



Merrill Lynch

2004 Banking Financial Services Conference

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Chairman and CEO

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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.

Financial Performance Summary

(\$ in Millions)

	<u>9 Months 2004</u>	<u>9 Months 2003</u>	<u>Percent Change</u>
Net Income	\$3,110.8	\$2,755.6	12.9%
Diluted EPS	\$1.62	\$1.43	13.3%
Net Interest Margin	4.26%	4.51%	
Net Charge-off Ratio	0.67%	1.09%	
Return on Equity	21.5%	19.2%	
Return on Assets	2.18%	1.97%	

Industry Leading Performance Metrics

Third Quarter 2004

	<u>USB</u>	<u>Top 12 Median</u>	<u>USB Rank ⁽¹⁾</u>
Return on Assets	2.21%	1.44%	1
Return on Equity	21.9%	15.5%	1
Efficiency Ratio ⁽²⁾	44.5%	57.7%	1
Net Interest Margin	4.22%	3.66%	2
Tangible Return on Equity ⁽³⁾	39.1%	25.1%	1
Tangible Return on Assets ⁽³⁾	2.47%	1.49%	1
Tangible Efficiency Ratio ⁽²⁾⁽³⁾	40.7%	57.0%	1

(1) Rank among Top 12 Peer Group which includes BAC, BBT, CMA, FITB, KEY, NCC, PNC, RF, STI, USB, WB and WFC.

(2) Computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding securities gains (losses), net. Excludes nonrecurring items.

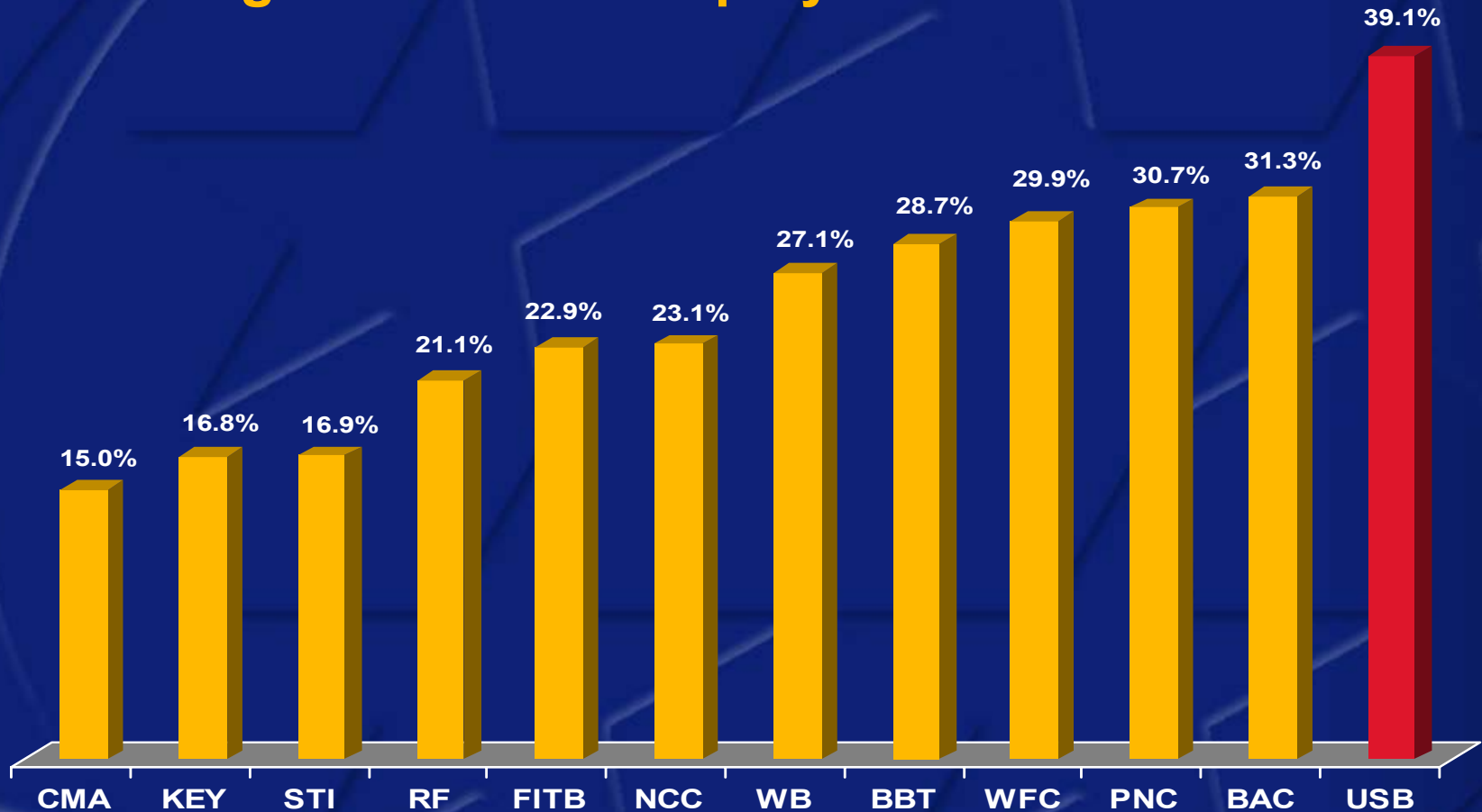
(3) Tangible ratios exclude the impact of intangible amortization expense.

