News Release

Contacts:
Steve Dale | Judith T. Murphy
Media | Investors/Analysts
(612) 303-0784 | (612) 303-0783

U.S. BANCORP REPORTS NET INCOME
FOR THE FIRST QUARTER OF 2011

Achieves Total Net Revenue of $4.5 Billion; Earns Over $1 Billion in Net Income

MINNEAPOLIS, April 19, 2011 -- U.S. Bancorp (NYSE: USB) today reported net income of $1,046 million for the first quarter of 2011, or $.52 per diluted common share. Earnings for the first quarter of 2011 were driven by year-over-year growth in total net revenue and a reduction in the provision for credit losses. Included in the first quarter of 2011 was a $46 million gain related to the acquisition of First Community Bank of New Mexico ("FCB") in a transaction with the Federal Deposit Insurance Corporation ("FDIC"). Highlights for the first quarter of 2011 included:

- Strong new lending activity of $47.4 billion during the first quarter including:
  - $11.9 billion of new commercial and commercial real estate commitments
  - $15.9 billion of commercial and commercial real estate commitment renewals
  - $1.9 billion of lines related to new credit card accounts
  - $17.7 billion of mortgage and other retail originations
- Average total loan growth of 2.4 percent (2.1 percent excluding acquisitions) over the first quarter of 2010
  - Average total loan growth of 1.1 percent over the prior quarter (.7 percent excluding acquisitions)
  - Average total commercial loan growth of 2.1 percent over the prior quarter (1.9 percent excluding acquisitions)
- Significant growth in average deposits of 11.9 percent (7.3 percent excluding acquisitions) over the first quarter of 2010, including:
  - 16.3 percent growth in average noninterest-bearing deposits (15.6 percent excluding acquisitions)
  - 14.9 percent growth in average total savings deposits (8.1 percent excluding acquisitions)
- Total net revenue growth of 4.6 percent over the first quarter of 2010

- Net interest income growth of 4.3 percent over the first quarter of 2010, driven by:
  - Average earning asset growth of 10.1 percent, including predicted growth in the investment securities portfolio (22.1 percent)
  - Exceptionally strong growth in lower cost core deposit funding
  - Net interest margin of 3.69 percent for the first quarter of 2011, compared with 3.90 percent for the first quarter of 2010, and 3.83 percent for the fourth quarter of 2010 (decline due to higher investment securities portfolio balances and a higher cash position at the Federal Reserve, the result of unexpectedly strong deposit growth)
- Strong year-over-year growth in payments-related fee income and commercial products revenue, driven by:
  - Higher credit and debit card revenue (3.5 percent), corporate payment products revenue (4.2 percent) and merchant processing services revenue (3.1 percent)
  - An 18.6 percent increase in commercial products revenue (including syndication revenue, foreign exchange revenue, standby letters of credit fees and commercial loan fees)
- Net charge-offs and nonperforming assets declined on a linked quarter basis. Provision for credit losses was $50 million less than net charge-offs.
  - Sixth consecutive quarterly decrease in the provision for credit losses
  - Net charge-offs declined 14.1 percent from the fourth quarter of 2010
  - Excluding the FCB acquisition, nonperforming assets (excluding covered assets) decreased 4.7 percent from the fourth quarter of 2010
  - Early and late stage loan delinquencies (excluding covered loans) as a percentage of ending loan balances declined in most loan categories on a linked quarter basis
  - Allowance to period-end loans (excluding covered loans) was 2.97 percent at March 31, 2011, compared with 3.03 percent at December 31, 2010, and 3.20 percent at March 31, 2010
  - Allowance to nonperforming assets (excluding covered assets) was 154 percent at March 31, 2011, compared with 162 percent at December 31, 2010, and 136 percent at March 31, 2010

- Strong capital generation continues to strengthen capital position; ratios at March 31, 2011 were:
  - Tier 1 common equity ratio of 8.2 percent
  - Tier 1 capital ratio of 10.8 percent
  - Total risk based capital ratio of 13.8 percent
  - Tier 1 common ratio of 7.7 percent under anticipated Basel III guidelines
- Dividend and share authorization announced March 18th
  - Annual dividend raised from $.20 to $.50, a 150 percent increase
  - Share repurchase authorization of 50 million shares through December 31, 2011

EARNINGS SUMMARY **Table 1**

($ in millions, except per-share data)	1Q 2011	4Q 2010	1Q 2010	Percent Change 1Q11 vs 4Q10	Percent Change 1Q11 vs 1Q10
Net income attributable to U.S. Bancorp	$1,046	$974	$669	7.4	56.4
Diluted earnings per common share	$.52	$.49	$.34	6.1	52.9
Return on average assets (%)	1.38	1.31	.96		
Return on average common equity (%)	14.5	13.7	10.5		
Net interest margin (%)	3.69	3.83	3.90		
Efficiency ratio (%)	51.1	52.5	49.0		
Tangible efficiency ratio (%) (a)	49.5	50.6	46.8		
Dividends declared per common share	$.125	$.050	$.050	nm	nm
Book value per common share (period-end)	$14.83	$14.36	$13.16	3.3	12.7

(a) Computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses) and intangible amortization.

Net income attributable to U.S. Bancorp was $1,046 million for the first quarter of 2011, 56.4 percent higher than the $669 million for the first quarter of 2010 and 7.4 percent higher than the $974 million for the fourth quarter of 2010. Diluted earnings per common share of $.52 in the first quarter of 2011 were $.18 higher than the first quarter of 2010 and $.03 higher than the previous quarter. Return on average assets and return on average common equity were 1.38 percent and 14.5 percent, respectively, for the first quarter of 2011, compared with .96 percent and 10.5 percent, respectively, for the first quarter of 2010. Included in the first quarter of 2011 was a $46 million FCB gain that increased first quarter of 2011 diluted earnings per common share by approximately $.02. Significant items in the fourth quarter of 2010 included a $103 million gain ($41 million after tax) from the exchange of the long-term asset management business of FAF Advisors, Inc., an affiliate of the Company, for an equity interest in Nuveen Investments and cash consideration ("Nuveen Gain"), partially offset by $14 million of net securities losses, while the first quarter of 2010 included net securities losses of $34 million. The provision for credit losses for the first quarter of 2011 was $50 million lower than net charge-offs as compared with $25 million lower than net charge-offs for the fourth quarter of 2010 and $175 million in excess of net charge-offs for the first quarter of 2010.

U.S. Bancorp Chairman, President and Chief Executive Officer Richard K. Davis said, "Our results for the first quarter of 2011 reflected our proven business model during a recovering, yet still uncertain, economic environment. Total net revenue grew by 4.6 percent over the first quarter of 2010, and we achieved year-over-year average loan growth of 2.4 percent and linked quarter average loan growth of just over one percent. Deposit growth was exceptionally strong. The growth in total net revenue and significantly lower credit costs resulted in earnings of over $1.0 billion for the quarter.

"Our balance sheet and fee-based businesses continued to build momentum during the first quarter of 2011. Average commercial loans outstanding were 1.9 percent higher, excluding acquisitions, in the first quarter than the prior quarter, as lending and commitments to corporate, middle market and small business customers grew. Contributing to this growth were our metropolitan branch banking and in-store divisions, which together increased average small business loans outstanding by over 22 percent year-over-year and by 3.9 percent linked quarter. The growth in lending activity and commitments, higher deposits, new and enhanced product capabilities and expansion initiatives in each of our business lines contributed to strong first quarter net revenue, which was, in fact, a record first quarter total for our Company.

"We continue to invest in our franchise, most notably this quarter with the acquisition of the banking operations of First Community Bank from the FDIC. The acquisition extended our branch banking franchise into New Mexico, our 25th contiguous state, and immediately established us as one of the top three banks in terms of market share in this new attractive market. The purchase of FCB fits perfectly into our strategy of acquiring businesses and smaller fill-in banking franchises that add product and service capabilities, as well as profitable scale to our existing business lines and footprint in comparatively low-risk transactions.

"Our adherence to prudent underwriting and an improving economy resulted in significantly lower credit costs for the first quarter. Lower net charge-offs, improving risk ratings and a more positive economic outlook led to a $50 million reserve release in the current quarter, compared with a reserve build of $175 million in the first quarter of last year and a $25 million reserve release in the prior quarter. We expect net charge-offs and nonperforming assets to decline again in the coming quarter.

"Our capital levels are strong and growing, as we ended the quarter with a Tier 1 common equity ratio of 8.2 percent and a Tier 1 capital ratio of 10.8 percent. On March 18th we announced a 150 percent increase in our dividend rate after receiving notice from the Federal Reserve that they did not object to our request to increase our dividend or undertake the other capital distributions included in the Company's Comprehensive Capital Plan. Raising the dividend has been a priority for this management team and our board of directors for more than a year, as we continued to generate and build significant capital each and every quarter. I am pleased to begin rewarding our shareholders for their patience, confidence and support during the recent economic downturn. In addition to the dividend increase, our board of directors authorized a 50 million share common stock repurchase program, which provides the Company with added flexibility going forward as we seek to return capital to our shareholders.

"The economy is slowly recovering. We can see it in our customers' actions - from growth in small business lending to higher payment processing transaction volumes to improving credit metrics – and, importantly, in our customers' outlook. A healthy banking industry is crucial to the country's economic growth and future prosperity, and our Company and our employees are taking an active role in Washington D.C., communicating with our regulators, legislators and the administration. In fact, this year U.S. Bank market leaders from across our footprint have attended over 130 meetings with representatives in Washington D.C. We are working on behalf of the industry to make certain that our voice is heard and that new regulation and legislation supports the recovery, rather than stifles the country's progress.

"And we are working everyday on behalf of our stakeholders. Emerging from this downturn as a stronger Company, I am confident that our operating model, our prudent risk management and growth strategies will continue to serve us well for the benefit of our employees, customers, communities and, importantly, our shareholders."

INCOME STATEMENT HIGHLIGHTS					Table 2
(Taxable-equivalent basis, $ in millions, except per-share data)	1Q 2011	4Q 2010	1Q 2010	Percent Change 1Q11 vs 4Q10	Percent Change 1Q11 vs 1Q10
Net interest income	$2,507	$2,499	$2,403	.3	4.3
Noninterest income	2,012	2,222	1,918	(9.5)	4.9
Total net revenue	4,519	4,721	4,321	(4.3)	4.6
Noninterest expense	2,314	2,485	2,136	(6.9)	8.3
Income before provision and taxes	2,205	2,236	2,185	(1.4)	.9
Provision for credit losses	755	912	1,310	(17.2)	(42.4)
Income before taxes	1,450	1,324	875	9.5	65.7
Taxable-equivalent adjustment	55	53	51	3.8	7.8
Applicable income taxes	366	315	161	16.2	nm
Net income	1,029	956	663	7.6	55.2
Net (income) loss attributable to noncontrolling interests	17	18	6	(5.6)	nm
Net income attributable to U.S. Bancorp	$1,046	$974	$669	7.4	56.4
Net income applicable to U.S. Bancorp common shareholders	$1,003	$951	$648	5.5	54.8
Diluted earnings per common share	$.52	$.49	$.34	6.1	52.9

Net income attributable to U.S. Bancorp for the first quarter of 2011 was $377 million (56.4 percent) higher than the first quarter of 2010 and $72 million (7.4 percent) higher than the fourth quarter of 2010. The increase in net income year-over-year was principally the result of growth in total net revenue, driven by increases in both net interest income and fee-based revenue, and a lower provision for credit losses. These positive variances were partially offset by an increase in total noninterest expense. The increase in net income attributable to U.S. Bancorp on a linked quarter basis was driven by a lower provision for credit losses and a decrease in total noninterest expense, partially offset by a decline in total noninterest income.

Total net revenue on a taxable-equivalent basis for the first quarter of 2011 was $4,519 million; $198 million (4.6 percent) higher than the first quarter of 2010, reflecting a 4.3 percent increase in net interest income and a 4.9 percent increase in noninterest income. The increase in net interest income year-over-year was largely the result of an increase in average earning assets and continued growth in lower cost core deposit funding. Noninterest income increased year-over-year, primarily due to higher payments-related revenue, commercial products revenue and other income, as well as lower net securities losses. Total net revenue on a taxable-equivalent basis was $202 million (4.3 percent) lower on a linked quarter basis, principally due to a 9.5 percent decrease in total noninterest income driven by lower mortgage banking revenue, seasonally lower payments-related revenue and lower other income.

Total noninterest expense in the first quarter of 2011 was $2,314 million; $178 million (8.3 percent) higher than the first quarter of 2010 and $171 million (6.9 percent) lower than the fourth quarter of 2010. The increase in total noninterest expense year-over-year was primarily due to higher compensation and employee benefits expense. The decrease in total noninterest expense on a linked quarter basis was principally due to seasonally higher fourth quarter of 2010 costs related to investments in affordable housing and other tax-advantaged projects, professional services and marketing and business development expenses.

The Company's provision for credit losses declined from a year ago and on a linked quarter basis. The provision for credit losses for the first quarter of 2011 was $755 million, $157 million lower than the fourth quarter of 2010 and $555 million lower than the first quarter of 2010. The provision for credit losses was $50 million lower than net charge-offs in the first quarter of 2011. In the fourth quarter of 2010, the provision for credit losses was $25 million lower than net charge-offs, while in the first quarter of 2010, it exceeded net charge-offs by $175 million. Net charge-offs in the first quarter of 2011 were $805 million, compared with $937 million in the fourth quarter of 2010, and $1,135 million in the first quarter of 2010. Given current economic conditions, the Company expects the level of net charge-offs to continue to trend lower in the second quarter of 2011.

