News Release

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U.S. BANCORP REPORTS NET INCOME FOR THE FIRST QUARTER OF 2008

EARNINGS SUMMARY					Table 1
($ in millions, except per-share data)	1Q 2008	4Q 2007	1Q 2007	Percent Change 1Q08 vs 4Q07	Percent Change 1Q08 vs 1Q07
Net income	$1,090	$942	$1,130	15.7	(3.5)
Diluted earnings per common share	.62	.53	.63	17.0	(1.6)
Return on average assets (%)	1.85	1.63	2.09		
Return on average common equity (%)	21.3	18.3	22.4		
Net interest margin (%)	3.55	3.51	3.51		
Efficiency ratio (%)	43.5	55.1	46.4		
Tangible efficiency ratio (%) (a)	41.4	52.5	43.6		
Dividends declared per common share	$.425	$.425	$.400	--	6.3
Book value per common share (period-end)	11.55	11.60	11.37	(.4)	1.6

(a) 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 and intangible amortization.

MINNEAPOLIS, April 15, 2008 – U.S. Bancorp (NYSE: USB) today reported net income of $1,090 million for the first quarter of 2008, compared with $1,130 million for the first quarter of 2007. Diluted earnings per common share of $.62 in the first quarter of 2008 were slightly lower than the same period of 2007 by 1.6 percent, or $.01 per diluted common share. Return on average assets and return on average common equity were 1.85 percent and 21.3 percent, respectively, for the first quarter of 2008, compared with returns of 2.09 percent and 22.4 percent, respectively, for the first quarter of 2007. Several significant items were reflected in the Company's quarterly results, including a $492 million gain related to the Visa Inc. initial public offering that occurred in March of 2008 ("Visa Gain") and $253 million of impairment charges on structured investment securities purchased in the fourth quarter of 2007 from certain money market funds managed by an affiliate. The Company's results also included incremental provision for credit losses of $192 million, reflecting continuing stress in the residential real estate markets and related industries, in addition to the continued growth of the consumer loan portfolios. The quarter also included the adoption of a new accounting standard which resulted in a $62 million reduction to pretax income. In addition, the Company recorded a $25 million contribution to the U.S. Bancorp Foundation and accrued $22 million for certain litigation matters. These items taken together had an approximate impact of ($.02) per diluted common share. The fourth quarter of 2007 results also were affected by two significant items, the pretax charges of $215 million for the Company's proportionate share of a contingent obligation to indemnify Visa Inc. for certain litigation matters ("Visa Litigation Charge") and $107 million for valuation losses related to securities purchased from certain money market funds managed by an affiliate. The cumulative impact of these charges in the fourth quarter of 2007 was approximately ($.13) per diluted common share.

U.S. Bancorp Chairman, President and Chief Executive Officer Richard K. Davis said, "Our Company's first quarter results reflected the disciplined approach we have taken toward managing credit and operating risk, while prudently investing for growth. Although the quarter included a number of significant items, the net impact to diluted earnings per share was small and our core operating results were solid.

"Our fundamental revenue growth was strong year-over-year and on a linked quarter basis. Net interest income increased 9.8 percent over the same quarter of last year and 3.8 percent over the prior quarter, reflecting growth in earning assets and a slightly higher net interest margin of 3.55 percent. Although fee income is seasonally the lowest in the first quarter of each year – 2008 being no exception – on a year-over-year basis the business lines continued to show strong growth in a number of fee categories, including payments, treasury management, commercial products and mortgage banking.

"In addition to the favorable trends in net interest income and fees, average loans and deposits showed very positive growth rates over the first and fourth quarters of 2007, reflecting the business lines' continued success in executing a number of growth initiatives, expanding current customer relationships and attracting new customers.

"As expected, net charge-offs and nonperforming assets increased in the first quarter at manageable levels for our Company. Declining home prices in many of our markets, in addition to stress in the residential home building and mortgage-related industries, are expected to continue through the balance of the year. Given our Company's overall credit risk profile, however, we anticipate that expected increases in net charge-offs and nonperforming assets in the near term will continue to be manageable.

"Our capital position is strong and the Company remains well-capitalized. As we indicated last quarter, we suspended our stock buyback for the majority of the first quarter in order to reach our target Tier 1 capital ratio of 8.5 percent, after having dropped slightly below that level on December 31, 2007. At March 31, 2008, the Company's Tier 1 capital ratio was slightly above target at 8.6 percent.

"At the end of March, we announced that our lead bank, U.S. Bank National Association, had entered into a definitive agreement to purchase Mellon 1st Business Bank in California. This acquisition will more than double our deposit market share in the attractive, growing Los Angeles area, as well as significantly expand our middle market customer base. Mellon 1st Business Bank is an excellent example of the type of acquisition we continue to seek – acquisitions that serve to strengthen our presence in the faster growing markets within our footprint.

"With the first quarter of 2008 successfully behind us, I am confident that our Company will continue to perform and prosper, despite the current economic environment. Our management team and employees are focused on business growth initiatives and opportunities to deepen current client relationships and acquire new customers. In other words, we are "open for business" and look forward to maintaining and reinforcing our position as one of the leaders in the financial services industry. Our Company will continue to invest in our products and services, our communities, and our employees, while focusing on our responsibilities to produce consistent, predictable and repeatable results for our shareholders."

The Company's net income for the first quarter of 2008 decreased by $40 million (3.5 percent) from the same period of 2007. The reduction in net income year-over-year was the result of a 14.4 percent growth in operating income (income before provision and taxes), offset by an increase in the provision for credit losses. On a linked quarter basis, net income increased $148 million (15.7 percent) principally due to the favorable variance that resulted from the Visa Litigation Charge and valuation losses recorded in the fourth quarter of 2007. This positive variance was partially offset by the net unfavorable impact of the significant items recorded in the current quarter.

Total net revenue on a taxable-equivalent basis for the first quarter of 2008 was $3,874 million, $485 million (14.3 percent) higher than the first quarter of 2007, reflecting a 9.8 percent increase in net interest income and an 18.6 percent increase in noninterest income. Net interest income increased over a year ago driven by growth in earning assets and improving net interest margins. The growth in noninterest income included organic growth in operating fee revenues of 7.3 percent. On a linked quarter basis, total net revenue on a taxable equivalent basis increased $300 million (8.4 percent), reflecting strong growth in net interest income of 3.8 percent, as well as a 12.9 percent increase in noninterest income. The increase in noninterest income reflected the net favorable impact of the Visa Gain, the structured investment securities impairment, and the adoption of a new accounting standard in the current quarter and valuation losses recorded in the fourth quarter of 2007, offset somewhat by seasonally lower fees in several noninterest income categories.

Total noninterest expense in the first quarter of 2008 was $1,796 million, $224 million (14.2 percent) higher than the first quarter of 2007, and $172 million (8.7 percent) lower than the prior quarter. The increase, year-over-year, was principally due to higher costs associated with business initiatives designed to expand the Company's geographical presence and strengthen customer relationships, including investments in relationship managers, branch initiatives and payment services businesses. The increase in operating expenses also included higher credit collection costs, the impact of a new accounting standard, litigation, a charitable contribution and incremental costs associated with tax-advantaged projects.

Provision for credit losses for the first quarter of 2008 was $485 million, an increase of $260 million over the fourth quarter of 2007 and $308 million over the first quarter of 2007. The increase in the provision for credit losses from a year ago reflected continuing stress in the residential real estate markets, including homebuilding and related supplier industries, driven by declining home prices in several geographic regions. It also reflected the continued growth of the consumer loan portfolios. Net charge-offs in the first quarter of 2008 were $293 million, compared with net charge-offs of $225 million in the fourth quarter of 2007 and $177 million in the first quarter of 2007. Total nonperforming assets were $845 million at March 31, 2008, compared with $690 million at December 31, 2007, and $582 million at March 31, 2007. Nonperforming assets increased $155 million (22.5 percent) during the first quarter of 2008 over the fourth quarter of 2007, as a result of stress in residential home construction and related industries, an increase in foreclosed properties and the impact of the economic slowdown on other commercial customers. The ratio of the allowance for credit losses to nonperforming loans was 358 percent at March 31, 2008, compared with 406 percent at December 31, 2007, and 498 percent at March 31, 2007.

(MORE)

INCOME STATEMENT HIGHLIGHTS					Table 2
(Taxable-equivalent basis, $ in millions, except per-share data)	1Q 2008	4Q 2007	1Q 2007	Percent Change 1Q08 vs 4Q07	Percent Change 1Q08 vs 1Q07
Net interest income	$1,830	$1,763	$1,666	3.8	9.8
Noninterest income	2,044	1,811	1,723	12.9	18.6
Total net revenue	3,874	3,574	3,389	8.4	14.3
Noninterest expense	1,796	1,968	1,572	(8.7)	14.2
Income before provision and taxes	2,078	1,606	1,817	29.4	14.4
Provision for credit losses	485	225	177	nm	nm
Income before taxes	1,593	1,381	1,640	15.4	(2.9)
Taxable-equivalent adjustment	27	22	17	22.7	58.8
Applicable income taxes	476	417	493	14.1	(3.4)
Net income	$1,090	$942	$1,130	15.7	(3.5)
Net income applicable to common equity	$1,078	$927	$1,115	16.3	(3.3)
Diluted earnings per common share	$.62	$.53	$.63	17.0	(1.6)

Net Interest Income

First quarter net interest income on a taxable-equivalent basis was $1,830 million, compared with $1,666 million in the first quarter of 2007, an increase of $164 million (9.8 percent). The increase was due to strong growth in average earning assets as well as an improving net interest margin from a year ago. Average earning assets for the period increased over the first quarter of 2007 by $15.9 billion (8.3 percent), primarily driven by an increase of $10.5 billion (7.3 percent) in average loans and $3.0 billion (7.4 percent) in investment securities. During the first quarter of 2008, the net interest margin increased to 3.55 percent compared with 3.51 percent in the first quarter of 2007. The improvement in the net interest margin was due to several factors, including growth in higher spread assets, the benefit of the Company's current asset/liability position in a declining interest rate environment and related asset/liability re-pricing dynamics. Also, short-term funding rates were marginally lower due to market volatility and changing liquidity in the overnight fed fund markets given current market conditions. In addition, the Company's net interest margin benefited by an increase in yield-related loan fees.

Net interest income in the first quarter of 2008 increased by $67 million (3.8 percent) over the fourth quarter of 2007. This favorable variance was due to growth in average earning assets of $6.7 billion (3.3 percent) and an increase in the net interest margin from 3.51 percent in the fourth quarter of 2007 to 3.55

percent in the current quarter. Given the current rate environment and yield curve, the Company expects the net interest margin to remain relatively stable during 2008.

NET INTEREST INCOME					**Table 3**
(Taxable-equivalent basis, $ in millions)	**1Q 2008**	**4Q 2007**	**1Q 2007**	**Change 1Q08 vs 4Q07**	**Change 1Q08 vs 1Q07**
Components of net interest income					
Income on earning assets	$3,258	$3,431	$3,223	$(173)	$35
Expense on interest-bearing liabilities	1,428	1,668	1,557	(240)	(129)
Net interest income	$1,830	$1,763	$1,666	$67	$164
Average yields and rates paid					
Earning assets yield	6.32%	6.81%	6.81%	(.49)%	(.49)%
Rate paid on interest-bearing liabilities	3.20	3.83	3.88	(.63)	(.68)
Gross interest margin	3.12%	2.98%	2.93%	.14%	.19%
Net interest margin	3.55%	3.51%	3.51%	.04%	.04%
Average balances					
Investment securities	$43,891	$42,525	$40,879	$1,366	$3,012
Loans	155,232	151,451	144,693	3,781	10,539
Earning assets	207,014	200,307	191,135	6,707	15,879
Interest-bearing liabilities	179,451	172,999	162,682	6,452	16,769
Net free funds (a)	27,563	27,308	28,453	255	(890)

(a) Represents noninterest-bearing deposits, allowance for loan losses, unrealized gain (loss) on available-for-sale securities, non-earning assets, other noninterest-bearing liabilities and equity.

