9%	16	
0.50 to < 0.75	20,453	986	82.9%	21,147	0.6%	146,938	10.0%	2,085	9.9%	15	
0.75 to < 2.50	22,892	1,132	74.8%	23,851	1.2%	161,471	12.5%	4,601	19.3%	42	
2.50 to < 10.00	8,656	211	85.4%	8,900	4.6%	48,759	14.4%	4,217	47.4%	63	
10.00 to < 100.00	3,912	112	98.4%	4,031	30.4%	29,279	10.1%	2,431	60.3%	220	
100.00 (Default)	1,992	6	41.3%	1,991	100.0%	17,337	18.9%	1,619	81.3%	326	
Total	141,243	9,869	88.6%	148,764	2.9%	1,000,582	11.1%	20,033	13.5%	703	(415)

The exposure weighted average risk weight associated with advanced IRB exposure to retail mortgages remained broadly stable at 13.2%.

Table 30: CR6 - Credit risk exposures by exposure class and PD range for revolving retail

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	943	21,736	43.2%	11,045	0.1%	9,730,418	74.3%	408	3.7%	6	
0.15 to < 0.25	728	6,930	14.8%	3,406	0.2%	2,598,653	75.6%	294	8.6%	5	
0.25 to < 0.50	1,572	8,776	12.6%	4,922	0.4%	3,348,857	75.9%	709	14.4%	15	
0.50 to < 0.75	1,428	4,629	11.9%	3,133	0.6%	1,527,257	76.7%	718	22.9%	17	
0.75 to < 2.50	5,012	8,002	9.0%	8,098	1.4%	2,612,776	77.1%	3,528	43.6%	104	
2.50 to < 10.00	5,612	2,969	5.8%	7,500	5.0%	1,970,828	76.0%	7,321	97.6%	300	
10.00 to < 100.00	1,814	230	12.8%	2,094	22.4%	539,352	75.1%	4,009	191.5%	366	
100.00 (Default)	1,286	212	5.7%	1,286	100.0%	467,799	79.4%	2,980	231.7%	786	
Total	**18,395**	**53,484**	**21.6%**	**41,484**	**5.5%**	**22,795,940**	**75.8%**	**19,967**	**48.1%**	**1,599**	**(2,313)**

As at 31.12.17	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	1,017	22,675	52.0%	13,949	0.1%	10,873,580	78.5%	470	3.4%	7	
0.15 to < 0.25	800	6,547	16.9%	3,226	0.2%	1,883,169	77.1%	284	8.8%	5	
0.25 to < 0.50	1,667	8,284	12.4%	4,563	0.4%	2,264,756	76.8%	660	14.5%	14	
0.50 to < 0.75	1,497	4,457	8.2%	2,955	0.6%	1,209,685	77.2%	701	23.7%	17	
0.75 to < 2.50	5,247	7,639	9.4%	8,281	1.4%	2,706,695	77.2%	3,593	43.4%	106	
2.50 to < 10.00	5,756	2,861	33.0%	7,567	5.0%	1,745,275	75.6%	7,347	97.1%	301	
10.00 to < 100.00	1,897	216	10.1%	2,195	22.8%	529,816	75.3%	4,191	190.9%	389	
100.00 (Default)	1,220	218	0.0%	1,220	100.0%	341,885	77.8%	2,763	226.6%	761	
Total	19,101	52,897	24.0%	43,956	5.2%	21,554,861	77.2%	20,009	45.5%	1,600	(1,234)

The exposure weighted average risk weight associated with advanced IRB exposures to qualifying revolving retail, mainly comprising credit cards and overdrafts, increased by 2.6% to 48.1%. This was driven by an increase in exposures in the lowest default grade band.

Value adjustments and provisions increased £1.1bn to £2.3bn primarily driven by the implementation of IFRS 9.

Table 31: CR6 - Credit risk exposures by exposure class and PD range for other retail exposures

As at 30.06.18	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	1	3	28.4%	1	0.1%	152	88.8%	-	26.5%	-	
0.15 to < 0.25	25	-	100.0%	25	0.2%	3,099	89.7%	10	38.7%	-	
0.25 to < 0.50	506	-	100.0%	506	0.4%	62,178	89.9%	288	57.0%	2	
0.50 to < 0.75	900	-	100.0%	900	0.6%	107,270	90.3%	686	76.2%	5	
0.75 to < 2.50	3,299	-	94.6%	3,300	1.4%	389,852	90.6%	3,364	101.9%	45	
2.50 to < 10.00	1,047	-	57.3%	1,047	4.0%	131,784	89.5%	1,332	127.2%	42	
10.00 to < 100.00	211	-	100.0%	211	47.5%	29,427	87.9%	369	175.3%	98	
100.00 (Default)	380	-	100.0%	380	100.0%	109,784	80.0%	144	37.9%	321	
Total	6,369	3	99.4%	6,370	9.0%	833,546	89.6%	6,193	97.2%	513	(531)

As at 31.12.17	Original on-balance sheet gross exposure £m	Off-balance sheet exposures pre CCF £m	Average CCF %	EAD post CRM and post CCF £m	Average PD %	Number of obligors	Average LGD %	RWA £m	RWA Density %	EL £m	Value Adjustment and Provisions £m
0.00 to < 0.15	3	1	112.9%	5	0.1%	617	61.7%	1	13.3%	-	
0.15 to < 0.25	29	10	117.5%	54	0.2%	2,904	46.1%	11	19.7%	-	
0.25 to < 0.50	425	1	93.7%	427	0.4%	53,787	88.1%	239	56.0%	2	
0.50 to < 0.75	826	-	99.5%	826	0.6%	98,315	88.6%	618	74.9%	5	
0.75 to < 2.50	3,416	1	95.6%	3,419	1.4%	387,593	87.8%	3,403	99.6%	44	
2.50 to < 10.00	1,534	6	57.8%	1,542	4.3%	144,344	76.0%	1,695	109.9%	53	
10.00 to < 100.00	323	-	97.6%	323	37.4%	29,857	73.2%	485	150.3%	102	
100.00 (Default)	355	-	1.0%	353	100.0%	46,560	74.3%	187	52.8%	256	
Total	6,911	19	73.4%	6,949	8.6%	763,977	83.6%	6,639	95.5%	462	(393)

The exposure weighted average risk weight associated with advanced IRB exposures to other retail, primarily comprised of unsecured personal loans, increased by 1.7% to 97.2% primarily due to the regulatory deconsolidation of BAGL.

Table 32: CR1-A – Credit quality of exposures by exposure class and instrument

This table provides a comprehensive picture of the credit quality of the Barclays' on balance sheet and off balance sheet exposures.

	Group As at 30.06.18	Defaulted exposures £m	Non-defaulted exposure £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1	Central governments or central banks	-	55,140	4	-	4	55,136	-
2	Institutions	251	25,493	48	-	46	25,696	-
3	Corporates	2,406	176,126	784	-	40	177,748	23
4	Of which Specialised lending	412	6,760	63	-	47	7,109	-
5	Of which SMEs	834	17,556	239	-	38	18,151	3
6	Retail	4,366	231,932	3,299	-	1,256	232,999	459
7	Secured by real estate property	1,738	149,013	395	-	9	150,356	-
8	SMEs	-	-	-	-	-	-	-
9	Non-SMEs	1,738	149,013	395	-	9	150,356	-
10	Qualifying revolving	1,498	70,381	2,313	-	1,114	69,566	453
11	Other retail	1,130	12,538	591	-	133	13,077	6
12	SMEs	750	6,546	60	-	(36)	7,236	5
13	Non-SMEs	380	5,992	531	-	169	5,841	1
14	Equity	-	-	-	-	-	-	-
15	**Total IRB approach**	7,023	488,691	4,135	-	1,346	491,579	482
16	Central governments or central banks	-	206,401	1	-	-	206,400	-
17	Regional governments or local authorities	26	836	-	-	-	862	-
18	Public sector entities	7	480	5	-	5	482	-
19	Multilateral development banks	-	3,714	-	-	-	3,714	-
20	International organisations	-	622	-	-	-	622	-
21	Institutions	2	5,565	1	-	(3)	5,566	1
22	Corporates	1,595	54,365	340	-	82	55,620	121
23	Of which: SMEs	79	5,578	37	-	30	5,620	-
24	Retail	1,820	99,565	2,882	-	1,128	98,503	373
25	Of which: SMEs	92	3,743	55	-	8	3,780	-
26	Secured by mortgages on immovable property	1,011	13,166	164	-	29	14,013	12
27	Of which: SMEs	-	338	-	-	-	338	-
28	Exposures in default	4,461	-	1,737	-	372	2,724	377
29	Items associated with particularly high risk	-	3,037	-	-	(52)	3,037	-
30	Covered bonds	-	121	-	-	-	121	-
31	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-
32	Collective investments undertakings	-	-	-	-	-	-	-
33	Equity exposures	-	-	-	-	-	-	-
34	Other exposures	-	3,792	-	-	-	3,792	-
35	**Total standardised approach**	4,461	391,664	3,393	-	1,189	392,732	507
36	**Total**	11,484	880,355	7,528	-	2,535	884,311	989
37	Of which: Loans	10,399	317,332	6,675	-	2,637	321,056	989
38	Of which: Debt securities	-	53,063	-	-	-	53,063	-
38a	Of which: Other exposures	21	184,893	4	-	(121)	184,910	-
39	Of which: Off-balance-sheet exposures	1,064	325,067	849	-	19	325,282	-

Table 32: CR1-A – Credit quality of exposures by exposure class and instrument - continued

