



News Release

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U.S. BANCORP REPORTS FOURTH QUARTER AND FULL YEAR 2015 EARNINGS

Achieves Record Net Income and EPS for the Full Year 2015

Full year return on average assets of 1.44 percent and average common equity of 14.0 percent

Returned 72 percent of full year earnings to shareholders

MINNEAPOLIS, January 15, 2016 -- U.S. Bancorp (NYSE: USB) today reported net income of \$1,476 million for the fourth quarter of 2015, or \$0.80 per diluted common share, compared with \$1,488 million, or \$0.79 per diluted common share, in the fourth quarter of 2014. The fourth quarter of 2015 reflected a gain on the sale of a deposit portfolio, partially offset by accruals related to legal and compliance matters that, combined, increased diluted earnings per common share by \$.01.

Highlights for the full year of 2015 included:

- Record full year diluted earnings per common share of \$3.16, which were 2.6 percent higher than 2014
- Industry-leading return on average assets of 1.44 percent and average common equity of 14.0 percent
- Returned 72 percent of 2015 earnings to shareholders through dividends and share buybacks

Highlights for the fourth quarter of 2015 included:

- Record quarterly revenue
- Growth in average total loans of 4.2 percent over the fourth quarter of 2014 and 1.7 percent on a linked quarter basis (excluding student loans, which were transferred to held for sale at the end of the first quarter of 2015 and returned to held for investment on September 1, 2015)
 - Growth in average total commercial loans of 9.0 percent over the fourth quarter of 2014 and 2.5 percent over the third quarter of 2015
 - Growth in average auto loans of 13.0 percent over the fourth quarter of 2014 and 2.0 percent over the third quarter of 2015

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- Growth in average total deposits of 6.9 percent over the fourth quarter of 2014 and 1.7 percent on a linked quarter basis
 - Growth in average low-cost deposits, including noninterest-bearing and total savings deposits, of 11.4 percent year-over-year and 2.4 percent on a linked quarter basis
- Net interest income growth of 2.6 percent year-over-year and 1.8 percent linked quarter
 - Growth in average earnings assets of 5.1 percent year-over-year, and 1.0 percent on a linked quarter basis
 - Net interest margin relatively stable at 3.06 percent for the fourth quarter of 2015 compared with 3.04 percent in the prior quarter
- Continued momentum in payment-related fee revenue led by year-over-year increases in credit and debit card revenue of 8.1 percent
- Operating leverage improving at 0.6 percent year-over-year
- Strong capital position. At December 31, 2015, common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach was 9.1 percent and for the Basel III fully implemented advanced approaches was 11.9 percent.

EARNINGS SUMMARY								Table 1
(\$ in millions, except per-share data)								
	4Q	3Q	4Q	Percent	Percent	Full Year	Full Year	Percent
	2015	2015	2014	Change	Change	2015	2014	Change
				4Q15 vs	4Q15 vs			
				3Q15	4Q14			
Net income attributable to U.S. Bancorp	\$1,476	\$1,489	\$1,488	(.9)	(.8)	\$5,879	\$5,851	.5
Diluted earnings per common share	\$.80	\$.81	\$.79	(1.2)	1.3	\$3.16	\$3.08	2.6
Return on average assets (%)	1.41	1.44	1.50			1.44	1.54	
Return on average common equity (%)	13.7	14.1	14.4			14.0	14.7	
Net interest margin (%)	3.06	3.04	3.14			3.05	3.23	
Efficiency ratio (%) (a)	53.9	53.9	54.3			53.8	53.2	
Tangible efficiency ratio (%) (a)	53.0	53.1	53.3			53.0	52.2	
Dividends declared per common share	\$.255	\$.255	\$.245	--	4.1	\$1.010	\$.965	4.7
Book value per common share (period end)	\$23.28	\$22.99	\$21.68	1.3	7.4			

(a) 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 for tangible efficiency ratio, intangible amortization.

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Net income attributable to U.S. Bancorp was \$1,476 million for the fourth quarter of 2015, 0.8 percent lower than the \$1,488 million for the fourth quarter of 2014, and 0.9 percent lower than the \$1,489 million for the third quarter of 2015. Diluted earnings per common share of \$0.80 in the fourth quarter of 2015 were \$0.01 higher than the fourth quarter of 2014 and \$0.01 lower than the previous quarter. The decrease in net income year-over-year was due to a higher provision for credit losses, lower noninterest income, impacted by the 2014 Nuveen gain, partially offset by increases in payments-related revenue and trust and investment management fees and the gain on the sale of a Health Savings Account deposit portfolio (“HSA deposit sale”), along with an increase in net interest income primarily driven by growth in earning assets. The decrease in net income on a linked quarter basis was primarily due to a seasonal increase in noninterest expense and the provision for credit losses, partially offset by higher net interest income primarily due to loan growth.

U.S. Bancorp Chairman, President and Chief Executive Officer Richard K. Davis said, “U.S. Bancorp delivered a remarkable performance in 2015; a year underscored by persistent and historically low interest rates, modest economic growth, and increasing regulatory requirements. More than any year in recent history, 2015 required strong management focus as we balanced decisions on operating efficiencies with opportunities for investing in future growth and addressing our customers’ needs. U.S. Bancorp rose to that challenge, delivering record net income and diluted EPS for the year and continuing with industry-leading performance metrics. We are well positioned as we move into 2016 – as indicated by our record fourth quarter revenue, strong momentum toward positive operating leverage during the quarter and the continued stability in our net interest margin. We also created value for our shareholders as we returned 72 percent of our 2015 earnings back to shareholders through dividends and share buybacks.

“As the operating environment continues to improve, we are optimistic about the momentum building in our core businesses, particularly within our Wealth Management and Security Services and Payment Services businesses. We recently announced an exciting new agreement with Fidelity Investments. U.S. Bank will become the exclusive issuer of the Fidelity[®] Rewards Visa Signature[®] Card and the Fidelity Investments 529 College Rewards[®] Visa Signature[®] Card. This program reflects the strength of our Payment Services business and strategic significance of our diversified business model.

“I am very proud of our 67,000 employees and their passionate commitment to creating value for our shareholders, customers, and communities. We were recently named one of the Most Ethical Companies in the World by the Ethisphere Institute. We also became one of the few banks to offer all the “Pays” – Apple Pay, Samsung Pay, and Android Pay – to our customers. We were one of the top three Small Business

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Administration (SBA) lenders, fueling economic growth and progress across the country. And we invested millions of dollars and thousands of hours into improving our communities. As we look to 2016, we are well positioned to continue providing quality products and services to our customers and exceptional value to our shareholders from a position of strength and stability that our stakeholders have come to expect from U.S. Bancorp.”

INCOME STATEMENT HIGHLIGHTS								Table 2
(Taxable-equivalent basis, \$ in millions, except per-share data)				Percent Change	Percent Change	Full Year	Full Year	Percent
	4Q	3Q	4Q	4Q15 vs	4Q15 vs	2015	2014	Change
	2015	2015	2014	3Q15	4Q14			
Net interest income	\$2,871	\$2,821	\$2,799	1.8	2.6	\$11,214	\$10,997	2.0
Noninterest income	2,340	2,326	2,370	.6	(1.3)	9,092	9,164	(.8)
Total net revenue	5,211	5,147	5,169	1.2	.8	20,306	20,161	.7
Noninterest expense	2,809	2,775	2,804	1.2	.2	10,931	10,715	2.0
Income before provision and taxes	2,402	2,372	2,365	1.3	1.6	9,375	9,446	(.8)
Provision for credit losses	305	282	288	8.2	5.9	1,132	1,229	(7.9)
Income before taxes	2,097	2,090	2,077	.3	1.0	8,243	8,217	.3
Taxable-equivalent adjustment	52	53	55	(1.9)	(5.5)	213	222	(4.1)
Applicable income taxes	556	534	521	4.1	6.7	2,097	2,087	.5
Net income	1,489	1,503	1,501	(.9)	(.8)	5,933	5,908	.4
Net (income) loss attributable to noncontrolling interests	(13)	(14)	(13)	7.1	--	(54)	(57)	5.3
Net income attributable to U.S. Bancorp	\$1,476	\$1,489	\$1,488	(.9)	(.8)	\$5,879	\$5,851	.5
Net income applicable to U.S. Bancorp common shareholders	\$1,404	\$1,422	\$1,420	(1.3)	(1.1)	\$5,608	\$5,583	.4
Diluted earnings per common share	\$.80	\$.81	\$.79	(1.2)	1.3	\$3.16	\$3.08	2.6