AVERAGE LOANS					Table 4
($ in millions)	1Q 2008	4Q 2007	1Q 2007	Percent Change 1Q08 vs 4Q07	Percent Change 1Q08 vs 1Q07
Commercial	$45,471	$43,649	$41,470	4.2	9.6
Lease financing	6,238	5,978	5,549	4.3	12.4
Total commercial	51,709	49,627	47,019	4.2	10.0
Commercial mortgages	20,337	19,775	19,672	2.8	3.4
Construction and development	9,199	8,983	8,960	2.4	2.7
Total commercial real estate	29,536	28,758	28,632	2.7	3.2
Residential mortgages	22,978	22,670	21,569	1.4	6.5
Credit card	11,049	10,621	8,635	4.0	28.0
Retail leasing	5,802	6,123	6,845	(5.2)	(15.2)
Home equity and second mortgages	16,527	16,343	15,555	1.1	6.2
Other retail	17,631	17,309	16,438	1.9	7.3
Total retail	51,009	50,396	47,473	1.2	7.4
Total loans	$155,232	$151,451	$144,693	2.5	7.3

Average loans for the first quarter of 2008 were $10.5 billion (7.3 percent) higher than the first quarter of 2007, driven by growth in a majority of the loan categories. This included growth in average total commercial loans of $4.7 billion (10.0 percent), total retail loans of $3.5 billion (7.4 percent), residential mortgages of $1.4 billion (6.5 percent), and total commercial real estate loans of $904 million (3.2 percent). Average loans for the first quarter of 2008 were higher than the fourth quarter of 2007 by $3.8 billion (2.5 percent), again reflecting growth in a majority of the loan categories. Total commercial loans grew $2.1 billion (4.2 percent) in the first quarter of 2008 over the fourth quarter of 2007, driven by growth in corporate and commercial banking balances as business customers utilize bank credit facilities, rather than the capital markets, to fund business growth and liquidity requirements. Total commercial real estate loans also increased over the fourth quarter of 2007, primarily reflecting changing market conditions that have limited borrower access to the capital markets. Consumer lending continues to experience strong growth in installment products, home equity lines and credit card balances. This growth was offset somewhat by lower retail leasing balances.

Average investment securities in the first quarter of 2008 were $3.0 billion (7.4 percent) higher than the first quarter of 2007. The increase was driven by the purchase in the fourth quarter of 2007 of structured investment securities from certain money market funds managed by an affiliate and an increase in tax exempt municipal securities, partially offset by a reduction in mortgage-backed securities. Average investment securities grew by $1.4 billion (3.2 percent) over the fourth quarter of 2007 principally related to the timing of purchasing the structured investments in late fourth quarter of 2007.

AVERAGE DEPOSITS					**Table 5**
($ in millions)	**1Q 2008**	**4Q 2007**	**1Q 2007**	**Percent Change 1Q08 vs 4Q07**	**Percent Change 1Q08 vs 1Q07**
Noninterest-bearing deposits	$27,119	$26,869	$27,677	.9	(2.0)
Interest-bearing deposits					
Interest checking	30,303	27,458	25,076	10.4	20.8
Money market savings	25,590	25,996	25,712	(1.6)	(.5)
Savings accounts	5,134	5,100	5,401	.7	(4.9)
Total of savings deposits	61,027	58,554	56,189	4.2	8.6
Time certificates of deposit less than $100,000	13,607	14,539	14,775	(6.4)	(7.9)
Time deposits greater than $100,000	29,105	25,461	22,087	14.3	31.8
Total interest-bearing deposits	103,739	98,554	93,051	5.3	11.5
Total deposits	$130,858	$125,423	$120,728	4.3	8.4

Average noninterest-bearing deposits for the first quarter of 2008 decreased modestly, $558 million (2.0 percent), from the first quarter of 2007. Average total savings deposits increased year-over-year by $4.8 billion (8.6 percent) due to a $5.2 billion increase (20.8 percent) in interest checking balances driven by higher balances from broker dealer, government and institutional trust customers. This increase was partially offset by a decline of $267 million (4.9 percent) in average savings accounts and $122 million (.5 percent) in average money market savings, primarily within Consumer Banking. Average time certificates of deposit less than $100,000 were lower in the first quarter of 2008 than in the first quarter of 2007 by $1.2 billion (7.9 percent) while time deposits greater than $100,000 increased by $7.0 billion (31.8 percent) over the same period, reflecting the Company's funding and pricing decisions and competition for these deposits by other financial institutions that have more limited access to the wholesale funding sources given the current market environment.

Average noninterest-bearing deposits for the first quarter of 2008 remained relatively flat compared with the fourth quarter of 2007. Total average savings deposits increased $2.5 billion (4.2 percent) from the fourth quarter of 2007, primarily due to higher broker dealer, institutional trust and government banking balances. Average time certificates less than $100,000 declined by $932 million (6.4 percent) from the prior quarter reflecting competition for these funding sources given current market conditions. Average time deposits greater than $100,000 increased by $3.6 billion (14.3 percent) over the prior quarter, primarily in government and wholesale time deposits.

NONINTEREST INCOME **Table 6**

($ in millions)	1Q 2008	4Q 2007	1Q 2007	Percent Change 1Q08 vs 4Q07	Percent Change 1Q08 vs 1Q07
Credit and debit card revenue	$248	$285	$206	(13.0)	20.4
Corporate payment products revenue	164	166	147	(1.2)	11.6
ATM processing services	84	84	77	--	9.1
Merchant processing services	271	281	252	(3.6)	7.5
Trust and investment management fees	335	344	322	(2.6)	4.0
Deposit service charges	257	277	247	(7.2)	4.0
Treasury management fees	124	117	111	6.0	11.7
Commercial products revenue	112	121	100	(7.4)	12.0
Mortgage banking revenue	105	48	67	nm	56.7
Investment products fees and commissions	36	38	34	(5.3)	5.9
Securities gains (losses), net	(251)	4	1	nm	nm
Other	559	46	159	nm	nm
Total noninterest income	$2,044	$1,811	$1,723	12.9	18.6

Noninterest Income

First quarter noninterest income was $2,044 million, an increase of $321 million (18.6 percent) over the same quarter of 2007 and $233 million (12.9 percent) higher than the fourth quarter of 2007. The increase in noninterest income over the first quarter of 2007 was driven by strong organic fee-based revenue growth of 7.3 percent and the Visa Gain in the first quarter of 2008. The Visa Gain represented $339 million of cash proceeds received for Class B shares redeemed in March, 2008 and $153 million related to the Company's proportionate share of stock redeemed to fund an escrow account for the settlement of Visa Inc. litigation matters. In addition, noninterest income was impacted by the adoption of Statement of Financial Accounting Standard No. 157 "Fair Value Measurements" ("SFAS 157") which decreased trading revenue, as it requires consideration of the primary market and nonperformance risk when determining the fair value of customer derivatives. The standard also increased mortgage production gains as it no longer allows the deferral of compensation expense related to the closing of mortgage loans held for sale. The adoption of SFAS 157 reduced trading revenue by $62 million and increased mortgage banking revenue by $19 million.

Credit and debit card revenue, corporate payment products revenue and ATM processing services were higher in the first quarter of 2008 than the first quarter of 2007 by $42 million (20.4 percent), $17 million (11.6 percent) and $7 million (9.1 percent), respectively. The strong growth in credit and debit card revenue was primarily driven by an increase in customer accounts and higher customer transaction volumes over a year ago. Corporate payment products revenue growth reflected organic growth in sales volumes and card usage. The ATM processing services increase was also due to growth in transaction volumes. Merchant processing services revenue was higher in the first quarter of 2008 than the same quarter of a year ago by $19 million (7.5 percent), primarily reflecting an increase in the number of merchants, higher sales volumes and business expansion. Trust and investment management fees increased $13 million (4.0 percent) year-over-year due to core account growth, partially offset by unfavorable equity market conditions. Deposit service charges grew year-over-year by $10 million (4.0 percent), driven by increased transaction-related fees and the impact of continued growth in net new checking accounts. This growth rate was muted somewhat as deposit account-related revenue, traditionally reflected in this fee category, continued to migrate to yield-related loan fees as customers utilized new consumer products. Treasury management fees increased $13 million (11.7 percent) due to higher customer transaction volumes and the favorable impact of declining rates on the customer earnings credit. Commercial products revenue increased $12 million (12.0 percent) year-over-year due to higher syndication and other commercial loan fees, foreign exchange and commercial leasing revenue. Mortgage banking revenue increased $38 million (56.7 percent) due to an increase in mortgage servicing income and production gains, including $19 million from the adoption of SFAS 157. These favorable impacts to mortgage banking revenue were partially offset by the unfavorable net change in the valuation of mortgage servicing rights (“MSRs”) and related economic hedging activities. Other income was higher year-over-year due to the Visa Gain, partially offset by lower retail lease revenue due to higher end-of-term losses and a $62 million unfavorable impact to trading income upon adoption of SFAS 157 related to the valuation of certain derivatives. Securities gains (losses) were lower year-over-year by $252 million due to an impairment of certain structured investment securities recognized in the first quarter of 2008.

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Noninterest income was higher by $233 million (12.9 percent) in the first quarter of 2008 than the fourth quarter of 2007, reflecting the impact of the Visa Gain and the adoption of SFAS 157, partially offset by seasonally lower fee-based revenue within the core banking operations and the securities losses. Other income increased by $513 million, representing the $492 million Visa Gain in the first quarter of 2008 and the valuation losses of $107 million recognized in the fourth quarter of 2007, partially offset by lower trading income due primarily to the adoption of SFAS 157 in January 2008. Treasury management revenue increased by $7 million (6.0 percent) on a linked quarter basis due to seasonally higher government lock box activity and the favorable impact of declining rates on customer earnings credits. Mortgage banking revenue increased by $57 million from the fourth quarter of 2007 due to higher production gains including the impact of adopting SFAS 157, higher servicing income and a favorable change in the valuation of MSRs and related economic hedging activities. Partially offsetting these favorable increases were seasonal declines in several fee categories. Credit and debit card revenue decreased $37 million (13.0 percent) primarily driven by seasonally lower customer transaction volumes and the positive impact in the fourth quarter of 2007 from renegotiating an association contract. Merchant processing services declined $10 million (3.6 percent) on a linked quarter basis due to seasonally lower volumes and lower interchange rates due to the mix of transactions and lower customer transaction volumes in certain European markets, partially offset by a recent acquisition. Trust and investment management fees were lower by $9 million (2.6 percent) than the fourth quarter of 2007 due primarily to the unfavorable impact of equity markets, partially offset by account growth. Deposit service charges were $20 million (7.2 percent) lower on a linked quarter basis due primarily to seasonally lower post-holiday customer transaction volumes and the impact of customer tax refunds. Commercial products revenue decreased from the fourth quarter of 2007 by $9 million (7.4 percent) due to lower syndication fees and foreign exchange revenue. In addition, net securities gains (losses) decreased $255 million on a linked quarter basis due to the impairment recognized in the first quarter of 2008 on structured investment securities purchased last quarter from certain money market funds managed by an affiliate.