Group As at 31.12.17		Defaulted exposures £m	Non-defaulted exposure £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1	Central governments or central banks	-	89,273	-	-	-	89,273	-
2	Institutions	244	27,057	2	-	-	27,299	1
3	Corporates	1,987	169,463	773	-	155	170,677	12
4	Of which Specialised lending	344	6,455	17	-	(29)	6,783	-
5	Of which SMEs	601	20,047	218	-	104	20,430	8
6	Retail	4,479	233,328	2,140	-	46	235,667	884
7	Secured by real estate property	1,998	149,114	415	-	39	150,697	25
8	SMEs	-	-	-	-	-	-	-
9	Non-SMEs	1,998	149,114	415	-	39	150,697	25
10	Qualifying revolving	1,438	70,560	1,234	-	30	70,764	604
11	Other retail	1,043	13,654	491	-	(22)	14,206	255
12	SMEs	687	7,080	98	-	(89)	7,669	111
13	Non-SMEs	355	6,574	393	-	67	6,537	144
14	Equity	-	-	-	-	-	-	-
15	Total IRB approach	6,709	519,122	2,916	-	202	522,916	896
16	Central governments or central banks	-	166,932	-	-	-	166,932	-
17	Regional governments or local authorities	-	666	-	-	-	666	-
18	Public sector entities	12	390	4	-	4	398	2
19	Multilateral development banks	-	3,863	-	-	-	3,863	-
20	International organisations	-	981	-	-	-	981	-
21	Institutions	7	5,099	4	-	3	5,102	-
22	Corporates	733	52,663	255	-	(75)	53,141	43
23	Of which: SMEs	122	5,675	14	-	-	5,782	-
24	Retail	1,650	105,938	1,733	-	(203)	105,855	1,282
25	Of which: SMEs	87	3,437	50	-	(45)	3,473	30
26	Secured by mortgages on immovable property	1,332	8,924	182	-	24	10,075	158
27	Of which: SMEs	-	492	-	-	-	492	-
28	Exposures in default	3,738	-	1,371	-	(139)	2,367	715
29	Items associated with particularly high risk	-	1,814	52	-	-	1,762	6
30	Covered bonds	-	-	-	-	-	-	-
31	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-
32	Collective investments undertakings	-	-	-	-	-	-	-
33	Equity exposures	-	38	-	-	-	38	-
34	Other exposures	3	4,282	1	-	1	4,284	-
35	Total standardised approach	3,738	351,590	2,231	-	(247)	353,097	1,552
36	Total	10,447	870,712	5,147	-	(45)	876,012	2,449
37	Of which: Loans	9,678	318,537	2,576	-	(65)	325,644	2,425
38	Of which: Debt securities	-	46,064	-	-	-	46,064	18
38a	Of which: Other exposures	21	188,879	124	-	16	188,776	6
39	Of which: Off-balance-sheet exposures	749	317,232	2,446	-	4	315,529	-

Non-defaulted exposures increased by £9.6bn to £880.3bn primarily driven by an increase in cash at central banks held as part of the Group liquidity pool.

Specific credit risk adjustments and credit risk adjustment charges increased £2.4bn and £2.6bn to £7.5bn and £2.5bn respectively, primarily driven by the implementation of IFRS 9.

Table 32a: CR1-A – Credit quality of exposures by exposure class and instrument for significant subsidiaries

BB PLC As at 30.06.18		Defaulted exposures £m	Non-defaulted exposure £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1	Central governments or central banks	-	54,014	-	-	-	54,014	-
2	Institutions	149	17,036	15	-	14	17,170	-
3	Corporates	1,590	156,860	628	-	57	157,822	23
4	Of which Specialised lending	313	5,436	58	-	46	5,691	-
5	Of which SMEs	271	8,545	162	-	84	8,654	3
6	Retail	788	13,324	559	-	176	13,553	24
7	Secured by real estate property	627	7,910	328	-	41	8,209	-
8	SMEs	-	-	-	-	-	-	-
9	Non-SMEs	627	7,910	328	-	41	8,209	-
10	Qualifying revolving	161	5,414	231	-	136	5,344	20
11	Other retail	-	-	-	-	(1)	-	4
12	SMEs	-	-	-	-	(1)	-	4
13	Non-SMEs	-	-	-	-	-	-	-
14	Equity	-	-	-	-	-	-	-
15	**Total IRB approach**	2,527	241,234	1,202	-	247	242,559	47
16	Central governments or central banks	-	132,160	1	-	-	132,159	-
17	Regional governments or local authorities	26	725	-	-	-	751	-
18	Public sector entities	7	463	5	-	5	465	-
19	Multilateral development banks	-	3,467	-	-	-	3,467	-
20	International organisations	-	522	-	-	-	522	-
21	Institutions	2	63,448	1	-	(2)	63,449	1
22	Corporates	1,290	137,274	290	-	11	138,274	116
23	Of which: SMEs	71	4,512	31	-	24	4,552	-
24	Retail	133	6,186	165	-	22	6,154	10
25	Of which: SMEs	56	3,408	54	-	8	3,410	-
26	Secured by mortgages on immovable property	638	9,725	119	-	25	10,244	9
27	Of which: SMEs	-	255	-	-	-	255	-
28	Exposures in default	2,096	-	315	-	(45)	1,781	14
29	Items associated with particularly high risk	-	5,049	-	-	(51)	5,049	-
30	Covered bonds	-	34	-	-	-	34	-
31	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-
32	Collective investments undertakings	-	-	-	-	-	-	-
33	Equity exposures	-	512	-	-	-	512	-
34	Other exposures	-	1,097	-	-	-	1,097	-
35	**Total standardised approach**	2,096	360,662	581	-	10	362,177	136
36	**Total**	4,623	601,896	1,783	-	257	604,736	183
37	Of which: Loans	3,842	102,563	1,638	-	737	104,767	183
38	Of which: Debt securities	-	48,985	-	-	-	48,985	-
38a	Of which: Other exposures	26	216,471	24	-	(235)	216,473	-
39	Of which: Off-balance-sheet exposures	755	233,877	121	-	(245)	234,511	-

Table 32b: CR1-A – Credit quality of exposures by exposure class and instrument for significant subsidiaries

BBUK PLC As at 30.06.18		Defaulted exposures £m	Non-defaulted exposure £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1	Central governments or central banks	-	885	4	-	4	881	-
2	Institutions	102	6,854	33	-	33	6,923	-
3	Corporates	698	18,690	155	-	26	19,233	-
4	Of which Specialised lending	98	851	4	-	1	945	-
5	Of which SMEs	563	8,840	77	-	(45)	9,326	-
6	Retail	3,559	218,476	2,740	-	1,079	219,295	434
7	Secured by real estate property	1,093	140,971	67	-	(32)	141,997	-
8	SMEs	-	-	-	-	-	-	-
9	Non-SMEs	1,093	140,971	67	-	(32)	141,997	-
10	Qualifying revolving	1,336	64,967	2,082	-	977	64,221	433
11	Other retail	1,130	12,538	591	-	134	13,077	1
12	SMEs	750	6,546	59	-	(35)	7,237	-
13	Non-SMEs	380	5,992	532	-	169	5,840	1
14	Equity	-	-	-	-	-	-	-
15	**Total IRB approach**	4,359	244,905	2,932	-	1,142	246,332	434
16	Central governments or central banks	-	67,371	-	-	-	67,371	-
17	Regional governments or local authorities	-	103	-	-	-	103	-
18	Public sector entities	-	16	-	-	-	16	-
19	Multilateral development banks	-	247	-	-	-	247	-
20	International organisations	-	100	-	-	-	100	-
21	Institutions	-	1,706	-	-	(1)	1,706	-
22	Corporates	16	12,382	6	-	3	12,392	-
23	Of which: SMEs	8	353	4	-	3	357	-
24	Retail	252	6,508	249	-	99	6,511	1
25	Of which: SMEs	36	73	-	-	-	109	-
26	Secured by mortgages on immovable property	238	2,832	34	-	(1)	3,036	3
27	Of which: SMEs	-	83	-	-	-	83	-
28	Exposures in default	506	-	176	-	46	330	1
29	Items associated with particularly high risk	-	184	-	-	-	184	-
30	Covered bonds	-	87	-	-	-	87	-
31	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-
32	Collective investments undertakings	-	-	-	-	-	-	-
33	Equity exposures	-	-	-	-	-	-	-
34	Other exposures	-	1,546	-	-	-	1,546	-
35	**Total standardised approach**	506	93,082	289	-	100	93,299	4
36	**Total**	4,865	337,987	3,221	-	1,242	339,631	438
37	Of which: Loans	4,611	191,226	2,491	-	975	193,346	438
38	Of which: Debt securities	-	4,059	-	-	-	4,059	-
38a	Of which: Other exposures	-	43,639	-	-	-	43,639	-
39	Of which: Off-balance-sheet exposures	254	99,063	730	-	267	98,587	-

Table 33: CR1-B – Credit quality of exposures by industry or counterparty types for Group

This table provides a comprehensive picture of the credit quality of the Barclays' on balance sheet and off balance sheet exposures by industry types.