Investing For Future Growth

Business Unit	Investment Description
Consumer Banking	In-store Branches / Cross Sell and Call Center Technology / Fraud Systems
NOVA	European and Domestic Transaction Processing Acquisitions
Treasury Management	Lock Box ACH / Wire Transfer / Enhanced Internet Platform
Retail Payment Solutions	Co-brand and Affinity Credit Card Customization / Call Center Expansion
Corporate Trust	National City Corporate Trust Acquisition
Fund Services	Financial Data Warehouse and Internet Based Reporting System for Clients
Wholesale Banking	Commercial Loan Process Reengineering
Check Image / Infrastructure	Check Image Exchange / Disaster Recovery / PC Upgrades

Industry Leading Capital Generation

Tangible Common Equity Generation Rates



Returning 80% Of Earnings To Shareholders

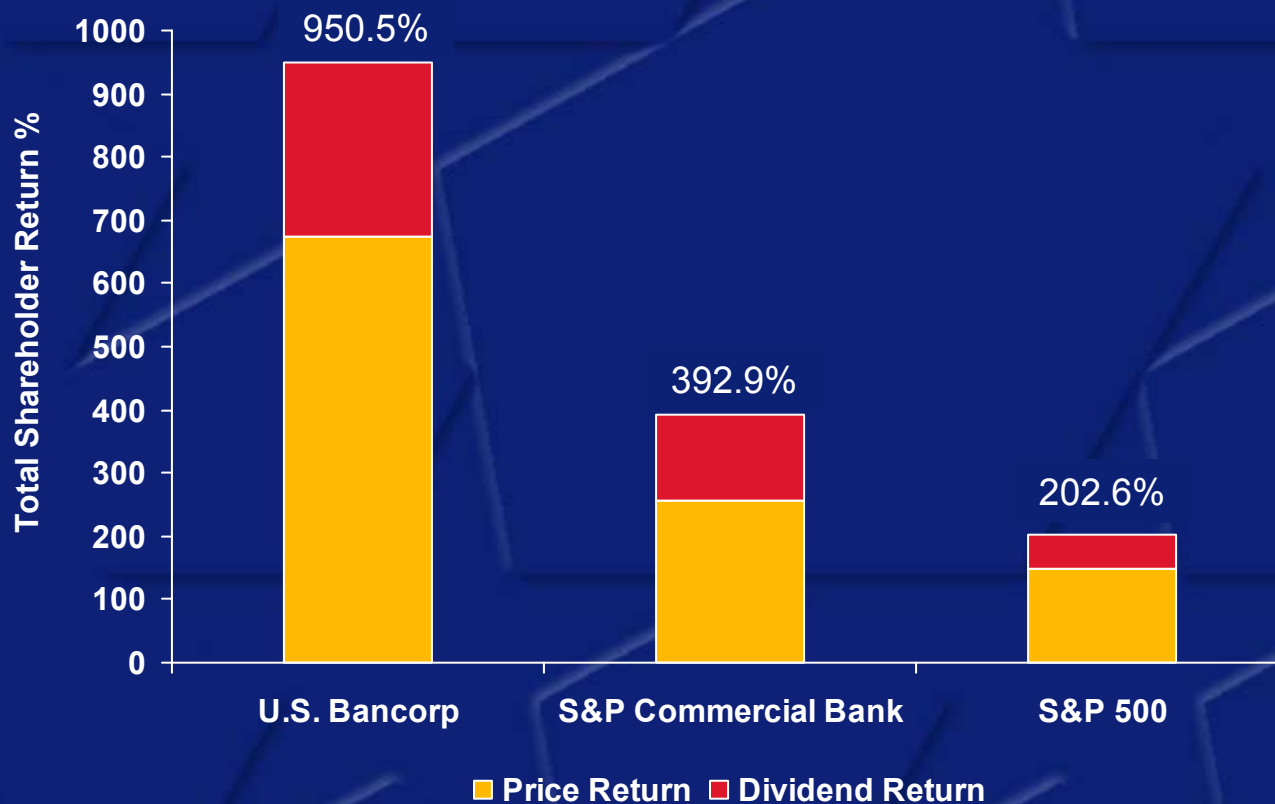


U.S. Bancorp Dividend Per Share 1994 to 2004



Total Shareholder Return (TSR) December 31, 1993 to November 4, 2004

Dividend Accounted for 29% Of U.S. Bancorp TSR



12/31/93 = 100, as of 11/4/04

Business Unit Results

9 Months 2004 Vs 9 Months 2003

<u>Business Unit</u>	<u>% of Revenue</u>	<u>Earnings Growth</u>	<u>Operating Leverage</u>
Consumer Banking ⁽¹⁾	42%	13.2%	4.7%
Payment Services	19%	21.3%	2.2%
Wholesale Banking	18%	24.8%	1.5%
Private Client, Trust & Asset Management	11%	15.9%	9.1%

(1) Excludes securities gains/losses and mortgage servicing rights impairment/repairment.

