

# **Supplemental Business Line Schedules**

**3Q 2004**

**WHOLESALE BANKING**

| (Dollars in Millions)<br>(Unaudited)                  | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>INCOME STATEMENT</b>                               |                       |                  |                   |                      |                       |
| <b>Net Interest Income (taxable-equivalent basis)</b> | \$399.4               | \$399.7          | \$395.8           | \$403.2              | \$417.6               |
| <b>Noninterest Income</b>                             |                       |                  |                   |                      |                       |
| Credit and debit card revenue                         | --                    | --               | --                | --                   | --                    |
| Corporate payment products revenue                    | --                    | --               | --                | --                   | --                    |
| ATM processing services                               | --                    | .1               | --                | --                   | .1                    |
| Merchant processing services                          | --                    | --               | --                | --                   | --                    |
| Trust and investment management fees                  | 2.6                   | 2.9              | 3.5               | 5.6                  | 4.0                   |
| Deposit service charges                               | .5                    | .4               | .5                | .6                   | .5                    |
| Treasury management fees                              | 83.5                  | 88.6             | 84.6              | 83.5                 | 91.9                  |
| Commercial products revenue                           | 87.0                  | 87.3             | 94.0              | 83.2                 | 89.6                  |
| Mortgage banking revenue                              | --                    | --               | --                | --                   | --                    |
| Investment products fees and commissions              | --                    | --               | --                | --                   | --                    |
| Securities gains (losses), net                        | .6                    | --               | .9                | --                   | --                    |
| Other   | 8.9                   | 10.5             | 9.0               | 8.6                  | 5.2                   |
| Total noninterest income                              | 183.1                 | 189.8            | 192.5             | 181.5                | 191.3                 |
| Total net revenue                                     | 582.5                 | 589.5            | 588.3             | 584.7                | 608.9                 |
| <b>Noninterest Expense</b>                            |                       |                  |                   |                      |                       |
| Compensation and employee benefits                    | 45.1                  | 45.1             | 48.5              | 47.0                 | 46.7                  |
| Net occupancy and equipment                           | 8.7                   | 8.8              | 8.4               | 8.6                  | 8.6                   |
| Other intangibles                                     | 4.5                   | 4.6              | 4.8               | 4.9                  | 4.8                   |
| Net shared services                                   | 80.2                  | 82.9             | 80.4              | 80.5                 | 88.1                  |
| Other   | 19.6                  | 20.8             | 17.9              | 25.5                 | 21.2                  |
| Total noninterest expense                             | 158.1                 | 162.2            | 160.0             | 166.5                | 169.4                 |
| Operating earnings before provision and income taxes  | 424.4                 | 427.3            | 428.3             | 418.2                | 439.5                 |
| <b>Provision for Credit Losses</b>                    | (12.7)                | 8.6              | 34.0              | 74.7                 | 104.4                 |
| Operating earnings before income taxes                | 437.1                 | 418.7            | 394.3             | 343.5                | 335.1                 |
| Income taxes and taxable-equivalent adjustment        | 159.1                 | 152.4            | 143.5             | 125.0                | 121.9                 |
| Operating earnings                                    | \$278.0               | \$266.3          | \$250.8           | \$218.5              | \$213.2               |
| <b>FINANCIAL RATIOS</b>                               |                       |                  |                   |                      |                       |
| Return on average assets                              | 2.27 %                | 2.17 %           | 2.08 %            | 1.74 %               | 1.61 %                |
| Return on average equity                              | 22.1                  | 21.5             | 19.6              | 17.1                 | 16.9                  |
| Net interest margin (taxable-equivalent basis)        | 3.71                  | 3.75             | 3.75              | 3.65                 | 3.63                  |
| Efficiency ratio                                      | 27.2                  | 27.5             | 27.2              | 28.5                 | 27.8                  |

NOTE: The above schedule represents an analysis of U.S. Bancorp's quarterly operating activities. Operating earnings represent net income before merger and restructuring-related items and discontinued operations.

**WHOLESALE BANKING**

| (Dollars in Millions)<br>(Unaudited)         | Three Months Ended    |                  |                   |                      |                       |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
|  | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>AVERAGE BALANCE SHEET</b>                 |                       |                  |                   |                      |                       |
| <b>Loans</b>                                 |                       |                  |                   |                      |                       |
| Commercial                                   | \$26,616              | \$26,706         | \$26,132          | \$27,209             | \$28,771              |
| Commercial real estate                       | 15,789                | 15,836           | 15,970            | 16,316               | 16,574                |
| Residential mortgages                        | 77                    | 69               | 69                | 87                   | 102                   |
| Retail                                       | 55                    | 50               | 52                | 56                   | 45                    |
| Total loans                                  | 42,537                | 42,661           | 42,223            | 43,668               | 45,492                |
| <b>Other Earning Assets</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 42,785                | 42,894           | 42,457            | 43,863               | 45,693                |
| <b>Non-earning Assets</b>                    |                       |                  |                   |                      |                       |
| Goodwill                                     | 1,225                 | 1,225            | 1,225             | 1,225                | 1,225                 |
| Other intangible assets                      | 85                    | 89               | 94                | 99                   | 104                   |
| Other non-earnings assets                    | 4,720                 | 5,251            | 4,755             | 4,771                | 5,555                 |
| Total non-earning assets                     | 6,030                 | 6,565            | 6,074             | 6,095                | 6,884                 |
| Total assets                                 | 48,815                | 49,459           | 48,531            | 49,958               | 52,577                |
| <b>Deposits</b>                              |                       |                  |                   |                      |                       |
| Noninterest-bearing deposits                 | \$12,574              | \$13,288         | \$12,635          | \$12,837             | \$14,510              |
| Savings products                             | 8,563                 | 10,792           | 11,462            | 13,168               | 12,709                |
| Time deposits                                | 8,364                 | 6,289            | 5,514             | 4,671                | 4,131                 |
| Total deposits                               | 29,501                | 30,369           | 29,611            | 30,676               | 31,350                |
| <b>Other Interest-bearing Liabilities</b>    |                       |                  |                   |                      |                       |
| Total liabilities                            | 4,672                 | 4,301            | 4,455             | 3,895                | 3,874                 |
| <b>Other Noninterest-bearing Liabilities</b> |                       |                  |                   |                      |                       |
| Total liabilities                            | 1,113                 | 1,140            | 1,122             | 1,154                | 1,099                 |
| <b>Shareholders' Equity</b>                  |                       |                  |                   |                      |                       |
| Total liabilities                            | 5,004                 | 4,986            | 5,151             | 5,080                | 5,009                 |
| <b>NET INTEREST SPREADS</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 2.33 %                | 2.42 %           | 2.41 %            | 2.32 %               | 2.32 %                |
| Total assets                                 | 1.80                  | 1.86             | 1.89              | 1.83                 | 1.78                  |
| Total deposits                               | 1.51                  | 1.40             | 1.34              | 1.32                 | 1.42                  |
| Total liabilities                            | 1.46                  | 1.37             | 1.32              | 1.32                 | 1.41                  |
| <b>CREDIT QUALITY</b>                        |                       |                  |                   |                      |                       |
| <b>Net Charge-offs</b>                       |                       |                  |                   |                      |                       |
| Commercial                                   | \$(14.1)              | \$8.1            | \$35.4            | \$69.7               | \$98.2                |
| Commercial real estate                       | 1.4                   | .5               | (2.1)             | 3.6                  | 5.2                   |
| Residential mortgages                        | --                    | --               | (.2)              | --                   | .9                    |
| Retail                                       | --                    | --               | .9                | 1.4                  | .1                    |
| Total loans                                  | \$(12.7)              | \$8.6            | \$34.0            | \$74.7               | \$104.4               |
| <b>Net Charge-off Ratios</b>                 |                       |                  |                   |                      |                       |
| Commercial                                   | (.21) %               | .12 %            | .54 %             | 1.02 %               | 1.35 %                |
| Commercial real estate                       | .04                   | .01              | (.05)             | .09                  | .12                   |
| Residential mortgages                        | --                    | --               | (1.17)            | --                   | 3.50                  |
| Retail                                       | --                    | --               | 6.96              | 9.92                 | .88                   |
| Total loans                                  | (.12) %               | .08 %            | .32 %             | .68 %                | .91 %                 |
| <b>Nonperforming Assets</b>                  |                       |                  |                   |                      |                       |
| Nonperforming loans                          | \$402.5               | \$474.0          | \$565.1           | \$688.5              | \$860.2               |
| Other nonperforming assets                   | 32.6                  | 49.8             | 52.9              | 55.1                 | 73.1                  |
| Total nonperforming assets                   | \$435.1               | \$523.8          | \$618.0           | \$743.6              | \$933.3               |

