



# **Goldman Sachs Bank CEO Conference**

**Jerry A. Grundhofer**  
*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.

# 2005 Growth Initiatives

## Market Penetration

- ✓ **Consumer Banking:** Automated capability to identify sales and service opportunities at the customer level
- ✓ **Corporate Payment Systems:** Dedicating resources to middle-market relationships
- ✓ **NOVA:** Electronic check processing and gift cards
- ✓ **Private Client Group:** Leveraging the franchise to acquire new business
- ✓ **Retail Payment Solutions:** Increased penetration of checking account customers with U.S. Bank branded credit and debit cards

# 2005 Growth Initiatives

## Product Development

- ✓ **Cash Management:** Unified customer workstation; image-enabled wholesale and retail lock box; suite of check conversion/check electronic products
- ✓ **Corporate Trust:** Master servicing for MBS market
- ✓ **Institutional Trust:** Health Savings Account
- ✓ **Private Client Group:** Open architecture
- ✓ **Retail Payment Solutions:** Affinity credit and debit card; expanded co-brand capabilities
- ✓ **Transaction Services:** ATM delivered prepaid cellular phone minutes; prepaid card processing

# 2005 Growth Initiatives

## Market Development

- ✓ **Asset Management:** Expand and enhance third party retail and institutional distribution
- ✓ **Commercial Real Estate:** Adding commercial real estate offices in Washington D.C., Dallas and Phoenix
- ✓ **Consumer Banking:** In-store branch initiative
- ✓ **Fund Services:** Increasing penetration of alternative investment market segment
- ✓ **NOVA:** European expansion; Canadian market entry

# Executing For Long-term Success

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



*Five Star Service Guaranteed*



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