

BancAnalysts Association of Boston Conference



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November 4, 2016

Forward looking statements and additional information

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

Today's presentation contains forward looking statements about U.S. Bancorp. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of U.S. Bancorp. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated. A reversal or slowing of the current economic recovery or another severe contraction could adversely affect U.S. Bancorp's revenues and the values of its assets and liabilities. Global financial markets could experience a recurrence of significant turbulence, which could reduce the availability of funding to certain financial institutions and lead to a tightening of credit, a reduction of business activity, and increased market volatility. Stress in the commercial real estate markets, as well as a downturn in the residential real estate markets, could cause credit losses and deterioration in asset values. In addition, U.S. Bancorp's business and financial performance is likely to be negatively impacted by recently enacted and future legislation and regulation. U.S. Bancorp's results could also be adversely affected by deterioration in general business and economic conditions (which could result, in part, from the United Kingdom's withdrawal from the European Union); changes in interest rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of securities held in its investment securities portfolio; legal and regulatory developments; litigation; increased competition from both banks and non-banks; changes in customer behavior and preferences; breaches in data security; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management's ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputational risk.

For discussion of these and other risks that may cause actual results to differ from expectations, refer to U.S. Bancorp's Annual Report on Form 10-K for the year ended December 31, 2015, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile" contained in Exhibit 13, and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, including the Quarterly Report on Form 10-Q for the quarter ended September 30, 2016. However, factors other than these also could adversely affect U.S. Bancorp's results, and the reader should not consider these factors to be a complete set of all potential risks or uncertainties. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

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

U.S. Bancorp

NYSE Traded	USB	Branches	3,114	Assets	\$454B
Founded	1863	ATMs	4,875	Deposits	\$335B
Market Value	\$76B	Customers	18.6M	Loans	\$271B

Regional

**Consumer & Business Banking
and Wealth Management**



- Wealth Management offices in New York City, Wilmington, Delaware, and Naples and Palm Beach, Florida

National

**Wholesale Banking
and Wealth Management
& Securities Services**



International

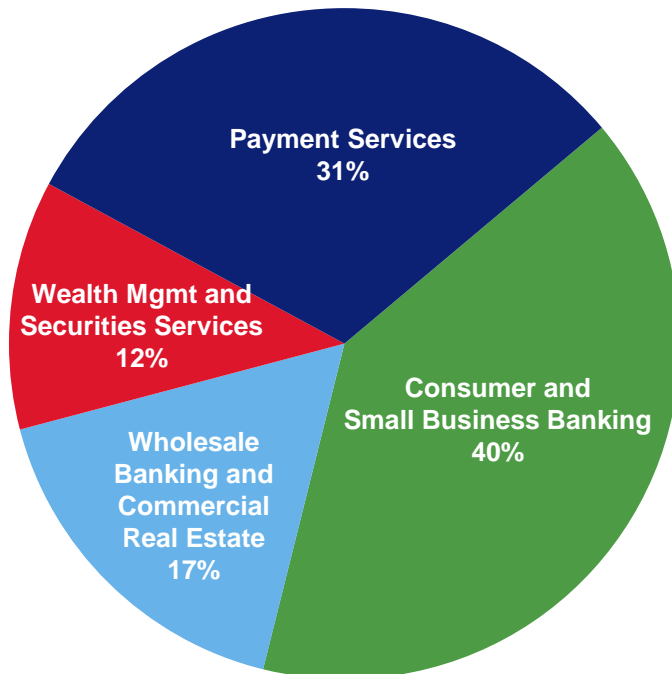
Payments and Securities Services



- Corporate Trust and Fund Services offices in London and Dublin

Optimal Business Mix

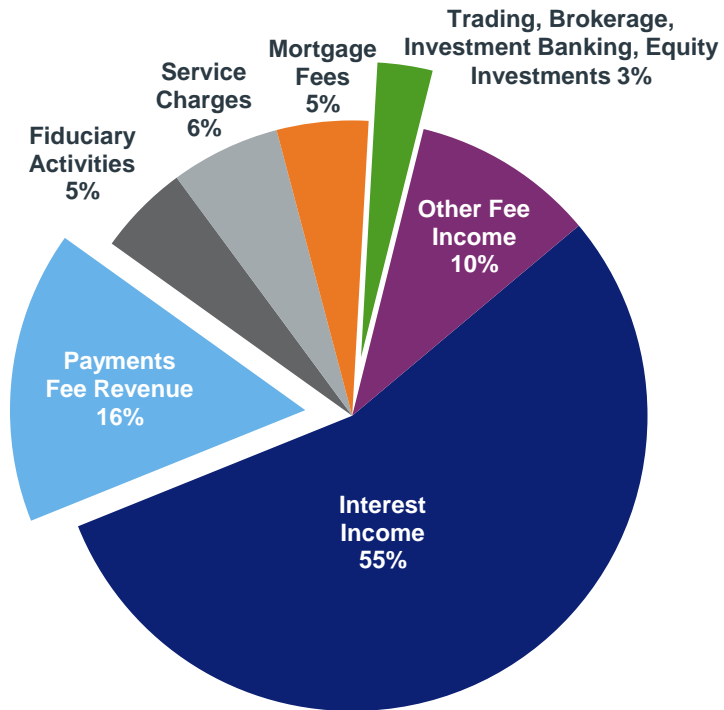
Revenue Mix by Business Line



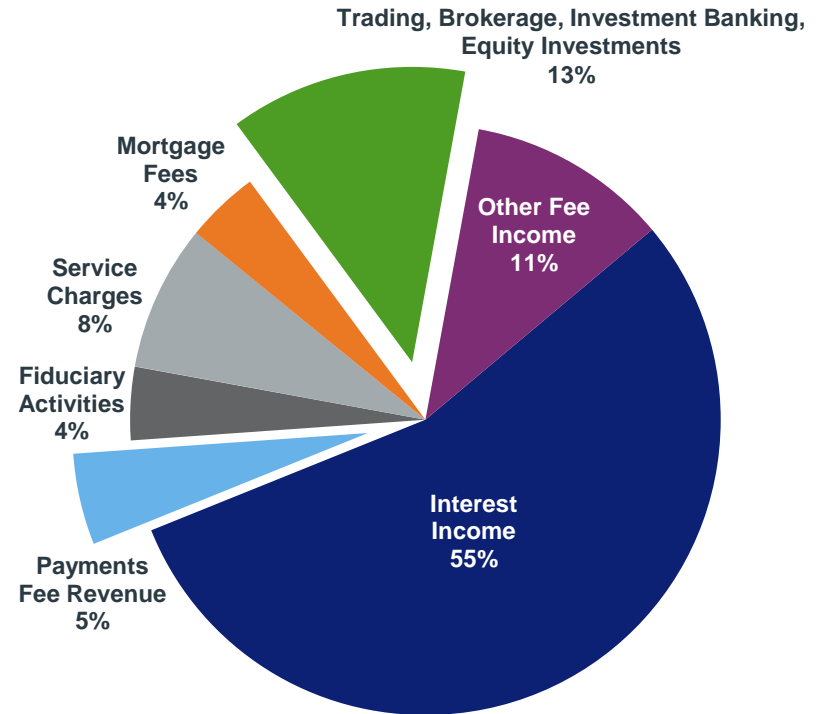
- Balanced mix of fee revenue and balance sheet businesses
- High return/capital efficient businesses (Payments, Wealth Management)
- Consistent, predictable, repeatable revenue sources