**WHOLESALE BANKING**

| (Dollars in Millions)<br>(Unaudited) | Three Months Ended    |                  |                   |                      |                       |
|--------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                      | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>OTHER INFORMATION</b>             |                       |                  |                   |                      |                       |
| <b>Average Loan Balances</b>         |                       |                  |                   |                      |                       |
| Middle market                        | \$10,529              | \$10,449         | \$10,462          | \$10,950             | \$11,466              |
| Commercial real estate division      | 13,921                | 13,815           | 13,472            | 13,722               | 13,840                |
| Equipment finance                    | 3,636                 | 3,780            | 3,909             | 4,082                | 4,267                 |
| Specialized industries               | 4,408                 | 4,660            | 4,473             | 4,764                | 5,159                 |
| National corporate                   | 4,495                 | 4,237            | 4,243             | 4,723                | 5,203                 |
| Asset based lending                  | 4,003                 | 4,152            | 4,051             | 3,991                | 4,046                 |
| Correspondent banking                | 980                   | 1,010            | 1,047             | 1,078                | 1,151                 |
| Other                                | 565                   | 558              | 566               | 358                  | 360                   |
| Total loans                          | \$42,537              | \$42,661         | \$42,223          | \$43,668             | \$45,492              |
| Commercial                           | \$23,868              | \$23,887         | \$23,185          | \$24,118             | \$25,546              |
| Lease financing                      | 2,748                 | 2,819            | 2,947             | 3,091                | 3,225                 |
| Total commercial                     | \$26,616              | \$26,706         | \$26,132          | \$27,209             | \$28,771              |
| <b>Net Charge-off Ratios</b>         |                       |                  |                   |                      |                       |
| Commercial                           | (.35) %               | .12 %            | .37 %             | 1.02 %               | 1.35 %                |
| Lease financing                      | .98                   | .17              | 1.88              | .96                  | 1.35                  |
| Total commercial                     | (.21) %               | .12 %            | .54 %             | 1.02 %               | 1.35 %                |

**CONSUMER BANKING**

| (Dollars in Millions)<br>(Unaudited)                  | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>INCOME STATEMENT</b>                               |                       |                  |                   |                      |                       |
| <b>Net Interest Income (taxable-equivalent basis)</b> | \$919.8               | \$891.4          | \$868.6           | \$892.7              | \$922.6               |
| <b>Noninterest Income</b>                             |                       |                  |                   |                      |                       |
| Credit and debit card revenue                         | .3                    | .2               | .2                | .1                   | .2                    |
| Corporate payment products revenue                    | --                    | --               | --                | --                   | --                    |
| ATM processing services                               | 15.0                  | 14.5             | 12.8              | 13.3                 | 14.6                  |
| Merchant processing services                          | --                    | .1               | --                | .1                   | --                    |
| Trust and investment management fees                  | 1.0                   | 1.1              | 1.4               | 1.5                  | 1.5                   |
| Deposit service charges                               | 206.2                 | 200.8            | 184.0             | 185.3                | 185.6                 |
| Treasury management fees                              | 31.8                  | 30.3             | 30.4              | 30.4                 | 31.8                  |
| Commercial products revenue                           | 16.9                  | 17.4             | 14.7              | 12.6                 | 11.6                  |
| Mortgage banking revenue                              | 97.8                  | 110.7            | 94.8              | 92.5                 | 90.8                  |
| Investment products fees and commissions              | 36.8                  | 42.1             | 39.2              | 36.5                 | 35.4                  |
| Securities gains (losses), net                        | 86.9                  | (171.1)          | --                | --                   | (108.7)               |
| Other   | 56.9                  | 44.9             | 39.1              | 14.4                 | 20.6                  |
| Total noninterest income                              | 549.6                 | 291.0            | 416.6             | 386.7                | 283.4                 |
| Total net revenue                                     | 1,469.4               | 1,182.4          | 1,285.2           | 1,279.4              | 1,206.0               |
| <b>Noninterest Expense</b>                            |                       |                  |                   |                      |                       |
| Compensation and employee benefits                    | 260.8                 | 259.9            | 265.0             | 259.0                | 255.5                 |
| Net occupancy and equipment                           | 99.0                  | 99.0             | 99.3              | 98.8                 | 97.7                  |
| Other intangibles                                     | 148.7                 | (108.0)          | 170.3             | 60.7                 | (52.0)                |
| Net shared services                                   | 115.5                 | 116.7            | 115.8             | 122.3                | 125.4                 |
| Other   | 113.6                 | 110.7            | 95.2              | 113.8                | 115.5                 |
| Total noninterest expense                             | 737.6                 | 478.3            | 745.6             | 654.6                | 542.1                 |
| Operating earnings before provision and income taxes  | 731.8                 | 704.1            | 539.6             | 624.8                | 663.9                 |
| <b>Provision for Credit Losses</b>                    | 88.1                  | 93.4             | 107.1             | 108.4                | 105.5                 |
| Operating earnings before income taxes                | 643.7                 | 610.7            | 432.5             | 516.4                | 558.4                 |
| Income taxes and taxable-equivalent adjustment        | 234.2                 | 222.2            | 157.4             | 187.9                | 203.2                 |
| Operating earnings                                    | \$409.5               | \$388.5          | \$275.1           | \$328.5              | \$355.2               |
| <b>FINANCIAL RATIOS</b>                               |                       |                  |                   |                      |                       |
| Return on average assets                              | 2.26 %                | 2.20 %           | 1.61 %            | 1.89 %               | 2.01 %                |
| Return on average equity                              | 26.5                  | 25.6             | 17.6              | 21.4                 | 23.8                  |
| Net interest margin (taxable-equivalent basis)        | 5.53                  | 5.51             | 5.54              | 5.63                 | 5.69                  |
| Efficiency ratio                                      | 53.4                  | 35.3             | 58.0              | 51.2                 | 41.2                  |

NOTE: The above schedule represents an analysis of U.S. Bancorp's quarterly operating activities. Operating earnings represent net income before merger and restructuring-related items and discontinued operations.

