U.S. Bancorp 3Q17 Earnings Conference Call

October 18, 2017

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 securities held in its investment securities portfolio; 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, 2016, 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.

3Q17 Highlights

Income Statement $ in millions, except EPS	3Q17	change vs. 2Q17	3Q16
Net interest income*	**$3,186**	3.8 %	8.3 %
Noninterest income	**2,422**	0.1	(0.9)
Reported net income	**1,563**	4.2	4.1
Diluted EPS	**$0.88**	3.5 %	4.8 %

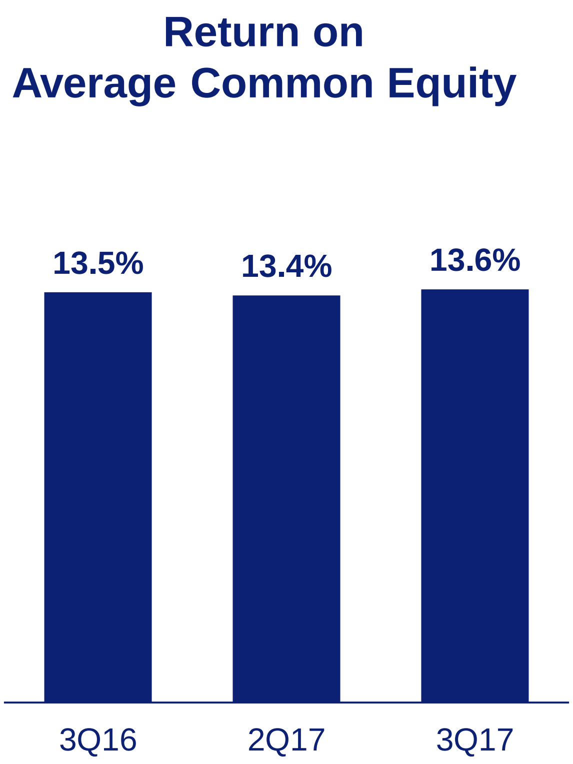
Balance Sheet $ in billions	3Q17	change vs. 2Q17	3Q16
Average earning assets	**$408.8**	1.2 %	3.8 %
Average total loans	**277.6**	0.8	3.0
Average total deposits	**335.2**	1.2	5.2

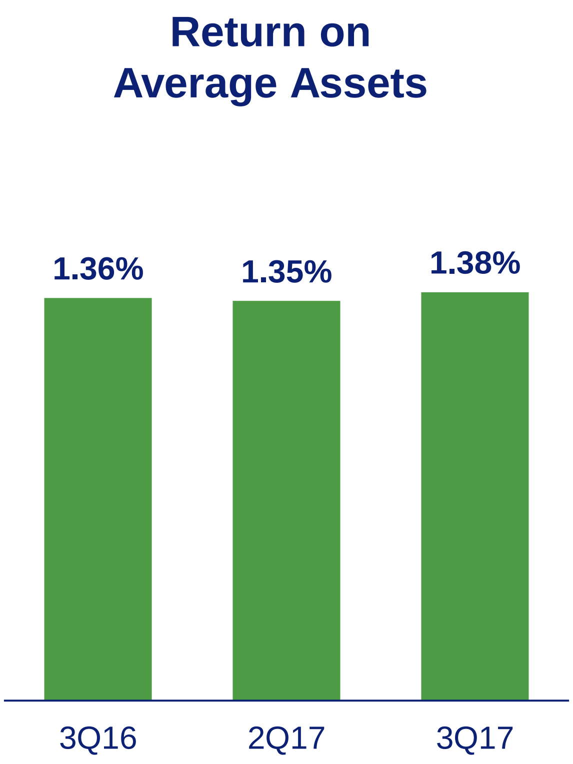
Credit Quality $ in millions	3Q17	change vs. 2Q17	3Q16
Nonperforming assets	**$1,251**	(7.3) %	(24.8) %
NPA ratio	**0.45%**	(4bps)	(16bps)
Net charge-off ratio	**0.47%**	(2bps)	1bp

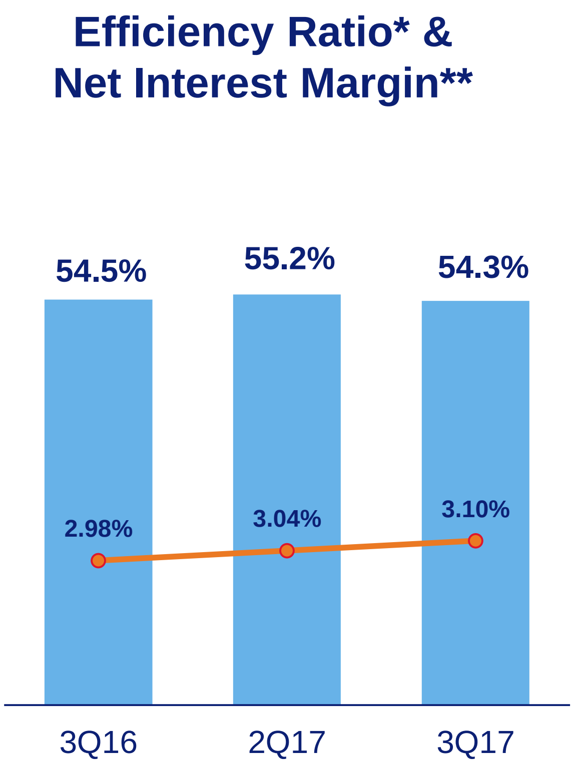
Capital	3Q17	change vs. 2Q17	3Q16
CET1 capital to RWA**	**9.4%**	10bps	10bps
Book value per share	**$25.98**	1.7 %	4.8 %
Payout ratio	**79%**		

* Taxable-equivalent basis; see slide 25 for calculation
** Estimated for the Basel III fully implemented standardized approach; RWA = risk-weighted assets, see slide 24 for calculation

