U.S. Bancorp
1Q20 Earnings Conference Call

April 15, 2020

usbancorp

Forward-looking Statements and Additional Information

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

This 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. The COVID-19 pandemic is adversely affecting U.S. Bancorp, its customers, counterparties, employees, and third-party service providers, and the ultimate extent of the impacts on its business, financial position, results of operations, liquidity, and prospects is uncertain. Continued 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. 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; further increases in unemployment 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 reputation 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, 2019, 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.

1Q20 Highlights

Income Statement		change vs.	
$ in millions, except EPS	1Q20	4Q19	1Q19
Net interest income*	**$3,247**	0.5 %	(1.2) %
Noninterest income	**2,525**	3.7	10.2
Reported net income	**1,171**	(21.2)	(31.1)
Diluted EPS	**$0.72**	(20.0) %	(28.0) %

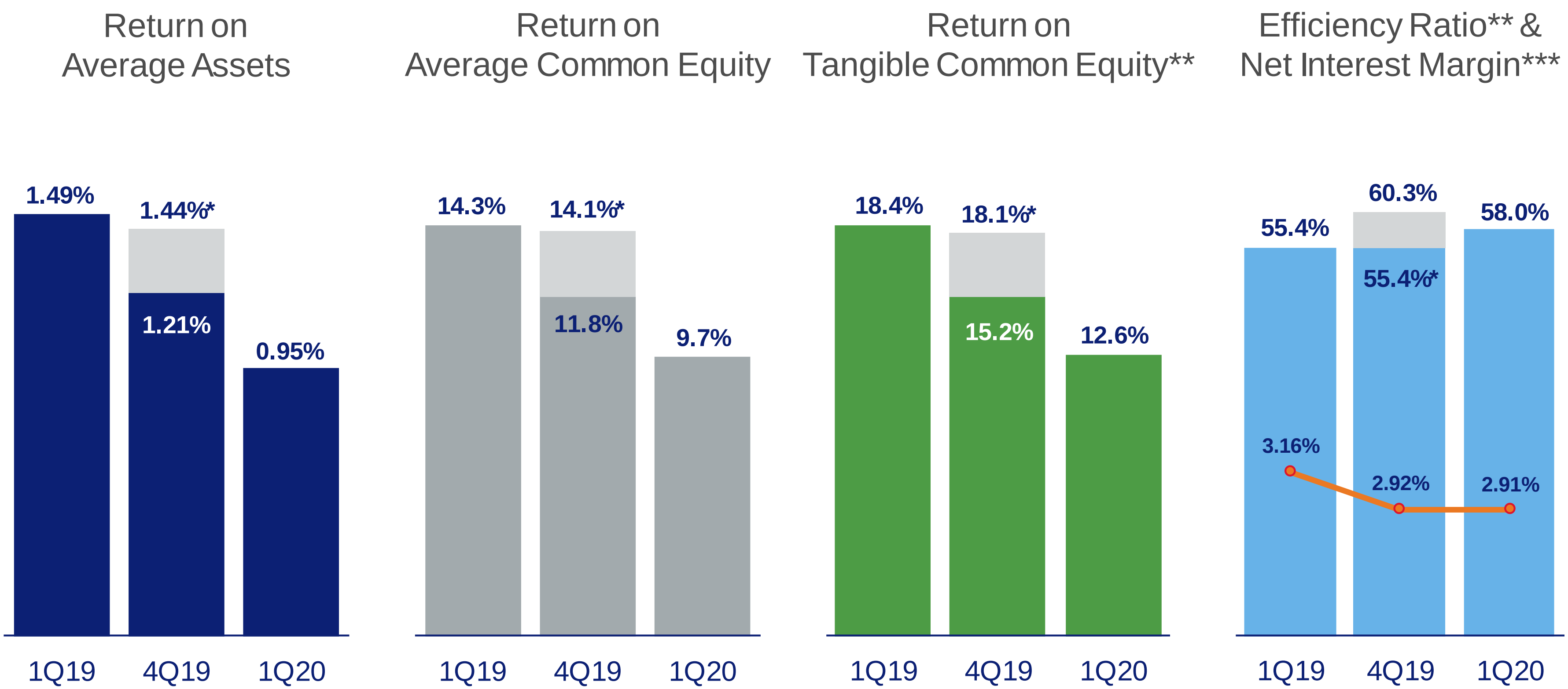
Balance Sheet		change vs.	
$ in billions	1Q20	4Q19	1Q19
Average earning assets	**$447.7**	1.8 %	6.7 %
Average total loans	**297.7**	0.9	4.0
Average total deposits	**362.8**	1.8	8.2

Credit Quality		change vs.	
$ in millions	1Q20	4Q19	1Q19
Nonperforming assets	**$946**	14.1 %	(5.9) %
NPA ratio	**0.30 %**	2 bps	(5 bps)
Net charge-off ratio	**0.53 %**	1 bps	1 bps

Capital		change vs.	
	1Q20	4Q19	1Q19
CET1 capital ratio**	**9.0 %**	(10 bps)	(30 bps)
Book value per share	**$30.24**	1.1 %	5.0 %
Earnings returned (millions)	**$2,284**		

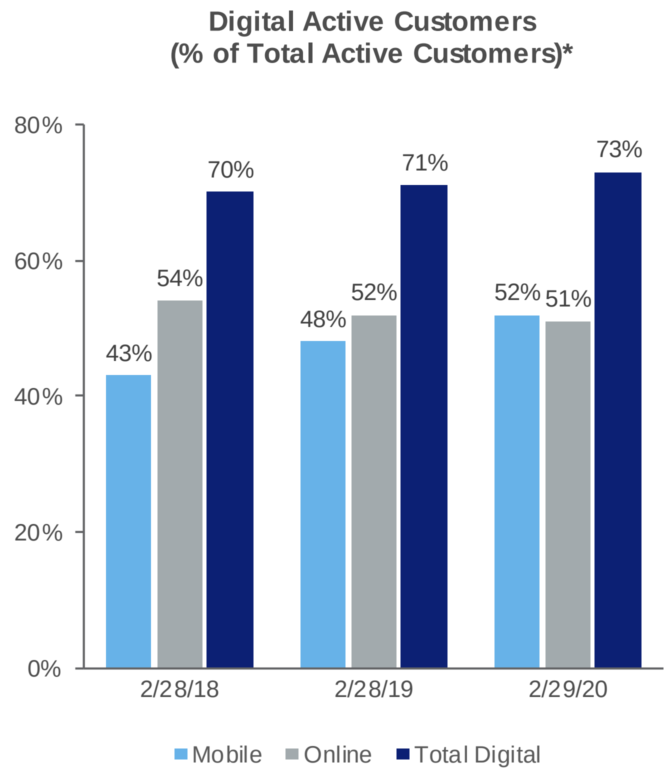
* Taxable-equivalent basis; see slide 27 for calculation
** Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology was 8.6% as of 3/31/20.

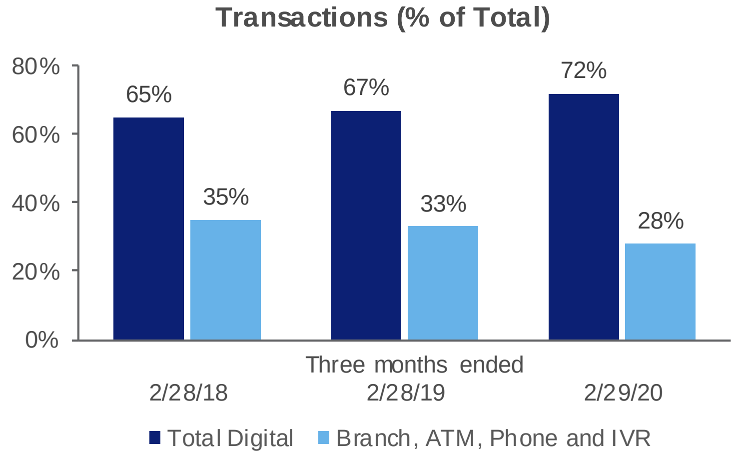
Performance Ratios

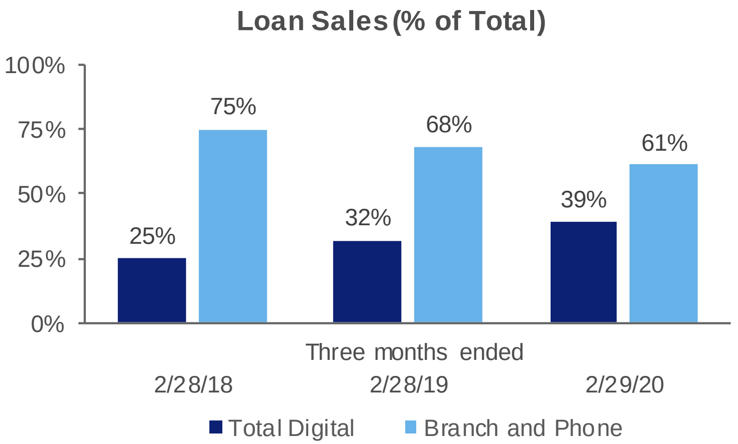


* Excluding notable items; see slides 27 and 28 for calculations
** Non-GAAP; see slides 27 and 28 for calculations
*** Net interest margin on a taxable-equivalent basis