Consumer Banking Outlook

- Strong Business Momentum
- Increasing Customer Penetration Through Better Identification of Cross-Sell Opportunities
- Investing in High-Growth Markets With In-store Distribution
- Focusing on Customer Satisfaction

Consumer Banking Trends

Growth in Net New Checking Continues To Accelerate

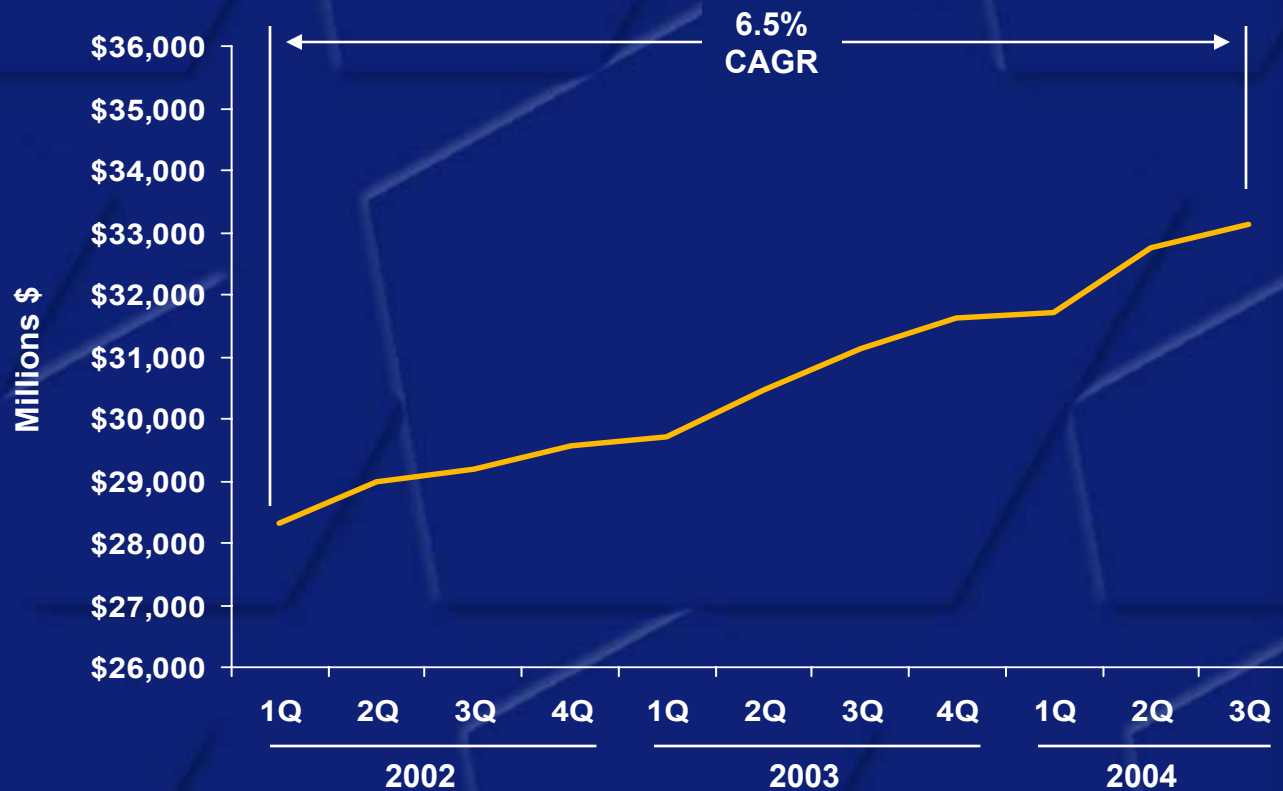
Percent Increase in Net Checking Accounts



Annualized growth for 2004.

Consumer Banking Trends

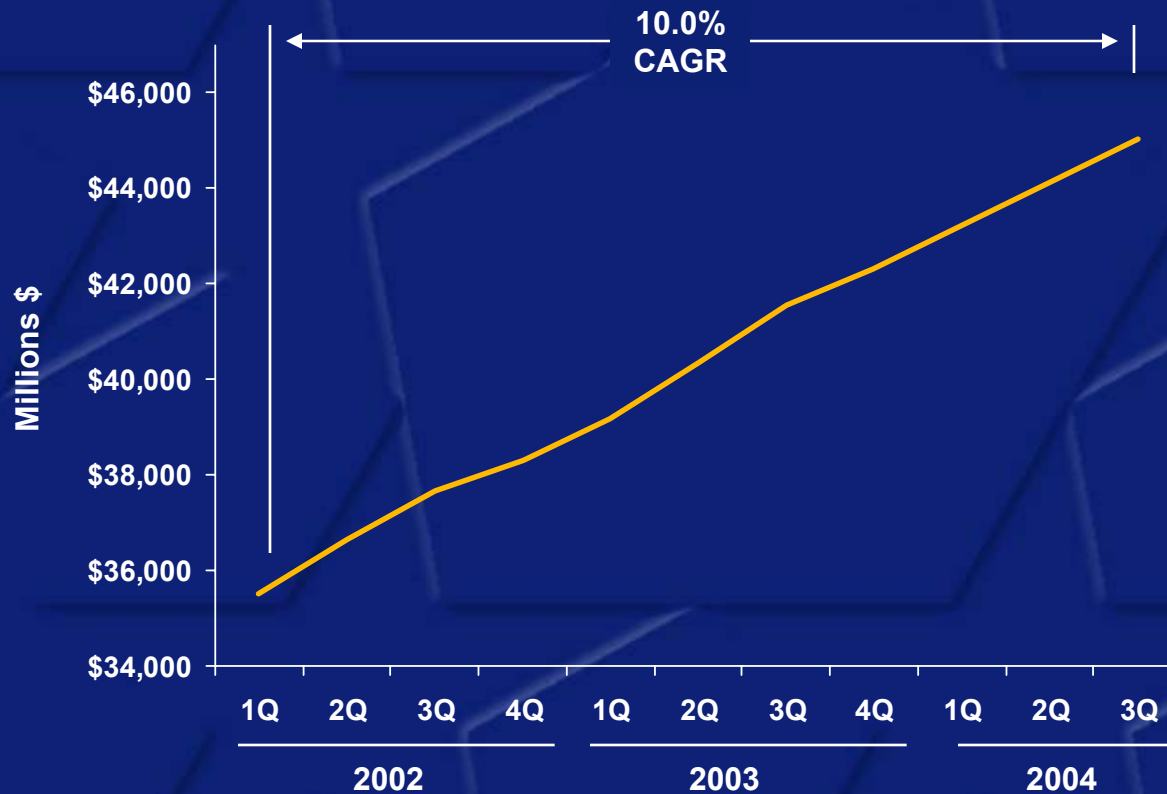
Checking and Savings Deposits Showing Consistent Growth



Branch-originated noninterest-bearing, NOW, and savings excluding the impact of acquisitions.

