## WHOLESALE BANKING

### INCOME STATEMENT

<table>
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<tbody>
<tr>
<td><strong>Net Interest Income</strong> (taxable-equivalent basis)</td>
<td>$416.5</td>
<td>$399.5</td>
<td>$399.7</td>
<td>$395.9</td>
<td>$403.2</td>
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<td><strong>Noninterest Income</strong></td>
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<tr>
<td>Credit and debit card revenue</td>
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<tr>
<td>Corporate payment products revenue</td>
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<td>ATM processing services</td>
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<td>Merchant processing services</td>
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<td>Trust and investment management fees</td>
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<td>88.6</td>
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<td>Commercial products revenue</td>
<td>89.9</td>
<td>87.0</td>
<td>87.3</td>
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<td>Mortgage banking revenue</td>
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<td>Investment products fees and commissions</td>
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<td>Securities gains (losses), net</td>
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<td>Other</td>
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<td>8.9</td>
<td>10.5</td>
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<td><strong>Total noninterest income</strong></td>
<td>186.2</td>
<td>183.1</td>
<td>189.8</td>
<td>192.5</td>
<td>181.5</td>
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<td><strong>Total net revenue</strong></td>
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<td>582.6</td>
<td>589.5</td>
<td>588.4</td>
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### Noninterest Expense

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<td>Compensation and employee benefits</td>
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<td>45.1</td>
<td>45.1</td>
<td>48.5</td>
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<td>Net occupancy and equipment</td>
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<td>8.7</td>
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<td>8.4</td>
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<td>Other intangibles</td>
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<td>4.5</td>
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<td>4.8</td>
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<td>Net shared services</td>
<td>80.1</td>
<td>80.9</td>
<td>83.3</td>
<td>80.4</td>
<td>80.5</td>
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<tr>
<td>Other</td>
<td>22.7</td>
<td>19.6</td>
<td>20.8</td>
<td>17.9</td>
<td>25.5</td>
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<td><strong>Total noninterest expense</strong></td>
<td>162.1</td>
<td>158.8</td>
<td>162.6</td>
<td>160.0</td>
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### Operating earnings before provision and income taxes

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<td>Operating earnings before provision and income taxes</td>
<td>440.6</td>
<td>423.8</td>
<td>426.9</td>
<td>428.4</td>
<td>418.2</td>
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### Provision for Credit Losses

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<tbody>
<tr>
<td>Operating earnings before income taxes</td>
<td>447.9</td>
<td>436.5</td>
<td>418.3</td>
<td>394.4</td>
<td>343.5</td>
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<tr>
<td>Income taxes and taxable-equivalent adjustment</td>
<td>163.0</td>
<td>158.8</td>
<td>152.2</td>
<td>143.5</td>
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<td><strong>Operating earnings</strong></td>
<td>$284.9</td>
<td>$277.7</td>
<td>$266.1</td>
<td>$250.9</td>
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### FINANCIAL RATIOS

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<tbody>
<tr>
<td>Return on average assets</td>
<td>2.29 %</td>
<td>2.26 %</td>
<td>2.16 %</td>
<td>2.08 %</td>
<td>1.74 %</td>
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<tr>
<td>Return on average equity</td>
<td>21.9</td>
<td>22.1</td>
<td>21.5</td>
<td>19.6</td>
<td>17.1</td>
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<tr>
<td>Net interest margin (taxable-equivalent basis)</td>
<td>3.79</td>
<td>3.72</td>
<td>3.75</td>
<td>3.75</td>
<td>3.65</td>
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<td>Efficiency ratio</td>
<td>26.9</td>
<td>27.3</td>
<td>27.6</td>
<td>27.2</td>
<td>28.5</td>
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**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.
### AVERAGE BALANCE SHEET

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<tbody>
<tr>
<td><strong>Loans</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Commercial</td>
<td>$27,264</td>
<td>$26,608</td>
<td>$26,697</td>
<td>$26,123</td>
<td>$27,200</td>
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<tr>
<td>Commercial real estate</td>
<td>16,075</td>
<td>15,789</td>
<td>15,836</td>
<td>15,970</td>
<td>16,316</td>
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<tr>
<td>Residential mortgages</td>
<td>71</td>
<td>77</td>
<td>69</td>
<td>69</td>
<td>87</td>
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<tr>
<td>Retail</td>
<td>52</td>
<td>55</td>
<td>50</td>
<td>52</td>
<td>56</td>
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<tr>
<td><strong>Total loans</strong></td>
<td>$43,462</td>
<td>$42,529</td>
<td>$42,652</td>
<td>$42,214</td>
<td>$43,659</td>
</tr>
<tr>
<td><strong>Other Earning Assets</strong></td>
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</tr>
<tr>
<td>Non-earning Assets</td>
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<tr>
<td>Goodwill</td>
<td>$1,225</td>
<td>$1,225</td>
<td>$1,225</td>
<td>$1,225</td>
<td>$1,225</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>81</td>
<td>85</td>
<td>89</td>
<td>94</td>
<td>99</td>
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<tr>
<td>Other non-earnings assets</td>
<td>4,423</td>
<td>4,721</td>
<td>5,251</td>
<td>4,755</td>
<td>4,772</td>
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<td><strong>Total non-earning assets</strong></td>
<td>$5,729</td>
<td>6,031</td>
<td>6,565</td>
<td>6,074</td>
<td>6,096</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>$49,391</td>
<td>$48,808</td>
<td>$49,450</td>
<td>$48,522</td>
<td>$49,950</td>
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<tr>
<td><strong>Deposits</strong></td>
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<tr>
<td>Noninterest-bearing deposits</td>
<td>$12,376</td>
<td>$12,583</td>
<td>$13,292</td>
<td>$11,462</td>
<td>$12,837</td>
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<tr>
<td>Savings products</td>
<td>$8,529</td>
<td>$8,563</td>
<td>$10,792</td>
<td>$11,462</td>
<td>$13,168</td>
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<tr>
<td>Time deposits</td>
<td>$9,871</td>
<td>$8,364</td>
<td>$6,289</td>
<td>$5,514</td>
<td>$4,671</td>
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<tr>
<td><strong>Total deposits</strong></td>
<td>$30,776</td>
<td>$29,510</td>
<td>$30,373</td>
<td>$29,617</td>
<td>$30,676</td>
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<td><strong>Other Interest-bearing Liabilities</strong></td>
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<tr>
<td>Other Noninterest-bearing Liabilities</td>
<td>$5,711</td>
<td>$4,672</td>
<td>$4,301</td>
<td>$4,455</td>
<td>$3,895</td>
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<td><strong>Total liabilities</strong></td>
<td>$37,607</td>
<td>$35,295</td>
<td>$35,814</td>
<td>$35,194</td>
<td>$35,725</td>
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<td><strong>Shareholders' Equity</strong></td>
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<td>$5,004</td>
<td>$4,986</td>
<td>$5,151</td>
<td>$5,080</td>
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### NET INTEREST SPREADS

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<tbody>
<tr>
<td><strong>Total earning assets</strong></td>
<td>2.33 %</td>
<td>2.33 %</td>
<td>2.42 %</td>
<td>2.41 %</td>
<td>2.33 %</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1.81</td>
<td>1.80</td>
<td>1.86</td>
<td>1.89</td>
<td>1.83</td>
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<tr>
<td><strong>Total deposits</strong></td>
<td>1.60</td>
<td>1.51</td>
<td>1.40</td>
<td>1.34</td>
<td>1.32</td>
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<tr>
<td><strong>Total liabilities</strong></td>
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<td>1.46</td>
<td>1.37</td>
<td>1.32</td>
<td>1.32</td>
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### CREDIT QUALITY

#### Net Charge-offs

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</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$(12.5)</td>
<td>$(14.1)</td>
<td>$8.1</td>
<td>$35.4</td>
<td>$69.7</td>
</tr>
<tr>
<td>Commercial real estate</td>
<td>5.1</td>
<td>1.4</td>
<td>.5</td>
<td>(2.1)</td>
<td>3.6</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>(.2)</td>
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<tr>
<td>Retail</td>
<td>.1</td>
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<td>.9</td>
<td>1.4</td>
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<tr>
<td><strong>Total loans</strong></td>
<td>$(7.3)</td>
<td>$(12.7)</td>
<td>$8.6</td>
<td>$34.0</td>
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#### Net Charge-off Ratios

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<tbody>
<tr>
<td>Commercial</td>
<td>(.18) %</td>
<td>(.21) %</td>
<td>.12 %</td>
<td>.55 %</td>
<td>1.02 %</td>
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<tr>
<td>Commercial real estate</td>
<td>.13</td>
<td>.04</td>
<td>.01</td>
<td>(.05)</td>
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<tr>
<td>Residential mortgages</td>
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<td>(1.17)</td>
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<tr>
<td>Retail</td>
<td>.77</td>
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<td>6.96</td>
<td>9.92</td>
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<tr>
<td><strong>Total loans</strong></td>
<td>(.07) %</td>
<td>(.12) %</td>
<td>.08 %</td>
<td>.32 %</td>
<td>.68 %</td>
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### Nonperforming Assets

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<tr>
<td>Nonperforming loans</td>
<td>$357.8</td>
<td>$402.5</td>
<td>$474.0</td>
<td>$565.1</td>
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<tr>
<td>Other nonperforming assets</td>
<td>33.3</td>
<td>32.6</td>
<td>49.8</td>
<td>52.9</td>
<td>55.1</td>
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<td><strong>Total nonperforming assets</strong></td>
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<td>$523.8</td>
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## WHOLESALE BANKING

