

Deutsche Bank Global Financial Services Conference

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Vice Chairman, Payment Services

May 28, 2019



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. Deterioration in general business and economic conditions or turbulence in domestic or global financial markets could adversely affect U.S. Bancorp's revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit, and increase stock price volatility. Stress in the commercial real estate markets, as well as a downturn in the residential real estate markets, could cause credit losses and deterioration in asset values. In addition, changes to statutes, regulations, or regulatory policies or practices could affect U.S. Bancorp in substantial and unpredictable ways. U.S. Bancorp's results could also be adversely affected by changes in interest rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of its investment securities; legal and regulatory developments; litigation; increased competition from both banks and non-banks; changes in the level of tariffs and other trade policies of the United States and its global trading partners; changes in customer behavior and preferences; breaches in data security; failures to safeguard personal information; 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, 2018, 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. In addition, factors other than these risks also could adversely affect U.S. Bancorp's results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

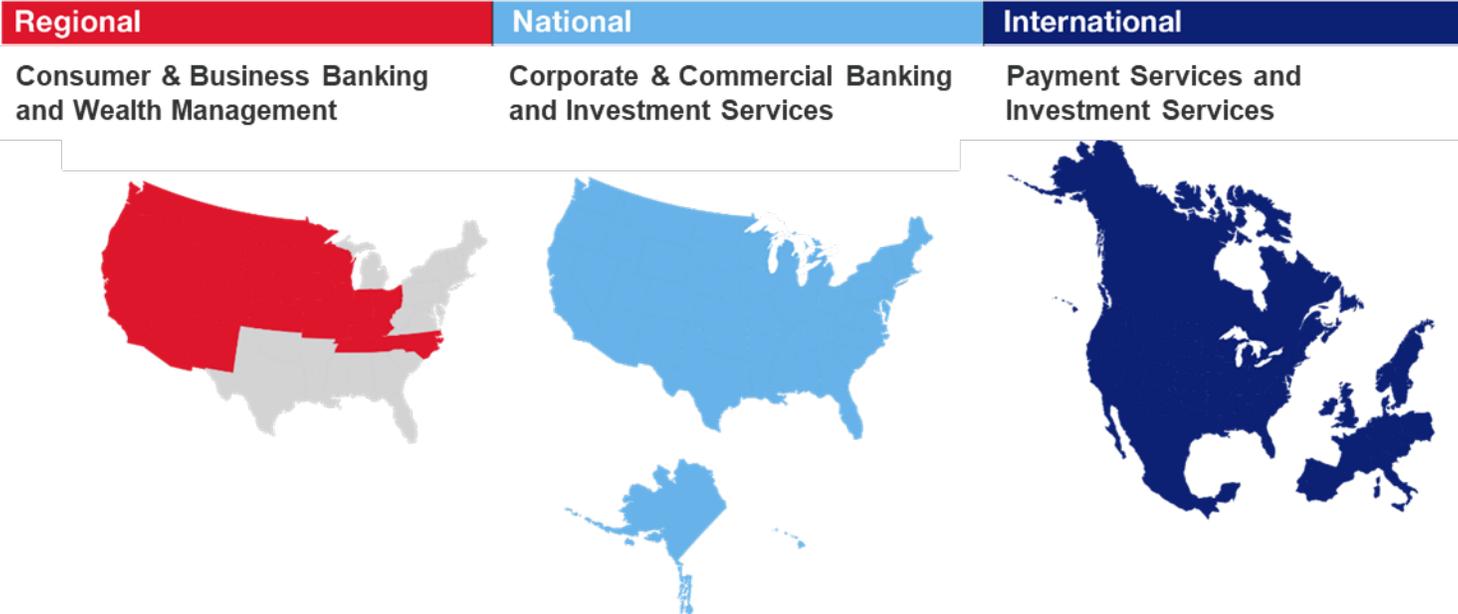
This presentation includes non-GAAP financial measures to describe U.S. Bancorp's performance. The calculations of these measures are provided in the Appendix. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable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