Group As at 30.06.18	Defaulted exposures £m	Non-defaulted exposures £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1 Agriculture, forestry and fishing	526	4,494	21	-	9	4,999	-
2 Mining and quarrying	303	12,698	114	-	38	12,887	-
3 Manufacturing	320	44,561	69	-	(3)	44,812	3
4 Electricity, gas, steam and air conditioning supply	46	14,619	17	-	10	14,648	-
5 Water supply	5	2,121	2	-	-	2,124	-
6 Construction	144	5,470	37	-	16	5,577	1
7 Wholesale and retail trade	542	19,622	137	-	(1)	20,027	6
9 Transport and storage	59	11,060	55	-	20	11,064	-
10 Accommodation and food service activities	188	4,723	47	-	23	4,864	-
11 Information and communication	16	10,904	13	-	4	10,907	-
12 Real estate activities	794	30,114	117	-	69	30,791	-
13 Professional, scientific and technical activities	327	17,487	124	-	50	17,690	1
14 Administrative and support service activities	-	755	-	-	-	755	-
15 Public administration and defence, compulsory social security	-	264,472	-	-	-	264,472	-
16 Education	39	10,090	23	-	(23)	10,106	-
17 Human health services and social work activities	485	12,167	82	-	59	12,570	-
18 Arts, entertainment and recreation	86	3,835	13	-	6	3,908	-
19 Other services	7,604	411,163	6,657	-	2,258	412,110	978
20 **Total**	11,484	880,355	7,528	-	2,535	884,311	989

Table 33: CR1-B – Credit quality of exposures by industry or counterparty types - continued

Group As at 31.12.17	Defaulted exposures £m	Non-defaulted exposures £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1 Agriculture, forestry and fishing	421	5,081	20	-	36	5,482	3
2 Mining and quarrying	309	12,831	78	-	48	13,062	40
3 Manufacturing	217	41,746	75	-	48	41,888	12
4 Electricity, gas, steam and air conditioning supply	66	14,412	8	-	(4)	14,470	-
5 Water supply	-	1,935	1	-	1	1,934	-
6 Construction	119	5,978	25	-	(8)	6,072	14
7 Wholesale and retail trade	431	19,212	145	-	46	19,498	5
9 Transport and storage	58	11,310	36	-	9	11,332	1
10 Accommodation and food service activities	205	4,583	27	-	(13)	4,761	47
11 Information and communication	22	6,614	9	-	5	6,627	-
12 Real estate activities	831	30,216	51	-	(101)	30,996	29
13 Professional, scientific and technical activities	369	16,872	85	-	(26)	17,156	64
14 Administrative and support service activities	17	1,099	-	-	-	1,116	-
15 Public administration and defence, compulsory social security	-	262,093	-	-		262,093	-
16 Education	23	11,754	45	-	41	11,732	-
17 Human health services and social work activities	427	11,240	24	-	8	11,643	2
18 Arts, entertainment and recreation	51	3,613	7	-	(3)	3,657	-
19 Other services	6,881	410,123	4,512	-	132	412,493	2,266
20 Total	10,447	870,712	5,148	-	(45)	876,012	2,483

Non-defaulted exposures increased by £9.6bn to £880.3bn primarily driven by:

- Information and communication increased £4.3bn due to increases in Barclays International
- Public administration and defence, compulsory social security increased £2.4bn due to increased cash at central banks held as part of the Group liquidity pool

Specific credit risk adjustments and credit risk adjustment charges increased £2.4bn and £2.6bn to £7.5bn and £2.5bn respectively, primarily driven by the implementation of IFRS 9.

Table 33a: CR1-B – Credit quality of exposures by industry or counterparty types for significant subsidiaries

BB PLC As at 30.06.18	Defaulted exposures £m	Non-defaulted exposures £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1 Agriculture, forestry and fishing	7	133	1	-	1	139	-
2 Mining and quarrying	302	12,272	114	-	38	12,460	-
3 Manufacturing	214	43,876	62	-	(3)	44,028	3
4 Electricity, gas, steam and air conditioning supply	37	14,365	16	-	9	14,386	-
5 Water supply	5	2,000	1	-	-	2,004	-
6 Construction	109	4,768	29	-	21	4,848	1
7 Wholesale and retail trade	333	17,354	115	-	4	17,572	1
9 Transport and storage	38	10,515	51	-	20	10,502	-
10 Accommodation and food service activities	59	3,904	39	-	28	3,924	-
11 Information and communication	13	10,600	8	-	-	10,605	-
12 Real estate activities	457	14,370	90	-	59	14,737	-
13 Professional, scientific and technical activities	231	15,923	106	-	48	16,048	1
14 Administrative and support service activities	-	654	-	-	-	654	-
15 Public administration and defence, compulsory social security	-	191,758	-	-	-	191,758	-
16 Education	29	3,269	2	-	2	3,296	-
17 Human health services and social work activities	303	10,970	57	-	40	11,216	-
18 Arts, entertainment and recreation	37	3,477	11	-	8	3,503	-
19 Other services	2,449	241,688	1,081	-	(18)	243,056	177
20 **Total**	4,623	601,896	1,783	-	257	604,736	183

Table 33b: CR1-B – Credit quality of exposures by industry or counterparty types for significant subsidiaries

BBUK PLC As at 30.06.18	Defaulted exposures £m	Non-defaulted exposures £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
1 Agriculture, forestry and fishing	518	4,347	20	-	8	4,845	-
2 Mining and quarrying	-	27	-	-	-	27	-
3 Manufacturing	37	514	4	-	(1)	547	-
4 Electricity, gas, steam and air conditioning supply	8	28	-	-	-	36	-
5 Water supply	-	1	-	-	-	1	-
6 Construction	36	602	8	-	(6)	630	-
7 Wholesale and retail trade	157	1,447	16	-	(7)	1,588	-
9 Transport and storage	20	212	2	-	(1)	230	-
10 Accommodation and food service activities	130	703	8	-	(5)	825	-
11 Information and communication	3	38	-	-	-	41	-
12 Real estate activities	334	15,245	27	-	10	15,552	-
13 Professional, scientific and technical activities	84	957	9	-	(5)	1,032	-
14 Administrative and support service activities	-	101	-	-	-	101	-
15 Public administration and defence, compulsory social security	-	68,266	-	-	-	68,266	-
16 Education	10	6,789	20	-	18	6,779	-
17 Human health services and social work activities	182	1,127	24	-	18	1,285	-
18 Arts, entertainment and recreation	49	337	3	-	(2)	383	-
19 Other services	3,297	237,246	3,080	-	1,215	237,463	438
20 **Total**	4,865	337,987	3,221	-	1,242	339,631	438

Table 34: CR1-C – Credit quality of exposures by geography

This table provides a comprehensive picture of the credit quality of the Barclays' on balance sheet and off balance sheet exposures by geography.

Group	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Credit risk adjustment charges of the period	Net values	Accumulated write-offs
As at 30.06.18	£m	£m	£m	£m	£m	£m	£m
UK	**7,627**	**472,893**	**4,146**	**-**	**1,339**	**476,374**	**609**
Europe	**1,840**	**152,248**	**935**	**-**	**263**	**153,153**	**32**
France	159	12,985	30	-	(3)	13,114	-
Germany	234	69,044	308	-	141	68,970	29
Italy	814	12,751	387	-	40	13,178	-
Switzerland	102	13,543	14	-	10	13,631	-
Asia	**43**	**17,172**	**14**	**-**	**(18)**	**17,201**	**-**
Japan	-	6,573	-	-	(1)	6,573	-
Americas	**1,825**	**230,978**	**2,364**	**-**	**987**	**230,439**	**343**
United States	1,274	219,752	2,327	-	1,016	218,699	343
Africa and Middle East	**149**	**7,064**	**69**	**-**	**(36)**	**7,144**	**5**
Total	**11,484**	**880,355**	**7,528**	**-**	**2,535**	**884,311**	**989**
As at 31.12.17							
UK	6,808	445,888	2,808	-	112	449,888	905
Europe	1,619	138,163	684	-	(204)	139,098	182
France	189	26,543	33	-	(2)	26,699	-
Germany	203	48,042	167	-	9	48,078	101
Italy	825	12,179	358	-	(182)	12,646	8
Luxembourg	53	6,214	19	-	4	6,247	7
Switzerland	102	18,350	4	-	(4)	18,448	-
Asia	31	16,813	32	-	(69)	16,812	14
Japan	-	6,413	1	-	-	6,412	-
Americas	1,442	254,455	1,377	-	61	254,520	1,305
United States	1,213	243,004	1,310	-	54	242,906	1,298
Africa and Middle East	547	15,393	247	-	55	15,694	77
South Africa	367	9,146	138	-	9	9,374	65
Total	10,447	870,712	5,148	-	(45)	876,012	2,483

Non-defaulted exposures increased by £9.6bn to £880.3bn primarily driven by:

- United Kingdom and Europe increased £27.0bn and £14.1bn, partially offset by £23.5bn reductions in exposures in Americas, primarily reflecting changes in the Group liquidity pool composition.
- Africa and Middle East decreased £8.3bn primarily reflecting the regulatory deconsolidation of BAGL

Specific credit risk adjustments and credit risk adjustment charges increased £2.4bn and £2.6bn to £7.5bn and £2.5bn respectively, primarily driven by the implementation of IFRS 9.

Table 34a: CR1-C – Credit quality of exposures by geography for significant subsidiaries

BB PLC As at 30.06.18	Defaulted exposures £m	Non-defaulted exposures £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges in the period £m	Net values £m	Accumulated write-offs £m
UK	**2,385**	**227,695**	**749**	**-**	**46**	**229,331**	**149**
Europe	**1,411**	**141,304**	**819**	**-**	**219**	**141,896**	**31**
France	92	13,088	27	-	(3)	13,153	-
Germany	233	53,160	308	-	141	53,085	29
Ireland	71	8,616	28	-	21	8,659	-
Italy	769	12,979	387	-	40	13,361	-
Luxembourg	42	15,939	23	-	3	15,958	-
Netherlands	86	6,680	9	-	7	6,757	-
Switzerland	22	13,185	1	-	1	13,206	-
Asia	**41**	**23,252**	**13**	**-**	**(18)**	**23,280**	**-**
Japan	-	10,936	-	-	(1)	10,936	-
Americas	**643**	**204,011**	**134**	**-**	**42**	**204,520**	**3**
United States	141	151,375	106	-	79	151,410	3
Africa and Middle East	**143**	**5,634**	**68**	**-**	**(32)**	**5,709**	**-**
Total	**4,623**	**601,896**	**1,783**	**-**	**257**	**604,736**	**183**

Table 34b: CR1-C – Credit quality of exposures by geography for significant subsidiaries

BBUK PLC As at 30.06.18	Defaulted exposures £m	Non-defaulted exposures £m	Specific credit risk adjustment £m	General credit risk adjustment £m	Credit risk adjustment charges of the period £m	Net values £m	Accumulated write-offs £m
UK	**4,799**	**317,984**	**3,186**	**-**	**1,211**	**319,597**	**438**
Europe	**42**	**16,976**	**26**	**-**	**25**	**16,992**	**-**
Germany	1	15,575	-	-	-	15,576	-
Asia	**-**	**77**	**-**	**-**	**-**	**77**	**-**
Americas	**18**	**2,857**	**8**	**-**	**6**	**2,867**	**-**
United States	-	2,710	-	-	-	2,710	-
Africa and Middle East	**6**	**93**	**1**	**-**	**-**	**98**	**-**
Total	**4,865**	**337,987**	**3,221**	**-**	**1,242**	**339,631**	**438**

Table 35: CR1-D – Ageing of past-due exposures

This table provides the ageing analysis of accounting on-balance sheet past due exposures regardless of their impairment status.