Digital Engagement Trends

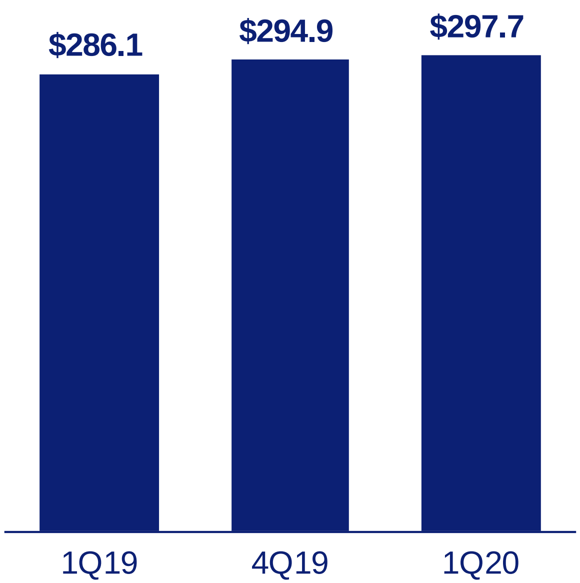






* Represents core Consumer Banking customers active in at least one channel in the previous 90 days
Total Digital includes both online and mobile platforms

Average Loans



+0.9% linked quarter

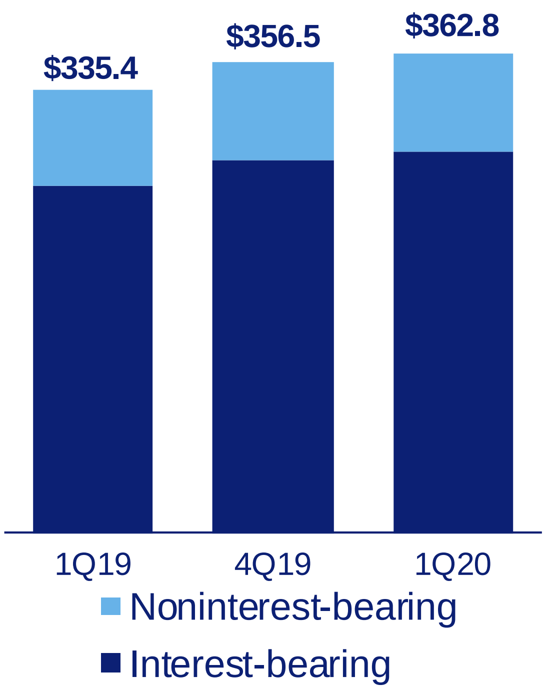
+4.0% year-over-year

(Three months ended 3/31/20)	Avg. Balances	Change vs. 4Q19	Change vs. 1Q19
Commercial	$106.0	2.0 %	3.9 %
Commercial Real Estate	40.1	0.9	1.5
Residential Mortgages	70.9	1.4	8.1
Credit Card	23.8	(1.1)	5.5
Retail	56.9	(0.6)	0.6
Total loans	**$297.7**	**0.9 %**	**4.0 %**

- On a linked quarter basis, average total loan growth was driven by growth in total commercial loans and residential mortgages.
- On a year-over-year basis, the increase was primarily due to higher residential mortgages, along with growth in total commercial loans. Also, credit card loans and total other retail loans increased.

$ in billions

Average Deposits



+1.8% linked quarter

+8.2% year-over-year

Interest-bearing Deposits

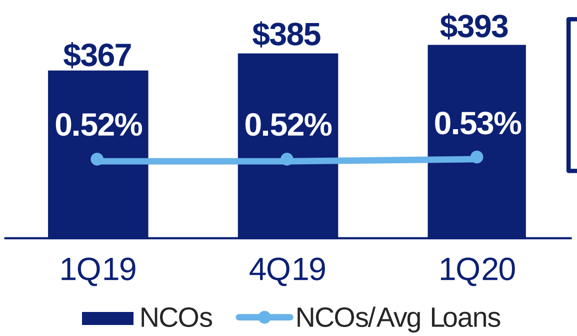
(Three months ended 3/31/20)	Average Balances	Change vs. 4Q19	Change vs. 1Q19	Rates	Change vs. 4Q19
Money market savings	$121.9	4.6 %	22.6 %	1.02 %	(0.27) %
Interest checking	77.4	2.4	7.2	0.21	(0.08)
Savings accounts	48.1	2.3	6.3	0.22	(0.04)
Time deposits	41.3	(4.0)	(8.4)	1.46	(0.27)
Total interest-bearing deposits	**$288.7**	**2.3 %**	**10.2 %**	**0.73 %**	**(0.19) %**

- Average noninterest-bearing (NIB) deposits decreased on a linked quarter basis. On a year-over-year basis, average NIB deposits increased.
- Average total savings deposits (which include money market, interest checking and savings accounts) grew on both a linked quarter and year-over-year basis, primarily due to increases in Wealth Management and Investment Services, Corporate and Commercial Banking, and Consumer and Business Banking.
- Average time deposits, which are managed based on funding needs, relative pricing and liquidity characteristics, decreased on both a linked quarter and year-over-year basis.

$ in billions

Credit Quality

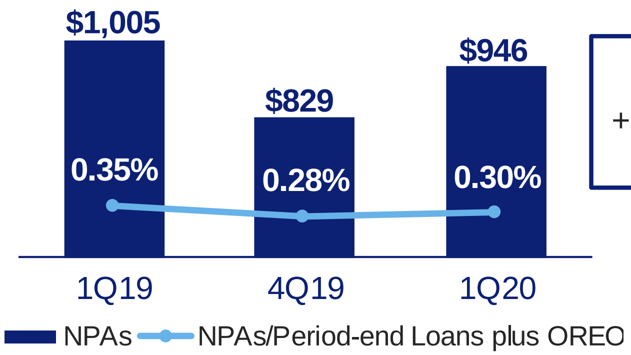
Net Charge-offs



NCO Ratio

+1 bps QoQ
+1 bps YoY

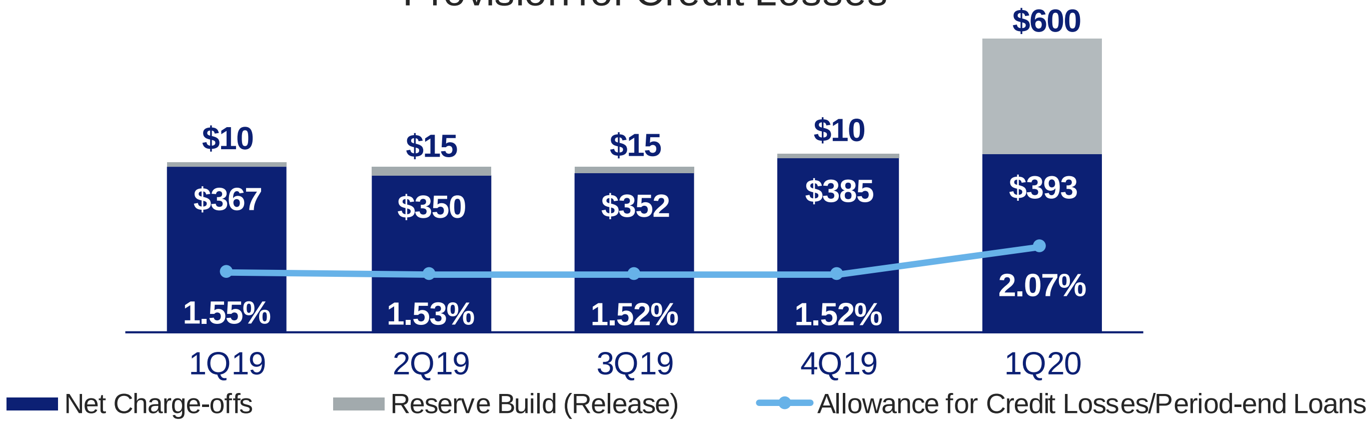
Nonperforming Assets



NPAs

+14.1% QoQ
-5.9% YoY

Provision for Credit Losses



$ in millions

Credit Risk Management – Consistent Underwriting

Portfolio	1Q20 Wtd Avg FICO/Bond rating equivalent	1Q20 Avg LTV
Residential mortgage	766	69%
Home equity	784	68%
Auto loan	784	100%
Auto lease	781	92%
Credit card	775	N/A
Commercial	Baa3/BBB-	N/A
Commercial real estate	Ba1/BB+	60%

