

U.S. Bancorp 3Q24 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; turmoil and volatility in the financial services industry, including failures or rumors of failures of other depository institutions, which could affect the ability of depository institutions, including U.S. Bank National Association, to attract and retain depositors, and could affect the ability of financial services providers, including U.S. Bancorp, to borrow or raise capital; increases in Federal Deposit Insurance Corporation (FDIC) assessments due to bank failures; actions taken by governmental agencies to stabilize the financial system and the effectiveness of such actions; uncertainty regarding the content, timing, and impact of changes to regulatory capital, liquidity and resolution-related requirements applicable to large banking organizations in response to adverse developments affecting the banking sector; 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 U.S. Bancorp’s loan portfolios or in the value of the collateral securing those loans; changes in commercial real estate occupancy rates; 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, technology or security systems or infrastructure, or those of third parties, including as a result of cybersecurity incidents; failures to safeguard personal information; impacts of pandemics, 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, 2023, and subsequent filings with the Securities and Exchange Commission.

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. 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.

3Q24 Highlights

- **Strong financial performance**

- › Top-line revenue growth supported by strong net interest income and margin expansion

- **Positive operating leverage**

- › Achieved modest positive operating leverage excluding net securities losses and prior year notable items

- **Balance sheet management**

- › Improved loan mix, continued fixed-rate asset repricing, and disciplined liability management

- **Effective risk management**

- › Credit quality trends in line with expectations; Reduced CRE Office exposure

- **Continued capital accretion**

- › Continued capital build through earnings accretion; 20 basis point linked quarter improvement to CET1 Ratio

\$1.03

Earnings per share

17.9%

Return on Tangible
Common Equity

\$6.9B

Total Net Revenue

\$4.2B

Net Interest Income¹

10.5%

CET1 Ratio²

3Q24 Results Summary

Income Statement

\$ in millions, except EPS	Reported	Change vs. Adjusted	
	3Q24	2Q24 ¹	3Q23 ¹
Net interest income²	\$4,166	2.8 %	(2.4) %
Noninterest income	2,698	(4.2)	(2.4)
Noninterest expense	4,204	0.4	(1.0)
Net income to Company	1,714	5.7	(1.3)
Diluted EPS	\$1.03	5.1	(1.9)

Balance Sheet

\$ in billions	Ending balance	Avg balance	Average Period Balance change vs.	
	3Q24	3Q24	2Q24	3Q23
Total assets	\$686.5	\$664.6	(0.1) %	0.1 %
Earning assets	626.3	607.2	(0.3)	0.3
Total loans	374.2	374.1	(0.2)	(0.7)
Total deposits	521.1	508.8	(1.0)	(0.7)

Credit Quality

\$ in millions	3Q24	Change vs.	
		2Q24	3Q23
Nonperforming assets	\$1,848	(0.2) %	41.1 %
NPA ratio	0.49 %	0 bps	14 bps
Net charge-off ratio	0.60 %	2 bps	16 bps
90+ Day Delinquency	0.20 %	1 bps	5 bps

Capital

	3Q24	Change vs.	
		2Q24	3Q23
CET1 capital ratio³	10.5 %	20 bps	80 bps
Total risk-based capital ratio	14.2 %	20 bps	80 bps
Book value per share	\$33.34	4.8 %	12.1 %
Tangible book value per share¹	\$24.71	6.7 %	18.5 %
Earnings returned (millions)⁴	\$786		

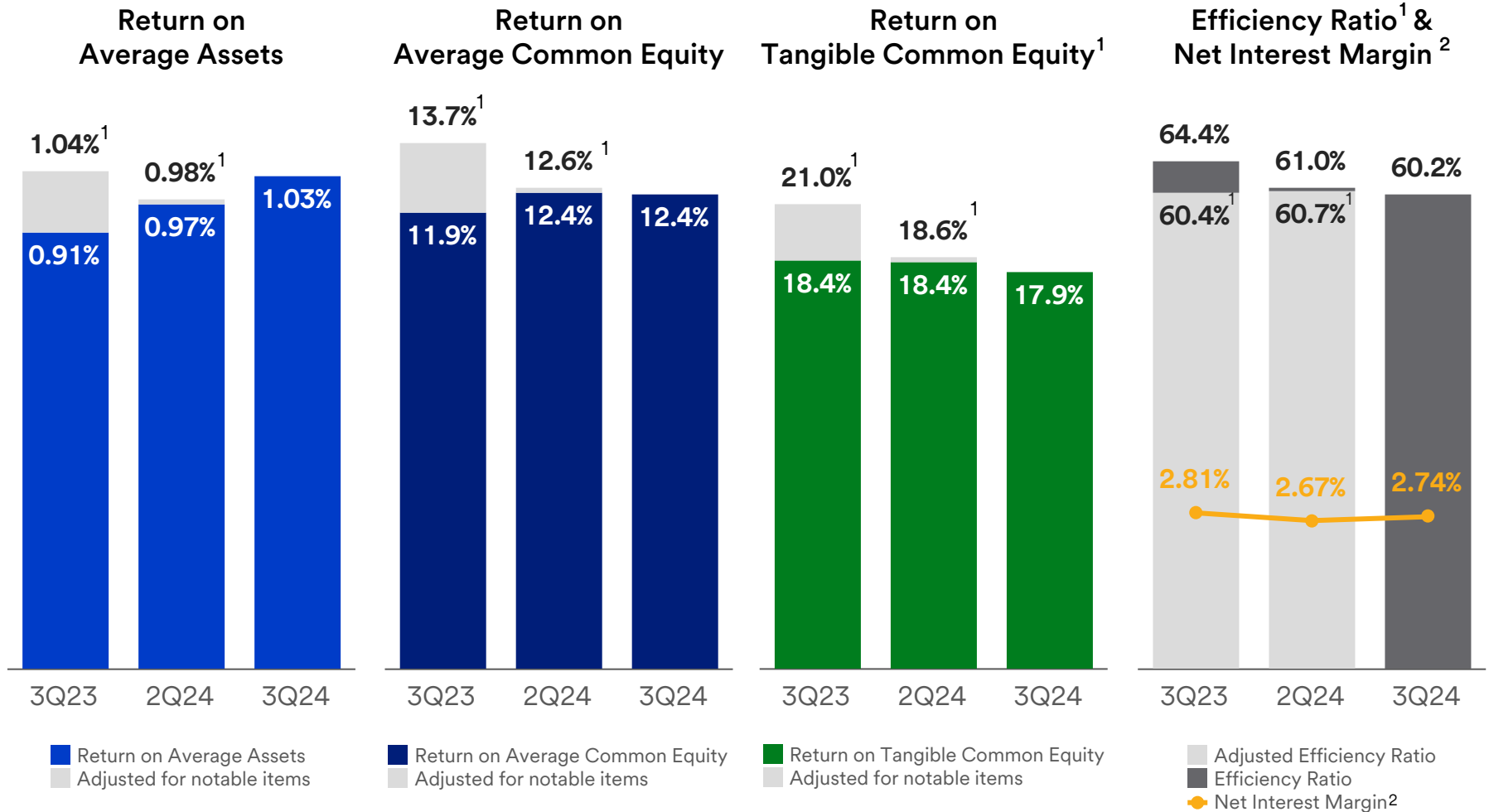
¹ Non-GAAP; see slide 9 and the appendix for calculations and description of notable items