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NET INTEREST INCOME								Table 3
(Taxable-equivalent basis; \$ in millions)								
	4Q	3Q	4Q	Change	Change	Full Year	Full Year	
	2015	2015	2014	4Q15 vs	4Q15 vs	2015	2014	Change
				3Q15	4Q14			
Components of net interest income								
Income on earning assets	\$3,209	\$3,171	\$3,158	\$38	\$51	\$12,619	\$12,454	\$165
Expense on interest-bearing liabilities	338	350	359	(12)	(21)	1,405	1,457	(52)
Net interest income	\$2,871	\$2,821	\$2,799	\$50	\$72	\$11,214	\$10,997	\$217
Average yields and rates paid								
Earning assets yield	3.42%	3.42%	3.54%	-- %	(.12)%	3.43%	3.65%	(.22)%
Rate paid on interest-bearing liabilities	.50	.52	.55	(.02)	(.05)	.52	.58	(.06)
Gross interest margin	2.92%	2.90%	2.99%	.02%	(.07)%	2.91%	3.07%	(.16)%
Net interest margin	3.06%	3.04%	3.14%	.02%	(.08)%	3.05%	3.23%	(.18)%
Average balances								
Investment securities (a)	\$105,536	\$103,943	\$98,164	\$1,593	\$7,372	\$103,161	\$90,327	\$12,834
Loans	256,692	250,536	246,421	6,156	10,271	250,459	241,692	8,767
Earning assets	373,091	369,265	354,961	3,826	18,130	367,445	340,994	26,451
Interest-bearing liabilities	269,940	269,479	259,938	461	10,002	269,474	249,972	19,502
(a) Excludes unrealized gain (loss)								

Net Interest Income

Net interest income on a taxable-equivalent basis in the fourth quarter of 2015 was \$2,871 million, an increase of \$72 million (2.6 percent) over the fourth quarter of 2014. The increase was the result of growth in average earning assets, partially offset by a continued shift in loan portfolio mix. Average earning assets were \$18.1 billion (5.1 percent) higher than the fourth quarter of 2014, driven by increases of \$10.3 billion (4.2 percent) in average total loans and \$7.4 billion (7.5 percent) in average investment securities. Net interest income increased \$50 million (1.8 percent) on a linked quarter basis, primarily due to higher average total loans. Average total loans were \$4.2 billion (1.7 percent) higher on a linked quarter basis, excluding the student loan reclassification.

The net interest margin in the fourth quarter of 2015 was 3.06 percent, compared with 3.14 percent in the fourth quarter of 2014, and 3.04 percent in the third quarter of 2015. The decrease in the net interest margin on a year-over-year basis primarily reflected a change in loan portfolio mix, as well as growth in the investment portfolio at lower average rates and lower reinvestment rates on investment securities. On a linked quarter basis, the increase in the net interest margin was principally due to loan growth which also resulted in lower cash balances.

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Investment Securities

Average investment securities in the fourth quarter of 2015 were \$7.4 billion (7.5 percent) higher year-over-year and \$1.6 billion (1.5 percent) higher than the prior quarter. These increases were primarily due to purchases of U.S. government agency-backed securities, net of prepayments and maturities, to support regulatory liquidity coverage ratio requirements.

AVERAGE LOANS									Table 4
(\$ in millions)									
	4Q	3Q	4Q	Percent	Percent	Full Year	Full Year	Percent	
	2015	2015	2014	Change	Change	2015	2014	Change	
				4Q15 vs	4Q15 vs				
				3Q15	4Q14				
Commercial	\$81,592	\$79,486	\$74,333	2.6	9.8	\$78,815	\$70,549	11.7	
Lease financing	5,211	5,218	5,292	(.1)	(1.5)	5,268	5,185	1.6	
Total commercial	86,803	84,704	79,625	2.5	9.0	84,083	75,734	11.0	
Commercial mortgages	31,830	32,083	31,783	(.8)	.1	32,378	31,949	1.3	
Construction and development	10,401	10,233	9,183	1.6	13.3	10,037	8,643	16.1	
Total commercial real estate	42,231	42,316	40,966	(.2)	3.1	42,415	40,592	4.5	
Residential mortgages	52,970	51,831	51,872	2.2	2.1	51,840	51,818	--	
Credit card	18,838	17,944	17,990	5.0	4.7	18,057	17,635	2.4	
Retail leasing	5,265	5,480	5,939	(3.9)	(11.3)	5,563	5,981	(7.0)	
Home equity and second mortgages	16,241	16,083	15,853	1.0	2.4	16,046	15,564	3.1	
Other	29,556	27,286	27,317	8.3	8.2	27,470	26,808	2.5	
Total other retail	51,062	48,849	49,109	4.5	4.0	49,079	48,353	1.5	
Total loans, excluding covered loans	251,904	245,644	239,562	2.5	5.2	245,474	234,132	4.8	
Covered loans	4,788	4,892	6,859	(2.1)	(30.2)	4,985	7,560	(34.1)	
Total loans	\$256,692	\$250,536	\$246,421	2.5	4.2	\$250,459	\$241,692	3.6	

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Loans

Average total loans were \$10.3 billion (4.2 percent) higher in the fourth quarter of 2015 than the fourth quarter of 2014, due to growth in total commercial loans (9.0 percent), credit card loans (4.7 percent), total other retail loans (4.0 percent) total commercial real estate loans (3.1 percent) and residential mortgages (2.1 percent). These increases were partially offset by a decline in covered loans (30.2 percent), including the impact of the expiration of the loss sharing agreements on commercial and commercial real estate assets at the end of 2014. Average total loans were \$6.2 billion (2.5 percent) higher in the fourth quarter of 2015 than the third quarter of 2015. Excluding the student loan reclassification, average total loans were \$4.2 billion (1.7 percent) higher in the fourth quarter of 2015 than the third quarter of 2015. The increase was driven by growth in total commercial loans (2.5 percent), credit card (5.0 percent) and residential mortgages (2.2 percent). The Company also acquired a \$1.6 billion credit card portfolio at the end of the fourth quarter of 2015 which did not have a material impact to average balances for the quarter.

AVERAGE DEPOSITS								Table 5
(\$ in millions)								
	4Q	3Q	4Q	Percent	Percent			
	2015	2015	2014	Change	Change	Full Year	Full Year	Percent
				4Q15 vs	4Q15 vs	2015	2014	Change
				3Q15	4Q14			
Noninterest-bearing deposits	\$83,894	\$80,940	\$76,958	3.6	9.0	\$79,203	\$73,455	7.8
Interest-bearing savings deposits								
Interest checking	57,109	56,888	54,199	.4	5.4	55,974	53,248	5.1
Money market savings	82,828	80,338	68,914	3.1	20.2	79,266	63,977	23.9
Savings accounts	37,991	37,480	34,955	1.4	8.7	37,150	34,196	8.6
Total of savings deposits	177,928	174,706	158,068	1.8	12.6	172,390	151,421	13.8
Time deposits	32,683	34,046	40,453	(4.0)	(19.2)	35,558	41,764	(14.9)
Total interest-bearing deposits	210,611	208,752	198,521	.9	6.1	207,948	193,185	7.6
Total deposits	\$294,505	\$289,692	\$275,479	1.7	6.9	\$287,151	\$266,640	7.7

Deposits

Average total deposits for the fourth quarter of 2015 were \$19.0 billion (6.9 percent) higher than the fourth quarter of 2014. Average noninterest-bearing deposits increased \$6.9 billion (9.0 percent) year-over-year, mainly in Wholesale Banking and Commercial Real Estate and Consumer and Small Business Banking. Average total savings deposits were \$19.9 billion (12.6 percent) higher year-over-year, the result of

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growth in corporate trust, Wholesale Banking and Commercial Real Estate, and Consumer and Small Business Banking balances. Growth in Consumer and Small Business Banking total savings deposits included net new account growth of 3.2 percent. Average time deposits were \$7.8 billion (19.2 percent) lower than the prior year quarter. Changes in time deposits are largely related to those deposits managed as an alternative to other wholesale funding sources, based on funding needs and relative pricing.

Average total deposits increased \$4.8 billion (1.7 percent) over the third quarter of 2015. Average noninterest-bearing deposits increased \$3.0 billion (3.6 percent) on a linked quarter basis, due to higher balances in Wholesale Banking and Commercial Real Estate and corporate trust. Average total savings deposits increased \$3.2 billion (1.8 percent), reflecting increases in Wholesale Banking and Commercial Real Estate and Consumer and Small Business Banking. Average time deposits, which are managed based on funding needs and relative pricing, decreased \$1.4 billion (4.0 percent) on a linked quarter basis.

NONINTEREST INCOME								Table 6
(\$ in millions)								
	4Q	3Q	4Q	Percent	Percent	Full Year	Full Year	Percent
	2015	2015	2014	Change	Change	2015	2014	Change
				4Q15 vs	4Q15 vs			
				3Q15	4Q14			
Credit and debit card revenue	\$294	\$269	\$272	9.3	8.1	\$1,070	\$1,021	4.8
Corporate payment products revenue	170	190	174	(10.5)	(2.3)	708	724	(2.2)
Merchant processing services	393	400	384	(1.8)	2.3	1,547	1,511	2.4
ATM processing services	79	81	80	(2.5)	(1.3)	318	321	(.9)
Trust and investment management fees	336	329	322	2.1	4.3	1,321	1,252	5.5
Deposit service charges	182	185	180	(1.6)	1.1	702	693	1.3
Treasury management fees	139	143	136	(2.8)	2.2	561	545	2.9
Commercial products revenue	222	231	219	(3.9)	1.4	867	854	1.5
Mortgage banking revenue	211	224	235	(5.8)	(10.2)	906	1,009	(10.2)
Investment products fees	44	46	49	(4.3)	(10.2)	185	191	(3.1)
Securities gains (losses), net	1	(1)	1	nm	--	--	3	nm
Other	269	229	318	17.5	(15.4)	907	1,040	(12.8)
Total noninterest income	\$2,340	\$2,326	\$2,370	.6	(1.3)	\$9,092	\$9,164	(.8)

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Noninterest Income

Fourth quarter noninterest income was \$2,340 million, which was \$30 million (1.3 percent) lower than the fourth quarter of 2014 and \$14 million (0.6 percent) higher than the third quarter of 2015. The year-over-year decrease in noninterest income was primarily due to the impact of the 2014 Nuveen gain, partially offset by fee revenue growth and the HSA deposit sale. Higher credit and debit card revenue, trust and investment management fees, and merchant processing services were partially offset by a decrease in mortgage banking revenue, primarily due to an unfavorable change in the valuation of mortgage servicing rights (“MSRs”), net of hedging activities. Credit and debit card revenue increased \$22 million (8.1 percent) due to higher transaction volumes. Trust and investment management fees increased \$14 million (4.3 percent), reflecting the benefits of the Company’s investments in corporate trust and fund services businesses, as well as account growth and improved market conditions and lower fee waivers. Merchant processing services increased \$9 million (2.3 percent) as a result of higher transaction volumes, along with account growth and equipment sales to merchants related to new chip card technology requirements, which decreased in the fourth quarter of 2015 compared with the third quarter of 2015. Adjusted for the approximate \$16 million impact of foreign currency rate changes, year-over-year merchant processing services growth would have been approximately 6.5 percent.

