U.S. Bancorp
2Q18 Earnings
Conference Call

July 18, 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. 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, 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 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 its investment securities; 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.

2Q18 Highlights

Income Statement		change vs.	
$ in millions, except EPS	2Q18	1Q18	2Q17
Net interest income*	**$3,226**	0.9 %	4.1 %
Noninterest income	**2,414**	6.3	2.8
Reported net income	**1,750**	4.5	16.7
Diluted EPS	**$1.02**	6.3 %	20.0 %

Balance Sheet		change vs.	
$ in billions	2Q18	1Q18	2Q17
Average earning assets	**$412.7**	0.2 %	2.2 %
Average total loans**	**278.6**	(0.3)	1.1
Average total deposits	**334.8**	0.1	1.1

Credit Quality		change vs.	
$ in millions	2Q18	1Q18	2Q17
Nonperforming assets	**$1,091**	(9.4) %	(19.1) %
NPA ratio	**0.39%**	(4bps)	(10bps)
Net charge-off ratio	**0.48%**	(1bp)	(1bp)

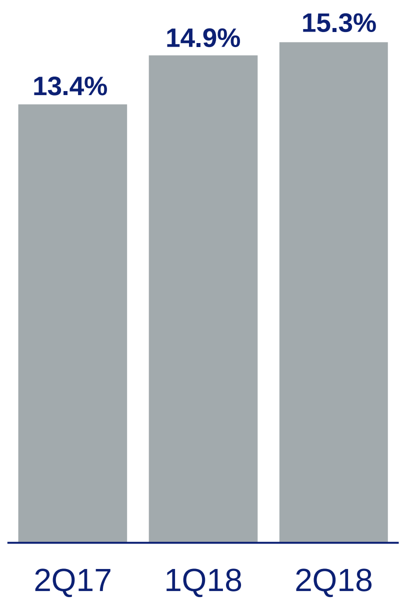
Capital		change vs.	
	2Q18	1Q18	2Q17
CET1 capital ratio	**9.1%**	10bps	(20bps)
Book value per share	**$27.02**	1.8 %	5.8 %
Payout ratio	**69%**		

* Taxable-equivalent basis; see slide 26 for calculation
** Excluding the impact of the 2Q18 student loan portfolio sale, average total loans grew 0.3 percent linked quarter and 1.8 percent year-over-year

Performance Ratios

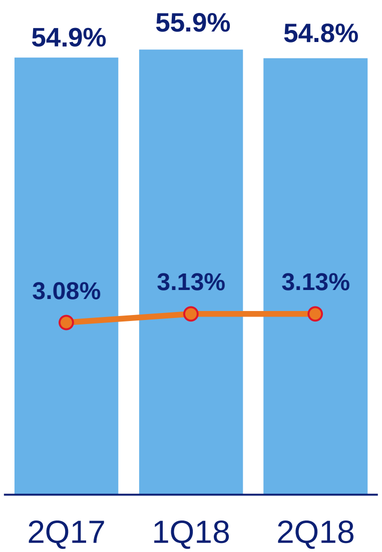
Return on Average Assets

Return on Average Common Equity



Return on Tangible Common Equity*

Efficiency Ratio* & Net Interest Margin**



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

Average Loans

-0.3% linked quarter

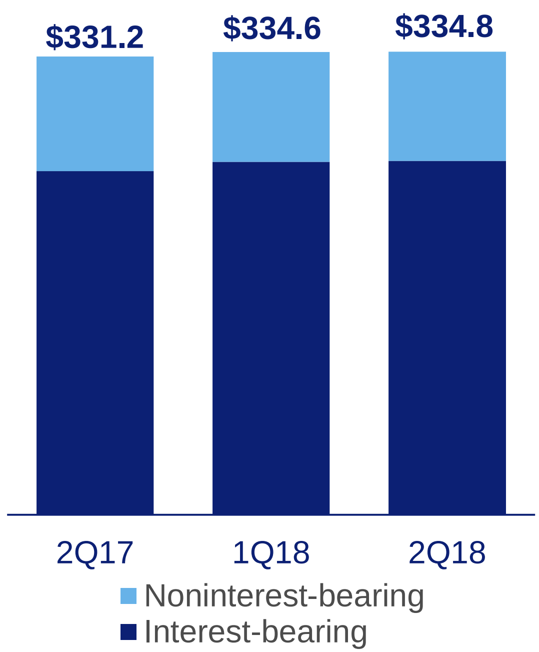
+1.1% year-over-year

(Three months ended 6/30/18)	Average Balances	Change vs. 1Q18	Change vs. 2Q17
Commercial	$98.3	0.9 %	2.8 %
Commercial Real Estate	39.9	(1.3)	(6.3)
Residential Mortgage	60.8	1.1	3.9
Credit Card	21.2	(0.3)	2.9
Retail	55.5	(2.8)	1.5
Covered	2.9	(5.0)	(18.1)
Total loans	**$278.6**	**(0.3) %**	**1.1 %**
Total loans excluding the student loan portfolio sold in 2Q18		**0.3 %**	**1.8 %**

- Excluding the impact of the student loan portfolio sale in 2Q18, average total loans increased 0.3 percent linked quarter and 1.8 percent year-over-year, driven by growth in residential mortgage, total commercial loans and retail leasing.
- On both a linked quarter and year-over-year basis, growth in average total loans was offset by a decline in commercial real estate loans due to continued paydowns and disciplined underwriting.

$ in billions

Average Deposits



+0.1% linked quarter

+1.1% year-over-year

Interest-bearing Deposits

(Three months ended 6/30/18)	Average Balances	Change vs. 1Q18	Change vs. 2Q17	Rates	Change vs. 1Q18
Money market savings	$103.3	-- %	(3.2) %	0.98 %	0.17 %
Interest checking	69.9	(0.6)	3.9	0.18	0.03
Savings accounts	45.1	1.5	3.5	0.11	0.04
Time deposits	37.5	1.4	21.5	1.39	0.23
Total interest-bearing deposits	**$255.8**	**0.3 %**	**3.0 %**	**0.67 %**	**0.12 %**

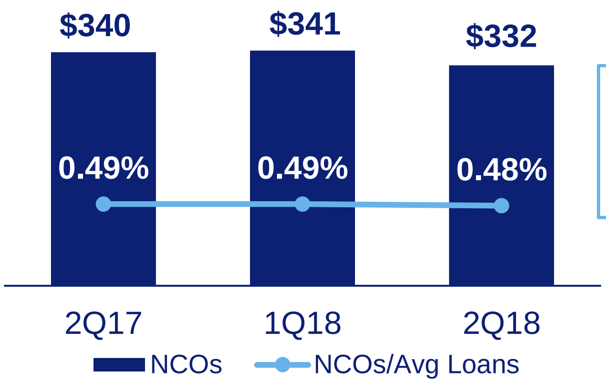
- Average total deposits grew slightly on both a linked quarter and year-over-year basis, in-line with expectations.
- Average noninterest-bearing deposits decreased 0.6% linked quarter, driven by a decrease in Corporate and Commercial Banking balances, partially offset by an increase in Wealth Management and Investment Services balances.
- Average noninterest-bearing deposits decreased 4.5% year-over-year, primarily due to decreases in Corporate and Commercial Banking and Wealth Management and Investment Services balances.

