U.S. Bancorp

4Q09 Earnings Conference Call

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All of us serving you™

January 20, 2010

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Forward-looking Statements and Additional Information

The following information appears in accordance with the Private Securities Litigation Reform Act of 1995:

This presentation contains forward-looking statements about U.S. Bancorp. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date made. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of U.S. Bancorp. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated. Global and domestic economies could fail to recover from the recent economic downturn or could experience another severe contraction, which could adversely affect our revenues and the values of our assets and liabilities. Global financial markets could experience a recurrence of significant turbulence, which could reduce the availability of funding to certain financial institutions and lead to a tightening of credit, a reduction of business activity, and increased market volatility. Stress in the commercial real estate markets, as well as a delay or failure of recovery in the residential real estate markets, could cause additional credit losses and deterioration in asset values. In addition, our business and financial performance could be impacted as the financial industry restructures in the current environment, by increased regulation of financial institutions or other effects of recently enacted legislation, and by changes in the competitive landscape. Our results could also be adversely affected by continued deterioration in general business and economic conditions; changes in interest rates; deterioration in the credit quality of our loan portfolios or in the value of the collateral securing those loans; deterioration in the value of securities held in our investment securities portfolio; legal and regulatory developments; increased competition from both banks and non-banks; changes in customer behavior and preferences; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management's ability to effectively manage credit risk, market risk, operational risk, legal risk, and regulatory and compliance risk.

For discussion of these and other risks that may cause actual results to differ from expectations, refer to U.S. Bancorp's Annual Report on Form 10-K for the year ended December 31, 2008, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile" contained in Exhibit 13, and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update them in light of new information or future events.

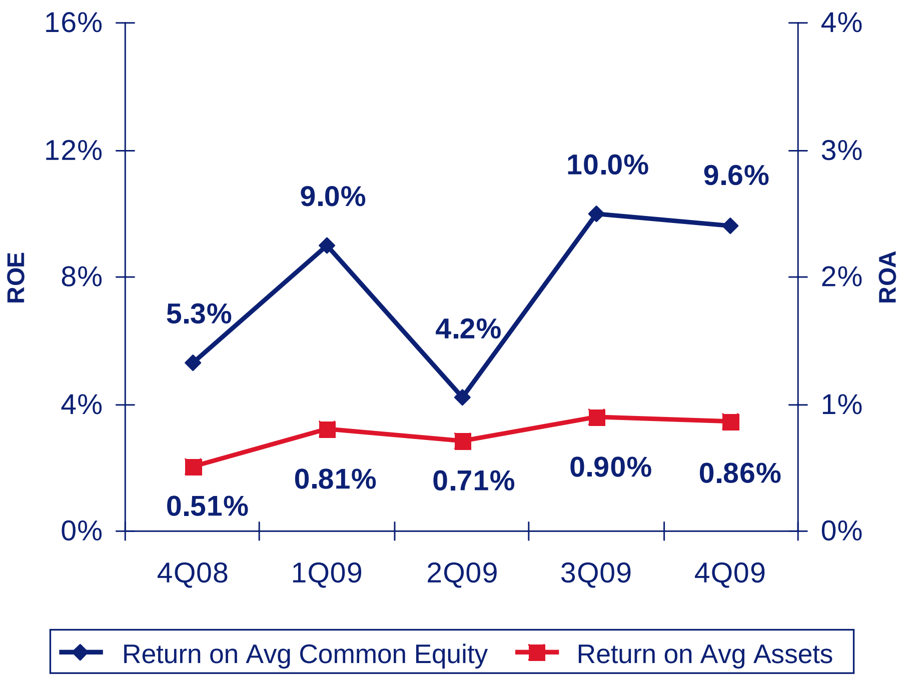
This presentation includes non-GAAP financial measures to describe U.S. Bancorp's performance. The reconciliations of those measures to GAAP measures are provided within or in the appendix of the presentation. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

4Q09 Highlights

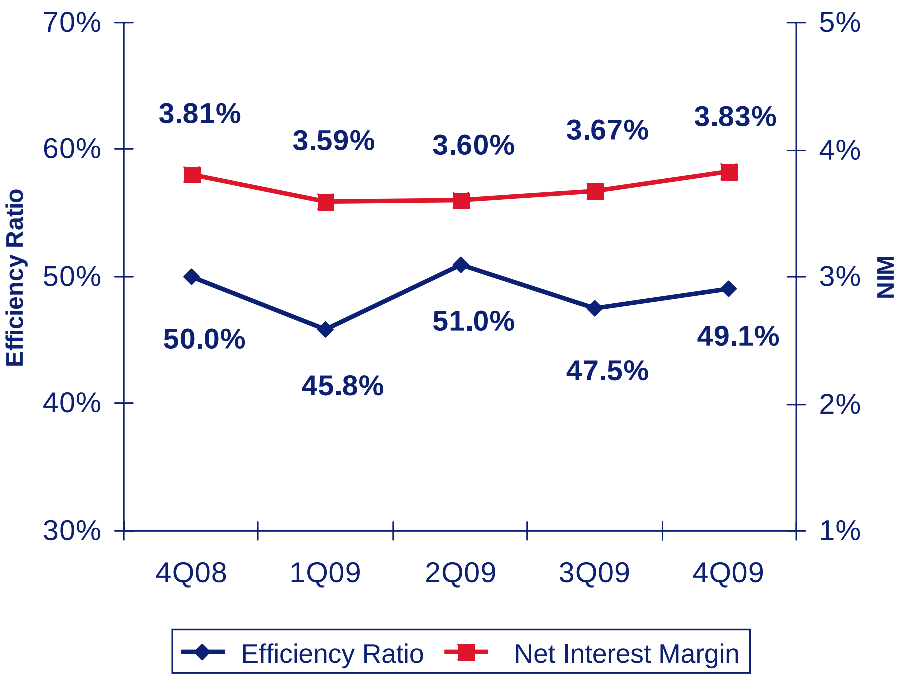
- ✓ Net income of $602 million; $.30 per diluted common share
- ✓ Record total net revenue of $4.4 billion
- ✓ Achieved positive operating leverage vs. 4Q08; industry leading efficiency ratio of 49.1%
- ✓ Strong average deposit growth of 25.2% (15.3% excluding acquisitions) and average loan growth of 8.2% (0.4% excluding acquisitions) vs. 4Q08
- ✓ Net charge-offs and nonperforming assets (excluding covered assets) increased at a moderating rate; provision for credit losses declined vs. 3Q09
- ✓ Maintained strong capital position
- ✓ Acquired the majority of the operations of the banking subsidiaries of FBOP Corporation of Oak Park, IL from the FDIC

Performance Ratios

ROE and ROA



Efficiency Ratio and Net Interest Margin



Efficiency ratio computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding securities gains (losses) net

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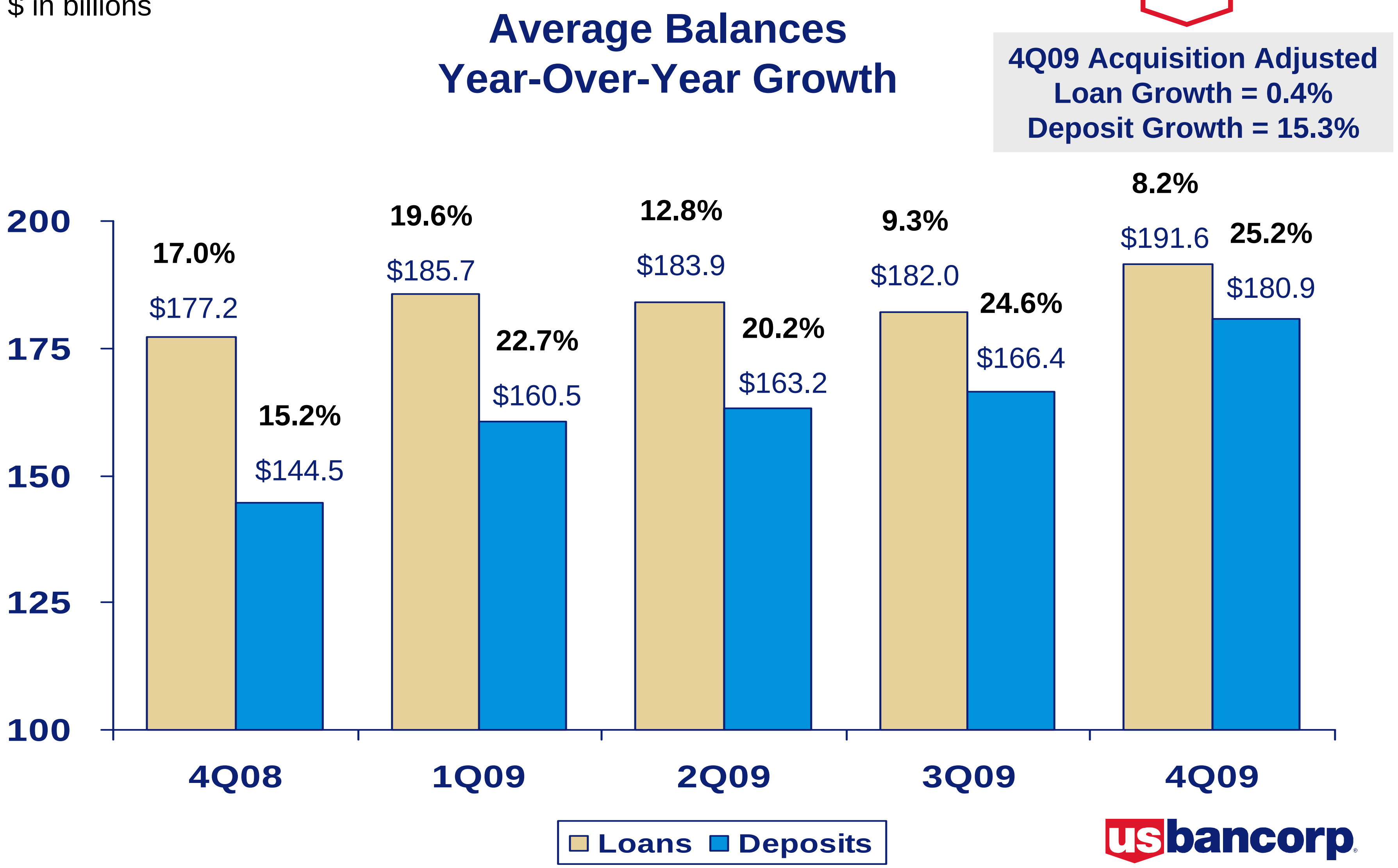
Capital Position

