U.S. Bancorp 4Q15 Earnings Conference Call

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January 15, 2016

Forward-looking Statements and Additional Information

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

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

For discussion of these and other risks that may cause actual results to differ from expectations, refer to U.S. Bancorp's Annual Report on Form 10-K for the year ended December 31, 2014, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile" contained in Exhibit 13, and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934. Forward-looking statements speak only as of the date they are made, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

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

Full Year 2015 Highlights

- Record net income of $5.9 billion; $3.16 per diluted common share
- Industry-leading profitability measures, including ROA of 1.44%, ROCE of 14.0% and efficiency ratio of 53.8%
- Average loan growth of 4.1%* vs. 2014 and average deposit growth of 7.7% vs. 2014
- Net charge-offs declined 12.1% vs. 2014
- Nonperforming assets declined 15.8% vs. 2014
- Capital generation continues to reinforce capital position
  - End of period common equity tier 1 capital ratio of 9.1% estimated for the Basel III fully implemented standardized approach
  - Repurchased 52 million shares of common stock during 2015
- Returned $4.0 billion, or 72%, of earnings to shareholders in 2015

* Loan growth excludes student loans, which were transferred from held for sale at the end of 1Q15 and returned to held for investment during 3Q15

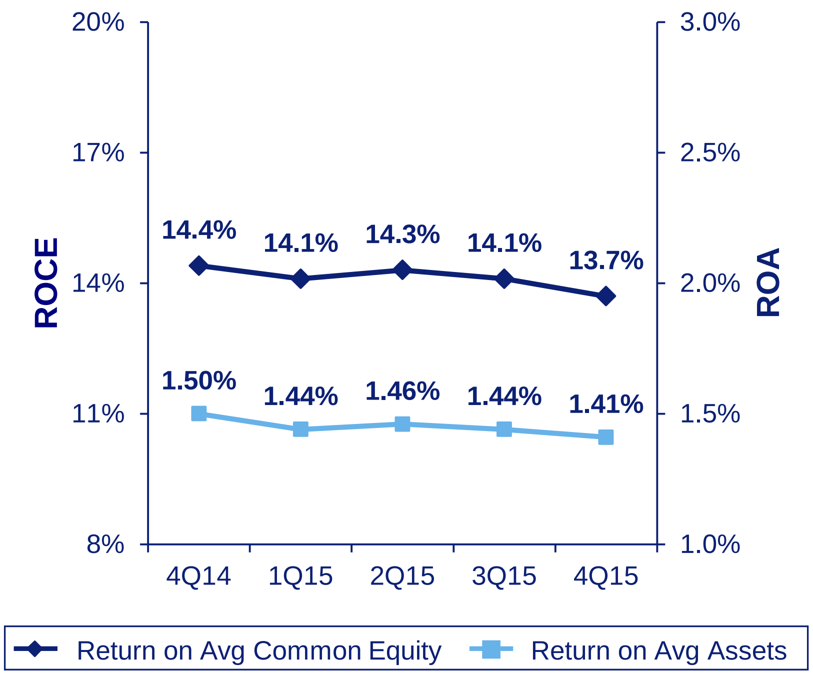
4Q15 Highlights

- Record revenue of $5.2 billion
- Net income of $1.5 billion; $0.80 per diluted common share
- Average loan growth of 1.7%* vs. 3Q15 and 4.2% vs. 4Q14
- Average deposit growth of 1.7% vs. 3Q15 and 6.9% vs. 4Q14
- Continued momentum in payment-related fee revenue led by a year-over-year increase in credit and debit card revenue of 8.1%
- Net charge-offs declined 1.0% vs. 4Q14 and increased 4.5% vs. 3Q15
- Nonperforming assets declined 15.8% vs. 4Q14 and 2.8% vs. 3Q15
- Capital generation continues to reinforce capital position
  - End of period common equity tier 1 capital ratio of 9.1% estimated for the Basel III fully implemented standardized approach
  - Returned 61% of earnings to shareholders in 4Q15

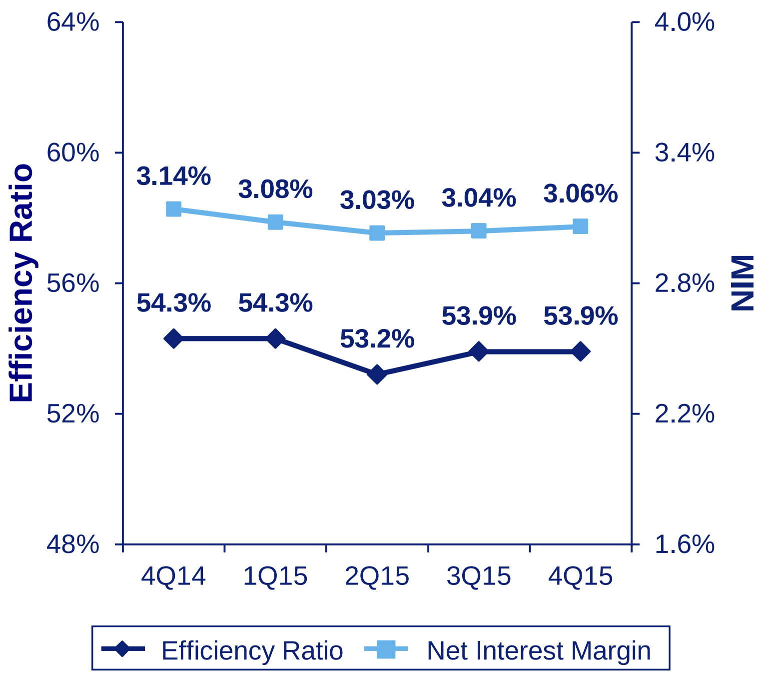
* Loan growth excludes student loans, which were transferred from held for sale at the end of 1Q15 and returned to held for investment during 3Q15

Performance Ratios

Return on Average Common Equity and Return on Average Assets



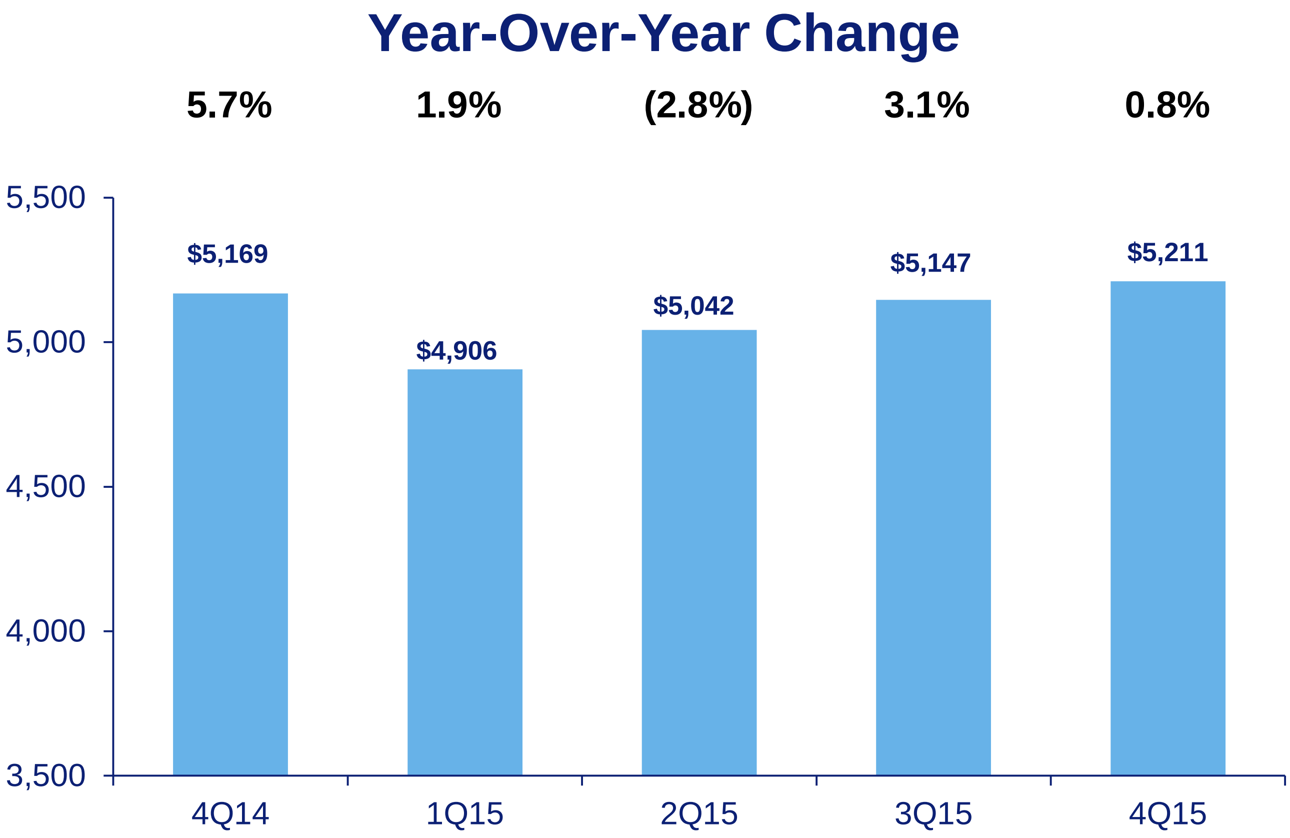
Efficiency Ratio and Net Interest Margin