Optimal Revenue Mix

U.S. Bancorp Revenue Mix



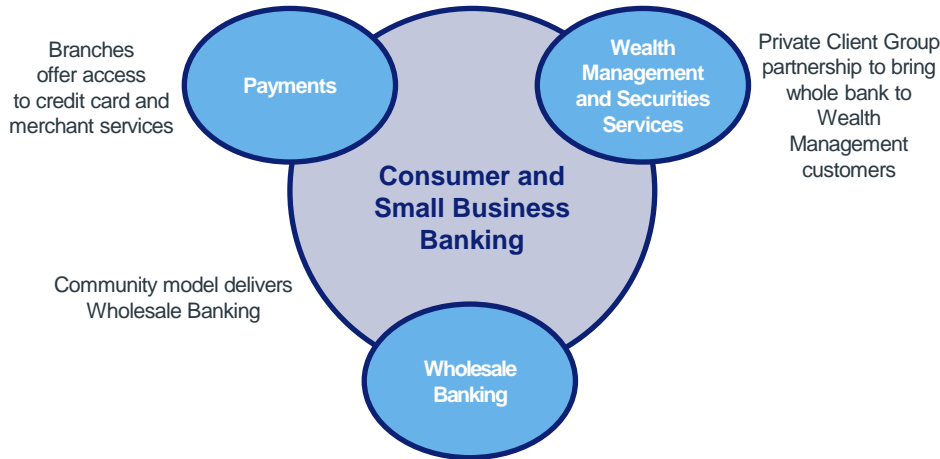
Peer Bank Average Revenue Mix



Full year 2015, taxable-equivalent basis;
Business line revenue percentages exclude Treasury and Corporate Support

Consumer and Small Business Banking

An Integrated Component of our Business



Scale in Key Businesses

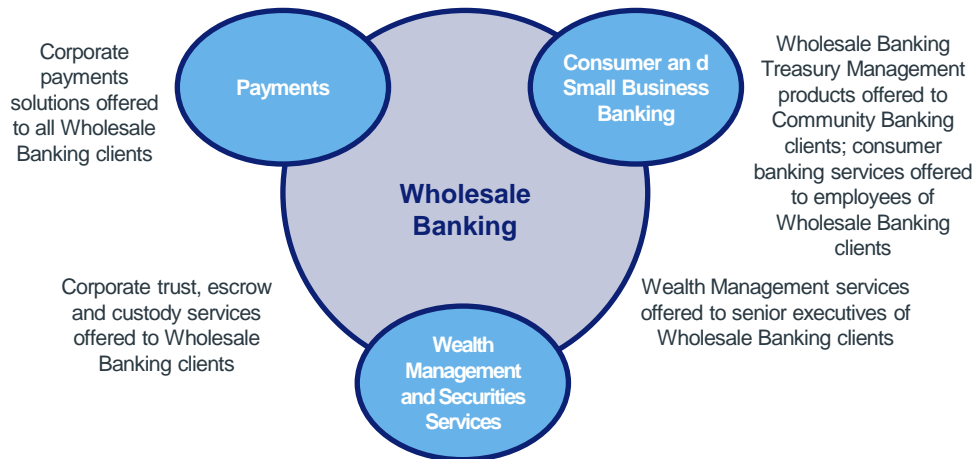
	Rank
• Branch Network (25-state footprint)	#4
• In-store/Onsite Branch Network	#1
• SBA Lender	#3
• Bank Mortgage Originator	#4
• Bank New Automobile Financing	#5
• Branch Satisfaction	#5

Key Themes

- Differentiated delivery model: onsite branches, metro branches, community banking and virtual
- Moving beyond demographics to segmentation
- Right-sizing the branch network provides expense and revenue opportunity
- Our Omnichannel strategy delivered through NextGen banking
- Relationship banking is enabled by data

Wholesale Banking

An Integrated Component of our Business



Competitive Advantages

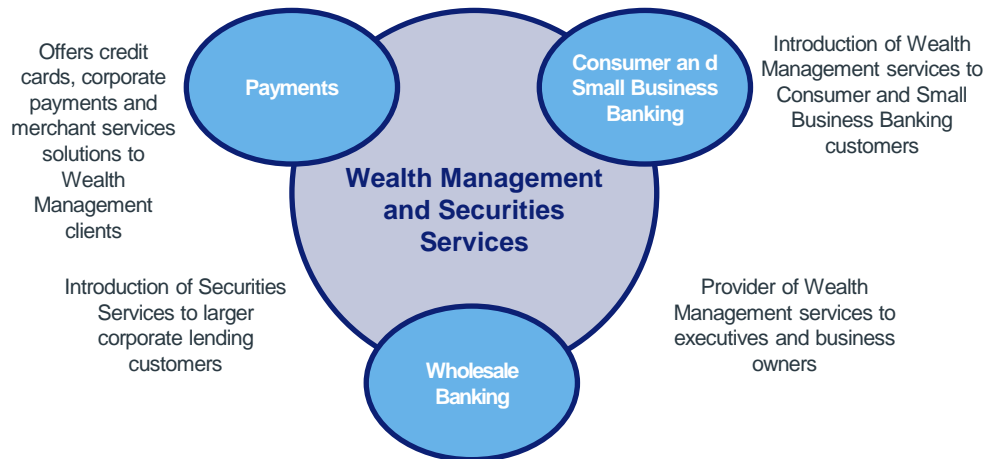
- Strong financial performance with optimal size
- Best-in-class debt ratings make us the counterparty of choice
- Diverse mix of revenue
- Effective partnerships across U.S. Bank

Key Themes

- Superior debt ratings enable pricing power and “favored” counterparty status
- Strong balance sheet provides capacity to uptier relationships to lead position
- Disciplined risk culture provides stability demanded by customers
- Change in competitive landscape – e.g., retrenching by global banks – provides uptier opportunity
- Diverse product set and horizontal strategy across lines enable customer penetration

Wealth Management and Securities Services

An Integrated Component of our Business



Competitive Advantages

- Scale and product breadth
- Trusted brand
- Talent management and investment
- Client experience and segmentation
- Partnership opportunities
- European presence

Key Themes

Wealth Management

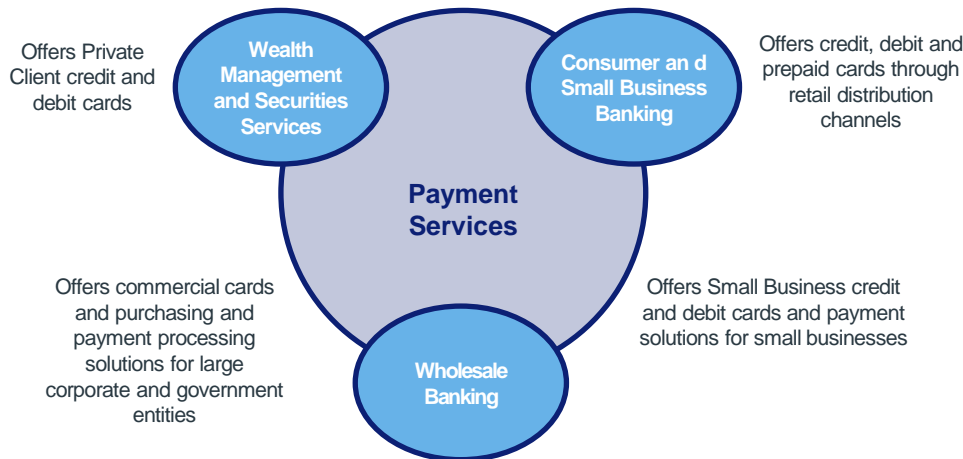
- Team-based approach brings the whole bank to affluent customers
- Extending auto-investing to reach clients
- Growing introductions through data analytics

Securities Services

- Investments in technology, people and processes position us for growth
- Significant growth potential in European markets