Exposures by Impacted Industries*

	1Q20 Commitments	1Q20 Total Loans
Restaurant	0.5%	0.5%
Airline	0.6%	0.6%
Lodging	1.3%	1.5%
Energy	2.4%	1.2%
Automobiles	3.0%	2.5%
Retail	4.3%	4.5%

- The impact of COVID-19 has disrupted several industries globally
- During periods of stress, our disciplined credit culture remains strong, driven primarily by our consistent underwriting standards

Key Points

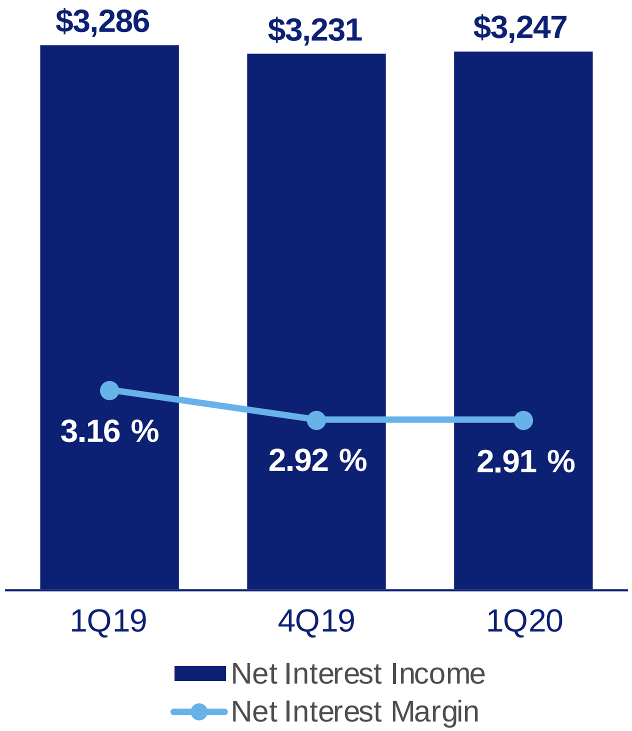
- Prime-based lender for retail portfolios
- Investment grade equivalent in commercial portfolios with limited leveraged lending
- Commercial Real Estate is relationship-based with consistent underwriting

Debt rating agencies: Moody's and S&P
* Excludes operating leases and unfunded discretionary

Earnings Summary

$ and shares in millions, except EPS				Reported % Change	
	1Q20	4Q19	1Q19	vs. 4Q19	vs. 1Q19
Net Interest Income	$3,223	$3,207	$3,259	0.5	(1.1)
Taxable-equivalent Adjustment	24	24	27	-	(11.1)
Net Interest Income (taxable-equivalent basis)	3,247	3,231	3,286	0.5	(1.2)
Noninterest Income	2,525	2,436	2,291	3.7	10.2
Net Revenue	**5,772**	**5,667**	**5,577**	1.9	3.5
Noninterest Expense	3,316	3,401	3,087	(2.5)	7.4
Operating Income	**2,456**	**2,266**	**2,490**	8.4	(1.4)
Net Charge-offs	393	385	367	2.1	7.1
Excess Provision	600	10	10	nm	nm
Income Before Taxes	**1,463**	**1,871**	**2,113**	(21.8)	(30.8)
Applicable Income Taxes	284	378	405	(24.9)	(29.9)
Net Income	**1,179**	**1,493**	**1,708**	(21.0)	(31.0)
Noncontrolling Interests	(8)	(7)	(9)	(14.3)	11.1
Net Income to Company	**1,171**	**1,486**	**1,699**	(21.2)	(31.1)
Preferred Dividends/Other	83	78	86	6.4	(3.5)
Net Income to Common	**$1,088**	**$1,408**	**$1,613**	(22.7)	(32.5)
Diluted EPS	$0.72	$0.90	$1.00	(20.0)	(28.0)
Average Diluted Shares	1,519	1,558	1,605	(2.5)	(5.4)

Net Interest Income



+0.5% linked quarter

-1.2% year-over-year

Linked Quarter

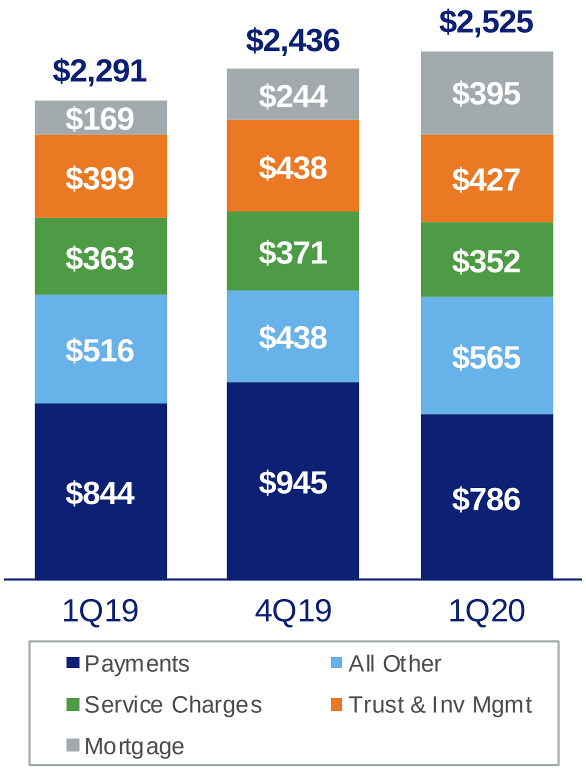
- Net interest income increased, primarily driven by loan growth, the impact of reducing interest rates on deposits and funding mix, partially offset by lower yields on earning assets and one less day in the first quarter of 2020.
- The net interest margin decreased, primarily due to higher cash balances offsetting beneficial rate mix.

Year-over-Year

- Net interest income decreased, principally driven by the impact of declining interest rates on the yield curve, partially offset by deposit and funding mix, loan growth, and one additional day in the first quarter of 2020.
- The net interest margin decreased, primarily due to the impact of declining interest rates on the yield curve, partially offset by deposit and funding mix.

$ in millions
Net interest income on a taxable-equivalent basis; see slide 27 for calculation

Noninterest Income



+3.7% linked quarter

-2.0% excluding notable items*

+10.2% year-over-year

Linked Quarter

- Payment services revenue declined, driven by lower credit and debit card revenue, lower merchant processing services revenue due to seasonally lower sales volume and the worldwide impact of the COVID-19 virus on spend, and lower corporate payment products revenue.
- Mortgage banking revenue increased, due to higher production volume and related gain on sale margin, as well as a favorable change in the valuation of mortgage servicing rights, net of hedging activities.
- Commercial products revenue increased, due to higher corporate bond fees, partially offset by lower trading revenue and credit valuation losses.

Year-over-Year

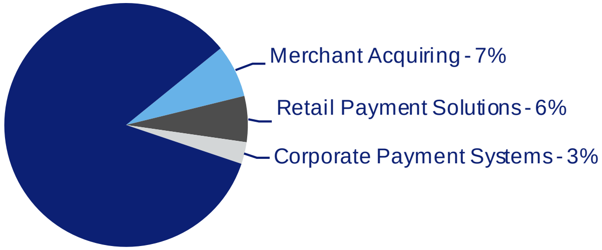
- Payment services revenue decreased, due to lower corporate payment products revenue and lower merchant processing services revenue driven by lower sales volume, particularly in March, due in part to the worldwide impact of the COVID-19 virus on spend.
- Trust and investment management fee revenue increase driven by business growth and favorable market conditions.
- Mortgage banking revenue growth reflects higher mortgage production and gain on sale margins, partially offset by changes in the valuation of mortgage servicing rights, net of hedging activities.
- Other noninterest income decreased, due to lower equity investment income and tax-advantaged investment syndication revenue, partially offset by gains on sale of certain businesses in the first quarter of 2020.