Efficiency ratio computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses)

Revenue Growth

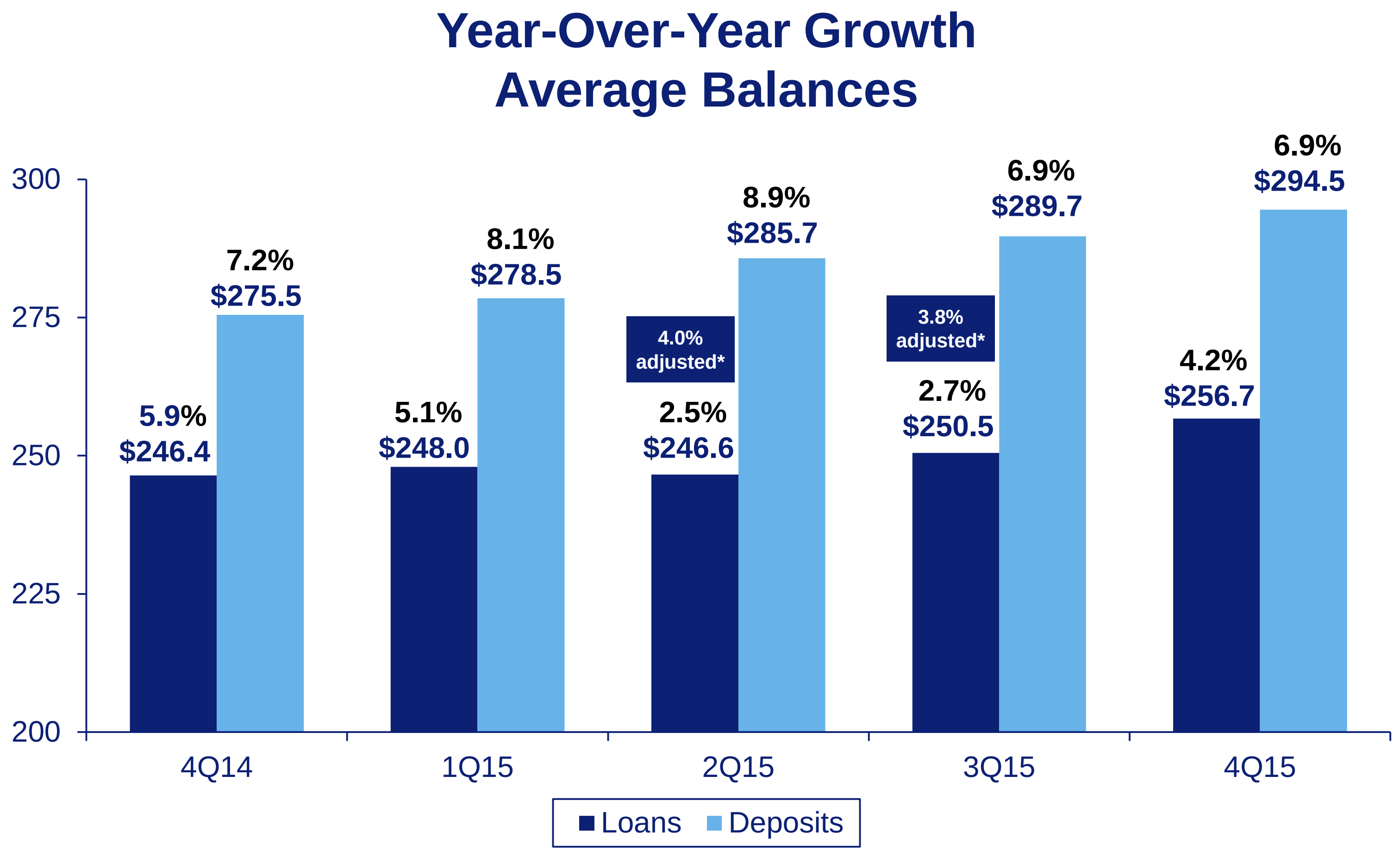
$ in millions



Notable items: 2Q14 Visa gain $214 million; 4Q14 Nuveen gain $124 million; 3Q15 Visa gain $135 million, student loan market value adjustment ($58) million
Taxable-equivalent basis

Loan and Deposit Growth

$ in billions

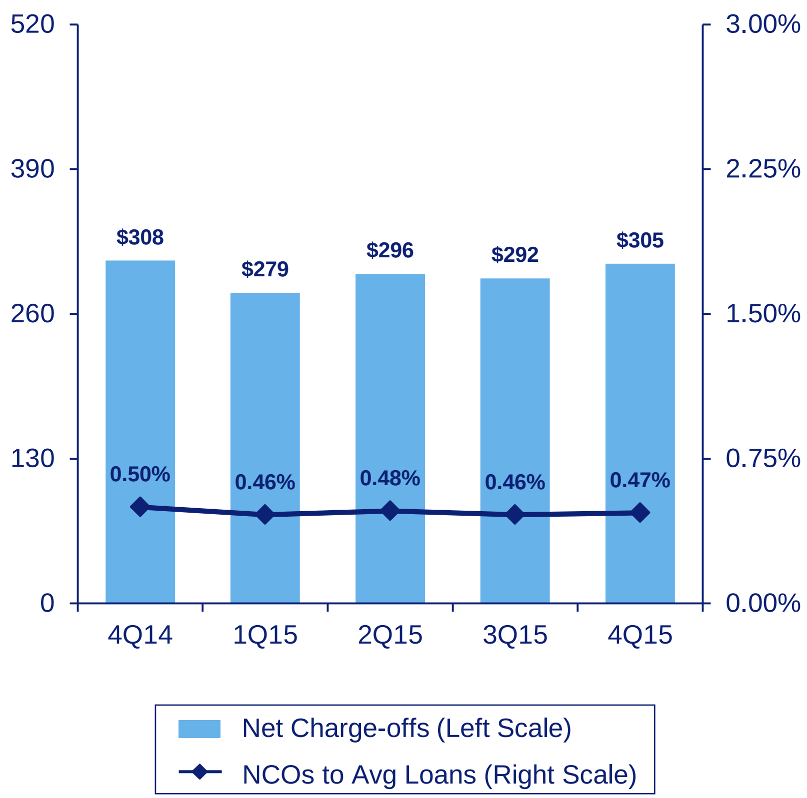


* Loan growth excludes student loans, which were transferred from held for sale at the end of 1Q15 and returned to held for investment during 3Q15