U.S. Bancorp

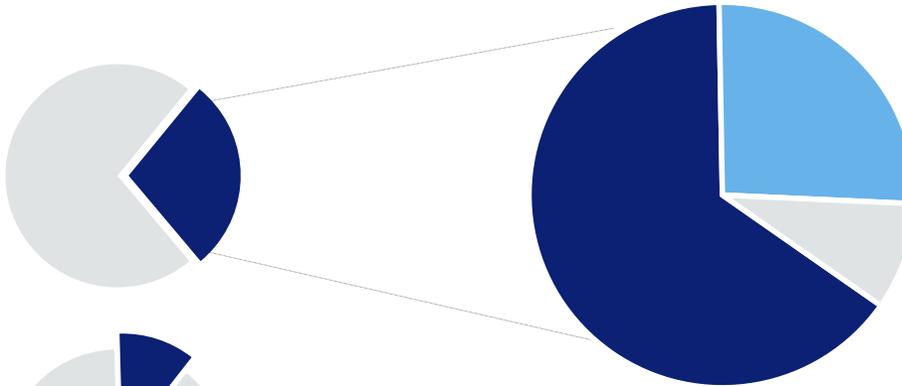
NYSE Traded **USB**
Founded **1863**
Market Value **\$81B**

Assets **\$476B**
Deposits **\$348B**
Loans **\$288B**



Payment Services

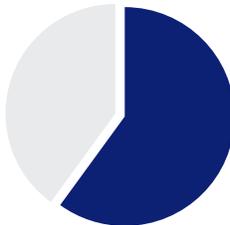
29% of
USB's total
net revenue



11% of
USB's total
average loans



60% of
Payments
revenue is fee
income



Payment services
total net revenue breakdown:

Retail payment solutions – **65%**

Global merchant acquiring – **26%**

Corporate payment systems – **9%**

We operate across complementary payments businesses, carefully targeting attractive opportunities to **drive disciplined growth.**

Retail Payment Solutions

U.S. Bank branded consumer and small business credit and debit cards

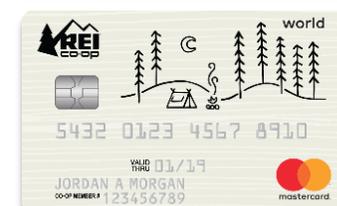
- Distributed through approximately 3,000 U.S. Bank branches and online and mobile channels

Cobrand corporate partnerships

- Focus on enterprise-class partnerships
- 13 major partners with a combined 18,000+ distribution points

Mid-sized agent financial institution (FI) partnerships

- Leading provider of agent FI issuing in the U.S.
- Nearly 1,400 FI partners with 15,000+ branches



Global Merchant Acquiring

Direct sales

- Customers range from small businesses to large, multinational enterprises across North America and Europe
- Key industry verticals include airline, hospitality and healthcare

Financial institution (FI) and independent sales organization (ISO) partnerships

- Serving 1.3+ million customers worldwide through partnerships

Integrated payments partnerships

- Offering flexible, scalable and secure solutions to integrated software vendors (ISVs)



Corporate Payment Systems

Corporate payables

- Issues commercial purchasing, virtual and travel & entertainment cards



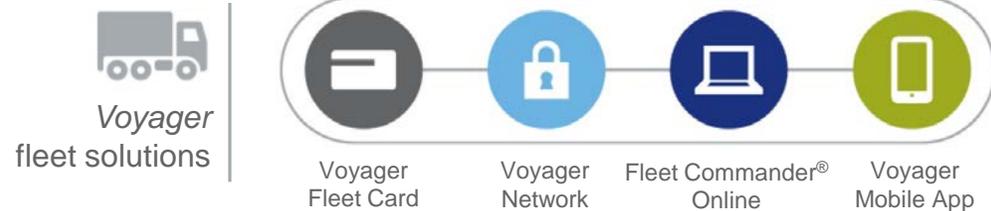
Freight payments

- Closed-loop invoice, audit and payments network offering supply-chain finance solutions
- Nearly 40 million transactions processed annually



Fleet payments

- Proprietary, closed-loop network – *Voyager*
- *Voyager* cards accepted at 320k+ fueling and maintenance locations
- Nearly 70 million transactions processed annually



