



Merrill Lynch

Banking & Financial Services Conference

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David Moffett
Vice Chairman & CFO

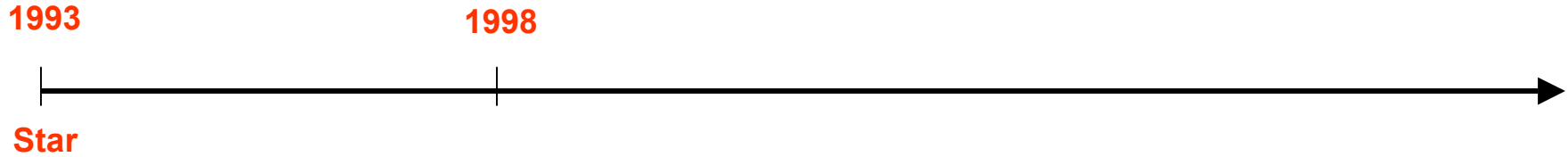


Forward-looking Statement

This presentation and corresponding material contain forward-looking statements. 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 prospects of the Company. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including the following, in addition to those contained in the Company’s reports on file with the SEC: (i) general economic or industry conditions could be less favorable than expected, resulting in a deterioration in credit quality, a change in the allowance for credit losses, or a reduced demand for credit or fee-based products and services; (ii) changes in the domestic interest rate environment could reduce net interest income and could increase credit losses; (iii) the conditions of the securities markets could change, adversely affecting revenues from capital markets businesses, the value or credit quality of the Company’s assets, or the availability and terms of funding necessary to meet the Company’s liquidity needs; (iv) changes in the extensive laws, regulations and policies governing financial services companies could alter the Company’s business environment or affect operations; (v) the potential need to adapt to industry changes in information technology systems, on which the Company is highly dependent, could present operational issues or require significant capital spending; (vi) competitive pressures could intensify and affect the Company’s profitability, including as a result of continued industry consolidation, the increased availability of financial services from non-banks, technological developments, or bank regulatory reform; (vii) acquisitions may not produce revenue enhancements or cost savings at levels or within time frames originally anticipated, or may result in unforeseen integration difficulties; and (viii) capital investments in the Company’s businesses may not produce expected growth in earnings anticipated at the time of the expenditure. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update them in light of new information or future events.

U.S. Bancorp Timeline

“Growth and Cost”



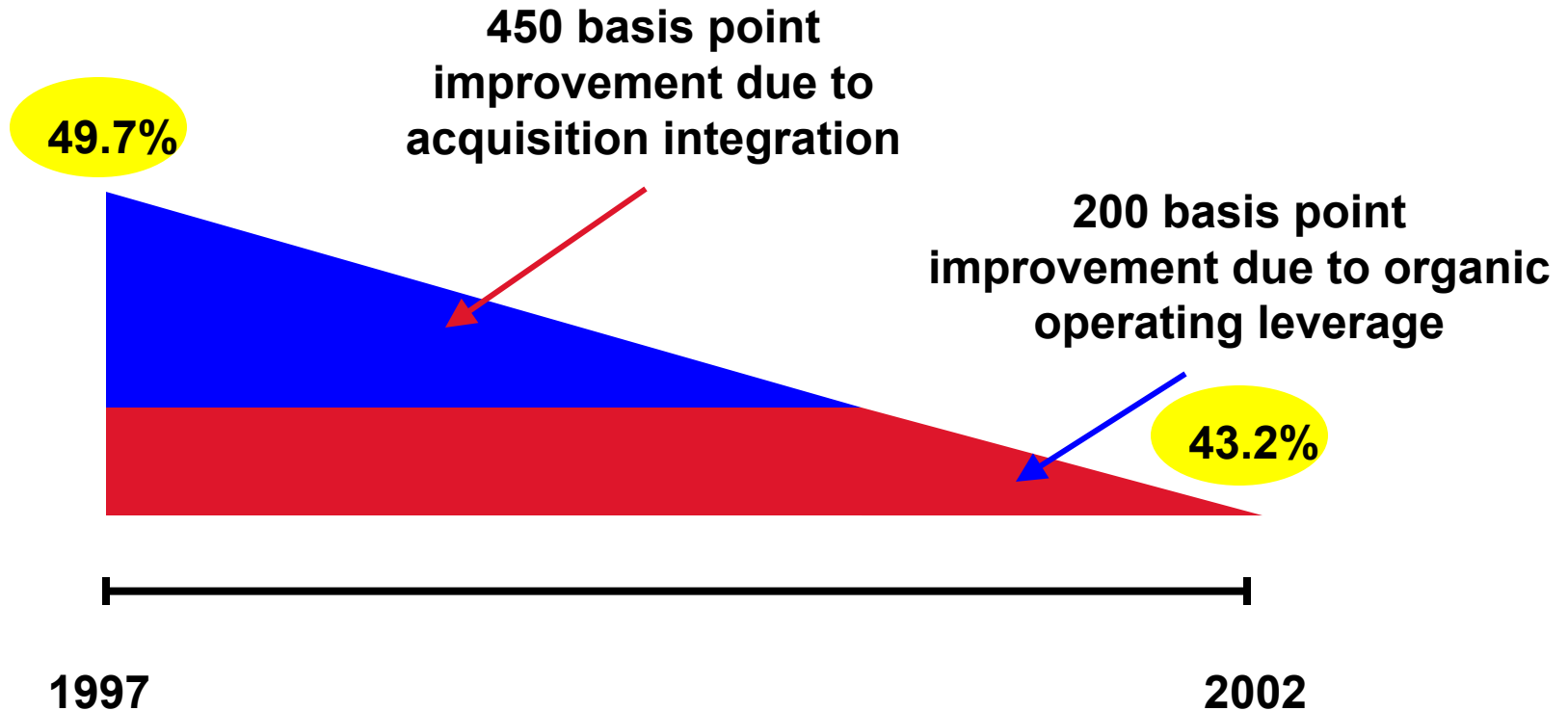
Building a Regional Franchise

- Develop retail model and grow branch network
- Develop cost leadership
- Build a strong regional platform