Performance Ratios







* Non-GAAP; see slide 25 for calculation
** Taxable-equivalent basis

Average Loans

+0.8% linked quarter

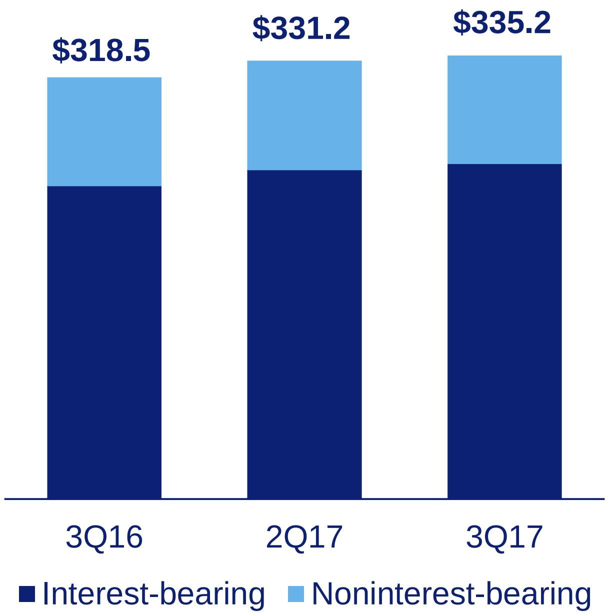
+3.0% year-over-year

(Three months ended 9/30/17)	Average Balances	Change vs. 2Q17	Change vs. 3Q16
Commercial	$96.6	1.0 %	4.6 %
Residential Mortgage	59.0	0.8	4.9
Retail	56.1	2.6	6.1
Commercial Real Estate	41.6	(2.2)	(4.0)
Credit Card	20.9	1.4	1.4
Covered	3.4	(5.4)	(19.0)
Total loans	**$277.6**	**0.8 %**	**3.0 %**

- Linked quarter growth in total loans was driven primarily by commercial loans, other retail loans and retail leasing
- Year-over-year and linked quarter declines in commercial real estate loans reflected disciplined underwriting of construction and development loans and payoffs of commercial mortgages as customers accessed capital markets

$ in billions

Average Deposits



+1.2% linked quarter

+5.2% year-over-year

Interest-bearing Deposits

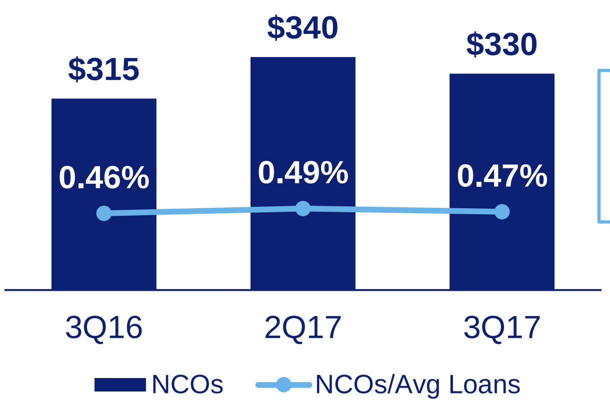
(Three months ended 9/30/17)	Average Balances	Change vs. 2Q17	Change vs. 3Q16	Rates	Change vs. 2Q17
Money market savings	$105.1	(1.6) %	5.2 %	0.67 %	0.09 %
Interest checking	68.1	1.2	7.3	0.15	0.05
Savings accounts	43.6	0.3	7.3	0.07	0.00
Time deposits	36.4	17.9	12.2	0.91	0.16
Total interest-bearing deposits	**$253.2**	**1.9 %**	**7.0 %**	**0.46 %**	**0.08 %**

- Average noninterest-bearing deposits decreased 0.9% on a linked quarter basis
- Average noninterest-bearing deposits were essentially flat year-over-year