NONINTEREST EXPENSE					Table 7
($ in millions)	1Q 2008	4Q 2007	1Q 2007	Percent Change 1Q08 vs 4Q07	Percent Change 1Q08 vs 1Q07
Compensation	$745	$690	$635	8.0	17.3
Employee benefits	137	119	133	15.1	3.0
Net occupancy and equipment	190	188	177	1.1	7.3
Professional services	47	71	47	(33.8)	--
Marketing and business development	79	69	52	14.5	51.9
Technology and communications	140	148	135	(5.4)	3.7
Postage, printing and supplies	71	73	69	(2.7)	2.9
Other intangibles	87	93	94	(6.5)	(7.4)
Other	300	517	230	(42.0)	30.4
Total noninterest expense	$1,796	$1,968	$1,572	(8.7)	14.2

Noninterest Expense

First quarter noninterest expense totaled $1,796 million, an increase of $224 million (14.2 percent) over the same quarter of 2007 and a decrease of $172 million (8.7 percent) from the fourth quarter of 2007. Compensation expense increased $110 million (17.3 percent) from the same period of 2007 due to growth in ongoing bank operations, acquired businesses and other bank initiatives and the $19 million impact from the adoption of SFAS 157. Under this new accounting standard, compensation expense is no longer deferred for origination of mortgage loans held for sale. Employee benefits expense increased $4 million (3.0 percent) year-over-year as higher medical costs were partially offset by lower pension costs. Net occupancy and equipment expense increased $13 million (7.3 percent) over the first quarter of 2007 primarily due to rental cost escalation, acquisitions and branch-based business initiatives. Marketing and business development expense increased $27 million (51.9 percent) primarily due to $25 million recognized in the current quarter for a charitable contribution to the Company’s foundation intended to support community-based programs within our geographical markets. Other intangibles expense decreased by $7 million (7.4 percent) primarily reflecting the timing and relative size of recent acquisitions. Other expense increased $70 million (30.4 percent) year-over-year, due primarily to investments in tax-advantaged projects, higher litigation costs and credit-related costs for other real estate owned and loan collection activities.

Noninterest expense in the first quarter of 2008 was lower than the fourth quarter of 2007 by $172 million (8.7 percent). Professional services expense declined $24 million (33.8 percent) on a linked quarter basis due to the timing of legal costs and other consulting projects. Technology and communications expense declined $8 million (5.4 percent) due to usage credits. Other intangibles expense declined by $6 million (6.5 percent) primarily reflecting the timing and relative size of recent acquisitions. Other expense decreased by $217 million (42.0 percent) on a linked quarter basis, primarily due to the $215 million Visa Litigation Charge recorded in the fourth quarter of 2007. These decreases were partially offset by increased compensation, employee benefits and marketing and business development expenses. Compensation expense increased $55 million (8.0 percent) due to continued focus on business operations and expansion, the timing of merit increases and the impact of adopting SFAS 157 for mortgage loans held for sale. Employee benefits expense increased $18 million (15.1 percent) on a linked quarter due to seasonally higher payroll taxes and 401(k) expense offset by lower pension expense. Marketing and business development expense increased $10 million (14.5 percent) over the fourth quarter of 2007 due to a $25 million charitable contribution, partially offset by the timing of marketing programs and seasonally lower travel expenses.

Provision for Income Taxes

The provision for income taxes for the first quarter of 2008 resulted in a tax rate on a taxable equivalent basis of 31.6 percent (effective tax rate of 30.4 percent) compared with 31.1 percent (effective tax rate of 30.4 percent) in the first quarter of 2007 and 31.8 percent (effective tax rate of 30.7 percent) in the fourth quarter of 2007.

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ALLOWANCE FOR CREDIT LOSSES					Table 8
($ in millions)	1Q 2008	4Q 2007	3Q 2007	2Q 2007	1Q 2007
Balance, beginning of period	$2,260	$2,260	$2,260	$2,260	$2,256
Net charge-offs					
Commercial	39	23	26	21	32
Lease financing	16	13	11	8	3
Total commercial	55	36	37	29	35
Commercial mortgages	4	3	1	7	1
Construction and development	8	7	1	2	--
Total commercial real estate	12	10	2	9	1
Residential mortgages	26	17	17	15	12
Credit card	108	88	77	81	74
Retail leasing	7	6	3	4	3
Home equity and second mortgages	30	22	20	16	16
Other retail	55	46	43	37	36
Total retail	200	162	143	138	129
Total net charge-offs	293	225	199	191	177
Provision for credit losses	485	225	199	191	177
Acquisitions and other changes	(17)	--	--	--	4
Balance, end of period	$2,435	$2,260	$2,260	$2,260	$2,260
Components					
Allowance for loan losses	$2,251	$2,058	$2,041	$2,028	$2,027
Liability for unfunded credit commitments	184	202	219	232	233
Total allowance for credit losses	$2,435	$2,260	$2,260	$2,260	$2,260
Gross charge-offs	$348	$287	$256	$252	$237
Gross recoveries	$55	$62	$57	$61	$60
Allowance for credit losses as a percentage of					
Period-end loans	1.54	1.47	1.52	1.55	1.56
Nonperforming loans	358	406	441	503	498
Nonperforming assets	288	328	353	400	388

Credit Quality

During the first quarter of 2008, credit losses and nonperforming assets continued to trend higher. The allowance for credit losses was $2,435 million at March 31, 2008, compared with $2,260 million at December 31, 2007, and at March 31, 2007. The increase in the allowance for credit losses was primarily due to continued stress in the residential housing market, homebuilding and related industry sectors, in addition to the growth of the credit card and other consumer loan portfolios. This stress is being reflected in higher delinquencies, nonperforming asset levels and net charge-offs relative to a year ago and the fourth quarter of 2007. Total net charge-offs in the first quarter of 2008 were $293 million, compared with the fourth quarter of 2007 net charge-offs of $225 million and the first quarter of 2007 net charge-offs of $177 million. The increase in total net charge-offs of 65.5 percent from a year ago was driven by the factors previously noted.

Commercial and commercial real estate loan net charge-offs increased to $67 million in the first quarter of 2008 (.33 percent of average loans outstanding) compared with $46 million (.23 percent of average loans outstanding) in the fourth quarter of 2007 and $36 million (.19 percent of average loans outstanding) in the first quarter of 2007. This increasing trend in commercial and commercial real estate net charge-offs reflected anticipated increases in nonperforming loans and delinquencies within the portfolios, especially residential homebuilding and related industry sectors. Given the continuing stress in the homebuilding and related industries, as well as the potential impact of the economic downturn on other commercial customers, the Company expects commercial and commercial real estate net charge-offs to continue to increase moderately over the next several quarters.

Total retail loan net charge-offs were $200 million (1.58 percent of average loans outstanding) in the first quarter of 2008 compared with $162 million (1.28 percent of average loans outstanding) in the fourth quarter of 2007 and $129 million (1.10 percent of average loans outstanding) in the first quarter of 2007. The Company anticipates higher delinquency levels in the retail portfolios and that retail net charge-offs will continue to increase, but remain in a manageable range during 2008.

The ratio of the allowance for credit losses to period-end loans was 1.54 percent at March 31, 2008, compared with 1.47 percent at December 31, 2007, and 1.56 percent at March 31, 2007. The ratio of the allowance for credit losses to nonperforming loans was 358 percent at March 31, 2008, compared with 406 percent at December 31, 2007, and 498 percent at March 31, 2007.

(MORE)

CREDIT RATIOS **Table 9**

(Percent)	**1Q 2008**	**4Q 2007**	**3Q 2007**	**2Q 2007**	**1Q 2007**
Net charge-offs ratios (a)					
Commercial	.34	.21	.25	.20	.31
Lease financing	1.03	.86	.76	.57	.22
Total commercial	.43	.29	.31	.25	.30
Commercial mortgages	.08	.06	.02	.14	.02
Construction and development	.35	.31	.04	.09	--
Total commercial real estate	.16	.14	.03	.13	.01
Residential mortgages	.46	.30	.30	.28	.23
Credit card	3.93	3.29	3.09	3.56	3.48
Retail leasing	.49	.39	.19	.24	.18
Home equity and second mortgages	.73	.53	.49	.41	.42
Other retail	1.25	1.05	1.00	.89	.89
Total retail	1.58	1.28	1.15	1.15	1.10
Total net charge-offs	.76	.59	.54	.53	.50
Delinquent loan ratios - 90 days or more past due **excluding** nonperforming loans (b)					
Commercial	.09	.07	.07	.07	.07
Commercial real estate	.13	.02	.04	--	.04
Residential mortgages	.98	.86	.58	.46	.42
Retail	.69	.68	.55	.50	.56
Total loans	.43	.38	.30	.26	.27
Delinquent loan ratios - 90 days or more past due **including** nonperforming loans (b)					
Commercial	.60	.43	.51	.44	.46
Commercial real estate	1.18	1.02	.83	.69	.69
Residential mortgages	1.24	1.10	.79	.65	.59
Retail	.77	.73	.61	.58	.65
Total loans	.86	.74	.65	.57	.59

(a) annualized and calculated on average loan balances
(b) ratios are expressed as a percent of ending loan balances

ASSET QUALITY					**Table 10**
($ in millions)	**Mar 31 2008**	**Dec 31 2007**	**Sep 30 2007**	**Jun 30 2007**	**Mar 31 2007**
Nonperforming loans					
Commercial	$201	$128	$161	$128	$147
Lease financing	64	53	46	44	41
Total commercial	265	181	207	172	188
Commercial mortgages	102	84	73	90	114
Construction and development	212	209	153	107	71
Total commercial real estate	314	293	226	197	185
Residential mortgages	59	54	48	41	38
Retail	42	29	32	39	43
Total nonperforming loans	680	557	513	449	454
Other real estate	141	111	113	103	113
Other nonperforming assets	24	22	15	13	15
Total nonperforming assets (a)	$845	$690	$641	$565	$582
Accruing loans 90 days or more past due	$676	$584	$451	$376	$397
Restructured loans that continue to accrue interest	$695	$551	$468	$435	$411
Nonperforming assets to loans plus ORE (%)	.53	.45	.43	.39	.40

(a) does not include accruing loans 90 days or more past due or restructured loans that continue to accrue interest

Nonperforming assets at March 31, 2008, totaled $845 million, compared with $690 million at December 31, 2007, and $582 million at March 31, 2007. The ratio of nonperforming assets to loans and other real estate was .53 percent at March 31, 2008, compared with .45 percent at December 31, 2007, and .40 percent at March 31, 2007. The increase in nonperforming assets of 45.2 percent from a year ago was driven primarily by the residential construction portfolio, an increase in foreclosed residential properties and the impact of the economic slowdown on other commercial customers. The Company expects nonperforming assets to increase moderately over the next several quarters due to general economic conditions and continued stress in the residential mortgage portfolio and residential construction industry. Accruing loans 90 days or more past due increased to $676 million at March 31, 2008, compared with $584 million at December 31, 2007, and $397 million at March 31, 2007. Similar to nonperforming assets, the increase in delinquent loans that continue to accrue interest was primarily related to residential mortgages, credit cards and home equity loans. Restructured loans that continue to accrue interest have also increased from the first quarter of 2007 and the fourth quarter of 2007, reflecting the impact of restructurings for certain residential mortgage customers in light of current economic conditions. The Company expects this trend to continue during 2008 as residential home valuations continue to decline and certain borrowers take advantage of the Company's mortgage loan restructuring programs.