Integrations Drive Efficiency Gains

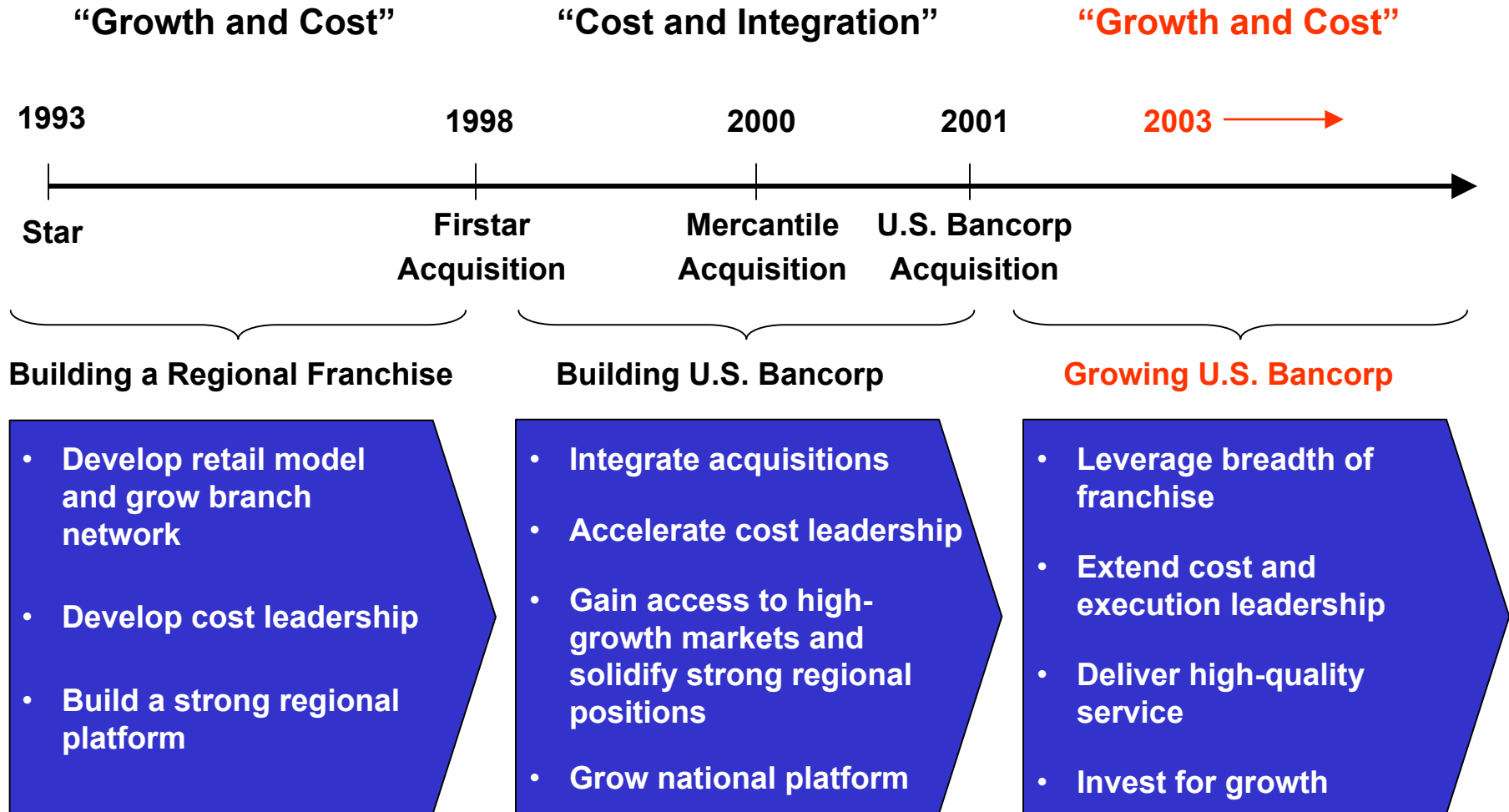
USB Tangible Efficiency Ratio

1997 to 2002

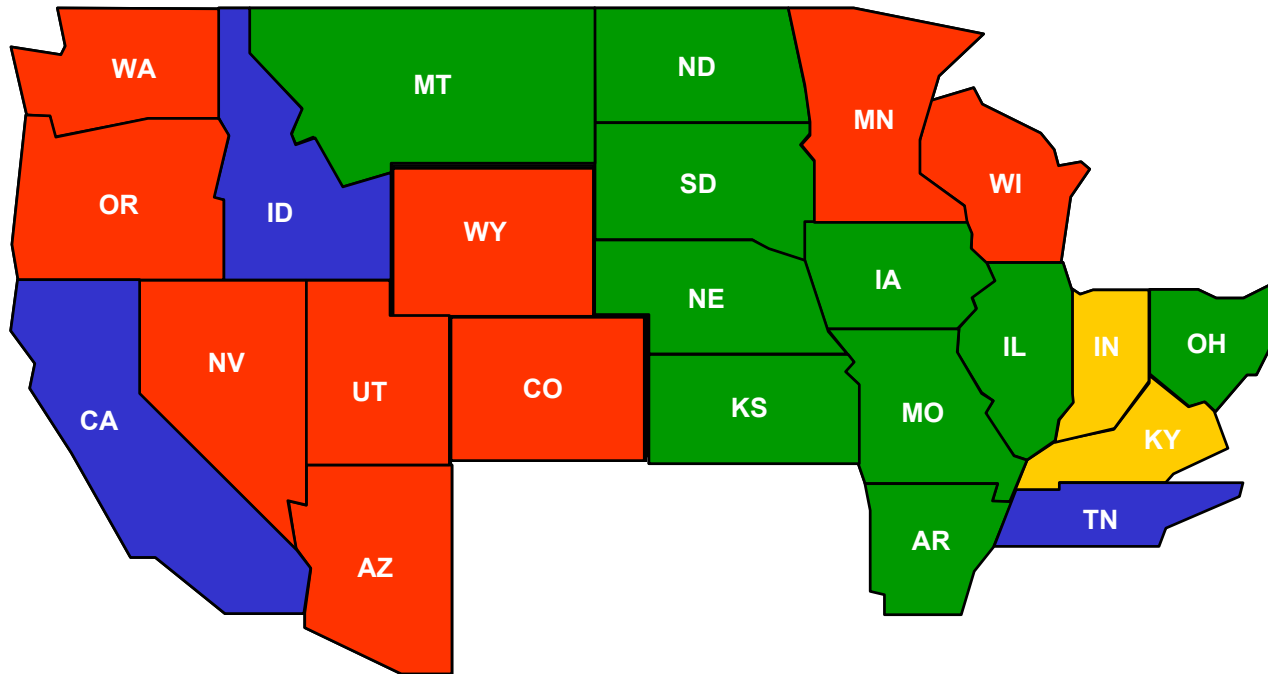


Source: Company Reports. Restated Financials.

U.S. Bancorp Timeline



Attractive Regional Growth Franchise



 Above Median Household and Income Growth

 Above Median Income Growth

 Above Median Household Growth

 Below Median Household and Income Growth

Diversified Business Mix With Scale

<u>Business Unit</u>	<u>% of USB Revenue</u>	<u>Footprint</u>	<u>Rank in Footprint</u>
Metropolitan Banking	15.3%	Regional	3
Community Banking	12.3%	Regional	1
Retail Credit Card	10.5%	National	7
NOVA Information Systems	6.4%	National	3
Corporate Banking	6.1%	National	7
Middle Market Banking	6.0%	Regional	3
Mortgage Banking	4.9%	National	19
Consumer Lending	4.3%	National	6
Private Client Group	4.0%	Regional	3
Commercial Real Estate	3.4%	National	4
Corporate Trust	2.4%	National	3
Asset Management	2.0%	National	45
Corporate Payment Systems	2.0%	National	1