Payment Services

An Integrated Component of our Business



Competitive Advantages

- Unique singular international processing platform
- Integrated Payments provider
- Proven acquisition track record
- Largest distribution network
- Flexible partnership model
- Proven geographic expansion capabilities

Key Themes

- Focus on profitable growth
- Building on strengths of existing partners and capabilities to widen our footprint
- Extending our competitive advantage by cultivating distribution networks
- Focus on digital to leverage acquisition, usage and servicing opportunities
- Proven international expansion model

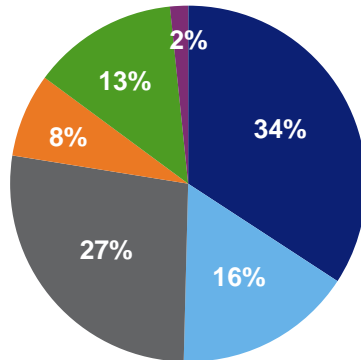
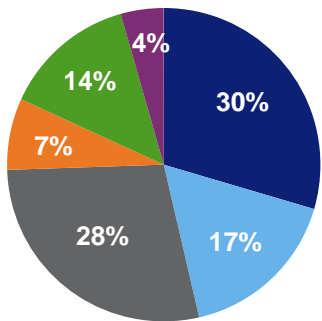
What We Have Achieved

A growing balance sheet

Average Loans

2013 Average Loans
\$227 billion

3Q16 Average Loans
\$270 billion



- Commercial
- CRE
- Res Mtg and Home Equity
- Credit Card
- Other Retail
- Covered

USB

17% growth

Peer Median

10% growth

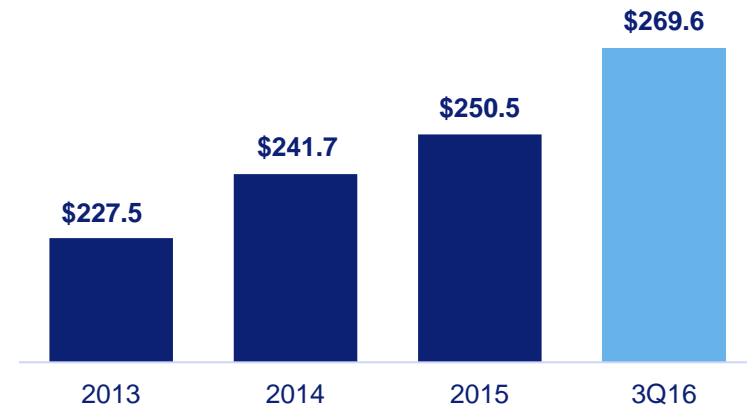
Year-over-Year Growth (\$bn)

5.6%

6.3%

3.6%

7.6%



What We Have Achieved

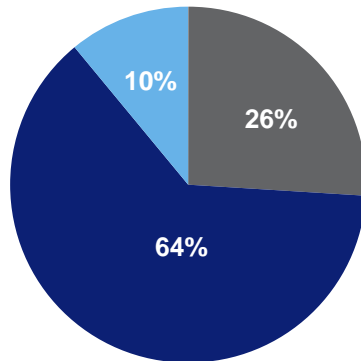
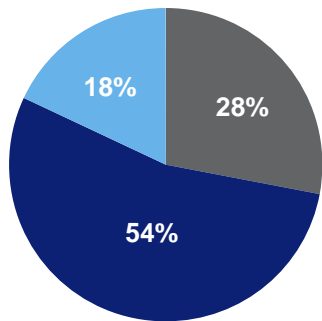
A growing balance sheet

Average Deposits

2013 Average Deposits 3Q16 Average Deposits

\$250 billion

\$319 billion



- Noninterest bearing
- Checking and Savings
- Time

USB

25% growth

Peer Median

13% growth

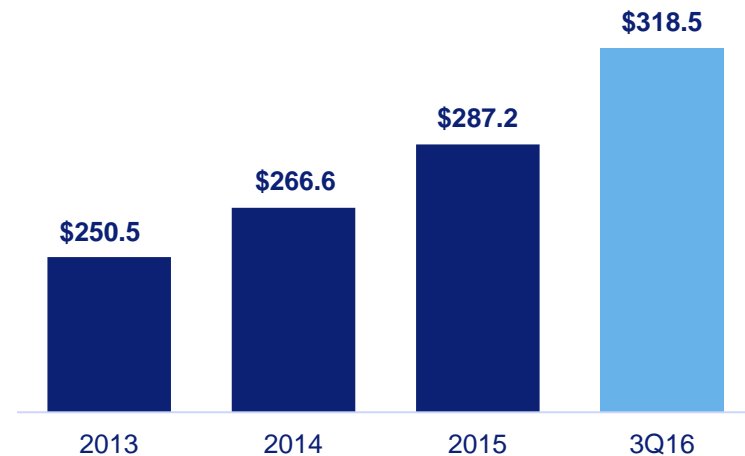
Year-over-Year Growth (\$bn)

6.3%

6.5%

7.7%

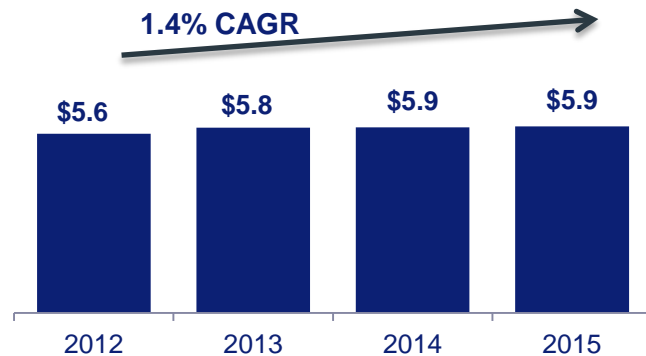
10.0%



What We Have Achieved

Earnings and book value growth

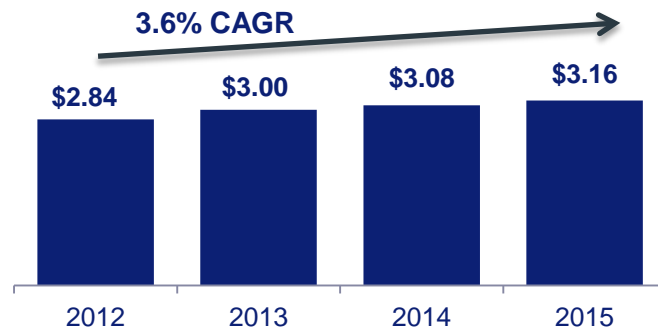
Net Income (\$bn)



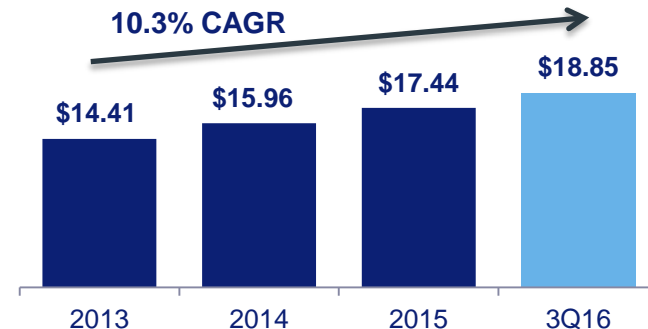
Observations

- Challenging environment since 2013
- Regulatory changes
- Elevated compliance costs
- Reliable capital generation

Earnings Per Share (diluted)

