

U.S. Bancorp Investor Day

Wealth Management and Investment Services

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Vice Chair, Wealth Management and Investment Services

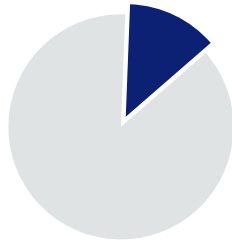
September 12, 2019



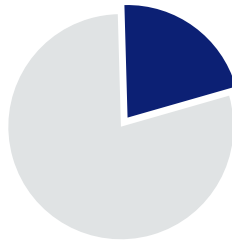
Wealth Management and Investment Services

Contribution to USB:

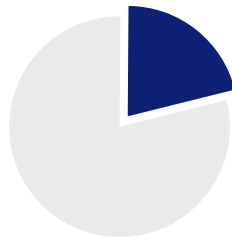
13% of USB's total net revenue



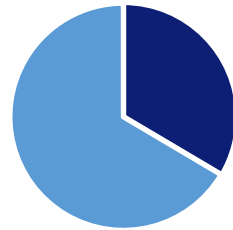
21% of USB's total fees



21% of USB's total average deposits

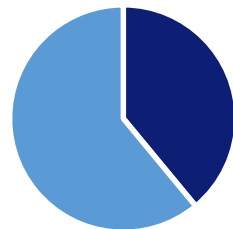


Wealth Management and Investment Services total net revenue breakdown:



Wealth Management – 34%
Investment Services – 66%

- Corporate Trust
- Fund Services



39% NII
61% fee income

1H19 highlights:

\$ in millions	1H19	change vs. 1H18
Net interest income	\$587	5.4 %
Noninterest income	875	1.6
Net revenue	1,462	3.1
Noninterest expense	874	(1.2)
Net Income	442	10.8

	1H19	change vs. 1H18
Net interest margin	11.65 %	(47 bps)
Efficiency ratio *	59.8	(260 bps)
Return on average assets	6.76	13 bps

\$ in millions	1H19	change vs. 1H18
Trust & investment management fees	\$735	2.2 %

Full-year 2018 data unless otherwise noted; net interest income ("NII") and net interest margin on a taxable-equivalent basis

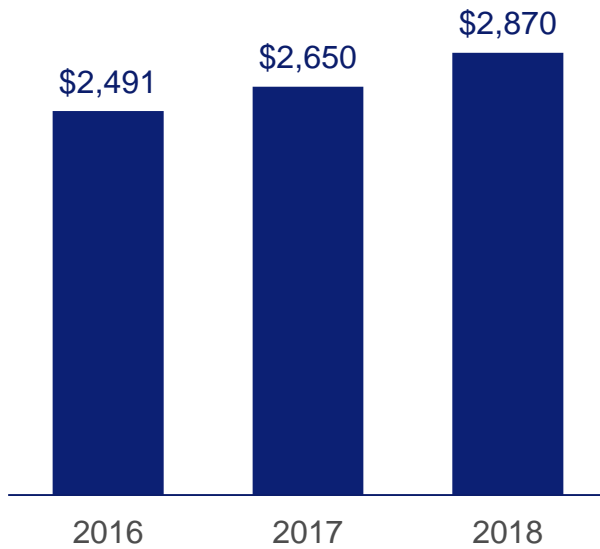
Total net revenue, fee and average deposit percentages exclude Treasury and Corporate Support; see slide 4 in Agenda, Forward-looking Statements and Non-GAAP Financial Measures presentation for calculations

* Non-GAAP, see slide 8 in Agenda, Forward-looking Statements and Non-GAAP Financial Measures presentation for calculation

