January 25, 2023

U.S. Bancorp
4Q22 Earnings Conference Call

Forward-looking Statements and Additional Information

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 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, future economic conditions and the anticipated future revenue, expenses, financial condition, asset quality, capital and liquidity levels, plans, prospects and operations of U.S. Bancorp. Forward-looking statements often use words such as "anticipates," "targets," "expects," "hopes," "estimates," "projects," "forecasts," "intends," "plans," "goals," "believes," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could."

Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from those set forth in forward-looking statements, including the following risks and uncertainties: deterioration in general business and economic conditions or turbulence in domestic or global financial markets, which could adversely affect U.S. Bancorp's revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit, and increase stock price volatility; changes to statutes, regulations, or regulatory policies or practices, including capital and liquidity requirements, and the enforcement and interpretation of such laws and regulations, and U.S. Bancorp's ability to address or satisfy those requirements and other requirements or conditions imposed by regulatory entities; changes in interest rates; increases in unemployment rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; risks related to originating and selling mortgages, including repurchase and indemnity demands, and related to U.S. Bancorp's role as a loan servicer; impacts of current, pending or future litigation and governmental proceedings; increased competition from both banks and non-banks; effects of climate change and related physical and transition risks; changes in customer behavior and preferences and the ability to implement technological changes to respond to customer needs and meet competitive demands; breaches in data security; failures or disruptions in or breaches of U.S. Bancorp's operational or security systems or infrastructure, or those of third parties; failures to safeguard personal information; impacts of pandemics, including the COVID-19 pandemic, natural disasters, terrorist activities, civil unrest, international hostilities and geopolitical events; impacts of supply chain disruptions, rising inflation, slower growth or a recession; failure to execute on strategic or operational plans; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; effects of changes in or interpretations of tax laws and regulations; management's ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputation risk; and the risks and uncertainties more fully discussed in the section entitled "Risk Factors" of U.S. Bancorp's Form 10-K for the year ended December 31, 2021, and subsequent filings with the Securities and Exchange Commission.

In addition, U.S. Bancorp's acquisition of MUFG Union Bank presents risks and uncertainties, including, among others: the risk that the cost savings, any revenue synergies and other anticipated benefits of the acquisition may not be realized or may take longer than anticipated to be realized; and the possibility that the combination of MUFG Union Bank with U.S. Bancorp, including the integration of MUFG Union Bank, may be more costly or difficult to complete than anticipated or have unanticipated adverse results.

In addition, factors other than these risks also could adversely affect U.S. Bancorp's results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Readers are cautioned not to place undue reliance on any forward-looking statements. 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. Bankcorp'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.

4Q22 Highlights

- **Successful Acquisition of Union Bank**
  - Closed transaction December 1st; Conversion expected over Memorial Day weekend
- **Positive operating leverage of 230bps[1,2,3]**
- **Strong financial performance**
  - Solid pre-provision earnings growth as adjusted for notable items[1], driven by net interest income and wider net interest margin
- **Superior credit quality**
  - Normalizing but still strong credit quality metrics
- **Healthy capital levels**
  - Common equity tier 1 capital ratio reflecting Basel III standardized approach of 8.4% as of December 31

	Reported	Adjusted[1,2]
Earnings per share	$0.57	$1.20
Return on Average Assets	0.59%	1.20%
Return on Average Common Equity	8.0%	16.8%
Return on Tangible Common Equity[2]	11.5%	23.4%
Efficiency Ratio[2]	63.3%	58.4%
Tangible Efficency Ratio[2]	62.0%	57.2%

[1] Adjusted for notable items (shown on slide 8) which include acquisition impacts related to balance sheet optimization, merger & integration charges, and provision for credit losses
[2] Non-GAAP; see slides 29, 30 and 32 for calculations
[3] Legacy basis

4Q22 Highlights

Income Statement $ in millions, except EPS	Reported 4Q22	*Adjusted*[1,2] *4Q22*	Adjusted change vs. 3Q22	 4Q21
Net interest income[3]	**$4,325**	***$4,325***	12.1 %	37.3 %
Noninterest income	**2,043**	***2,442***	(1.1)	(3.6)
Net income	**925**	***1,877***	1.7	12.2
Diluted EPS	**$0.57**	**$1.20**	1.7 %	12.1 %

Balance Sheet $ in billions	Ending balance 4Q22	Avg balance 4Q22	Ending Period Balance change vs. 3Q22	 4Q21
Total assets	**$674.8**	**$622.1**	12.3 %	17.7 %
Earning assets	**614.5**	**572.7**	11.1	17.3
Total loans	**388.2**	**359.8**	13.3	24.4
Total deposits	**525.0**	**481.8**	11.4	15.1

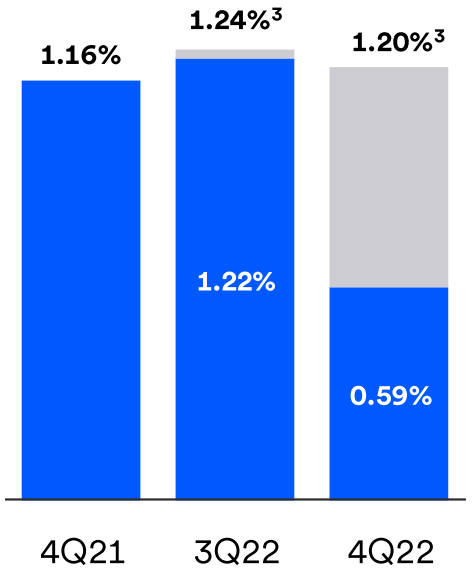
Credit Quality $ in millions	4Q22	Change vs. 3Q22	 4Q21
Nonperforming assets	**$1,016**	50.1 %	15.7 %
NPA ratio	**0.26 %**	6 bps	(2 bps)
Adjusted net charge-off ratio[2]	**0.23 %**	4 bps	6 bps

Capital	4Q22	Change vs. 3Q22	 4Q21
CET1 capital ratio[4]	**8.4 %**	(130 bps)	(160 bps)
Book value per share	**$28.71**	4.8 %	(12.2) %
Tangible book value per share[2]	**$19.45**	(6.2) %	(24.9) %
Earnings returned (millions)[5]	**$752**		

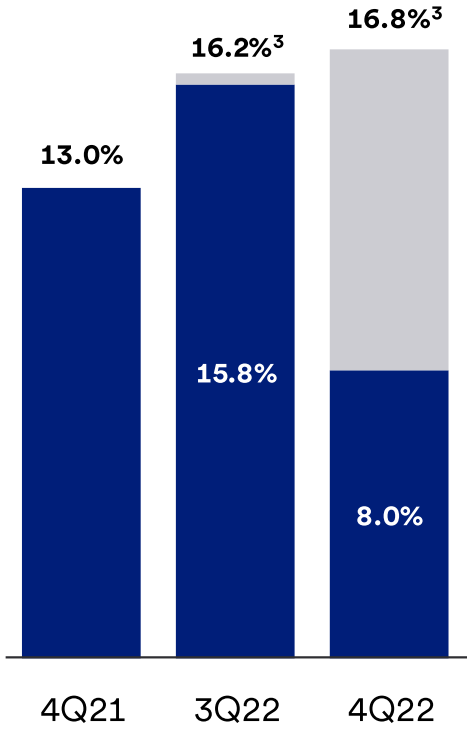
[1] Adjusted for notable items (shown on slide 8) which include acquisition impacts related to balance sheet optimization, merger & integration charges, and provision for credit losses
[2] Non-GAAP; see slides 29 to 32 for calculations
[3] Taxable-equivalent basis; see slide 29 for calculation
[4] Common equity tier 1 capital to risk-weighted assets, reflecting Basel III standardized with 5 year CECL transition
[5] Earnings returned (millions) = total common dividends paid and aggregate value of common shares repurchased

Performance Ratios

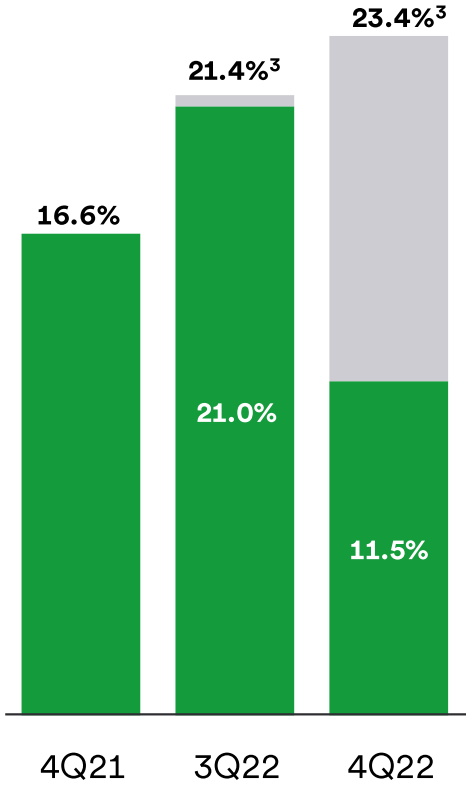
Return on Average Assets



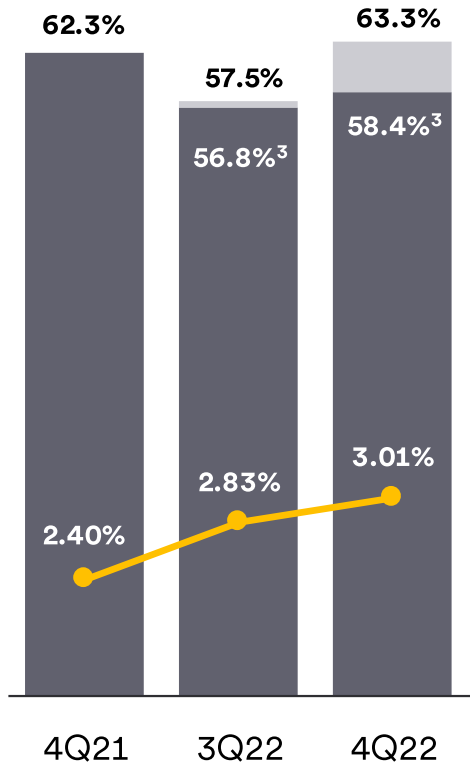
Return on Average Common Equity



Return on Tangible Common Equity[1]