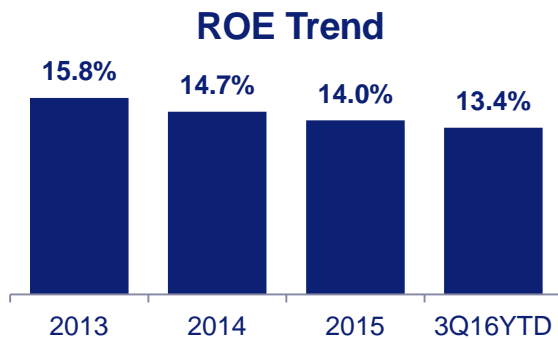


Tangible Book Value Per Share



What We Have Achieved

Industry-leading returns



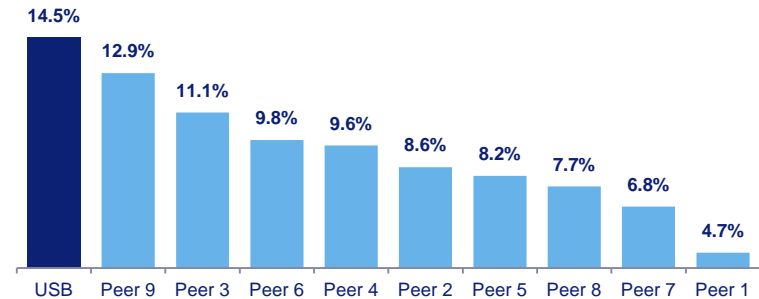
Industry-leading profitability

- Capital efficient business mix
- Disciplined capital deployment
- Efficient platform

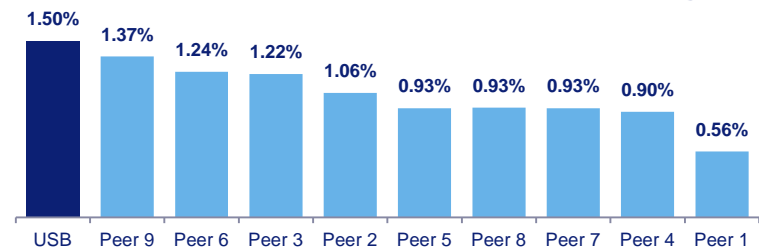
Changing regulatory environment

- Regulatory capital requirements
- Compliance costs
- Liquidity requirements

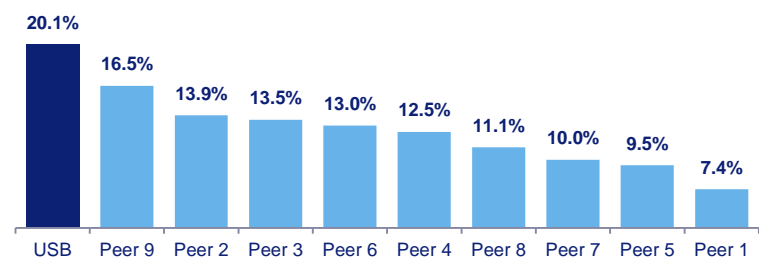
ROE vs Peers - 1Q13 to 3Q16 Average



ROA vs Peers - 1Q13 to 3Q16 Average



ROTCE vs Peers - 1Q13 to 3Q16 Average



Peers include: BAC, BBT, FITB, JPM, KEY, PNC, RF, STI, and WFC

ROE = Return on Average Common Equity; ROA = Return on Average Assets; ROTCE = Return on Tangible Common Equity

ROTCE calculated using ending balances

Performance and Positioning

Efficiency as a competitive advantage

Efficient platform

Source of competitive advantage

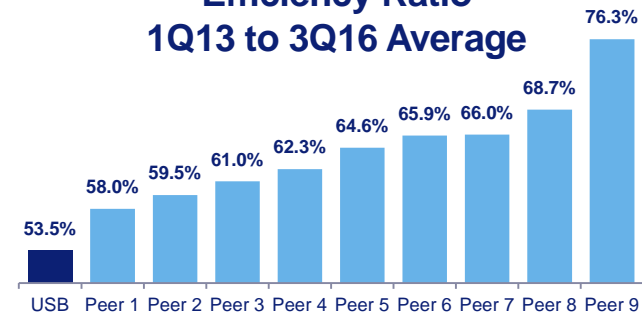
- Single processing platforms
- Full consolidation of acquisitions
- Operating scale in all significant businesses
- Business line monthly review process
- Capital expenditures/investment process

Driver of higher returns

Future drivers of success

- Sustainable process solutions
- Technology investments
- Digitization of products and services
- Ongoing efficiency efforts
- Financial discipline

Efficiency Ratio 1Q13 to 3Q16 Average



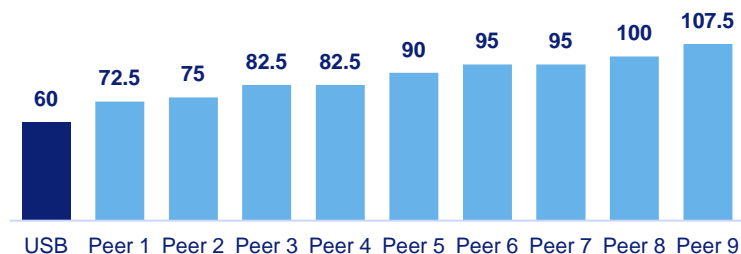
Performance and Positioning

Funding as a competitive advantage

Best-in-Class Debt Ratings

Holding Company	Moody's		S&P		Fitch		DBRS	
	Rating	Outlook	Rating	Outlook	Rating	Outlook	Rating	Outlook
USB	A1	s	A+	s	AA	s	AA	s
WFC	A2	s	A	on	AA-	on	AA	s
BBT	A2	s	A-	s	A+	s	A (high)	s
JPM	A3	s	A-	s	A+	s	A (high)	op
PNC	A3	s	A-	s	A+	s	A (high)	s
BAC	Baa1	s	BBB+	s	A	s	A (low)	op
FITB	Baa1	s	BBB+	s	A	on	A (low)	s
STI	Baa1	s	BBB+	s	A-	s	A (low)	s
KEY	Baa1	s	BBB+	on	A-	on	BBB (high)	s
RF	Baa3	wp	BBB	s	BBB	op	BBB	op

5-year Bank Debt Spread to U.S. Treasuries (bps)

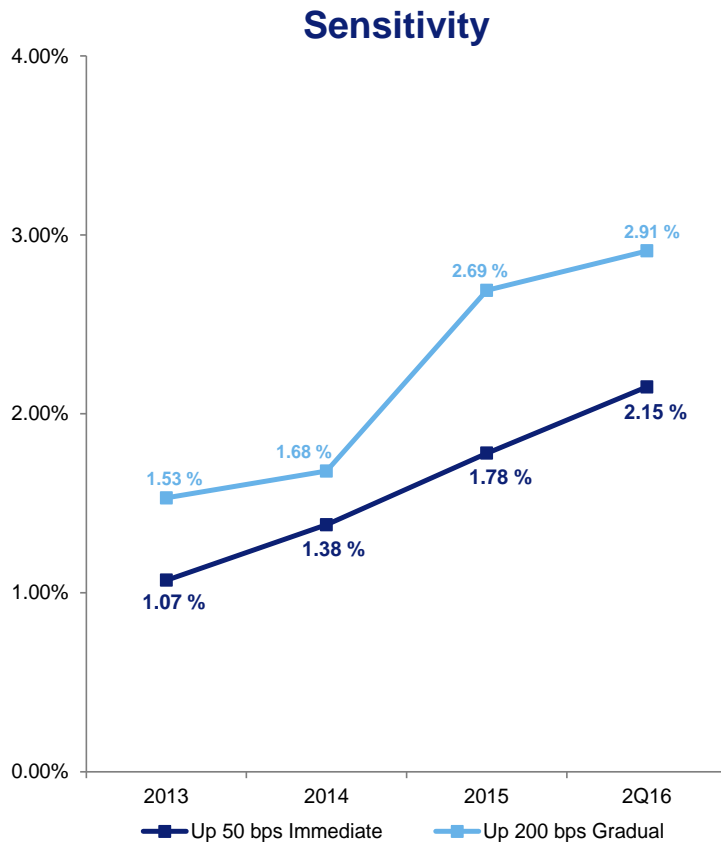


Competitive Advantages

- Lower cost of funding
- Pricing advantage
- Flight-to-quality
- Customer confidence

