



News Release

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U.S. BANCORP REPORTS \$1.5 BILLION OF NET INCOME FOR THE THIRD QUARTER 2014

Return on Average Assets of 1.51 percent and Return on Average Common Equity of 14.5 percent

Year-over-Year Positive Operating Leverage

Returned 78 percent of Third Quarter Earnings to Shareholders

MINNEAPOLIS, October 22, 2014 -- U.S. Bancorp (NYSE: USB) today reported net income of \$1,471 million for the third quarter of 2014, or \$.78 per diluted common share, compared with \$1,468 million, or \$.76 per diluted common share, in the third quarter of 2013. Highlights for the third quarter of 2014 included:

- Growth in average total loans of 6.3 percent over the third quarter of 2013 (5.9 percent excluding the Charter One franchise acquisition in late June 2014 and 7.7 percent excluding covered loans) and 1.4 percent on a linked quarter basis (1.1 percent excluding the Charter One acquisition and 1.7 percent excluding covered loans)
 - Growth in average total commercial loans of 13.6 percent over the third quarter of 2013 and 3.1 percent over the second quarter of 2014
 - Growth in average total commercial real estate loans of 6.1 percent over the third quarter of 2013 and .8 percent over the second quarter of 2014
 - Growth in average commercial and commercial real estate commitments of 12.9 percent year-over-year and 3.2 percent over the prior quarter
- Strong new lending activity of \$56.0 billion during the third quarter, including:
 - \$36.1 billion of new and renewed commercial and commercial real estate commitments
 - \$2.9 billion of lines related to new credit card accounts
 - \$17.0 billion of mortgage and other retail loan originations
- Net interest income growth over the third quarter of 2013 and second quarter 2014
 - Average earning assets growth of 10.0 percent year-over-year and 3.1 percent linked quarter
 - Continued strong growth in lower cost core deposit funding on a year-over-year and linked quarter basis

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- Net interest margin of 3.16 percent for the third quarter of 2014, compared with 3.27 percent for the second quarter of 2014, and 3.43 for the third quarter of 2013
- Decline in net charge-offs of 3.7 percent on a linked quarter basis. Provision for credit losses was \$25 million less than net charge-offs
 - Allowance for credit losses to period-end loans was 1.80 percent at September 30, 2014
 - Annualized net charge-offs to average total loans ratio was .55 percent
- Decrease in nonperforming assets on both a linked quarter and year-over-year basis
 - Nonperforming assets (excluding covered assets) declined 6.2 percent from the third quarter of 2013
- Growth in average total deposits of 7.4 percent over the third quarter of 2013 (5.5 percent excluding the Charter One acquisition) and 3.3 percent on a linked quarter basis (1.7 percent excluding the Charter One acquisition)
 - Average low cost deposits, including noninterest-bearing and total savings deposits, grew by 12.2 percent year-over-year and 4.2 percent on a linked quarter basis
- Industry-leading performance ratios, including:
 - Return on average assets of 1.51 percent
 - Return on average common equity of 14.5 percent
 - Efficiency ratio of 52.4 percent
- Capital generation continued to reinforce capital position and returns. Ratios at September 30, 2014, were:
 - Basel III transitional standardized approach:
 - Common equity tier 1 capital ratio of 9.7 percent
 - Tier 1 capital ratio of 11.3 percent
 - Total risk-based capital ratio of 13.6 percent
 - Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach of 9.0 percent and for the Basel III fully implemented advanced approaches of 11.8 percent
- Returned 78 percent of third quarter earnings to shareholders through dividends and the buyback of 16 million common shares

U.S. Bancorp Reports Third Quarter 2014 Results

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EARNINGS SUMMARY								Table 1
(\$ in millions, except per-share data)								
	3Q	2Q	3Q	Percent	Percent	YTD	YTD	Percent
	2014	2014	2013	Change	Change	2014	2013	Change
				3Q14 vs	3Q14 vs			
				2Q14	3Q13			
Net income attributable to U.S. Bancorp	\$1,471	\$1,495	\$1,468	(1.6)	.2	\$4,363	\$4,380	(.4)
Diluted earnings per common share	\$.78	\$.78	\$.76	--	2.6	\$2.29	\$2.25	1.8
Return on average assets (%)	1.51	1.60	1.65			1.56	1.67	
Return on average common equity (%)	14.5	15.1	15.8			14.7	16.0	
Net interest margin (%)	3.16	3.27	3.43			3.26	3.45	
Efficiency ratio (%) (a)	52.4	53.1	52.4			52.8	51.6	
Tangible efficiency ratio (%) (b)	51.3	52.1	51.3			51.8	50.5	
Dividends declared per common share	\$.245	\$.245	\$.230	--	6.5	\$.720	\$.655	9.9
Book value per common share (period-end)	\$21.38	\$20.98	\$19.31	1.9	10.7			

(a) Efficiency ratio excluding notable items of 51.3% for 2Q 2014 is computed as noninterest expense of \$2,753 million less FHA DOJ settlement of \$200 million divided by total net revenue of \$5,188 million less Visa, Inc. Class B common stock sale of \$214 million.

(b) 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) and intangible amortization.

Net income attributable to U.S. Bancorp was \$1,471 million for the third quarter of 2014, .2 percent higher than the \$1,468 million for the third quarter of 2013, and 1.6 percent lower than the \$1,495 million for the second quarter of 2014. Diluted earnings per common share of \$.78 in the third quarter of 2014 were \$.02 higher than the third quarter of 2013 and equal to the previous quarter. Return on average assets and return on average common equity were 1.51 percent and 14.5 percent, respectively, for the third quarter of 2014, compared with 1.65 percent and 15.8 percent, respectively, for the third quarter of 2013. The provision for credit losses was lower than net charge-offs by \$25 million in the third quarter of 2014 and in the second quarter of 2014, and \$30 million lower than net charge-offs in the third quarter of 2013.

U.S. Bancorp Chairman, President and Chief Executive Officer Richard K. Davis said, "U.S. Bank delivered another solid performance in the third quarter with \$1.5 billion of net income, or \$.78 per diluted common share. Our ability to provide customers and clients with a diverse array of banking products and services while addressing their distinct financial objectives, in any economic environment, allows us to continue generating an industry-leading financial performance. Our return on average common equity, return on average assets, and efficiency ratio metrics remain among the strongest in the industry. Our consistently solid financial performance is a result of our adhering closely to the core fundamentals of

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controlling expenses, managing capital prudently, selectively investing in initiatives that generate steady long-term growth, and expanding existing customer relationships. That was certainly the case in the third quarter as our disciplined approach returned positive operating leverage and the diversification of our business profile allowed us to maintain our momentum as the economy slowly rebounds.

“Value creation for our customers and shareholders is our highest priority. One way we create value for our customers is by preserving and leveraging our industry-leading financial strength to help them more efficiently reach their financial goals and objectives. For example, our average deposits grew 7.4 percent over the prior year to \$271 billion. In a challenging macro-economic environment, retail and institutional customers gravitate toward the strength and security of U.S. Bank. Likewise, we returned 78 percent of third quarter earnings to shareholders through dividends and share buybacks. Both examples demonstrate our commitment to value creation. The better we are at addressing and meeting our customers’ financial goals and objectives, the stronger our financial performance will be.

“As we head into the final quarter of the year, we remain diligently focused on executing our plan, even with the ongoing economic headwinds, with an emphasis on providing our customers with the trusted products and services to help them build more secure financial futures, backed by the financial strength of U.S. Bank.”

INCOME STATEMENT HIGHLIGHTS									Table 2
(Taxable-equivalent basis, \$ in millions, except per-share data)	3Q	2Q	3Q	Percent	Percent	YTD	YTD	Percent	
	2014	2014	2013	Change	Change				
				3Q14 vs	3Q14 vs	2014	2013	Change	
				2Q14	3Q13				
Net interest income	\$2,748	\$2,744	\$2,714	.1	1.3	\$8,198	\$8,095	1.3	
Noninterest income	2,242	2,444	2,177	(8.3)	3.0	6,794	6,618	2.7	
Total net revenue	4,990	5,188	4,891	(3.8)	2.0	14,992	14,713	1.9	
Noninterest expense	2,614	2,753	2,565	(5.0)	1.9	7,911	7,592	4.2	
Income before provision and taxes	2,376	2,435	2,326	(2.4)	2.1	7,081	7,121	(.6)	
Provision for credit losses	311	324	298	(4.0)	4.4	941	1,063	(11.5)	
Income before taxes	2,065	2,111	2,028	(2.2)	1.8	6,140	6,058	1.4	
Taxable-equivalent adjustment	56	55	56	1.8	--	167	168	(.6)	
Applicable income taxes	523	547	542	(4.4)	(3.5)	1,566	1,629	(3.9)	
Net income	1,486	1,509	1,430	(1.5)	3.9	4,407	4,261	3.4	
Net (income) loss attributable to noncontrolling interests	(15)	(14)	38	(7.1)	nm	(44)	119	nm	
Net income attributable to U.S. Bancorp	\$1,471	\$1,495	\$1,468	(1.6)	.2	\$4,363	\$4,380	(.4)	
Net income applicable to U.S. Bancorp common shareholders	\$1,405	\$1,427	\$1,400	(1.5)	.4	\$4,163	\$4,163	--	
Diluted earnings per common share	\$.78	\$.78	\$.76	--	2.6	\$2.29	\$2.25	1.8	

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Net income attributable to U.S. Bancorp for the third quarter of 2014 was \$3 million (.2 percent) higher than the third quarter of 2013, and \$24 million (1.6 percent) lower than the second quarter of 2014. The increase in net income year-over-year was principally due to an increase in total net revenue, driven by increases in both net interest income and fee-based revenue. The decrease in net income on a linked quarter basis was principally due to increased noninterest expense driven by merger integration, mortgage servicing-related expenses, and seasonal tax-advantaged projects costs, partially offset by a decrease in the provision for credit losses. The second quarter of 2014 included two previously disclosed notable items impacting other noninterest income and other noninterest expense that, together, had no impact to diluted earnings per common share.

Total net revenue on a taxable-equivalent basis for the third quarter of 2014 was \$4,990 million which was \$99 million (2.0 percent) higher than the third quarter of 2013, reflecting a 3.0 percent increase in noninterest income and a 1.3 percent increase in net interest income. Noninterest income increased year-over-year due to higher revenue in most fee businesses, partially offset by lower mortgage banking revenue. The increase in net interest income year-over-year was the result of an increase in average earning assets and continued growth in lower cost core deposit funding, offset by lower loan fees. Total net revenue on a taxable-equivalent basis was \$198 million (3.8 percent) lower on a linked quarter basis due to an 8.3 percent decrease in noninterest income as a result of the sale of Visa, Inc. Class B common stock in the second quarter of 2014 and lower mortgage banking revenue, partially offset by a \$4 million increase in net interest income, the result of an increase in average earning assets and growth in lower cost deposits, offset by lower loan fees.

Total noninterest expense in the third quarter of 2014 was \$2,614 million which was \$49 million (1.9 percent) higher than the third quarter of 2013 and \$139 million (5.0 percent) lower than the second quarter of 2014. The increase in total noninterest expense year-over-year was primarily due to an increase in compensation expense, reflecting the impact of merit increases, acquisitions, and higher staffing for risk and compliance activities. The decrease in total noninterest expense on a linked quarter basis was due to the second quarter settlement with the U.S. Department of Justice to resolve an investigation relating to the endorsement of mortgage loans under the Federal Housing Administration's insurance program ("FHA DOJ settlement"), partially offset by Charter One merger integration costs and higher mortgage servicing-related costs.

The Company's provision for credit losses for the third quarter of 2014 was \$311 million, \$13 million (4.0 percent) lower than the prior quarter and \$13 million (4.4 percent) higher than the third quarter of 2013. The provision for credit losses was lower than net charge-offs by \$25 million in the third quarter of 2014 and in the second quarter of 2014, and \$30 million lower than net charge-offs in the third quarter of 2013. Net charge-offs in the third quarter of 2014 were \$336 million, compared with \$349 million in the second quarter of 2014, and \$328 million in the third quarter of 2013. Given current economic conditions, the Company expects the level of net charge-offs to remain relatively stable in the fourth quarter of 2014.

Nonperforming assets include assets originated or acquired by the Company, as well as loans and other real estate acquired under FDIC loss sharing agreements that substantially reduce the risk of credit losses to the Company ("covered assets"). Excluding covered assets, nonperforming assets were \$1,763 million at September 30, 2014, compared with \$1,766 million at June 30, 2014, and \$1,880 million at September 30, 2013. The decrease in nonperforming assets, excluding covered assets, compared with a year ago was driven primarily by reductions in the commercial mortgage portfolio, as well as by improvement in construction and development and credit card loans. Covered nonperforming assets were \$160 million at September 30, 2014, compared with \$177 million at June 30, 2014, and \$332 million at September 30, 2013. The loss sharing agreement for the majority of the nonperforming covered assets expires in the fourth quarter of 2014. The ratio of the allowance for credit losses to period-end loans was 1.80 percent at September 30, 2014, compared with 1.82 percent at June 30, 2014, and 1.98 percent at September 30, 2013. The Company expects total nonperforming assets to remain relatively stable in the fourth quarter of 2014.

NET INTEREST INCOME							Table 3	
(Taxable-equivalent basis; \$ in millions)								
	3Q	2Q	3Q	Change	Change	YTD	YTD	
	2014	2014	2013	3Q14 vs	3Q14 vs	2014	2013	Change
				2Q14	3Q13			
Components of net interest income								
Income on earning assets	\$3,114	\$3,104	\$3,125	\$10	\$(11)	\$9,296	\$9,388	\$(92)
Expense on interest-bearing liabilities	366	360	411	6	(45)	1,098	1,293	(195)
Net interest income	\$2,748	\$2,744	\$2,714	\$4	\$34	\$8,198	\$8,095	\$103
Average yields and rates paid								
Earning assets yield	3.58%	3.70%	3.95%	(.12)%	(.37)%	3.69%	4.00%	(.31)%
Rate paid on interest-bearing liabilities	.57	.58	.71	(.01)	(.14)	.60	.75	(.15)
Gross interest margin	3.01%	3.12%	3.24%	(.11)%	(.23)%	3.09%	3.25%	(.16)%
Net interest margin	3.16%	3.27%	3.43%	(.11)%	(.27)%	3.26%	3.45%	(.19)%
Average balances								
Investment securities (a)	\$93,141	\$87,583	\$74,988	\$5,558	\$18,153	\$87,687	\$74,303	\$13,384
Loans	243,867	240,480	229,362	3,387	14,505	240,098	225,682	14,416
Earning assets	346,422	335,992	315,060	10,430	31,362	336,287	313,663	22,624
Interest-bearing liabilities	254,501	246,886	230,825	7,615	23,676	246,614	230,805	15,809
(a) Excludes unrealized gain (loss)								

Net Interest Income

Net interest income on a taxable-equivalent basis in the third quarter of 2014 was \$2,748 million, an increase of \$34 million (1.3 percent) from the third quarter of 2013. The increase was the result of growth in average earning assets and growth in lower cost core deposit funding, partially offset by lower rates on new loans and securities and lower loan fees. Average earning assets were \$31.4 billion (10.0 percent) higher than the third quarter of 2013, driven by increases of \$14.5 billion (6.3 percent) in average total loans and \$18.2 billion (24.2 percent) in average investment securities, partially offset by a decrease of \$1.4 billion (28.5 percent) in average loans held for sale. Net interest income increased \$4 million on a linked quarter basis, due to higher average earning assets, partially offset by lower loan fees and lower loan and investment securities rates. The net interest margin in the third quarter of 2014 was 3.16 percent, compared with 3.43 percent in the third quarter of 2013, and 3.27 percent in the second quarter of 2014. The decline in the net interest margin on a year-over-year basis primarily reflected lower reinvestment rates on investment securities, as well as growth in the investment portfolio at lower average rates, lower loan fees due to the previously communicated wind down of the short-term, small-dollar deposit advance product, Checking

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Account Advance (“CAA”), and lower rates on new loans, partially offset by lower funding costs. On a linked quarter basis, the reduction in net interest margin was principally due to growth in lower rate investment securities and lower loan fees due to the CAA product wind down.

