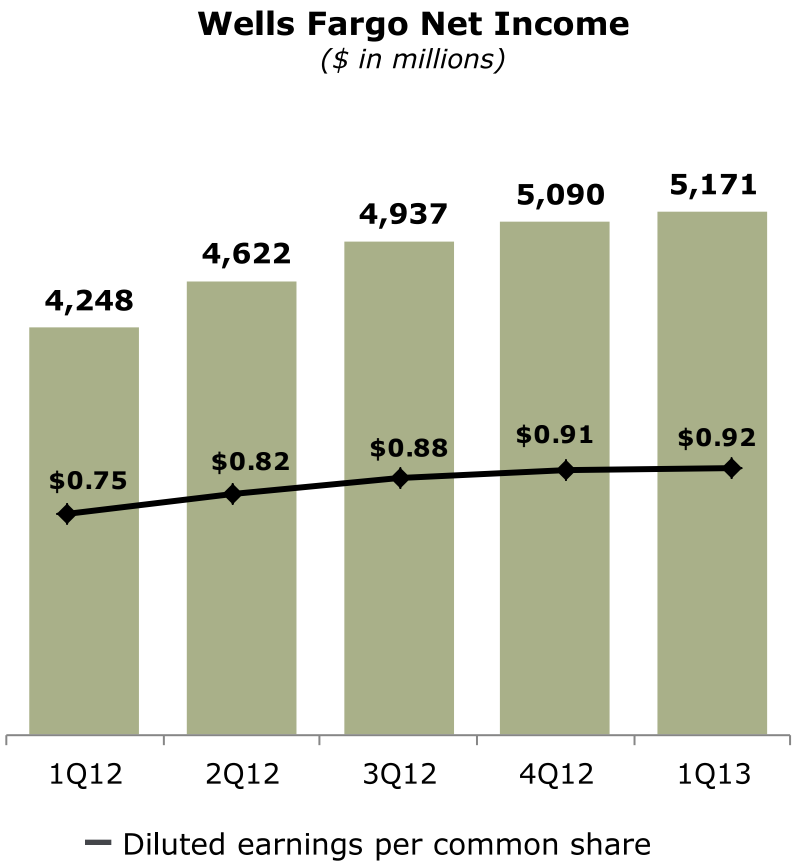
# 1Q13 Quarterly Supplement

April 12, 2013

Together we'll go far

# Table of contents

# 1Q13 Results



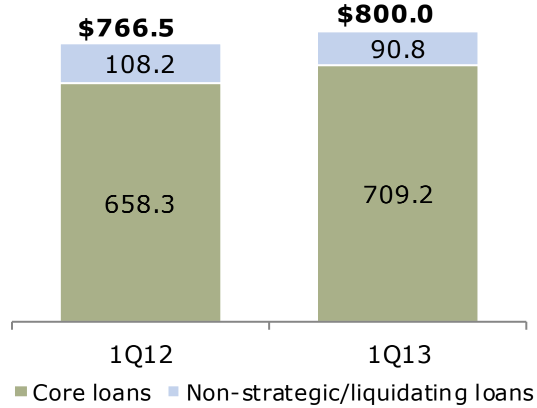

- Record earnings of $5.2 billion, up 22% year-over-year (YoY) and 2% linked quarter (LQ)
- Record diluted earnings per common share of $0.92, up 23% YoY and 1% LQ
- Efficiency ratio of 58.3% (1), improved 180 bps YoY and 50 bps LQ
- Pre-tax pre-provision profit (2) of $8.9 billion, up 2% YoY and down $193 million LQ
- Strong credit performance with net charge-offs of 72 bps
- ROA = 1.49%, up 18 bps YoY and up 3 bps LQ
- ROE = 13.59%, up 145 bps YoY and up 24 bps LQ
- Capital levels continued to grow
  - 10.38% Tier 1 common equity ratio under Basel I and estimated Tier 1 common equity ratio under Basel III of 8.39% (3)

*(1) Efficiency ratio defined as noninterest expense divided by total revenue (net interest income plus noninterest income).*
*(2) Pre-tax pre-provision profit (PTPP) is total revenue less noninterest expense. Management believes PTPP is a useful financial measure because it enables investors and others to assess the Company's ability to generate capital to cover credit losses through a credit cycle.*
*(3) Estimated Basel III calculation based on management's current interpretation of the Basel III capital rules proposed by federal banking agencies in notices of proposed rulemaking announced in June 2012. The proposed rules and interpretations and assumptions used in estimating Basel III calculations are subject to change depending on final promulgation of Basel III capital rules. See pages 33-34 for additional information regarding Tier 1 common equity ratios.*