Government Banking	1.9%	National	3
Institutional Trust	1.1%	Regional	9
Fund Services	0.7%	National	3

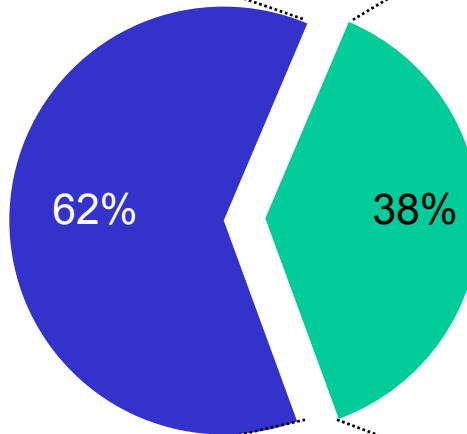
Significant National Presence

Regional Businesses

- Consumer Banking
 - Metropolitan Banking
 - Community Banking
 - In-Store Banking
 - Small Business
 - Investments
 - Insurance
- Middle Market Banking
- Private Banking
- Institutional Trust

Key Success Factors

- Geographic Density
- Franchise Support
- Execution
- Brand
- Technology



National Businesses

- Retail Credit Card
- NOVA
- Corporate Banking
- Mortgage Banking
- Consumer Lending
- Commercial Real Estate
- Corporate Trust
- Asset Management
- Corporate Payment
- Government Banking
- Fund Services

Key Success Factors

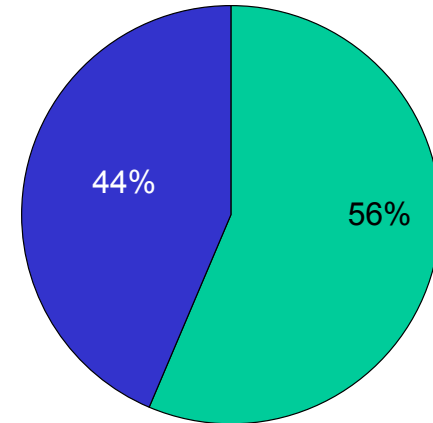
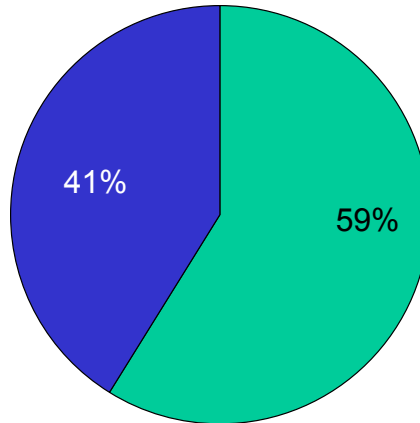
- National Scale
- Execution
- Brand
- Technology

Advantaged Revenue Mix

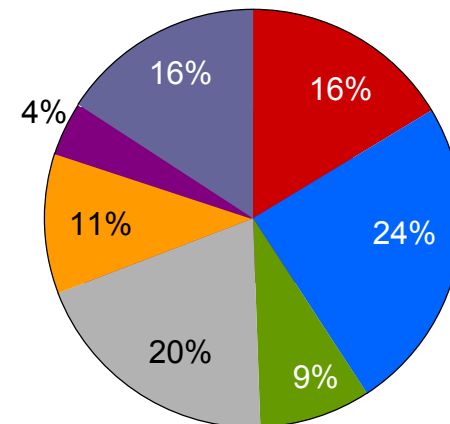
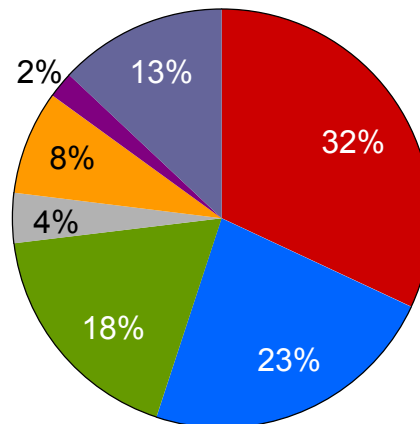
U.S. Bancorp
Excluding Piper Jaffray