AVERAGE LOANS									Table 4
(\$ in millions)	3Q	2Q	3Q	Percent	Percent	YTD	YTD	Percent	
	2014	2014	2013	Change	Change				
				3Q14 vs	3Q14 vs	2014	2013	Change	
				2Q14	3Q13				
Commercial	\$72,190	\$69,920	\$62,856	3.2	14.8	\$69,276	\$61,439	12.8	
Lease financing	5,155	5,100	5,208	1.1	(1.0)	5,148	5,280	(2.5)	
Total commercial	77,345	75,020	68,064	3.1	13.6	74,424	66,719	11.5	
Commercial mortgages	31,965	32,001	31,546	(.1)	1.3	32,005	31,311	2.2	
Construction and development	8,874	8,496	6,955	4.4	27.6	8,460	6,561	28.9	
Total commercial real estate	40,839	40,497	38,501	.8	6.1	40,465	37,872	6.8	
Residential mortgages	51,994	51,815	49,139	.3	5.8	51,799	47,055	10.1	
Credit card	17,753	17,384	16,931	2.1	4.9	17,516	16,627	5.3	
Retail leasing	5,991	6,014	5,664	(.4)	5.8	5,995	5,589	7.3	
Home equity and second mortgages	15,704	15,327	15,648	2.5	.4	15,467	16,021	(3.5)	
Other	27,003	26,587	25,682	1.6	5.1	26,636	25,424	4.8	
Total other retail	48,698	47,928	46,994	1.6	3.6	48,098	47,034	2.3	
Total loans, excluding covered loans	236,629	232,644	219,629	1.7	7.7	232,302	215,307	7.9	
Covered loans	7,238	7,836	9,733	(7.6)	(25.6)	7,796	10,375	(24.9)	
Total loans	\$243,867	\$240,480	\$229,362	1.4	6.3	\$240,098	\$225,682	6.4	

Average total loans were \$14.5 billion (6.3 percent) higher in the third quarter of 2014 than the third quarter of 2013, driven by growth in total commercial loans (13.6 percent), total commercial real estate (6.1 percent), residential mortgages (5.8 percent), credit card (4.9 percent), and total other retail loans (3.6 percent). These increases were partially offset by a decline in covered loans (25.6 percent). Average total loans, excluding covered loans, were higher by 7.7 percent year-over-year. Average total loans were \$3.4 billion (1.4 percent) higher in the third quarter of 2014 than the second quarter of 2014, driven by growth in total commercial loans (3.1 percent), credit card (2.1 percent), total other retail loans (1.6 percent), total commercial real estate (.8 percent), and residential mortgages (.3 percent). These increases were partially offset by a decline in covered loans (7.6 percent). Average total loans, excluding covered loans, were higher by 1.7 percent on a linked quarter basis.

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Average investment securities in the third quarter of 2014 were \$18.2 billion (24.2 percent) higher year-over-year and \$5.6 billion (6.3 percent) higher than the prior quarter. The increases were primarily due to purchases of U.S. government agency-backed securities, net of prepayments and maturities, in anticipation of final liquidity coverage ratio regulatory requirements.

AVERAGE DEPOSITS								Table 5
(\$ in millions)	3Q 2014	2Q 2014	3Q 2013	Percent Change	Percent Change	YTD 2014	YTD 2013	Percent Change
				3Q14 vs 2Q14	3Q14 vs 3Q13			
Noninterest-bearing deposits	\$74,126	\$71,837	\$68,264	3.2	8.6	\$72,274	\$67,183	7.6
Interest-bearing savings deposits								
Interest checking	54,454	52,989	48,235	2.8	12.9	52,928	48,347	9.5
Money market savings	66,250	61,370	55,982	8.0	18.3	62,314	54,826	13.7
Savings accounts	34,615	33,991	32,083	1.8	7.9	33,940	31,809	6.7
Total of savings deposits	155,319	148,350	136,300	4.7	14.0	149,182	134,982	10.5
Time deposits less than \$100,000	11,045	10,971	12,495	.7	(11.6)	11,151	13,082	(14.8)
Time deposits greater than \$100,000	30,518	31,193	35,309	(2.2)	(13.6)	31,055	33,037	(6.0)
Total interest-bearing deposits	196,882	190,514	184,104	3.3	6.9	191,388	181,101	5.7
Total deposits	\$271,008	\$262,351	\$252,368	3.3	7.4	\$263,662	\$248,284	6.2

Average total deposits for the third quarter of 2014 were \$18.6 billion (7.4 percent) higher than the third quarter of 2013. Average noninterest-bearing deposits increased \$5.9 billion (8.6 percent) year-over-year, mainly in Consumer and Small Business Banking, including the \$.4 billion impact of the Charter One acquisition, corporate trust, and commercial banking balances. Average total savings deposits were \$19.0 billion (14.0 percent) higher year-over-year, the result of growth in Consumer and Small Business Banking, including the \$3.4 billion impact of the Charter One acquisition, corporate trust, broker-dealer, and government banking related balances. Time deposits less than \$100,000 were \$1.5 billion (11.6 percent) lower due to maturities, while time deposits greater than \$100,000 decreased \$4.8 billion (13.6 percent), primarily due to a decline in broker-dealer and Consumer and Small Business Banking balances. Time deposits greater than \$100,000 are managed as an alternative to other funding sources, such as wholesale borrowing, based largely on relative pricing.

Average total deposits increased \$8.7 billion (3.3 percent) over the second quarter of 2014. Average noninterest-bearing deposits increased \$2.3 billion (3.2 percent) on a linked quarter basis, due to higher balances in Consumer and Small Business Banking, including the impact of the Charter One acquisition, and Wholesale Banking and Commercial Real Estate, partially offset by lower corporate trust balances. Average

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total savings deposits increased \$7.0 billion (4.7 percent), reflecting increases in Consumer and Small Business Banking, including the impact of the Charter One acquisition, corporate trust, and broker-dealer balances, partially offset by a decrease in government banking related balances. Compared with the second quarter of 2014, average time deposits less than \$100,000 increased \$74 million (.7 percent) due to an increase in Consumer and Small Business Banking driven by the impact of the Charter One acquisition. Average time deposits greater than \$100,000 decreased \$675 million (2.2 percent) on a linked quarter basis, principally due to declines in Wholesale Banking and Commercial Real Estate and corporate trust balances.

NONINTEREST INCOME								Table 6
(\$ in millions)								
	3Q	2Q	3Q	Percent	Percent	YTD	YTD	Percent
	2014	2014	2013	Change	Change	2014	2013	Change
				3Q14 vs	3Q14 vs			
				2Q14	3Q13			
Credit and debit card revenue	\$251	\$259	\$244	(3.1)	2.9	\$749	\$702	6.7
Corporate payment products revenue	195	182	192	7.1	1.6	550	540	1.9
Merchant processing services	387	384	371	.8	4.3	1,127	1,091	3.3
ATM processing services	81	82	83	(1.2)	(2.4)	241	248	(2.8)
Trust and investment management fees	315	311	280	1.3	12.5	930	842	10.5
Deposit service charges	185	171	180	8.2	2.8	513	493	4.1
Treasury management fees	136	140	134	(2.9)	1.5	409	408	.2
Commercial products revenue	209	221	207	(5.4)	1.0	635	616	3.1
Mortgage banking revenue	260	278	328	(6.5)	(20.7)	774	1,125	(31.2)
Investment products fees	49	47	46	4.3	6.5	142	133	6.8
Securities gains (losses), net	(3)	--	(3)	nm	--	2	8	(75.0)
Other	177	369	115	(52.0)	53.9	722	412	75.2
Total noninterest income	\$2,242	\$2,444	\$2,177	(8.3)	3.0	\$6,794	\$6,618	2.7

Noninterest Income

Third quarter noninterest income was \$2,242 million which was \$65 million (3.0 percent) higher than the third quarter of 2013 and \$202 million (8.3 percent) lower than the second quarter of 2014. The year-over-year increase in noninterest income was due to increases in a majority of fee revenue categories, partially offset by a \$68 million (20.7 percent) reduction in mortgage banking revenue, principally due to a \$59 million unfavorable change in the valuation of mortgage servicing rights (“MSRs”), net of hedging activities, compared with the prior year. Trust and investment management fees increased \$35 million (12.5 percent) year-over-year, reflecting account growth, improved market conditions and business expansion. Merchant processing services revenue was \$16 million (4.3 percent) higher as a result of an increase in

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product fees and higher volumes, partially offset by lower rates. Credit and debit card revenue increased \$7 million (2.9 percent) over the third quarter of 2013 primarily due to higher transaction volumes. Deposit services charges were \$5 million (2.8 percent) higher than a year ago due to account growth, the Charter One acquisition and pricing changes. The increase in other income was primarily due to gains on sales of other equity investments and an increase in retail leasing revenue.

Noninterest income was \$202 million (8.3 percent) lower in the third quarter of 2014 than the second quarter of 2014, primarily due to the second quarter Visa, Inc. Class B common stock sale, lower mortgage banking revenue, and lower commercial products revenue. Mortgage banking revenue decreased \$18 million (6.5 percent), principally due to a \$44 million unfavorable change in the valuation of MSR's, net of hedging activities, partially offset by an increase in origination and sales revenue. Commercial products revenue decreased \$12 million (5.4 percent) due to lower wholesale transaction activity, including standby letters of credit, loan and bond underwriting fees, and syndication fees. Credit and debit card revenue decreased \$8 million (3.1 percent) primarily due to higher rewards. Partially offsetting these decreases was an increase in deposit service charges of \$14 million (8.2 percent), mainly due to higher transaction volumes. Additionally, corporate payment products revenue increased \$13 million (7.1 percent) on a linked quarter basis, principally due to seasonally higher transaction volumes, and trust and investment management fees were \$4 million (1.3 percent) higher than the prior quarter due to improved market conditions and account growth, including business expansion.

NONINTEREST EXPENSE								Table 7
(\$ in millions)								
	3Q	2Q	3Q	Percent	Percent	YTD	YTD	Percent
	2014	2014	2013	Change	Change	2014	2013	Change
				3Q14 vs	3Q14 vs			
				2Q14	3Q13			
Compensation	\$1,132	\$1,125	\$1,088	.6	4.0	\$3,372	\$3,268	3.2
Employee benefits	250	257	278	(2.7)	(10.1)	796	865	(8.0)
Net occupancy and equipment	249	241	240	3.3	3.8	739	709	4.2
Professional services	102	97	94	5.2	8.5	282	263	7.2
Marketing and business development	78	96	85	(18.8)	(8.2)	253	254	(.4)
Technology and communications	219	214	214	2.3	2.3	644	639	.8
Postage, printing and supplies	81	80	76	1.3	6.6	242	230	5.2
Other intangibles	51	48	55	6.3	(7.3)	148	167	(11.4)
Other	452	595	435	(24.0)	3.9	1,435	1,197	19.9
Total noninterest expense	\$2,614	\$2,753	\$2,565	(5.0)	1.9	\$7,911	\$7,592	4.2

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Noninterest Expense

Noninterest expense in the third quarter of 2014 totaled \$2,614 million, an increase of \$49 million (1.9 percent) over the third quarter of 2013, and a \$139 million (5.0 percent) decrease from the second quarter of 2014. The increase in total noninterest expense year-over-year was the result of higher compensation expense, reflecting the impact of merit increases, acquisitions, and higher staffing for risk and compliance activities. Net occupancy and equipment expense increased \$9 million (3.8 percent) year-over-year due to business initiatives and maintenance costs. Professional services expense increased \$8 million (8.5 percent) due mainly to mortgage servicing-related project costs. The \$17 million (3.9 percent) increase in other expense primarily reflected the Charter One merger integration and mortgage servicing-related expenses, partially offset by lower costs for investments in tax-advantaged projects related to a change in first quarter 2014 in accounting for affordable housing investments. Offsetting these increases was a \$28 million (10.1 percent) reduction in employee benefits expense driven by lower pension costs.

Noninterest expense decreased \$139 million (5.0 percent) on a linked quarter basis, primarily driven by the second quarter FHA DOJ settlement in other expense, partially offset by mortgage servicing-related expenses, the Charter One merger integration costs, and seasonally higher costs related to investments in tax-advantaged projects. Marketing and business development expense decreased \$18 million (18.8 percent) due to charitable contributions in the second quarter of 2014 and the timing of marketing programs in Payment Services. Additionally, employee benefits expense decreased \$7 million (2.7 percent) primarily resulting from lower payroll tax expense. Partially offsetting these decreases was a \$7 million (.6 percent) increase in compensation expense reflecting the impact of merit increases, and additional employees related to the Charter One acquisition and for risk and compliance activities. Professional services expense was \$5 million (5.2 percent) higher, mainly due to higher mortgage servicing-related project costs.

Provision for Income Taxes

The provision for income taxes for the third quarter of 2014 resulted in a tax rate on a taxable-equivalent basis of 28.0 percent (effective tax rate of 26.0 percent), compared with 29.5 percent (effective tax rate of 27.5 percent) in the third quarter of 2013, and 28.5 percent (effective tax rate of 26.6 percent) in the second quarter of 2014.