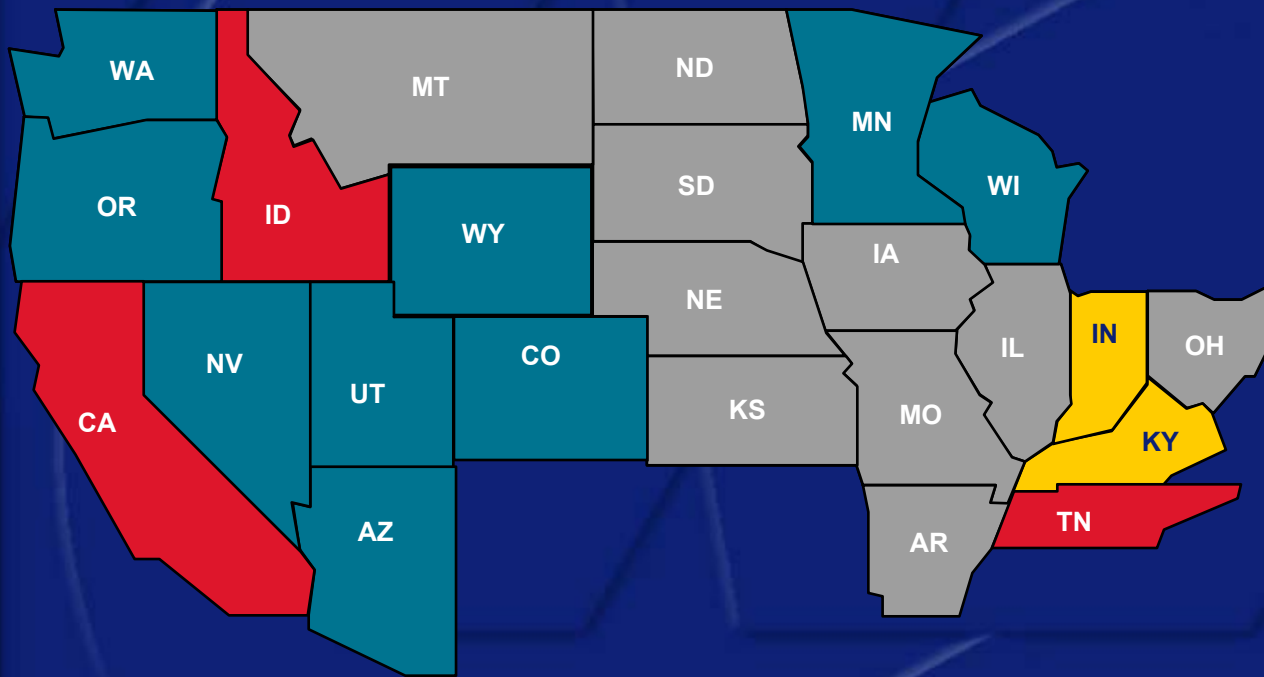
Consumer Banking Trends

Retail Loans Showing Consistent Growth



Includes home equity, home equity first lien, installment credit card and retail leasing.

Investing in High Growth Markets With In-store Distribution



Above Median Household and Income Growth
 Above Median Household Growth

Above Median Income Growth
 Below Median Household and Income Growth

In-Store Branches

	2003	2004	2005
Arizona	3	31	48
California	3	79	102
Colorado	19	27	29
Idaho	11	11	11
Illinois	9	10	11
Indiana	2	2	3
Iowa	3	3	3
Kansas	2	2	2
Kentucky	24	22	22
Minnesota	14	14	14
Missouri	2	1	1
Nebraska	15	15	15
Nevada	13	23	25
Ohio	94	94	95
Oregon	17	18	18
Tennessee	2	9	11
Utah	3	18	22
Washington	34	34	34
Wisconsin	3	3	3
Total	273	416	469

Source: SNL

Focusing on Customer Service

Percent of Customers Responding 7 or Higher on a 10 Point Scale ⁽¹⁾

<i>Strong Overall Ratings</i>	12 Month Average	3 Month Average	October 2004	Customer satisfaction levels are high and improving, with customer loyalty, as measured by 9 and 10s, very strong.
★ Likely to Continue	88.4%	89.0%	89.8%	
★ Would Recommend	82.1%	82.1%	84.4%	
★ Customer Satisfaction	89.0%	89.9%	90.6%	