Noninterest income was \$14 million (0.6 percent) higher in the fourth quarter of 2015 than the third quarter of 2015. The increase in noninterest income on a linked quarter basis was primarily due to the HSA deposit sale and credit and debit card revenue, partially offset by seasonally lower corporate payment products revenue and lower mortgage banking revenue. Credit and debit card revenue increased \$25 million (9.3 percent), primarily due to seasonally higher sales volumes. Other income increased \$40 million (17.5 percent) reflecting the impact of the prior quarter notable items including the Visa Inc. Class B common stock sales and the student loan market adjustment, offset by the HSA deposit sale and other equity investment income. Corporate payment products revenue decreased \$20 million (10.5 percent), reflecting the impact of seasonally higher third quarter government-related transaction volumes and mortgage banking revenue decreased \$13 million (5.8 percent), primarily due to lower origination revenue.

NONINTEREST EXPENSE								Table 7
(\$ in millions)								
	4Q	3Q	4Q	Percent	Percent	Full Year	Full Year	Percent
	2015	2015	2014	Change	Change	2015	2014	Change
				4Q15 vs	4Q15 vs			
				3Q15	4Q14			
Compensation	\$1,212	\$1,225	\$1,151	(1.1)	5.3	\$4,812	\$4,523	6.4
Employee benefits	272	285	245	(4.6)	11.0	1,167	1,041	12.1
Net occupancy and equipment	246	251	248	(2.0)	(.8)	991	987	.4
Professional services	125	115	132	8.7	(5.3)	423	414	2.2
Marketing and business development	96	99	129	(3.0)	(25.6)	361	382	(5.5)
Technology and communications	230	222	219	3.6	5.0	887	863	2.8
Postage, printing and supplies	74	77	86	(3.9)	(14.0)	297	328	(9.5)
Other intangibles	46	42	51	9.5	(9.8)	174	199	(12.6)
Other	508	459	543	10.7	(6.4)	1,819	1,978	(8.0)
Total noninterest expense	\$2,809	\$2,775	\$2,804	1.2	.2	\$10,931	\$10,715	2.0

Noninterest Expense

Fourth quarter noninterest expense was \$2,809 million, which was \$5 million (0.2 percent) higher than the fourth quarter of 2014. Compensation expense increased \$61 million (5.3 percent), reflecting the impact of merit increases and higher staffing for risk and compliance activities, while employee benefits expense was \$27 million (11.0 percent) higher, mainly due to increased pension costs. Offsetting these increases was a \$33 million (25.6 percent) decline in marketing and business development, principally due to charitable contributions in the fourth quarter of 2014, and \$35 million (6.4 percent) lower other noninterest expense, reflecting the impact of prior year legal accruals partially offset by higher compliance-related expenses.

Noninterest expense increased \$34 million (1.2 percent) on a linked quarter basis, reflecting seasonally higher costs related to investments in tax-advantaged projects and accruals related to legal and compliance matters, partially offset by the favorable impact of reduced mortgage-related compliance and talent upgrade costs which were elevated in the third quarter 2015. Compensation expense declined \$13 million (1.1 percent), reflecting the impact of expense management initiatives and decreases in variable compensation, and a \$13 million (4.6 percent) decrease in employee benefits expense was driven by lower payroll tax expense and healthcare costs.

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Provision for Income Taxes

The provision for income taxes for the fourth quarter of 2015 resulted in a tax rate on a taxable-equivalent basis of 29.0 percent (effective tax rate of 27.2 percent), compared with 27.7 percent (effective tax rate of 25.8 percent) in the fourth quarter of 2014, and 28.1 percent (effective tax rate of 26.2 percent) in the third quarter of 2015.

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ALLOWANCE FOR CREDIT LOSSES								Table 8		
(\$ in millions)	4Q		3Q		2Q		1Q		4Q	
	2015	% (b)	2015	% (b)	2015	% (b)	2015	% (b)	2014	% (b)
Balance, beginning of period	\$4,306		\$4,326		\$4,351		\$4,375		\$4,414	
Net charge-offs										
Commercial	58	.28	68	.34	39	.20	40	.21	48	.26
Lease financing	5	.38	3	.23	3	.23	3	.23	(2)	(.15)
Total commercial	63	.29	71	.33	42	.20	43	.21	46	.23
Commercial mortgages	2	.02	--	--	4	.05	(1)	(.01)	(3)	(.04)
Construction and development	(2)	(.08)	(11)	(.43)	(3)	(.12)	(17)	(.72)	(7)	(.30)
Total commercial real estate	--	--	(11)	(.10)	1	.01	(18)	(.17)	(10)	(.10)
Residential mortgages	16	.12	25	.19	33	.26	35	.28	39	.30
Credit card	166	3.50	153	3.38	169	3.85	163	3.71	160	3.53
Retail leasing	1	.08	2	.14	1	.07	1	.07	1	.07
Home equity and second mortgages	6	.15	7	.17	11	.28	14	.36	17	.43
Other	53	.71	45	.65	39	.62	41	.60	52	.76
Total other retail	60	.47	54	.44	51	.43	56	.46	70	.57
Total net charge-offs, excluding covered loans	305	.48	292	.47	296	.49	279	.47	305	.51
Covered loans	--	--	--	--	--	--	--	--	3	.17
Total net charge-offs	305	.47	292	.46	296	.48	279	.46	308	.50
Provision for credit losses	305		282		281		264		288	
Other changes (a)	--		(10)		(10)		(9)		(19)	
Balance, end of period	\$4,306		\$4,306		\$4,326		\$4,351		\$4,375	
Components										
Allowance for loan losses	\$3,863		\$3,965		\$4,013		\$4,023		\$4,039	
Liability for unfunded credit commitments	443		341		313		328		336	
Total allowance for credit losses	\$4,306		\$4,306		\$4,326		\$4,351		\$4,375	
Gross charge-offs	\$381		\$372		\$380		\$383		\$415	
Gross recoveries	\$76		\$80		\$84		\$104		\$107	
Allowance for credit losses as a percentage of										
Period-end loans, excluding covered loans	1.67		1.71		1.76		1.79		1.78	
Nonperforming loans, excluding covered loans	360		347		348		321		297	
Nonperforming assets, excluding covered assets	288		280		279		261		245	
Period-end loans	1.65		1.69		1.74		1.77		1.77	
Nonperforming loans	361		347		349		322		298	
Nonperforming assets	283		275		274		257		242	
(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 Company's provision for credit losses for the fourth quarter of 2015 was \$305 million, which was \$23 million (8.2 percent) higher than the prior quarter and \$17 million (5.9 percent) higher than the fourth quarter of 2014. The provision for credit losses was equal to net charge-offs in the fourth quarter of 2015, \$10 million lower than net charge-offs in the third quarter of 2015, and \$20 million lower than net charge-offs in the fourth quarter of 2014. Total net charge-offs in the fourth quarter of 2015 were \$305 million, compared with \$292 million in the third quarter of 2015, and \$308 million in the fourth quarter of 2014. Net charge-offs increased \$13 million (4.5 percent) on a linked quarter basis due to seasonally higher credit card charge-offs and lower commercial mortgage and construction and development recoveries, while the \$3 million (1.0 percent) decrease in net charge-offs on a year-over-year basis reflected improvements in residential mortgages and total other retail loans. Given current economic conditions, the Company expects the level of net charge-offs to remain relatively stable in the first quarter of 2016.

The allowance for credit losses was \$4,306 million at December 31, 2015, and at September 30, 2015, compared with \$4,375 million at December 31, 2014. The ratio of the allowance for credit losses to period-end loans was 1.65 percent at December 31, 2015, compared with 1.69 percent at September 30, 2015, and 1.77 percent at December 31, 2014. The ratio of the allowance for credit losses to nonperforming loans was 361 percent at December 31, 2015, compared with 347 percent at September 30, 2015, and 298 percent at December 31, 2014.

At December 31, 2015, approximately \$3.2 billion of commercial loans (approximately 1.2 percent of total loans outstanding) were to customers in energy-related businesses. The decline in energy prices over the past year has resulted in deterioration of a portion of these loans; however, the impact of this deterioration was not significant to the Company during 2015. Based on the uncertain outlook for commodity prices in the near term and the potential for further energy price declines, the Company may see additional stress within its energy and metals-related loan portfolios in 2016. At December 31, 2015, the Company had credit reserves of approximately 5 percent of total energy loan balances.