### Three Months Ended

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<tr>
<td><strong>(Dollars in Millions)</strong></td>
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<td><strong>(Unaudited)</strong></td>
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<td><strong>OTHER INFORMATION</strong></td>
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<td><strong>Average Loan Balances</strong></td>
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<td>Middle market</td>
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<td>$10,530</td>
<td>$10,449</td>
<td>$10,462</td>
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<td>Commercial real estate division</td>
<td>14,135</td>
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<td>13,815</td>
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<td>Equipment finance</td>
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<td>3,636</td>
<td>3,780</td>
<td>3,909</td>
<td>4,082</td>
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<td>Specialized industries</td>
<td>4,739</td>
<td>4,408</td>
<td>4,660</td>
<td>4,473</td>
<td>4,764</td>
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<td>National corporate</td>
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<td>4,240</td>
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<td>Correspondent banking</td>
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<td>1,001</td>
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<td>Other</td>
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<td>564</td>
<td>558</td>
<td>565</td>
<td>357</td>
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<tr>
<td><strong>Total loans</strong></td>
<td><strong>$43,462</strong></td>
<td><strong>$42,529</strong></td>
<td><strong>$42,652</strong></td>
<td><strong>$42,214</strong></td>
<td><strong>$43,659</strong></td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
<td></td>
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<tr>
<td>Commercial</td>
<td>$24,610</td>
<td>$23,860</td>
<td>$23,878</td>
<td>$23,176</td>
<td>$24,109</td>
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<td>Lease financing</td>
<td>2,654</td>
<td>2,748</td>
<td>2,819</td>
<td>2,947</td>
<td>3,091</td>
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<tr>
<td><strong>Total commercial</strong></td>
<td><strong>$27,264</strong></td>
<td><strong>$26,608</strong></td>
<td><strong>$26,697</strong></td>
<td><strong>$26,123</strong></td>
<td><strong>$27,200</strong></td>
</tr>
<tr>
<td><strong>Net Charge-off Ratios</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>(.20) %</td>
<td>(.35) %</td>
<td>.12 %</td>
<td>.37 %</td>
<td>1.02 %</td>
</tr>
<tr>
<td>Lease financing</td>
<td>.01</td>
<td>.98</td>
<td>.17</td>
<td>1.88</td>
<td>.96</td>
</tr>
<tr>
<td><strong>Total commercial</strong></td>
<td>(.18) %</td>
<td>(.21) %</td>
<td>.12 %</td>
<td>.55 %</td>
<td>1.02 %</td>
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# CONSUMER BANKING

(Dollars in Millions)  

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<td><strong>INCOME STATEMENT</strong></td>
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<tr>
<td><strong>Net Interest Income (taxable-equivalent basis)</strong></td>
<td>$957.1</td>
<td>$919.6</td>
<td>$891.3</td>
<td>$868.5</td>
<td>$892.7</td>
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<tr>
<td><strong>Noninterest Income</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit and debit card revenue</td>
<td>.3</td>
<td>.3</td>
<td>.2</td>
<td>.2</td>
<td>.1</td>
</tr>
<tr>
<td>Corporate payment products revenue</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
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<td>ATM processing services</td>
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<td>Deposit service charges</td>
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<td>Treasury management fees</td>
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<td>30.3</td>
<td>30.4</td>
<td>30.4</td>
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<tr>
<td>Commercial products revenue</td>
<td>18.0</td>
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<td>17.4</td>
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<td>12.6</td>
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<td>Mortgage banking revenue</td>
<td>96.8</td>
<td>97.8</td>
<td>110.7</td>
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<td>92.5</td>
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<td>Investment products fees and commissions</td>
<td>37.2</td>
<td>36.8</td>
<td>42.1</td>
<td>39.2</td>
<td>36.5</td>
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<tr>
<td>Securities gains (losses), net</td>
<td>.4</td>
<td>86.9</td>
<td>(171.1)</td>
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<tr>
<td>Other</td>
<td>45.5</td>
<td>56.9</td>
<td>44.9</td>
<td>39.1</td>
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<tr>
<td>Total noninterest income</td>
<td>453.2</td>
<td>549.6</td>
<td>291.0</td>
<td>416.6</td>
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<td><strong>Total net revenue</strong></td>
<td>1,410.3</td>
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<td>1,182.3</td>
<td>1,285.1</td>
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<td><strong>Noninterest Expense</strong></td>
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<td>Compensation and employee benefits</td>
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<td>260.8</td>
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<td>265.0</td>
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<td>Net occupancy and equipment</td>
<td>100.0</td>
<td>99.0</td>
<td>99.0</td>
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<tr>
<td>Other intangibles</td>
<td>93.4</td>
<td>148.7</td>
<td>(108.0)</td>
<td>170.3</td>
<td>60.7</td>
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<td>Net shared services</td>
<td>118.8</td>
<td>120.9</td>
<td>122.2</td>
<td>121.3</td>
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<td>Other</td>
<td>120.5</td>
<td>113.6</td>
<td>110.7</td>
<td>95.2</td>
<td>113.8</td>
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<td>Total noninterest expense</td>
<td>690.9</td>
<td>743.0</td>
<td>483.8</td>
<td>751.1</td>
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<tr>
<td>Operating earnings before provision and income taxes</td>
<td>719.4</td>
<td>726.2</td>
<td>698.5</td>
<td>534.0</td>
<td>624.8</td>
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<td><strong>Provision for Credit Losses</strong></td>
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<td>Operating earnings before income taxes</td>
<td>632.9</td>
<td>638.1</td>
<td>605.1</td>
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<td>Income taxes and taxable-equivalent adjustment</td>
<td>230.3</td>
<td>232.2</td>
<td>220.2</td>
<td>155.3</td>
<td>187.9</td>
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<td>Operating earnings</td>
<td>$402.6</td>
<td>$405.9</td>
<td>$384.9</td>
<td>$271.6</td>
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**FINANCIAL RATIOS**

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<tbody>
<tr>
<td>Return on average assets</td>
<td>2.16 %</td>
<td>2.24 %</td>
<td>2.18 %</td>
<td>1.59 %</td>
<td>1.89 %</td>
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<tr>
<td>Return on average equity</td>
<td>25.2</td>
<td>26.2</td>
<td>25.4</td>
<td>17.4</td>
<td>21.4</td>
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<tr>
<td>Net interest margin (taxable-equivalent basis)</td>
<td>5.61</td>
<td>5.53</td>
<td>5.51</td>
<td>5.54</td>
<td>5.63</td>
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<tr>
<td>Efficiency ratio</td>
<td>49.0</td>
<td>53.8</td>
<td>35.7</td>
<td>58.4</td>
<td>51.2</td>
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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.
## U.S. Bancorp

**CONSUMER BANKING**

(Dollars in Millions)  (Unaudited)

### Three Months Ended

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<tr>
<td><strong>AVERAGE BALANCE SHEET</strong></td>
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<tr>
<td><strong>Loans</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Commercial</td>
<td>$7,757</td>
<td>$7,813</td>
<td>$7,754</td>
<td>$7,771</td>
<td>$7,932</td>
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<td>Commercial real estate</td>
<td>10,841</td>
<td>10,668</td>
<td>10,525</td>
<td>10,375</td>
<td>10,234</td>
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<td>Residential mortgages</td>
<td>14,595</td>
<td>14,139</td>
<td>13,677</td>
<td>13,249</td>
<td>12,991</td>
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<tr>
<td>Retail</td>
<td>32,559</td>
<td>31,844</td>
<td>30,904</td>
<td>29,982</td>
<td>29,160</td>
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<tr>
<td><strong>Total loans</strong></td>
<td>$65,752</td>
<td>$64,464</td>
<td>$62,860</td>
<td>$61,377</td>
<td>$60,317</td>
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<td><strong>Other Earning Assets</strong></td>
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<tr>
<td></td>
<td>2,170</td>
<td>1,692</td>
<td>2,244</td>
<td>1,702</td>
<td>2,621</td>
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<tr>
<td><strong>Total earning assets</strong></td>
<td>67,922</td>
<td>66,156</td>
<td>65,104</td>
<td>63,079</td>
<td>62,938</td>
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<tr>
<td><strong>Non-earning Assets</strong></td>
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<tr>
<td>Goodwill</td>
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<td>2,243</td>
<td>2,243</td>
<td>2,243</td>
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<td>Other intangible assets</td>
<td>1,103</td>
<td>1,143</td>
<td>1,058</td>
<td>986</td>
<td>978</td>
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<tr>
<td>Other non-earnings assets</td>
<td>2,824</td>
<td>2,701</td>
<td>2,693</td>
<td>2,549</td>
<td>2,628</td>
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<tr>
<td><strong>Total non-earning assets</strong></td>
<td>6,170</td>
<td>6,087</td>
<td>5,994</td>
<td>5,778</td>
<td>5,849</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>74,092</td>
<td>72,243</td>
<td>71,098</td>
<td>68,857</td>
<td>68,787</td>
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<tr>
<td><strong>Deposits</strong></td>
<td></td>
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<tr>
<td>Noninterest-bearing deposits</td>
<td>$13,972</td>
<td>$14,241</td>
<td>$14,174</td>
<td>$13,520</td>
<td>$13,878</td>
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<tr>
<td>Savings products</td>
<td>42,080</td>
<td>41,663</td>
<td>42,140</td>
<td>41,831</td>
<td>41,441</td>
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<td>Time deposits</td>
<td>15,954</td>
<td>15,840</td>
<td>15,844</td>
<td>16,403</td>
<td>17,026</td>
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<tr>
<td><strong>Total deposits</strong></td>
<td>72,006</td>
<td>71,744</td>
<td>72,158</td>
<td>71,754</td>
<td>72,345</td>
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<td><strong>Other Interest-bearing Liabilities</strong></td>
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<tr>
<td>Other Noninterest-bearing Liabilities</td>
<td>778</td>
<td>708</td>
<td>602</td>
<td>583</td>
<td>565</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td>74,714</td>
<td>74,250</td>
<td>74,436</td>
<td>74,044</td>
<td>74,518</td>
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<td><strong>Shareholders' Equity</strong></td>
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<td>6,155</td>
<td>6,100</td>
<td>6,285</td>
<td>6,094</td>
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### NET INTEREST SPREADS

