



Salomon Smith Barney Financial Services Conference

January 28, 2003

Jerry A. Grundhofer
Chairman, President and CEO



Forward-looking Statement

This presentation and corresponding material contain forward-looking statements with respect to the financial condition, results of operations and business of U.S. Bancorp. These forward-looking statements involve inherent risks and uncertainties. Factors that may cause actual results to differ materially from those anticipated include 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) the Company could encounter unforeseen complications in connection with the ongoing integration of the products, operations and information systems of Firststar Corporation with the former U.S. Bancorp that could adversely affect the Company's operations or customer relationships; (iii) changes in the domestic interest rate environment could reduce net interest income and could increase credit losses; (iv) 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; (v) changes in the extensive laws, regulations and policies governing financial services companies could alter the Company's business environment or affect operations; (vi) 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; (vii) 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; (viii) 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 (ix) 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.

Agenda

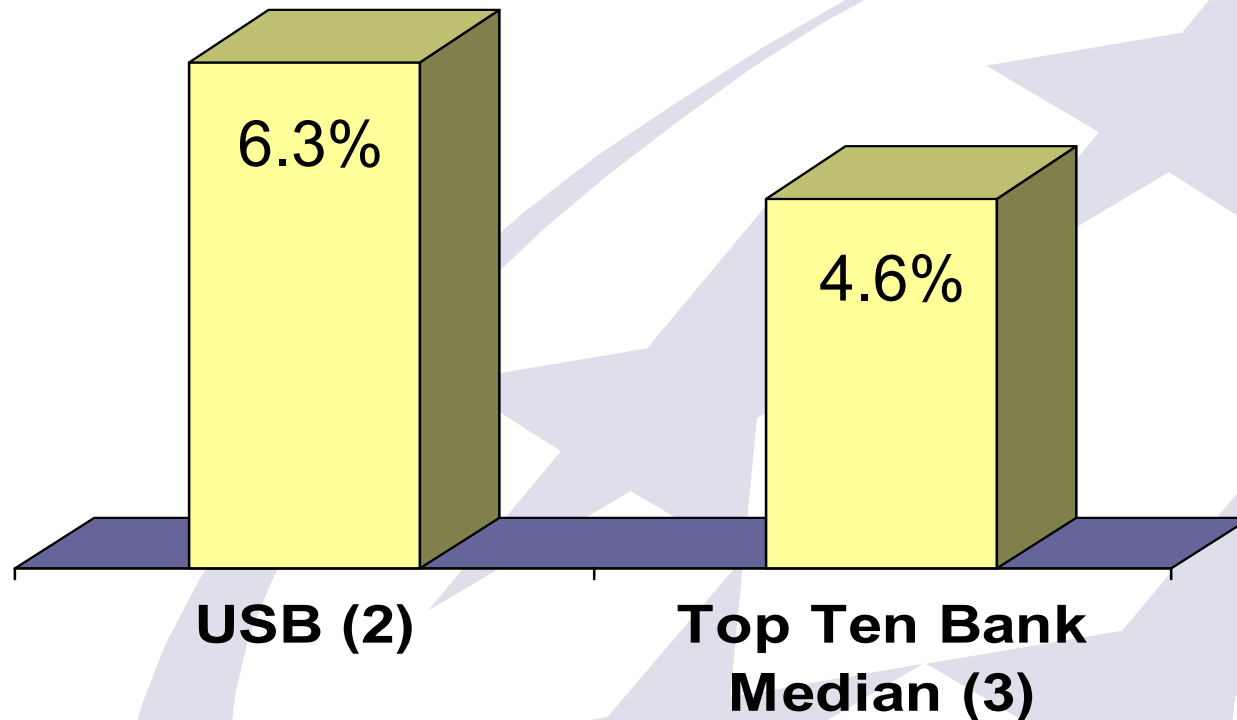
- Revenue Growth
- Credit Quality
- 2003 Objectives

Revenue Growth



Revenue Growth ⁽¹⁾

Full Year 2002 versus Full Year 2001



USB Rank is 4 of 10

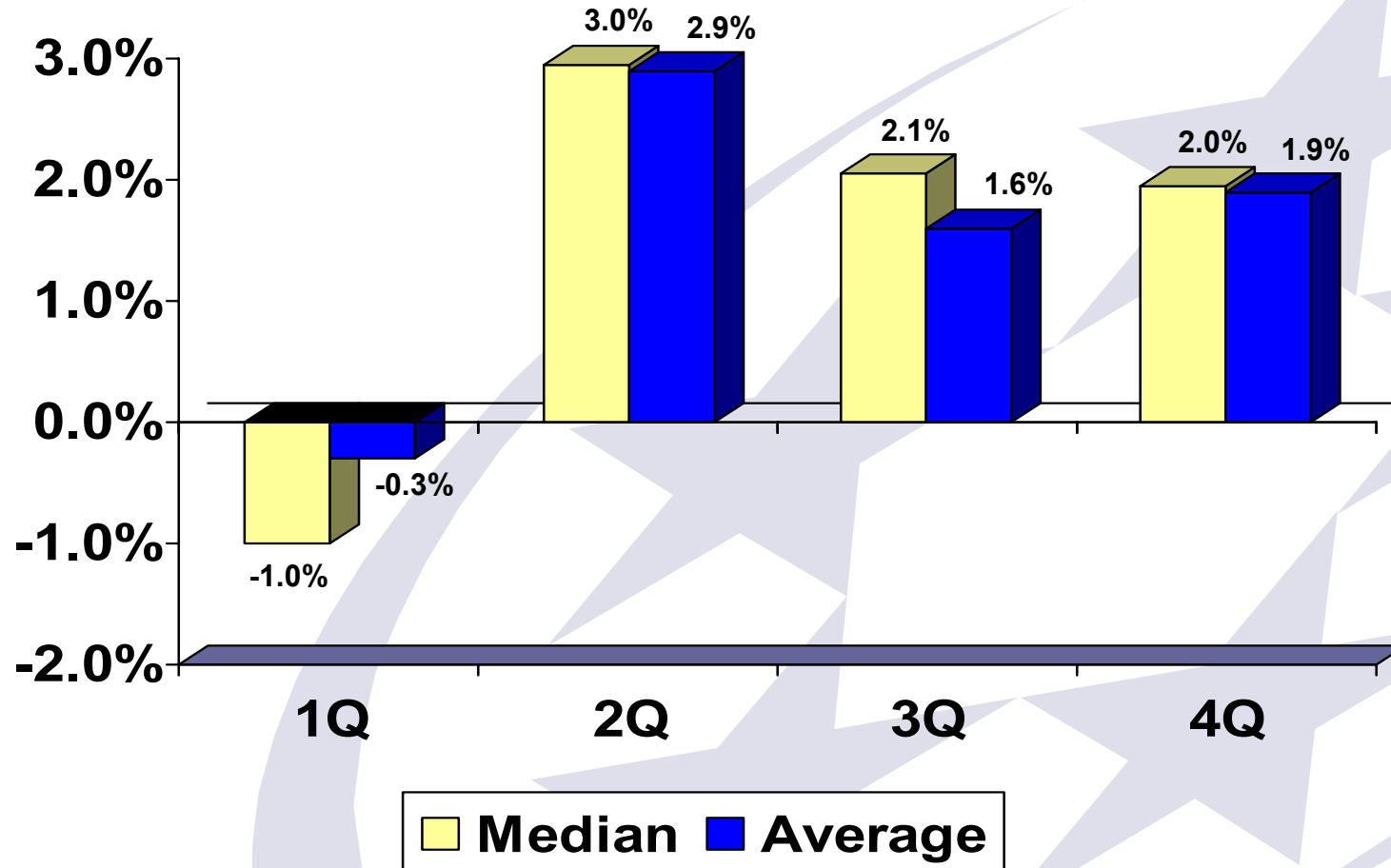
(1) Excludes Securities Gains.

(2) Adjusted for NOVA.

(3) 10 Bank Peer Group includes BAC, WB, WFC, ONE, USB, STI, FBF, NCC, KEY and FITB.