$ 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

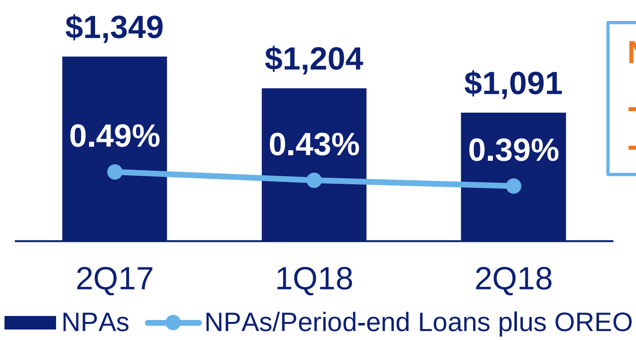
Net Charge-offs



NCO Ratio

-1 bp QoQ
-1 bp YoY

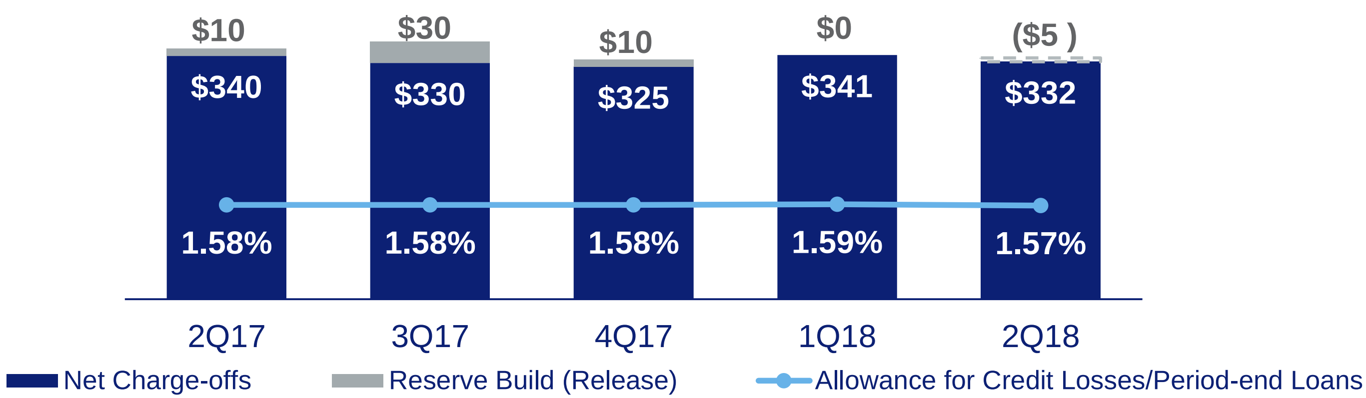
Nonperforming Assets



NPAs

-9.4% QoQ
-19.1% YoY

Provision for Credit Losses

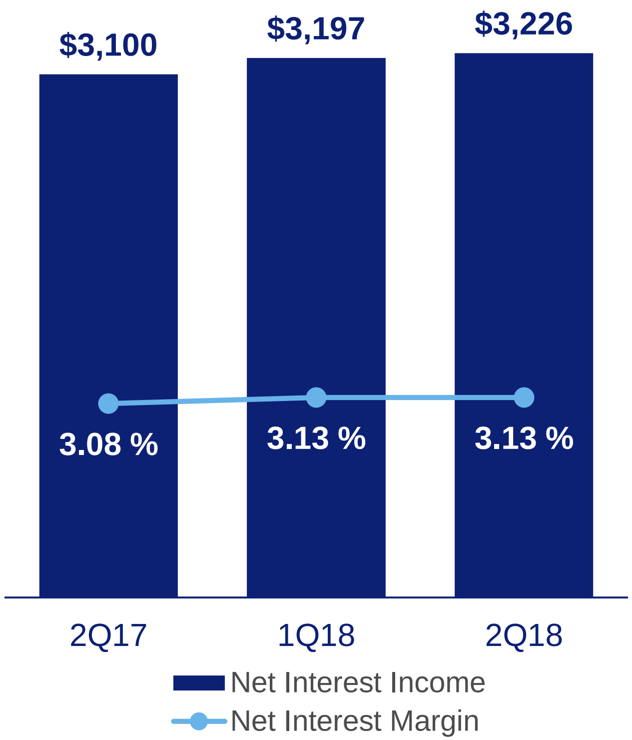


$ in millions

Earnings Summary

$ and shares in millions, except EPS				Reported % Change	
	2Q18	1Q18	2Q17	vs. 1Q18	vs. 2Q17
Net Interest Income	$3,197	$3,168	$3,049	0.9	4.9
Taxable-equivalent Adjustment	29	29	51	--	(43.1)
Net Interest Income (taxable-equivalent basis)	3,226	3,197	3,100	0.9	4.1
Noninterest Income	2,414	2,272	2,348	6.3	2.8
Net Revenue	**5,640**	**5,469**	**5,448**	3.1	3.5
Noninterest Expense	3,085	3,055	2,984	1.0	3.4
Operating Income	**2,555**	**2,414**	**2,464**	5.8	3.7
Net Charge-offs	332	341	340	(2.6)	(2.4)
Excess Provision	(5)	--	10	NM	NM
Income Before Taxes	**2,228**	**2,073**	**2,114**	7.5	5.4
Applicable Income Taxes	470	391	602	20.2	(21.9)
Noncontrolling Interests	(8)	(7)	(12)	(14.3)	33.3
Net Income	**1,750**	**1,675**	**1,500**	4.5	16.7
Preferred Dividends/Other	72	78	70	(7.7)	2.9
Net Income to Common	**$1,678**	**$1,597**	**$1,430**	5.1	17.3
Diluted EPS	$1.02	$0.96	$0.85	6.3	20.0
Average Diluted Shares	1,646	1,657	1,690	(0.7)	(2.6)