$ in billions

	4Q08	1Q09	2Q09	3Q09	4Q09
Shareholders' equity	$ 26.3	$ 27.2	$ 24.2	$ 25.2	$ 26.0
Tier 1 capital	24.4	25.3	21.7	22.0	22.6
Total risk-based capital	32.9	33.5	30.0	30.1	30.5
Tier 1 capital ratio	10.6%	10.9%	9.4%	9.5%	9.6%
Tier 1 common equity ratio	5.1%	5.4%	6.7%	6.8%	6.8%
Total risk-based capital ratio	14.3%	14.4%	13.0%	13.0%	12.9%
Leverage ratio	9.8%	9.8%	8.4%	8.6%	8.5%
Tangible common equity ratio	3.3%	3.8%	5.1%	5.4%	5.3%
Tangible common equity as a percent of risk-weighted assets	3.7%	4.2%	5.7%	6.0%	6.1%

Loan and Deposit Growth

$ in billions



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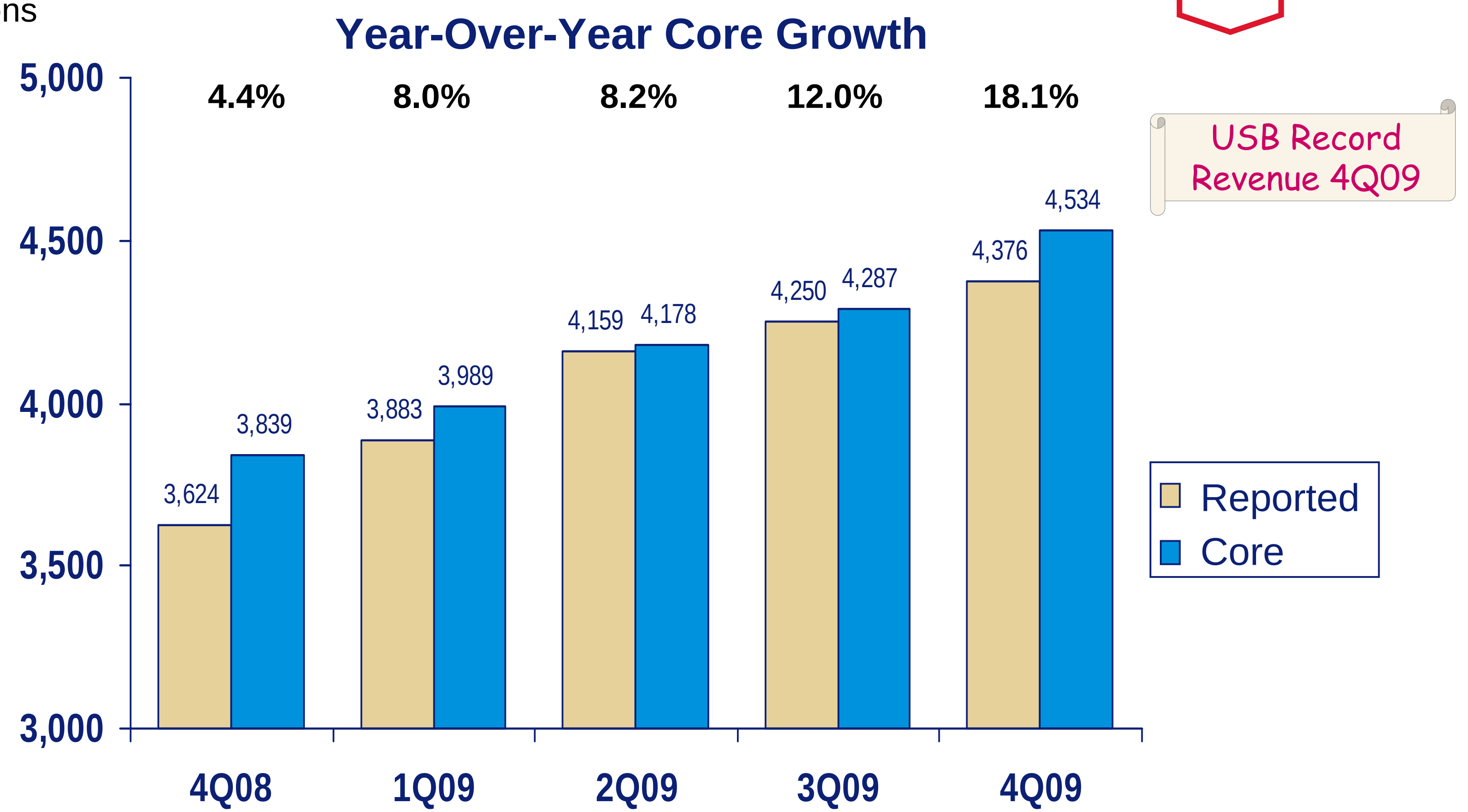
Revenue Growth

$ in millions



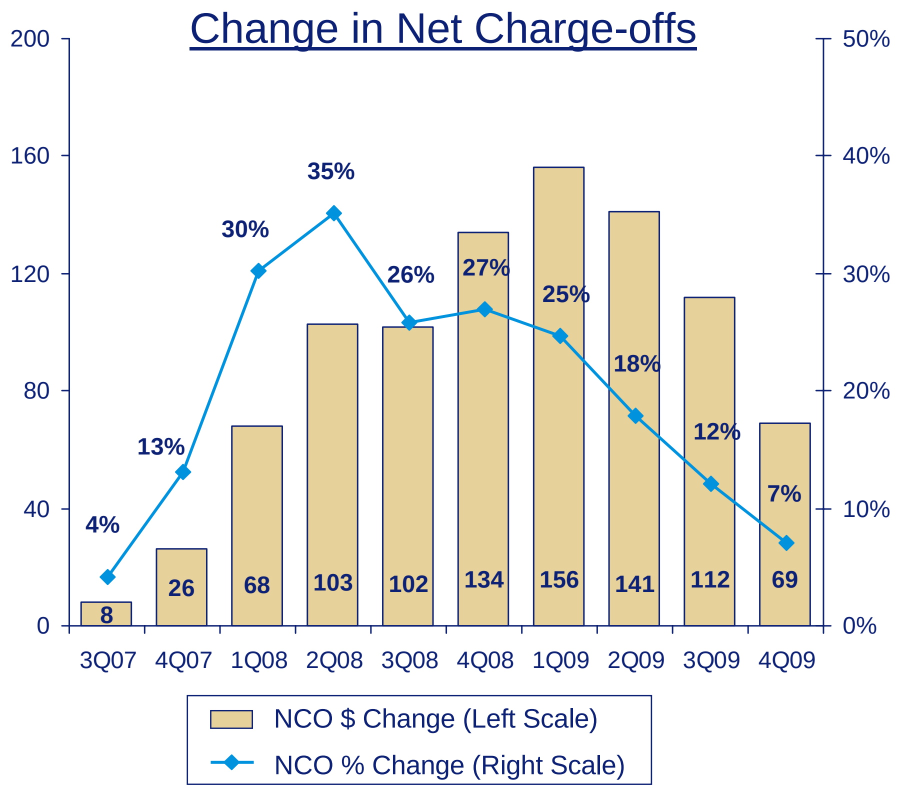
Significant Items Excluded for Core Basis

