U.S. Bancorp 3Q18 Earnings Conference Call

October 17, 2018

Forward-looking Statements and Additional Information

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

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

For discussion of these and other risks that may cause actual results to differ from expectations, refer to U.S. Bancorp's Annual Report on Form 10-K for the year ended December 31, 2017, 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.

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

3Q18 Highlights

Income Statement		change vs.	
$ in millions, except EPS	3Q18	2Q18	3Q17
Net interest income*	**$3,281**	1.7 %	1.7 %
Noninterest income	**2,418**	0.2	3.3
Reported net income	**1,815**	3.7	16.1
Diluted EPS	**$1.06**	3.9 %	20.5 %

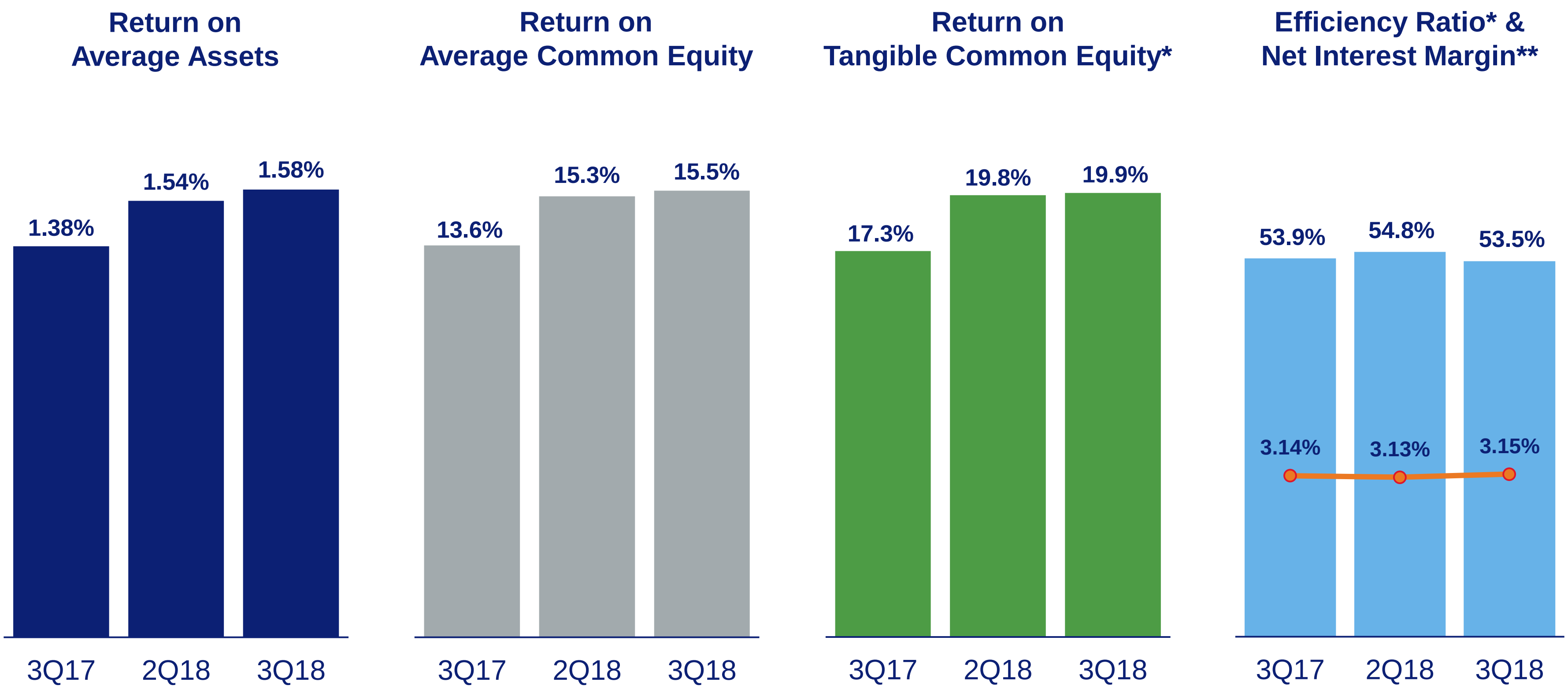
Balance Sheet		change vs.	
$ in billions	3Q18	2Q18	3Q17
Average earning assets	**$415.2**	0.6 %	1.6 %
Average total loans**	**281.1**	0.9	1.2
Average total deposits	**330.1**	(1.4)	(1.5)

Credit Quality		change vs.	
$ in millions	3Q18	2Q18	3Q17
Nonperforming assets	**$1,004**	(8.0) %	(19.7) %
NPA ratio	**0.36%**	(3bps)	(9bps)
Net charge-off ratio	**0.46%**	(2bps)	(1bp)

Capital		change vs.	
	3Q18	2Q18	3Q17
CET1 capital ratio	**9.0%**	(10bps)	(40bps)
Book value per share	**$27.35**	1.2 %	5.3 %
Payout ratio	**78%**		

* Taxable-equivalent basis; see slide 26 for calculation
** Excluding the impact of student loans sold in 2Q18, average total loans grew 0.9 percent linked quarter and 1.8 percent year-over-year

Performance Ratios



* Non-GAAP; see slides 25 and 26 for calculations
** Taxable-equivalent basis

Average Loans

+0.9% linked quarter

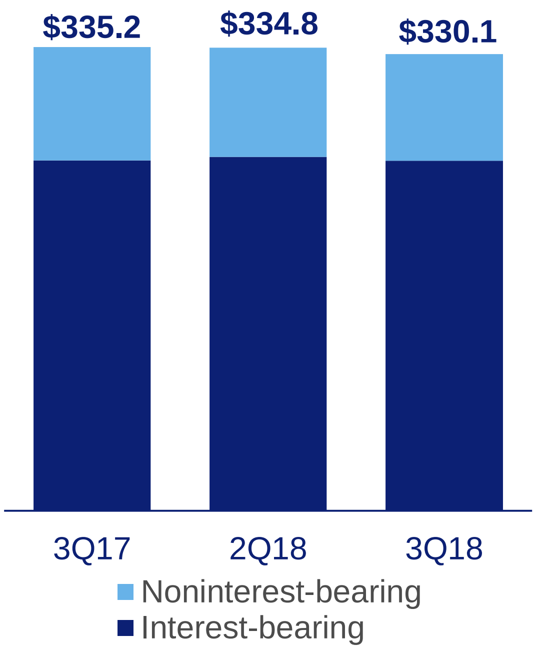
+1.2% year-over-year

(Three months ended 9/30/18)	Average Balances	Change vs. 2Q18	Change vs. 3Q17
Commercial	$99.1	0.7 %	2.5 %
Commercial Real Estate	39.5	(0.8)	(5.0)
Residential Mortgages	62.0	2.0	5.1
Credit Card	21.8	2.6	4.1
Retail	55.9	0.8	(0.3)
Covered	2.8	(4.9)	(17.7)
Total loans	**$281.1**	**0.9 %**	**1.2 %**
Total loans excluding the student loan portfolio sold in 2Q18		**0.9 %**	**1.8 %**

- On both a linked quarter and year-over-year basis, growth in average total loans was driven by growth in residential mortgages, commercial loans, credit card loans and retail leasing.
- On both a linked quarter and year-over-year basis, growth in average total loans was partially offset by a decline in commercial real estate loans due to continued paydowns and disciplined underwriting.

