U.S. Bancorp
1Q18 Earnings
Conference Call

April 18, 2018

Forward-looking Statements and Additional Information

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

Today's 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 hereof. 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. A reversal or slowing of the current economic recovery or another severe contraction could adversely affect U.S. Bancorp's revenues and the values of its 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 downturn in the residential real estate markets could cause credit losses and deterioration in asset values. In addition, changes to statutes, regulations, or regulatory policies or practices could affect U.S. Bancorp in substantial and unpredictable ways. U.S. Bancorp's results could also be adversely affected by deterioration in general business and economic conditions; changes in interest rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of its investment securities; legal and regulatory developments; litigation; increased competition from both banks and non-banks; changes in customer behavior and preferences; breaches in data security; 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, compliance risk, strategic risk, interest rate risk, liquidity risk and reputational 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, 2017, 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. However, factors other than these also could adversely affect U.S. Bancorp's results, and the reader should not consider these factors to be a complete set of all potential risks or uncertainties. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp 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 calculations of these measures are provided in the Appendix. 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.

1Q18 Highlights

Income Statement $ in millions, except EPS	1Q18	change vs. 4Q17	change vs. 1Q17
Net interest income*	**$3,197**	(1.0) %	5.5 %
Noninterest income	**2,272**	(4.1)	0.6
Reported net income	**1,675**	(0.4)	13.7
Diluted EPS	**$0.96**	(1.0) %	17.1 %

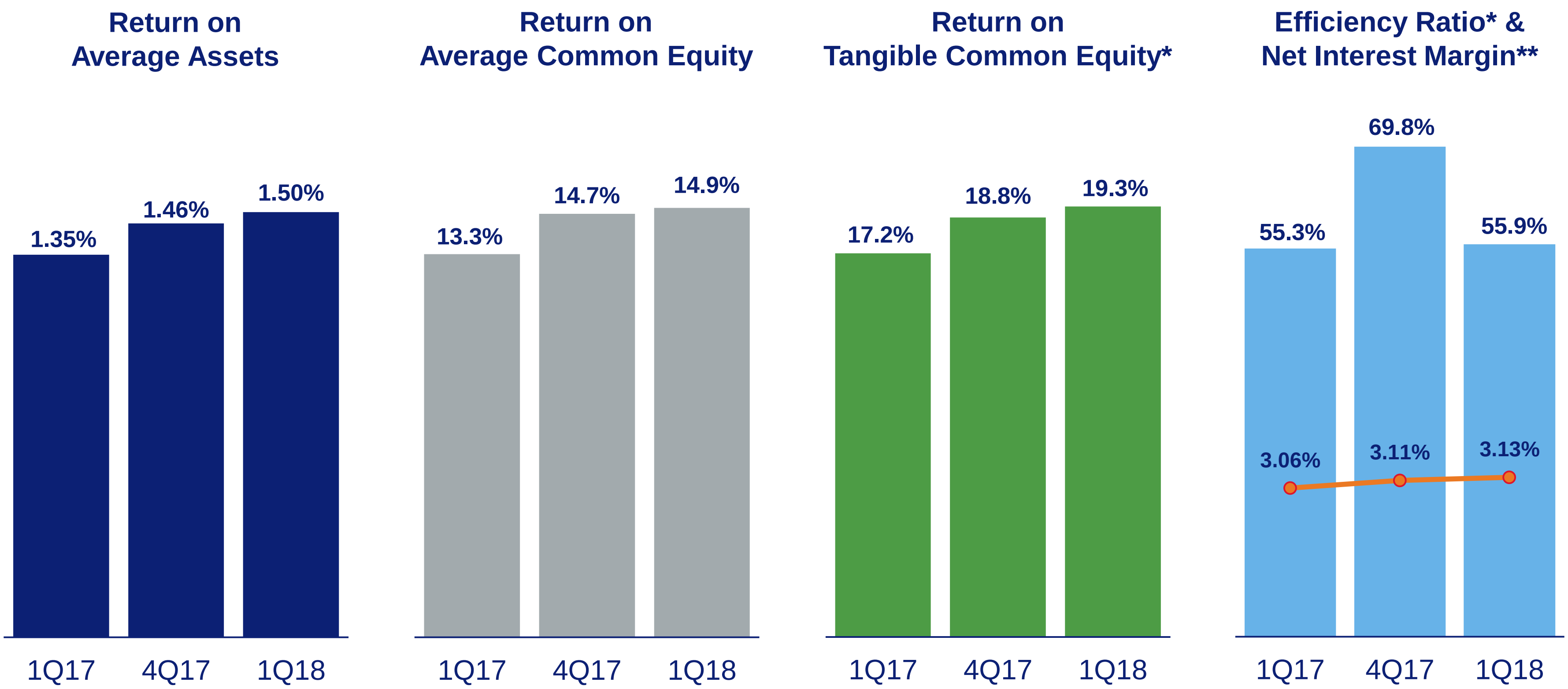
Balance Sheet $ in billions	1Q18	change vs. 4Q17	change vs. 1Q17
Average earning assets	**$411.8**	(0.4) %	3.1 %
Average total loans	**279.4**	(0.1)	2.3
Average total deposits	**334.6**	(1.4)	1.9

Credit Quality $ in millions	1Q18	change vs. 4Q17	change vs. 1Q17
Nonperforming assets	**$1,204**	0.3 %	(19.5) %
NPA ratio	**0.43%**	0bps	(12bps)
Net charge-off ratio	**0.49%**	3bps	(1bp)

Capital	1Q18	change vs. 4Q17	change vs. 1Q17
CET1 capital ratio	**9.0%**	(30bps)	(50bps)
Book value per share	**$26.54**	0.8 %	5.9 %
Payout ratio	**68%**		

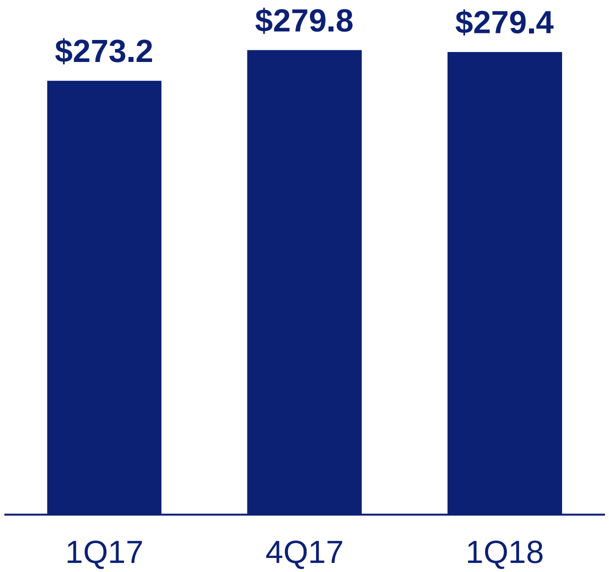
* Taxable-equivalent basis; see slide 27 for calculation