$ in billions
Rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent

Credit Quality

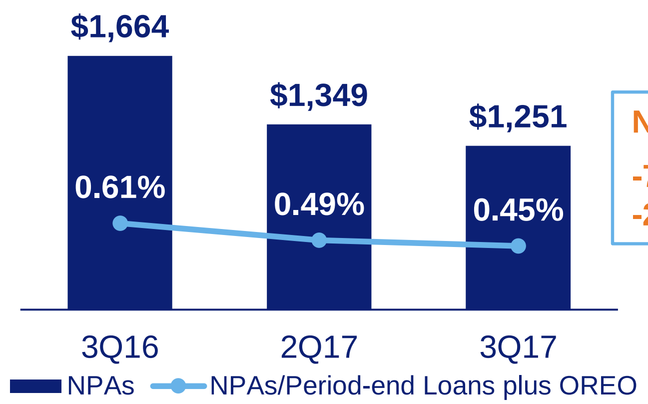
Net Charge-offs



NCO Ratio

-2bps QoQ
+1bp YoY

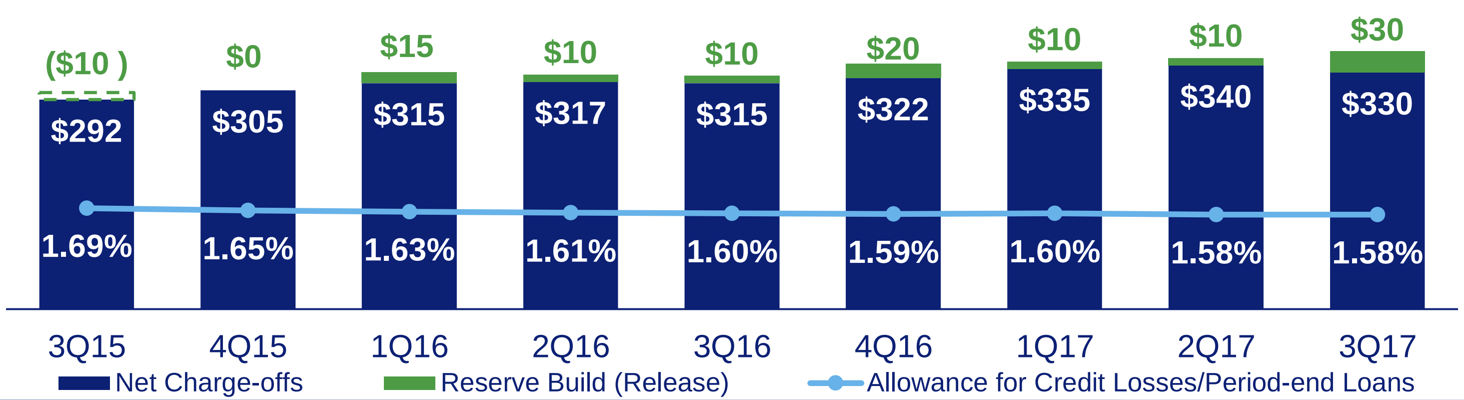
Nonperforming Assets



NPAs

-7.3% QoQ
-24.8% YoY

Provision for Credit Losses

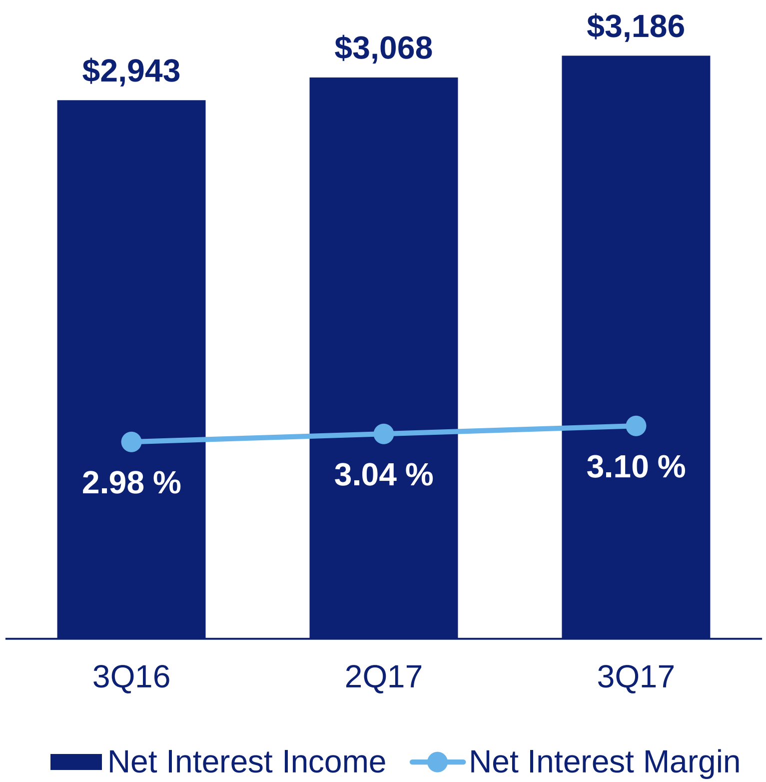


$ in millions

Earnings Summary

$ and shares in millions, except EPS				Reported % Change	
	3Q17	2Q17	3Q16	vs. 2Q17	vs. 3Q16
Net Interest Income	$3,135	$3,017	$2,893	3.9	8.4
Taxable-equivalent Adjustment	51	51	50	-	2.0
Net Interest Income (taxable-equivalent basis)	3,186	3,068	2,943	3.8	8.3
Noninterest Income	2,422	2,419	2,445	0.1	(0.9)
Net Revenue	**5,608**	**5,487**	**5,388**	2.2	4.1
Noninterest Expense	3,039	3,023	2,931	0.5	3.7
Operating Income	**2,569**	**2,464**	**2,457**	4.3	4.6
Net Charge-offs	330	340	315	(2.9)	4.8
Excess Provision	30	10	10	NM	NM
Income Before Taxes	**2,209**	**2,114**	**2,132**	4.5	3.6
Applicable Income Taxes	640	602	616	6.3	3.9
Noncontrolling Interests	(6)	(12)	(14)	50.0	57.1
Net Income	**1,563**	**1,500**	**1,502**	4.2	4.1
Preferred Dividends/Other	78	70	68	11.4	14.7
Net Income to Common	**$1,485**	**$1,430**	**$1,434**	3.8	3.6
Diluted EPS	$0.88	$0.85	$0.84	3.5	4.8
Average Diluted Shares	1,678	1,690	1,716	(0.7)	(2.2)

Net Interest Income



+3.8% linked quarter

+8.3% year-over-year

Linked Quarter

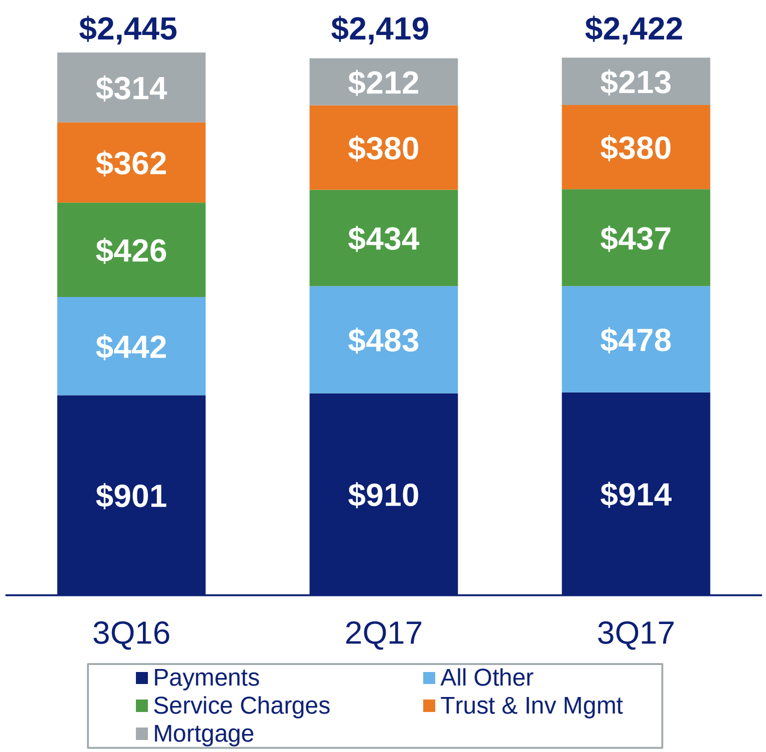
- Net interest income growth was driven by loan growth, the impact of rising rates, higher interest recoveries and an additional day in the third quarter
- Net interest margin growth was driven by higher interest rates and a change in loan portfolio mix, partially offset by higher funding costs

Year-over-Year

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

$ in millions
Taxable-equivalent basis

Noninterest Income



+0.1% linked quarter

-0.9% year-over-year

Linked Quarter

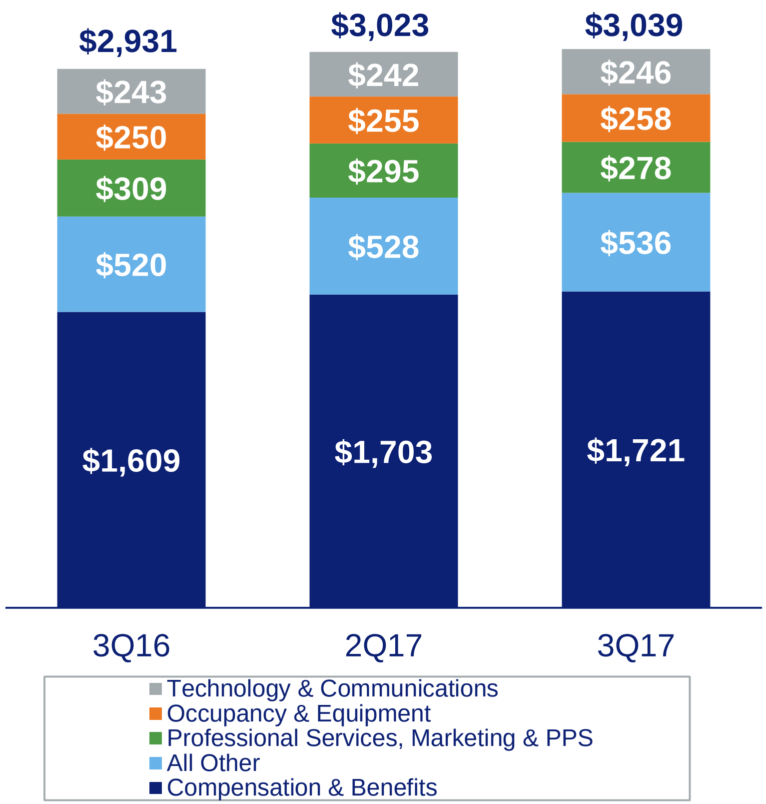
- Solid growth in corporate payment products and deposit service charges revenue reflected typical seasonal patterns
- Growth in commercial products revenue was driven primarily by higher foreign exchange fees, corporate bond fees and syndication revenue