ALLOWANCE FOR CREDIT LOSSES										Table 8	
(\$ in millions)											
	3Q		2Q		1Q		4Q		3Q		
	2014	% (b)	2014	% (b)	2014	% (b)	2013	% (b)	2013	% (b)	
Balance, beginning of period	\$4,449		\$4,497		\$4,537		\$4,578		\$4,612		
Net charge-offs											
Commercial	52	.29	52	.30	34	.21	33	.21	18	.11	
Lease financing	6	.46	3	.24	2	.16	3	.23	(7)	(.53)	
Total commercial	58	.30	55	.29	36	.21	36	.21	11	.06	
Commercial mortgages	1	.01	(6)	(.08)	(1)	(.01)	1	.01	2	.03	
Construction and development	3	.13	2	.09	(2)	(.10)	(30)	(1.58)	(8)	(.46)	
Total commercial real estate	4	.04	(4)	(.04)	(3)	(.03)	(29)	(.29)	(6)	(.06)	
Residential mortgages	42	.32	57	.44	57	.45	49	.38	57	.46	
Credit card	158	3.53	170	3.92	170	3.96	163	3.72	160	3.75	
Retail leasing	--	--	1	.07	--	--	--	--	1	.07	
Home equity and second mortgages	24	.61	23	.60	31	.82	37	.95	43	1.09	
Other	49	.72	45	.68	45	.69	52	.79	54	.83	
Total other retail	73	.59	69	.58	76	.65	89	.75	98	.83	
Total net charge-offs, excluding covered loans	335	.56	347	.60	336	.60	308	.55	320	.58	
Covered loans	1	.05	2	.10	5	.24	4	.18	8	.33	
Total net charge-offs	336	.55	349	.58	341	.59	312	.53	328	.57	
Provision for credit losses	311		324		306		277		298		
Other changes (a)	(10)		(23)		(5)		(6)		(4)		
Balance, end of period	\$4,414		\$4,449		\$4,497		\$4,537		\$4,578		
Components											
Allowance for loan losses	\$4,065		\$4,132		\$4,189		\$4,250		\$4,258		
Liability for unfunded credit commitments	349		317		308		287		320		
Total allowance for credit losses	\$4,414		\$4,449		\$4,497		\$4,537		\$4,578		
Gross charge-offs	\$410		\$432		\$422		\$429		\$450		
Gross recoveries	\$74		\$83		\$81		\$117		\$122		
Allowance for credit losses as a percentage of											
Period-end loans, excluding covered loans	1.81		1.83		1.90		1.94		1.99		
Nonperforming loans, excluding covered loans	291		294		293		297		294		
Nonperforming assets, excluding covered assets	245		246		243		242		235		
Period-end loans	1.80		1.82		1.89		1.93		1.98		
Nonperforming loans	282		279		278		283		276		
Nonperforming assets	230		229		225		223		207		
(a) Includes net changes in credit losses to be reimbursed by the FDIC and reductions in the allowance for covered loans where the reversal of a previously recorded allowance was offset by an associated decrease in the indemnification asset, and the impact of any loan sales.											
(b) Annualized and calculated on average loan balances											

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Credit Quality

The allowance for credit losses was \$4,414 million at September 30, 2014, compared with \$4,449 million at June 30, 2014, and \$4,578 million at September 30, 2013. Nonperforming assets declined on a linked quarter and year-over-year basis as economic conditions continued to slowly improve. Total net charge-offs in the third quarter of 2014 were \$336 million, compared with \$349 million in the second quarter of 2014, and \$328 million in the third quarter of 2013. The \$13 million (3.7 percent) decrease in net charge-offs on a linked quarter basis was due to improvements in the residential mortgage and credit card portfolios, while the \$8 million (2.4 percent) increase in net charge-offs on a year-over-year basis reflected higher commercial loan charge-offs and lower recoveries in commercial real estate, partially offset by improvements in residential mortgages and home equity and second mortgages. The Company recorded \$311 million of provision for credit losses in the current quarter, which was \$25 million less than net charge-offs.

Commercial and commercial real estate loan net charge-offs were \$62 million (.21 percent of average loans outstanding) in the third quarter of 2014, compared with \$51 million (.18 percent of average loans outstanding) in the second quarter of 2014, and \$5 million (.02 percent of average loans outstanding) in the third quarter of 2013.

Residential mortgage loan net charge-offs were \$42 million (.32 percent of average loans outstanding) in the third quarter of 2014, compared with \$57 million (.44 percent of average loans outstanding) in the second quarter of 2014, and \$57 million (.46 percent of average loans outstanding) in the third quarter of 2013. Credit card loan net charge-offs were \$158 million (3.53 percent of average loans outstanding) in the third quarter of 2014, compared with \$170 million (3.92 percent of average loans outstanding) in the second quarter of 2014, and \$160 million (3.75 percent of average loans outstanding) in the third quarter of 2013. Total other retail loan net charge-offs were \$73 million (.59 percent of average loans outstanding) in the third quarter of 2014, compared with \$69 million (.58 percent of average loans outstanding) in the second quarter of 2014, and \$98 million (.83 percent of average loans outstanding) in the third quarter of 2013.

The ratio of the allowance for credit losses to period-end loans was 1.80 percent (1.81 percent excluding covered loans) at September 30, 2014, compared with 1.82 percent (1.83 percent excluding covered loans) at June 30, 2014, and 1.98 percent (1.99 percent excluding covered loans) at September 30, 2013. The ratio of the allowance for credit losses to nonperforming loans was 282 percent (291 percent excluding covered loans) at September 30, 2014, compared with 279 percent (294 percent excluding covered loans) at June 30, 2014, and 276 percent (294 percent excluding covered loans) at September 30, 2013.

DELINQUENT LOAN RATIOS AS A PERCENT OF ENDING LOAN BALANCES					Table 9
(Percent)					
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
	2014	2014	2014	2013	2013
Delinquent loan ratios - 90 days or more past due excluding nonperforming loans					
Commercial	.05	.06	.06	.08	.07
Commercial real estate	.03	.06	.06	.07	.02
Residential mortgages	.41	.49	.64	.65	.53
Credit card	1.10	1.06	1.21	1.17	1.11
Other retail	.16	.15	.18	.18	.16
Total loans, excluding covered loans	.22	.25	.30	.31	.27
Covered loans	6.10	6.14	5.83	5.63	5.47
Total loans	.39	.43	.49	.51	.48
Delinquent loan ratios - 90 days or more past due including nonperforming loans					
Commercial	.27	.30	.32	.27	.24
Commercial real estate	.62	.62	.73	.83	.94
Residential mortgages	2.02	2.06	2.14	2.16	1.99
Credit card	1.32	1.35	1.59	1.60	1.66
Other retail	.53	.54	.58	.58	.60
Total loans, excluding covered loans	.84	.87	.95	.97	.94
Covered loans	7.34	7.73	7.46	7.13	7.13
Total loans	1.03	1.08	1.17	1.19	1.20

ASSET QUALITY		Table 10				
(\$ in millions)						
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	
	2014	2014	2014	2013	2013	
Nonperforming loans						
Commercial	\$161	\$174	\$174	\$122	\$104	
Lease financing	12	16	14	12	12	
Total commercial	173	190	188	134	116	
Commercial mortgages	147	121	156	182	210	
Construction and development	94	105	113	121	146	
Total commercial real estate	241	226	269	303	356	
Residential mortgages	841	818	777	770	732	
Credit card	40	52	65	78	94	
Other retail	184	191	188	191	206	
Total nonperforming loans, excluding covered loans	1,479	1,477	1,487	1,476	1,504	
Covered loans	88	119	132	127	156	
Total nonperforming loans	1,567	1,596	1,619	1,603	1,660	
Other real estate (a)	275	279	296	327	366	
Covered other real estate (a)	72	58	73	97	176	
Other nonperforming assets	9	10	11	10	10	
Total nonperforming assets (b)	\$1,923	\$1,943	\$1,999	\$2,037	\$2,212	
Total nonperforming assets, excluding covered assets	\$1,763	\$1,766	\$1,794	\$1,813	\$1,880	
Accruing loans 90 days or more past due, excluding covered loans	\$532	\$581	\$695	\$713	\$591	
Accruing loans 90 days or more past due	\$962	\$1,038	\$1,167	\$1,189	\$1,105	
Performing restructured loans, excluding GNMA and covered loans	\$2,818	\$2,911	\$3,006	\$3,067	\$3,097	
Performing restructured GNMA and covered loans	\$2,685	\$3,072	\$3,003	\$2,932	\$2,262	
Nonperforming assets to loans plus ORE, excluding covered assets (%)	.74	.75	.78	.80	.85	
Nonperforming assets to loans plus ORE (%)	.78	.80	.84	.86	.95	
(a) Includes equity investments in entities whose principal assets are other real estate owned.						
(b) Does not include accruing loans 90 days or more past due.						

Nonperforming assets at September 30, 2014, totaled \$1,923 million, compared with \$1,943 million at June 30, 2014, and \$2,212 million at September 30, 2013. Total nonperforming assets at September 30, 2014, included \$160 million of covered assets. The ratio of nonperforming assets to loans and other real estate was .78 percent (.74 percent excluding covered assets) at September 30, 2014, compared with .80 percent (.75 percent excluding covered assets) at June 30, 2014, and .95 percent (.85 percent excluding covered assets) at September 30, 2013. Total commercial nonperforming loans were \$17 million (8.9

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percent) lower on a linked quarter basis and \$57 million (49.1 percent) higher year-over-year. Commercial real estate nonperforming loans increased by \$15 million (6.6 percent) on a linked quarter basis and decreased \$115 million (32.3 percent) year-over-year. Residential mortgage nonperforming loans increased \$23 million (2.8 percent) on a linked quarter basis and \$109 million (14.9 percent) year-over-year. Credit card nonperforming loans were \$12 million (23.1 percent) lower on a linked quarter basis and \$54 million (57.4 percent) lower year-over-year. Other retail nonperforming loans decreased \$7 million (3.7 percent) on a linked quarter basis and \$22 million (10.7 percent) year-over-year.

Accruing loans 90 days or more past due were \$962 million (\$532 million excluding covered loans) at September 30, 2014, compared with \$1,038 million (\$581 million excluding covered loans) at June 30, 2014, and \$1,105 million (\$591 million excluding covered loans) at September 30, 2013.

COMMON SHARES	Table 11				
(Millions)	3Q	2Q	1Q	4Q	3Q
	2014	2014	2014	2013	2013
Beginning shares outstanding	1,809	1,821	1,825	1,832	1,844
Shares issued for stock option and stock purchase plans, acquisitions and other corporate purposes	2	3	8	6	5
Shares repurchased	(16)	(15)	(12)	(13)	(17)
Ending shares outstanding	1,795	1,809	1,821	1,825	1,832

Total U.S. Bancorp shareholders' equity was \$43.1 billion at September 30, 2014, compared with \$42.7 billion at June 30, 2014, and \$40.1 billion at September 30, 2013. During the third quarter, the Company returned 78 percent of third quarter earnings to shareholders, including \$441 million in common stock dividends and \$654 million of repurchased common stock.

CAPITAL POSITION					Table 12
(\$ in millions)	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
	2014	2014	2014	2013	2013
Total U.S. Bancorp shareholders' equity	\$43,141	\$42,700	\$42,054	\$41,113	\$40,132
Standardized Approach					
Basel III transitional standardized approach/Basel I (a)					
Common equity tier 1 capital	\$30,213	\$29,760	\$29,463	\$27,942	\$27,265
Tier 1 capital	35,377	34,924	34,627	33,386	32,707
Total risk-based capital	42,509	41,034	40,741	39,340	38,873
Common equity tier 1 capital ratio	9.7 %	9.6 %	9.7 %	9.4 %	9.3 %
Tier 1 capital ratio	11.3	11.3	11.4	11.2	11.2
Total risk-based capital ratio	13.6	13.2	13.5	13.2	13.3
Leverage ratio	9.4	9.6	9.7	9.6	9.6
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach	9.0	8.9	9.0	8.8	8.6
Advanced Approaches					
Common equity tier 1 capital to risk-weighted assets for the Basel III transitional advanced approaches	12.4	12.3			
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches	11.8	11.7			
Tangible common equity to tangible assets	7.6	7.5	7.8	7.7	7.4
Tangible common equity to risk-weighted assets	9.3	9.2	9.3	9.1	8.9
(a) 2014 amounts and ratios calculated under the Basel III transitional standardized approach; all prior periods under Basel I					

Prior to 2014, the regulatory capital requirements effective for the Company followed Basel I. Beginning January 1, 2014, the regulatory capital requirements effective for the Company follow Basel III, subject to certain transition provisions from Basel I over the next four years to full implementation by January 1, 2018. In addition, beginning the second quarter of 2014, the advanced approaches portion of Basel III became effective for the Company. Under the Basel III transitional standardized approach, the common equity tier 1 capital ratio was 9.7 percent at September 30, 2014, compared with 9.6 percent at June 30, 2014. The tier 1 capital ratio was 11.3 percent at September 30, 2014, and at June 30, 2014, compared with 11.2 percent at September 30, 2013. Under the Basel III transitional advanced approaches, the common equity tier 1 capital to risk-weighted assets ratio was 12.4 percent at September 30, 2014, compared with 12.3 percent at June 30, 2014. All regulatory ratios continue to be in excess of "well-capitalized" requirements. In addition, the common equity tier 1 capital to risk-weighted assets ratio estimated for the

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Basel III standardized approach as if fully implemented was 9.0 percent at September 30, 2014, compared with 8.9 percent at June 30, 2014, and 8.6 percent at September 30, 2013, and the common equity tier 1 capital to risk-weighted assets ratio estimated for the Basel III advanced approaches as if fully implemented was 11.8 percent at September 30, 2014, compared with 11.7 percent at June 30, 2014. The tangible common equity to tangible assets ratio was 7.6 percent at September 30, 2014, compared with 7.5 percent at June 30, 2014, and 7.4 percent at September 30, 2013.

LINE OF BUSINESS FINANCIAL PERFORMANCE (a)									Table 13
(\$ in millions)									
Business Line	Net Income Attributable to U.S. Bancorp			Percent Change		Net Income Attributable to U.S. Bancorp			3Q 2014
	3Q	2Q	3Q	3Q14 vs 2Q14	3Q14 vs 3Q13	YTD	YTD	Percent	Earnings
	2014	2014	2013			2014	2013	Change	Composition
Wholesale Banking and Commercial Real Estate	\$267	\$279	\$324	(4.3)	(17.6)	\$827	\$959	(13.8)	18 %
Consumer and Small Business Banking	307	316	373	(2.8)	(17.7)	907	1,110	(18.3)	21
Wealth Management and Securities Services	63	57	36	10.5	75.0	173	121	43.0	4
Payment Services	298	279	266	6.8	12.0	809	743	8.9	20
Treasury and Corporate Support	536	564	469	(5.0)	14.3	1,647	1,447	13.8	37
Consolidated Company	\$1,471	\$1,495	\$1,468	(1.6)	.2	\$4,363	\$4,380	(.4)	100 %

(a) preliminary data

Lines of Business

The Company's major lines of business are Wholesale Banking and Commercial Real Estate, Consumer and Small Business Banking, Wealth Management and Securities Services, Payment Services, and Treasury and Corporate Support. These operating segments are components of the Company about which financial information is prepared and is evaluated regularly by management in deciding how to allocate resources and assess performance. Noninterest expenses incurred by centrally managed operations or business lines that directly support another business line's operations are charged to the applicable business line based on its utilization of those services, primarily measured by the volume of customer activities, number of employees or other relevant factors. These allocated expenses are reported as net shared services expense within noninterest expense. Designations, assignments and allocations change from time to time as management systems are enhanced, methods of evaluating performance or product lines change or business segments are

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realigned to better respond to the Company's diverse customer base. During 2014, certain organization and methodology changes were made and, accordingly, prior period results were restated and presented on a comparable basis.