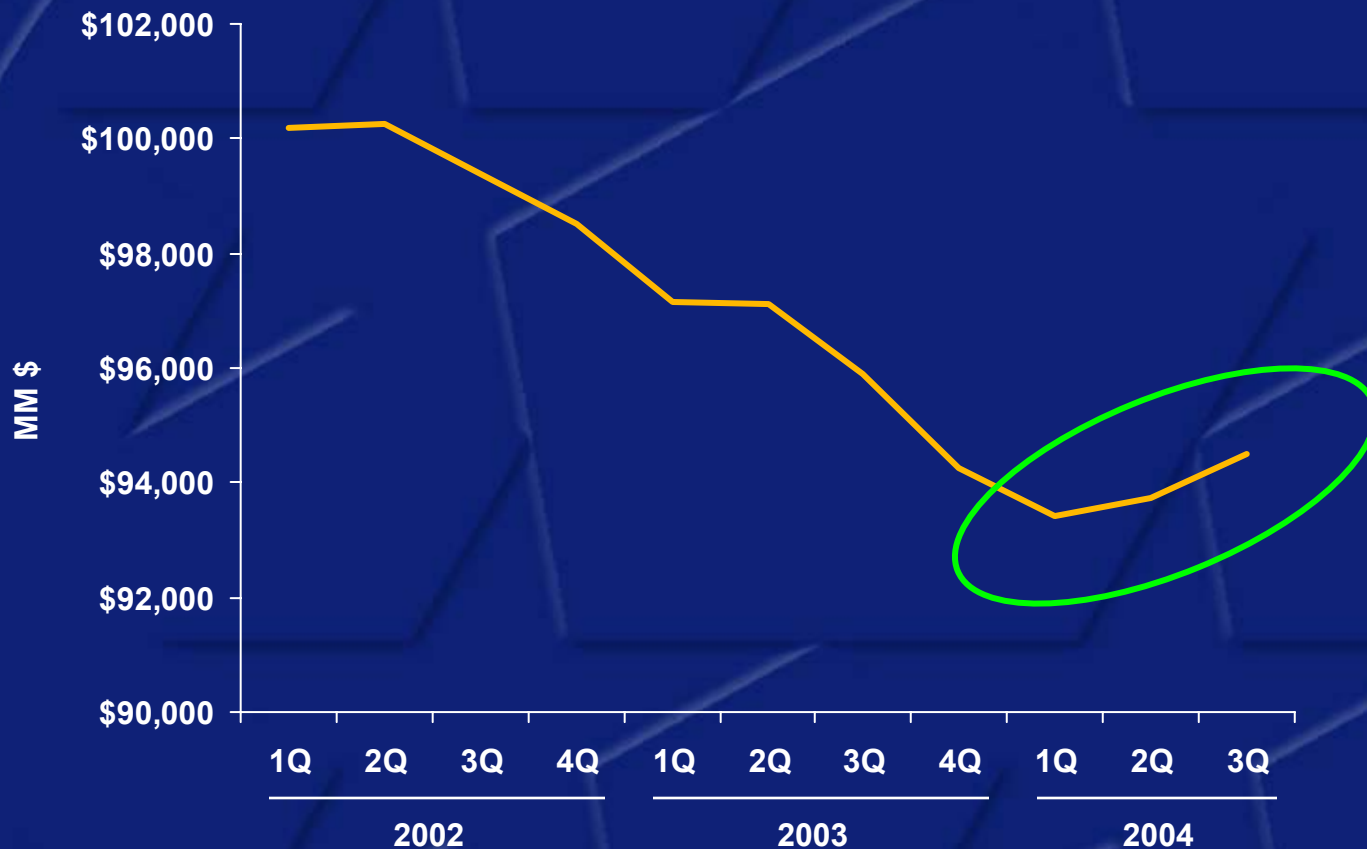
U.S. Bank Satisfaction survey conducted by Market Probe. 10 = Superior.

Wholesale Banking Outlook

- Low Line Utilization Continues to Impact Balance Sheet Growth
- Credit Quality Has Fully Recovered
- Relationship Managers are Focusing on Fee and Deposit Penetration
- Exercising Disciplined Use of Capital