Financial Highlights

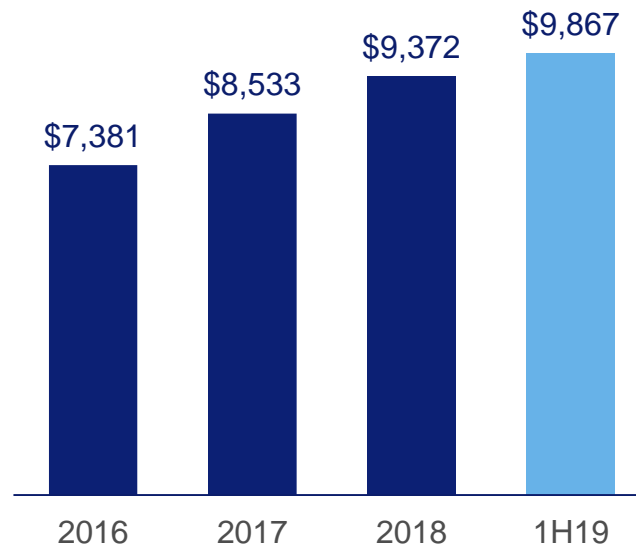
Total Net Revenue

2016-2018 CAGR: 7.3%



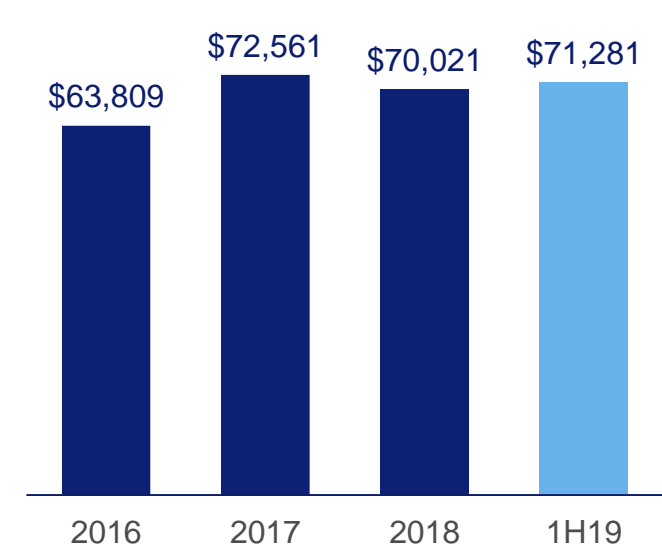
Average Loans

2016-2018 CAGR: 12.7%



Average Deposits

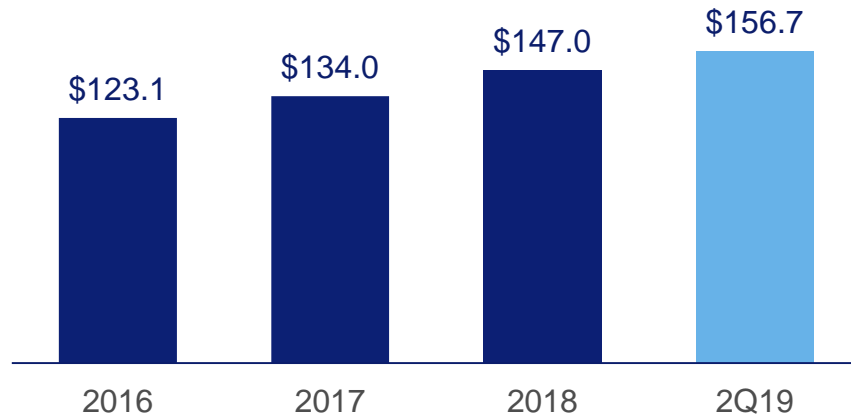
2016-2018 CAGR: 4.8%



Financial Highlights

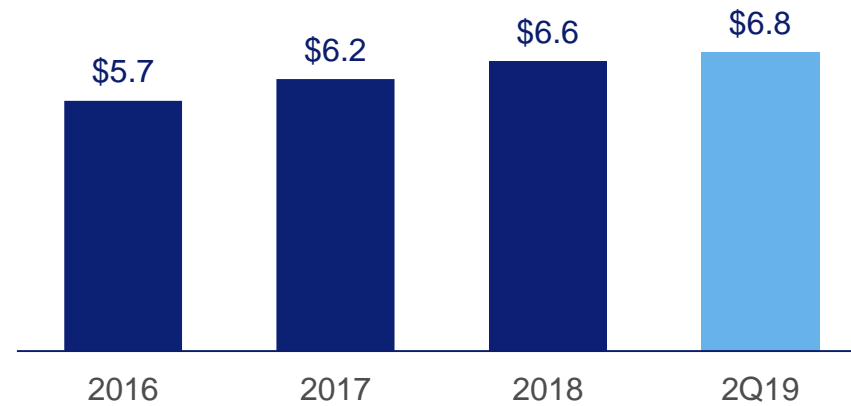
Total Assets Under Management (\$bn)

