

Barclays PLC

15:26 27 Mar 2019

Barclays investment bank chief resigns after just two years in charge

Barclays PLC (LON:BARC) said the head of its under-pressure investment bank has decided to step down after two years in charge.

Tim Throsby will step down as chief executive of Barclays International and Barclays Bank PLC as part of wider leadership changes at the lender.

READ: What is a 'funded equity collar' and why has it landed Barclays investor Edward Bramson in hot water?

Chief executive Jes Staley will take over as head of Barclays Bank PLC, the legal entity that houses businesses outside British consumer banking, including the investment bank. He promoted chief operating officer, Paul Compton, to the president of the same division.

Activist investor pressure

The investment bank has come under attack from activist investor Edward Bramson, who built up a 5.5% stake in Barclays through his Sherborne Investors fund and wants to see operations within the division scaled back following a poor performance.

Bramson has also campaigned for a seat on Barclays' board and shareholders will vote on the matter at an annual meeting in May.

However, Barclays has recently seen better than expected results in the division while other large shareholders have raised doubts about giving Bramson a place on the board.

READ: Barclays set to boost shareholder returns as end of crisis-era misconduct charges draws near

"Tim joined Barclays in January of 2017, and over the past two years has made a significant contribution to the progress of Barclays International, particularly in the corporate and investment bank, but also in the development of our international consumer businesses," Staley said.

"His strategic focus on investment in, and development of, people and technology, and the work he instituted to modernise our financial resource management, has borne fruit - as evidenced in our 2018 numbers, and the last five quarters of market outperformance."

The corporate and investment bank (CIB) produced a return on tangible equity of just over 7% in 2018. Staley said while this was a "significant improvement" on the previous year, it was "not yet where we need it to be".

He said it was an ongoing priority to get the wholesale business to cover its cost of capital.

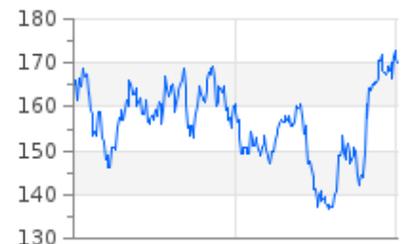
We need a more granular execution focus, says Staley

"Competing in the top tier of global corporate and investment banking, enabled by our size, and commitment across

Price: 170.74

Market Cap: £29.49 billion

1 Year Share Price Graph



November 2018 May 2019 November 20

Share Information

Code: BARC

Listing: LSE

52 week High Low
173.3 131.036

Sector: Banks

Website: www.barclays.com

Company Synopsis:

Barclays is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services, with an extensive international presence in Europe, the USA, Africa and Asia. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and employs 147,000 people.

action@proactiveinvestors.com

asset classes, is important for Barclays' future returns. And we demonstrably do compete in that top tier," he said.

"Notwithstanding that competitive position, I believe we need a more granular execution focus on the businesses within the CIB if we are to drive those returns, in a reasonable timeframe, towards and above that cost of capital.

"And so I have decided to change the leadership model for that business, delaying the organisation in order to bring oversight and accountability for the performance of the corporate and investment bank much closer to me as the group CEO."

Other leadership changes included the appointment of Joe McGrath as head of the investment bank's global banking, which includes the M&A advisory, and debt and equity capital markets units.

Stephen Dainton, current head of global equities, will become interim global head of markets while Barclays "conducts an internal and external search for a permanent appointee to this crucial role".

Alistair Currie will be head of corporate banking while Ashok Vaswani, currently chief of Barclays UK, will take on a newly created role as global head of consumer banking and payments.

Matt Hammerstein, currently head of retail lending, will be appointed as the new UK chief.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.