Wholesale Banking and Commercial Real Estate offers lending, equipment finance and small-ticket leasing, depository services, treasury management, capital markets, international trade services and other financial services to middle market, large corporate, commercial real estate, financial institution, non-profit and public sector clients. Wholesale Banking and Commercial Real Estate contributed \$267 million of the Company's net income in the third quarter of 2014, compared with \$324 million in the third quarter of 2013 and \$279 million in the second quarter of 2014. Wholesale Banking and Commercial Real Estate's net income decreased \$57 million (17.6 percent) from the same quarter of 2013 due to a higher provision for credit losses and a decrease in total net revenue. Total net revenue declined by \$18 million (2.3 percent), due to an 11.3 percent decrease in total noninterest income, partially offset by a 2.4 percent increase in net interest income. Net interest income increased \$12 million (2.4 percent) year-over-year, primarily due to an increase in average total loans and deposits, partially offset by lower rates and fees on loans. Total noninterest income decreased by \$30 million (11.3 percent), driven by lower wholesale transaction activity and loan-related fees, partially offset by increases in commercial leasing revenue and equity and bond underwriting fees. Total noninterest expense was relatively flat compared with a year ago, as an increase in the FDIC insurance assessment allocation based on the level of commitments, was offset by lower professional services expense and net shared services expense. The provision for credit losses was \$70 million higher year-over-year due to an increase in net charge-offs and an unfavorable change in the reserve allocation.

Wholesale Banking and Commercial Real Estate's contribution to net income in the third quarter of 2014 was \$12 million (4.3 percent) lower than the second quarter of 2014, due to a decrease in total net revenue and an increase in the provision for credit losses, partially offset by a decrease in total noninterest expense. Total net revenue decreased by \$17 million (2.2 percent) compared with the prior quarter. Total noninterest income decreased by \$22 million (8.5 percent), driven by lower wholesale transaction activity, in part due to seasonally higher transaction volumes in the prior quarter, and lower equity investment revenue. Net interest income increased by \$5 million (1.0 percent) on a linked quarter basis, primarily due to higher average loans and an additional day in the current quarter relative to the prior quarter, partially offset by lower loan rates. Total noninterest expense decreased by \$13 million (4.1 percent) due to lower

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compensation and employee benefits expense and seasonally lower net shared services expense. The provision for credit losses increased by \$14 million (93.3 percent) due to higher net charge-offs.

Consumer and Small Business Banking delivers products and services through banking offices, telephone servicing and sales, on-line services, direct mail, ATM processing and mobile devices, such as mobile phones and tablet computers. It encompasses community banking, metropolitan banking, in-store banking, small business banking, consumer lending, mortgage banking, workplace banking, student banking and 24-hour banking. Consumer and Small Business Banking contributed \$307 million of the Company's net income in the third quarter of 2014, a \$66 million (17.7 percent) decrease from the third quarter of 2013 and a \$9 million (2.8 percent) decrease from the prior quarter. Within Consumer and Small Business Banking, the retail banking division reported a 22.0 percent decrease in its contribution from the same quarter of last year, principally due to lower total net revenue and an increase in total noninterest expense. Retail banking's total net revenue was 3.6 percent lower than the third quarter of 2013. Net interest income decreased 7.2 percent, primarily as a result of lower fees due to the wind down of the CAA product, lower rates on loans, and the impact of lower rates on the margin benefit from deposits, partially offset by higher average loan and deposit balances. Total noninterest income for the retail banking division increased 5.3 percent over a year ago, principally due to an increase in retail lease revenue and deposit service charges. Total noninterest expense for the retail banking division in the third quarter of 2014 increased 5.2 percent over the same quarter of the prior year, primarily due to merger integration and higher compensation and employee benefits expense, partially offset by lower FDIC insurance assessments. The provision for credit losses for the retail banking division decreased 19.1 percent on a year-over-year basis, due to lower net charge-offs, partially offset by an unfavorable change in the reserve allocation. The contribution of the mortgage banking division was lower by 11.6 percent than the third quarter of 2013, reflecting a decrease in total net revenue, partially offset by a reduction in the provision for credit losses. The division's 15.7 percent decrease in total net revenue was due to a 21.3 percent decrease in total noninterest income, principally due to an unfavorable change in the valuation of MSRs, net of hedging activities, as well as a 4.8 percent decrease in net interest income, primarily the result of lower average loans held for sale. Total noninterest expense was 6.6 percent higher than the prior year, primarily due to mortgage servicing-related expenses, partially offset by lower incentive compensation. The \$62 million favorable change in the provision for credit losses for the mortgage banking division was due to lower net charge-offs and a favorable change in the reserve allocation.

Consumer and Small Business Banking's contribution in the third quarter of 2014 was \$9 million (2.8 percent) lower than the second quarter of 2014, primarily due to an increase in total noninterest expense. Within Consumer and Small Business Banking, the retail banking division's contribution decreased 6.6 percent, mainly due to an increase in total noninterest expense, partially offset by a decrease in the provision for credit losses. Total net revenue for the retail banking division decreased .9 percent compared with the previous quarter. Net interest income was 2.0 percent lower, primarily due to lower loan fees due to the wind down of the CAA product, partially offset by higher average loan and deposit balances and one additional day in the current quarter relative to the prior quarter. Total noninterest income was 1.7 percent higher on a linked quarter basis, driven by higher deposit service charges. Total noninterest expense increased 3.4 percent on a linked quarter basis due to merger integration expense. The provision for credit losses decreased 22.5 percent on a linked quarter basis due to lower net charge-offs and a favorable change in the reserve allocation in the current quarter. The contribution of the mortgage banking division increased 2.2 percent over the second quarter of 2014 primarily due to a lower provision for credit losses, partially offset by higher total noninterest expense. Total net revenue was relatively flat due to an 11.3 percent increase in net interest income, due to higher average loans held for sale, higher average loan balances, and an additional day in the quarter, offset by a 6.6 percent decrease in total noninterest income, due to an unfavorable change in the valuation of MSRs, net of hedging activities. Total noninterest expense increased 3.9 percent, primarily reflecting higher mortgage servicing-related expenses and higher compensation and employee benefits expense. The provision for credit losses for the mortgage banking division decreased \$14 million on a linked quarter basis due to a decrease in net charge-offs and a favorable change in the reserve allocation.

Wealth Management and Securities Services provides private banking, financial advisory services, investment management, retail brokerage services, insurance, trust, custody and fund servicing through five businesses: Wealth Management, Corporate Trust Services, U.S. Bancorp Asset Management, Institutional Trust & Custody and Fund Services. Wealth Management and Securities Services contributed \$63 million of the Company's net income in the third quarter of 2014, compared with \$36 million in the third quarter of 2013 and \$57 million in the second quarter of 2014. The business line's contribution was \$27 million (75.0 percent) higher than the same quarter of 2013, as an increase in total net revenue was partially offset by higher total noninterest expense. Total net revenue increased by \$52 million (13.1 percent) year-over-year, driven by a \$38 million (12.1 percent) increase in total noninterest income, reflecting the impact of account growth, improved market conditions, and business expansion. In addition, net interest income increased by

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\$14 million (17.1 percent), principally due to higher average loan and deposit balances and an increase in the margin benefit of corporate trust deposits. Total noninterest expense increased by \$10 million (3.0 percent) primarily as a result of higher compensation and employee benefits expense, including the impact of business expansion, partially offset by lower net shared services expense. The provision for credit losses remained flat compared to the prior year quarter, as lower net charge-offs were offset by an unfavorable change in the reserve allocation.

The business line's contribution in the third quarter of 2014 was \$6 million (10.5 percent) higher than the prior quarter. Total net revenue increased on a linked quarter basis, reflecting an increase in net interest income (5.5 percent), principally due to higher average deposit balances and the impact of higher rates on the margin benefit from corporate trust deposits. In addition, an increase in total noninterest income (1.4 percent) was due to higher trust and investment management fees, resulting from improved market conditions and account growth, including business expansion. Total noninterest expense was relatively flat compared with the prior quarter, as higher compensation and professional services expenses were offset by lower employee benefits expense. The provision for credit losses remained flat on a linked quarter basis, as lower net charge-offs were offset by an unfavorable change in the reserve allocation.

Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate and purchasing card services, consumer lines of credit and merchant processing. Payment Services contributed \$298 million of the Company's net income in the third quarter of 2014, compared with \$266 million in the third quarter of 2013 and \$279 million in the second quarter of 2014. The \$32 million (12.0 percent) increase in the business line's contribution from the prior year was due to an increase in total net revenue, partially offset by an increase in total noninterest expense and a higher provision for credit losses. Total net revenue increased by \$69 million (5.7 percent) year-over-year. Net interest income increased by \$49 million (12.5 percent), primarily due to higher average loan balances and fees and improved loan rates. Total noninterest income was \$20 million (2.4 percent) higher year-over-year, due to higher merchant processing services revenue due to increased product fees and transaction volumes, partially offset by lower rates, and an increase in credit and debit card revenue on higher transaction volumes. Total noninterest expense increased by \$3 million (.5 percent) over the third quarter of 2013, primarily due to higher compensation and employee benefits expense, including the impact of business initiatives, partially offset by reductions in technology and communications expense and other intangibles expense. The provision for credit losses increased by \$18 million (10.5 percent) due to an unfavorable change in the reserve allocation, partially offset by lower net charge-offs.

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Payment Services' contribution in the third quarter of 2014 increased \$19 million (6.8 percent) over the second quarter of 2014. Total net revenue increased \$37 million (3.0 percent) on a linked quarter basis driven by higher net interest income and higher total noninterest income. Net interest income increased by \$27 million (6.5 percent) over the second quarter mainly due to improved loan rates. Total noninterest income increased by \$10 million (1.2 percent), primarily reflecting an increase in corporate payment products revenue on seasonally higher volumes, partially offset by a reduction in credit and debit card revenue due to higher rewards expense. Total noninterest expense was flat on a linked quarter basis as increased marketing expenses were offset by lower net shared services expense. The provision for credit losses was \$8 million (4.4 percent) higher on a linked quarter basis due to an unfavorable change in the reserve allocation, partially offset by lower net charge-offs.

Treasury and Corporate Support includes the Company's investment portfolios, most covered commercial and commercial real estate loans and related other real estate owned, funding, capital management, interest rate risk management, the net effect of transfer pricing related to average balances, income taxes not allocated to business lines, including most investments in tax-advantaged projects, and the residual aggregate of those expenses associated with corporate activities that are managed on a consolidated basis. Treasury and Corporate Support recorded net income of \$536 million in the third quarter of 2014, compared with \$469 million in the third quarter of 2013 and \$564 million in the second quarter of 2014. Net interest income increased by \$38 million (6.6 percent) over the third quarter of 2013, principally due to an increase in average balances in the investment securities portfolio and lower rates on short-term borrowings, partially offset by lower income from the run-off of acquired assets. Total noninterest income increased by \$85 million over the third quarter of last year, mainly due to gains on sales of equity investments and higher commercial products revenue. Total noninterest expense decreased by \$26 million (13.1 percent), principally due to a decrease in employee benefits expense resulting from lower pension costs and lower costs for investments in tax-advantaged projects related to a change in accounting for affordable housing investments in the first quarter of 2014, partially offset by increased compensation expense. The provision for credit losses was \$9 million higher year-over-year, due to an unfavorable change in the reserve allocation and higher net charge-offs.

Net income in the third quarter of 2014 was \$28 million (5.0 percent) lower on a linked quarter basis, driven by lower total net revenue, partially offset by lower total noninterest expense. Total net revenue was \$214 million (21.9 percent) lower than the prior quarter, driven by a second quarter sale of Visa, Inc. Class B common stock. A \$167 million (49.1 percent) decrease in total noninterest expense was primarily due to the

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FHA DOJ settlement and charitable contributions in the second quarter, partially offset by Charter One merger integration costs and seasonally higher costs related to investments in tax-advantaged projects. The provision for credit losses was \$6 million higher compared with the second quarter of 2014 due to higher net charge-offs and an unfavorable change in the reserve allocation.

Additional schedules containing more detailed information about the Company's business line results are available on the web at usbank.com or by calling Investor Relations at 612-303-4328.

On Wednesday, October 22, 2014, at 8:00 a.m. (CDT) Richard K. Davis, chairman, president and chief executive officer, and Andrew Cecere, vice chairman and chief financial officer, will host a conference call to review the financial results. The conference call will be available by telephone or on the Internet. A presentation will be used during the call and will be available on the Company's website at www.usbank.com. To access the conference call from locations within the United States and Canada, please dial 866-316-1409. Participants calling from outside the United States and Canada, please dial 706-634-9086. The conference ID number for all participants is 97474478. For those unable to participate during the live call, a recording of the call will be available approximately two hours after the conference call ends on Wednesday, October 22nd, and will run through Wednesday, October 29th, at 11:00 p.m. (CDT). To access the recorded message within the United States and Canada, dial 855-859-2056. If calling from outside the United States and Canada, please dial 404-537-3406 to access the recording. The conference ID is 97474478. To access the webcast and presentation go to www.usbank.com and click on "About U.S. Bank." The "Webcasts & Presentations" link can be found under the Investor/Shareholder information heading, which is at the left side of the bottom of the page.

Minneapolis-based U.S. Bancorp ("USB"), with \$391 billion in assets as of September 30, 2014, is the parent company of U.S. Bank National Association, the 5th largest commercial bank in the United States. The Company operates 3,177 banking offices in 25 states and 5,026 ATMs and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. Visit U.S. Bancorp on the web at usbank.com.

Forward-Looking Statements

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

This press release contains forward-looking statements about U.S. Bancorp. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of U.S. Bancorp. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated. A reversal or slowing of the current moderate 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. Continued stress in the commercial real estate markets, as well as a delay or failure of recovery in the residential real estate markets could cause additional 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; 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, residual value 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, 2013, 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. However, factors other than these also could adversely affect U.S. Bancorp's results, and the reader should not consider these factors to be a complete set of all potential risks or uncertainties. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

Non-GAAP Financial Measures

In addition to capital ratios defined by banking regulators, the Company considers various other measures when evaluating capital utilization and adequacy, including:

- Tangible common equity to tangible assets,
- Tangible common equity to risk-weighted assets,
- Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach,
- Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches, and for additional information,
- Tier 1 common equity to risk-weighted assets using Basel I definition.

These measures are viewed by management as useful additional methods of reflecting the level of capital available to withstand unexpected market or economic conditions. Additionally, presentation of these measures allows investors, analysts and banking regulators to assess the Company's capital position relative to other financial services companies. These measures differ from currently effective capital ratios defined by banking regulations principally in that the numerator includes unrealized gains and losses related to available-for-sale securities and excludes preferred securities, including preferred stock, the nature and extent of which varies among different financial services companies. These measures are not defined in generally accepted accounting principles ("GAAP"), or are not currently effective or defined in federal banking regulations. As a result, these measures disclosed by the Company may be considered non-GAAP financial measures.

There may be limits in the usefulness of these measures to investors. As a result, the Company encourages readers to consider the consolidated financial statements and other financial information contained in this press release in their entirety, and not to rely on any single financial measure. A table follows that shows the Company's calculation of these non-GAAP financial measures.