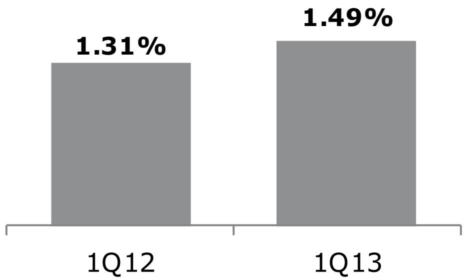
# Year-over-year results

## Pre-tax Pre-provision Profit
*($ in billions)*

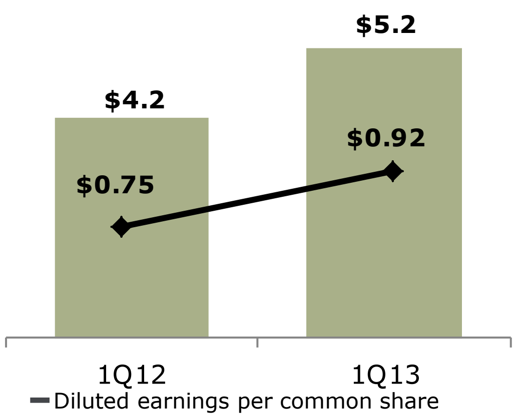

## Period-end Loans
*($ in billions)*



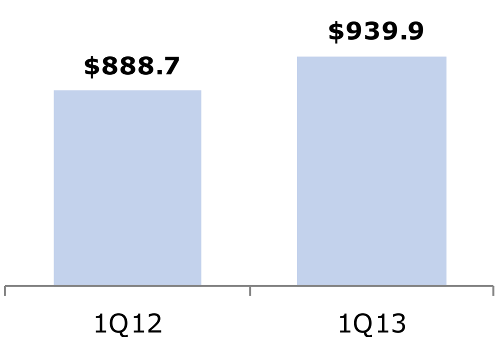

## Return on Assets



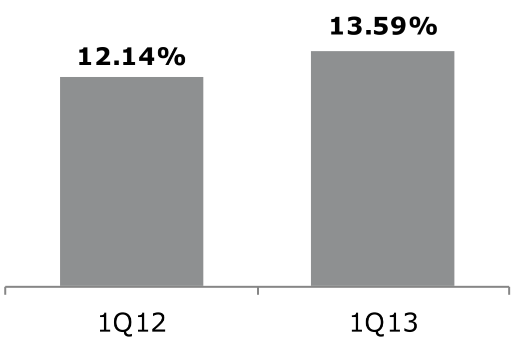

## Net Income
*($ in billions, except EPS)*



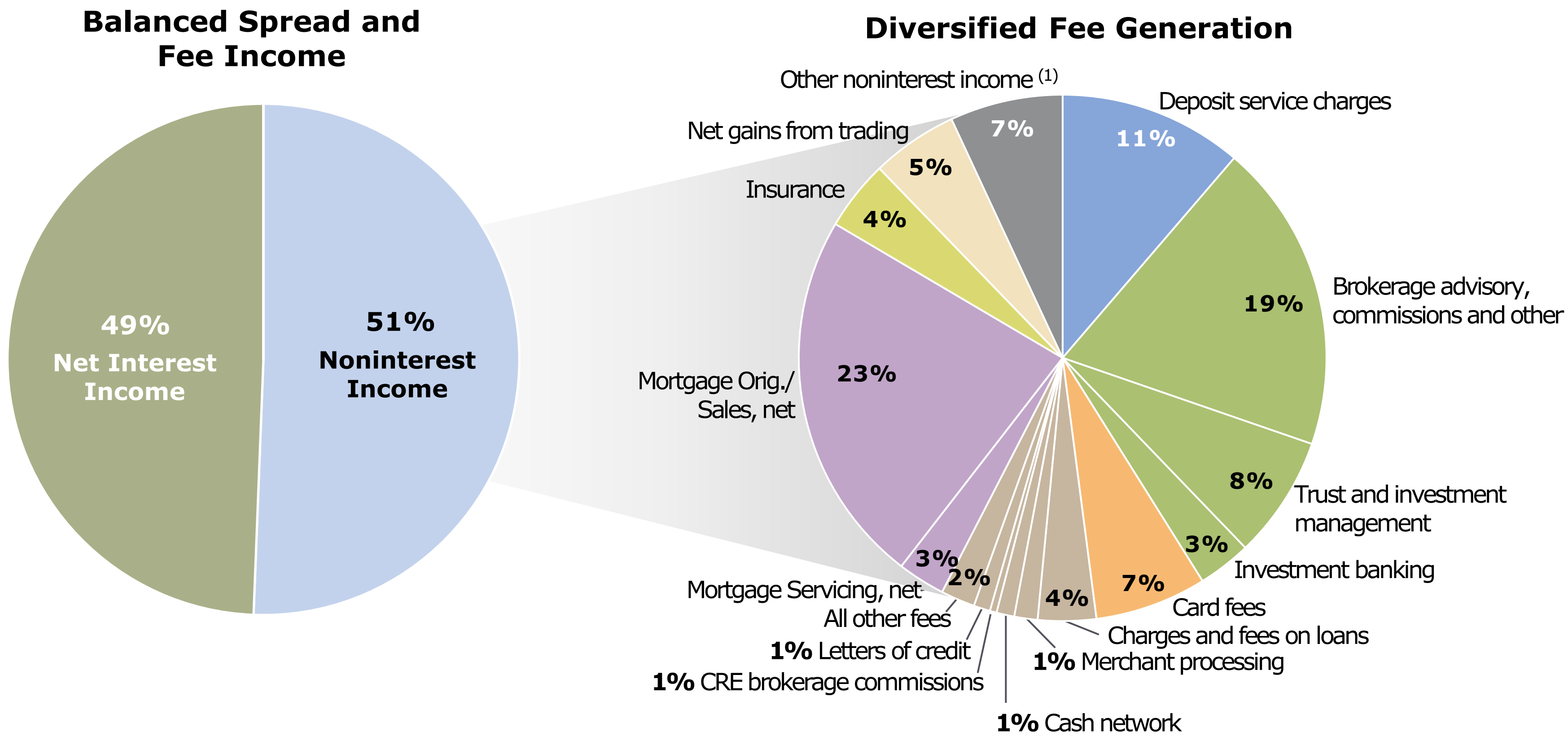

## Period-end Core Deposits
*($ in billions)*




## Return on Equity



# Strong revenue diversification




| | | | |
|---|---|---|---|
| **Deposit Service Charges** | **11%** | **Total Mortgage Banking** | **26%** |
| **Total Trust & Investment Fees** | **30%** | **Insurance** | **4%** |
| **Card Fees** | **7%** | **Net Gains from Trading** | **5%** |
| **Total Other Fees** | **10%** | **Other Noninterest Income [1]** | **7%** |

*All data is for 1Q13.*

*(1) Other noninterest income includes net gains (losses) on debt securities available for sale, equity investments, lease income, life insurance investment income and all other noninterest income.*

# Balance Sheet and credit overview

| | |
|---|---|
| **Loans** | ▪ Total period-end loans up $392 million<br>- Core loans increased $4.1 billion reflecting the retention of $3.4 billion of 1-4 family conforming first mortgage production as well as growth in foreign and auto<br>- Non-strategic/liquidating portfolio decreased $3.7 billion (1) |
| **Short-term investments/ Fed funds sold** | ▪ Up $6.5 billion on average deposit balance growth |
| **Securities available for sale (AFS)** | ▪ Up $13.0 billion driven by new investments<br>- $17.8 billion in gross agency MBS purchases during periods of higher rates in the quarter |
| **Deposits** | ▪ Up $7.9 billion on strong retail deposit growth |
| **Long-term debt** | ▪ Down $1.2 billion as $7.6 billion in issuances were more than offset by maturities, redemptions and other reductions |
| **Common stock repurchases** | ▪ Purchased 16.6 million common shares in the quarter<br>▪ 2013 Capital Plan included an increase in common stock repurchase activity compared with 2012 |
| **Credit** | ▪ Provision expense of $1.2 billion down $612 million<br>- Net charge-offs of $1.4 billion, or 72 bps, down $662 million on $165 million lower losses in commercial and $497 million lower losses in consumer; 4Q12 losses included $321 million in consumer losses from the completion of implementation of OCC guidance (2)<br>- $200 million reserve release (3) vs. $250 million in 4Q12 |

*Period-end balances. All result comparisons are 1Q13 compared with 4Q12.*

*(1) See pages 7 and 23 for additional information regarding core loans and the non-strategic/liquidating portfolio, which comprises the Pick-a-Pay, liquidating home equity, legacy WFF indirect auto, legacy WFF debt consolidation, Education Finance-government guaranteed, and legacy Wachovia commercial & industrial, commercial real estate, foreign and other PCI loan portfolios.*

*(2) Office of the Comptroller of the Currency update to the Bank Accounting Advisory Series issued third quarter 2012 (OCC guidance). The OCC guidance requires write-down of performing consumer loans discharged in bankruptcy to net realizable collateral value.*