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<tr>
<th></th>
<th>2.69 %</th>
<th>2.73 %</th>
<th>2.83 %</th>
<th>2.88 %</th>
<th>2.96 %</th>
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</thead>
<tbody>
<tr>
<td><strong>Total earning assets</strong></td>
<td></td>
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<tr>
<td><strong>Total assets</strong></td>
<td>2.30</td>
<td>2.34</td>
<td>2.45</td>
<td>2.51</td>
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<td><strong>Total deposits</strong></td>
<td>2.60</td>
<td>2.44</td>
<td>2.25</td>
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<td><strong>Total liabilities</strong></td>
<td>2.54</td>
<td>2.38</td>
<td>2.20</td>
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### CREDIT QUALITY

#### Net Charge-offs

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<th>$20.6</th>
<th>$24.6</th>
<th>$29.2</th>
<th>$28.1</th>
<th>$30.5</th>
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<tbody>
<tr>
<td>Commercial</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Commercial real estate</td>
<td>3.7</td>
<td>3.8</td>
<td>1.9</td>
<td>11.5</td>
<td>9.4</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>6.9</td>
<td>7.1</td>
<td>7.1</td>
<td>7.0</td>
<td>6.3</td>
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<tr>
<td>Retail</td>
<td>55.3</td>
<td>52.6</td>
<td>55.2</td>
<td>60.5</td>
<td>62.2</td>
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<tr>
<td><strong>Total loans</strong></td>
<td>$86.5</td>
<td>$88.1</td>
<td>$93.4</td>
<td>$107.1</td>
<td>$108.4</td>
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#### Net Charge-off Ratios

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<thead>
<tr>
<th></th>
<th>1.06 %</th>
<th>1.25 %</th>
<th>1.51 %</th>
<th>1.45 %</th>
<th>1.53 %</th>
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<tbody>
<tr>
<td>Commercial</td>
<td></td>
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<tr>
<td>Commercial real estate</td>
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<td>.14</td>
<td>.07</td>
<td>.45</td>
<td>.36</td>
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<tr>
<td>Residential mortgages</td>
<td>.19</td>
<td>.20</td>
<td>.21</td>
<td>.21</td>
<td>.19</td>
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<tr>
<td>Retail</td>
<td>.68</td>
<td>.66</td>
<td>.72</td>
<td>.81</td>
<td>.85</td>
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<tr>
<td><strong>Total loans</strong></td>
<td>.52 %</td>
<td>.54 %</td>
<td>.60 %</td>
<td>.70 %</td>
<td>.71 %</td>
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### Nonperforming Assets

<table>
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<tbody>
<tr>
<td>Nonperforming loans</td>
<td>$274.4</td>
<td>$293.0</td>
<td>$308.7</td>
<td>$342.5</td>
<td>$320.6</td>
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<td>Other nonperforming assets</td>
<td>74.5</td>
<td>69.3</td>
<td>68.9</td>
<td>76.1</td>
<td>72.8</td>
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<tr>
<td><strong>Total nonperforming assets</strong></td>
<td>$348.9</td>
<td>$362.3</td>
<td>$377.6</td>
<td>$418.6</td>
<td>$393.4</td>
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## CONSUMER BANKING

### OTHER INFORMATION

#### Retail Loan Information

##### Average Balances

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</thead>
<tbody>
<tr>
<td>Retail leasing</td>
<td>$7,087</td>
<td>$6,842</td>
<td>$6,485</td>
<td>$6,192</td>
<td>$5,895</td>
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<td>Home equity and second mortgages</td>
<td>13,286</td>
<td>12,895</td>
<td>12,442</td>
<td>12,101</td>
<td>11,846</td>
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<td>Other retail</td>
<td>12,186</td>
<td>12,107</td>
<td>11,977</td>
<td>11,689</td>
<td>11,419</td>
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<tr>
<td><strong>Total retail</strong></td>
<td><strong>$32,559</strong></td>
<td><strong>$31,844</strong></td>
<td><strong>$30,904</strong></td>
<td><strong>$29,982</strong></td>
<td><strong>$29,160</strong></td>
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<table>
<thead>
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<tbody>
<tr>
<td>Home equity first lien*</td>
<td>$5,427</td>
<td>$5,599</td>
<td>$5,768</td>
<td>$5,855</td>
<td>$5,926</td>
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<tr>
<td>Home equity loans</td>
<td>3,133</td>
<td>3,273</td>
<td>3,421</td>
<td>3,631</td>
<td>3,849</td>
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<td>Home equity lines</td>
<td>10,153</td>
<td>9,622</td>
<td>9,021</td>
<td>8,470</td>
<td>7,997</td>
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<tr>
<td><strong>Total home equity</strong></td>
<td><strong>$18,713</strong></td>
<td><strong>$18,494</strong></td>
<td><strong>$18,210</strong></td>
<td><strong>$17,956</strong></td>
<td><strong>$17,772</strong></td>
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##### Net Charge-off Ratios

<table>
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<tr>
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<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail leasing</td>
<td>.51 %</td>
<td>.56 %</td>
<td>.61 %</td>
<td>.71 %</td>
<td>.76 %</td>
</tr>
<tr>
<td>Home equity and second mortgages</td>
<td>.53</td>
<td>.59</td>
<td>.62</td>
<td>.63</td>
<td>.68</td>
</tr>
<tr>
<td>Other retail</td>
<td>.93</td>
<td>.79</td>
<td>.88</td>
<td>1.05</td>
<td>1.06</td>
</tr>
<tr>
<td><strong>Total retail</strong></td>
<td><strong>.68 %</strong></td>
<td><strong>.66 %</strong></td>
<td><strong>.72 %</strong></td>
<td><strong>.81 %</strong></td>
<td><strong>.85 %</strong></td>
</tr>
</tbody>
</table>

<table>
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</thead>
<tbody>
<tr>
<td># of traditional branches</td>
<td>1,928</td>
<td>1,927</td>
<td>1,923</td>
<td>1,922</td>
<td>1,924</td>
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<tr>
<td># of instore branches</td>
<td>442</td>
<td>419</td>
<td>392</td>
<td>353</td>
<td>319</td>
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<tr>
<td><strong>Total # of branches</strong></td>
<td><strong>2,370</strong></td>
<td><strong>2,346</strong></td>
<td><strong>2,315</strong></td>
<td><strong>2,275</strong></td>
<td><strong>2,243</strong></td>
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</table>

<table>
<thead>
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</thead>
<tbody>
<tr>
<td># of U.S. Bank ATMs</td>
<td>4,620</td>
<td>4,621</td>
<td>4,565</td>
<td>4,472</td>
<td>4,425</td>
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</thead>
<tbody>
<tr>
<td>Debit card transaction volume</td>
<td>$5,548</td>
<td>$5,006</td>
<td>$4,898</td>
<td>$4,457</td>
<td>$4,568</td>
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<tr>
<td>Mortgage production volume</td>
<td>$4,409</td>
<td>$4,024</td>
<td>$5,220</td>
<td>$3,733</td>
<td>$3,879</td>
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<tr>
<td>Mortgages serviced for others</td>
<td>$63,163</td>
<td>$63,208</td>
<td>$58,675</td>
<td>$57,667</td>
<td>$53,990</td>
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</thead>
<tbody>
<tr>
<td>Investment sales volume</td>
<td>$702</td>
<td>$686</td>
<td>$793</td>
<td>$750</td>
<td>$680</td>
</tr>
<tr>
<td>SBA loan production volume</td>
<td>$119</td>
<td>$122</td>
<td>$113</td>
<td>$94</td>
<td>$139</td>
</tr>
<tr>
<td>BEFG lease production volume</td>
<td>$336</td>
<td>$303</td>
<td>$298</td>
<td>$265</td>
<td>$257</td>
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<tr>
<td>Student loan production volume</td>
<td>$264</td>
<td>$396</td>
<td>$135</td>
<td>$438</td>
<td>$246</td>
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<tr>
<td>Indirect loan/lease production volume</td>
<td>1,151</td>
<td>1,835</td>
<td>1,914</td>
<td>1,960</td>
<td>1,455</td>
</tr>
<tr>
<td>Finance company production volume</td>
<td>1,102</td>
<td>1,051</td>
<td>1,353</td>
<td>832</td>
<td>741</td>
</tr>
<tr>
<td>Direct branch loan/line production volume</td>
<td>2,676</td>
<td>2,092</td>
<td>2,730</td>
<td>2,511</td>
<td>2,472</td>
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<tr>
<td><strong>Total retail credit production volume</strong></td>
<td><strong>$5,557</strong></td>
<td><strong>$5,374</strong></td>
<td><strong>$6,132</strong></td>
<td><strong>$5,741</strong></td>
<td><strong>$4,914</strong></td>
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* Home equity first lien balances are reported within residential mortgages as required by regulatory accounting principles.
### CONSUMER BANKING

(Dollars in Millions, Unaudited)