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U.S. Bancorp

Consolidated Statement of Income

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2014	2013	2014	2013
Interest Income				
Loans	\$2,518	\$2,568	\$7,572	\$7,682
Loans held for sale	36	46	87	172
Investment securities	476	420	1,378	1,222
Other interest income	27	34	89	141
Total interest income	3,057	3,068	9,126	9,217
Interest Expense				
Deposits	115	134	348	433
Short-term borrowings	72	98	204	270
Long-term debt	178	178	543	587
Total interest expense	365	410	1,095	1,290
Net interest income	2,692	2,658	8,031	7,927
Provision for credit losses	311	298	941	1,063
Net interest income after provision for credit losses	2,381	2,360	7,090	6,864
Noninterest Income				
Credit and debit card revenue	251	244	749	702
Corporate payment products revenue	195	192	550	540
Merchant processing services	387	371	1,127	1,091
ATM processing services	81	83	241	248
Trust and investment management fees	315	280	930	842
Deposit service charges	185	180	513	493
Treasury management fees	136	134	409	408
Commercial products revenue	209	207	635	616
Mortgage banking revenue	260	328	774	1,125
Investment products fees	49	46	142	133
Securities gains (losses), net	(3)	(3)	2	8
Other	177	115	722	412
Total noninterest income	2,242	2,177	6,794	6,618
Noninterest Expense				
Compensation	1,132	1,088	3,372	3,268
Employee benefits	250	278	796	865
Net occupancy and equipment	249	240	739	709
Professional services	102	94	282	263
Marketing and business development	78	85	253	254
Technology and communications	219	214	644	639
Postage, printing and supplies	81	76	242	230
Other intangibles	51	55	148	167
Other	452	435	1,435	1,197
Total noninterest expense	2,614	2,565	7,911	7,592
Income before income taxes	2,009	1,972	5,973	5,890
Applicable income taxes	523	542	1,566	1,629
Net income	1,486	1,430	4,407	4,261
Net (income) loss attributable to noncontrolling interests	(15)	38	(44)	119
Net income attributable to U.S. Bancorp	\$1,471	\$1,468	\$4,363	\$4,380
Net income applicable to U.S. Bancorp common shareholders	\$1,405	\$1,400	\$4,163	\$4,163
Earnings per common share	\$.78	\$.76	\$2.30	\$2.26
Diluted earnings per common share	\$.78	\$.76	\$2.29	\$2.25
Dividends declared per common share	\$.245	\$.230	\$.720	\$.655
Average common shares outstanding	1,798	1,832	1,809	1,844
Average diluted common shares outstanding	1,807	1,843	1,819	1,854

U.S. Bancorp

Consolidated Ending Balance Sheet

(Dollars in Millions)	September 30, 2014	December 31, 2013	September 30, 2013
Assets	(Unaudited)		(Unaudited)
Cash and due from banks	\$6,183	\$8,477	\$11,615
Investment securities			
Held-to-maturity	44,231	38,920	36,904
Available-for-sale	52,674	40,935	39,307
Loans held for sale	3,939	3,268	3,858
Loans			
Commercial	78,878	70,033	68,958
Commercial real estate	40,909	39,885	38,678
Residential mortgages	51,957	51,156	50,170
Credit card	17,858	18,021	17,063
Other retail	48,935	47,678	47,114
Total loans, excluding covered loans	238,537	226,773	221,983
Covered loans	7,054	8,462	9,396
Total loans	245,591	235,235	231,379
Less allowance for loan losses	(4,065)	(4,250)	(4,258)
Net loans	241,526	230,985	227,121
Premises and equipment	2,608	2,606	2,608
Goodwill	9,401	9,205	9,173
Other intangible assets	3,338	3,529	3,455
Other assets	27,384	26,096	26,640
Total assets	\$391,284	\$364,021	\$360,681
Liabilities and Shareholders' Equity			
Deposits			
Noninterest-bearing	\$78,641	\$76,941	\$72,333
Interest-bearing	165,070	156,165	152,861
Time deposits greater than \$100,000	29,386	29,017	36,522
Total deposits	273,097	262,123	261,716
Short-term borrowings	30,045	27,608	26,128
Long-term debt	30,768	20,049	18,750
Other liabilities	13,545	12,434	12,535
Total liabilities	347,455	322,214	319,129
Shareholders' equity			
Preferred stock	4,756	4,756	4,756
Common stock	21	21	21
Capital surplus	8,293	8,216	8,188
Retained earnings	41,543	38,667	37,692
Less treasury stock	(10,836)	(9,476)	(9,174)
Accumulated other comprehensive income (loss)	(636)	(1,071)	(1,351)
Total U.S. Bancorp shareholders' equity	43,141	41,113	40,132
Noncontrolling interests	688	694	1,420
Total equity	43,829	41,807	41,552
Total liabilities and equity	\$391,284	\$364,021	\$360,681

U.S. Bancorp

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Total equity	\$43,829	\$43,386	\$42,743	\$41,807	\$41,552
Preferred stock	(4,756)	(4,756)	(4,756)	(4,756)	(4,756)
Noncontrolling interests	(688)	(686)	(689)	(694)	(1,420)
Goodwill (net of deferred tax liability) (1)	(8,503)	(8,548)	(8,352)	(8,343)	(8,319)
Intangible assets, other than mortgage servicing rights	(877)	(925)	(804)	(849)	(878)
Tangible common equity (a)	29,005	28,471	28,142	27,165	26,179
Tangible common equity (as calculated above)	29,005	28,471	28,142	27,165	26,179
Adjustments (2)	187	224	239	224	258
Common equity tier 1 capital estimated for the Basel III fully implemented standardized and advanced approaches (b)	29,192	28,695	28,381	27,389	26,437
Tier 1 capital, determined in accordance with prescribed regulatory requirements using Basel I definition				33,386	32,707
Preferred stock				(4,756)	(4,756)
Noncontrolling interests, less preferred stock not eligible for Tier 1 capital				(688)	(686)
Tier 1 common equity using Basel I definition (c)				27,942	27,265
Total assets	391,284	389,065	371,289	364,021	360,681
Goodwill (net of deferred tax liability) (1)	(8,503)	(8,548)	(8,352)	(8,343)	(8,319)
Intangible assets, other than mortgage servicing rights	(877)	(925)	(804)	(849)	(878)
Tangible assets (d)	381,904	379,592	362,133	354,829	351,484
Risk-weighted assets, determined in accordance with prescribed regulatory requirements (3) (e)	311,914 *	309,929	302,841	297,919	293,155
Adjustments (4)	12,837 *	12,753	13,238	13,712	13,473
Risk-weighted assets estimated for the Basel III fully implemented standardized approach (f)	324,751 *	322,682	316,079	311,631	306,628
Risk-weighted assets, determined in accordance with prescribed transitional advanced approaches regulatory requirements	243,905 *	241,929			
Adjustments (5)	3,443 *	3,383			
Risk-weighted assets estimated for the Basel III fully implemented advanced approaches (g)	247,348 *	245,312			
Ratios *					
Tangible common equity to tangible assets (a)/(d)	7.6 %	7.5 %	7.8 %	7.7 %	7.4 %
Tangible common equity to risk-weighted assets (a)/(e)	9.3	9.2	9.3	9.1	8.9
Tier 1 common equity to risk-weighted assets using Basel I definition (c)/(e)	--	--	--	9.4	9.3
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach (b)/(f)	9.0	8.9	9.0	8.8	8.6
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches (b)/(g)	11.8	11.7			

* 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 beginning March 31, 2014.

(2) Includes net losses on cash flow hedges included in accumulated other comprehensive income and other adjustments.

(3) Beginning March 31, 2014, calculated under the Basel III transitional standardized approach; all other periods calculated under Basel I.

(4) Includes higher risk-weighting for unfunded loan commitments, investment securities, residential mortgages, mortgage servicing rights and other adjustments.

(5) Primarily reflects higher risk-weighting for mortgage servicing rights.

Supplemental Analyst Schedules

3Q 2014

U.S. Bancorp

Income Statement Highlights

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended			Percent Change v. September 30, 2014	
	September 30, 2014	June 30, 2014	September 30, 2013	June 30, 2014	September 30, 2013
Net interest income (taxable-equivalent basis)	\$2,748	\$2,744	\$2,714	.1 %	1.3 %
Noninterest income	2,242	2,444	2,177	(8.3)	3.0
Total net revenue	4,990	5,188	4,891	(3.8)	2.0
Noninterest expense	2,614	2,753	2,565	(5.0)	1.9
Income before provision and income taxes	2,376	2,435	2,326	(2.4)	2.1
Provision for credit losses	311	324	298	(4.0)	4.4
Income before income taxes	2,065	2,111	2,028	(2.2)	1.8
Taxable-equivalent adjustment	56	55	56	1.8	--
Applicable income taxes	523	547	542	(4.4)	(3.5)
Net income	1,486	1,509	1,430	(1.5)	3.9
Net (income) loss attributable to noncontrolling interests	(15)	(14)	38	(7.1)	*
Net income attributable to U.S. Bancorp	\$1,471	\$1,495	\$1,468	(1.6)	.2
Net income applicable to U.S. Bancorp common shareholders	\$1,405	\$1,427	\$1,400	(1.5)	.4
Diluted earnings per common share	\$.78	\$.78	\$.76	--	2.6
Revenue per diluted common share (a)	\$2.76	\$2.85	\$2.66	(3.2)	3.8
Financial Ratios					
Net interest margin (b)	3.16 %	3.27 %	3.43 %		
Interest yield on average loans (b)	4.15	4.26	4.49		
Rate paid on interest-bearing liabilities (b)	.57	.58	.71		
Return on average assets	1.51	1.60	1.65		
Return on average common equity	14.5	15.1	15.8		
Efficiency ratio (c)	52.4	53.1	52.4		
Tangible efficiency ratio (d)	51.3	52.1	51.3		

* Not meaningful

- (a) Computed as the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses), divided by average diluted common shares outstanding
- (b) On a taxable-equivalent basis
- (c) 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)
- (d) 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) and intangible amortization

U.S. Bancorp

Income Statement Highlights

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Nine Months Ended		Percent Change
	September 30, 2014	September 30, 2013	
Net interest income (taxable-equivalent basis)	\$8,198	\$8,095	1.3 %
Noninterest income	6,794	6,618	2.7
Total net revenue	14,992	14,713	1.9
Noninterest expense	7,911	7,592	4.2
Income before provision and income taxes	7,081	7,121	(.6)
Provision for credit losses	941	1,063	(11.5)
Income before income taxes	6,140	6,058	1.4
Taxable-equivalent adjustment	167	168	(.6)
Applicable income taxes	1,566	1,629	(3.9)
Net income	4,407	4,261	3.4
Net (income) loss attributable to noncontrolling interests	(44)	119	*
Net income attributable to U.S. Bancorp	\$4,363	\$4,380	(.4)
Net income applicable to U.S. Bancorp common shareholders	\$4,163	\$4,163	--
Diluted earnings per common share	\$2.29	\$2.25	1.8
Revenue per diluted common share (a)	\$8.24	\$7.93	3.9
Financial Ratios			
Net interest margin (b)	3.26 %	3.45 %	
Interest yield on average loans (b)	4.26	4.59	
Rate paid on interest-bearing liabilities (b)	.60	.75	
Return on average assets	1.56	1.67	
Return on average common equity	14.7	16.0	
Efficiency ratio (c)	52.8	51.6	
Tangible efficiency ratio (d)	51.8	50.5	

* Not meaningful

- (a) Computed as the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses), divided by average diluted common shares outstanding
- (b) On a taxable-equivalent basis
- (c) 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)
- (d) 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) and intangible amortization

Quarterly Consolidated Statement of Income

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended				
	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Interest Income					
Loans	\$2,518	\$2,532	\$2,522	\$2,595	\$2,568
Loans held for sale	36	24	27	31	46
Investment securities	476	461	441	409	420
Other interest income	27	30	32	33	34
Total interest income	3,057	3,047	3,022	3,068	3,068
Interest Expense					
Deposits	115	114	119	128	134
Short-term borrowings	72	63	69	83	98
Long-term debt	178	181	184	180	178
Total interest expense	365	358	372	391	410
Net interest income	2,692	2,689	2,650	2,677	2,658
Provision for credit losses	311	324	306	277	298
Net interest income after provision for credit losses	2,381	2,365	2,344	2,400	2,360
Noninterest Income					
Credit and debit card revenue	251	259	239	263	244
Corporate payment products revenue	195	182	173	166	192
Merchant processing services	387	384	356	367	371
ATM processing services	81	82	78	79	83
Trust and investment management fees	315	311	304	297	280
Deposit service charges	185	171	157	177	180
Treasury management fees	136	140	133	130	134
Commercial products revenue	209	221	205	243	207
Mortgage banking revenue	260	278	236	231	328
Investment products fees	49	47	46	45	46
Securities gains (losses), net	(3)	--	5	1	(3)
Other	177	369	176	157	115
Total noninterest income	2,242	2,444	2,108	2,156	2,177
Noninterest Expense					
Compensation	1,132	1,125	1,115	1,103	1,088
Employee benefits	250	257	289	275	278
Net occupancy and equipment	249	241	249	240	240
Professional services	102	97	83	118	94
Marketing and business development	78	96	79	103	85
Technology and communications	219	214	211	209	214
Postage, printing and supplies	81	80	81	80	76
Other intangibles	51	48	49	56	55
Other	452	595	388	498	435
Total noninterest expense	2,614	2,753	2,544	2,682	2,565
Income before income taxes	2,009	2,056	1,908	1,874	1,972
Applicable income taxes	523	547	496	403	542
Net income	1,486	1,509	1,412	1,471	1,430
Net (income) loss attributable to noncontrolling interests	(15)	(14)	(15)	(15)	38
Net income attributable to U.S. Bancorp	\$1,471	\$1,495	\$1,397	\$1,456	\$1,468
Net income applicable to U.S. Bancorp common shareholders	\$1,405	\$1,427	\$1,331	\$1,389	\$1,400
Earnings per common share	\$.78	\$.79	\$.73	\$.76	\$.76
Diluted earnings per common share	\$.78	\$.78	\$.73	\$.76	\$.76
Dividends declared per common share	\$.245	\$.245	\$.230	\$.230	\$.230
Average common shares outstanding	1,798	1,811	1,818	1,821	1,832
Average diluted common shares outstanding	1,807	1,821	1,828	1,832	1,843
Financial Ratios					
Net interest margin (a)	3.16 %	3.27 %	3.35 %	3.40 %	3.43 %
Interest yield on average loans (a)	4.15	4.26	4.36	4.47	4.49
Rate paid on interest-bearing liabilities (a)	.57	.58	.63	.68	.71
Return on average assets	1.51	1.60	1.56	1.62	1.65
Return on average common equity	14.5	15.1	14.6	15.4	15.8
Efficiency ratio (b)	52.4	53.1	52.9	54.9	52.4
Tangible efficiency ratio (c)	51.3	52.1	51.9	53.7	51.3

(a) On a taxable-equivalent basis

(b) 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)

(c) 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) and intangible amortization