2016-2018 CAGR: 9.3% 2Q19 YoY Growth: 13.8%



Total Assets Under Administration (\$tn)

2016-2018 CAGR: 7.9% 2Q19 YoY Growth: 7.3%



Wealth Management: Tailored Services Across Segments



Emerging Wealth <\$250K net worth

- > Clients start to invest
- > Digitally-focused



Affluent >\$250K net worth

- > Dedicated **advisor-banker teams**
- > Full product set
- > Branch-based



High Net Worth >\$3MM net worth

- > Complex financial needs
- > Dedicated team of specialists for banking, trust, investments
- > Broadest product set



Ultra High Net Worth >\$75MM net worth

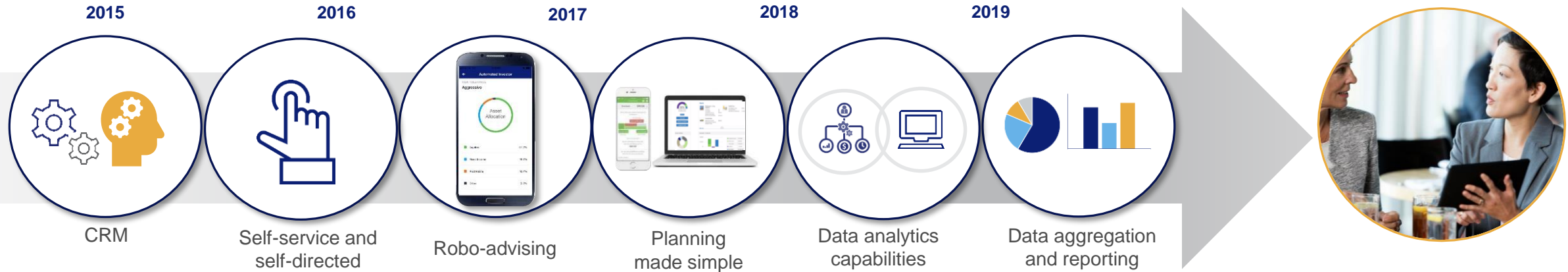
- > Family office
- > Multi-generational focus
- > Planning beyond financial matters