Linked Quarter Total Revenue Growth

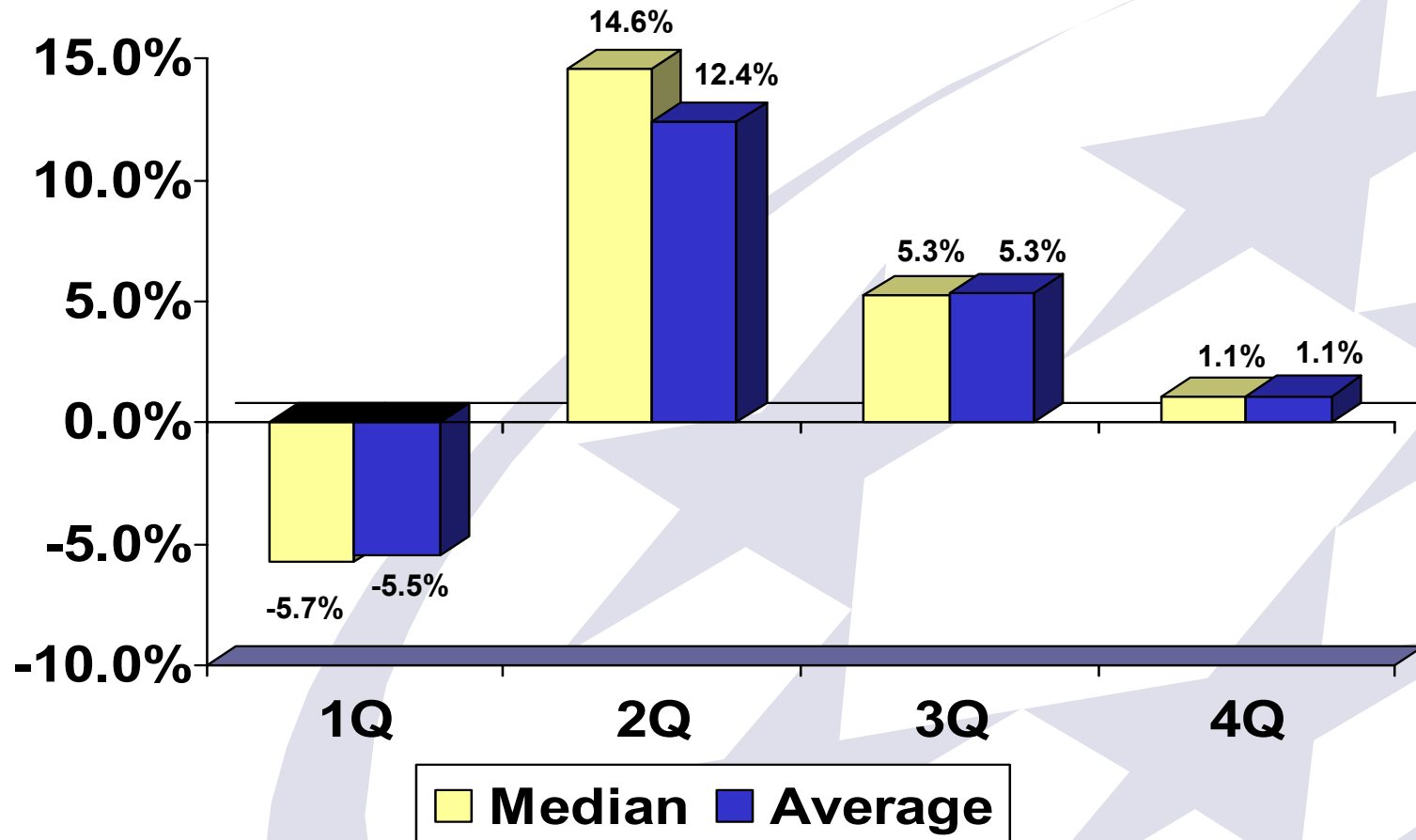
1999 - 2002



Excludes Securities Gains

Linked Quarter Payments Fee Growth

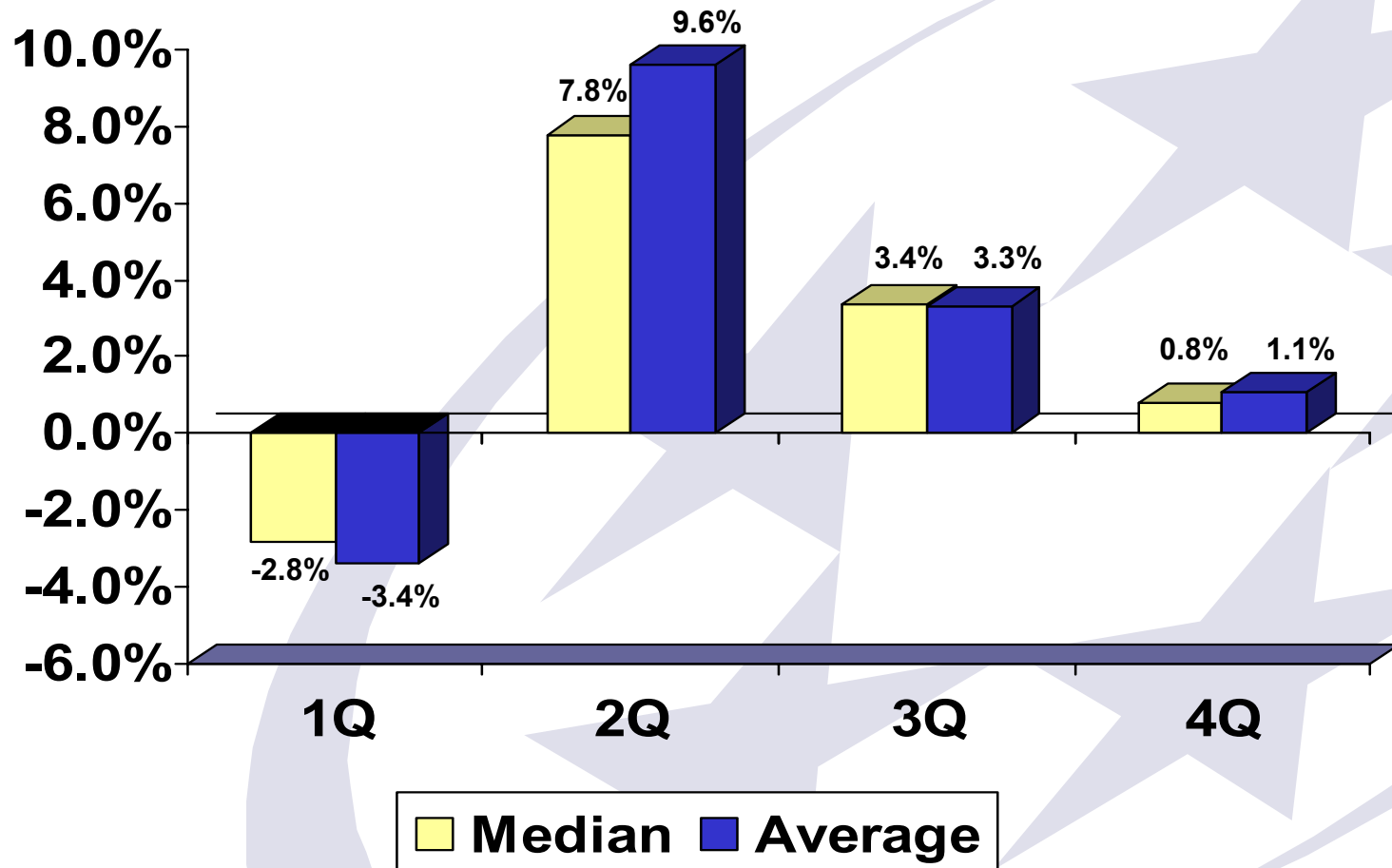
1999 - 2002



Includes Credit and Debit Card Revenue, Corporate Payment Products Revenue, ATM Processing Services and Merchant Processing Services. Adjusted for NOVA.

Linked Quarter Deposit Service Charge & Cash Management Growth

1999 - 2002



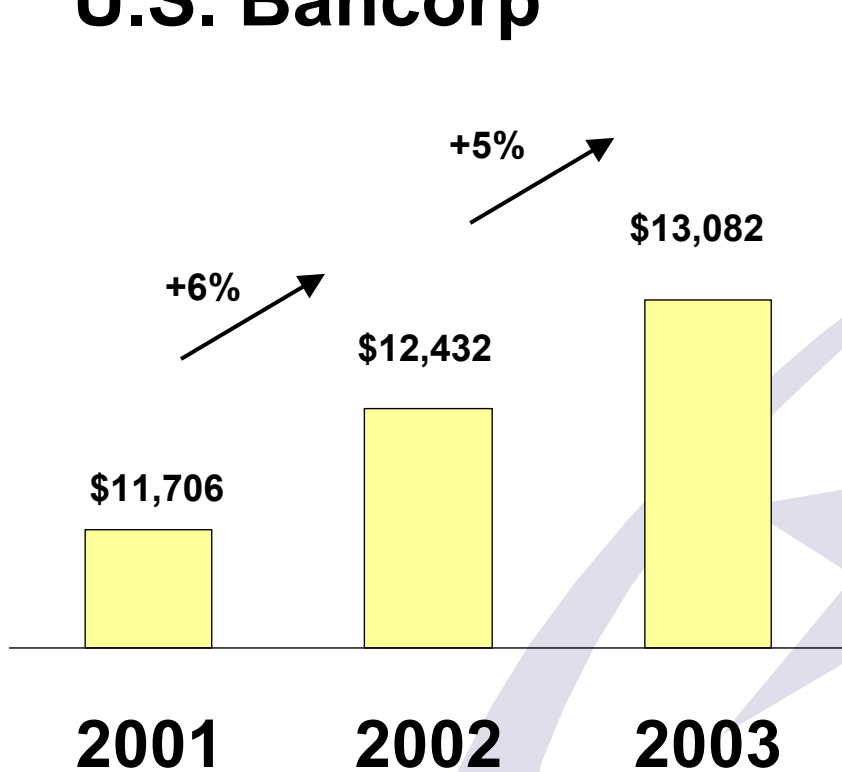
2003 Planning Assumptions

U.S. Bancorp

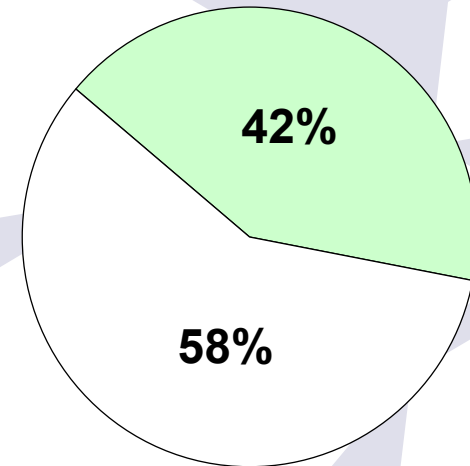
	<u>Base Case</u>	<u>Lower Growth</u>	<u>Higher Growth</u>
GDP Growth	2% to 3%	< 2%	> 3%
Revenue Growth	4% to 6%	2% to 4%	6%+
Credit Costs	Flat	Up	Down
Expense Growth	1% to 3%	-5% to 1%	2% to 4%

Revenue Growth

U.S. Bancorp



Specialty Businesses



All Other Businesses

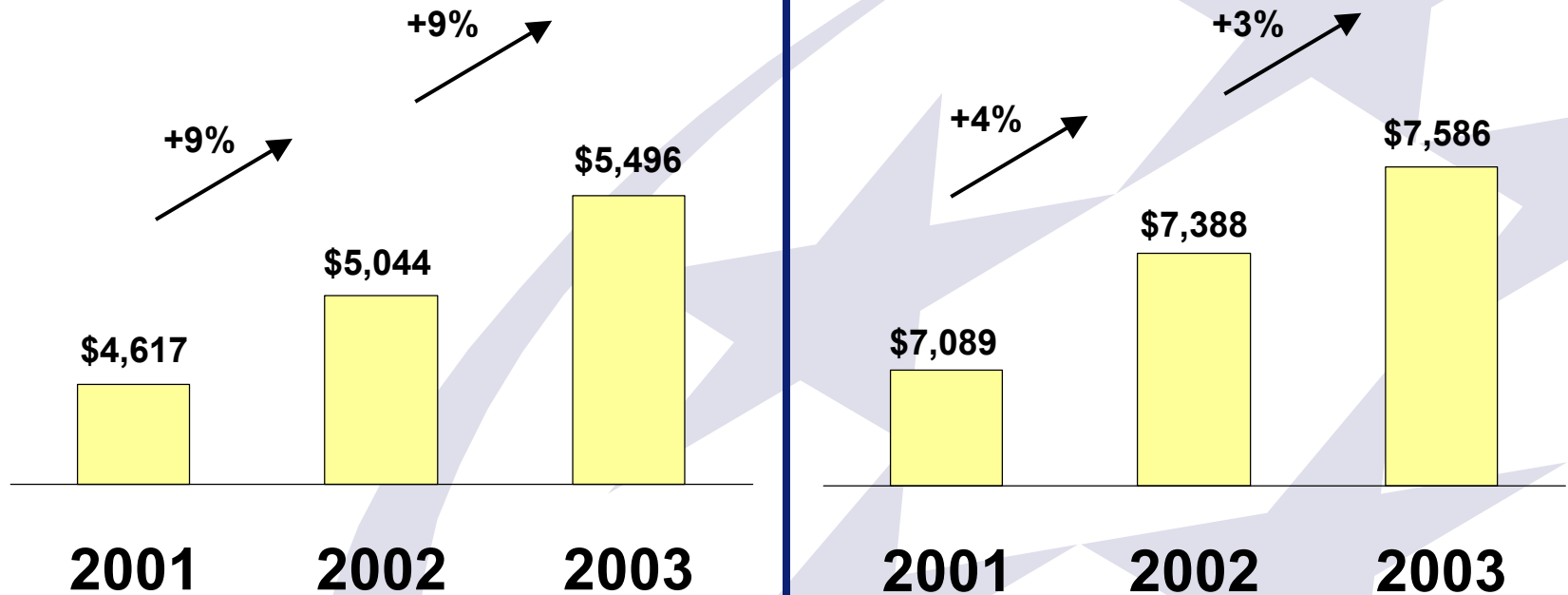
Core revenue excluding security gains, Bay View Branches, State Street Corporate Trust and adjusted for NOVA.