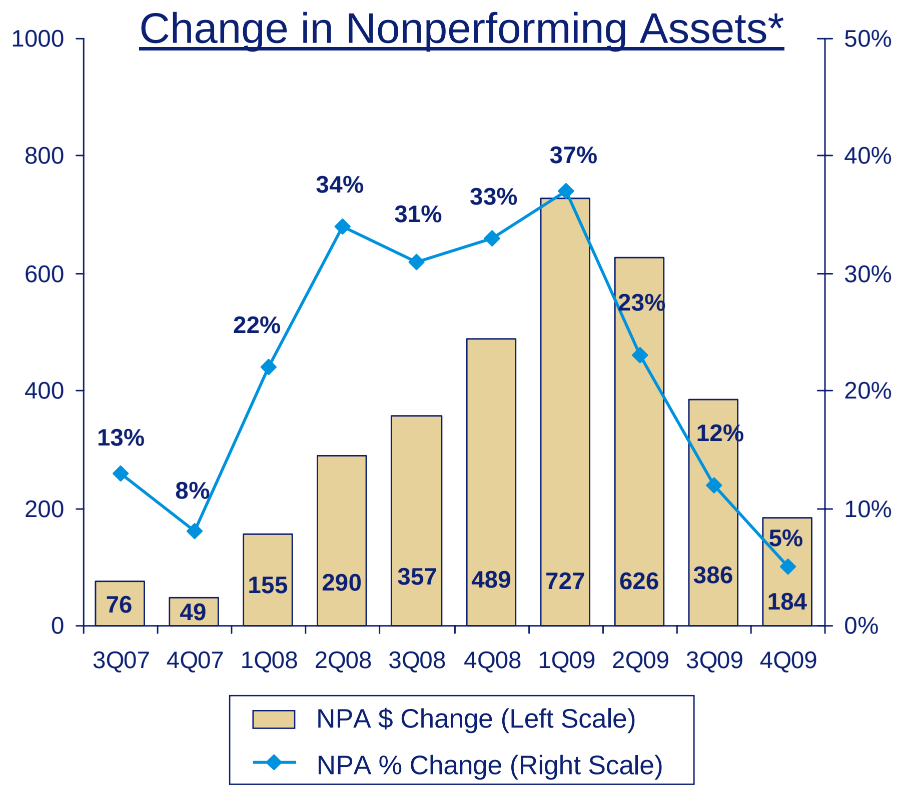
	4Q08	1Q09	2Q09	3Q09	4Q09
Valuation losses	$ (253)	$ (198)	$ (19)	$ (76)	$ (158)
Other non-operating gains	38	92	-	39	-
Total	$ (215)	$ (106)	$ (19)	$ (37)	$ (158)

Taxable-equivalent basis

Credit Quality

- ✓ The Company continues to expect Net Charge-offs and Nonperforming Assets, excluding nonperforming acquired covered assets, to increase at a decreasing rate





$ in millions, linked quarter change
* Excluding Covered Assets (assets subject to loss sharing agreements with FDIC)

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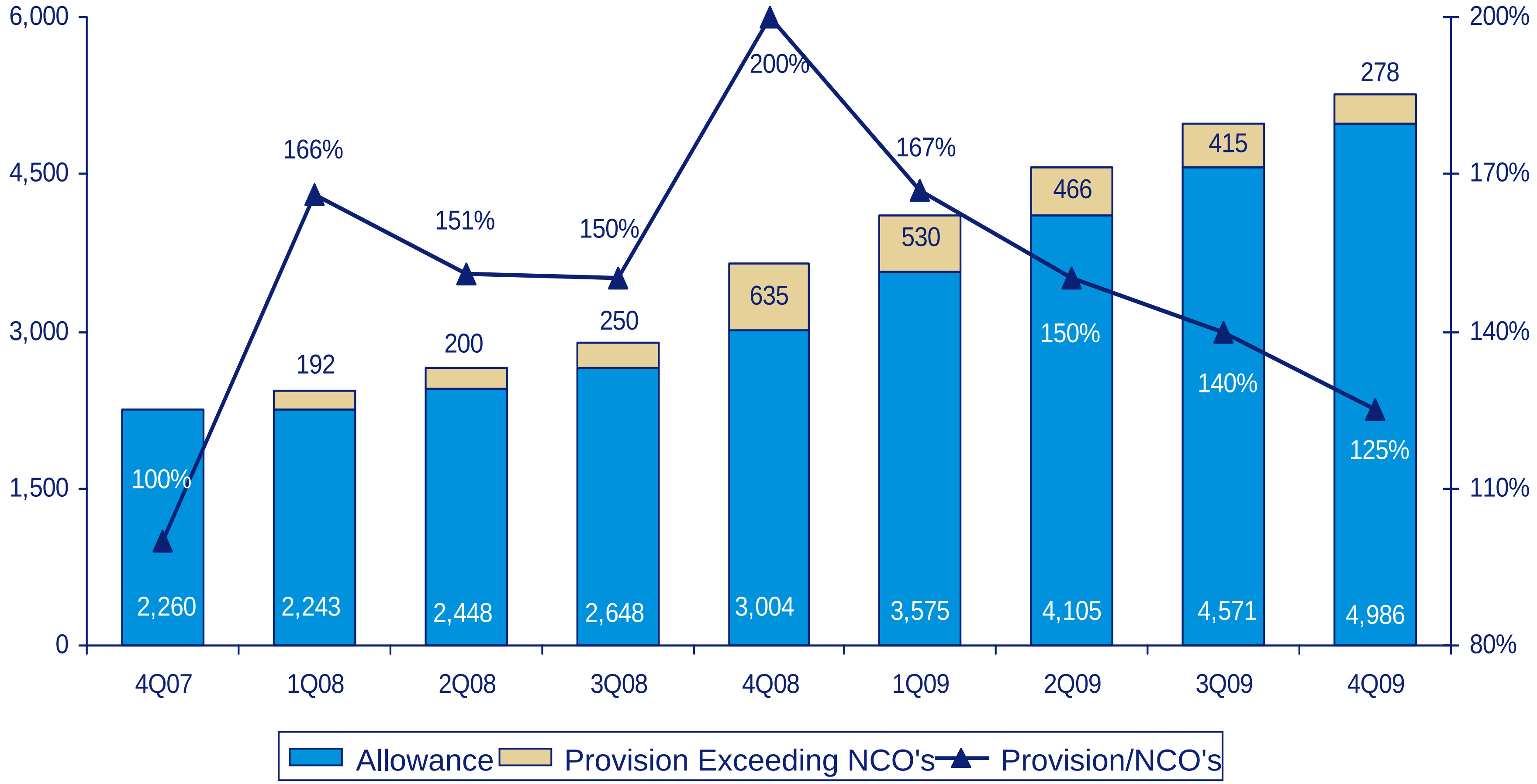
Credit Quality - Reserves

$ in millions

Allowance for Credit Losses



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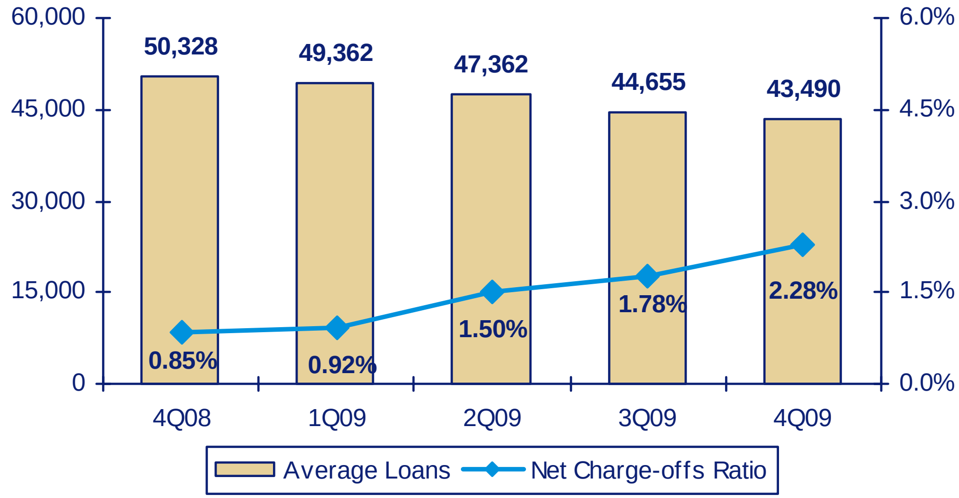
Credit Quality - Commercial Loans

4Q09 Earnings Conference Call

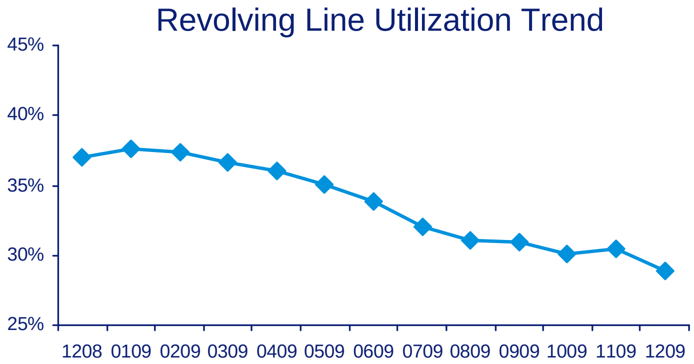
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	50,328	44,655	43,490
30-89 Delinquencies	1.32%	0.89%	1.02%
90+ Delinquencies	0.15%	0.19%	0.25%
Nonperforming	0.58%	2.06%	2.05%



Comments

- ✓ Corporate loan demand remained weak as evidenced by the declining utilization trend
- ✓ Net charge-offs increased with losses coming mainly from leveraged sectors, such as correspondent banking and gaming

