

Goldman Sachs U.S. Financial Services Conference 2008

Richard K. Davis
Chairman, President and CEO
December 11, 2008



Forward-looking Statements

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

This 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. These statements often include the words “may,” “could,” “would,” “should,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “targets,” “potentially,” “probably,” “projects,” “outlook” or similar expressions. 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, including continued deterioration in general business and economic conditions and in the financial markets; changes in interest rates; deterioration in the credit quality of our loan portfolios or in the value of the collateral securing those loans; deterioration in the value of securities held in our investment securities portfolio; legal and regulatory developments; increased competition from both banks and non-banks; changes in customer behavior and preferences; 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, legal risk, and regulatory and compliance risk. A continuation of the recent turbulence in significant portions of the global financial markets, particularly if it worsens, could impact our performance, both directly by affecting our revenues and the value of our assets and liabilities, and indirectly by affecting our counterparties and the economy generally. Dramatic declines in the housing market in the past year have resulted in significant write-downs of asset values by financial institutions. Concerns about the stability of the financial markets generally have reduced the availability of funding to certain financial institutions, leading to a tightening of credit, reduction of business activity, and increased market volatility. There can be no assurance that the Emergency Economic Stabilization Act of 2008, the actions taken by the U.S. Treasury Department thereunder, or any other governmental program, will help to stabilize the U.S. financial system or alleviate the industry or economic factors that may adversely impact our business. In addition, our business and financial performance could be impacted as the financial industry restructures in the current environment, by changes in the creditworthiness and performance of our counterparties, by changes in the competitive landscape, and by increased regulation or other adverse effects of recently enacted legislation and FDIC actions.

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, 2007, on file with the Securities and Exchange Commission, including the sections entitled “Risk Factors” and “Corporate Risk Profile,” 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. Forward-looking statements speak only as of the date they are made, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

U.S. Bancorp Businesses

3Q08 Dimensions

• Asset Size	\$247 billion
• Deposits	\$140 billion
• Loans	\$170 billion
• Customers	14.9 million
• NYSE Traded	USB
• Market Capitalization*	\$49 billion
• Founded	1863
• Bank Branches**	2,769
• ATMs**	5,159

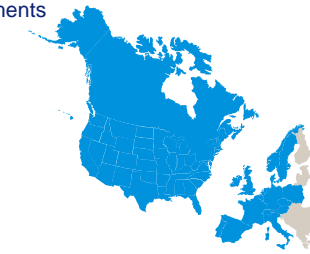
Regional
Consumer and Business Banking
Wealth Management



National
Wholesale Banking
Trust Services



Global
Payments



* Market Value as of December 9, 2008

** Includes Downey/PFF

U.S. Bancorp - Positioned for Growth

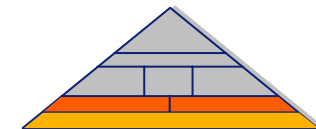
✓ Financial Performance

✓ Investing for Growth

✓ Shareholder Focus



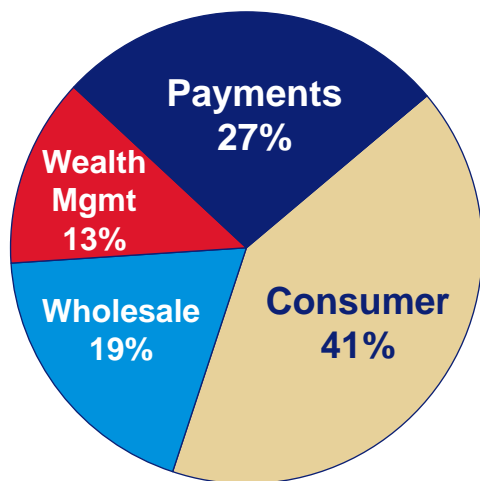
Financial Performance



- ✓ Diversified mix of businesses, cost control and prudent risk management = lower risk, lower volatility in earnings stream given today's economic environment