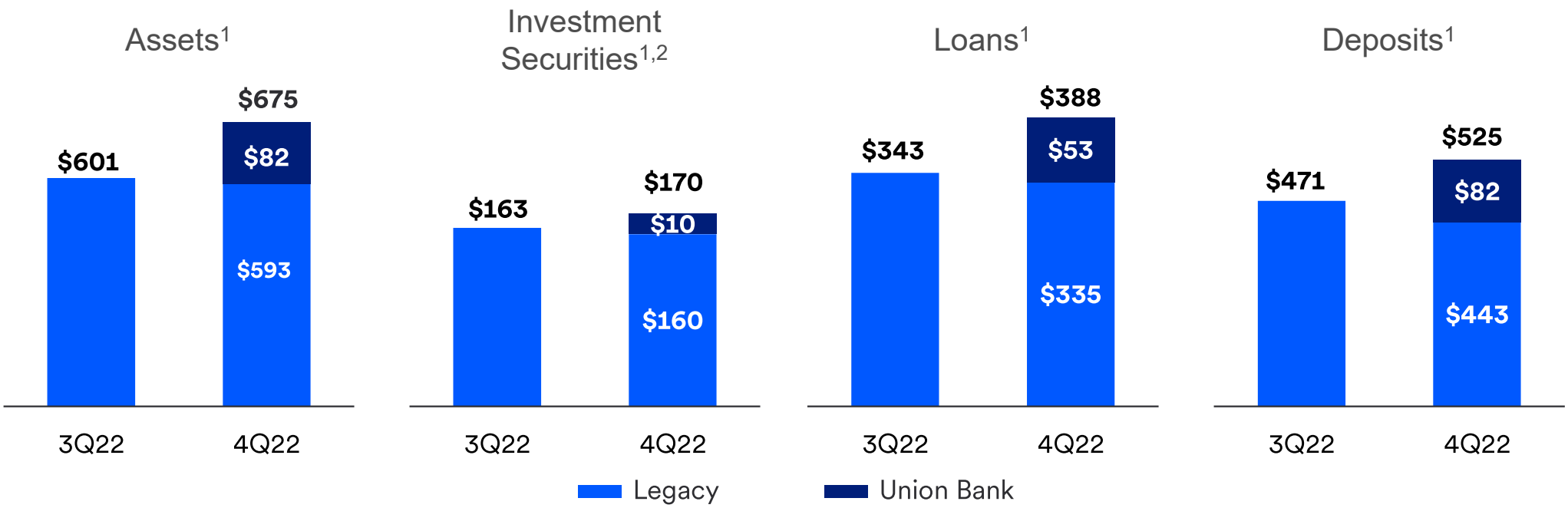


Efficiency Ratio[1] & Net Interest Margin[2]



[1] Non-GAAP; see slides 29 and 30 for calculations
[2] Net interest margin on a taxable-equivalent basis
[3] Non-GAAP; see slides 29 and 30 for calculations; Adjusted for notable items (shown on slide 8) which include acquisition impacts related to balance sheet optimization, merger & integration charges, and provision for credit losses

Bolstering Our Scale with Union



Union Bank Added:

~1 Million	~190,000	~50,000	~700	296
Consumer Accounts	Business Banking Clients	High Net Worth / Affluent Households	Commercial Relationships	Branches

Bolstering our California Market Share:

- California deposit market share is now #5 from #10
- USB is now the #1 SBA lender in California
- 280 new branches in California

U.S. Bank

$ in billions

[1] End of period balances

[2] Balances on an amortized cost basis which excludes unrealized gains (losses)

4Q22 Earnings Summary – Key Notable Items

- Reported diluted earnings per share of $0.57 or $1.20, as adjusted
- Reported earnings include notable items that impacted results by $(0.63) per share

Union Bank Acquisition Impacts:

$ in millions, except EPS	Pretax Impact[2]	After Tax	Diluted EPS
Legacy, as adjusted[1]	$2,353	$1,833	$1.17
Union Bank, as adjusted[1]	55	44	0.03
Combined, as adjusted[1]	**$2,408**	**$1,877**	**$1.20**
Key Notable items:			
Balance sheet optimization	($399)	($297)	($0.20)
Merger & integration charges	(90)	(67)	(0.04)
Provision for credit losses	(791)	(588)	(0.39)
Combined, as reported	**$1,128**	**$925**	**$0.57**

- **Balance sheet optimization**
  - Sale of acquired loans not aligned with credit risk profile, repositioning of the investment portfolio and sale of certain equity investments
  - Losses related to interest rate hedging positions to minimize impact of interest rate volatility on capital
- **Merger & integration charges**
  - Charges reflect deal closing costs, professional services and employee-related costs
- **Provision for credit losses**
  - Acquisition impact of initial provision for credit losses of $662m
  - Additional provision impact of $129m related to the securitization of legacy indirect automobile loans

U.S. Bank

[1] Adjusted for notable items (shown on slide 8) which include acquisition impacts related to balance sheet optimization, merger & integration charges, and provision for credit losses
[2] Excludes $5m of net income attributable to noncontrolling interest on Legacy

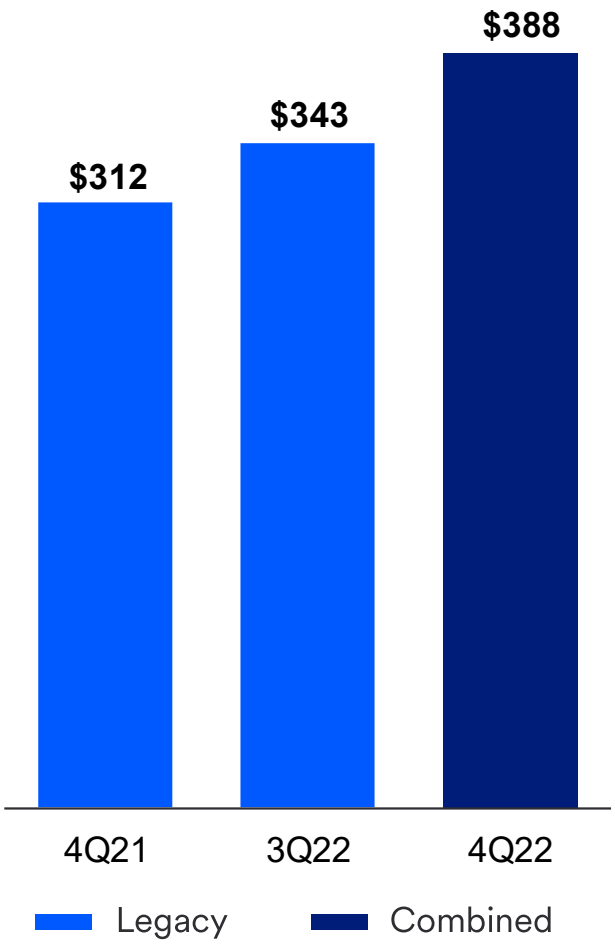
4Q22 Earnings Summary - Detail

- Union Bank contributed $302 million of revenue and $0.03 earnings per share
- Noninterest expense includes $42 million of intangibles amortization related to Union Bank

$ in millions, except EPS	Legacy Adjusted[1] 4Q22	+	Union Bank Adjusted[1] (1 month) 4Q22	=	Combined Adjusted[1] 4Q22	Notable Items 4Q22	Combined Reported 4Q22
Net Interest Income (taxable-equivalent basis)[2]	$4,070		$255		$4,325	$ -	$4,325
Noninterest Income	2,395		47		2,442	(399)	2,043
Net Revenue	**6,465**		**302**		**6,767**	(399)	6,368
Noninterest Expense	3,732		221		3,953	90	4,043
Operating Income	**2,733**		**81**		**2,814**	**(489)**	**2,325**
Provision for credit losses	375		26		401	791	1,192
Income Before Taxes	**2,358**		**55**		**2,413**	**(1,280)**	**1,133**
Net Income to Company	**1,833**		**44**		**1,877**	**(952)**	**925**
Preferred Dividends/Other	76		-		76	(4)	72
Net Income to Common	**$1,757**		**$44**		**$1,801**	**($948)**	**$853**
Net Interest Margin[2]	2.96%		3.87%		3.01%		3.01%
Efficiency Ratio[3]	57.7%		73.2%		58.4%		63.3%
Diluted EPS	$1.17		$0.03		$1.20	($0.63)	$0.57

[1] Adjusted for notable items which include acquisition impacts related to balance sheet optimization, merger & integration charges, and provision for credit losses
[2] Taxable-equivalent basis; see slide 29 for calculation
[3] Non-GAAP; see slide 29 for calculations

End of Period Loan Composition



(As of 12/31/22)	Ending Balance	Change vs. 3Q22	Change vs. 4Q21
Commercial	$136	3.0 %	21.1 %
Commercial Real Estate	55	37.6	42.1
Residential Mortgages	116	34.3	51.4
Credit Card	26	7.2	16.9
Other Retail	55	(8.3)	(11.4)
Total loans	**$388**	**13.3 %**	**24.4 %**

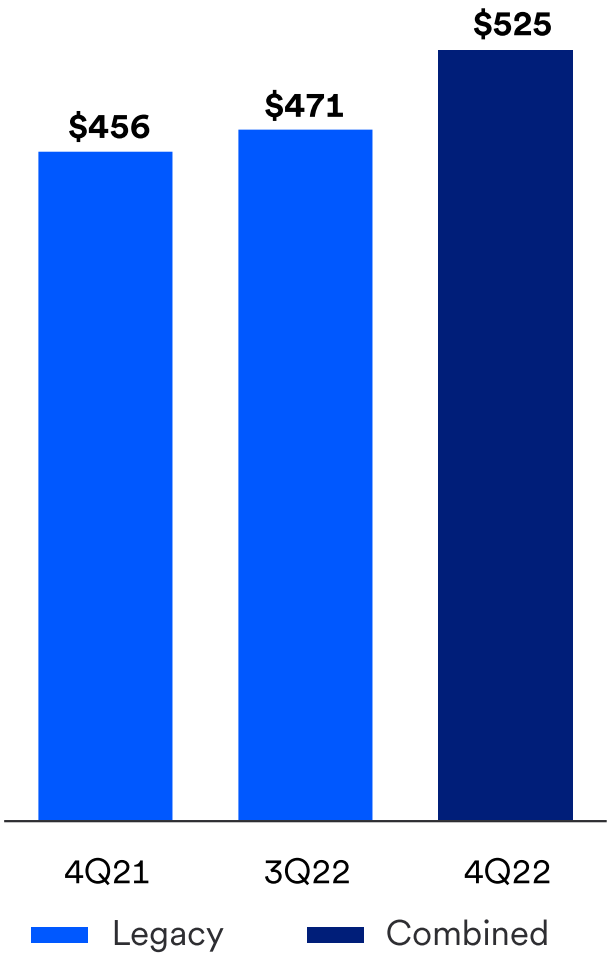
Total 4Q22 Loan Balance Activity

3Q22 Ending Balances	**$343**
Union Bank (net of MTM[1]) as of 12/1/22	54
Loan Sales & Optimization	(15)
Core Growth	6
4Q22 Ending Balances	**$388**
QoQ Change	*$45*