Wholesale Banking Trends

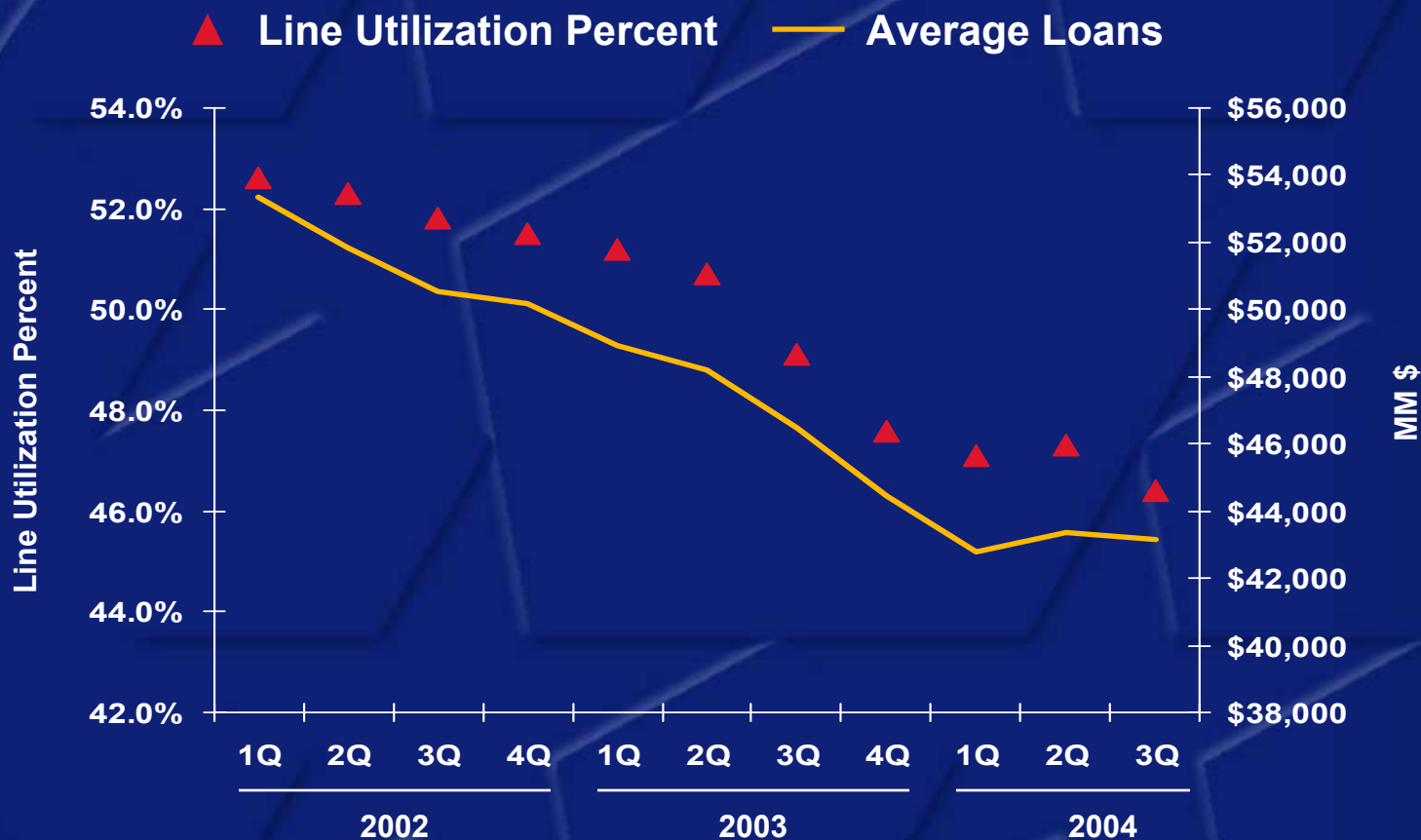
Loan Commitments Are Growing



Commercial, Commercial Leasing and Commercial Real Estate.

Wholesale Banking Trends

Line Utilization Continues To Impact Balance Sheet Growth

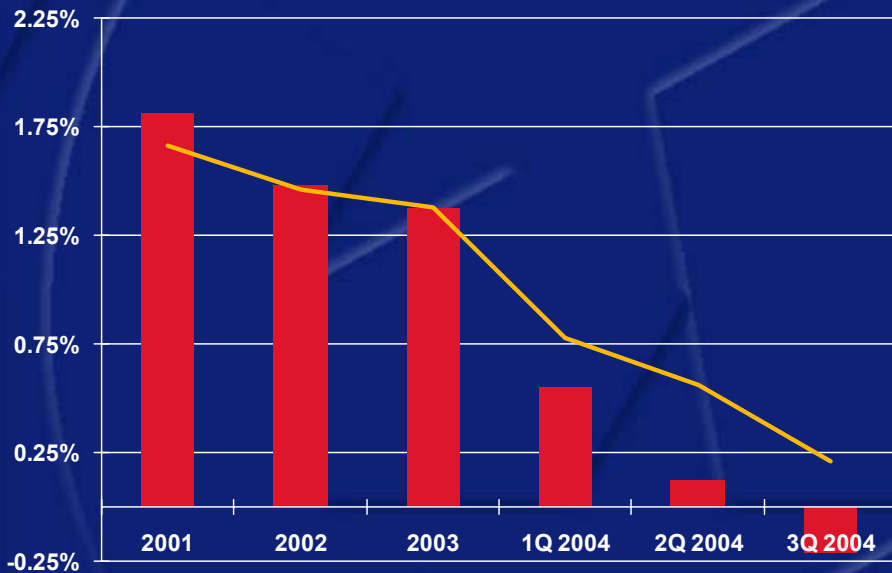


Commercial, Commercial Leasing and Commercial Real Estate.

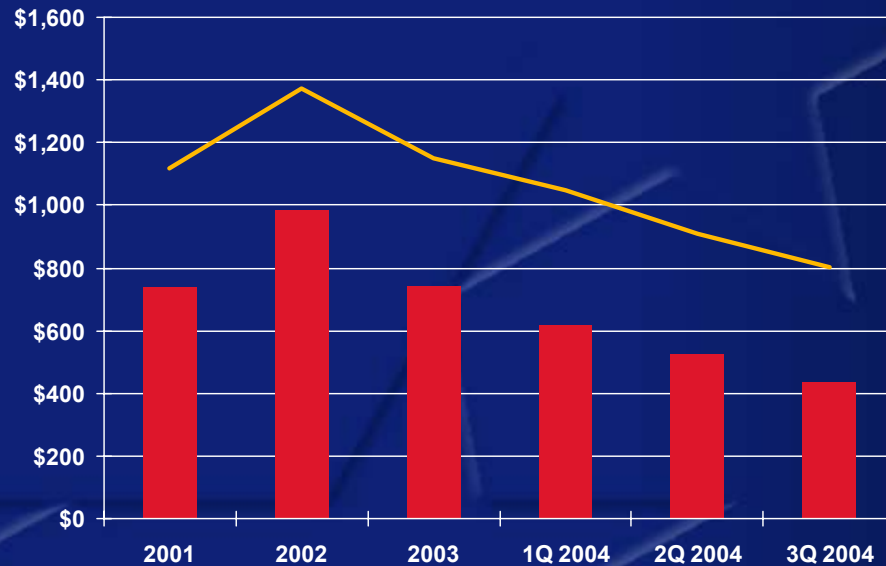
Wholesale Banking Trends

Credit Quality Has Fully Recovered

Commercial Loan Net Charge-Off Ratio (1)