A Scale Player Across Payments

#1 payments provider to the U.S. Federal Government Card, Freight and Fleet¹

#1 agent financial institution issuer ranked by average net receivables²

#2 freight payment provider ranked by purchase volume²

#3 U.S. commercial card issuer ranked by purchase volume³

#3 U.S. fleet card issuer ranked by purchase volume³

#5 U.S. merchant acquirer ranked by Visa and Mastercard volume⁴

#5 U.S. credit card issuer ranked by Visa and Mastercard purchase volume⁵

1) Source: company reports and GSA website; 2) Source: company reports; 3) Source: Nilson Report #1134 and company reports; 4) Source: Nilson Report #1149, excludes joint ventures; 5) Source: Nilson Report # 1148



Our Strategy

The breadth and depth of our payments capabilities give us a distinct advantage. We are doubling down to maintain that advantage, while **investing in opportunities for growth and margin improvement.**

Driving toward digital



Expanding our reach

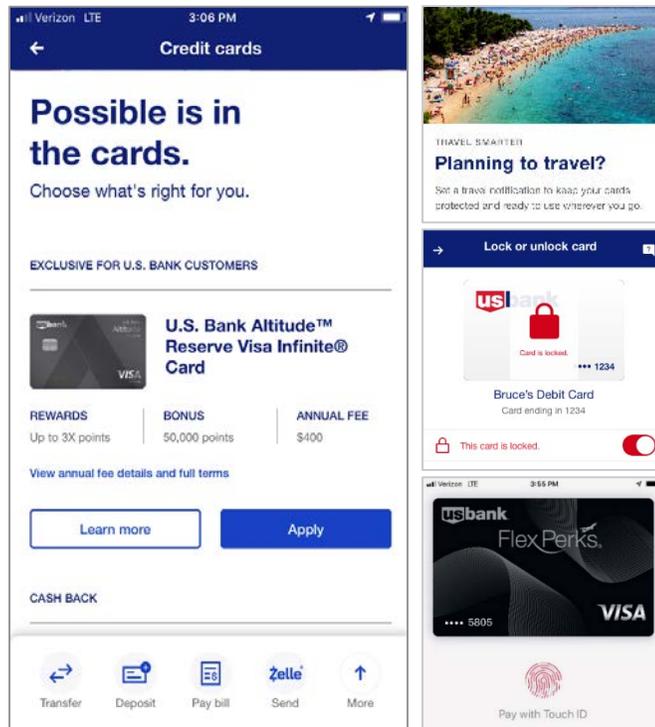


Leveraging One U.S. Bank



Driving Toward Digital

We continue to invest in digital-first payments capabilities, working aggressively to bring our customers the choice, convenience, control and insights they desire.

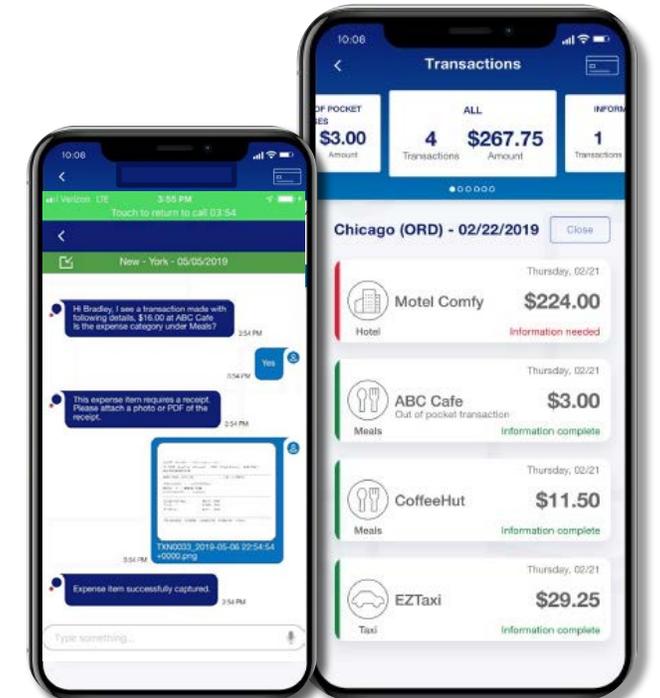


Our **robust digital sales and service capabilities:**

- Improve account acquisition to drive growth
- Increase customer engagement and wallet share
- Allow customers to self-serve, driving efficiency
- Give customers greater control, improving satisfaction

We're delivering **innovative solutions for merchants and corporate customers to:**

- Streamline complex processes
- Boost customer efficiency
- Reduce customer risk
- Capture previously untapped spend categories



Expanding Our Reach

We are extending our market position, selectively expanding our distribution and deepening our product sets through strategic investments, acquisitions and collaborations.