Performance and Positioning

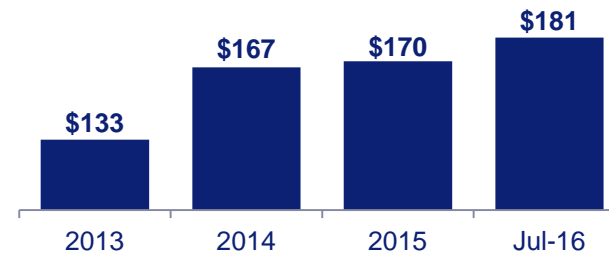
Asset sensitivity and liquidity



Well-balanced position

- Asset sensitivity
- Reliable source of core deposits
- Diversified sources of liquidity
 - Excess cash and liquid assets
 - Wholesale funding sources
 - Off-balance sheet capacity
- Strong LCR

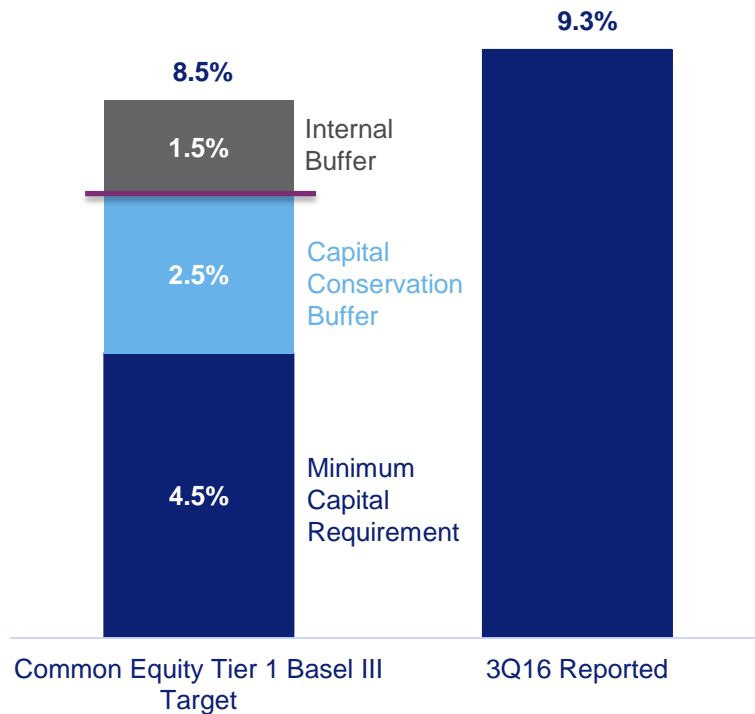
Total Available Liquidity (\$bn)



Performance and Positioning

Capital flexibility

Fully Phased-In CET1 Ratio



Competitive advantages

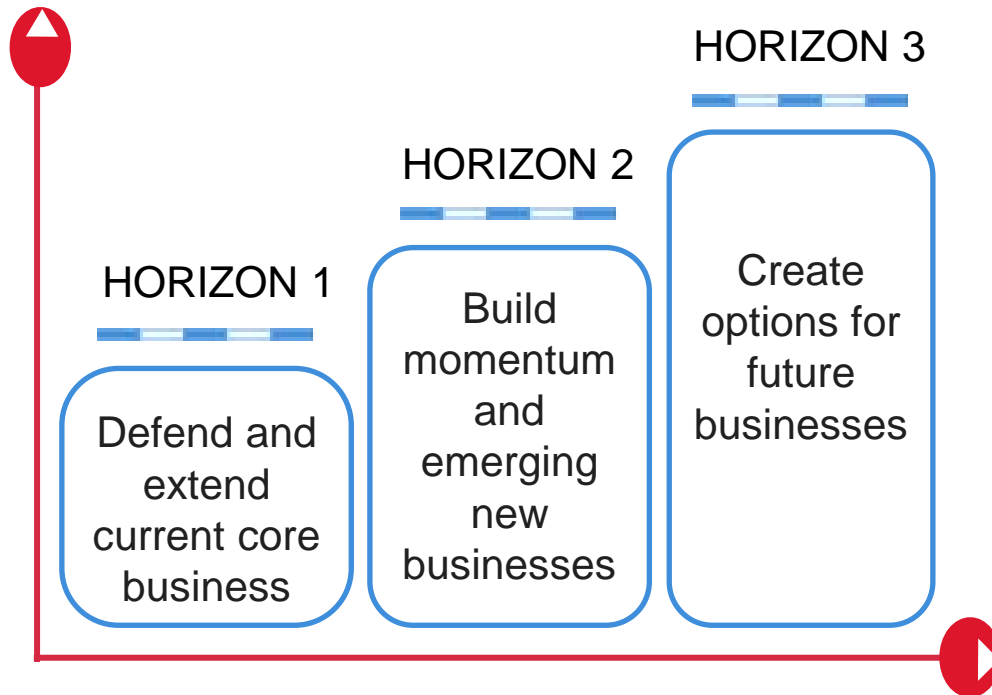
- Diversified business mix
- Lower risk profile
- PPNR sustainability

Capital levels align with

- Risk profile
- Capital generation
- **Returns to shareholders**

Bank-wide Culture of Innovation

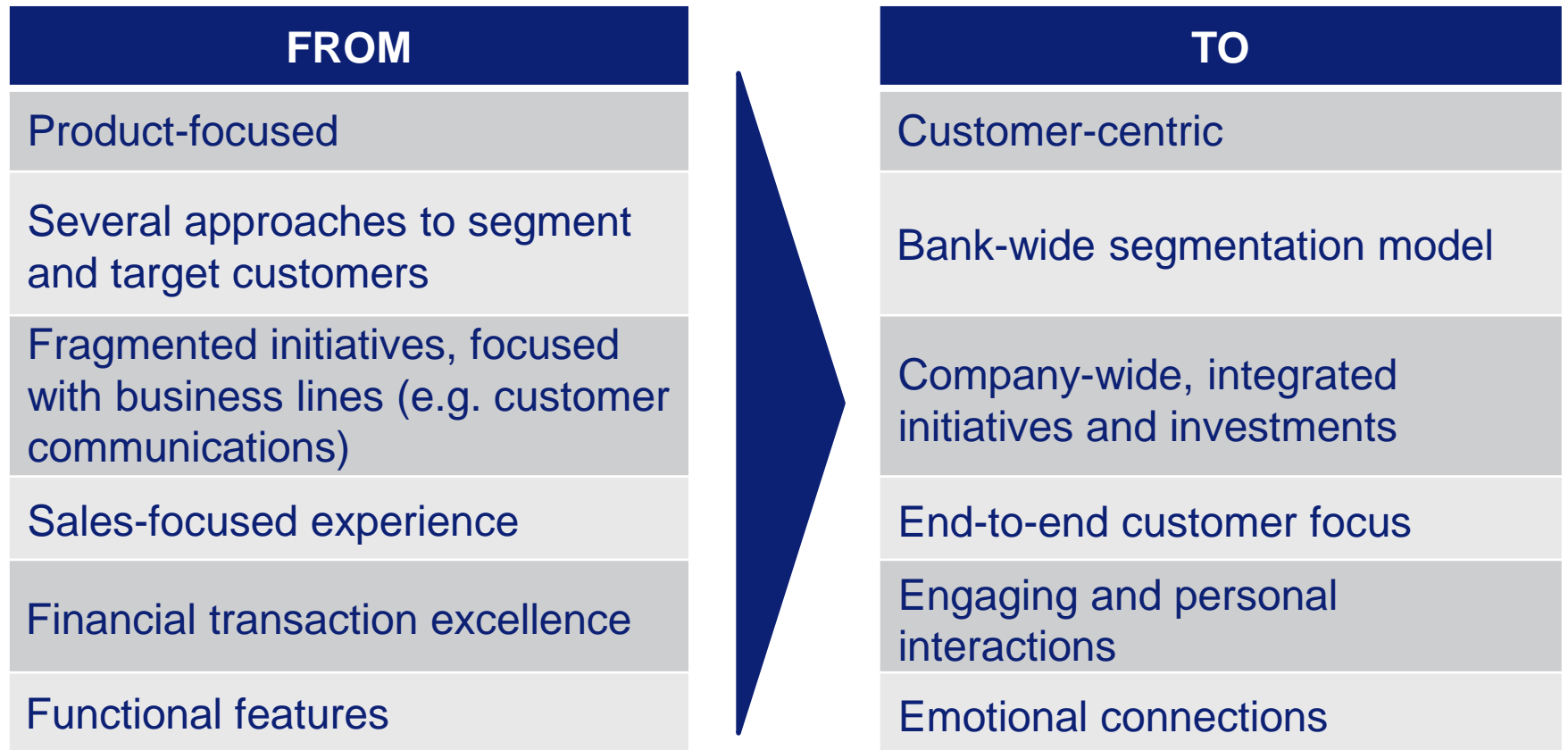
We work across business lines to imagine and develop solutions that solve today's challenges and open tomorrow's markets