² Taxable-equivalent basis; see appendix for calculation

³ Common equity tier 1 capital to risk-weighted assets, reflecting Basel III standardized with 5 year CECL transition

⁴ Earnings returned (millions) = total common dividends paid and aggregate value of common shares repurchased inclusive of treasury shares repurchased in connection with stock compensation plans

Performance Ratios

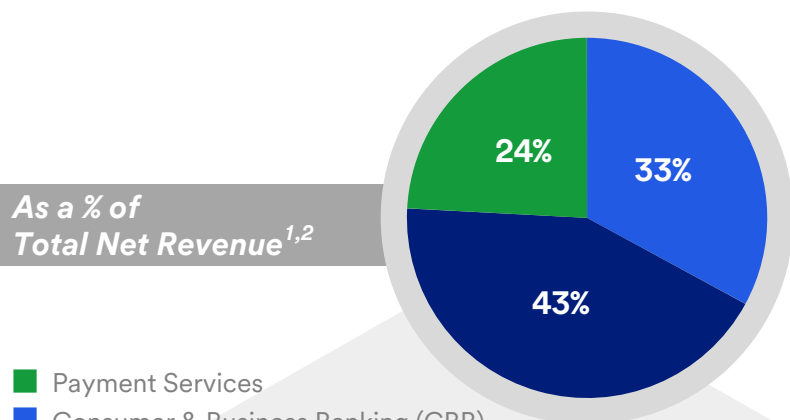


¹ Non-GAAP; see appendix for calculations and description of notable items

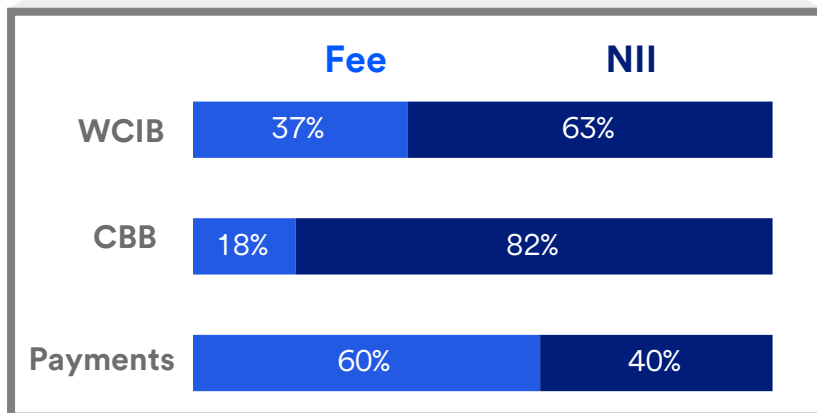
² Net interest margin on a taxable-equivalent basis

Sustainable Earnings Power

Diversified fee income businesses support our short- and long-term growth objectives



- Payment Services
- Consumer & Business Banking (CBB)
- Wealth, Corporate, Commercial & Institutional Banking (WCIB)



Fee income represents **40%** of U.S. Bancorp total net revenue¹

Fee revenue differentiators with national reach



Payment Services fee revenue

Breadth of capabilities, diversified distribution model, proprietary technology platform, payments ecosystem



Trust & Investment Management revenue

Leading market position with sizable distribution, balance sheet, and product advantages



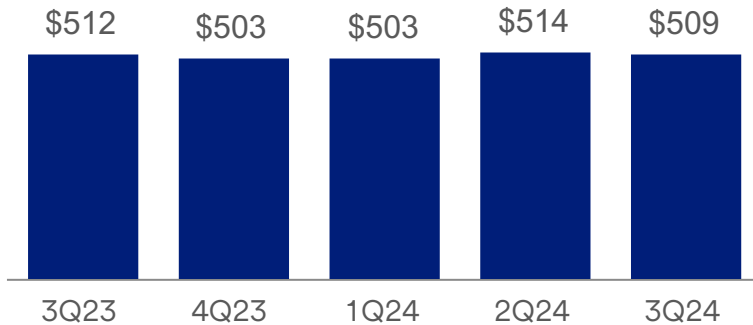
Commercial Products revenue

FICM focused; full suite of products and technology to support debt underwriting, FX, derivatives and loan syndications

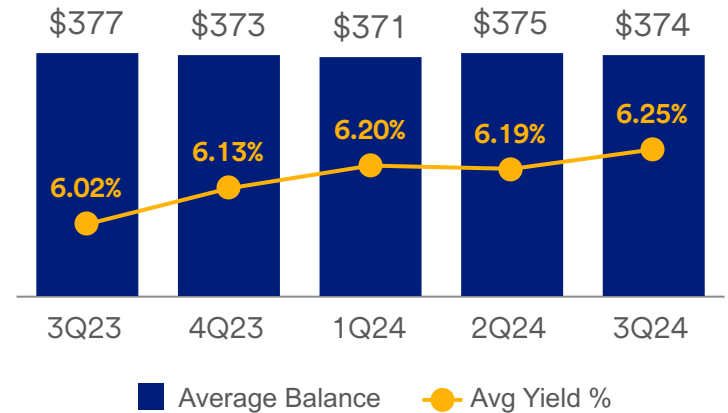
Balance Sheet Summary

Effective balance sheet management; Improved earning asset yields

Total Average Deposits



Total Average Loans

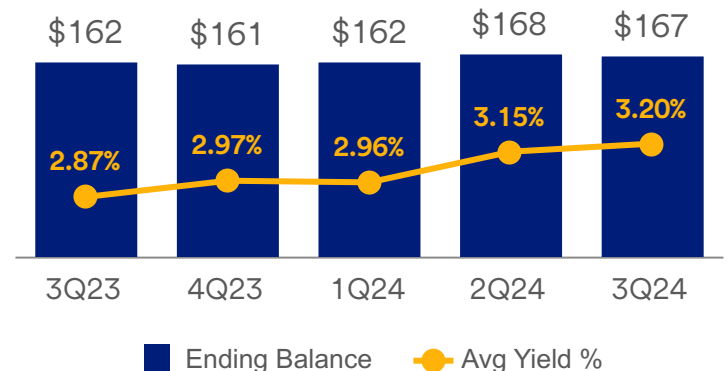


Highlights

- Stabilizing deposit dynamics with emphasis on pricing discipline; Total noninterest bearing mix stable at ~16%.
- Continued focus on capital-efficient growth as earning assets benefit from favorable mix and fixed asset repricing.
- Investment portfolio strategy focused on opportunistically rebalancing the portfolio while reducing AOCI exposure.