CAPITAL POSITION					Table 11
($ in millions)	Mar 31 2008	Dec 31 2007	Sep 30 2007	Jun 30 2007	Mar 31 2007
Total shareholders' equity	$21,572	$21,046	$20,686	$20,330	$20,800
Tier 1 capital	18,543	17,539	17,288	16,876	16,917
Total risk-based capital	27,207	25,925	25,820	25,709	25,826
Tier 1 capital ratio	8.6 %	8.3 %	8.5 %	8.5 %	8.6 %
Total risk-based capital ratio	12.6	12.2	12.7	13.0	13.1
Leverage ratio	8.1	7.9	8.0	7.9	8.0
Common equity to assets	8.3	8.4	8.6	8.7	8.9
Tangible common equity to assets	5.3	5.1	5.3	5.2	5.3

Total shareholders' equity was $21.6 billion at March 31, 2008, compared with $21.0 billion at December 31, 2007, and $20.8 billion at March 31, 2007. The Tier 1 capital ratio was 8.6 percent at March 31, 2008, compared with 8.3 percent at December 31, 2007, and 8.6 percent at March 31, 2007. The total risk-based capital ratio was 12.6 percent at March 31, 2008, compared with 12.2 percent at December 31, 2007, and 13.1 percent at March 31, 2007. The leverage ratio was 8.1 percent at March 31, 2008, compared with 7.9 percent at December 31, 2007, and 8.0 percent at March 31, 2007. Tangible common equity to assets was 5.3 percent at March 31, 2008, compared with 5.1 percent at December 31, 2007, and 5.3 percent at March 31, 2007. All regulatory ratios continue to be in excess of stated "well-capitalized" requirements.

COMMON SHARES					Table 12
(Millions)	1Q 2008	4Q 2007	3Q 2007	2Q 2007	1Q 2007
Beginning shares outstanding	1,728	1,725	1,728	1,742	1,765
Shares issued for stock option and stock purchase plans, acquisitions and other corporate purposes	12	3	3	4	11
Shares repurchased	(2)	--	(6)	(18)	(34)
Ending shares outstanding	1,738	1,728	1,725	1,728	1,742

On August 3, 2006, the Company announced that the Board of Directors approved an authorization to repurchase 150 million shares of common stock through December 31, 2008. As of March 31, 2008, there were approximately 62 million shares remaining to be repurchased under the 2006 authorization.

(MORE)

LINE OF BUSINESS FINANCIAL PERFORMANCE (a) **Table 13**

($ in millions)

	Net Income			Percent Change		1Q 2008	
Business Line	**1Q 2008**	**4Q 2007**	**1Q 2007**	**1Q08 vs 4Q07**	**1Q08 vs 1Q07**	**Earnings Composition**	
Wholesale Banking	$255	$280	$272	(8.9)	(6.3)	23	%
Consumer Banking	367	411	434	(10.7)	(15.4)	34	
Wealth Management & Securities Services	157	101	154	55.4	1.9	14	
Payment Services	289	319	231	(9.4)	25.1	27	
Treasury and Corporate Support	22	(169)	39	nm	(43.6)	2	
Consolidated Company	$1,090	$942	$1,130	15.7	(3.5)	100	%

(a) preliminary data

Lines of Business

Within the Company, financial performance is measured by major lines of business, which include Wholesale Banking, Consumer Banking, Wealth Management & Securities Services, Payment Services, and Treasury and Corporate Support. These operating segments are components of the Company about which financial information is available and is evaluated regularly in deciding how to allocate resources and assess performance. Noninterest expenses incurred by centrally managed operations or business lines that directly support another business line's operations are charged to the applicable business line based on its utilization of those services primarily measured by the volume of customer activities, number of employees or other relevant factors. These allocated expenses are reported as net shared services expense within noninterest expense. Designations, assignments and allocations change from time to time as management systems are enhanced, methods of evaluating performance or product lines change or business segments are realigned to better respond to the Company's diverse customer base. During 2008, certain organization and methodology changes were made and, accordingly, prior period results were restated and presented on a comparable basis.

Wholesale Banking offers lending, equipment finance and small-ticket leasing, depository, treasury management, capital markets, foreign exchange, international trade services and other financial services to middle market, large corporate, commercial real estate, and public sector clients. Wholesale Banking contributed $255 million of the Company's net income in the first quarter of 2008, a 6.3 percent decrease from the same period of 2007 and an 8.9 percent decrease from the fourth quarter of 2007. Stronger net interest income during the current quarter was offset by a reduction in noninterest income due to capital

(MORE)

market conditions, the incremental cost of further investments in the wholesale banking business and higher credit costs. Net interest income increased $34 million, year-over-year, due to strong growth in earning assets and deposit balances and improved credit spreads, partially offset by a decrease in the margin benefit of deposits. The decline in noninterest income was primarily due to market-related valuation losses within a commercial real estate business and lower earnings from equity investments, offset somewhat by growth in treasury management fees, commercial leasing and foreign exchange revenue. Total noninterest expense increased by $10 million over a year ago, primarily due to higher compensation and employee benefits expense related to merit increases, expanding the business line’s national corporate banking presence, investments to enhance customer relationship management, and other business initiatives. The provision for credit losses increased $22 million due to continued credit deterioration in the homebuilding and commercial home supplier industries.

Wholesale Banking’s contribution to net income in the first quarter of 2008 was $25 million (8.9 percent) lower than the fourth quarter of 2007 due to a $17 million increase in the provision for credit losses due to higher net charge-offs and an unfavorable variance in total net revenue (3.3 percent). Total net revenue was lower on a linked quarter basis due primarily to a decrease in total noninterest income. Net interest income improved slightly as growth in average loans and interest-bearing deposit balances was offset by the lower margin benefit of deposits. Total noninterest income decreased on a linked quarter basis due to a decline in other revenue from a commercial real estate business and other equity investments, partially offset by higher treasury management and commercial product revenue. Total noninterest expense remained relatively flat, as an increase in compensation and employee benefits expense was offset by seasonally lower travel and entertainment expense and a decline in net shared services expense.

Consumer Banking delivers products and services through banking offices, telephone servicing and sales, on-line services, direct mail and ATMs. It encompasses community banking, metropolitan banking, in-store banking, small business banking, consumer lending, mortgage banking, consumer finance, workplace banking, student banking, and 24-hour banking. Consumer Banking contributed $367 million of the Company’s net income in the first quarter of 2008, a 15.4 percent decrease from the same period of 2007 and a 10.7 percent decrease on a linked quarter basis. Within Consumer Banking, the retail banking division accounted for $320 million of the total contribution, a 21.8 percent decrease for the division on a year-over-year basis and an 18.2 percent decrease from the prior quarter. The decrease in the retail banking division was due to lower total net revenue, growth in total noninterest expense related to incremental business investments during the year and an increase in the provision for credit losses. Net interest income for the retail banking division declined year-over-year as an increase in average loan balances and yield related loan fees was more than offset by lower deposit balances and a decline in the margin benefit of deposits given the declining interest rate environment. Total noninterest income for the retail banking division decreased 2.2 percent from a year ago due to lower retail lease revenue related to higher end-of-term losses and declining student loan sales gains which were partially offset by growth in deposit service charges. Total noninterest expense in the first quarter of 2008 increased 7.0 percent for the division over the same quarter of 2007 reflecting branch expansion initiatives, bank acquisitions, geographical promotional activities and customer service initiatives. In addition, the division experienced higher credit-related costs associated with other real estate owned and foreclosures. The provision for credit losses for the retail banking division increased due to a $48 million year-over-year increase in net charge-offs (66.7 percent), reflecting portfolio growth and credit deterioration in residential mortgages, home equity and other installment and consumer loan portfolios from a year ago. In the first quarter of 2008, the mortgage banking division's contribution was $47 million, a $22 million increase from the same period of 2007. The division's total net revenue increased by $64 million (75.3 percent) over a year ago reflecting strong revenue growth from mortgage loan production. As a result of higher loan originations, net interest income increased $22 million as average mortgage loans held for sale increased $1.2 billion from a year ago. Total noninterest income for the division increased $42 million related to higher servicing income and stronger production gains, including $19 million from the adoption of SFAS 157. These favorable impacts to mortgage banking revenue were partially offset by an unfavorable net change in the valuation of MSRs and related economic hedging activities. Total noninterest expense for the mortgage banking division increased $30 million (66.7 percent) over the first quarter of 2007 primarily due to the impact of the adoption of SFAS 157 on compensation expense of $19 million, higher production levels from a year ago and servicing costs associated with other real estate owned and foreclosures.

Consumer Banking's contribution in the first quarter of 2008 decreased $44 million (10.7 percent) on a linked quarter basis compared with the fourth quarter of 2007. The retail banking division's contribution decreased 18.2 percent on a linked quarter basis driven by an increase in the provision for credit losses, along with a decline in total net revenue. Total net revenue for the retail banking division decreased $87 million (6.4 percent) due to lower net interest income and total noninterest income. Net interest income declined by 5.9 percent on a linked quarter basis, as the favorable impact of growth in average loan balances was more than offset by lower deposit balances and narrowing credit spreads due to increasing liquidity costs. The decline in total noninterest income was driven by seasonally lower deposit service charges and higher end-of-term residual losses on retail leases. Total noninterest expense for the retail banking division remained relatively flat on a linked quarter basis. An increase in compensation and employee benefits due to the timing of merit increases and other business initiatives was offset by lower fraud losses and the timing of marketing programs and processing costs. The provision for credit losses for the division reflected a $27 million increase in net charge-offs compared with the fourth quarter of 2007 reflecting higher consumer delinquencies within these portfolios. The contribution of the mortgage banking division increased $27 million over the fourth quarter of 2007 driven primarily by an increase in total net revenue related to higher loan production gains including the impact of adopting SFAS 157, higher servicing income and a favorable change in the valuation of MSRs and related economic hedging activities. Net interest income for the division also increased 32.1 percent on a linked quarter basis due to growth in loan production. Total noninterest expense of the mortgage banking division increased $22 million (41.5 percent) over the fourth quarter of 2007 driven by the impact of SFAS 157 and production processing levels.

Wealth Management & Securities Services provides trust, private banking, financial advisory, investment management, retail brokerage services, insurance, custody and mutual fund servicing through five businesses: Wealth Management, Corporate Trust, FAF Advisors, Institutional Trust & Custody and Fund Services. Wealth Management & Securities Services contributed $157 million of the Company's net income in the first quarter of 2008, a 1.9 percent increase from the same period of 2007 and a 55.4 percent increase over the fourth quarter of 2007. The increase in the business line's contribution in the first quarter of 2008 over the same quarter of 2007 was the result of core account growth, partially offset by unfavorable equity market conditions relative to a year ago. Total noninterest expense was 4.0 percent higher compared with the same quarter of 2007 primarily due to higher compensation and employee benefits and processing expense.

The increase in the business line's contribution in the first quarter of 2008 compared with the fourth quarter of 2007 was primarily due to market valuation losses of $107 million recorded in the fourth quarter of 2007. This increase was partially offset by seasonally lower trust and investment management fees. Investment management fees were also adversely impacted by unfavorable equity market conditions during the first quarter of 2008. Net interest income declined on a linked quarter basis by 9.0 percent due to somewhat lower average loan balances and the margin impact of declining interest rates on deposits.

Noninterest expense decreased by 1.5 percent due primarily to the timing of marketing and professional services expense, partially offset by an increase in compensation and employee benefits expense.

Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate and purchasing card services, consumer lines of credit, ATM processing and merchant processing. Payment Services are highly inter-related with banking products and services of the other lines of business and rely on access to the bank subsidiary's settlement network, lower cost funding available to the Company, cross-selling opportunities and operating efficiencies. Payment Services contributed $289 million of the Company's net income in the first quarter of 2008, a 25.1 percent increase over the same period of 2007 and a 9.4 percent decrease from the fourth quarter of 2007. Total net revenue increased year-over-year due to higher net interest income (49.1 percent) and total noninterest income (13.1 percent). Net interest income increased due to strong growth in higher yielding credit card balances and the timing of asset repricing in a declining rate environment. During the past year, all payment processing revenue categories benefited from account growth, higher transaction volumes and business expansion initiatives. Growth in total noninterest expense year-over-year primarily reflected new business initiatives, including costs associated with transaction processing and a recent acquisition, as well as higher collection costs. An increase in the provision for credit losses was driven by an increase in net charge-offs of $43 million year-over-year which reflected portfolio growth and higher delinquency rates from a year ago.