*(3) Provision expense minus net charge-offs.*

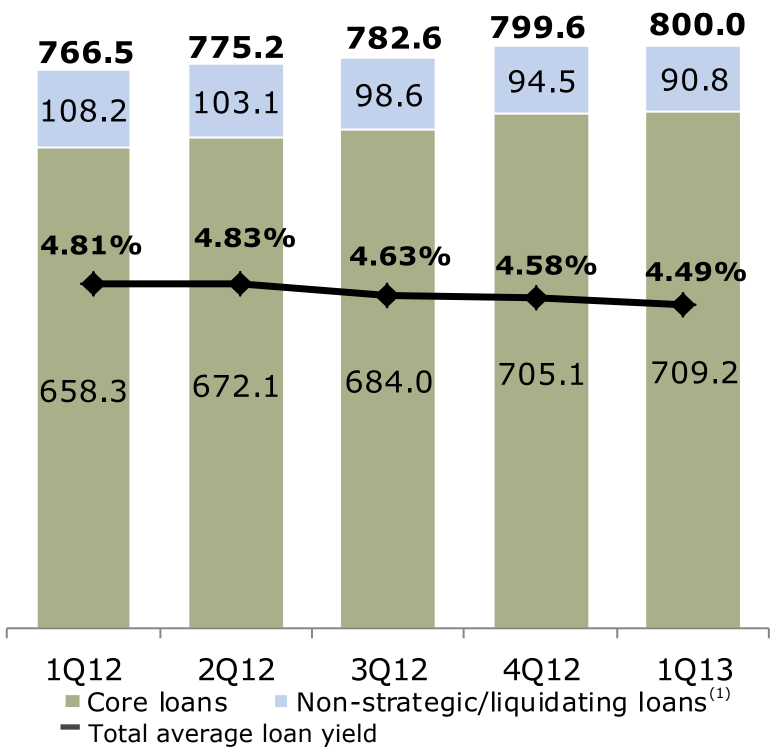
# Income Statement overview

| | |
|---|---|
| **Total revenue** | ▪ Revenue of $21.3 billion, down $689 million, or 3%, from 4Q12 that included above-average quarterly equity gains |
| **Net interest income** | ▪ NII down 1% primarily reflecting two fewer days in the quarter<br>▪ Net interest margin (NIM) down 8 bps to 3.48% driven by continued growth in deposit balances and lower variable income |
| **Noninterest income** | ▪ Mortgage banking down $274 million reflecting lower mortgage origination volumes<br>- Net servicing income up $64 million<br>- Gain on sale revenue down $338 million<br>▪ Trust & investment fees stable as strong retail brokerage transaction revenue and asset-based fees were offset by lower investment banking<br>▪ Market sensitive revenues (1) down $199 million<br>- Lower gains on equity investments from 4Q12 that included the gain on the sale of Becker Underwood more than offset stronger trading |
| **Noninterest expense** | ▪ Personnel expense up $832 million, including $460 million in seasonally higher employee benefits expense, annual equity awards for retirement-eligible employees and higher deferred compensation expense<br>▪ Operating losses down $796 million reflecting 4Q12 accrual for the Independent Foreclosure Review (IFR) Settlement and additional remediation-related costs<br>▪ All other expense down $265 million reflecting a 4Q12 contribution to the Foundation |
| **Income tax rate** | ▪ 31.9% effective income tax rate includes the benefit associated with the realization for tax purposes of a previously written-down investment<br>▪ Full year effective tax rate expected to be higher than 1Q13 absent additional discrete benefits |

*All result comparisons are 1Q13 compared with 4Q12.*
*(1) Includes net gains from trading activities, net gains (losses) on debt securities available for sale and net gains from equity investments.*

# Loans
## Solid core loan growth

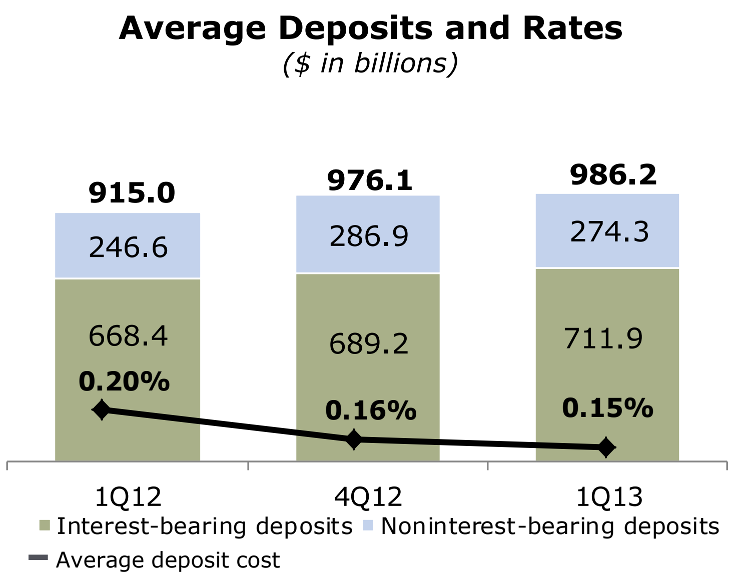
**Period–end Loans Outstanding**
*($ in billions)*

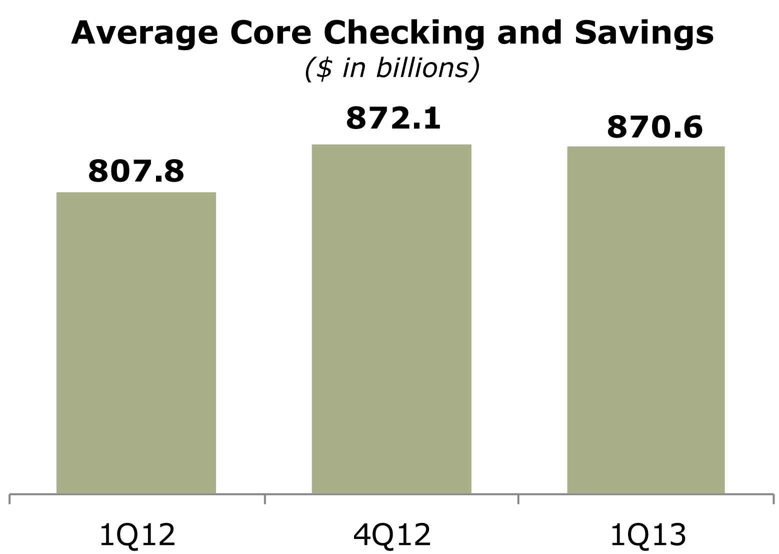



- Period-end loans up $33.5 billion YoY and $392 million from 4Q12
  - Commercial loans up $516 million LQ on growth in foreign loans
  - Consumer loans down $124 million LQ as growth in first mortgage and auto was more than offset by a $2.9 billion decline in junior lien mortgage and seasonally lower credit card
    - Includes retention of $3.4 billion of 1-4 family conforming first mortgages
- Non-strategic/liquidating loans [1] down $17.4 billion YoY and $3.7 billion from 4Q12
- Core loans grew $50.9 billion YoY and $4.1 billion LQ
- Total average loans of $798.1 billion up $29.5 billion YoY and $10.9 billion LQ
- Total average loan yield of 4.49%, down 9 bps LQ
  - Core loan yield excluding the non-strategic/ liquidating portfolio was down 8 bps
  - Non-strategic/liquidating portfolio yield of 5.02%