Net Interest Income



+0.9% linked quarter

+4.1% year-over-year

Linked Quarter

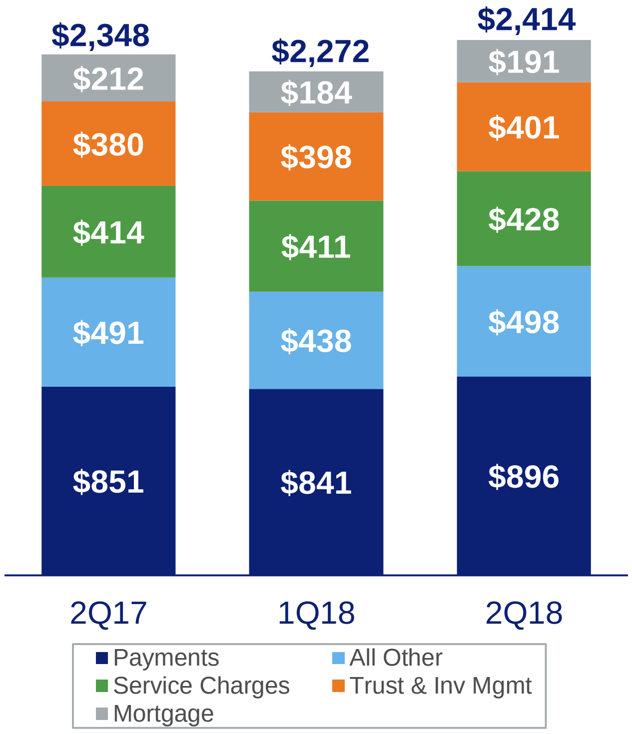
- Growth in net interest income was primarily driven by the impact of higher interest rates and an additional day in the second quarter.
- The net interest margin was flat, reflecting the impact of higher interest rates offset by a deposit and funding mix shift.

Year-over-Year

- Net interest income growth was principally driven by growth in earning assets and the impact of rising interest rates.
- The net interest margin increased five basis points as the impact of higher interest rates was offset by loan mix, higher funding costs and the impact of tax reform of two basis points.

$ in millions
Taxable-equivalent basis

Noninterest Income



+6.3% linked quarter

+2.8% year-over-year

Linked Quarter

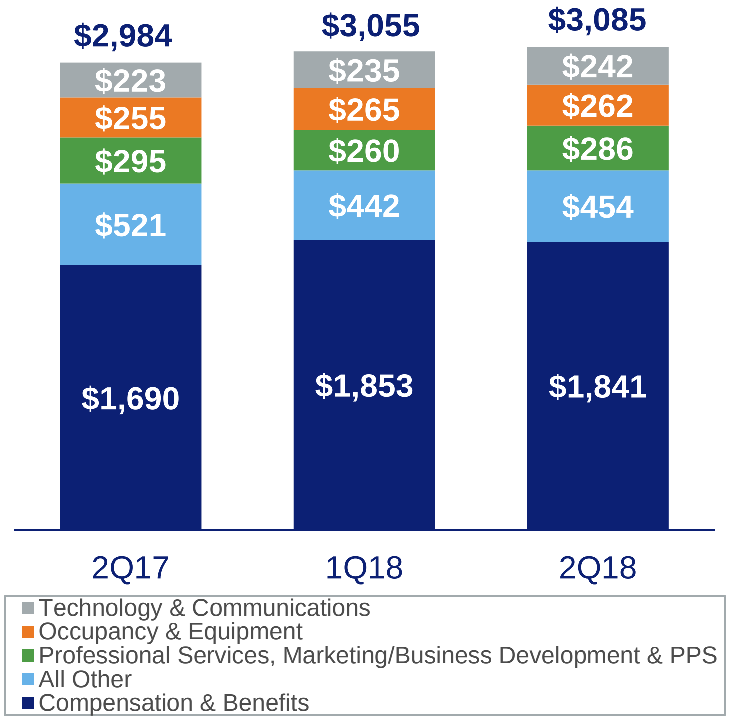
- Payment services revenue growth was driven by seasonally higher credit and debit card revenue as well as higher merchant processing volumes.
- All other noninterest income growth reflects growth in commercial products revenue, driven by stronger capital markets volume, and higher other noninterest income which includes the student loan portfolio sale and equity investment income.

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 declined due to lower mortgage production, partially offset by a favorable change in the valuation of mortgage servicing rights, net of hedging activities.

$ 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



+1.0% linked quarter

+3.4% year-over-year

Linked Quarter

- Noninterest expense growth was primarily driven by seasonally higher professional services and marketing and business development expense as well as higher compensation expense.
- Employee benefits expense saw a seasonal decline due to higher payroll taxes during the first quarter of each year.

Year-over-Year

- Noninterest expense growth was driven by higher personnel costs and technology investment.
- Growth in compensation and employee benefits expense reflects the impact of hiring to support business growth and compliance programs, merit increases, higher variable compensation related to business production and increased medical costs.