$ in millions;
Payments = credit and debit card, corporate payment products and merchant processing; Service charges = deposit service charges and treasury management; All other = commercial products, investment products fees, securities gains (losses) and other
* Non-GAAP and excluding notable items; see slides 27 and 30 for calculations

Payment Services Fee Revenue

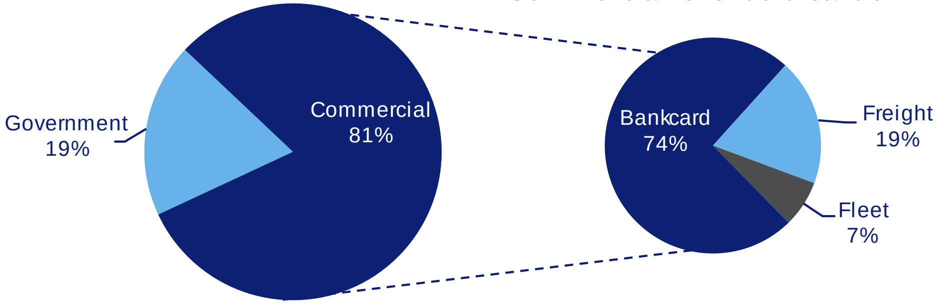
Select Revenue Exposure, FY2019

Contribution to U.S. Bank's Net Revenues



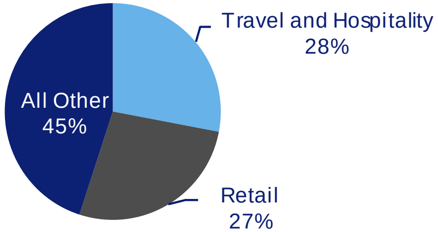
Corporate Payment Systems Revenue

Commercial revenue breakdown:

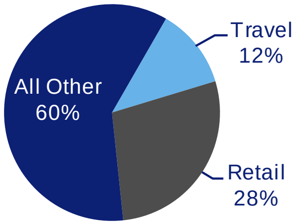


Travel and Entertainment represents 21% of total CPS revenue

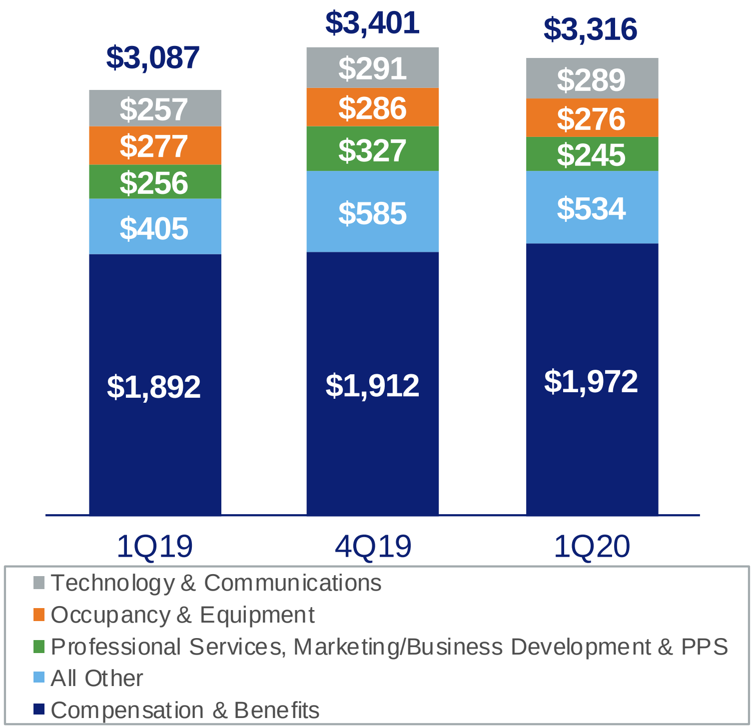
Merchant Acquiring Revenue



Retail Payment Solutions Revenue



Noninterest Expense



-2.5% linked quarter

+3.6% excluding notable items*

+7.4% year-over-year

Linked Quarter

- Employee benefits expense increased, driven by seasonally higher payroll taxes.
- Compensation expense increased, primarily due to the first quarter impacts of merit and stock-based compensation.
- Other noninterest expense, excluding notable items, increased due to COVID-19-related expenses including merchant and airline exposure, partially offset by lower costs related to tax-advantaged projects.

Year-over-Year

- Compensation expense increased, due to merit and variable compensation related to business production in mortgage banking and fixed income capital markets, along with one additional work day in the first quarter of 2020.
- Employee benefits expense increased, primarily due to higher pension costs and payroll taxes related to compensation increases.
- Technology and communications expense increased, primarily due to capital expenditures supporting business growth.
- Other noninterest expense increased, which reflected $100 million of expenses related to COVID-19 including increased liabilities driven by future delivery exposure related to merchant and airline processing, partially offset by lower costs related to tax-advantaged projects in the first quarter of 2020.

$ in millions
PPS = postage, printing and supplies
* Non-GAAP and excluding notable items; see slides 27 and 30 for calculations

Capital Position

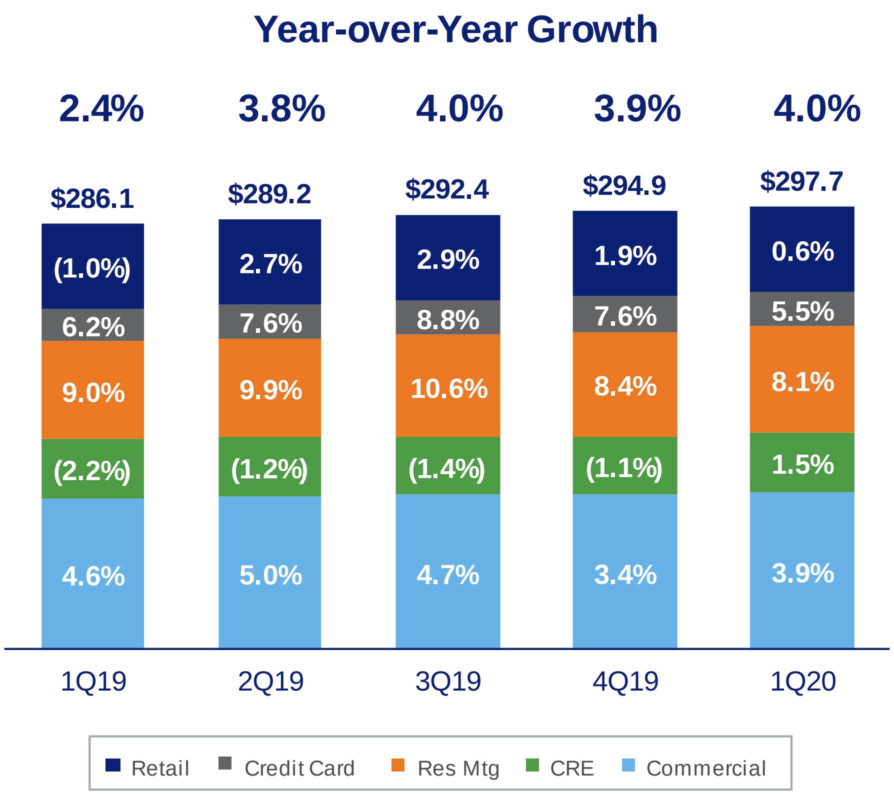
$ in billions	1Q20	4Q19	3Q19	2Q19	1Q19
Total U.S. Bancorp shareholders' equity	$51.5	$51.9	$53.5	$52.9	$52.1
Basel III Standardized Approach					
Common equity tier 1 capital ratio	9.0%	9.1%	9.6%	9.5%	9.3%
Tier 1 capital ratio	10.5%	10.7%	11.2%	11.0%	10.9%
Total risk-based capital ratio	12.7%	12.7%	13.2%	13.0%	12.8%
Leverage ratio	8.8%	8.8%	9.3%	9.3%	9.2%
Tangible common equity to tangible assets*	6.7%	7.5%	8.0%	7.9%	7.9%
Tangible common equity to risk-weighted assets*	8.9%	9.3%	9.7%	9.7%	9.5%
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology*	8.6%	-	-	-	-