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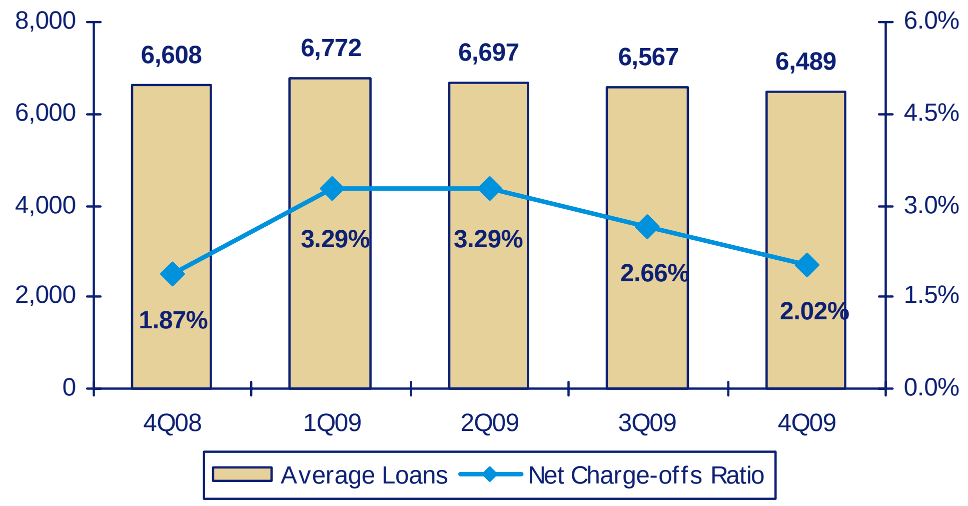
Credit Quality - Commercial Leases

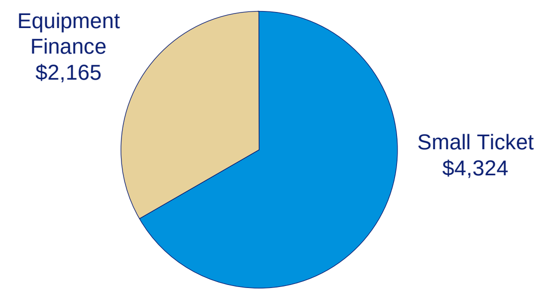
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	6,608	6,567	6,489
30-89 Delinquencies	2.61%	2.28%	2.07%
90+ Delinquencies	--%	--%	--%
Nonperforming	1.49%	1.82%	1.91%



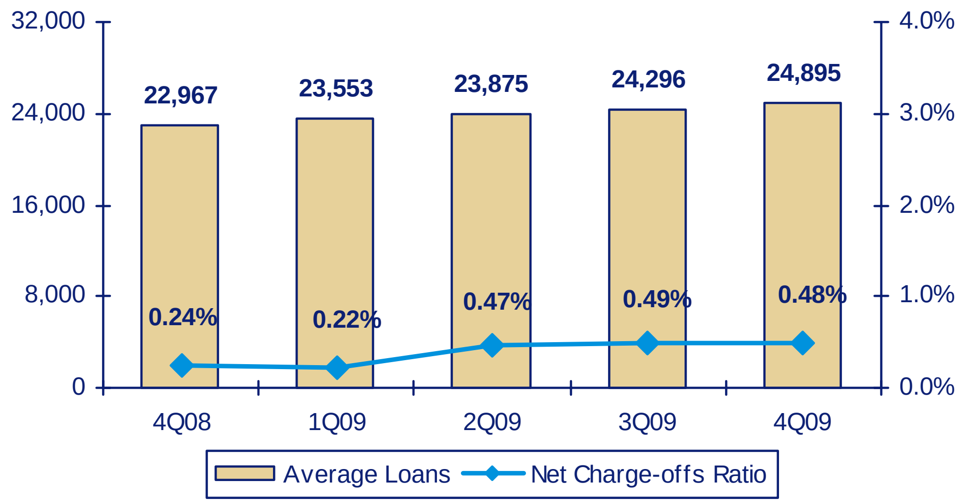
Comments

- ✓ Delinquency levels and net charge-offs have declined due to improvement in the small ticket leasing portfolio

Credit Quality - CRE Mortgages

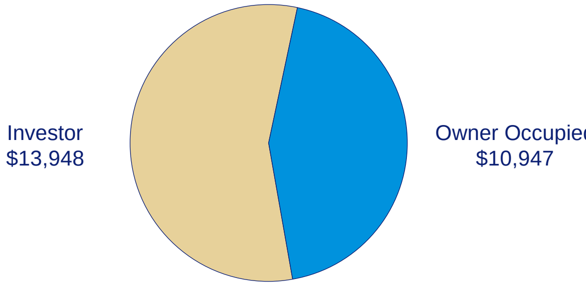
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	22,967	24,296	24,895
30-89 Delinquencies	0.83%	0.95%	1.08%
90+ Delinquencies	--%	0.01%	--%
Nonperforming	1.25%	2.04%	2.30%



Comments

- ✓ Average loans increased 2.5% on a linked quarter basis and increased 8.4% over 4Q08 due to the lack of permanent financing previously available in the CMBS market

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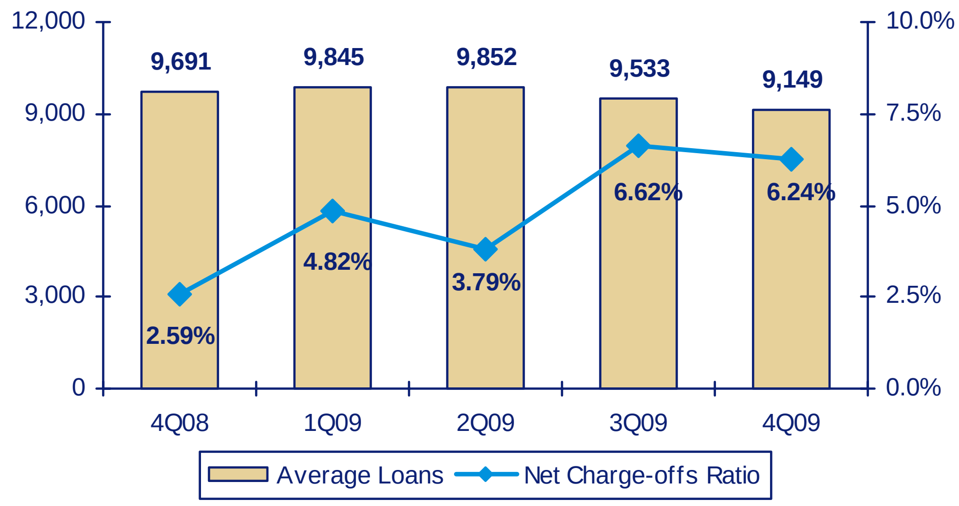
Credit Quality - CRE Construction

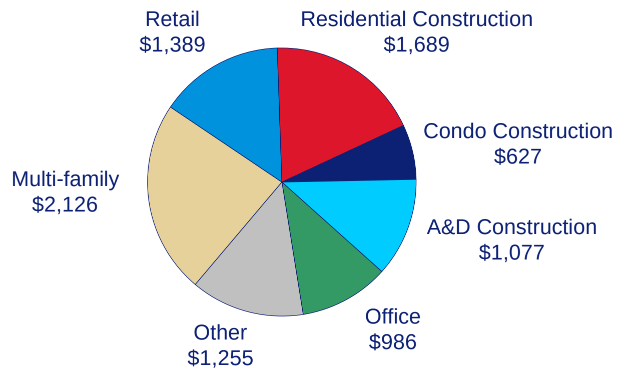
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	9,691	9,533	9,149
30-89 Delinquencies	4.33%	2.30%	2.67%
90+ Delinquencies	0.36%	0.39%	0.07%
Nonperforming	7.98%	13.30%	13.57%



Comments

- ✓ Residential construction has declined from $4.7 billion in 3Q07 to $2.3 billion in 4Q09, which includes $0.6 billion in condominium exposure
- ✓ Net charge-offs remain elevated at 6.24%, reflecting market value declines in both commercial and residential construction properties

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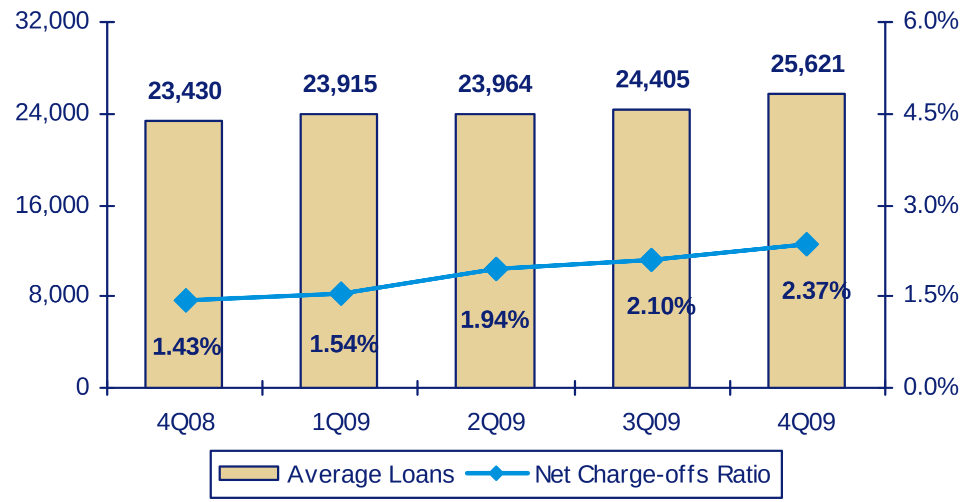
Credit Quality - Residential Mortgage