**CONSUMER BANKING**

| (Dollars in Millions)<br>(Unaudited)         | Three Months Ended    |                  |                   |                      |                       |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
|  | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>AVERAGE BALANCE SHEET</b>                 |                       |                  |                   |                      |                       |
| <b>Loans</b>                                 |                       |                  |                   |                      |                       |
| Commercial                                   | \$7,813               | \$7,754          | \$7,772           | \$7,932              | \$8,227               |
| Commercial real estate                       | 10,668                | 10,525           | 10,376            | 10,235               | 10,090                |
| Residential mortgages                        | 14,139                | 13,677           | 13,249            | 12,991               | 11,855                |
| Retail                                       | 31,844                | 30,904           | 29,982            | 29,160               | 29,149                |
| Total loans                                  | 64,464                | 62,860           | 61,379            | 60,318               | 59,321                |
| <b>Other Earning Assets</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 1,692                 | 2,244            | 1,702             | 2,621                | 5,042                 |
| Total earning assets                         | 66,156                | 65,104           | 63,081            | 62,939               | 64,363                |
| <b>Non-earning Assets</b>                    |                       |                  |                   |                      |                       |
| Goodwill                                     | 2,243                 | 2,243            | 2,243             | 2,243                | 2,243                 |
| Other intangible assets                      | 1,143                 | 1,058            | 986               | 978                  | 853                   |
| Other non-earnings assets                    | 2,701                 | 2,693            | 2,549             | 2,628                | 2,805                 |
| Total non-earning assets                     | 6,087                 | 5,994            | 5,778             | 5,849                | 5,901                 |
| Total assets                                 | 72,243                | 71,098           | 68,859            | 68,788               | 70,264                |
| <b>Deposits</b>                              |                       |                  |                   |                      |                       |
| Noninterest-bearing deposits                 | \$14,242              | \$14,175         | \$13,520          | \$13,878             | \$14,169              |
| Savings products                             | 41,663                | 42,140           | 41,831            | 41,441               | 40,873                |
| Time deposits                                | 15,840                | 15,844           | 16,403            | 17,026               | 17,784                |
| Total deposits                               | 71,745                | 72,159           | 71,754            | 72,345               | 72,826                |
| <b>Other Interest-bearing Liabilities</b>    |                       |                  |                   |                      |                       |
| Total liabilities                            | 708                   | 602              | 583               | 565                  | 566                   |
| <b>Other Noninterest-bearing Liabilities</b> |                       |                  |                   |                      |                       |
| Total liabilities                            | 1,798                 | 1,676            | 1,707             | 1,608                | 1,524                 |
| Total liabilities                            | 74,251                | 74,437           | 74,044            | 74,518               | 74,916                |
| <b>Shareholders' Equity</b>                  |                       |                  |                   |                      |                       |
| Total equity                                 | 6,155                 | 6,100            | 6,285             | 6,094                | 5,922                 |
| <b>NET INTEREST SPREADS</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 2.73 %                | 2.83 %           | 2.88 %            | 2.96 %               | 3.07 %                |
| Total assets                                 | 2.34                  | 2.45             | 2.51              | 2.57                 | 2.68                  |
| Total deposits                               | 2.44                  | 2.25             | 2.14              | 2.14                 | 2.14                  |
| Total liabilities                            | 2.38                  | 2.20             | 2.09              | 2.09                 | 2.10                  |
| <b>CREDIT QUALITY</b>                        |                       |                  |                   |                      |                       |
| <b>Net Charge-offs</b>                       |                       |                  |                   |                      |                       |
| Commercial                                   | \$24.6                | \$29.2           | \$28.1            | \$30.5               | \$29.9                |
| Commercial real estate                       | 3.8                   | 1.9              | 11.5              | 9.4                  | 5.4                   |
| Residential mortgages                        | 7.1                   | 7.1              | 7.0               | 6.3                  | 6.3                   |
| Retail                                       | 52.6                  | 55.2             | 60.5              | 62.2                 | 63.9                  |
| Total loans                                  | \$88.1                | \$93.4           | \$107.1           | \$108.4              | \$105.5               |
| <b>Net Charge-off Ratios</b>                 |                       |                  |                   |                      |                       |
| Commercial                                   | 1.25 %                | 1.51 %           | 1.45 %            | 1.53 %               | 1.44 %                |
| Commercial real estate                       | .14                   | .07              | .45               | .36                  | .21                   |
| Residential mortgages                        | .20                   | .21              | .21               | .19                  | .21                   |
| Retail                                       | .66                   | .72              | .81               | .85                  | .87                   |
| Total loans                                  | .54 %                 | .60 %            | .70 %             | .71 %                | .71 %                 |
| <b>Nonperforming Assets</b>                  |                       |                  |                   |                      |                       |
| Nonperforming loans                          | \$293.0               | \$308.7          | \$342.5           | \$320.6              | \$304.4               |
| Other nonperforming assets                   | 69.3                  | 68.9             | 76.1              | 72.8                 | 69.8                  |
| Total nonperforming assets                   | \$362.3               | \$377.6          | \$418.6           | \$393.4              | \$374.2               |

**CONSUMER BANKING**

| (Dollars in Millions)<br>(Unaudited)      | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>OTHER INFORMATION</b>                  |                       |                  |                   |                      |                       |
| <b>Retail Loan Information</b>            |                       |                  |                   |                      |                       |
| <b>Average Balances</b>                   |                       |                  |                   |                      |                       |
| Retail leasing                            | \$6,842               | \$6,485          | \$6,192           | \$5,895              | \$5,806               |
| Home equity and second mortgages          | 12,895                | 12,442           | 12,101            | 11,846               | 11,881                |
| Other retail                              | 12,107                | 11,977           | 11,689            | 11,419               | 11,462                |
| Total retail                              | <u>\$31,844</u>       | <u>\$30,904</u>  | <u>\$29,982</u>   | <u>\$29,160</u>      | <u>\$29,149</u>       |
| Home equity first lien*                   | \$5,599               | \$5,768          | \$5,855           | \$5,926              | \$5,260               |
| Home equity loans                         | 3,273                 | 3,421            | 3,631             | 3,849                | 4,124                 |
| Home equity lines                         | 9,622                 | 9,021            | 8,470             | 7,997                | 7,757                 |
| Total home equity                         | <u>\$18,494</u>       | <u>\$18,210</u>  | <u>\$17,956</u>   | <u>\$17,772</u>      | <u>\$17,141</u>       |
| <b>Net Charge-off Ratios</b>              |                       |                  |                   |                      |                       |
| Retail leasing                            | .56 %                 | .61 %            | .71 %             | .76 %                | .83 %                 |
| Home equity and second mortgages          | .59                   | .62              | .63               | .68                  | .73                   |
| Other retail                              | .79                   | .88              | 1.05              | 1.06                 | 1.02                  |
| Total retail                              | <u>.66 %</u>          | <u>.72 %</u>     | <u>.81 %</u>      | <u>.85 %</u>         | <u>.87 %</u>          |
| # of traditional branches                 | 1,927                 | 1,923            | 1,922             | 1,924                | 1,924                 |
| # of instore branches                     | 419                   | 392              | 353               | 319                  | 277                   |
| Total # of branches                       | <u>2,346</u>          | <u>2,315</u>     | <u>2,275</u>      | <u>2,243</u>         | <u>2,201</u>          |
| # of U.S. Bank ATMs                       | 4,621                 | 4,565            | 4,472             | 4,425                | 4,506                 |
| Debit card transaction volume             | \$5,006               | \$4,898          | \$4,457           | \$4,568              | \$4,289               |
| Mortgage production volume                | \$4,024               | \$5,220          | \$3,733           | \$3,879              | \$9,086               |
| Mortgages serviced for others             | \$63,208              | \$58,675         | \$57,667          | \$53,990             | \$51,028              |
| Investment sales volume                   | \$686                 | \$793            | \$750             | \$680                | \$648                 |
| SBA loan production volume                | \$122                 | \$113            | \$94              | \$139                | \$103                 |
| Student loan production volume            | \$396                 | \$135            | \$438             | \$246                | \$363                 |
| Indirect loan/lease production volume     | 1,835                 | 1,914            | 1,960             | 1,455                | 1,656                 |
| Finance company production volume         | 1,051                 | 1,353            | 832               | 741                  | 1,292                 |
| Direct branch loan/line production volume | 2,092                 | 2,730            | 2,511             | 2,472                | 3,033                 |
| Total retail credit production volume     | <u>\$5,374</u>        | <u>\$6,132</u>   | <u>\$5,741</u>    | <u>\$4,914</u>       | <u>\$6,344</u>        |

\* Home equity first lien balances are reported within residential mortgages as required by regulatory accounting principles.

**CONSUMER BANKING**

(Dollars in Millions, Unaudited)

| Three Months Ended<br>September 30, 2004   | Retail<br>Banking | Mortgage<br>Banking | Total<br>Consumer | Retail Banking                       |                                      | Mortgage Banking                     |                                      |
|--|-------------------|---------------------|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|  |                   |                     |                   | Percent<br>Change<br>3Q04 vs<br>3Q03 | Percent<br>Change<br>3Q04 vs<br>2Q04 | Percent<br>Change<br>3Q04 vs<br>3Q03 | Percent<br>Change<br>3Q04 vs<br>2Q04 |
| Net interest income (taxable-equivalent basis)   | \$887.3           | \$32.5              | \$919.8           | 4.8 %                                | 4.7 %                                | (57.2) %                             | (26.1) %                             |
| Noninterest income   | 364.2             | 98.5                | 462.7             | 20.4                                 | 3.2                                  | 9.8                                  | (9.8)                                |
| Securities gains (losses), net   | --                | 86.9                | 86.9              | *                                    | --                                   | *                                    | *                                    |
| Total net revenue  | 1,251.5           | 217.9               | 1,469.4           | 8.9                                  | 4.3                                  | *                                    | *                                    |
| Noninterest expense  | 440.7             | 32.7                | 473.4             | 2.0                                  | .3                                   | (10.4)                               | 8.6                                  |
| Net shared services  | 109.6             | 5.9                 | 115.5             | (8.0)                                | (1.2)                                | (6.3)                                | 1.7                                  |
| Other intangibles  | 15.4              | 133.3               | 148.7             | (9.9)                                | (1.9)                                | *                                    | *                                    |
| Total noninterest expense  | 565.7             | 171.9               | 737.6             | (.5)                                 | (.1)                                 | *                                    | *                                    |
| Operating earnings before provision and income taxes   | 685.8             | 46.0                | 731.8             | 18.1                                 | 8.1                                  | (44.7)                               | (34.2)                               |
| Provision for credit losses  | 88.1              | --                  | 88.1              | (17.7)                               | (5.7)                                | *                                    | --                                   |
| Operating earnings before income taxes   | 597.7             | 46.0                | 643.7             | 26.2                                 | 10.5                                 | (45.7)                               | (34.2)                               |
| Income taxes and taxable-equivalent adjustment   | 217.5             | 16.7                | 234.2             | 26.2                                 | 10.5                                 | (45.8)                               | (34.3)                               |
| Operating earnings   | \$380.2           | \$29.3              | \$409.5           | 26.2 %                               | 10.5 %                               | (45.6) %                             | (34.2) %                             |
| Total revenue excluding securities gains (net)   | \$1,251.5         | \$131.0             | \$1,382.5         | 8.9 %                                | 4.3 %                                | (20.9) %                             | (14.5) %                             |
| Total expenses excluding MSR impairment (net)  | 565.7             | 85.2                | 650.9             | (.5)                                 | (.1)                                 | 3.5                                  | 2.3                                  |
| Operating earnings before provision and income taxes,<br>excluding securities gains and MSR impairment | \$685.8           | \$45.8              | \$731.6           | 18.1                                 | 8.1                                  | (45.1)                               | (34.5)                               |