Nonperforming assets include assets originated by the Company, as well as loans and other real estate acquired under FDIC loss sharing agreements ("covered assets") that substantially reduce the risk of credit losses to the Company. Additionally, nonperforming assets included $287 million of loans and other real estate acquired through the recent acquisition of FCB from the FDIC, which are not covered by a loss sharing agreement. Assets associated with the FCB transaction were recorded at their estimated fair value at the acquisition date and included in the related asset categories. Excluding covered assets, nonperforming assets were $3,479 million at March 31, 2011, $3,351 million at December 31, 2010, and $3,995 million at March 31, 2010. The increase on a linked quarter basis was due to the FCB acquisition. Without the impact of FCB, nonperforming assets, excluding covered assets, at March 31, 2011, were $3,192 million, a 4.7 percent decrease from the prior quarter. The decline, without FCB, on linked quarter and year-over-year basis was led by reductions in nonperforming construction and land development assets as the Company continued to resolve and reduce exposure to these problem assets, in addition to improvement in other commercial portfolios, reflecting the stabilizing economy. However, there was continued stress in the residential mortgage portfolio, due to the overall duration of the economic slowdown. Covered nonperforming assets were $1,541 million at March 31, 2011, $1,697 million at December 31, 2010, and $2,385 million at March 31, 2010. The majority of the nonperforming covered assets were considered credit-impaired at acquisition and were recorded at their estimated fair value at the date of acquisition. The ratio of the allowance for credit losses to period-end loans, excluding covered loans, was 2.97 percent at March 31, 2011, compared with 3.03 percent at December 31, 2010, and 3.20 percent at March 31, 2010. The ratio of the allowance for credit losses to period-end loans, including covered loans, was 2.78 percent at March 31, 2011, compared with 2.81 percent at December 31, 2010, and 2.85 percent at March 31, 2010. The Company expects total nonperforming assets, excluding covered assets, to trend lower in the second quarter of 2011.

On April 13, 2011, U.S. Bancorp's two primary banking subsidiaries, U.S. Bank National Association and U.S. Bank National Association ND, consented to the issuance of a Consent Order with the Office of the Comptroller of the Currency regarding residential mortgage servicing and foreclosure processes. U.S. Bancorp entered into a related Consent Order with the Board of Governors of the Federal Reserve System. The Orders were the result of the recent interagency horizontal review of the foreclosure practices of the 14 largest mortgage servicers in the United States. U.S. Bank is a relatively small participant in the mortgage servicing market (approximately 2 percent), and has long been committed to sound modification and foreclosure practices. Foreclosure has always been regarded as the last resort. U.S. Bank will continue to support its customers during these challenging economic times and stands ready to assist them. Any recommendations by our regulators for improvements to our processes are always taken very seriously, and we are committed to working with the regulators to quickly resolve any outstanding issues.

NET INTEREST INCOME					Table 3
(Taxable-equivalent basis; $ in millions)					
	1Q 2011	**4Q 2010**	**1Q 2010**	**Change 1Q11 vs 4Q10**	**Change 1Q11 vs 1Q10**
Components of net interest income					
Income on earning assets	$3,157	$3,148	$3,046	$9	$111
Expense on interest-bearing liabilities	650	649	643	1	7
Net interest income	$2,507	$2,499	$2,403	$8	$104
Average yields and rates paid					
Earning assets yield	4.65%	4.82%	4.94%	(.17)%	(.29)%
Rate paid on interest-bearing liabilities	1.18	1.21	1.24	(.03)	(.06)
Gross interest margin	3.47%	3.61%	3.70%	(.14)%	(.23)%
Net interest margin	3.69%	3.83%	3.90%	(.14)%	(.21)%
Average balances					
Investment securities (a)	$56,405	$49,790	$46,211	$6,615	$10,194
Loans	197,570	195,484	192,878	2,086	4,692
Earning assets	273,940	259,859	248,828	14,081	25,112
Interest-bearing liabilities	223,886	212,308	209,538	11,578	14,348
Net free funds (b)	50,054	47,551	39,290	2,503	10,764

(a) Excludes unrealized gain (loss)

(b) Represents noninterest-bearing deposits, other noninterest-bearing liabilities and equity, allowance for loan losses and unrealized gain (loss) on available-for-sale securities less non-earning assets.

Net Interest Income

Net interest income on a taxable-equivalent basis in the first quarter of 2011 was $2,507 million, compared with $2,403 million in the first quarter of 2010, an increase of $104 million (4.3 percent). The increase was principally the result of growth in average earning assets and growth in lower cost core deposit funding. Average earning assets were $25.1 billion (10.1 percent) higher than the first quarter of 2010, driven by increases of $4.7 billion (2.4 percent) in average loans, $10.2 billion (22.1 percent) in average investment securities and $8.1 billion in average other earning assets, which included balances held at the Federal Reserve. Net interest income was relatively flat on a linked quarter basis, as growth in average earning assets, largely in lower yielding investment securities and balances at the Federal Reserve, more than offset the impact of fewer days in the first quarter relative to the prior quarter. The net interest margin was 3.69 percent in the first quarter of 2011, 3.90 percent in the first quarter of 2010, and 3.83 percent in the fourth quarter of 2010. The decline in the net interest margin year-over-year and on a linked quarter basis reflected higher balances in lower yielding investment securities and growth in cash balances held at the Federal Reserve.

AVERAGE LOANS					Table 4
($ in millions)	1Q 2011	4Q 2010	1Q 2010	Percent Change 1Q11 vs 4Q10	Percent Change 1Q11 vs 1Q10
Commercial	$42,683	$41,700	$40,837	2.4	4.5
Lease financing	6,030	6,012	6,445	.3	(6.4)
Total commercial	48,713	47,712	47,282	2.1	3.0
Commercial mortgages	27,709	26,750	25,444	3.6	8.9
Construction and development	7,470	7,827	8,707	(4.6)	(14.2)
Total commercial real estate	35,179	34,577	34,151	1.7	3.0
Residential mortgages	31,777	29,659	26,408	7.1	20.3
Credit card	16,124	16,403	16,368	(1.7)	(1.5)
Retail leasing	4,647	4,459	4,509	4.2	3.1
Home equity and second mortgages	18,801	19,119	19,402	(1.7)	(3.1)
Other retail	24,691	24,983	23,343	(1.2)	5.8
Total retail	64,263	64,964	63,622	(1.1)	1.0
Total loans, excluding covered loans	179,932	176,912	171,463	1.7	4.9
Covered loans	17,638	18,572	21,415	(5.0)	(17.6)
Total loans	$197,570	$195,484	$192,878	1.1	2.4

Total average loans were $4.7 billion (2.4 percent) higher in the first quarter of 2011 than the first quarter of 2010, driven by growth in residential mortgages (20.3 percent), total commercial loans (3.0 percent), total commercial real estate loans (3.0 percent) and total retail loans (1.0 percent). These increases were partially offset by a 17.6 percent decline in average covered loans. Total average loans were $2.1 billion (1.1 percent) higher in the first quarter of 2011 than the fourth quarter of 2010, as increases in the majority of loan categories, including residential mortgages (7.1 percent), total commercial loans (2.1 percent), and total commercial real estate loans (1.7 percent) were partially offset by lower covered loans (5.0 percent) and total retail loans (1.1 percent). The increases were driven by demand for loans and lines by new and existing credit-worthy borrowers and the impact of the FCB acquisition.

Average investment securities in the first quarter of 2011 were $10.2 billion (22.1 percent) higher year-over-year and $6.6 billion (13.3 percent) higher than the prior quarter. The increases over the prior year and linked quarter were primarily due to purchases of U.S. Treasury and government agency-backed securities, as the Company continued to move liquidity on-balance sheet.

AVERAGE DEPOSITS					**Table 5**
($ in millions)	**1Q 2011**	**4Q 2010**	**1Q 2010**	**Percent Change 1Q11 vs 4Q10**	**Percent Change 1Q11 vs 1Q10**
Noninterest-bearing deposits	$44,189	$42,950	$38,000	2.9	16.3
Interest-bearing savings deposits					
Interest checking	42,645	41,920	39,994	1.7	6.6
Money market savings	45,649	39,585	40,902	15.3	11.6
Savings accounts	25,330	23,470	18,029	7.9	40.5
Total of savings deposits	113,624	104,975	98,925	8.2	14.9
Time certificates of deposit less than $100,000	15,264	15,212	18,335	.3	(16.7)
Time deposits greater than $100,000	31,228	27,176	27,271	14.9	14.5
Total interest-bearing deposits	160,116	147,363	144,531	8.7	10.8
Total deposits	$204,305	$190,313	$182,531	7.4	11.9

Average total deposits for the first quarter of 2011 were $21.8 billion (11.9 percent) higher than the first quarter of 2010. Noninterest-bearing deposits increased $6.2 billion (16.3 percent) year-over-year, largely due to growth in Wholesale Banking and Consumer and Small Business Banking balances. Average total savings deposits were $14.7 billion (14.9 percent) higher year-over-year, the result of growth in corporate trust balances, including the impact of the December 30, 2010, acquisition of the securitization trust administration businesses of Bank of America, N.A. ("securitization trust acquisition"), and Consumer and Small Business Banking balances. Average time certificates of deposit less than $100,000 were $3.1 billion (16.7 percent) lower year-over-year, reflecting maturities and fewer renewals given the current rate environment. Time deposits greater than $100,000 increased $4.0 billion (14.5 percent), principally due to higher balances in Wholesale Banking and institutional and corporate trust, including the impact of the securitization trust and FCB acquisitions.

Average total deposits increased $14.0 billion (7.4 percent) over the fourth quarter of 2010. Noninterest-bearing deposits increased $1.2 billion (2.9 percent) with increases across the majority of business lines. Total average savings deposits increased $8.6 billion (8.2 percent) on a linked quarter basis due to higher corporate trust balances, including the impact of the securitization trust acquisition, and increased balances in Consumer and Small Business Banking. Average time deposits less than $100,000 remained relatively flat as a decline in Consumer and Small Business Banking was offset by the impact of the FCB acquisition. Average time deposits over $100,000 were $4.1 billion (14.9 percent) higher on a linked quarter basis, reflecting the securitization trust and FCB acquisitions, partially offset by maturities and fewer renewals given the low interest rate environment and wholesale funding decisions.

NONINTEREST INCOME **Table 6**

($ in millions)	1Q 2011	4Q 2010	1Q 2010	Percent Change 1Q11 vs 4Q10	Percent Change 1Q11 vs 1Q10
Credit and debit card revenue	$267	$293	$258	(8.9)	3.5
Corporate payment products revenue	175	173	168	1.2	4.2
Merchant processing services	301	323	292	(6.8)	3.1
ATM processing services	112	105	105	6.7	6.7
Trust and investment management fees	256	282	264	(9.2)	(3.0)
Deposit service charges	143	144	207	(.7)	(30.9)
Treasury management fees	137	134	137	2.2	--
Commercial products revenue	191	208	161	(8.2)	18.6
Mortgage banking revenue	199	250	200	(20.4)	(.5)
Investment products fees and commissions	32	29	25	10.3	28.0
Securities gains (losses), net	(5)	(14)	(34)	64.3	85.3
Other	204	295	135	(30.8)	51.1
Total noninterest income	$2,012	$2,222	$1,918	(9.5)	4.9

Noninterest Income

First quarter noninterest income was $2,012 million; $94 million (4.9 percent) higher than the first quarter of 2010 and $210 million (9.5 percent) lower than the fourth quarter of 2010. Year-over-year, noninterest income benefited from payments-related revenues, which were $25 million (3.5 percent) higher, largely due to increased transaction volumes and business expansion, and a $30 million (18.6 percent) increase in commercial products revenue, attributable to higher standby letters of credit fees, commercial loan and syndication fees, foreign exchange income and other capital markets revenue. Additionally, there was a $29 million (85.3 percent) improvement in net securities losses and other income was higher than the first quarter of 2010 by $69 million (51.1 percent), principally due to the FCB gain and a gain related to the Company's investment in Visa Inc. (NYSE: V) ("Visa Gain"). Offsetting these positive variances was a decrease in trust and investment management fees of $8 million (3.0 percent), primarily due to the transfer of the long-term asset management business to Nuveen Investments in the fourth quarter of 2010. This decline was partially offset by the positive impact of the securitization trust acquisition and improved market conditions. Deposit service charges decreased $64 million (30.9 percent), as the result of Company-initiated and regulatory revisions to overdraft fee policies, partially offset by core account growth.

Noninterest income was $210 million (9.5 percent) lower in the first quarter of 2011 than the fourth quarter of 2010. Payments-related revenue decreased $46 million (5.8 percent), primarily driven by seasonally lower merchant processing and credit and debit card transaction volumes. Trust and investment management fees were $26 million (9.2 percent) lower on a linked quarter basis, mainly due to the transfer of the long-term asset management business to Nuveen Investments in the fourth quarter of 2010, partially offset by the positive impact of the securitization trust acquisition. The decrease in commercial products revenue of $17 million (8.2 percent) from the fourth quarter of 2010 was attributable to lower syndication and other capital markets fees. Mortgage banking revenue declined by $51 million (20.4 percent), primarily due to lower sales and origination revenue, partially offset by a higher net valuation of mortgage servicing rights (“MSRs”). Other income decreased by $91 million (30.8 percent) as the first quarter of 2011 FCB and Visa Gains were more than offset by the fourth quarter of 2010 Nuveen and Visa Gains.

