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**Subject:** Barclays Wealth Management  
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Jacob,

Ahead of your meeting with Jes Staley on Monday we wanted to send you some background on Barclays Wealth for your reference. Unfortunately there are no overview materials available from the company so we have collected this from various public sources.

In summary, the Wealth business has been undergoing significant restructuring the past few years. As you know Barclays has re-organised the overall Group and has been cutting non-core areas including large portions of the Wealth business. Please see below an overview of recent developments:

- Barclays Wealth previously operated in c. 200 countries, however in May 2013 Barclays announced it would exit the majority of these to focus on only c. 70 markets by 2016
- In May 2014 Barclays announced a major re-organisation including:
  - 7,000 job cuts and scaling back the investment banking business
  - Wealth & Investment Management would cease to be a separate unit and instead merge into a new Personal & Corporate Banking unit alongside UK retail and corporate banking
- There have also been several management changes over the period:
  - In April 2013 Tom Kalaris (whom Spencer House Partners know well) announced he was leaving as CEO of Barclays Wealth after 17 years at the company
  - Kalaris was replaced by Peter Horrell in Sep 2013 who then also resigned within less than a year
  - Horrell was replaced by Akshaya Bhargava in Oct 2014 who remains in charge of the division
- Based on press reports and public disclosures there doesn't seem to be a formal sale process, however Barclays has been gradually cutting its Wealth business since 2014:
  - Sold Americas business to Stifel in Dec 2015 for an undisclosed sum
  - Sold offshore trust business to an investor group in Feb 2016 for an undisclosed sum
  - Press reports in Nov 2015 suggested Barclays was preparing to appoint bankers to sell Swiss Wealth Management unit, though this has not been confirmed
  - In Jan 2016 press reports stated Barclays had hired Lazard to sell its Asia Wealth Management business; Asia unit had c. \$36bn of client assets as of 2014 and reports suggested it could be sold for as much as \$600m
- Total client assets were £200bn in early 2014 but have declined to £110bn as of 31 Dec 2015, primarily due to selling non-core assets
- Barclays Wealth unit had revenues of £1.8bn in 2013 but posted a net loss of £100m primarily due to restructuring charges
  - Company no longer reports profits separately for Barclays Wealth as it is no longer a standalone unit
  - However, Barclays disclosed that Wealth revenues have declined 15% since 2013 (adjusted for divestitures) and the unit continues to restructure, suggesting it is likely the unit continues to be loss-making

Please let us know if you require any further information on this.

Thanks,  
Aron