| Nine Months Ended<br>September 30, 2004  | Retail<br>Banking | Mortgage<br>Banking | Total<br>Consumer | Retail                            | Mortgage                          |
|--|-------------------|---------------------|-------------------|-----------------------------------|-----------------------------------|
|  |                   |                     |                   | Percent<br>Change<br>2004 vs 2003 | Percent<br>Change<br>2004 vs 2003 |
| Net interest income (taxable-equivalent basis)   | \$2,566.0         | \$113.8             | \$2,679.8         | 3.4 %                             | (44.1) %                          |
| Noninterest income   | 1,039.2           | 302.2               | 1,341.4           | 16.8                              | 10.2                              |
| Securities gains (losses), net   | --                | (84.2)              | (84.2)            | *                                 | *                                 |
| Total net revenue  | 3,605.2           | 331.8               | 3,937.0           | 6.9                               | (50.6)                            |
| Noninterest expense  | 1,307.5           | 95.0                | 1,402.5           | 2.0                               | (8.4)                             |
| Net shared services  | 330.6             | 17.4                | 348.0             | (11.4)                            | (10.3)                            |
| Other intangibles  | 47.1              | 163.9               | 211.0             | (8.4)                             | (48.9)                            |
| Total noninterest expense  | 1,685.2           | 276.3               | 1,961.5           | (1.2)                             | (37.7)                            |
| Operating earnings before provision and income taxes   | 1,920.0           | 55.5                | 1,975.5           | 15.2                              | (75.6)                            |
| Provision for credit losses  | 288.6             | --                  | 288.6             | (10.6)                            | --                                |
| Operating earnings before income taxes   | 1,631.4           | 55.5                | 1,686.9           | 21.4                              | (75.6)                            |
| Income taxes and taxable-equivalent adjustment   | 593.6             | 20.2                | 613.8             | 21.4                              | (75.6)                            |
| Operating earnings   | \$1,037.8         | \$35.3              | \$1,073.1         | 21.4 %                            | (75.6) %                          |
| Total revenue excluding securities gains (net)   | \$3,605.2         | \$416.0             | \$4,021.2         | 6.9 %                             | (13.0) %                          |
| Total expenses excluding MSR impairment (net)  | 1,685.2           | 251.4               | 1,936.6           | (1.2)                             | 7.0                               |
| Operating earnings before provision and income taxes,<br>excluding securities gains and MSR impairment | \$1,920.0         | \$164.6             | \$2,084.6         | 15.2                              | (32.2)                            |

\* Not meaningful



**PRIVATE CLIENT, TRUST AND ASSET MANAGEMENT**

| (Dollars in Millions)<br>(Unaudited)                  | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>INCOME STATEMENT</b>                               |                       |                  |                   |                      |                       |
| <b>Net Interest Income (taxable-equivalent basis)</b> | \$94.8                | \$87.9           | \$83.1            | \$80.7               | \$79.8                |
| <b>Noninterest Income</b>                             |                       |                  |                   |                      |                       |
| Credit and debit card revenue                         | --                    | --               | --                | --                   | --                    |
| Corporate payment products revenue                    | --                    | --               | --                | --                   | --                    |
| ATM processing services                               | --                    | --               | --                | --                   | --                    |
| Merchant processing services                          | --                    | --               | --                | --                   | --                    |
| Trust and investment management fees                  | 236.8                 | 248.0            | 243.6             | 241.7                | 234.9                 |
| Deposit service charges                               | .8                    | .8               | .8                | .9                   | .8                    |
| Treasury management fees                              | 2.6                   | 2.5              | 2.5               | 2.4                  | 2.4                   |
| Commercial products revenue                           | .5                    | .5               | .4                | .4                   | .4                    |
| Mortgage banking revenue                              | --                    | --               | --                | --                   | --                    |
| Investment products fees and commissions              | .2                    | .1               | .1                | (.3)                 | .2                    |
| Securities gains (losses), net                        | --                    | --               | --                | --                   | --                    |
| Other   | (.8)                  | 1.9              | 1.9               | 1.9                  | 3.1                   |
| Total noninterest income                              | 240.1                 | 253.8            | 249.3             | 247.0                | 241.8                 |
| Total net revenue                                     | 334.9                 | 341.7            | 332.4             | 327.7                | 321.6                 |
| <b>Noninterest Expense</b>                            |                       |                  |                   |                      |                       |
| Compensation and employee benefits                    | 76.7                  | 80.3             | 82.2              | 75.2                 | 78.6                  |
| Net occupancy and equipment                           | 13.1                  | 12.7             | 12.8              | 12.8                 | 12.7                  |
| Other intangibles                                     | 16.0                  | 15.1             | 15.0              | 16.6                 | 16.5                  |
| Net shared services                                   | 20.9                  | 21.0             | 20.8              | 23.1                 | 23.1                  |
| Other   | 32.8                  | 31.8             | 28.1              | 35.2                 | 31.4                  |
| Total noninterest expense                             | 159.5                 | 160.9            | 158.9             | 162.9                | 162.3                 |
| Operating earnings before provision and income taxes  | 175.4                 | 180.8            | 173.5             | 164.8                | 159.3                 |
| <b>Provision for Credit Losses</b>                    | 1.2                   | 8.8              | .9                | 1.4                  | 3.2                   |
| Operating earnings before income taxes                | 174.2                 | 172.0            | 172.6             | 163.4                | 156.1                 |
| Income taxes and taxable-equivalent adjustment        | 63.4                  | 62.6             | 62.8              | 59.5                 | 56.8                  |
| Operating earnings                                    | \$110.8               | \$109.4          | \$109.8           | \$103.9              | \$99.3                |
| <b>FINANCIAL RATIOS</b>                               |                       |                  |                   |                      |                       |
| Return on average assets                              | 6.70 %                | 6.79 %           | 6.89 %            | 6.36 %               | 6.09 %                |
| Return on average equity                              | 19.2                  | 19.7             | 20.8              | 20.4                 | 19.7                  |
| Net interest margin (taxable-equivalent basis)        | 7.81                  | 7.41             | 7.17              | 6.80                 | 6.80                  |
| Efficiency ratio                                      | 47.6                  | 47.1             | 47.8              | 49.7                 | 50.5                  |

NOTE: The above schedule represents an analysis of U.S. Bancorp's quarterly operating activities. Operating earnings represent net income before merger and restructuring-related items and discontinued operations.