$ in billions

[1] Mark-to-market purchase accounting adjustments

End of Period Deposit Composition



(As of 12/31/22)	Ending Balance	Change vs. 3Q22	Change vs. 4Q21
Noninterest-bearing deposits	**$138**	19.6 %	2.1 %
Money market savings	$148	14.5 %	25.8 %
Interest checking	134	14.7	16.8
Savings accounts	72	7.1	9.1
Time deposits	33	(22.4)	45.4
Total interest-bearing deposits	**$387**	**8.8 %**	**20.6 %**
Total Deposits	**$525**	**11.4 %**	**15.1 %**

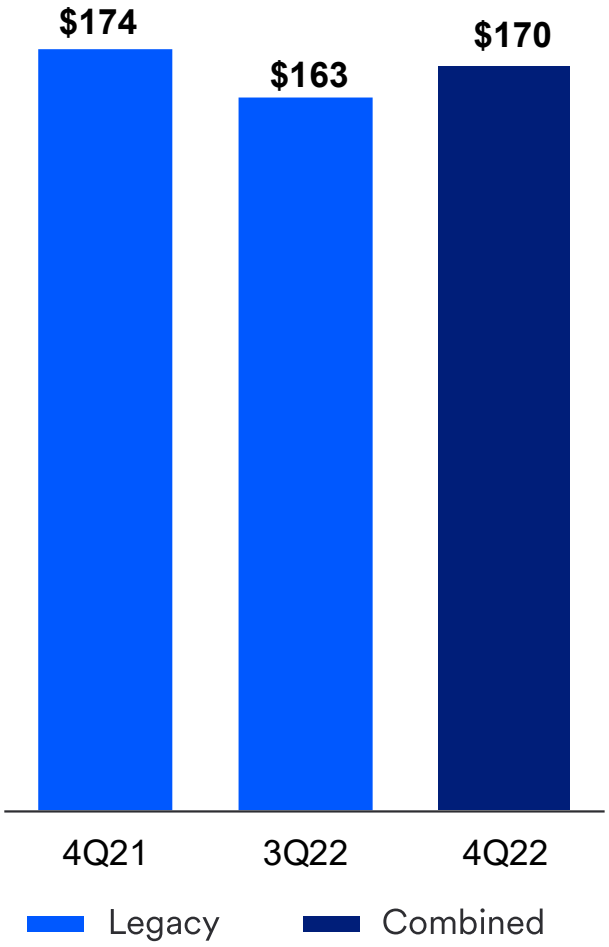
Total 4Q22 Deposit Balance Activity

3Q22 Ending Balances	**$471**
Union Bank (net of MTM[1]) as of 12/1/22	86
Pricing and Optimization	(24)
Core Growth / (Contraction)	(8)
4Q22 Ending Balances	**$525**
QoQ Change	*$54*

$ in billions

[1] Mark-to-market purchase accounting adjustments

End of Period Securities Portfolio Composition[1]



(As of 12/31/22)	Ending Balance	Change vs. 3Q22	Change vs. 4Q21
Held-to-maturity	$89	3.7 %	112.0 %
Available-for-sale	81	4.8	(38.4)
Total Investment Securities	**$170**	**4.2 %**	**(2.2) %**

Total 4Q22 Investment Securities Activity

3Q22 Ending Balances	**$163**
Union Bank (net of MTM[2]) as of 12/1/22	23
Balance sheet optimization actions	(16)
4Q22 Ending Balances	**$170**
QoQ Change	*$7*

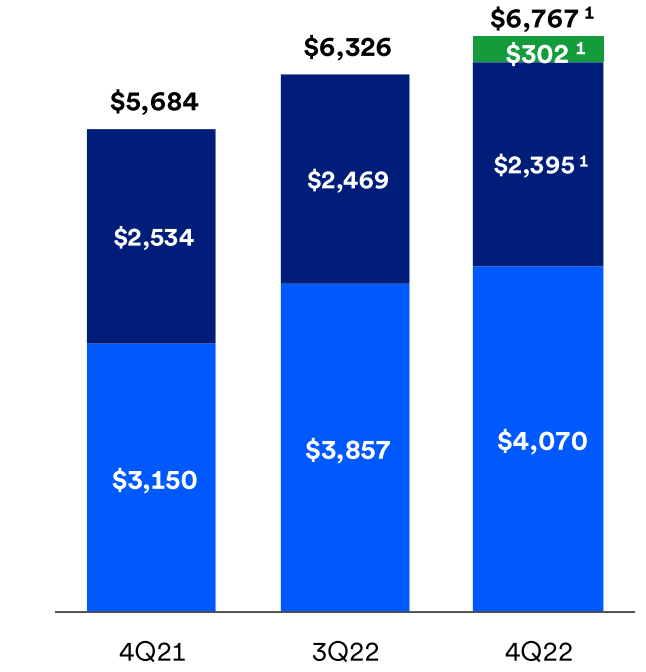
$ in billions

[1] Balances on an amortized cost basis which excludes unrealized gains (losses)

[2] Mark-to-market purchase accounting adjustments

Net Revenue

Revenue, Adjusted



4Q22	Legacy	Union Bank	Combined
Net Interest Income	**$4,070**	**$255**	**$4,325**
Payments	$940	$7	$947
Service Charges	$305	$9	$314
Mortgage	$101	$3	$104
Trust & Inv Mgmt	$562	$9	$571
All Other	$487	$19	$506
Noninterest Income, Adjusted[1]	**$2,395**	**$47**	**$2,442**
Total Revenue, Adjusted[1]	**$6,465**	**$302**	**$6,767**
Notable Items[2]	**($315)**	**($84)**	**($399)**
Total Revenue, Reported	**$6,150**	**$218**	**$6,368**

Legacy Adjusted[1]

	NII	Non-II
Linked Quarter	**5.5%**	**-3.0%**
Year-over-year	**29.2%**	**-5.5%**

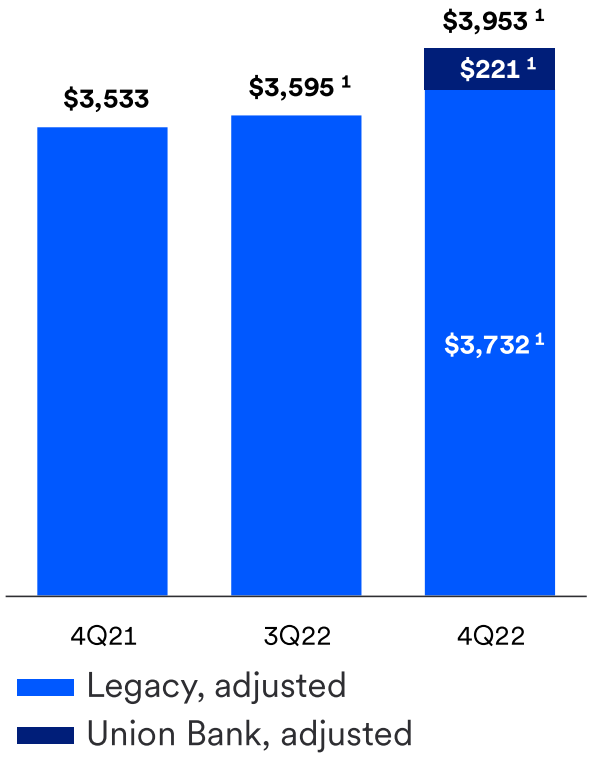
Highlights

- Net interest income increased over prior year for the legacy Company primarily due to the impact of rising interest rates on earning assets and solid loan growth
- Legacy adjusted noninterest income is lower vs. prior year driven by lower mortgage banking revenue and service charges.
- Legacy adjusted noninterest income is lower on a linked quarter basis driven by seasonally lower payment services revenue and lower commercial products revenue.
- Acquisition of Union Bank added $302m of revenue, as adjusted, for the quarter

$ in millions
Payments = card, corporate payment products and merchant processing
All other = commercial products, investment products fees, securities gains (losses) and other
[1] Adjusted for notable items of the impact of balance sheet optimization in 4Q22 of $315 million for Legacy and $84 million for Union Bank
[2] Notable items include $399 million impact of balance sheet optimization to noninterest income in 4Q22

Noninterest Expense

Expense, Adjusted



4Q22	Legacy	Union Bank	Combined
Compensation & Benefits	$2,309	$93	$2,402
Technology & Communications	$447	$12	$459
Occupancy & Equipment	$273	$17	$290
Professional Services, Marketing/Business Development	$292	$25	$317
All Other	$411	$74	$485
Total Noninterest Expense, Adjusted[1]	**$3,732**	**$221**	**$3,953**
Notable Items[2]	**$68**	**$22**	**$90**
Total Noninterest Expense, Reported	**$3,800**	**$243**	**$4,043**

Legacy Adjusted[1]
(total noninterest expense)

Linked Quarter	**3.8%**
Year-over-year	**5.6%**

Highlights

- Legacy adjusted expense increased vs. prior year driven by compensation and other noninterest expense. Higher compensation was due to merit and hiring and lower capitalized loan costs. Other noninterest expense increased due to future delivery exposures liabilities and higher FDIC insurance expense.
- On a linked quarter basis, Legacy adjusted expense increased driven by compensation and other noninterest expense. Higher compensation was driven by higher performance-based incentives and lower capitalized loan costs. Other noninterest expense increased due to higher costs related to tax-advantage projects and higher FDIC insurance.
- Union Bank added $221m of adjusted expense, which included $42m of intangible amortization driven by the core deposit intangible.