$ in billions

Average Deposits



-1.4% linked quarter

-1.5% year-over-year

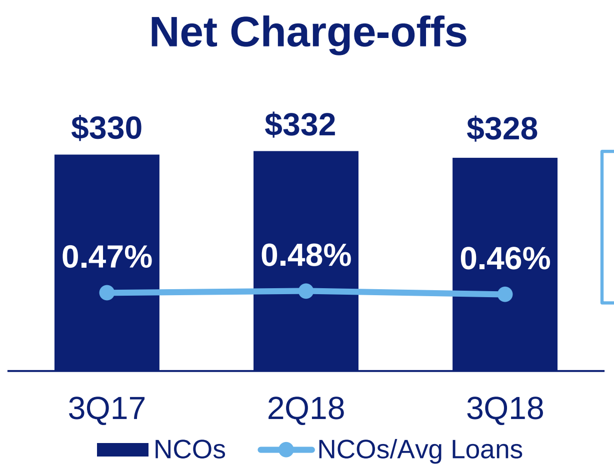
Interest-bearing Deposits

(Three months ended 9/30/18)	Average Balances	Change vs. 2Q18	Change vs. 3Q17	Rates	Change vs. 2Q18
Money market savings	$100.7	(2.6) %	(4.2) %	1.13 %	0.15 %
Interest checking	69.3	(0.8)	1.9	0.21	0.03
Savings accounts	44.8	(0.5)	2.7	0.14	0.03
Time deposits	38.1	1.5	4.6	1.58	0.19
Total interest-bearing deposits	**$252.9**	**(1.1) %**	**(0.1) %**	**0.77 %**	**0.10 %**

- Average noninterest-bearing deposits decreased 2.3 percent linked quarter and 5.8 percent year-over-year, primarily driven by decreases in business deposits within Corporate and Commercial Banking as well as corporate trust balances within Wealth Management and Investment Services.
- On a linked quarter basis, the decreases in business and corporate trust deposits were partially offset by an increase in consumer balances within Consumer and Business Banking.

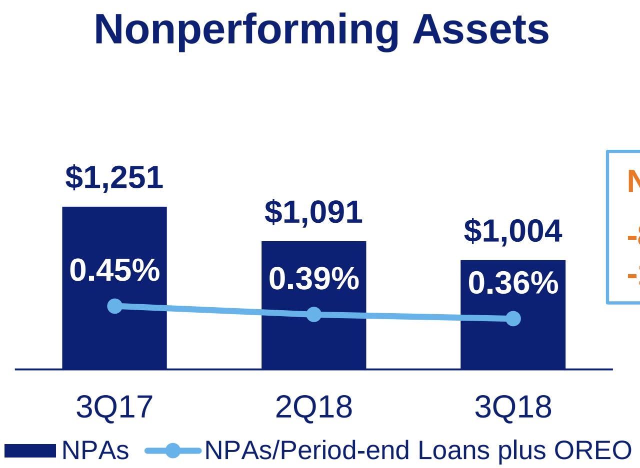
$ in billions
Rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent for 2018 and 35 percent for 2017