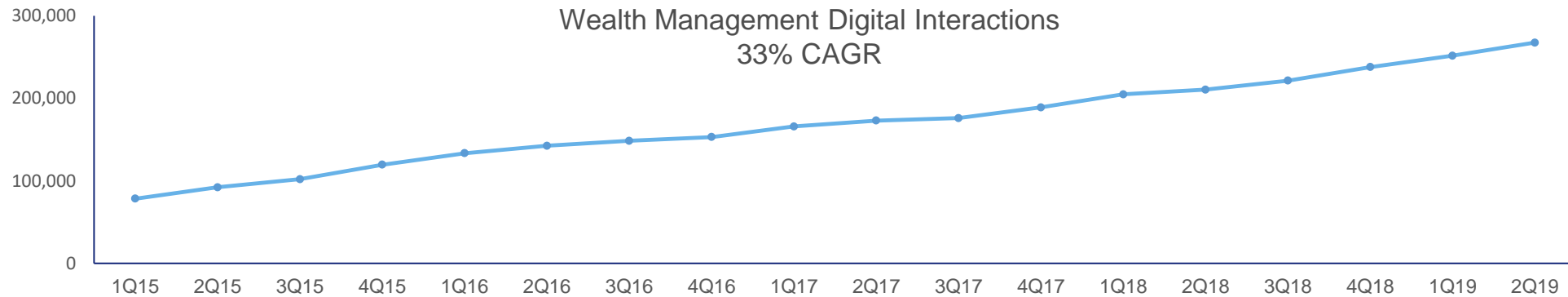
USB households and offices

	8 million	4 million	370,000	~1,000
	N/A	~1,500	30	6

We Are Transforming Our Digital Wealth Customer Experience



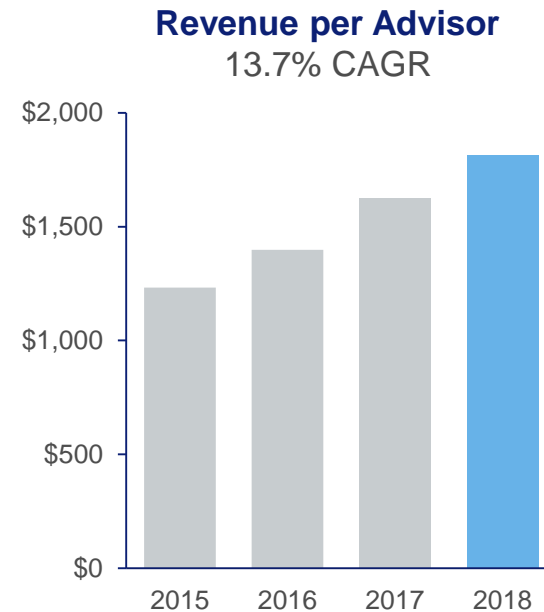
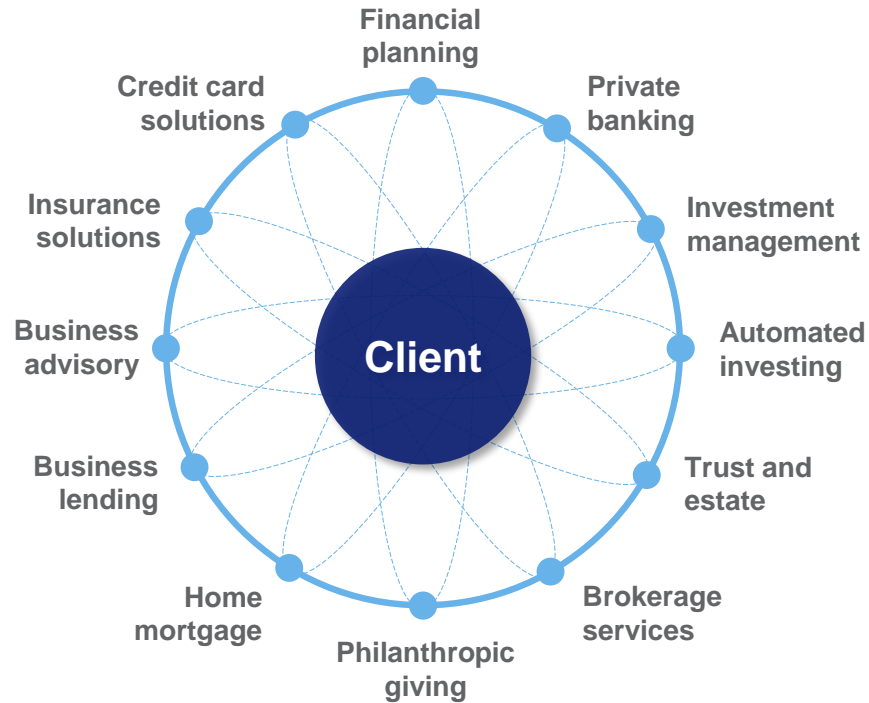
Digital relationship management is evolving as an advantage.



Digital interactions include all online Wealth Management client activities, which include but are not limited to mobile app logins, money movement, trading, eStatement delivery and completed wealth plans

Expanding and Deepening Relationships

We serve clients through their lifecycle with a comprehensive set of products and capabilities.



Investment Services

Offering trust and administration services to asset managers, corporations and municipalities

Corporate Trust

corporations, municipalities,
credit managers

- > **U.S.:** concentrated set of competitors
- > **Global:** more fragmented market

usbancorp

- > **World-class products and technology; dominant market share; global footprint**

Fund Services

asset managers and
registered investment advisors

- > High returns attracted significant capital and new entrants 1980-2008
- > Increasing concentration in U.S.; fragmented field in alternatives and outside U.S.