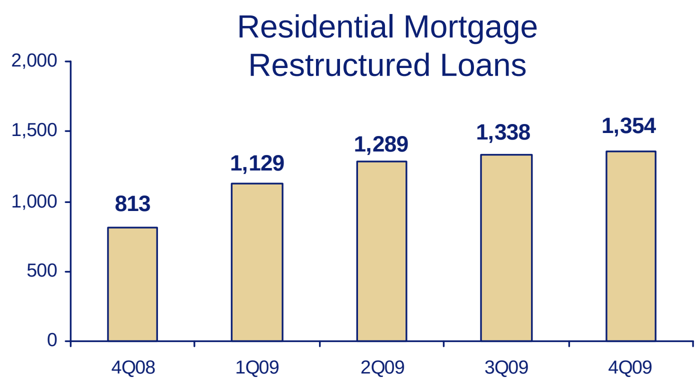
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	23,430	24,405	25,621
30-89 Delinquencies	2.27%	2.39%	2.36%
90+ Delinquencies	1.55%	2.32%	2.80%
Nonperforming	0.89%	1.54%	1.79%



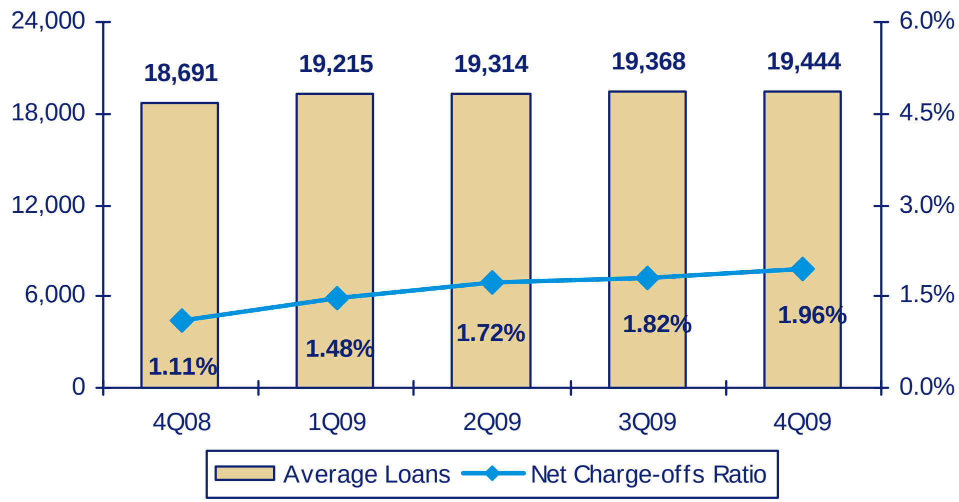
Comments

- ✓ Continue to actively work with customers to modify loans for borrowers who are having financial difficulties
- ✓ Began participating in HAMP program in September 2009, now at 26% of active trial modifications as a percent of eligible modifications

Credit Quality - Home Equity

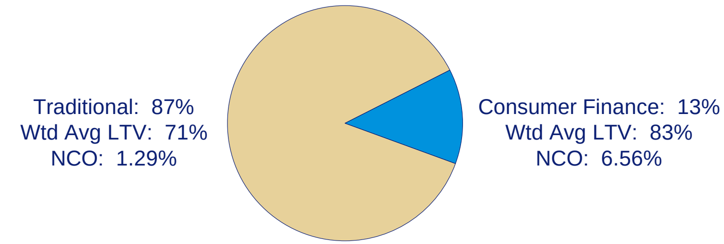
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	18,691	19,368	19,444
30-89 Delinquencies	0.89%	1.00%	0.93%
90+ Delinquencies	0.55%	0.78%	0.78%
Nonperforming	0.07%	0.13%	0.17%



Comments

- ✓ Demand is weak for home equity products
- ✓ High quality traditional portfolio (branch and private client originated) has performed well in declining home value environment

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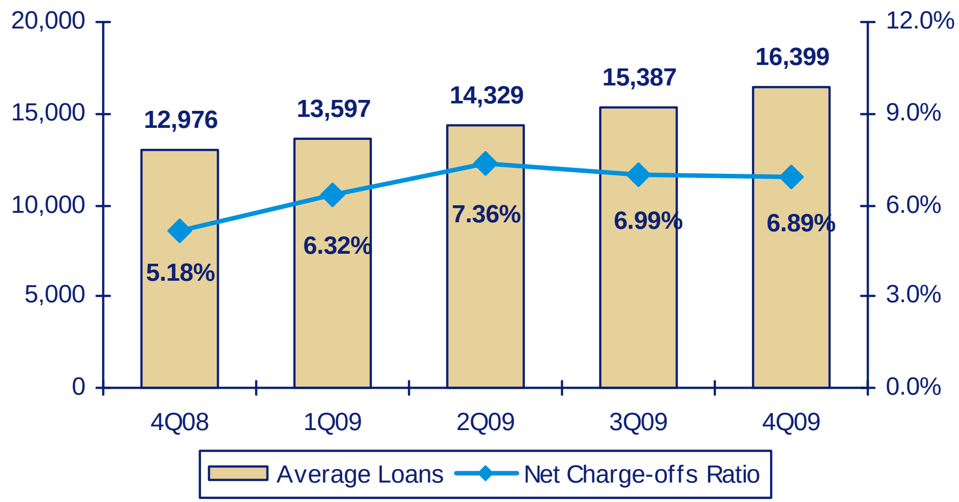
Credit Quality - Credit Card

$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	12,976	15,387	16,399
30-89 Delinquencies	2.73%	2.58%	2.38%
90+ Delinquencies	2.20%	2.41%	2.59%
Nonperforming	0.50%	0.77%	0.84%

Impact of Acquired Portfolios
Net Charge-off Ratio

	4Q08	3Q09	4Q09
As Reported	5.18%	6.99%	6.89%
Excluding Acquired*	5.18%	7.30%	7.46%

Comments

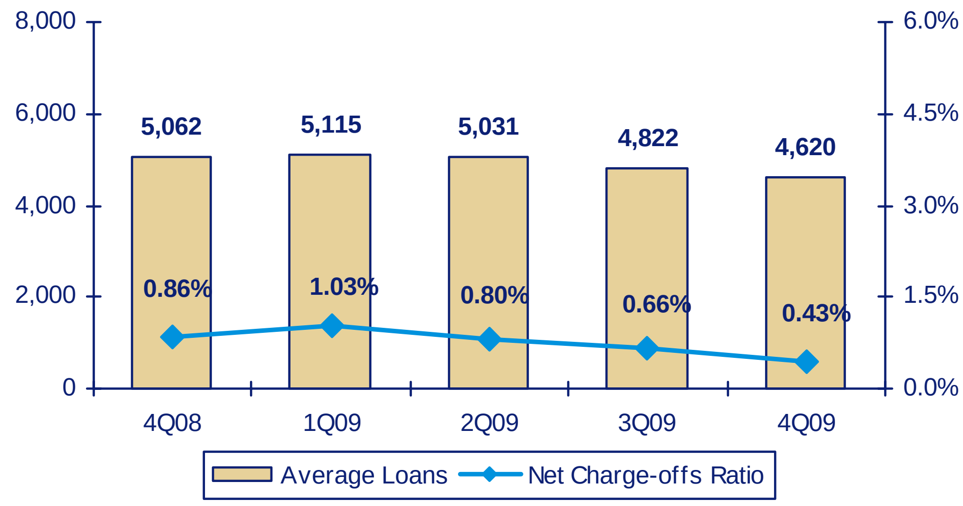
- ✓ Excluding acquired portfolios, net charge-offs of 7.46% increased modestly from 7.30% in prior quarter
- ✓ Average loans have grown 6.6% on a linked quarter basis and 26.4% over 4Q08 due to new accounts, balance growth initiatives and portfolio acquisitions

* Excluding portfolio purchases where the acquired loans were recorded at fair value at the purchase date

Credit Quality - Retail Leasing

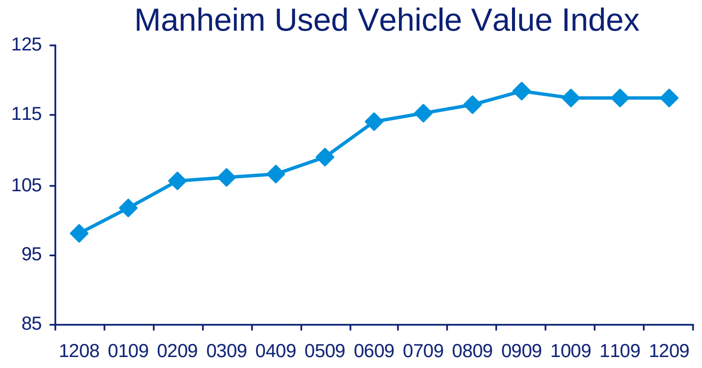
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	5,062	4,822	4,620
30-89 Delinquencies	0.96%	0.79%	0.74%
90+ Delinquencies	0.16%	0.11%	0.11%
Nonperforming	--%	--%	--%