3Q08 YTD	USB	Peer Median	USB Rank
Return on Assets	1.45%	0.51%	1
Return on Common Equity	16.6%	4.9%	1
Return on Tangible Equity	29.5%	11.5%	1
Efficiency Ratio	46.3%	62.1%	1
Net Interest Margin	3.60%	3.30%	3

Revenue Mix By Business Line

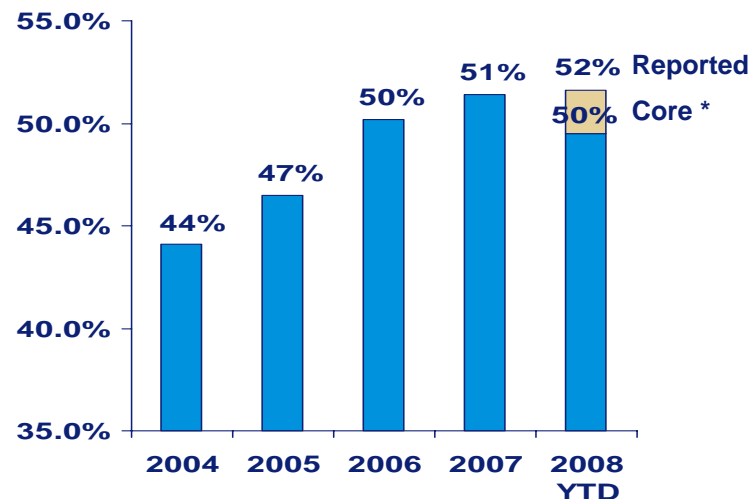


3Q08 YTD

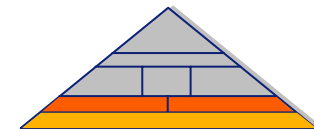
* Core fee income excludes \$492 million VISA gain