Performance Ratios



* Non-GAAP; see slides 26 and 27 for calculations
** Taxable-equivalent basis

Average Loans



-0.1% linked quarter

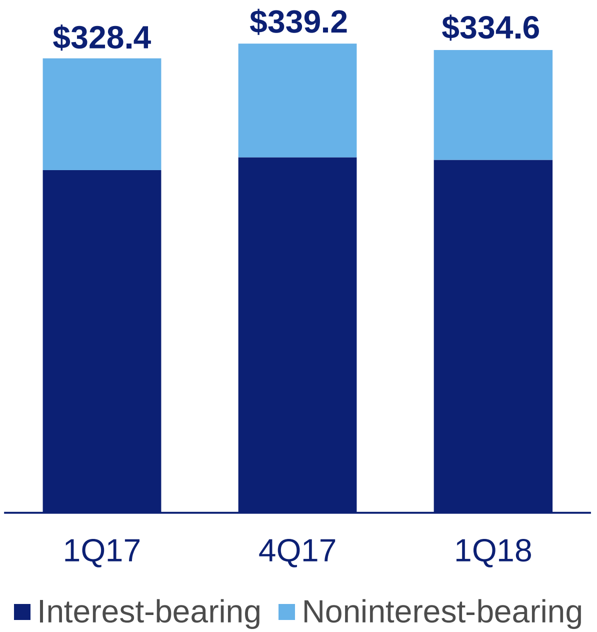
+2.3% year-over-year

(Three months ended 3/31/18)	Average Balances	Change vs. 4Q17	Change vs. 1Q17
Commercial	$97.5	(0.1) %	4.0 %
Commercial Real Estate	40.4	(1.6)	(6.5)
Residential Mortgage	60.2	0.9	3.9
Credit Card	21.3	0.3	2.1
Retail	57.0	(0.2)	6.1
Covered	3.0	(4.5)	(18.3)
Total loans	**$279.4**	**(0.1) %**	**2.3 %**

- Average total loans declined slightly linked quarter, reflecting continued paydowns of commercial and commercial real estate loans and runoff of the covered loan portfolio.
- Year-over-year growth in total commercial loans, residential mortgages, retail leasing and other retail loans was partially offset by a decrease in total commercial real estate loans.

$ in billions

Average Deposits



-1.4% linked quarter

+1.9% year-over-year

Interest-bearing Deposits

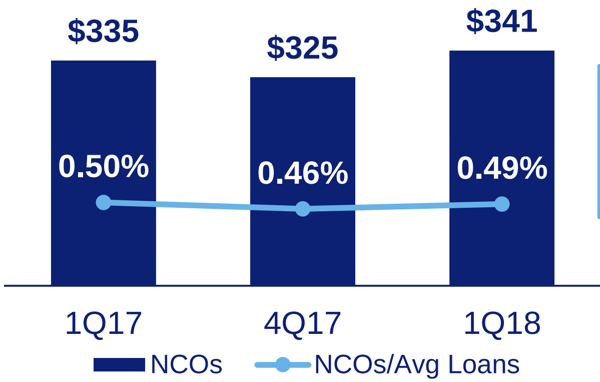
(Three months ended 3/31/18)	Average Balances	Change vs. 4Q17	Change vs. 1Q17	Rates	Change vs. 4Q17
Money market savings	$103.3	(1.9) %	(5.0) %	0.81 %	0.12 %
Interest checking	70.4	(0.5)	7.1	0.15	(0.01)
Savings accounts	44.4	1.4	4.2	0.07	0.00
Time deposits	37.0	(0.1)	20.7	1.16	0.18
Total interest-bearing deposits	**$255.1**	**(0.7) %**	**3.0 %**	**0.55 %**	**0.07 %**

- Average noninterest-bearing deposits decreased 3.4% linked quarter, driven by seasonal declines across all business lines.
- Average noninterest-bearing deposits decreased 1.6% year-over-year, primarily due to a decrease in Corporate and Commercial Banking balances.

$ in billions
Rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent for 2018 and 35 percent for 2017