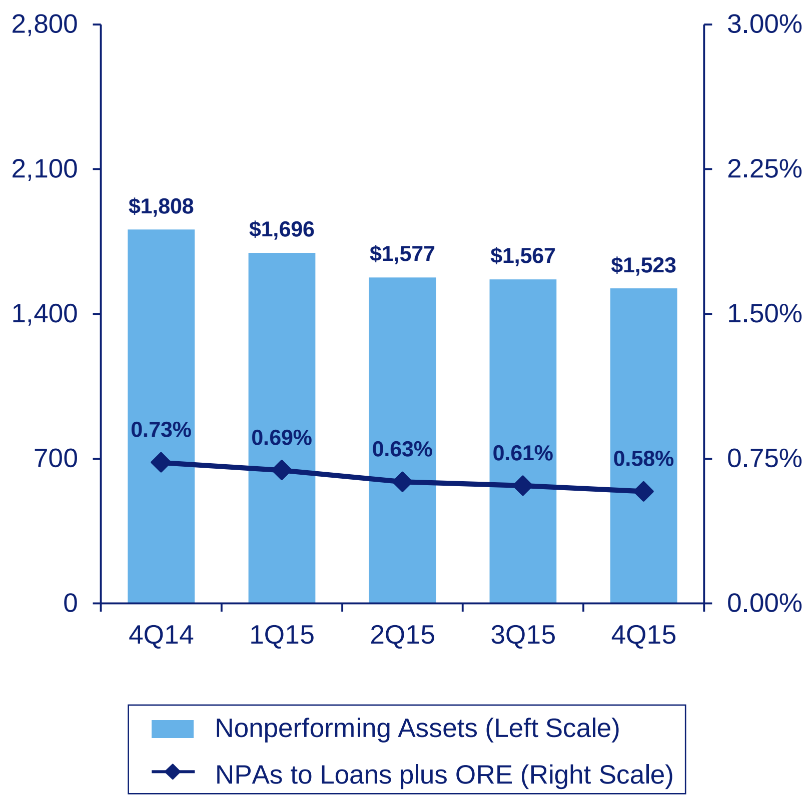
Credit Quality

$ in millions

Net Charge-offs



Nonperforming Assets



Earnings Summary

$ and shares in millions, except per-share data

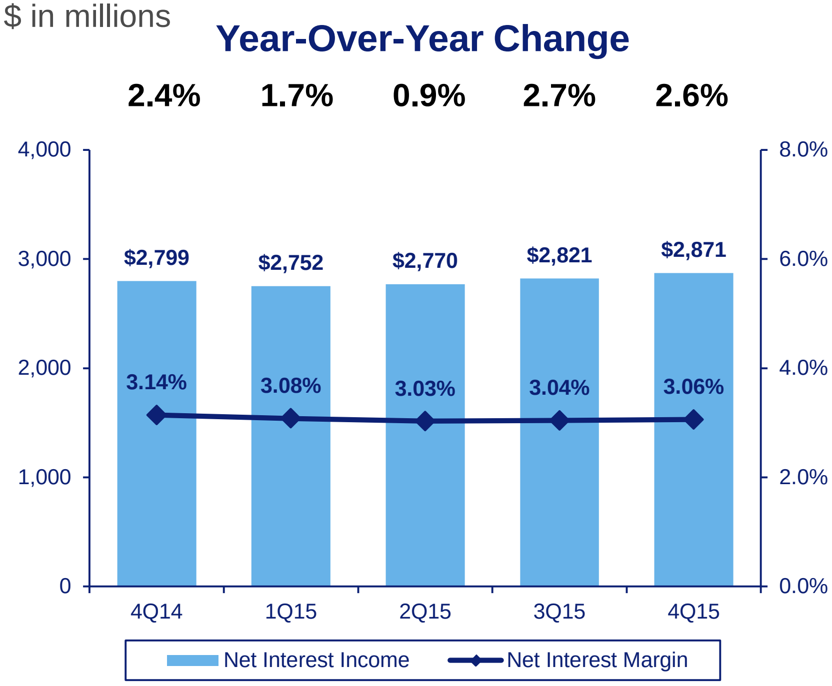
	4Q15	3Q15	4Q14	% B/(W) vs 3Q15	% B/(W) vs 4Q14	FY 2015	FY 2014	%B/(W)
Net Interest Income	$ 2,871	$ 2,821	$ 2,799	1.8	2.6	$ 11,214	$ 10,997	2.0
Noninterest Income	2,340	2,326	2,370	0.6	(1.3)	9,092	9,164	(0.8)
Net Revenue	**5,211**	**5,147**	**5,169**	1.2	0.8	**20,306**	**20,161**	0.7
Noninterest Expense	2,809	2,775	2,804	(1.2)	(0.2)	10,931	10,715	(2.0)
Operating Income	**2,402**	**2,372**	**2,365**	**1.3**	**1.6**	**9,375**	**9,446**	(0.8)
Net Charge-offs	305	292	308	(4.5)	1.0	1,172	1,334	12.1
Excess Provision	-	(10)	(20)	-	-	(40)	(105)	(61.9)
Income before Taxes	**2,097**	**2,090**	**2,077**	**0.3**	**1.0**	**8,243**	**8,217**	0.3
Applicable Income Taxes	608	587	576	(3.6)	(5.6)	2,310	2,309	-
Noncontrolling Interests	(13)	(14)	(13)	7.1	-	(54)	(57)	5.3
Net Income	**1,476**	**1,489**	**1,488**	**(0.9)**	**(0.8)**	**5,879**	**5,851**	0.5
Preferred Dividends/Other	72	67	68	(7.5)	(5.9)	271	268	(1.1)
NI to Common	**$ 1,404**	**$ 1,422**	**$ 1,420**	**(1.3)**	**(1.1)**	**$ 5,608**	**$ 5,583**	0.4
Diluted EPS	$0.80	$ 0.81	$ 0.79	(1.2)	1.3	$ 3.16	$ 3.08	2.6
Average Diluted Shares	1,754	1,766	1,796	0.7	2.3	1,772	1,813	2.3

Taxable-equivalent basis

Net Interest Income

Net Interest Income

$ in millions



Key Points

vs. 4Q14

- Average earning assets grew $18.1 billion, or 5.1%
- Net interest margin lower 8 bps (3.06% vs. 3.14%)
  - Change in loan portfolio mix, as well as growth in the investment portfolio at lower average rates and lower reinvestment rates on investment securities

vs. 3Q15

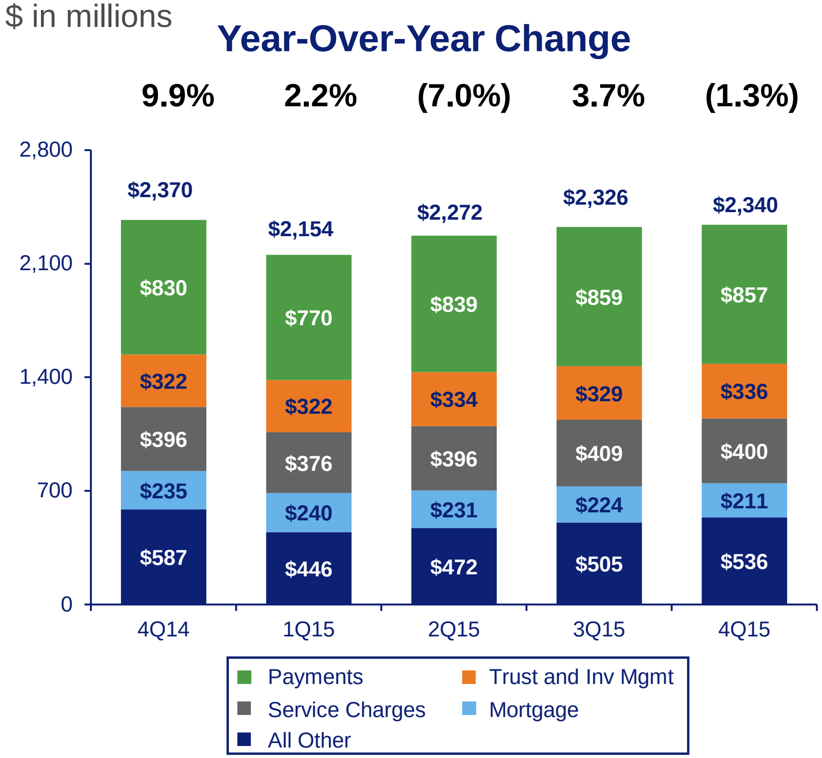
- Average earning assets grew $3.8 billion, or 1.0%
- Net interest margin higher 2 bps (3.06% vs. 3.04%)
  - Principally due to loan growth which also resulted in lower cash balances