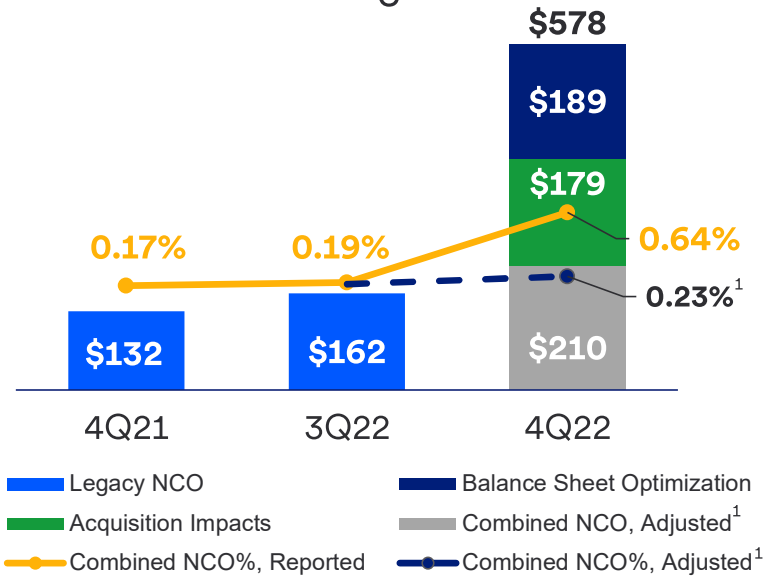
$ in millions

[1] Adjusted for notable items of merger and integration charges of $42 million in 3Q22, $68 million for Legacy in 4Q22, and $22 million for Union Bank in 4Q22

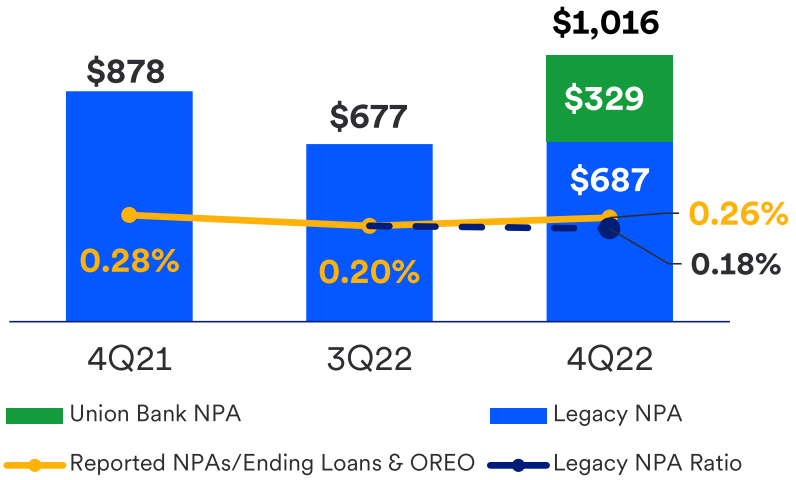
[2] Notable items include $90 million of merger and integration charges in 4Q22

Credit Quality

Net Charge-offs



Nonperforming Assets



Provision for Credit Losses

	Provision[2]	Net Charge-offs	NCO %
Combined, Reported	$1,192	$578	0.64%
Acquisition Impacts	662	179	
Balance Sheet Optimization	129	189	
Combined, Adjusted	$401	$210	0.23%[1]

Allowance for Credit Losses by Loan Category, 12/31/22

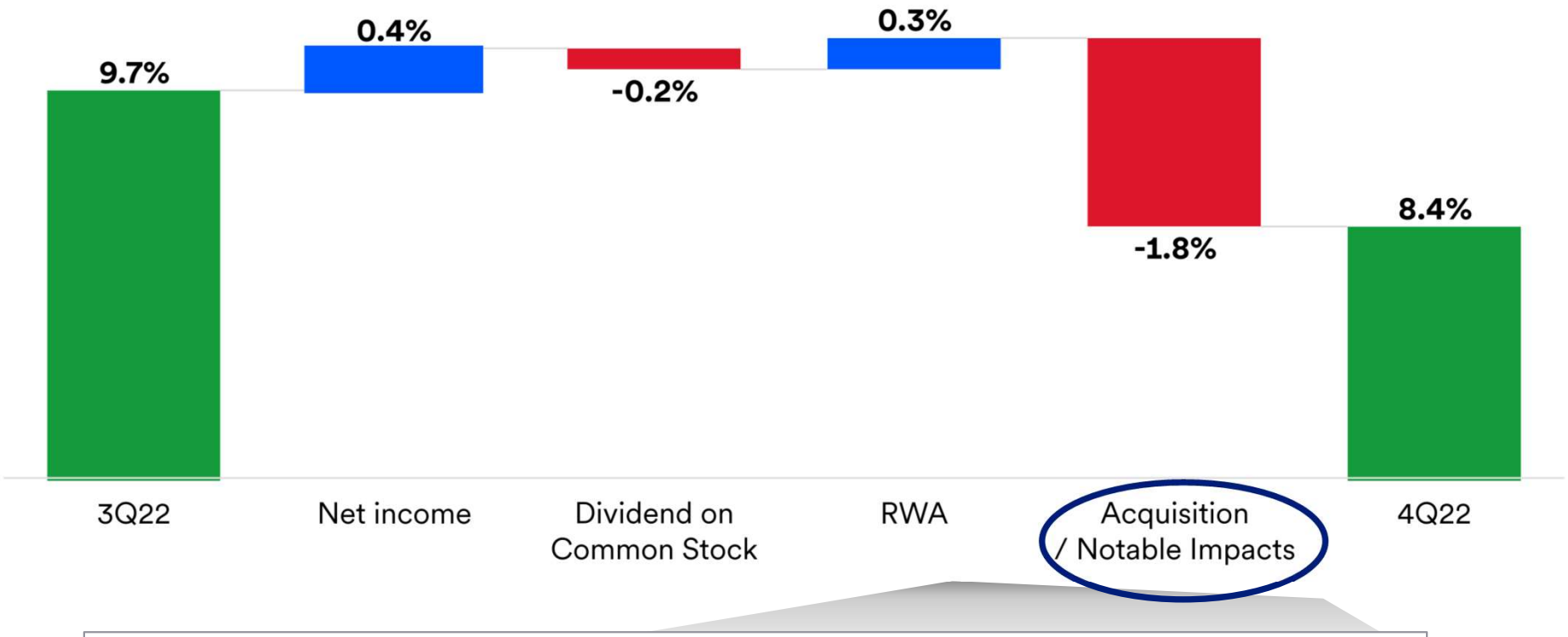
	Amount ($B)	Loans and Leases Outstanding (%)
Commercial	$2.2	1.6%
Commercial Real Estate	1.3	2.4%
Residential Mortgage	0.9	0.8%
Credit Card	2.0	7.7%
Other Retail	1.0	1.8%
Total	$7.4	1.9%

$ in millions, except allowance for credit losses in billions

[1] Non-GAAP; see slide 30 for calculations; combined NCO, adjusted excludes acquisition impacts and balance sheet optimization one-time items

[2] Provision includes $26 million Union Bank contribution (post LD1 impact); Adjusted provision excludes balance sheet optimization and acquisition related provision costs

CET1 Waterfall (3Q22 - 4Q22)



- Acquisition and Notable impacts primarily include:
  - An increase to goodwill & intangibles including impact of credit and interest rate marks
  - Initial provision for credit losses and balance sheet optimization actions
  - An increase in RWA related to Union Bank assets and other exposures
  - An increase to equity related to the issuance of shares to MUFG

Ratios calculated in accordance with transitional regulatory requirements related to the current expected credit losses methodology

Union Bank Acquisition Metrics - Update

Metric	At Announcement	Post-Close
Transaction total value	$8 billion	$7.5 billion
Earnings per share accretion	~6% (75% cost synergies)[1] ~8% (100% cost synergies)[1]	~8-9% (35% cost synergies)[2] low double digits (100% cost synergies)[2]
Cost Synergies	~$900 million 25% (2022) / 75% (2023) / 100% thereafter	~$900 million 35% (2023) / 100% thereafter
Merger Expenses[3]	$1.2 billion	~$1.4 billion
TBVPS Impact *Dilution / Earnback (crossover)*	~1% / ~1.5 Yrs.	~11% / ~2.0 Yrs.
Internal Rate of Return	~20%	~20%

- **Strategically attractive**
  - *Increased scale; bolsters balance sheet with high quality, low-cost consumer deposits; provides meaningful cost save potential*
- **Meaningfully enhances West Coast presence**
  - *Strengthens West Coast / CA market share*
- **Adds high growth/affluent consumer base**
  - *Adds ~50k affluent households*
- **Financially Attractive**
  - *Highly accretive with strong IRR*
- **Estimates exclude potential revenue synergies**

Main systems conversion / bank merger expected Memorial Day weekend

(1) 2023E GAAP EPS accretion with synergies illustratively realized 75% and 100% in 2023; USB projections based on Wall Street consensus estimates
(2) 2023E GAAP EPS accretion with synergies illustratively realized 35% and 100% in 2023; USB projections based on internal company forecast
(3) Non-interest expense

Union Bank Acquisition Metrics - Update

Allowance for Credit Losses	Announcement	Closing
Acquisition Impact of Initial Provision	$920 million	$662 million
PCD Allowance for Credit Losses[1]	$307 million	$173 million
Non-PCD Allowance for Credit Losses	$920 million	$646 million
Total Allowance for Credit Losses	$1,227 million	$819 million
Net Fair Value Premiums/(Discounts)		
Non-Credit Mark[2]	$535 million	($3,049) million
Non-PCD Credit Mark	($920) million	($526) million
Total Premiums/(Discounts)	($385) million	($3,575) million
Intangibles		
Core deposit intangibles ($ / %)	$405 million (or 0.50%)	$2,710 million (or 3.89%)

- **Allowance for Credit Losses** declined from initial announcement due to loan sales/composition, credit quality improvement, and estimation enhancements offset by economic deterioration
- **Non-credit mark** inclusive of loans, securities (net of sales) and debt heavily discounted due to significant increase in interest rates since announcement
- Increase in **core deposit intangibles** from deal announcement driven by the rise in interest rates since September 2021

(1) Excludes ACL related to loans that were previously charged off by Union Bank
(2) Primarily includes interest rate marks for loans held for investment, securities (net of sales), and debt

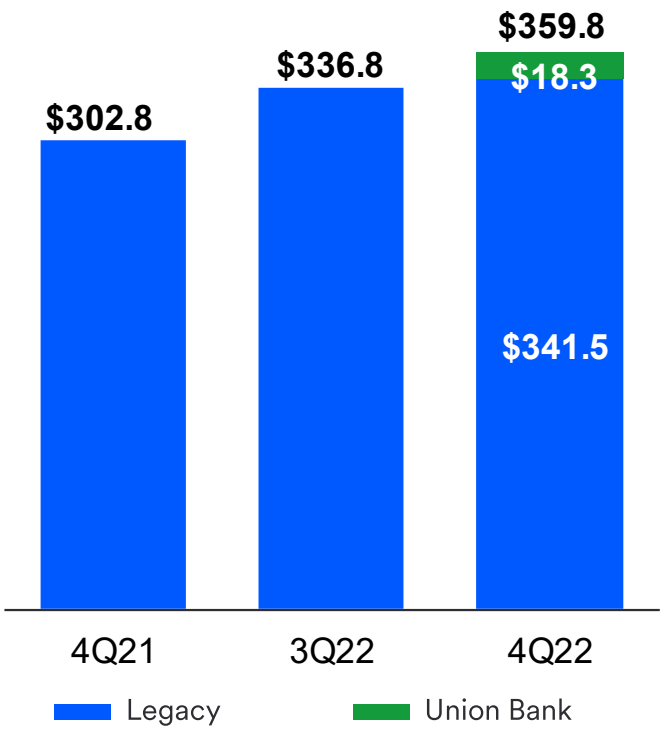
First Quarter / Full Year 2023 Outlook[1]