Year-over-Year

- Noninterest income decreased slightly, primarily due to lower mortgage banking revenue
- Growth in trust and investment management fees reflected favorable market conditions and account growth
- Payment services revenue growth was driven by higher corporate payment products revenue and higher credit and debit card revenue

$ 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



+0.5% linked quarter

+3.7% year-over-year

Linked Quarter

- Growth in noninterest expense was driven by higher compensation expense, principally due to corporate incentive plans and the impact of hiring to support growth

Year-over-Year

- Growth in compensation expense was partially offset by a decrease in professional services expense, primarily due to fewer consulting services as compliance programs near maturity

$ in millions

Capital Position

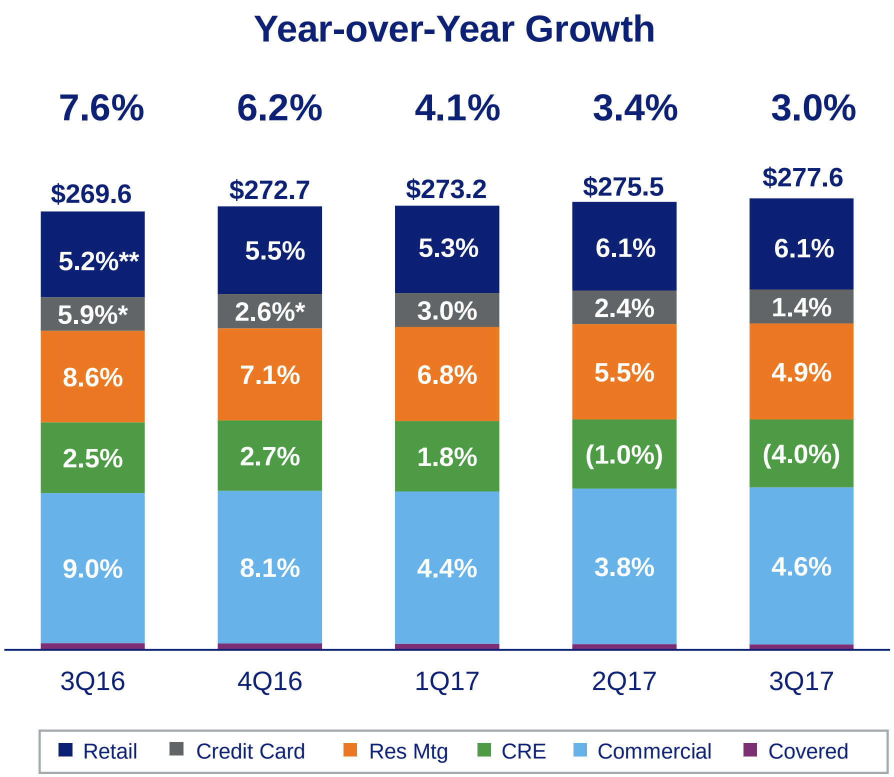
$ in billions	3Q17	2Q17	1Q17	4Q16	3Q16
Total U.S. Bancorp shareholders' equity	$48.7	$48.3	$47.8	$47.3	$47.8
Standardized Approach					
Basel III transitional standardized approach					
Common equity tier 1 capital ratio	9.6%	9.5%	9.5%	9.4%	9.5%
Tier 1 capital ratio	11.1%	11.1%	11.0%	11.0%	11.1%
Total risk-based capital ratio	13.2%	13.2%	13.3%	13.2%	13.3%
Leverage ratio	9.1%	9.1%	9.1%	9.0%	9.2%
Common equity tier 1 capital to RWA estimated for the Basel III fully implemented standardized approach*	9.4%	9.3%	9.2%	9.1%	9.3%
Advanced Approaches					
Common equity tier 1 capital ratio	12.1%	12.0%	11.8%	12.2%	12.4%
Common equity tier 1 capital to RWA estimated for the Basel III fully implemented advanced approaches*	11.8%	11.7%	11.5%	11.7%	12.1%
Tangible common equity to tangible assets*	7.7%	7.5%	7.6%	7.5%	7.5%
Tangible common equity as a % of RWA*	9.5%	9.4%	9.4%	9.2%	9.3%

RWA = risk-weighted assets
* See Non-GAAP Financial Measures reconciliation on slide 24

Appendix

Average Loans

Average Loans ($bn)



Key Points

vs. 3Q16

- Average total loans increased by $8.0 billion, or 3.0%
- Average commercial loans increased by $4.3 billion, or 4.6%
- Average retail loans increased by $3.2 billion, or 6.1%
- Average residential mortgage loans increased by $2.7 billion, or 4.9%