Credit Quality

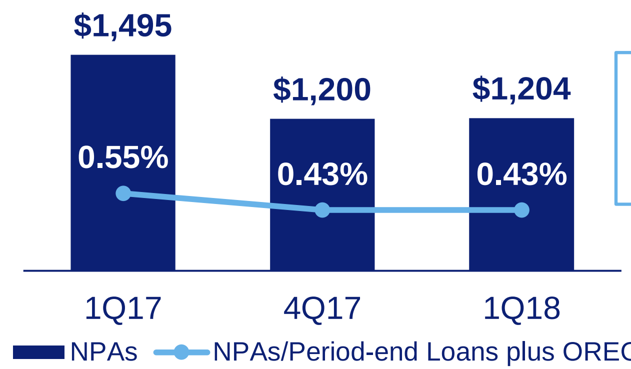
Net Charge-offs



NCO Ratio

+3 bps QoQ
-1 bp YoY

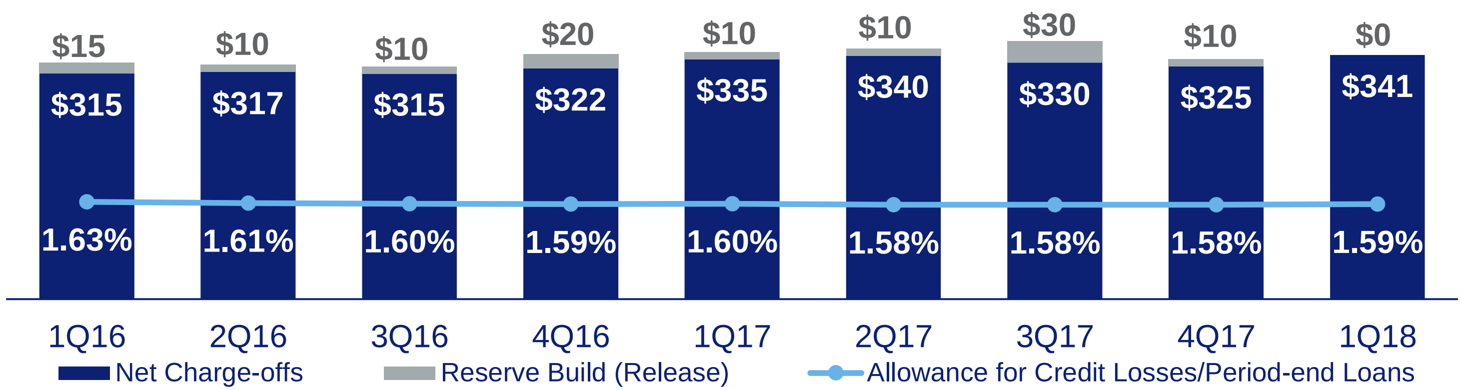
Nonperforming Assets



NPAs

+0.3% QoQ
-19.5% YoY

Provision for Credit Losses



$ in millions

Earnings Summary

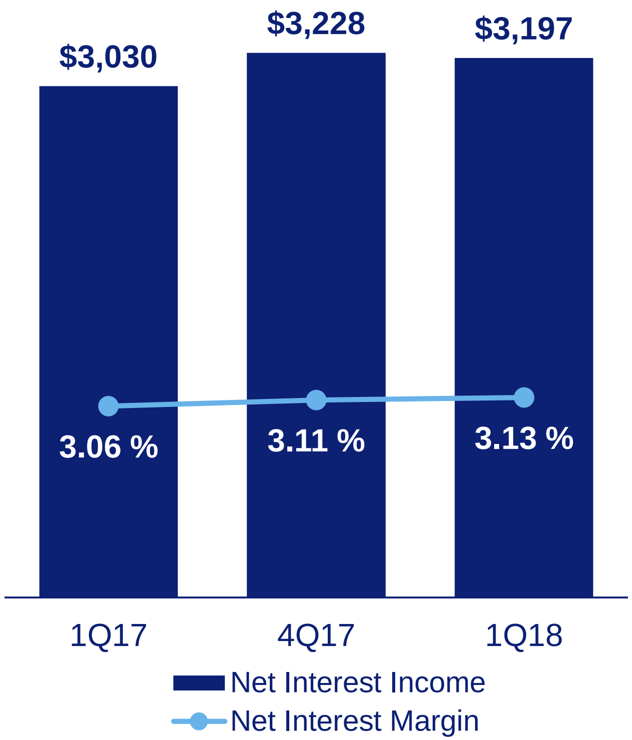
$ and shares in millions, except EPS				Reported % Change	
	1Q18	4Q17	1Q17	vs. 4Q17	vs. 1Q17
Net Interest Income	$3,168	$3,175	$2,980	(0.2)	6.3
Taxable-equivalent Adjustment	29	53	50	(45.3)	(42.0)
Net Interest Income (taxable-equivalent basis)	3,197	3,228	3,030	(1.0)	5.5
Noninterest Income	2,272	2,370	2,259	(4.1)	0.6
Net Revenue	**5,469**	**5,598**	**5,289**	(2.3)	3.4
Noninterest Expense	3,055	3,899	2,909	(21.6)	5.0
Operating Income	**2,414**	**1,699**	**2,380**	42.1	1.4
Net Charge-offs	341	325	335	4.9	1.8
Excess Provision	—	10	10	NM	NM
Income Before Taxes	**2,073**	**1,364**	**2,035**	52.0	1.9
Applicable Income Taxes	391	(322)	549	NM	(28.8)
Noncontrolling Interests	(7)	(4)	(13)	(75.0)	46.2
Net Income	**1,675**	**1,682**	**1,473**	(0.4)	13.7
Preferred Dividends/Other	78	71	86	9.9	(9.3)
Net Income to Common	**$1,597**	**$1,611**	**$1,387**	(0.9)	15.1
Diluted EPS	$0.96	$0.97	$0.82	(1.0)	17.1
Average Diluted Shares	1,657	1,664	1,701	(0.4)	(2.6)

1Q18 Impacts of New Accounting Standards and Tax Reform

$ in millions	1Q18 Prior to Changes	Impact of Acctg Standards Adopted	Impact of Tax Reform*	1Q18 Reported
		better / (worse)		
Net Interest Income (taxable-equivalent basis)	$ 3,190	$ 35	$ (28)	$ 3,197
Noninterest Income	2,345	(73)	–	2,272
Net Revenue	**5,535**	**(38)**	**(28)**	**5,469**
Noninterest Expense	3,093	38	–	3,055
Operating Income	**$ 2,442**	**$ –**	**$ (28)**	**$ 2,414**

* Tax reform legislation enacted in late 4Q17 resulted in a reduction of the taxable-equivalent adjustment benefit related to tax exempt assets in 1Q18

Net Interest Income



-1.0% linked quarter

+5.5% year-over-year

Linked Quarter

- The decline in net interest income reflects the impact of two fewer days in the quarter, tax reform and deposit and funding mix, partially offset by the impact of higher rates.
- Excluding the impact of tax reform related to tax exempt income, the net interest margin increased 4 basis points.

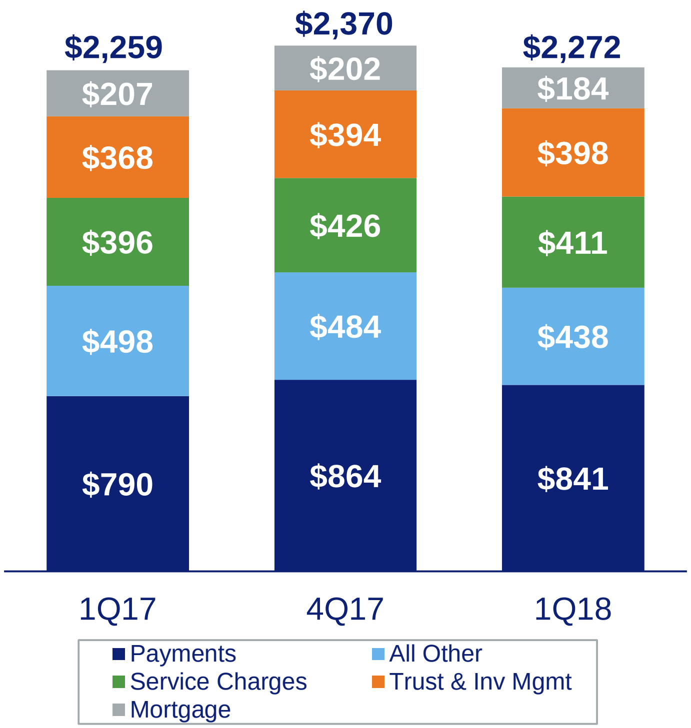
Year-over-Year

- Net interest income growth was driven primarily by the impact of rising interest rates and loan growth.

NIM Variance Normalized			
1Q17 As Reported	3.03%	4Q17 As Reported	3.08%
Revenue Recognition	0.03%	Revenue Recognition	0.03%
1Q17 Normalized	3.06%	4Q17 Normalized	3.11%
Tax Reform	-0.02%	Tax Reform	-0.02%
Yield Curve/Loan Spreads	0.09%	Yield Curve/Loan Spreads	0.04%
1Q18 NIM	3.13%	1Q18 NIM	3.13%
	0.07%		**0.02%**

$ in millions
Taxable-equivalent basis

Noninterest Income



-4.1% linked quarter

+0.6% year-over-year

Linked Quarter

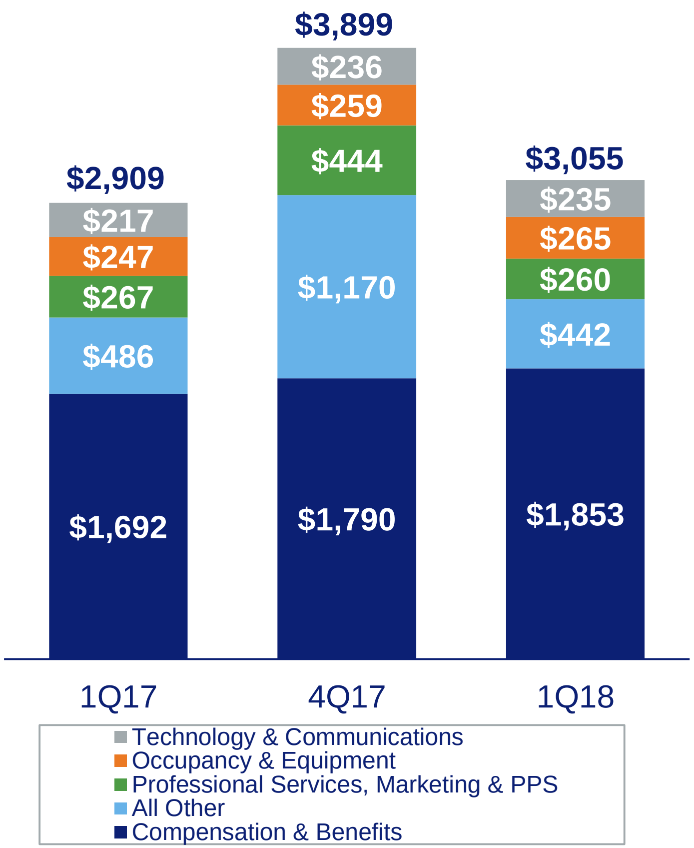
- The decline in noninterest income reflects seasonally lower payment services revenue, mortgage banking revenue and deposit services charges.