- > **Focused on complex funds; emerging global capability**

#1 structured trustee¹

#2 corporate trustee²

#1 municipal trustee²

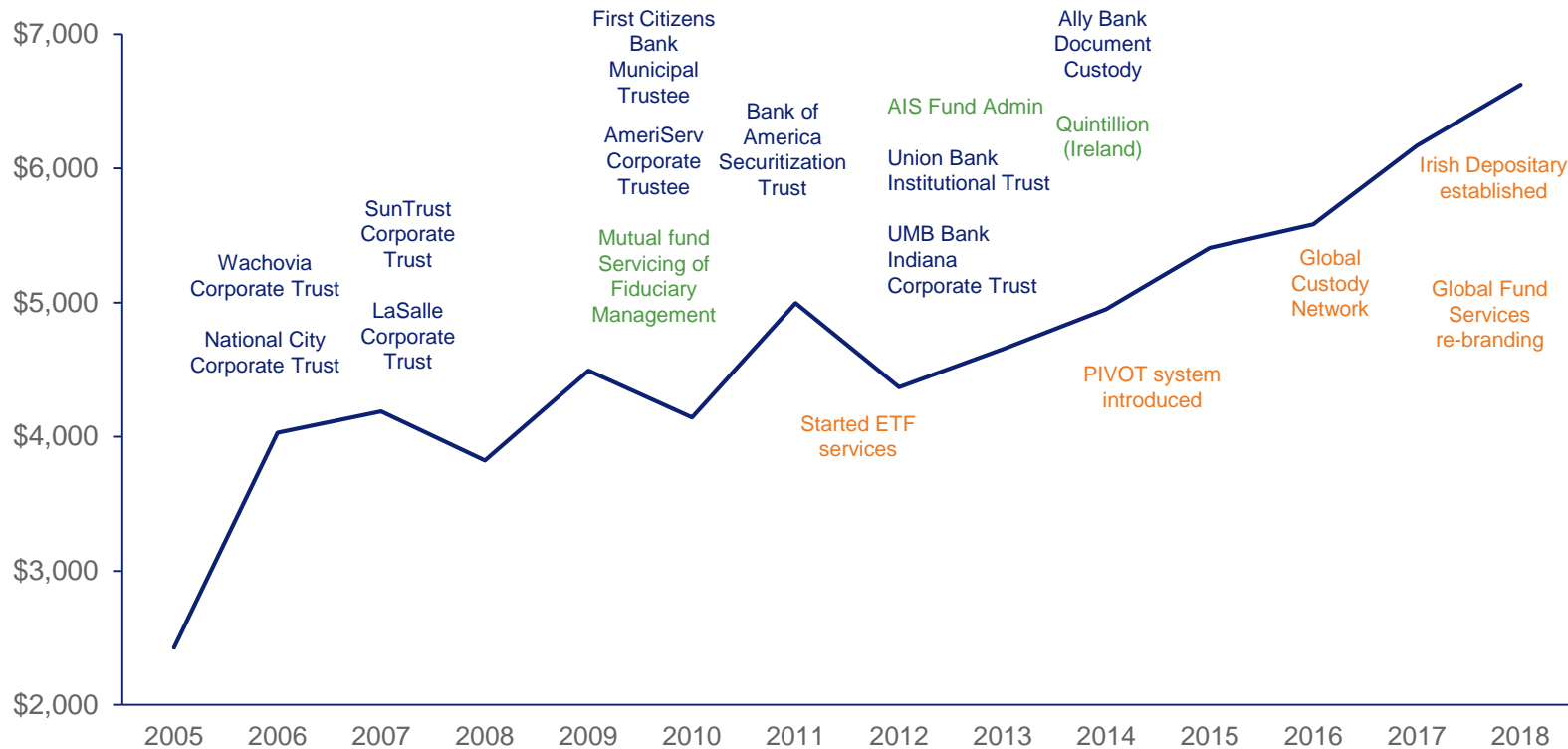
#8 custody administrator³

1) Source: Asset-Backed Alert; (2) Source: SDC Platinum; 3) Source: Company filings

Strong Foundation Built From Acquisitions and Organic Growth

Assets Under Custody and Administration (\$bn)