NONINTEREST EXPENSE					**Table 7**
($ in millions)	**1Q 2011**	**4Q 2010**	**1Q 2010**	**Percent Change 1Q11 vs 4Q10**	**Percent Change 1Q11 vs 1Q10**
Compensation	$959	$999	$861	(4.0)	11.4
Employee benefits	230	171	180	34.5	27.8
Net occupancy and equipment	249	237	227	5.1	9.7
Professional services	70	97	58	(27.8)	20.7
Marketing and business development	65	106	60	(38.7)	8.3
Technology and communications	185	187	185	(1.1)	--
Postage, printing and supplies	74	78	74	(5.1)	--
Other intangibles	75	89	97	(15.7)	(22.7)
Other	407	521	394	(21.9)	3.3
Total noninterest expense	$2,314	$2,485	$2,136	(6.9)	8.3

Noninterest Expense

Noninterest expense in the first quarter of 2011 totaled $2,314 million, an increase of $178 million (8.3 percent) over the first quarter of 2010, and a $171 million decrease (6.9 percent) from the fourth quarter of 2010. The increase in noninterest expense over the same quarter of last year was principally due to increased compensation and employee benefits expense. Compensation and employee benefits expense increased over the prior year by $98 million (11.4 percent) and $50 million (27.8 percent), respectively. Compensation expense increased primarily because of acquisitions, branch expansion and other business initiatives, higher incentives related to the Company's improved financial results and merit increases. Employee benefits expense increased due to higher pension and medical costs and the impact of additional staff. Net occupancy and equipment expense increased $22 million (9.7 percent) year-over-year largely due to business expansion and technology initiatives. Professional services expense was $12 million (20.7 percent) higher year-over-year, due to technology-related and other projects across multiple business lines. Other expense was higher by $13 million (3.3 percent) primarily due to insurance and litigation matters. These increases were partially offset by a decrease in other intangibles expense of $22 million (22.7 percent) compared with the prior year, due to the reduction or completion of the amortization of certain intangibles.

Noninterest expense was $171 million (6.9 percent) lower on a linked quarter basis. Compensation expense decreased $40 million (4.0 percent), principally due to lower incentives and commissions, partially offset by the impact of business expansion initiatives. Professional services and marketing and business development expenses were lower on a linked quarter basis by $27 million (27.8 percent) and $41 million (38.7 percent), respectively, due to the timing of payments-related initiatives and the impact of seasonally higher expenses in the fourth quarter of 2010. Other intangibles expense declined $14 million (15.7 percent) due to the reduction or completion of the amortization of certain intangibles. In addition, other expense decreased $114 million (21.9 percent) from the fourth quarter of 2010 mainly due to lower acquisition integration expense, lower costs associated with other real estate owned and seasonally higher investments in affordable housing and other tax-advantaged projects in the fourth quarter of 2010. These favorable variances were partially offset by a $59 million (34.5 percent) increase in employee benefits expense, reflecting higher pension expense, medical costs and a seasonal increase in payroll taxes.

Provision for Income Taxes

The provision for income taxes for the first quarter of 2011 resulted in a tax rate on a taxable-equivalent basis of 29.0 percent (effective tax rate of 26.2 percent), compared with 24.2 percent (effective tax rate of 19.5 percent) in the first quarter of 2010 and 27.8 percent (effective tax rate of 24.8 percent) in the fourth quarter of 2010. The increase in the effective tax rate primarily reflected the marginal impact of higher pretax earnings.

ALLOWANCE FOR CREDIT LOSSES — **Table 8**

($ in millions)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010
Balance, beginning of period	$5,531	$5,540	$5,536	$5,439	$5,264
Net charge-offs					
Commercial	125	117	153	223	243
Lease financing	14	17	18	22	34
Total commercial	139	134	171	245	277
Commercial mortgages	40	90	113	71	46
Construction and development	85	129	94	156	146
Total commercial real estate	125	219	207	227	192
Residential mortgages	129	131	132	138	145
Credit card	247	275	296	317	312
Retail leasing	1	1	2	4	5
Home equity and second mortgages	81	83	79	79	90
Other retail	81	91	101	99	111
Total retail	410	450	478	499	518
Total net charge-offs, excluding covered loans	803	934	988	1,109	1,132
Covered loans	2	3	7	5	3
Total net charge-offs	805	937	995	1,114	1,135
Provision for credit losses	755	912	995	1,139	1,310
Net change for credit losses to be reimbursed by the FDIC	17	16	4	72	--
Balance, end of period	$5,498	$5,531	$5,540	$5,536	$5,439
Components					
Allowance for loan losses, excluding losses to be reimbursed by the FDIC	$5,161	$5,218	$5,245	$5,248	$5,235
Allowance for credit losses to be reimbursed by the FDIC	109	92	76	72	--
Liability for unfunded credit commitments	228	221	219	216	204
Total allowance for credit losses	$5,498	$5,531	$5,540	$5,536	$5,439
Gross charge-offs	$899	$1,035	$1,069	$1,186	$1,206
Gross recoveries	$94	$98	$74	$72	$71
Allowance for credit losses as a percentage of					
Period-end loans, excluding covered loans	2.97	3.03	3.10	3.18	3.20
Nonperforming loans, excluding covered loans	180	192	181	168	156
Nonperforming assets, excluding covered assets	154	162	153	146	136
Period-end loans	2.78	2.81	2.85	2.89	2.85
Nonperforming loans	133	136	133	120	109
Nonperforming assets	110	110	102	94	85

Credit Quality

Net charge-offs and nonperforming assets declined on a linked quarter and year-over-year basis as economic conditions stabilized. The allowance for credit losses was $5,498 million at March 31, 2011, compared with $5,531 million at December 31, 2010, and $5,439 million at March 31, 2010. Total net charge-offs in the first quarter of 2011 were $805 million, compared with $937 million in the fourth quarter of 2010, and $1,135 million in the first quarter of 2010. The decrease in total net charge-offs was principally due to improvement in the commercial real estate, credit card and other retail portfolios. The Company recorded $755 million of provision for credit losses, $50 million less than net charge-offs during the first quarter of 2011. The allowance for credit losses reimbursable by the FDIC was higher than the prior quarter by $17 million.

Commercial and commercial real estate loan net charge-offs decreased to $264 million in the first quarter of 2011 (1.28 percent of average loans outstanding), compared with $353 million (1.70 percent of average loans outstanding) in the fourth quarter of 2010 and $469 million (2.34 percent of average loans outstanding) in the first quarter of 2010. The decrease primarily reflected the impact of efforts to resolve and reduce exposure to problem assets in the Company's commercial real estate portfolios.

Residential mortgage loan net charge-offs decreased to $129 million (1.65 percent of average loans outstanding) in the first quarter of 2011, compared with $131 million (1.75 percent of average loans outstanding) in the fourth quarter of 2010 and $145 million (2.23 percent of average loans outstanding) in the first quarter of 2010. Total retail loan net charge-offs were $410 million (2.59 percent of average loans outstanding) in the first quarter of 2011, lower than the $450 million (2.75 percent of average loans outstanding) in the fourth quarter of 2010 and the $518 million (3.30 percent of average loans outstanding) in the first quarter of 2010.

The ratio of the allowance for credit losses to period-end loans was 2.78 percent (2.97 percent excluding covered loans) at March 31, 2011, compared with 2.81 percent (3.03 percent excluding covered loans) at December 31, 2010, and 2.85 percent (3.20 percent excluding covered loans) at March 31, 2010. The ratio of the allowance for credit losses to nonperforming loans was 133 percent (180 percent excluding covered loans) at March 31, 2011, compared with 136 percent (192 percent excluding covered loans) at December 31, 2010, and 109 percent (156 percent excluding covered loans) at March 31, 2010.

(MORE)

CREDIT RATIOS **Table 9**

(Percent)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010
Net charge-offs ratios (a)					
Commercial	1.19	1.11	1.49	2.23	2.41
Lease financing	.94	1.12	1.18	1.41	2.14
Total commercial	1.16	1.11	1.45	2.12	2.38
Commercial mortgages	.59	1.33	1.72	1.11	.73
Construction and development	4.61	6.54	4.56	7.31	6.80
Total commercial real estate	1.44	2.51	2.40	2.67	2.28
Residential mortgages	1.65	1.75	1.88	2.06	2.23
Credit card (b)	6.21	6.65	7.11	7.79	7.73
Retail leasing	.09	.09	.19	.37	.45
Home equity and second mortgages	1.75	1.72	1.62	1.64	1.88
Other retail	1.33	1.45	1.65	1.70	1.93
Total retail	2.59	2.75	2.95	3.16	3.30
Total net charge-offs, excluding covered loans	1.81	2.09	2.26	2.61	2.68
Covered loans	.05	.06	.14	.10	.06
Total net charge-offs	1.65	1.90	2.05	2.34	2.39
Delinquent loan ratios - 90 days or more past due **excluding** nonperforming loans (c)					
Commercial	.12	.13	.19	.21	.18
Commercial real estate	.02	--	.05	.09	.01
Residential mortgages	1.33	1.63	1.75	1.85	2.26
Retail	.71	.81	.85	.95	1.00
Total loans, excluding covered loans	.52	.61	.66	.72	.78
Covered loans	5.83	6.04	4.96	4.91	3.90
Total loans	.99	1.11	1.08	1.16	1.12
Delinquent loan ratios - 90 days or more past due **including** nonperforming loans (c)					
Commercial	1.12	1.37	1.67	1.89	2.06
Commercial real estate	4.17	3.73	4.20	4.84	5.37
Residential mortgages	3.45	3.70	3.90	4.08	4.33
Retail	1.23	1.26	1.26	1.32	1.37
Total loans, excluding covered loans	2.17	2.19	2.37	2.61	2.82
Covered loans	12.51	12.94	11.12	11.72	11.19
Total loans	3.07	3.17	3.23	3.56	3.74

(a) Annualized and calculated on average loan balances

(b) Net charge-offs as a percent of average loans outstanding, excluding portfolio purchases where the acquired loans were recorded at fair value at the purchase date were 6.45 percent for the first quarter of 2011, 7.21 percent for the fourth quarter of 2010, 7.84 percent for the third quarter of 2010, 8.53 percent for the second quarter of 2010 and 8.42 percent for the first quarter of 2010.

(c) Ratios are expressed as a percent of ending loan balances.

ASSET QUALITY ($ in millions)	**Mar 31 2011**	**Dec 31 2010**	**Sep 30 2010**	**Jun 30 2010**	**Mar 31 2010**
Nonperforming loans					
Commercial	$439	$519	$594	$669	$758
Lease financing	54	78	111	115	113
Total commercial	493	597	705	784	871
Commercial mortgages	635	545	624	601	596
Construction and development	835	748	799	1,013	1,236
Total commercial real estate	1,470	1,293	1,423	1,614	1,832
Residential mortgages	685	636	614	607	550
Retail	330	293	262	237	229
Total nonperforming loans, excluding covered loans	2,978	2,819	3,004	3,242	3,482
Covered loans	1,151	1,244	1,172	1,360	1,524
Total nonperforming loans	4,129	4,063	4,176	4,602	5,006
Other real estate (a)	480	511	537	469	482
Covered other real estate (a)	390	453	679	791	861
Other nonperforming assets	21	21	22	23	31
Total nonperforming assets (b) (c)	$5,020	$5,048	$5,414	$5,885	$6,380
Total nonperforming assets, excluding covered assets	$3,479	$3,351	$3,563	$3,734	$3,995
Accruing loans 90 days or more past due, excluding covered loans	$949	$1,094	$1,165	$1,239	$1,321
Accruing loans 90 days or more past due	$1,954	$2,184	$2,110	$2,221	$2,138
Restructured loans that continue to accrue interest (d)	$2,431	$2,207	$2,180	$2,112	$2,008
Nonperforming assets to loans plus ORE, excluding covered assets (%)	1.92	1.87	2.02	2.17	2.34
Nonperforming assets to loans plus ORE (%)	2.52	2.55	2.76	3.05	3.31

Table 10

(a) Includes equity investments in entities whose only asset is other real estate owned
(b) Does not include accruing loans 90 days or more past due or restructured loans that continue to accrue interest
(c) Includes $287 million of nonperforming assets from the FCB acquisition which were recorded at estimated fair value
(d) Excludes temporary concessionary modifications under hardship programs

Nonperforming assets at March 31, 2011, totaled $5,020 million, compared with $5,048 million at December 31, 2010, and $6,380 million at March 31, 2010. Total nonperforming assets at March 31, 2011, included $1,541 million of assets covered under loss sharing agreements with the FDIC that substantially reduce the risk of credit losses to the Company. In addition, total nonperforming asset at March 31, 2011, included $287 million of loans and other real estate owned from the FCB acquisition, which were not covered by a loss sharing agreement. The majority of these assets were considered credit-impaired at the time of the acquisition and all of the assets were recorded at estimated fair value. The ratio of nonperforming assets to loans and other real estate was 2.52 percent (1.92 percent excluding covered assets) at March 31, 2011, compared with 2.55 percent (1.87 percent excluding covered assets) at December 31, 2010, and 3.31 percent (2.34 percent excluding covered assets) at March 31, 2010. The decrease in nonperforming assets, excluding covered assets, compared with a year ago was driven primarily by the construction and land development portfolios, as well as by improvement in other commercial portfolios, partially offset by the FCB acquisition. Given current economic conditions, the Company expects nonperforming assets, excluding covered assets, to trend lower in the second quarter of 2011.

Accruing loans 90 days or more past due were $1,954 million ($949 million excluding covered loans) at March 31, 2011, compared with $2,184 million ($1,094 million excluding covered loans) at December 31, 2010, and $2,138 million ($1,321 million excluding covered loans) at March 31, 2010. Restructured loans that continue to accrue interest increased compared with the first quarter of 2010 and the fourth quarter of 2010, primarily due to the impact of loan modifications for certain residential mortgage and consumer credit card customers in light of current economic conditions. The Company continues to work with customers to modify loans for borrowers who are having financial difficulties, including those acquired through FDIC-assisted acquisitions, but expects increases in restructured loans to moderate.