Investment Portfolio

End of Period Balances ¹



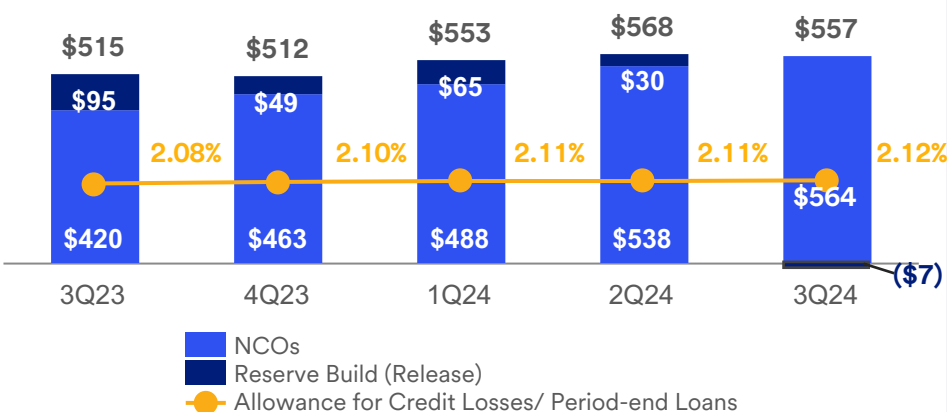
Credit Quality

Stabilizing macro economic environment amid continued stress in CRE Office

Net Charge-offs and Nonperforming Assets

	Change vs.		
	3Q24	2Q24	3Q23
Non-performing Assets			
Balance	\$1,848	\$(4)	\$538
NPAs/Period-end Loans plus OREO	0.49 %	0 bps	14 bps
Net Charge-offs			
NCOs	\$564	\$26	\$144
NCOs/Avg Loans	0.60 %	2 bps	16 bps

Provision for Credit Losses Trending



Allowance for Credit Losses by Loan Category, 3Q24

	Amount (\$B)	Reserve (%)
Commercial	\$2.2	1.6%
Commercial Real Estate	1.6	3.1%
Residential Mortgage	0.8	0.7%
Credit Card	2.5	8.8%
Other Retail	0.8	1.9%
Total	\$7.9	2.1%

Highlights

- \$7M reserve release aligns with loan balance levels; Allowance to loan coverage reflects portfolio mix.
- CRE Office segment is appropriately reserved at 10.8%.
- Proactively managed credit risk across the portfolio.

3Q24 Earnings Summary – Detail

\$ in millions, except EPS				Reported % Change		Notable Items ²			Excluding Notable Items ²	
	3Q24	2Q24	3Q23	vs 2Q24	vs 3Q23	3Q24	2Q24	3Q23	vs 2Q24	vs 3Q23
Net Interest Income	\$4,135	\$4,023	\$4,236	2.8 %	(2.4) %	\$—	\$—	\$—	2.8 %	(2.4) %
Taxable-equivalent Adjustment	31	29	32	6.9	(3.1)	—	—	—	6.9	(3.1)
Net Interest Income (taxable-equivalent basis)	4,166	4,052	4,268	2.8	(2.4)	—	—	—	2.8	(2.4)
Noninterest Income	2,698	2,815	2,764	(4.2)	(2.4)	—	—	—	(4.2)	(2.4)
Net Revenue	6,864	6,867	7,032	—	(2.4)	—	—	—	—	(2.4)
Noninterest Expense	4,204	4,214	4,530	(0.2)	(7.2)	—	26	284	0.4	(1.0)
Operating Income	2,660	2,653	2,502	0.3	6.3	—	(26)	(284)	(0.7)	(4.5)
Provision for credit losses	557	568	515	(1.9)	8.2	—	—	—	(1.9)	8.2
Income Before Taxes	2,103	2,085	1,987	0.9	5.8	—	(26)	(284)	(0.4)	(7.4)
Applicable Income Taxes	381	474	463	(19.6)	(17.7)	—	(7)	(71)	(20.8)	(28.7)
Net Income	1,722	1,611	1,524	6.9	13.0	—	(19)	(213)	5.6	(0.9)
Noncontrolling Interests	(8)	(8)	(1)	—	nm	—	—	—	—	nm
Net Income to Company	1,714	1,603	1,523	6.9	12.5	—	(19)	(213)	5.7	(1.3)
Preferred Dividends/Other	113	85	111	32.9	1.8	—	—	(1)	32.9	0.9
Net Income to Common	\$1,601	\$1,518	\$1,412	5.5 %	13.4 %	\$—	(\$19)	(\$212)	4.2 %	(1.4) %
Net Interest Margin ¹	2.74%	2.67%	2.81%	7 bps	(7) bps	—%	—%	—%	7 bps	(7) bps
Efficiency Ratio ²	60.2%	61.0%	64.4%	(84) bps	(422) bps	—%	.3%	4.0%	(47) bps	(18) bps
Diluted EPS	\$1.03	\$0.97	\$0.91	6.2 %	13.2 %	\$0.00	\$(.01)	\$(.14)	5.1 %	(1.9) %

Net Interest Income

	3Q24	2Q24	3Q23
Loans	\$5,862	\$5,761	\$5,700
Loans held for sale	45	41	42
Investment securities	1,316	1,294	1,152
Other interest income	863	889	860
Total interest income	\$8,086	\$7,985	\$7,754
Deposits	\$3,004	\$3,028	\$2,580
Short-term borrowings	284	296	450
Long-term debt	663	638	488
Total interest expense	\$3,951	\$3,962	\$3,518
Net interest income	\$4,135	\$4,023	\$4,236
Taxable-equivalent adjustment	31	29	32
Net interest income, on a taxable-equivalent basis¹	\$4,166	\$4,052	\$4,268
Net interest margin (taxable-equivalent basis)	2.74 %	2.67 %	2.81 %

Net Interest Income

(taxable-equivalent basis)¹

+2.8% Linked Quarter

-2.4% Year-Over-Year

- Year-over-year performance impacted by deposit mix and pricing, partially offset by higher rates on earning assets and improved balance sheet composition.
- Linked quarter increase in net interest income due to earnings assets mix and continued discipline on funding costs.



Noninterest Income

	3Q24	2Q24	3Q23
Payments	\$1,069	\$1,077	\$1,037
Trust and investment management	667	649	627
Service charges	302	322	334
Commercial products	397	374	354
Mortgage banking revenue	155	190	144
Investment product fees	84	82	70
Securities gains (losses), net	(119)	(36)	—
Other	143	157	198
Noninterest Income	\$2,698	\$2,815	\$2,764

Noninterest Income

-4.2% Linked Quarter

-2.4% Year-Over-Year

- Year-over-year decrease in noninterest income primarily due to net securities losses and lower service charges, partially offset by higher revenue across core fees businesses.
- On a linked quarter basis, noninterest income decreased due to lower mortgage banking revenue and service charges and higher net losses on securities sales, partially offset by higher commercial products revenue and trust and investment management fees.