*(1) See page 23 for additional information regarding the non-strategic/liquidating portfolio, which comprises the Pick-a-Pay, liquidating home equity, legacy WFF indirect auto, legacy WFF debt consolidation, Education Finance-government guaranteed, and legacy Wachovia commercial & industrial, commercial real estate, foreign and other PCI loan portfolios.*

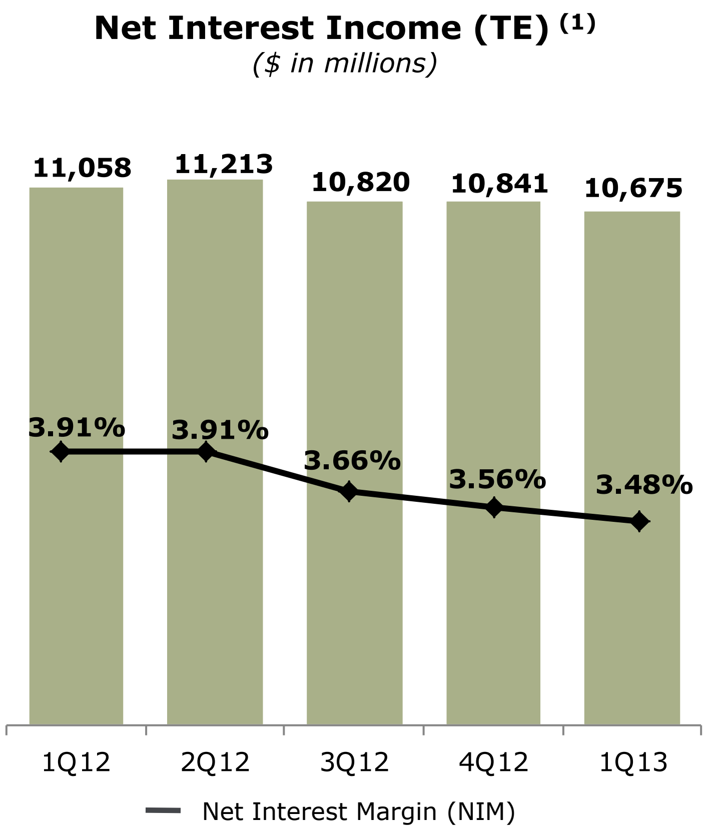
# Deposits
## Continued growth and reduced average cost




- Average deposits up $71.2 billion YoY and $10.1 billion LQ driven by late 4Q12 deposit growth as well as retail deposit growth in the quarter
- Average core deposits of $925.9 billion up $55.3 billion YoY and down $3.0 billion from 4Q12
  - 116% of average loans
  - Average retail core deposits up 8% YoY and 11% annualized LQ
- Average core checking and savings up $62.8 billion, or 8% YoY, and down $1.5 billion from 4Q12
  - 94% of average core deposits
- Average deposit cost of 15 bps, down 1 bp from 4Q12

# Net interest income

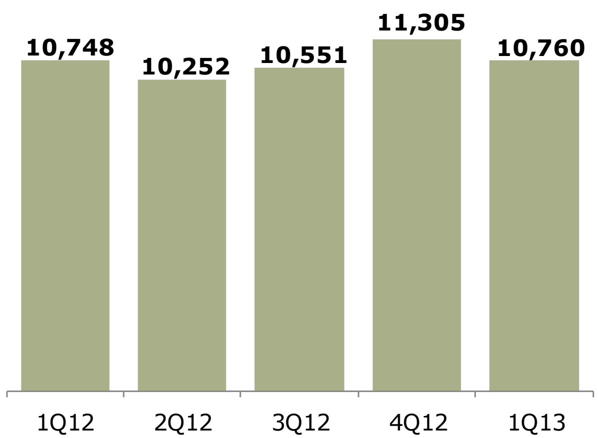



- Tax-equivalent net interest income [1] down 2% LQ primarily due to two fewer days in the quarter
- Average earning assets up $21.6 billion or 2% LQ
  - Short-term investments/fed funds sold up $3.9 billion
  - Loans up $10.9 billion
  - AFS securities up $10.6 billion
  - Mortgages held for sale declined $3.9 billion
- NIM of 3.48%, down 8 bps, from 4Q12 on:
  - Deposit growth = (3) bps
  - Variable income = (3) bps
  - Continued balance sheet repricing, growth and mix = (2) bps

*(1) Tax-equivalent net interest income is based on the federal statutory rate of 35% for the periods presented. Net interest income was $10,888 million, $11,037 million, $10,662 million, $10,643 million, $10,499 million for 1Q12, 2Q12, 3Q12, 4Q12 and 1Q13 respectively.*

# Noninterest income

| ($ in millions) | | 1Q13 | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|
| Noninterest income | | | | | |
| Service charges on deposit accounts | $ | 1,214 | (3) | % | 12 |
| Trust and investment fees | | | | | |
| Brokerage advisory, commissions and other fees | | 2,050 | 4 | | 12 |
| Trust and investment management | | 799 | - | | 6 |
| Investment banking | | 353 | (20) | | 37 |
| Card fees | | 738 | - | | 13 |
| Other fees | | 1,034 | (13) | | (6) |
| Mortgage banking | | 2,794 | (9) | | (3) |
| Insurance | | 463 | 17 | | (11) |
| Net gains from trading activities | | 570 | 107 | | (11) |
| Net gains on debt securities available for sale | | 45 | n.m. | | n.m. |
| Net gains from equity investments | | 113 | (84) | | (69) |
| Lease income | | 130 | (24) | | 120 |
| Other | | 457 | 25 | | (28) |
| Total noninterest income | **$** | **10,760** | **(5)** | **%** | **-** |