U.S. Bancorp

Consolidated Ending Balance Sheet

(Dollars in Millions)	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Assets	(Unaudited)	(Unaudited)	(Unaudited)		(Unaudited)
Cash and due from banks	\$6,183	\$12,636	\$7,408	\$8,477	\$11,615
Investment securities					
Held-to-maturity	44,231	41,995	40,712	38,920	36,904
Available-for-sale	52,674	48,389	44,761	40,935	39,307
Loans held for sale	3,939	3,018	1,843	3,268	3,858
Loans					
Commercial	78,878	77,454	73,701	70,033	68,958
Commercial real estate	40,909	40,797	40,131	39,885	38,678
Residential mortgages	51,957	51,965	51,708	51,156	50,170
Credit card	17,858	17,642	17,129	18,021	17,063
Other retail	48,935	48,568	47,607	47,678	47,114
Total loans, excluding covered loans	238,537	236,426	230,276	226,773	221,983
Covered loans	7,054	7,448	8,099	8,462	9,396
Total loans	245,591	243,874	238,375	235,235	231,379
Less allowance for loan losses	(4,065)	(4,132)	(4,189)	(4,250)	(4,258)
Net loans	241,526	239,742	234,186	230,985	227,121
Premises and equipment	2,608	2,614	2,589	2,606	2,608
Goodwill	9,401	9,422	9,204	9,205	9,173
Other intangible assets	3,338	3,337	3,422	3,529	3,455
Other assets	27,384	27,912	27,164	26,096	26,640
Total assets	\$391,284	\$389,065	\$371,289	\$364,021	\$360,681
Liabilities and Shareholders' Equity					
Deposits					
Noninterest-bearing	\$78,641	\$80,266	\$73,363	\$76,941	\$72,333
Interest-bearing	165,070	166,531	157,918	156,165	152,861
Time deposits greater than \$100,000	29,386	29,465	29,331	29,017	36,522
Total deposits	273,097	276,262	260,612	262,123	261,716
Short-term borrowings	30,045	29,101	30,781	27,608	26,128
Long-term debt	30,768	25,891	23,774	20,049	18,750
Other liabilities	13,545	14,425	13,379	12,434	12,535
Total liabilities	347,455	345,679	328,546	322,214	319,129
Shareholders' equity					
Preferred stock	4,756	4,756	4,756	4,756	4,756
Common stock	21	21	21	21	21
Capital surplus	8,293	8,264	8,236	8,216	8,188
Retained earnings	41,543	40,573	39,584	38,667	37,692
Less treasury stock	(10,836)	(10,232)	(9,693)	(9,476)	(9,174)
Accumulated other comprehensive income (loss)	(636)	(682)	(850)	(1,071)	(1,351)
Total U.S. Bancorp shareholders' equity	43,141	42,700	42,054	41,113	40,132
Noncontrolling interests	688	686	689	694	1,420
Total equity	43,829	43,386	42,743	41,807	41,552
Total liabilities and equity	\$391,284	\$389,065	\$371,289	\$364,021	\$360,681

U.S. Bancorp
Consolidated Quarterly Average Balance Sheet

(Dollars in Millions, Unaudited)	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Assets					
Investment securities	\$93,141	\$87,583	\$82,216	\$77,248	\$74,988
Loans held for sale	3,552	2,247	2,626	2,946	4,965
Loans					
Commercial					
Commercial	72,190	69,920	65,645	63,714	62,856
Lease financing	5,155	5,100	5,189	5,210	5,208
Total commercial	77,345	75,020	70,834	68,924	68,064
Commercial real estate					
Commercial mortgages	31,965	32,001	32,049	31,780	31,546
Construction and development	8,874	8,496	8,001	7,538	6,955
Total commercial real estate	40,839	40,497	40,050	39,318	38,501
Residential mortgages	51,994	51,815	51,584	50,732	49,139
Credit card	17,753	17,384	17,407	17,366	16,931
Other retail					
Retail leasing	5,991	6,014	5,979	5,847	5,664
Home equity and second mortgages	15,704	15,327	15,366	15,488	15,648
Other	27,003	26,587	26,312	26,059	25,682
Total other retail	48,698	47,928	47,657	47,394	46,994
Total loans, excluding covered loans	236,629	232,644	227,532	223,734	219,629
Covered loans	7,238	7,836	8,327	9,057	9,733
Total loans	243,867	240,480	235,859	232,791	229,362
Other earning assets	5,862	5,682	5,525	6,531	5,745
Total earning assets	346,422	335,992	326,226	319,516	315,060
Allowance for loan losses	(4,161)	(4,218)	(4,260)	(4,285)	(4,322)
Unrealized gain (loss) on investment securities	463	441	257	183	221
Other assets	43,099	42,554	42,089	42,109	41,202
Total assets	\$385,823	\$374,769	\$364,312	\$357,523	\$352,161
Liabilities and Shareholders' Equity					
Noninterest-bearing deposits	\$74,126	\$71,837	\$70,824	\$74,468	\$68,264
Interest-bearing deposits					
Interest checking	54,454	52,989	51,305	50,112	48,235
Money market savings	66,250	61,370	59,244	57,550	55,982
Savings accounts	34,615	33,991	33,200	32,235	32,083
Time deposits less than \$100,000	11,045	10,971	11,443	11,979	12,495
Time deposits greater than \$100,000	30,518	31,193	31,463	30,562	35,309
Total interest-bearing deposits	196,882	190,514	186,655	182,438	184,104
Short-term borrowings	30,961	30,620	29,490	27,527	27,495
Long-term debt	26,658	25,752	22,131	19,236	19,226
Total interest-bearing liabilities	254,501	246,886	238,276	229,201	230,825
Other liabilities	13,379	12,772	12,763	11,794	11,740
Shareholders' equity					
Preferred equity	4,756	4,756	4,756	4,756	4,756
Common equity	38,376	37,830	37,005	35,879	35,180
Total U.S. Bancorp shareholders' equity	43,132	42,586	41,761	40,635	39,936
Noncontrolling interests	685	688	688	1,425	1,396
Total equity	43,817	43,274	42,449	42,060	41,332
Total liabilities and equity	\$385,823	\$374,769	\$364,312	\$357,523	\$352,161

U.S. Bancorp

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)

For the Three Months Ended September 30,
2014 2013

(Dollars in Millions) (Unaudited)	Average Balances	Interest	Yields and Rates	Average Balances	Interest	Yields and Rates	% Change Average Balances
Assets							
Investment securities	\$93,141	\$508	2.18 %	\$74,988	\$453	2.42 %	24.2 %
Loans held for sale	3,552	36	4.08	4,965	46	3.77	(28.5)
Loans (b)							
Commercial	77,345	564	2.89	68,064	543	3.17	13.6
Commercial real estate	40,839	397	3.86	38,501	400	4.12	6.1
Residential mortgages	51,994	502	3.86	49,139	495	4.02	5.8
Credit card	17,753	467	10.45	16,931	429	10.06	4.9
Other retail	48,698	517	4.22	46,994	582	4.91	3.6
Total loans, excluding covered loans	236,629	2,447	4.11	219,629	2,449	4.43	7.7
Covered loans	7,238	96	5.31	9,733	143	5.84	(25.6)
Total loans	243,867	2,543	4.15	229,362	2,592	4.49	6.3
Other earning assets	5,862	27	1.86	5,745	34	2.38	2.0
Total earning assets	346,422	3,114	3.58	315,060	3,125	3.95	10.0
Allowance for loan losses	(4,161)			(4,322)			3.7
Unrealized gain (loss) on investment securities	463			221			*
Other assets	43,099			41,202			4.6
Total assets	<u>\$385,823</u>			<u>\$352,161</u>			9.6
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	\$74,126			\$68,264			8.6
Interest-bearing deposits							
Interest checking	54,454	9	.07	48,235	7	.07	12.9
Money market savings	66,250	31	.19	55,982	19	.14	18.3
Savings accounts	34,615	11	.13	32,083	12	.14	7.9
Time deposits less than \$100,000	11,045	29	1.02	12,495	44	1.37	(11.6)
Time deposits greater than \$100,000	30,518	35	.45	35,309	52	.59	(13.6)
Total interest-bearing deposits	196,882	115	.23	184,104	134	.29	6.9
Short-term borrowings	30,961	73	.94	27,495	99	1.42	12.6
Long-term debt	26,658	178	2.67	19,226	178	3.69	38.7
Total interest-bearing liabilities	254,501	366	.57	230,825	411	.71	10.3
Other liabilities	13,379			11,740			14.0
Shareholders' equity							
Preferred equity	4,756			4,756			--
Common equity	38,376			35,180			9.1
Total U.S. Bancorp shareholders' equity	43,132			39,936			8.0
Noncontrolling interests	685			1,396			(50.9)
Total equity	43,817			41,332			6.0
Total liabilities and equity	<u>\$385,823</u>			<u>\$352,161</u>			9.6 %
Net interest income		<u>\$2,748</u>			<u>\$2,714</u>		
Gross interest margin			3.01 %			3.24 %	
Gross interest margin without taxable-equivalent increments			2.95			3.17	
Percent of Earning Assets							
Interest income			3.58 %			3.95 %	
Interest expense			.42			.52	
Net interest margin			3.16 %			3.43 %	
Net interest margin without taxable-equivalent increments			3.10 %			3.36 %	

* Not meaningful

(a) Interest and rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent.

(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)

For the Three Months Ended
September 30, 2014 June 30, 2014

(Dollars in Millions) (Unaudited)	Average Balances	Interest	Yields and Rates	Average Balances	Interest	Yields and Rates	% Change Average Balances
Assets							
Investment securities	\$93,141	\$508	2.18 %	\$87,583	\$492	2.25 %	6.3 %
Loans held for sale	3,552	36	4.08	2,247	24	4.20	58.1
Loans (b)							
Commercial	77,345	564	2.89	75,020	553	2.96	3.1
Commercial real estate	40,839	397	3.86	40,497	396	3.92	.8
Residential mortgages	51,994	502	3.86	51,815	499	3.85	.3
Credit card	17,753	467	10.45	17,384	437	10.07	2.1
Other retail	48,698	517	4.22	47,928	547	4.58	1.6
Total loans, excluding covered loans	236,629	2,447	4.11	232,644	2,432	4.19	1.7
Covered loans	7,238	96	5.31	7,836	126	6.44	(7.6)
Total loans	243,867	2,543	4.15	240,480	2,558	4.26	1.4
Other earning assets	5,862	27	1.86	5,682	30	2.11	3.2
Total earning assets	346,422	3,114	3.58	335,992	3,104	3.70	3.1
Allowance for loan losses	(4,161)			(4,218)			1.4
Unrealized gain (loss) on investment securities	463			441			5.0
Other assets	43,099			42,554			1.3
Total assets	<u>\$385,823</u>			<u>\$374,769</u>			2.9
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	\$74,126			\$71,837			3.2
Interest-bearing deposits							
Interest checking	54,454	9	.07	52,989	9	.07	2.8
Money market savings	66,250	31	.19	61,370	26	.17	8.0
Savings accounts	34,615	11	.13	33,991	12	.14	1.8
Time deposits less than \$100,000	11,045	29	1.02	10,971	30	1.10	.7
Time deposits greater than \$100,000	30,518	35	.45	31,193	37	.47	(2.2)
Total interest-bearing deposits	196,882	115	.23	190,514	114	.24	3.3
Short-term borrowings	30,961	73	.94	30,620	65	.85	1.1
Long-term debt	26,658	178	2.67	25,752	181	2.82	3.5
Total interest-bearing liabilities	254,501	366	.57	246,886	360	.58	3.1
Other liabilities	13,379			12,772			4.8
Shareholders' equity							
Preferred equity	4,756			4,756			--
Common equity	38,376			37,830			1.4
Total U.S. Bancorp shareholders' equity	43,132			42,586			1.3
Noncontrolling interests	685			688			(4)
Total equity	43,817			43,274			1.3
Total liabilities and equity	<u>\$385,823</u>			<u>\$374,769</u>			2.9 %
Net interest income		<u>\$2,748</u>			<u>\$2,744</u>		
Gross interest margin			3.01 %			3.12 %	
Gross interest margin without taxable-equivalent increments			2.95			3.05	
Percent of Earning Assets							
Interest income			3.58 %			3.70 %	
Interest expense			.42			.43	
Net interest margin			3.16 %			3.27 %	
Net interest margin without taxable-equivalent increments			3.10 %			3.20 %	

(a) Interest and rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent.

(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)For the Nine Months Ended September 30,
2014 2013

(Dollars in Millions) (Unaudited)	2014		Yields and Rates	2013		Yields and Rates	% Change Average Balances
	Average Balances	Interest		Average Balances	Interest		
Assets							
Investment securities	\$87,687	\$1,473	2.24 %	\$74,303	\$1,325	2.38 %	18.0 %
Loans held for sale	2,811	87	4.13	6,659	172	3.45	(57.8)
Loans (b)							
Commercial	74,424	1,651	2.96	66,719	1,626	3.26	11.5
Commercial real estate	40,465	1,180	3.90	37,872	1,188	4.19	6.8
Residential mortgages	51,799	1,504	3.88	47,055	1,452	4.12	10.1
Credit card	17,516	1,338	10.21	16,627	1,256	10.10	5.3
Other retail	48,098	1,622	4.51	47,034	1,736	4.93	2.3
Total loans, excluding covered loans	232,302	7,295	4.20	215,307	7,258	4.50	7.9
Covered loans	7,796	352	6.03	10,375	492	6.33	(24.9)
Total loans	240,098	7,647	4.26	225,682	7,750	4.59	6.4
Other earning assets	5,691	89	2.10	7,019	141	2.70	(18.9)
Total earning assets	336,287	9,296	3.69	313,663	9,388	4.00	7.2
Allowance for loan losses	(4,212)			(4,403)			4.3
Unrealized gain (loss) on investment securities	388			785			(50.6)
Other assets	42,584			41,003			3.9
Total assets	<u>\$375,047</u>			<u>\$351,048</u>			6.8
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	\$72,274			\$67,183			7.6
Interest-bearing deposits							
Interest checking	52,928	26	.07	48,347	26	.07	9.5
Money market savings	62,314	81	.17	54,826	54	.13	13.7
Savings accounts	33,940	35	.14	31,809	38	.16	6.7
Time deposits less than \$100,000	11,151	93	1.12	13,082	147	1.50	(14.8)
Time deposits greater than \$100,000	31,055	113	.48	33,037	168	.68	(6.0)
Total interest-bearing deposits	191,388	348	.24	181,101	433	.32	5.7
Short-term borrowings	30,362	207	.91	27,736	273	1.32	9.5
Long-term debt	24,864	543	2.92	21,968	587	3.57	13.2
Total interest-bearing liabilities	246,614	1,098	.60	230,805	1,293	.75	6.8
Other liabilities	12,974			12,033			7.8
Shareholders' equity							
Preferred equity	4,756			4,820			(1.3)
Common equity	37,742			34,855			8.3
Total U.S. Bancorp shareholders' equity	42,498			39,675			7.1
Noncontrolling interests	687			1,352			(49.2)
Total equity	43,185			41,027			5.3
Total liabilities and equity	<u>\$375,047</u>			<u>\$351,048</u>			6.8 %
Net interest income		<u>\$8,198</u>			<u>\$8,095</u>		
Gross interest margin			3.09 %			3.25 %	
Gross interest margin without taxable-equivalent increments			3.02			3.18	
Percent of Earning Assets							
Interest income			3.69 %			4.00 %	
Interest expense			.43			.55	
Net interest margin			3.26 %			3.45 %	
Net interest margin without taxable-equivalent increments			3.19 %			3.38 %	

(a) Interest and rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent.