<table>
<thead>
<tr>
<th>Three Months Ended</th>
<th>Retail Banking</th>
<th>Mortgage Banking</th>
<th>Total Consumer</th>
<th>Percent Change 4Q04 vs 4Q03</th>
<th>Percent Change 4Q04 vs 3Q04</th>
<th>Percent Change 4Q04 vs 4Q03</th>
<th>Percent Change 4Q04 vs 3Q04</th>
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<tbody>
<tr>
<td>December 31, 2004</td>
<td>$919.6</td>
<td>$37.5</td>
<td>$957.1</td>
<td>8.7 %</td>
<td>3.7 %</td>
<td>(20.0) %</td>
<td>15.4 %</td>
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<tr>
<td>Noninterest income</td>
<td>355.7</td>
<td>97.1</td>
<td>452.8</td>
<td>20.3</td>
<td>(2.3)</td>
<td>6.8</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Securities gains (losses), net</td>
<td>4</td>
<td>-4</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total net revenue</td>
<td>1,275.7</td>
<td>134.6</td>
<td>1,410.3</td>
<td>11.7</td>
<td>1.9</td>
<td>(2.3)</td>
<td>(38.2)</td>
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<tr>
<td>Noninterest expense</td>
<td>445.8</td>
<td>32.9</td>
<td>478.7</td>
<td>1.2</td>
<td>1.2</td>
<td>6.5</td>
<td>6</td>
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<tr>
<td>Net shared services</td>
<td>112.7</td>
<td>6.1</td>
<td>118.8</td>
<td>(2.8)</td>
<td>(2.0)</td>
<td>(3.2)</td>
<td>3.4</td>
</tr>
<tr>
<td>Other intangibles</td>
<td>15.2</td>
<td>78.2</td>
<td>93.4</td>
<td>(11.1)</td>
<td>(1.3)</td>
<td>79.4</td>
<td>(41.3)</td>
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<tr>
<td>Total noninterest expense</td>
<td>573.7</td>
<td>117.2</td>
<td>690.9</td>
<td>-</td>
<td>5</td>
<td>45.0</td>
<td>(31.8)</td>
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<tr>
<td>Operating earnings before provision and income taxes</td>
<td>702.0</td>
<td>17.4</td>
<td>719.4</td>
<td>23.6</td>
<td>3.2</td>
<td>(69.5)</td>
<td>(62.2)</td>
</tr>
<tr>
<td>Provision for credit losses</td>
<td>86.5</td>
<td>--</td>
<td>86.5</td>
<td>(20.2)</td>
<td>(1.8)</td>
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<tr>
<td>Operating earnings before income taxes</td>
<td>615.5</td>
<td>17.4</td>
<td>632.9</td>
<td>34.0</td>
<td>4.0</td>
<td>(69.5)</td>
<td>(62.2)</td>
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<tr>
<td>Income taxes and taxable-equivalent adjustment</td>
<td>224.0</td>
<td>6.3</td>
<td>230.3</td>
<td>34.0</td>
<td>3.9</td>
<td>(69.6)</td>
<td>(62.3)</td>
</tr>
<tr>
<td>Operating earnings</td>
<td>$391.5</td>
<td>$11.1</td>
<td>$402.6</td>
<td>34.0 %</td>
<td>4.0 %</td>
<td>(69.4) %</td>
<td>(62.1) %</td>
</tr>
<tr>
<td>Total revenue excluding securities gains (net)</td>
<td>$1,275.3</td>
<td>$134.6</td>
<td>$1,409.9</td>
<td>11.7 %</td>
<td>1.9 %</td>
<td>(2.3) %</td>
<td>2.7 %</td>
</tr>
<tr>
<td>Total expenses excluding MSR impairment (net)</td>
<td>573.7</td>
<td>85.3</td>
<td>659.0</td>
<td>--</td>
<td>5</td>
<td>5.6</td>
<td>.1</td>
</tr>
<tr>
<td>Operating earnings before provision and income taxes, excluding securities gains and MSR impairment</td>
<td>$701.6</td>
<td>$49.3</td>
<td>$750.9</td>
<td>23.6</td>
<td>3.1</td>
<td>(13.5)</td>
<td>7.6</td>
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</table>

### Year Ended December 31, 2004

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>December 31, 2004</td>
<td>$3,485.2</td>
<td>$151.3</td>
<td>$3,636.5</td>
<td>4.7 %</td>
<td>(39.6) %</td>
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<tr>
<td>Net interest income (taxable-equivalent basis)</td>
<td>3,195.0</td>
<td>399.2</td>
<td>1,794.2</td>
<td>17.7</td>
<td>9.3</td>
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<tr>
<td>Securities gains (losses), net</td>
<td>4</td>
<td>(84.2)</td>
<td>(83.8)</td>
<td>*</td>
<td>*</td>
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<tr>
<td>Total net revenue</td>
<td>4,880.6</td>
<td>466.3</td>
<td>5,346.9</td>
<td>8.1</td>
<td>(42.4)</td>
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<tr>
<td>Noninterest expense</td>
<td>1,753.3</td>
<td>127.9</td>
<td>1,881.2</td>
<td>1.8</td>
<td>(5.0)</td>
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<tr>
<td>Net shared services</td>
<td>459.7</td>
<td>23.5</td>
<td>483.2</td>
<td>(4.1)</td>
<td>(8.9)</td>
</tr>
<tr>
<td>Other intangibles</td>
<td>62.3</td>
<td>242.1</td>
<td>304.4</td>
<td>(9.1)</td>
<td>(33.5)</td>
</tr>
<tr>
<td>Total noninterest expense</td>
<td>2,275.3</td>
<td>393.5</td>
<td>2,668.8</td>
<td>2.0</td>
<td>(25.0)</td>
</tr>
<tr>
<td>Operating earnings before provision and income taxes</td>
<td>2,605.3</td>
<td>72.8</td>
<td>2,678.1</td>
<td>16.1</td>
<td>(74.4)</td>
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<tr>
<td>Provision for credit losses</td>
<td>375.1</td>
<td>--</td>
<td>375.1</td>
<td>(13.0)</td>
<td>--</td>
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<tr>
<td>Operating earnings before income taxes</td>
<td>2,230.2</td>
<td>72.8</td>
<td>2,303.0</td>
<td>23.1</td>
<td>(74.4)</td>
</tr>
<tr>
<td>Income taxes and taxable-equivalent adjustment</td>
<td>811.5</td>
<td>26.5</td>
<td>838.0</td>
<td>23.0</td>
<td>(74.4)</td>
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<tr>
<td>Operating earnings</td>
<td>$1,418.7</td>
<td>$46.3</td>
<td>$1,465.0</td>
<td>23.1 %</td>
<td>(74.4) %</td>
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<tr>
<td>Total revenue excluding securities gains (net)</td>
<td>$4,880.2</td>
<td>$550.5</td>
<td>$5,430.7</td>
<td>8.1 %</td>
<td>(10.6) %</td>
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<tr>
<td>Total expenses excluding MSR impairment (net)</td>
<td>2,275.3</td>
<td>336.7</td>
<td>2,612.0</td>
<td>.2</td>
<td>6.6</td>
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<tr>
<td>Operating earnings before provision and income taxes, excluding securities gains and MSR impairment</td>
<td>$2,604.9</td>
<td>$213.8</td>
<td>$2,818.7</td>
<td>16.1</td>
<td>(28.7)</td>
</tr>
</tbody>
</table>

* Not meaningful
## U.S. Bancorp

### PRIVATE CLIENT, TRUST AND ASSET MANAGEMENT

#### (Dollars in Millions)  

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>INCOME STATEMENT</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Net Interest Income (taxable-equivalent basis)</strong></td>
<td>$100.5</td>
<td>$92.6</td>
<td>$85.6</td>
<td>$82.3</td>
<td>$80.7</td>
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<tr>
<td><strong>Noninterest Income</strong></td>
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<td></td>
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<tr>
<td>Credit and debit card revenue</td>
<td>--</td>
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<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Corporate payment products revenue</td>
<td>--</td>
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<td>--</td>
<td>--</td>
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</tr>
<tr>
<td>ATM processing services</td>
<td>--</td>
<td>--</td>
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<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Merchant processing services</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
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</tr>
<tr>
<td>Trust and investment management fees</td>
<td>237.4</td>
<td>236.8</td>
<td>248.0</td>
<td>243.6</td>
<td>241.7</td>
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<tr>
<td>Deposit service charges</td>
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<td>.8</td>
<td>.8</td>
<td>.8</td>
<td>.9</td>
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<tr>
<td>Treasury management fees</td>
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<td>2.6</td>
<td>2.5</td>
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<td>2.4</td>
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<tr>
<td>Commercial products revenue</td>
<td>.4</td>
<td>.5</td>
<td>.5</td>
<td>.4</td>
<td>.4</td>
</tr>
<tr>
<td>Mortgage banking revenue</td>
<td>--</td>
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<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Investment products fees and commissions</td>
<td>.2</td>
<td>.2</td>
<td>.1</td>
<td>.1</td>
<td>(.3)</td>
</tr>
<tr>
<td>Securities gains (losses), net</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Other</td>
<td>2.9</td>
<td>(8)</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>Total noninterest income</strong></td>
<td>243.9</td>
<td>240.1</td>
<td>253.8</td>
<td>249.3</td>
<td>247.0</td>
</tr>
<tr>
<td><strong>Total net revenue</strong></td>
<td>344.4</td>
<td>332.7</td>
<td>339.4</td>
<td>331.6</td>
<td>327.7</td>
</tr>
<tr>
<td><strong>Noninterest Expense</strong></td>
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</tr>
<tr>
<td>Compensation and employee benefits</td>
<td>71.2</td>
<td>76.7</td>
<td>80.3</td>
<td>82.2</td>
<td>75.2</td>
</tr>
<tr>
<td>Net occupancy and equipment</td>
<td>12.7</td>
<td>13.1</td>
<td>12.7</td>
<td>12.8</td>
<td>12.8</td>
</tr>
<tr>
<td>Other intangibles</td>
<td>15.9</td>
<td>16.0</td>
<td>15.1</td>
<td>15.0</td>
<td>16.6</td>
</tr>
<tr>
<td>Net shared services</td>
<td>21.5</td>
<td>21.6</td>
<td>21.7</td>
<td>21.5</td>
<td>23.1</td>
</tr>
<tr>
<td>Other</td>
<td>44.3</td>
<td>32.8</td>
<td>31.8</td>
<td>28.1</td>
<td>35.2</td>
</tr>
<tr>
<td><strong>Total noninterest expense</strong></td>
<td>165.6</td>
<td>160.2</td>
<td>161.6</td>
<td>159.6</td>
<td>162.9</td>
</tr>
<tr>
<td><strong>Operating earnings before provision and income taxes</strong></td>
<td>178.8</td>
<td>172.5</td>
<td>177.8</td>
<td>172.0</td>
<td>164.8</td>
</tr>
<tr>
<td><strong>Provision for Credit Losses</strong></td>
<td>(.7)</td>
<td>1.2</td>
<td>8.8</td>
<td>.9</td>
<td>1.4</td>
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<tr>
<td><strong>Operating earnings before income taxes</strong></td>
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<td>171.3</td>
<td>169.0</td>
<td>171.1</td>
<td>163.4</td>
</tr>
<tr>
<td>Income taxes and taxable-equivalent adjustment</td>
<td>65.3</td>
<td>62.3</td>
<td>61.5</td>
<td>62.3</td>
<td>59.5</td>
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<tr>
<td><strong>Operating earnings</strong></td>
<td>$114.2</td>
<td>$109.0</td>
<td>$107.5</td>
<td>$108.8</td>
<td>$103.9</td>
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#### FINANCIAL RATIOS