9 Bank Composite

Total Revenue



Fee Revenue

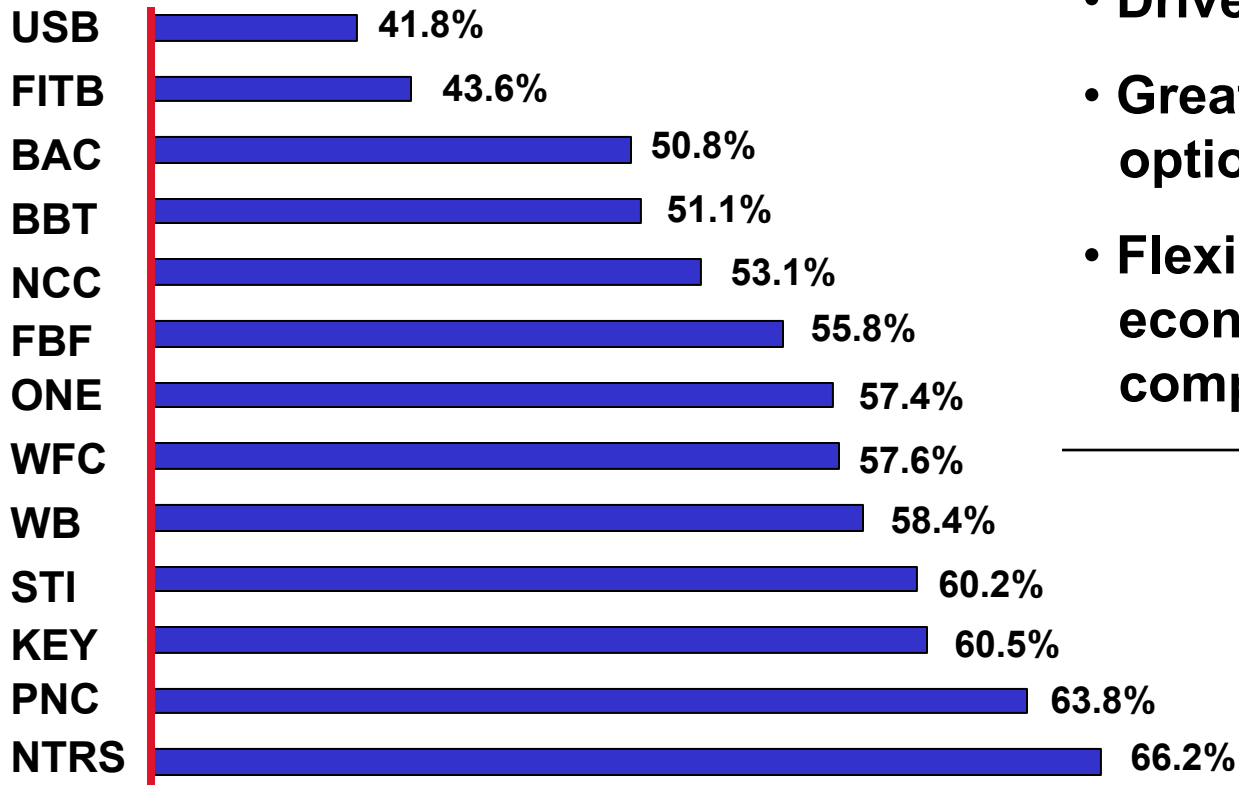


9 Bank Composite Includes: BAC, FBF, FITB, KEY, NCC, ONE, STI, WB, WFC

Maintaining Cost Leadership

Tangible Efficiency Ratio

YTD September 30, 2003



Cost Leadership

- Drives higher returns
- Greater range of pricing options
- Flexibility to weather economic downturns or competitor actions

Creating Operating Leverage

Revenue Growth Minus Expense Growth

YTD September 30, 2003 vs YTD September 30, 2002

	<u>USB</u>	13 Bank <u>Median</u>	USB <u>Rank</u>
Revenue Growth	5.3%	4.8%	6
Expense Growth	1.7%	5.4%	4
Operating Leverage (Revenue Growth Minus Expense Growth)	3.7%	-3.9%	1