Year-over-Year

- Solid growth in payment services revenue was driven by stronger credit and debit card revenue, an increase in corporate payment products revenue and improving merchant processing revenue due to higher sales volumes.
- Higher trust and investment management fees were driven by business growth, net asset inflows and favorable market conditions.
- Deposit service charges increased primarily due to higher transaction volumes and account growth.
- Lower commercial products revenue and mortgage banking revenue reflect industry trends.

$ in millions
Payments = credit and debit card, corporate payment products and merchant processing
Service charges = deposit service charges, treasury management and ATM processing

Noninterest Expense



-21.6% linked quarter

+5.0% year-over-year

Linked Quarter

- Higher compensation expense was partially offset by seasonally lower costs related to investments in tax-advantaged projects, mortgage banking costs and professional services expense.
- Excluding 4Q17 notable items*, noninterest expense decreased 0.6 percent

Year-over-Year

- Noninterest expense increased primarily due to higher compensation expense related to hiring to support business growth and compliance programs, merit increases, variable compensation related to revenue growth, increased expense from a change to a shorter vesting period for new stock-based compensation grants, and higher employee benefits expense.
- Growth in noninterest expense was partially offset by lower professional services expense driven by lower consulting costs for risk and compliance programs, and other expenses.

$ in millions

* 4Q17 notable items included a $608 million legal and regulatory accrual, a $150 million contribution to the U.S. Bank Foundation and a $67 million one-time bonus to certain eligible employees

Capital Position

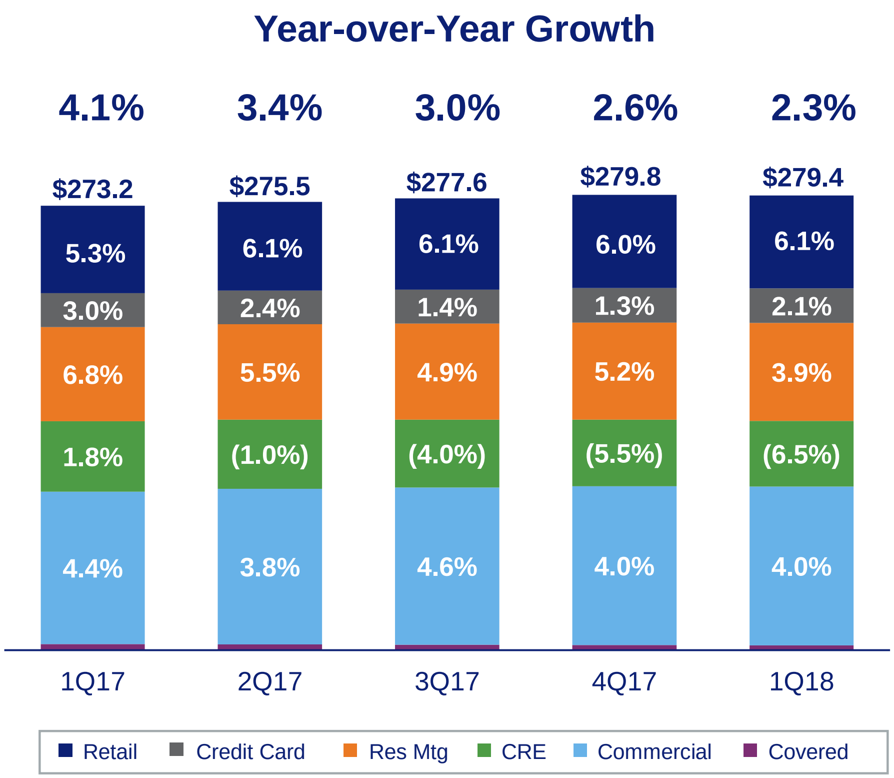
$ in billions	1Q18	4Q17	3Q17	2Q17	1Q17
Total U.S. Bancorp shareholders' equity	$49.2	$49.0	$48.7	$48.3	$47.8
Basel III Standardized Approach					
Common equity tier 1 capital ratio	9.0%	9.3%	9.6%	9.5%	9.5%
Tier 1 capital ratio	10.4%	10.8%	11.1%	11.1%	11.0%
Total risk-based capital ratio	12.5%	12.9%	13.2%	13.2%	13.3%
Leverage ratio	8.8%	8.9%	9.1%	9.1%	9.1%
Basel III Advanced Approaches					
Common equity tier 1 capital to risk-weighted assets	11.5%	12.0%	12.1%	12.0%	11.8%
Tangible common equity to tangible assets*	7.7%	7.6%	7.7%	7.5%	7.6%
Tangible common equity to risk-weighted assets*	9.3%	9.4%	9.5%	9.4%	9.4%

* See Non-GAAP Financial Measures reconciliation on slide 25

Appendix

Average Loans

Average Loans ($bn)



Key Points

vs. 1Q17

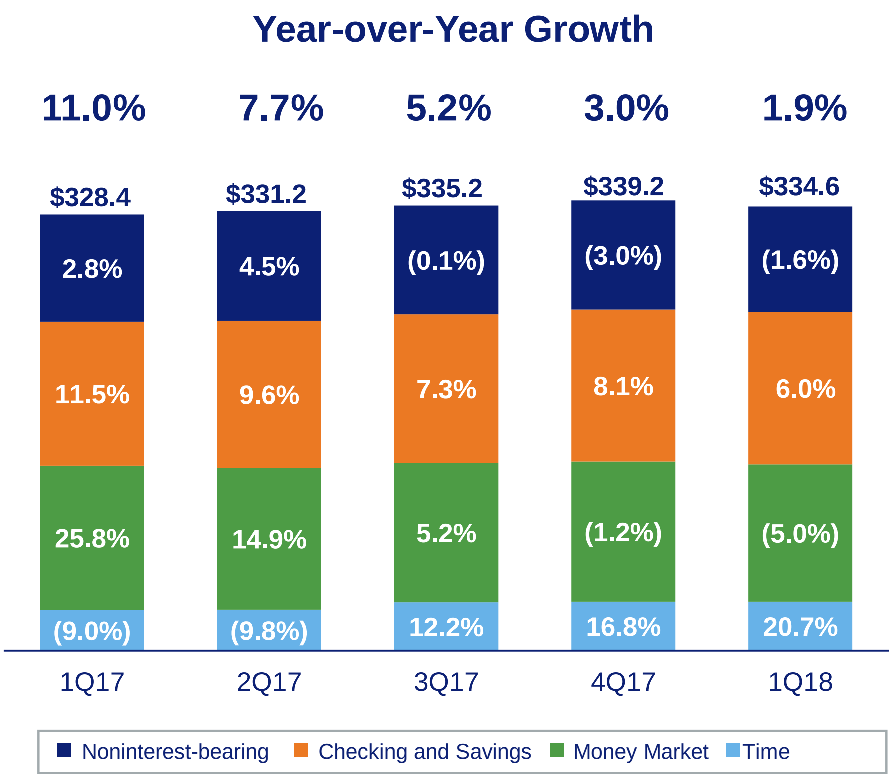
- Average total loans increased by $6.2 billion, or 2.3%
- Average commercial loans increased by $3.7 billion, or 4.0%
- Average retail loans increased by $3.3 billion, or 6.1%
- Average residential mortgage loans increased by $2.3 billion, or 3.9%

vs. 4Q17

- Average total loans declined $0.4 billion, or 0.1%
- Average residential mortgage loans increased by $0.5 billion, or 0.9%
- Average commercial loans declined $0.1 billion, or 0.1%
- Average commercial real estate loans declined $0.6 billion, or 1.6%
- Average covered loans declined $0.1 billion, or 4.5%