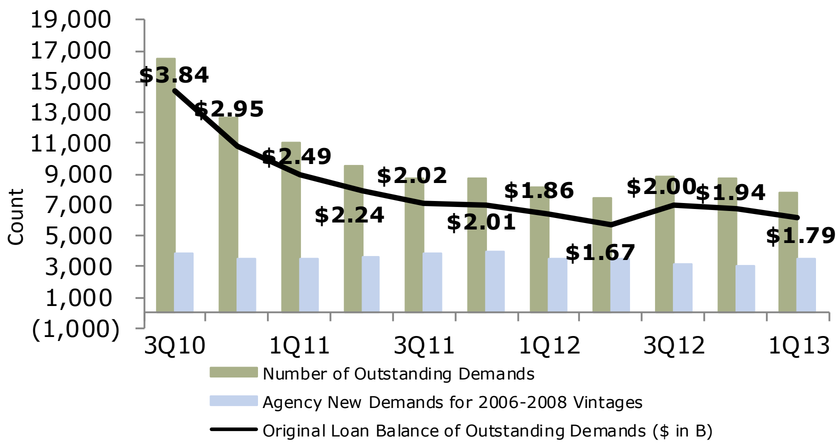

- Deposit service charges down 3% LQ reflecting seasonality
- Trust and investment fees essentially flat LQ as a 4% increase in retail brokerage transaction revenue and asset-based fees was offset by lower investment banking
- Other fees down $159 million, or 13% LQ, driven by lower commercial real estate brokerage commissions
- Mortgage banking down $274 million, or 9%, LQ
  - Net servicing income up $64 million as higher servicing fees and lower MSR amortization expense were partially offset by lower net MSR/servicing hedge results
  - Gain on sale revenue down $338 million on lower origination volumes
  - $112 million in forgone revenue from the retention of conforming production
- Insurance up 17% LQ driven by seasonally higher crop insurance premiums
- Trading gains up $295 million LQ and included $120 million higher deferred compensation plan investment income (P&L neutral)
- Equity gains down $602 million from 4Q12 which included the gain on sale of Becker Underwood

# Residential mortgage
## Production, servicing and repurchase trends

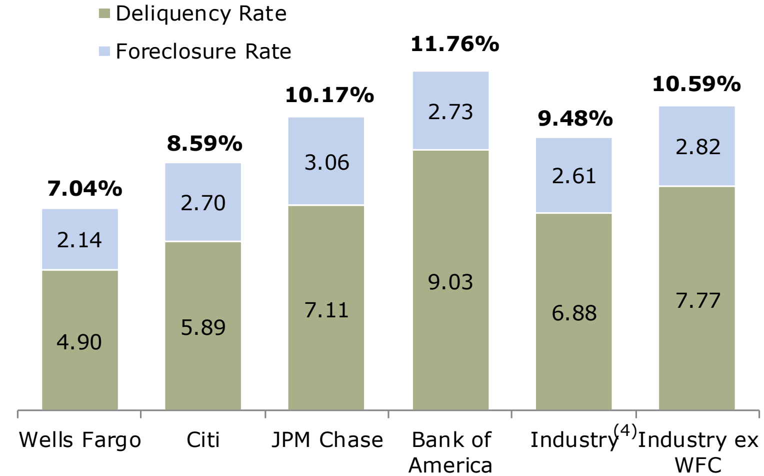
**Residential mortgage production trends**

| ($ in billions) | | 1Q13 | | 4Q12 | 3Q12 | 2Q12 | 1Q12 |
|---|---|---|---|---|---|---|---|
| Applications | $ | 140 | | 152 | 188 | 208 | 188 |
| Pipeline | | 74 | | 81 | 97 | 102 | 79 |
| Originations | | 109 | | 125 | 139 | 131 | 129 |
| Gain on Sale (1) | | 2.56 | % | 2.56 | 2.21 | 2.20 | 2.36 |

**Total Outstanding Repurchase Demands (2) and Agency New Demands for 2006-2008 Vintages**




**4Q12 Servicing Portfolio Delinquency Performance (3)**

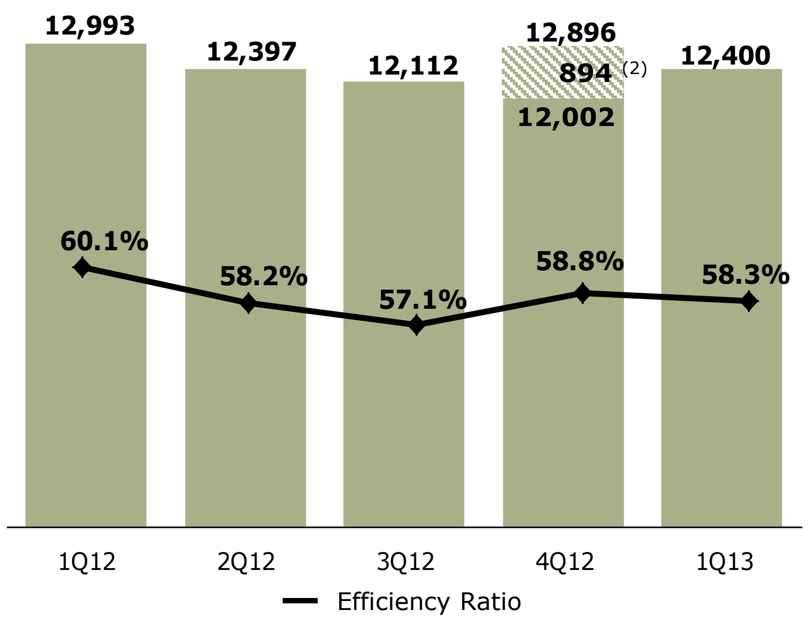



- Sixth consecutive quarter of over $100 billion of originations
  - Margins remained elevated and are expected to decline
- Wells Fargo total delinquency and foreclosure ratio for 1Q13 was 6.54%, down 50 bps LQ and down from 6.89% in 1Q12
  - 4Q12 Wells Fargo delinquency and foreclosure ratio continued to be lower than peers
- Number and balance of total outstanding repurchase demands were down slightly LQ and YoY
- Repurchase reserves of $2.3 billion increased $111 million LQ

*(1) Net gains on mortgage loan origination/or sales activities less repurchase reserve build divided by total originations.*
*(2) Includes mortgage insurance rescissions.*
*(3) Inside Mortgage Finance, data as of December 31, 2012. Industry excluding WFC performance calculated based on IMF data.*
*(4) Industry is all large servicers ($5.9 trillion) including WFC, C, JPM and BAC.*

# Noninterest expense and efficiency ratio (1)

| ($ in millions) | | 1Q13 | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|
| Noninterest expense | | | | | |
| Salaries | $ | 3,663 | (2) | % | 2 |
| Commission and incentive compensation | | 2,577 | 9 | | 7 |
| Employee benefits | | 1,583 | 78 | | (2) |
| Equipment | | 528 | (3) | | (5) |
| Net occupancy | | 719 | (1) | | 2 |
| Core deposit and other intangibles | | 377 | (10) | | (10) |
| FDIC and other deposit assessments | | 292 | (5) | | (18) |
| Other | | 2,661 | (32) | | (20) |
| Total noninterest expense | **$** | **12,400** | **(4)** | **%** | **(5)** |