DELINQUENT LOAN RATIOS AS A PERCENT OF ENDING LOAN BALANCES					Table 9
(Percent)					
	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
	2015	2015	2015	2015	2014
Delinquent loan ratios - 90 days or more past due excluding nonperforming loans					
Commercial	.05	.05	.05	.05	.05
Commercial real estate	.03	.05	.05	.07	.05
Residential mortgages	.33	.33	.30	.33	.40
Credit card	1.09	1.10	1.03	1.19	1.13
Other retail	.15	.14	.14	.15	.15
Total loans, excluding covered loans	.21	.20	.19	.22	.23
Covered loans	6.31	6.57	6.66	7.01	7.48
Total loans	.32	.32	.32	.36	.38
Delinquent loan ratios - 90 days or more past due including nonperforming loans					
Commercial	.25	.25	.16	.16	.19
Commercial real estate	.33	.39	.46	.58	.65
Residential mortgages	1.66	1.73	1.80	1.95	2.07
Credit card	1.13	1.16	1.12	1.32	1.30
Other retail	.46	.47	.51	.55	.53
Total loans, excluding covered loans	.67	.70	.70	.77	.83
Covered loans	6.48	6.80	6.88	7.25	7.74
Total loans	.78	.81	.82	.91	.97

ASSET QUALITY		Table 10				
(\$ in millions)						
	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	
	2015	2015	2015	2015	2014	
Nonperforming loans						
Commercial	\$160	\$157	\$78	\$74	\$99	
Lease financing	14	12	12	13	13	
Total commercial	174	169	90	87	112	
Commercial mortgages	92	105	116	142	175	
Construction and development	35	39	59	75	84	
Total commercial real estate	127	144	175	217	259	
Residential mortgages	712	735	769	825	864	
Credit card	9	12	16	22	30	
Other retail	162	171	178	187	187	
Total nonperforming loans, excluding covered loans	1,184	1,231	1,228	1,338	1,452	
Covered loans	8	11	11	12	14	
Total nonperforming loans	1,192	1,242	1,239	1,350	1,466	
Other real estate (a)	280	276	287	293	288	
Covered other real estate (a)	32	31	35	37	37	
Other nonperforming assets	19	18	16	16	17	
Total nonperforming assets (b)	\$1,523	\$1,567	\$1,577	\$1,696	\$1,808	
Total nonperforming assets, excluding covered assets	\$1,483	\$1,525	\$1,531	\$1,647	\$1,757	
Accruing loans 90 days or more past due, excluding covered loans	\$541	\$510	\$469	\$521	\$550	
Accruing loans 90 days or more past due	\$831	\$825	\$801	\$880	\$945	
Performing restructured loans, excluding GNMA and covered loans	\$2,766	\$2,746	\$2,815	\$2,684	\$2,832	
Performing restructured GNMA and covered loans	\$1,944	\$2,031	\$2,111	\$2,186	\$2,273	
Nonperforming assets to loans plus ORE, excluding covered assets (%)	.58	.61	.63	.68	.72	
Nonperforming assets to loans plus ORE (%)	.58	.61	.63	.69	.73	
(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 decreased on a linked quarter and year-over-year basis to \$1,523 million at December 31, 2015, compared with \$1,567 million at September 30, 2015, and \$1,808 million at December 31, 2014. The ratio of nonperforming assets to loans and other real estate was 0.58 percent at December 31, 2015, compared with 0.61 percent at September 30, 2015, and 0.73 percent at December 31, 2014. The decrease in nonperforming assets on a year-over-year basis was driven primarily by reductions in the commercial real estate portfolios and residential mortgages, as economic conditions continued to slowly

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improve. Accruing loans 90 days or more past due were \$831 million (\$541 million excluding covered loans) at December 31, 2015, compared with \$825 million (\$510 million excluding covered loans) at September 30, 2015, and \$945 million (\$550 million excluding covered loans) at December 31, 2014. The Company expects total nonperforming assets to remain relatively stable in the first quarter of 2016.

COMMON SHARES		Table 11				
(Millions)	4Q	3Q	2Q	1Q	4Q	
	2015	2015	2015	2015	2014	
Beginning shares outstanding	1,754	1,767	1,780	1,786	1,795	
Shares issued for stock incentive plans, acquisitions and other corporate purposes	1	3	1	6	2	
Shares repurchased	(10)	(16)	(14)	(12)	(11)	
Ending shares outstanding	<u>1,745</u>	<u>1,754</u>	<u>1,767</u>	<u>1,780</u>	<u>1,786</u>	

Capital Management

Total U.S. Bancorp shareholders' equity was \$46.1 billion at December 31, 2015, compared with \$45.1 billion at September 30, 2015, and \$43.5 billion at December 31, 2014. Including fourth quarter distributions, the Company returned 72 percent of earnings to shareholders for the full year.

CAPITAL POSITION					Table 12
(\$ in millions)	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
	2015	2015	2015	2015	2014
Total U.S. Bancorp shareholders' equity	\$46,131	\$45,075	\$44,537	\$44,277	\$43,479
Standardized Approach					
Basel III transitional standardized approach					
Common equity tier 1 capital	\$32,612	\$32,124	\$31,674	\$31,308	\$30,856
Tier 1 capital	38,431	37,197	36,748	36,382	36,020
Total risk-based capital	45,313	44,015	43,526	43,558	43,208
Common equity tier 1 capital ratio	9.6 %	9.6 %	9.5 %	9.6 %	9.7 %
Tier 1 capital ratio	11.3	11.1	11.0	11.1	11.3
Total risk-based capital ratio	13.3	13.1	13.1	13.3	13.6
Leverage ratio	9.5	9.3	9.2	9.3	9.3
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach	9.1	9.2	9.2	9.2	9.0
Advanced Approaches					
Common equity tier 1 capital to risk-weighted assets for the Basel III transitional advanced approaches	12.5	13.0	12.9	12.3	12.4
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches	11.9	12.4	12.4	11.8	11.8
Tangible common equity to tangible assets	7.6	7.7	7.5	7.6	7.5
Tangible common equity to risk-weighted assets	9.2	9.3	9.2	9.3	9.3
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 following four years to full implementation by January 1, 2018. Basel III includes two comprehensive methodologies for calculating risk-weighted assets: a general standardized approach and more risk-sensitive advanced approaches, with the Company's capital adequacy being evaluated against the methodology that is most restrictive.					

All regulatory ratios continue to be in excess of “well-capitalized” requirements. The common equity tier 1 capital to risk-weighted assets ratio estimated for the Basel III standardized approach as if fully implemented was 9.1 percent at December 31, 2015, compared with 9.2 percent at September 30, 2015, and 9.0 percent at December 31, 2014. The common equity tier 1 capital to risk-weighted assets ratio estimated for the Basel III advanced approaches as if fully implemented was 11.9 percent at December 31, 2015, compared with 12.4 percent at September 30, 2015, and 11.8 percent at December 31, 2014.

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On Friday, January 15, 2016, at 8:00 a.m. CST, Richard K. Davis, chairman, president and chief executive officer, and Kathy Rogers, vice chair and chief financial officer, will host a conference call to review the financial results. The conference call will be available online or by telephone. 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 near the bottom of the page. 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 76889596. For those unable to participate during the live call, a recording will be available at approximately 11:00 a.m. CST on Friday, January 15 and be accessible through Friday, January 22 at 11:00 p.m. CST. 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 76889596.

Minneapolis-based U.S. Bancorp (“USB”), with \$422 billion in assets as of December 31, 2015, is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. The Company operates 3,133 banking offices in 25 states and 4,936 ATMs and provides a comprehensive line of banking, investment, mortgage, trust and payment services products to consumers, businesses and institutions. Visit U.S. Bancorp on the web at www.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 economic recovery or another severe contraction could adversely affect U.S. Bancorp's revenues and the values of its assets and liabilities. Global financial markets could experience a recurrence of significant turbulence, which could reduce the availability of funding to certain financial institutions and lead to a tightening of credit, a reduction of business activity, and increased market volatility. Stress in the commercial real estate markets, as well as a downturn in the residential real estate markets could cause credit losses and deterioration in asset values. In addition, U.S. Bancorp's business and financial performance is likely to be negatively impacted by recently enacted and future legislation and regulation. U.S. Bancorp's results could also be adversely affected by deterioration in general business and economic conditions; changes in interest rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of securities held in its investment securities portfolio; legal and regulatory developments; litigation; increased competition from both banks and non-banks; changes in customer behavior and preferences; breaches in data security; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management's ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputational risk.

For discussion of these and other risks that may cause actual results to differ from expectations, refer to U.S. Bancorp's Annual Report on Form 10-K for the year ended December 31, 2014, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile" contained in Exhibit 13, and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934. 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, and
- Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches.