	4Q22	1Q23 Guidance	2023 Guidance
Average Earnings Assets	$573b	$605b - $610b	$610b - $620b
Net interest margin[2]	3.01%	+5-10bps *vs. 4Q22*	+5-10bps *vs. 4Q22*
Total Revenue, adjusted[3]	$6.8b	$7.1b - $7.3b	$29b - $31b
Includes purchase accounting accretion	~$33m	~$100m	$350m - $400m
Total Noninterest expense, adjusted[3]	$4.0b	$4.3b - $4.4b	$17b - $17.5b
Includes Core Deposit Intangibles Amortization related to Union Bank	$42m	~$125m	~$500m
Income Tax Rate, adjusted[2,3,4]	22%	~22-23%	~22-23%
Notable Items: Merger & Integration	$90m	$200m - $250m	$900m - $1.0b

[1] All results and guidance are for Combined Company, adjusted
[2] Taxable-equivalent basis
[3] Adjusted for notable items (shown on slide 8) which include acquisition impacts related to balance sheet optimization, merger & integration charges, and provision for credit losses
[4] Non-GAAP; see slide 30 for calculation

Appendix

Average Loans



4Q22	Avg. Balance	Change vs. 3Q22	Change vs. 4Q21
Commercial	$132.9	3.4 %	27.2 %
Commercial Real Estate	45.7	14.3	17.7
Residential Mortgages	97.1	15.6	28.0
Credit Card	25.2	4.4	12.4
Other Retail	58.9	(2.0)	(3.7)
Total loans	**$359.8**	**6.8 %**	**18.8 %**

Legacy

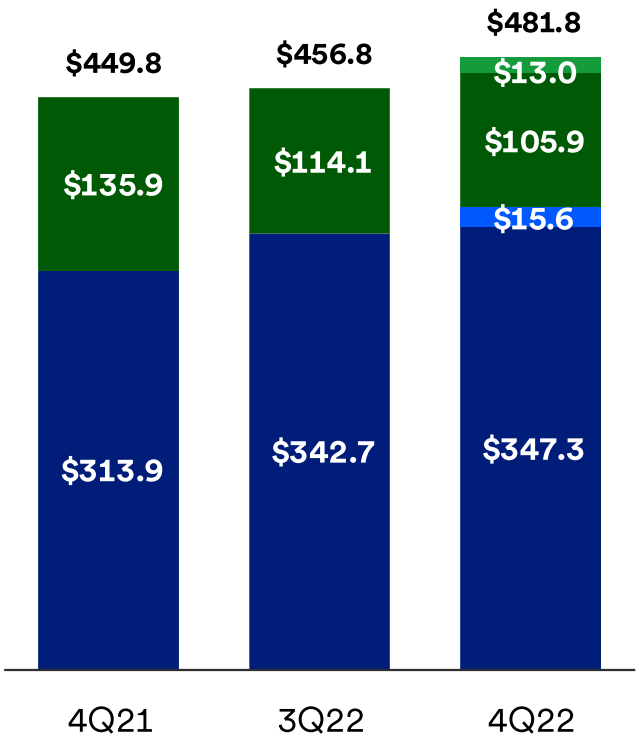
Linked Quarter	**1.4%**
Year-over-year	**12.8%**

Highlights

- On a linked quarter basis, total loans were higher primarily due to the impact of the Union Bank acquisition as well as legacy portfolio growth. Increases in commercial loans, total commercial real estate and residential mortgages were primarily driven by the Union Bank acquisition, while the increase in credit card loans was primarily driven by lower payment rates.
- On a year-over-year basis, total loans were higher driven by growth in the legacy Company's loan portfolio and from the Union Bank acquisition which are primarily reflected in commercial loans, commercial mortgages and residential mortgages. Increases in commercial loans, commercial mortgages, residential mortgages and credit card loans were partially offset by lower retail leasing balances and other retail loans.
- Sold ~$2B of Union Bank loans that were not aligned to our credit risk profile

$ in billions

Average Deposits



Legacy
(Total Deposits)

Linked Quarter	**-0.8%**
Year-over-year	**0.8%**

4Q22	Average Balance	Change vs. 3Q22	Change vs. 4Q21	Rates	Change vs. 3Q22
Noninterest-bearing deposits	**$118.9**	**4.3 %**	**(12.5) %**		
Money market savings	$135.9	8.4 %	15.7 %	2.03 %	92 bps
Interest checking	124.5	9.8	14.4	0.62	43
Savings accounts	68.0	0.3	5.0	0.03	2
Time deposits	34.5	(4.8)	51.2	2.13	72
Total interest-bearing deposits	**$362.9**	**5.9 %**	**15.6 %**	**1.18 %**	**56 bps**
Total Deposits	**$481.8**	**5.5 %**	**7.1 %**		

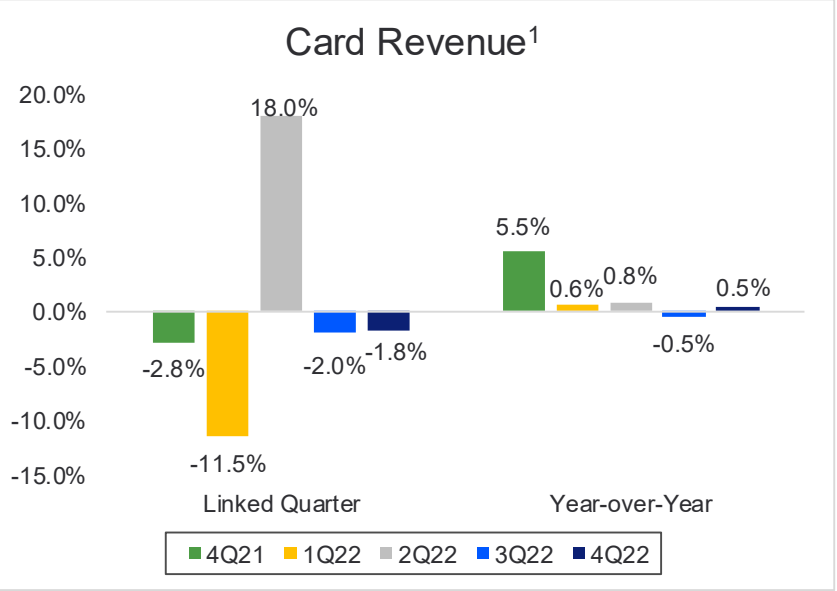
Highlights

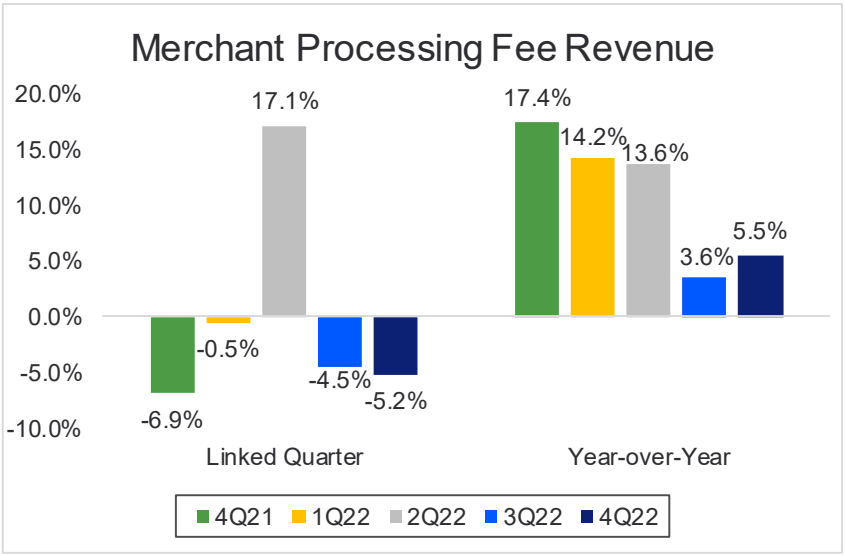
- On a linked quarter basis, deposits increased primarily driven by the acquisition, partially offset by lower time deposits mainly within Corporate and Commercial Banking. Changes in time deposits are primarily related to those deposits managed as an alternative to other funding sources, based largely on relative pricing and liquidity characteristics.
- Year-over-year, deposits were higher driven by the impact of the Union Bank acquisition. Average noninterest-bearing deposits decreased, net of the impact of the acquisition. Average total savings deposits were higher year-over-year driven by Corporate and Commercial Banking and the impact of the acquisition. Average time deposits were higher than the prior year. Changes in time deposits are primarily related to those deposits managed as an alternative to other funding sources, based largely on relative pricing and liquidity characteristics.

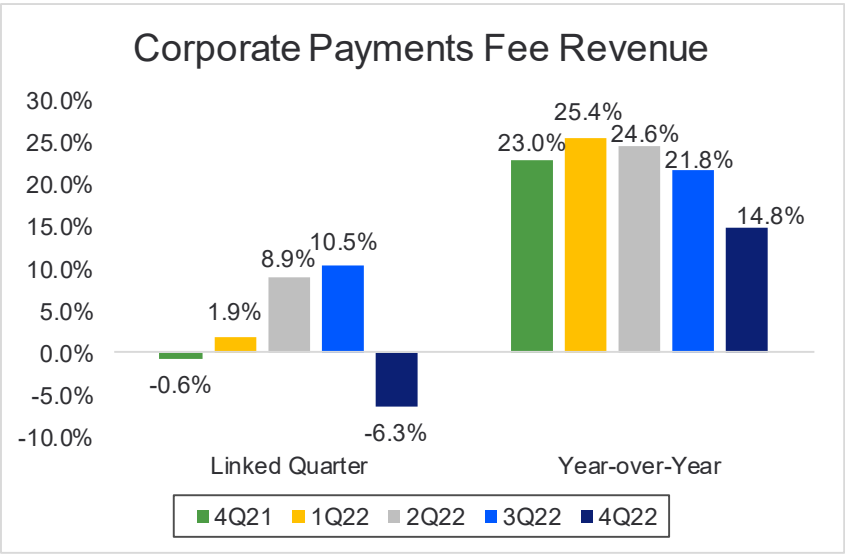
Payment Services Fee Revenue Growth

4Q22 vs. prior year

- Card revenue improved 0.5% YoY; higher card volume largely offset by lower prepaid activity
- Merchant processing fee revenue increased 5.5% YoY; negatively impacted by FX exchange rates; excluding FX, YoY growth was 11.2%
- Corporate Payments fee revenue increased 14.8% driven by sales growth; Corporate T&E recovered to 95% of pre-pandemic levels