The decrease in Payment Services' contribution in the first quarter of 2008 from the fourth quarter of 2007 was due to seasonally lower fee-based revenues and an increase in the provision for credit losses (21.8 percent) due to portfolio growth and changing economic conditions. Total net revenue was lower due to a 6.9 percent decrease in total noninterest income, partially offset by a 10.0 percent increase in net interest income in this declining rate environment. Total noninterest income declined due to seasonally lower credit and debit card revenue from lower customer transaction volumes after the holidays and the positive impact in the fourth quarter of 2007 from renegotiating an association contract. Merchant processing services also declined on a linked quarter basis due to seasonally lower transaction volumes and the impact of the mix of business on interchange rates. Net interest income increased due to strong growth in retail credit card balances and favorable credit spreads. The decrease in total noninterest expense was primarily due to the timing of marketing programs and seasonally lower debit and prepaid card costs, partially offset by an increase in compensation and employee benefits including the impact of business expansion initiatives.

(MORE)

Treasury and Corporate Support includes the Company's investment portfolios, funding, capital management and asset securitization activities, interest rate risk management, the net effect of transfer pricing related to average balances and the residual aggregate of those expenses associated with corporate activities that are managed on a consolidated basis. Treasury and Corporate Support recorded net income of $22 million in the first quarter of 2008, compared with net income of $39 million in the first quarter of 2007 and a net loss of $169 million in the fourth quarter of 2007. Net interest income increased $65 million in the current quarter over the first quarter of 2007 reflecting a steepening yield curve relative to the first quarter of 2007, wholesale funding decisions and the Company's asset/liability position. Total noninterest income increased $212 million primarily due to the net impact of the Visa Gain, offset by the structured investment securities impairment and the transition impact of adopting SFAS 157 during the first quarter of 2008. Total noninterest expense increased $95 million year-over-year primarily reflecting higher compensation and employee benefits expense, the $25 million charitable contribution made to the foundation and higher litigation costs, partially offset by a reduction in net shared services expense. The provision for credit losses increased $194 million driven by the incremental provision expense recorded this quarter which reflected deterioration in credit quality within the loan portfolios related to stress in the residential real estate markets, including homebuilding and related supplier industries, and the continued growth of the consumer loan portfolios.

Net income in the first quarter of 2008 was higher on a linked quarter basis due to the impact of the $215 million Visa Litigation Charge taken in the fourth quarter of 2007 and the $492 million Visa Gain recorded in the current quarter. These were partially offset by the incremental provision for credit losses, the structured investment securities impairment, the unfavorable impact of SFAS 157, a charitable contribution and additional litigation costs in the first quarter of 2008.

Additional schedules containing more detailed information about the Company's business line results are available on the web at usbank.com or by calling Investor Relations at 612-303-0781.

RICHARD K. DAVIS, CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, AND ANDREW CECERE, VICE CHAIRMAN AND CHIEF FINANCIAL OFFICER, WILL HOST A CONFERENCE CALL TO REVIEW THE FINANCIAL RESULTS AT 8:00 AM (CDT) ON TUESDAY, APRIL 15, 2008. The conference call will be available by telephone or on the internet. To access the conference call from locations within the United States and Canada, please dial 866-316-1409. Participants calling from outside the United States and Canada, please dial 706-634-9086. The conference ID number for all participants is 39876056. For those unable to participate during the live call, a recording of the call will be available approximately two hours after the conference call ends on Tuesday, April 15th, and will run through Tuesday, April 22nd, at 11:00 p.m. (CDT). To access the recorded message within the United States and Canada, dial 800-642-1687. If calling from outside the United States and Canada, please dial 706-645-9291 to access the recording. The conference ID is 39876056. Find the recorded call via the internet at usbank.com.

Minneapolis-based U.S. Bancorp ("USB"), with $242 billion in assets, is the parent company of U.S. Bank, the 6th largest commercial bank in the United States. The Company operates 2,522 banking offices and 4,844 ATMs in 24 states, and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. Visit U.S. Bancorp on the web at usbank.com.

Forward-Looking Statements

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

This press release 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. These statements often include the words "may," "could," "would," "should," "believes," "expects," "anticipates," "estimates," "intends," "plans," "targets," "potentially," "probably," "projects," "outlook" or similar expressions. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of the Company. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including changes 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 our Annual Report on Form 10-K for the year ended December 31, 2007, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile." 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.

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U.S. Bancorp

Consolidated Statement of Income

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended March 31, 2008	2007
Interest Income		
Loans	$2,560	$2,578
Loans held for sale	73	59
Investment securities	535	516
Other interest income	37	34
Total interest income	3,205	3,187
Interest Expense		
Deposits	606	675
Short-term borrowings	322	328
Long-term debt	474	535
Total interest expense	1,402	1,538
Net interest income	1,803	1,649
Provision for credit losses	485	177
Net interest income after provision for credit losses	1,318	1,472
Noninterest Income		
Credit and debit card revenue	248	206
Corporate payment products revenue	164	147
ATM processing services	84	77
Merchant processing services	271	252
Trust and investment management fees	335	322
Deposit service charges	257	247
Treasury management fees	124	111
Commercial products revenue	112	100
Mortgage banking revenue	105	67
Investment products fees and commissions	36	34
Securities gains (losses), net	(251)	1
Other	559	159
Total noninterest income	2,044	1,723
Noninterest Expense		
Compensation	745	635
Employee benefits	137	133
Net occupancy and equipment	190	177
Professional services	47	47
Marketing and business development	79	52
Technology and communications	140	135
Postage, printing and supplies	71	69
Other intangibles	87	94
Other	300	230
Total noninterest expense	1,796	1,572
Income before income taxes	1,566	1,623
Applicable income taxes	476	493
Net income	$1,090	$1,130
Net income applicable to common equity	$1,078	$1,115
Earnings per common share	$.62	$.64
Diluted earnings per common share	$.62	$.63
Dividends declared per common share	$.425	$.400
Average common shares outstanding	1,731	1,752
Average diluted common shares outstanding	1,749	1,780

U.S. Bancorp

Consolidated Ending Balance Sheet

(Dollars in Millions)	March 31, 2008	December 31, 2007	March 31, 2007
Assets	(Unaudited)		(Unaudited)
Cash and due from banks	$7,323	$8,884	$6,287
Investment securities			
Held-to-maturity	72	74	83
Available-for-sale	41,624	43,042	40,508
Loans held for sale	5,241	4,819	4,075
Loans			
Commercial	52,744	51,074	47,315
Commercial real estate	29,969	29,207	28,530
Residential mortgages	23,218	22,782	21,765
Retail	52,369	50,764	47,235
Total loans	158,300	153,827	144,845
Less allowance for loan losses	(2,251)	(2,058)	(2,027)
Net loans	156,049	151,769	142,818
Premises and equipment	1,805	1,779	1,818
Goodwill	7,685	7,647	7,585
Other intangible assets	2,962	3,043	3,215
Other assets	19,020	16,558	15,059
Total assets	$241,781	$237,615	$221,448
Liabilities and Shareholders' Equity			
Deposits			
Noninterest-bearing	$32,870	$33,334	$28,666
Interest-bearing	76,895	72,458	70,557
Time deposits greater than $100,000	28,505	25,653	18,837
Total deposits	138,270	131,445	118,060
Short-term borrowings	36,392	32,370	28,516
Long-term debt	36,229	43,440	44,698
Other liabilities	9,318	9,314	9,374
Total liabilities	220,209	216,569	200,648
Shareholders' equity			
Preferred stock	1,500	1,000	1,000
Common stock	20	20	20
Capital surplus	5,677	5,749	5,745
Retained earnings	23,033	22,693	21,660
Less treasury stock	(7,178)	(7,480)	(6,972)
Other comprehensive income	(1,480)	(936)	(653)
Total shareholders' equity	21,572	21,046	20,800
Total liabilities and shareholders' equity	$241,781	$237,615	$221,448

Supplemental Analyst Schedules

1Q 2008

U.S. Bancorp

Income Statement Highlights

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended March 31, 2008	Three Months Ended December 31, 2007	Three Months Ended March 31, 2007	Percent Change v. March 31, 2008 December 31, 2007	Percent Change v. March 31, 2008 March 31, 2007
Net interest income (taxable-equivalent basis)	$1,830	$1,763	$1,666	3.8 %	9.8 %
Noninterest income	2,044	1,811	1,723	12.9	18.6
Total net revenue	3,874	3,574	3,389	8.4	14.3
Noninterest expense	1,796	1,968	1,572	(8.7)	14.2
Income before provision and income taxes	2,078	1,606	1,817	29.4	14.4
Provision for credit losses	485	225	177	*	*
Income before income taxes	1,593	1,381	1,640	15.4	(2.9)
Taxable-equivalent adjustment	27	22	17	22.7	58.8
Applicable income taxes	476	417	493	14.1	(3.4)
Net income	$1,090	$942	$1,130	15.7	(3.5)
Net income applicable to common equity	$1,078	$927	$1,115	16.3	(3.3)
Diluted earnings per common share	$.62	$.53	$.63	17.0	(1.6)
Revenue per diluted common share (a)	$2.36	$2.04	$1.90	15.7	24.2
Financial Ratios					
Net interest margin (b)	3.55 %	3.51 %	3.51 %		
Interest yield on average loans (b)	6.65	7.18	7.23		
Rate paid on interest-bearing liabilities (b)	3.20	3.83	3.88		
Return on average assets	1.85	1.63	2.09		
Return on average common equity	21.3	18.3	22.4		
Efficiency ratio (c)	43.5	55.1	46.4		
Tangible efficiency ratio (d)	41.4	52.5	43.6		

* Not meaningful

(a) Computed as the sum of net interest income on a taxable-equivalent basis and noninterest income excluding securities gains (losses), net divided by average diluted common shares outstanding

(b) On a taxable-equivalent basis

(c) 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

(d) 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 and intangible amortization

U.S. Bancorp

Quarterly Consolidated Statement of Income

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
Interest Income					
Loans	$2,560	$2,730	$2,703	$2,616	$2,578
Loans held for sale	73	72	76	70	59
Investment securities	535	541	522	516	516
Other interest income	37	36	33	34	34
Total interest income	3,205	3,379	3,334	3,236	3,187
Interest Expense					
Deposits	606	722	694	663	675
Short-term borrowings	322	352	374	379	328
Long-term debt	474	564	599	562	535
Total interest expense	1,402	1,638	1,667	1,604	1,538
Net interest income	1,803	1,741	1,667	1,632	1,649
Provision for credit losses	485	225	199	191	177
Net interest income after provision for credit losses	1,318	1,516	1,468	1,441	1,472
Noninterest Income					
Credit and debit card revenue	248	285	237	230	206
Corporate payment products revenue	164	166	166	159	147
ATM processing services	84	84	84	82	77
Merchant processing services	271	281	289	286	252
Trust and investment management fees	335	344	331	342	322
Deposit service charges	257	277	276	277	247
Treasury management fees	124	117	118	126	111
Commercial products revenue	112	121	107	105	100
Mortgage banking revenue	105	48	76	68	67
Investment products fees and commissions	36	38	36	38	34
Securities gains (losses), net	(251)	4	7	3	1
Other	559	46	150	169	159
Total noninterest income	2,044	1,811	1,877	1,885	1,723
Noninterest Expense					
Compensation	745	690	656	659	635
Employee benefits	137	119	119	123	133
Net occupancy and equipment	190	188	189	184	177
Professional services	47	71	56	59	47
Marketing and business development	79	69	71	68	52
Technology and communications	140	148	140	138	135
Postage, printing and supplies	71	73	70	71	69
Other intangibles	87	93	94	95	94
Other	300	517	381	273	230
Total noninterest expense	1,796	1,968	1,776	1,670	1,572
Income before income taxes	1,566	1,359	1,569	1,656	1,623
Applicable income taxes	476	417	473	500	493
Net income	$1,090	$942	$1,096	$1,156	$1,130
Net income applicable to common equity	$1,078	$927	$1,081	$1,141	$1,115
Earnings per common share	$.62	$.54	$.63	$.66	$.64
Diluted earnings per common share	$.62	$.53	$.62	$.65	$.63
Dividends declared per common share	$.425	$.425	$.400	$.400	$.400
Average common shares outstanding	1,731	1,726	1,725	1,736	1,752
Average diluted common shares outstanding	1,749	1,746	1,745	1,760	1,780
Financial Ratios					
Net interest margin (a)	3.55 %	3.51 %	3.44 %	3.44 %	3.51 %
Interest yield on average loans (a)	6.65	7.18	7.30	7.22	7.23
Rate paid on interest-bearing liabilities (a)	3.20	3.83	4.01	3.95	3.88
Return on average assets	1.85	1.63	1.95	2.09	2.09
Return on average common equity	21.3	18.3	21.7	23.0	22.4
Efficiency ratio (b)	43.5	55.1	50.0	47.3	46.4
Tangible efficiency ratio (c)	41.4	52.5	47.3	44.6	43.6