* Non-GAAP; see slide 29 for calculations

Appendix

Average Loans

Average Loans ($bn)



Key Points

vs. 1Q19

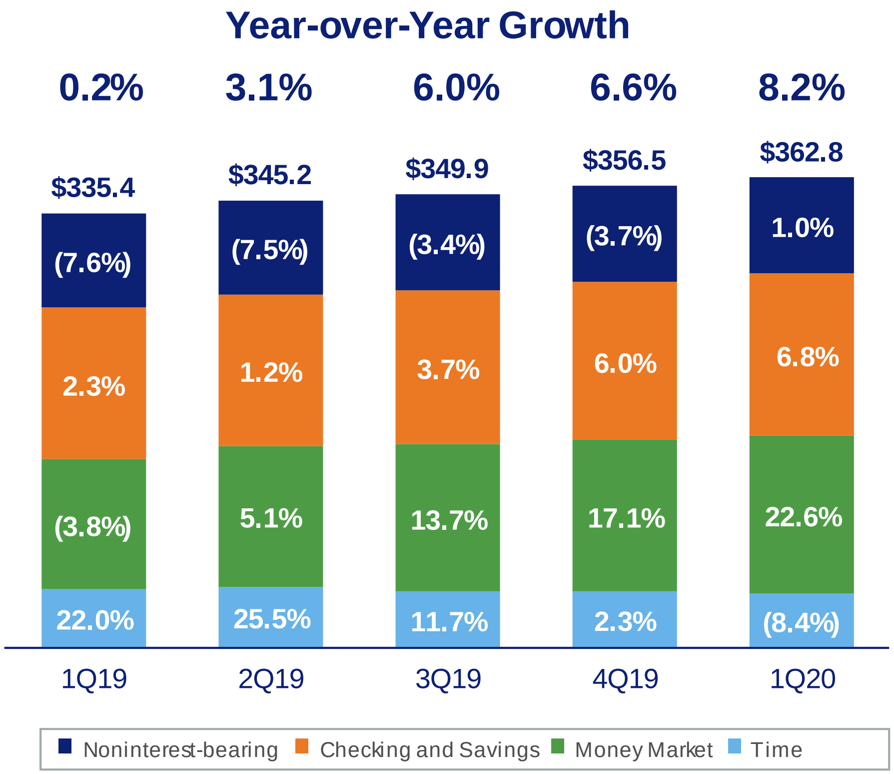
- Average total loans increased by $11.5 billion, or 4.0%
- Average residential mortgage loans increased by $5.3 billion, or 8.1%
- Average commercial loans increased by $4.0 billion, or 3.9%
- Average credit card loans increased by $1.2 billion, or 5.5%
- Average retail loans increased by $0.4 billion, or 0.6%
- Average commercial real estate loans increased by $0.6 billion, or 1.5%

vs. 4Q19

- Average total loans increased by $2.8 billion, or 0.9%
- Average residential mortgage loans increased by $1.0 billion, or 1.4%
- Average commercial loans increased by $2.1 billion, or 2.0%

Average Deposits

Average Deposits ($bn)



Key Points

vs. 1Q19

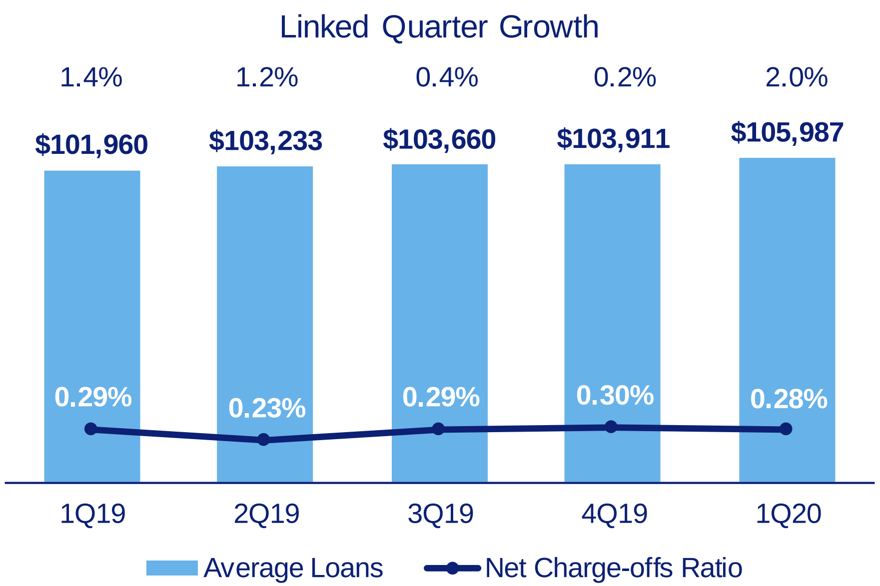
- Average total deposits increased by $27.4 billion, or 8.2%
- Average low-cost deposits (NIB, interest checking, savings and money market) increased by $31.2 billion, or 10.8%

vs. 4Q19

- Average total deposits increased by $6.4 billion, or 1.8%
- Average low-cost deposits (NIB, interest checking, savings and money market) increased by $8.1 billion, or 2.6%

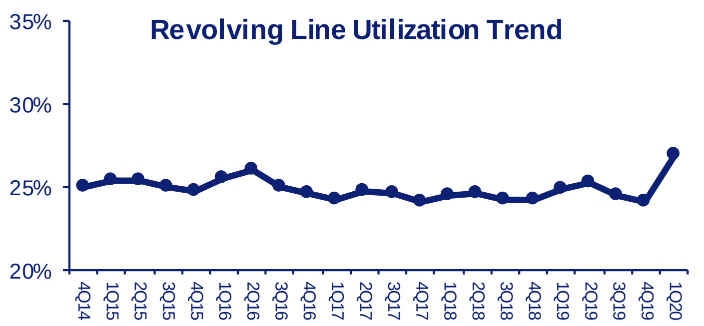
Credit Quality – Commercial

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



Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$101,960	$103,911	$105,987
30-89 Delinquencies	0.58%	0.30%	0.28%
90+ Delinquencies	0.07%	0.08%	0.06%
Nonperforming Loans	0.26%	0.20%	0.24%

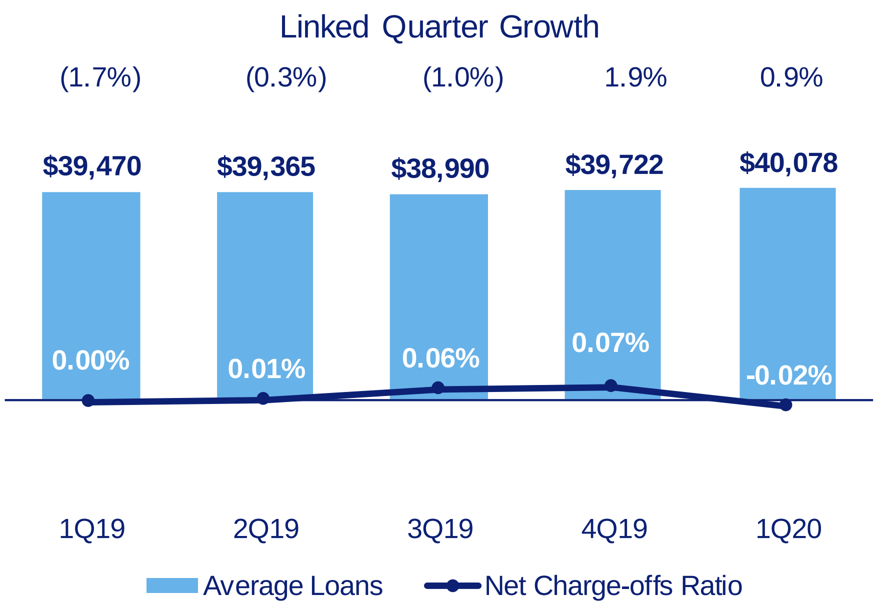


Key Points

- Linked quarter loan growth of 2.0% was driven by revolving line utilization
- Net charge-offs remained relatively stable on a linked quarter basis

