

Objective

The fund seeks as high a level of current income as Putnam Management believes is consistent with preservation of capital.

Portfolio Managers

Michael V. Salm

(industry since 1989)

Jatin Misra, Ph.D., CFA

(industry since 2004)

Morningstar category

Intermediate Government

Lipper category

GNMA

Credit qualities are shown as a percentage of the fund's net assets. A bond rated BBB or higher (A-3 or higher, for short-term debt) is considered investment grade. This chart reflects the highest security rating provided by one or more of Standard & Poor's, Moody's, and Fitch. To-be-announced (TBA) mortgage commitments, if any, are included based on their issuer ratings. Ratings may vary over time. Cash, derivative instruments, and net other assets are shown in the not-rated category. Payables and receivables for TBA mortgage commitments are included in the not-rated category and may result in negative weights. **The fund itself has not been rated by an independent rating agency.**

Putnam U.S. Government Income Trust

Seeking opportunities through mortgage-backed securities

Agency mortgage-backed securities

The fund normally invests at least 80% of its assets in U.S. government securities, including agency mortgage-backed securities.

Higher potential returns

By investing in mortgage-backed bonds, the fund can offer the potential for higher returns than an investment strategy focused only on U.S. Treasuries.

Leading research

The fund's portfolio managers use proprietary models to assist in the evaluation of mortgage-backed bonds and to manage the fund's interest-rate risk.

Diversification across bond market sectors

Agency pass-through	117.6%
Agency CMO	31.8%
Asset-backed securities (ABS)	0.9%
Net cash	5.8%

Allocations will vary over time.

Allocations may not total 100% of net assets because the table includes the notional value of derivatives (the economic value for purposes of calculating periodic payment obligations), in addition to the market value of securities.

Maturity breakdown

0 to 1 year	-55.0%
1 to 5 years	5.8%
5 to 10 years	142.6%
10 to 15 years	6.6%

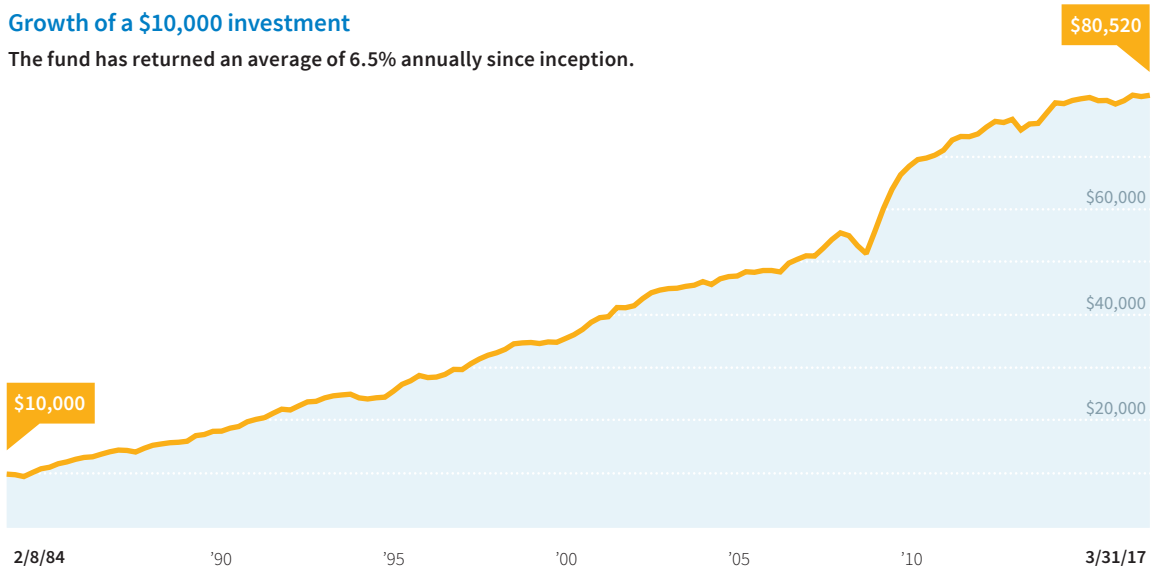
Portfolio quality

AAA	150.7%
A	4.2%
Not rated	-55.0%

Holdings represent 100% of the portfolio and will vary over time.