Peer banks: BAC, BBT, CMA, FITB, KEY, NCC, PNC, RF, STI, USB, WB and WFC

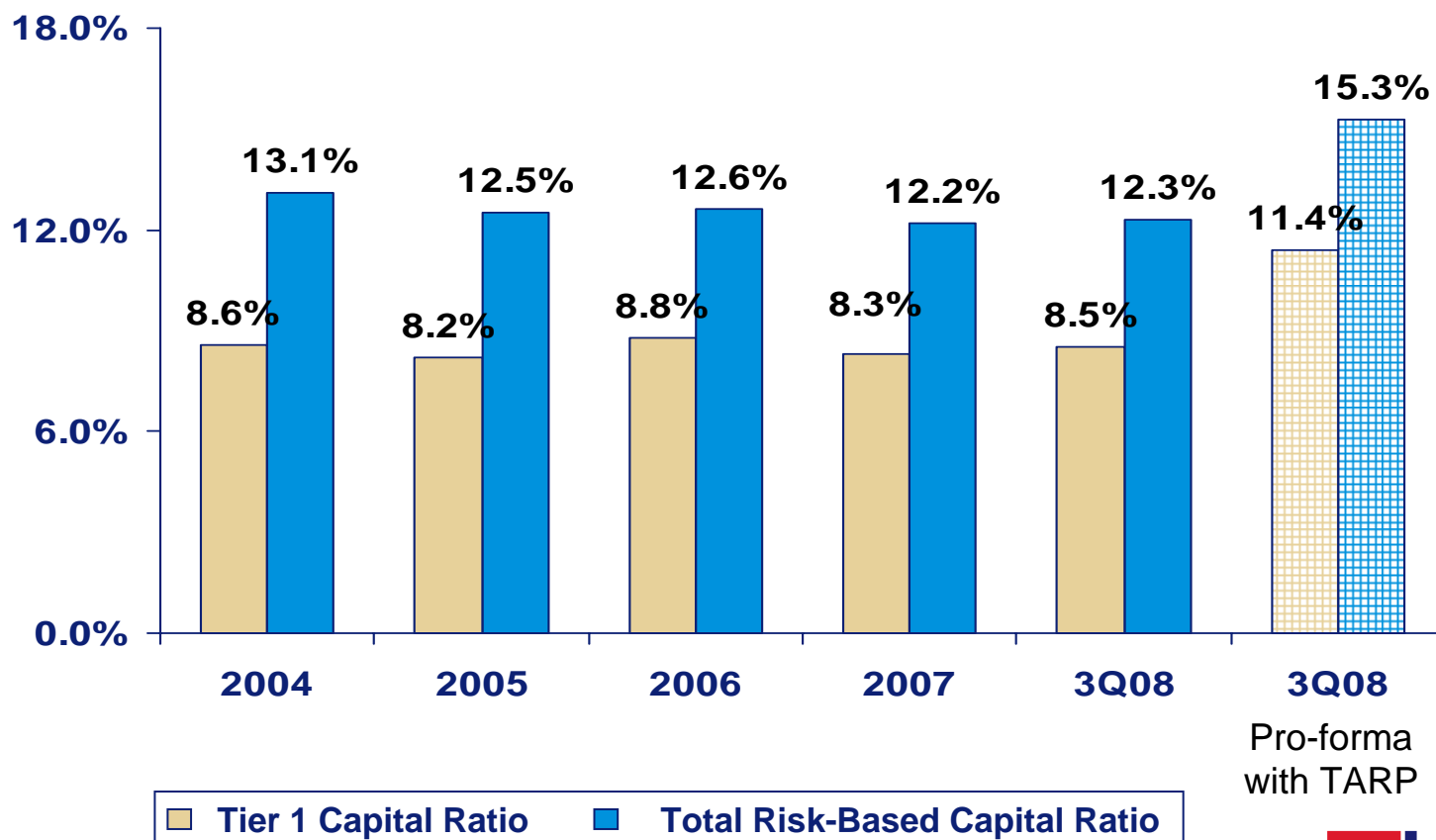
Fee Income / Total Revenue



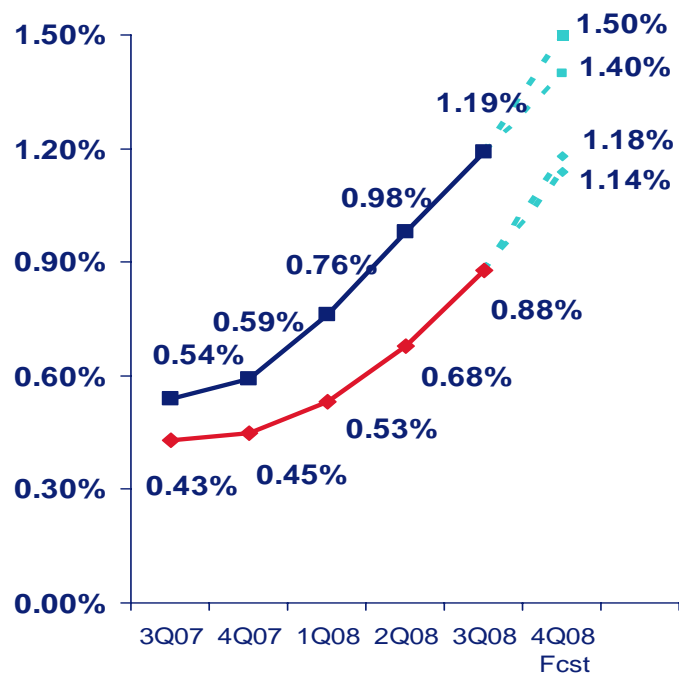
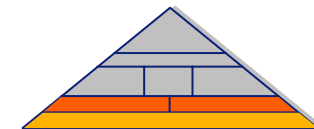
Financial Performance