13 Bank Group Includes: BAC, BBT, FBF, FITB, KEY, NCC, NTRS, ONE, PNC, STI, USB, WB, WFC

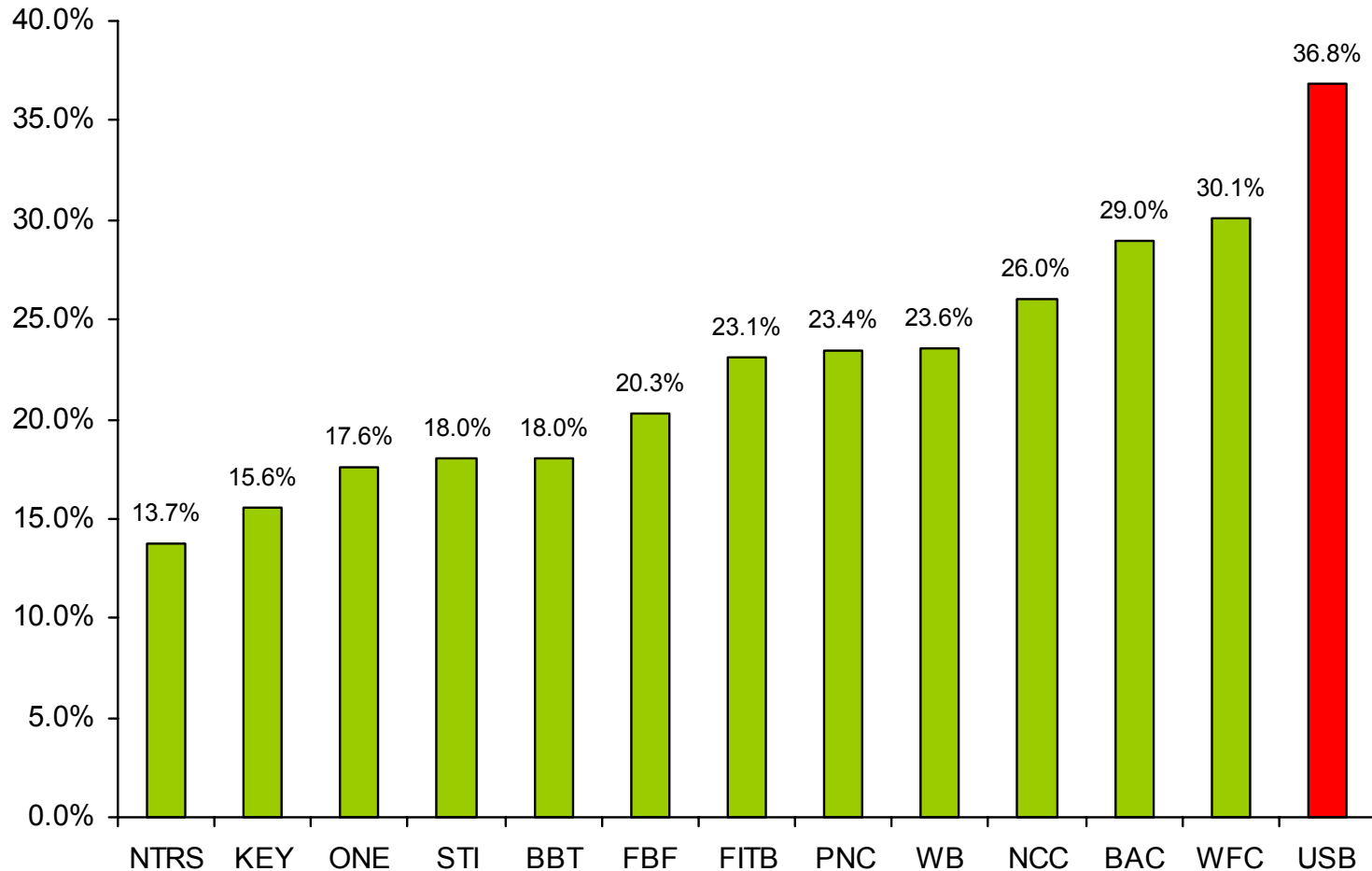
Producing Industry Leading Returns

YTD September 30, 2003

	<u>ROA</u>	<u>ROE</u>	<u>Equity / Assets</u>
USB	2.04%	20.2%	10.1%
FITB	2.02%	20.2%	10.0%
NCC	1.67%	22.4%	7.4%
WFC	1.63%	19.4%	8.4%
PNC	1.44%	14.5%	9.9%
BAC	1.43%	21.8%	6.5%
FBF	1.25%	14.2%	8.7%
ONE	1.22%	15.1%	8.1%
BBT	1.21%	12.0%	10.1%
WB	1.20%	13.1%	9.1%
STI	1.09%	14.8%	7.4%
KEY	1.06%	13.0%	8.2%
NTRS	1.02%	13.2%	7.7%