Revenue Growth

U.S. Bancorp

Specialty Businesses

All Other Businesses

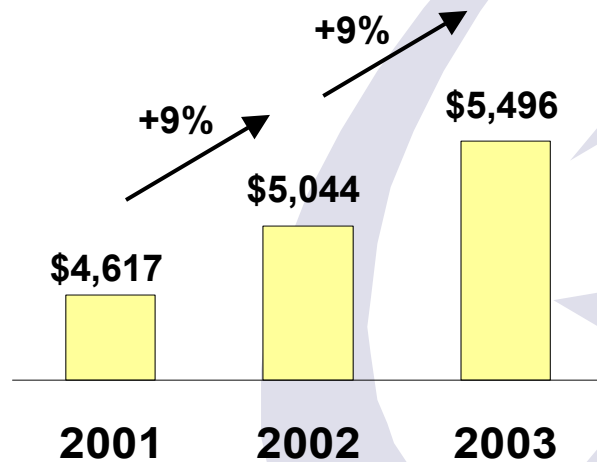


Core revenue excluding security gains, Bay View Branches, State Street Corporate Trust and adjusted for NOVA.

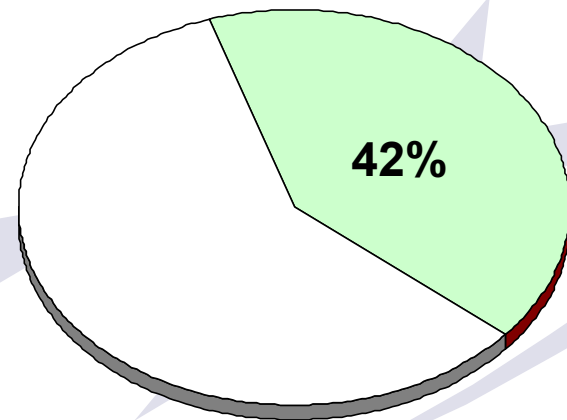
Specialty Businesses

- ✓ Consumer Lending
- ✓ Mortgage Banking
- ✓ Treasury Management
- ✓ Fund Services
- ✓ Retail Investments & Insurance
- ✓ Transaction Services
- ✓ Corporate Payment Systems
- ✓ Corporate Trust Services
- ✓ Card Services
- ✓ Asset Management
- ✓ Institutional Trust Services
- ✓ NOVA Information Services
- ✓ U.S. Bancorp Piper Jaffray

Revenue Growth (MM\$)

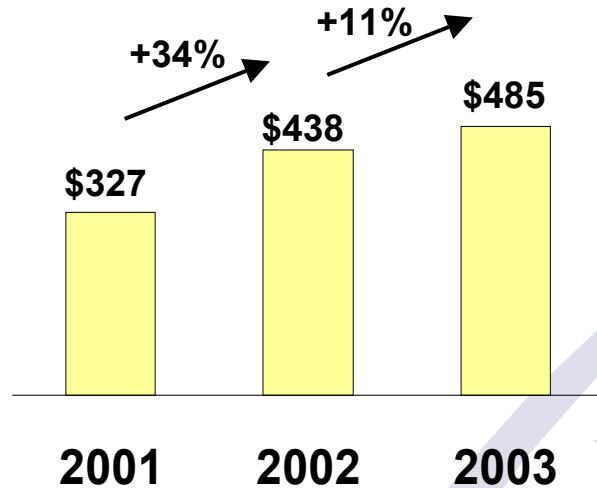


% of USB Revenue

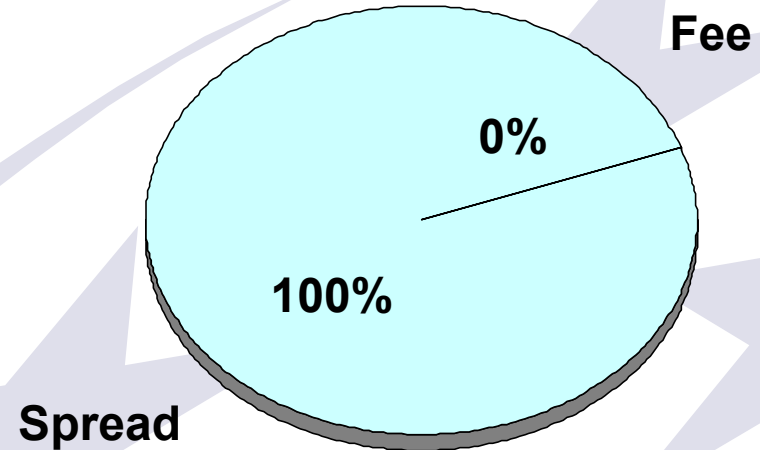


Consumer Lending

Revenue Growth (MM\$)



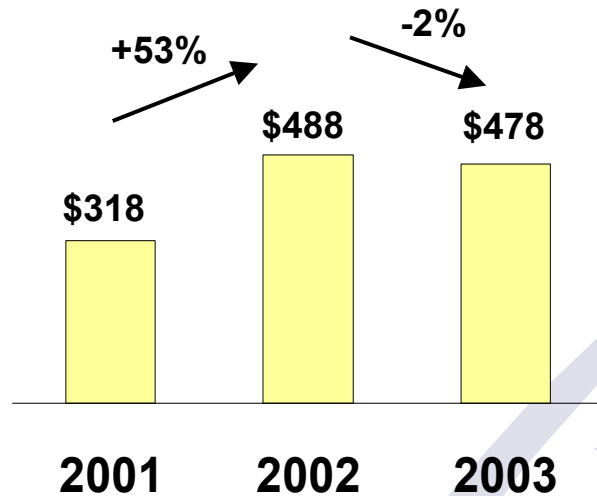
Revenue Type



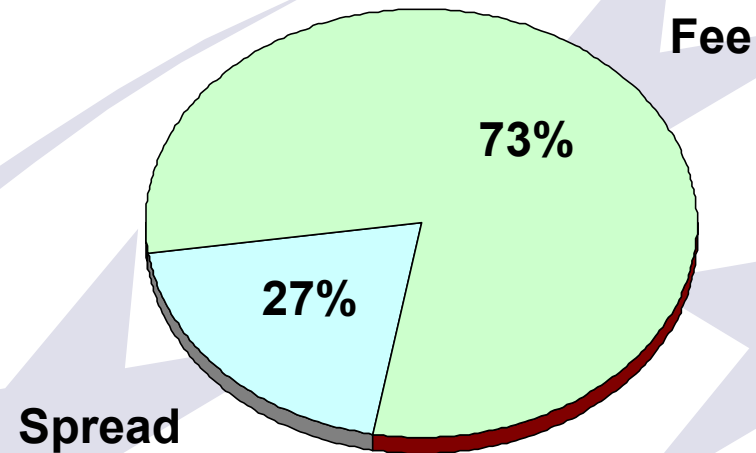
- ✓ Indirect lending, auto leasing, student lending and Finance Company loans.
- ✓ 3rd largest bank lessor / 5th largest bank indirect lender
- ✓ Completing 44 state roll-out of Marine and Recreational products
- ✓ Long-term revenue growth – Indirect Lending 8% - 10% / Finance Company 15% - 20%

Mortgage Banking

Revenue Growth (MM\$)



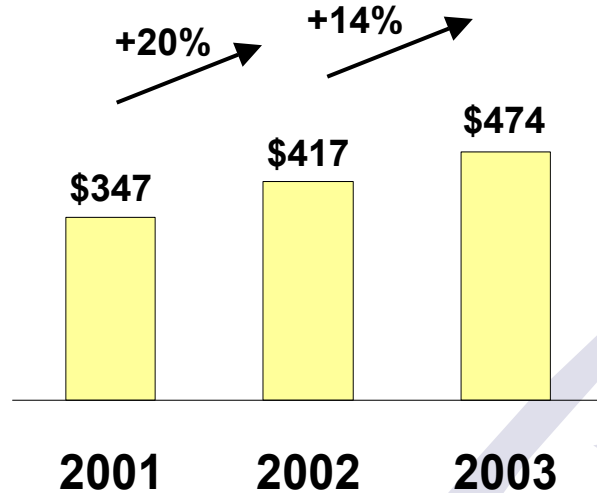
Revenue Type



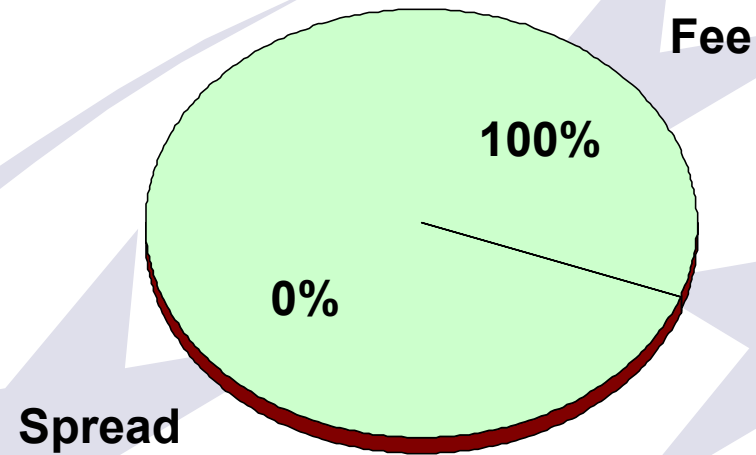
- ✓ 17th largest retail originator / 17th largest servicer (by units)
- ✓ Continuing to benefit from roll-out of mortgage products in former USB markets
- ✓ Enhancing internet origination capabilities
- ✓ Long-term revenue growth 8% - 10%