2005-2018 CAGR: 8.0%



Investment Services today

- > **Clients:** 22,000+
- > **Offices:** ~80
- > **Employees:** ~4,700

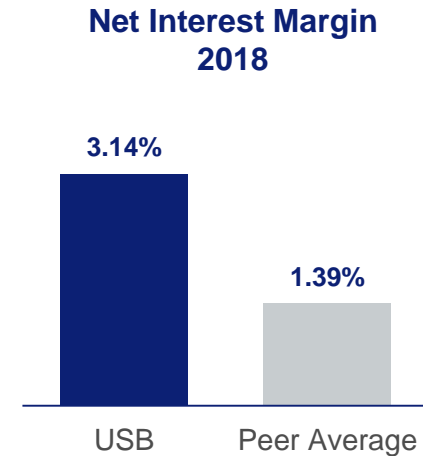
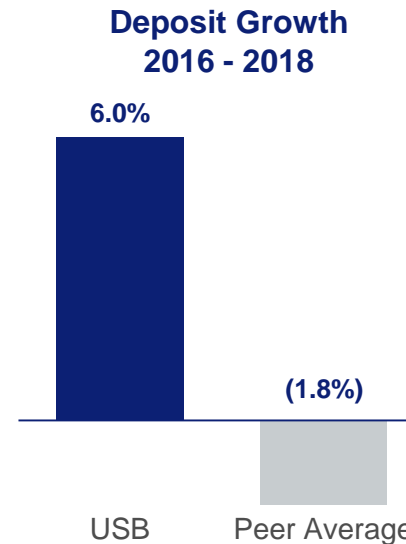
Legend

- Corporate Trust Acquisitions
- Fund Services Acquisitions
- Milestones

The Power of the U.S. Bank Franchise

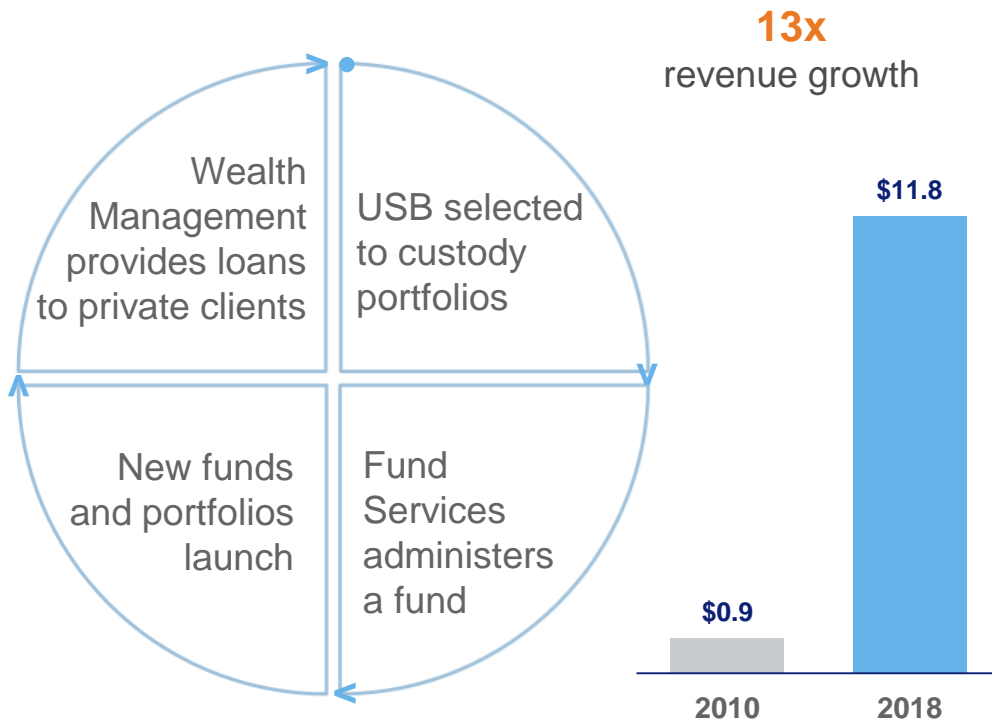
Our differentiated business model gives us a powerful advantage.