**PRIVATE CLIENT, TRUST AND ASSET MANAGEMENT**

| (Dollars in Millions)<br>(Unaudited)      | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>AVERAGE BALANCE SHEET</b>              |                       |                  |                   |                      |                       |
| <b>Loans</b>                              |                       |                  |                   |                      |                       |
| Commercial                                | \$1,592               | \$1,651          | \$1,668           | \$1,734              | \$1,857               |
| Commercial real estate                    | 610                   | 608              | 602               | 572                  | 567                   |
| Residential mortgages                     | 344                   | 297              | 279               | 282                  | 265                   |
| Retail                                    | 2,278                 | 2,205            | 2,107             | 2,108                | 1,960                 |
| Total loans                               | 4,824                 | 4,761            | 4,656             | 4,696                | 4,649                 |
| <b>Other Earning Assets</b>               |                       |                  |                   |                      |                       |
| Total earning assets                      | 4,832                 | 4,768            | 4,663             | 4,705                | 4,656                 |
| <b>Non-earning Assets</b>                 |                       |                  |                   |                      |                       |
| Goodwill                                  | 845                   | 813              | 769               | 741                  | 741                   |
| Other intangible assets                   | 362                   | 342              | 357               | 373                  | 389                   |
| Other non-earnings assets                 | 541                   | 556              | 625               | 667                  | 678                   |
| Total non-earning assets                  | 1,748                 | 1,711            | 1,751             | 1,781                | 1,808                 |
| Total assets                              | 6,580                 | 6,479            | 6,414             | 6,486                | 6,464                 |
| <b>Deposits</b>                           |                       |                  |                   |                      |                       |
| Noninterest-bearing deposits              | \$3,127               | \$3,246          | \$2,999           | \$3,033              | \$3,223               |
| Savings products                          | 7,854                 | 7,957            | 7,924             | 7,044                | 6,390                 |
| Time deposits                             | 568                   | 545              | 492               | 511                  | 471                   |
| Total deposits                            | 11,549                | 11,748           | 11,415            | 10,588               | 10,084                |
| <b>Other Interest-bearing Liabilities</b> |                       |                  |                   |                      |                       |
| Total liabilities                         | 12,533                | 12,737           | 12,402            | 11,750               | 11,294                |
| <b>Shareholders' Equity</b>               |                       |                  |                   |                      |                       |
| Total liabilities                         | 2,296                 | 2,239            | 2,123             | 2,022                | 1,995                 |
| <b>NET INTEREST SPREADS</b>               |                       |                  |                   |                      |                       |
| Total earning assets                      | 1.90 %                | 1.95 %           | 2.04 %            | 2.03 %               | 2.08 %                |
| Total assets                              | 1.11                  | 1.19             | 1.22              | 1.21                 | 1.23                  |
| Total deposits                            | 1.95                  | 1.68             | 1.58              | 1.61                 | 1.64                  |
| Total liabilities                         | 1.83                  | 1.58             | 1.48              | 1.46                 | 1.49                  |
| <b>CREDIT QUALITY</b>                     |                       |                  |                   |                      |                       |
| <b>Net Charge-offs</b>                    |                       |                  |                   |                      |                       |
| Commercial                                | \$1.4                 | \$6.3            | \$ .7             | \$1.2                | \$1.3                 |
| Commercial real estate                    | --                    | --               | --                | (.1)                 | .1                    |
| Residential mortgages                     | --                    | --               | --                | .4                   | --                    |
| Retail                                    | (.2)                  | 2.5              | .2                | (.1)                 | 1.8                   |
| Total loans                               | \$1.2                 | \$8.8            | \$ .9             | \$1.4                | \$3.2                 |
| <b>Net Charge-off Ratios</b>              |                       |                  |                   |                      |                       |
| Commercial                                | .35 %                 | 1.53 %           | .17 %             | .27 %                | .28 %                 |
| Commercial real estate                    | --                    | --               | --                | (.07)                | .07                   |
| Residential mortgages                     | --                    | --               | --                | .56                  | --                    |
| Retail                                    | (.03)                 | .46              | .04               | (.02)                | .36                   |
| Total loans                               | .10 %                 | .74 %            | .08 %             | .12 %                | .27 %                 |
| <b>Nonperforming Assets</b>               |                       |                  |                   |                      |                       |
| Nonperforming loans                       | \$5.6                 | \$7.8            | \$8.0             | \$8.9                | \$8.0                 |
| Other nonperforming assets                | --                    | --               | --                | --                   | --                    |
| Total nonperforming assets                | \$5.6                 | \$7.8            | \$8.0             | \$8.9                | \$8.0                 |

**PRIVATE CLIENT, TRUST AND ASSET MANAGEMENT**

| (Dollars in Millions)<br>(Unaudited)              | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>OTHER INFORMATION</b>                          |                       |                  |                   |                      |                       |
| <b>Trust and Investment Management Fees</b>       |                       |                  |                   |                      |                       |
| Private client                                    | \$66.0                | \$75.0           | \$68.3            | \$64.3               | \$63.6                |
| Asset management                                  | 64.7                  | 67.4             | 68.4              | 67.1                 | 65.1                  |
| Institutional trust                               | 23.0                  | 24.8             | 25.0              | 26.1                 | 23.9                  |
| Corporate trust                                   | 52.7                  | 49.8             | 50.2              | 53.4                 | 54.9                  |
| Fund services                                     | 30.2                  | 30.9             | 31.5              | 30.7                 | 27.1                  |
| Other   | .2                    | .1               | .2                | .1                   | .3                    |
| Total   | \$236.8               | \$248.0          | \$243.6           | \$241.7              | \$234.9               |
| <b>Assets Under Management by Asset Category*</b> |                       |                  |                   |                      |                       |
| Equity  | \$47,777              | \$49,222         | \$49,783          | \$46,765             | \$44,599              |
| Fixed income                                      | 38,279                | 37,289           | 38,114            | 36,254               | 36,566                |
| Money market                                      | 33,406                | 33,111           | 32,997            | 35,540               | 35,349                |
| Other   | 4,026                 | 4,347            | 3,846             | 4,841                | 4,529                 |
| Total   | \$123,488             | \$123,969        | \$124,740         | \$123,400            | \$121,043             |

\* Amounts reported reflect end of month balances reported on a one month lag.

Corporate Trust administered \$1.25 trillion in principal outstanding for corporate and municipal trusteeships as of 12/31/03, compared to \$.63 trillion as of 12/31/02. The increase is due to the State Street Corporate Trust acquisition which closed on 1/1/03.

**PAYMENT SERVICES**

| (Dollars in Millions)<br>(Unaudited)                  | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>INCOME STATEMENT</b>                               |                       |                  |                   |                      |                       |
| <b>Net Interest Income (taxable-equivalent basis)</b> | \$138.1               | \$141.5          | \$148.7           | \$151.4              | \$149.1               |
| <b>Noninterest Income</b>                             |                       |                  |                   |                      |                       |
| Credit and debit card revenue                         | 163.3                 | 157.9            | 140.8             | 152.6                | 136.8                 |
| Corporate payment products revenue                    | 108.5                 | 102.7            | 94.8              | 88.7                 | 95.7                  |
| ATM processing services                               | 30.2                  | 30.3             | 29.4              | 26.9                 | 26.6                  |
| Merchant processing services                          | 187.5                 | 165.1            | 141.0             | 145.9                | 146.3                 |
| Trust and investment management fees                  | --                    | --               | --                | --                   | --                    |
| Deposit service charges                               | --                    | --               | --                | --                   | --                    |
| Treasury management fees                              | --                    | --               | --                | --                   | --                    |
| Commercial products revenue                           | 3.1                   | 2.8              | 2.6               | 3.0                  | 2.7                   |
| Mortgage banking revenue                              | --                    | --               | --                | --                   | --                    |
| Investment products fees and commissions              | --                    | --               | --                | --                   | --                    |
| Securities gains (losses), net                        | --                    | --               | --                | --                   | --                    |
| Other   | 3.4                   | 4.9              | 2.5               | 3.2                  | 1.2                   |
| Total noninterest income                              | 496.0                 | 463.7            | 411.1             | 420.3                | 409.3                 |
| Total net revenue                                     | 634.1                 | 605.2            | 559.8             | 571.7                | 558.4                 |
| <b>Noninterest Expense</b>                            |                       |                  |                   |                      |                       |
| Compensation and employee benefits                    | 60.6                  | 55.5             | 56.3              | 52.6                 | 53.0                  |
| Net occupancy and equipment                           | 13.1                  | 11.2             | 11.1              | 7.4                  | 11.4                  |
| Other intangibles                                     | 39.6                  | 39.3             | 34.6              | 40.8                 | 39.8                  |
| Net shared services                                   | 40.3                  | 39.9             | 38.6              | 39.5                 | 40.1                  |
| Other   | 100.0                 | 85.2             | 72.3              | 72.9                 | 74.4                  |
| Total noninterest expense                             | 253.6                 | 231.1            | 212.9             | 213.2                | 218.7                 |
| Operating earnings before provision and income taxes  | 380.5                 | 374.1            | 346.9             | 358.5                | 339.7                 |
| <b>Provision for Credit Losses</b>                    | 89.6                  | 94.8             | 92.6              | 101.1                | 98.3                  |
| Operating earnings before income taxes                | 290.9                 | 279.3            | 254.3             | 257.4                | 241.4                 |
| Income taxes and taxable-equivalent adjustment        | 105.9                 | 101.6            | 92.5              | 93.7                 | 87.8                  |
| Operating earnings                                    | \$185.0               | \$177.7          | \$161.8           | \$163.7              | \$153.6               |
| <b>FINANCIAL RATIOS</b>                               |                       |                  |                   |                      |                       |
| Return on average assets                              | 5.23 %                | 5.33 %           | 4.98 %            | 4.72 %               | 4.46 %                |
| Return on average equity                              | 22.2                  | 23.0             | 21.5              | 21.3                 | 20.3                  |
| Net interest margin (taxable-equivalent basis)        | 5.14                  | 5.41             | 5.85              | 5.86                 | 5.86                  |
| Efficiency ratio                                      | 40.0                  | 38.2             | 38.0              | 37.3                 | 39.2                  |

NOTE: The above schedule represents an analysis of U.S. Bancorp's quarterly operating activities. Operating earnings represent net income before merger and restructuring-related items and discontinued operations.