		Gross carrying values					
		≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	>180 days ≤ 1 year	> 1 year
As at 30.06.18		£m	£m	£m	£m	£m	£m
1	Loans	**10,812**	**1,702**	**1,699**	**1,728**	**2,521**	**1,664**
2	Debt Securities	-	-	-	-	-	-
3	**Total Exposures**	**10,812**	**1,702**	**1,699**	**1,728**	**2,521**	**1,664**
As at 31.12.17							
1	Loans	11,365	1,171	661	1,114	2,183	1,557
2	Debt Securities	-	-	-	-	-	11
3	Total Exposures	11,365	1,171	661	1,114	2,183	1,568

The carrying value of past due exposure increased by £2.1bn to £20.1bn, driven by various movements across the businesses.

Table 36: CR1-E – Non-performing and forborne exposures

This table provides an overview of non-performing and forborne exposures.

		Gross carrying amount of performing and non-performing exposures							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
			Of which performing but past due > 30 days and <= 90 days	Of which performing forborne	Of which non-performing				On performing exposures		On non-performing exposures			
					Total	Of which defaulted	Of which impaired	Of which forborne	Total	Of which forborne	Total	Of which forborne	On non-performing exposures	Of which forborne exposures
As at 30.06.18		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
010	Debt securities	**68,110**	-	-	-	-	-	-	**6**	-	-	-	-	-
020	Loans and advances	**709,844**	**2,480**	**1,642**	**9,246**	**8,746**	**8,529**	**2,417**	**3,421**	**182**	**3,579**	**563**	**3,596**	**1,556**
030	Off-balance-sheet exposures	**323,106**	-	**493**	**729**	**35**	-	**77**	**259**	-	**30**	-	**17**	**38**
As at 31.12.17														
010	Debt securities	58,313	-	-	17	11	15	-	-	-	11	-	-	-
020	Loans and advances	691,030	1,750	2,357	6,258	5,192	5,946	1,780	1,690	254	3,021	548	2,076	1,952
030	Off-balance-sheet exposures	309,303	-	518	1,531	1,531	-	14	54	-	25	-	8	35

Table 37: CR2-B - Changes in the stock of defaulted and impaired loans and debt securities

This table provides an overview of the Barclays stock of defaulted and impaired loans and debt securities.

		Gross carrying value defaulted exposures[1] £m
1	**As at 01.01.18[2]**	**9,231**
2	Loans and debt securities that have defaulted or impaired since the last reporting period	2,190
3	Returned to non-defaulted status	(442)
4	Amounts written off	(989)
5	Other changes	(1,244)
6	**As at 30.06.18**	**8,746**

1 *Defaulted exposures are defined as all stage 3 impaired gross loans and debt securities under IFRS9 and any stage 1 and stage 2 gross loans and debt securities under IFRS9 more than 90 days past due.*

2 *The opening balance as at 01.01.18 reflects the alignment of the definition of loans and debt securities in default to that used for IFRS 9 reporting purposes.*

Other changes include repayments and disposals and other adjustments, partly offset by a net increase in the gross exposure in default on loans and debt securities existing at the start of the period.

Table 38: CR2-A – Changes in the stock of general and specific credit risk adjustments

This table shows the movement in the impairment allowance and provisions during the period. Please refer to pages 132 to 136 of the Barclays PLC Pillar 3 Report 2017 and Note 7 of the 2017 Annual Report for further information on impairment.

		Group	
		Accumulated specific credit risk adjustment £m	Accumulated general credit risk adjustment £m
1	**As at 01.01.2018[1]**	**7,640**	**-**
2	Increases due to amounts set aside for estimated loan losses during the period[2]	684	-
3	Decreases due to amounts reversed for estimated loan losses during the period[3]	(989)	-
4	Decreases due to amounts taken against accumulated credit risk adjustments	-	-
5	Transfers between credit risk adjustments	-	-
6	Impact of exchange rate differences	44	-
7	Business combinations, including acquisitions and disposals of subsidiaries	-	-
8	Other adjustments	(83)	-
9	**As at 30.06.18**	**7,296**	**-**
10	Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	(68)	-
11	Specific credit risk adjustments directly recorded to the statement of profit or loss	-	-

1 *Impairments are calculated on a regulatory consolidation basis and the opening balance reflects the impact of the adoption of IFRS9 from 01.01.18*

2 *Increases due to amounts set aside for estimated loan losses during the period includes the net impact of changes made to parameters (such as probability of default, exposure at default and loss given default), changes in macro economic variables, new assets originated, repayments and drawdowns*

3 *Decreases due to amounts reversed for estimated loan losses during the period includes amounts written off of £1bn*

Counterparty credit risk RWAs

Counterparty credit risk (CCR) is the risk related to a counterparty defaulting before the final settlement of a transaction's cash flows. Barclays calculate CCR using three methods: Internal model method (IMM), Financial collateral comprehensive method (FCCM), and Mark to market method (MTM).

Table 39: Risk weighted assets of counterparty credit risk exposures by business units

This table summarises risk weighted assets by business and exposure class for counterparty credit risk.
The disclosure below excludes CVA which is shown separately on table 50.

Risk weighted assets credit exposure class					
As at 30.06.18	Barclays UK £m	Barclays International £m	Head Office £m	Total £m	Capital requirements £m
Credit risk					
Standardised approach					
Central governments or central banks	-	25	-	25	2
Regional governments or local authorities	-	2	-	2	-
Public sector entities	-	92	-	92	8
Multilateral development banks	-	1	-	1	-
International organisations	-	-	-	-	-
Institutions	6	40	4	50	4
Corporates	46	14,466	-	14,512	1,161
Retail	-	-	-	-	-
Secured by mortgages	-	-	-	-	-
Exposures in default	-	-	-	-	-
Items associated with high risks	-	-	-	-	-
Covered bonds	-	-	-	-	-
Securitisation positions	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-
Equity positions	-	-	-	-	-
Other items	-	-	-	-	-
Total standardised approach credit risk exposure	52	14,626	4	14,682	1,175
Advanced IRB approach					
Central governments or central banks	-	885	-	885	71
Institutions	-	5,745	4	5,749	460
Corporates	-	9,602	217	9,819	786
Retail	-	-	-	-	-
- Small and medium-sized enterprises (SMEs)	-	-	-	-	-
- Secured by real estate collateral	-	-	-	-	-
- Qualifying revolving retail	-	-	-	-	-
- Other retail	-	-	-	-	-
Equity	-	-	-	-	-
Securitisation positions	-	122	-	122	10
Non-credit obligation assets	-	-	-	-	-
Total advanced IRB credit risk exposure	-	16,354	221	16,575	1,327
Default fund contributions	174	928	-	1,102	88
Total counterparty credit risk weighted assets	226	31,908	225	32,359	2,590

Table 39: Risk weighted assets of counterparty credit risk exposures by business units - continued

Risk weighted assets credit exposure class As at 31.12.17	Barclays UK £m	Barclays International £m	Head Office £m	Total £m	Capital requirements £m
Credit risk					
Standardised approach					
Central governments or central banks	-	3	-	3	-
Regional governments or local authorities	-	1	-	1	-
Public sector entities	-	99	-	99	8
Multilateral development banks	-	-	-	-	-
International organisations	-	-	-	-	-
Institutions	-	53	4	57	5
Corporates	-	13,620	10	13,630	1,090
Retail	-	-	-	-	-
Secured by mortgages	-	-	-	-	-
Exposures in default	-	1	-	1	-
Items associated with high risks	-	2,114	-	2,114	169
Covered bonds	-	-	-	-	-
Securitisation positions	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-
Equity positions	-	-	-	-	-
Other items	-	-	-	-	-
Total standardised approach credit risk exposure	-	15,891	14	15,905	1,272
Advanced IRB approach					
Central governments or central banks	-	1,299	-	1,299	104
Institutions	-	5,548	283	5,831	466
Corporates	-	10,296	350	10,646	852
Retail	-	-	-	-	-
- Small and medium-sized enterprises (SMEs)	-	-	-	-	-
- Secured by real estate collateral	-	-	-	-	-
- Qualifying revolving retail	-	-	-	-	-
- Other retail	-	-	-	-	-
Equity	-	-	-	-	-
Securitisation positions	-	100	-	100	8
Non-credit obligation assets	-	-	-	-	-
Total advanced IRB credit risk exposure	-	17,243	633	17,876	1,430
Default fund contributions	-	1,210	51	1,261	101
Total counterparty credit risk weighted assets	-	34,344	698	35,042	2,803

Counterparty credit risk weighted assets decreased by £2.7bn to £32.4bn:

- Barclays International decreased £2.4bn to £31.9bn primarily driven by improved netting of SFT population and a change in exposure classification based on recent EBA guidance

Table 39a: Risk weighted assets of counterparty credit risk exposures by significant subsidiaries

	BB PLC		BBUK PLC	
	RWA	Capital requirements	RWA	Capital requirements
As at 30.06.18	£m	£m	£m	£m
Standardised approach				
Central governments or central banks	21	2	-	-
Regional governments or local authorities	2	-	-	-
Public sector entities	91	7	-	-
Multilateral development banks	1	-	-	-
International organisations	-	-	-	-
Institutions	1,680	134	6	-
Corporates	10,325	826	317	25
Retail	-	-	-	-
Secured by mortgages	-	-	-	-
Exposures in default	-	-	-	-
Items associated with high risk	-	-	-	-
Covered bonds	-	-	-	-
Securitisation positions	-	-	-	-
Collective investment undertakings	-	-	-	-
Equity positions	-	-	-	-
Other items	-	-	-	-
Total standardised Approach Credit Risk Exposure	12,120	969	323	25
Advanced IRB approach				
Central governments or central banks	764	61	-	-
Institutions	5,059	405	-	-
Corporates	8,618	689	-	-
Retail	-	-	-	-
- Small and medium enterprises (SME)	-	-	-	-
- Secured by real estate collateral	-	-	-	-
- Qualifying revolving retail	-	-	-	-
- Other retail	-	-	-	-
Equity	-	-	-	-
Securitisation positions	122	10	-	-
Non-credit obligation assets	-	-	-	-
Total advanced IRB Credit Risk Exposure	14,563	1,165	-	-
Default fund contributions	589	47	174	14
Total Counterparty Credit Risk	27,272	2,181	497	39