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 December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Interest Income				
Loans	\$2,583	\$2,541	\$10,059	\$10,113
Loans held for sale	40	41	206	128
Investment securities	499	488	2,001	1,866
Other interest income	34	32	136	121
Total interest income	3,156	3,102	12,402	12,228
Interest Expense				
Deposits	113	117	457	465
Short-term borrowings	56	59	245	263
Long-term debt	168	182	699	725
Total interest expense	337	358	1,401	1,453
Net interest income	2,819	2,744	11,001	10,775
Provision for credit losses	305	288	1,132	1,229
Net interest income after provision for credit losses	2,514	2,456	9,869	9,546
Noninterest Income				
Credit and debit card revenue	294	272	1,070	1,021
Corporate payment products revenue	170	174	708	724
Merchant processing services	393	384	1,547	1,511
ATM processing services	79	80	318	321
Trust and investment management fees	336	322	1,321	1,252
Deposit service charges	182	180	702	693
Treasury management fees	139	136	561	545
Commercial products revenue	222	219	867	854
Mortgage banking revenue	211	235	906	1,009
Investment products fees	44	49	185	191
Securities gains (losses), net	1	1	--	3
Other	269	318	907	1,040
Total noninterest income	2,340	2,370	9,092	9,164
Noninterest Expense				
Compensation	1,212	1,151	4,812	4,523
Employee benefits	272	245	1,167	1,041
Net occupancy and equipment	246	248	991	987
Professional services	125	132	423	414
Marketing and business development	96	129	361	382
Technology and communications	230	219	887	863
Postage, printing and supplies	74	86	297	328
Other intangibles	46	51	174	199
Other	508	543	1,819	1,978
Total noninterest expense	2,809	2,804	10,931	10,715
Income before income taxes	2,045	2,022	8,030	7,995
Applicable income taxes	556	521	2,097	2,087
Net income	1,489	1,501	5,933	5,908
Net (income) loss attributable to noncontrolling interests	(13)	(13)	(54)	(57)
Net income attributable to U.S. Bancorp	\$1,476	\$1,488	\$5,879	\$5,851
Net income applicable to U.S. Bancorp common shareholders	\$1,404	\$1,420	\$5,608	\$5,583
Earnings per common share	\$.80	\$.79	\$3.18	\$3.10
Diluted earnings per common share	\$.80	\$.79	\$3.16	\$3.08
Dividends declared per common share	\$.255	\$.245	\$1.010	\$.965
Average common shares outstanding	1,747	1,787	1,764	1,803
Average diluted common shares outstanding	1,754	1,796	1,772	1,813

U.S. Bancorp

Consolidated Ending Balance Sheet

(Dollars in Millions)	December 31, 2015	December 31, 2014
Assets		
Cash and due from banks	\$11,147	\$10,654
Investment securities		
Held-to-maturity	43,590	44,974
Available-for-sale	61,997	56,069
Loans held for sale	3,184	4,792
Loans		
Commercial	88,402	80,377
Commercial real estate	42,137	42,795
Residential mortgages	53,496	51,619
Credit card	21,012	18,515
Other retail	51,206	49,264
Total loans, excluding covered loans	256,253	242,570
Covered loans	4,596	5,281
Total loans	260,849	247,851
Less allowance for loan losses	(3,863)	(4,039)
Net loans	256,986	243,812
Premises and equipment	2,513	2,618
Goodwill	9,361	9,389
Other intangible assets	3,350	3,162
Other assets	29,725	27,059
Total assets	\$421,853	\$402,529
Liabilities and Shareholders' Equity		
Deposits		
Noninterest-bearing	\$83,766	\$77,323
Interest-bearing	216,634	205,410
Total deposits	300,400	282,733
Short-term borrowings	27,877	29,893
Long-term debt	32,078	32,260
Other liabilities	14,681	13,475
Total liabilities	375,036	358,361
Shareholders' equity		
Preferred stock	5,501	4,756
Common stock	21	21
Capital surplus	8,376	8,313
Retained earnings	46,377	42,530
Less treasury stock	(13,125)	(11,245)
Accumulated other comprehensive income (loss)	(1,019)	(896)
Total U.S. Bancorp shareholders' equity	46,131	43,479
Noncontrolling interests	686	689
Total equity	46,817	44,168
Total liabilities and equity	\$421,853	\$402,529

U.S. Bancorp

Non-GAAP Financial Measures

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

* Preliminary data. Subject to change prior to filings with applicable regulatory agencies.

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

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

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

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

Supplemental Consolidated Schedules

4Q 2015

U.S. Bancorp

Income Statement Highlights

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended			Percent Change v. December 31, 2015	
	December 31, 2015	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Net interest income (taxable-equivalent basis)	\$2,871	\$2,821	\$2,799	1.8 %	2.6 %
Noninterest income	2,340	2,326	2,370	.6	(1.3)
Total net revenue	5,211	5,147	5,169	1.2	.8
Noninterest expense	2,809	2,775	2,804	1.2	.2
Income before provision and income taxes	2,402	2,372	2,365	1.3	1.6
Provision for credit losses	305	282	288	8.2	5.9
Income before income taxes	2,097	2,090	2,077	.3	1.0
Taxable-equivalent adjustment	52	53	55	(1.9)	(5.5)
Applicable income taxes	556	534	521	4.1	6.7
Net income	1,489	1,503	1,501	(.9)	(.8)
Net (income) loss attributable to noncontrolling interests	(13)	(14)	(13)	7.1	--
Net income attributable to U.S. Bancorp	\$1,476	\$1,489	\$1,488	(.9)	(.8)
Net income applicable to U.S. Bancorp common shareholders	\$1,404	\$1,422	\$1,420	(1.3)	(1.1)
Diluted earnings per common share	\$.80	\$.81	\$.79	(1.2)	1.3
Revenue per diluted common share (a)	\$2.97	\$2.92	\$2.88	1.7	3.1
Financial Ratios					
Net interest margin (b)	3.06 %	3.04 %	3.14 %		
Interest yield on average loans (b)	4.04	4.04	4.14		
Rate paid on interest-bearing liabilities (b)	.50	.52	.55		
Return on average assets	1.41	1.44	1.50		
Return on average common equity	13.7	14.1	14.4		
Efficiency ratio (c)	53.9	53.9	54.3		
Tangible efficiency ratio (d)	53.0	53.1	53.3		

(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)	Year Ended		Percent Change
	December 31, 2015	December 31, 2014	
Net interest income (taxable-equivalent basis)	\$11,214	\$10,997	2.0 %
Noninterest income	9,092	9,164	(.8)
Total net revenue	20,306	20,161	.7
Noninterest expense	10,931	10,715	2.0
Income before provision and income taxes	9,375	9,446	(.8)
Provision for credit losses	1,132	1,229	(7.9)
Income before income taxes	8,243	8,217	.3
Taxable-equivalent adjustment	213	222	(4.1)
Applicable income taxes	2,097	2,087	.5
Net income	5,933	5,908	.4
Net (income) loss attributable to noncontrolling interests	(54)	(57)	5.3
Net income attributable to U.S. Bancorp	\$5,879	\$5,851	.5
Net income applicable to U.S. Bancorp common shareholders	\$5,608	\$5,583	.4
Diluted earnings per common share	\$3.16	\$3.08	2.6
Revenue per diluted common share (a)	\$11.46	\$11.12	3.1

Financial Ratios

Net interest margin (b)	3.05 %	3.23 %
Interest yield on average loans (b)	4.06	4.23
Rate paid on interest-bearing liabilities (b)	.52	.58
Return on average assets	1.44	1.54
Return on average common equity	14.0	14.7
Efficiency ratio (c)	53.8	53.2
Tangible efficiency ratio (d)	53.0	52.2

- (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				
	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Interest Income					
Loans	\$2,583	\$2,520	\$2,463	\$2,493	\$2,541
Loans held for sale	40	60	65	41	41
Investment securities	499	502	505	495	488
Other interest income	34	35	35	32	32
Total interest income	3,156	3,117	3,068	3,061	3,102
Interest Expense					
Deposits	113	113	113	118	117
Short-term borrowings	56	66	62	61	59
Long-term debt	168	170	177	184	182
Total interest expense	337	349	352	363	358
Net interest income	2,819	2,768	2,716	2,698	2,744
Provision for credit losses	305	282	281	264	288
Net interest income after provision for credit losses	2,514	2,486	2,435	2,434	2,456
Noninterest Income					
Credit and debit card revenue	294	269	266	241	272
Corporate payment products revenue	170	190	178	170	174
Merchant processing services	393	400	395	359	384
ATM processing services	79	81	80	78	80
Trust and investment management fees	336	329	334	322	322
Deposit service charges	182	185	174	161	180
Treasury management fees	139	143	142	137	136
Commercial products revenue	222	231	214	200	219
Mortgage banking revenue	211	224	231	240	235
Investment products fees	44	46	48	47	49
Securities gains (losses), net	1	(1)	--	--	1
Other	269	229	210	199	318
Total noninterest income	2,340	2,326	2,272	2,154	2,370
Noninterest Expense					
Compensation	1,212	1,225	1,196	1,179	1,151
Employee benefits	272	285	293	317	245
Net occupancy and equipment	246	251	247	247	248
Professional services	125	115	106	77	132
Marketing and business development	96	99	96	70	129
Technology and communications	230	222	221	214	219
Postage, printing and supplies	74	77	64	82	86
Other intangibles	46	42	43	43	51
Other	508	459	416	436	543
Total noninterest expense	2,809	2,775	2,682	2,665	2,804
Income before income taxes	2,045	2,037	2,025	1,923	2,022
Applicable income taxes	556	534	528	479	521
Net income	1,489	1,503	1,497	1,444	1,501
Net (income) loss attributable to noncontrolling interests	(13)	(14)	(14)	(13)	(13)
Net income attributable to U.S. Bancorp	\$1,476	\$1,489	\$1,483	\$1,431	\$1,488
Net income applicable to U.S. Bancorp common shareholders	\$1,404	\$1,422	\$1,417	\$1,365	\$1,420
Earnings per common share	\$.80	\$.81	\$.80	\$.77	\$.79
Diluted earnings per common share	\$.80	\$.81	\$.80	\$.76	\$.79
Dividends declared per common share	\$.255	\$.255	\$.255	\$.245	\$.245
Average common shares outstanding	1,747	1,758	1,771	1,781	1,787
Average diluted common shares outstanding	1,754	1,766	1,779	1,789	1,796
Financial Ratios					
Net interest margin (a)	3.06 %	3.04 %	3.03 %	3.08 %	3.14 %
Interest yield on average loans (a)	4.04	4.04	4.05	4.11	4.14
Rate paid on interest-bearing liabilities (a)	.50	.52	.52	.55	.55
Return on average assets	1.41	1.44	1.46	1.44	1.50
Return on average common equity	13.7	14.1	14.3	14.1	14.4
Efficiency ratio (b)	53.9	53.9	53.2	54.3	54.3
Tangible efficiency ratio (c)	53.0	53.1	52.3	53.4	53.3