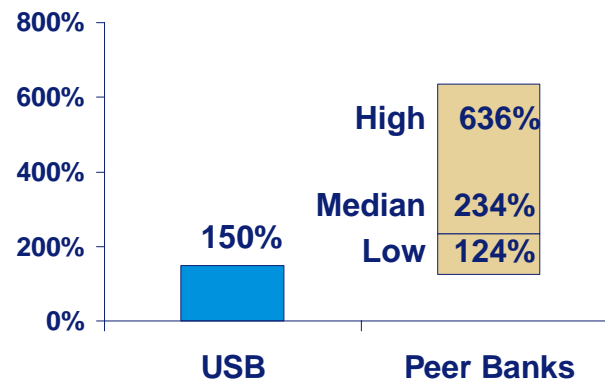
✓ Profitability and prudent management = strong capital ratios



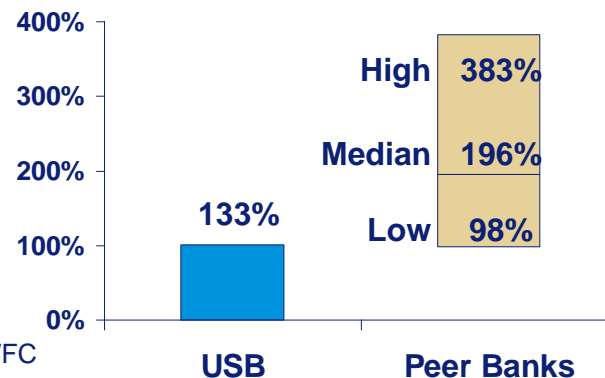
Credit Quality



Growth in Net Charge-offs
3Q08 vs 3Q07

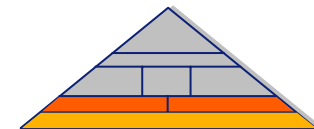


Growth in Nonperforming Assets
3Q08 vs 3Q07



Peer Banks: BAC, BBT, CMA, FITB, KEY, NCC, PNC, RF, STI, USB, WB and WFC
4Q08 forecast net charge-off ratio and NPA ratio exclude impact of Downey/PFF