Expanding our distribution



Nearly \$3B in card portfolio acquisitions, including:

- Enterprise-class Fidelity deal
- 60+ deals in the financial services sector via Elan



Acquired integrated payments capabilities in specific vertical markets with ETS

- Enhancing our offerings to hospitality clients and municipalities



Investing in integrated payments partner tools to drive growth in our ISV channel

- Developer portal enhancements
- APIs and software development kits
- ISV partnerships up more than 30% year-over-year



Expanding our product sets



Enhancing our global omni-commerce platform

- Enabling a seamless merchant processing experience across in-person and digital channels



Partnered with Chrome River to develop our newly-introduced Expense Wizard platform

- First expense management platform to market with a virtual card push provisioning capability
- Captures a new category of corporate spend

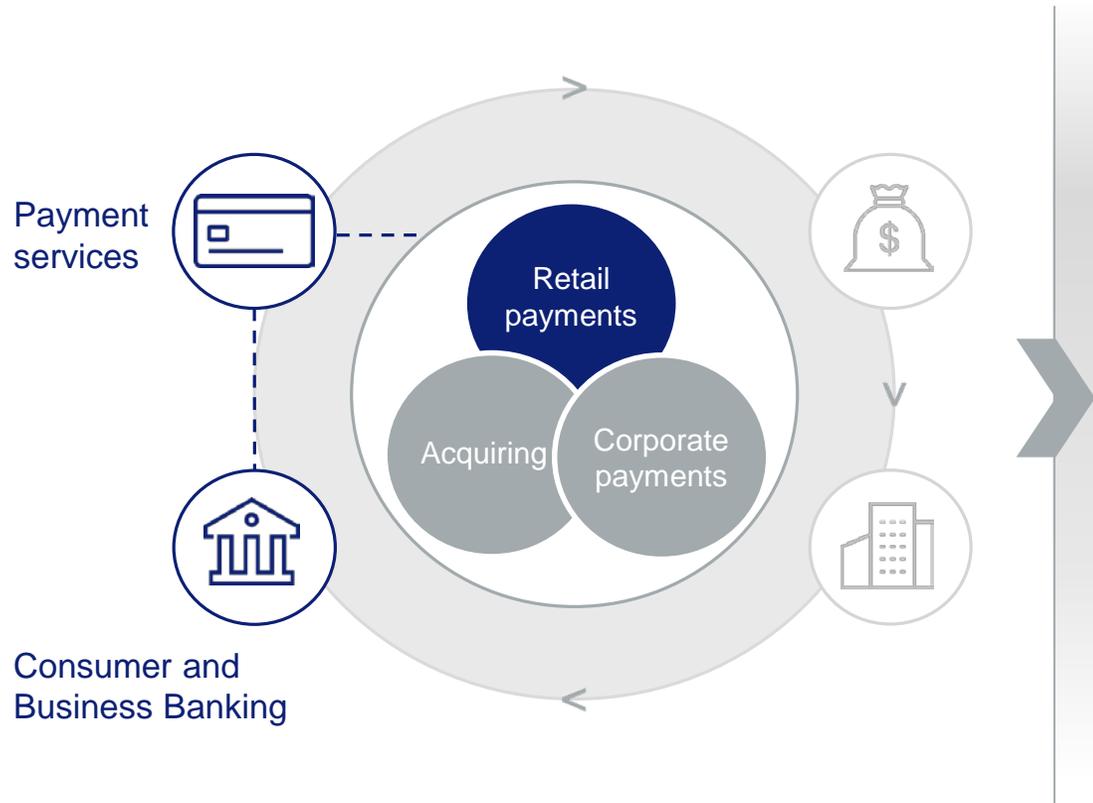


Acquired CenPOS, deepening our omni-commerce and integrated payments capabilities

- Embeds merchant processing solutions into the B2B value chain via integration with leading ERP software solutions

Leveraging One U.S. Bank

With deep payments expertise and a broad set of banking products and capabilities, we draw on the collective strength of U.S. Bank to help our customers get more from their spend.