Average Deposits

Average Deposits ($bn)



Key Points

vs. 1Q17

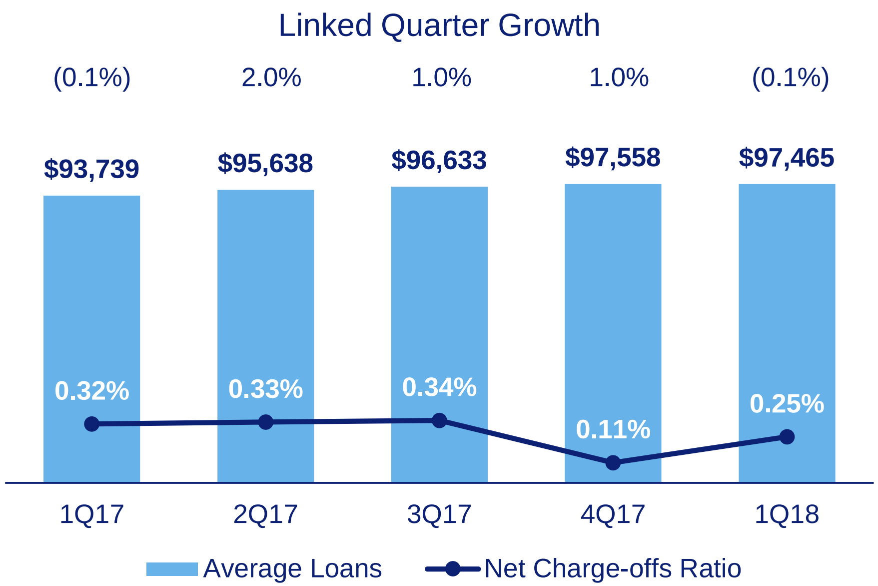
- Average total deposits increased by $6.1 billion, or 1.9%
- Average low-cost deposits (NIB, interest checking, money market and savings) declined $0.2 billion, or 0.1%

vs. 4Q17

- Average total deposits declined $4.6 billion, or 1.4%
- Average low-cost deposits declined $4.5 billion, or 1.5%

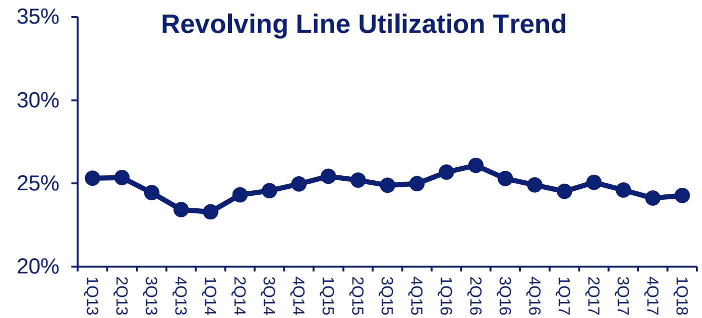
Credit Quality – Commercial Loans

Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$93,739	$97,558	$97,465
30-89 Delinquencies	0.23%	0.26%	0.25%
90+ Delinquencies	0.06%	0.06%	0.06%
Nonperforming Loans	0.46%	0.26%	0.31%

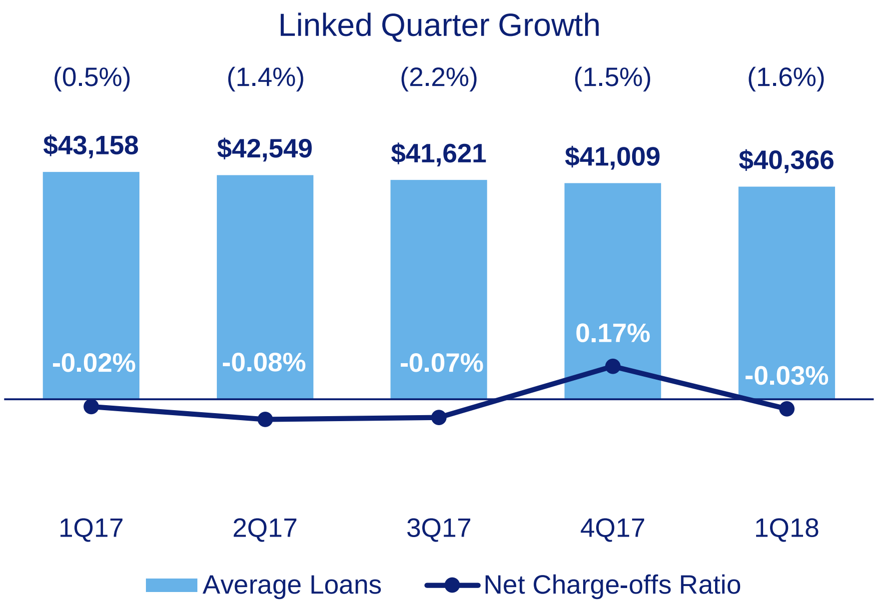


Key Points

- Average loan growth was essentially flat linked quarter consistent with historical results; equipment finance saw stronger growth as firms reinvested tax reform savings into equipment and other capital expenditures
- Net charge-offs normalized in 1Q18 following a quarter of strong credit recoveries in 4Q17, but improved on a year-over-year basis

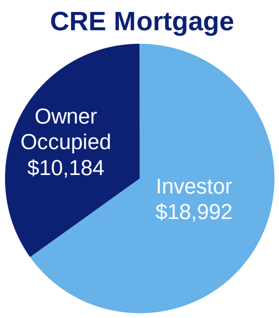
Credit Quality – Commercial Real Estate

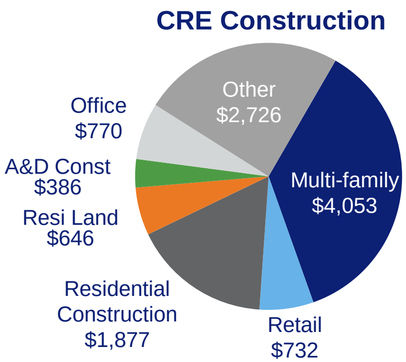
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$43,158	$41,009	$40,366
30-89 Delinquencies	0.15%	0.09%	0.09%
90+ Delinquencies	0.01%	0.01%	0.01%
Nonperforming Loans	0.26%	0.35%	0.30%
Performing TDRs*	$153	$138	$135