CAPITAL POSITION					**Table 11**
($ in millions)	**Mar 31 2011**	**Dec 31 2010**	**Sep 30 2010**	**Jun 30 2010**	**Mar 31 2010**
Total U.S. Bancorp shareholders' equity	$30,507	$29,519	$29,151	$28,169	$26,709
Tier 1 capital	26,821	25,947	24,908	24,021	23,278
Total risk-based capital	34,198	33,033	32,265	31,890	30,858
Tier 1 capital ratio	10.8 %	10.5 %	10.3 %	10.1 %	9.9 %
Total risk-based capital ratio	13.8	13.3	13.3	13.4	13.2
Leverage ratio	9.0	9.1	9.0	8.8	8.6
Tier 1 common equity ratio	8.2	7.8	7.6	7.4	7.1
Tangible common equity ratio	6.3	6.0	6.2	6.0	5.6
Tangible common equity as a percent of risk-weighted assets	7.6	7.2	7.2	6.9	6.5

Total U.S. Bancorp shareholders’ equity was $30.5 billion at March 31, 2011, compared with $29.5 billion at December 31, 2010, and $26.7 billion at March 31, 2010. The increase over the prior year principally reflected corporate earnings, as well as the issuance, net of related discount, of $430 million of perpetual preferred stock in exchange for certain income trust securities in the second quarter of 2010. On

March 18, 2011, the Company announced an increase of the dividend rate to $.50 on an annualized basis, or $.125 on a quarterly basis. The board of directors of the Company also approved an authorization to repurchase up to 50 million shares of its outstanding common stock through December of 2011. This new authorization replaces the Company's current share repurchase program. The Tier 1 capital ratio was 10.8 percent at March 31, 2011, compared with 10.5 percent at December 31, 2010, and 9.9 percent at March 31, 2010. The Tier 1 common equity ratio was 8.2 percent at March 31, 2011, compared with 7.8 percent at December 31, 2010, and 7.1 percent at March 31, 2010. The tangible common equity ratio was 6.3 percent at March 31, 2011, compared with 6.0 percent at December 31, 2010, and 5.6 percent at March 31, 2010. All regulatory ratios continue to be in excess of "well-capitalized" requirements. Additionally, the Tier 1 common ratio under anticipated Basel III guidelines was 7.7 percent as of March 31, 2011.

COMMON SHARES — **Table 12**

(Millions)	**1Q 2011**	**4Q 2010**	**3Q 2010**	**2Q 2010**	**1Q 2010**
Beginning shares outstanding	1,921	1,918	1,917	1,916	1,913
Shares issued for stock option and stock purchase plans, acquisitions and other corporate purposes	7	3	1	1	4
Shares repurchased for stock option plans	(1)	--	--	--	(1)
Ending shares outstanding	1,927	1,921	1,918	1,917	1,916

LINE OF BUSINESS FINANCIAL PERFORMANCE (a) — **Table 13**

($ in millions)

	Net Income Attributable to U.S. Bancorp			**Percent Change**		**1Q 2011**
Business Line	**1Q 2011**	**4Q 2010**	**1Q 2010**	**1Q11 vs 4Q10**	**1Q11 vs 1Q10**	**Earnings Composition**
Wholesale Banking and Commercial Real Estate	$206	$154	$9	33.8	nm	20 %
Consumer and Small Business Banking	132	155	174	(14.8)	(24.1)	13
Wealth Management and Securities Services	50	57	53	(12.3)	(5.7)	5
Payment Services	287	264	111	8.7	nm	27
Treasury and Corporate Support	371	344	322	7.8	15.2	35
Consolidated Company	$1,046	$974	$669	7.4	56.4	100 %

(a) preliminary data

Lines of Business

The Company's major lines of business are Wholesale Banking and Commercial Real Estate, Consumer and Small Business Banking, Wealth Management and Securities Services, Payment Services, and Treasury and Corporate Support. These operating segments are components of the Company about which financial information is prepared and is evaluated regularly by management in deciding how to allocate resources and assess performance. Noninterest expenses incurred by centrally managed operations or business lines that directly support another business line's operations are charged to the applicable business line based on its utilization of those services, primarily measured by the volume of customer activities, number of employees or other relevant factors. These allocated expenses are reported as net shared services expense within noninterest expense. Designations, assignments and allocations change from time to time as management systems are enhanced, methods of evaluating performance or product lines change or business segments are realigned to better respond to the Company's diverse customer base. During 2011, certain organization and methodology changes were made and, accordingly, prior period results were restated and presented on a comparable basis.

Wholesale Banking and Commercial Real Estate offers lending, equipment finance and small-ticket leasing, depository, treasury management, capital markets, foreign exchange, international trade services and other financial services to middle market, large corporate, commercial real estate, financial institution and public sector clients. Wholesale Banking and Commercial Real Estate contributed $206 million of the Company's net income in the first quarter of 2011, compared with $9 million in the first quarter of 2010 and $154 million in the fourth quarter of 2010. Wholesale Banking and Commercial Real Estate's net income increased $197 million over the same quarter of 2010 due to higher total net revenue and a lower provision for credit losses, partially offset by an increase in total noninterest expense. Net interest income increased $45 million (9.7 percent) year-over-year due to higher average loan and deposit balances, improved spreads on new loans and an increase in loan fees, partially offset by the impact of declining rates on the margin benefit from deposits. Total noninterest income increased $28 million (10.5 percent), mainly due to growth in commercial products revenue across all products including syndication and other capital markets fees, foreign exchange and international trade revenue, and commercial loan and standby letters of credit fees. Total noninterest expense increased $26 million (9.5 percent) over a year ago, primarily due to higher compensation and employee benefits expense and increased shared services costs. The provision for credit losses was $263 million (59.5 percent) lower year-over-year due to a reduction in net charge-offs and a decrease in reserve allocation.

Wholesale Banking and Commercial Real Estate's contribution to net income in the first quarter of 2011 was $52 million (33.8 percent) higher than the fourth quarter of 2010. This improvement was due to lower total noninterest expense and a reduction in the provision for credit losses, partially offset by a decline in total net revenue. Total net revenue was lower by $20 million (2.4 percent). Net interest income was $14 million (2.7 percent) lower on a linked quarter basis, principally due to fewer days in the current quarter and a reduction in the margin benefit of deposits, partially offset by higher loan and deposit balances and improved spreads on new loans. A $6 million (2.0 percent) decrease in total noninterest income was the result of lower commercial products revenue, primarily syndication and other capital markets fees, partially offset by an increase in equity investment revenue. Total noninterest expense decreased by $51 million (14.5 percent), largely due to lower compensation and employee benefits expense and a reduction in litigation costs. The provision for credit losses decreased $50 million (21.8 percent) on a linked quarter basis, primarily due to lower net charge-offs.

Consumer and Small Business Banking delivers products and services through banking offices, telephone servicing and sales, on-line services, direct mail and ATM processing. It encompasses community banking, metropolitan banking, in-store banking, small business banking, consumer lending, mortgage banking, consumer finance, workplace banking, student banking and 24-hour banking. Consumer and Small Business Banking contributed $132 million of the Company's net income in the first quarter of 2011, a $42 million (24.1 percent) decrease from the first quarter of 2010, and a $23 million (14.8 percent) decrease from the prior quarter. Within Consumer and Small Business Banking, the retail banking division reported a $56 million reduction in its contribution from the same quarter of last year. The decrease in the retail banking division's contribution from the same period of 2010 was principally due to higher total noninterest expense. Retail banking's total net revenue was relatively flat compared with the first quarter of 2010 as an increase in net interest income was offset by a decline in total noninterest income. Net interest income increased 6.6 percent due to higher loan and deposit volumes, partially offset by the impact of lower rates on the margin benefit from deposits. Total noninterest income for the retail banking division decreased 13.5 percent from a year ago due to a reduction in deposit service charges, reflecting the impact of Company-initiated and regulatory revisions to overdraft fee policies, partially offset by core account growth. Total noninterest expense for the retail banking division in the first quarter of 2011 was 9.7 percent higher year-over-year,

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principally due to higher compensation and employee benefits expense, shared services costs and net occupancy and equipment expenses related to business expansion, partially offset by lower other intangibles expense. The provision for credit losses for the retail banking division decreased .3 percent on a year-over-year basis. In the first quarter of 2011, the mortgage banking division's contribution was $114 million, a 14.0 percent increase over the first quarter of 2010. The division's total net revenue increased 12.3 percent over a year ago, reflecting increased interest income on higher average balances of mortgages and mortgage loans held-for-sale. Total noninterest expense for the mortgage banking division increased 12.6 percent over the first quarter of 2010, primarily due to higher compensation and employee benefits expense. The provision for credit losses increased 6.3 percent year-over-year, reflecting a change in the reserve allocation compared with the first quarter of 2010.

Consumer and Small Business Banking's contribution in the first quarter of 2011 was $23 million (14.8 percent) lower than the fourth quarter of 2010, due to lower total net revenue and higher total noninterest expense, partially offset by a reduction in the provision for credit losses. Within Consumer and Small Business Banking, the retail banking division's contribution increased $19 million on a linked quarter basis, principally due to a 16.8 percent decrease in the provision for credit losses. Total net revenue for the retail banking division was relatively flat as a 1.4 percent decrease in net interest income due to the impact of lower rates on the margin benefit of deposits and fewer days in the current quarter, was offset by a 2.1 percent increase in total noninterest income, reflecting higher ATM processing services and equity investment revenue. Total noninterest expense for the retail banking division increased 3.7 percent on a linked quarter basis due to higher compensation and employee benefits expense and increased net occupancy and equipment expense due to business expansion. The provision for credit losses for the division decreased 16.8 percent due to lower net charge-offs and a decrease in the reserve allocation. The contribution of the mortgage banking division decreased 26.9 percent from the fourth quarter of 2010, driven by lower total net revenue and a higher provision for credit losses, partially offset by lower total noninterest expense. Total net revenue decreased 16.2 percent due to lower sales and origination revenue, partially offset by a higher net valuation of MSRs. Additionally, net interest income declined 11.8 percent on a linked quarter basis due to lower average mortgage loans held-for-sale balances. Total noninterest expense decreased 8.9 percent due to lower commission and incentive expense. The mortgage banking division's provision for credit losses increased 24.4 percent on a linked quarter basis due to a higher reserve allocation.

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Wealth Management and Securities Services provides private banking, financial advisory services, investment management, retail brokerage services, insurance, trust, custody and fund servicing through five businesses: Wealth Management, Corporate Trust Services, U.S. Bancorp Asset Management, Institutional Trust & Custody and Fund Services. Wealth Management and Securities Services contributed $50 million of the Company's net income in the first quarter of 2011, a 5.7 percent decrease from the first quarter of 2010, and a 12.3 percent decrease from the fourth quarter of 2010. The decrease in the business line's contribution compared with the same quarter of 2010 was due to higher total noninterest expense, partially offset by an increase in total net revenue. Total net revenue increased by $24 million (7.2 percent) year-over-year. Net interest income was higher by $24 million (36.9 percent), primarily due to higher average deposit balances, including the impact of the securitization trust acquisition. Total noninterest income was flat compared with the first quarter of 2010. Trust and investment management fees declined, primarily due to the transfer of the long-term asset management business to Nuveen Investments, partially offset by the positive impact of the securitization trust acquisition and improved market conditions. Additionally, there was an increase in investment product fees due to increased sales volume. Total noninterest expense increased by $26 million (10.5 percent), due to higher compensation and employee benefits expense and the impact of the securitization trust acquisition, partially offset by a reduction in other intangibles expense. The provision for credit losses was higher due to an increase in the reserve allocation.

The business line's contribution in the first quarter of 2011 was lower than the prior quarter by $7 million (12.3 percent). Total net revenue decreased $4 million (1.1 percent). Total noninterest income decreased $13 million (4.6 percent) on a linked quarter basis, mainly due to the transfer of the long-term asset management business to Nuveen Investments in the fourth quarter of 2010, partially offset by the positive impact of the securitization trust acquisition. This decline was partially offset by a $9 million (11.3 percent) increase in net interest income due to the impact of the securitization trust acquisition. The provision for credit losses was $6 million higher than the prior quarter due to an increase in the reserve allocation.

Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate and purchasing card services, consumer lines of credit and merchant processing. Payment Services contributed $287 million of the Company's net income in the first quarter of 2011, an increase of $176 million over the same period of 2010, and an increase of $23 million (8.7 percent) over the prior quarter. The increase year-over-year was primarily due to a lower provision for credit losses. Total net revenue increased $5 million (.5 percent) year-over-year. Net interest income decreased $15 million (4.3 percent) due in large part to lower retail credit card average loan balances and loan fees, while total noninterest income increased $20 million (2.7 percent) year-over-year, primarily due to increased transaction volumes, including business expansion. Total noninterest expense increased $26 million (5.9 percent), driven by higher compensation and employee benefits expense and processing costs, partially offset by lower other intangibles expense. The provision for credit losses decreased $301 million (65.0 percent) due to lower net charge-offs and a favorable change in the reserve allocation due to improved loss rates.

Payment Services' contribution in the first quarter of 2011 was $23 million (8.7 percent) higher than the fourth quarter of 2010, driven by a lower provision for credit losses and a decrease in total noninterest expense, partially offset by lower total net revenue. Total net revenue was lower by $50 million (4.4 percent) compared with the fourth quarter of 2010, as a $5 million (1.5 percent) increase in net interest income was more than offset by a $55 million (6.7 percent) decrease in total noninterest income, principally due to seasonally lower merchant processing and credit and debit card transaction volumes. Total noninterest expense decreased $48 million (9.4 percent) on a linked quarter basis, principally due to the timing of marketing programs and lower other intangibles expense. The provision for credit losses decreased $44 million (21.4 percent) due to lower net charge-offs and a reduction in the reserve allocation, as the outlook for future losses on the credit card portfolios moderated.