Treasury Management

Revenue Growth (MM\$)



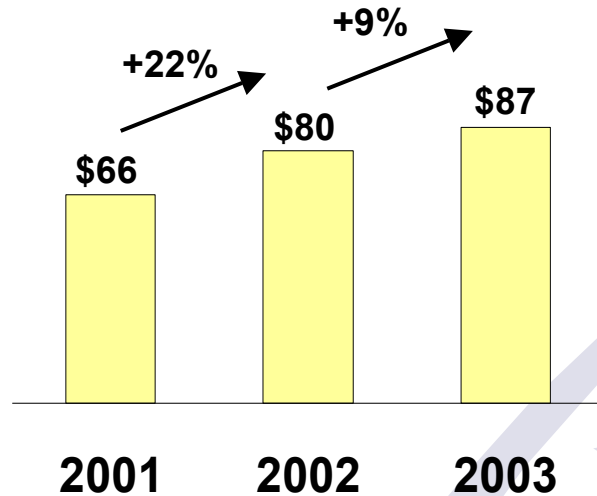
Revenue Type



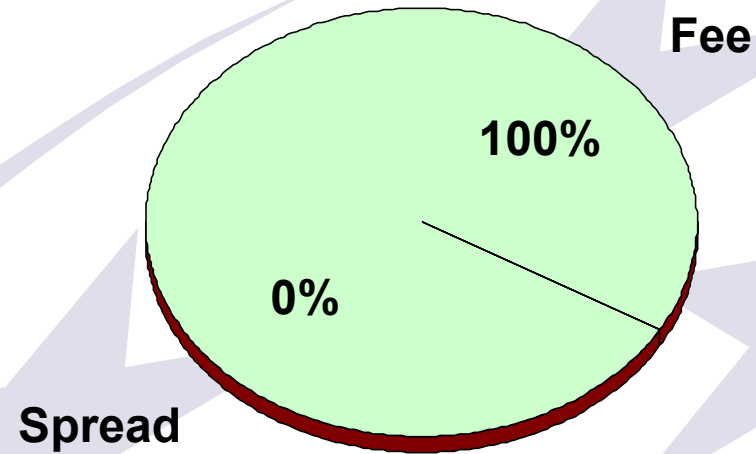
- ✓ 7th largest provider of treasury management products and services
- ✓ Expanding image lockbox features to former USB markets
- ✓ Implementing Web Trade Services (letters of credit, documentary collections)
- ✓ Long-term revenue growth 10% - 15%

Fund Services

Revenue Growth (MM\$)



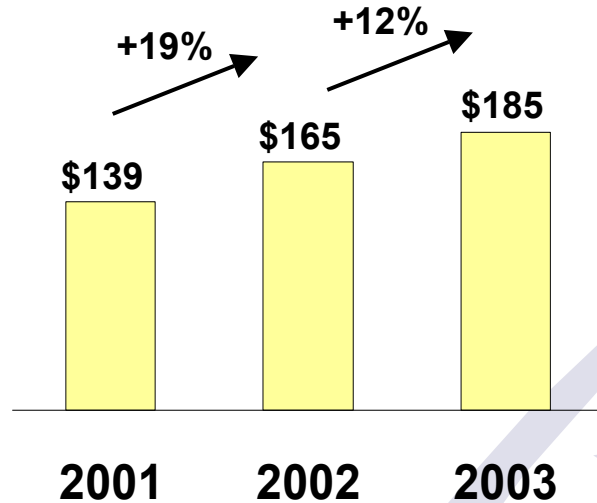
Revenue Type



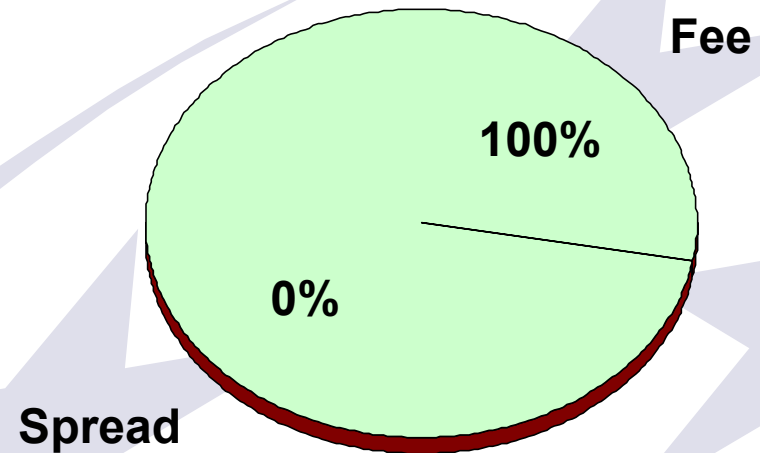
- ✓ 5th largest full-service Transfer Agent / 7th largest provider of fund accounting services
- ✓ Adding turn-key partnership services
- ✓ Implementing comprehensive internet reporting for mutual fund shareholders, financial intermediaries and management companies
- ✓ Long-term revenue growth 10% - 15%

Retail Investments & Insurance

Revenue Growth (MM\$)



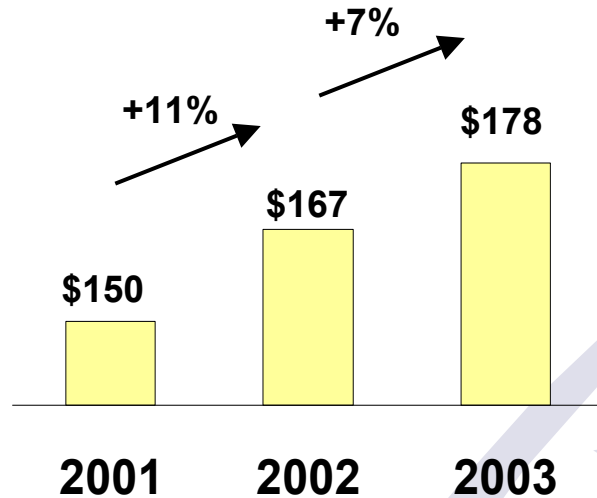
Revenue Type



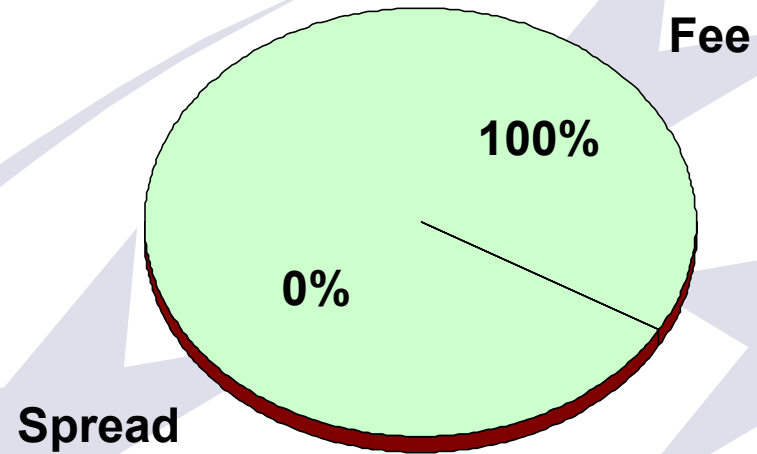
- ✓ Hiring full service brokers in former USB markets
- ✓ Continuing to expand licensed platform bankers in all markets
- ✓ Introducing Asset Management Account (combines checking and investment accounts)
- ✓ Long-term revenue growth 12% - 15%

Transaction Services

Revenue Growth (MM\$)



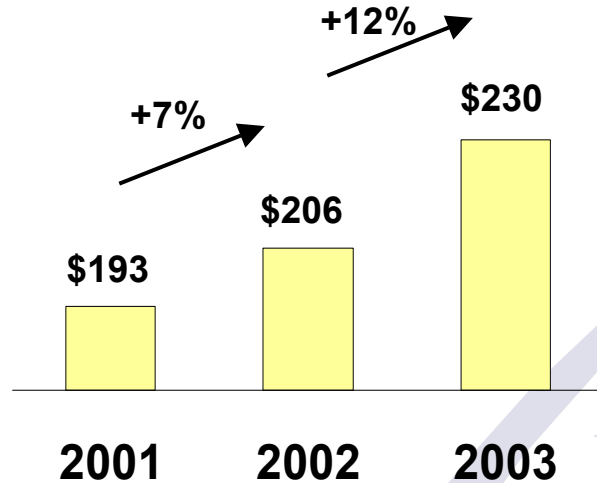
Revenue Type



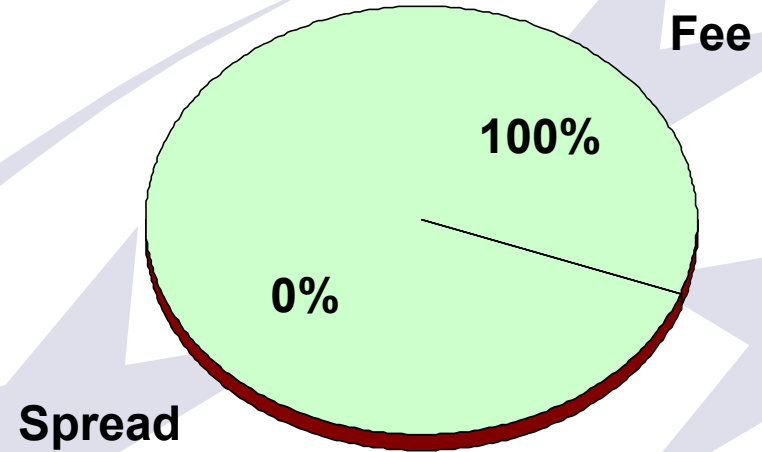
- ✓ Processes ATM, Debit Cards or Credit Cards for 21% of all banks in U.S.
- ✓ 3rd largest ATM owner / 7th largest ATM driver
- ✓ Significant opportunity to market Elan Financial Services (payment processing services for correspondent banks)
- ✓ Long-term revenue growth 8% - 11%