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</thead>
<tbody>
<tr>
<td>Return on average assets</td>
<td>6.70 %</td>
<td>6.59 %</td>
<td>6.67 %</td>
<td>6.82 %</td>
<td>6.36 %</td>
</tr>
<tr>
<td>Return on average equity</td>
<td>22.1</td>
<td>20.4</td>
<td>20.9</td>
<td>21.2</td>
<td>20.4</td>
</tr>
<tr>
<td>Net interest margin (taxable-equivalent basis)</td>
<td>8.06</td>
<td>7.62</td>
<td>7.22</td>
<td>7.10</td>
<td>6.80</td>
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<tr>
<td>Efficiency ratio</td>
<td>48.1</td>
<td>48.2</td>
<td>47.6</td>
<td>48.1</td>
<td>49.7</td>
</tr>
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</table>

**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

### AVERAGE BALANCE SHEET

<table>
<thead>
<tr>
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<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Loans</strong></td>
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<tr>
<td>Commercial</td>
<td>$1,653</td>
<td>$1,592</td>
<td>$1,651</td>
<td>$1,668</td>
<td>$1,734</td>
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<tr>
<td>Commercial real estate</td>
<td>625</td>
<td>610</td>
<td>608</td>
<td>602</td>
<td>572</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>369</td>
<td>344</td>
<td>297</td>
<td>279</td>
<td>282</td>
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<tr>
<td>Retail</td>
<td>2,302</td>
<td>2,278</td>
<td>2,205</td>
<td>2,107</td>
<td>2,108</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>4,949</td>
<td>4,824</td>
<td>4,761</td>
<td>4,656</td>
<td>4,696</td>
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<td><strong>Other Earning Assets</strong></td>
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<td></td>
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</tr>
<tr>
<td>Total earning assets</td>
<td>4,958</td>
<td>4,832</td>
<td>4,768</td>
<td>4,663</td>
<td>4,705</td>
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<tr>
<td><strong>Non-earning Assets</strong></td>
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<tr>
<td>Goodwill</td>
<td>845</td>
<td>845</td>
<td>813</td>
<td>769</td>
<td>741</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>346</td>
<td>362</td>
<td>342</td>
<td>357</td>
<td>373</td>
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<tr>
<td>Other non-earnings assets</td>
<td>627</td>
<td>541</td>
<td>556</td>
<td>625</td>
<td>667</td>
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<tr>
<td><strong>Total non-earning assets</strong></td>
<td>1,818</td>
<td>1,748</td>
<td>1,711</td>
<td>1,751</td>
<td>1,781</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>6,776</td>
<td>6,580</td>
<td>6,479</td>
<td>6,414</td>
<td>6,486</td>
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<td><strong>Deposits</strong></td>
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</tr>
<tr>
<td>Noninterest-bearing deposits</td>
<td>$3,630</td>
<td>$3,127</td>
<td>$3,246</td>
<td>$2,999</td>
<td>$3,033</td>
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<tr>
<td>Savings products</td>
<td>7,713</td>
<td>7,854</td>
<td>7,957</td>
<td>7,924</td>
<td>7,044</td>
</tr>
<tr>
<td>Time deposits</td>
<td>753</td>
<td>568</td>
<td>545</td>
<td>492</td>
<td>511</td>
</tr>
<tr>
<td><strong>Total deposits</strong></td>
<td>12,096</td>
<td>11,549</td>
<td>11,748</td>
<td>11,415</td>
<td>10,588</td>
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<tr>
<td><strong>Other Interest-bearing Liabilities</strong></td>
<td>1,172</td>
<td>841</td>
<td>853</td>
<td>848</td>
<td>1,031</td>
</tr>
<tr>
<td><strong>Other Noninterest-bearing Liabilities</strong></td>
<td>152</td>
<td>143</td>
<td>136</td>
<td>139</td>
<td>131</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>13,420</td>
<td>12,533</td>
<td>12,737</td>
<td>12,402</td>
<td>11,750</td>
</tr>
<tr>
<td><strong>Shareholders' Equity</strong></td>
<td>2,053</td>
<td>2,125</td>
<td>2,066</td>
<td>2,063</td>
<td>2,022</td>
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</table>

### NET INTEREST SPREADS

<table>
<thead>
<tr>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total earning assets</td>
<td>1.86 %</td>
<td>1.90 %</td>
<td>1.95 %</td>
<td>2.04 %</td>
<td>2.03 %</td>
</tr>
<tr>
<td>Total assets</td>
<td>1.01 %</td>
<td>1.11 %</td>
<td>1.19 %</td>
<td>1.22 %</td>
<td>1.21 %</td>
</tr>
<tr>
<td>Total deposits</td>
<td>2.21 %</td>
<td>1.95 %</td>
<td>1.68 %</td>
<td>1.58 %</td>
<td>1.61 %</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2.02 %</td>
<td>1.83 %</td>
<td>1.58 %</td>
<td>1.48 %</td>
<td>1.46 %</td>
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</table>

### CREDIT QUALITY

#### Net Charge-offs

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$(.3)</td>
<td>$1.4</td>
<td>$6.3</td>
<td>$.7</td>
<td>$1.2</td>
</tr>
<tr>
<td>Commercial real estate</td>
<td>1.2</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>(.1)</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>.4</td>
</tr>
<tr>
<td>Retail</td>
<td>(1.6)</td>
<td>(.2)</td>
<td>2.5</td>
<td>.2</td>
<td>(.1)</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>$(.7)</td>
<td>$1.2</td>
<td>$8.8</td>
<td>$9</td>
<td>$1.8</td>
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#### Net Charge-off Ratios

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>(.07) %</td>
<td>.35 %</td>
<td>1.53 %</td>
<td>.17 %</td>
<td>.27 %</td>
</tr>
<tr>
<td>Commercial real estate</td>
<td>.76</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>(.07)</td>
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<tr>
<td>Residential mortgages</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>.56</td>
</tr>
<tr>
<td>Retail</td>
<td>(.28)</td>
<td>(.03)</td>
<td>.46</td>
<td>.04</td>
<td>(.02)</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>(.06) %</td>
<td>.10 %</td>
<td>.74 %</td>
<td>.08 %</td>
<td>.12 %</td>
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### Nonperforming Assets

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</thead>
<tbody>
<tr>
<td>Nonperforming loans</td>
<td>$6.0</td>
<td>$5.6</td>
<td>$7.8</td>
<td>$8.0</td>
<td>$8.9</td>
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<tr>
<td>Other nonperforming assets</td>
<td>--</td>
<td>--</td>
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</tr>
<tr>
<td><strong>Total nonperforming assets</strong></td>
<td>$6.0</td>
<td>$5.6</td>
<td>$7.8</td>
<td>$8.0</td>
<td>$8.9</td>
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### PRIVATE CLIENT, TRUST AND ASSET MANAGEMENT

#### (Unaudited)

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<tbody>
<tr>
<td><strong>OTHER INFORMATION</strong></td>
<td></td>
<td></td>
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<tr>
<td>Trust and Investment Management Fees</td>
<td></td>
<td></td>
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<tr>
<td>Private client</td>
<td>$67.0</td>
<td>$66.0</td>
<td>$75.0</td>
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<td>$64.3</td>
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<tr>
<td>Asset management</td>
<td>62.9</td>
<td>64.7</td>
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<td>Institutional trust</td>
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<td>23.0</td>
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<td>25.0</td>
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<tr>
<td>Corporate trust</td>
<td>50.7</td>
<td>52.7</td>
<td>49.8</td>
<td>50.2</td>
<td>53.4</td>
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<tr>
<td>Fund services</td>
<td>31.7</td>
<td>30.2</td>
<td>30.9</td>
<td>31.5</td>
<td>30.7</td>
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<tr>
<td>Other</td>
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<td>.2</td>
<td>.1</td>
<td>.2</td>
<td>.1</td>
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<tr>
<td><strong>Total</strong></td>
<td>$237.4</td>
<td>$236.8</td>
<td>$248.0</td>
<td>$243.6</td>
<td>$241.7</td>
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#### Assets Under Management by Asset Category*

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<tbody>
<tr>
<td>Equity</td>
<td>$49,887</td>
<td>$47,777</td>
<td>$49,222</td>
<td>$49,783</td>
<td>$46,765</td>
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<tr>
<td>Fixed income</td>
<td>36,757</td>
<td>38,279</td>
<td>37,289</td>
<td>38,114</td>
<td>36,254</td>
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<tr>
<td>Money market</td>
<td>34,853</td>
<td>33,406</td>
<td>33,111</td>
<td>32,997</td>
<td>35,540</td>
</tr>
<tr>
<td>Other</td>
<td>5,522</td>
<td>4,026</td>
<td>4,347</td>
<td>3,846</td>
<td>4,841</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$127,019</td>
<td>$123,488</td>
<td>$123,969</td>
<td>$124,740</td>
<td>$123,400</td>
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</table>