Treasury and Corporate Support includes the Company's investment portfolios, most covered commercial and commercial real estate loans and related other real estate owned, funding, capital management, asset securitization, interest rate risk management, the net effect of transfer pricing related to average balances and the residual aggregate of expenses associated with corporate activities that are managed on a consolidated basis. Treasury and Corporate Support recorded net income of $371 million in the first quarter of 2011, compared with net income of $322 million in the first quarter of 2010 and net income of $344 million in the fourth quarter of 2010. Net interest income decreased $51 million (10.3 percent) from the first quarter of 2010, reflecting the impact of the current rate environment, lower average covered asset balances, wholesale funding decisions and the Company's asset/liability position. Total noninterest income increased by $108 million year-over-year principally due to the FCB and Visa Gains and lower net securities losses. Total noninterest expense decreased $4 million (2.8 percent) as a favorable variance in the shared services allocation was partially offset by higher pension costs.

Net income in the first quarter of 2011 was higher on a linked quarter basis, principally due to lower total noninterest expense. Total net revenue was lower than the fourth quarter of 2010 by $50 million (8.7 percent), largely due to the Nuveen and Visa Gains that were recorded in the fourth quarter of 2010, partially offset by FCB and Visa Gains recorded in the first quarter of 2011 and lower net securities losses. The $93 million (39.9 percent) decrease in total noninterest expense from the fourth quarter of 2010 was primarily due to seasonally lower costs related to affordable housing and other tax-advantaged projects, as well as lower acquisition integration costs and professional services expense.

Additional schedules containing more detailed information about the Company's business line results are available on the web at usbank.com or by calling Investor Relations at 612-303-0781.

On Tuesday, April 19, 2011, at 7:00 a.m. (CDT) Richard K. Davis, chairman, president and chief executive officer, and Andrew Cecere, vice chairman and chief financial officer, will host a conference call to review the financial results. The conference call will be available by telephone or on the Internet. A presentation will be used during the call and will be available on the Company's website at www.usbank.com. To access the conference call from locations within the United States and Canada, please dial 866-316-1409. Participants calling from outside the United States and Canada, please dial 706-634-9086. The conference ID number for all participants is 52244910. For those unable to participate during the live call, a recording of the call will be available approximately two hours after the conference call ends on Tuesday, April 19th, and will run through Tuesday, April 26th, at 11:00 p.m. (CDT). To access the recorded message within the United States and Canada, dial 800-642-1687. If calling from outside the United States and Canada, please dial 706-645-9291 to access the recording. The conference ID is 52244910. To access the webcast and presentation go to www.usbank.com and click on "About U.S. Bank". The "Webcasts & Presentations" link can be found under the Investor/Shareholder information heading, which is at the left side of the bottom of the page.

Minneapolis-based U.S. Bancorp ("USB"), with $311 billion in assets, is the parent company of U.S. Bank National Association, the 5th largest commercial bank in the United States. The Company operates 3,082 banking offices in 25 states and 5,238 ATMs and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. Visit U.S. Bancorp on the web at usbank.com.

Forward-Looking Statements

The following information appears in accordance with the Private Securities Litigation Reform Act of 1995:

This press release 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 made. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of U.S. Bancorp. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated. Global and domestic economies could fail to recover from the recent economic downturn or could experience another severe contraction, which could adversely affect U.S. Bancorp's revenues and the values of its assets and liabilities. Global financial markets could experience a recurrence of significant turbulence, which could reduce the availability of funding to certain financial institutions and lead to a tightening of credit, a reduction of business activity, and increased market volatility. Stress in the commercial real estate markets, as well as a delay or failure of recovery in the residential real estate markets, could cause additional credit losses and deterioration in asset values. In addition, U.S. Bancorp's business and financial performance is likely to be impacted by effects of recently enacted and future legislation and regulation. U.S. Bancorp's results could also be adversely affected by continued deterioration in general business and economic conditions; changes in interest rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of securities held in its investment securities portfolio; legal and regulatory developments; increased competition from both banks and non-banks; changes in customer behavior and preferences; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management's ability to effectively manage credit risk, residual value risk, market risk, operational risk, interest rate risk, and liquidity risk.

For discussion of these and other risks that may cause actual results to differ from expectations, refer to U.S. Bancorp's Annual Report on Form 10-K for the year ended December 31, 2010, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile" contained in Exhibit 13, and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934. Forward-looking statements speak only as of the date they are made, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

Non-Regulatory Capital Ratios

In addition to capital ratios defined by banking regulators, the Company considers various other measures when evaluating capital utilization and adequacy, including:

- Tangible common equity to tangible assets,
- Tier 1 common equity to risk-weighted assets,
- Tangible common equity to risk-weighted assets, and
- Tier 1 common equity to risk-weighted assets using anticipated Basel III definition.

(MORE)

These non-regulatory capital ratios are viewed by management as useful additional methods of reflecting the level of capital available to withstand unexpected market conditions. Additionally, presentation of these ratios allows readers to compare the Company’s capitalization to other financial services companies. These ratios differ from capital ratios defined by banking regulators principally in that the numerator excludes trust preferred securities and preferred stock, the nature and extent of which varies among different financial services companies. These ratios are not defined in generally accepted accounting principals (“GAAP”) or federal banking regulations. As a result, these non-regulatory capital ratios disclosed by the Company may be considered non-GAAP financial measures.

Because there are no standardized definitions for these non-regulatory capital ratios, the Company’s calculation methods may differ from those used by other financial services companies. Also, there may be limits in the usefulness of these measures to investors. As a result, the Company encourages readers to consider the consolidated financial statements and other financial information contained in this press release in their entirety, and not to rely on any single financial measure. A table follows that shows the Company’s calculation of these non-regulatory capital ratios.

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(MORE)

U.S. Bancorp

Consolidated Statement of Income

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended March 31, 2011	2010
Interest Income		
Loans	$2,552	$2,505
Loans held for sale	63	44
Investment securities	428	410
Other interest income	57	34
Total interest income	3,100	2,993
Interest Expense		
Deposits	234	236
Short-term borrowings	133	128
Long-term debt	281	277
Total interest expense	648	641
Net interest income	2,452	2,352
Provision for credit losses	755	1,310
Net interest income after provision for credit losses	1,697	1,042
Noninterest Income		
Credit and debit card revenue	267	258
Corporate payment products revenue	175	168
Merchant processing services	301	292
ATM processing services	112	105
Trust and investment management fees	256	264
Deposit service charges	143	207
Treasury management fees	137	137
Commercial products revenue	191	161
Mortgage banking revenue	199	200
Investment products fees and commissions	32	25
Securities gains (losses), net	(5)	(34)
Other	204	135
Total noninterest income	2,012	1,918
Noninterest Expense		
Compensation	959	861
Employee benefits	230	180
Net occupancy and equipment	249	227
Professional services	70	58
Marketing and business development	65	60
Technology and communications	185	185
Postage, printing and supplies	74	74
Other intangibles	75	97
Other	407	394
Total noninterest expense	2,314	2,136
Income before income taxes	1,395	824
Applicable income taxes	366	161
Net income	1,029	663
Net (income) loss attributable to noncontrolling interests	17	6
Net income attributable to U.S. Bancorp	$1,046	$669
Net income applicable to U.S. Bancorp common shareholders	$1,003	$648
Earnings per common share	$.52	$.34
Diluted earnings per common share	$.52	$.34
Dividends declared per common share	$.125	$.050
Average common shares outstanding	1,918	1,910
Average diluted common shares outstanding	1,928	1,919

U.S. Bancorp

Consolidated Ending Balance Sheet

(Dollars in Millions)	March 31, 2011	December 31, 2010	March 31, 2010
Assets	(Unaudited)		(Unaudited)
Cash and due from banks	$13,800	$14,487	$8,380
Investment securities			
Held-to-maturity	8,213	1,469	625
Available-for-sale	52,248	51,509	46,288
Loans held for sale	4,141	8,371	3,884
Loans			
Commercial	49,272	48,398	46,312
Commercial real estate	35,437	34,695	34,207
Residential mortgages	32,344	30,732	26,520
Retail	63,745	65,194	63,191
Total loans, excluding covered loans	180,798	179,019	170,230
Covered loans	17,240	18,042	20,923
Total loans	198,038	197,061	191,153
Less allowance for loan losses	(5,270)	(5,310)	(5,235)
Net loans	192,768	191,751	185,918
Premises and equipment	2,508	2,487	2,246
Goodwill	8,947	8,954	9,007
Other intangible assets	3,415	3,213	3,388
Other assets	25,422	25,545	22,692
Total assets	$311,462	$307,786	$282,428
Liabilities and Shareholders' Equity			
Deposits			
Noninterest-bearing	$47,039	$45,314	$38,913
Interest-bearing	129,344	129,381	117,922
Time deposits greater than $100,000	31,910	29,557	27,204
Total deposits	208,293	204,252	184,039
Short-term borrowings	31,021	32,557	31,196
Long-term debt	31,775	31,537	32,399
Other liabilities	9,038	9,118	7,406
Total liabilities	280,127	277,464	255,040
Shareholders' equity			
Preferred stock	1,930	1,930	1,500
Common stock	21	21	21
Capital surplus	8,215	8,294	8,267
Retained earnings	27,769	27,005	24,597
Less treasury stock	(6,089)	(6,262)	(6,409)
Accumulated other comprehensive income (loss)	(1,339)	(1,469)	(1,267)
Total U.S. Bancorp shareholders' equity	30,507	29,519	26,709
Noncontrolling interests	828	803	679
Total equity	31,335	30,322	27,388
Total liabilities and equity	$311,462	$307,786	$282,428

U.S. Bancorp

Non-Regulatory Capital Ratios

(Dollars in Millions, Unaudited)	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Total equity	$31,335	$30,322	$29,943	$28,940	$27,388
Preferred stock	(1,930)	(1,930)	(1,930)	(1,930)	(1,500)
Noncontrolling interests	(828)	(803)	(792)	(771)	(679)
Goodwill (net of deferred tax liability)	(8,317)	(8,337)	(8,429)	(8,425)	(8,374)
Intangible assets, other than mortgage servicing rights	(1,342)	(1,376)	(1,434)	(1,525)	(1,610)
Tangible common equity (a)	18,918	17,876	17,358	16,289	15,225
Tier 1 capital, determined in accordance with prescribed regulatory requirements using Basel I definition	26,821	25,947	24,908	24,021	23,278
Trust preferred securities	(3,949)	(3,949)	(3,949)	(3,949)	(4,524)
Preferred stock	(1,930)	(1,930)	(1,930)	(1,930)	(1,500)
Noncontrolling interests, less preferred stock not eligible for Tier 1 capital	(694)	(692)	(694)	(694)	(692)
Tier 1 common equity using Basel I definition (b)	20,248	19,376	18,335	17,448	16,562
Tier 1 capital, determined in accordance with prescribed regulatory requirements using anticipated Basel III definition	21,855				
Preferred stock	(1,930)				
Noncontrolling interests of real estate investment trusts	(667)				
Tier 1 common equity using anticipated Basel III definition (c)	19,258				
Total assets	311,462	307,786	290,654	283,243	282,428
Goodwill (net of deferred tax liability)	(8,317)	(8,337)	(8,429)	(8,425)	(8,374)
Intangible assets, other than mortgage servicing rights	(1,342)	(1,376)	(1,434)	(1,525)	(1,610)
Tangible assets (d)	301,803	298,073	280,791	273,293	272,444
Risk-weighted assets, determined in accordance with prescribed regulatory requirements using Basel I definition (e)	247,486 *	247,619	242,490	237,145	234,042
Risk-weighted assets using anticipated Basel III definition (f)	251,625 *				
Ratios *					
Tangible common equity to tangible assets (a)/(d)	6.3 %	6.0 %	6.2 %	6.0 %	5.6 %
Tier 1 common equity to risk-weighted assets using Basel I definition (b)/(e)	8.2	7.8	7.6	7.4	7.1
Tier 1 common equity to risk-weighted assets using anticipated Basel III definition (c)/(f)	7.7				
Tangible common equity to risk-weighted assets (a)/(e)	7.6	7.2	7.2	6.9	6.5

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

Note: Anticipated Basel III definitions reflect adjustments for changes to the related elements as proposed in December 2010 by regulatory authorities.