Table 40: CCR1 – Analysis of CCR exposure by approach

This table provides the comprehensive view of the methods used by Barclays to calculate CCR regulatory requirements and the main parameters used within each method. This table excludes exposures to central counterparties (CCPs) that are shown in table 49

As at 30.06.18	Notional £m	Replacement cost/current market value £m	Potential future credit exposure £m	EEPE £m	Multiplier £m	EAD post CRM £m	RWAs £m
1 Mark to market		2,296	10,183			6,465	1,844
2 Original exposure	-					-	-
3 Standardised approach		-				-	-
4 IMM (for derivatives and SFTs)				60,459	1.4	84,641	20,741
5 Of which securities financing transactions				21,731	1.4	30,423	4,428
6 Of which derivatives and long settlement transactions				38,728	1.4	54,219	16,313
7 Of which from contractual cross-product netting				-		-	-
8 Financial collateral simple method (for SFTs)						-	-
9 Financial collateral comprehensive method (for SFTs)						17,847	8,672
10 VaR for SFTs						-	-
11 **Total**							**31,257**

As at 31.12.17	Notional £m	Replacement cost/current market value £m	Potential future credit exposure £m	EEPE £m	Multiplier £m	EAD post CRM £m	RWAs £m
1 Mark to market		3,328	9,186			6,567	2,613
2 Original exposure	-					-	-
3 Standardised approach		-				-	-
4 IMM (for derivatives and SFTs)				59,853	1.4	83,794	21,400
5 Of which securities financing transactions				22,819	1.4	31,947	5,180
6 Of which derivatives and long settlement transactions				37,034	1.4	51,848	16,220
7 Of which from contractual cross-product netting				-		-	-
8 Financial collateral simple method (for SFTs)						-	-
9 Financial collateral comprehensive method (for SFTs)						17,153	9,768
10 VaR for SFTs						-	-
11 Total							33,781

Counterparty credit risk weighted assets decreased by £2.5bn to £31.3bn this was driven by:

- MTM RWAs decreased by £0.8bn to £1.8bn primarily driven by reduction in trading activity
- IMM – SFTs RWAs decreased by £0.8bn to £4.4bn primarily driven by improved netting due to a change in the portfolio composition
- FCCM – SFTs RWAs decreased by £1.1bn to £8.7bn primarily driven by a change in exposure classification based on recent EBA guidance

Table 41: CCR3 - Counterparty credit risk exposures by exposure classes and risk weight under standardised approach

This table shows exposure at default, broken down by exposure class and risk weight. This table includes exposures subject to the standardised approach only.

Exposures by regulatory portfolio and risk

As at 30.06.18		0% £m	2% £m	4% £m	10% £m	20% £m	35% £m	50% £m	70% £m	75% £m	100% £m	150% £m	Total £m	of which: Unrated £m
1	Central governments or central banks	4,603	-	-	-	-	-	7	-	-	21	-	4,631	75
2	Regional governments or local authorities	245	-	-	-	4	-	-	-	-	1	-	250	250
3	Public sector entities	327	198	-	-	428	-	-	-	-	2	-	955	955
4	Multilateral development banks	665	-	-	-	-	-	1	-	-	-	-	666	665
5	International Organisations	111	-	-	-	-	-	-	-	-	-	-	111	111
6	Institutions	-	-	-	-	67	-	28	-	-	16	4	115	55
7	Corporates	-	15,307	-	-	89	-	49	-	-	14,147	17	29,609	28,049
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-
10a	Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
10b	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-
10c	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-
10d	Covered Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
10e	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-
10f	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-
10g	Other items	-	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total**	5,951	15,505	-	-	588	-	85	-	-	14,187	21	36,337	30,160

Table 41: CCR3 - Counterparty credit risk exposures by exposure classes and risk weight under standardised approach - continued

Exposures by regulatory portfolio and risk

	As at 31.12.17	0% £m	2% £m	4% £m	10% £m	20% £m	35% £m	50% £m	70% £m	75% £m	100% £m	150% £m	Others £m	Deducted £m	Total £m	of which: Unrated £m
1	Central governments or central banks	4,594	-	-	-	-	-	2	-	-	1	-	-	-	4,597	1,392
2	Regional governments or local authorities	198	-	-	-	5	-	-	-	-	-	-	-	-	203	203
3	Public sector entities	362	56	-	-	444	-	-	-	-	7	-	-	-	869	869
4	Multilateral development banks	362	-	-	-	-	-	-	-	-	-	-	-	-	362	362
5	International Organisations	42	-	-	-	-	-	-	-	-	-	-	-	-	42	42
6	Institutions	-	-	-	-	93	-	1	-	-	31	-	-	-	125	85
7	Corporates	-	15,045	-	-	48	-	12	-	-	13,362	5	-	-	28,472	25,883
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10a	Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10b	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10c	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,453	-	-	1,453	1,453
10d	Covered Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10e	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10f	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10g	Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Total	5,558	15,101	-	-	590	-	15	-	-	13,401	1,458	-	-	36,123	30,288

Standardised counterparty credit risk exposures remained broadly stable at £36.3bn (December 2017: £36.1bn); the significant movements for the period were:

- 100% risk weighted exposures to Corporates increased by £0.8bn to £14.2bn primarily driven by a transfer of certain exposures from 'Items associated with particularly high risk' to 'Corporates' due to a change in exposure classification based on recent EBA guidance
- 150% risk weighted exposures to Items associated with particularly high risk decreased by £1.5bn primarily driven by a transfer to Corporates due to a change in exposure classification based on recent EBA guidance
- Unrated risk weighted exposures remained broadly stable at £30.2bn (December 2017: £30.3bn) as an increase in Corporates exposure to unrated CCPs moving from rated CCPs was partially offset by a decrease in Central governments or central banks exposures to unrated sovereigns

IRB obligor grade disclosure

The following tables show counterparty credit risk exposure at default post-CRM for the advanced IRB approach for portfolios within both the trading and banking books. Separate tables are provided for the following exposure classes: central governments and central banks (Table 42), institutions (Table 43), corporates (Table 44) and corporates subject to slotting (Table 45).

Table 42: CCR4 - Counterparty credit risk exposures by portfolio and PD range for central governments and central banks

	EAD post CRM	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	Expected Loss	Value Adjustment and Provisions
As at 30.06.18	£m	%		%		£m	%	£m	£m
0.00 to < 0.15	**7,074**	**0.0%**	**57**	**58.8%**	**-**	**713**	**10.1%**	**2**	**-**
0.15 to < 0.25	**37**	**0.2%**	**2**	**47.3%**	**-**	**8**	**22.7%**	**-**	**-**
0.25 to < 0.50	**61**	**0.3%**	**13**	**50.9%**	**1**	**31**	**50.6%**	**-**	**-**
0.50 to < 0.75	**4**	**0.7%**	**2**	**58.0%**	**5**	**7**	**160.5%**	**-**	**-**
0.75 to < 2.50	**9**	**1.9%**	**1**	**45.0%**	**-**	**8**	**89.6%**	**-**	**-**
2.50 to < 10.00	**46**	**9.0%**	**3**	**63.0%**	**1**	**118**	**259.4%**	**3**	**-**
10.00 to < 100.00	**-**	**0.0%**	**-**	**0.0%**	**-**	**-**	**-**	**-**	**-**
100.00 (Default)	**-**	**0.0%**	**-**	**0.0%**	**-**	**-**	**-**	**-**	**-**
Total	**7,231**	**0.1%**	**78**	**58.7%**	**-**	**885**	**12.2%**	**5**	**-**
As at 31.12.17									
0.00 to < 0.15	8,201	0.1%	60	62.6%	-	1,100	13.4%	3	-
0.15 to < 0.25	16	0.2%	3	48.0%	-	3	20.7%	-	-
0.25 to < 0.50	128	0.3%	11	52.9%	1	68	52.9%	-	-
0.50 to < 0.75	-	0.6%	2	45.0%	1	-	61.2%	-	-
0.75 to < 2.50	7	0.8%	3	58.1%	5	11	161.8%	-	-
2.50 to < 10.00	45	8.8%	4	63.0%	1	117	257.2%	3	-
10.00 to < 100.00	-	0.0%	-	0.0%	-	-	-	-	-
100.00 (Default)	-	0.0%	-	0.0%	-	-	-	-	-
Total	8,397	0.1%	83	62.4%	1	1,299	15.5%	6	-

The exposure weighted average risk weight associated with advanced IRB exposures to central governments and central banks decreased by 3.3% to 12.2%, this was primarily driven by a decrease in SFT exposures. The reduction in the number of obligors is primarily driven by the regulatory deconsolidation of BAGL.