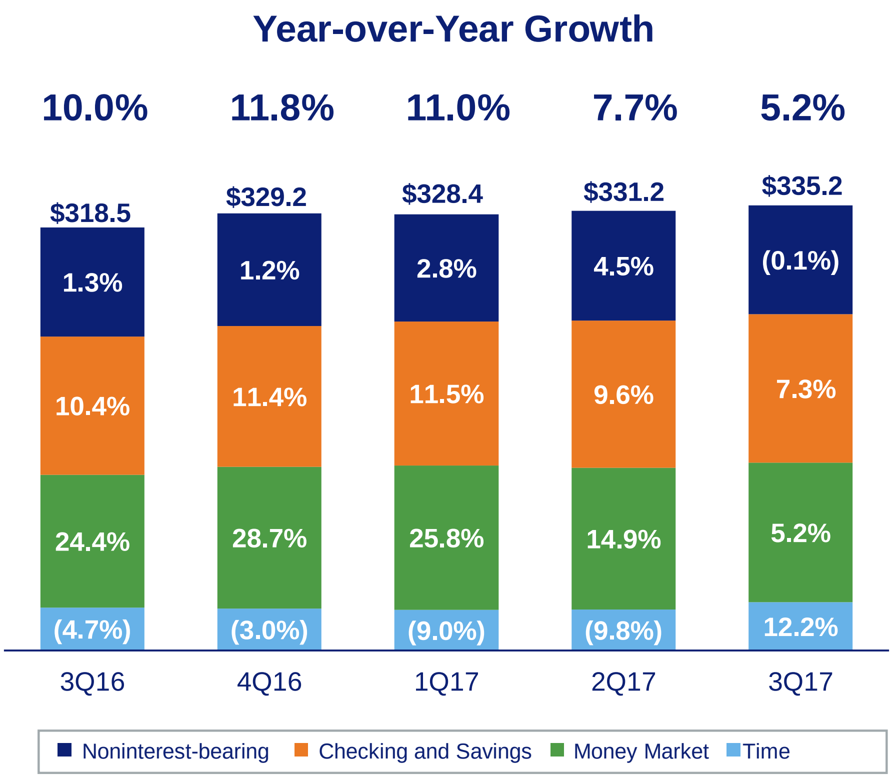
vs. 2Q17

- Average total loans increased by $2.1 billion, or 0.8%
- Average commercial loans increased by $1.0 billion, or 1.0%
- Average retail loans increased by $1.4 billion, or 2.6%
- Average residential mortgage loans increased by $0.5 billion, or 0.8%

* Excluding the credit card portfolio acquisition
** Excluding student loans that were transferred to held for sale at the end of 1Q15 and returned to held for investment during 3Q15

Average Deposits

Average Deposits ($bn)



Key Points

vs. 3Q16

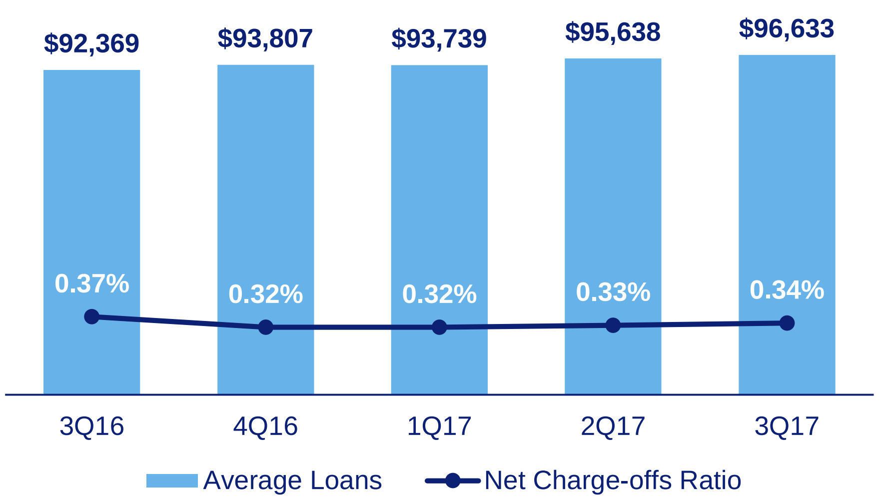
- Average total deposits increased by $16.6 billion, or 5.2%
- Average low-cost deposits (NIB, interest checking, money market and savings) increased by $12.7 billion, or 4.4%

vs. 2Q17

- Average total deposits increased by $4.0 billion, or 1.2%
- Average low-cost deposits decreased by $1.6 billion, or 0.5%

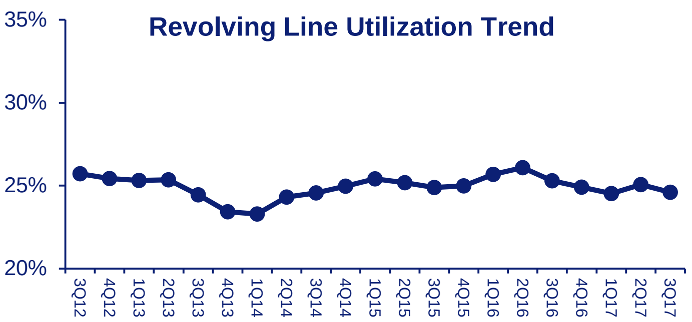
Credit Quality – Commercial Loans

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



Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$92,369	$95,638	$96,633
30-89 Delinquencies	0.24%	0.27%	0.22%
90+ Delinquencies	0.05%	0.05%	0.05%
Nonperforming Loans	0.55%	0.33%	0.28%

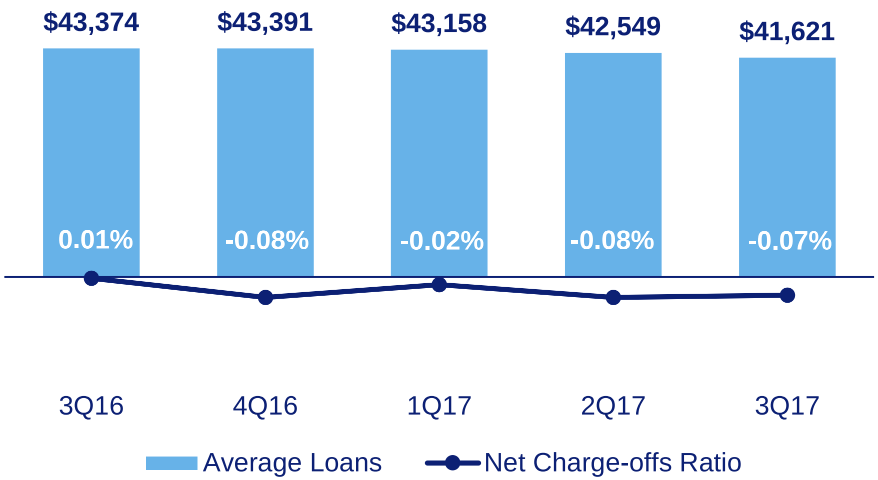


Key Points

- Commercial loan growth primarily driven by increased M&A activity
- Nonperforming loans decreased as the energy portfolio continued to improve
- Net charge-offs remained stable linked quarter and showed improvement year-over-year

Credit Quality – Commercial Real Estate

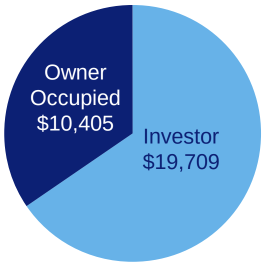
Average Loans ($mm) and Net Charge-offs Ratio