Credit Quality



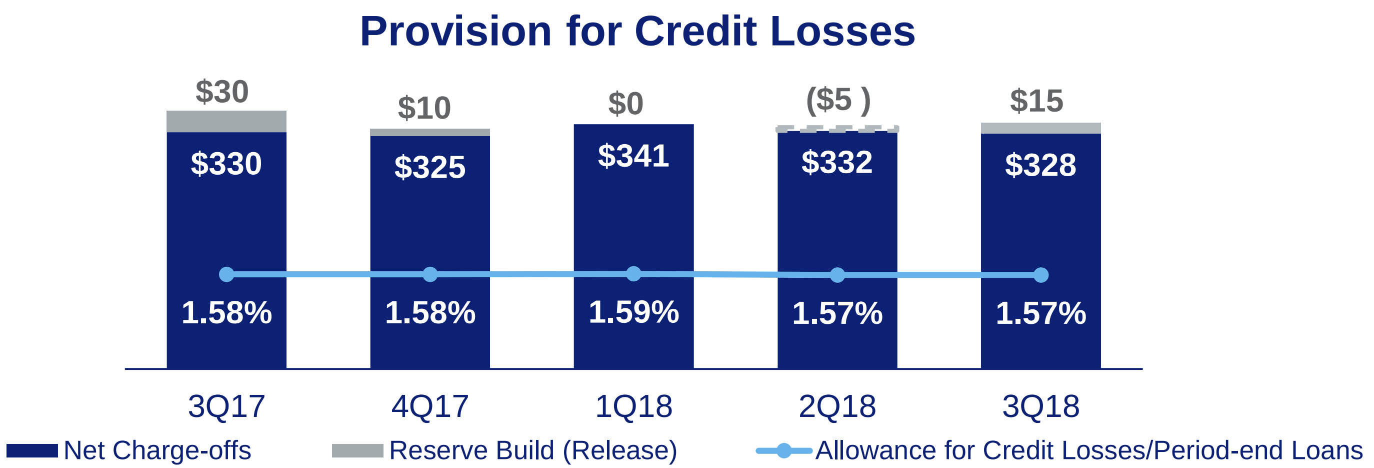
NCO Ratio

-2 bps QoQ
-1 bp YoY



NPAs

-8.0% QoQ
-19.7% YoY

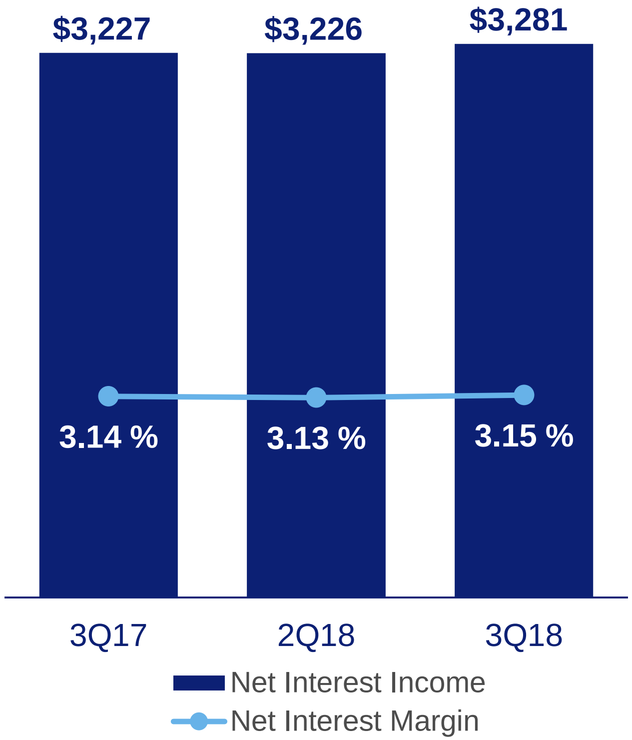


$ in millions

Earnings Summary

$ and shares in millions, except EPS				Reported % Change	
	3Q18	2Q18	3Q17	vs. 2Q18	vs. 3Q17
Net Interest Income	$3,251	$3,197	$3,176	1.7	2.4
Taxable-equivalent Adjustment	30	29	51	3.4	(41.2)
Net Interest Income (taxable-equivalent basis)	3,281	3,226	3,227	1.7	1.7
Noninterest Income	2,418	2,414	2,340	0.2	3.3
Net Revenue	**5,699**	**5,640**	**5,567**	1.0	2.4
Noninterest Expense	3,044	3,085	2,998	(1.3)	1.5
Operating Income	**2,655**	**2,555**	**2,569**	3.9	3.3
Net Charge-offs	328	332	330	(1.2)	(0.6)
Excess Provision	15	(5)	30	NM	(50.0)
Income Before Taxes	**2,312**	**2,228**	**2,209**	3.8	4.7
Applicable Income Taxes	490	470	640	4.3	(23.4)
Noncontrolling Interests	(7)	(8)	(6)	(12.5)	16.7
Net Income	**1,815**	**1,750**	**1,563**	3.7	16.1
Preferred Dividends/Other	83	72	78	15.3	6.4
Net Income to Common	**$1,732**	**$1,678**	**$1,485**	3.2	16.6
Diluted EPS	$1.06	$1.02	$0.88	3.9	20.5
Average Diluted Shares	1,633	1,646	1,678	(0.8)	(2.7)

Net Interest Income



+1.7% linked quarter

+1.7% year-over-year

Linked Quarter

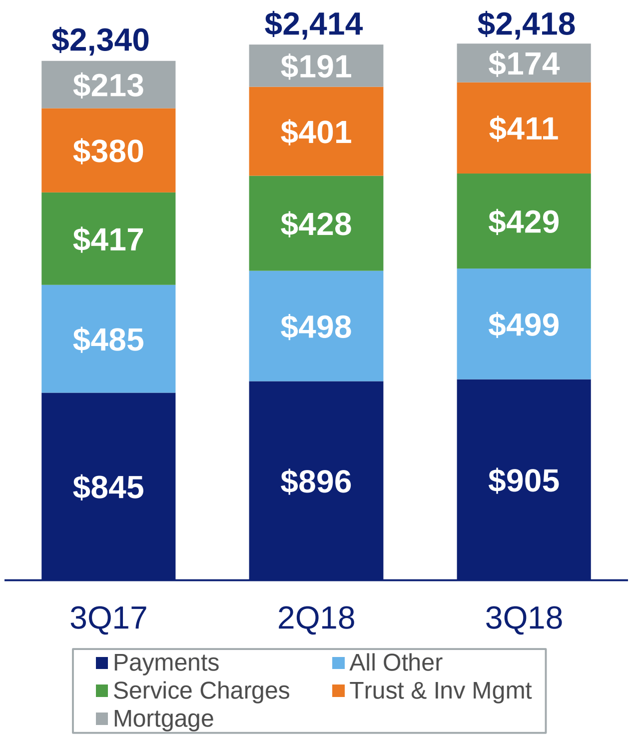
- Net interest income growth was primarily driven by the impact of higher interest rates, earning asset growth and an additional day in the quarter, partially offset by deposit and funding mix shift.
- The increase in net interest margin was primarily due to the impact of higher interest rates, partially offset by deposit and funding mix and higher cash balances.

Year-over-Year

- Growth in net interest income was primarily driven by the impact of rising interest rates, growth in earning assets and higher securities yields.
- Net interest margin expansion, primarily due to higher interest rates, was partially offset by deposit and funding mix, compressed loan spreads due to mix and the impact of tax reform.

$ in millions
Taxable-equivalent basis

Noninterest Income



+0.2% linked quarter

+3.3% year-over-year

Linked Quarter

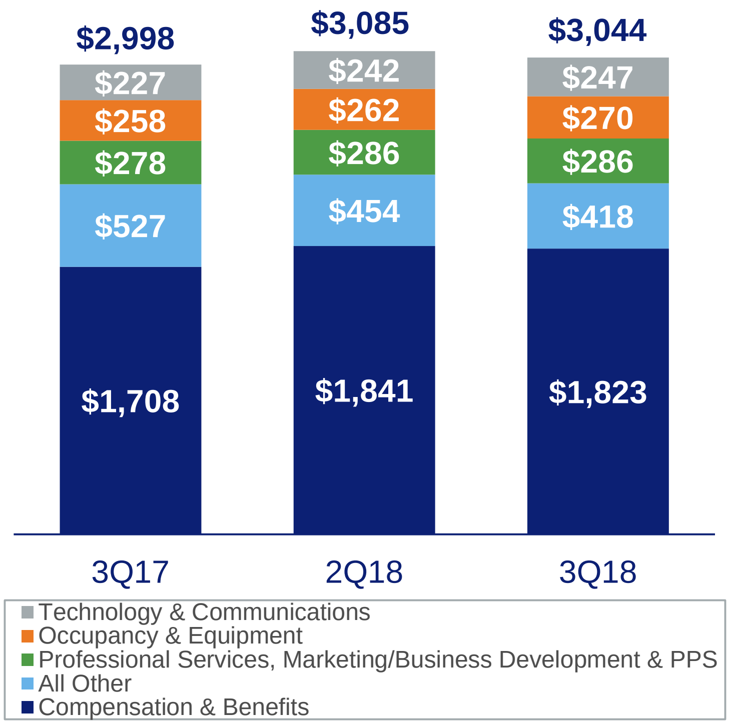
- Payment services revenue growth was driven by seasonally higher sales volumes in corporate payment products and seasonally higher merchant processing fee revenue.
- Deposit service charges increased as a result of seasonally higher incidence rates.
- Growth in other noninterest income was primarily driven by higher equity investment income and tax-advantaged syndication revenue.
- Total noninterest income growth was partially offset by decreases in commercial products revenue and mortgage banking revenue.

Year-over-Year

- Strong payment services revenue growth was driven by higher sales volumes across all businesses.
- Solid growth in trust and investment management fees was driven by business growth and favorable market conditions.
- Mortgage banking revenue and commercial products revenue declined due to the impact of industry trends.