Noninterest Expense

	3Q24	2Q24	3Q23
Compensation and benefits	\$2,637	\$2,619	\$2,615
Technology and communications	524	509	511
Occupancy and equipment	317	316	313
Professional services	130	116	127
Marketing and business development	165	158	176
All other	431	470	504
Total Noninterest Expense, Adjusted¹	\$4,204	\$4,188	\$4,246
Notable Items¹	—	26	284
Total Noninterest Expense, Reported	\$4,204	\$4,214	\$4,530

Reported

-0.2% Linked Quarter
-7.2% Year-Over-Year

Excluding Notable Items¹

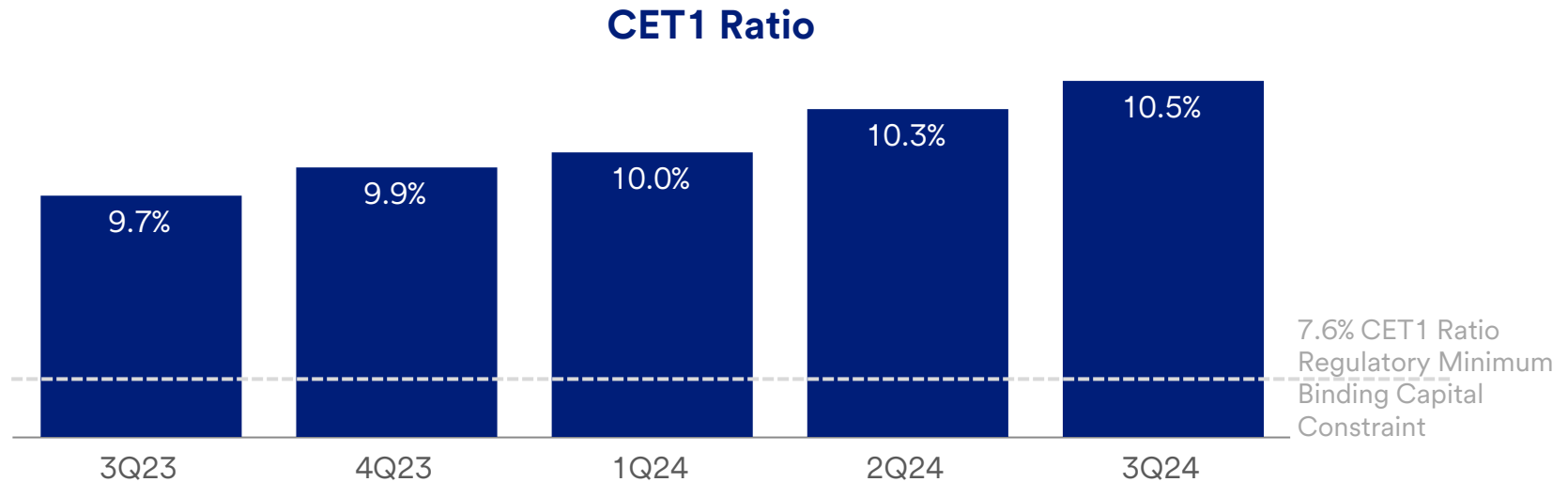
+0.4% Linked Quarter
-1.0% Year-Over-Year

- Year-over-year, adjusted noninterest expense decreased due to lower other noninterest expense, partially offset by higher compensation expense.
- On a linked quarter basis, adjusted noninterest expense increased due to higher compensation and technology expense, partially offset by lower other noninterest expense.



Capital Management

Capital build driven by earnings accretion



3rd Quarter Highlights

- Strong CET1 capital accretion of 20 bps, net of distributions, reflective of our unique and diversified business mix.
- Announced a \$5 billion share repurchase program.
- Balance of continued capital build with distribution; Modest repurchases expected to begin by early 2025.



Guidance – 4Q and FY 2024

4Q 2024 Guidance

Net interest income¹

Relatively stable
vs. Q3 2024 of \$4,166M

FY 2024 Guidance

Net interest income¹

\$16.1B to \$16.4B

Total noninterest income, as adjusted²

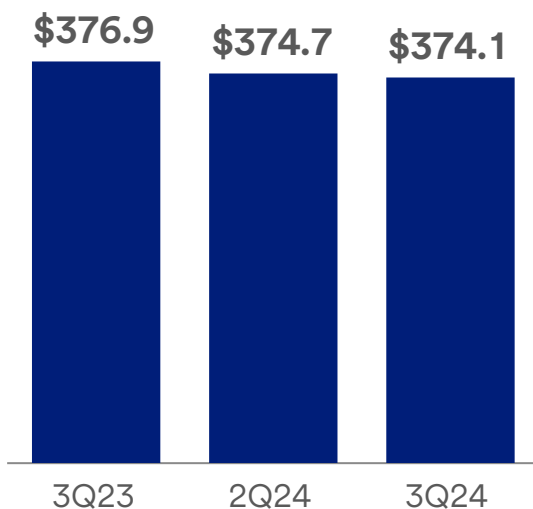
Mid-single digit growth
vs. FY 2023 of ~\$10.8B

Total noninterest expense, as adjusted²

\$16.8B³

Appendix

Average Loans



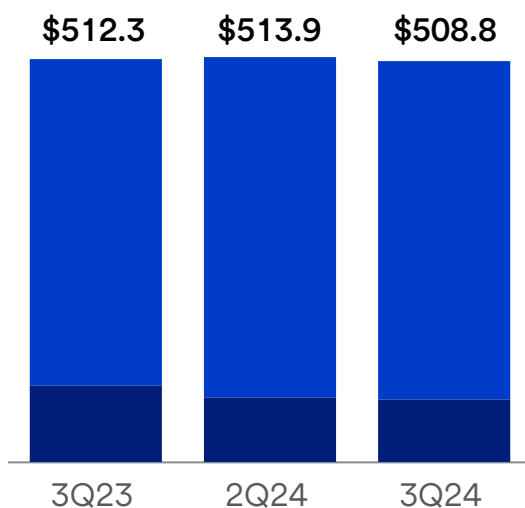
-0.2% linked quarter

-0.7% year-over-year

3Q 2024	Average Balance	% of Total	Average Change vs.	
			2Q24	3Q23
Commercial	\$133	36%	(0.9) %	(1.2) %
Commercial Real Estate	51	14%	(1.6)	(5.2)
Residential Mortgages	118	31%	0.9	2.6
Credit Card	29	8%	2.3	7.9
Other Retail	43	11%	(0.7)	(7.5)
Total Loans	\$374		(0.2) %	(0.7) %

- On a year-over-year basis, the average total loans decline was driven by lower commercial, commercial real estate, and other retail loans, partially offset by higher residential mortgages and credit card loans.
- On a linked quarter basis, the average total loans decrease was driven by lower commercial and commercial real estate loans, partially offset by higher residential mortgages and credit card loans.