**PAYMENT SERVICES**

| (Dollars in Millions)<br>(Unaudited)         | Three Months Ended    |                  |                   |                      |                       |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
|  | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>AVERAGE BALANCE SHEET</b>                 |                       |                  |                   |                      |                       |
| <b>Loans</b>                                 |                       |                  |                   |                      |                       |
| Commercial                                   | \$3,085               | \$3,039          | \$2,828           | \$2,993              | \$2,909               |
| Commercial real estate                       | --                    | --               | --                | --                   | --                    |
| Residential mortgages                        | --                    | --               | --                | --                   | --                    |
| Retail                                       | 7,590                 | 7,454            | 7,375             | 7,235                | 7,169                 |
| Total loans                                  | 10,675                | 10,493           | 10,203            | 10,228               | 10,078                |
| <b>Other Earning Assets</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 19                    | 26               | 29                | 20                   | 16                    |
| <b>Non-earning Assets</b>                    |                       |                  |                   |                      |                       |
| Goodwill                                     | 1,915                 | 1,823            | 1,815             | 1,815                | 1,813                 |
| Other intangible assets                      | 855                   | 764              | 650               | 661                  | 671                   |
| Other non-earnings assets                    | 617                   | 299              | 379               | 1,044                | 1,089                 |
| Total non-earning assets                     | 3,387                 | 2,886            | 2,844             | 3,520                | 3,573                 |
| Total assets                                 | 14,081                | 13,405           | 13,076            | 13,768               | 13,667                |
| <b>Deposits</b>                              |                       |                  |                   |                      |                       |
| Noninterest-bearing deposits                 | \$115                 | \$108            | \$115             | \$142                | \$178                 |
| Savings products                             | 12                    | 11               | 11                | 10                   | 10                    |
| Time deposits                                | --                    | --               | --                | --                   | --                    |
| Total deposits                               | 127                   | 119              | 126               | 152                  | 188                   |
| <b>Other Interest-bearing Liabilities</b>    |                       |                  |                   |                      |                       |
| Total liabilities                            | 347                   | 332              | 311               | 277                  | 221                   |
| <b>Other Noninterest-bearing Liabilities</b> |                       |                  |                   |                      |                       |
| Total liabilities                            | 644                   | 481              | 610               | 1,244                | 1,217                 |
| <b>Shareholders' Equity</b>                  |                       |                  |                   |                      |                       |
| Total liabilities                            | 3,320                 | 3,109            | 3,025             | 3,051                | 3,007                 |
| <b>NET INTEREST SPREADS</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 5.41 %                | 5.55 %           | 5.88 %            | 5.71 %               | 5.84 %                |
| Total assets                                 | 3.97                  | 4.31             | 4.56              | 4.16                 | 4.22                  |
| Total deposits                               | 3.13                  | 3.04             | 2.87              | 2.87                 | 2.74                  |
| Total liabilities                            | (7.37)                | (8.11)           | (6.11)            | (2.42)               | (3.12)                |
| <b>CREDIT QUALITY</b>                        |                       |                  |                   |                      |                       |
| <b>Net Charge-offs</b>                       |                       |                  |                   |                      |                       |
| Commercial                                   | \$9.7                 | \$12.3           | \$11.9            | \$15.5               | \$15.1                |
| Commercial real estate                       | --                    | --               | --                | --                   | --                    |
| Residential mortgages                        | --                    | --               | --                | --                   | --                    |
| Retail                                       | 79.9                  | 82.5             | 80.7              | 85.6                 | 83.2                  |
| Total loans                                  | \$89.6                | \$94.8           | \$92.6            | \$101.1              | \$98.3                |
| <b>Net Charge-off Ratios</b>                 |                       |                  |                   |                      |                       |
| Commercial                                   | 1.25 %                | 1.63 %           | 1.69 %            | 2.05 %               | 2.06 %                |
| Commercial real estate                       | --                    | --               | --                | --                   | --                    |
| Residential mortgages                        | --                    | --               | --                | --                   | --                    |
| Retail                                       | 4.19                  | 4.45             | 4.40              | 4.69                 | 4.60                  |
| Total loans                                  | 3.34 %                | 3.63 %           | 3.65 %            | 3.92 %               | 3.87 %                |
| <b>Nonperforming Assets</b>                  |                       |                  |                   |                      |                       |
| Nonperforming loans                          | \$1.4                 | \$1.4            | \$1.4             | \$1.7                | \$1.7                 |
| Other nonperforming assets                   | --                    | --               | --                | --                   | --                    |
| Total nonperforming assets                   | \$1.4                 | \$1.4            | \$1.4             | \$1.7                | \$1.7                 |

**PAYMENT SERVICES**

| (Dollars in Millions)<br>(Unaudited)       | Three Months Ended    |                  |                   |                      |                       |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
|  | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>OTHER INFORMATION</b>                   |                       |                  |                   |                      |                       |
| <b>Total noninterest income</b>            |                       |                  |                   |                      |                       |
| Retail payment solutions                   | \$165.8               | \$161.0          | \$143.2           | \$153.9              | \$138.5               |
| Corporate payment services                 | 109.7                 | 103.5            | 96.1              | 89.7                 | 96.6                  |
| Merchant information systems               | 190.1                 | 168.7            | 142.4             | 149.5                | 147.6                 |
| Transaction services                       | 30.4                  | 30.5             | 29.4              | 27.2                 | 26.6                  |
| Total                                      | \$496.0               | \$463.7          | \$411.1           | \$420.3              | \$409.3               |
| <b>Credit Card Charge Volume (Issuing)</b> |                       |                  |                   |                      |                       |
| Retail payment solutions                   | \$8,214               | \$8,051          | \$7,369           | \$7,918              | \$7,419               |
| Corporate payment services                 | 6,124                 | 5,668            | 5,290             | 5,013                | 5,342                 |
| Total                                      | \$14,338              | \$13,719         | \$12,659          | \$12,931             | \$12,761              |
| Merchant volume (acquiring)                | \$38,483              | \$33,646         | \$27,335          | \$27,447             | \$27,995              |
| # of merchant transactions                 | 439,386,415           | 377,871,997      | 281,525,868       | 294,787,064          | 293,422,658           |
| # of merchants                             | 657,996               | 636,295          | 605,944           | 606,550              | 609,465               |
| # of ATMs driven                           | 14,244                | 14,536           | 14,390            | 13,804               | 13,685                |
| # of Merchant ATMs                         | 2,166                 | 2,144            | 2,152             | 2,092                | 2,073                 |