Table 43: CCR4 - Counterparty credit risk exposures by portfolio and PD range for institutions

As at 30.06.18	EAD post CRM £m	Average PD %	Number of obligors	Average LGD %	Average Maturity	RWA £m	RWA Density %	Expected Loss £m	Value Adjustment and Provisions £m
0.00 to < 0.15	19,172	0.1%	647	46.5%	2	3,995	20.8%	6	-
0.15 to < 0.25	2,256	0.2%	159	45.5%	2	1,086	48.2%	2	-
0.25 to < 0.50	522	0.3%	120	49.2%	2	303	58.1%	1	-
0.50 to < 0.75	103	0.6%	37	45.6%	1	69	67.6%	-	-
0.75 to < 2.50	219	1.3%	100	46.3%	1	197	89.9%	2	-
2.50 to < 10.00	79	4.6%	85	47.5%	1	89	112.6%	1	-
10.00 to < 100.00	10	16.7%	10	25.1%	1	10	105.5%	-	-
100.00 (Default)	-	0.0%	-	0.0%	-	-	-	-	-
Total	22,361	0.1%	1,158	46.5%	2	5,749	25.7%	12	-
As at 31.12.17									
0.00 to < 0.15	18,497	0.1%	726	46.3%	2	4,283	23.2%	5	-
0.15 to < 0.25	1,076	0.2%	158	45.1%	2	511	47.5%	1	-
0.25 to < 0.50	493	0.4%	135	50.7%	1	299	60.7%	1	-
0.50 to < 0.75	166	0.6%	42	46.0%	1	100	60.9%	-	-
0.75 to < 2.50	419	1.6%	105	48.3%	1	435	103.9%	4	-
2.50 to < 10.00	90	3.8%	91	48.5%	1	113	124.6%	1	-
10.00 to < 100.00	45	15.0%	17	43.3%	1	90	198.3%	3	-
100.00 (Default)	-	0.0%	-	0.0%	-	-	-	-	-
Total	20,786	0.2%	1,274	46.4%	2	5,831	28.1%	15	-

The exposure weighted average risk weight associated with advanced IRB exposures to institutions decreased by 2.4% to 25.7%. This was primarily driven by increase in exposures in high quality default grades. The reduction in the number of obligors is primarily driven by the regulatory deconsolidation of BAGL.

Table 44: CCR4 - Counterparty credit risk exposures by portfolio and PD range for corporates

As at 30.06.18	EAD post CRM £m	Average PD %	Number of obligors	Average LGD %	Average Maturity	RWA £m	RWA Density %	Expected Loss £m	Value Adjustment and Provisions £m
0.00 to < 0.15	**35,257**	**0.0%**	**5,880**	**45.2%**	**2**	**5,960**	**16.9%**	**8**	**-**
0.15 to < 0.25	**2,468**	**0.2%**	**739**	**43.9%**	**2**	**1,009**	**40.9%**	**2**	**-**
0.25 to < 0.50	**986**	**0.4%**	**410**	**46.3%**	**3**	**649**	**65.8%**	**2**	**-**
0.50 to < 0.75	**288**	**0.6%**	**113**	**27.1%**	**4**	**148**	**51.4%**	**1**	**-**
0.75 to < 2.50	**1,011**	**1.3%**	**261**	**38.2%**	**3**	**835**	**82.6%**	**4**	**-**
2.50 to < 10.00	**731**	**4.6%**	**176**	**33.0%**	**3**	**714**	**97.7%**	**10**	**-**
10.00 to < 100.00	**72**	**12.5%**	**26**	**31.1%**	**3**	**79**	**109.6%**	**2**	**-**
100.00 (Default)	**19**	**100.0%**	**42**	**39.3%**	**2**	**20**	**106.8%**	**-**	**-**
Total	**40,832**	**0.3%**	**7,647**	**44.6%**	**2**	**9,414**	**23.1%**	**29**	**-**
As at 31.12.17									
0.00 to < 0.15	34,917	0.1%	5,737	45.0%	1	5,832	16.7%	8	-
0.15 to < 0.25	3,239	0.2%	941	43.9%	2	1,324	40.9%	2	-
0.25 to < 0.50	1,086	0.4%	587	49.1%	3	824	75.9%	2	-
0.50 to < 0.75	344	0.6%	167	40.1%	3	231	67.2%	1	-
0.75 to < 2.50	940	1.6%	743	41.7%	3	941	100.0%	5	-
2.50 to < 10.00	850	4.7%	310	37.7%	3	990	116.5%	13	-
10.00 to < 100.00	71	15.5%	70	36.1%	3	95	133.8%	2	-
100.00 (Default)	6	100.0%	35	43.4%	2	13	213.3%	-	-
Total	41,453	0.2%	8,590	44.8%	2	10,250	24.7%	33	-

The exposure weighted average risk weight associated with advanced IRB exposures to corporates remained broadly stable at 23.1%. The reduction in the number of obligors is primarily driven by the regulatory deconsolidation of BAGL.

Table 45: CCR10 - Counterparty Credit risk – Corporate exposures subject to specialised lending IRB

Group

Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
As at 30.06.18		£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years			50%	20	10	-
	Equal to or more than 2.5 years			70%	398	279	2
Category 2	Less than 2.5 years			70%	134	94	1
	Equal to or more than 2.5 years			90%	17	15	-
Category 3	Less than 2.5 years			115%	3	3	-
	Equal to or more than 2.5 years			115%	4	4	-
Category 4	Less than 2.5 years			250%	-	-	-
	Equal to or more than 2.5 years			250%	-	-	-
Category 5	Less than 2.5 years			0%	2	-	1
	Equal to or more than 2.5 years			0%	-	-	-
Total	**Less than 2.5 years**			-	159	107	2
	Equal to or more than 2.5 years			-	419	298	2

Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
As at 31.12.17							
Category 1	Less than 2.5 years	-	-	50%	34	17	-
	Equal to or more than 2.5 years	-	-	70%	443	310	2
Category 2	Less than 2.5 years	-	-	70%	47	33	-
	Equal to or more than 2.5 years	-	-	90%	30	27	-
Category 3	Less than 2.5 years	-	-	115%	4	4	-
	Equal to or more than 2.5 years	-	-	115%	4	5	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	0%	4	-	2
	Equal to or more than 2.5 years	-	-	0%	-	-	-
Total	Less than 2.5 years	-	-	-	89	54	2
	Equal to or more than 2.5 years	-	-	-	477	342	2

The overall exposures related to specialised lending IRB remained broadly stable at £0.6bn.

Table 45a: CCR10 - Counterparty Credit risk - Corporate exposures subject to specialised lending IRB for significant subsidiaries[1]

BB PLC

Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
As at 30.06.18		£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years			50%	20	10	-
	Equal to or more than 2.5 years			70%	398	279	2
Category 2	Less than 2.5 years			70%	130	91	-
	Equal to or more than 2.5 years			90%	17	15	-
Category 3	Less than 2.5 years			115%	3	3	-
	Equal to or more than 2.5 years			115%	4	4	-
Category 4	Less than 2.5 years			250%	-	-	-
	Equal to or more than 2.5 years			250%	-	-	-
Category 5	Less than 2.5 years			0%	2	-	1
	Equal to or more than 2.5 years			0%	-	-	-
Total	Less than 2.5 years			-	155	104	1
	Equal to or more than 2.5 years			-	419	298	2

1 *BBUK PLC does not have counterparty credit risk exposures subject to specialised lending.*

Table 46: CCR5-A - Impact of netting and collateral held on exposure values

This table shows the impact on exposure from netting and collateral held for derivatives and SFTs.

		Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
As at 30.06.18		£m	£m	£m	£m	£m
1	Derivatives	**374,017**	**315,782**	**58,235**	**81,762**	**23,132**
2	SFTs	**1,005,077**	**983,741**	**21,336**	**1,213**	**21,336**
3	Cross-product netting	-	-	-	-	-
4	**Total**	**1,379,094**	**1,299,523**	**79,571**	**82,975**	**44,468**
As at 31.12.17						
1	Derivatives	350,891	294,500	56,391	72,788	23,230
2	SFTs	1,079,108	1,057,971	21,137	1,083	20,876
3	Cross-product netting	-	-	-	-	-
4	Total	1,429,999	1,352,471	77,528	73,871	44,106

Netted current credit exposure increased by £2.0bn to £79.6bn primarily due to increased trading activity for derivatives. Further detail relating to collateral can be found in table 47.

Table 47: CCR5-B - Composition of collateral for exposures to CCR

This table shows the types of collateral posted or received to support or reduce CCR exposures relating to derivative transactions or SFTs, including transactions cleared through a CCP.

	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
As at 30.06.18	£m	£m	£m	£m	£m	£m
Cash	-	**63,516**	-	**53,856**	**1,213**	**1,632**
Debt	**8,064**	**8,513**	**3,820**	**7,747**	-	-
Equity	**663**	**22**	-	-	-	-
Others	-	**984**	-	-	-	-
Total	**8,727**	**73,035**	**3,820**	**61,603**	**1,213**	**1,632**
As at 31.12.17						
Cash	-	56,777	-	53,808	822	1,677
Debt	7,022	7,575	3,068	7,470	261	261
Equity	420	17	-	-	-	-
Others	-	977	-	-	-	-
Total	7,442	65,346	3,068	61,278	1,083	1,938

Unsegregated derivative collateral received increased by £7.7bn to £73.0bn primarily due to increased trading activity.

Table 48: CCR6 - Credit derivatives exposures

This table provides a breakdown of the Barclays' exposures to credit derivative products.

	Credit derivative hedges		Other credit derivatives
	Protection bought	Protection sold	
As at 30.06.18	£m	£m	£m
Notionals			
Single-name credit default swaps	**296**	**42**	**348,916**
Index credit default swaps	**-**	**-**	**267,041**
Total return swaps	**-**	**-**	**7,447**
Credit options	**-**	**-**	**62,947**
Other credit derivatives	**-**	**-**	**156**
Total notionals	**296**	**42**	**686,507**
Fair values	**(8)**	**1**	**852**
Positive fair value (asset)	**1**	**1**	**10,023**
Negative fair value (liability)	**(9)**	**-**	**(9,171)**
As at 31.12.17			
Notionals			
Single-name credit default swaps	475	40	359,474
Index credit default swaps	-	-	250,237
Total return swaps	60	65	7,277
Credit options	-	-	42,833
Other credit derivatives	-	-	844
Total notionals	535	105	660,665
Fair values	(13)	-	994
Positive fair value (asset)	-	5	11,853
Negative fair value (liability)	(25)	-	(10,859)

Other credit derivatives notionals increased by £25.8bn to £686.5bn primarily driven by increased index credit derivative trading activity.

Table 49: CCR8 - Exposures to CCPs

This table provides a breakdown of the Barclays' exposures and RWAs to central counterparties (CCPs).