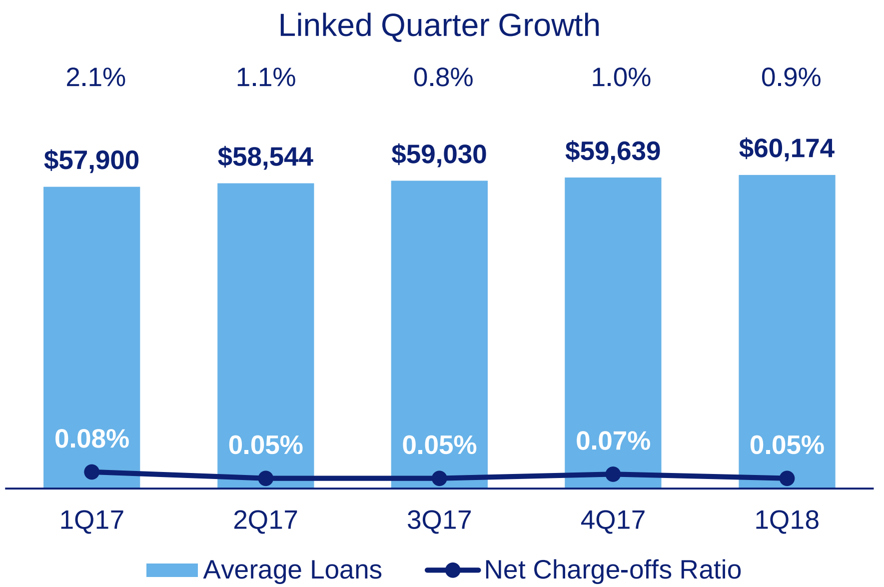
Key Points

- Average loans declined on both a linked quarter and year-over-year basis as competition from non-banks resulted in continued early payoffs
- In 1Q18, recoveries exceeded gross charge-offs following higher retail-related charge-offs in 4Q17

* TDR = troubled debt restructuring

Credit Quality – Residential Mortgage

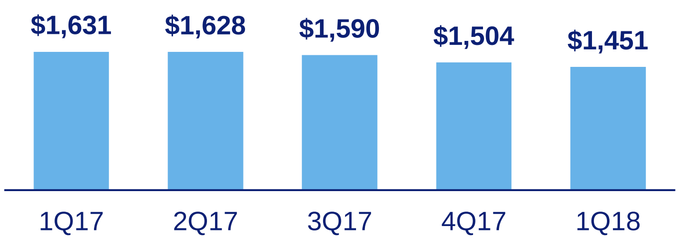
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$57,900	$59,639	$60,174
30-89 Delinquencies	0.21%	0.33%	0.24%
90+ Delinquencies	0.24%	0.22%	0.22%
Nonperforming Loans	0.99%	0.74%	0.71%

Residential Mortgage Performing TDRs*



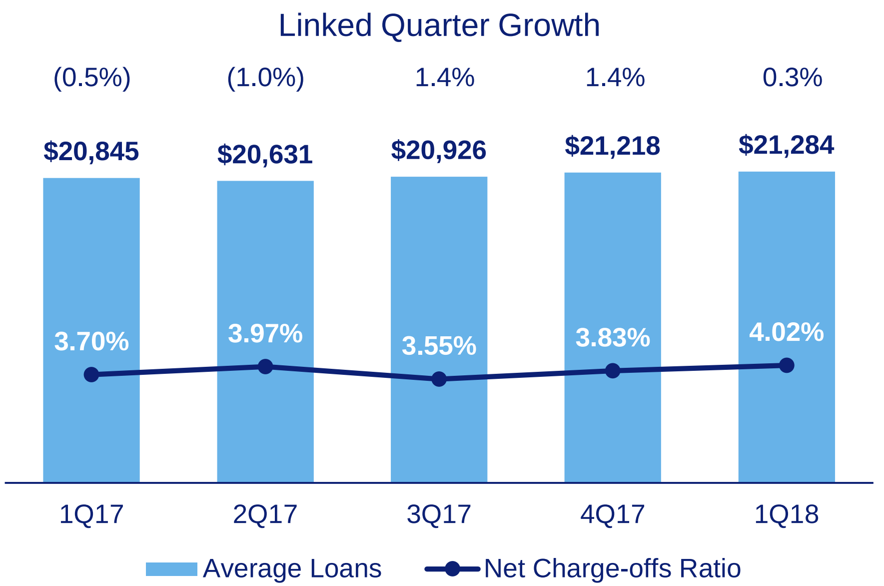
Key Points

- Originations continued to be high credit quality (weighted average FICO of 756, weighted average LTV of 70%)
- More than 92% of balances have been originated since the beginning of 2009; the origination quality metrics and performance to date have significantly outperformed prior vintages with similar seasoning

* Excludes GNMA loans, whose repayments are insured by the FHA or guaranteed by the Department of VA ($1,566 million in 1Q18)

Credit Quality – Credit Card

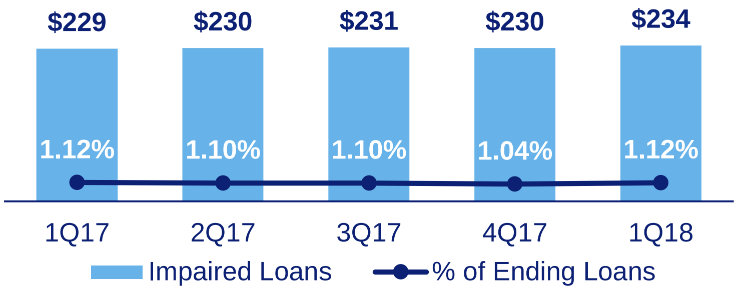
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$20,845	$21,218	$21,284
30-89 Delinquencies	1.24%	1.37%	1.32%
90+ Delinquencies	1.23%	1.28%	1.29%
Nonperforming Loans	0.01%	0.00%	0.00%

Credit Card Restructured Loans

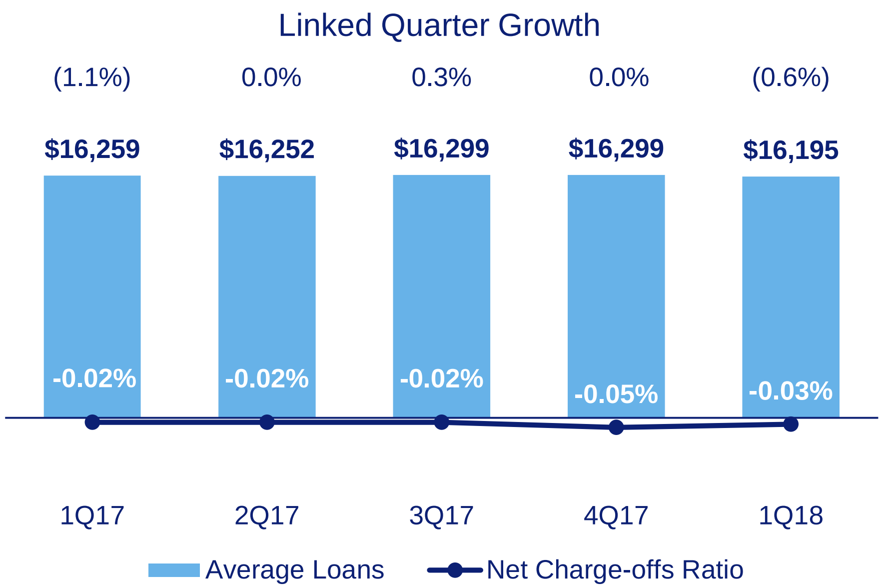


Key Points

- Year-over-year average loan growth of 2.1% was driven by high credit quality originations
- The commitment weighted average FICO on new originations remained strong at 759
- Year-over-year increases in delinquency and net charge-off rates primarily reflect vintage maturation