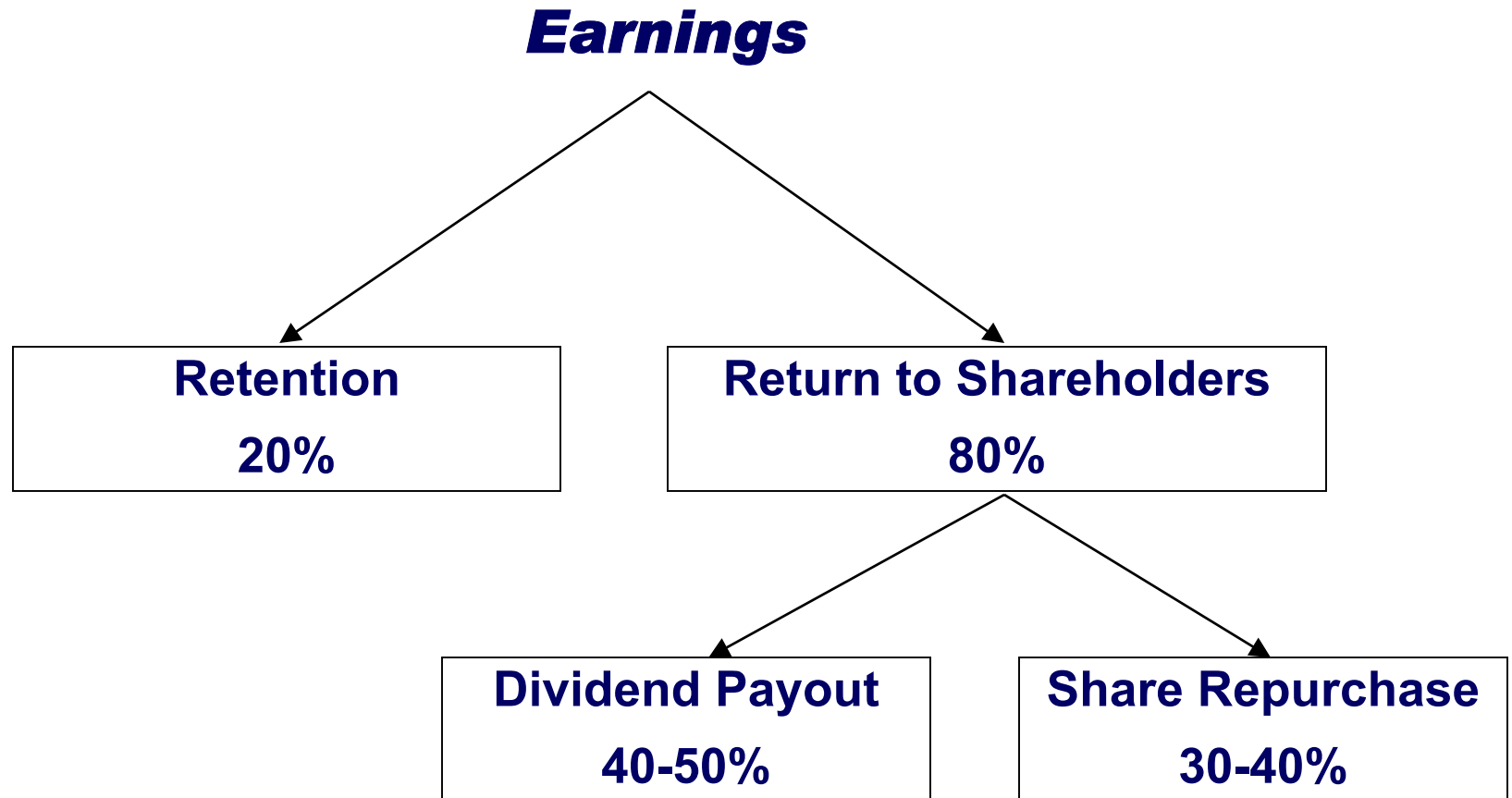
Generating High Levels of Capital

Tangible Common Equity Generation Rates



Source: KBW. 2003 (Nine Months Annualized).

Returning Capital to Shareholders



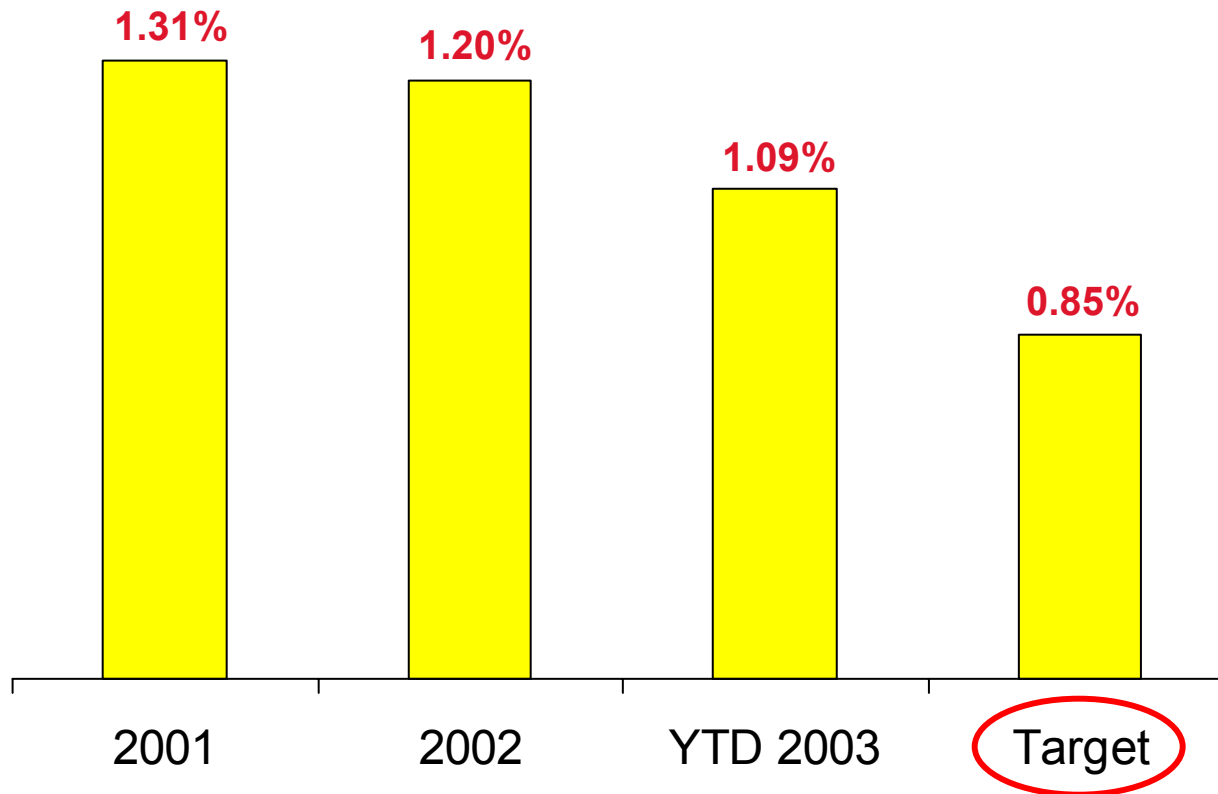
Factors Facilitating 80% Pay Out

- Improving Credit Quality
- Significant Balance Sheet Liquidity, Allowing Loan Growth to be Funded Through Investment Security Portfolio Liquidation
- Currently Increasing Returns in Low Return, Capital Intensive Business Units or Reallocating Capital to High Return Business Units
- Investing New Capital in High Return, High Growth Business Units