$ in millions
Payments = credit and debit card, corporate payment products and merchant processing
Service charges = deposit service charges, treasury management and ATM processing
All other = commercial products, investment products fees, securities gains (losses) and other

Noninterest Expense



-1.3% linked quarter

+1.5% year-over-year

Linked Quarter

- Noninterest expense decreased primarily due to a reduction in compensation expense including lower incentives and a seasonal decline in labor costs.
- Other noninterest expense declined as a result of lower costs related to tax-advantaged projects and the change in accruals related to legal and insurance matters.

Year-over-Year

- Noninterest expense growth was primarily driven by higher personnel costs and technology investment, partially offset by lower other noninterest expense.
- Higher compensation expense was driven by hiring to support business growth and compliance programs, merit increases and higher variable compensation tied to business production.
- Higher employee benefits expense was primarily driven by increased medical costs and staffing.
- Lower other noninterest expense was driven by lower costs related to tax-advantaged projects, lower FDIC insurance expense, lower mortgage servicing costs and lower pension-related expense.

$ in millions
PPS = postage, printing and supplies

Capital Position

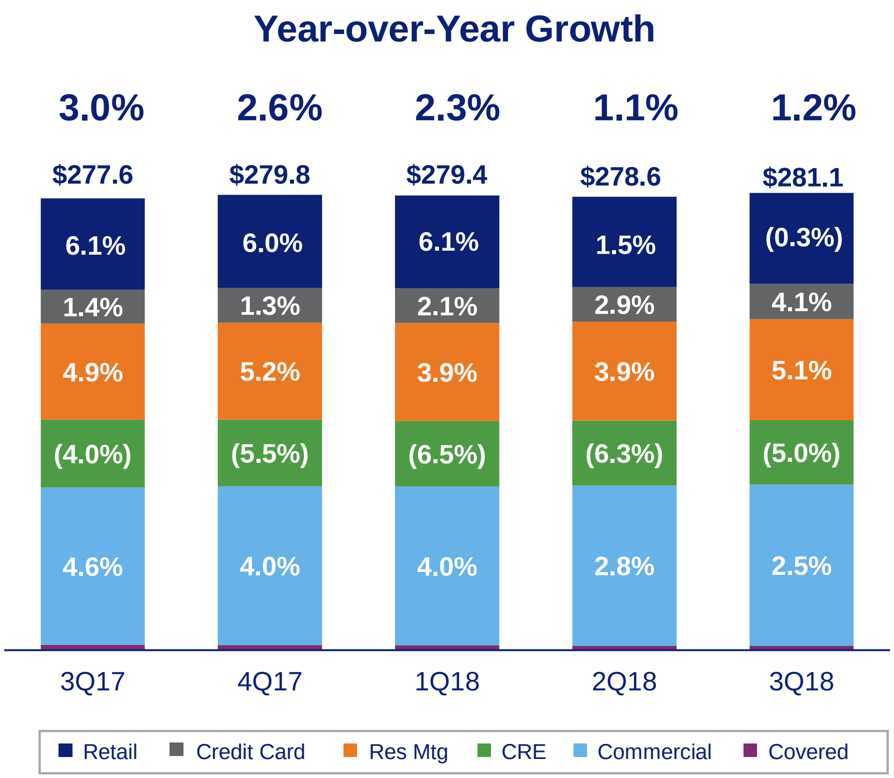
$ in billions	3Q18	2Q18	1Q18	4Q17	3Q17
Total U.S. Bancorp shareholders' equity	$50.4	$49.6	$49.2	$49.0	$48.7
Basel III Standardized Approach					
Common equity tier 1 capital ratio	9.0%	9.1%	9.0%	9.3%	9.6%
Tier 1 capital ratio	10.6%	10.5%	10.4%	10.8%	11.1%
Total risk-based capital ratio	12.6%	12.6%	12.5%	12.9%	13.2%
Leverage ratio	9.0%	8.9%	8.8%	8.9%	9.1%
Basel III Advanced Approaches					
Common equity tier 1 capital to risk-weighted assets	11.8%	11.6%	11.5%	12.0%	12.1%
Tangible common equity to tangible assets*	7.7%	7.8%	7.7%	7.6%	7.7%
Tangible common equity to risk-weighted assets*	9.3%	9.3%	9.3%	9.4%	9.5%

* See Non-GAAP Financial Measures reconciliation on slide 24

Appendix

Average Loans

Average Loans ($bn)



Key Points

vs. 3Q17

- Average total loans increased by $3.4 billion, or 1.2%
- Average residential mortgage loans increased by $3.0 billion, or 5.1%
- Average commercial loans increased by $2.4 billion, or 2.5%
- Average commercial real estate loans decreased by $2.1 billion, or 5.0%

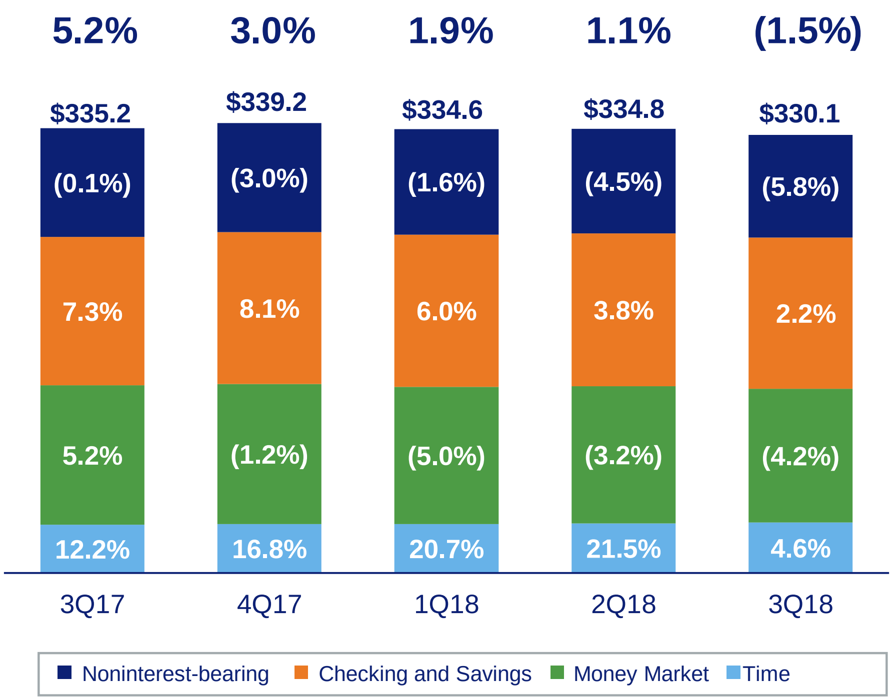
vs. 2Q18

- Average total loans increased by $2.4 billion, or 0.9%
- Average residential mortgage loans increased by $1.2 billion, or 2.0%
- Average commercial loans increased by $0.7 billion, or 0.7%
- Average commercial real estate loans declined $0.3 billion, or 0.8%