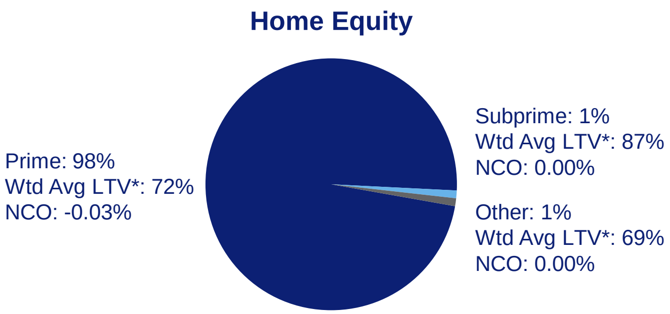
Credit Quality – Home Equity

Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$16,259	$16,299	$16,195
30-89 Delinquencies	0.33%	0.48%	0.41%
90+ Delinquencies	0.24%	0.28%	0.32%
Nonperforming Loans	0.79%	0.77%	0.79%



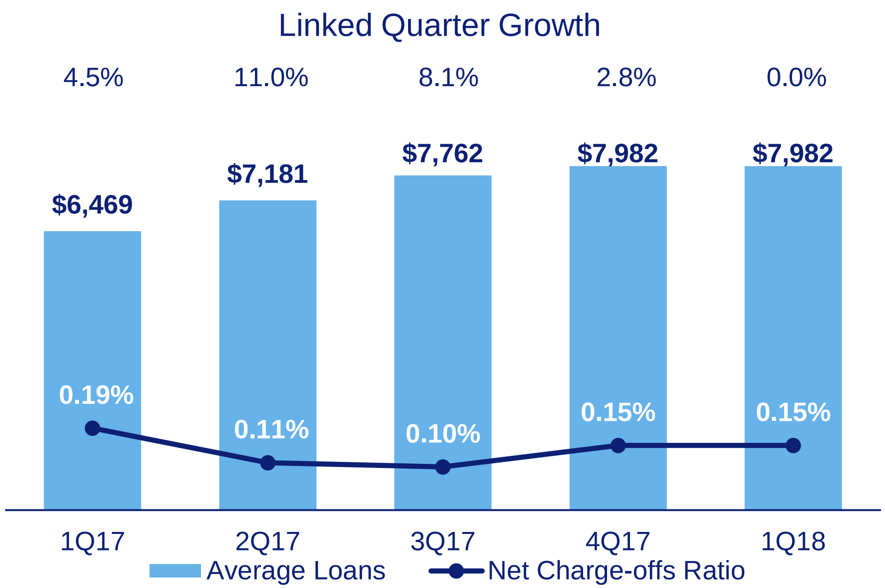
*LTV at origination

Key Points

- High-quality originations (weighted average FICO on commitments of 766, weighted average CLTV of 69%) were originated primarily through the retail branch network to existing bank customers on their primary residences
- Net charge-offs were stable year-over-year with strong recoveries

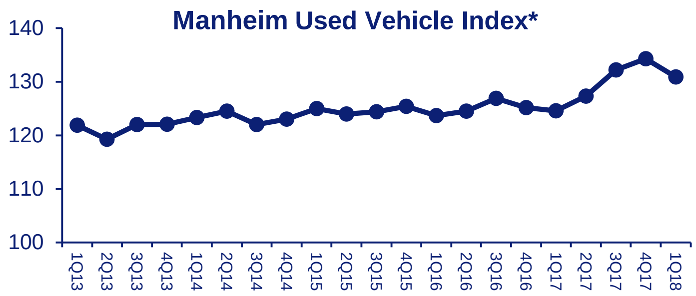
Credit Quality – Retail Leasing

Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$6,469	$7,982	$7,982
30-89 Delinquencies	0.24%	0.41%	0.34%
90+ Delinquencies	0.01%	0.03%	0.02%
Nonperforming Loans	0.04%	0.10%	0.09%



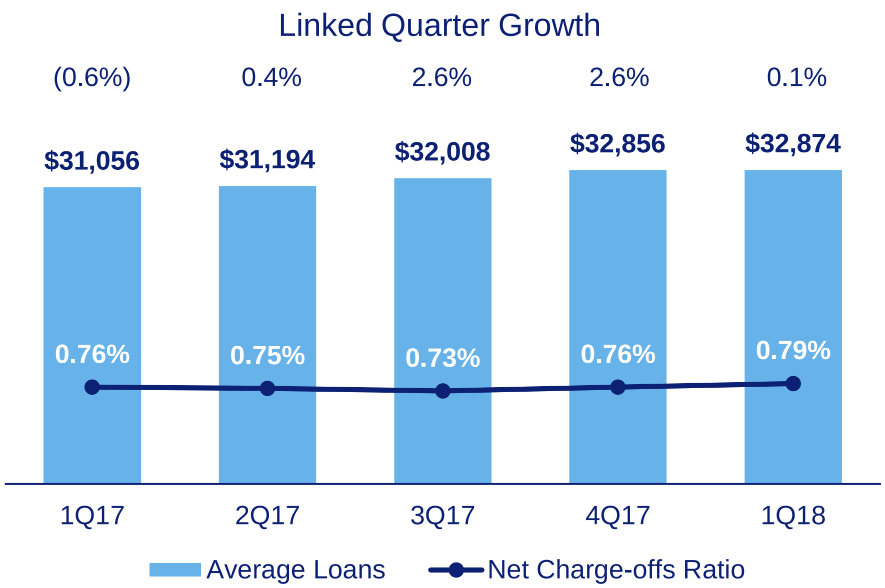
Key Points

- Continued high-quality originations during 1Q18 (weighted average FICO of 781) support the portfolio's stable credit profile
- Late stage delinquencies, nonperforming leases and net charge-offs remained at very low levels

* Manheim Used Vehicle Value Index source: www.manheimconsulting.com, January 1995 = 100, quarter value = average monthly ending values

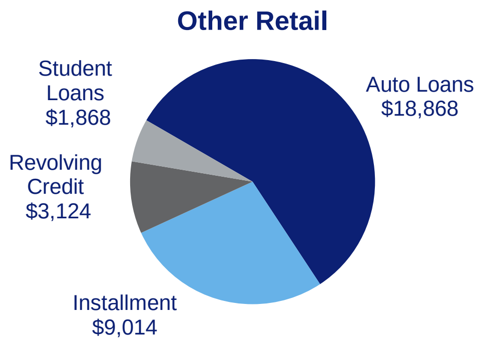
Credit Quality – Other Retail

Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$31,056	$32,856	$32,874
30-89 Delinquencies	0.56%	0.80%	0.73%
90+ Delinquencies	0.12%	0.15%	0.15%
Nonperforming Loans	0.09%	0.10%	0.11%