- Support emerging technology adoption for current core businesses
- Identify changes in consumer and business trends
- Seed long-term opportunities

Summarizing Our Foundational Efforts

Our unified customer experience efforts impact how we work, think and mobilize around the customer at U.S. Bancorp



Our Next Generation Banking Initiative

Next Generation Banking aspiration: Define and deliver a brandable, differentiated consumer experience that delivers personalization and strengthens relationships through all touch points

- Efforts are channel-agnostic and focus initially on consumer banking (retail, small business and wealth), with intent to expand
- We will assess efficacy (e.g., branch format, website content, app functions) and scope (e.g., branch footprint) of each and every channel
- Define our ideal, as well as what we do *not* want to be, ensuring we build a scalable, efficient model

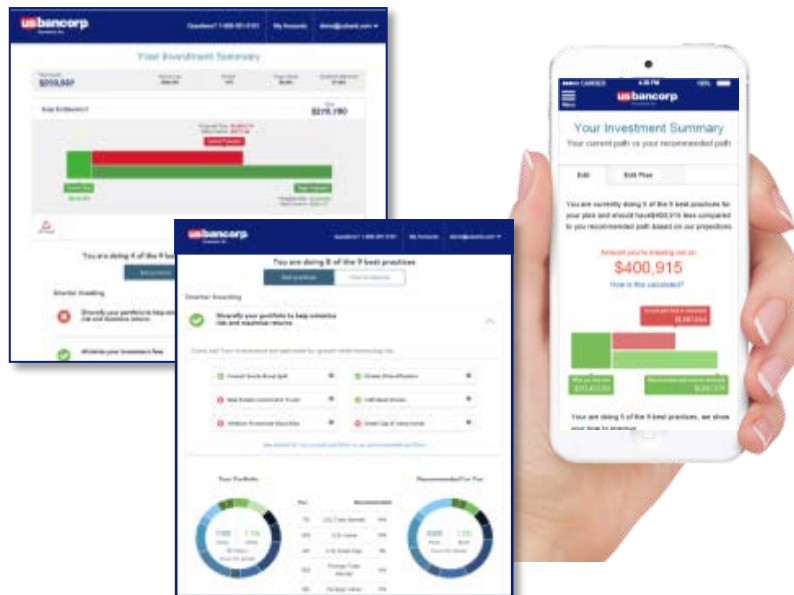


Bank-wide Culture of Innovation

Expanding core expertise from Payments to the rest of the bank

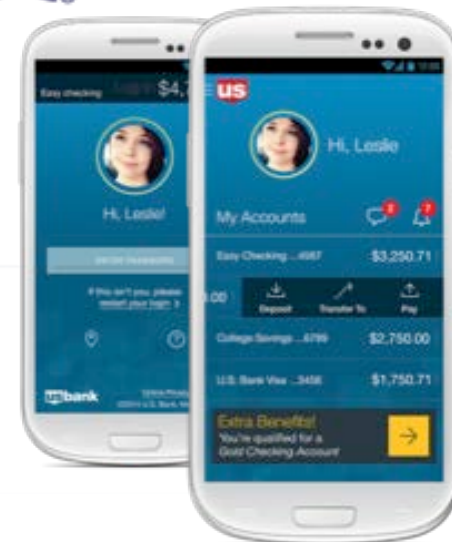
Wealth Management Future Advisor

We are launching a technology-driven investing and advising solution using phone, chat and email support



Real time P2P

We were the first bank in the United States to launch



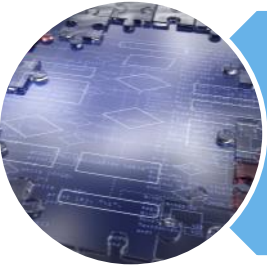
Risk Management at U.S. Bancorp

Risk and governance starts at the top



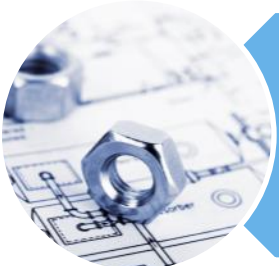
The Risk Management Committee of the Board of Directors approves and oversees the risk management framework and risk appetite statement

Investments in people, processes and technology



Implemented a collaborative “Three Lines of Defense” system of checks and balances; experienced risk management team, including integrated risk officers in each business line

Infrastructure largely in place and reflected in our run rates



Continue to enhance “Know Your Customer” and anti-money laundering program to address consent order

Consumer Compliance

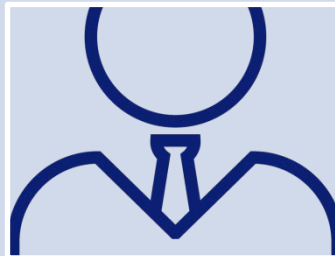
Significant investments were made to meet exacting “zero defect” standards for consumer compliance