Credit Quality – Commercial Real Estate

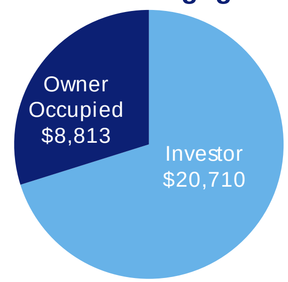
Average Loans ($mm) and Net Charge-offs Ratio



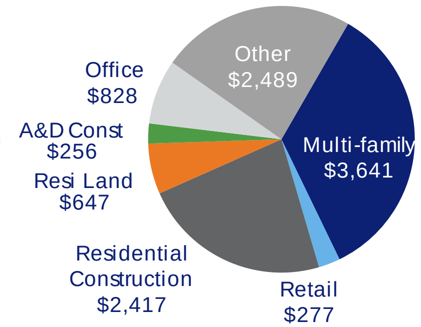
Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$39,470	$39,722	$40,078
30-89 Delinquencies	0.11%	0.09%	0.20%
90+ Delinquencies	0.01%	0.01%	0.00%
Nonperforming Loans	0.32%	0.21%	0.25%
Performing TDRs*	$139	$160	$166

CRE Mortgage



CRE Construction



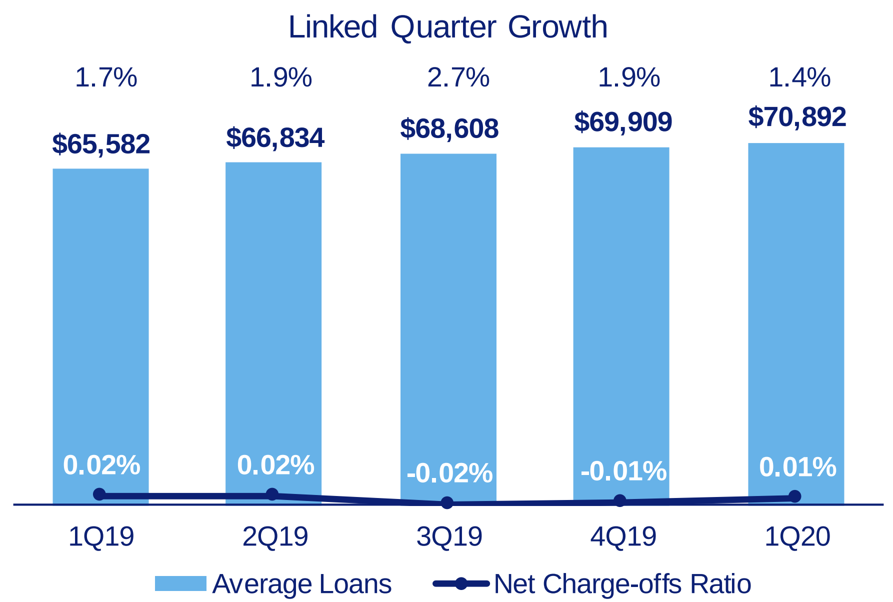
Key Points

- Average loans increased by 0.9% on a linked quarter basis
- Net charge-offs and nonperforming loans remain low

* TDR = troubled debt restructuring

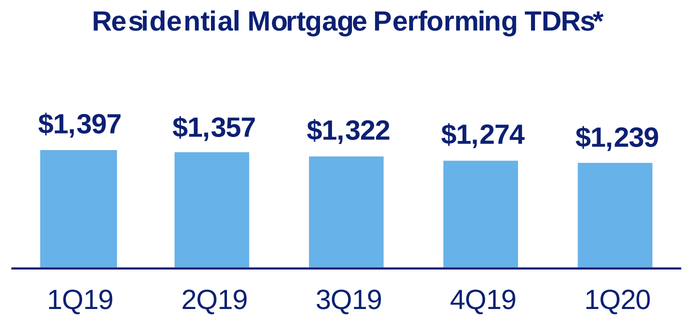
Credit Quality – Residential Mortgage

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



Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$65,582	$69,909	$70,892
30-89 Delinquencies	0.26%	0.22%	0.23%
90+ Delinquencies	0.18%	0.17%	0.15%
Nonperforming Loans	0.43%	0.34%	0.34%



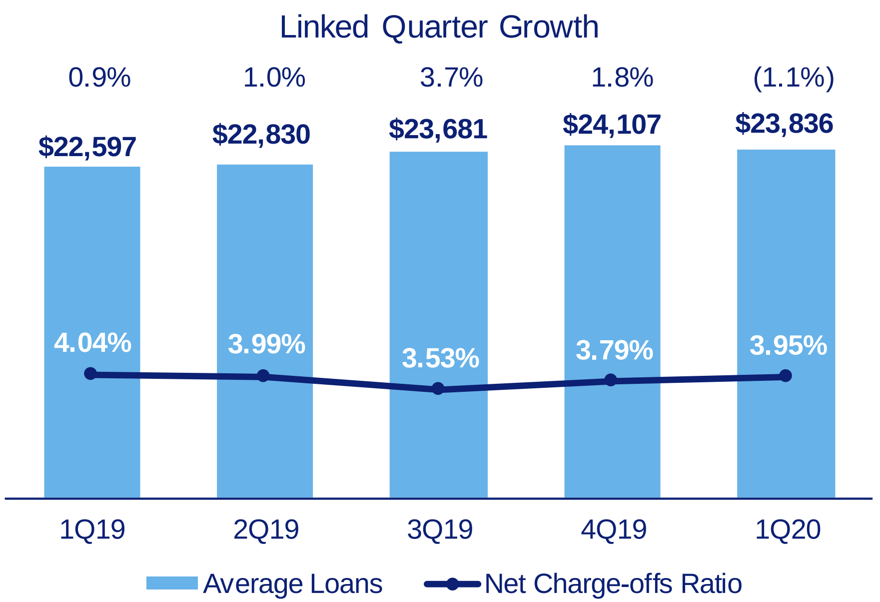
Key Points

- Originations continued to be high credit quality (weighted average FICO of 766, weighted average LTV of 69%)
- More than 94% of balances have been originated since the beginning of 2009; the origination quality metrics and performance to date have significantly outperformed prior vintages with similar seasoning

* Excludes GNMA loans, whose repayments are insured by the FHA or guaranteed by the Department of VA ($1,619 million in 1Q20)

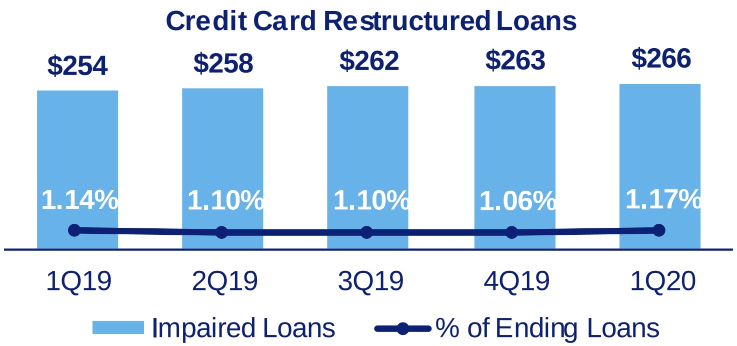
Credit Quality – Credit Card

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



Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$22,597	$24,107	$23,836
30-89 Delinquencies	1.31%	1.30%	1.29%
90+ Delinquencies	1.29%	1.23%	1.29%
Nonperforming Loans	0.00%	0.00%	0.00%