Nonperforming Assets (\$ in Millions)



— Total USB

■ Wholesale Banking

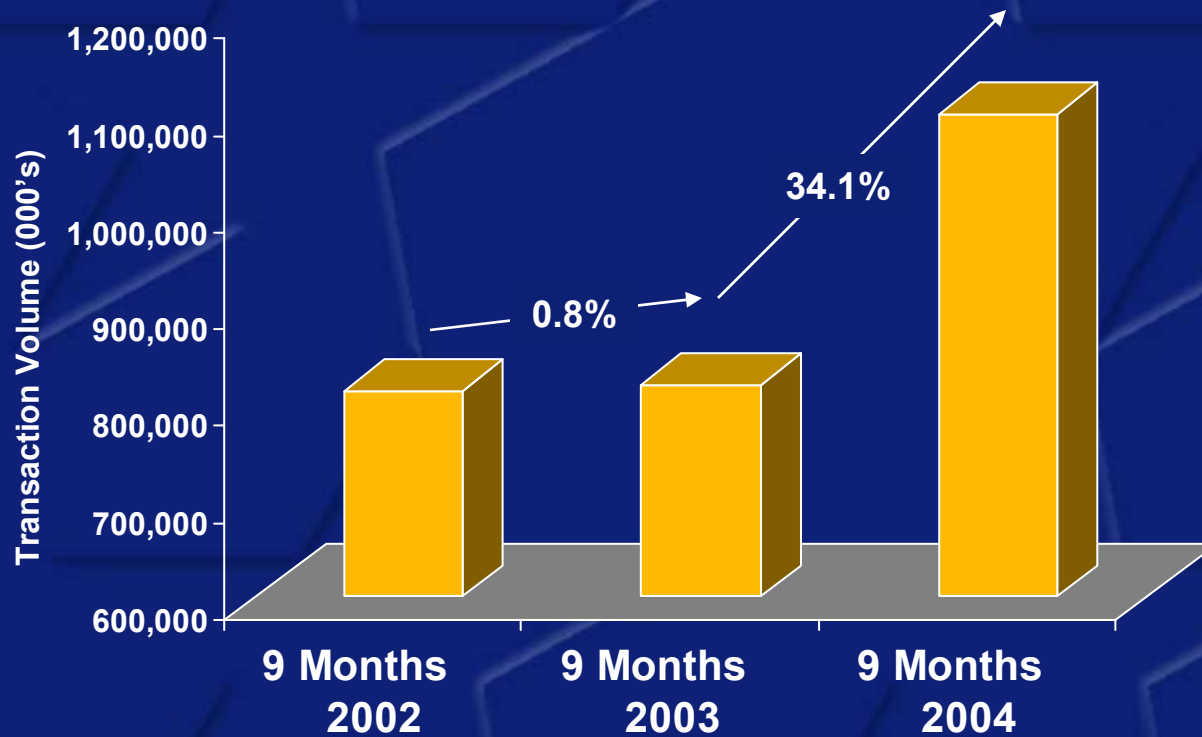
(1) Includes Commercial and Lease Financing.

Payment Services Outlook

- Strong Momentum in Merchant Processing, Retail Payments and Corporate Payments
- Focusing on Expansion of Existing Relationships with Financial Services Customers
- Increasing Penetration of Middle Market and Small Business with Corporate Payment Products and Merchant Processing
- Building Transaction Processing Capabilities in Europe