THE NEW
LEVERAGE CARD

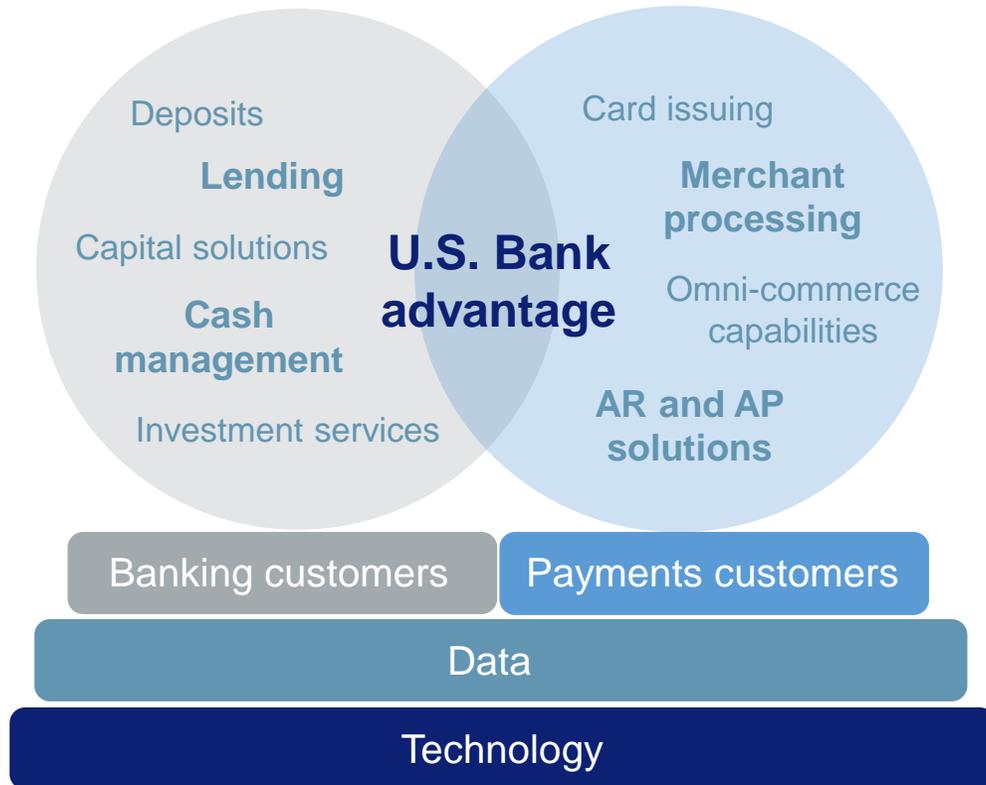
More rewards. Fewer rules.

Co-created with our customers and business banking team, the Leverage card:

- Attracts businesses in industries with higher supply-chain spend
- Drives higher overall spend than other U.S. Bank small business rewards cards

Leveraging One U.S. Bank

We are moving beyond payments alone, partnering across U.S. Bank to provide our customers a holistic array of working capital, treasury management, accounts receivable and accounts payable solutions.



Accelerated money movement

Leveraging our investments in real-time payments to:

- Expand our global treasury management product and service offerings
- Enhance our B2B and B2C payments capabilities

Payables automation

Partnering with global treasury management and software providers to:

- Create seamless B2B payment experiences across multi-use platforms
- Extend our value proposition for both buyers and suppliers

Broader penetration of our customer base

Employing our sales force, digital assets and data to:

- Offer merchants a full suite of products and services to help build, manage and grow their businesses
- Extend merchant processing capabilities to our business banking customers

Where It All Comes Together

As we strive to be the payments provider of choice, we are well positioned with a **powerful advantage** – an interconnected set of businesses working together to deliver exceptional value to our customers.