		As at 30.06.18		As at 31.12.17	
		EAD post CRM £m	RWAs £m	EAD post CRM £m	RWAs £m
1	**Exposures to QCCPs (Total)**		1,412		1,563
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	6,640	133	4,896	98
3	(i) OTC derivatives	3,101	62	1,691	34
4	(ii) Exchange-traded derivatives	2,103	42	1,656	33
5	(iii) SFTs	1,436	29	1,549	31
6	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
7	Segregated initial margin	-		-	
8	Non-segregated initial margin	8,865	177	10,205	204
9	Prefunded default fund contributions	2,172	1,102	1,960	1,261
10	Alternative calculation of own funds requirements for exposures		-		-
11	**Exposures to non-QCCPs (total)**				-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
13	(i) OTC derivatives	-	-	-	-
14	(ii) Exchange-traded derivatives	-	-	-	-
15	(iii) SFTs	-	-	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
17	Segregated initial margin	-		-	
18	Non-segregated initial margin	-	-	-	-
19	Prefunded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

All exposures to CCPs are currently treated as exposures to qualifying CCPs until 15 December 2018, in line with the EBA 'extension of the transitional period related to own fund requirements for exposures to central counterparties (No 2018/815)'.

The information disclosed in this table is consistent with the 2% risk weight column in Table 41, except for prefunded default fund contributions which are shown in Table 39. CCP RWAs remained broadly stable at £1.4bn.

Credit value adjustments

The Credit Value Adjustment (CVA) measures the risk from MTM losses due to deterioration in the credit quality of a counterparty to over-the counter derivative transactions with Barclays. It is a complement to the counterparty credit risk charge, that accounts for the risk of outright default of a counterparty.

Table 50: CCR2 - Credit valuation adjustment (CVA) capital charge

Two methods can be used to calculate the adjustment:

- Standardised method: this method takes account of the external credit rating of each counterparty, and incorporates the effective maturity and EAD from the calculation of CCR
- Advanced method: this method requires the calculation of the charge as a) a 10-day 99% Value at Risk (VaR) measure for the current one-year period and b) the same measure for a stressed period. The sum of the two VaR measures is tripled to yield the capital charge.

Credit valuation adjustment (CVA) capital charge		Exposure value	RWA
As at 30.06.18		£m	£m
1	Total portfolios subject to the advanced method	**18,721**	**2,836**
2	(i) VaR component (including the 3x multiplier)	**-**	**435**
3	(ii) Stressed VaR component (including 3x multiplier)	**-**	**2,401**
4	All portfolios subject to the standardised method	**194**	**140**
5	**Total subject to the CVA capital charge**	**18,915**	**2,976**
As at 31.12.17			
1	Total portfolios subject to the advanced method	16,241	2,631
2	(i) VaR component (including the 3x multiplier)	-	471
3	(ii) Stressed VaR component (including 3x multiplier)	-	2,160
4	All portfolios subject to the standardised method	674	370
5	Total subject to the CVA capital charge	16,915	3,001

CVA RWAs remained broadly stable at £3.0bn.

Review of regulatory measures

The following disclosures provide details on regulatory measures of market risk. See pages 154 to 155 of the Barclays PLC Pillar 3 Report 2017 for more detail on regulatory measures and the differences when compared to management measures.

The Group's market risk capital requirement is comprised of two elements:

- The market risk of trading book positions booked to legal entities are measured under a PRA approved internal models approach, including Regulatory VaR, Stressed Value at Risk (SVaR), Incremental Risk Charge (IRC) and Comprehensive Risk Measure (CRM) as required
- The trading book positions that do not meet the conditions for inclusion within the approved internal models approach are calculated using standardised rules.

The table below summarises the regulatory market risk measures, under the internal models approach. See table 53 for a breakdown of capital requirements by approach.

Table 51: MR3 - Analysis of Regulatory VaR, SVaR, IRC and CRM

Analysis of Regulatory VaR, SVaR, IRC and Comprehensive Risk Measure[1]				
	Period end	Avg.	Max	Min
Six months ended 30.06.2018	£m	£m	£m	£m
Regulatory VaR (1-day)	**29**	**30**	**41**	**23**
Regulatory VaR (10-day)[2]	**93**	**95**	**129**	**74**
SVaR (1-day)	**75**	**67**	**96**	**52**
SVaR (10-day)[2]	**237**	**211**	**302**	**165**
IRC	**77**	**141**	**219**	**52**
CRM	**-**	**-**	**-**	**-**
Six months ended 31.12.17				
Regulatory VaR (1-day)	28	27	39	20
Regulatory VaR (10-day)[2]	90	86	123	62
SVaR (1-day)	59	61	88	41
SVaR (10-day)[2]	186	194	279	130
IRC	188	215	326	162
CRM	-	-	-	-

1 Includes BAGL.
2 The 10 day VaR is based on scaling of 1 day VaR model output since VaR is currently not modelled for a 10 day holding period. More information about Regulatory and Stressed VaR methodology is available on page 154 of Barclays PLC Pillar 3 Report 2017.

- Regulatory VaR/SVaR: Average VaR and SVaR remained broadly stable compared to the six months ended 31 December 2017.
- IRC: The overall decrease in IRC was mainly driven by positional changes which have resulted in a reduction in risk across almost all business areas.
- CRM: Reduced to zero as the final positions matured in a specific legacy portfolio.

Analysis of market risk

Table 52: Breakdown of the major regulatory risk measures by portfolio

As at 30.06.18	Macro £m	Equities £m	Credit £m	Barclays International Treasury £m	Banking £m	Group Treasury £m	Financial Resource Management £m
Regulatory VaR (1-day)	15	8	13	-	4	6	9
Regulatory VaR (10-day)	49	27	40	1	11	18	29
SVaR (1-day)	55	9	26	1	7	15	20
SVaR (10-day)	173	30	82	3	23	47	62
IRC	212	4	165	-	8	34	69
CRM	-	-	-	-	-	-	-

The table above shows the primary portfolios which are driving the trading businesses' modelled capital requirement as at 30 June 2018. The standalone portfolio results diversify at the total level and are not additive. Regulatory VaR, SVaR, IRC and CRM in the table 51 show the diversified results at a group level.

Capital requirements for market risk

The table below shows the elements of capital requirements and risk weighted assets under the market risk framework as defined in the CRR. The Group is required to hold capital for the market risk exposures arising from regulatory trading books. Inputs for the modelled components include the measures on Table 51 'Analysis of regulatory VaR, SVaR, IRC and CRM', using the higher of the end of period value or an average over the past 60 days (times a multiplier in the case of VaR and SVaR).

Table 53: Market risk own funds requirements

		RWA		Capital requirements	
Group		As at 30.06.18 £m	As at 31.12.17 £m	As at 30.06.18 £m	As at 31.12.17 £m
1	**Internal models approach**	**14,429**	14,912	**1,154**	1,193
2	VaR	**3,580**	2,823	**286**	226
3	SVaR	**7,330**	6,827	**587**	546
4	Incremental risk charge	**1,105**	2,962	**88**	237
5	Comprehensive risk measure	**-**	-	**-**	-
6	Risks not in VaR	**2,414**	2,300	**193**	184
7	**Standardised approach**	**14,674**	13,401	**1,174**	1,072
8	Interest rate risk (general and specific)	**6,142**	5,625	**491**	450
9	Equity risk (general and specific)	**5,503**	5,608	**440**	448
10	Foreign exchange risk	**494**	220	**40**	18
11	Commodity risk	**-**	-	**-**	-
12	Specific interest rate risk of securitisation position	**2,535**	1,948	**203**	156
13	**Total**	**29,103**	28,313	**2,328**	2,265

Overall market risk RWAs increased by £0.8bn to £29.1bn primarily driven by VaR, SVaR, and Securitisation specific market risk partially offset by Incremental risk charge.

Refer to tables 54 and 55 for detailed movement analysis on the standardised approach and Internal model approach.

Table 53a: Market risk own funds requirements for significant subsidiaries

		BB PLC		BBUK PLC	
As at 30.06.18		RWA £m	Capital requirements £m	RWA £m	Capital requirements £m
1	**Internal models approach**	**14,913**	**1,193**	**-**	**-**
2	VaR	**3,756**	**300**	**-**	**-**
3	SVaR	**7,864**	**630**	**-**	**-**
4	Incremental risk charge	**1,105**	**88**	**-**	**-**
5	Comprehensive risk measure	**-**	**-**	**-**	**-**
6	Risks not in VaR	**2,188**	**175**	**-**	**-**
7	**Standardised approach**	**7,069**	**566**	**13**	**1**
8	Interest rate risk (general and specific)	**3,338**	**268**	**-**	**-**
9	Equity risk (general and specific)	**2,428**	**194**	**-**	**-**
10	Foreign exchange risk	**48**	**4**	**13**	**1**
11	Commodity risk	**-**	**-**	**-**	**-**
12	Specific interest rate risk of securitisation position	**1,255**	**100**	**-**	**-**
13	**Total**	**21,982**	**1,759**	**13**	**1**

Table 54: MR1 - Market risk under standardised approach

This table shows the RWAs and capital requirements for standardised market risk split between outright products, options and securitisation.

		RWA		Capital requirements	
		As at 30.06.18	As at 31.12.17	As at 30.06.18	As at 31.12.17
		£m	£m	£m	£m
	Outright products				
1	Interest rate risk (general and specific)	**6,142**	5,625	**491**	450
2	Equity risk (general and specific)	**4,587**	4,681	**367**	374
3	Foreign exchange risk	**494**	220	**40**	18
4	Commodity risk	**-**	-	**-**	-
	Options	**-**		**-**	
5	Simplified approach	**-**	-	**-**	-
6	Delta-plus method	**847**	690	**68**	55
7	Scenario approach	**69**	237	**5**	19
8	**Securitisation (Specific Risk)**	**2,535**	1,948	**203**	156
9	**Total**	**14,674**	13,401	**1,174**	1,072

Standardised market risk RWAs increased by £1.3bn to £14.7bn, driven by:

- Interest rate risk increased by £0.5bn primarily due to growth in Markets business
- Securitisation specific market risk increased by £0.6bn primarily due to a growth in trading book positions

Table 55: MR2-A - Market risk under internal models approach

This table shows RWAs and capital requirements under the Internal model approach. The table shows the calculation of capital requirements as a function of latest and average values for each component.