Supplemental Analyst Schedules

1Q 2011

U.S. Bancorp

Income Statement Highlights

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended March 31, 2011	December 31, 2010	March 31, 2010	Percent Change v. March 31, 2011 December 31, 2010	March 31, 2010
Net interest income (taxable-equivalent basis)	$2,507	$2,499	$2,403	.3 %	4.3 %
Noninterest income	2,012	2,222	1,918	(9.5)	4.9
Total net revenue	4,519	4,721	4,321	(4.3)	4.6
Noninterest expense	2,314	2,485	2,136	(6.9)	8.3
Income before provision and income taxes	2,205	2,236	2,185	(1.4)	.9
Provision for credit losses	755	912	1,310	(17.2)	(42.4)
Income before income taxes	1,450	1,324	875	9.5	65.7
Taxable-equivalent adjustment	55	53	51	3.8	7.8
Applicable income taxes	366	315	161	16.2	*
Net income	1,029	956	663	7.6	55.2
Net (income) loss attributable to noncontrolling interests	17	18	6	(5.6)	*
Net income attributable to U.S. Bancorp	$1,046	$974	$669	7.4	56.4
Net income applicable to U.S. Bancorp common shareholders	$1,003	$951	$648	5.5	54.8
Diluted earnings per common share	$.52	$.49	$.34	6.1	52.9
Revenue per diluted common share (a)	$2.35	$2.46	$2.27	(4.5)	3.5
Financial Ratios					
Net interest margin (b)	3.69 %	3.83 %	3.90 %		
Interest yield on average loans (b)	5.26	5.24	5.28		
Rate paid on interest-bearing liabilities (b)	1.18	1.21	1.24		
Return on average assets	1.38	1.31	.96		
Return on average common equity	14.5	13.7	10.5		
Efficiency ratio (c)	51.1	52.5	49.0		
Tangible efficiency ratio (d)	49.5	50.6	46.8		

* Not meaningful

(a) Computed as the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses), divided by average diluted common shares outstanding

(b) On a taxable-equivalent basis

(c) Computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses)

(d) Computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses) and intangible amortization

U.S. Bancorp

Quarterly Consolidated Statement of Income

(Dollars and Shares in Millions, Except Per Share Data) (Unaudited)	Three Months Ended March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Interest Income					
Loans	$2,552	$2,565	$2,560	$2,515	$2,505
Loans held for sale	63	84	71	47	44
Investment securities	428	397	400	394	410
Other interest income	57	47	46	39	34
Total interest income	3,100	3,093	3,077	2,995	2,993
Interest Expense					
Deposits	234	232	231	229	236
Short-term borrowings	133	134	149	137	128
Long-term debt	281	281	273	272	277
Total interest expense	648	647	653	638	641
Net interest income	2,452	2,446	2,424	2,357	2,352
Provision for credit losses	755	912	995	1,139	1,310
Net interest income after provision for credit losses	1,697	1,534	1,429	1,218	1,042
Noninterest Income					
Credit and debit card revenue	267	293	274	266	258
Corporate payment products revenue	175	173	191	178	168
Merchant processing services	301	323	318	320	292
ATM processing services	112	105	105	108	105
Trust and investment management fees	256	282	267	267	264
Deposit service charges	143	144	160	199	207
Treasury management fees	137	134	139	145	137
Commercial products revenue	191	208	197	205	161
Mortgage banking revenue	199	250	310	243	200
Investment products fees and commissions	32	29	27	30	25
Securities gains (losses), net	(5)	(14)	(9)	(21)	(34)
Other	204	295	131	170	135
Total noninterest income	2,012	2,222	2,110	2,110	1,918
Noninterest Expense					
Compensation	959	999	973	946	861
Employee benefits	230	171	171	172	180
Net occupancy and equipment	249	237	229	226	227
Professional services	70	97	78	73	58
Marketing and business development	65	106	108	86	60
Technology and communications	185	187	186	186	185
Postage, printing and supplies	74	78	74	75	74
Other intangibles	75	89	90	91	97
Other	407	521	476	522	394
Total noninterest expense	2,314	2,485	2,385	2,377	2,136
Income before income taxes	1,395	1,271	1,154	951	824
Applicable income taxes	366	315	260	199	161
Net income	1,029	956	894	752	663
Net (income) loss attributable to noncontrolling interests	17	18	14	14	6
Net income attributable to U.S. Bancorp	$1,046	$974	$908	$766	$669
Net income applicable to U.S. Bancorp common shareholders	$1,003	$951	$871	$862	$648
Earnings per common share	$.52	$.50	$.46	$.45	$.34
Diluted earnings per common share	$.52	$.49	$.45	$.45	$.34
Dividends declared per common share	$.125	$.050	$.050	$.050	$.050
Average common shares outstanding	1,918	1,914	1,913	1,912	1,910
Average diluted common shares outstanding	1,928	1,922	1,920	1,921	1,919
Financial Ratios					
Net interest margin (a)	3.69 %	3.83 %	3.91 %	3.90 %	3.90 %
Interest yield on average loans (a)	5.26	5.24	5.31	5.30	5.28
Rate paid on interest-bearing liabilities (a)	1.18	1.21	1.25	1.25	1.24
Return on average assets	1.38	1.31	1.26	1.09	.96
Return on average common equity	14.5	13.7	12.8	13.4	10.5
Efficiency ratio (b)	51.1	52.5	51.9	52.4	49.0
Tangible efficiency ratio (c)	49.5	50.6	49.9	50.4	46.8

(a) On a taxable-equivalent basis

(b) Computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses)

(c) Computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding net securities gains (losses) and intangible amortization

U.S. Bancorp

Consolidated Ending Balance Sheet

(Dollars in Millions)	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Assets	(Unaudited)		(Unaudited)	(Unaudited)	(Unaudited)
Cash and due from banks	$13,800	$14,487	$4,470	$5,033	$8,380
Investment securities					
Held-to-maturity	8,213	1,469	557	590	625
Available-for-sale	52,248	51,509	48,406	47,777	46,288
Loans held for sale	4,141	8,371	8,438	4,912	3,884
Loans					
Commercial	49,272	48,398	47,627	46,766	46,312
Commercial real estate	35,437	34,695	34,318	33,944	34,207
Residential mortgages	32,344	30,732	28,587	27,252	26,520
Retail	63,745	65,194	65,047	63,639	63,191
Total loans, excluding covered loans	180,798	179,019	175,579	171,601	170,230
Covered loans	17,240	18,042	19,038	19,983	20,923
Total loans	198,038	197,061	194,617	191,584	191,153
Less allowance for loan losses	(5,270)	(5,310)	(5,321)	(5,320)	(5,235)
Net loans	192,768	191,751	189,296	186,264	185,918
Premises and equipment	2,508	2,487	2,304	2,257	2,246
Goodwill	8,947	8,954	9,024	9,002	9,007
Other intangible assets	3,415	3,213	2,856	3,068	3,388
Other assets	25,422	25,545	25,303	24,340	22,692
Total assets	$311,462	$307,786	$290,654	$283,243	$282,428
Liabilities and Shareholders' Equity					
Deposits					
Noninterest-bearing	$47,039	$45,314	$40,750	$41,673	$38,913
Interest-bearing	129,344	129,381	118,863	113,024	117,922
Time deposits greater than $100,000	31,910	29,557	27,793	28,426	27,204
Total deposits	208,293	204,252	187,406	183,123	184,039
Short-term borrowings	31,021	32,557	34,341	33,797	31,196
Long-term debt	31,775	31,537	30,353	29,137	32,399
Other liabilities	9,038	9,118	8,611	8,246	7,406
Total liabilities	280,127	277,464	260,711	254,303	255,040
Shareholders' equity					
Preferred stock	1,930	1,930	1,930	1,930	1,500
Common stock	21	21	21	21	21
Capital surplus	8,215	8,294	8,310	8,292	8,267
Retained earnings	27,769	27,005	26,147	25,367	24,597
Less treasury stock	(6,089)	(6,262)	(6,363)	(6,381)	(6,409)
Accumulated other comprehensive income (loss)	(1,339)	(1,469)	(894)	(1,060)	(1,267)
Total U.S. Bancorp shareholders' equity	30,507	29,519	29,151	28,169	26,709
Noncontrolling interests	828	803	792	771	679
Total equity	31,335	30,322	29,943	28,940	27,388
Total liabilities and equity	$311,462	$307,786	$290,654	$283,243	$282,428

U.S. Bancorp

Consolidated Quarterly Average Balance Sheet

(Dollars in Millions, Unaudited)	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Assets					
Investment securities	$56,405	$49,790	$47,870	$47,140	$46,211
Loans held for sale	6,104	7,967	6,465	4,048	3,932
Loans					
Commercial					
Commercial	42,683	41,700	40,726	40,095	40,837
Lease financing	6,030	6,012	6,058	6,245	6,445
Total commercial	48,713	47,712	46,784	46,340	47,282
Commercial real estate					
Commercial mortgages	27,709	26,750	26,008	25,606	25,444
Construction and development	7,470	7,827	8,182	8,558	8,707
Total commercial real estate	35,179	34,577	34,190	34,164	34,151
Residential mortgages	31,777	29,659	27,890	26,821	26,408
Retail					
Credit card	16,124	16,403	16,510	16,329	16,368
Retail leasing	4,647	4,459	4,289	4,364	4,509
Home equity and second mortgages	18,801	19,119	19,289	19,332	19,402
Other retail	24,691	24,983	24,281	23,357	23,343
Total retail	64,263	64,964	64,369	63,382	63,622
Total loans, excluding covered loans	179,932	176,912	173,233	170,707	171,463
Covered loans	17,638	18,572	19,308	20,454	21,415
Total loans	197,570	195,484	192,541	191,161	192,878
Other earning assets	13,861	6,618	5,040	5,097	5,807
Total earning assets	273,940	259,859	251,916	247,446	248,828
Allowance for loan losses	(5,418)	(5,435)	(5,406)	(5,443)	(5,312)
Unrealized gain (loss) on available-for-sale securities	(320)	315	475	(19)	(407)
Other assets	39,694	39,445	39,075	39,356	38,613
Total assets	$307,896	$294,184	$286,060	$281,340	$281,722
Liabilities and Shareholders' Equity					
Noninterest-bearing deposits	$44,189	$42,950	$39,732	$39,917	$38,000
Interest-bearing deposits					
Interest checking	42,645	41,920	39,308	39,503	39,994
Money market savings	45,649	39,585	38,005	40,256	40,902
Savings accounts	25,330	23,470	22,008	20,035	18,029
Time certificates of deposit less than $100,000	15,264	15,212	16,024	16,980	18,335
Time deposits greater than $100,000	31,228	27,176	27,583	26,627	27,271
Total interest-bearing deposits	160,116	147,363	142,928	143,401	144,531
Short-term borrowings	32,203	33,698	36,303	32,286	32,551
Long-term debt	31,567	31,247	29,422	30,242	32,456
Total interest-bearing liabilities	223,886	212,308	208,653	205,929	209,538
Other liabilities	9,003	8,703	8,003	7,328	7,092
Shareholders' equity					
Preferred equity	1,930	1,930	1,930	1,599	1,500
Common equity	28,079	27,504	26,957	25,820	24,914
Total U.S. Bancorp shareholders' equity	30,009	29,434	28,887	27,419	26,414
Noncontrolling interests	809	789	785	747	678
Total equity	30,818	30,223	29,672	28,166	27,092
Total liabilities and equity	$307,896	$294,184	$286,060	$281,340	$281,722

U.S. Bancorp

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)

	For the Three Months Ended March 31,						
	2011			2010			
(Dollars in Millions) (Unaudited)	Average Balances	Interest	Yields and Rates	Average Balances	Interest	Yields and Rates	% Change Average Balances
Assets							
Investment securities	$56,405	$468	3.32 %	$46,211	$451	3.90 %	22.1 %
Loans held for sale	6,104	63	4.16	3,932	44	4.50	55.2
Loans (b)							
Commercial	48,713	501	4.16	47,282	483	4.13	3.0
Commercial real estate	35,179	396	4.56	34,151	370	4.39	3.0
Residential mortgages	31,777	393	4.97	26,408	347	5.27	20.3
Retail	64,263	1,044	6.59	63,622	1,064	6.78	1.0
Total loans, excluding covered loans	179,932	2,334	5.25	171,463	2,264	5.34	4.9
Covered loans	17,638	235	5.37	21,415	253	4.77	(17.6)
Total loans	197,570	2,569	5.26	192,878	2,517	5.28	2.4
Other earning assets	13,861	57	1.67	5,807	34	2.39	*
Total earning assets	273,940	3,157	4.65	248,828	3,046	4.94	10.1
Allowance for loan losses	(5,418)			(5,312)			(2.0)
Unrealized gain (loss) on available-for-sale securities	(320)			(407)			21.4
Other assets	39,694			38,613			2.8
Total assets	$307,896			$281,722			9.3
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	$44,189			$38,000			16.3
Interest-bearing deposits							
Interest checking	42,645	19	.18	39,994	19	.19	6.6
Money market savings	45,649	28	.25	40,902	37	.36	11.6
Savings accounts	25,330	35	.57	18,029	25	.57	40.5
Time certificates of deposit less than $100,000	15,264	72	1.91	18,335	80	1.77	(16.7)
Time deposits greater than $100,000	31,228	80	1.04	27,271	75	1.12	14.5
Total interest-bearing deposits	160,116	234	.59	144,531	236	.66	10.8
Short-term borrowings	32,203	135	1.70	32,551	130	1.62	(1.1)
Long-term debt	31,567	281	3.60	32,456	277	3.45	(2.7)
Total interest-bearing liabilities	223,886	650	1.18	209,538	643	1.24	6.8
Other liabilities	9,003			7,092			26.9
Shareholders' equity							
Preferred equity	1,930			1,500			28.7
Common equity	28,079			24,914			12.7
Total U.S. Bancorp shareholders' equity	30,009			26,414			13.6
Noncontrolling interests	809			678			19.3
Total equity	30,818			27,092			13.8
Total liabilities and equity	$307,896			$281,722			9.3 %
Net interest income		$2,507			$2,403		
Gross interest margin			3.47 %			3.70 %	
Gross interest margin without taxable-equivalent increments			3.39			3.62	
Percent of Earning Assets							
Interest income			4.65 %			4.94 %	
Interest expense			.96			1.04	
Net interest margin			3.69 %			3.90 %	
Net interest margin without taxable-equivalent increments			3.61 %			3.82 %	

* Not meaningful

(a) Interest and rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent.