Taxable-equivalent basis

Noninterest Income

Noninterest Income

$ in millions



Key Points

vs. 4Q14

- Noninterest income decreased $30 million, or 1.3%
  - Higher credit and debit card revenue (8.1% increase) due to higher transaction volumes and higher merchant processing services revenues (2.3% increase) due to higher transaction volumes, account growth and equipment sales to merchants
  - Higher trust and investment management fees (4.3% increase)
  - Lower mortgage banking revenue primarily due to an unfavorable change in the valuation of MSRs, net of hedging activities
  - Lower other income due to the impact of the 4Q14 Nuveen gain, partially offset by the HSA deposit sale

vs. 3Q15

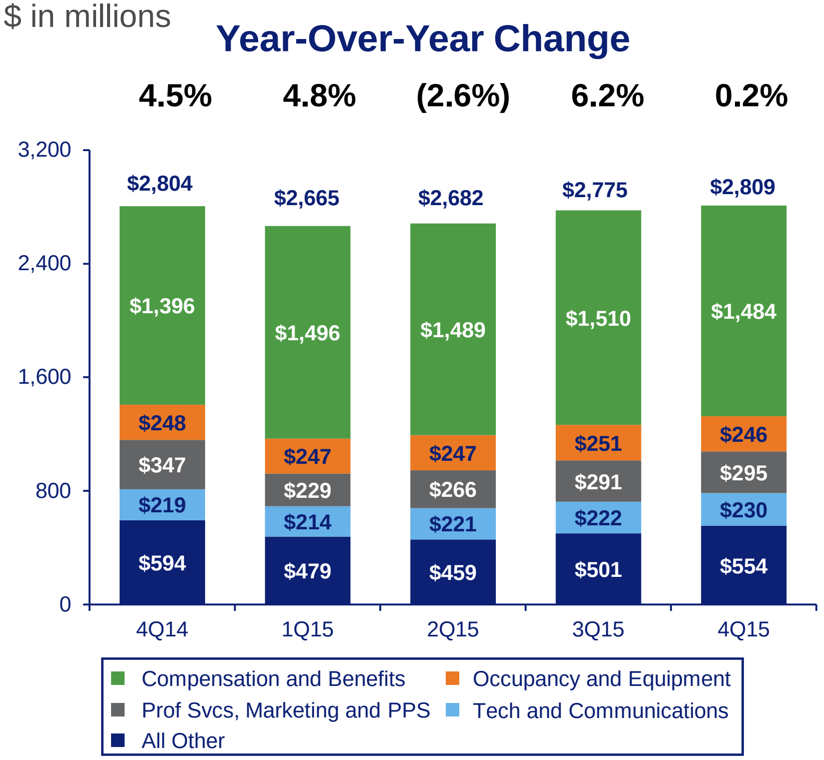
- Noninterest income increased $14 million, or 0.6%
  - Higher credit and debit card revenue (9.3% increase) primarily due to seasonally higher sales volumes
  - Lower mortgage banking revenue primarily due to lower origination revenue
  - Lower corporate payment products revenue (10.5% decrease) reflecting the impact of seasonally higher 3Q15 government-related transaction volumes
  - Higher other income reflecting the net impact of prior quarter notable items including the Visa Inc. Class B common stock sales and the student loan market adjustment, offset by the HSA deposit sale and other equity investment income

Notable items: 4Q14 Nuveen gain $124 million; 3Q15 Visa gain $135 million, student loan market value adjustment ($58) million
Payments = credit and debit card, corporate payment products and merchant processing
Service charges = deposit service charges, treasury management and ATM processing

Noninterest Expense

Noninterest Expense

$ in millions



Key Points

vs. 4Q14

- Noninterest expense increased $5 million, or 0.2%
  - Higher compensation (5.3% increase) reflecting the impact of merit increases and higher staffing for risk and compliance activities
  - Higher employee benefits expense (11.0% increase) mainly due to higher pension costs
  - Lower marketing and business development expense (25.6% decrease) primarily due to charitable contributions in 4Q14
  - Lower other noninterest expense reflecting the impact of prior year legal accruals partially offset by higher compliance-related expenses

vs. 3Q15

- Noninterest expense increased $34 million, or 1.2%
  - Lower compensation expense (1.1% decrease) reflecting the impact of expense management initiatives and decreases in variable compensation
  - Lower employee benefits expense (4.6% decrease) driven by lower payroll tax expense and healthcare costs
  - Higher other noninterest expense due to seasonally higher costs related to investments in tax-advantaged projects and accruals related to legal and compliance matters, partially offset by the favorable impact of reduced mortgage-related compliance and talent upgrade costs which were elevated in 3Q15

Notable items: 4Q14 charitable contributions and accruals for legal matters $88 million; 3Q15 elevated expenses related to mortgage-related compliance and the company-wide talent upgrade costs $60 million

Capital Position

$ in billions

	4Q15	3Q15	2Q15	1Q15	4Q14
Total U.S. Bancorp shareholders' equity	$ 46.1	$ 45.1	$ 44.5	$ 44.3	$ 43.5
Standardized Approach					
Basel III transitional standardized approach					
Common equity tier 1 capital ratio	9.6%	9.6%	9.5%	9.6%	9.7%
Tier 1 capital ratio	11.3%	11.1%	11.0%	11.1%	11.3%
Total risk-based capital ratio	13.3%	13.1%	13.1%	13.3%	13.6%
Leverage ratio	9.5%	9.3%	9.2%	9.3%	9.3%
Common equity tier 1 capital to RWA* estimated for the Basel III fully implemented standardized approach	9.1%	9.2%	9.2%	9.2%	9.0%
Advanced Approaches					
Common equity tier 1 capital to RWA for the Basel III transitional advanced approaches	12.5%	13.0%	12.9%	12.3%	12.4%
Common equity tier 1 capital to RWA estimated for the Basel III fully implemented advanced approaches	11.9%	12.4%	12.4%	11.8%	11.8%
Tangible common equity ratio	7.6%	7.7%	7.5%	7.6%	7.5%
Tangible common equity as a % of RWA	9.2%	9.3%	9.2%	9.3%	9.3%