$ in millions

Capital Position

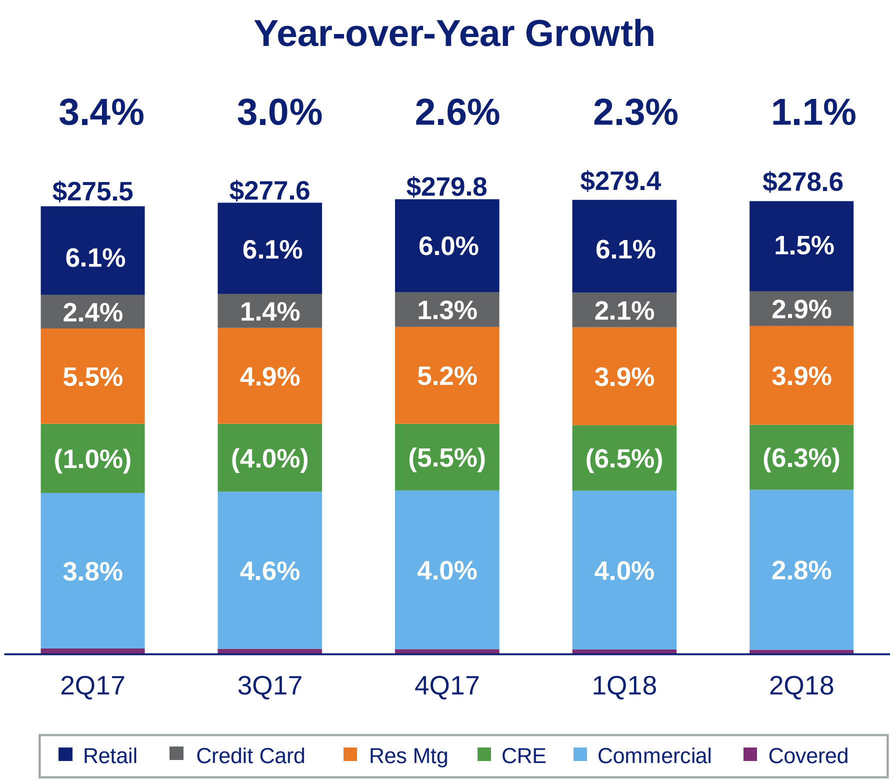
$ in billions	2Q18	1Q18	4Q17	3Q17	2Q17
Total U.S. Bancorp shareholders' equity	$49.6	$49.2	$49.0	$48.7	$48.3
Basel III Standardized Approach					
Common equity tier 1 capital ratio	9.1%	9.0%	9.3%	9.6%	9.5%
Tier 1 capital ratio	10.5%	10.4%	10.8%	11.1%	11.1%
Total risk-based capital ratio	12.6%	12.5%	12.9%	13.2%	13.2%
Leverage ratio	8.9%	8.8%	8.9%	9.1%	9.1%
Basel III Advanced Approaches					
Common equity tier 1 capital to risk-weighted assets	11.6%	11.5%	12.0%	12.1%	12.0%
Tangible common equity to tangible assets*	7.8%	7.7%	7.6%	7.7%	7.5%
Tangible common equity to risk-weighted assets*	9.3%	9.3%	9.4%	9.5%	9.4%

* See Non-GAAP Financial Measures reconciliation on slide 24

Appendix

Average Loans

Average Loans ($bn)



Key Points

vs. 2Q17

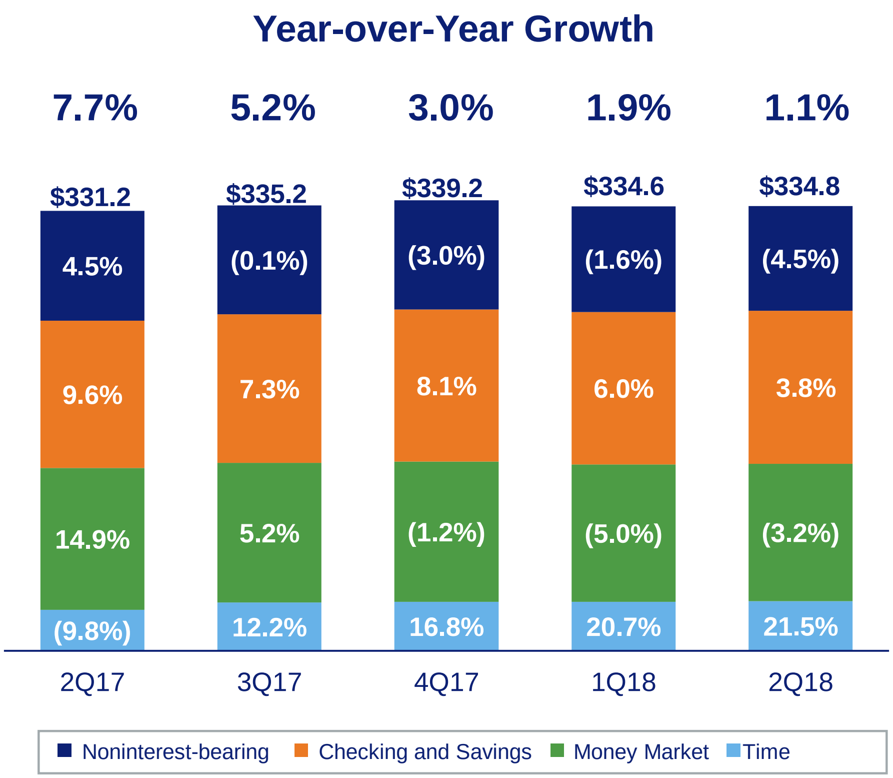
- Average total loans increased by $3.1 billion, or 1.1%
- Average commercial loans increased by $2.7 billion, or 2.8%
- Average residential mortgage loans increased by $2.3 billion, or 3.9%
- Average commercial real estate loans decreased by $2.7 billion, or 6.3%

vs. 1Q18

- Average total loans declined $0.8 billion, or 0.3%
- Average commercial loans increased by $0.9 billion, or 0.9%
- Average residential mortgage loans increased by $0.7 billion, or 1.1%
- Average commercial real estate loans declined $0.5 billion, or 1.3%

Average Deposits

Average Deposits ($bn)



Key Points

vs. 2Q17

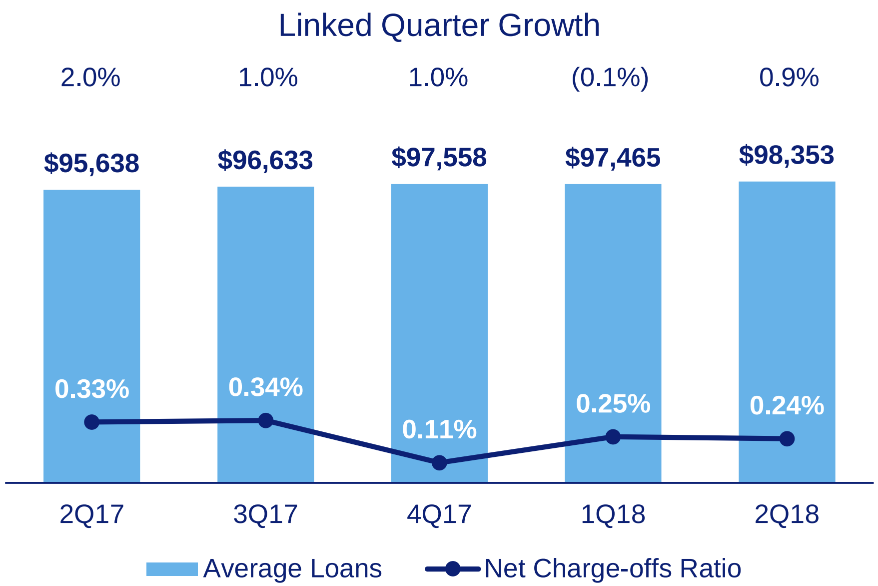
- Average total deposits increased by $3.7 billion, or 1.1%
- Average low-cost deposits (NIB, interest checking, savings and money market) declined $3.0 billion, or 1.0%

vs. 1Q18

- Average total deposits increased by $0.2 billion, or 0.1%
- Average low-cost deposits declined $0.3 billion, or 0.1%