Average Deposits



■ Noninterest-bearing
■ Interest-bearing

-1.0% linked quarter

-0.7% year-over-year

3Q 2024	Average	Average Change vs.	
	Balance	2Q24	3Q23
Noninterest-bearing deposits	\$81	(3.0)	% (17.0)
Money market savings	206	(0.9)	16.5
Interest checking	126	(0.1)	(5.2)
Savings accounts	37	(5.3)	(26.6)
Time deposits	59	2.2	7.5
Total interest-bearing deposits	\$428	(0.6)	% 3.1
Total Deposits	\$509	(1.0)	% (0.7)

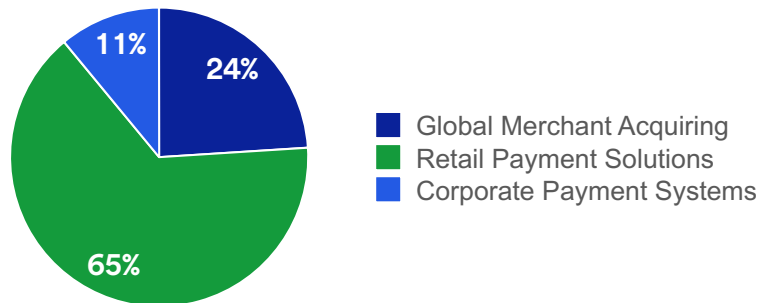
- On a year-over-year basis, average total deposits decline was driven by lower noninterest-bearing deposits partially offset by higher time deposits and total savings deposits.
- On a linked quarter basis, average total deposits fell primarily due to lower interest-bearing wholesale and savings balances that was partially offset by higher time deposits.

Capital Position

\$ in billions	3Q24	2Q24	1Q24	4Q23	3Q23
Total U.S. Bancorp shareholders' equity	\$58.9	\$56.4	\$55.6	\$55.3	\$53.1
Basel III Standardized Approach ¹					
Common equity tier 1 capital ratio	10.5 %	10.3 %	10.0 %	9.9 %	9.7 %
Tier 1 capital ratio	12.2 %	11.9 %	11.6 %	11.5 %	11.2 %
Total risk-based capital ratio	14.2 %	14.0 %	13.7 %	13.7 %	13.4 %
Leverage ratio	8.3 %	8.1 %	8.1 %	8.1 %	7.9 %
Tangible common equity to tangible assets ²	5.7 %	5.4 %	5.2 %	5.3 %	5.0 %
Tangible common equity to risk-weighted assets ²	8.6 %	8.0 %	7.8 %	7.7 %	7.0 %
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology ²	10.5 %	10.2 %	9.9 %	9.7 %	9.5 %

Payment Services

Payments Total Net Revenue by Business (3Q24)



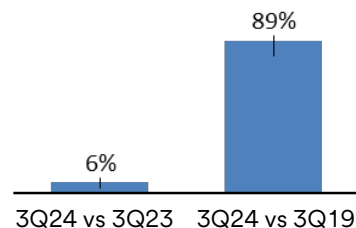
Highlights

- Total card fee revenue (credit/debit/prepaid) improved 3.4% YoY, driven by 4.5% credit card fee growth.
- Merchant processing fee revenue improved 3.0% YoY primarily due to non-travel sales growth.
- Corporate payments fee revenue improved 2.5% YoY primarily due to commercial sales growth.

Historical Linked Quarter Seasonality for Payment Fees Revenue²

Segment	1Q	2Q	3Q	4Q
Card ¹	↓	↑	stable	↑
Corporate Payments	stable	↑	↑	↓
Merchant Processing	↓	↑	↑	↓

Tech-led³ Merchant Processing Fee Revenue Growth



Multiyear investments in tech-led³ resulted in an increase to 34% of merchant processing revenue and growth of 6% YoY for 3Q24, and expected to continue to drive growth

Fee Revenue Growth Rates

+3.4%
Year-Over-Year

➤ +4.5%
Credit only

Total Card

+3.0%
Year-Over-Year

Merchant Processing

+2.5%
Year-Over-Year

Corporate Payments

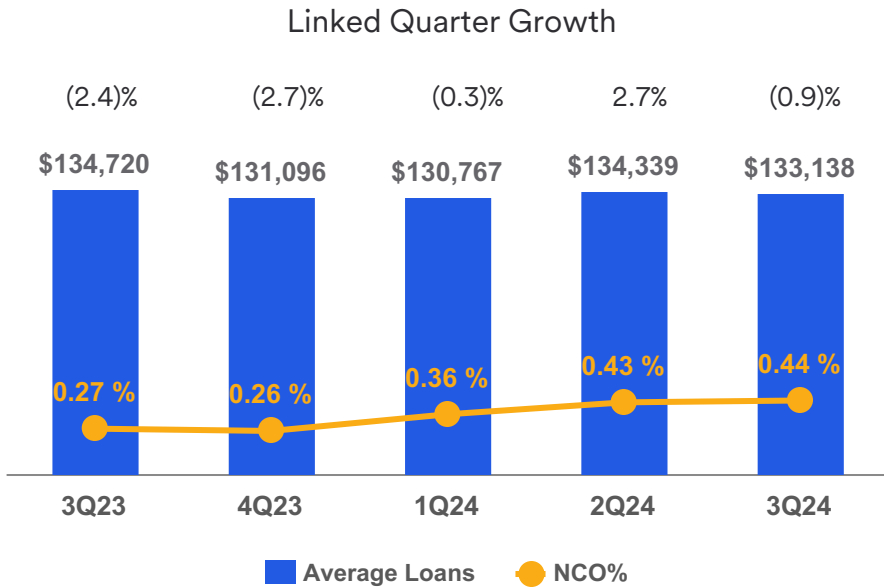
¹ Includes Prepaid Card

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

Credit Quality – Commercial

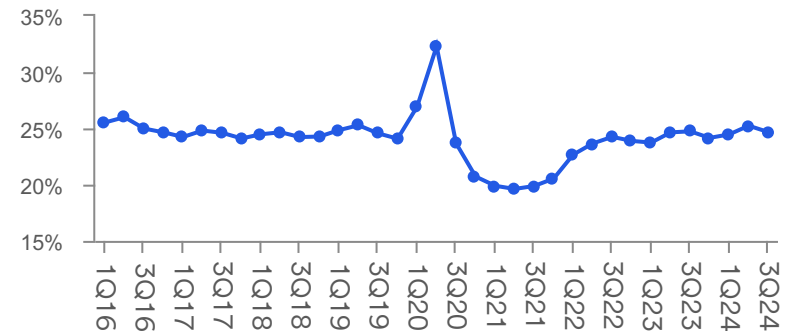
Average Loans (\$M) and Net Charge-offs Ratio



Key Statistics

\$ in millions	3Q23	2Q24	3Q24
Average Loans	\$134,720	\$134,339	\$133,138
30-89 Delinquencies	0.24 %	0.21 %	0.25 %
90+ Delinquencies	0.05 %	0.06 %	0.07 %
Non-performing Loans	0.19 %	0.41 %	0.44 %