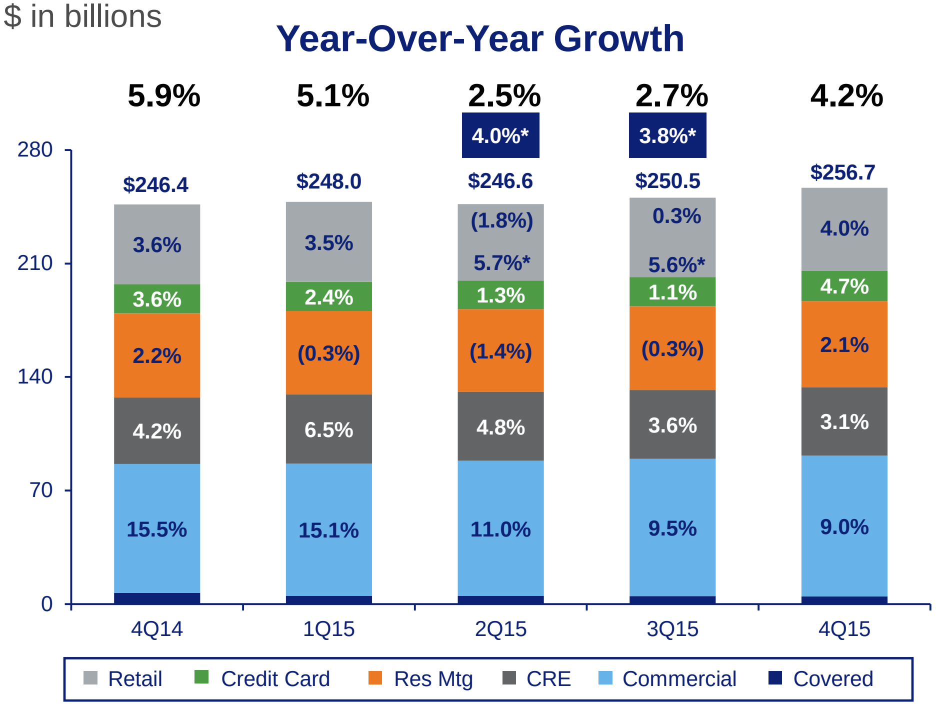
* RWA = risk-weighted assets

Appendix

Average Loans

Average Loans

$ in billions



Key Points

vs. 4Q14

- Average total loans increased by $10.3 billion, or 4.2%
- Average total commercial loans increased $7.2 billion, or 9.0%
- Average retail loans increased 4.0% which includes an increase in average auto loans of 13.0%

vs. 3Q15

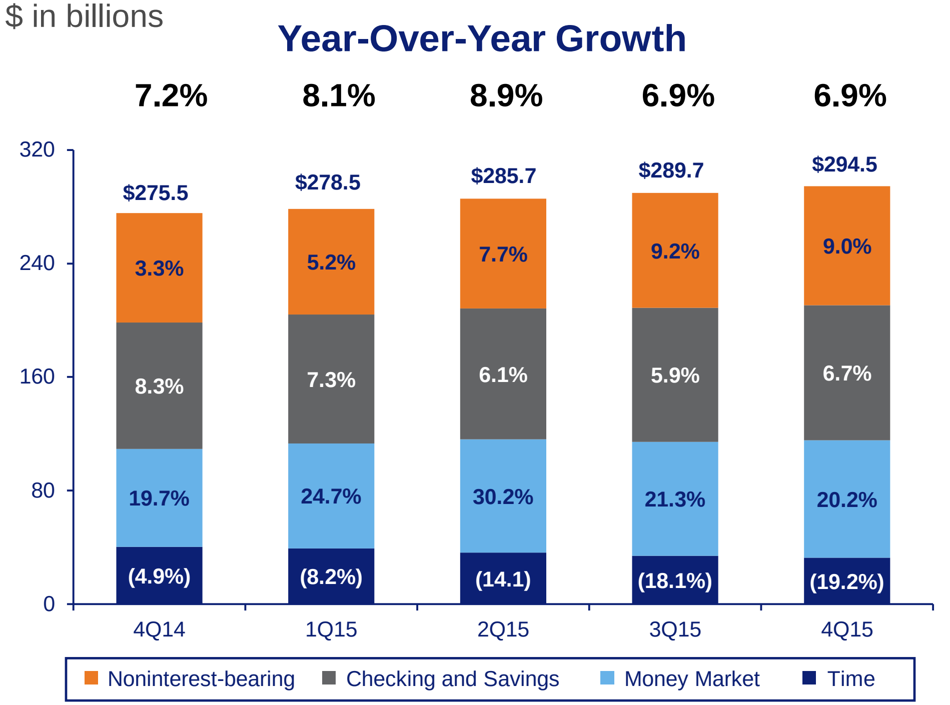
- Average total loans increased by $6.2 billion, or 2.5% (1.7% excluding student loans, which were transferred to held for sale at the end of first quarter of 2015 and returned to held for investment during 3Q15)
- Average total commercial loans increased $2.1 billion, or 2.5%

* Loan growth excludes student loans, which were transferred from held for sale at the end of 1Q15 and returned to held for investment during 3Q15

Average Deposits

Average Deposits

$ in billions



Key Points

vs. 4Q14

- Average total deposits increased by $19.0 billion, or 6.9%
- Average low-cost deposits (NIB, interest checking, money market and savings) increased by $26.8 billion, or 11.4%

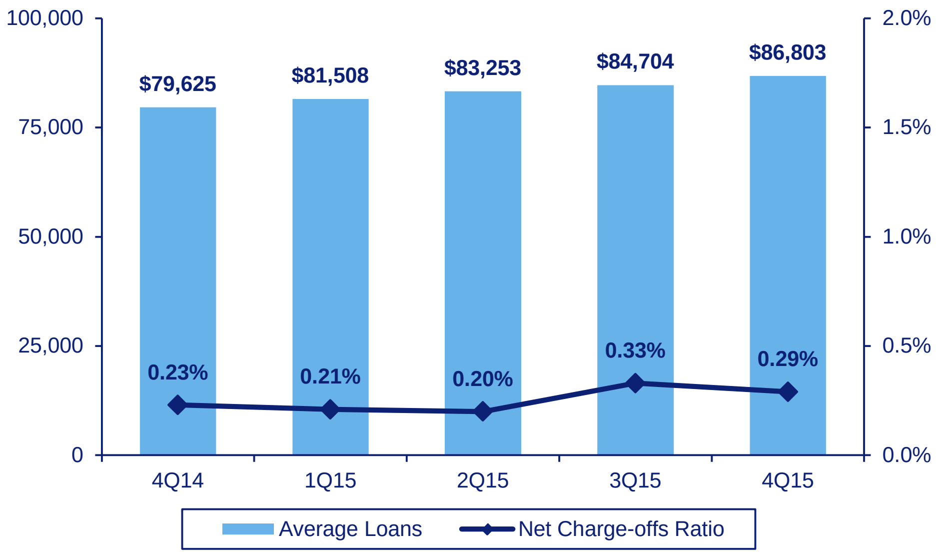
vs. 3Q15

- Average total deposits increased by $4.8 billion, or 1.7%
- Average low-cost deposits increased by $6.2 billion, or 2.4%

Credit Quality – Commercial Loans

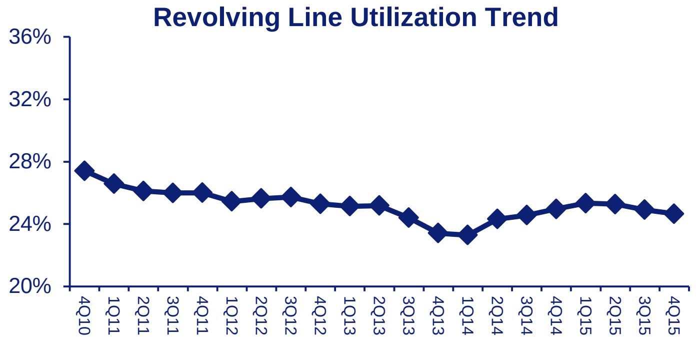
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$79,625	$84,704	$86,803
30-89 Delinquencies	0.31%	0.24%	0.36%
90+ Delinquencies	0.05%	0.05%	0.05%
Nonperforming Loans	0.14%	0.20%	0.20%