(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)	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Assets		(Unaudited)	(Unaudited)	(Unaudited)	
Cash and due from banks	\$11,147	\$10,450	\$17,925	\$14,072	\$10,654
Investment securities					
Held-to-maturity	43,590	44,690	46,233	45,597	44,974
Available-for-sale	61,997	60,396	57,078	56,826	56,069
Loans held for sale	3,184	4,472	8,498	8,012	4,792
Loans					
Commercial	88,402	85,539	84,620	82,732	80,377
Commercial real estate	42,137	42,478	42,258	42,409	42,795
Residential mortgages	53,496	52,349	51,337	51,089	51,619
Credit card	21,012	18,583	17,788	17,504	18,515
Other retail	51,206	51,051	47,652	46,449	49,264
Total loans, excluding covered loans	256,253	250,000	243,655	240,183	242,570
Covered loans	4,596	4,791	4,984	5,118	5,281
Total loans	260,849	254,791	248,639	245,301	247,851
Less allowance for loan losses	(3,863)	(3,965)	(4,013)	(4,023)	(4,039)
Net loans	256,986	250,826	244,626	241,278	243,812
Premises and equipment	2,513	2,515	2,551	2,575	2,618
Goodwill	9,361	9,368	9,374	9,363	9,389
Other intangible assets	3,350	3,176	3,225	3,033	3,162
Other assets	29,725	30,050	29,565	29,477	27,059
Total assets	\$421,853	\$415,943	\$419,075	\$410,233	\$402,529
Liabilities and Shareholders' Equity					
Deposits					
Noninterest-bearing	\$83,766	\$83,549	\$86,189	\$79,220	\$77,323
Interest-bearing	216,634	211,715	210,659	207,381	205,410
Total deposits	300,400	295,264	296,848	286,601	282,733
Short-term borrowings	27,877	26,915	27,784	28,226	29,893
Long-term debt	32,078	32,504	34,141	35,104	32,260
Other liabilities	14,681	15,493	15,071	15,337	13,475
Total liabilities	375,036	370,176	373,844	365,268	358,361
Shareholders' equity					
Preferred stock	5,501	4,756	4,756	4,756	4,756
Common stock	21	21	21	21	21
Capital surplus	8,376	8,362	8,335	8,315	8,313
Retained earnings	46,377	45,413	44,434	43,463	42,530
Less treasury stock	(13,125)	(12,756)	(12,144)	(11,564)	(11,245)
Accumulated other comprehensive income (loss)	(1,019)	(721)	(865)	(714)	(896)
Total U.S. Bancorp shareholders' equity	46,131	45,075	44,537	44,277	43,479
Noncontrolling interests	686	692	694	688	689
Total equity	46,817	45,767	45,231	44,965	44,168
Total liabilities and equity	\$421,853	\$415,943	\$419,075	\$410,233	\$402,529

U.S. Bancorp

Consolidated Quarterly Average Balance Sheet

(Dollars in Millions, Unaudited)	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Assets					
Investment securities	\$105,536	\$103,943	\$102,391	\$100,712	\$98,164
Loans held for sale	4,047	6,835	7,908	4,338	4,145
Loans					
Commercial					
Commercial	81,592	79,486	77,932	76,183	74,333
Lease financing	5,211	5,218	5,321	5,325	5,292
Total commercial	86,803	84,704	83,253	81,508	79,625
Commercial real estate					
Commercial mortgages	31,830	32,083	32,499	33,119	31,783
Construction and development	10,401	10,233	9,947	9,552	9,183
Total commercial real estate	42,231	42,316	42,446	42,671	40,966
Residential mortgages	52,970	51,831	51,114	51,426	51,872
Credit card	18,838	17,944	17,613	17,823	17,990
Other retail					
Retail leasing	5,265	5,480	5,696	5,819	5,939
Home equity and second mortgages	16,241	16,083	15,958	15,897	15,853
Other	29,556	27,286	25,415	27,604	27,317
Total other retail	51,062	48,849	47,069	49,320	49,109
Total loans, excluding covered loans	251,904	245,644	241,495	242,748	239,562
Covered loans	4,788	4,892	5,065	5,202	6,859
Total loans	256,692	250,536	246,560	247,950	246,421
Other earning assets	6,816	7,951	9,569	7,841	6,231
Total earning assets	373,091	369,265	366,428	360,841	354,961
Allowance for loan losses	(3,972)	(4,031)	(4,051)	(4,088)	(4,112)
Unrealized gain (loss) on investment securities	540	607	794	905	698
Other assets	45,463	44,598	44,730	44,178	43,169
Total assets	\$415,122	\$410,439	\$407,901	\$401,836	\$394,716
Liabilities and Shareholders' Equity					
Noninterest-bearing deposits	\$83,894	\$80,940	\$77,347	\$74,511	\$76,958
Interest-bearing deposits					
Interest checking	57,109	56,888	55,205	54,658	54,199
Money market savings	82,828	80,338	79,898	73,889	68,914
Savings accounts	37,991	37,480	37,071	36,033	34,955
Time deposits	32,683	34,046	36,223	39,369	40,453
Total interest-bearing deposits	210,611	208,752	208,397	203,949	198,521
Short-term borrowings	27,094	27,525	27,758	29,497	29,923
Long-term debt	32,235	33,202	34,418	34,436	31,494
Total interest-bearing liabilities	269,940	269,479	270,573	267,882	259,938
Other liabilities	14,826	14,463	14,778	14,678	13,290
Shareholders' equity					
Preferred equity	5,072	4,756	4,756	4,756	4,756
Common equity	40,701	40,111	39,758	39,322	39,087
Total U.S. Bancorp shareholders' equity	45,773	44,867	44,514	44,078	43,843
Noncontrolling interests	689	690	689	687	687
Total equity	46,462	45,557	45,203	44,765	44,530
Total liabilities and equity	\$415,122	\$410,439	\$407,901	\$401,836	\$394,716

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)For the Three Months Ended December 31,
2015 2014

(Dollars in Millions) (Unaudited)	2015		Yields and Rates	2014		Yields and Rates	% Change Average Balances
	Average Balances	Interest		Average Balances	Interest		
Assets							
Investment securities	\$105,536	\$528	2.00 %	\$98,164	\$518	2.11 %	7.5 %
Loans held for sale	4,047	40	3.94	4,145	41	3.99	(2.4)
Loans (b)							
Commercial	86,803	585	2.68	79,625	577	2.88	9.0
Commercial real estate	42,231	417	3.92	40,966	395	3.83	3.1
Residential mortgages	52,970	501	3.77	51,872	497	3.82	2.1
Credit card	18,838	525	11.06	17,990	479	10.57	4.7
Other retail	51,062	525	4.08	49,109	519	4.19	4.0
Total loans, excluding covered loans	251,904	2,553	4.03	239,562	2,467	4.09	5.2
Covered loans	4,788	55	4.60	6,859	100	5.79	(30.2)
Total loans	256,692	2,608	4.04	246,421	2,567	4.14	4.2
Other earning assets	6,816	33	1.95	6,231	32	2.03	9.4
Total earning assets	373,091	3,209	3.42	354,961	3,158	3.54	5.1
Allowance for loan losses	(3,972)			(4,112)			3.4
Unrealized gain (loss) on investment securities	540			698			(22.6)
Other assets	45,463			43,169			5.3
Total assets	<u>\$415,122</u>			<u>\$394,716</u>			5.2
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	\$83,894			\$76,958			9.0 %
Interest-bearing deposits							
Interest checking	57,109	7	.05	54,199	9	.06	5.4
Money market savings	82,828	53	.25	68,914	36	.21	20.2
Savings accounts	37,991	8	.09	34,955	11	.13	8.7
Time deposits	32,683	45	.54	40,453	61	.60	(19.2)
Total interest-bearing deposits	210,611	113	.21	198,521	117	.23	6.1
Short-term borrowings	27,094	57	.82	29,923	60	.79	(9.5)
Long-term debt	32,235	168	2.08	31,494	182	2.30	2.4
Total interest-bearing liabilities	269,940	338	.50	259,938	359	.55	3.8
Other liabilities	14,826			13,290			11.6
Shareholders' equity							
Preferred equity	5,072			4,756			6.6
Common equity	40,701			39,087			4.1
Total U.S. Bancorp shareholders' equity	45,773			43,843			4.4
Noncontrolling interests	689			687			.3
Total equity	46,462			44,530			4.3
Total liabilities and equity	<u>\$415,122</u>			<u>\$394,716</u>			5.2
Net interest income		<u>\$2,871</u>			<u>\$2,799</u>		
Gross interest margin			2.92 %			2.99 %	
Gross interest margin without taxable-equivalent increments			2.86			2.93	
Percent of Earning Assets							
Interest income			3.42 %			3.54 %	
Interest expense			.36			.40	
Net interest margin			3.06 %			3.14 %	
Net interest margin without taxable-equivalent increments			3.00 %			3.08 %	