(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

U.S. Bancorp
Loan Portfolio

	September 30, 2014		June 30, 2014		March 31, 2014		December 31, 2013		September 30, 2013	
(Dollars in Millions, Unaudited)	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Commercial										
Commercial	\$73,600	30.0 %	\$72,286	29.7 %	\$68,556	28.8 %	\$64,762	27.5 %	\$63,696	27.5 %
Lease financing	5,278	2.1	5,168	2.1	5,145	2.1	5,271	2.3	5,262	2.3
Total commercial	78,878	32.1	77,454	31.8	73,701	30.9	70,033	29.8	68,958	29.8
Commercial real estate										
Commercial mortgages	31,802	13.0	32,125	13.2	31,878	13.4	32,183	13.7	31,467	13.6
Construction and development	9,107	3.7	8,672	3.5	8,253	3.4	7,702	3.3	7,211	3.1
Total commercial real estate	40,909	16.7	40,797	16.7	40,131	16.8	39,885	17.0	38,678	16.7
Residential mortgages										
Residential mortgages	38,858	15.8	38,747	15.9	38,316	16.1	37,545	15.9	36,484	15.8
Home equity loans, first liens	13,099	5.3	13,218	5.4	13,392	5.6	13,611	5.8	13,686	5.9
Total residential mortgages	51,957	21.1	51,965	21.3	51,708	21.7	51,156	21.7	50,170	21.7
Credit card	17,858	7.3	17,642	7.2	17,129	7.2	18,021	7.7	17,063	7.4
Other retail										
Retail leasing	5,999	2.5	6,001	2.5	6,009	2.5	5,929	2.5	5,761	2.5
Home equity and second mortgages	15,769	6.4	15,668	6.4	15,261	6.4	15,442	6.6	15,544	6.7
Revolving credit	3,242	1.3	3,216	1.3	3,187	1.3	3,276	1.4	3,289	1.4
Installment	6,173	2.5	5,978	2.4	5,751	2.4	5,709	2.4	5,717	2.4
Automobile	14,517	5.9	14,353	5.9	13,933	5.9	13,743	5.8	13,130	5.7
Student	3,235	1.3	3,352	1.4	3,466	1.5	3,579	1.5	3,673	1.6
Total other retail	48,935	19.9	48,568	19.9	47,607	20.0	47,678	20.2	47,114	20.3
Total loans, excluding covered loans	238,537	97.1	236,426	96.9	230,276	96.6	226,773	96.4	221,983	95.9
Covered loans	7,054	2.9	7,448	3.1	8,099	3.4	8,462	3.6	9,396	4.1
Total loans	\$245,591	100.0 %	\$243,874	100.0 %	\$238,375	100.0 %	\$235,235	100.0 %	\$231,379	100.0 %

U.S. Bancorp
Supplemental Financial Data

(Dollars in Millions, Unaudited)	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Book value of intangibles					
Goodwill	\$9,401	\$9,422	\$9,204	\$9,205	\$9,173
Merchant processing contracts	189	204	215	229	244
Core deposit benefits	246	258	128	135	145
Mortgage servicing rights	2,461	2,412	2,618	2,680	2,577
Trust relationships	103	110	116	122	131
Other identified intangibles	339	353	345	363	358
Total	\$12,739	\$12,759	\$12,626	\$12,734	\$12,628

	Three Months Ended				
	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Amortization of intangibles					
Merchant processing contracts	\$12	\$12	\$14	\$16	\$15
Core deposit benefits	12	8	7	10	11
Trust relationships	6	7	7	9	8
Other identified intangibles	21	21	21	21	21
Total	\$51	\$48	\$49	\$56	\$55

Mortgage Banking Division Data

Mortgage banking revenue					
Origination and sales (a)	\$138	\$99	\$73	\$120	\$130
Loan servicing	178	185	188	188	192
Mortgage servicing rights fair value changes, net of economic hedges (b)	49	93	58	30	108
Other changes in mortgage servicing rights fair value (c)	(105)	(99)	(83)	(107)	(102)
Total mortgage banking revenue	\$260	\$278	\$236	\$231	\$328
Mortgage production volume	\$10,410	\$7,950	\$6,245	\$8,563	\$15,192
Mortgage application volume	\$13,496	\$13,659	\$10,149	\$10,605	\$13,335
Mortgages serviced for others (d)	\$224,632	\$224,700	\$227,186	\$226,842	\$226,727
Mortgages repurchased and make-whole payments made	\$19	\$30	\$36	\$32	\$42
Realized losses on mortgage repurchases and make-whole payments, net	1	2	10	63	13
Mortgage representation and warranties reserve (d)	62	69	75	83	176
Outstanding repurchase and make-whole requests	29	35	44	89	114

A summary of the Company's mortgage servicing rights and related characteristics by portfolio as of September 30, 2014, was as follows:

(Dollars in Millions)	MRBP (e)	Government	Conventional (f)	Total
Servicing portfolio	\$18,052	\$40,600	\$163,757	\$222,409
Fair value	\$199	\$469	\$1,793	\$2,461
Value (bps) (g)	110	116	109	111
Weighted-average servicing fees (bps)	37	33	27	29
Multiple (value/servicing fees)	2.97	3.52	4.04	3.83
Weighted-average note rate	4.62 %	4.20 %	4.15 %	4.20 %
Weighted-average age (in years)	3.7	3.1	3.0	3.1
Weighted-average expected prepayment (constant prepayment rate)	12.9 %	12.4 %	10.6 %	11.1 %
Weighted-average expected life (in years)	6.2	6.4	7.0	6.8
Weighted-average discount rate	11.9 %	11.2 %	9.6 %	10.1 %

(a) Origination and sales revenue recorded based on estimated number of applications that will close.

(b) Represents the net impact of changes in the fair value of mortgage servicing rights related to assumption changes and the derivatives used to economically hedge the mortgage servicing rights fair value changes.

(c) Primarily represents changes due to realization of expected cash flows over time (decay).

(d) Amounts reported reflect end of period balances and include subserviced mortgages with no corresponding mortgage servicing rights asset.

(e) MRBP represents mortgage revenue bond programs.

(f) Represents loans primarily sold to government-sponsored enterprises.

(g) Value is calculated as fair value divided by the servicing portfolio.

U.S. Bancorp

Line of Business Financial Performance*

Three Months Ended (Dollars in Millions, Unaudited)	Wholesale Banking and Commercial Real Estate			Consumer and Small Business Banking			Wealth Management and Securities Services		
	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	\$518	\$506	2.4 %	\$1,074	\$1,153	(6.9) %	\$96	\$82	17.1 %
Noninterest income	236	266	(11.3)	669	717	(6.7)	352	314	12.1
Securities gains (losses), net	--	--	--	--	--	--	--	--	--
Total net revenue	754	772	(2.3)	1,743	1,870	(6.8)	448	396	13.1
Noninterest expense	304	302	.7	1,169	1,110	5.3	335	324	3.4
Other intangibles	1	2	(50.0)	12	10	20.0	8	9	(11.1)
Total noninterest expense	305	304	.3	1,181	1,120	5.4	343	333	3.0
Income before provision and income taxes	449	468	(4.1)	562	750	(25.1)	105	63	66.7
Provision for credit losses	29	(41)	**	79	163	(51.5)	6	6	--
Income before income taxes	420	509	(17.5)	483	587	(17.7)	99	57	73.7
Income taxes and taxable-equivalent adjustment	153	185	(17.3)	176	214	(17.8)	36	21	71.4
Net income	267	324	(17.6)	307	373	(17.7)	63	36	75.0
Net (income) loss attributable to noncontrolling interests	--	--	--	--	--	--	--	--	--
Net income attributable to U.S. Bancorp	\$267	\$324	(17.6)	\$307	\$373	(17.7)	\$63	\$36	75.0
Average Balance Sheet Data									
Loans	\$80,405	\$71,355	12.7 %	\$131,164	\$125,944	4.1 %	\$5,438	\$4,960	9.6 %
Other earning assets	1,812	1,817	(.3)	4,269	5,451	(21.7)	207	124	66.9
Goodwill	1,648	1,604	2.7	3,680	3,515	4.7	1,572	1,533	2.5
Other intangible assets	21	24	(12.5)	2,664	2,650	.5	155	166	(6.6)
Assets	87,449	77,708	12.5	145,604	140,621	3.5	8,679	7,751	12.0
Noninterest-bearing deposits	32,684	30,812	6.1	24,696	22,585	9.3	14,900	13,500	10.4
Interest-bearing deposits	48,313	47,460	1.8	105,926	100,257	5.7	40,041	35,249	13.6
Total deposits	80,997	78,272	3.5	130,622	122,842	6.3	54,941	48,749	12.7
Total U.S. Bancorp shareholders' equity	7,764	7,366	5.4	11,504	12,222	(5.9)	2,267	2,398	(5.5)

Three Months Ended (Dollars in Millions, Unaudited)	Payment Services			Treasury and Corporate Support			Consolidated Company		
	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	\$442	\$393	12.5 %	\$618	\$580	6.6 %	\$2,748	\$2,714	1.3 %
Noninterest income	842	822	2.4	146	61	**	2,245	2,180	3.0
Securities gains (losses), net	--	--	--	(3)	(3)	--	(3)	(3)	--
Total net revenue	1,284	1,215	5.7	761	638	19.3	4,990	4,891	2.0
Noninterest expense	582	575	1.2	173	199	(13.1)	2,563	2,510	2.1
Other intangibles	30	34	(11.8)	--	--	--	51	55	(7.3)
Total noninterest expense	612	609	.5	173	199	(13.1)	2,614	2,565	1.9
Income before provision and income taxes	672	606	10.9	588	439	33.9	2,376	2,326	2.1
Provision for credit losses	190	172	10.5	7	(2)	**	311	298	4.4
Income before income taxes	482	434	11.1	581	441	31.7	2,065	2,028	1.8
Income taxes and taxable-equivalent adjustment	175	158	10.8	39	20	95.0	579	598	(3.2)
Net income	307	276	11.2	542	421	28.7	1,486	1,430	3.9
Net (income) loss attributable to noncontrolling interests	(9)	(10)	10.0	(6)	48	**	(15)	38	**
Net income attributable to U.S. Bancorp	\$298	\$266	12.0	\$536	\$469	14.3	\$1,471	\$1,468	.2
Average Balance Sheet Data									
Loans	\$25,103	\$23,856	5.2 %	\$1,757	\$3,247	(45.9) %	\$243,867	\$229,362	6.3 %
Other earning assets	372	408	(8.8)	95,895	77,898	23.1	102,555	85,698	19.7
Goodwill	2,517	2,509	.3	--	--	--	9,417	9,161	2.8
Other intangible assets	483	557	(13.3)	--	2	**	3,323	3,399	(2.2)
Assets	31,407	30,123	4.3	112,684	95,958	17.4	385,823	352,161	9.6
Noninterest-bearing deposits	702	714	(1.7)	1,144	653	75.2	74,126	68,264	8.6
Interest-bearing deposits	654	515	27.0	1,948	623	**	196,882	184,104	6.9
Total deposits	1,356	1,229	10.3	3,092	1,276	**	271,008	252,368	7.4
Total U.S. Bancorp shareholders' equity	5,690	6,102	(6.8)	15,907	11,848	34.3	43,132	39,936	8.0

* Preliminary data

** Not meaningful

U.S. Bancorp

Line of Business Financial Performance*

Three Months Ended (Dollars in Millions, Unaudited)	Wholesale Banking and Commercial Real Estate			Consumer and Small Business Banking			Wealth Management and Securities Services		
	Sep 30, 2014	Jun 30, 2014	Percent Change	Sep 30, 2014	Jun 30, 2014	Percent Change	Sep 30, 2014	Jun 30, 2014	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	\$518	\$513	1.0 %	\$1,074	\$1,077	(.3) %	\$96	\$91	5.5 %
Noninterest income	236	258	(8.5)	669	680	(1.6)	352	347	1.4
Securities gains (losses), net	--	--	--	--	--	--	--	--	--
Total net revenue	754	771	(2.2)	1,743	1,757	(.8)	448	438	2.3
Noninterest expense	304	317	(4.1)	1,169	1,132	3.3	335	334	.3
Other intangibles	1	1	--	12	9	33.3	8	8	--
Total noninterest expense	305	318	(4.1)	1,181	1,141	3.5	343	342	.3
Income before provision and income taxes	449	453	(.9)	562	616	(8.8)	105	96	9.4
Provision for credit losses	29	15	93.3	79	120	(34.2)	6	6	--
Income before income taxes	420	438	(4.1)	483	496	(2.6)	99	90	10.0
Income taxes and taxable-equivalent adjustment	153	159	(3.8)	176	180	(2.2)	36	33	9.1
Net income	267	279	(4.3)	307	316	(2.8)	63	57	10.5
Net (income) loss attributable to noncontrolling interests	--	--	--	--	--	--	--	--	--
Net income attributable to U.S. Bancorp	\$267	\$279	(4.3)	\$307	\$316	(2.8)	\$63	\$57	10.5
Average Balance Sheet Data									
Loans	\$80,405	\$78,612	2.3 %	\$131,164	\$129,882	1.0 %	\$5,438	\$5,283	2.9 %
Other earning assets	1,812	1,844	(1.7)	4,269	2,884	48.0	207	161	28.6
Goodwill	1,648	1,609	2.4	3,680	3,533	4.2	1,572	1,566	.4
Other intangible assets	21	21	--	2,664	2,689	(.9)	155	164	(5.5)
Assets	87,449	85,835	1.9	145,604	142,666	2.1	8,679	8,328	4.2
Noninterest-bearing deposits	32,684	31,220	4.7	24,696	22,939	7.7	14,900	15,673	(4.9)
Interest-bearing deposits	48,313	47,275	2.2	105,926	102,569	3.3	40,041	38,027	5.3
Total deposits	80,997	78,495	3.2	130,622	125,508	4.1	54,941	53,700	2.3
Total U.S. Bancorp shareholders' equity	7,764	7,664	1.3	11,504	11,369	1.2	2,267	2,286	(.8)

Three Months Ended (Dollars in Millions, Unaudited)	Payment Services			Treasury and Corporate Support			Consolidated Company		
	Sep 30, 2014	Jun 30, 2014	Percent Change	Sep 30, 2014	Jun 30, 2014	Percent Change	Sep 30, 2014	Jun 30, 2014	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	\$442	\$415	6.5 %	\$618	\$648	(4.6) %	\$2,748	\$2,744	.1 %
Noninterest income	842	832	1.2	146	327	(55.4)	2,245	2,444	(8.1)
Securities gains (losses), net	--	--	--	(3)	--	**	(3)	--	**
Total net revenue	1,284	1,247	3.0	761	975	(21.9)	4,990	5,188	(3.8)
Noninterest expense	582	582	--	173	340	(49.1)	2,563	2,705	(5.2)
Other intangibles	30	30	--	--	--	--	51	48	6.3
Total noninterest expense	612	612	--	173	340	(49.1)	2,614	2,753	(5.0)
Income before provision and income taxes	672	635	5.8	588	635	(7.4)	2,376	2,435	(2.4)
Provision for credit losses	190	182	4.4	7	1	**	311	324	(4.0)
Income before income taxes	482	453	6.4	581	634	(8.4)	2,065	2,111	(2.2)
Income taxes and taxable-equivalent adjustment	175	165	6.1	39	65	(40.0)	579	602	(3.8)
Net income	307	288	6.6	542	569	(4.7)	1,486	1,509	(1.5)
Net (income) loss attributable to noncontrolling interests	(9)	(9)	--	(6)	(5)	(20.0)	(15)	(14)	(7.1)
Net income attributable to U.S. Bancorp	\$298	\$279	6.8	\$536	\$564	(5.0)	\$1,471	\$1,495	(1.6)
Average Balance Sheet Data									
Loans	\$25,103	\$24,589	2.1 %	\$1,757	\$2,114	(16.9) %	\$243,867	\$240,480	1.4 %
Other earning assets	372	414	(10.1)	95,895	90,209	6.3	102,555	95,512	7.4
Goodwill	2,517	2,520	(.1)	--	--	--	9,417	9,228	2.0
Other intangible assets	483	491	(1.6)	--	--	--	3,323	3,365	(1.2)
Assets	31,407	30,913	1.6	112,684	107,027	5.3	385,823	374,769	2.9
Noninterest-bearing deposits	702	711	(1.3)	1,144	1,294	(11.6)	74,126	71,837	3.2
Interest-bearing deposits	654	639	2.3	1,948	2,004	(2.8)	196,882	190,514	3.3
Total deposits	1,356	1,350	.4	3,092	3,298	(6.2)	271,008	262,351	3.3
Total U.S. Bancorp shareholders' equity	5,690	5,665	.4	15,907	15,602	2.0	43,132	42,586	1.3