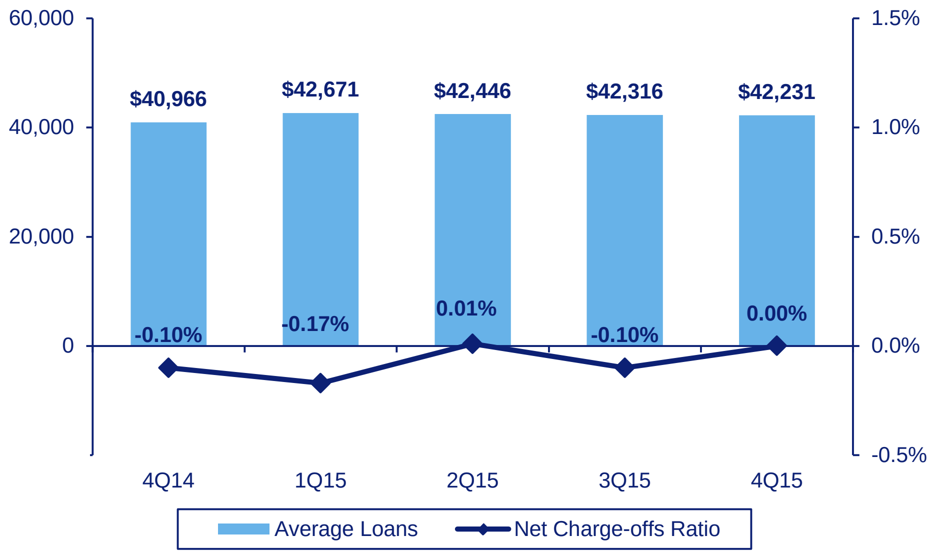
Key Points

- Average linked quarter loan growth of 2.5% and year-over-year loan growth of 9.0% demonstrates continued momentum with customers
- Net charge-offs increased slightly from 4Q14 but declined on a linked quarter basis
- Nonperforming loans remained stable on a linked quarter basis
- Line utilization remained relatively stable

Credit Quality – Commercial Real Estate

$ in millions

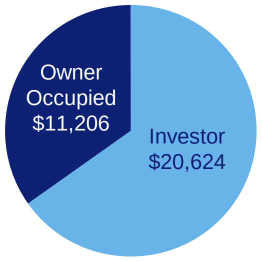
Average Loans and Net Charge-offs Ratios



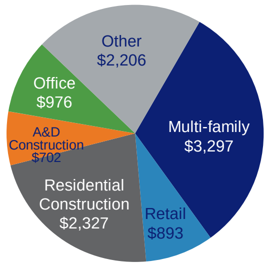
Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$40,966	$42,316	$42,231
30-89 Delinquencies	0.26%	0.15%	0.21%
90+ Delinquencies	0.05%	0.05%	0.03%
Nonperforming Loans	0.61%	0.34%	0.30%
Performing TDRs*	$365	$218	$209

CRE Mortgage



CRE Construction



Key Points

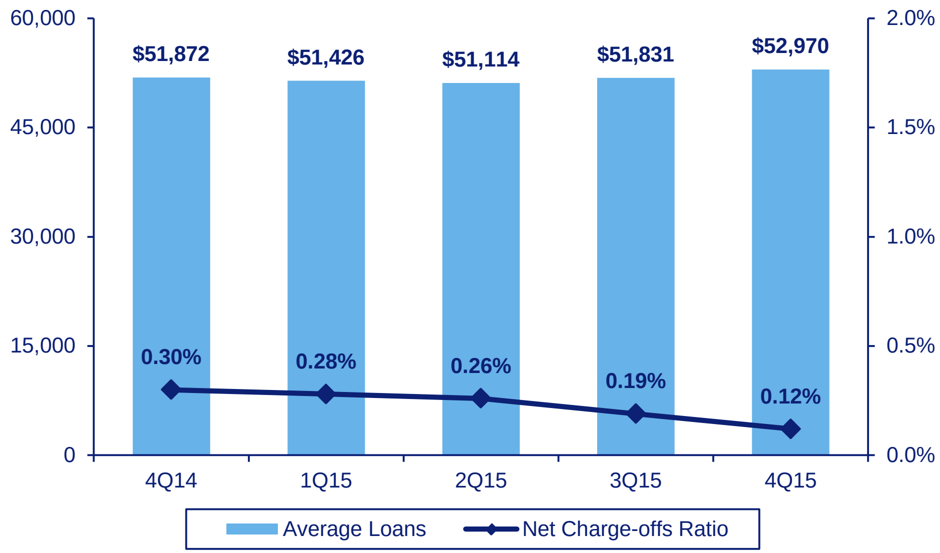
- Year-over-year average loans increased 3.1%
- Historically low nonperforming loan levels improved on a quarter-over-quarter and year-over-year basis
- Recovery performance within the CRE portfolio continues to largely offset minimal loan charge-offs

* TDR = troubled debt restructuring

Credit Quality – Residential Mortgage

$ in millions

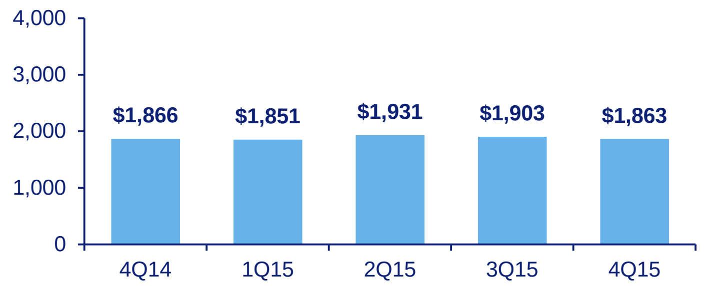
Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$51,872	$51,831	$52,970
30-89 Delinquencies	0.43%	0.35%	0.32%
90+ Delinquencies	0.40%	0.33%	0.33%
Nonperforming Loans	1.67%	1.40%	1.33%

Residential Mortgage Performing TDRs*



*Excludes GNMA loans, whose repayments are insured by the FHA or guaranteed by the Department of VA ($1,913 million in 4Q15)

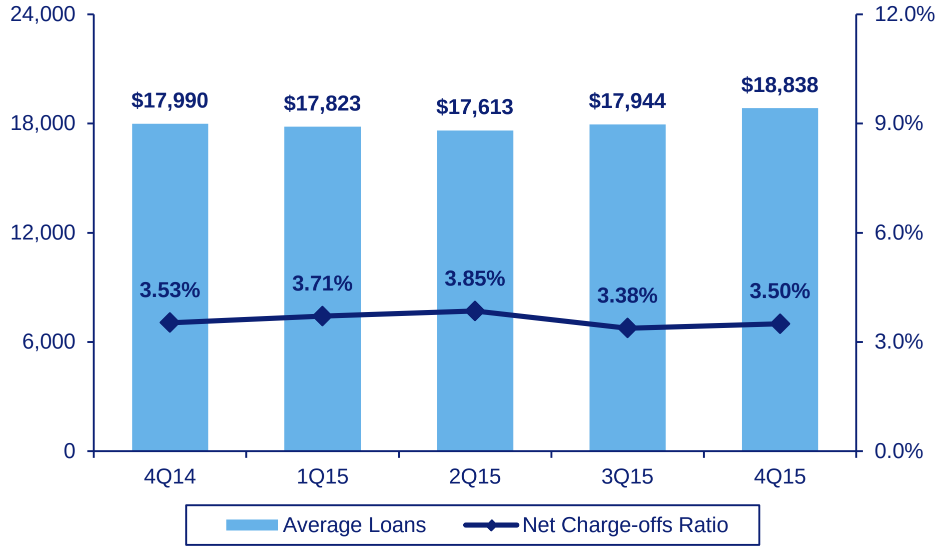
Key Points

- Originations are of high credit quality (weighted average FICO 755, weighted average LTV 69%)
- 85% of the balances have been originated since the beginning of 2009; the origination quality metrics and performance to date have significantly outperformed prior vintages with similar seasoning
- Net charge-offs continue to decline