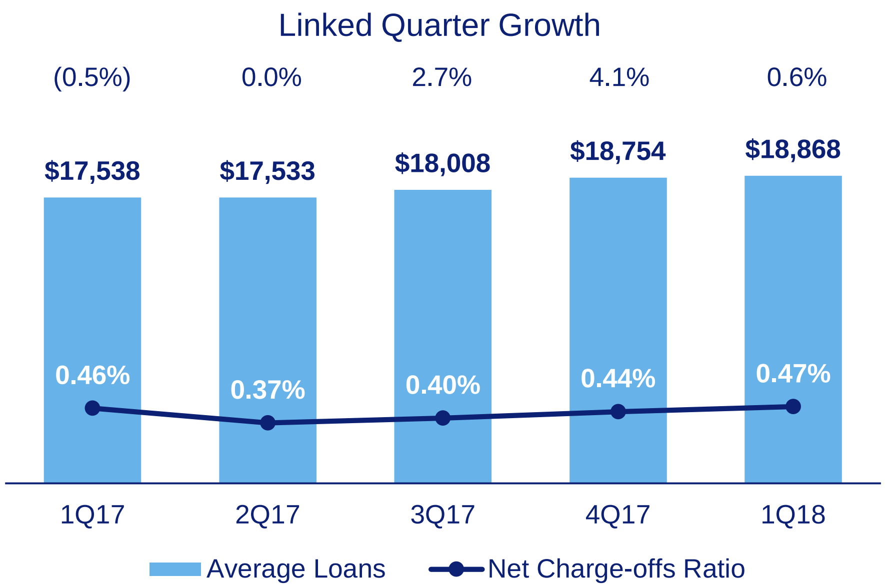


Key Points

- Growth in average Other Retail loans continued to be driven by the auto loan and installment categories, which increased 7.6% and 11.2% year-over-year, respectively
- Net charge-offs remained relatively stable; 30-89 delinquencies were seasonally lower on a linked quarter basis

Credit Quality – Auto Loans

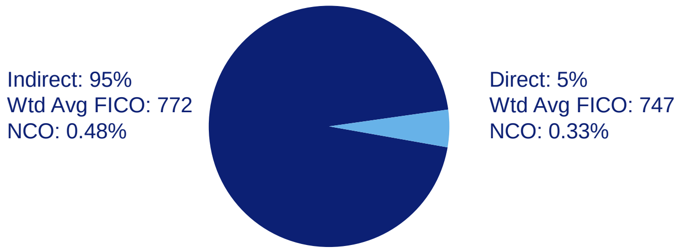
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q17	4Q17	1Q18
Average Loans	$17,538	$18,754	$18,868
30-89 Delinquencies	0.64%	0.95%	0.85%
90+ Delinquencies	0.05%	0.08%	0.08%
Nonperforming Loans	0.09%	0.12%	0.12%

Indirect and Direct Channel



Key Points

- Growth was driven by high-quality originations in the indirect channel (weighted average FICO 774)
- Net charge-offs remain relatively stable on a year-over-year basis

Auto loans are included in Other Retail category

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017
Total equity	$49,812	$49,666	$49,351	$48,949	$48,433
Preferred stock	(5,419)	(5,419)	(5,419)	(5,419)	(5,419)
Noncontrolling interests	(625)	(626)	(628)	(629)	(635)
Goodwill (net of deferred tax liability) (1)	(8,609)	(8,613)	(8,141)	(8,181)	(8,186)
Intangible assets, other than mortgage servicing rights	(608)	(583)	(595)	(634)	(671)
Tangible common equity (a)	34,551	34,425	34,568	34,086	33,522
Total assets	460,119	462,040	459,227	463,844	449,522
Goodwill (net of deferred tax liability) (1)	(8,609)	(8,613)	(8,141)	(8,181)	(8,186)
Intangible assets, other than mortgage servicing rights	(608)	(583)	(595)	(634)	(671)
Tangible assets (b)	450,902	452,844	450,491	455,029	440,665
Risk-weighted assets, determined in accordance with the Basel III standardized approach (c)	373,141 *	367,771	363,957	361,164	356,373
Tangible common equity (as calculated above)		34,425	34,568	34,086	33,522
Adjustments (2)		(550)	(52)	(51)	(136)
Common equity tier 1 capital estimated for the Basel III fully implemented standardized and advanced approaches (d)		33,875	34,516	34,035	33,386
Risk-weighted assets, determined in accordance with prescribed transitional standardized approach regulatory requirements		367,771	363,957	361,164	356,373
Adjustments (3)		4,473	3,907	3,967	4,731
Risk-weighted assets estimated for the Basel III fully implemented standardized approach (e)		372,244	367,864	365,131	361,104
Risk-weighted assets, determined in accordance with prescribed transitional advanced approaches regulatory requirements		287,211	287,800	287,124	285,963
Adjustments (4)		4,769	4,164	4,231	5,046
Risk-weighted assets estimated for the Basel III fully implemented advanced approaches (f)		291,980	291,964	291,355	291,009
Ratios *					
Tangible common equity to tangible assets (a)/(b)	7.7 %	7.6 %	7.7 %	7.5 %	7.6 %
Tangible common equity to risk-weighted assets (a)/(c)	9.3	9.4	9.5	9.4	9.4
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach (d)/(e)		9.1	9.4	9.3	9.2
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches (d)/(f)		11.6	11.8	11.7	11.5

* Preliminary data. Subject to change prior to filings with applicable regulatory agencies.
(1) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.
(2) Includes net losses on cash flow hedges included in accumulated other comprehensive income (loss) and other adjustments.
(3) Includes higher risk-weighting for unfunded loan commitments, investment securities, residential mortgages, mortgage servicing rights and other adjustments.
(4) Primarily reflects higher risk-weighting for mortgage servicing rights.

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended March 31, 2018	December 31, 2017	March 31, 2017
Net income applicable to U.S. Bancorp common shareholders	$1,597	$1,611	$1,387
Intangibles amortization (net-of-tax)	31	28	29
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization	1,628	1,639	1,416
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (a)	6,602	6,503	5,743
Average total equity	49,450	49,461	48,558
Less: Average preferred stock	5,419	5,419	5,706
Less: Average noncontrolling interests	625	627	635
Less: Average goodwill (net of deferred tax liability) (1)	8,627	8,154	8,175
Less: Average intangible assets, other than mortgage servicing rights	603	591	691
Average U.S. Bancorp common shareholders' equity, excluding intangible assets (b)	34,176	34,670	33,351
Return on tangible common equity (a)/(b)	19.3 %	18.8 %	17.2 %

(1) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.

Non-GAAP Financial Measures

	Three Months Ended		
(Dollars in Millions, Unaudited)	March 31, 2018	December 31, 2017	March 31, 2017
Net interest income	$3,168	$3,175	$2,980
Taxable-equivalent adjustment (1)	29	53	50
Net interest income, on a taxable-equivalent basis	3,197	3,228	3,030
Net interest income, on a taxable-equivalent basis (as calculated above)	3,197	3,228	3,030
Noninterest income	2,272	2,370	2,259
Less: Securities gains (losses), net	5	10	29
Total net revenue, excluding net securities gains (losses) (a)	5,464	5,588	5,260
Noninterest expense (b)	3,055	3,899	2,909
Efficiency ratio (b)/(a)	55.9 %	69.8 %	55.3 %

(1) Interest and rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent for 2018 and 35 percent for 2017.

U.S. Bancorp
1Q18 Earnings
Conference Call

April 18, 2018