Revolving Line Utilization Trend

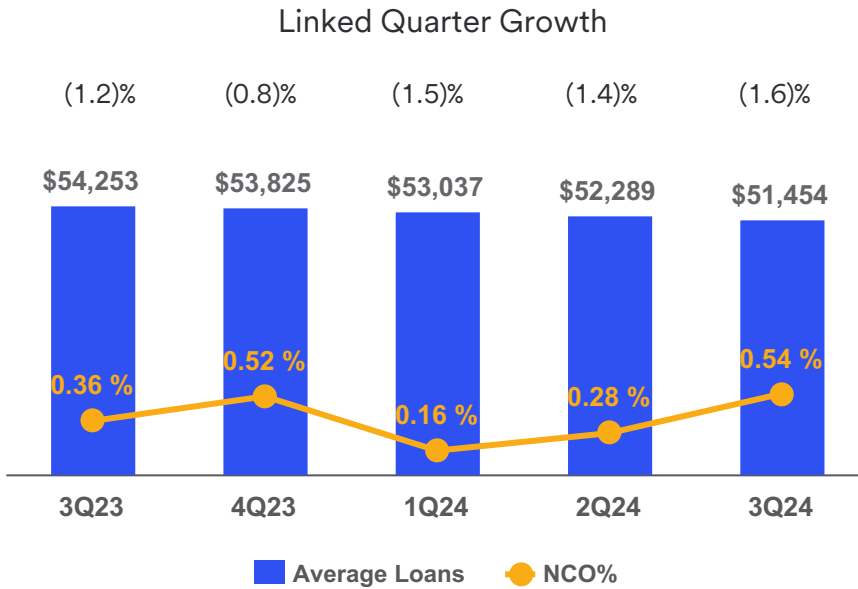


Key Points

- Average loans decreased by 0.9% on a linked quarter basis
- Utilization decreased quarter-over-quarter to 24.7% at 3Q24 versus 25.2% at 2Q24
- Non-performing loans ratio increased slightly quarter-over-quarter

Credit Quality – Commercial Real Estate

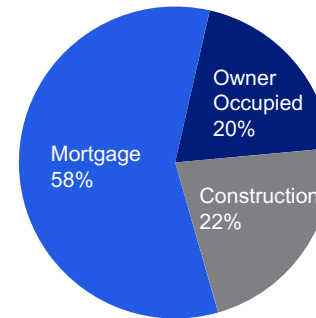
Average Loans (\$M) and Net Charge-offs Ratio



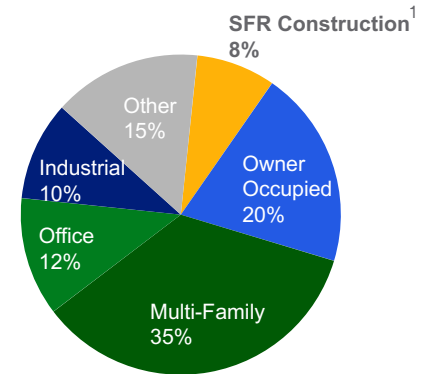
Key Statistics

\$ in millions	3Q23	2Q24	3Q24
Average Loans	\$54,253	\$52,289	\$51,454
30-89 Delinquencies	0.07 %	0.04 %	0.16 %
90+ Delinquencies	— %	0.02 %	0.02 %
Non-performing Loans	1.33 %	1.85 %	1.83 %

CRE by Loan Type



CRE by Property Class

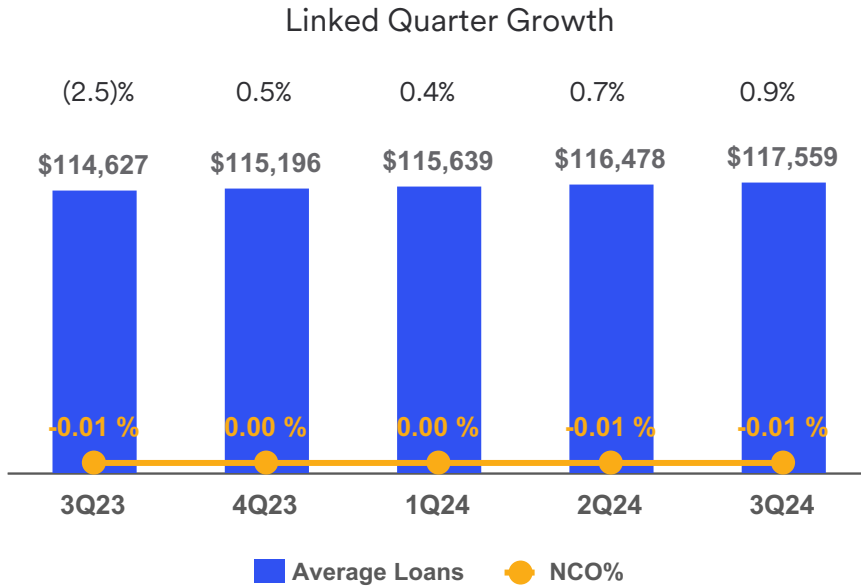


Key Points

- Average loans decreased by 1.6% on a linked quarter basis
- Non-performing loans decreased slightly quarter-over-quarter
- NCO rate increased primarily driven by Office segment

Credit Quality – Residential Mortgage

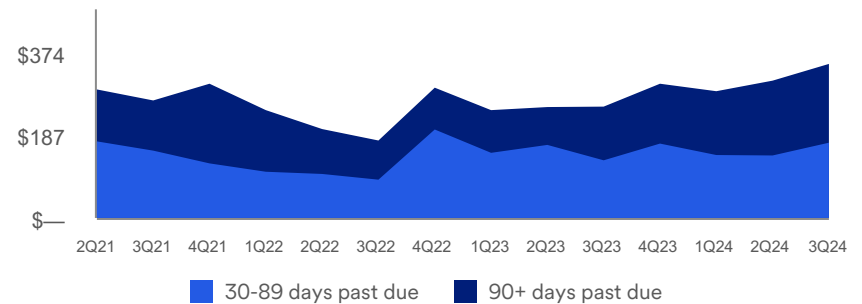
Average Loans (\$M) and Net Charge-offs Ratio



Key Statistics

\$ in millions	3Q23	2Q24	3Q24
Average Loans	\$114,627	\$116,478	\$117,559
30-89 Delinquencies	0.11 %	0.12 %	0.14 %
90+ Delinquencies	0.11 %	0.15 %	0.15 %
Non-performing Loans	0.14 %	0.13 %	0.13 %

Residential Mortgage Delinquencies (\$M)