**Residential Mortgage
Default Management**

**Flood Disaster Protection
Compliance**

**Fair and Responsible
Banking**

**Military Lending Act and
Service Members’ Civil
Relief Act**



People

- Leadership, technical expertise and engagement are keys to success



Process

- Quality must be engineered and measured from start to finish



Systems

- Automation is critical to support scalability and quality

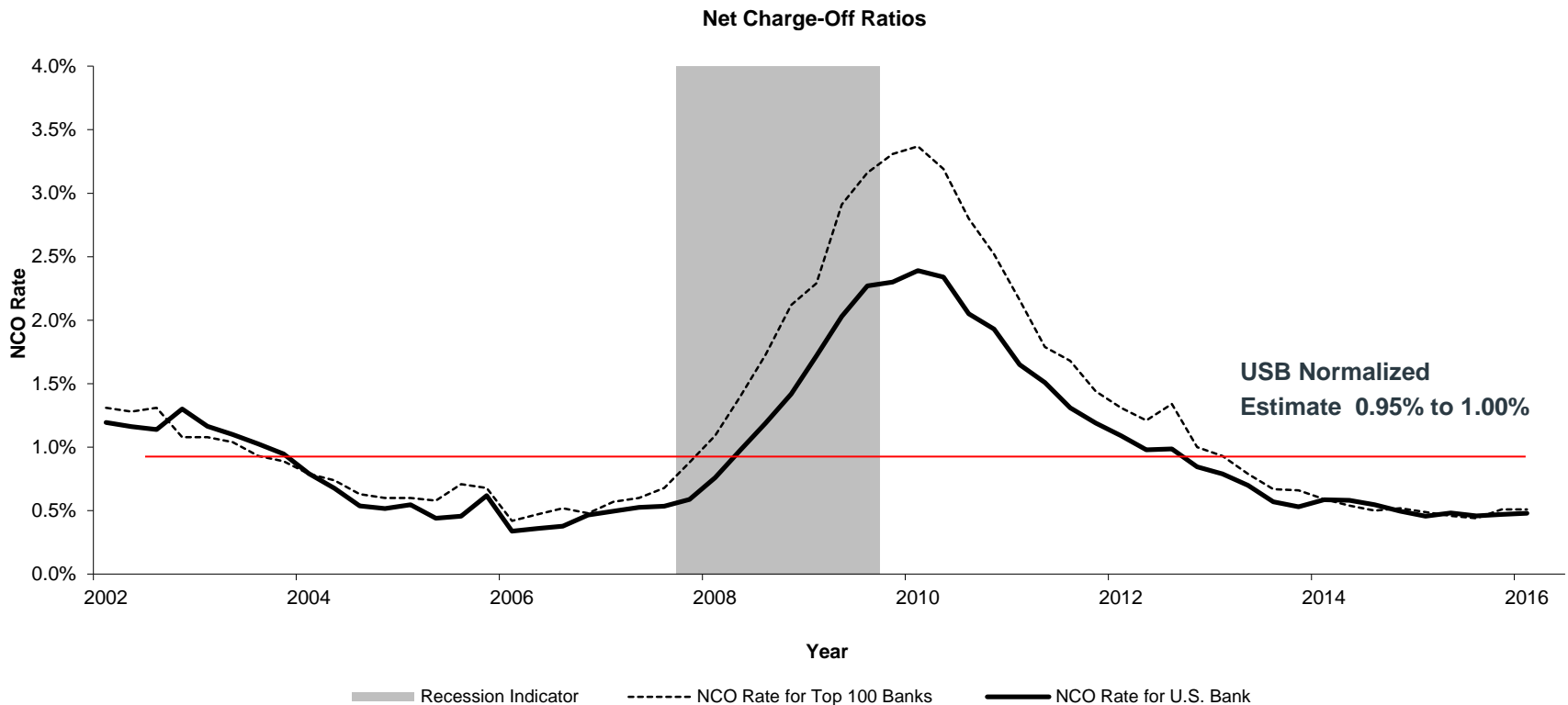
Operational Risk Management

We established an effective program for operational risk

Third party risk management	Cybersecurity and information technology	New and modified products and services	Innovation activities
Monitoring and verification activities throughout all phases of the lifecycle	Independent risk management coverage; second line of defense over critical operations	Comprehensive independent risk assessments	Customized independent risk evaluations
Payment systems	Business continuity and crisis management programs	Complaint management	Ethics oversight
End-to-end coverage by independent risk management	Preparedness at all levels of the organization	Timely response to customer and regulator concerns	Ensuring we do the right thing

Strong Credit Culture

Consistent and disciplined underwriting performs better than the industry during times of stress



Through-the-Cycle Normalized Charge-offs

U.S. Bancorp Normalized (95-100 bps)

Investor Day 2Q13		Investor Day 2Q16	
Loan Portfolio	Normalized NCO%	Loan Portfolio	Normalized NCO%
Commercial	0.45%	Commercial	0.40%
Commercial Real Estate	0.50%	Commercial Real Estate	0.60%
Small Business*	1.75%	Small Business*	2.00%
Residential Mortgages	0.60%	Residential Mortgages	0.45%
Credit Cards	5.00%	Credit Cards	4.65%
Other Retail	1.00%	Other Retail	0.95%
Total	1.00%	Total	0.95%

Updated through-the-cycle analysis

Mix shift due to growth in small business cards

Mix shift to newer (better) vintages at 25 bps

Improved credit quality through portfolio acquisition

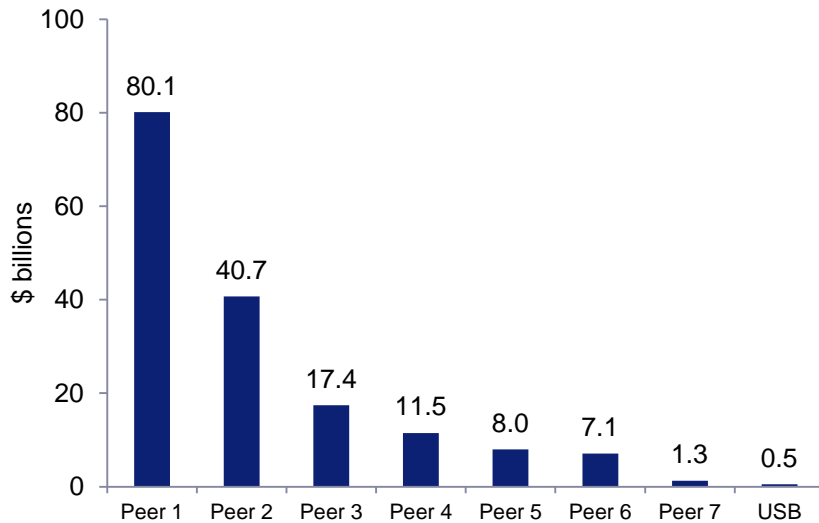
Elimination of subprime auto program

* Includes Commercial and Commercial Real Estate

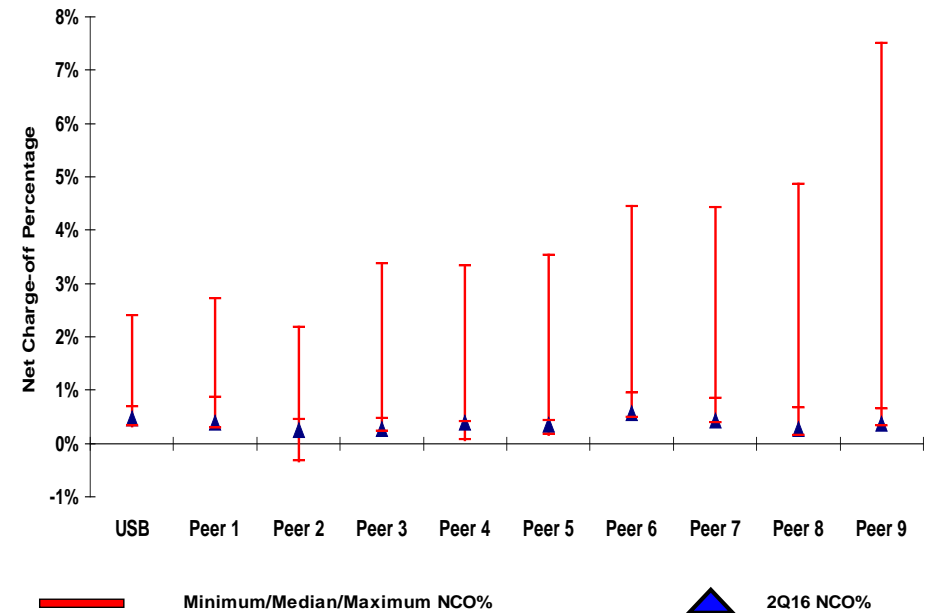
Risk Management

Strong risk management produces prudent long-term growth with low volatility and consistent, predictable, repeatable results

Financial Crisis-Related Settlement Outlays Since 2010



Net Charge-off Volatility Since 2003



Peer banks: BAC, BBT, FITB, JPM, KEY, PNC, RF, STI and WFC

Data from published analysis by SNL Financial, The Wall Street Journal, and other external sources, and includes banks' settlements with GSEs from 2010 through January 2016; the national mortgage settlements; settlements and fines imposed by the Fed and OCC in connection with the independent foreclosure review; settlements with shareholders and investors over acquisitions, transactions and offering disclosures; settlements on derivatives, RMBS, and other securities matters; and mortgage fair lending settlements with the U.S. government.