1. U.S. Bank balance sheet strengthens value of deposits
2. Corporate & Commercial franchise provides a powerful source for business referrals
3. Community and government banking provides reach for municipalities and smaller clients

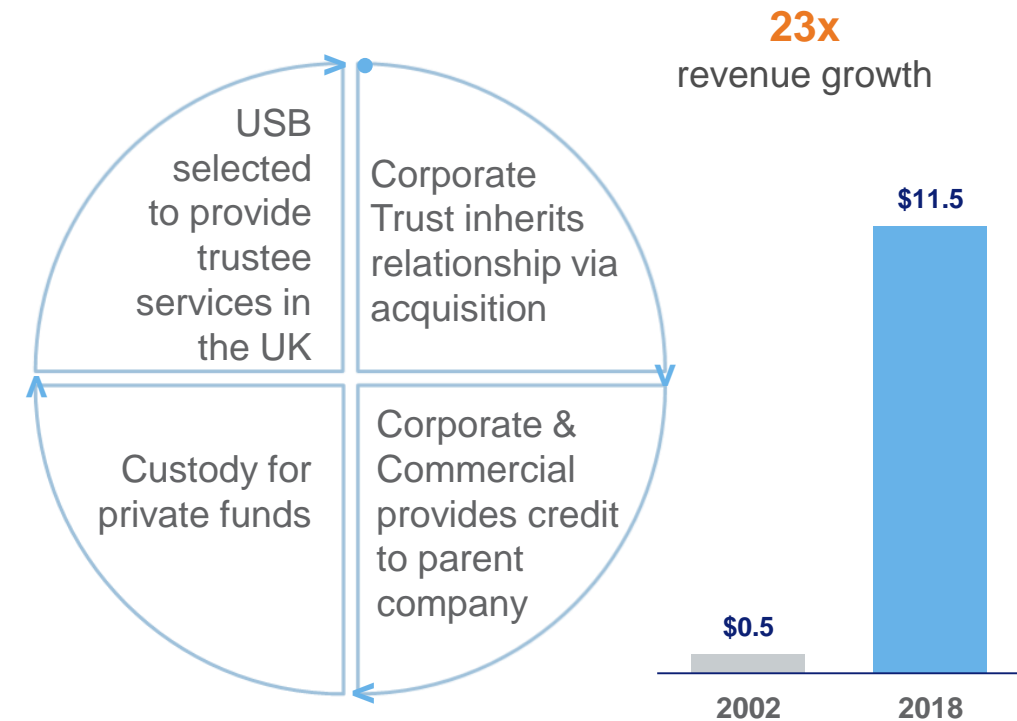


Creating Valuable Client Relationships as One U.S. Bank

Client 1: Registered Investment Advisor

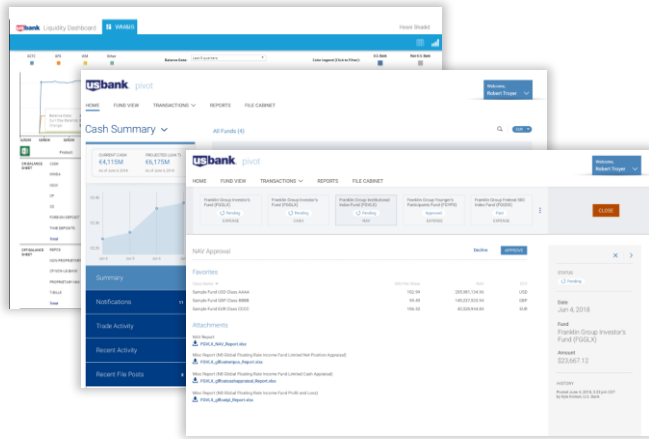


Client 2: Global Asset Manager



Focused on Expanding Our Reach and Our Product Set

Technology and digital capabilities



- Real-time insightful data through online portals
- Digitization with machine learning and robotics
- Power of analytics to drive growth

Global expansion



- European depositary and custody
- Global custody network
- Expand into new geographies

Delivering One U.S. Bank



- Leverage institutional relationships across U.S. Bank
- Deliver full product suite of the Bank

In Summary...

Wealth Management

- Strong foundation at the higher end of wealth management
- Successful team-based model provides significant growth in Affluent segment
- Strong digital capabilities to transform our service model

Investment Services

- We are at scale in a capital intensive, efficient, fee-based deposit gathering business
- Our products and technology are industry leading
- Our growth will be fueled by market share gains, global expansion and M&A