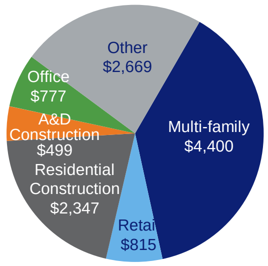
Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$43,374	$42,549	$41,621
30-89 Delinquencies	0.08%	0.08%	0.15%
90+ Delinquencies	0.02%	0.00%	0.01%
Nonperforming Loans	0.24%	0.28%	0.29%
Performing TDRs*	$274	$162	$141

CRE Mortgage



CRE Construction



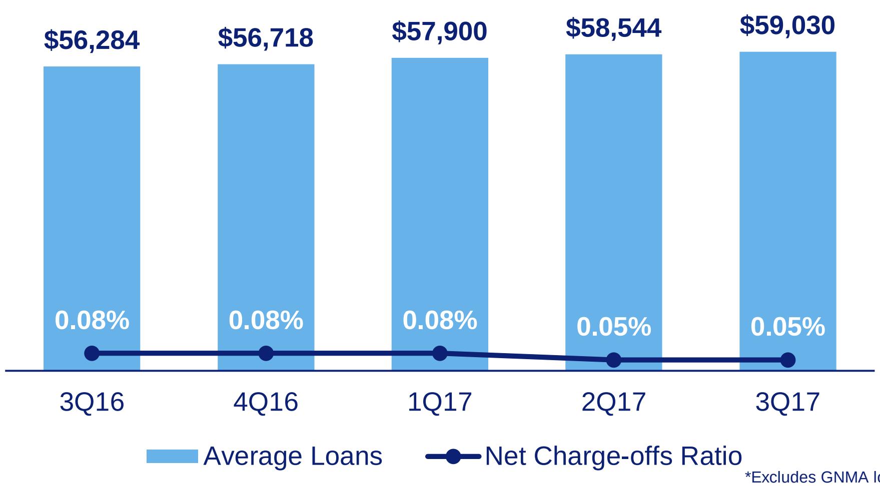
Key Points

- Average loans declined 4.0% vs. 3Q16; this was a result of construction loan payoffs due to strong permanent loan market liquidity and fewer growth opportunities due to lower development yields resulting from labor cost increases and increasing CRE supply in certain markets
- Nonperforming loans remained at historically low levels and recoveries continued to exceed charge-offs

* TDR = troubled debt restructuring

Credit Quality – Residential Mortgage

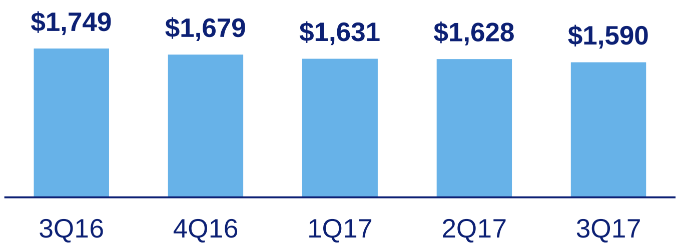
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$56,284	$58,544	$59,030
30-89 Delinquencies	0.26%	0.22%	0.26%
90+ Delinquencies	0.28%	0.20%	0.18%
Nonperforming Loans	1.09%	0.90%	0.80%

Residential Mortgage Performing TDRs*



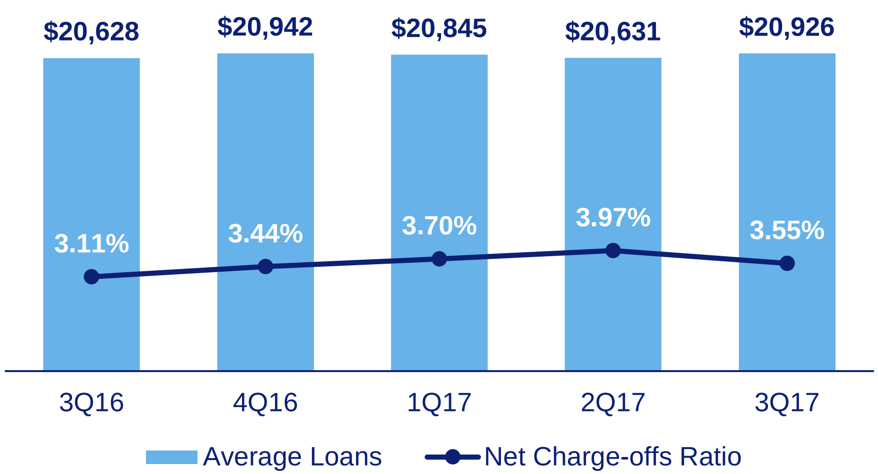
*Excludes GNMA loans, whose repayments are insured by the FHA or guaranteed by the Department of VA ($1,571 million in 3Q17)

Key Points

- Originations continued to be high credit quality (weighted average FICO of 757, weighted average LTV of 71%)
- More than 91% 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

Credit Quality – Credit Card

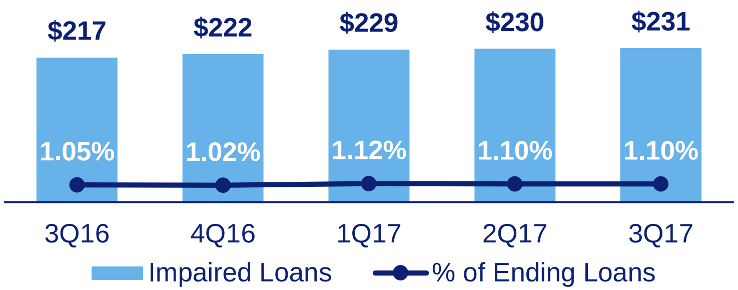
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$20,628	$20,631	$20,926
30-89 Delinquencies	1.27%	1.22%	1.42%
90+ Delinquencies	1.11%	1.10%	1.20%
Nonperforming Loans	0.02%	0.00%	0.00%