Credit Quality – Credit Card

$ in millions

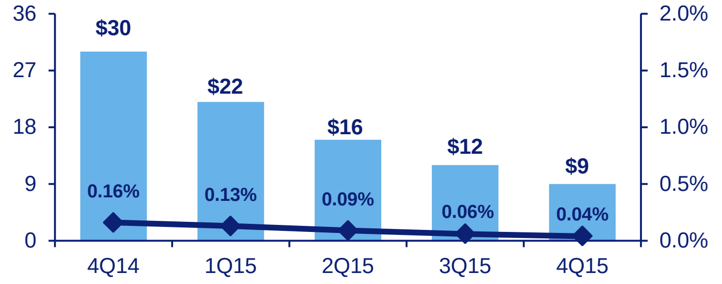
Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$17,990	$17,944	$18,838
30-89 Delinquencies	1.24%	1.27%	1.15%
90+ Delinquencies	1.13%	1.10%	1.09%
Nonperforming Loans	0.16%	0.06%	0.04%

Credit Card Nonperforming Loans



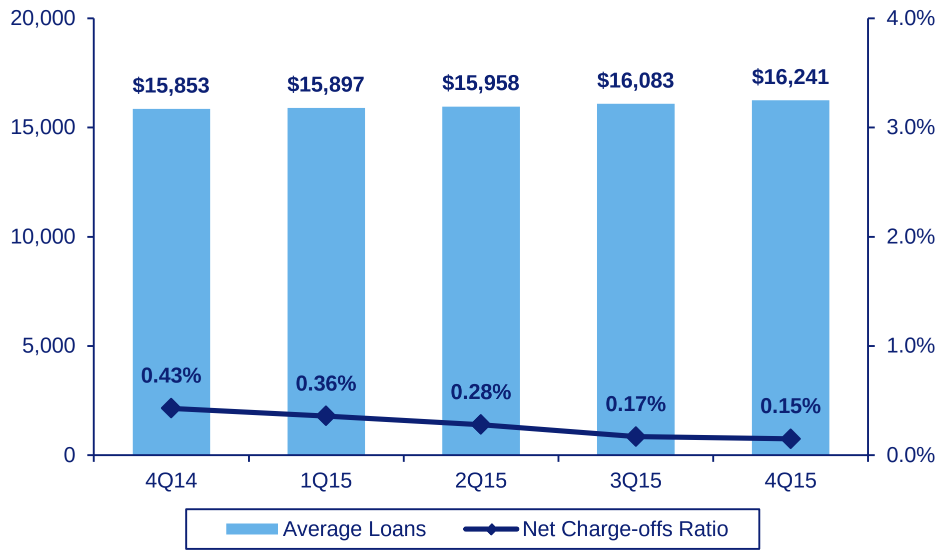
Key Points

- Originations remained strong and of high credit quality with a commitment weighted average FICO of 757
- Charge-offs and delinquencies remain low while nonperforming loans continued to decline

Credit Quality – Home Equity

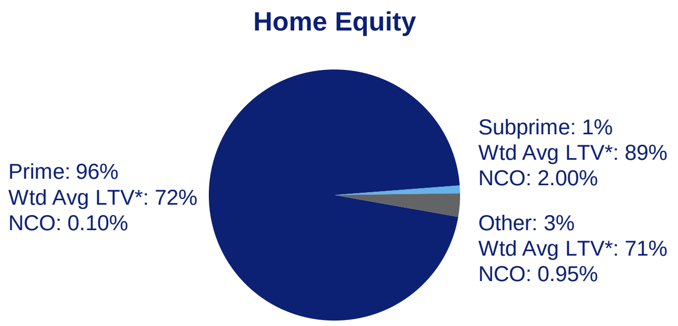
$ in millions

Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$15,853	$16,083	$16,241
30-89 Delinquencies	0.54%	0.36%	0.36%
90+ Delinquencies	0.26%	0.25%	0.25%
Nonperforming Loans	1.07%	0.91%	0.83%



*LTV at origination

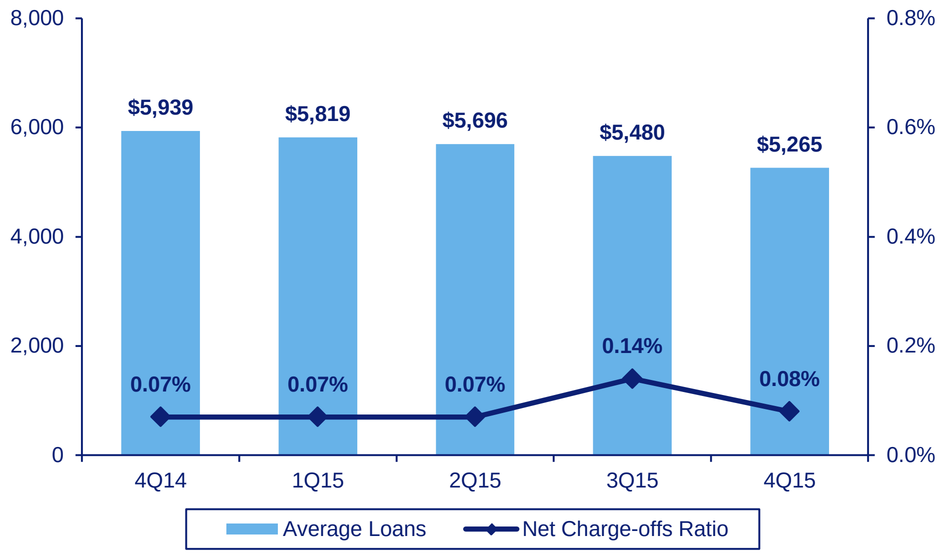
Key Points

- High-quality originations (weighted average FICO on commitments was 761, weighted average CLTV 71%) originated primarily through the retail branch network to existing bank customers on their primary residences
- Net charge-offs ratio continued to decline on a linked quarter and year-over-year basis

Credit Quality – Retail Leasing

$ in millions

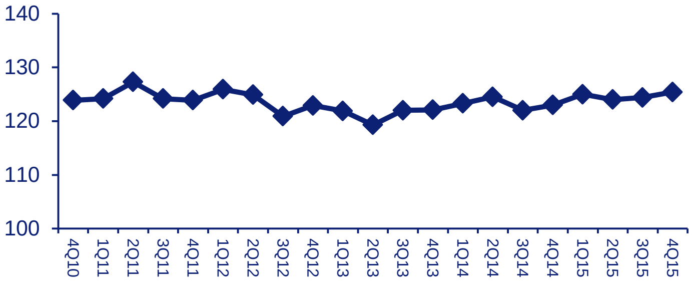
Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$5,939	$5,480	$5,265
30-89 Delinquencies	0.18%	0.18%	0.21%
90+ Delinquencies	0.02%	0.02%	0.02%
Nonperforming Loans	0.02%	0.04%	0.06%