Average Deposits

Average Deposits ($bn)

Year-over-Year Growth



Key Points

vs. 3Q17

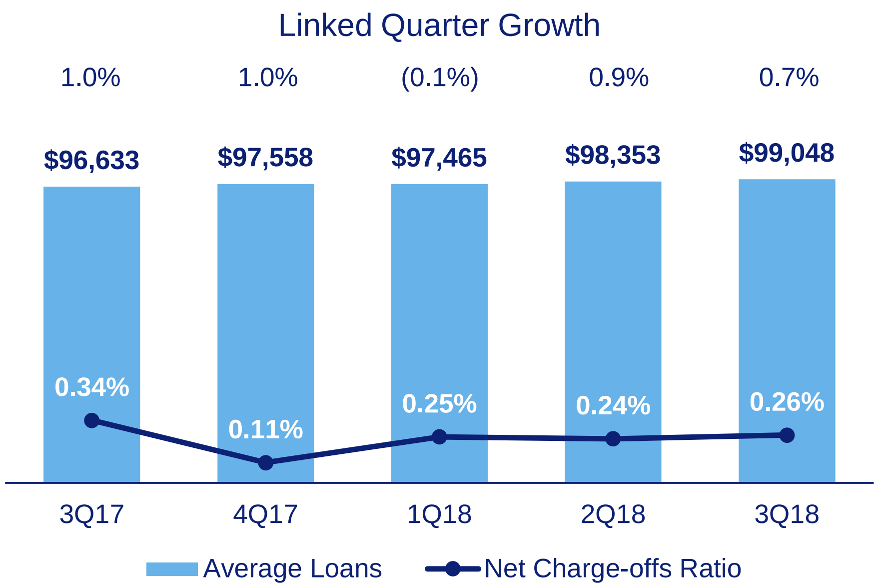
- Average total deposits decreased by $5.0 billion, or 1.5%
- Average low-cost deposits (NIB, interest checking, savings and money market) declined $6.7 billion, or 2.2%

vs. 2Q18

- Average total deposits decreased by $4.7 billion, or 1.4%
- Average low-cost deposits declined $5.2 billion, or 1.8%

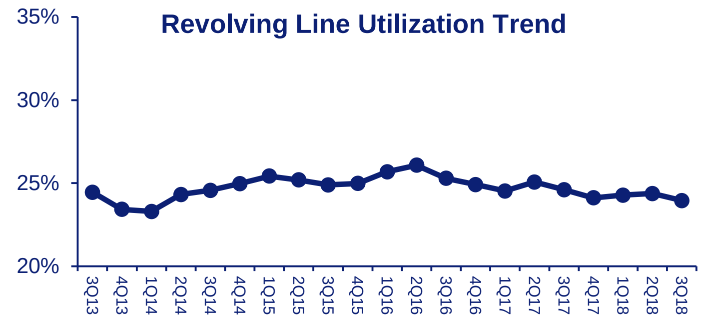
Credit Quality – Commercial Loans

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



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$96,633	$98,353	$99,048
30-89 Delinquencies	0.22%	0.23%	0.23%
90+ Delinquencies	0.05%	0.06%	0.06%
Nonperforming Loans	0.28%	0.23%	0.22%

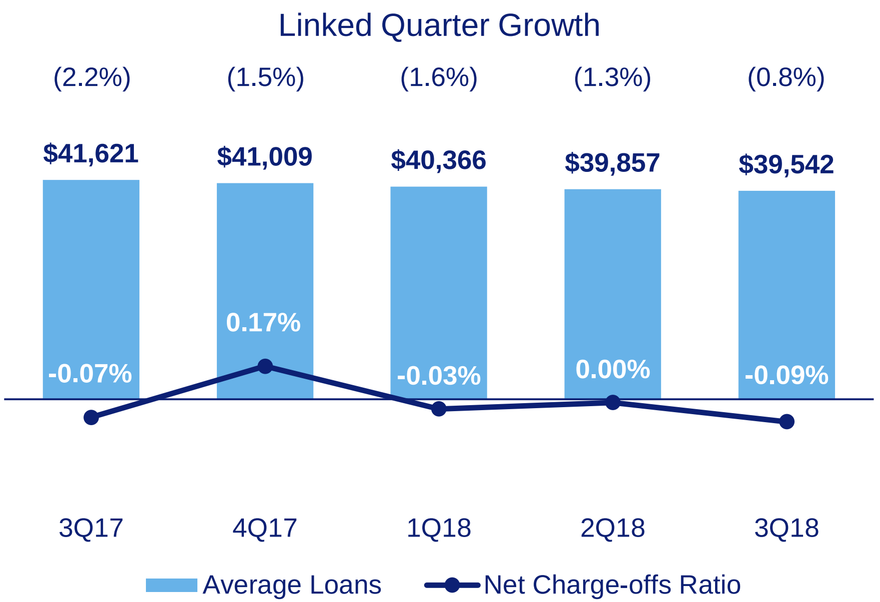


Key Points

- Linked quarter growth was modest at 0.7%, while line utilization remained relatively stable
- Net charge-offs increased slightly due to higher gross charge-offs, but remain below prior year levels

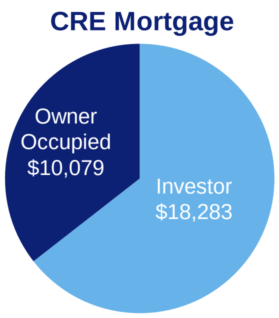
Credit Quality – Commercial Real Estate

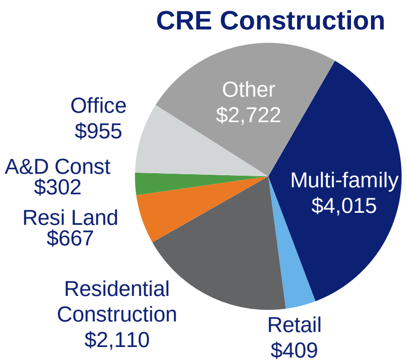
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$41,621	$39,857	$39,542
30-89 Delinquencies	0.15%	0.11%	0.08%
90+ Delinquencies	0.01%	0.01%	0.01%
Nonperforming Loans	0.29%	0.26%	0.26%
Performing TDRs*	$141	$126	$222