Improving Credit Quality

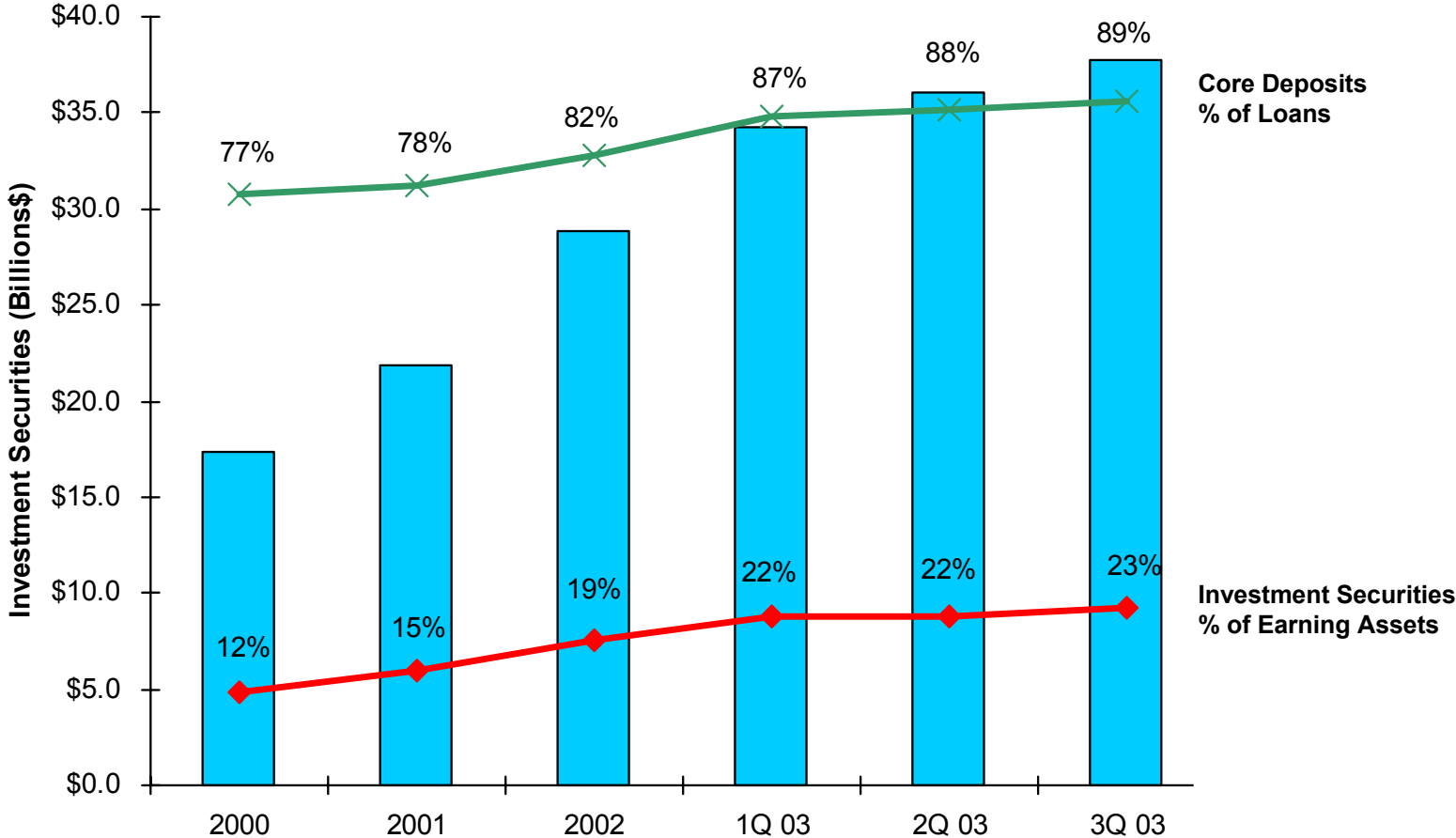
Net Charge-off Ratio

2001 to YTD September 30, 2003



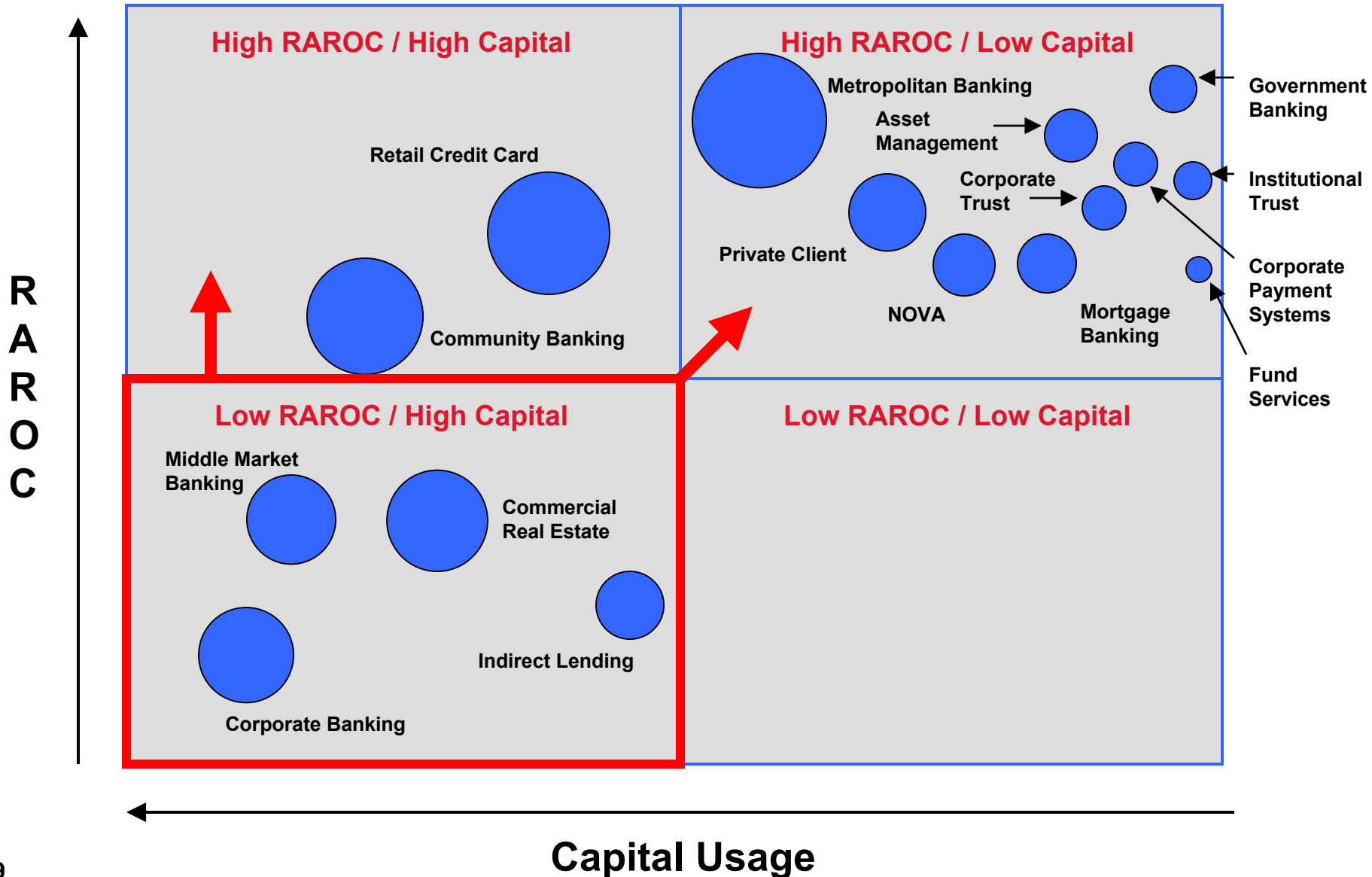
Source: Company Reports.