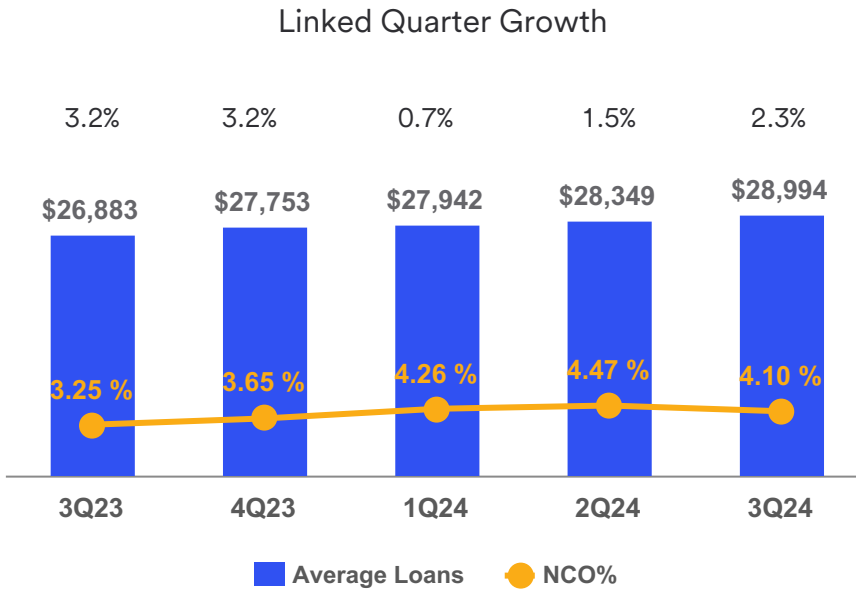


Key Points

- Average loans increased slightly on a linked quarter basis
- Low losses, delinquencies, and non-performing loans supported by strong portfolio credit quality and collateral values
- Originations continued to reflect high credit quality (weighted average credit score of 770, weighted average LTV of 72%)

Credit Quality – Credit Card

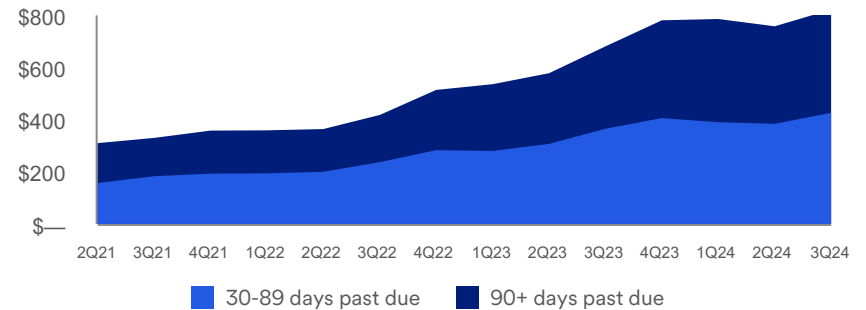
Average Loans (\$M) and Net Charge-offs Ratio



Key Statistics

\$ in millions	3Q23	2Q24	3Q24
Average Loans	\$26,883	\$28,349	\$28,994
30-89 Delinquencies	1.35 %	1.34 %	1.47 %
90+ Delinquencies	1.17 %	1.30 %	1.36 %
Non-performing Loans	— %	— %	— %

Credit Card Delinquencies (\$M)

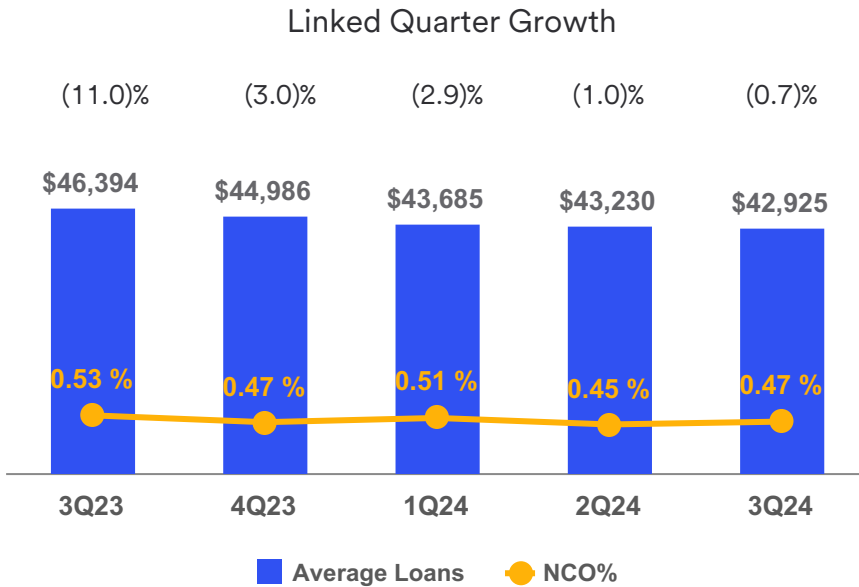


Key Points

- Average loans increased by 2.3% on a linked quarter basis
- Net charge-off rate decreased to 4.10%
- Delinquency rates reflect normal seasonal patterns

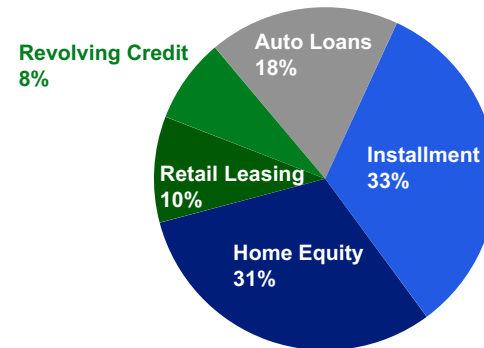
Credit Quality – Other Retail

Average Loans (\$M) and Net Charge-offs Ratio



Key Statistics

\$ in millions	3Q23	2Q24	3Q24
Average Loans	\$46,394	\$43,230	\$42,925
30-89 Delinquencies	0.56 %	0.54 %	0.52 %
90+ Delinquencies	0.13 %	0.14 %	0.14 %
Non-performing Loans	0.28 %	0.33 %	0.34 %



Key Points

- Average loans decreased by 0.7% on a linked quarter basis
- Net charge-offs and non-performing loans remain stable

Non-GAAP Financial Measures

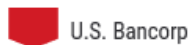
(Dollars in Millions, Unaudited)	Three Months Ended		
	September 30, 2024	June 30, 2024	September 30, 2023
Net interest income	\$ 4,135	\$ 4,023	\$ 4,236
Taxable-equivalent adjustment (1)	31	29	32
Net interest income, on a taxable-equivalent basis	4,166	4,052	4,268
Net interest income, on a taxable-equivalent basis (as calculated above)	4,166	4,052	4,268
Noninterest income	2,698	2,815	2,764
Less: Securities gains (losses), net	(119)	(36)	—
Total net revenue, excluding net securities gains (losses) (a)	6,983	6,903	7,032
Noninterest expense (b)	4,204	4,214	4,530
Efficiency ratio (b)/(a)	60.2 %	61.0 %	64.4 %
Total net revenue, excluding net securities gains (losses) (as calculated above) (c)	\$ 6,903	\$ 6,903	\$ 7,032
Noninterest expense		4,214	4,530
Less: Notable items (2)		26	284
Noninterest expense, excluding notable items (d)		4,188	4,246
Efficiency ratio, excluding notable items (d)/(c)		60.7 %	60.4 %
Net income attributable to U.S. Bancorp	\$ 1,603	\$ 1,603	\$ 1,523
Less: Notable items (2)		(19)	(213)
Net income attributable to U.S. Bancorp, excluding notable items		1,622	1,736
Annualized net income attributable to U.S. Bancorp, excluding notable items (e)		6,524	6,887
Average assets (f)		665,504	663,999
Return on average assets, excluding notable items (e)/(f)		0.98 %	1.04 %
Net income applicable to U.S. Bancorp common shareholders	\$ 1,518	\$ 1,518	\$ 1,412
Less: Notable items, including the impact of earnings allocated to participating stock awards (2)		(19)	(212)
Net income applicable to U.S. Bancorp common shareholders, excluding notable items		1,537	1,624
Annualized net income applicable to U.S. Bancorp common shareholders, excluding notable items (g)		6,182	6,443
Average common equity (h)		49,221	47,009
Return on average common equity, excluding notable items (g)/(h)		12.6 %	13.7 %
Net income applicable to U.S. Bancorp common shareholders, excluding notable items (as calculated above) (i)	\$ 1,537	\$ 1,537	\$ 1,624
Average diluted common shares outstanding (j)		1,561	1,549
Diluted earnings per common share, excluding notable items (i)/(j)	\$ 0.98	\$ 0.98	\$ 1.05