(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

U.S. Bancorp

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a)

	For the Three Months Ended						
	March 31, 2011			December 31, 2010			
(Dollars in Millions) (Unaudited)	Average Balances	Interest	Yields and Rates	Average Balances	Interest	Yields and Rates	% Change Average Balances
Assets							
Investment securities	$56,405	$468	3.32 %	$49,790	$437	3.51 %	13.3 %
Loans held for sale	6,104	63	4.16	7,967	84	4.17	(23.4)
Loans (b)							
Commercial	48,713	501	4.16	47,712	505	4.21	2.1
Commercial real estate	35,179	396	4.56	34,577	393	4.51	1.7
Residential mortgages	31,777	393	4.97	29,659	377	5.08	7.1
Retail	64,263	1,044	6.59	64,964	1,065	6.50	(1.1)
Total loans, excluding covered loans	179,932	2,334	5.25	176,912	2,340	5.26	1.7
Covered loans	17,638	235	5.37	18,572	240	5.14	(5.0)
Total loans	197,570	2,569	5.26	195,484	2,580	5.24	1.1
Other earning assets	13,861	57	1.67	6,618	47	2.83	*
Total earning assets	273,940	3,157	4.65	259,859	3,148	4.82	5.4
Allowance for loan losses	(5,418)			(5,435)			.3
Unrealized gain (loss) on available-for-sale securities	(320)			315			*
Other assets	39,694			39,445			.6
Total assets	$307,896			$294,184			4.7
Liabilities and Shareholders' Equity							
Noninterest-bearing deposits	$44,189			$42,950			2.9
Interest-bearing deposits							
Interest checking	42,645	19	.18	41,920	21	.20	1.7
Money market savings	45,649	28	.25	39,585	31	.30	15.3
Savings accounts	25,330	35	.57	23,470	34	.57	7.9
Time certificates of deposit less than $100,000	15,264	72	1.91	15,212	73	1.90	.3
Time deposits greater than $100,000	31,228	80	1.04	27,176	73	1.06	14.9
Total interest-bearing deposits	160,116	234	.59	147,363	232	.62	8.7
Short-term borrowings	32,203	135	1.70	33,698	136	1.61	(4.4)
Long-term debt	31,567	281	3.60	31,247	281	3.57	1.0
Total interest-bearing liabilities	223,886	650	1.18	212,308	649	1.21	5.5
Other liabilities	9,003			8,703			3.4
Shareholders' equity							
Preferred equity	1,930			1,930			--
Common equity	28,079			27,504			2.1
Total U.S. Bancorp shareholders' equity	30,009			29,434			2.0
Noncontrolling interests	809			789			2.5
Total equity	30,818			30,223			2.0
Total liabilities and equity	$307,896			$294,184			4.7 %
Net interest income		$2,507			$2,499		
Gross interest margin			3.47 %			3.61 %	
Gross interest margin without taxable-equivalent increments			3.39			3.53	
Percent of Earning Assets							
Interest income			4.65 %			4.82 %	
Interest expense			.96			.99	
Net interest margin			3.69 %			3.83 %	
Net interest margin without taxable-equivalent increments			3.61 %			3.75 %	

* Not meaningful

(a) Interest and rates are presented on a fully taxable-equivalent basis utilizing a tax rate of 35 percent.

(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

U.S. Bancorp

Loan Portfolio

(Dollars in Millions, Unaudited)	March 31, 2011 Amount	March 31, 2011 Percent of Total	December 31, 2010 Amount	December 31, 2010 Percent of Total	September 30, 2010 Amount	September 30, 2010 Percent of Total	June 30, 2010 Amount	June 30, 2010 Percent of Total	March 31, 2010 Amount	March 31, 2010 Percent of Total
Commercial										
Commercial	$43,249	21.8 %	$42,272	21.5 %	$41,565	21.4 %	$40,621	21.2 %	$39,937	20.9 %
Lease financing	6,023	3.1	6,126	3.1	6,062	3.1	6,145	3.2	6,375	3.3
Total commercial	49,272	24.9	48,398	24.6	47,627	24.5	46,766	24.4	46,312	24.2
Commercial real estate										
Commercial mortgages	28,236	14.3	27,254	13.8	26,421	13.6	25,573	13.3	25,501	13.3
Construction and development	7,201	3.6	7,441	3.8	7,897	4.0	8,371	4.4	8,706	4.6
Total commercial real estate	35,437	17.9	34,695	17.6	34,318	17.6	33,944	17.7	34,207	17.9
Residential mortgages										
Residential mortgages	25,671	13.0	24,315	12.3	22,816	11.7	21,771	11.4	21,037	11.0
Home equity loans, first liens	6,673	3.3	6,417	3.3	5,771	3.0	5,481	2.9	5,483	2.9
Total residential mortgages	32,344	16.3	30,732	15.6	28,587	14.7	27,252	14.3	26,520	13.9
Retail										
Credit card	15,874	8.0	16,803	8.5	16,490	8.5	16,762	8.7	16,222	8.5
Retail leasing	4,727	2.4	4,569	2.3	4,334	2.2	4,303	2.3	4,446	2.4
Home equity and second mortgages	18,628	9.4	18,940	9.6	19,222	9.9	19,326	10.1	19,322	10.1
Other retail										
Revolving credit	3,339	1.7	3,472	1.8	3,488	1.8	3,467	1.8	3,431	1.8
Installment	5,290	2.7	5,459	2.8	5,630	2.9	5,588	2.9	5,433	2.8
Automobile	10,936	5.5	10,897	5.5	10,671	5.5	10,017	5.2	9,662	5.1
Student	4,951	2.5	5,054	2.5	5,212	2.6	4,176	2.2	4,675	2.4
Total other retail	24,516	12.4	24,882	12.6	25,001	12.8	23,248	12.1	23,201	12.1
Total retail	63,745	32.2	65,194	33.0	65,047	33.4	63,639	33.2	63,191	33.1
Total loans, excluding covered loans	180,798	91.3	179,019	90.8	175,579	90.2	171,601	89.6	170,230	89.1
Covered loans	17,240	8.7	18,042	9.2	19,038	9.8	19,983	10.4	20,923	10.9
Total loans	$198,038	100.0 %	$197,061	100.0 %	$194,617	100.0 %	$191,584	100.0 %	$191,153	100.0 %

U.S. Bancorp

Supplemental Financial Data

(Dollars in Millions, Unaudited)	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Book value of intangibles					
Goodwill	$8,947	$8,954	$9,024	$9,002	$9,007
Merchant processing contracts	405	421	446	465	494
Core deposit benefits	293	283	306	330	356
Mortgage servicing rights	2,073	1,837	1,422	1,543	1,778
Trust relationships	191	200	185	197	209
Other identified intangibles	453	472	497	533	551
Total	$12,362	$12,167	$11,880	$12,070	$12,395

	Three Months Ended				
	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Amortization of intangibles					
Merchant processing contracts	$22	$26	$25	$25	$26
Core deposit benefits	20	23	24	26	29
Trust relationships	9	12	13	12	12
Other identified intangibles	24	28	28	28	30
Total	$75	$89	$90	$91	$97
Mortgage banking revenue					
Origination and sales	$73	$186	$256	$121	$93
Loan servicing	157	161	154	143	142
Mortgage servicing rights fair value adjustment (c)	(31)	(97)	(100)	(21)	(35)
Total mortgage banking revenue	$199	$250	$310	$243	$200
Mortgage production volume	$12,131	$19,610	$16,579	$10,585	$8,980
Mortgages serviced for others (d)	$182,665	$173,919	$165,938	$163,231	$156,512
Mortgages repurchased and make-whole payments made	$90	$69	$53	$27	$23
Realized losses on mortgage repurchases and make-whole payments	32	27	24	20	22
Mortgage representation and warranties reserve (d)	181	180	147	101	73

A summary of the Company's mortgage servicing rights and related characteristics by portfolio as of March 31, 2011, was as follows:

(Dollars in Millions)	MRBP (a)	Government	Conventional	Total
Servicing portfolio	$12,707	$30,654	$139,304	$182,665
Fair market value	$168	$388	$1,517	$2,073
Value (bps) (b)	132	127	109	113
Weighted-average servicing fees (bps)	40	37	30	32
Multiple (value/servicing fees)	3.30	3.43	3.63	3.53
Weighted-average note rate	5.69 %	5.24 %	5.13 %	5.19 %
Age (in years)	4.2	2.2	2.6	2.6
Expected prepayment (constant prepayment rate)	12.6 %	15.7 %	14.3 %	14.4 %
Expected life (in years)	6.5	5.6	5.9	5.9
Discount rate	11.9 %	11.3 %	10.2 %	10.5 %

(a) MRBP represents mortgage revenue bond programs.

(b) Value is calculated as fair market value divided by the servicing portfolio.

(c) Fair value adjustment includes payment decay and assumptions change impact net of hedge.

(d) Amounts reported reflect end of period balances.

U.S. Bancorp

Line of Business Financial Performance*

Three Months Ended (Dollars in Millions, Unaudited)	Wholesale Banking and Commercial Real Estate Mar 31, 2011	Mar 31, 2010	Percent Change	Consumer and Small Business Banking Mar 31, 2011	Mar 31, 2010	Percent Change	Wealth Management and Securities Services Mar 31, 2011	Mar 31, 2010	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$508	$463	9.7 %	$1,134	$1,033	9.8 %	$89	$65	36.9 %
Noninterest income	294	266	10.5	607	669	(9.3)	269	269	--
Securities gains (losses), net	--	--	--	--	--	--	--	--	--
Total net revenue	802	729	10.0	1,741	1,702	2.3	358	334	7.2
Noninterest expense	296	270	9.6	1,118	1,004	11.4	264	235	12.3
Other intangibles	4	4	--	18	28	(35.7)	10	13	(23.1)
Total noninterest expense	300	274	9.5	1,136	1,032	10.1	274	248	10.5
Income before provision and income taxes	502	455	10.3	605	670	(9.7)	84	86	(2.3)
Provision for credit losses	179	442	(59.5)	398	396	.5	5	2	**
Income before income taxes	323	13	**	207	274	(24.5)	79	84	(6.0)
Income taxes and taxable-equivalent adjustment	118	5	**	75	100	(25.0)	29	31	(6.5)
Net income	205	8	**	132	174	(24.1)	50	53	(5.7)
Net (income) loss attributable to noncontrolling interests	1	1	--	--	--	--	--	--	--
Net income attributable to U.S. Bancorp	$206	$9	**	$132	$174	(24.1)	$50	$53	(5.7)
Average Balance Sheet Data									
Loans	$56,401	$55,959	.8 %	$107,876	$100,947	6.9 %	$3,649	$3,515	3.8 %
Other earning assets	1,132	602	88.0	7,004	4,341	61.3	77	80	(3.8)
Goodwill	1,604	1,608	(.2)	3,535	3,531	.1	1,463	1,515	(3.4)
Other intangible assets	59	76	(22.4)	2,228	2,049	8.7	197	221	(10.9)
Assets	61,894	60,944	1.6	123,455	113,561	8.7	6,039	5,732	5.4
Noninterest-bearing deposits	19,995	16,122	24.0	17,192	15,591	10.3	6,145	5,369	14.5
Interest-bearing deposits	36,464	36,172	.8	89,266	85,589	4.3	33,575	21,475	56.3
Total deposits	56,459	52,294	8.0	106,458	101,180	5.2	39,720	26,844	48.0
Total U.S. Bancorp shareholders' equity	5,508	5,410	1.8	9,262	8,430	9.9	2,076	2,117	(1.9)

Three Months Ended (Dollars in Millions, Unaudited)	Payment Services Mar 31, 2011	Mar 31, 2010	Percent Change	Treasury and Corporate Support Mar 31, 2011	Mar 31, 2010	Percent Change	Consolidated Company Mar 31, 2011	Mar 31, 2010	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$331	$346	(4.3) %	$445	$496	(10.3) %	$2,507	$2,403	4.3 %
Noninterest income	761	741	2.7	86	7	**	2,017	1,952	3.3
Securities gains (losses), net	--	--	--	(5)	(34)	85.3	(5)	(34)	85.3
Total net revenue	1,092	1,087	.5	526	469	12.2	4,519	4,321	4.6
Noninterest expense	421	386	9.1	140	144	(2.8)	2,239	2,039	9.8
Other intangibles	43	52	(17.3)	--	--	--	75	97	(22.7)
Total noninterest expense	464	438	5.9	140	144	(2.8)	2,314	2,136	8.3
Income before provision and income taxes	628	649	(3.2)	386	325	18.8	2,205	2,185	.9
Provision for credit losses	162	463	(65.0)	11	7	57.1	755	1,310	(42.4)
Income before income taxes	466	186	**	375	318	17.9	1,450	875	65.7
Income taxes and taxable-equivalent adjustment	170	68	**	29	8	**	421	212	98.6
Net income	296	118	**	346	310	11.6	1,029	663	55.2
Net (income) loss attributable to noncontrolling interests	(9)	(7)	(28.6)	25	12	**	17	6	**
Net income attributable to U.S. Bancorp	$287	$111	**	$371	$322	15.2	$1,046	$669	56.4
Average Balance Sheet Data									
Loans	$22,285	$22,295	-- %	$7,359	$10,162	(27.6) %	$197,570	$192,878	2.4 %
Other earning assets	296	251	17.9	67,861	50,676	33.9	76,370	55,950	36.5
Goodwill	2,357	2,356	--	--	--	--	8,959	9,010	(.6)
Other intangible assets	837	1,004	(16.6)	6	8	(25.0)	3,327	3,358	(.9)
Assets	27,227	26,976	.9	89,281	74,509	19.8	307,896	281,722	9.3
Noninterest-bearing deposits	685	609	12.5	172	309	(44.3)	44,189	38,000	16.3
Interest-bearing deposits	190	127	49.6	621	1,168	(46.8)	160,116	144,531	10.8
Total deposits	875	736	18.9	793	1,477	(46.3)	204,305	182,531	11.9
Total U.S. Bancorp shareholders' equity	5,295	5,350	(1.0)	7,868	5,107	54.1	30,009	26,414	13.6