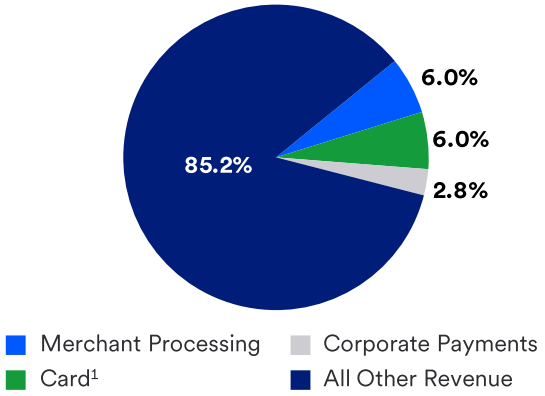


[1] Includes prepaid card

Payment Services

Payments Revenue Breakdown

Payment Fees as a % of Net Revenue (4Q22)



- Total payments revenue, which includes net interest income and fee revenue, accounted for 25% of 4Q22 net revenue
- Total payment fee revenue grew nearly 5.0% year-over-year due to higher sales volumes across all businesses

Seasonal Considerations

Historical Linked Quarter Seasonal Trends for Payment Fees Revenue[2]

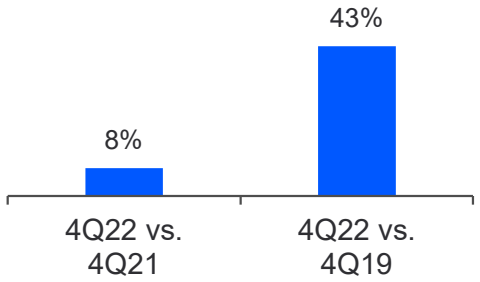
Segment	1Q	2Q	3Q	4Q
Card[1]	↓	↑	Stable	↑
Corporate Payments	Stable	↑	↑	↓
Merchant Processing	↓	↑	↑	↓

- 1Q payments fee revenue is typically seasonally down on a linked quarter basis reflecting lower post holiday sales activity
- Payments fee revenue growth, on a linked quarter basis, is typically seasonally strongest in 2Q

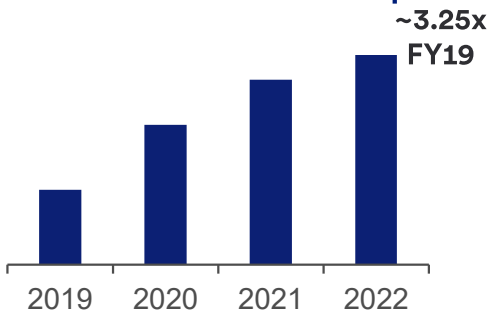
A Shift to Tech-led[3] Revenue

Our **multiyear investments** in e-commerce and tech-led will continue to **drive growth**

Tech-led[3] Merchant Processing Fee Revenue Growth



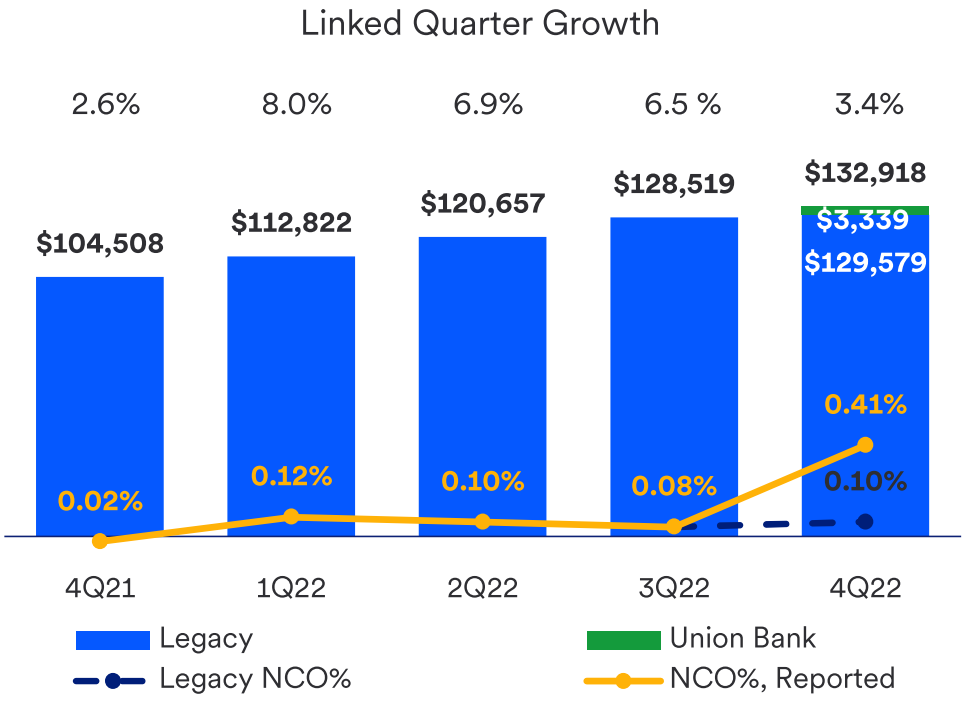
New Tech-led[3] Partnerships



[1] Includes prepaid card
[2] Linked quarter change based on trends from 2015 – 2019
[3] Tech-led includes digital, omni-commerce and e-commerce as well as investments in integrated software providers; tech-led revenue also includes talech in 2022

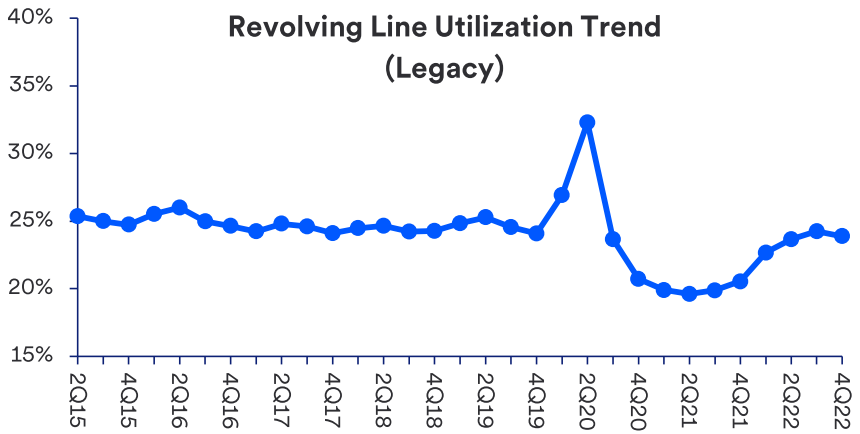
Credit Quality – Commercial

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



Key Statistics

$ in millions	4Q21	3Q22	4Q22
Average Loans	$104,508	$128,519	$132,918
30-89 Delinquencies	0.47%	0.25%	0.26%
90+ Delinquencies	0.04%	0.03%	0.07%
Nonperforming Loans	0.16%	0.09%	0.12%

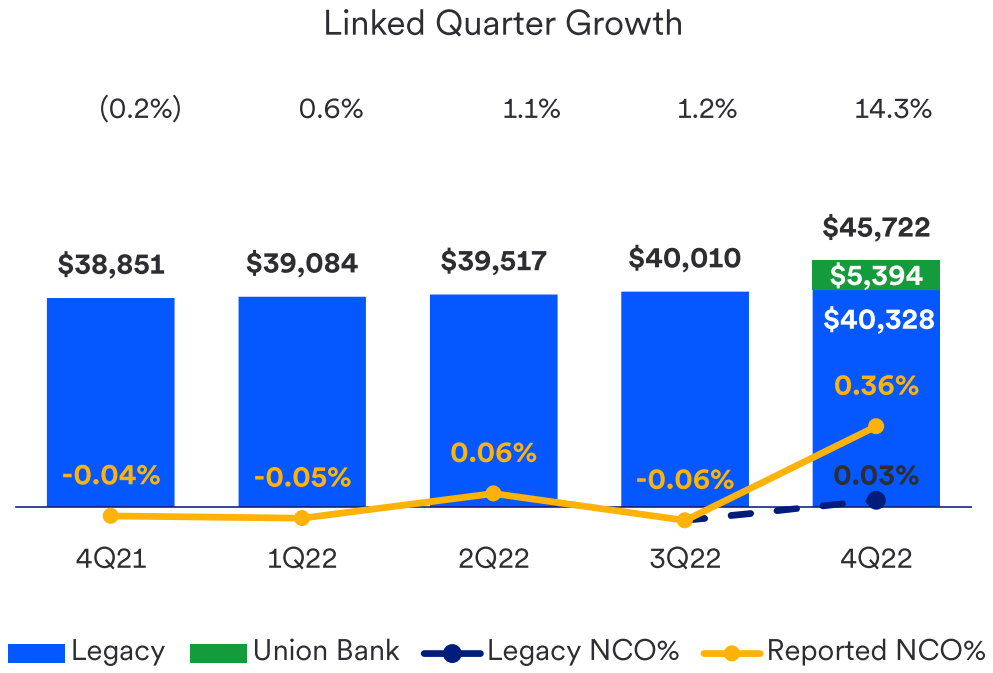


Key Points

- Average loans increased by 3.4% on a linked quarter basis. Excluding Union Bank, loan growth was 0.8%
- Net charge-off rate for Legacy was 0.10%
- Legacy utilization decreased quarter over quarter from 24.3% to 23.9%

Credit Quality – Commercial Real Estate

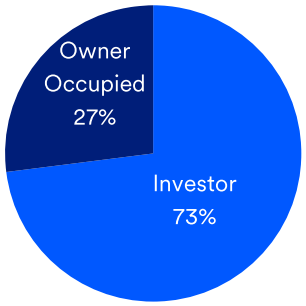
Average Loans ($mm) and Net Charge-offs Ratio



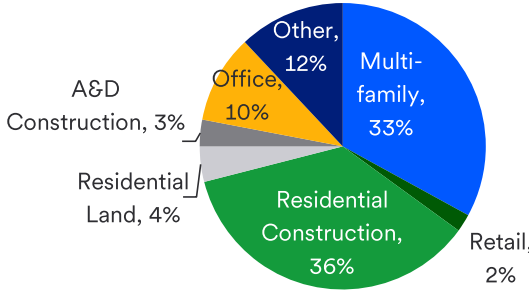
Key Statistics

$ in millions	4Q21	3Q22	4Q22
Average Loans	$38,851	$ 40,010	$45,722
30-89 Delinquencies	0.20%	0.02%	0.16%
90+ Delinquencies	0.03%	0.05%	0.01%
Nonperforming Loans	0.73%	0.41%	0.61%