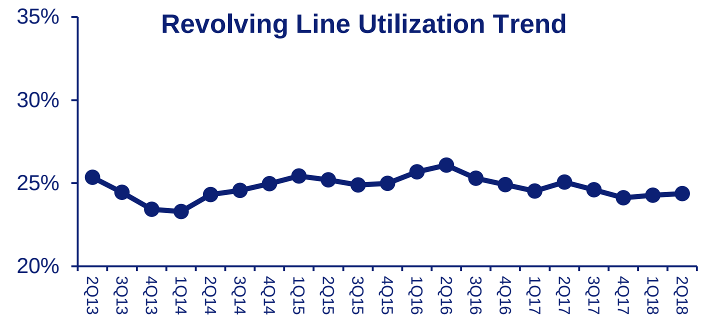
Credit Quality – Commercial Loans

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



Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$95,638	$97,465	$98,353
30-89 Delinquencies	0.27%	0.25%	0.23%
90+ Delinquencies	0.05%	0.06%	0.06%
Nonperforming Loans	0.33%	0.31%	0.23%

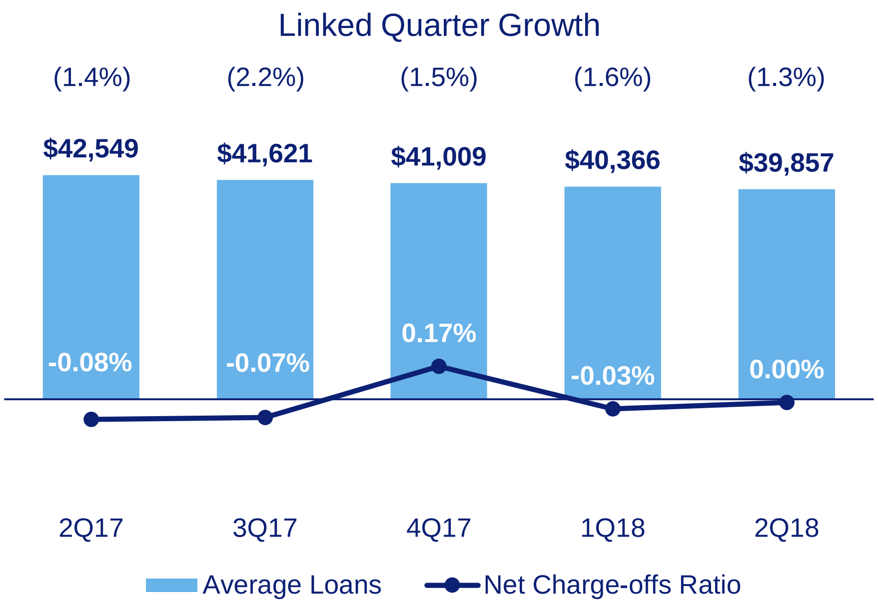


Key Points

- Linked quarter growth of 0.9% was primarily driven by increased capital expenditure investment in the middle market segment
- Net charge-offs were stable quarter-over-quarter and lower year-over-year due to lower gross charge-offs

Credit Quality – Commercial Real Estate

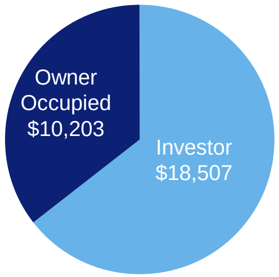
Average Loans ($mm) and Net Charge-offs Ratio



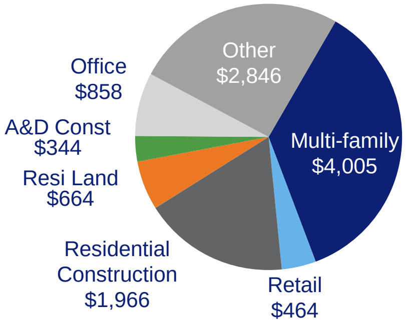
Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$42,549	$40,366	$39,857
30-89 Delinquencies	0.08%	0.09%	0.11%
90+ Delinquencies	0.00%	0.01%	0.01%
Nonperforming Loans	0.28%	0.30%	0.26%
Performing TDRs*	$162	$135	$126

CRE Mortgage



CRE Construction



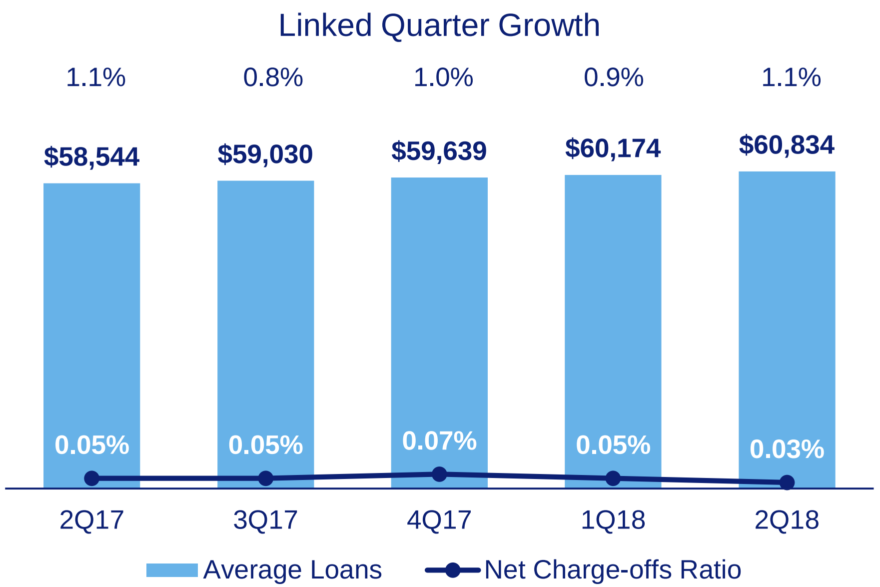
Key Points

- Average loans declined on both a linked quarter and year-over-year basis due to continued early payoff activity
- Credit quality remained strong and stable; nonperforming loans decreased on both a linked quarter and year-over-year basis