Driving toward digital



Expanding our reach

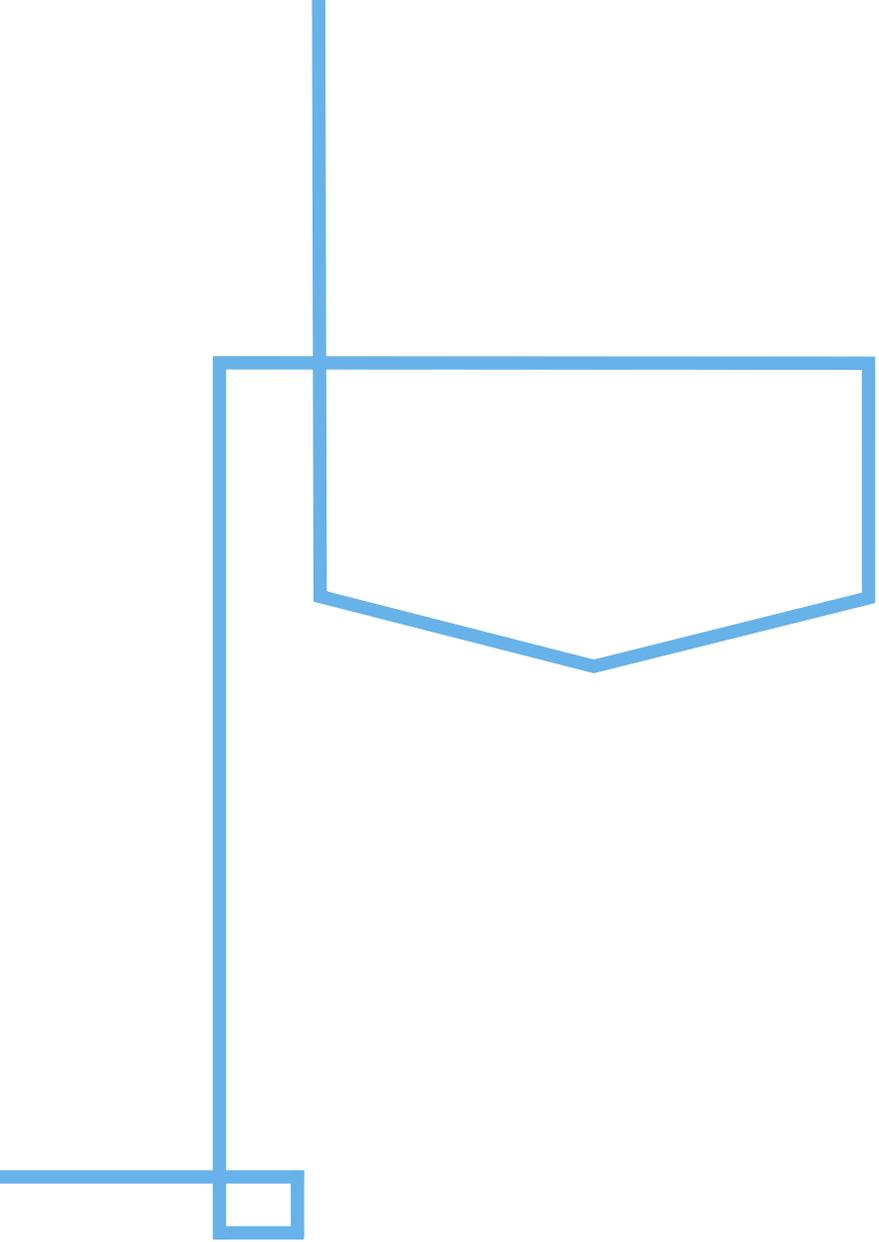


Leveraging
One U.S. Bank



- **Digital focus**
- **Breadth of products and distribution**
- **Working across the enterprise**





Appendix

Non-GAAP Financial Measures

(\$ in millions)	Net Revenue
Line of Business Financial Performance	FY 2018
Corporate and Commercial Banking	\$ 3,782
Consumer and Business Banking	8,466
Wealth Management and Investment Services	2,870
Payment Services	6,046
Treasury and Corporate Support	1,473
Total Company	22,637
Less Treasury and Corporate Support	1,473
Total Company excl. Treasury and Corporate Support	\$ 21,164

Percent of Total Company

Corporate and Commercial Banking	17%
Consumer and Business Banking	37%
Wealth Management and Investment Services	13%
Payment Services	27%
Treasury and Corporate Support	6%
Total	100%

Percent of Total Company excl. Treasury and Corporate Support

Corporate and Commercial Banking	18%
Consumer and Business Banking	40%
Wealth Management and Investment Services	13%
Payment Services	29%
Total Company excl. Treasury and Corporate Support	100%