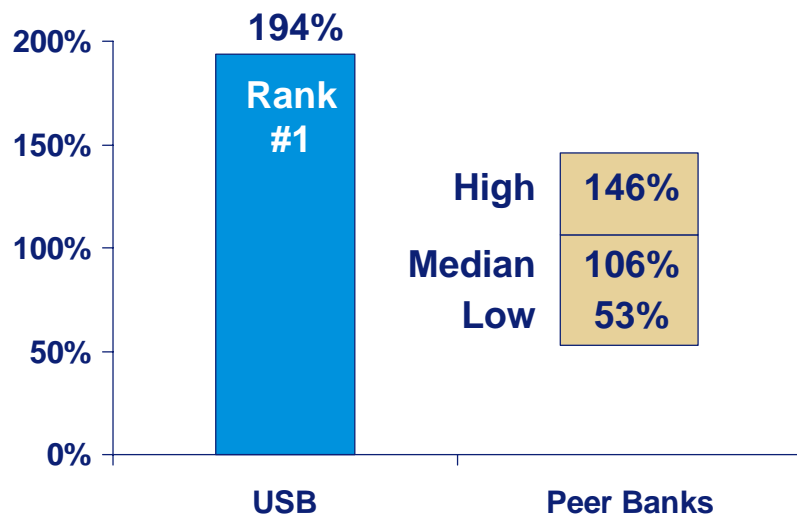
Credit Quality



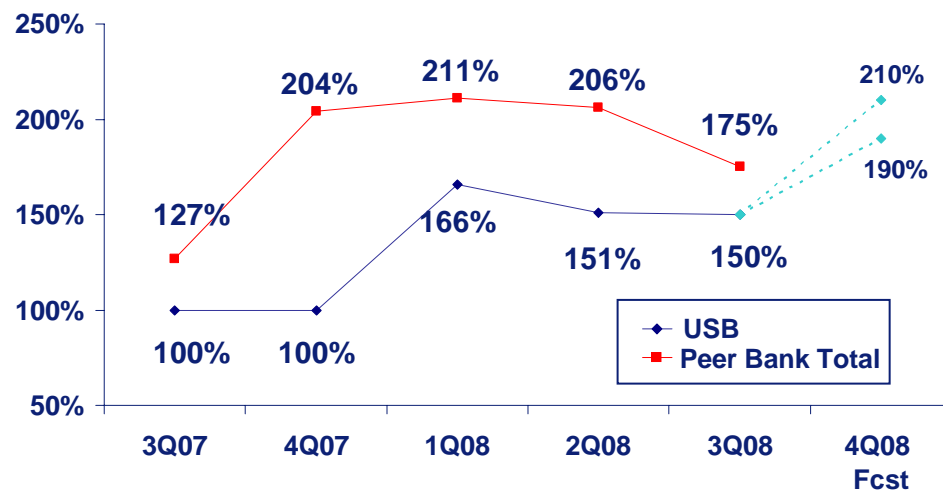
Loan Loss Reserve Build

- ✓ Later and less severe than peers
- ✓ Continue building reserve until the outlook for credit improves

3Q08 Allowance / NPA's

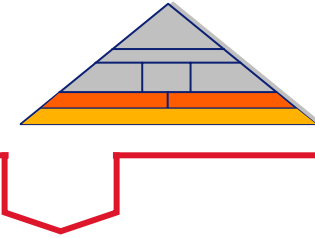


Provision / Net Charge-offs



Peer Banks: BAC, BBT, CMA, FITB, KEY, NCC, PNC, RF, STI, USB, WB and WFC

Navigating the Current Environment

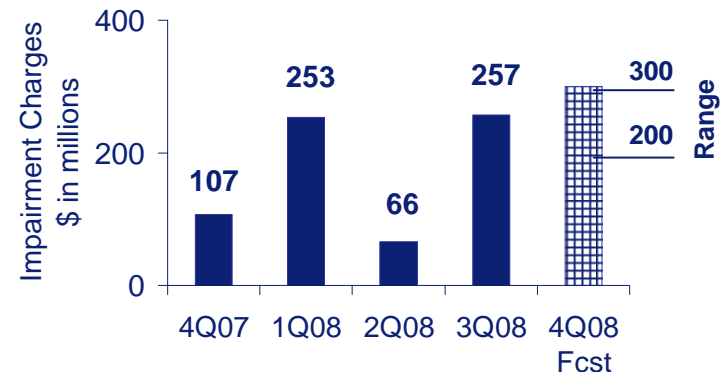


Opportunities

- ✓ Core businesses continue to perform:
 - Continued growth in core operating income
 - Strong growth in loans and deposits
 - “Flight to quality”
 - “Open for business”
 - Favorable rate environment – yield curve/credit spreads
 - Strong capital and liquidity position
- ✓ Continued investment for future growth:
 - Corporate-wide initiatives
 - Business line initiatives
 - Opportunity for future acquisitions
 - Employee engagement

Challenges

- ✓ Credit quality
 - Net charge-offs of approximately \$600 - \$650 million in 4Q08
 - NPAs will continue to rise
 - Reserve build in 4Q08 90-110% of net charge-offs based on portfolio dynamics and economic conditions
- ✓ Market related write-downs
 - 4Q08 impairment of approximately \$200 - \$300 million due to expected credit losses and declining prices on ABCP/SIV and non-agency MBS