(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
December 31, 2015 September 30, 2015

(Dollars in Millions) (Unaudited)	December 31, 2015		Yields and Rates	September 30, 2015		Yields and Rates	% Change Average Balances
	Average Balances	Interest		Average Balances	Interest		
Assets							
Investment securities	\$105,536	\$528	2.00 %	\$103,943	\$531	2.04 %	1.5 %
Loans held for sale	4,047	40	3.94	6,835	60	3.54	(40.8)
Loans (b)							
Commercial	86,803	585	2.68	84,704	574	2.69	2.5
Commercial real estate	42,231	417	3.92	42,316	407	3.82	(.2)
Residential mortgages	52,970	501	3.77	51,831	493	3.80	2.2
Credit card	18,838	525	11.06	17,944	498	11.02	5.0
Other retail	51,062	525	4.08	48,849	504	4.09	4.5
Total loans, excluding covered loans	251,904	2,553	4.03	245,644	2,476	4.01	2.5
Covered loans	4,788	55	4.60	4,892	68	5.54	(2.1)
Total loans	256,692	2,608	4.04	250,536	2,544	4.04	2.5
Other earning assets	6,816	33	1.95	7,951	36	1.76	(14.3)
Total earning assets	373,091	3,209	3.42	369,265	3,171	3.42	1.0
Allowance for loan losses	(3,972)			(4,031)			1.5
Unrealized gain (loss) on investment securities	540			607			(11.0)
Other assets	45,463			44,598			1.9
Total assets	<u>\$415,122</u>			<u>\$410,439</u>			1.1
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	\$83,894			\$80,940			3.6 %
Interest-bearing deposits							
Interest checking	57,109	7	.05	56,888	8	.05	.4
Money market savings	82,828	53	.25	80,338	50	.25	3.1
Savings accounts	37,991	8	.09	37,480	9	.10	1.4
Time deposits	32,683	45	.54	34,046	46	.54	(4.0)
Total interest-bearing deposits	210,611	113	.21	208,752	113	.21	.9
Short-term borrowings	27,094	57	.82	27,525	67	.97	(1.6)
Long-term debt	32,235	168	2.08	33,202	170	2.04	(2.9)
Total interest-bearing liabilities	269,940	338	.50	269,479	350	.52	.2
Other liabilities	14,826			14,463			2.5
Shareholders' equity							
Preferred equity	5,072			4,756			6.6
Common equity	40,701			40,111			1.5
Total U.S. Bancorp shareholders' equity	45,773			44,867			2.0
Noncontrolling interests	689			690			(.1)
Total equity	46,462			45,557			2.0
Total liabilities and equity	<u>\$415,122</u>			<u>\$410,439</u>			1.1
Net interest income		<u>\$2,871</u>			<u>\$2,821</u>		
Gross interest margin			2.92 %			2.90 %	
Gross interest margin without taxable-equivalent increments			2.86			2.84	
Percent of Earning Assets							
Interest income			3.42 %			3.42 %	
Interest expense			.36			.38	
Net interest margin			3.06 %			3.04 %	
Net interest margin without taxable-equivalent increments			3.00 %			2.98 %	

(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 Year Ended December 31,

2015

2014

(Dollars in Millions) (Unaudited)	2015			2014			% Change Average Balances
	Average Balances	Interest	Yields and Rates	Average Balances	Interest	Yields and Rates	
Assets							
Investment securities	\$103,161	\$2,120	2.05 %	\$90,327	\$1,991	2.20 %	14.2 %
Loans held for sale	5,784	206	3.56	3,148	128	4.08	83.7
Loans (b)							
Commercial	84,083	2,281	2.71	75,734	2,228	2.94	11.0
Commercial real estate	42,415	1,650	3.89	40,592	1,575	3.88	4.5
Residential mortgages	51,840	1,966	3.79	51,818	2,001	3.86	--
Credit card	18,057	1,969	10.90	17,635	1,817	10.30	2.4
Other retail	49,079	2,020	4.12	48,353	2,141	4.43	1.5
Total loans, excluding covered loans	245,474	9,886	4.03	234,132	9,762	4.17	4.8
Covered loans	4,985	271	5.42	7,560	452	5.97	(34.1)
Total loans	250,459	10,157	4.06	241,692	10,214	4.23	3.6
Other earning assets	8,041	136	1.69	5,827	121	2.08	38.0
Total earning assets	367,445	12,619	3.43	340,994	12,454	3.65	7.8
Allowance for loan losses	(4,035)			(4,187)			3.6
Unrealized gain (loss) on investment securities	710			466			52.4
Other assets	44,745			42,731			4.7
Total assets	<u>\$408,865</u>			<u>\$380,004</u>			7.6
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	\$79,203			\$73,455			7.8 %
Interest-bearing deposits							
Interest checking	55,974	30	.05	53,248	35	.07	5.1
Money market savings	79,266	192	.24	63,977	117	.18	23.9
Savings accounts	37,150	40	.11	34,196	46	.14	8.6
Time deposits	35,558	195	.55	41,764	267	.64	(14.9)
Total interest-bearing deposits	207,948	457	.22	193,185	465	.24	7.6
Short-term borrowings	27,960	249	.89	30,252	267	.88	(7.6)
Long-term debt	33,566	699	2.08	26,535	725	2.73	26.5
Total interest-bearing liabilities	269,474	1,405	.52	249,972	1,457	.58	7.8
Other liabilities	14,686			13,053			12.5
Shareholders' equity							
Preferred equity	4,836			4,756			1.7
Common equity	39,977			38,081			5.0
Total U.S. Bancorp shareholders' equity	44,813			42,837			4.6
Noncontrolling interests	689			687			.3
Total equity	45,502			43,524			4.5
Total liabilities and equity	<u>\$408,865</u>			<u>\$380,004</u>			7.6
Net interest income		<u>\$11,214</u>			<u>\$10,997</u>		
Gross interest margin			2.91 %			3.07 %	
Gross interest margin without taxable-equivalent increments			2.85			3.00	
Percent of Earning Assets							
Interest income			3.43 %			3.65 %	
Interest expense			.38			.42	
Net interest margin			3.05 %			3.23 %	
Net interest margin without taxable-equivalent increments			2.99 %			3.16 %	

(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

	December 31, 2015		September 30, 2015		June 30, 2015		March 31, 2015		December 31, 2014	
(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	\$83,116	31.9 %	\$80,313	31.5 %	\$79,323	31.9 %	\$77,394	31.5 %	\$74,996	30.2 %
Lease financing	5,286	2.0	5,226	2.1	5,297	2.1	5,338	2.2	5,381	2.2
Total commercial	88,402	33.9	85,539	33.6	84,620	34.0	82,732	33.7	80,377	32.4
Commercial real estate										
Commercial mortgages	31,773	12.2	32,089	12.6	32,060	12.9	32,755	13.4	33,360	13.5
Construction and development	10,364	3.9	10,389	4.1	10,198	4.1	9,654	3.9	9,435	3.8
Total commercial real estate	42,137	16.1	42,478	16.7	42,258	17.0	42,409	17.3	42,795	17.3
Residential mortgages										
Residential mortgages	40,425	15.5	39,341	15.4	38,310	15.4	38,153	15.5	38,598	15.6
Home equity loans, first liens	13,071	5.0	13,008	5.1	13,027	5.2	12,936	5.3	13,021	5.2
Total residential mortgages	53,496	20.5	52,349	20.5	51,337	20.6	51,089	20.8	51,619	20.8
Credit card	21,012	8.1	18,583	7.3	17,788	7.2	17,504	7.2	18,515	7.5
Other retail										
Retail leasing	5,232	2.0	5,387	2.1	5,616	2.3	5,796	2.3	5,871	2.4
Home equity and second mortgages	16,384	6.3	16,188	6.3	16,071	6.5	15,859	6.5	15,916	6.4
Revolving credit	3,354	1.3	3,334	1.3	3,289	1.3	3,233	1.3	3,309	1.3
Installment	7,030	2.7	6,949	2.7	6,741	2.7	6,345	2.6	6,242	2.5
Automobile	16,587	6.3	16,484	6.5	15,935	6.4	15,216	6.2	14,822	6.0
Student	2,619	1.0	2,709	1.1	--	--	--	--	3,104	1.3
Total other retail	51,206	19.6	51,051	20.0	47,652	19.2	46,449	18.9	49,264	19.9
Total loans, excluding covered loans	256,253	98.2	250,000	98.1	243,655	98.0	240,183	97.9	242,570	97.9
Covered loans	4,596	1.8	4,791	1.9	4,984	2.0	5,118	2.1	5,281	2.1
Total loans	\$260,849	100.0 %	\$254,791	100.0 %	\$248,639	100.0 %	\$245,301	100.0 %	\$247,851	100.0 %