CRE Mortgage



CRE Construction

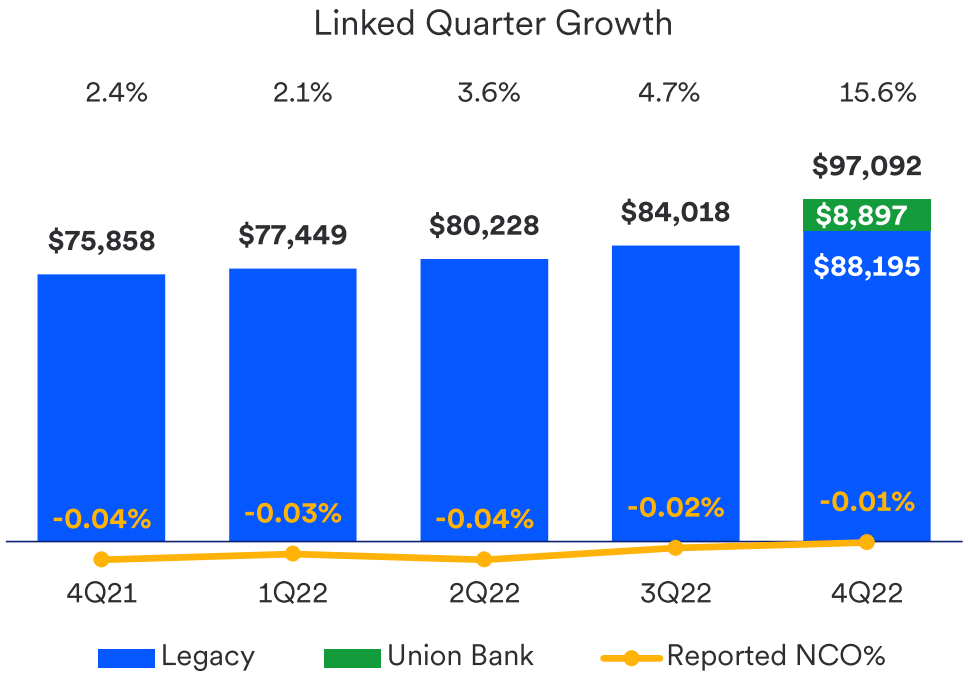


Key Points

- Average loans increased by 14.3% on a linked quarter basis. Excluding Union Bank, loan growth was 0.8%
- Net charge-off rate for Legacy was 0.03%

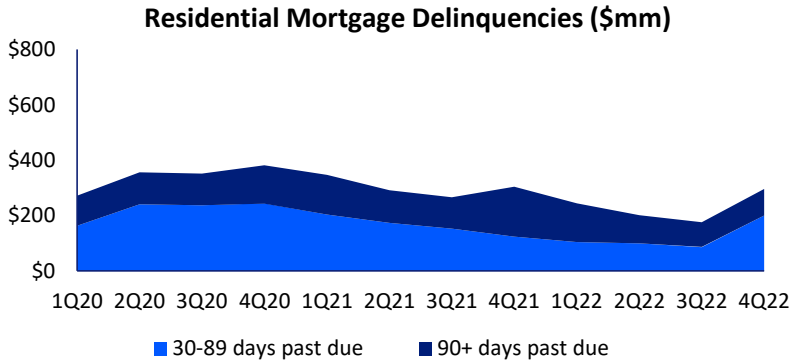
Credit Quality – Residential Mortgage

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



Key Statistics

$ in millions	4Q21	3Q22	4Q22
Average Loans	$75,858	$84,018	$97,092
30-89 Delinquencies	0.15%	0.10%	0.17%
90+ Delinquencies	0.24%	0.10%	0.08%
Nonperforming Loans	0.30%	0.24%	0.28%

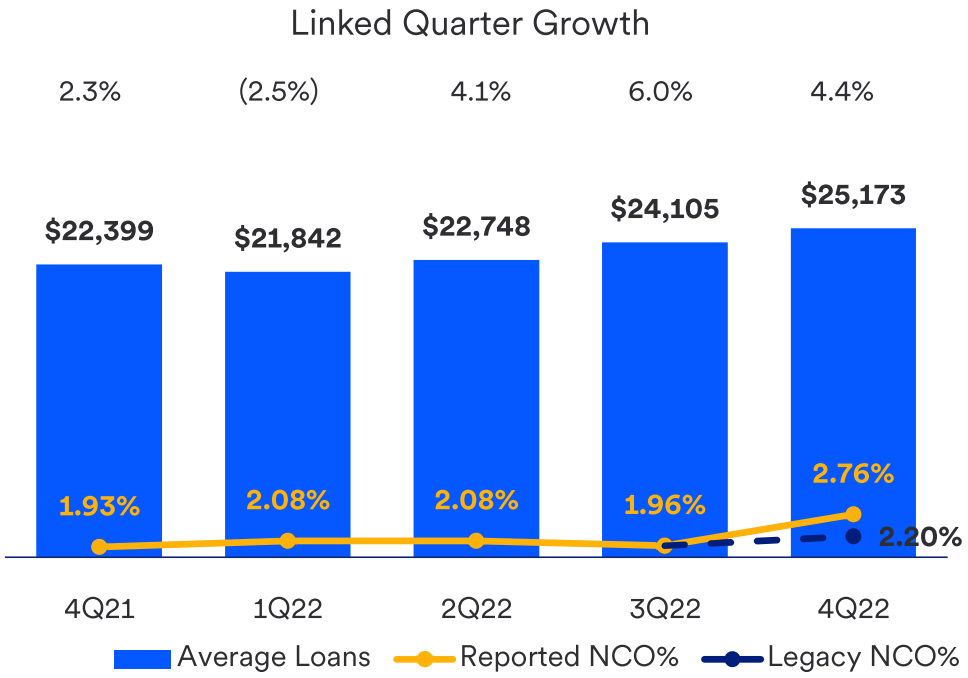


Key Points

- Average loans increased by 15.6% on a linked quarter basis. Excluding Union Bank, loan growth was 5.0% driven by slowing mortgage refinance activity
- Net charge-off rate for Legacy was -0.02%. Continued low loss rates were supported by strong portfolio credit quality and collateral values.
- Legacy originations continued to be high credit quality (weighted average credit score of 767, weighted average LTV of 74%)

Credit Quality – Credit Card

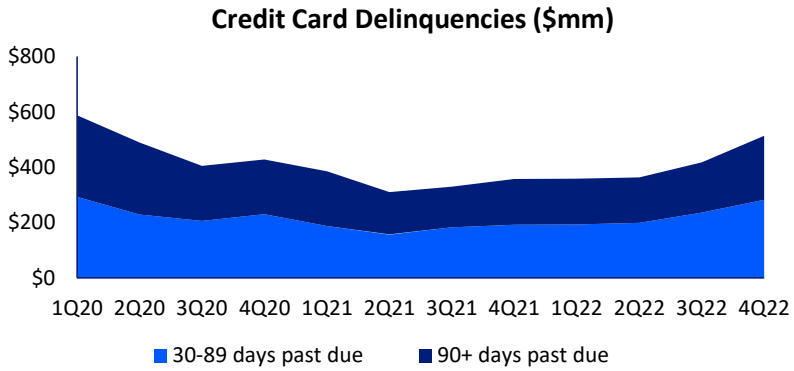
Average Loans ($mm) and Net Charge-offs Ratio



4Q22 Average Loans include $74 million of Union Bank balances

Key Statistics

$ in millions	4Q21	3Q22	4Q22
Average Loans	$22,399	$24,105	$25,173
30-89 Delinquencies	0.86%	0.97%	1.08%
90+ Delinquencies	0.73%	0.74%	0.88%
Nonperforming Loans	- %	- %	- %

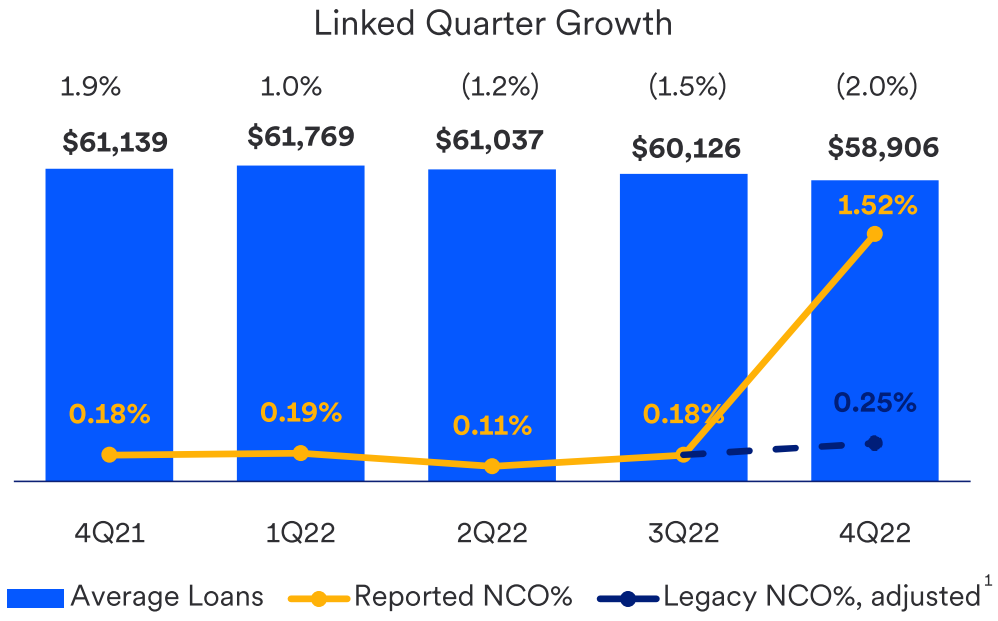


Key Points

- Average loans increased by 4.4% on a linked quarter basis. Excluding Union Bank, loan growth was 4.1%
- Net charge-off rate for Legacy was 2.20%

Credit Quality – Other Retail

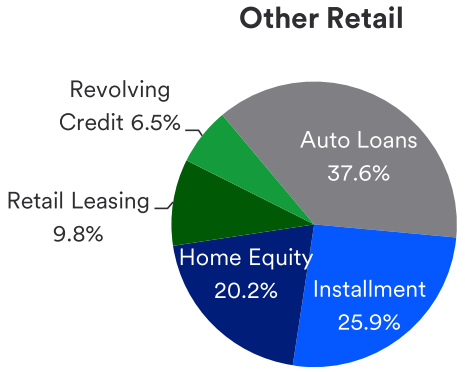
Average Loans ($mm) and Net Charge-offs Ratio