- Noninterest expense down $496 million from 4Q12
  - Personnel expense up $832 million, or 12%
    - Employee benefits included $460 million of seasonally higher payroll taxes and 401(K) matching expenses and $103 million higher deferred compensation expense
    - Commissions and incentive compensation included $199 million in annual equity awards for retirement-eligible employees
  - Other expense down $1.2 billion
    - 4Q12 results included $644 million incremental accrual to fully reserve for settlement costs associated with the IFR Settlement and additional remediation-related costs as well as a $250 million contribution to the Foundation
    - Outside professional services down $209 million on lower legal costs and ~$60 million lower OCC Consent Order costs

- Efficiency ratio of 58.3% in 1Q13
- Continue to target an efficiency ratio of 55%-59%
- Expect 2Q13 expenses to decline from 1Q13

(1) *Efficiency ratio defined as noninterest expense divided by total revenue (net interest income plus noninterest income). Noninterest expense and our efficiency ratio may be affected by a variety of factors, including business and economic cyclicality, seasonality, changes in our business composition and operating environment, growth in our business and/or acquisitions, and unexpected expenses relating to, among other things, litigation and regulatory matters.*

(2) *Includes $644 million for IFR Settlement and additional remediation-related costs and $250 million Foundation contribution.*

# Environmentally-elevated costs

| *($ in millions)* Expense description | | *1Q13* | *4Q12* | *FY 2012* |
|---|---|---|---|---|
| OCC Consent Order - Foreclosure Review costs: | | | | |
| Independent consultant expense | $ | ~40 | ~100 | ~400 |
| Internal costs | | ~10 | ~25 | ~100 |
| Foreclosed asset expense | | 195 | 221 | 1,061 |
| Mortgage repurchase reserve build (1) | | 250 | 313 | 1,665 |
| MSR servicing and foreclosure costs (2) | | 58 | 127 | 677 |

*(1) Contra revenue item. Change in estimate.*
*(2) Contra revenue item. MSR valuation adjustments include costs to service and unreimbursed foreclosure costs.*

# Community Banking

| ($ in millions) | | 1Q13 | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|
| Net interest income | $ | 7,119 | (1) | % | (3) |
| Noninterest income | | 5,780 | (13) | | (5) |
| Provision for credit losses | | 1,262 | (28) | | (33) |
| Noninterest expense | | 7,377 | (8) | | (6) |
| Income tax expense | | 1,288 | 40 | | - |
| **Segment earnings** | **$** | **2,924** | **2** | **%** | **25** |
| *($ in billions)* | | | | | |
| Avg loans, net | $ | 498.9 | 1 | | 3 |
| Avg core deposits | | 619.2 | 2 | | 8 |

| | 1Q13 | | 4Q12 | 1Q12 |
|---|---|---|---|---|
| **Regional Banking** | | | | |
| Primary consumer checking customers [1][2][3] | 2.1 | % | n.a. | n.a. |
| Business checking account growth [1][2] | 2.9 | | 3.7 | 3.8 |
| Retail Bank household cross-sell [1] | 6.10 | | 6.05 | 5.98 |

| ($ in billions) | | 1Q13 | | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|---|
| **Consumer Lending** | | | | | | |
| Credit card payment volumes (POS) | $ | 11.7 | | (8) | % | 14 |
| Credit card penetration [1][4] | | 34.1 | % | 100 | bps | 420 |
| Home Mortgage | | | | | | |
| Applications | $ | 140 | | (8) | % | (26) |
| Application pipeline | | 74 | | (9) | | (6) |
| Originations | | 109 | | (13) | | (16) |

- Net income of $2.9 billion, up 25% YoY and 2% LQ

**Regional Banking**

- Continued franchise and cross-sell growth [1]
  - Primary consumer checking customers [2] [3] up a net 2.1% YoY
  - Business checking accounts [2] up a net 2.9% YoY
  - Retail bank cross-sell of 6.10 products per household up from 5.98 in 1Q12

**Consumer Lending**

- Credit card penetration [1] [4] rose to 34.1%, up from 33.1% in 4Q12 and 29.9% in 1Q12
- Record consumer auto originations of $6.8 billion, up 27% LQ and up 10% YoY
- Mortgage originations of $109 billion down 13% LQ and 16% YoY
  - 10% of originations were from HARP [5] vs. 12% in 4Q12 and 15% in 1Q12

*(1) Metrics reported on a one-month lag from reported quarter-end; for example 1Q13 cross-sell is as of February 2013.*
*(2) Checking customer and account growth is 12-months ending for each respective period.*
*(3) Customers who actively use their checking account with transactions such as debit card purchases, online bill payments, and direct deposit.*
*(4) Household penetration as of February 2013 and defined as the percentage of retail banking deposit households that have a credit card with Wells Fargo. Household penetration has been redefined to include legacy Wells Fargo Financial accounts.*
*(5) Home Affordable Refinance Program.*

# Wholesale Banking

| ($ in millions) | | 1Q13 | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|
| Net interest income | $ | 3,005 | (3) | % | (6) |
| Noninterest income | | 3,081 | 6 | | 8 |
| Provision for credit losses | | (58) | n.m. | | n.m. |
| Noninterest expense | | 3,091 | 3 | | 1 |
| Income tax expense | | 1,007 | 13 | | (1) |
| **Segment earnings** | **$** | **2,045** | **1** | **%** | **9** |
| *($ in billions)* | | | | | |
| Avg loans, net | $ | 284.5 | 2 | | 6 |
| Avg core deposits | | 224.1 | (7) | | 1 |

| ($ in billions) | | 1Q13 | | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|---|
| **Key Metrics:** | | | | | | |
| Cross-sell [(1)] | | 6.8 | | - | % | 3 |
| Commercial card spend volume | $ | 4.4 | | 2 | | 19 |
| YTD U.S. investment banking market share % [(2)] | | 4.6 | % | (50) | bps | (20) |
| Total AUM | $ | 463.2 | | 3 | % | 4 |
| Advantage Funds AUM | | 223.6 | | 3 | | 7 |

- Net income of $2.0 billion, up 9% YoY and 1% LQ
- Net interest income down 3% LQ; average loans up 2%
- Noninterest income up 6% LQ on broad-based growth
- Provision reflects lower gross losses and higher recoveries
- Expenses up 3% LQ driven by seasonally higher personnel and insurance expense

**Key Metrics**

- Cross-sell of 6.8 products per relationship [(1)] up 20 bps YoY

**Treasury Management**

- Commercial card spend volume of $4.4 billion up 2% LQ and 19% YoY

**Investment Banking**

- 1Q13 Investment Banking fees from Wholesale customers up 14% YoY
- U.S. investment banking market share [(2)] of 4.6%

**Asset Management**

- Total AUM up $11.4 billion LQ and included $4.1 billion in net flows into both short-term and long-term strategies

*(1) Cross-sell reported on a one-quarter lag.*
*(2) Source: Dealogic U.S. investment banking fee market share.*