(a) On a taxable-equivalent basis

(b) 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

(c) 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 and intangible amortization

U.S. Bancorp

Consolidated Ending Balance Sheet

(Dollars in Millions)	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
Assets	(Unaudited)		(Unaudited)	(Unaudited)	(Unaudited)
Cash and due from banks	$7,323	$8,884	$6,636	$6,534	$6,287
Investment securities					
Held-to-maturity	72	74	78	81	83
Available-for-sale	41,624	43,042	40,293	39,433	40,508
Loans held for sale	5,241	4,819	4,601	4,552	4,075
Loans					
Commercial	52,744	51,074	48,012	46,459	47,315
Commercial real estate	29,969	29,207	28,517	28,421	28,530
Residential mortgages	23,218	22,782	22,563	21,992	21,765
Retail	52,369	50,764	49,947	48,836	47,235
Total loans	158,300	153,827	149,039	145,708	144,845
Less allowance for loan losses	(2,251)	(2,058)	(2,041)	(2,028)	(2,027)
Net loans	156,049	151,769	146,998	143,680	142,818
Premises and equipment	1,805	1,779	1,779	1,798	1,818
Goodwill	7,685	7,647	7,604	7,593	7,585
Other intangible assets	2,962	3,043	3,150	3,352	3,215
Other assets	19,020	16,558	16,489	15,507	15,059
Total assets	$241,781	$237,615	$227,628	$222,530	$221,448
Liabilities and Shareholders' Equity					
Deposits					
Noninterest-bearing	$32,870	$33,334	$28,272	$29,545	$28,666
Interest-bearing	76,895	72,458	70,916	70,216	70,557
Time deposits greater than $100,000	28,505	25,653	23,560	19,941	18,837
Total deposits	138,270	131,445	122,748	119,702	118,060
Short-term borrowings	36,392	32,370	28,868	27,160	28,516
Long-term debt	36,229	43,440	45,241	45,946	44,698
Other liabilities	9,318	9,314	10,085	9,392	9,374
Total liabilities	220,209	216,569	206,942	202,200	200,648
Shareholders' equity					
Preferred stock	1,500	1,000	1,000	1,000	1,000
Common stock	20	20	20	20	20
Capital surplus	5,677	5,749	5,748	5,748	5,745
Retained earnings	23,033	22,693	22,500	22,110	21,660
Less treasury stock	(7,178)	(7,480)	(7,554)	(7,476)	(6,972)
Other comprehensive income	(1,480)	(936)	(1,028)	(1,072)	(653)
Total shareholders' equity	21,572	21,046	20,686	20,330	20,800
Total liabilities and shareholders' equity	$241,781	$237,615	$227,628	$222,530	$221,448

U.S. Bancorp

Consolidated Quarterly Average Balance Sheet

(Dollars in Millions, Unaudited)	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
Assets					
Investment securities	$43,891	$42,525	$41,128	$40,704	$40,879
Loans held for sale	5,118	4,459	4,547	4,334	3,843
Loans					
Commercial					
Commercial	45,471	43,649	41,648	41,572	41,470
Lease financing	6,238	5,978	5,742	5,625	5,549
Total commercial	51,709	49,627	47,390	47,197	47,019
Commercial real estate					
Commercial mortgages	20,337	19,775	19,592	19,562	19,672
Construction and development	9,199	8,983	8,870	8,941	8,960
Total commercial real estate	29,536	28,758	28,462	28,503	28,632
Residential mortgages	22,978	22,670	22,258	21,831	21,569
Retail					
Credit card	11,049	10,621	9,895	9,120	8,635
Retail leasing	5,802	6,123	6,424	6,662	6,845
Home equity and second mortgages	16,527	16,343	16,048	15,735	15,555
Other retail	17,631	17,309	17,040	16,605	16,438
Total retail	51,009	50,396	49,407	48,122	47,473
Total loans	155,232	151,451	147,517	145,653	144,693
Other earning assets	2,773	1,872	1,694	1,610	1,720
Total earning assets	207,014	200,307	194,886	192,301	191,135
Allowance for loan losses	(2,075)	(2,054)	(2,041)	(2,039)	(2,036)
Unrealized gain (loss) on available-for-sale securities	(1,105)	(892)	(1,206)	(771)	(619)
Other assets	32,841	31,976	31,866	32,531	31,032
Total assets	$236,675	$229,337	$223,505	$222,022	$219,512
Liabilities and Shareholders' Equity					
Noninterest-bearing deposits	$27,119	$26,869	$26,947	$27,977	$27,677
Interest-bearing deposits					
Interest checking	30,303	27,458	26,052	25,858	25,076
Money market savings	25,590	25,996	25,018	24,603	25,712
Savings accounts	5,134	5,100	5,283	5,443	5,401
Time certificates of deposit less than $100,000	13,607	14,539	14,590	14,716	14,775
Time deposits greater than $100,000	29,105	25,461	21,255	20,378	22,087
Total interest-bearing deposits	103,739	98,554	92,198	90,998	93,051
Short-term borrowings	35,890	30,289	29,155	29,524	26,687
Long-term debt	39,822	44,156	46,452	44,655	42,944
Total interest-bearing liabilities	179,451	172,999	167,805	165,177	162,682
Other liabilities	8,626	8,325	8,012	7,973	7,943
Shareholders' equity					
Preferred equity	1,083	1,000	1,000	1,000	1,000
Common equity	20,396	20,144	19,741	19,895	20,210
Total shareholders' equity	21,479	21,144	20,741	20,895	21,210
Total liabilities and shareholders' equity	$236,675	$229,337	$223,505	$222,022	$219,512

U.S. Bancorp

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)

(Dollars in Millions) (Unaudited)	2008 Average Balances	2008 Interest	2008 Yields and Rates	2007 Average Balances	2007 Interest	2007 Yields and Rates	% Change Average Balances
	For the Three Months Ended March 31,						
Assets							
Investment securities	$43,891	$580	5.28 %	$40,879	$546	5.34 %	7.4 %
Loans held for sale	5,118	73	5.72	3,843	59	6.22	33.2
Loans (b)							
Commercial	51,709	721	5.60	47,019	774	6.66	10.0
Commercial real estate	29,536	463	6.30	28,632	520	7.36	3.2
Residential mortgages	22,978	358	6.24	21,569	323	6.02	6.5
Retail	51,009	1,026	8.09	47,473	967	8.26	7.4
Total loans	155,232	2,568	6.65	144,693	2,584	7.23	7.3
Other earning assets	2,773	37	5.37	1,720	34	8.02	61.2
Total earning assets	207,014	3,258	6.32	191,135	3,223	6.81	8.3
Allowance for loan losses	(2,075)			(2,036)			(1.9)
Unrealized gain (loss) on available-for-sale securities	(1,105)			(619)			(78.5)
Other assets	32,841			31,032			5.8
Total assets	$236,675			$219,512			7.8
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	$27,119			$27,677			(2.0)
Interest-bearing deposits							
Interest checking	30,303	88	1.16	25,076	76	1.22	20.8
Money market savings	25,590	114	1.79	25,712	163	2.57	(.5)
Savings accounts	5,134	3	.23	5,401	5	.39	(4.9)
Time certificates of deposit less than $100,000	13,607	139	4.11	14,775	158	4.35	(7.9)
Time deposits greater than $100,000	29,105	262	3.62	22,087	273	5.00	31.8
Total interest-bearing deposits	103,739	606	2.35	93,051	675	2.94	11.5
Short-term borrowings	35,890	348	3.90	26,687	347	5.28	34.5
Long-term debt	39,822	474	4.78	42,944	535	5.04	(7.3)
Total interest-bearing liabilities	179,451	1,428	3.20	162,682	1,557	3.88	10.3
Other liabilities	8,626			7,943			8.6
Shareholders' equity							
Preferred equity	1,083			1,000			8.3
Common equity	20,396			20,210			.9
Total shareholders' equity	21,479			21,210			1.3
Total liabilities and shareholders' equity	$236,675			$219,512			7.8 %
Net interest income		$1,830			$1,666		
Gross interest margin			3.12 %			2.93 %	
Gross interest margin without taxable-equivalent increments			3.07			2.89	
Percent of Earning Assets							
Interest income			6.32 %			6.81 %	
Interest expense			2.77			3.30	
Net interest margin			3.55 %			3.51 %	
Net interest margin without taxable-equivalent increments			3.50 %			3.47 %	

(a) Interest and rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent.
(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

U.S. Bancorp

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)

	For the Three Months Ended						
	March 31, 2008			December 31, 2007			
(Dollars in Millions) (Unaudited)	Average Balances	Interest	Yields and Rates	Average Balances	Interest	Yields and Rates	% Change Average Balances
Assets							
Investment securities	$43,891	$580	5.28 %	$42,525	$586	5.51 %	3.2 %
Loans held for sale	5,118	73	5.72	4,459	72	6.44	14.8
Loans (b)							
Commercial	51,709	721	5.60	49,627	796	6.37	4.2
Commercial real estate	29,536	463	6.30	28,758	510	7.03	2.7
Residential mortgages	22,978	358	6.24	22,670	355	6.27	1.4
Retail	51,009	1,026	8.09	50,396	1,076	8.47	1.2
Total loans	155,232	2,568	6.65	151,451	2,737	7.18	2.5
Other earning assets	2,773	37	5.37	1,872	36	7.57	48.1
Total earning assets	207,014	3,258	6.32	200,307	3,431	6.81	3.3
Allowance for loan losses	(2,075)			(2,054)			(1.0)
Unrealized gain (loss) on available-for-sale securities	(1,105)			(892)			(23.9)
Other assets	32,841			31,976			2.7
Total assets	$236,675			$229,337			3.2
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	$27,119			$26,869			.9
Interest-bearing deposits							
Interest checking	30,303	88	1.16	27,458	98	1.41	10.4
Money market savings	25,590	114	1.79	25,996	161	2.46	(1.6)
Savings accounts	5,134	3	.23	5,100	4	.27	.7
Time certificates of deposit less than $100,000	13,607	139	4.11	14,539	161	4.42	(6.4)
Time deposits greater than $100,000	29,105	262	3.62	25,461	298	4.64	14.3
Total interest-bearing deposits	103,739	606	2.35	98,554	722	2.91	5.3
Short-term borrowings	35,890	348	3.90	30,289	382	4.99	18.5
Long-term debt	39,822	474	4.78	44,156	564	5.08	(9.8)
Total interest-bearing liabilities	179,451	1,428	3.20	172,999	1,668	3.83	3.7
Other liabilities	8,626			8,325			3.6
Shareholders' equity							
Preferred equity	1,083			1,000			8.3
Common equity	20,396			20,144			1.3
Total shareholders' equity	21,479			21,144			1.6
Total liabilities and shareholders' equity	$236,675			$229,337			3.2 %
Net interest income		$1,830			$1,763		
Gross interest margin			3.12 %			2.98 %	
Gross interest margin without taxable-equivalent increments			3.07			2.94	
Percent of Earning Assets							
Interest income			6.32 %			6.81 %	
Interest expense			2.77			3.30	
Net interest margin			3.55 %			3.51 %	
Net interest margin without taxable-equivalent increments			3.50 %			3.47 %	