* Amounts reported reflect end of month balances reported on a one month lag.
## INCOME STATEMENT

### Net Interest Income (taxable-equivalent basis)

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<thead>
<tr>
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<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$145.1</td>
<td>$138.0</td>
<td>$141.4</td>
<td>$148.6</td>
<td>$151.4</td>
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</table>

### Noninterest Income

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Credit and debit card revenue</td>
<td>184.6</td>
<td>163.3</td>
<td>157.9</td>
<td>140.8</td>
<td>152.6</td>
</tr>
<tr>
<td>Corporate payment products revenue</td>
<td>100.8</td>
<td>108.5</td>
<td>102.7</td>
<td>94.8</td>
<td>88.7</td>
</tr>
<tr>
<td>ATM processing services</td>
<td>29.2</td>
<td>30.2</td>
<td>30.3</td>
<td>29.4</td>
<td>26.9</td>
</tr>
<tr>
<td>Merchant processing services</td>
<td>180.8</td>
<td>187.5</td>
<td>165.1</td>
<td>141.0</td>
<td>145.9</td>
</tr>
<tr>
<td>Trust and investment management fees</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Deposit service charges</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Treasury management fees</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Commercial products revenue</td>
<td>3.3</td>
<td>3.1</td>
<td>2.8</td>
<td>2.6</td>
<td>3.0</td>
</tr>
<tr>
<td>Mortgage banking revenue</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Investment products fees and commissions</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
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</tr>
<tr>
<td>Securities gains (losses), net</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Other</td>
<td>3.7</td>
<td>3.4</td>
<td>4.9</td>
<td>2.5</td>
<td>3.2</td>
</tr>
<tr>
<td>Total noninterest income</td>
<td>502.4</td>
<td>496.0</td>
<td>463.7</td>
<td>411.1</td>
<td>420.3</td>
</tr>
<tr>
<td>Total net revenue</td>
<td>647.5</td>
<td>634.0</td>
<td>605.1</td>
<td>559.7</td>
<td>571.7</td>
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</table>

### Noninterest Expense

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Compensation and employee benefits</td>
<td>64.6</td>
<td>60.6</td>
<td>55.5</td>
<td>56.3</td>
<td>52.6</td>
</tr>
<tr>
<td>Net occupancy and equipment</td>
<td>13.4</td>
<td>13.1</td>
<td>11.2</td>
<td>11.1</td>
<td>7.4</td>
</tr>
<tr>
<td>Other intangibles</td>
<td>46.4</td>
<td>39.6</td>
<td>39.3</td>
<td>34.6</td>
<td>40.8</td>
</tr>
<tr>
<td>Net shared services</td>
<td>43.2</td>
<td>43.4</td>
<td>43.0</td>
<td>41.7</td>
<td>39.5</td>
</tr>
<tr>
<td>Other</td>
<td>82.7</td>
<td>100.0</td>
<td>85.2</td>
<td>72.3</td>
<td>72.9</td>
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<tr>
<td>Total noninterest expense</td>
<td>250.3</td>
<td>256.7</td>
<td>234.2</td>
<td>216.0</td>
<td>213.2</td>
</tr>
<tr>
<td>Operating earnings before provision and income taxes</td>
<td>397.2</td>
<td>377.3</td>
<td>370.9</td>
<td>343.7</td>
<td>358.5</td>
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<tr>
<td>Provision for Credit Losses</td>
<td>85.6</td>
<td>89.6</td>
<td>94.8</td>
<td>92.6</td>
<td>101.1</td>
</tr>
<tr>
<td>Operating earnings before income taxes</td>
<td>311.6</td>
<td>287.7</td>
<td>276.1</td>
<td>251.1</td>
<td>257.4</td>
</tr>
<tr>
<td>Income taxes and taxable-equivalent adjustment</td>
<td>113.4</td>
<td>104.7</td>
<td>100.5</td>
<td>91.4</td>
<td>93.7</td>
</tr>
<tr>
<td>Operating earnings</td>
<td>$198.2</td>
<td>$183.0</td>
<td>$175.6</td>
<td>$159.7</td>
<td>$163.7</td>
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### FINANCIAL RATIOS

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</thead>
<tbody>
<tr>
<td>Return on average assets</td>
<td>5.45 %</td>
<td>5.17 %</td>
<td>5.27 %</td>
<td>4.91 %</td>
<td>4.71 %</td>
</tr>
<tr>
<td>Return on average equity</td>
<td>23.6</td>
<td>21.9</td>
<td>22.7</td>
<td>21.2</td>
<td>21.3</td>
</tr>
<tr>
<td>Net interest margin (taxable-equivalent basis)</td>
<td>5.21</td>
<td>5.13</td>
<td>5.40</td>
<td>5.84</td>
<td>5.86</td>
</tr>
<tr>
<td>Efficiency ratio</td>
<td>38.7</td>
<td>40.5</td>
<td>38.7</td>
<td>38.6</td>
<td>37.3</td>
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</table>

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.
# AVERAGE BALANCE SHEET

## Loans

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</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$3,289</td>
<td>$3,093</td>
<td>$3,048</td>
<td>$2,837</td>
<td>$3,002</td>
</tr>
<tr>
<td>Commercial real estate</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Retail</td>
<td>7,774</td>
<td>7,590</td>
<td>7,454</td>
<td>7,375</td>
<td>7,235</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>11,063</td>
<td>10,683</td>
<td>10,502</td>
<td>10,212</td>
<td>10,237</td>
</tr>
<tr>
<td><strong>Other Earning Assets</strong></td>
<td>20</td>
<td>19</td>
<td>26</td>
<td>29</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total earning assets</strong></td>
<td>11,083</td>
<td>10,702</td>
<td>10,528</td>
<td>10,241</td>
<td>10,257</td>
</tr>
<tr>
<td><strong>Non-earning Assets</strong></td>
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<tr>
<td>Goodwill</td>
<td>1,916</td>
<td>1,915</td>
<td>1,823</td>
<td>1,815</td>
<td>1,815</td>
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<tr>
<td>Other intangible assets</td>
<td>835</td>
<td>855</td>
<td>764</td>
<td>650</td>
<td>661</td>
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<tr>
<td>Other non-earnings assets</td>
<td>629</td>
<td>616</td>
<td>299</td>
<td>379</td>
<td>1,043</td>
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<tr>
<td><strong>Total non-earning assets</strong></td>
<td>3,380</td>
<td>3,386</td>
<td>2,886</td>
<td>2,844</td>
<td>3,519</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>14,463</td>
<td>14,088</td>
<td>13,414</td>
<td>13,085</td>
<td>13,776</td>
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## Deposits

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</thead>
<tbody>
<tr>
<td>Noninterest-bearing deposits</td>
<td>$119</td>
<td>$105</td>
<td>$99</td>
<td>$106</td>
<td>$142</td>
</tr>
<tr>
<td>Savings products</td>
<td>13</td>
<td>12</td>
<td>11</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Time deposits</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td><strong>Total deposits</strong></td>
<td>132</td>
<td>117</td>
<td>110</td>
<td>117</td>
<td>152</td>
</tr>
<tr>
<td><strong>Other Interest-bearing Liabilities</strong></td>
<td>380</td>
<td>347</td>
<td>332</td>
<td>311</td>
<td>277</td>
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<tr>
<td><strong>Other Noninterest-bearing Liabilities</strong></td>
<td>708</td>
<td>644</td>
<td>481</td>
<td>610</td>
<td>1,244</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td>1,220</td>
<td>1,108</td>
<td>923</td>
<td>1,038</td>
<td>1,673</td>
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<tr>
<td><strong>Shareholders' Equity</strong></td>
<td>3,336</td>
<td>3,320</td>
<td>3,109</td>
<td>3,025</td>
<td>3,051</td>
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## NET INTEREST SPREADS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total earning assets</td>
<td>5.36%</td>
<td>5.40%</td>
<td>5.54%</td>
<td>5.87%</td>
<td>5.71%</td>
</tr>
<tr>
<td>Total assets</td>
<td>3.93%</td>
<td>3.97%</td>
<td>4.30%</td>
<td>4.56%</td>
<td>4.16%</td>
</tr>
<tr>
<td>Total deposits</td>
<td>3.32%</td>
<td>3.06%</td>
<td>2.93%</td>
<td>2.75%</td>
<td>2.87%</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>(5.15)%</td>
<td>(7.43)%</td>
<td>(8.24)%</td>
<td>(6.16)%</td>
<td>(2.42)%</td>
</tr>
</tbody>
</table>

## CREDIT QUALITY

### Net Charge-offs

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$11.3</td>
<td>$9.7</td>
<td>$12.3</td>
<td>$11.9</td>
<td>$15.5</td>
</tr>
<tr>
<td>Commercial real estate</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Retail</td>
<td>74.3</td>
<td>79.9</td>
<td>82.5</td>
<td>80.7</td>
<td>85.6</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>$85.6</td>
<td>$89.6</td>
<td>$94.8</td>
<td>$92.6</td>
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### Net Charge-off Ratios

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<tbody>
<tr>
<td>Commercial</td>
<td>1.37%</td>
<td>1.25%</td>
<td>1.62%</td>
<td>1.69%</td>
<td>2.05%</td>
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<tr>
<td>Commercial real estate</td>
<td>--</td>
<td>--</td>
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<tr>
<td>Residential mortgages</td>
<td>--</td>
<td>--</td>
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</tr>
<tr>
<td>Retail</td>
<td>3.80%</td>
<td>4.19%</td>
<td>4.45%</td>
<td>4.40%</td>
<td>4.69%</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>3.08%</td>
<td>3.34%</td>
<td>3.63%</td>
<td>3.65%</td>
<td>3.92%</td>
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## Nonperforming Assets