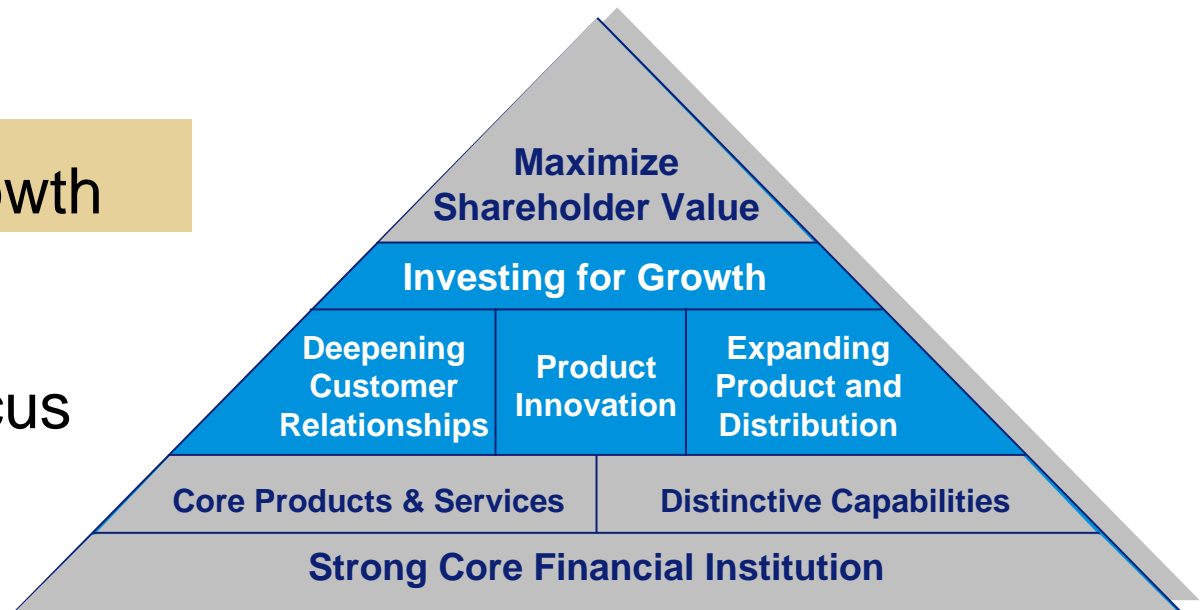


U.S. Bancorp - Investing for Growth

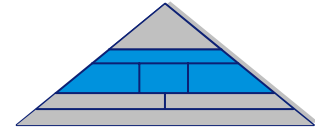
✓ Financial Performance

✓ Investing for Growth

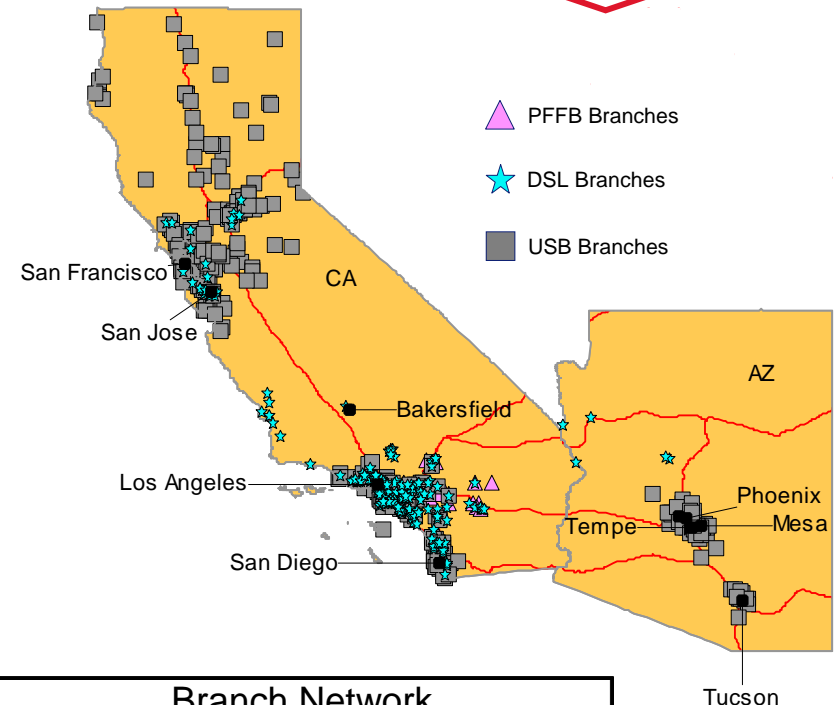
✓ Shareholder Focus



Downey Savings & Loan / PFF Bank & Trust



- ✓ Expands the depth and breadth of our distribution system in one of the fastest growing regions within our footprint
 - \$17 billion in assets; \$12 billion in deposits
 - 208 branches in California and 5 branches in Arizona
- ✓ FDIC loss sharing provides downside protection
- ✓ Financially attractive for USB shareholders
- ✓ Follows Mellon 1st Business Bank completed in 2Q08