**TREASURY AND CORPORATE SUPPORT**

| (Dollars in Millions)<br>(Unaudited)                  | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>INCOME STATEMENT</b>                               |                       |                  |                   |                      |                       |
| <b>Net Interest Income (taxable-equivalent basis)</b> | \$229.6               | \$258.9          | \$282.8           | \$288.7              | \$256.4               |
| <b>Noninterest Income</b>                             |                       |                  |                   |                      |                       |
| Credit and debit card revenue                         | .7                    | .7               | .8                | .7                   | .6                    |
| Corporate payment products revenue                    | --                    | --               | --                | --                   | --                    |
| ATM processing services                               | --                    | --               | --                | .1                   | --                    |
| Merchant processing services                          | --                    | (.1)             | .1                | --                   | --                    |
| Trust and investment management fees                  | (.2)                  | (.3)             | .1                | (2.2)                | (.6)                  |
| Deposit service charges                               | (.1)                  | .1               | (.1)              | (.2)                 | .1                    |
| Treasury management fees                              | --                    | .1               | --                | --                   | .1                    |
| Commercial products revenue                           | (.8)                  | (.6)             | (1.3)             | (.7)                 | (6.5)                 |
| Mortgage banking revenue                              | (.6)                  | (.8)             | (.6)              | (.6)                 | (1.3)                 |
| Investment products fees and commissions              | .1                    | --               | --                | --                   | (.1)                  |
| Securities gains (losses), net                        | (.2)                  | (.6)             | (.9)              | (.1)                 | (.2)                  |
| Other   | 56.3                  | 44.9             | 50.7              | 64.1                 | 59.5                  |
| Total noninterest income                              | 55.2                  | 43.4             | 48.8              | 61.1                 | 51.6                  |
| Total net revenue                                     | 284.8                 | 302.3            | 331.6             | 349.8                | 308.0                 |
| <b>Noninterest Expense</b>                            |                       |                  |                   |                      |                       |
| Compensation and employee benefits                    | 221.4                 | 223.0            | 184.0             | 186.9                | 185.8                 |
| Net occupancy and equipment                           | 25.3                  | 21.7             | 24.1              | 34.0                 | 30.9                  |
| Other intangibles                                     | 1.4                   | 1.4              | 1.4               | 1.2                  | 1.7                   |
| Net shared services                                   | (256.9)               | (260.5)          | (255.6)           | (265.4)              | (276.7)               |
| Other   | 219.0                 | 214.5            | 223.6             | 180.9                | 208.9                 |
| Total noninterest expense                             | 210.2                 | 200.1            | 177.5             | 137.6                | 150.6                 |
| Operating earnings before provision and income taxes  | 74.6                  | 102.2            | 154.1             | 212.2                | 157.4                 |
| <b>Provision for Credit Losses</b>                    | (1.1)                 | (1.1)            | .4                | .4                   | (1.4)                 |
| Operating earnings before income taxes                | 75.7                  | 103.3            | 153.7             | 211.8                | 158.8                 |
| Income taxes and taxable-equivalent adjustment        | (6.5)                 | 8.3              | (57.2)            | 51.1                 | 32.7                  |
| Operating earnings                                    | \$82.2                | \$95.0           | \$210.9           | \$160.7              | \$126.1               |
| <b>FINANCIAL RATIOS</b>                               |                       |                  |                   |                      |                       |
| Return on average assets                              | nm %                  | nm %             | nm %              | nm %                 | nm %                  |
| Return on average equity                              | nm                    | nm               | nm                | nm                   | nm                    |
| Net interest margin (taxable-equivalent basis)        | nm                    | nm               | nm                | nm                   | nm                    |
| Efficiency ratio                                      | nm                    | nm               | nm                | nm                   | nm                    |

NOTE: The above schedule represents an analysis of U.S. Bancorp's quarterly operating activities. Operating earnings represent net income before merger and restructuring-related items and discontinued operations.

**TREASURY AND CORPORATE SUPPORT**

| (Dollars in Millions)<br>(Unaudited)         | Three Months Ended    |                  |                   |                      |                       |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
|  | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>AVERAGE BALANCE SHEET</b>                 |                       |                  |                   |                      |                       |
| <b>Loans</b>                                 |                       |                  |                   |                      |                       |
| Commercial                                   | \$211                 | \$180            | \$131             | \$171                | \$216                 |
| Commercial real estate                       | 127                   | 147              | 162               | 167                  | 166                   |
| Residential mortgages                        | 9                     | 9                | 13                | 14                   | 12                    |
| Retail                                       | 59                    | 50               | 43                | 38                   | 48                    |
| Total loans                                  | 406                   | 386              | 349               | 390                  | 442                   |
| <b>Other Earning Assets</b>                  | 43,314                | 43,319           | 45,577            | 41,560               | 38,617                |
| Total earning assets                         | 43,720                | 43,705           | 45,926            | 41,950               | 39,059                |
| <b>Non-earning Assets</b>                    |                       |                  |                   |                      |                       |
| Goodwill                                     | --                    | --               | --                | 302                  | 306                   |
| Other intangible assets                      | 7                     | 8                | 9                 | 11                   | 12                    |
| Other non-earnings assets                    | 6,139                 | 6,276            | 6,848             | 8,192                | 7,892                 |
| Total non-earning assets                     | 6,146                 | 6,284            | 6,857             | 8,505                | 8,210                 |
| Total assets                                 | 49,866                | 49,989           | 52,783            | 50,455               | 47,269                |
| <b>Deposits</b>                              |                       |                  |                   |                      |                       |
| Noninterest-bearing deposits                 | \$(267)               | \$(210)          | \$(244)           | \$(243)              | \$(173)               |
| Savings products                             | 29                    | 17               | 15                | (9)                  | (8)                   |
| Time deposits                                | 2,632                 | 2,914            | 3,342             | 2,760                | 3,689                 |
| Total deposits                               | 2,394                 | 2,721            | 3,113             | 2,508                | 3,508                 |
| <b>Other Interest-bearing Liabilities</b>    | 44,013                | 42,222           | 41,775            | 39,600               | 39,895                |
| <b>Other Noninterest-bearing Liabilities</b> | 2,603                 | 2,528            | 2,510             | 3,675                | 3,319                 |
| Total liabilities                            | 49,010                | 47,471           | 47,398            | 45,783               | 46,722                |
| <b>Shareholders' Equity</b>                  | 2,612                 | 2,609            | 3,000             | 3,759                | 3,427                 |
| <b>NET INTEREST SPREADS</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | nm %                  | nm %             | nm %              | nm %                 | nm %                  |
| Total assets                                 | nm                    | nm               | nm                | nm                   | nm                    |
| Total deposits                               | nm                    | nm               | nm                | nm                   | nm                    |
| Total liabilities                            | nm                    | nm               | nm                | nm                   | nm                    |
| <b>CREDIT QUALITY</b>                        |                       |                  |                   |                      |                       |
| <b>Net Charge-offs</b>                       |                       |                  |                   |                      |                       |
| Commercial                                   | \$(.7)                | \$(1.3)          | \$(1.2)           | \$(1.1)              | \$(1.4)               |
| Commercial real estate                       | --                    | .1               | (.1)              | --                   | (.2)                  |
| Residential mortgages                        | (.4)                  | .2               | .5                | .5                   | .1                    |
| Retail                                       | --                    | (.1)             | .1                | .1                   | --                    |
| Total loans                                  | \$(1.1)               | \$(1.1)          | \$(.7)            | \$(.5)               | \$(1.5)               |
| <b>Net Charge-off Ratios</b>                 |                       |                  |                   |                      |                       |
| Commercial                                   | nm %                  | nm %             | nm %              | nm %                 | nm %                  |
| Commercial real estate                       | nm                    | nm               | nm                | nm                   | nm                    |
| Residential mortgages                        | nm                    | nm               | nm                | nm                   | nm                    |
| Retail                                       | nm                    | nm               | nm                | nm                   | nm                    |
| Total loans                                  | nm %                  | nm %             | nm %              | nm %                 | nm %                  |
| <b>Nonperforming Assets</b>                  |                       |                  |                   |                      |                       |
| Nonperforming loans                          | \$ --                 | \$ --            | \$ .3             | \$ .3                | \$ .6                 |
| Other nonperforming assets                   | .2                    | .3               | .3                | .2                   | .5                    |
| Total nonperforming assets                   | \$.2                  | \$.3             | \$.6              | \$.5                 | \$1.1                 |