We Built Our Brand From the Inside Out

Brand Drives Loyalty



We invest our hearts and minds to power human potential.



Brand Drives Growth



Recognized and Awarded



- AA Long-term Debt Rating (highest-rated bank globally) – *Fitch Ratings, October 2016*
- Top 10 World's Most Admired Companies – *Fortune, February 2016*
 - Quality of management
 - Value as long-term investment
 - Soundness of financial position
 - Wise use of corporate assets
- Most Trusted Companies for Retail Banking – *Ponemon Institute, October 2016 (10 years at #1)*
- Best Big Bank – *MONEY, October 2016*
- Corporate Equality Index (perfect score) – *Human Rights Campaign Foundation, 2016*
- Top Military Friendly Employer – *G.I. Jobs, 2016*

2016 Investor Day recap

Our commitment to serving our customers drives growth.

Highlights

- Strategic overview
- Financial management
- Risk management
- Innovation and the customer experience
- Business line overviews

Key takeaways

- We engage in disciplined strategic planning to generate growth in each of our diversified businesses.
- We remain well-positioned to deliver consistent, predictable, repeatable financial results.
- We prudently manage risks, strengthening our reputation as a trusted financial partner.
- We invest in technology and innovation to drive profitability and to be more efficient and effective for our customers.
- We get better every day and leverage our strengths to seamlessly deliver the whole bank to our customers.

3Q16 Earnings Summary

- Net income of \$1.5 billion; \$0.84 per diluted common share
- Average loans grew 1.1% vs. 2Q16
- Average deposits grew 3.6% vs. 2Q16 and 10.0% vs. 3Q15
- Net interest income grew 1.6%* vs. 2Q16 and 4.3%* vs. 3Q15
 - Average earning assets increased 2.2% vs. 2Q16
- Noninterest income increased 5.1% vs. 3Q15
 - Mortgage banking revenue rose 31.9% vs. 2Q16
- Nonperforming assets and net charge-offs decreased slightly on a linked quarter basis
- Returned 79% of earnings to shareholders through dividends and share buybacks

* Taxable equivalent basis; increase of 1.7% and 4.5%, respectively, as reported on a GAAP basis; see slide 34 for reconciliation

4Q16 Outlook (Linked quarter)

- Average loan growth in the range of 1.0% to 1.5% linked quarter
 - Mortgage loan growth expected to slow in line with industrywide tapering of refinancing activity and due to seasonality
 - Expect rebound in commercial loan growth
 - Expect strength in consumer loans to continue
- Net interest margin expected decline a couple of basis points.
 - Net interest income will increase, principally driven by growth in earning assets
- Expenses expected to grow 2.5%
 - Primarily driven by seasonally higher expenses including tax credit amortization costs related to our community development business
- Expect credit quality to remain relatively stable
 - Provision to increase in line with loan growth



Appendix

Non-GAAP Financial Measures

	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
<i>(Dollars in Millions, Unaudited)</i>					
Total equity	\$48,399	\$48,029	\$47,393	\$46,817	\$45,767
Preferred stock	(5,501)	(5,501)	(5,501)	(5,501)	(4,756)
Noncontrolling interests	(640)	(639)	(638)	(686)	(692)
Goodwill (net of deferred tax liability) (1)	(8,239)	(8,246)	(8,270)	(8,295)	(8,324)
Intangible assets, other than mortgage servicing rights	(756)	(796)	(820)	(838)	(779)
Tangible common equity (a)	33,263	32,847	32,164	31,497	31,216
Tangible common equity (as calculated above)	33,263	32,847	32,164	31,497	31,216
Adjustments (2)	97	133	99	67	118
Common equity tier 1 capital estimated for the Basel III fully implemented standardized and advanced approaches (b)	33,360	32,980	32,263	31,564	31,334
Total assets	454,134	438,463	428,638	421,853	415,943
Goodwill (net of deferred tax liability) (1)	(8,239)	(8,246)	(8,270)	(8,295)	(8,324)
Intangible assets, other than mortgage servicing rights	(756)	(796)	(820)	(838)	(779)
Tangible assets (c)	445,139	429,421	419,548	412,720	406,840
Risk-weighted assets, determined in accordance with prescribed transitional standardized approach regulatory requirements (d)	356,733 *	351,462	346,227	341,360	336,227
Adjustments (3)	3,165 *	3,079	3,485	3,892	3,532
Risk-weighted assets estimated for the Basel III fully implemented standardized approach (e)	359,898 *	354,541	349,712	345,252	339,759
Risk-weighted assets, determined in accordance with prescribed transitional advanced approaches regulatory requirements	272,832 *	271,495	267,309	261,668	248,048
Adjustments (4)	3,372 *	3,283	3,707	4,099	3,723
Risk-weighted assets estimated for the Basel III fully implemented advanced approaches (f)	276,204 *	274,778	271,016	265,767	251,771
Ratios*					
Tangible common equity to tangible assets (a)/(c)	7.5 %	7.6 %	7.7 %	7.6 %	7.7 %
Tangible common equity to risk-weighted assets (a)/(d)	9.3	9.3	9.3	9.2	9.3
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach (b)/(e)	9.3	9.3	9.2	9.1	9.2
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches (b)/(f)	12.1	12.0	11.9	11.9	12.4
	Three Months Ended			Nine Months Ended	
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Net interest income	\$2,893	\$2,845	\$2,768	\$8,573	\$8,182
Taxable-equivalent adjustment (5)	50	51	53	154	161
Net interest income, on a taxable-equivalent basis	\$2,943	\$2,896	\$2,821	\$8,727	\$8,343

* Preliminary data. Subject to change prior to filings with applicable regulatory agencies.

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

(2) Includes net losses on cash flow hedges included in accumulated other comprehensive income (loss) and other adjustments.

(3) Includes higher risk-weighting for unfunded loan commitments, investment securities, residential mortgages, mortgage servicing rights and other adjustments.

(4) Primarily reflects higher risk-weighting for mortgage servicing rights.

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

Non-GAAP Financial Measures

\$ in millions

Line of Business Financial Performance	Revenue
	3Q16 YTD
Wholesale Banking and Commercial Real Estate	\$ 2,314
Consumer and Small Business Banking	5,432
Wealth Management and Securities Services	1,557
Payment Services	4,229
Treasury and Corporate Support	2,341
Consolidated Company	15,873
Less Treasury and Corporate Support	2,341
Consolidated Company excluding Treasury and Corporate Support	\$ 13,532

Percent of Total

Wholesale Banking and Commercial Real Estate	14%
Consumer and Small Business Banking	34%
Wealth Management and Securities Services	10%
Payment Services	27%
Treasury and Corporate Support	15%
Total	100%

Percent of Total excluding Treasury and Corporate Support

Wholesale Banking and Commercial Real Estate	17%
Consumer and Small Business Banking	40%
Wealth Management and Securities Services	12%
Payment Services	31%
Total	100%