Credit Card Restructured Loans

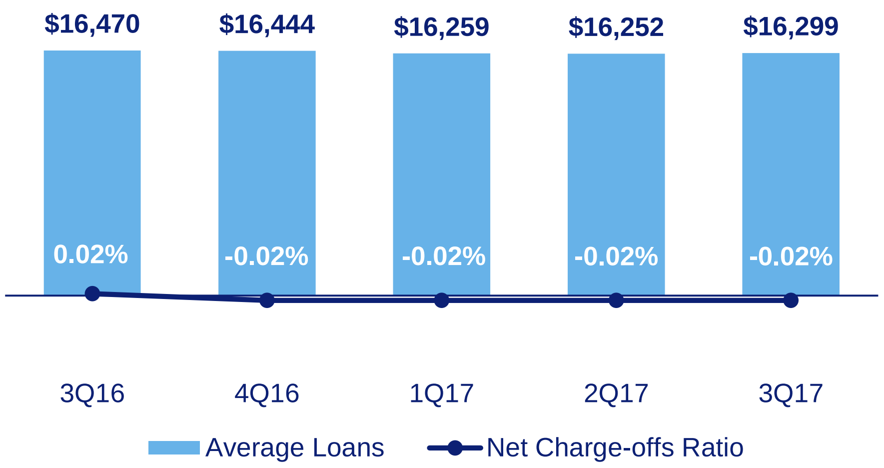


Key Points

- Year-over-year average loan growth of 1.4% driven by high credit quality originations
- Commitment weighted average FICO on new originations remained strong at 760
- Year-over-year increases in delinquency rates primarily reflect vintage maturation

Credit Quality – Home Equity

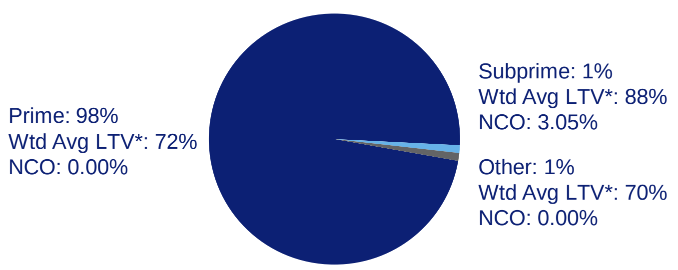
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$16,470	$16,252	$16,299
30-89 Delinquencies	0.41%	0.33%	0.38%
90+ Delinquencies	0.24%	0.25%	0.24%
Nonperforming Loans	0.75%	0.74%	0.75%

Home Equity



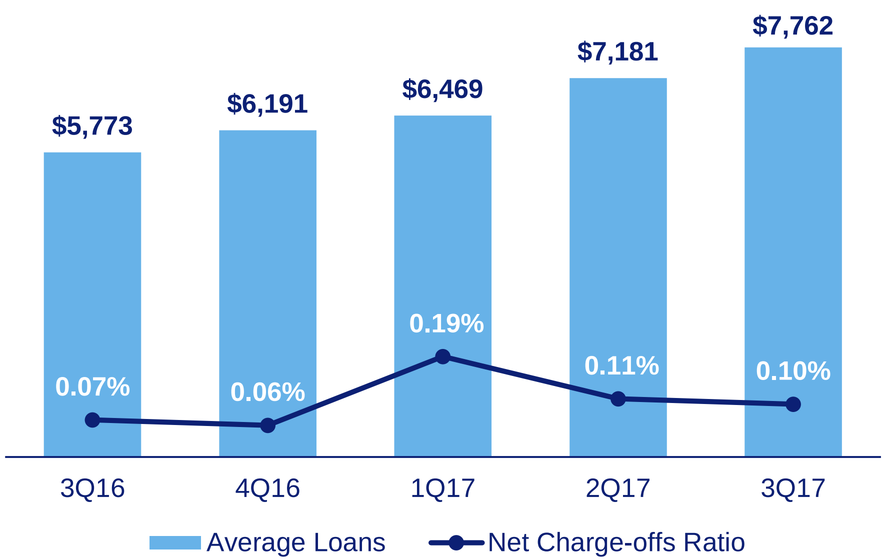
*LTV at origination

Key Points

- High-quality originations (weighted average FICO on commitments of 767, weighted average CLTV of 70%) originated primarily through the retail branch network to existing bank customers on their primary residences
- Net charge-offs were stable year-over-year

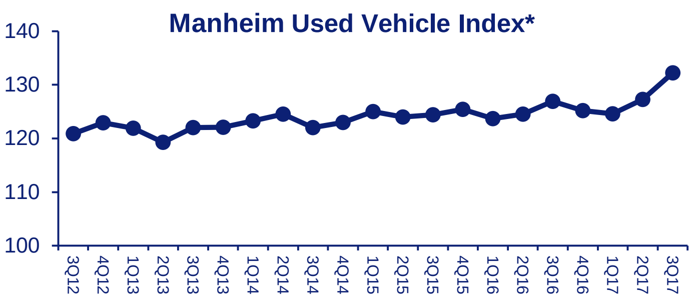
Credit Quality – Retail Leasing

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



Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$5,773	$7,181	$7,762
30-89 Delinquencies	0.21%	0.22%	0.31%
90+ Delinquencies	0.00%	0.01%	0.03%
Nonperforming Loans	0.05%	0.07%	0.09%



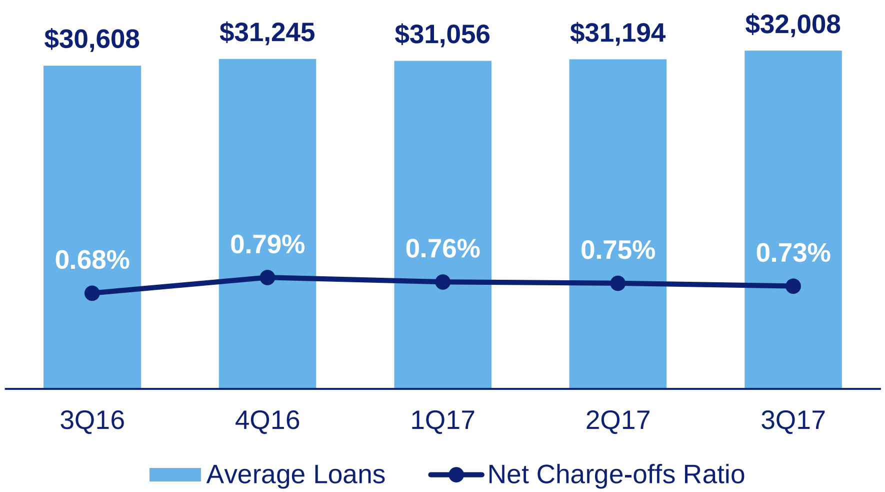
Key Points

- Continued high-quality originations (weighted average FICO of 782) support the portfolio's stable credit profile
- 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