Branch Network			
Rank	Bank	U.S.	CA
1	WFC	6,800	1,206
2	BAC	6,207	1,040
3	JPM	5,487	707
4	USB	2,826	561

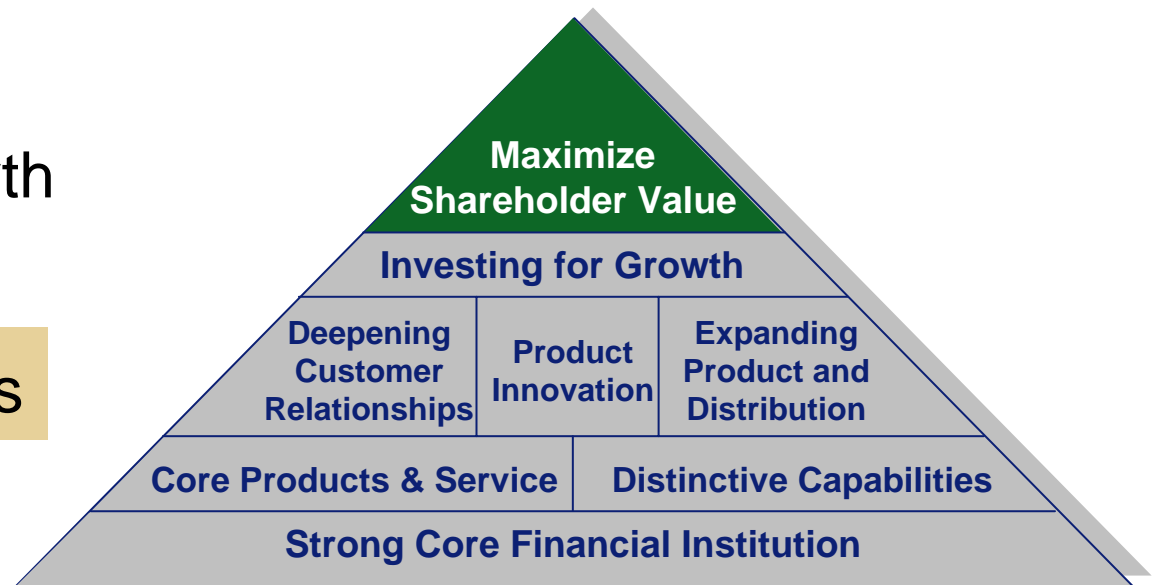
Branch network source: SNL pro-forma as of 12/8/08

Maximizing Shareholder Value

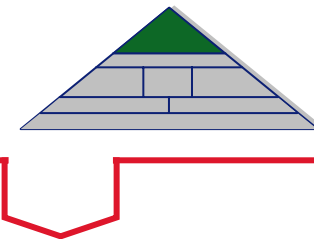
✓ Financial Performance

✓ Investing for Growth

✓ Shareholder Focus

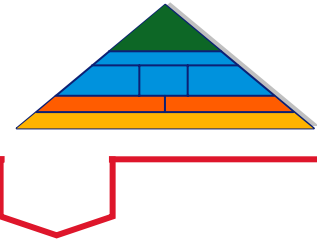


Total Shareholder Return



As of 12/9/08	1 Year	3 Year	5 Year
U.S. Bancorp	(9.9)%	2.4%	4.9%
S&P 500 Commercial Bank Index	(38.7)%	(15.9)%	(6.2)%
S&P 500 Index	(39.6)%	(9.2)%	(1.6)%

Dividend Announcement 12/9/08
4Q08 Dividend = \$0.425
Yield as of 12/9/08 = 6.0%



Consistent

Predictable

Repeatable

Goldman Sachs U.S. Financial Services Conference 2008

Richard K. Davis
Chairman, President and CEO
December 11, 2008