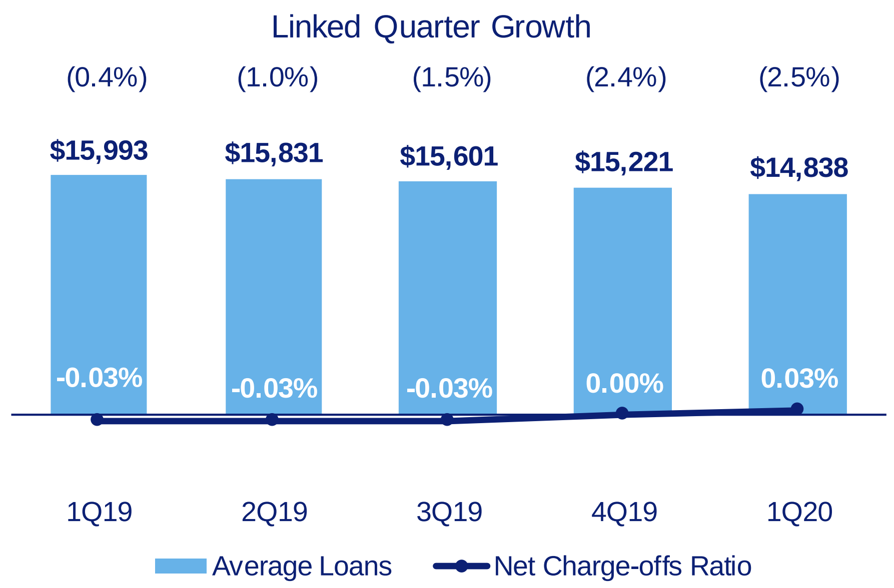


Key Points

- Year-over-year average loan growth of 5.5% was driven by origination of new accounts and portfolio acquisitions
- Weighted average FICO on new originations remained strong at 775
- Year-over-year delinquency and charge-offs were stable

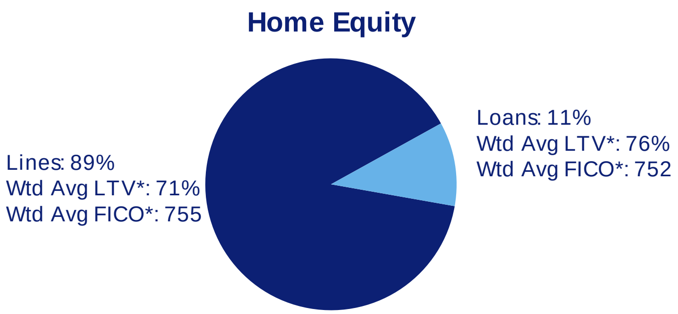
Credit Quality – Home Equity

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



Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$15,993	$15,221	$14,838
30-89 Delinquencies	0.54%	0.51%	0.53%
90+ Delinquencies	0.37%	0.32%	0.30%
Nonperforming Loans	0.77%	0.77%	0.75%



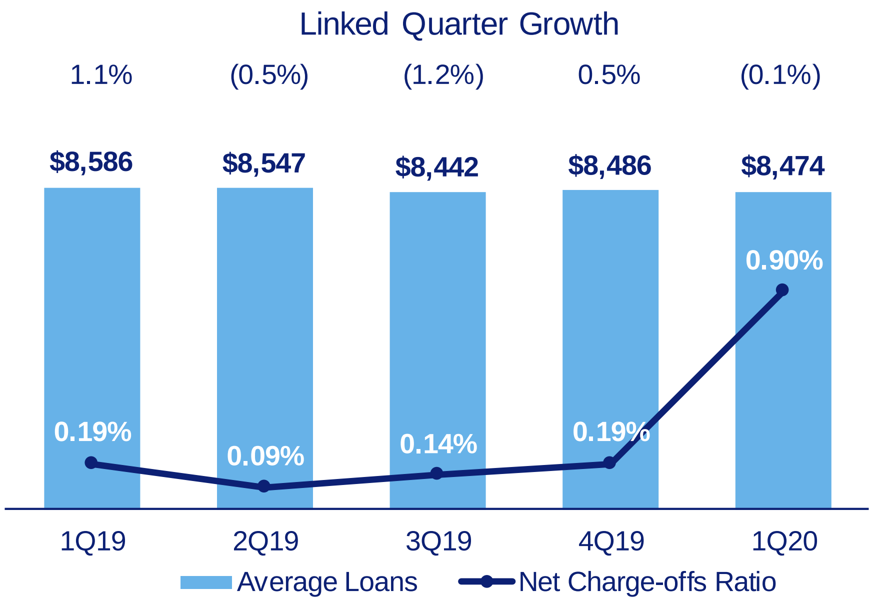
*LTV and FICO at origination

Key Points

- High-quality originations (weighted average FICO on commitments of 784, weighted average CLTV of 68%) were originated primarily through the retail branch network to existing bank customers on their primary residences
- Net charge-offs remained relatively stable, near zero, on a linked quarter basis

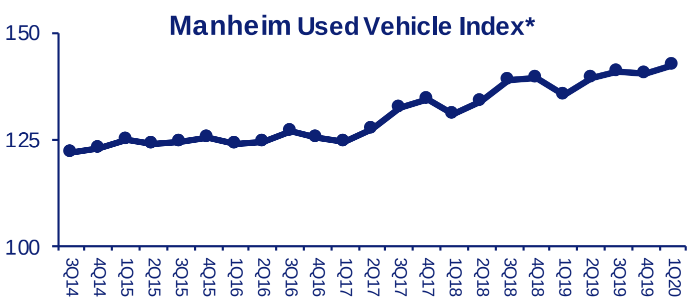
Credit Quality – Retail Leasing

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



Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$8,586	$8,486	$8,474
30-89 Delinquencies	0.42%	0.53%	0.52%
90+ Delinquencies	0.03%	0.05%	0.04%
Nonperforming Loans	0.12%	0.15%	0.18%



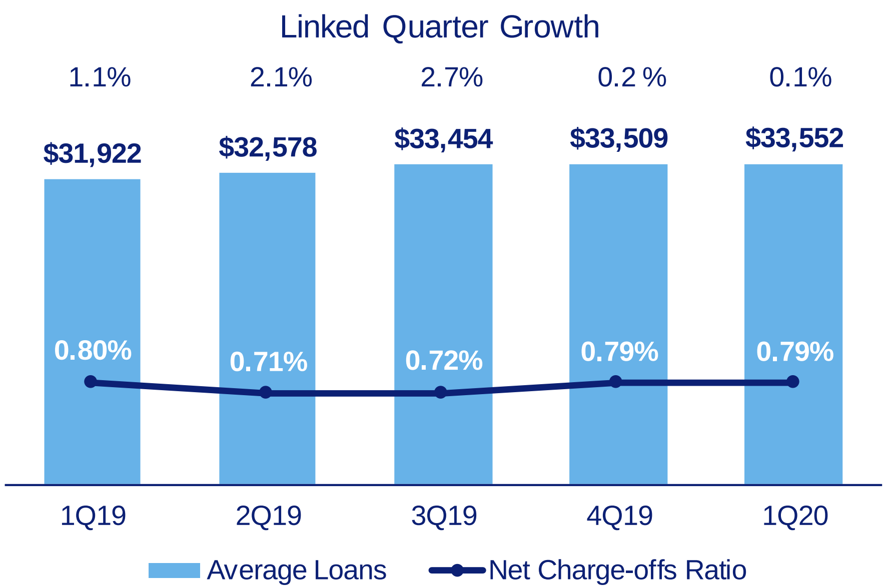
Key Points

- Continued high-quality originations during 1Q20 (weighted average FICO of 781)
- Delinquencies remained at low levels
- Includes end of term losses on residual values as of 1/1/2020. Losses included in net charge-offs for 1Q20 were $15 million and losses included in noninterest income for 4Q19 were $18 million

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

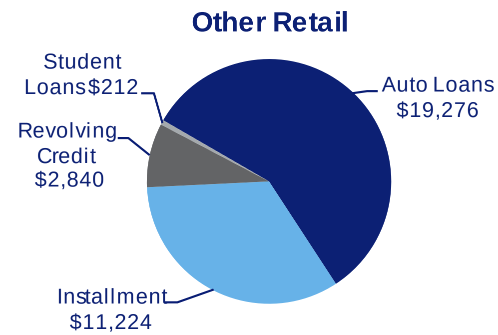
Credit Quality – Other Retail

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



Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$31,922	$33,509	$33,552
30-89 Delinquencies	0.78%	0.81%	0.79%
90+ Delinquencies	0.14%	0.13%	0.14%
Nonperforming Loans	0.13%	0.11%	0.10%