Growth of a \$10,000 investment

The fund has returned an average of 6.5% annually since inception.



Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes. Class Y shares, available to investors through an asset-based fee program or for institutional clients, are sold without an initial sales charge and have no CDSC. Performance for Class Y shares before their inception are derived from the historical performance of class A shares (inception 2/8/84), which have not been adjusted for the lower expenses; had they, returns would have been higher. For the most recent month-end performance, please visit putnam.com.

**Not FDIC insured
May lose value
No bank guarantee**



The fund received a 4-star Overall Morningstar Rating™ as of 3/31/17 among 255 funds in the Intermediate Government category (Y shares, based on risk-adjusted returns)

Fund symbols

Class A	PGSIX
Class B	PGSBX
Class C	PGVCX
Class M	PGSMX
Class R	PGVRX
Class Y	PUSYX

Lipper rankings

(Y shares, based on total return)

1 year	2% (1/62)
3 years	72% (42/58)
5 years	17% (9/55)
10 years	3% (1/42)

Total expense ratio

(Y shares)
0.64%

Number of holdings

593

Net assets

\$878.27M

Dividend frequency

Monthly

Average effective duration

4.59

30-day SEC yield

3.15%

Annual performance at net asset value (all distributions reinvested)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 YTD
Y shares	7.3%	-4.8%	28.7%	5.6%	5.0%	3.6%	-0.2%	5.7%	0.0%	0.9%	0.3%
BBG Barclays GNMA Index	7.0	7.9	5.4	6.7	7.9	2.4	-2.1	6.0	1.4	1.6	0.3

Annualized total return performance

Inception 4/11/94	Class Y shares	BBG Barclays GNMA Index
1 year	2.07%	0.09%
3 years	1.41	2.45
5 years	1.89	1.79
10 years	4.75	4.23
Life of fund	6.50	7.32

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Highlights of five-year performance periods (2/8/84–3/31/17)*

Best 5-year return	Best period end date	Worst 5-year return	Worst period end date	Average 5-year return	% of 5-year periods with positive returns	Number of positive 5-year periods	Number of negative 5-year periods
12.45%	6/30/89	1.89%	3/31/17	6.56%	100%	113	0

*Based on annualized returns for quarterly rolling periods.

The Bloomberg (BBG) Barclays GNMA Index is an unmanaged index of Government National Mortgage Association bonds. You cannot invest directly in an index.

Lipper rankings for class Y shares are based on total return without sales charge relative to all share classes of funds with similar objectives as determined by Lipper. **Average effective duration** provides a measure of a fund's interest-rate sensitivity. The longer a fund's duration, the more sensitive the fund is to shifts in interest rates.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees, if applicable), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. Morningstar Ratings shown are for class Y shares only; other classes may have different performance characteristics. Putnam U.S. Government Income Trust received 2, 4, and 5 stars for the 3-, 5-, and 10-year periods among 255, 240, and 178 Intermediate Government funds, respectively.

Not all share classes available on all platforms.

Consider these risks before investing: Funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk and the risk that they may increase in value less when interest rates decline and decline in value more when interest rates rise. Bond investments are subject to interest-rate risk (the risk of bond prices falling if interest rates rise) and credit risk (the risk of an issuer defaulting on interest or principal payments). Interest-rate risk is greater for longer-term bonds, and credit risk is greater for below-investment-grade bonds. Risks associated with derivatives include increased investment exposure (which may be considered leverage) and, in the case of over-the-counter instruments, the potential inability to terminate or sell derivatives positions and the potential failure of the other party to the instrument to meet its obligations. Unlike bonds, funds that invest in bonds have fees and expenses. Bond prices in the fund's portfolio may fall or fail to rise over extended periods of time for a variety of reasons including general financial market conditions, changing market perceptions of the risk of default, changes in government intervention, and factors related to a specific issuer or industry. These factors may also lead to periods of high volatility and reduced liquidity in the bond markets. You can lose money by investing in the fund.

Request a prospectus or a summary prospectus, if available, from your financial representative or by calling Putnam at 1-800-225-1581. These prospectuses include investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.