Manheim Used Vehicle Index*



Key Points

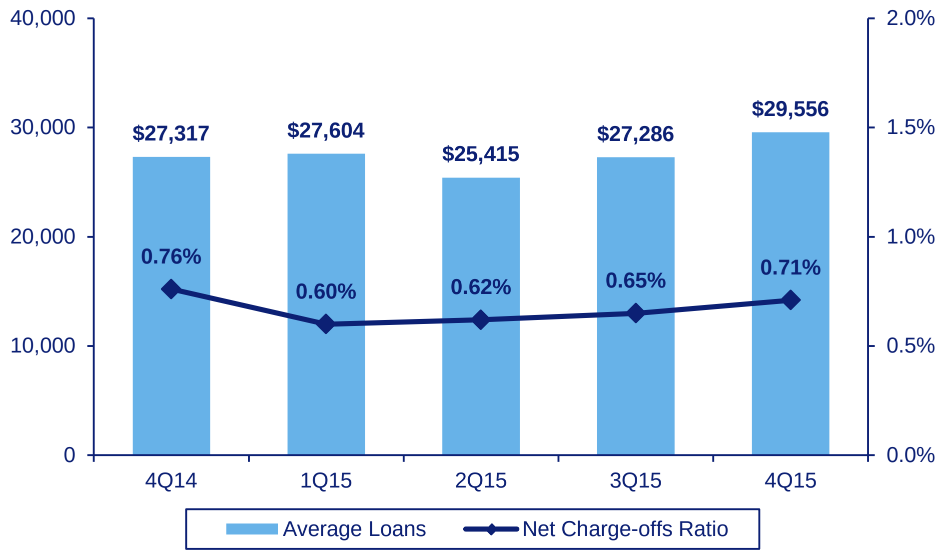
- Continued high-quality originations (weighted average FICO 787) support the portfolio's stable credit profile
- Delinquencies remained at very low levels
- Strong used auto values continued to contribute to historically low net charge-offs

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

Credit Quality – Other Retail

$ in millions

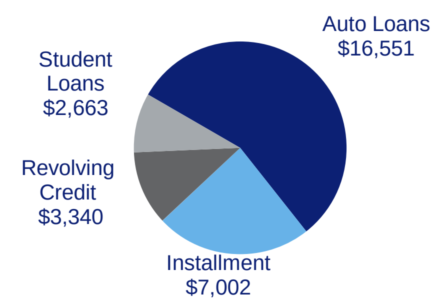
Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$27,317	$27,286	$29,556
30-89 Delinquencies	0.51%	0.46%	0.52%
90+ Delinquencies	0.12%	0.10%	0.11%
Nonperforming Loans	0.06%	0.07%	0.08%

Other Retail



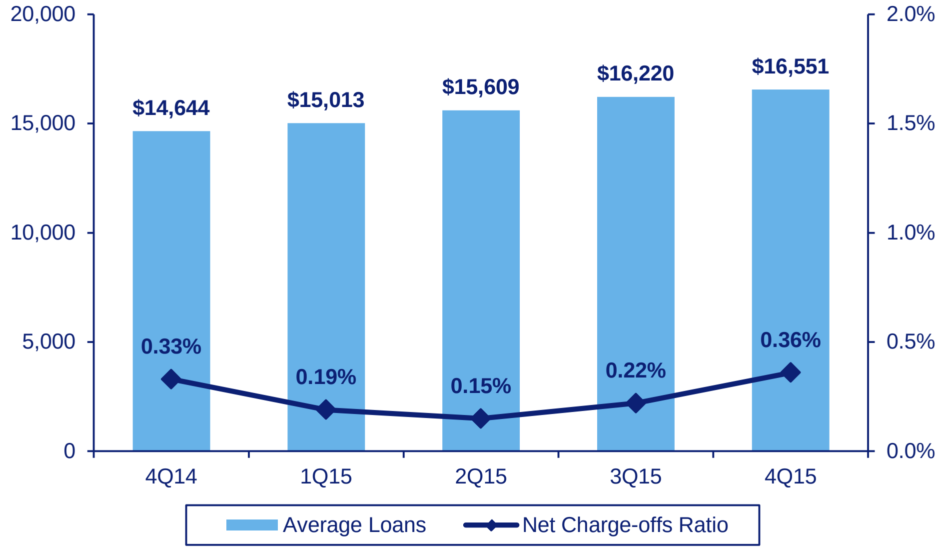
Key Points

- Overall growth continues to be driven by auto loans and installment, which were up 13.0% and 12.5% year-over-year, respectively
- Delinquency rates and net charge-off rates experienced slight seasonal increases; however, they remain low

Credit Quality – Auto Loans

$ in millions

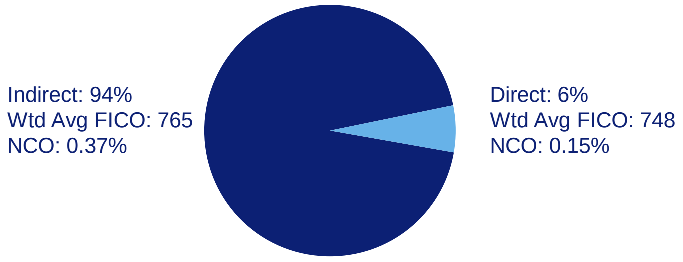
Average Loans and Net Charge-offs Ratios



Key Statistics

	4Q14	3Q15	4Q15
Average Loans	$14,644	$16,220	$16,551
30-89 Delinquencies	0.45%	0.40%	0.51%
90+ Delinquencies	0.03%	0.02%	0.04%
Nonperforming Loans	0.03%	0.05%	0.07%

Indirect and Direct Channel



Key Points

- Continued growth in auto loans driven by high-quality originations in the indirect channel (weighted average FICO 771)
- Net charge-offs were up seasonally on a linked quarter basis, but remained relatively stable year-over-year

Auto loans are included in Other Retail category

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	December 31, 2015		September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Total equity	$46,817		$45,767	$45,231	$44,965	$44,168
Preferred stock	(5,501)		(4,756)	(4,756)	(4,756)	(4,756)
Noncontrolling interests	(686)		(692)	(694)	(688)	(689)
Goodwill (net of deferred tax liability) (1)	(8,295)		(8,324)	(8,350)	(8,360)	(8,403)
Intangible assets, other than mortgage servicing rights	(838)		(779)	(744)	(783)	(824)
Tangible common equity (a)	31,497		31,216	30,687	30,378	29,496
Tangible common equity (as calculated above)	31,497		31,216	30,687	30,378	29,496
Adjustments (2)	67		118	125	158	172
Common equity tier 1 capital estimated for the Basel III fully implemented standardized and advanced approaches (b)	31,564		31,334	30,812	30,536	29,668
Total assets	421,853		415,943	419,075	410,233	402,529
Goodwill (net of deferred tax liability) (1)	(8,295)		(8,324)	(8,350)	(8,360)	(8,403)
Intangible assets, other than mortgage servicing rights	(838)		(779)	(744)	(783)	(824)
Tangible assets (c)	412,720		406,840	409,981	401,090	393,302
Risk-weighted assets, determined in accordance with prescribed transitional standardized approach regulatory requirements (d)	341,360	*	336,227	333,177	327,709	317,398
Adjustments (3)	3,892	*	3,532	3,532	3,153	11,110
Risk-weighted assets estimated for the Basel III fully implemented standardized approach (e)	345,252	*	339,759	336,709	330,862	328,508
Risk-weighted assets, determined in accordance with prescribed transitional advanced approaches regulatory requirements	261,668	*	248,048	245,038	254,892	248,596
Adjustments (4)	4,099	*	3,723	3,721	3,321	3,270
Risk-weighted assets estimated for the Basel III fully implemented advanced approaches (f)	265,767	*	251,771	248,759	258,213	251,866
Ratios *						
Tangible common equity to tangible assets (a)/(c)	7.6	%	7.7 %	7.5 %	7.6 %	7.5 %
Tangible common equity to risk-weighted assets (a)/(d)	9.2		9.3	9.2	9.3	9.3
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach (b)/(e)	9.1		9.2	9.2	9.2	9.0
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches (b)/(f)	11.9		12.4	12.4	11.8	11.8

* Preliminary data. Subject to change prior to filings with applicable regulatory agencies.
(1) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.
(2) Includes net losses on cash flow hedges included in accumulated other comprehensive income (loss) and other adjustments.
(3) Includes higher risk-weighting for unfunded loan commitments, investment securities, residential mortgages, mortgage servicing rights and other adjustments.
(4) Primarily reflects higher risk-weighting for mortgage servicing rights.

U.S. Bancorp 4Q15 Earnings Conference Call

January 15, 2016