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended		
	September 30, 2024	June 30, 2024	September 30, 2023
Net income applicable to U.S. Bancorp common shareholders	\$ 1,601	\$ 1,518	\$ 1,412
Intangibles amortization (net-of-tax)	112	113	127
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization	1,713	1,631	1,539
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (a)	6,815	6,560	6,106
Average total equity	58,744	56,492	54,283
Average preferred stock	(6,808)	(6,808)	(6,808)
Average noncontrolling interests	(461)	(463)	(466)
Average goodwill (net of deferred tax liability) (3)	(11,494)	(11,457)	(11,493)
Average intangible assets (net of deferred tax liability), other than mortgage servicing rights	(1,981)	(2,087)	(2,418)
Average tangible common equity (b)	38,000	35,677	33,098
Return on tangible common equity (a)/(b)	17.9 %	18.4 %	18.4 %
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization (as calculated above)	\$ 1,631	\$ 1,631	\$ 1,539
Less: Notable items, including the impact of earnings allocated to participating stock awards (2)		(19)	(212)
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization and notable items		1,650	1,751
Annualized net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization and notable items (c)		6,636	6,947
Average tangible common equity (as calculated above) (d)		35,677	33,098
Return on tangible common equity, excluding notable items (c)/(d)		18.6 %	21.0 %

Non-GAAP Financial Measures

(Dollars and Shares in Millions Except Per Share Data, Unaudited)	September 30, 2024		June 30, 2024		March 31, 2024		December 31, 2023		September 30, 2023	
Total equity	\$	59,321	\$	56,885	\$	56,033	\$	55,771	\$	53,578
Preferred stock		(6,808)		(6,808)		(6,808)		(6,808)		(6,808)
Noncontrolling interest		(462)		(465)		(465)		(465)		(465)
Goodwill (net of deferred tax liability) (3)		(11,540)		(11,449)		(11,459)		(11,480)		(11,470)
Intangible assets (net of deferred tax liability), other than mortgage servicing rights		(1,944)		(2,047)		(2,158)		(2,278)		(2,370)
Tangible common equity (a)		38,567		36,116		35,143		34,740		32,465
Common equity tier 1 capital, determined in accordance with transitional regulatory capital requirements related to the current expected credit losses methodology implementation		47,164		46,239		45,239		44,947		44,655
Adjustments (4)		(433)		(433)		(433)		(866)		(867)
Common equity tier 1 capital, reflecting the full implementation of the current expected credit losses methodology (b)		46,731		45,806		44,806		44,081		43,788
Total assets		686,469		680,058		683,606		663,491		668,039
Goodwill (net of deferred tax liability) (3)		(11,540)		(11,449)		(11,459)		(11,480)		(11,470)
Intangible assets (net of deferred tax liability), other than mortgage servicing rights		(1,944)		(2,047)		(2,158)		(2,278)		(2,370)
Tangible assets (c)		672,985		666,562		669,989		649,733		654,199
Risk-weighted assets, determined in accordance with transitional regulatory capital requirements related to the current expected credit losses methodology implementation (d)		447,476	*	449,111		452,831		453,390		462,250
Adjustments (5)		(368)	*	(368)		(368)		(736)		(736)
Risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology (e)		447,108	*	448,743		452,463		452,654		461,514
Common shares outstanding (f)		1,561		1,560		1,560		1,558		1,557
Ratios										
Tangible common equity to tangible assets (a)/(c)		5.7%		5.4%		5.2%		5.3%		5.0%
Tangible common equity to risk-weighted assets (a)/(d)		8.6		8.0		7.8		7.7		7.0
Common tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology (b)/(e)		10.5		10.2		9.9		9.7		9.5
Tangible book value per common share (a)/(f)	\$	24.71	\$	23.15	\$	22.53	\$	22.30	\$	20.85



(3), (4), (5) – see last page in appendix for corresponding notes

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

Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Year Ended	
	December 31, 2023	
Total noninterest income	\$	10,617
Less: Notable items (2)		(140)
Total noninterest income, as adjusted		10,757

Non-GAAP Financial Measures

(\$ in millions)	Nine Months Ended September 30, 2024	
Line of Business Financial Performance		Net Revenue
Wealth, Corporate, Commercial and Institutional Banking	\$	9,098
Consumer and Business Banking		6,976
Payment Services		5,248
Treasury and Corporate Support		(876)
Total Company		<u>20,446</u>
Less Treasury and Corporate Support		(876)
Total Company excluding Treasury and Corporate Support	\$	<u>21,322</u>

Percent of Total Company

Wealth, Corporate, Commercial and Institutional Banking	44 %
Consumer and Business Banking	34 %
Payment Services	26 %
Treasury and Corporate Support	(4)%
Total Company	<u>100 %</u>

Percent of Total Company excluding Treasury and Corporate Support

Wealth, Corporate, Commercial and Institutional Banking	43 %
Consumer and Business Banking	33 %
Payment Services	24 %
Total Company excluding Treasury and Corporate Support	<u>100 %</u>

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 June 30, 2024 included a \$26 million (\$19 million net-of-tax) charge for the increase in FDIC special assessment.

Notable items of \$265 million (\$199 million net-of-tax) for three months ended March 31, 2024 included \$155 million of merger and integration-related charges and a \$110 million charge for the increase in the FDIC special assessment.

Notable items for three months ended September 30, 2023 included \$284 million (\$213 million net-of-tax) of merger and integration-related charges.

Notable items for the year-ended December 31, 2023 of \$2.2 billion (\$1.6 billion net-of-tax, including a \$70 million discrete tax benefit) included \$(140) million of noninterest income related to investment securities balance sheet repositioning and capital management actions, \$1.0 billion of merger and integration-related charges, \$734 million of FDIC special assessment charges, a \$110 million charitable contribution and \$243 million of provision for credit losses related to balance sheet repositioning and capital management actions.

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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