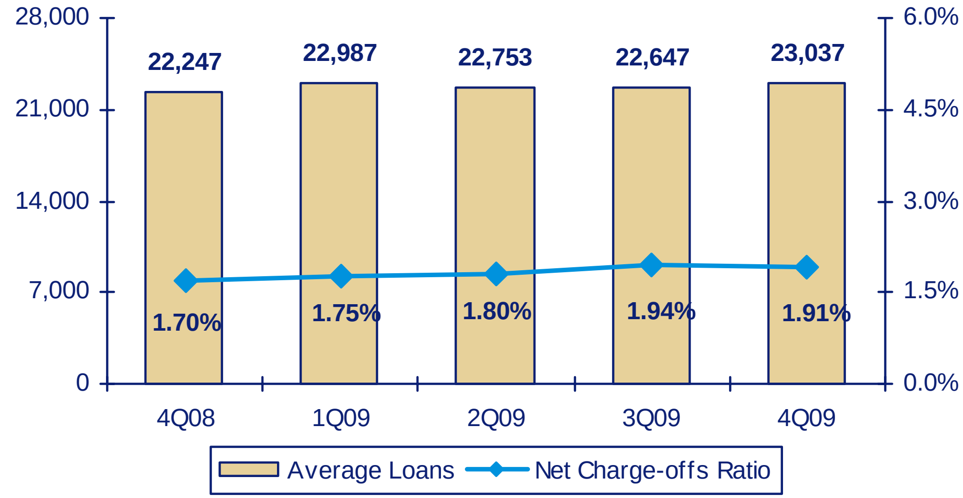
Comments

- ✓ 30+ delinquency rates continue to improve
- ✓ Improvement in used car prices has significantly reduced end of term and credit losses

Credit Quality - Other Retail

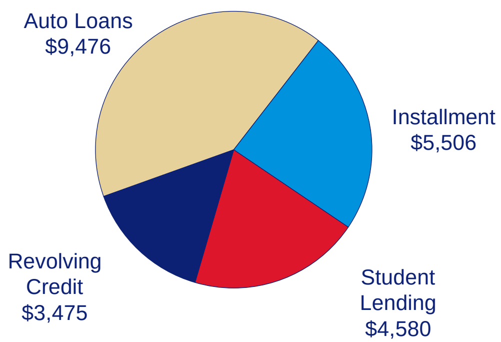
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q08	3Q09	4Q09
Average Loans	22,247	22,647	23,037
30-89 Delinquencies	1.13%	1.13%	1.10%
90+ Delinquencies	0.36%	0.37%	0.40%
Nonperforming	0.05%	0.10%	0.13%



Comments

- ✓ Average loans have grown 1.7% linked quarter basis and 3.6% over 4Q08 on strong growth in revolving credit and student lending portfolios
- ✓ Auto loan portfolio loss rate declined to 1.17% in 4Q09, down from 1.28% in 3Q09 and 1.47% in 4Q08

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Earnings Summary

4Q09 Earnings Conference Call

$ in millions

	4Q09	3Q09	4Q08	% B/(W) vs 3Q09	% B/(W) vs 4Q08	FY09	FY08	% B/(W)
Net Interest Income	$ 2,360	$ 2,157	$ 2,161	9.4	9.2	$ 8,716	$ 7,866	10.8
Noninterest Income	2,016	2,093	1,463	(3.7)	37.8	7,952	6,811	16.8
Total Revenue	**4,376**	**4,250**	**3,624**	**3.0**	**20.8**	**16,668**	**14,677**	**13.6**
Noninterest Expense	2,228	2,053	1,938	(8.5)	(15.0)	8,281	7,348	(12.7)
Operating Income	**2,148**	**2,197**	**1,686**	**(2.2)**	**27.4**	**8,387**	**7,329**	**14.4**
Net Charge-offs	1,110	1,041	632	(6.6)	(75.6)	3,868	1,819	(112.6)
Excess Provision	278	415	635	33.0	56.2	1,689	1,277	(32.3)
Income before Taxes	**760**	**741**	**419**	**2.6**	**81.4**	**2,830**	**4,233**	**(33.1)**
Applicable Income Taxes	158	136	67	(16.2)	(135.8)	593	1,221	51.4
Noncontrolling Interests	-	(2)	(22)	--	--	(32)	(66)	51.5
Net Income	**602**	**603**	**330**	**(0.2)**	**82.4**	**2,205**	**2,946**	**(25.2)**
Preferred Dividends	22	20	71	(10.0)	69.0	402	127	(216.5)
NI to Common	**$ 580**	**$ 583**	**$ 259**	**(0.5)**	**123.9**	**$ 1,803**	**$ 2,819**	**(36.0)**
Diluted EPS	$ 0.30	$ 0.30	$ 0.15	--	100.0	$ 0.97	$ 1.61	(39.8)
Average Diluted Shares	1,917	1,917	1,763	--	(8.7)	1,859	1,756	(5.9)

Taxable-equivalent basis

4Q09 Results - Key Drivers

vs. 4Q08

- ✓ Net Revenue growth of 20.8% (16.9% excluding net securities losses)
  - Net interest income growth of 9.2%; net interest margin of 3.83% vs. 3.81%
  - Noninterest income growth of 37.8% (26.7% excluding net securities losses)
  - Significant items: net change of $57 million
- ✓ Noninterest expense growth of 15.0% (10.8% excluding acquisitions)
- ✓ Provision for credit losses higher by $121 million
  - Net charge-offs higher by $478 million
  - Provision in excess of credit losses of $278 million; $635 million in 4Q08

vs. 3Q09

- ✓ Net Revenue growth of 3.0% (4.8% excluding net securities losses)
  - Net interest income growth of 9.4%; net interest margin of 3.83% vs. 3.67%
  - Noninterest income declined 3.7% (+0.2% excluding net securities losses)
  - Significant items: net change of ($121) million
- ✓ Noninterest expense growth of 8.5% (5.3% excluding acquisitions)
- ✓ Provision for credit losses lower by $68 million
  - Net charge-offs higher by $69 million
  - Provision in excess of credit losses of $278 million; $415 million in 3Q09

Significant Items

$ in millions

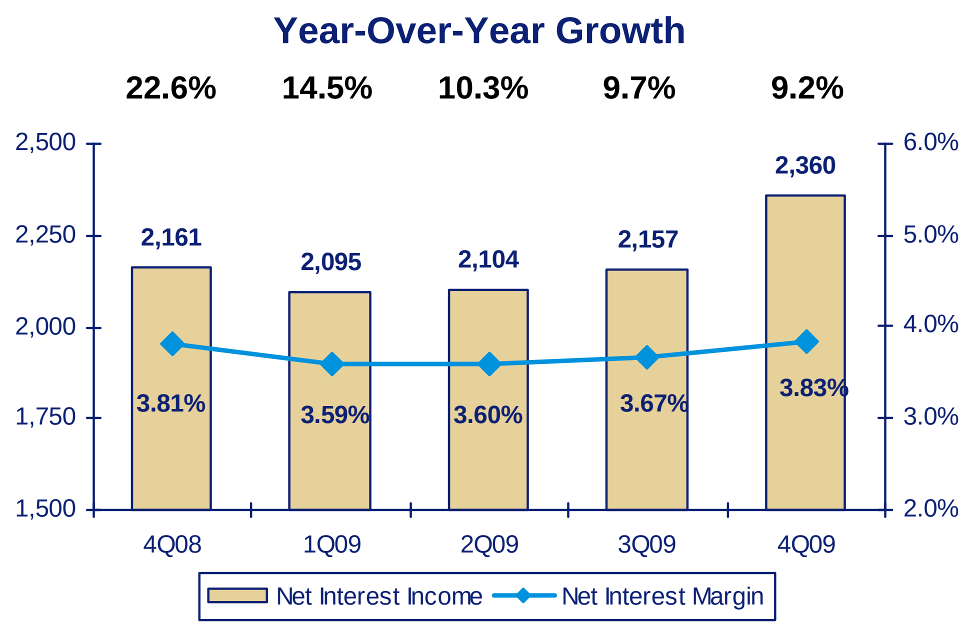
	4Q09	3Q09	4Q08	FY09	FY08
Revenue Items					
Securities gains (losses), net	$ (158)	$ (76)	$ (253)	$ (451)	$ (978)
VISA gain	-	39	59	39	551
Other non-operating gains (losses)	-	-	(21)	92	(122)
Expense Items					
FDIC special assessment	-	-	-	123	-
Other, including Visa-related	-	-	10	-	57
Provision in excess of net charge-offs	278	415	635	1,689	1,277
TARP discount as deemed dividend*	-	-	-	(154)	-

* The impact of the TARP discount being treated as a deemed dividend does not reduce earnings, but it is a component of the computation of earnings per diluted common share