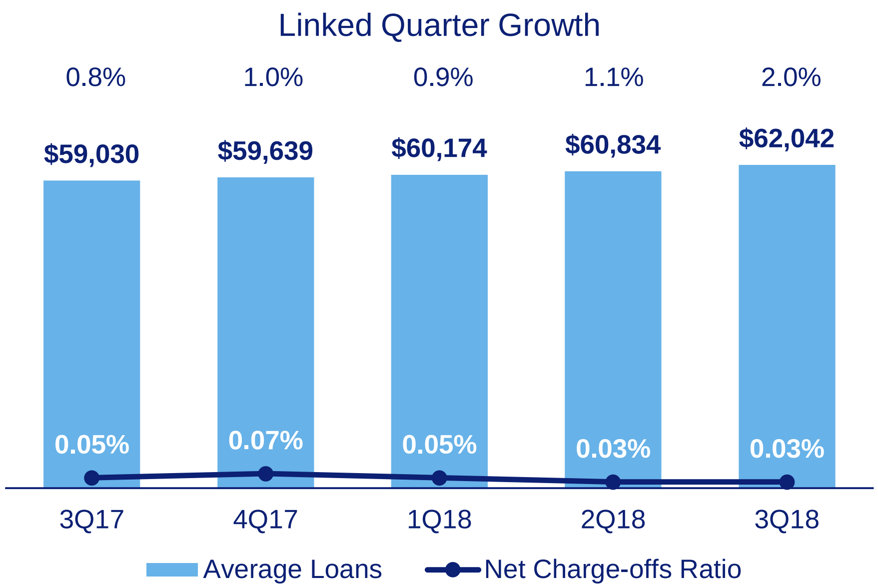
Key Points

- Average loans declined on both a linked quarter and year-over-year basis due to high market liquidity resulting in continued early payoffs
- Credit quality remained strong and stable; nonperforming loans remain low and unchanged from the prior quarter

* TDR = troubled debt restructuring

Credit Quality – Residential Mortgage

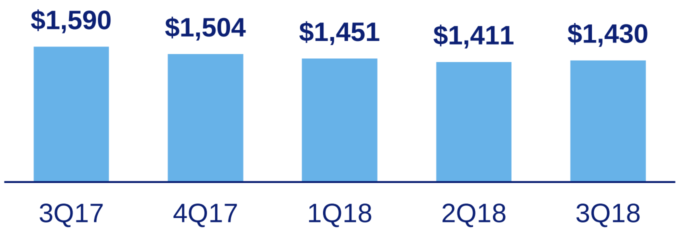
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$59,030	$60,834	$62,042
30-89 Delinquencies	0.26%	0.27%	0.27%
90+ Delinquencies	0.18%	0.18%	0.19%
Nonperforming Loans	0.80%	0.65%	0.50%

Residential Mortgage Performing TDRs*



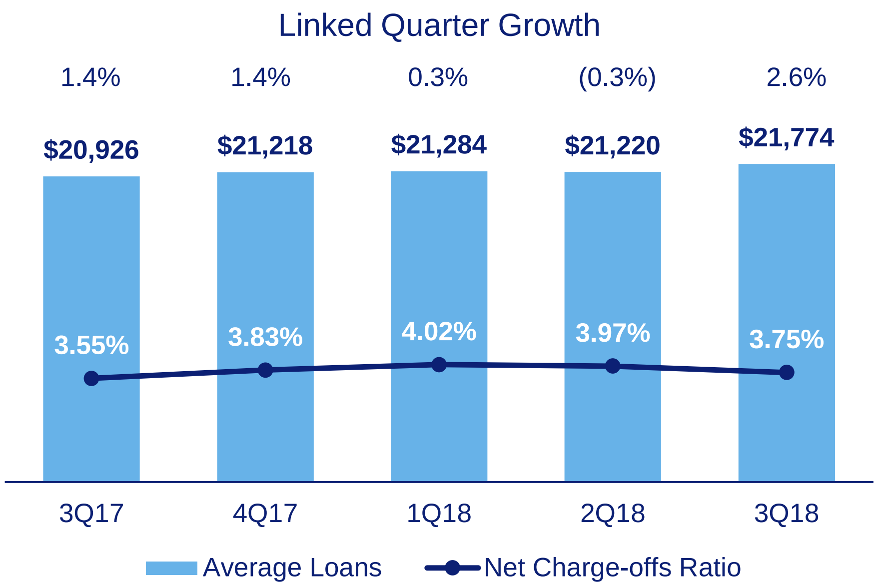
Key Points

- Originations continued to be high credit quality (weighted average FICO of 760, weighted average LTV of 73%)
- More than 93% of balances have been originated since the beginning of 2009; the origination quality metrics and performance to date have significantly outperformed prior vintages with similar seasoning

* Excludes GNMA loans, whose repayments are insured by the FHA or guaranteed by the Department of VA ($1,668 million in 3Q18)

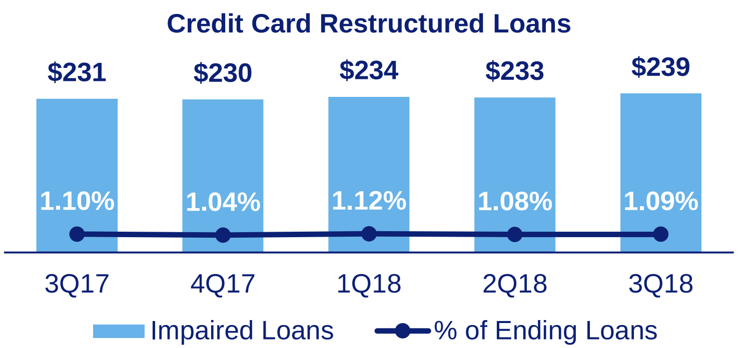
Credit Quality – Credit Card

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



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$20,926	$21,220	$21,774
30-89 Delinquencies	1.42%	1.22%	1.42%
90+ Delinquencies	1.20%	1.15%	1.18%
Nonperforming Loans	0.00%	0.00%	0.00%

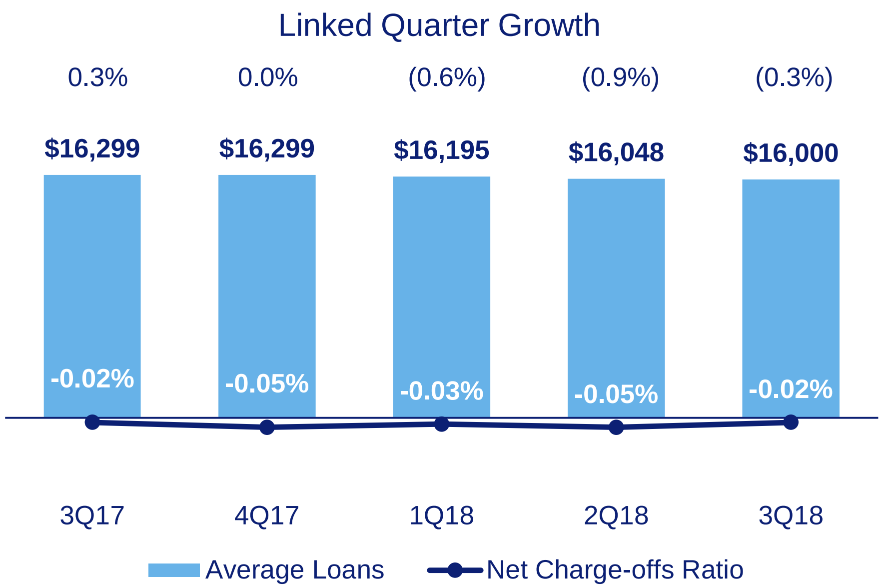


Key Points

- Year-over-year average loan growth of 4.1% was driven by high credit quality originations
- The commitment weighted average FICO on new originations remained strong at 757
- Charge-offs were up moderately year-over-year driven by continued vintage maturation