**CONSOLIDATED COMPANY**

| (Dollars in Millions)<br>(Unaudited)                  | Three Months Ended    |                  |                   |                      |                       |
|---|-----------------------|------------------|-------------------|----------------------|-----------------------|
|   | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>INCOME STATEMENT</b>                               |                       |                  |                   |                      |                       |
| <b>Net Interest Income (taxable-equivalent basis)</b> | \$1,781.7             | \$1,779.4        | \$1,779.0         | \$1,816.7            | \$1,825.5             |
| <b>Noninterest Income</b>                             |                       |                  |                   |                      |                       |
| Credit and debit card revenue                         | 164.3                 | 158.8            | 141.8             | 153.4                | 137.6                 |
| Corporate payment products revenue                    | 108.5                 | 102.7            | 94.8              | 88.7                 | 95.7                  |
| ATM processing services                               | 45.2                  | 44.9             | 42.2              | 40.3                 | 41.3                  |
| Merchant processing services                          | 187.5                 | 165.1            | 141.1             | 146.0                | 146.3                 |
| Trust and investment management fees                  | 240.2                 | 251.7            | 248.6             | 246.6                | 239.8                 |
| Deposit service charges                               | 207.4                 | 202.1            | 185.2             | 186.6                | 187.0                 |
| Treasury management fees                              | 117.9                 | 121.5            | 117.5             | 116.3                | 126.2                 |
| Commercial products revenue                           | 106.7                 | 107.4            | 110.4             | 98.5                 | 97.8                  |
| Mortgage banking revenue                              | 97.2                  | 109.9            | 94.2              | 91.9                 | 89.5                  |
| Investment products fees and commissions              | 37.1                  | 42.2             | 39.3              | 36.2                 | 35.5                  |
| Securities gains (losses), net                        | 87.3                  | (171.7)          | --                | (.1)                 | (108.9)               |
| Other   | 124.7                 | 107.1            | 103.2             | 92.2                 | 89.6                  |
| Total noninterest income                              | 1,524.0               | 1,241.7          | 1,318.3           | 1,296.6              | 1,177.4               |
| Total net revenue                                     | 3,305.7               | 3,021.1          | 3,097.3           | 3,113.3              | 3,002.9               |
| <b>Noninterest Expense</b>                            |                       |                  |                   |                      |                       |
| Compensation and employee benefits                    | 664.6                 | 663.8            | 636.0             | 620.7                | 619.6                 |
| Net occupancy and equipment                           | 159.2                 | 153.4            | 155.7             | 161.6                | 161.3                 |
| Other intangibles                                     | 210.2                 | (47.6)           | 226.1             | 124.2                | 10.8                  |
| Net shared services                                   | --                    | --               | --                | --                   | --                    |
| Other   | 485.0                 | 463.0            | 437.1             | 428.3                | 451.4                 |
| Total noninterest expense                             | 1,519.0               | 1,232.6          | 1,454.9           | 1,334.8              | 1,243.1               |
| Operating earnings before provision and income taxes  | 1,786.7               | 1,788.5          | 1,642.4           | 1,778.5              | 1,759.8               |
| <b>Provision for Credit Losses</b>                    | 165.1                 | 204.5            | 235.0             | 286.0                | 310.0                 |
| Operating earnings before income taxes                | 1,621.6               | 1,584.0          | 1,407.4           | 1,492.5              | 1,449.8               |
| Income taxes and taxable-equivalent adjustment        | 556.1                 | 547.1            | 399.0             | 517.2                | 502.4                 |
| Operating earnings                                    | \$1,065.5             | \$1,036.9        | \$1,008.4         | \$975.3              | \$947.4               |
| <b>FINANCIAL RATIOS</b>                               |                       |                  |                   |                      |                       |
| Return on average assets                              | 2.21 %                | 2.19 %           | 2.14 %            | 2.04 %               | 1.98 %                |
| Return on average equity                              | 21.9                  | 21.9             | 20.7              | 19.3                 | 19.4                  |
| Net interest margin (taxable-equivalent basis)        | 4.22                  | 4.28             | 4.29              | 4.42                 | 4.43                  |
| Efficiency ratio                                      | 47.2                  | 38.6             | 47.0              | 42.9                 | 39.9                  |

NOTE: The above schedule represents an analysis of U.S. Bancorp's quarterly operating activities. Operating earnings represent net income before merger and restructuring-related items and discontinued operations.

**CONSOLIDATED COMPANY**

| (Dollars in Millions)<br>(Unaudited)         | Three Months Ended    |                  |                   |                      |                       |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
|  | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>AVERAGE BALANCE SHEET</b>                 |                       |                  |                   |                      |                       |
| <b>Loans</b>                                 |                       |                  |                   |                      |                       |
| Commercial                                   | \$39,317              | \$39,330         | \$38,531          | \$40,039             | \$41,980              |
| Commercial real estate                       | 27,194                | 27,116           | 27,110            | 27,290               | 27,397                |
| Residential mortgages                        | 14,569                | 14,052           | 13,610            | 13,374               | 12,234                |
| Retail                                       | 41,826                | 40,663           | 39,559            | 38,597               | 38,371                |
| Total loans                                  | 122,906               | 121,161          | 118,810           | 119,300              | 119,982               |
| <b>Other Earning Assets</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 168,187               | 166,990          | 166,359           | 163,705              | 163,865               |
| <b>Non-earning Assets</b>                    |                       |                  |                   |                      |                       |
| Goodwill                                     | 6,228                 | 6,104            | 6,052             | 6,326                | 6,328                 |
| Other intangible assets                      | 2,452                 | 2,261            | 2,096             | 2,122                | 2,029                 |
| Other non-earnings assets                    | 14,718                | 15,075           | 15,156            | 17,302               | 18,019                |
| Total non-earning assets                     | 23,398                | 23,440           | 23,304            | 25,750               | 26,376                |
| Total assets                                 | 191,585               | 190,430          | 189,663           | 189,455              | 190,241               |
| <b>Deposits</b>                              |                       |                  |                   |                      |                       |
| Noninterest-bearing deposits                 | \$29,791              | \$30,607         | \$29,025          | \$29,647             | \$31,907              |
| Savings products                             | 58,121                | 60,917           | 61,243            | 61,654               | 59,974                |
| Time deposits                                | 27,404                | 25,592           | 25,751            | 24,968               | 26,075                |
| Total deposits                               | 115,316               | 117,116          | 116,019           | 116,269              | 117,956               |
| <b>Other Interest-bearing Liabilities</b>    |                       |                  |                   |                      |                       |
| Total liabilities                            | 50,581                | 48,310           | 47,972            | 45,368               | 45,644                |
| <b>Other Noninterest-bearing Liabilities</b> |                       |                  |                   |                      |                       |
| Total liabilities                            | 6,301                 | 5,961            | 6,088             | 7,812                | 7,281                 |
| Total liabilities                            | 172,198               | 171,387          | 170,079           | 169,449              | 170,881               |
| <b>Shareholders' Equity</b>                  |                       |                  |                   |                      |                       |
| Total liabilities                            | 19,387                | 19,043           | 19,584            | 20,006               | 19,360                |
| <b>NET INTEREST SPREADS</b>                  |                       |                  |                   |                      |                       |
| Total earning assets                         | 5.48 %                | 5.42 %           | 5.50 %            | 5.58 %               | 5.63 %                |
| Total assets                                 | 4.80                  | 4.74             | 4.80              | 4.81                 | 4.83                  |
| Total deposits                               | (.76)                 | (.70)            | (.79)             | (.84)                | (.86)                 |
| Total liabilities                            | (1.22)                | (1.09)           | (1.15)            | (1.12)               | (1.14)                |
| <b>CREDIT QUALITY</b>                        |                       |                  |                   |                      |                       |
| <b>Net Charge-offs</b>                       |                       |                  |                   |                      |                       |
| Commercial                                   | \$20.9                | \$54.6           | \$74.9            | \$115.8              | \$143.1               |
| Commercial real estate                       | 5.2                   | 2.5              | 9.3               | 12.9                 | 10.5                  |
| Residential mortgages                        | 6.7                   | 7.3              | 7.3               | 7.2                  | 7.3                   |
| Retail                                       | 132.3                 | 140.1            | 142.4             | 149.2                | 149.0                 |
| Total loans                                  | \$165.1               | \$204.5          | \$233.9           | \$285.1              | \$309.9               |
| <b>Net Charge-off Ratios</b>                 |                       |                  |                   |                      |                       |
| Commercial                                   | .21 %                 | .56 %            | .78 %             | 1.15 %               | 1.35 %                |
| Commercial real estate                       | .08                   | .04              | .14               | .19                  | .15                   |
| Residential mortgages                        | .18                   | .21              | .22               | .21                  | .24                   |
| Retail                                       | 1.26                  | 1.39             | 1.45              | 1.53                 | 1.54                  |
| Total loans                                  | .53 %                 | .68 %            | .79 %             | .95 %                | 1.02 %                |
| <b>Nonperforming Assets</b>                  |                       |                  |                   |                      |                       |
| Nonperforming loans                          | \$702.5               | \$791.9          | \$917.3           | \$1,020.0            | \$1,174.9             |
| Other nonperforming assets                   | 102.1                 | 119.0            | 129.3             | 128.1                | 143.4                 |
| Total nonperforming assets                   | \$804.6               | \$910.9          | \$1,046.6         | \$1,148.1            | \$1,318.3             |