4Q22 Average Loans include $638 million of Union Bank balances

Key Statistics

$ in millions	4Q21	3Q22	4Q22
Average Loans	$61,139	$60,126	$58,906
30-89 Delinquencies	0.44%	0.41%	0.56%
90+ Delinquencies	0.11%	0.11%	0.12%
Nonperforming Loans	0.24%	0.22%	0.25%



Key Points

- Average loans decreased by (2.0%) on a linked quarter basis related to balance sheet optimization activities
- Net charge-off rate for Legacy, reported was 1.52%; adjusting for balance sheet optimization impact of $189m, adjusted NCO was 0.25%

[1] Non-GAAP; see slide 30 for calculation; Legacy NCO%, adjusted, excludes acquisition impacts and balance sheet optimization one-time items

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended		
	December 31, 2022	September 30, 2022	December 31, 2021
Net interest income	$4,293	$3,827	$3,123
Taxable-equivalent adjustment (1)	32	30	27
Net interest income, on a taxable-equivalent basis	4,325	3,857	3,150
Net interest income, on a taxable-equivalent basis (as calculated above)	4,325	3,857	3,150
Noninterest income	2,043	2,469	2,534
Less: Securities gains (losses), net	(18)	1	15
Total net revenue, excluding net securities gains (losses) (a)	6,386	6,325	5,669
Noninterest expense (b)	4,043	3,637	3,533
Less: Intangibles amortization	85	43	40
Noninterest expense, excluding intangibles amortization (c)	3,958	3,594	3,493
Efficiency ratio (b)/(a)	63.3 %	57.5 %	62.3 %
Tangible efficiency ratio (c)/(a)	62.0 %	56.8 %	61.6 %
Total net revenue, excluding net securities gains (losses) (as calculated above)	$6,386	$6,325	
Less: Notable items (2)	(399)	--	
Less: Securities (gains) losses, net included in notable items	18	--	
Total net revenue, excluding net securities gains (losses) and notable items (d)	6,767	6,325	
Noninterest expense	4,043	3,637	
Less: Notable items (2)	90	42	
Noninterest expense, excluding notable items (e)	3,953	3,595	
Less: Intangibles amortization	85	43	
Noninterest expense, excluding notable items and intangible amortization (f)	3,868	3,552	
Efficiency ratio, excluding notable items (e)/(d)	58.4 %	56.8 %	
Tangible efficiency ratio, excluding notable items (f)/(d)	57.2 %	56.2 %	
Net income attributable to U.S. Bancorp	$925	$1,812	
Less: Notable items (2)	(952)	(33)	
Net income attributable to U.S. Bancorp, excluding notable items	1,877	1,845	
Annualized net income attributable to U.S. Bancorp, excluding notable items (g)	7,447	7,320	
Average assets (h)	622,064	588,764	
Return on average assets, excluding notable items (g)/(h)	1.20 %	1.24 %	
Net income applicable to U.S. Bancorp common shareholders	$853	$1,718	
Less: Notable items, including the impact of earnings allocated to participating stock awards (2)	(948)	(33)	
Net income applicable to U.S. Bancorp common shareholders, excluding notable items	1,801	1,751	
Annualized net income applicable to U.S. Bancorp common shareholders, excluding notable items (i)	7,145	6,947	
Average common equity (j)	42,457	43,012	
Return on average common equity, excluding notable items (i)/(j)	16.8 %	16.2 %	
Net income applicable to U.S. Bancorp common shareholders, excluding notable items (as calculated above) (k)	$1,801	$1,751	
Average diluted common shares outstanding (l)	1,501	1,486	
Diluted earnings per common share, excluding notable items (k)/(l)	$1.20	$1.18	

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended December 31, 2022	September 30, 2022	December 31, 2021
Net income applicable to U.S. Bancorp common shareholders	$853	$1,718	$1,582
Intangibles amortization (net-of-tax)	67	34	32
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization	920	1,752	1,614
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (a)	3,650	6,951	6,403
Average total equity	49,731	50,284	55,875
Average preferred stock	(6,808)	(6,808)	(6,865)
Average noncontrolling interests	(466)	(464)	(633)
Average goodwill (net of deferred tax liability) (3)	(9,202)	(9,192)	(9,115)
Average intangible assets (net of deferred tax liability), other than mortgage servicing rights	(1,637)	(758)	(656)
Average tangible common equity (b)	31,618	33,062	38,606
Return on tangible common equity (a)/(b)	11.5 %	21.0 %	16.6 %
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (as calculated above)	$920	$1,752	
Less: Notable items, including the impact of earnings allocated to participating stock awards (2)	(948)	(33)	
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization and notable items	1,868	1,785	
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization and notable items (c)	7,411	7,082	
Average tangible common equity (as calculated above) (d)	31,618	33,062	
Return on tangible common equity, excluding notable items (c)/(d)	23.4 %	21.4 %	
Net charge-offs	$578		
Less: Notable items (2)	368		
Net charge-offs, excluding notable items	210		
Annualized net charge-offs, excluding notable items (e)	833		
Average loan balances (f)	359,811		
Net charge-off ratio, excluding notable items (e)/(f)	0.23 %		
Other Retail loan net charge-offs	$226		
Less: Notable items (2)	189		
Net charge-offs, excluding notable items	37		
Annualized net charge-offs, excluding notable items (g)	147		
Other Retail average loan balances (h)	58,906		
Other Retail loan net charge-off ratio, excluding notable items (g)/(h)	0.25 %		
Income before taxes	$1,101		
Taxable-equivalent adjustment (1)	32		
Less: Notable items (2)	(1,280)		
Income before taxes (taxable-equivalent basis), excluding notable items (i)	2,413		
Income taxes	$171		
Taxable-equivalent adjustment (1)	32		
Less: Notable items (2)	(328)		
Income taxes and taxable-equivalent adjustment, excluding notable items (j)	531		
Income tax rate (taxable-equivalent basis), excluding notable items (j)/(i)	22.0 %		

(1), (2), (3) – see slide 33 for corresponding notes

Non-GAAP Financial Measures

(Dollars and Shares in Millions Except Per Share Data, Unaudited)	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Total equity	$51,232	$47,978	$49,069	$51,668	$55,387
Preferred stock	(6,808)	(6,808)	(6,808)	(6,808)	(6,371)
Noncontrolling interests	(466)	(465)	(464)	(468)	(469)
Goodwill (net of deferred tax liability) (3)	(11,395)	(9,165)	(9,204)	(9,304)	(9,323)
Intangible assets (net of deferred tax liability), other than mortgage servicing rights	(2,792)	(735)	(780)	(762)	(785)
Tangible common equity (a)	29,771	30,805	31,813	34,326	38,439
Common equity tier 1 capital, determined in accordance with transitional regulatory capital requirements related to the current expected credit losses methodology implementation	41,560	44,094	42,944	41,950	41,701
Adjustments (4)	(1,299)	(1,300)	(1,300)	(1,298)	(1,733)
Common equity tier 1 capital, reflecting the full implementation of the current expected credit losses methodology (b)	40,261	42,794	41,644	40,652	39,968
Total assets	674,805	600,973	591,381	586,517	573,284
Goodwill (net of deferred tax liability) (3)	(11,395)	(9,165)	(9,204)	(9,304)	(9,323)
Intangible assets (net of deferred tax liability), other than mortgage servicing rights	(2,792)	(735)	(780)	(762)	(785)
Tangible assets (c)	660,618	591,073	581,397	576,451	563,176
Risk-weighted assets, determined in accordance with transitional regulatory capital requirements related to the current expected credit losses methodology implimentation (d)	496,500 *	456,928	441,804	427,174	418,571
Adjustments (5)	(620) *	(337)	(317)	(351)	(357)
Risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology (e)	495,880 *	456,591	441,487	426,823	418,214
Common shares outstanding (f)	1,531	1,486	1,486	1,486	1,484
Ratios [1]					
Tangible common equity to tangible assets (a)/(c)	4.5 %	5.2 %	5.5 %	6.0 %	6.8 %
Tangible common equity to risk-weighted assets (a)/(d)	6.0	6.7	7.2	8.0	9.2
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology (b)/(e)	8.1	9.4	9.4	9.5	9.6
Tangible book value per common share (a)/(f)	$19.45	$20.73	$21.41	$23.10	$25.90

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

(3), (4), (5) – see slide 33 for corresponding notes

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Year Ended December 31, 2022	Year Ended December 31, 2021	Percent Change	
Net interest income	$14,728	$12,494		
Taxable-equivalent adjustment (1)	118	106		
Net interest income, on a taxable-equivalent basis	14,846	12,600		
Noninterest income	9,456	10,227		
Total net revenue	24,302	22,827	6.5	% (a)
Less: MUFG Union Bank net revenue	302	--		
Less: Notable items (2)	(399)	--		
Total net revenue, excluding MUFG Union Bank and notable items	24,399	22,827	6.9	% (b)
Noninterest expense	14,906	13,728	8.6	% (c)
Less: MUFG Union Bank noninterest expense	221	--		
Less: Notable items (2)	329	--		
Total noninterest expense, excluding MUFG Union Bank and notable items	14,356	13,728	4.6	% (d)
Operating leverage (a) - (c)	(2.1) %			
Operating leverage, excluding MUFG Union Bank and notable items (b) - (d)	2.3 %			

Notes

(1) Based on a federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

(2) Notable items for the three months ended December 31, 2022 include the following:

- $399 million ($297 million net-of-tax) of losses primarily related to interest rate hedging positions entered into after regulatory approval was obtained to manage the impact of interest rate volatility on capital prior to closing the MUFG Union Bank acquisition.
- $90 million ($67 million net-of-tax) of merger and integration charges.
- $791 million ($588 million net-of-tax) of provision for credit losses related to initially providing for acquired loans as well as charges related to the securitization of indirect automobile loans to optimize the balance sheet capital management.
- $179 million of net charge-offs, reflecting uncollectible acquired loans previously charged-off by MUFG Union Bank and acquisition alignment, and $189 million loss on balance sheet optimization

Notable items for the three months ended September 30, 2022 included $42 million ($33 million net-of-tax) of merger and integration charges.

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

(4) Includes the estimated increase in the allowance for credit losses related to the adoption of the current expected credit losses methodology net of deferred taxes.

(5) Includes the impact of the estimated increase in the allowance for credit losses related to the adoption of the current expected credit losses methodology.


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