<table>
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<tbody>
<tr>
<td>Nonperforming loans</td>
<td>$1.4</td>
<td>$1.4</td>
<td>$1.4</td>
<td>$1.4</td>
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<tr>
<td>Other nonperforming assets</td>
<td>--</td>
<td>--</td>
<td>--</td>
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<tr>
<td><strong>Total nonperforming assets</strong></td>
<td>$1.4</td>
<td>$1.4</td>
<td>$1.4</td>
<td>$1.4</td>
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### U.S. Bancorp

#### PAYMENT SERVICES

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<tbody>
<tr>
<td><strong>OTHER INFORMATION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total noninterest income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail payment solutions</td>
<td>$186.9</td>
<td>$165.8</td>
<td>$161.0</td>
<td>$143.2</td>
<td>$153.9</td>
</tr>
<tr>
<td>Corporate payment services</td>
<td>102.5</td>
<td>109.7</td>
<td>103.5</td>
<td>96.1</td>
<td>89.7</td>
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<tr>
<td>Merchant information systems</td>
<td>183.8</td>
<td>190.1</td>
<td>168.7</td>
<td>142.4</td>
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<td>Transaction services</td>
<td>29.2</td>
<td>30.4</td>
<td>30.5</td>
<td>29.4</td>
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<tr>
<td><strong>Total</strong></td>
<td>$502.4</td>
<td>$496.0</td>
<td>$463.7</td>
<td>$411.1</td>
<td>$420.3</td>
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<tr>
<td><strong>Credit Card Charge Volume (Issuing)</strong></td>
<td></td>
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<tr>
<td>Retail payment solutions</td>
<td>$8,754</td>
<td>$8,214</td>
<td>$8,051</td>
<td>$7,369</td>
<td>$7,918</td>
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<td>Corporate payment services</td>
<td>5,871</td>
<td>6,124</td>
<td>5,668</td>
<td>5,290</td>
<td>5,013</td>
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<td><strong>Total</strong></td>
<td>$14,625</td>
<td>$14,338</td>
<td>$13,719</td>
<td>$12,659</td>
<td>$12,931</td>
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<td>Merchant volume (acquiring)</td>
<td>$38,232</td>
<td>$38,483</td>
<td>$33,646</td>
<td>$27,335</td>
<td>$27,447</td>
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<td># of merchant transactions</td>
<td>446,572,441</td>
<td>439,386,415</td>
<td>377,871,997</td>
<td>281,525,868</td>
<td>294,787,064</td>
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<tr>
<td># of merchants</td>
<td>671,645</td>
<td>657,996</td>
<td>636,295</td>
<td>605,944</td>
<td>606,550</td>
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<tr>
<td># of ATMs driven</td>
<td>14,300</td>
<td>14,244</td>
<td>14,536</td>
<td>14,390</td>
<td>13,804</td>
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<tr>
<td># of Merchant ATMs</td>
<td>2,169</td>
<td>2,166</td>
<td>2,144</td>
<td>2,152</td>
<td>2,092</td>
</tr>
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### INCOME STATEMENT

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>Net Interest Income (taxable-equivalent basis)</strong></td>
<td>$180.6</td>
<td>$232.0</td>
<td>$261.4</td>
<td>$283.7</td>
<td>$288.7</td>
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<tr>
<td><strong>Noninterest Income</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Credit and debit card revenue</td>
<td>(.5)</td>
<td>.7</td>
<td>.7</td>
<td>.8</td>
<td>.7</td>
</tr>
<tr>
<td>Corporate payment products revenue</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>ATM processing services</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>.1</td>
</tr>
<tr>
<td>Merchant processing services</td>
<td>--</td>
<td>--</td>
<td>(.1)</td>
<td>.1</td>
<td>--</td>
</tr>
<tr>
<td>Trust and investment management fees</td>
<td>(.1)</td>
<td>(.2)</td>
<td>(.3)</td>
<td>.1</td>
<td>(2.2)</td>
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<tr>
<td>Deposit service charges</td>
<td>--</td>
<td>(.1)</td>
<td>.1</td>
<td>(1)</td>
<td>(.2)</td>
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<tr>
<td>Treasury management fees</td>
<td>--</td>
<td>--</td>
<td>.1</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Commercial products revenue</td>
<td>(3.9)</td>
<td>(.8)</td>
<td>(.6)</td>
<td>(1.3)</td>
<td>(.7)</td>
</tr>
<tr>
<td>Mortgage banking revenue</td>
<td>(.8)</td>
<td>(.6)</td>
<td>(.8)</td>
<td>(.6)</td>
<td>(.6)</td>
</tr>
<tr>
<td>Investment products fees and commissions</td>
<td>--</td>
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<td>--</td>
</tr>
<tr>
<td>Securities gains (losses), net</td>
<td>(20.9)</td>
<td>(.2)</td>
<td>(.6)</td>
<td>(.9)</td>
<td>(.1)</td>
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<tr>
<td>Other</td>
<td>75.7</td>
<td>56.3</td>
<td>44.9</td>
<td>50.7</td>
<td>64.1</td>
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<tr>
<td><strong>Total noninterest income</strong></td>
<td>49.5</td>
<td>55.2</td>
<td>43.4</td>
<td>48.8</td>
<td>61.1</td>
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<tr>
<td><strong>Total net revenue</strong></td>
<td>230.1</td>
<td>287.2</td>
<td>304.8</td>
<td>332.5</td>
<td>349.8</td>
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<tr>
<td><strong>Noninterest Expense</strong></td>
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<tr>
<td>Compensation and employee benefits</td>
<td>237.1</td>
<td>221.4</td>
<td>223.0</td>
<td>184.0</td>
<td>186.9</td>
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<td>Net occupancy and equipment</td>
<td>27.6</td>
<td>25.3</td>
<td>21.7</td>
<td>24.1</td>
<td>34.0</td>
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<td>Other intangibles</td>
<td>1.3</td>
<td>1.4</td>
<td>1.4</td>
<td>1.4</td>
<td>1.2</td>
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<tr>
<td>Net shared services</td>
<td>(263.6)</td>
<td>(266.8)</td>
<td>(270.2)</td>
<td>(264.9)</td>
<td>(265.4)</td>
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<tr>
<td>Other</td>
<td>306.7</td>
<td>219.0</td>
<td>214.5</td>
<td>223.6</td>
<td>180.9</td>
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<tr>
<td><strong>Total noninterest expense</strong></td>
<td>309.1</td>
<td>200.3</td>
<td>190.4</td>
<td>168.2</td>
<td>137.6</td>
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<td><strong>Operating earnings before provision and income taxes</strong></td>
<td>(79.0)</td>
<td>86.9</td>
<td>114.4</td>
<td>164.3</td>
<td>212.2</td>
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<td><strong>Provision for Credit Losses</strong></td>
<td>(99.1)</td>
<td>(1.1)</td>
<td>(1.1)</td>
<td>.4</td>
<td>.4</td>
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<td><strong>Operating earnings before income taxes</strong></td>
<td>20.1</td>
<td>88.0</td>
<td>115.5</td>
<td>163.9</td>
<td>211.8</td>
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<tr>
<td><strong>Income taxes and taxable-equivalent adjustment</strong></td>
<td>(36.0)</td>
<td>(1.9)</td>
<td>12.7</td>
<td>(53.5)</td>
<td>51.1</td>
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<tr>
<td><strong>Operating earnings</strong></td>
<td>$56.1</td>
<td>$89.9</td>
<td>$102.8</td>
<td>$217.4</td>
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### FINANCIAL RATIOS

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<th></th>
<th>nm %</th>
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<th>nm %</th>
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</thead>
<tbody>
<tr>
<td><strong>Return on average assets</strong></td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
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<tr>
<td><strong>Return on average equity</strong></td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
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<tr>
<td><strong>Net interest margin (taxable-equivalent basis)</strong></td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
</tr>
<tr>
<td><strong>Efficiency ratio</strong></td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
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**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.
## AVERAGE BALANCE SHEET

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<tbody>
<tr>
<td>Commercial</td>
<td>$240</td>
<td>$211</td>
<td>$180</td>
<td>$132</td>
<td>$171</td>
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<tr>
<td>Commercial real estate</td>
<td>105</td>
<td>127</td>
<td>147</td>
<td>163</td>
<td>168</td>
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<tr>
<td>Residential mortgages</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>13</td>
<td>14</td>
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<tr>
<td>Retail</td>
<td>59</td>
<td>59</td>
<td>50</td>
<td>43</td>
<td>38</td>
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<tr>
<td>Total loans</td>
<td>413</td>
<td>406</td>
<td>386</td>
<td>351</td>
<td>391</td>
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<td>Other Earning Assets</td>
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<td>Total earning assets</td>
<td>42,886</td>
<td>43,314</td>
<td>43,319</td>
<td>45,577</td>
<td>41,560</td>
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<td>Non-earning Assets</td>
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<tr>
<td>Goodwill</td>
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<td>--</td>
<td>--</td>
<td>302</td>
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<tr>
<td>Other intangible assets</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>11</td>
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<tr>
<td>Other non-earnings assets</td>
<td>6,633</td>
<td>6,139</td>
<td>6,276</td>
<td>6,848</td>
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<td>Total non-earning assets</td>
<td>6,639</td>
<td>6,146</td>
<td>6,284</td>
<td>6,857</td>
<td>8,505</td>
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<tr>
<td>Total assets</td>
<td>49,938</td>
<td>49,866</td>
<td>49,989</td>
<td>52,785</td>
<td>50,456</td>
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<td>Deposits</td>
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<td></td>
<td></td>
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<tr>
<td>Noninterest-bearing deposits</td>
<td>$(256)</td>
<td>$(265)</td>
<td>$(204)</td>
<td>$(241)</td>
<td>$(243)</td>
</tr>
<tr>
<td>Savings products</td>
<td>26</td>
<td>29</td>
<td>17</td>
<td>15</td>
<td>(9)</td>
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<td>Time deposits</td>
<td>1,664</td>
<td>2,632</td>
<td>2,914</td>
<td>3,342</td>
<td>2,760</td>
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<tr>
<td>Total deposits</td>
<td>1,434</td>
<td>2,396</td>
<td>2,727</td>
<td>3,116</td>
<td>2,508</td>
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<tr>
<td>Other Interest-bearing Liabilities</td>
<td>43,659</td>
<td>44,013</td>
<td>42,222</td>
<td>41,775</td>
<td>39,600</td>
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<tr>
<td>Other Noninterest-bearing Liabilities</td>
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<td>2,603</td>
<td>2,528</td>
<td>2,510</td>
<td>3,675</td>
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<td>Total liabilities</td>
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<td>49,012</td>
<td>47,477</td>
<td>47,401</td>
<td>45,783</td>
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<tr>
<td>Shareholders' Equity</td>
<td>2,889</td>
<td>2,783</td>
<td>2,782</td>
<td>3,060</td>
<td>3,759</td>
</tr>
</tbody>
</table>