Corporate Payment Systems

Revenue Growth (MM\$)



Revenue Type

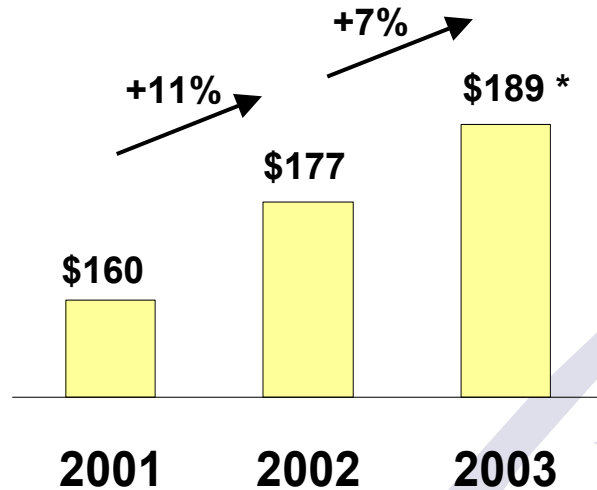


- ✓ Largest issuer of VISA/MC commercial cards / 4th largest fleet card issuer / 5th largest transportation payment processor (PowerTrack)
- ✓ Introducing PowerSuite (e-Commerce procurement product)
- ✓ Implementing improved internet data delivery and reporting
- ✓ Long-term revenue growth – Commercial Cards 10% - 12% / Fleet Cards 18% - 20% / PowerTrack 25%

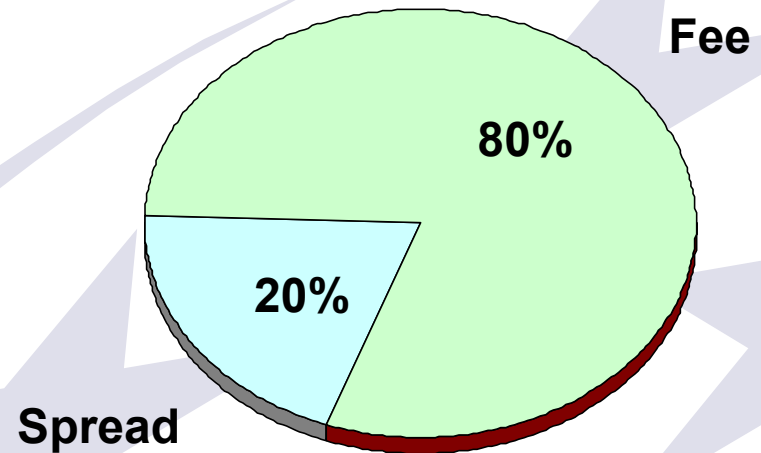


Corporate Trust Services

Revenue Growth (MM\$)



Revenue Type

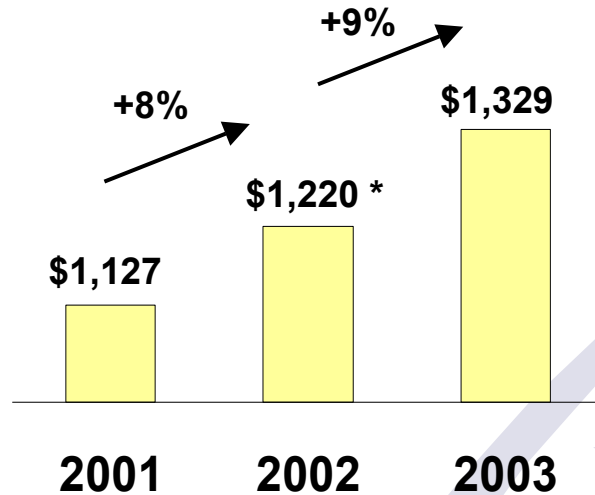


- ✓ # 1 ranked municipal trustee / 3rd largest asset-backed trustee / 3rd largest corporate bond trustee
- ✓ \$1.4 trillion in assets under administration
- ✓ Implementing enhanced internet account access
- ✓ Long-term revenue growth 7% - 9%

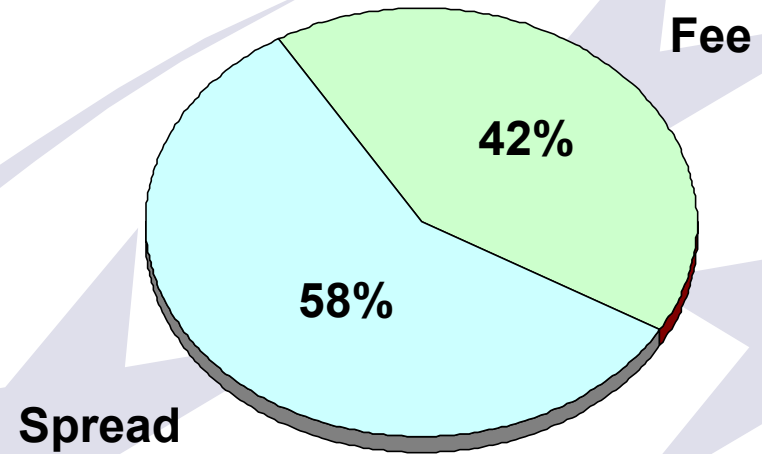
* Excludes State Street

Card Services

Revenue Growth (MM\$)



Revenue Type



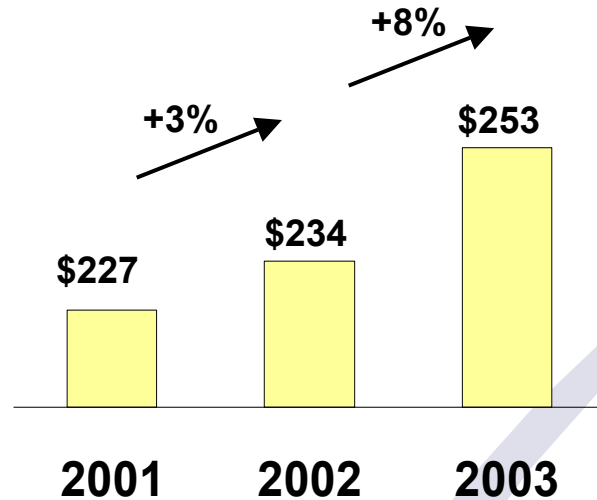
- ✓ 7th largest in sales volume / 12th largest in outstanding balances
- ✓ Implementing enhanced internet product offerings
- ✓ Long-term revenue growth 8% - 10%
- ✓ Retail, Small Business, Debit Card, Agent Bank Program (Elan)



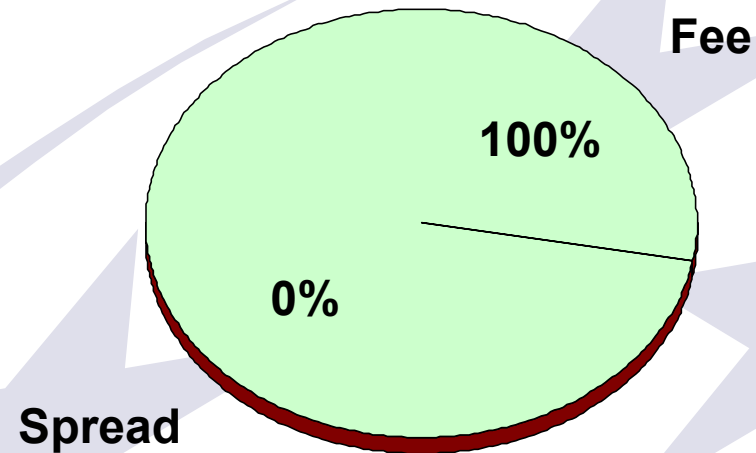
* Excludes portfolio sales.

Asset Management

Revenue Growth (MM\$)



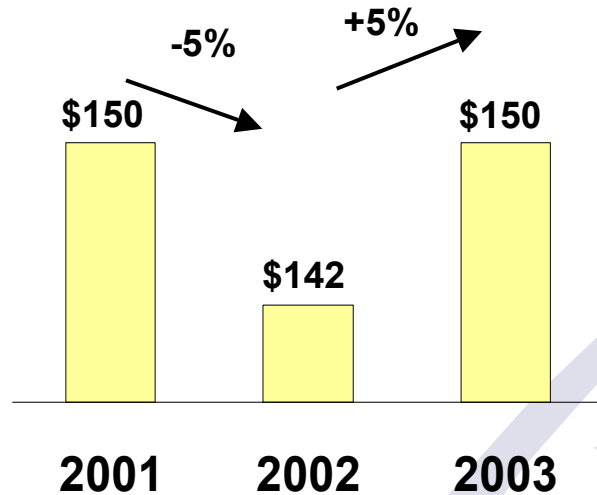
Revenue Type



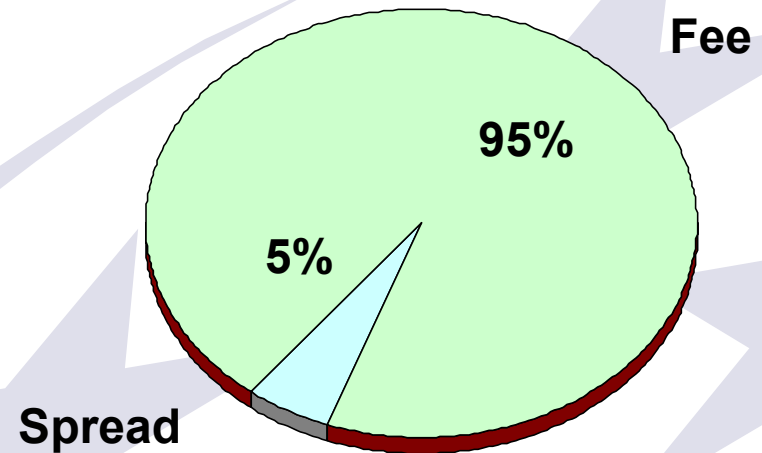
- ✓ 5th largest bank distributor
- ✓ 529 college savings plan in place
- ✓ Targeting greater penetration of internal distribution channels
- ✓ Long-term revenue growth 8% - 10%

Institutional Trust Services

Revenue Growth (MM\$)