* Preliminary data

** Not meaningful

U.S. Bancorp

Line of Business Financial Performance*

Three Months Ended (Dollars in Millions, Unaudited)	Wholesale Banking and Commercial Real Estate Mar 31, 2011	Dec 31, 2010	Percent Change	Consumer and Small Business Banking Mar 31, 2011	Dec 31, 2010	Percent Change	Wealth Management and Securities Services Mar 31, 2011	Dec 31, 2010	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$508	$522	(2.7) %	$1,134	$1,170	(3.1) %	$89	$80	11.3 %
Noninterest income	294	300	(2.0)	607	649	(6.5)	269	282	(4.6)
Securities gains (losses), net	--	--	--	--	--	--	--	--	--
Total net revenue	802	822	(2.4)	1,741	1,819	(4.3)	358	362	(1.1)
Noninterest expense	296	347	(14.7)	1,118	1,093	2.3	264	261	1.1
Other intangibles	4	4	--	18	22	(18.2)	10	13	(23.1)
Total noninterest expense	300	351	(14.5)	1,136	1,115	1.9	274	274	--
Income before provision and income taxes	502	471	6.6	605	704	(14.1)	84	88	(4.5)
Provision for credit losses	179	229	(21.8)	398	458	(13.1)	5	(1)	**
Income before income taxes	323	242	33.5	207	246	(15.9)	79	89	(11.2)
Income taxes and taxable-equivalent adjustment	118	88	34.1	75	90	(16.7)	29	32	(9.4)
Net income	205	154	33.1	132	156	(15.4)	50	57	(12.3)
Net (income) loss attributable to noncontrolling interests	1	--	**	--	(1)	**	--	--	--
Net income attributable to U.S. Bancorp	$206	$154	33.8	$132	$155	(14.8)	$50	$57	(12.3)
Average Balance Sheet Data									
Loans	$56,401	$55,132	2.3 %	$107,876	$105,832	1.9 %	$3,649	$3,670	(.6) %
Other earning assets	1,132	1,063	6.5	7,004	8,545	(18.0)	77	89	(13.5)
Goodwill	1,604	1,608	(.2)	3,535	3,542	(.2)	1,463	1,514	(3.4)
Other intangible assets	59	63	(6.3)	2,228	1,839	21.2	197	182	8.2
Assets	61,894	60,363	2.5	123,455	122,642	.7	6,039	6,041	--
Noninterest-bearing deposits	19,995	18,284	9.4	17,192	17,881	(3.9)	6,145	5,939	3.5
Interest-bearing deposits	36,464	36,625	(.4)	89,266	85,666	4.2	33,575	24,661	36.1
Total deposits	56,459	54,909	2.8	106,458	103,547	2.8	39,720	30,600	29.8
Total U.S. Bancorp shareholders' equity	5,508	5,441	1.2	9,262	9,098	1.8	2,076	2,103	(1.3)

Three Months Ended (Dollars in Millions, Unaudited)	Payment Services Mar 31, 2011	Dec 31, 2010	Percent Change	Treasury and Corporate Support Mar 31, 2011	Dec 31, 2010	Percent Change	Consolidated Company Mar 31, 2011	Dec 31, 2010	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$331	$326	1.5 %	$445	$401	11.0 %	$2,507	$2,499	.3 %
Noninterest income	761	816	(6.7)	86	189	(54.5)	2,017	2,236	(9.8)
Securities gains (losses), net	--	--	--	(5)	(14)	64.3	(5)	(14)	64.3
Total net revenue	1,092	1,142	(4.4)	526	576	(8.7)	4,519	4,721	(4.3)
Noninterest expense	421	462	(8.9)	140	233	(39.9)	2,239	2,396	(6.6)
Other intangibles	43	50	(14.0)	--	--	--	75	89	(15.7)
Total noninterest expense	464	512	(9.4)	140	233	(39.9)	2,314	2,485	(6.9)
Income before provision and income taxes	628	630	(.3)	386	343	12.5	2,205	2,236	(1.4)
Provision for credit losses	162	206	(21.4)	11	20	(45.0)	755	912	(17.2)
Income before income taxes	466	424	9.9	375	323	16.1	1,450	1,324	9.5
Income taxes and taxable-equivalent adjustment	170	154	10.4	29	4	**	421	368	14.4
Net income	296	270	9.6	346	319	8.5	1,029	956	7.6
Net (income) loss attributable to noncontrolling interests	(9)	(6)	(50.0)	25	25	--	17	18	(5.6)
Net income attributable to U.S. Bancorp	$287	$264	8.7	$371	$344	7.8	$1,046	$974	7.4
Average Balance Sheet Data									
Loans	$22,285	$22,841	(2.4) %	$7,359	$8,009	(8.1) %	$197,570	$195,484	1.1 %
Other earning assets	296	304	(2.6)	67,861	54,374	24.8	76,370	64,375	18.6
Goodwill	2,357	2,352	.2	--	--	--	8,959	9,016	(.6)
Other intangible assets	837	875	(4.3)	6	6	--	3,327	2,965	12.2
Assets	27,227	27,500	(1.0)	89,281	77,638	15.0	307,896	294,184	4.7
Noninterest-bearing deposits	685	696	(1.6)	172	150	14.7	44,189	42,950	2.9
Interest-bearing deposits	190	156	21.8	621	255	**	160,116	147,363	8.7
Total deposits	875	852	2.7	793	405	95.8	204,305	190,313	7.4
Total U.S. Bancorp shareholders' equity	5,295	5,315	(.4)	7,868	7,477	5.2	30,009	29,434	2.0

* Preliminary data

** Not meaningful

Supplemental Credit Schedules

1Q 2011

U.S. Bancorp

Residential Mortgages

(Dollars in Millions, Unaudited)	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
CONSUMER FINANCE DIVISION					
Sub-prime Borrowers					
Loans outstanding	$2,058	$2,129	$2,237	$2,321	$2,402
Nonperforming loans	154	155	158	167	150
Delinquency Ratios					
30-89 days past due	5.39 %	6.62 %	6.39 %	5.90 %	6.91 %
90 days or more past due	4.81	5.45	5.23	5.21	6.66
Nonperforming loans	7.48	7.28	7.06	7.20	6.24
Other Borrowers					
Loans outstanding	$9,931	$9,402	$8,716	$8,239	$7,967
Nonperforming loans	197	190	190	203	183
Delinquency Ratios					
30-89 days past due	1.18 %	1.41 %	1.64 %	1.71 %	2.01 %
90 days or more past due	1.24	1.54	1.58	1.71	2.12
Nonperforming loans	1.98	2.02	2.18	2.46	2.30
OTHER RETAIL DIVISIONS					
Loans outstanding	$20,355	$19,201	$17,634	$16,692	$16,151
Nonperforming loans	334	291	266	237	217
Delinquency Ratios					
30-89 days past due	.82 %	.95 %	1.05 %	1.19 %	1.20 %
90 days or more past due	1.03	1.24	1.39	1.45	1.67
Nonperforming loans	1.64	1.52	1.51	1.42	1.34

	Three Months Ended				
	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
CONSUMER FINANCE DIVISION					
Sub-prime Borrowers					
Net charge-offs	$33	$35	$36	$36	$40
Net charge-off ratio	6.43 %	6.44 %	6.30 %	6.15 %	6.67 %
Other Borrowers					
Net charge-offs	$61	$57	$59	$61	$66
Net charge-off ratio	2.52 %	2.47 %	2.74 %	3.01 %	3.38 %
OTHER RETAIL DIVISIONS					
Net charge-offs	$35	$39	$37	$41	$39
Net charge-off ratio	.71 %	.84 %	.86 %	1.01 %	.98 %

U.S. Bancorp

Residential Mortgages

(Dollars in Millions, Unaudited)

March 31, 2011	Loans Outstanding	As a Percent of Total Loan Balances	Weighted Average FICO Score	Weighted Average Loan-to-Value
PORTFOLIO PROFILE				
Consumer Finance Division				
Sub-prime borrowers	$2,058	6 %	624	79 %
Other borrowers	9,931	31	741	78
Other Retail Divisions	20,355	63	745	65
Total	$32,344	100 %	736	70 %

Three Months Ended March 31, 2011	Loans Originated	Weighted Average FICO Score	Weighted Average Loan-to-Value
LOAN ORIGINATIONS			
Consumer Finance Division			
Sub-prime borrowers	$3	605	73 %
Other borrowers	950	752	76
Other Retail Divisions	1,565	759	65
Total	$2,518	756	69 %

March 31, 2011	Loans Outstanding	As a Percent of Total Loan Balances	Nonperforming Loans	As a Percent of Loan Balances
LOAN PORTFOLIO BY GEOGRAPHY - TOP STATES				
Consumer Finance Division				
Sub-prime Borrowers				
Ohio	$168	8.2 %	$12	7.1 %
Florida	128	6.2	22	17.2
Pennsylvania	123	6.0	9	7.3
Tennessee	109	5.3	4	3.7
Missouri	96	4.6	4	4.2
Other	1,434	69.7	103	7.2
Total	$2,058	100.0 %	$154	7.5 %
Other Borrowers				
California	$1,337	13.5 %	$17	1.3 %
Illinois	855	8.6	16	1.9
Minnesota	647	6.5	14	2.2
Colorado	628	6.3	13	2.1
Washington	615	6.2	12	2.0
Other	5,849	58.9	125	2.1
Total	$9,931	100.0 %	$197	2.0 %
Other Retail Divisions				
California	$2,375	11.7 %	$38	1.6 %
Minnesota	1,792	8.8	21	1.2
Colorado	1,319	6.5	12	.9
Illinois	1,237	6.1	44	3.6
Ohio	1,231	6.0	9	.7
Other	12,401	60.9	210	1.7
Total	$20,355	100.0 %	$334	1.6 %

U.S. Bancorp

Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
CONSUMER FINANCE DIVISION					
Sub-prime Borrowers					
Loans outstanding	$518	$545	$544	$571	$600
Nonperforming loans	--	--	--	--	--
Delinquency Ratios					
30-89 days past due	3.86 %	4.77 %	5.33 %	4.90 %	4.50 %
90 days or more past due	3.09	3.49	3.31	2.98	3.67
Nonperforming loans	--	--	--	--	--
Other Borrowers					
Loans outstanding	$1,974	$1,981	$1,899	$1,882	$1,871
Nonperforming loans	5	5	4	4	4
Delinquency Ratios					
30-89 days past due	1.01 %	1.21 %	1.53 %	1.28 %	1.23 %
90 days or more past due	.96	1.36	1.11	1.12	1.18
Nonperforming loans	.25	.25	.21	.21	.21
OTHER RETAIL DIVISIONS					
Loans outstanding	$16,136	$16,414	$16,779	$16,873	$16,851
Nonperforming loans	37	31	31	27	28
Delinquency Ratios					
30-89 days past due	.69 %	.76 %	.72 %	.71 %	.68 %
90 days or more past due	.61	.62	.61	.55	.53
Nonperforming loans	.23	.19	.18	.16	.17

	Three Months Ended				
	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
CONSUMER FINANCE DIVISION					
Sub-prime Borrowers					
Net charge-offs	$14	$14	$13	$15	$17
Net charge-off ratio	10.77 %	10.01 %	9.33 %	10.36 %	11.32 %
Other Borrowers					
Net charge-offs	$17	$16	$17	$18	$21
Net charge-off ratio	3.48 %	3.21 %	3.56 %	3.84 %	4.57 %
OTHER RETAIL DIVISIONS					
Net charge-offs	$50	$53	$49	$46	$52
Net charge-off ratio	1.24 %	1.27 %	1.15 %	1.09 %	1.25 %

U.S. Bancorp

Home Equity and Second Mortgages

(Dollars in Millions, Unaudited)

March 31, 2011	Loans Outstanding	As a Percent of Total Loan Balances	Weighted Average FICO Score	Weighted Average Loan-to-Value
PORTFOLIO PROFILE				
Consumer Finance Division				
Sub-prime borrowers	$518	3 %	657	86 %
Other borrowers	1,974	10	733	79
Other Retail Divisions	16,136	87	751	71
Total	$18,628	100 %	746	72 %

Three Months Ended March 31, 2011	Loans Originated	Weighted Average FICO Score	Weighted Average Loan-to-Value
LOAN ORIGINATIONS			
Consumer Finance Division			
Sub-prime borrowers	$ --	--	-- %
Other borrowers	94	749	74
Other Retail Divisions	944	770	68
Total	$1,038	768	68 %

March 31, 2011	Loans Outstanding	As a Percent of Total Loan Balances	Nonperforming Loans	As a Percent of Loan Balances
LOAN PORTFOLIO BY GEOGRAPHY - TOP STATES				
Consumer Finance Division				
Sub-prime Borrowers				
Ohio	$51	9.8 %	$ --	-- %
Minnesota	45	8.7	--	--
Colorado	40	7.7	--	--
Missouri	32	6.2	--	--
Washington	32	6.2	--	--
Other	318	61.4	--	--
Total	$518	100.0 %	$ --	-- %
Other Borrowers				
California	$504	25.5 %	$3	.6 %
Colorado	185	9.4	--	--
Washington	138	7.0	--	--
Minnesota	136	6.9	--	--
Illinois	86	4.3	--	--
Other	925	46.9	2	.2
Total	$1,974	100.0 %	$5	.3 %
Other Retail Divisions				
Minnesota	$2,817	17.5 %	$5	.2 %
California	2,331	14.4	6	.3
Colorado	1,303	8.1	3	.2
Washington	1,231	7.6	3	.2
Oregon	1,163	7.2	2	.2
Other	7,291	45.2	18	.2
Total	$16,136	100.0 %	$37	.2 %