(a) Interest and rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent.
(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

U.S. Bancorp

Loan Portfolio

(Dollars in Millions, Unaudited)	March 31, 2008 Amount	March 31, 2008 Percent of Total	December 31, 2007 Amount	December 31, 2007 Percent of Total	September 30, 2007 Amount	September 30, 2007 Percent of Total	June 30, 2007 Amount	June 30, 2007 Percent of Total	March 31, 2007 Amount	March 31, 2007 Percent of Total
Commercial										
Commercial	$46,438	29.3 %	$44,832	29.1 %	$42,126	28.3 %	$40,746	28.0 %	$41,679	28.8 %
Lease financing	6,306	4.0	6,242	4.1	5,886	3.9	5,713	3.9	5,636	3.9
Total commercial	52,744	33.3	51,074	33.2	48,012	32.2	46,459	31.9	47,315	32.7
Commercial real estate										
Commercial mortgages	20,751	13.1	20,146	13.1	19,650	13.2	19,455	13.3	19,668	13.6
Construction and development	9,218	5.8	9,061	5.9	8,867	5.9	8,966	6.2	8,862	6.1
Total commercial real estate	29,969	18.9	29,207	19.0	28,517	19.1	28,421	19.5	28,530	19.7
Residential mortgages										
Residential mortgages	17,582	11.1	17,099	11.1	16,799	11.3	16,116	11.1	15,808	10.9
Home equity loans, first liens	5,636	3.6	5,683	3.7	5,764	3.9	5,876	4.0	5,957	4.1
Total residential mortgages	23,218	14.7	22,782	14.8	22,563	15.2	21,992	15.1	21,765	15.0
Retail										
Credit card	11,346	7.2	10,956	7.1	10,251	6.9	9,429	6.5	8,555	5.9
Retail leasing	5,675	3.6	5,969	3.9	6,282	4.2	6,572	4.5	6,750	4.7
Home equity and second mortgages	16,648	10.5	16,441	10.7	16,210	10.9	15,907	10.9	15,551	10.7
Other retail										
Revolving credit	2,719	1.7	2,731	1.8	2,679	1.8	2,579	1.8	2,498	1.7
Installment	5,321	3.4	5,246	3.4	5,203	3.5	5,022	3.4	4,629	3.2
Automobile	9,342	5.9	8,970	5.8	8,883	5.9	8,901	6.1	8,823	6.1
Student	1,318	.8	451	.3	439	.3	426	.3	429	.3
Total other retail	18,700	11.8	17,398	11.3	17,204	11.5	16,928	11.6	16,379	11.3
Total retail	52,369	33.1	50,764	33.0	49,947	33.5	48,836	33.5	47,235	32.6
Total loans	$158,300	100.0 %	$153,827	100.0 %	$149,039	100.0 %	$145,708	100.0 %	$144,845	100.0 %

U.S. Bancorp

Supplemental Financial Data

(Dollars in Millions, Unaudited)	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
Book value of intangibles					
Goodwill	$7,685	$7,647	$7,604	$7,593	$7,585
Merchant processing contracts	677	704	741	773	804
Core deposit benefits	140	154	171	187	204
Mortgage servicing rights	1,390	1,462	1,522	1,649	1,447
Trust relationships	328	346	366	385	404
Other identified intangibles	427	377	350	358	356
Total	$10,647	$10,690	$10,754	$10,945	$10,800

	Three Months Ended				
	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
Amortization of intangibles					
Merchant processing contracts	$34	$38	$39	$39	$38
Core deposit benefits	14	17	16	17	18
Trust relationships	17	19	19	19	19
Other identified intangibles	22	19	20	20	19
Total	$87	$93	$94	$95	$94
Mortgage banking revenue					
Origination and sales	$77	$31	$29	$40	$21
Loan servicing	95	93	87	87	86
Mortgage servicing rights fair value adjustment	(67)	(76)	(40)	(59)	(40)
Total mortgage banking revenue	$105	$48	$76	$68	$67
Mortgage production volume	$9,325	$7,738	$7,208	$7,022	$5,034
Mortgages serviced for others	$102,010	$97,014	$94,379	$89,745	$87,096

A summary of the Company's mortgage servicing rights and related characteristics by portfolio as of March 31, 2008, was as follows:

(Dollars in Millions)	MRBP (a)	Government	Conventional	Total
Servicing portfolio	$11,509	$10,859	$79,642	$102,010
Fair market value	$244	$157	$989	$1,390
Value (bps) (b)	212	145	124	136
Weighted-average servicing fees (bps)	40	41	32	34
Multiple (value/servicing fees)	5.30	3.54	3.88	4.00
Weighted-average note rate	5.94 %	6.28 %	6.01 %	6.03 %
Age (in years)	2.9	3.0	2.8	2.8
Expected life (in years)	9.4	5.1	5.4	5.8
Discount rate	11.1 %	10.9 %	10.1 %	10.3 %

(a) MRBP represents mortgage revenue bond programs.
(b) Value is calculated as fair market value divided by the servicing portfolio.

U.S. Bancorp

Line of Business Financial Performance*

Three Months Ended (Dollars in Millions, Unaudited)	Wholesale Banking Mar 31, 2008	Wholesale Banking Mar 31, 2007	Percent Change	Consumer Banking Mar 31, 2008	Consumer Banking Mar 31, 2007	Percent Change	Wealth Management & Securities Services Mar 31, 2008	Wealth Management & Securities Services Mar 31, 2007	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$485	$451	7.5 %	$942	$961	(2.0) %	$122	$121	.8 %
Noninterest income	193	222	(13.1)	471	437	7.8	389	374	4.0
Securities gains (losses), net	--	--	--	--	--	--	--	--	--
Total net revenue	678	673	.7	1,413	1,398	1.1	511	495	3.2
Noninterest expense	239	228	4.8	705	630	11.9	243	230	5.7
Other intangibles	3	4	(25.0)	11	14	(21.4)	20	23	(13.0)
Total noninterest expense	242	232	4.3	716	644	11.2	263	253	4.0
Income before provision and income taxes	436	441	(1.1)	697	754	(7.6)	248	242	2.5
Provision for credit losses	35	13	**	120	72	66.7	1	--	**
Income before income taxes	401	428	(6.3)	577	682	(15.4)	247	242	2.1
Income taxes and taxable-equivalent adjustment	146	156	(6.4)	210	248	(15.3)	90	88	2.3
Net income	$255	$272	(6.3)	$367	$434	(15.4)	$157	$154	1.9
Average Balance Sheet Data									
Loans	$56,561	$51,632	9.5 %	$76,429	$73,813	3.5 %	$5,495	$5,467	.5 %
Other earning assets	261	255	2.4	5,489	3,872	41.8	73	112	(34.8)
Goodwill	1,329	1,329	--	2,217	2,206	.5	1,564	1,550	.9
Other intangible assets	31	43	(27.9)	1,463	1,597	(8.4)	356	450	(20.9)
Assets	61,659	56,725	8.7	87,940	83,967	4.7	7,933	8,036	(1.3)
Noninterest-bearing deposits	10,272	10,817	(5.0)	11,447	12,101	(5.4)	4,604	4,260	8.1
Interest-bearing deposits	28,144	22,048	27.6	55,794	57,401	(2.8)	13,958	12,160	14.8
Total deposits	38,416	32,865	16.9	67,241	69,502	(3.3)	18,562	16,420	13.0
Shareholders' equity	6,180	5,800	6.6	6,507	6,440	1.0	2,414	2,498	(3.4)

Three Months Ended (Dollars in Millions, Unaudited)	Payment Services Mar 31, 2008	Payment Services Mar 31, 2007	Percent Change	Treasury and Corporate Support Mar 31, 2008	Treasury and Corporate Support Mar 31, 2007	Percent Change	Consolidated Company Mar 31, 2008	Consolidated Company Mar 31, 2007	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$252	$169	49.1 %	$29	$(36)	** %	$1,830	$1,666	9.8 %
Noninterest income	769	680	13.1	473	9	**	2,295	1,722	33.3
Securities gains (losses), net	--	--	--	(251)	1	**	(251)	1	**
Total net revenue	1,021	849	20.3	251	(26)	**	3,874	3,389	14.3
Noninterest expense	379	342	10.8	143	48	**	1,709	1,478	15.6
Other intangibles	53	53	--	--	--	--	87	94	(7.4)
Total noninterest expense	432	395	9.4	143	48	**	1,796	1,572	14.2
Income before provision and income taxes	589	454	29.7	108	(74)	**	2,078	1,817	14.4
Provision for credit losses	134	91	47.3	195	1	**	485	177	**
Income before income taxes	455	363	25.3	(87)	(75)	(16.0)	1,593	1,640	(2.9)
Income taxes and taxable-equivalent adjustment	166	132	25.8	(109)	(114)	4.4	503	510	(1.4)
Net income	$289	$231	25.1	$22	$39	(43.6)	$1,090	$1,130	(3.5)
Average Balance Sheet Data									
Loans	$16,313	$13,546	20.4 %	$434	$235	84.7 %	$155,232	$144,693	7.3 %
Other earning assets	180	264	(31.8)	45,779	41,939	9.2	51,782	46,442	11.5
Goodwill	2,554	2,456	4.0	--	28	**	7,664	7,569	1.3
Other intangible assets	1,071	1,088	(1.6)	2	42	(95.2)	2,923	3,220	(9.2)
Assets	21,300	18,796	13.3	57,843	51,988	11.3	236,675	219,512	7.8
Noninterest-bearing deposits	471	455	3.5	325	44	**	27,119	27,677	(2.0)
Interest-bearing deposits	51	32	59.4	5,792	1,410	**	103,739	93,051	11.5
Total deposits	522	487	7.2	6,117	1,454	**	130,858	120,728	8.4
Shareholders' equity	5,006	4,749	5.4	1,372	1,723	(20.4)	21,479	21,210	1.3