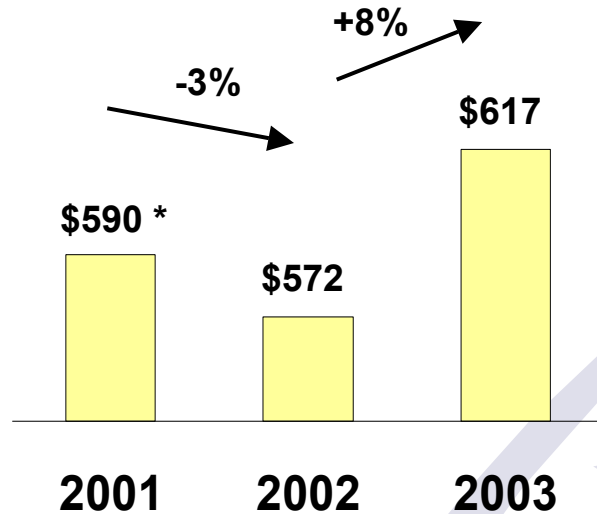
Revenue Type



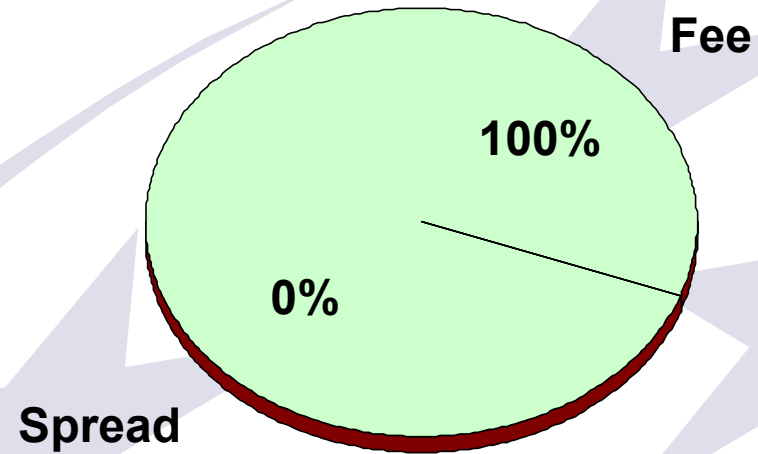
- ✓ 6th largest bank provider of record keeping / top 10 in mutual fund custody
- ✓ Launched an internet based 401(k) product in 2002.
- ✓ Enhancing internet-based plan sponsor reporting
- ✓ Long-term revenue growth 7% - 9%

Nova Information Systems

Revenue Growth (MM\$)



Revenue Type



- ✓ 3rd largest merchant processor
- ✓ Launching E-check product
- ✓ Complete integration and convert all merchants to NOVA platform
- ✓ Long-term revenue growth 8% -12%

"The Best Merchant Processor in America"

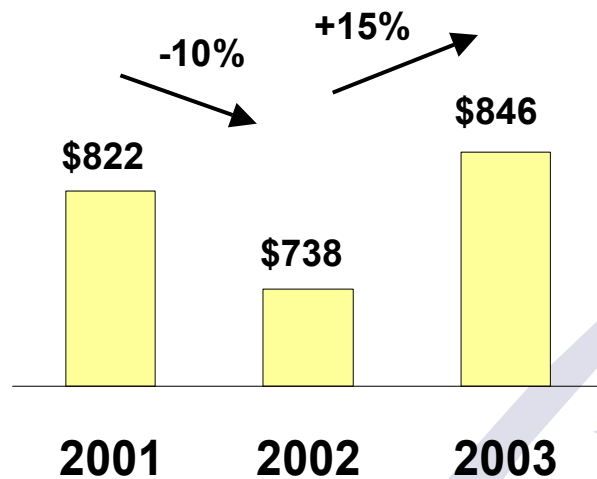
NOVA

INFORMATION SYSTEMS

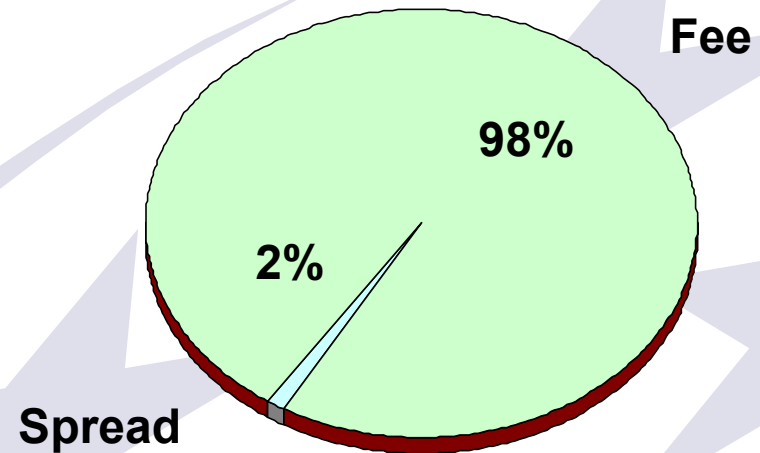
* Normalized

U.S. Bancorp Piper Jaffray

Revenue Growth (MM\$)



Revenue Type



- ✓ Increasing focus on \$250,000 - \$5 MM individual investors.
- ✓ Developing top 10 convertibles business.
- ✓ Expanding tax exempt leadership position in focused segments.
- ✓ Long-term revenue growth 10% - 12%