### NET INTEREST SPREADS

| 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   |

### CREDIT QUALITY

#### Net Charge-offs

| Commercial                     | $(.8)  | $(.7)  | $(1.3) | $(1.2) | $(1.1) |
| Commercial real estate         | --     | --     | .1     | (.1)   | --    |
| Residential mortgages          | .5     | (.4)   | .2     | .5     | .5    |
| Retail                         | (.2)   | --     | (.1)   | .1     | .1    |
| Total loans                    | $(.5)  | $(1.1) | $(1.1) | $(.7)  | $(.5) |

#### Net Charge-off Ratios

| 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 %   |

### Nonperforming Assets

| Nonperforming loans            | $ .9   | $ --   | $ --   | $ .3   | $ .3   |
| Other nonperforming assets     | .1     | .2     | .3     | .3     | .2     |
| Total nonperforming assets     | $1.0   | $2.2   | $3.3   | $6.6   | $5.5   |
## Income Statement

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<tbody>
<tr>
<td><strong>Net Interest Income</strong></td>
<td>$1,799.8</td>
<td>$1,781.7</td>
<td>$1,779.4</td>
<td>$1,779.0</td>
<td>$1,816.7</td>
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<tr>
<td><strong>Noninterest Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit and debit card revenue</td>
<td>184.4</td>
<td>164.3</td>
<td>158.8</td>
<td>141.8</td>
<td>153.4</td>
</tr>
<tr>
<td>Corporate payment products revenue</td>
<td>100.8</td>
<td>108.5</td>
<td>102.7</td>
<td>94.8</td>
<td>88.7</td>
</tr>
<tr>
<td>ATM processing services</td>
<td>43.0</td>
<td>45.2</td>
<td>44.9</td>
<td>42.2</td>
<td>40.3</td>
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<tr>
<td>Merchant processing services</td>
<td>180.9</td>
<td>187.5</td>
<td>165.1</td>
<td>141.1</td>
<td>146.0</td>
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<td>Trust and investment management fees</td>
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<td>246.6</td>
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<td>Deposit service charges</td>
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<td>Treasury management fees</td>
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<td>117.5</td>
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<td>110.4</td>
<td>98.5</td>
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<td>Mortgage banking revenue</td>
<td>96.0</td>
<td>97.2</td>
<td>109.9</td>
<td>94.2</td>
<td>91.9</td>
</tr>
<tr>
<td>Investment products fees and commissions</td>
<td>37.4</td>
<td>37.1</td>
<td>42.2</td>
<td>39.3</td>
<td>36.2</td>
</tr>
<tr>
<td>Securities gains (losses), net</td>
<td>(20.5)</td>
<td>87.3</td>
<td>(171.7)</td>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td>Other</td>
<td>143.3</td>
<td>124.7</td>
<td>107.1</td>
<td>103.2</td>
<td>92.2</td>
</tr>
<tr>
<td><strong>Total noninterest income</strong></td>
<td>1,435.2</td>
<td>1,524.0</td>
<td>1,241.7</td>
<td>1,318.3</td>
<td>1,296.6</td>
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<tr>
<td><strong>Total net revenue</strong></td>
<td>3,235.0</td>
<td>3,305.7</td>
<td>3,021.1</td>
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<td>3,113.3</td>
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<tr>
<td><strong>Noninterest Expense</strong></td>
<td></td>
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<tr>
<td>Compensation and employee benefits</td>
<td>677.2</td>
<td>664.6</td>
<td>663.8</td>
<td>636.0</td>
<td>620.7</td>
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<td>Net occupancy and equipment</td>
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<td>159.2</td>
<td>153.4</td>
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<td>Other intangibles</td>
<td>161.4</td>
<td>210.2</td>
<td>(47.6)</td>
<td>226.1</td>
<td>124.2</td>
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<td>Net shared services</td>
<td>--</td>
<td>--</td>
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<td>Other</td>
<td>576.9</td>
<td>485.0</td>
<td>463.0</td>
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<td><strong>Total noninterest expense</strong></td>
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<td>1,519.0</td>
<td>1,232.6</td>
<td>1,454.9</td>
<td>1,334.8</td>
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<td>Operating earnings before provision and income taxes</td>
<td>1,657.0</td>
<td>1,786.7</td>
<td>1,788.5</td>
<td>1,642.4</td>
<td>1,778.5</td>
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<td><strong>Provision for Credit Losses</strong></td>
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<td>165.1</td>
<td>204.5</td>
<td>235.0</td>
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<td>Operating earnings before income taxes</td>
<td>1,592.0</td>
<td>1,621.6</td>
<td>1,584.0</td>
<td>1,407.4</td>
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<td>Income taxes and taxable-equivalent adjustment</td>
<td>536.0</td>
<td>556.1</td>
<td>547.1</td>
<td>399.0</td>
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<tr>
<td><strong>Operating earnings</strong></td>
<td>$1,056.0</td>
<td>$1,065.5</td>
<td>$1,036.9</td>
<td>$1,008.4</td>
<td>$975.3</td>
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### Financial Ratios

- **Return on average assets**: 2.16 %, 2.21 %, 2.19 %, 2.14 %, 2.04 %
- **Return on average equity**: 21.2 %, 21.9 %, 21.9 %, 20.7 %, 19.3 %
- **Net interest margin (taxable-equivalent basis)**: 4.20, 4.22, 4.28, 4.29, 4.42
- **Efficiency ratio**: 48.5, 47.2, 38.6, 47.0, 42.9

**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.
U.S. Bancorp
CONSORTIATED COMPANY

(Dollars in Millions) (Unaudited)

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<td><strong>AVERAGE BALANCE SHEET</strong></td>
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<td><strong>Loans</strong></td>
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<tr>
<td>Commercial</td>
<td>$40,203</td>
<td>$39,317</td>
<td>$39,330</td>
<td>$38,531</td>
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<td>Commercial real estate</td>
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<td>27,116</td>
<td>27,116</td>
<td>27,290</td>
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<td>Residential mortgages</td>
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<td>14,569</td>
<td>14,052</td>
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<td>13,374</td>
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<td>Retail</td>
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<td>41,826</td>
<td>40,663</td>
<td>39,559</td>
<td>38,597</td>
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<td><strong>Total loans</strong></td>
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<td>122,906</td>
<td>121,161</td>
<td>118,810</td>
<td>119,300</td>
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<td>Total earning assets</td>
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<td><strong>Non-earning Assets</strong></td>
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<td>Other non-earnings assets</td>
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<td><strong>Total non-earning assets</strong></td>
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<td><strong>Total assets</strong></td>
<td>194,660</td>
<td>191,585</td>
<td>190,430</td>
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<td><strong>Deposits</strong></td>
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<tr>
<td>Noninterest-bearing deposits</td>
<td>$29,841</td>
<td>$29,791</td>
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<td>$29,647</td>
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<td>Savings products</td>
<td>58,361</td>
<td>58,121</td>
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<td>61,654</td>
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<td>Time deposits</td>
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<td>27,404</td>
<td>25,592</td>
<td>25,751</td>
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<td><strong>Total deposits</strong></td>
<td>116,444</td>
<td>115,316</td>
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<td><strong>Total liabilities</strong></td>
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<td><strong>Total earning assets</strong></td>
<td>5.60 %</td>
<td>5.48 %</td>
<td>5.42 %</td>
<td>5.50 %</td>
<td>5.58 %</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>4.90 %</td>
<td>4.80 %</td>
<td>4.74 %</td>
<td>4.80 %</td>
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<td><strong>Total deposits</strong></td>
<td>(.86)</td>
<td>(.76)</td>
<td>(.70)</td>
<td>(.79)</td>
<td>(.84)</td>
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<td><strong>Total liabilities</strong></td>
<td>(1.36)</td>
<td>(1.22)</td>
<td>(1.09)</td>
<td>(1.15)</td>
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<td><strong>Net Charge-offs</strong></td>
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<tr>
<td>Commercial</td>
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<td>Residential mortgages</td>
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<td>7.2</td>
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<td>Retail</td>
<td>127.9</td>
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<td>$165.1</td>
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<td><strong>Net Charge-off Ratios</strong></td>
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<tr>
<td>Commercial</td>
<td>.18 %</td>
<td>.21 %</td>
<td>.56 %</td>
<td>.78 %</td>
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<td>.19</td>
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<tr>
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<td>.21</td>
<td>.22</td>
<td>.21</td>
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<tr>
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<td><strong>Total loans</strong></td>
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<td>.53 %</td>
<td>.68 %</td>
<td>.79 %</td>
<td>.95 %</td>
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<td>Other nonperforming assets</td>
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