# Wealth, Brokerage and Retirement

| *($ in millions)* | | 1Q13 | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|
| Net interest income | $ | 669 | (3) | % | (5) |
| Noninterest income | | 2,528 | 5 | | 7 |
| Provision for credit losses | | 14 | (7) | | (67) |
| Noninterest expense | | 2,639 | 5 | | 4 |
| Income tax expense | | 207 | (4) | | 14 |
| **Segment earnings** | **$** | **337** | **(4)** | **%** | **14** |
| *($ in billions)* | | | | | |
| Avg loans, net | $ | 43.8 | 1 | | 3 |
| Avg core deposits | | 149.4 | 4 | | 10 |

| *($ in billions, except where noted)* | | 1Q13 | vs 4Q12 | | vs 1Q12 |
|---|---|---|---|---|---|
| **Key Metrics:** | | | | | |
| WBR Clients Assets [1] *($ in trillions)* | $ | 1.5 | 5 | % | 7 |
| Cross-sell [2] | | 10.33 | 1 | | 2 |
| Retail Brokerage | | | | | |
| Financial Advisors | | 15,354 | - | | 1 |
| Managed account assets | $ | 325 | 7 | | 16 |
| Client assets [1] *($ in trillions)* | | 1.3 | 5 | | 7 |
| Wealth Management | | | | | |
| Client assets [1] | | 208 | 2 | | 3 |
| Retirement | | | | | |
| IRA Assets | | 314 | 6 | | 9 |
| Institutional Retirement Plan Assets | | 279 | 5 | | 9 |

*(1) Includes deposits.*
*(2) Data as of February 2013.*

- Net income up 14% YoY and down 4% LQ
- Net interest income down 3% LQ; average core deposits up 4%
- Noninterest income up 5% LQ; excluding $47 million higher deferred compensation plan investment results, noninterest income was up 3% due to higher retail brokerage transaction revenue and asset-based fees
- Noninterest expense was up 5% LQ; excluding $41 million in higher deferred compensation expense, expenses increased 3% due to seasonality in personnel expenses and increased broker commissions

### Retail Brokerage

- Managed account assets of $325 billion, up 7% LQ and 16% YoY driven by strong net flows and market performance

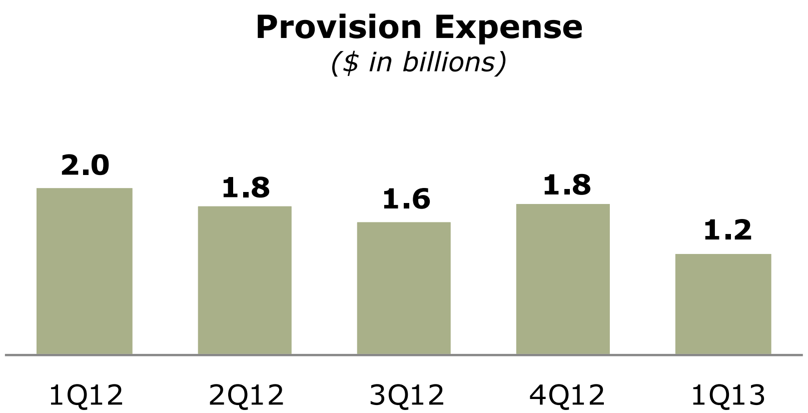
### Wealth Management

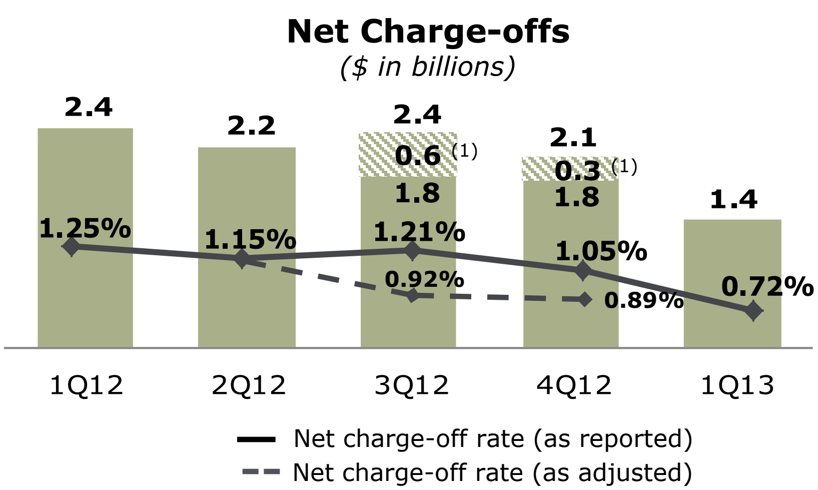
- Wealth Management client assets up 2% LQ and 3% YoY

### Retirement

- IRA assets up 6% LQ and 9% YoY
- Institutional Retirement plan assets up 5% LQ and 9% YoY