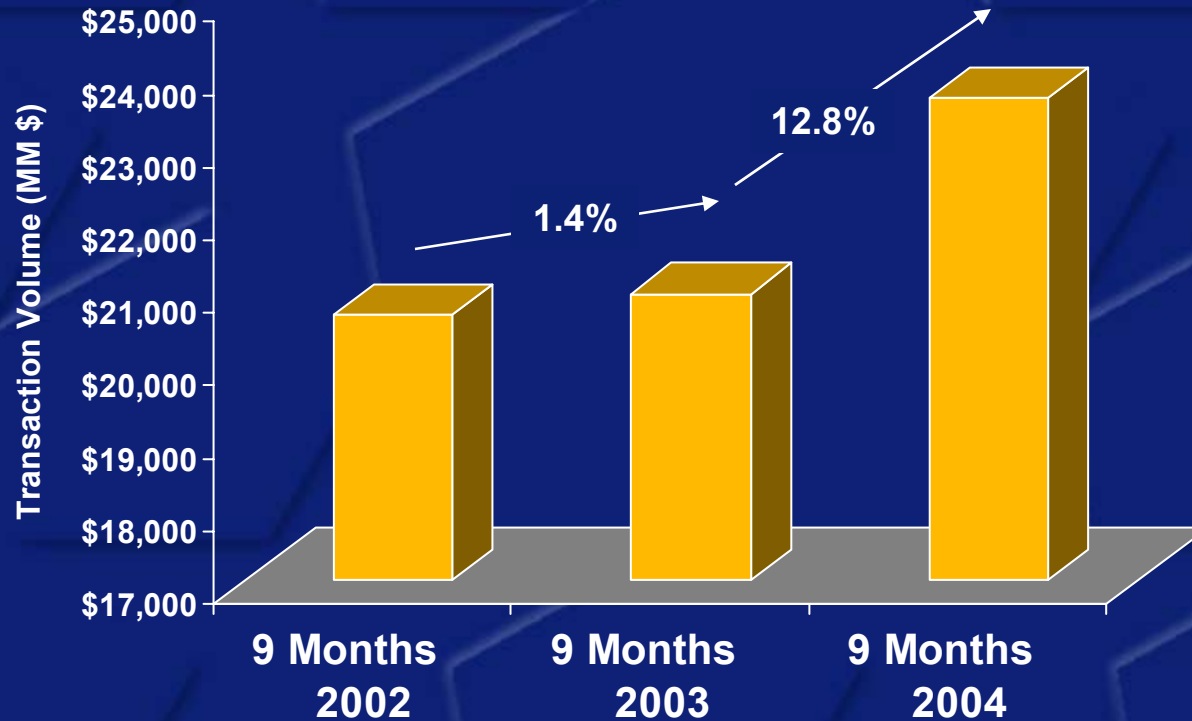
Payment Services Trends

Merchant Processing Transaction Growth Accelerating



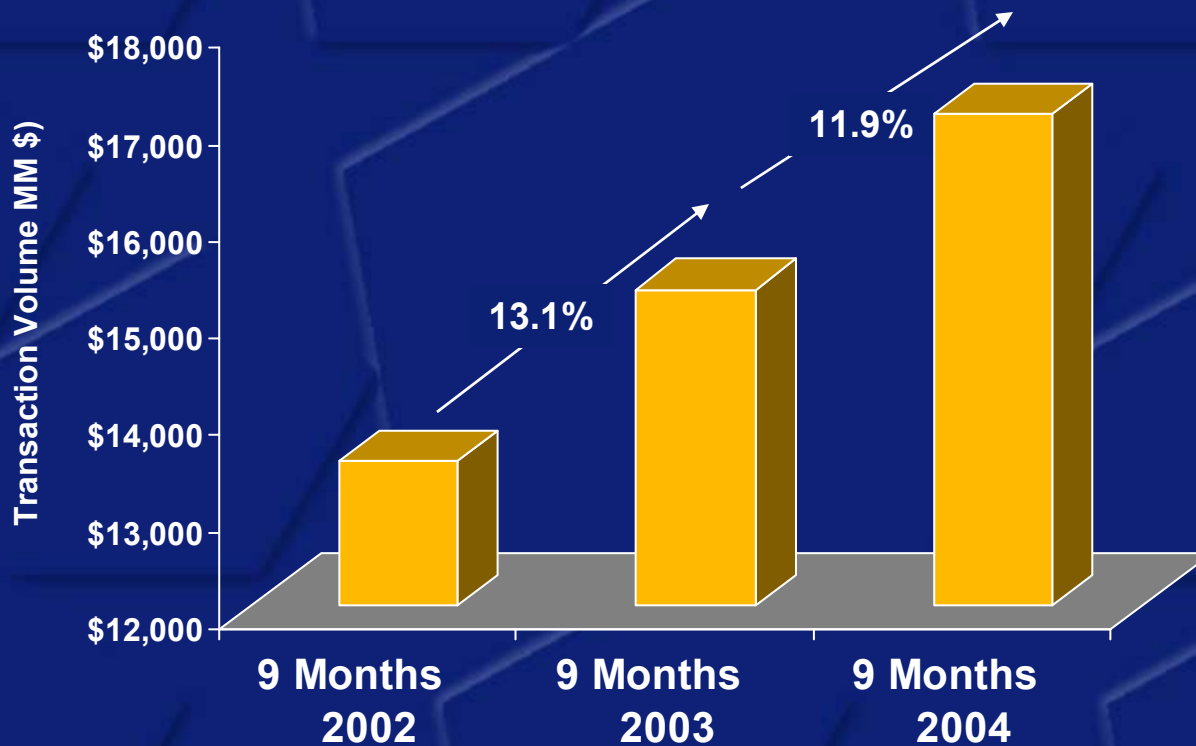
Payment Services Trends

Consumer Card Transaction Growth Accelerating



Payment Services Trends

Corporate Card Transactions Continue Solid Growth



Building Transaction Processing Capabilities in Europe

- Purchased Remaining 50% euroConex from Bank of Ireland
- Purchased CardPoint from Bank Zachodni of Poland
 - 15% Marketshare in Poland, the Fastest Growing Card Issuing Market in Europe
- Purchased the Merchant Acquiring Business from Alliance & Leicester Commercial Bank
 - 7% Marketshare in U.K., the Largest Merchant Acquiring Market in Europe
- Purchased the Merchant Acquiring Business from SEB Kort AB and Europay Norge AS
 - 50% Marketshare in Norway

Private Client, Trust And Asset Management Outlook

- Increasing Share of Wallet Within the Private Client Group with a Focus on Bank-Wide Partnerships
- Leveraging Distribution and Scale in Corporate Trust
- Expanding Asset Management Distribution through Increased Penetration of the Institutional Market and Third-Party Distribution
- Expanding Customer Focus in Fund Services to Include Partnerships and Alternative Investments

Private Client, Trust And Asset Management Trends

Total Revenue Growth Accelerating



Executing For Long-term Success

- 10% Plus EPS Growth
- 20% Plus ROE
- Reducing Credit and Earnings Volatility
- Providing High-Quality Customer Service
- Investing For Future Growth
- Targeting 80% Return of Earnings to Shareholders



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