* TDR = troubled debt restructuring

Credit Quality – Residential Mortgage

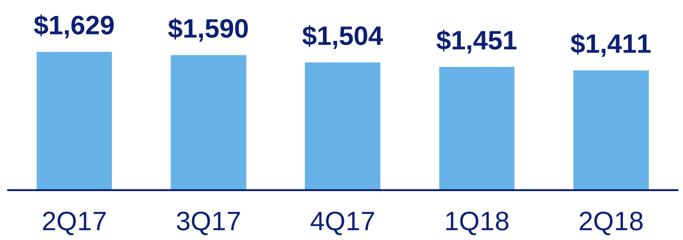
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$58,544	$60,174	$60,834
30-89 Delinquencies	0.22%	0.24%	0.27%
90+ Delinquencies	0.20%	0.22%	0.18%
Nonperforming Loans	0.90%	0.71%	0.65%

Residential Mortgage Performing TDRs*



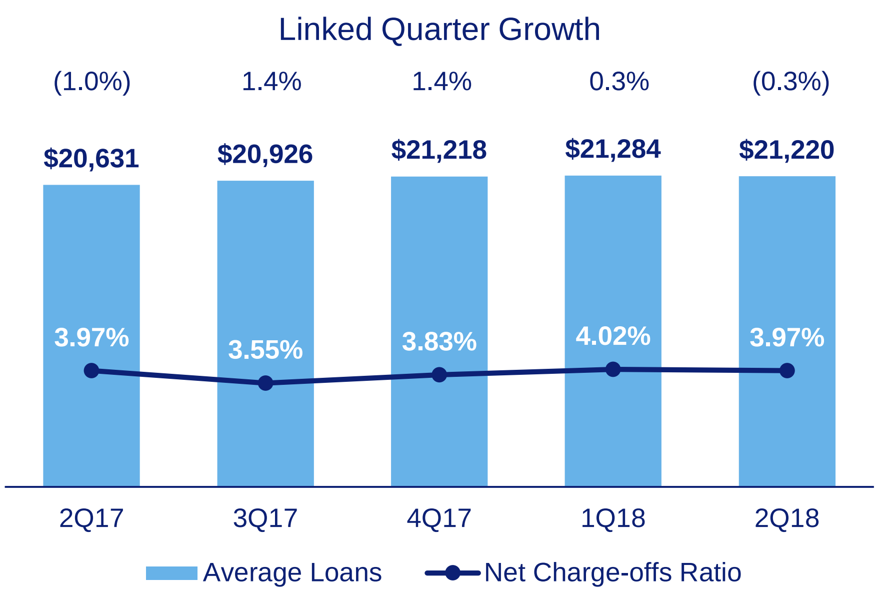
Key Points

- Originations continued to be high credit quality (weighted average FICO of 760, weighted average LTV of 72%)
- More than 92% 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 ($1,665 million in 2Q18)

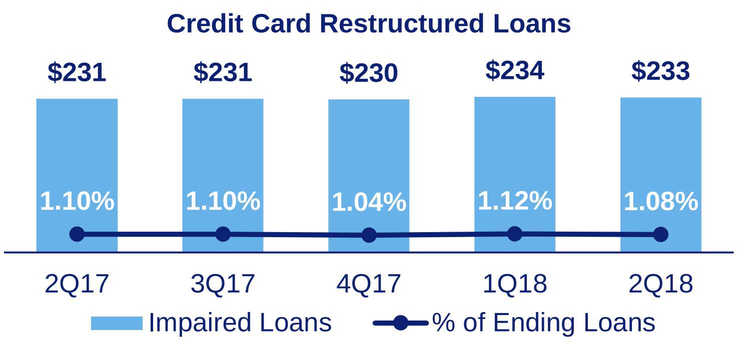
Credit Quality – Credit Card

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



Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$20,631	$21,284	$21,220
30-89 Delinquencies	1.22%	1.32%	1.22%
90+ Delinquencies	1.10%	1.29%	1.15%
Nonperforming Loans	0.00%	0.00%	0.00%

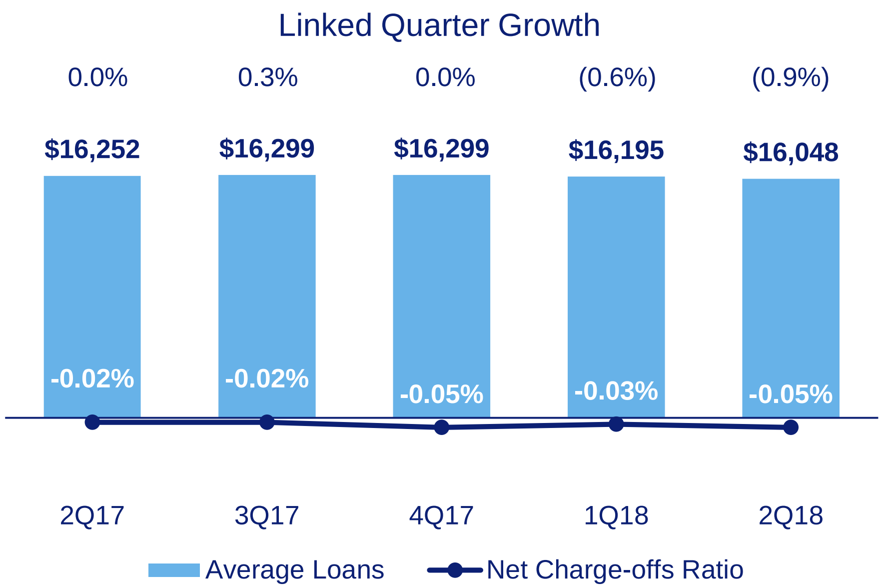


Key Points

- Year-over-year average loan growth of 2.9% was driven by high credit quality originations
- The commitment weighted average FICO on new originations remained strong at 757
- Delinquencies and charge-offs were stable year-over-year