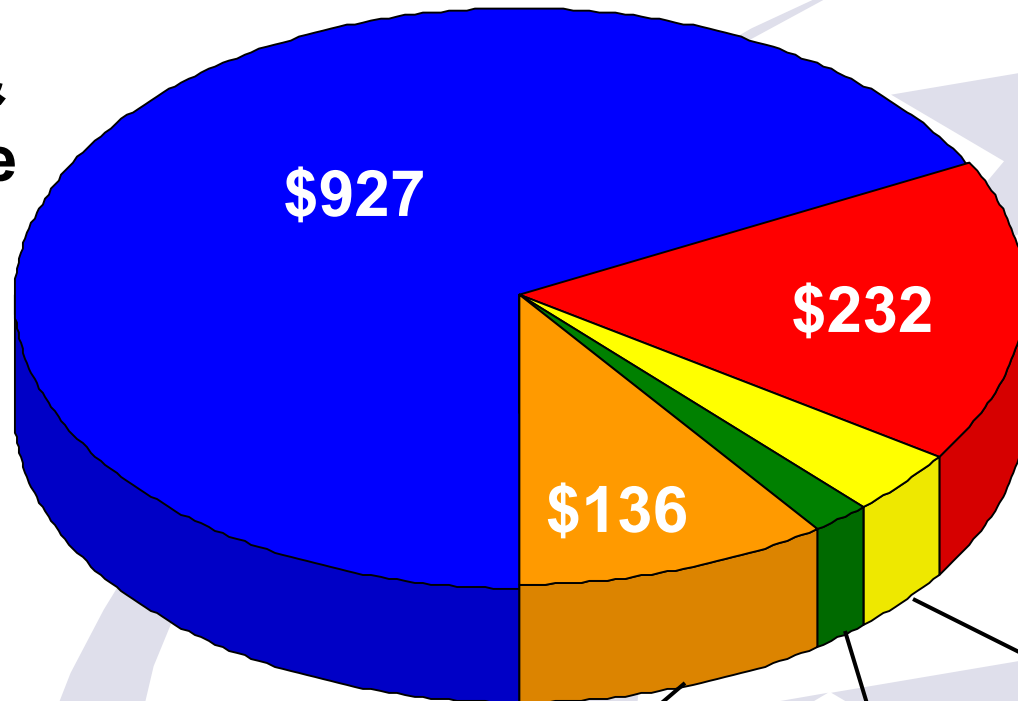
Credit Quality

Nonperforming Assets

December 31, 2002

\$1,373 Million

**Commercial &
Lease Finance**



**Commercial
Real Estate**

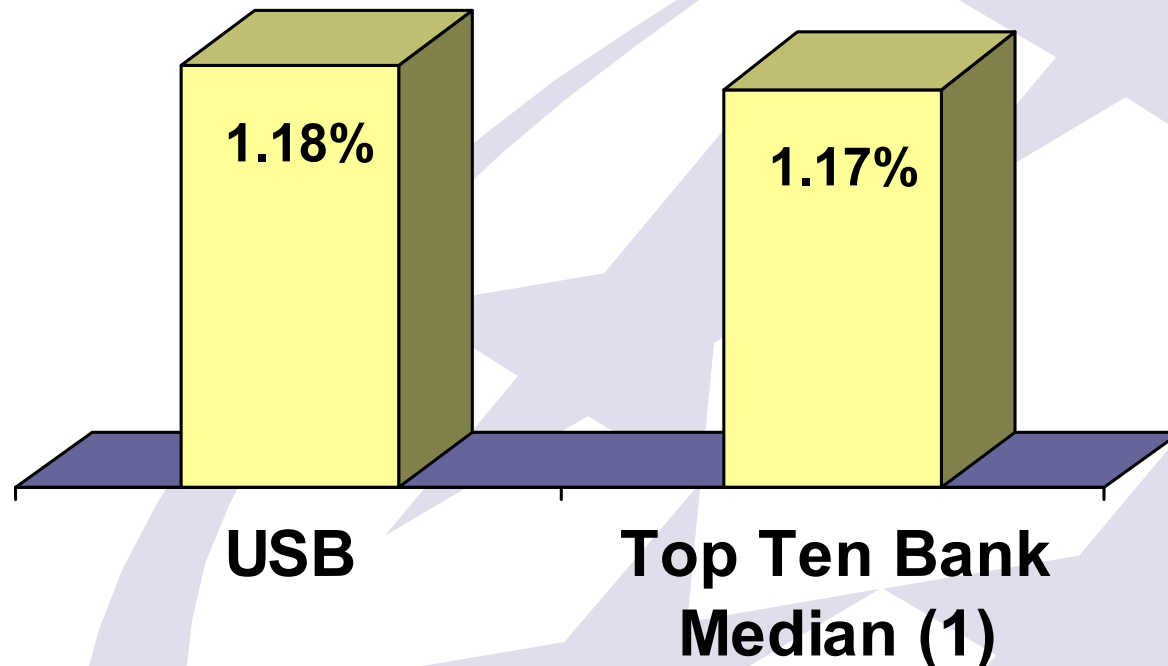
**Residential
Mortgage
\$52**

**Retail
\$26**

**ORE &
Other**

Nonperforming Assets / Loans + OREO

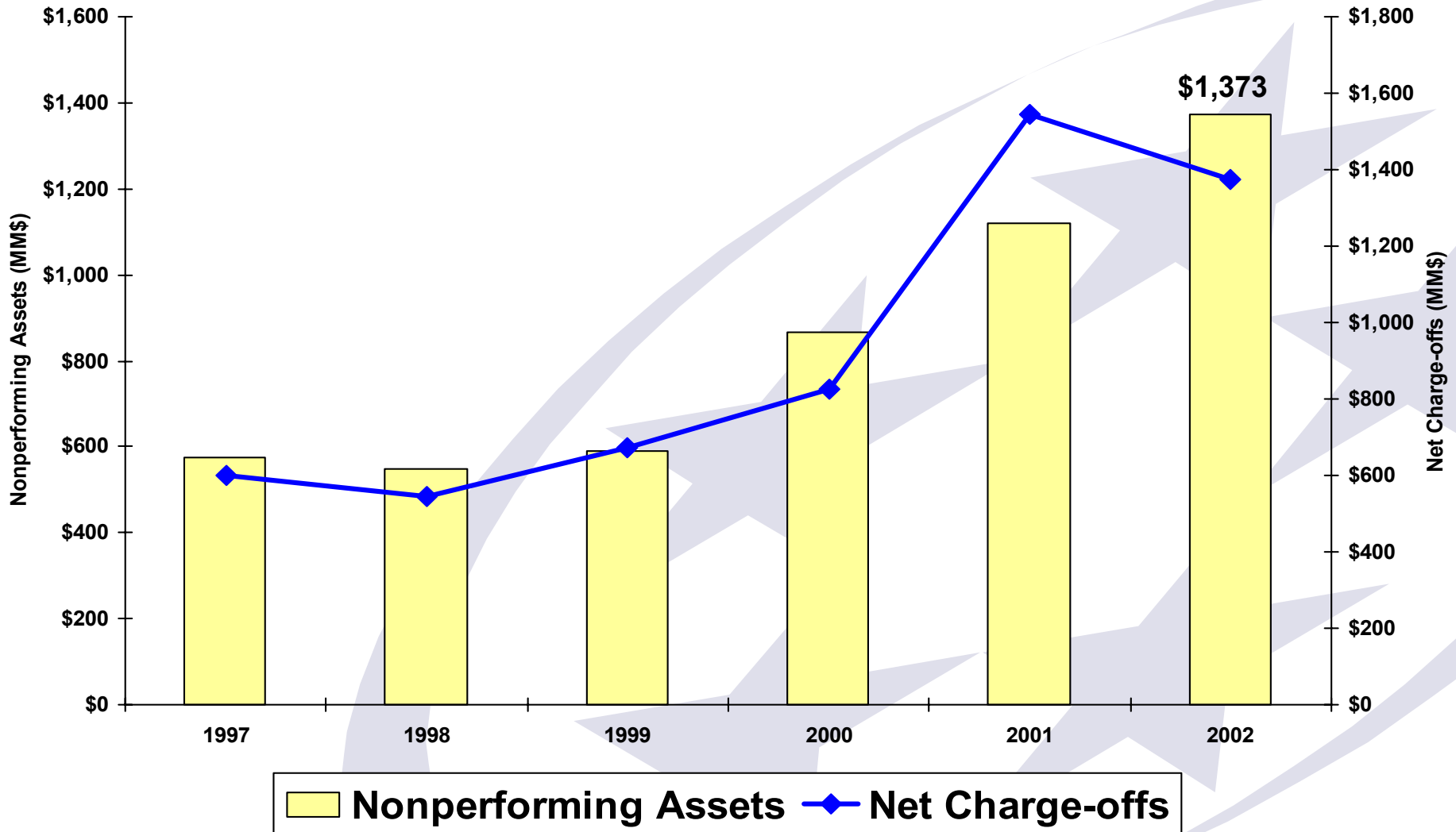
December 31, 2002



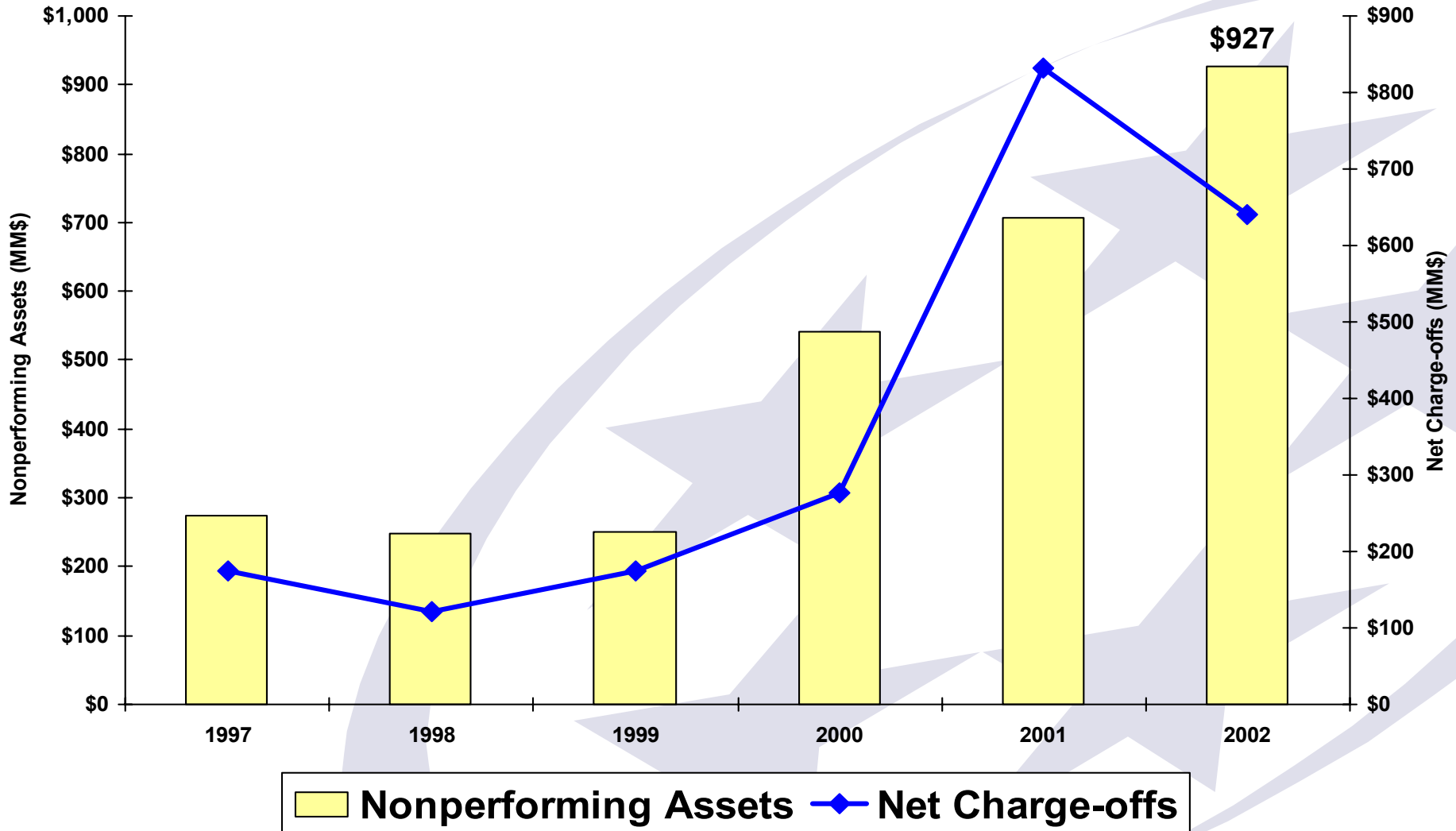
USB Rank is 6 of 10

(1) 10 Bank Peer Group includes BAC, WB, WFC, ONE, USB, STI, FBF, NCC, KEY and FITB.