Significant Balance Sheet Liquidity



Operating ROA	1.96%	1.54%	2.06%	2.04%	2.06%	2.07%
Net Interest Margin	4.33%	4.42%	4.61%	4.56%	4.50%	4.41%
Equity / Assets	9.1%	9.8%	9.9%	10.1%	10.2%	10.0%

Increasing Returns or Reallocating Capital

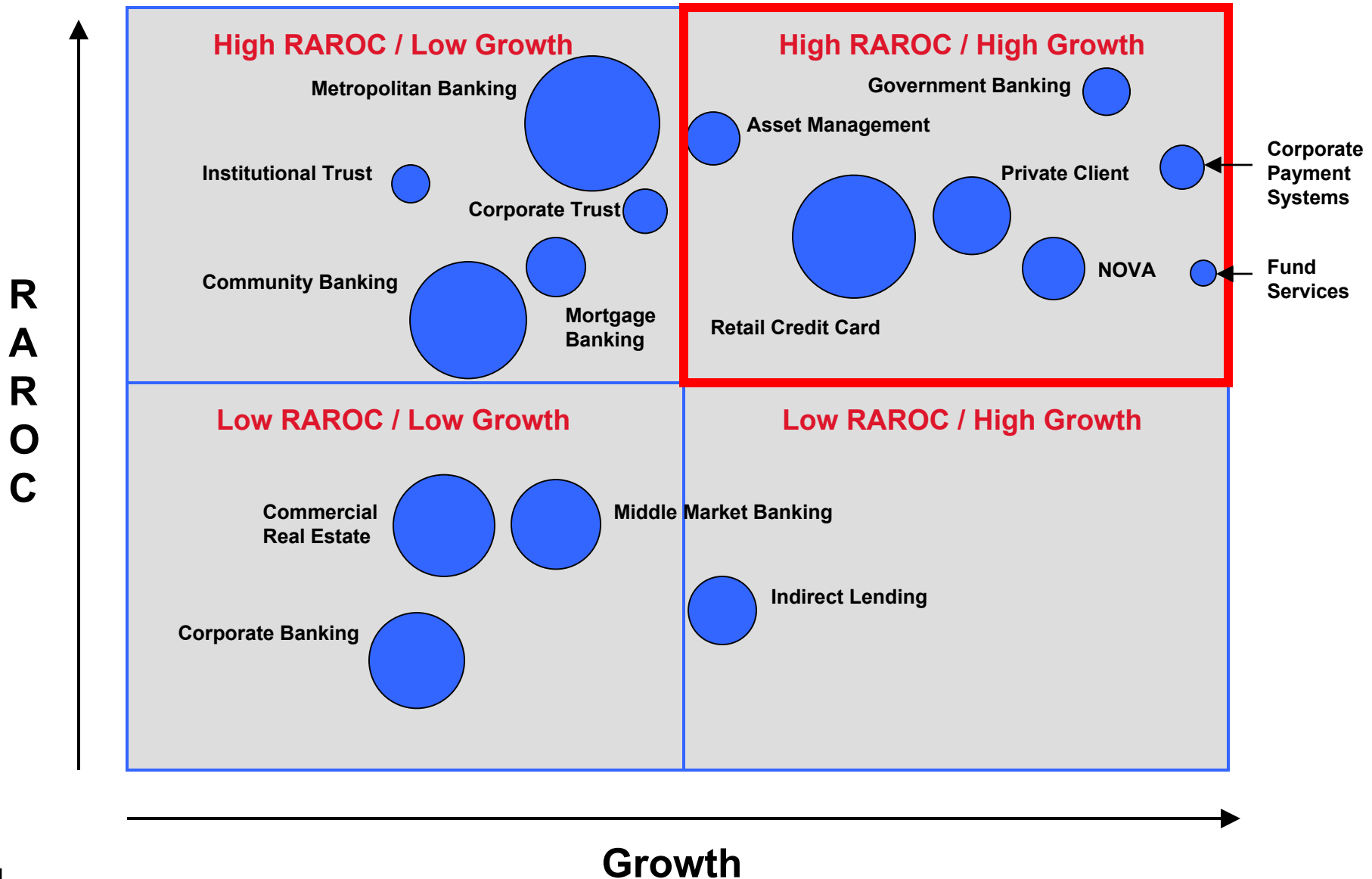


Increasing Returns or Reallocating Capital

Examples of Actions Underway:

- Emphasis on commercial relationship penetration
 - Deposit balances
 - Cash Management (USB is 7th largest provider)
 - Corporate Payments (USB is largest commercial card issuer)
 - Merchant Processing (USB is 3rd largest merchant acquirer)
 - Asset Management (USB is 5th largest bank distributor of proprietary mutual funds)
 - Corporate Trust (USB is 3rd largest corporate trust provider)
- Reducing capital committed to enterprise value reliant lending

Investing in High Return and High Growth



Investing in High Return and High Growth

Examples of Actions Underway:

- Expanding Government Banking
- Expanding Asset Management distribution
- Expanding European merchant acquiring business (NOVA / euroConex)
- Expanding payment services product offerings to financial institution customers (“Bank of Banks” / Elan)
- Expanding distribution of Corporate Payment products to middle market customers
- Expanding in-store banking office distribution
- Expanding Mortgage Banking distribution in West markets

Growing U.S. Bancorp

2003



Leverage Breadth of Franchise

Extend Cost and Execution Leadership

Deliver High-Quality Service

Invest for Growth



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