* Preliminary data

** Not meaningful

U.S. Bancorp

Line of Business Financial Performance*

Nine Months Ended (Dollars in Millions, Unaudited)	Wholesale Banking and Commercial Real Estate			Consumer and Small Business Banking			Wealth Management and Securities Services		
	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	\$1,521	\$1,501	1.3 %	\$3,241	\$3,459	(6.3) %	\$270	\$257	5.1 %
Noninterest income	738	819	(9.9)	1,967	2,268	(13.3)	1,038	935	11.0
Securities gains (losses), net	--	--	--	--	--	--	--	--	--
Total net revenue	2,259	2,320	(2.6)	5,208	5,727	(9.1)	1,308	1,192	9.7
Noninterest expense	930	920	1.1	3,421	3,377	1.3	1,002	968	3.5
Other intangibles	3	6	(50.0)	29	31	(6.5)	25	27	(7.4)
Total noninterest expense	933	926	.8	3,450	3,408	1.2	1,027	995	3.2
Income before provision and income taxes	1,326	1,394	(4.9)	1,758	2,319	(24.2)	281	197	42.6
Provision for credit losses	26	(114)	**	332	573	(42.1)	8	7	14.3
Income before income taxes	1,300	1,508	(13.8)	1,426	1,746	(18.3)	273	190	43.7
Income taxes and taxable-equivalent adjustment	473	549	(13.8)	519	636	(18.4)	100	69	44.9
Net income	827	959	(13.8)	907	1,110	(18.3)	173	121	43.0
Net (income) loss attributable to noncontrolling interests	--	--	--	--	--	--	--	--	--
Net income attributable to U.S. Bancorp	\$827	\$959	(13.8)	\$907	\$1,110	(18.3)	\$173	\$121	43.0
Average Balance Sheet Data									
Loans	\$78,137	\$70,035	11.6 %	\$129,952	\$123,988	4.8 %	\$5,308	\$4,676	13.5 %
Other earning assets	1,863	1,782	4.5	3,448	7,169	(51.9)	173	116	49.1
Goodwill	1,621	1,604	1.1	3,577	3,516	1.7	1,568	1,529	2.6
Other intangible assets	21	26	(19.2)	2,698	2,293	17.7	163	174	(6.3)
Assets	85,198	76,455	11.4	143,337	140,056	2.3	8,409	7,514	11.9
Noninterest-bearing deposits	32,029	30,299	5.7	23,218	21,976	5.7	15,095	13,786	9.5
Interest-bearing deposits	47,188	42,148	12.0	103,408	100,538	2.9	38,255	36,990	3.4
Total deposits	79,217	72,447	9.3	126,626	122,514	3.4	53,350	50,776	5.1
Total U.S. Bancorp shareholders' equity	7,653	7,269	5.3	11,480	12,125	(5.3)	2,283	2,375	(3.9)

Nine Months Ended (Dollars in Millions, Unaudited)	Payment Services			Treasury and Corporate Support			Consolidated Company		
	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change	Sep 30, 2014	Sep 30, 2013	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	\$1,271	\$1,168	8.8 %	\$1,895	\$1,710	10.8 %	\$8,198	\$8,095	1.3 %
Noninterest income	2,449	2,397	2.2	600	191	**	6,792	6,610	2.8
Securities gains (losses), net	--	--	--	2	8	(75.0)	2	8	(75.0)
Total net revenue	3,720	3,565	4.3	2,497	1,909	30.8	14,992	14,713	1.9
Noninterest expense	1,742	1,695	2.8	668	465	43.7	7,763	7,425	4.6
Other intangibles	91	103	(11.7)	--	--	--	148	167	(11.4)
Total noninterest expense	1,833	1,798	1.9	668	465	43.7	7,911	7,592	4.2
Income before provision and income taxes	1,887	1,767	6.8	1,829	1,444	26.7	7,081	7,121	(.6)
Provision for credit losses	573	553	3.6	2	44	(95.5)	941	1,063	(11.5)
Income before income taxes	1,314	1,214	8.2	1,827	1,400	30.5	6,140	6,058	1.4
Income taxes and taxable-equivalent adjustment	478	442	8.1	163	101	61.4	1,733	1,797	(3.6)
Net income	836	772	8.3	1,664	1,299	28.1	4,407	4,261	3.4
Net (income) loss attributable to noncontrolling interests	(27)	(29)	6.9	(17)	148	**	(44)	119	**
Net income attributable to U.S. Bancorp	\$809	\$743	8.9	\$1,647	\$1,447	13.8	\$4,363	\$4,380	(.4)
Average Balance Sheet Data									
Loans	\$24,603	\$23,406	5.1 %	\$2,098	\$3,577	(41.3) %	\$240,098	\$225,682	6.4 %
Other earning assets	415	412	.7	90,290	78,502	15.0	96,189	87,981	9.3
Goodwill	2,518	2,508	.4	--	--	--	9,284	9,157	1.4
Other intangible assets	494	584	(15.4)	--	2	**	3,376	3,079	9.6
Assets	30,901	29,659	4.2	107,202	97,364	10.1	375,047	351,048	6.8
Noninterest-bearing deposits	704	694	1.4	1,228	428	**	72,274	67,183	7.6
Interest-bearing deposits	635	498	27.5	1,902	927	**	191,388	181,101	5.7
Total deposits	1,339	1,192	12.3	3,130	1,355	**	263,662	248,284	6.2
Total U.S. Bancorp shareholders' equity	5,675	6,033	(5.9)	15,407	11,873	29.8	42,498	39,675	7.1

* Preliminary data

** Not meaningful

Supplemental Credit Schedules

3Q 2014

U.S. Bancorp
Residential Mortgages

(Dollars in Millions, Unaudited)	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Prime Borrowers					
Loans outstanding	\$44,431	\$43,976	\$43,593	\$43,086	\$42,209
Nonperforming loans	611	588	568	567	548
Delinquency Ratios					
30-89 days past due	.39 %	.39 %	.49 %	.55 %	.56 %
90 days or more past due	.34	.43	.54	.55	.46
Nonperforming loans	1.38	1.34	1.30	1.31	1.30
Sub-Prime Borrowers					
Loans outstanding	\$1,269	\$1,310	\$1,347	\$1,395	\$1,433
Nonperforming loans	204	206	190	184	168
Delinquency Ratios					
30-89 days past due	4.65 %	5.27 %	6.09 %	7.60 %	6.91 %
90 days or more past due	3.70	3.89	5.86	6.02	4.47
Nonperforming loans	16.08	15.73	14.11	13.19	11.72
Other Borrowers					
Loans outstanding	\$836	\$864	\$893	\$909	\$907
Nonperforming loans	26	24	19	19	16
Delinquency Ratios					
30-89 days past due	1.20 %	1.27 %	1.35 %	1.65 %	1.43 %
90 days or more past due	1.31	1.51	1.90	1.43	1.21
Nonperforming loans	3.11	2.78	2.13	2.09	1.77
Loans Purchased From GNMA Mortgage Pools*					
Loans outstanding	\$5,421	\$5,815	\$5,875	\$5,766	\$5,621

	Three Months Ended				
	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Prime Borrowers					
Net charge-offs	\$29	\$36	\$39	\$32	\$42
Net charge-off ratio	.26 %	.33 %	.36 %	.30 %	.40 %
Sub-Prime Borrowers					
Net charge-offs	\$11	\$15	\$17	\$15	\$12
Net charge-off ratio	3.40 %	4.55 %	5.07 %	4.22 %	3.28 %
Other Borrowers					
Net charge-offs	\$2	\$3	\$1	\$2	\$2
Net charge-off ratio	.94 %	1.38 %	.45 %	.87 %	.88 %
Loans Purchased From GNMA Mortgage Pools					
Net charge-offs	\$--	\$3	\$--	\$--	\$1
Net charge-off ratio	-- %	.21 %	-- %	-- %	.07 %

* Past due GNMA loans are excluded from delinquency ratios as their repayments are primarily insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs.

U.S. Bancorp
Residential Mortgages

(Dollars in Millions, Unaudited)

September 30, 2014	Loans Outstanding	As a Percent of Total Loan Balances	Weighted Average Credit Score		Weighted Average Loan-to-Value	
			At Origination	Updated	At Origination	Updated
PORTFOLIO PROFILE						
Prime Borrowers	\$44,431	86 %	756	779	70 %	62 %
Sub-Prime Borrowers	1,269	2	622	633	86	82
Other Borrowers	836	2	703	716	88	80
Loans Purchased From GNMA Mortgage Pools	5,421	10	*	*	*	*
Total	\$51,957	100 %	752	774	71 %	63 %

Three Months Ended September 30, 2014	Loans Originated	Weighted Average Credit Score	Weighted Average Loan-to-Value
Prime Borrowers	\$2,795	758	71 %
Sub-Prime Borrowers	--	--	--
Other Borrowers	17	677	69
Loans Purchased From GNMA Mortgage Pools	--	*	*
Total	\$2,812	757	71 %

September 30, 2014	Loans Outstanding	As a Percent of Total Loan Balances	Nonperforming Loans	As a Percent of Loan Balances
Prime Borrowers				
California	\$9,925	22.3 %	\$44	.4 %
Minnesota	3,697	8.3	53	1.4
Colorado	2,809	6.3	26	.9
Illinois	2,771	6.2	69	2.5
Washington	2,684	6.1	35	1.3
Other	22,545	50.8	384	1.7
Total	\$44,431	100.0 %	\$611	1.4 %
Sub-Prime Borrowers				
Ohio	\$102	8.0 %	\$17	16.7 %
Pennsylvania	80	6.3	15	18.8
Florida	69	5.4	15	21.7
Tennessee	67	5.3	9	13.4
Missouri	57	4.5	6	10.5
Other	894	70.5	142	15.9
Total	\$1,269	100.0 %	\$204	16.1 %
Other Borrowers				
Minnesota	\$68	8.1 %	\$2	2.9 %
Missouri	67	8.0	--	--
California	67	8.0	1	1.5
Ohio	65	7.8	2	3.1
Colorado	62	7.4	1	1.6
Other	507	60.7	20	3.9
Total	\$836	100.0 %	\$26	3.1 %
Loans Purchased From GNMA Mortgage Pools				
Florida	\$607	11.2 %	\$ --	-- %
Ohio	581	10.7	--	--
New York	352	6.5	--	--
Indiana	299	5.5	--	--
Illinois	289	5.3	--	--
Other	3,293	60.8	--	--
Total	\$5,421	100.0 %	\$ --	-- %

* Not applicable.

U.S. Bancorp
Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Prime Borrowers					
Loans outstanding	\$15,018	\$14,905	\$14,491	\$14,662	\$14,778
Nonperforming loans	141	148	144	144	154
Delinquency Ratios					
30-89 days past due	.43 %	.44 %	.50 %	.57 %	.56 %
90 days or more past due	.24	.24	.28	.27	.24
Nonperforming loans	.94	.99	.99	.98	1.04
Sub-Prime Borrowers					
Loans outstanding	\$251	\$264	\$280	\$296	\$306
Nonperforming loans	14	16	13	14	16
Delinquency Ratios					
30-89 days past due	3.59 %	3.41 %	3.93 %	4.39 %	3.92 %
90 days or more past due	1.19	1.14	1.79	2.03	.65
Nonperforming loans	5.58	6.06	4.64	4.73	5.23
Other Borrowers					
Loans outstanding	\$500	\$499	\$490	\$484	\$460
Nonperforming loans	11	10	10	9	9
Delinquency Ratios					
30-89 days past due	1.20 %	.80 %	.82 %	1.24 %	1.52 %
90 days or more past due	.40	.40	.82	.62	.22
Nonperforming loans	2.20	2.01	2.03	1.86	1.96
Three Months Ended					
	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Prime Borrowers					
Net charge-offs	\$19	\$18	\$27	\$33	\$37
Net charge-off ratio	.50 %	.50 %	.75 %	.89 %	.99 %
Sub-Prime Borrowers					
Net charge-offs	\$4	\$4	\$3	\$3	\$5
Net charge-off ratio	6.22 %	6.01 %	4.46 %	3.98 %	6.36 %
Other Borrowers					
Net charge-offs	\$1	\$1	\$1	\$1	\$1
Net charge-off ratio	.79 %	.81 %	.83 %	.83 %	.88 %

U.S. Bancorp

Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)

September 30, 2014	Loans Outstanding	As a Percent of Total Loan Balances	Weighted Average Credit Score		Weighted Average Loan-to-Value	
			At Origination	Updated	At Origination	Updated
PORTFOLIO PROFILE						
Prime Borrowers	\$15,018	95 %	753	767	72 %	70 %
Sub-Prime Borrowers	251	2	656	678	90	95
Other Borrowers	500	3	696	723	72	60
Total	\$15,769	100 %	749	764	72 %	70 %

Three Months Ended September 30, 2014	Loans Originated	Weighted Average Credit Score	Weighted Average Loan-to-Value
LOAN ORIGINATIONS			
Prime Borrowers	\$1,483	769	71 %
Sub-Prime Borrowers	--	--	--
Other Borrowers	34	674	73
Total	\$1,517	767	71 %

September 30, 2014	Loans Outstanding	As a Percent of Total Loan Balances	Nonperforming Loans	As a Percent of Loan Balances
LOAN PORTFOLIO BY GEOGRAPHY - TOP STATES				
Prime Borrowers				
California	\$2,541	16.9 %	\$26	1.0 %
Minnesota	2,254	15.0	17	.8
Colorado	1,167	7.8	11	.9
Illinois	1,129	7.5	9	.8
Washington	1,063	7.1	12	1.1
Other	6,864	45.7	66	1.0
Total	\$15,018	100.0 %	\$141	.9 %
Sub-Prime Borrowers				
Ohio	\$25	9.9 %	\$2	8.0 %
Minnesota	24	9.6	1	4.2
Colorado	19	7.6	1	5.3
Missouri	17	6.8	1	5.9
Washington	16	6.4	1	6.3
Other	150	59.7	8	5.3
Total	\$251	100.0 %	\$14	5.6 %
Other Borrowers				
California	\$215	43.0 %	\$8	3.7 %
Minnesota	31	6.2	--	--
Colorado	30	6.0	--	--
Washington	29	5.8	--	--
Ohio	24	4.8	--	--
Other	171	34.2	3	1.8
Total	\$500	100.0 %	\$11	2.2 %