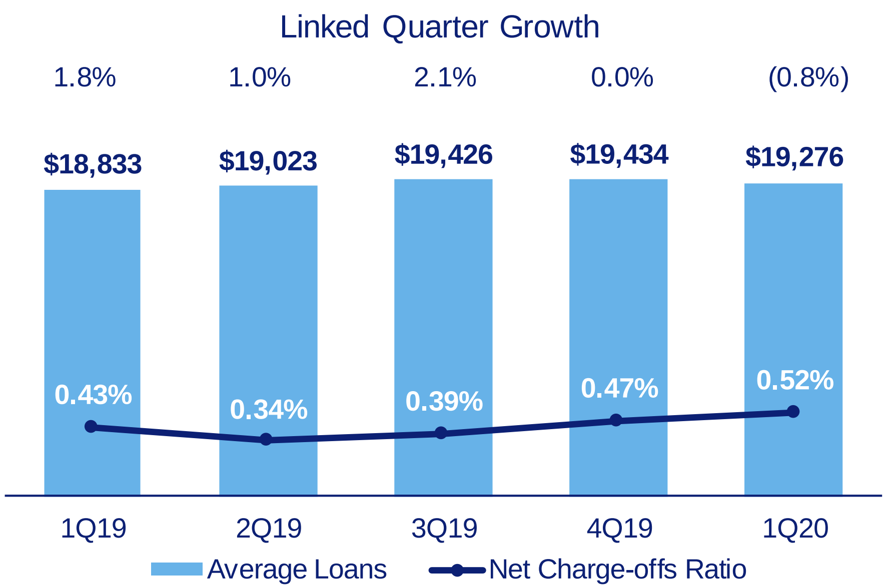


Key Points

- Loan growth continues to be driven by auto and installment loans
- Net charge-offs, delinquencies and nonperforming loans were all relatively stable

Credit Quality – Auto Loans

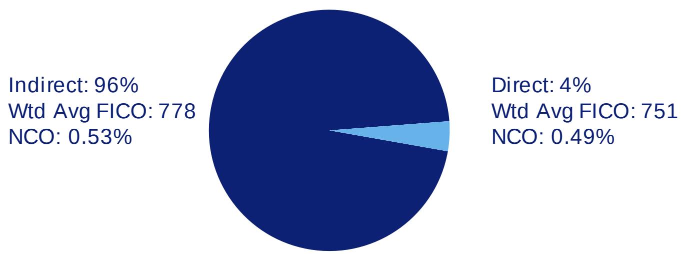
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	1Q19	4Q19	1Q20
Average Loans	$18,833	$19,434	$19,276
30-89 Delinquencies	0.95%	1.06%	1.08%
90+ Delinquencies	0.08%	0.10%	0.12%
Nonperforming Loans	0.15%	0.15%	0.15%

Indirect and Direct Channel



Key Points

- Loan growth continues to be driven by high quality originations in the indirect channel (weighted average FICO of 784)
- Delinquencies and nonperforming loans were relatively stable
- Net charge-off rate increased slightly quarter-over-quarter primarily due to the decision to pause repossession activity due to COVID-19

Auto loans are included in Other Retail category

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended March 31, 2020	December 31, 2019	March 31, 2019
Net interest income	$3,223	$3,207	$3,259
Taxable-equivalent adjustment (2)	24	24	27
Net interest income, on a taxable-equivalent basis	3,247	3,231	3,286
Net interest income, on a taxable-equivalent basis (as calculated above)	3,247	3,231	3,286
Noninterest income	2,525	2,436	2,291
Less: Securities gains (losses), net	50	26	5
Total net revenue, excluding net securities gains (losses) (a)	5,722	5,641	5,572
Noninterest expense (b)	3,316	3,401	3,087
Efficiency ratio (b)/(a)	58.0 %	60.3 %	55.4 %
Total net revenue, excluding net securities gains (losses) (as calculated above)		$5,641	
Less: Notable items (3)		(140)	
Total net revenue, excluding net securities gains (losses) and notable items (c)		5,781	
Noninterest expense		3,401	
Less: Notable items (4)		200	
Noninterest expense, excluding notable items (d)		3,201	
Efficiency ratio, excluding notable items (d)/(c)		55.4 %	
Net income attributable to U.S. Bancorp		$1,486	
Less: Notable items (5)		(272)	
Net income attributable to U.S. Bancorp, excluding notable items		1,758	
Annualized net income attributable to U.S. Bancorp, excluding notable items (e)		6,975	
Average assets (f)		485,853	
Return on average assets, excluding notable items (e)/(f)		1.44 %	
Net income applicable to U.S. Bancorp common shareholders		$1,408	
Less: Notable items (5)		(272)	
Net income applicable to U.S. Bancorp common shareholders, excluding notable items		1,680	
Annualized net income applicable to U.S. Bancorp common shareholders, excluding notable items (g)		6,665	
Average common equity (h)		47,163	
Return on average common equity, excluding notable items (g)/(h)		14.1 %	

(2), (3), (4), (5) – see slide 30 for corresponding notes

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended March 31, 2020	December 31, 2019	March 31, 2019
Net income applicable to U.S. Bancorp common shareholders	$1,088	$1,408	$1,613
Intangibles amortization (net-of-tax)	33	35	32
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization	1,121	1,443	1,645
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (a)	4,509	5,725	6,671
Average total equity	51,776	53,777	52,218
Average preferred stock	(5,984)	(5,984)	(5,984)
Average noncontrolling interests	(630)	(630)	(629)
Average goodwill (net of deferred tax liability) (1)	(8,825)	(8,796)	(8,732)
Average intangible assets, other than mortgage servicing rights	(688)	(683)	(671)
Average tangible common equity (b)	35,649	37,684	36,202
Return on tangible common equity (a)/(b)	12.6 %	15.2 %	18.4 %
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (as calculated above)		$1,443	
Less: Notable items (5)		(272)	
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization and notable items		1,715	
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization and notable items (c)		6,804	
Average tangible common equity (as calculated above) (d)		37,684	
Return on tangible common equity, excluding notable items (c)/(d)		18.1 %	

(1), (5) – see slide 30 for corresponding notes

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019		March 31, 2019	
Total equity	$52,162		$52,483		$54,147		$53,540		$52,686	
Preferred stock	(5,984)		(5,984)		(5,984)		(5,984)		(5,984)	
Noncontrolling interests	(630)		(630)		(630)		(627)		(629)	
Goodwill (net of deferred tax liability) (1)	(8,958)		(8,788)		(8,781)		(8,708)		(8,716)	
Intangible assets, other than mortgage servicing rights	(742)		(677)		(687)		(703)		(685)	
Tangible common equity (a)	35,848		36,404		38,065		37,518		36,672	
Common equity tier 1 capital, determined in accordance with transitional regulatory capital requirements related to the current expected credit losses methodology implementation	36,224									
Adjustments (6)	(1,377)									
Common equity tier 1 capital, reflecting the full implementation of the current expected credit losses methodology (b)	34,847									
Total assets	542,909		495,426		487,671		481,719		475,775	
Goodwill (net of deferred tax liability) (1)	(8,958)		(8,788)		(8,781)		(8,708)		(8,716)	
Intangible assets, other than mortgage servicing rights	(742)		(677)		(687)		(703)		(685)	
Tangible assets (c)	533,209		485,961		478,203		472,308		466,374	
Risk-weighted assets, determined in accordance with prescribed regulatory capital requirements effective for the Company (d)	404,627	*	391,269		390,622		388,709		384,394	
Adjustments (7)	(958)	*								
Risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology (e)	403,669	*								
Ratios *										
Tangible common equity to tangible assets (a)/(c)	6.7	%	7.5	%	8.0	%	7.9	%	7.9	%
Tangible common equity to risk-weighted assets (a)/(d)	8.9		9.3		9.7		9.7		9.5	
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology (b)/(e)	8.6									

* Preliminary data. Subject to change prior to filings with applicable regulatory agencies.
(1), (6), (7) – see slide 30 for corresponding notes

Notes

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

(2) Based on a federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

(3) Notable items related to noninterest income for the three months ended December 31, 2019 include: $140 million derivative liability charge related to previously sold Visa shares.

(4) Notable items related to noninterest expense for the three months ended December 31, 2019 include: $200 million of severance charges and asset impairments.

(5) Notable items for the three months ended December 31, 2019 include: $112 million (after-tax) derivative liability charge related to previously sold Visa shares and $160 million (after-tax) of severance charges and asset impairments.

(6) Includes the estimated increase in the allowance for credit losses related to the adoption of the current expected credit losses methodology net of deferred taxes.

(7) Includes the impact of the estimated increase in the allowance for credit losses related to the adoption of the current expected credit losses methodology.

U.S. Bancorp
1Q20 Earnings Conference Call

April 15, 2020