Net Interest Income

$ in millions

Net Interest Income



Key Points

vs. 4Q08

- ✓ Average earning assets grew by $19.4 billion, or 8.6% (2.4% excluding acquisitions)
- ✓ Net interest margin higher by 2 bp (3.83% vs. 3.81%) driven by:
  - Growth in low cost deposits vs. wholesale funding
  - Lower funding spreads

vs. 3Q09

- ✓ Average earning assets grew by $11.3 billion, or 4.8% (0.9% excluding acquisitions)
- ✓ Net interest margin higher by 16 bp (3.83% vs. 3.67%) driven by:
  - Growth in low cost deposits vs. wholesale funding
  - Lower funding spreads
  - Favorable change in loan spreads

Taxable-equivalent basis

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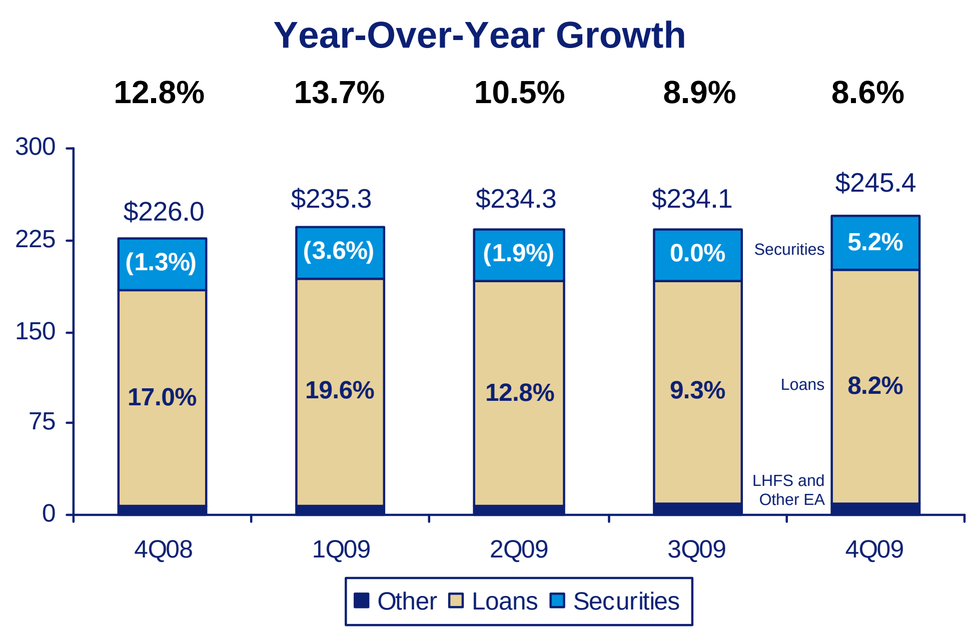
Average Earning Assets

$ in billions

Average Earning Assets



Key Points

vs. 4Q08

- ✓ Average earning assets grew by $19.4 billion, or 8.6% (2.4% excluding acquisitions)
- ✓ Average total loans grew by $14.4 billion, or 8.2% (0.4% excluding acquisitions)
- ✓ Average investment securities grew by $2.2 billion, or 5.2%

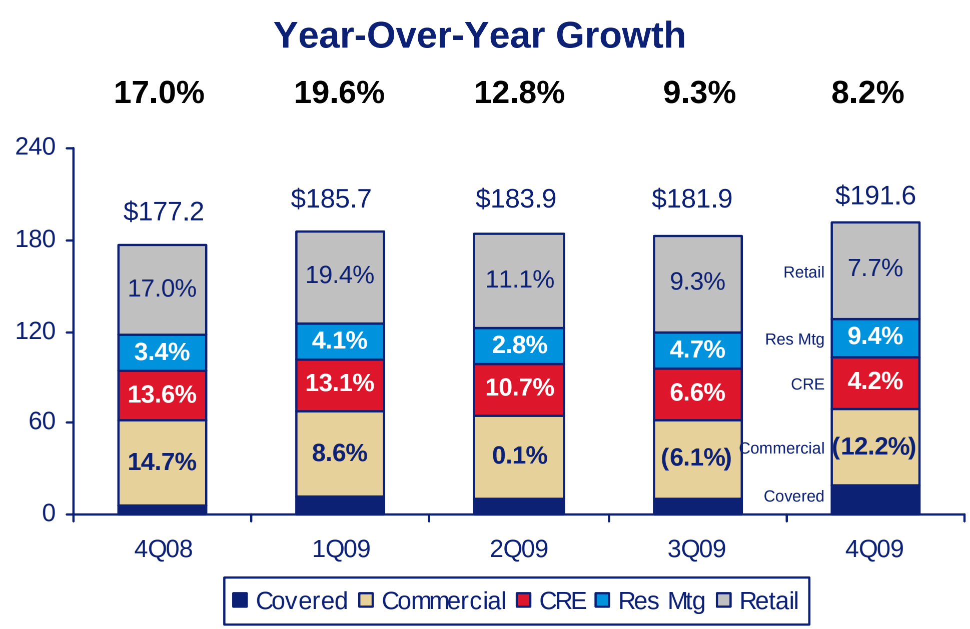
vs. 3Q09

- ✓ Average earning assets grew by $11.3 billion, or 4.8% (0.9% excluding acquisitions)
- ✓ Average total loans grew by $9.7 billion, or 5.3% (0.4% excluding acquisitions)
- ✓ Average investment securities grew by $1.6 billion, or 3.7%

Average Loans

$ in billions

Average Loans



Key Points

vs. 4Q08

- ✓ Average total loans grew by $14.4 billion, or 8.2% (0.4% excluding acquisitions)
- ✓ Average total commercial loans declined $7.0 billion, or 12.2%, primarily due to reduction in utilization of revolving lines of credit (30% 4Q09 vs. 38% 4Q08)
- ✓ Acquisition impact primarily in average covered assets which grew by $13.3 billion ($8.9 billion FBOP Banks and $4.4 billion Downey/PFF)
- ✓ Covered assets at December 31, 2009 equaled $22.5 billion ($13.2 billion FBOP Banks and 9.3 billion Downey/PFF)

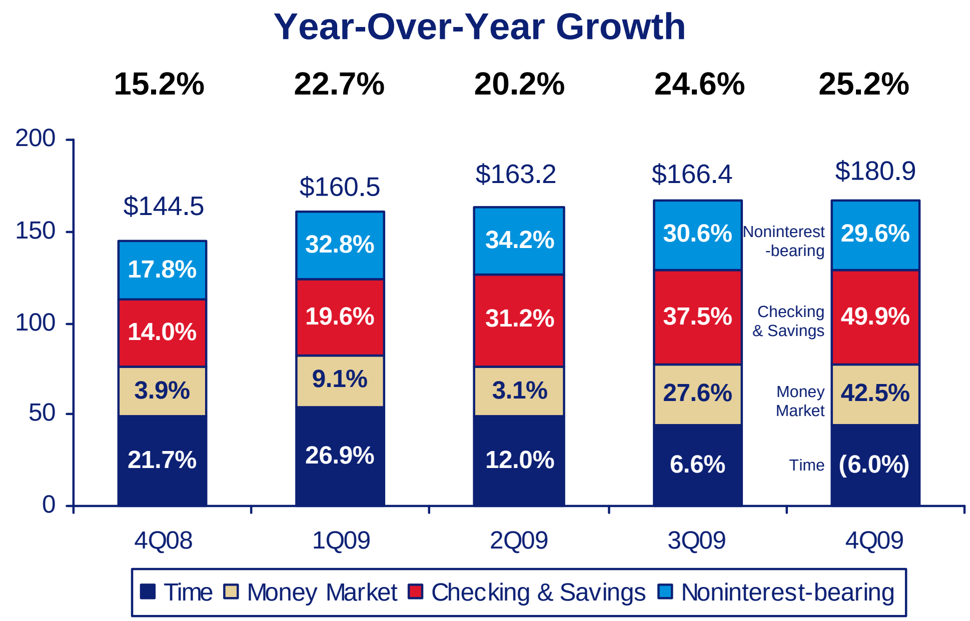
vs. 3Q09

- ✓ Average total loans grew by $9.7 billion, or 5.3% (0.4% excluding acquisitions)
- ✓ Average total commercial loans declined by $1.2 billion, or 2.4%, primarily due to utilization rates (30% 4Q09 vs. 32% 3Q09)
- ✓ Average covered assets grew by $8.2 billion, primarily due to acquisition of FBOP Banks

Average Deposits

$ in billions

Average Deposits



Key Points

vs. 4Q08

- ✓ Average total deposits grew by $36.4 billion, or 25.2% (15.3% excluding acquisitions)
- ✓ Average low cost deposits (NIB, interest checking, money market and savings), excluding acquisitions, grew $33.1 billion, or 35.1%
- ✓ Growth in low cost deposits led to reduction in wholesale time deposits, contributing to net interest margin expansion

vs. 3Q09

- ✓ Average total deposits grew by $14.5 billion, or 8.7% (2.7% excluding acquisitions)
- ✓ Average low cost deposits, excluding acquisitions, grew by $9.2 billion, or 7.5%
- ✓ Growth in low cost deposits led to reduction in wholesale time deposits, contributing to net interest margin expansion