* Preliminary data

** Not meaningful

U.S. Bancorp

Line of Business Financial Performance*

Three Months Ended (Dollars in Millions, Unaudited)	Wholesale Banking Mar 31, 2008	Wholesale Banking Dec 31, 2007	Percent Change	Consumer Banking Mar 31, 2008	Consumer Banking Dec 31, 2007	Percent Change	Wealth Management & Securities Services Mar 31, 2008	Wealth Management & Securities Services Dec 31, 2007	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$485	$483	.4 %	$942	$990	(4.8) %	$122	$134	(9.0) %
Noninterest income	193	219	(11.9)	471	444	6.1	389	293	32.8
Securities gains (losses), net	--	(1)	**	--	2	**	--	--	--
Total net revenue	678	701	(3.3)	1,413	1,436	(1.6)	511	427	19.7
Noninterest expense	239	239	--	705	686	2.8	243	244	(.4)
Other intangibles	3	4	(25.0)	11	11	--	20	23	(13.0)
Total noninterest expense	242	243	(.4)	716	697	2.7	263	267	(1.5)
Income before provision and income taxes	436	458	(4.8)	697	739	(5.7)	248	160	55.0
Provision for credit losses	35	18	94.4	120	93	29.0	1	1	--
Income before income taxes	401	440	(8.9)	577	646	(10.7)	247	159	55.3
Income taxes and taxable-equivalent adjustment	146	160	(8.8)	210	235	(10.6)	90	58	55.2
Net income	$255	$280	(8.9)	$367	$411	(10.7)	$157	$101	55.4
Average Balance Sheet Data									
Loans	$56,561	$53,702	5.3 %	$76,429	$75,820	.8 %	$5,495	$5,568	(1.3) %
Other earning assets	261	218	19.7	5,489	4,625	18.7	73	107	(31.8)
Goodwill	1,329	1,329	--	2,217	2,217	--	1,564	1,561	.2
Other intangible assets	31	32	(3.1)	1,463	1,569	(6.8)	356	378	(5.8)
Assets	61,659	58,643	5.1	87,940	86,687	1.4	7,933	8,079	(1.8)
Noninterest-bearing deposits	10,272	10,069	2.0	11,447	11,848	(3.4)	4,604	4,378	5.2
Interest-bearing deposits	28,144	25,517	10.3	55,794	56,588	(1.4)	13,958	13,861	.7
Total deposits	38,416	35,586	8.0	67,241	68,436	(1.7)	18,562	18,239	1.8
Shareholders' equity	6,180	5,919	4.4	6,507	6,403	1.6	2,414	2,434	(.8)

Three Months Ended (Dollars in Millions, Unaudited)	Payment Services Mar 31, 2008	Payment Services Dec 31, 2007	Percent Change	Treasury and Corporate Support Mar 31, 2008	Treasury and Corporate Support Dec 31, 2007	Percent Change	Consolidated Company Mar 31, 2008	Consolidated Company Dec 31, 2007	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$252	$229	10.0 %	$29	$(73)	** %	$1,830	$1,763	3.8 %
Noninterest income	769	826	(6.9)	473	25	**	2,295	1,807	27.0
Securities gains (losses), net	--	--	--	(251)	3	**	(251)	4	**
Total net revenue	1,021	1,055	(3.2)	251	(45)	**	3,874	3,574	8.4
Noninterest expense	379	389	(2.6)	143	317	(54.9)	1,709	1,875	(8.9)
Other intangibles	53	55	(3.6)	--	--	--	87	93	(6.5)
Total noninterest expense	432	444	(2.7)	143	317	(54.9)	1,796	1,968	(8.7)
Income before provision and income taxes	589	611	(3.6)	108	(362)	**	2,078	1,606	29.4
Provision for credit losses	134	110	21.8	195	3	**	485	225	**
Income before income taxes	455	501	(9.2)	(87)	(365)	76.2	1,593	1,381	15.4
Income taxes and taxable-equivalent adjustment	166	182	(8.8)	(109)	(196)	44.4	503	439	14.6
Net income	$289	$319	(9.4)	$22	$(169)	**	$1,090	$942	15.7
Average Balance Sheet Data									
Loans	$16,313	$16,156	1.0 %	$434	$205	** %	$155,232	$151,451	2.5 %
Other earning assets	180	162	11.1	45,779	43,744	4.7	51,782	48,856	6.0
Goodwill	2,554	2,532	.9	--	6	**	7,664	7,645	.2
Other intangible assets	1,071	1,076	(.5)	2	8	(75.0)	2,923	3,063	(4.6)
Assets	21,300	21,684	(1.8)	57,843	54,244	6.6	236,675	229,337	3.2
Noninterest-bearing deposits	471	449	4.9	325	125	**	27,119	26,869	.9
Interest-bearing deposits	51	41	24.4	5,792	2,547	**	103,739	98,554	5.3
Total deposits	522	490	6.5	6,117	2,672	**	130,858	125,423	4.3
Shareholders' equity	5,006	4,975	.6	1,372	1,413	(2.9)	21,479	21,144	1.6

* Preliminary data

** Not meaningful

Supplemental Credit Schedules

1Q 2008

U.S. Bancorp

Residential Mortgages

(Dollars in Millions, Unaudited)	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
CONSUMER FINANCE DIVISION					
Sub-prime borrowers					
Loans outstanding	$3,204	$3,270	$3,236	$3,155	$3,065
Nonperforming loans	24	22	21	18	13
Delinquency Ratios					
30-89 days past due	3.59 %	3.39 %	3.83 %	2.03 %	1.47 %
90 days or more past due	3.15	2.87	1.89	1.52	1.53
Nonperforming loans	.75	.67	.65	.57	.42
Other borrowers					
Loans outstanding	$6,772	$6,477	$6,240	$5,935	$5,624
Nonperforming loans	11	8	8	6	5
Delinquency Ratios					
30-89 days past due	.89 %	.66 %	.54 %	.27 %	.27 %
90 days or more past due	.80	.56	.30	.24	.18
Nonperforming loans	.16	.12	.13	.10	.09
OTHER RETAIL DIVISIONS					
Loans outstanding	$13,242	$13,035	$13,087	$12,902	$13,076
Nonperforming loans	24	24	19	17	20
Delinquency Ratios					
30-89 days past due	.61 %	.61 %	.66 %	.59 %	.50 %
90 days or more past due	.55	.51	.39	.30	.26
Nonperforming loans	.18	.18	.15	.13	.15

	Three Months Ended				
	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
CONSUMER FINANCE DIVISION					
Sub-prime borrowers					
Net charge-offs	$13	$10	$10	$9	$8
Net charge-off ratio	1.62 %	1.21 %	1.24 %	1.15 %	1.08 %
Other borrowers					
Net charge-offs	$8	$4	$5	$4	$3
Net charge-off ratio	.48 %	.25 %	.32	.27 %	.22 %
OTHER RETAIL DIVISIONS					
Net charge-offs	$5	$3	$2	$2	$1
Net charge-off ratio	.15 %	.09 %	.06 %	.06 %	.03 %

U.S. Bancorp

Residential Mortgages

(Dollars in Millions, Unaudited)

March 31, 2008	Loans Outstanding	As a Percent of Total Loan Balances	Weighted Average FICO Score	Weighted Average Loan-to-Value
PORTFOLIO PROFILE				
Consumer Finance Division				
Sub-prime borrowers	$3,204	14 %	624	87 %
Other borrowers	6,772	29	727	89
Other Retail Divisions	13,242	57	732	68
Total	$23,218	100 %	716	77 %

Three Months Ended March 31, 2008	Loans Originated	Weighted Average FICO Score	Weighted Average Loan-to-Value
LOAN ORIGINATIONS			
Consumer Finance Division			
Sub-prime borrowers	$91	630	85 %
Other borrowers	562	731	89
Other Retail Divisions	412	738	68
Total	$1,065	725	81 %

March 31, 2008	Loans Outstanding	As a Percent of Total Loan Balances	Nonperforming Loans	As a Percent of Loan Balances
LOAN PORTFOLIO BY GEOGRAPHY - TOP STATES				
Consumer Finance Division				
Sub-prime borrowers				
Ohio	$243	7.6 %	$6	2.5 %
Florida	230	7.2	3	1.3
Pennsylvania	175	5.5	1	.6
Tennessee	171	5.3	--	--
Michigan	162	5.1	--	--
Other	2,223	69.3	14	.6
Total	$3,204	100.0 %	$24	.7 %
Other borrowers				
Minnesota	$737	10.9 %	$--	-- %
Colorado	534	7.9	--	--
California	530	7.8	--	--
Missouri	489	7.2	--	--
Ohio	425	6.3	3	.7
Other	4,057	59.9	8	.2
Total	$6,772	100.0 %	$11	.2 %
Other Retail Divisions				
Minnesota	$1,482	11.2 %	$2	.1 %
Illinois	1,149	8.7	2	.2
California	1,103	8.3	1	.1
Colorado	1,052	7.9	--	--
Missouri	942	7.1	1	.1
Other	7,514	56.8	18	.2
Total	$13,242	100.0 %	$24	.2 %

U.S. Bancorp

Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
CONSUMER FINANCE DIVISION					
Sub-prime borrowers					
Loans outstanding	$841	$881	$912	$910	$912
Nonperforming loans	2	1	1	--	1
Delinquency Ratios					
30-89 days past due	3.57 %	3.52 %	3.51 %	2.20 %	1.64 %
90 days or more past due	3.45	2.61	1.54	1.32	1.21
Nonperforming loans	.24	.11	.11	--	.11
Other borrowers					
Loans outstanding	$1,058	$973	$931	$920	$938
Nonperforming loans	1	1	1	2	--
Delinquency Ratios					
30-89 days past due	1.32 %	1.64 %	1.29 %	1.09 %	.75 %
90 days or more past due	1.32	1.03	.86	.65	.85
Nonperforming loans	.09	.10	.11	.22	--
OTHER RETAIL DIVISIONS					
Loans outstanding	$14,749	$14,587	$14,367	$14,077	$13,701
Nonperforming loans	8	9	9	13	13
Delinquency Ratios					
30-89 days past due	.39 %	.41 %	.42 %	.33 %	.39 %
90 days or more past due	.20	.21	.17	.14	.15
Nonperforming loans	.05	.06	.06	.09	.09

	Three Months Ended				
	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
CONSUMER FINANCE DIVISION					
Sub-prime borrowers					
Net charge-offs	$14	$9	$9	$7	$6
Net charge-off ratio	6.59 %	4.00 %	3.91 %	3.08 %	2.67 %
Other borrowers					
Net charge-offs	$6	$5	$5	$4	$4
Net charge-off ratio	2.37 %	2.06 %	2.15 %	1.73 %	1.69 %
OTHER RETAIL DIVISIONS					
Net charge-offs	$10	$8	$6	$5	$6
Net charge-off ratio	.27 %	.22 %	.17 %	.14 %	.18 %

U.S. Bancorp

Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)

March 31, 2008	Loans Outstanding	As a Percent of Total Loan Balances	Weighted Average FICO Score	Weighted Average Loan-to-Value
PORTFOLIO PROFILE				
Consumer Finance Division				
Sub-prime borrowers	$841	5 %	652	97 %
Other borrowers	1,058	6	722	93
Other Retail Divisions	14,749	89	745	71
Total	$16,648	100 %	739	74 %

Three Months Ended March 31, 2008	Loans Originated	Weighted Average FICO Score	Weighted Average Loan-to-Value
LOAN ORIGINATIONS			
Consumer Finance Division			
Sub-prime borrowers	$13	651	84 %
Other borrowers	129	740	88
Other Retail Divisions	1,730	762	70
Total	$1,872	760	71 %

March 31, 2008	Loans Outstanding	As a Percent of Total Loan Balances	Nonperforming Loans	As a Percent of Loan Balances
LOAN PORTFOLIO BY GEOGRAPHY - TOP STATES				
Consumer Finance Division				
Sub-prime borrowers				
Ohio	$71	8.4 %	$--	-- %
Colorado	59	7.0	--	--
Minnesota	58	6.9	--	--
California	58	6.9	--	--
Washington	46	5.5	--	--
Other	549	65.3	2	.4
Total	$841	100.0 %	$2	.2 %
Other borrowers				
Colorado	$133	12.6 %	$--	-- %
Minnesota	125	11.8	--	--
California	91	8.6	--	--
Washington	75	7.1	--	--
Ohio	73	6.9	1	1.4
Other	561	53.0	--	--
Total	$1,058	100.0 %	$1	.1 %
Other Retail Divisions				
Minnesota	$2,658	18.0 %	$1	-- %
California	1,679	11.4	--	--
Colorado	1,158	7.9	--	--
Oregon	1,142	7.7	--	--
Washington	1,100	7.5	1	.1
Other	7,012	47.5	6	.1
Total	$14,749	100.0 %	$8	.1 %