		RWA		Capital requirements	
		As at 30.06.18	As at 31.12.17	As at 30.06.18	As at 31.12.17
		£m	£m	£m	£m
1	**VaR** (higher of values a and b)	**3,580**	2,823	**286**	226
(a)	Previous day's VaR (Article 365(1) (VaRt-1))			**130**	114
(b)	Average of the daily VaR (Article 365(1)) on each of the preceding sixty business days (VaRavg) x multiplication factor ((mc) in accordance with Article 366)			**286**	226
2	**SVaR** (higher of values a and b)	**7,330**	6,827	**587**	546
(a)	Latest SVaR (Article 365(2) (sVaRt-1))			**320**	230
(b)	Average of the SVaR (Article 365(2) during the preceding sixty business days (sVaRavg) x multiplication factor (ms) (Article 366)			**587**	546
3	Incremental risk charge -**IRC** (higher of values a and b)	**1,105**	2,962	**88**	237
(a)	Most recent IRC value (incremental default and migration risks section 3 calculated in accordance with Section 3 articles 370/371)			**77**	188
(b)	Average of the IRC number over the preceding 12 weeks			**88**	237
4	Comprehensive Risk Measure – **CRM** (higher of values a, b and c)	**-**	-	**-**	-
(a)	Most recent risk number for the correlation trading portfolio (article 377)			**-**	-
(b)	Average of the risk number for the correlation trading portfolio over the preceding 12-weeks			**-**	-
(c)	8 % of the own funds requirement in SA on most recent risk number for the correlation trading portfolio (Article 338(4))			**-**	-
5	Other	**2,414**	2,300	**193**	184
6	**Total**	**14,429**	14,912	**1,154**	1,193

Modelled market risk RWAs decreased by £0.5bn to £14.4bn, driven by:

- VaR increased by £0.8bn primarily due to an update in the regulatory calculation
- SVaR increased by £0.5bn primarily due to interest rate derivative activity and an update in the regulatory calculation, partially offset by increased hedging activity
- IRC decreased £1.9bn primarily due to reduced sovereign positions

Regulatory back testing

Back testing is the method by which the Group checks and affirms that its procedures for estimating VaR are reasonable and serve its purpose of estimating the potential loss arising from unfavourable market movements. The back testing process is a regulatory requirement and seeks to estimate the performance of the regulatory VaR model. Performance is measured by the number of exceptions to the model i.e. net trading P&L loss in one trading day is greater than the estimated VaR for the same trading day. The Group's procedures could be underestimating VaR if exceptions occur more frequently than expected (a 99% confidence interval indicates that one exception will occur in 100 days).

Back testing is performed at a legal entity level, sub-portfolio levels and business-aligned portfolios (shown in the table below and in the charts on the next page) on the Group's regulatory VaR model. Regulatory back testing compares Regulatory VaR at 99% confidence level (one-day holding period equivalent) to actual and hypothetical changes in portfolio value as defined in CRR Article 366. The consolidated Barclays Bank PLC and Barclays Capital Securities Ltd is the highest level of consolidation for the VaR models that are used in the calculation of regulatory capital.

A back testing exception is generated when a loss is greater than the daily VaR for any given day.

As defined by the PRA, a green status is consistent with a good working VaR model and is achieved for models that have four or fewer back testing exceptions in a 12-month period. Back testing counts the number of days when a loss exceeds the corresponding VaR estimate, measured at the 99% regulatory confidence level.

Back testing is also performed on management VaR to ensure it remains reasonable and fit for purpose.

The table below shows the VaR back testing exceptions on legal entities aligned to the Group's business as at 30th June 2018. Model performance at a legal entity level determines regulatory capital within those entities. Legal entity disclosure also reflects the management perspective as Barclays moves forward with structural change, where VaR and model performance of VaR for a legal entity across asset class becomes more relevant than asset class metrics across legal entity.

For the Investment Bank's regulatory DVaR model at the consolidated legal entity level, the model was in amber status as of half-year 2018, reflecting the total number of exceptions.

	Actual P&L		Hypo P&L	
Legal Entity	Total Exceptions	Status[1]	Total Exceptions	Status[1]
BBPlc Trading and BCSL	1	G	5	A
BBPlc Trading	2	G	6	A
BCSL	5	A	5	A
IHC	N/A	N/A	4	G

[1] RAG status is accurate as of half-year 2018.

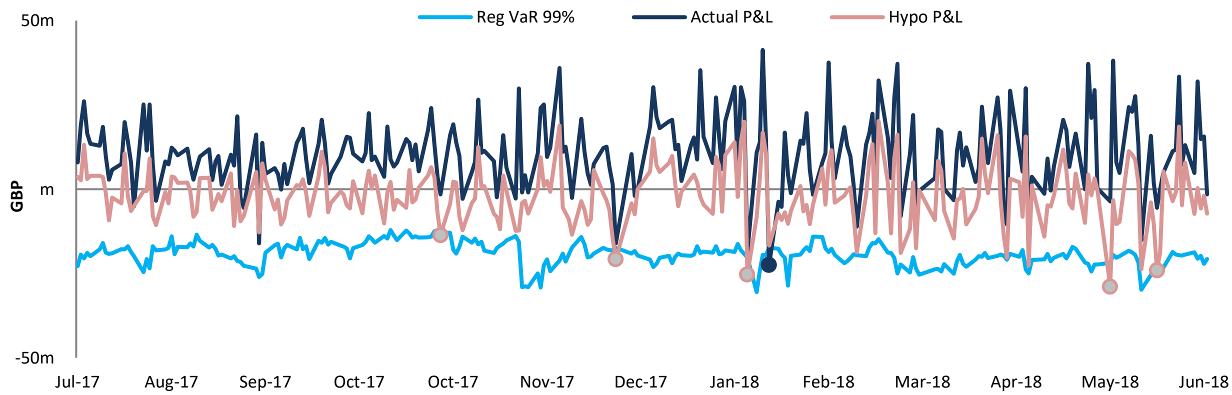
The charts below show VaR for the Group's regulatory portfolios aligned by legal entity. The dark blue and grey points on the charts indicate losses on the small number of days on which actual and hypo P&L respectively exceeded the VaR amount.

In addition to being driven by market moves in excess of the 99% confidence level, back testing exceptions can be caused by risks that impact P&L not captured directly in the VaR itself but separately captured as non VaR-type, namely Risks Not in VaR (RNIVs).

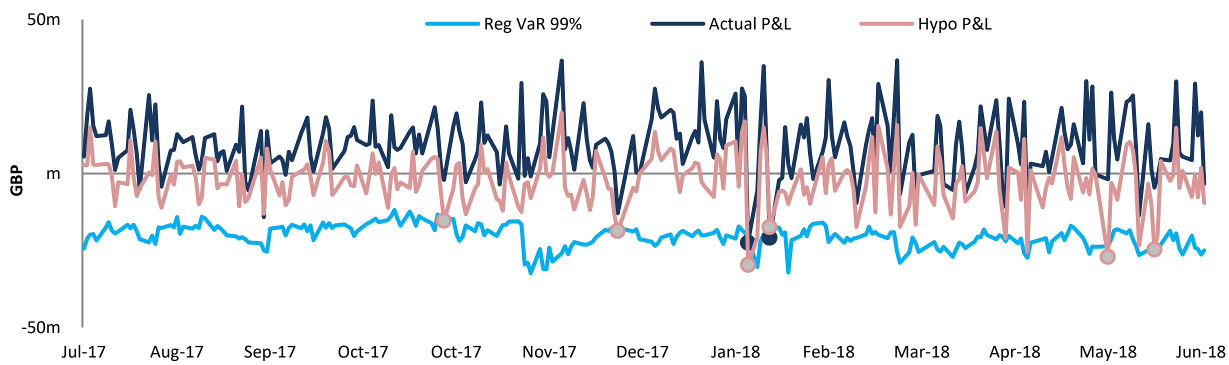
Exceptions are reported to internal management and regulators on a regular basis and investigated to ensure the model performs as expected.

Table 56: EU MR4 – Comparison of VaR estimates with gains/losses

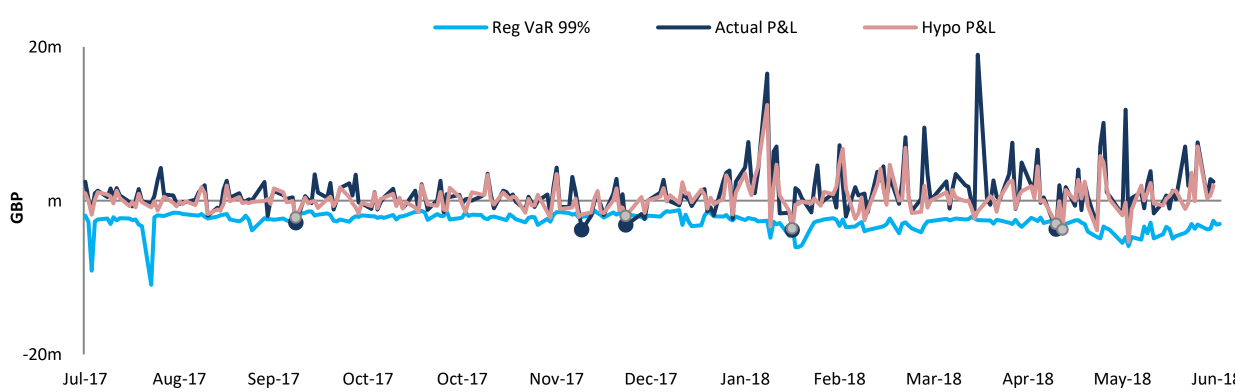
BBPLC Trading and Barclays Capital Securities Limited (BCSL)



BBPLC Trading



BCSL



Intermediate Holding Company (IHC)