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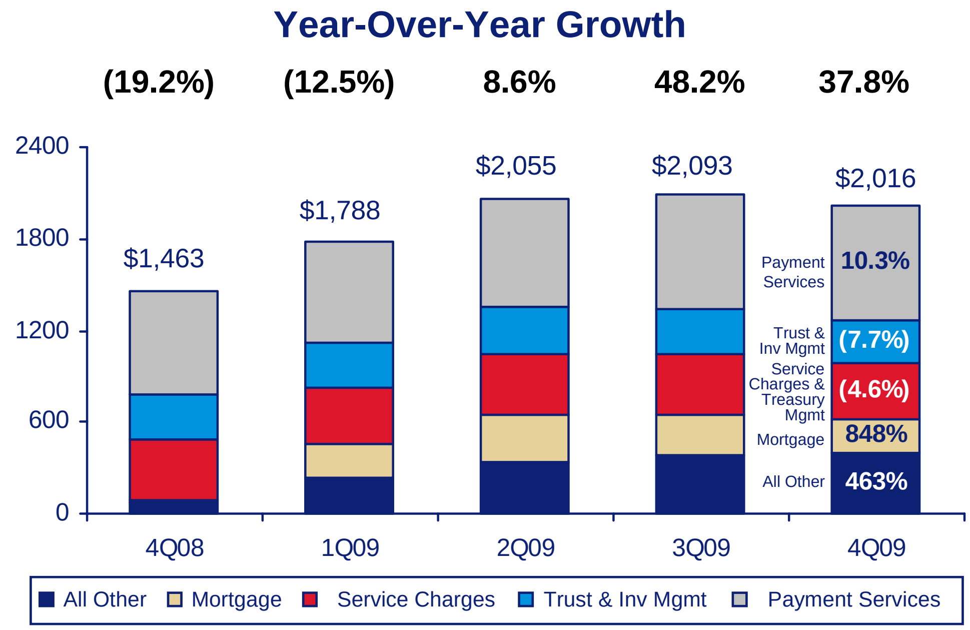
Noninterest Income

$ in millions

Noninterest Income



Significant Noninterest Income Items

	4Q08	1Q09	2Q09	3Q09	4Q09
Valuation losses	$ (253)	$ (198)	$ (19)	$ (76)	$ (158)
Other non-operating gains	38	92	-	39	-
Total	$ (215)	$ (106)	$ (19)	$ (37)	$ (158)

Payment services = credit and debt card revenue, corporate payment products revenue and merchant processing services

Key Points

vs. 4Q08

- ✓ Noninterest income grew by $553 million, or 37.8% (26.7% excl net securities losses), driven by:
  - Payments revenue (10.3% growth)
  - Mortgage banking revenue growth of $195 million
    - 36.4% increase in production volume
    - Favorable change in MSR hedge ($33 4Q09 vs. ($70) 4Q08)
  - Commercial products revenue (41.2% growth)
  - Higher other revenue
    - Lower end of term lease residual valuation losses
    - Payments contract termination gain
- ✓ Significant items, including net securities losses, were favorable by $57 million

vs. 3Q09

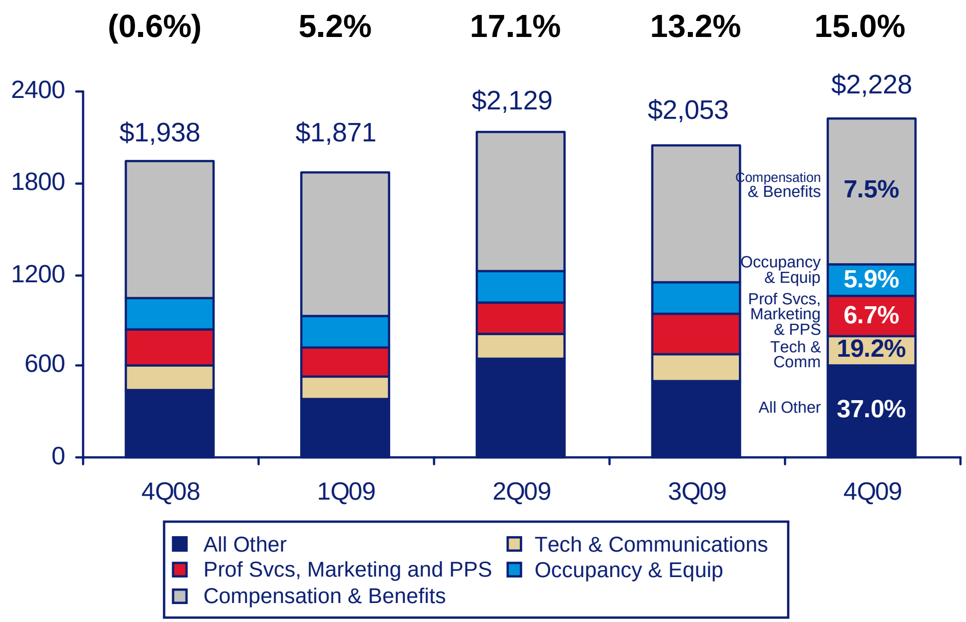
- ✓ Noninterest income was lower by $77 million, or 3.7% (+0.2% excl net securities losses), driven by:
  - Mortgage banking revenue decline of $58 million
    - 25.2% reduction in production volume
    - Unfavorable change in MSR hedge ($33 4Q09 vs. $67 3Q09)
  - Commercial products revenue (17.8% growth)
  - Lower trust and investment management fees, deposit service charges and treasury management fees
  - Higher other revenue
    - Lower end of term lease residual valuation losses
    - Payment contract termination gain
- ✓ Significant items, including net securities losses, unfavorable by $121 million

Noninterest Expense

$ in millions

Noninterest Expense

Year-Over-Year Growth



Significant Noninterest Expense Items

	4Q08	1Q09	2Q09	3Q09	4Q09
FDIC special assessment	$ -	$ -	$ 123	$ -	$ -
Visa indemnification	10	-	-	-	-
Total	$ 10	$ -	$ 123	$ -	$ -

Key Points

vs. 4Q08

✓ Noninterest expense was higher by $290 million, or 15.0% (10.8% excluding acquisitions), majority of variance driven by:

- Acquisitions ($86 million of increase)
- Tax credit amortization ($79 million of increase)
- FDIC expense
- Other loan expense

vs. 3Q09

✓ Noninterest expense was higher by $175 million, or 8.5% (5.3% excluding acquisitions), majority of variance driven by:

- Acquisitions ($66 million of increase)
- Tax credit amortization ($60 million of increase)
- Elimination of salary reductions related to cost containment initiative
- Legal and professional
- Other loan expense

Positioned for Growth

Opportunities

- ✓ Core businesses continue to perform
- ✓ Solid capital and liquidity position
- ✓ Positioned to capitalize on economic recovery
  - "Flight to Quality"
  - Investing for growth – organic initiatives, M&A and joint ventures
  - USB prepared to opportunistically acquire
  - Core businesses are scalable and can be leveraged as the economy recovers

Challenges

- ✓ Credit quality
- ✓ Regulatory / legislative oversight and actions

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Appendix

Non-Regulatory Capital Ratios

$ in millions

	4Q08	1Q09	2Q09	3Q09	4Q09
Total equity	$ 27,033	$ 27,942	$ 24,886	$ 25,880	$ 26,661
Preferred stock	(7,931)	(7,939)	(1,500)	(1,500)	(1,500)
Noncontrolling interests	(733)	(719)	(715)	(709)	(698)
Goodwill (net of deferred tax liability)	(8,153)	(8,001)	(8,035)	(8,161)	(8,482)
Intangible assets (exclude mortgage servicing rights)	(1,640)	(1,516)	(1,479)	(1,604)	(1,657)
Tangible common equity (a)	8,576	9,767	13,157	13,906	14,324
Tier 1 Capital, determined in accordance with prescribed regulatory requirements	24,426	25,284	21,710	21,990	22,610
Trust preferred securities	(4,024)	(4,024)	(4,024)	(4,024)	(4,524)
Preferred stock	(7,931)	(7,939)	(1,500)	(1,500)	(1,500)
Noncontrolling interests, less preferred stock not eligible for Tier 1 capital	(693)	(692)	(692)	(692)	(692)
Tier 1 common equity (b)	11,778	12,629	15,494	15,774	15,894
Total assets	265,912	263,624	265,560	265,058	281,176
Goodwill (net of deferred tax liability)	(8,153)	(8,001)	(8,035)	(8,161)	(8,482)
Intangible assets (exclude mortgage servicing rights)	(1,640)	(1,516)	(1,479)	(1,604)	(1,657)
Tangible assets (c)	256,119	254,107	256,046	255,293	271,037
Risk-weighted assets, determined in accordance with prescribed regulatory requirements (d)	230,628	232,043	231,821	231,993	235,202
Ratios					
Tangible common equity to tangible assets (a)/(c)	3.3%	3.8%	5.1%	5.4%	5.3%
Tier 1 common equity to risk-weighted assets (b)/(d)	5.1%	5.4%	6.7%	6.8%	6.8%
Tangible common equity to risk-weighted assets (a)/(d)	3.7%	4.2%	5.7%	6.0%	6.1%

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4Q09 Earnings Conference Call

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