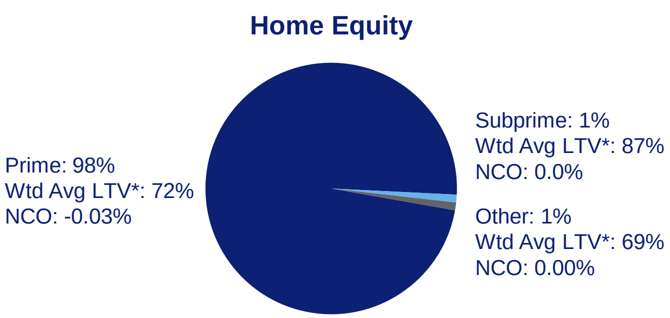
Credit Quality – Home Equity

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



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$16,299	$16,048	$16,000
30-89 Delinquencies	0.38%	0.39%	0.45%
90+ Delinquencies	0.24%	0.29%	0.32%
Nonperforming Loans	0.75%	0.81%	0.78%



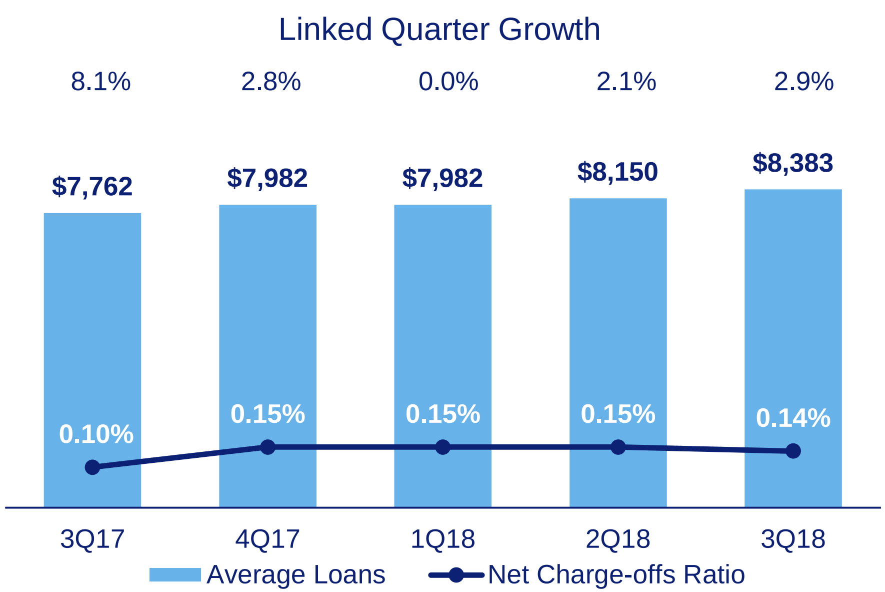
*LTV at origination

Key Points

- High-quality originations (weighted average FICO on commitments of 764, weighted average CLTV of 69%) were originated primarily through the retail branch network to existing bank customers on their primary residences
- Net charge-offs were stable year-over-year with strong recoveries due to continued strength in home values

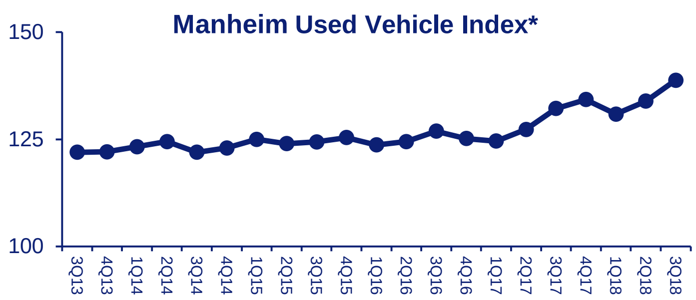
Credit Quality – Retail Leasing

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



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$7,762	$8,150	$8,383
30-89 Delinquencies	0.31%	0.30%	0.38%
90+ Delinquencies	0.03%	0.02%	0.02%
Nonperforming Loans	0.09%	0.12%	0.13%



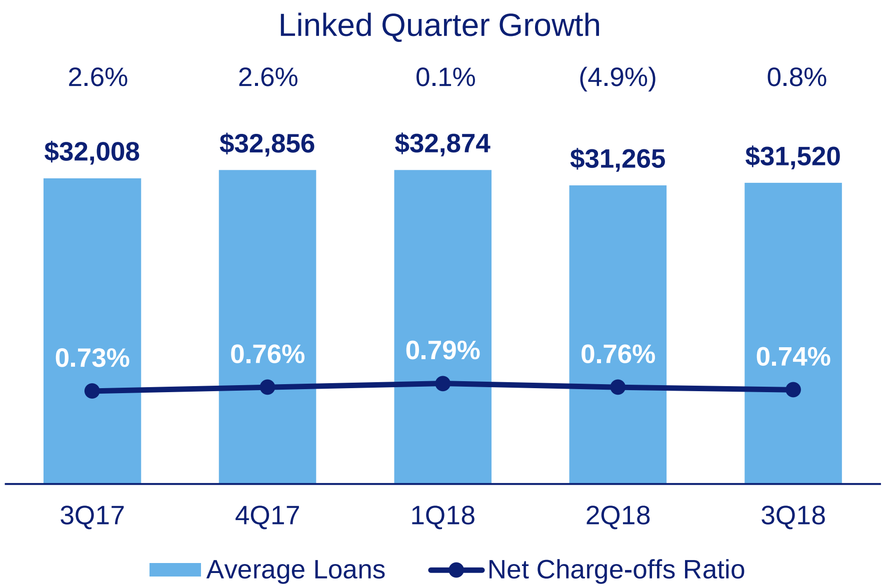
Key Points

- Continued high-quality originations during 3Q18 (weighted average FICO of 782)
- Delinquencies and net charge-offs remained at low levels