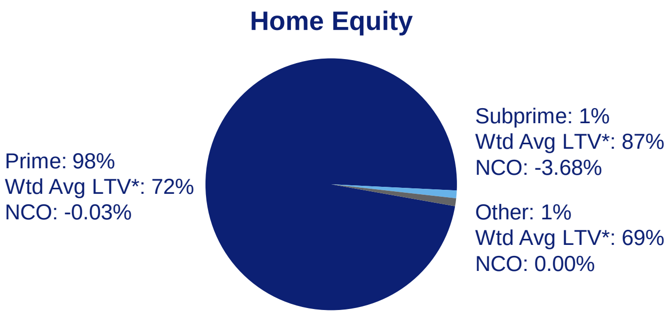
Credit Quality – Home Equity

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



Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$16,252	$16,195	$16,048
30-89 Delinquencies	0.33%	0.41%	0.39%
90+ Delinquencies	0.25%	0.32%	0.29%
Nonperforming Loans	0.74%	0.79%	0.81%



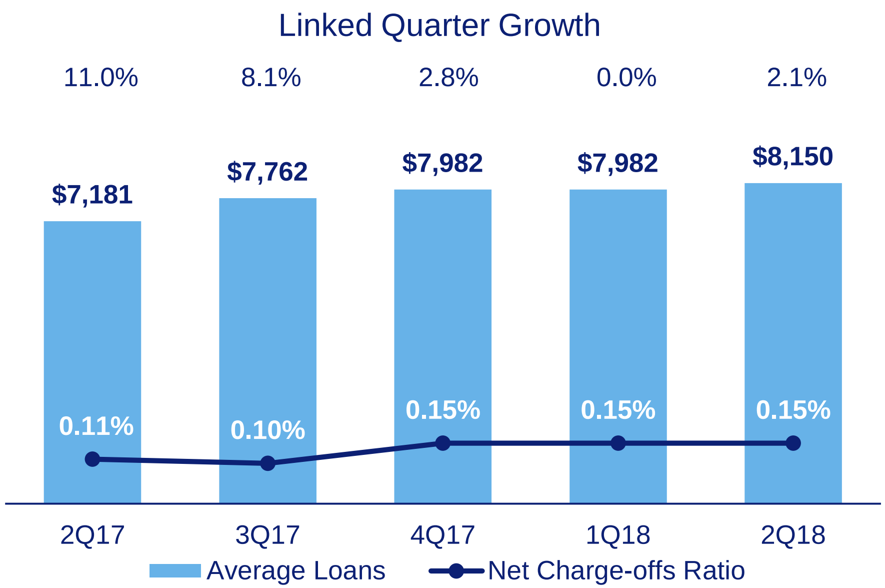
*LTV at origination

Key Points

- High-quality originations (weighted average FICO on commitments of 766, 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

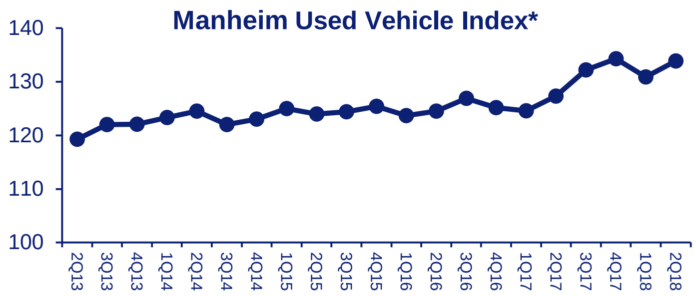
Credit Quality – Retail Leasing

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



Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$7,181	$7,982	$8,150
30-89 Delinquencies	0.22%	0.34%	0.30%
90+ Delinquencies	0.01%	0.02%	0.02%
Nonperforming Loans	0.07%	0.09%	0.12%



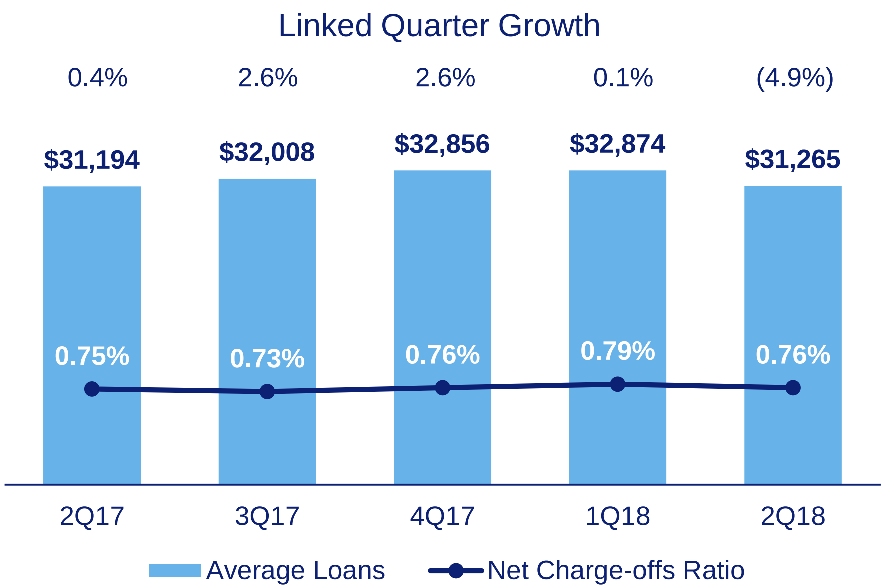
Key Points

- High-quality originations continued to drive strong loan growth
- 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

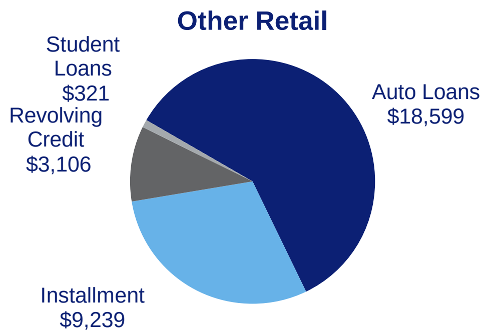
Credit Quality – Other Retail

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



Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$31,194	$32,874	$31,265
30-89 Delinquencies	0.65%	0.73%	0.75%
90+ Delinquencies	0.11%	0.15%	0.13%
Nonperforming Loans	0.10%	0.11%	0.12%