U.S. Bancorp

Supplemental Financial Data

(Dollars in Millions, Unaudited)	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Book value of intangibles					
Goodwill	\$9,361	\$9,368	\$9,374	\$9,363	\$9,389
Merchant processing contracts	135	144	154	162	174
Core deposit benefits	194	205	214	225	234
Mortgage servicing rights	2,512	2,397	2,481	2,250	2,338
Trust relationships	75	80	86	91	97
Other identified intangibles	434	350	290	305	319
Total	<u>\$12,711</u>	<u>\$12,544</u>	<u>\$12,599</u>	<u>\$12,396</u>	<u>\$12,551</u>
Three Months Ended					
	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Amortization of intangibles					
Merchant processing contracts	\$9	\$8	\$9	\$9	\$12
Core deposit benefits	10	10	10	10	11
Trust relationships	5	6	5	5	7
Other identified intangibles	22	18	19	19	21
Total	<u>\$46</u>	<u>\$42</u>	<u>\$43</u>	<u>\$43</u>	<u>\$51</u>

Supplemental Credit Schedules

4Q 2015

U.S. Bancorp
Residential Mortgages

(Dollars in Millions, Unaudited)	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Prime Borrowers					
Loans outstanding	\$46,989	\$45,691	\$44,516	\$43,957	\$44,352
Nonperforming loans	523	540	566	605	630
Delinquency Ratios					
30-89 days past due	.25 %	.29 %	.32 %	.30 %	.33 %
90 days or more past due	.30	.30	.27	.29	.35
Nonperforming loans	1.12	1.18	1.27	1.38	1.42
Sub-Prime Borrowers					
Loans outstanding	\$1,072	\$1,111	\$1,150	\$1,191	\$1,231
Nonperforming loans	164	169	176	194	206
Delinquency Ratios					
30-89 days past due	3.92 %	3.42 %	3.83 %	3.78 %	5.12 %
90 days or more past due	2.52	2.61	2.35	2.77	3.41
Nonperforming loans	15.30	15.21	15.30	16.29	16.73
Other Borrowers					
Loans outstanding	\$625	\$672	\$726	\$775	\$800
Nonperforming loans	25	26	27	26	28
Delinquency Ratios					
30-89 days past due	1.60 %	1.34 %	1.24 %	1.42 %	1.37 %
90 days or more past due	1.12	1.04	1.10	.90	1.13
Nonperforming loans	4.00	3.87	3.72	3.36	3.50
Loans Purchased From GNMA Mortgage Pools*					
Loans outstanding	\$4,810	\$4,875	\$4,945	\$5,166	\$5,236

	Three Months Ended				
	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Prime Borrowers					
Net charge-offs	\$11	\$15	\$22	\$21	\$26
Net charge-off ratio	.09 %	.13 %	.20 %	.19 %	.23 %
Sub-Prime Borrowers					
Net charge-offs	\$4	\$8	\$8	\$10	\$10
Net charge-off ratio	1.46 %	2.82 %	2.76 %	3.37 %	3.19 %
Other Borrowers					
Net charge-offs	\$1	\$2	\$2	\$2	\$3
Net charge-off ratio	.62 %	1.15 %	1.08 %	1.03 %	1.46 %
Loans Purchased From GNMA Mortgage Pools					
Net charge-offs	\$--	\$--	\$1	\$2	\$--
Net charge-off ratio	-- %	-- %	.08 %	.16 %	-- %

* 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)

December 31, 2015	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	\$46,989	88 %	757	781	70 %	59 %
Sub-Prime Borrowers	1,072	2	621	638	87	77
Other Borrowers	625	1	701	710	89	76
Loans Purchased From GNMA Mortgage Pools	4,810	9	*	*	*	*
Total	\$53,496	100 %	753	777	71 %	59 %

Three Months Ended December 31, 2015	Loans Originated	Weighted Average Credit Score	Weighted Average Loan-to-Value
LOAN ORIGINATIONS			
Prime Borrowers	\$3,989	755	69 %
Sub-Prime Borrowers	--	--	--
Other Borrowers	--	--	--
Loans Purchased From GNMA Mortgage Pools	--	*	*
Total	\$3,989	755	69 %

December 31, 2015	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	\$12,132	25.8 %	\$31	.3 %
Minnesota	3,777	8.0	46	1.2
Colorado	2,911	6.2	22	.8
Washington	2,860	6.1	34	1.2
Illinois	2,678	5.7	48	1.8
Other	22,631	48.2	342	1.5
Total	\$46,989	100.0 %	\$523	1.1 %
Sub-Prime Borrowers				
Ohio	\$88	8.2 %	\$14	15.9 %
Pennsylvania	71	6.6	12	16.9
Florida	66	6.2	12	18.2
Tennessee	55	5.1	7	12.7
Missouri	48	4.5	5	10.4
Other	744	69.4	114	15.3
Total	\$1,072	100.0 %	\$164	15.3 %
Other Borrowers				
Missouri	\$52	8.3 %	\$2	3.8 %
Ohio	52	8.3	3	5.8
Minnesota	49	7.8	1	2.0
California	44	7.1	1	2.3
Colorado	38	6.1	2	5.3
Other	390	62.4	16	4.1
Total	\$625	100.0 %	\$25	4.0 %
Loans Purchased From GNMA Mortgage Pools				
Ohio	\$538	11.2 %	\$ --	-- %
Florida	454	9.4	--	--
New York	302	6.3	--	--
Indiana	243	5.1	--	--
Illinois	242	5.0	--	--
Other	3,031	63.0	--	--
Total	\$4,810	100.0 %	\$ --	-- %

* Not applicable.

U.S. Bancorp
Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Prime Borrowers					
Loans outstanding	\$15,782	\$15,547	\$15,390	\$15,137	\$15,170
Nonperforming loans	117	127	133	145	144
Delinquency Ratios					
30-89 days past due	.31 %	.30 %	.32 %	.36 %	.47 %
90 days or more past due	.23	.22	.23	.23	.24
Nonperforming loans	.74	.82	.87	.96	.95
Sub-Prime Borrowers					
Loans outstanding	\$195	\$204	\$215	\$227	\$238
Nonperforming loans	9	10	12	13	14
Delinquency Ratios					
30-89 days past due	2.56 %	1.96 %	2.79 %	2.20 %	3.36 %
90 days or more past due	1.03	.98	.93	.88	1.26
Nonperforming loans	4.62	4.90	5.58	5.73	5.88
Other Borrowers					
Loans outstanding	\$407	\$437	\$466	\$495	\$508
Nonperforming loans	10	11	12	12	12
Delinquency Ratios					
30-89 days past due	1.23 %	1.37 %	.86 %	.81 %	1.18 %
90 days or more past due	.74	.92	.43	.61	.40
Nonperforming loans	2.45	2.52	2.57	2.42	2.36
Three Months Ended					
	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Prime Borrowers					
Net charge-offs	\$4	\$5	\$9	\$11	\$14
Net charge-off ratio	.10 %	.13 %	.24 %	.29 %	.37 %
Sub-Prime Borrowers					
Net charge-offs	\$1	\$1	\$1	\$2	\$3
Net charge-off ratio	2.00 %	1.92 %	1.83 %	3.51 %	4.92 %
Other Borrowers					
Net charge-offs	\$1	\$1	\$1	\$1	\$--
Net charge-off ratio	.95 %	.89 %	.84 %	.81 %	-- %

U.S. Bancorp

Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)

December 31, 2015	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	\$15,782	96 %	754	771	72 %	67 %
Sub-Prime Borrowers	195	1	656	673	89	91
Other Borrowers	407	3	694	716	71	58
Total	\$16,384	100 %	751	768	72 %	67 %

Three Months Ended December 31, 2015	Loans Originated	Weighted Average Credit Score	Weighted Average Loan-to-Value
LOAN ORIGINATIONS			
Prime Borrowers	\$2,006	761	71 %
Sub-Prime Borrowers	--	--	--
Other Borrowers	--	--	--
Total	\$2,006	761	71 %

December 31, 2015	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	\$3,146	19.9 %	\$23	.7 %
Minnesota	2,177	13.8	12	.6
Colorado	1,261	8.0	7	.6
Illinois	1,216	7.7	8	.7
Washington	1,030	6.5	10	1.0
Other	6,952	44.1	57	.8
Total	\$15,782	100.0 %	\$117	.7 %
Sub-Prime Borrowers				
Ohio	\$18	9.2 %	\$1	5.6 %
Minnesota	18	9.2	1	5.6
Missouri	13	6.7	--	--
Colorado	12	6.2	1	8.3
Washington	12	6.2	1	8.3
Other	122	62.5	5	4.1
Total	\$195	100.0 %	\$9	4.6 %
Other Borrowers				
California	\$164	40.3 %	\$6	3.7 %
Minnesota	26	6.4	--	--
Colorado	24	5.9	--	--
Washington	22	5.4	--	--
Ohio	22	5.4	1	4.5
Other	149	36.6	3	2.0
Total	\$407	100.0 %	\$10	2.5 %