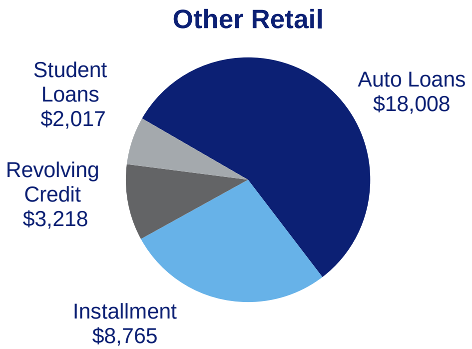
Credit Quality – Other Retail

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



Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$30,608	$31,194	$32,008
30-89 Delinquencies	0.56%	0.65%	0.75%
90+ Delinquencies	0.11%	0.11%	0.13%
Nonperforming Loans	0.08%	0.10%	0.10%

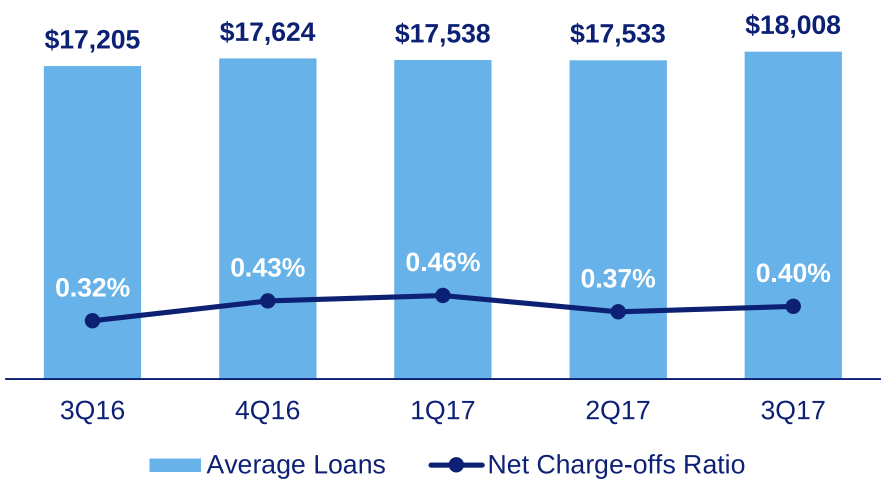


Key Points

- Overall growth continued to be driven by auto loan and installment categories, which were up 4.7% and 12.6% year-over-year, respectively
- Net charge-offs remained stable; 30-89 delinquencies were seasonally higher on a linked quarter basis

Credit Quality – Auto Loans

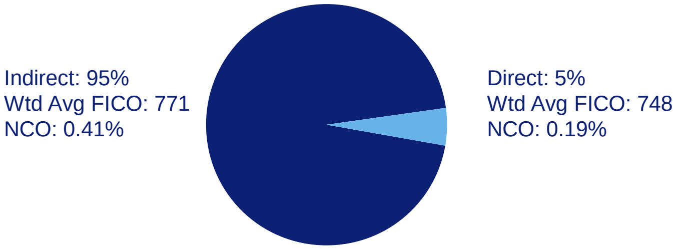
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	3Q16	2Q17	3Q17
Average Loans	$17,205	$17,533	$18,008
30-89 Delinquencies	0.59%	0.73%	0.89%
90+ Delinquencies	0.05%	0.06%	0.08%
Nonperforming Loans	0.08%	0.12%	0.11%

Indirect and Direct Channel



Key Points

- Growth driven by high-quality originations in the indirect channel (weighted average FICO 779)
- Net charge-offs increased seasonally on a linked quarter basis

Auto loans are included in Other Retail category

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016
Total equity	$49,351	$48,949	$48,433	$47,933	$48,399
Preferred stock	(5,419)	(5,419)	(5,419)	(5,501)	(5,501)
Noncontrolling interests	(628)	(629)	(635)	(635)	(640)
Goodwill (net of deferred tax liability) (1)	(8,141)	(8,181)	(8,186)	(8,203)	(8,239)
Intangible assets, other than mortgage servicing rights	(595)	(634)	(671)	(712)	(756)
Tangible common equity (a)	34,568	34,086	33,522	32,882	33,263
Tangible common equity (as calculated above)	34,568	34,086	33,522	32,882	33,263
Adjustments (2)	(52)	(51)	(136)	(55)	97
Common equity tier 1 capital estimated for the Basel III fully implemented standardized and advanced approaches (b)	34,516	34,035	33,386	32,827	33,360
Total assets	459,227	463,844	449,522	445,964	454,134
Goodwill (net of deferred tax liability) (1)	(8,141)	(8,181)	(8,186)	(8,203)	(8,239)
Intangible assets, other than mortgage servicing rights	(595)	(634)	(671)	(712)	(756)
Tangible assets (c)	450,491	455,029	440,665	437,049	445,139
Risk-weighted assets, determined in accordance with prescribed transitional standardized approach regulatory requirements (d)	363,957 *	361,164	356,373	358,237	356,733
Adjustments (3)	3,907 *	3,967	4,731	4,027	3,165
Risk-weighted assets estimated for the Basel III fully implemented standardized approach (e)	367,864 *	365,131	361,104	362,264	359,898
Risk-weighted assets, determined in accordance with prescribed transitional advanced approaches regulatory requirements	287,800 *	287,124	285,963	277,141	272,832
Adjustments (4)	4,164 *	4,231	5,046	4,295	3,372
Risk-weighted assets estimated for the Basel III fully implemented advanced approaches (f)	291,964 *	291,355	291,009	281,436	276,204
Ratios *					
Tangible common equity to tangible assets (a)/(c)	7.7 %	7.5 %	7.6 %	7.5 %	7.5 %
Tangible common equity to risk-weighted assets (a)/(d)	9.5	9.4	9.4	9.2	9.3
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach (b)/(e)	9.4	9.3	9.2	9.1	9.3
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches (b)/(f)	11.8	11.7	11.5	11.7	12.1

* 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				
	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016
Net interest income	$3,135	$3,017	$2,945	$2,955	$2,893
Taxable-equivalent adjustment (1)	51	51	50	49	50
Net interest income, on a taxable-equivalent basis	3,186	3,068	2,995	3,004	2,943
Net interest income, on a taxable-equivalent basis (as calculated above)	3,186	3,068	2,995	3,004	2,943
Noninterest income	2,422	2,419	2,329	2,431	2,445
Less: Securities gains (losses), net	9	9	29	6	10
Total net revenue, excluding net securities gains (losses) (a)	5,599	5,478	5,295	5,429	5,378
Noninterest expense (b)	3,039	3,023	2,944	3,004	2,931
Efficiency ratio (b)/(a)	54.3 %	55.2 %	55.6 %	55.3 %	54.5 %

(1) Utilizes a tax rate of 35 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

U.S. Bancorp
3Q17 Earnings
Conference Call

October 18, 2017