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

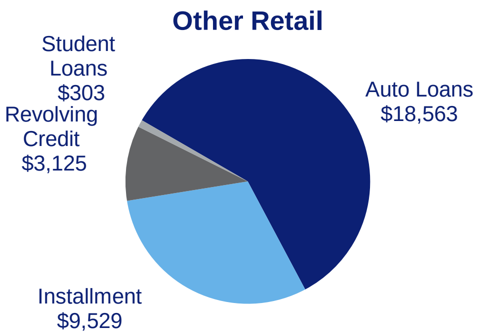
Credit Quality – Other Retail

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



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$32,008	$31,265	$31,520
30-89 Delinquencies	0.75%	0.75%	0.83%
90+ Delinquencies	0.13%	0.13%	0.14%
Nonperforming Loans	0.10%	0.12%	0.12%

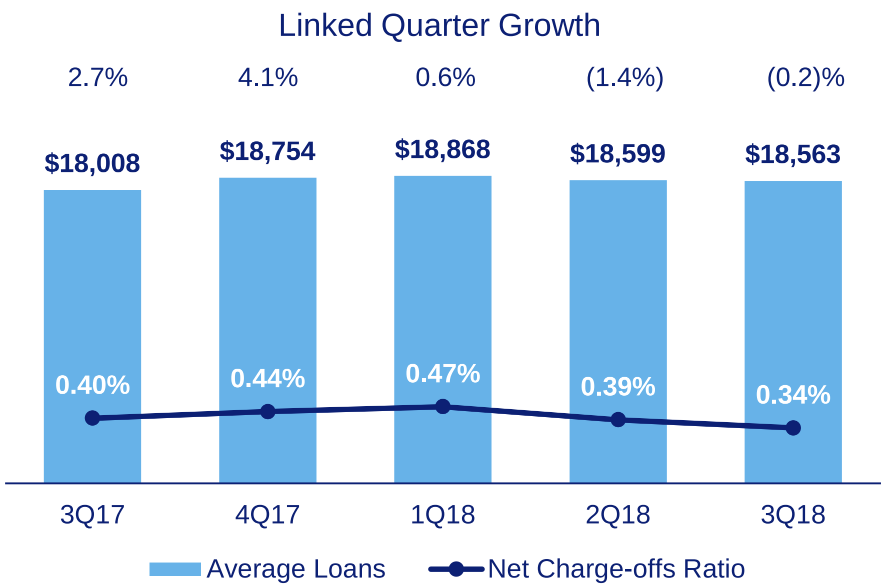


Key Points

- Linked quarter average loans were essentially flat while the decrease year-over-year was primarily driven by the 2Q18 student loan portfolio sale
- Net charge-offs, delinquencies and nonperforming loans were all relatively stable and consistent with the low levels experienced in recent quarters

Credit Quality – Auto Loans

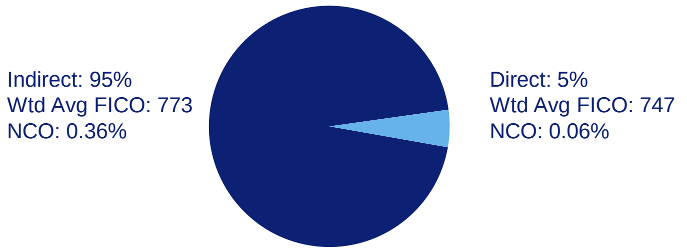
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	3Q17	2Q18	3Q18
Average Loans	$18,008	$18,599	$18,563
30-89 Delinquencies	0.89%	0.90%	1.00%
90+ Delinquencies	0.08%	0.08%	0.08%
Nonperforming Loans	0.11%	0.13%	0.14%

Indirect and Direct Channel



Key Points

- Year-over-year growth in average loans continued to be driven by high quality originations in the Indirect channel (weighted average FICO of 779)
- Net charge-offs and late stage delinquencies remained relatively stable

Auto loans are included in Other Retail category

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	September 30, 2018		June 30, 2018		March 31, 2018		December 31, 2017		September 30, 2017	
Total equity	$51,007		$50,257		$49,812		$49,666		$49,351	
Preferred stock	(5,984)		(5,419)		(5,419)		(5,419)		(5,419)	
Noncontrolling interests	(632)		(629)		(625)		(626)		(628)	
Goodwill (net of deferred tax liability) (1)	(8,682)		(8,585)		(8,609)		(8,613)		(8,141)	
Intangible assets, other than mortgage servicing rights	(627)		(571)		(608)		(583)		(595)	
Tangible common equity (a)	35,082		35,053		34,551		34,425		34,568	
Total assets	464,607		461,329		460,119		462,040		459,227	
Goodwill (net of deferred tax liability) (1)	(8,682)		(8,585)		(8,609)		(8,613)		(8,141)	
Intangible assets, other than mortgage servicing rights	(627)		(571)		(608)		(583)		(595)	
Tangible assets (b)	455,298		452,173		450,902		452,844		450,491	
Risk-weighted assets, determined in accordance with the Basel III standardized approach (c)	377,713	*	375,466		373,141		367,771		363,957	
Ratios *										
Tangible common equity to tangible assets (a)/(b)	7.7	%	7.8	%	7.7	%	7.6	%	7.7	%
Tangible common equity to risk-weighted assets (a)/(c)	9.3		9.3		9.3		9.4		9.5	

* 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.

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended September 30, 2018	June 30, 2018	September 30, 2017
Net income applicable to U.S. Bancorp common shareholders	$1,732	$1,678	$1,485
Intangibles amortization (net-of-tax)	32	32	29
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization	1,764	1,710	1,514
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (a)	6,998	6,859	6,007
Average total equity	50,768	49,950	49,447
Less: Average preferred stock	5,714	5,419	5,419
Less: Average noncontrolling interests	630	628	628
Less: Average goodwill (net of deferred tax liability) (1)	8,620	8,602	8,153
Less: Average intangible assets, other than mortgage servicing rights	584	588	615
Average U.S. Bancorp common shareholders' equity, excluding intangible assets (b)	35,220	34,713	34,632
Return on tangible common equity (a)/(b)	19.9 %	19.8 %	17.3 %

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

Non-GAAP Financial Measures

	Three Months Ended		
(Dollars in Millions, Unaudited)	September 30, 2018	June 30, 2018	September 30, 2017
Net interest income	$3,251	$3,197	$3,176
Taxable-equivalent adjustment (1)	30	29	51
Net interest income, on a taxable-equivalent basis	3,281	3,226	3,227
Net interest income, on a taxable-equivalent basis (as calculated above)	3,281	3,226	3,227
Noninterest income	2,418	2,414	2,340
Less: Securities gains (losses), net	10	10	9
Total net revenue, excluding net securities gains (losses) (a)	5,689	5,630	5,558
Noninterest expense (b)	3,044	3,085	2,998
Efficiency ratio (b)/(a)	53.5 %	54.8 %	53.9 %

(1) Interest and rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent for 2018 and 35 percent for 2017.

U.S. Bancorp 3Q18 Earnings Conference Call

October 17, 2018