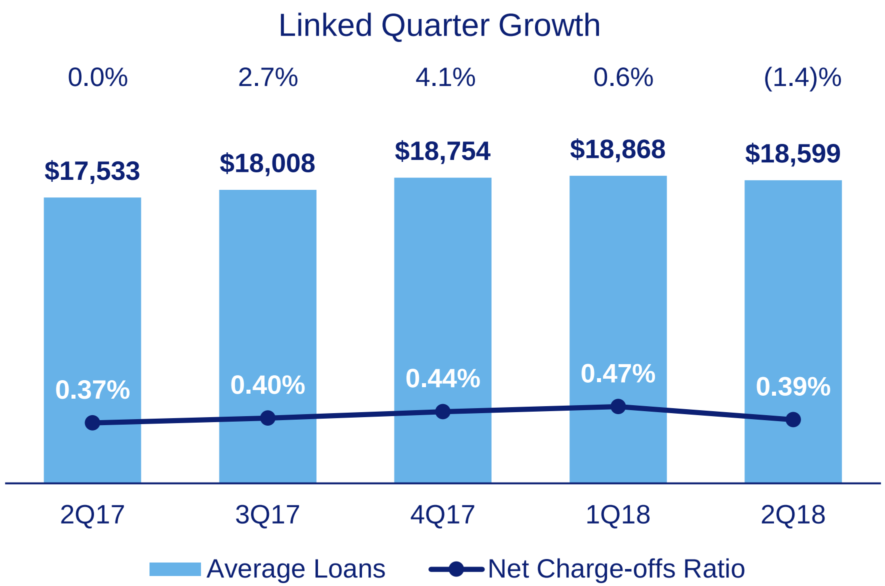


Key Points

- The linked quarter decline in average loans was primarily driven by the 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

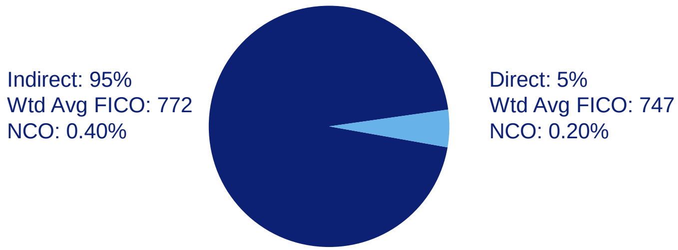
Average Loans ($mm) and Net Charge-offs Ratio



Key Statistics

$mm	2Q17	1Q18	2Q18
Average Loans	$17,533	$18,868	$18,599
30-89 Delinquencies	0.73%	0.85%	0.90%
90+ Delinquencies	0.06%	0.08%	0.08%
Nonperforming Loans	0.12%	0.12%	0.13%

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 775)
- 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)	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
Total equity	$50,257	$49,812	$49,666	$49,351	$48,949
Preferred stock	(5,419)	(5,419)	(5,419)	(5,419)	(5,419)
Noncontrolling interests	(629)	(625)	(626)	(628)	(629)
Goodwill (net of deferred tax liability) (1)	(8,585)	(8,609)	(8,613)	(8,141)	(8,181)
Intangible assets, other than mortgage servicing rights	(571)	(608)	(583)	(595)	(634)
Tangible common equity (a)	35,053	34,551	34,425	34,568	34,086
Total assets	461,329	460,119	462,040	459,227	463,844
Goodwill (net of deferred tax liability) (1)	(8,585)	(8,609)	(8,613)	(8,141)	(8,181)
Intangible assets, other than mortgage servicing rights	(571)	(608)	(583)	(595)	(634)
Tangible assets (b)	452,173	450,902	452,844	450,491	455,029
Risk-weighted assets, determined in accordance with the Basel III standardized approach (c)	375,466 *	373,141	367,771	363,957	361,164
Tangible common equity (as calculated above)			34,425	34,568	34,086
Adjustments (2)			(550)	(52)	(51)
Common equity tier 1 capital estimated for the Basel III fully implemented standardized and advanced approaches (d)			33,875	34,516	34,035
Risk-weighted assets, determined in accordance with prescribed transitional standardized approach regulatory requirements			367,771	363,957	361,164
Adjustments (3)			4,473	3,907	3,967
Risk-weighted assets estimated for the Basel III fully implemented standardized approach (e)			372,244	367,864	365,131
Risk-weighted assets, determined in accordance with prescribed transitional advanced approaches regulatory requirements			287,211	287,800	287,124
Adjustments (4)			4,769	4,164	4,231
Risk-weighted assets estimated for the Basel III fully implemented advanced approaches (f)			291,980	291,964	291,355
Ratios *					
Tangible common equity to tangible assets (a)/(b)	7.8 %	7.7 %	7.6 %	7.7 %	7.5 %
Tangible common equity to risk-weighted assets (a)/(c)	9.3	9.3	9.4	9.5	9.4
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented standardized approach (d)/(e)			9.1	9.4	9.3
Common equity tier 1 capital to risk-weighted assets estimated for the Basel III fully implemented advanced approaches (d)/(f)			11.6	11.8	11.7

* Preliminary data. Subject to change prior to filings with applicable regulatory agencies.
(1) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.
(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.

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended June 30, 2018	March 31, 2018	June 30, 2017
Net income applicable to U.S. Bancorp common shareholders	$1,678	$1,597	$1,430
Intangibles amortization (net-of-tax)	32	31	28
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization	1,710	1,628	1,458
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (a)	6,859	6,602	5,848
Average total equity	49,950	49,450	48,909
Less: Average preferred stock	5,419	5,419	5,419
Less: Average noncontrolling interests	628	625	636
Less: Average goodwill (net of deferred tax liability) (1)	8,602	8,627	8,160
Less: Average intangible assets, other than mortgage servicing rights	588	603	650
Average U.S. Bancorp common shareholders' equity, excluding intangible assets (b)	34,713	34,176	34,044
Return on tangible common equity (a)/(b)	19.8 %	19.3 %	17.2 %

(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 June 30, 2018	March 31, 2018	June 30, 2017
Net interest income	$3,197	$3,168	$3,049
Taxable-equivalent adjustment (1)	29	29	51
Net interest income, on a taxable-equivalent basis	3,226	3,197	3,100
Net interest income, on a taxable-equivalent basis (as calculated above)	3,226	3,197	3,100
Noninterest income	2,414	2,272	2,348
Less: Securities gains (losses), net	10	5	9
Total net revenue, excluding net securities gains (losses) (a)	5,630	5,464	5,439
Noninterest expense (b)	3,085	3,055	2,984
Efficiency ratio (b)/(a)	54.8 %	55.9 %	54.9 %

(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 2Q18 Earnings Conference Call

July 18, 2018