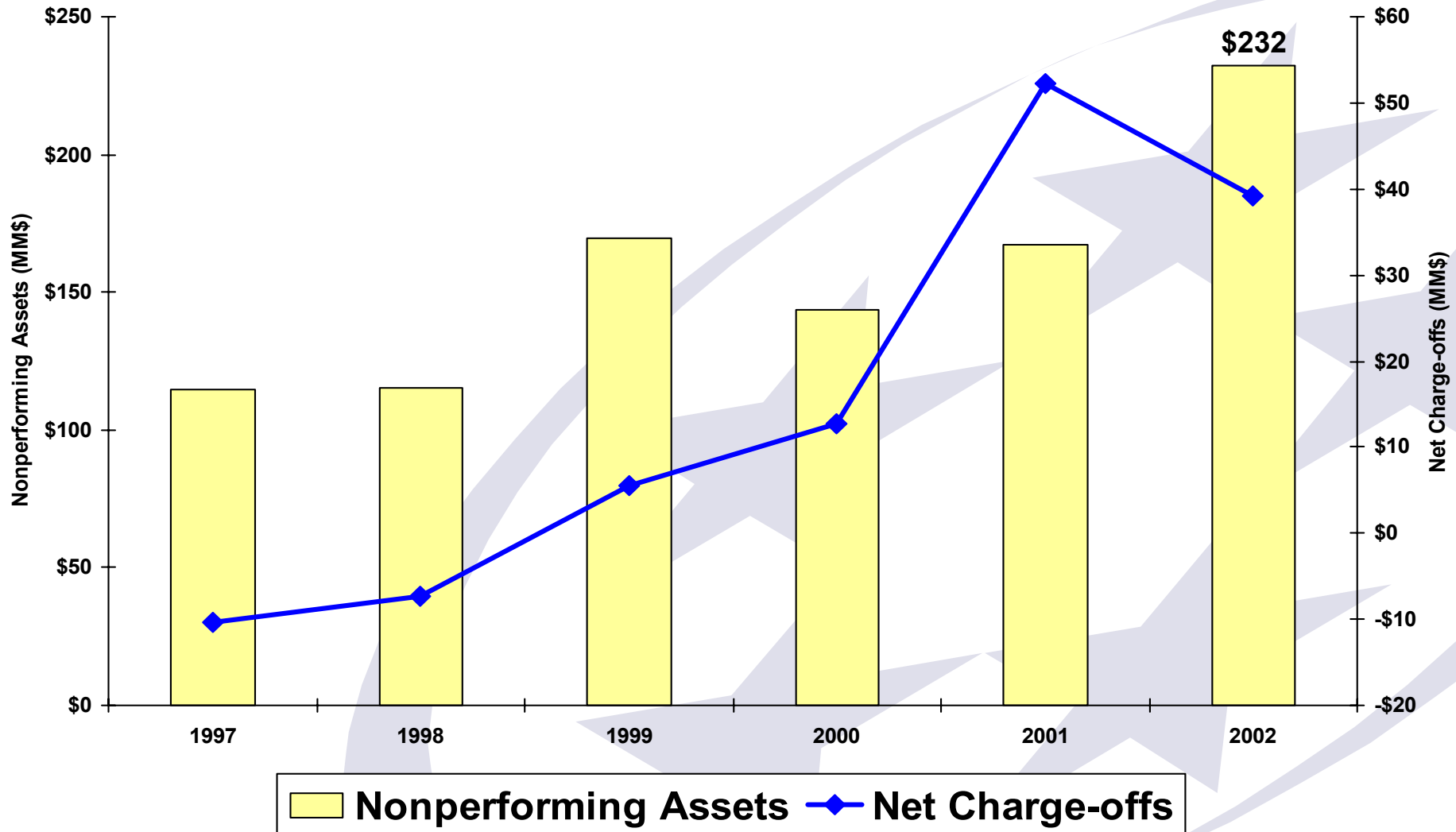
Total NPAs & Net Charge-offs



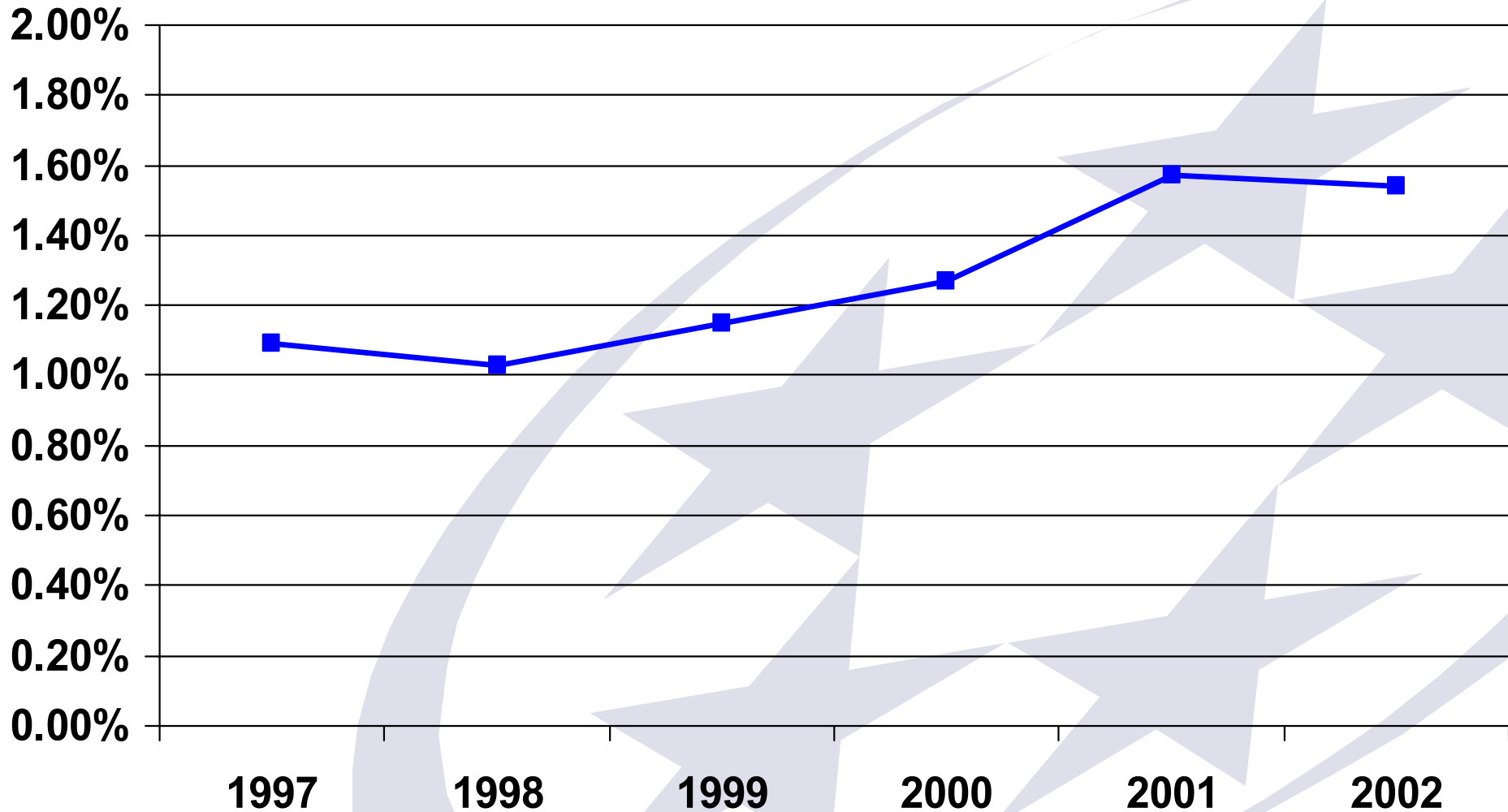
Commercial & Lease Finance



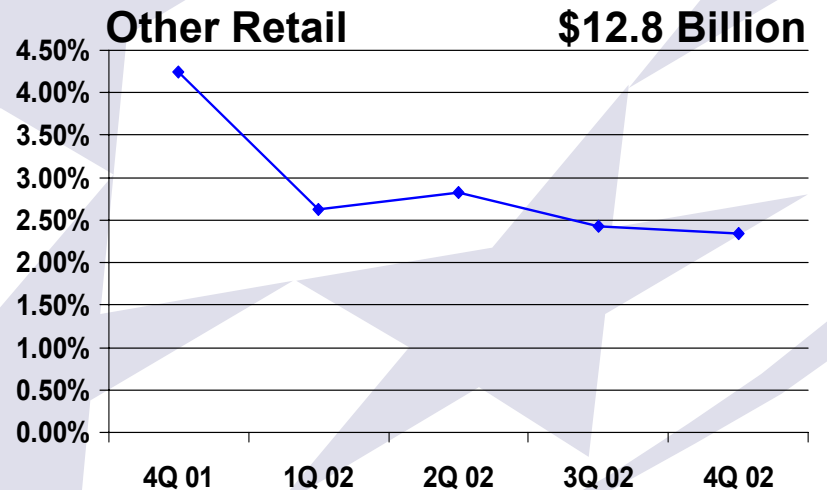
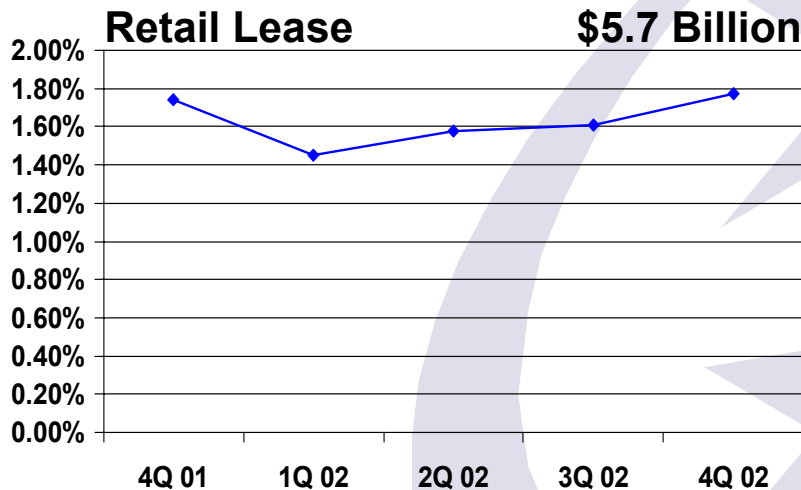
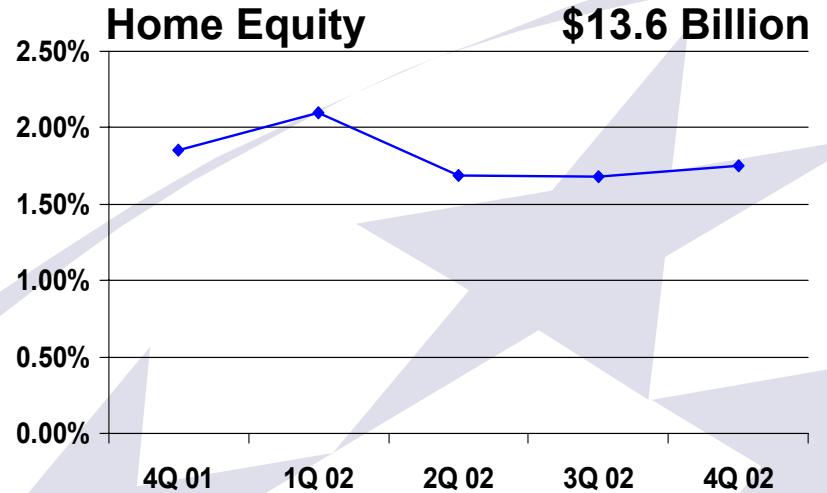
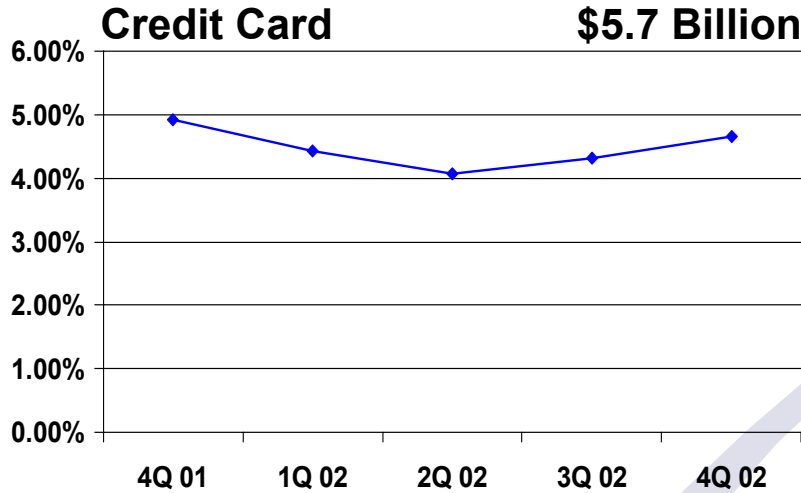
Commercial Real Estate



Retail Net Charge-offs



30 Day + Delinquencies





2003 Objectives

2003 Objectives

- Increase rate of organic revenue growth
- Maintain current high service levels
- Continue to reduce risk profile
- Maintain tight expense control
- Build capital



Salomon Smith Barney Financial Services Conference

January 28, 2003

Jerry A. Grundhofer
Chairman, President and CEO