# Credit quality
## Trends showed continued improvement

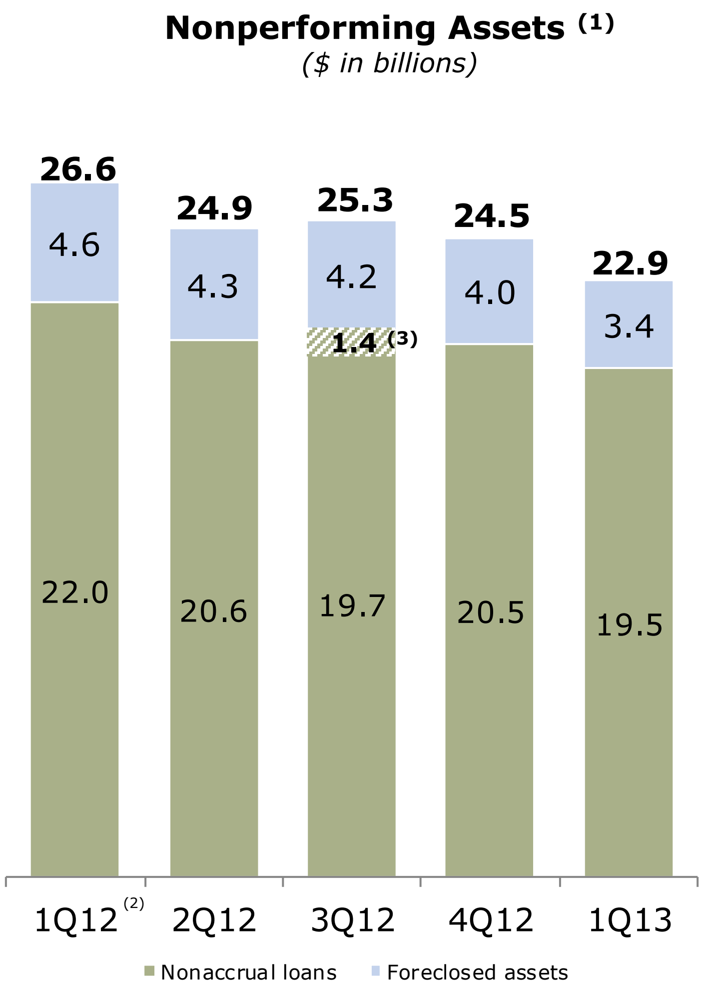


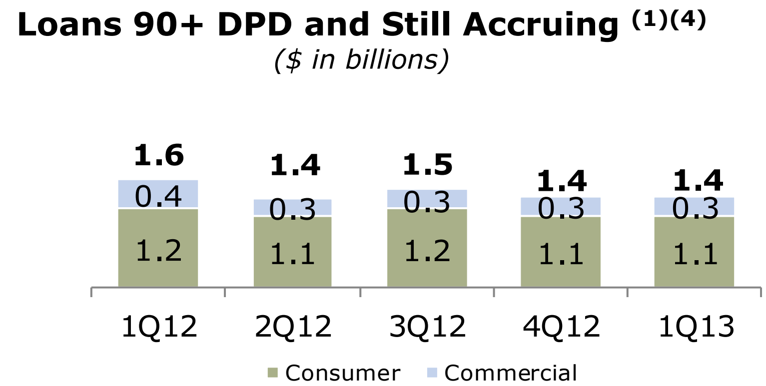



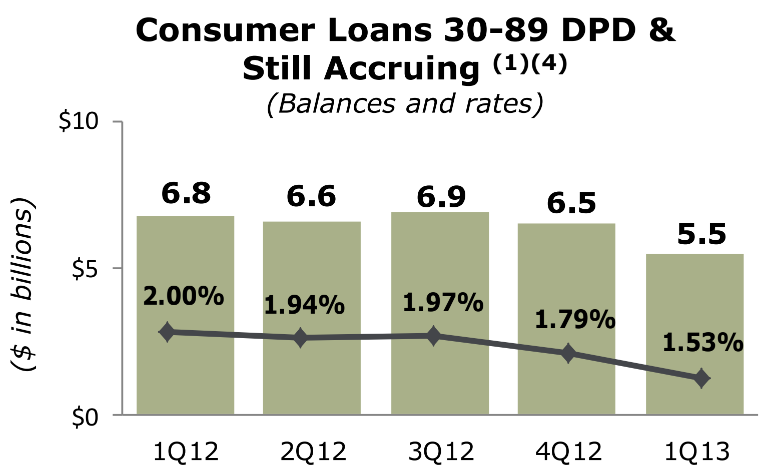

- Provision expense of $1.2 billion, down $612 million from 4Q12
- Net charge-offs of $1.4 billion were down $662 million LQ, or 32%; 4Q12 consumer losses included $321 million from OCC guidance (1)
- 0.72% net charge-off rate
  - Commercial losses of 0.10%, down 19 bps LQ
  - Consumer losses of 1.23%, down 45 bps LQ, reflecting both lower severities and frequency
- NPAs declined $1.6 billion LQ on a $960 million decline in nonaccrual loans and a $673 million decline in foreclosed assets
- Early stage consumer delinquency balances decreased 14% and rates declined 26 bps LQ
- Reserve release (2) of $200 million vs. $250 million in 4Q12
  - Absent significant deterioration in the economy we continue to expect future reserve releases in 2013
- Allowance for credit losses = $17.2 billion
- Remaining PCI nonaccretable = 22.9% of remaining UPB (3)

*(1) OCC guidance, see page 5 for additional information. 4Q12 losses included $271 million from the completion of implementation and $50 million from 4Q12 activity.*
*(2) Provision expense minus net charge-offs.*
*(3) Unpaid principal balance for PCI loans that have not had a UPB charge-off.*

# Credit quality
## Trends showed continued improvement

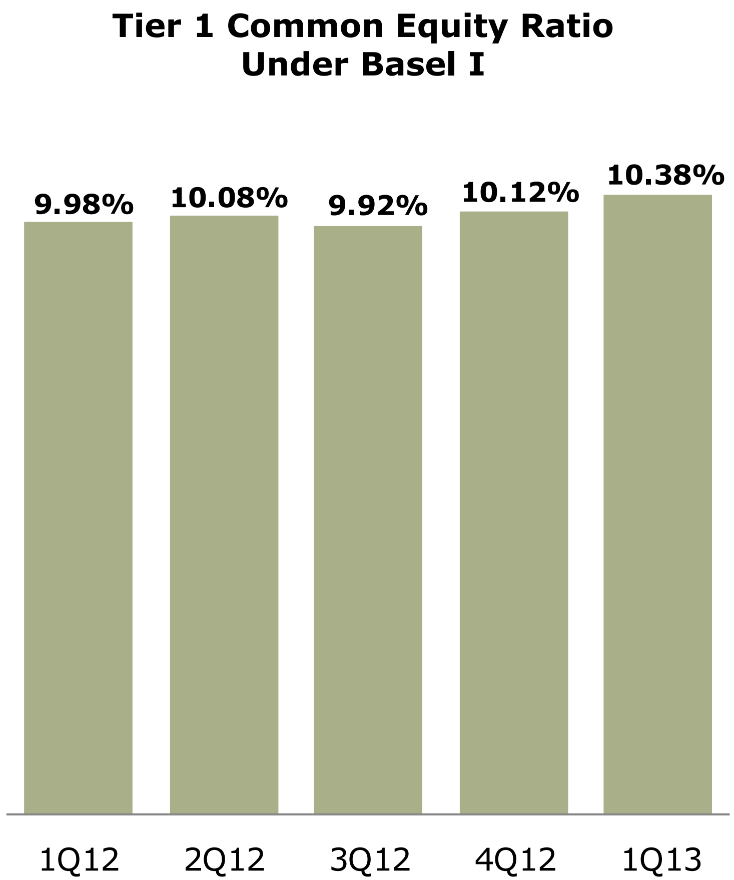



(1) 30-89 days and 90 days or more past due and still accruing, and nonperforming loans, include held for sale loans reported on Balance Sheet.
(2) Includes $1.7 billion at March 31, 2012, resulting from implementation of Interagency Supervisory Guidance on Allowance for Loan and Lease Losses Estimation Practices for Loans and Lines of Credit Secured by Junior Liens on 1-4 Family Residential Properties issued January 31, 2012.
(3) OCC guidance.
(4) Excludes mortgage loans insured/guaranteed by the FHA or VA, reverse mortgages, margin loans and student loans whose repayments are predominantly guaranteed by guarantee agencies on behalf of the U.S. Department of Education under the Federal Family Education Loan Program. Also excludes the carrying value of PCI loans contractually delinquent.

# Capital




- Capital remained strong
- Tier 1 common equity ratio under Basel I of 10.38% increased 26 bps LQ
  - Ratio reduced by 25 bps by implementation of Basel 2.5 (1)
- Tier 1 common equity ratio under Basel III is estimated to be 8.39% at 3/31/13 (2)
- Purchased 16.6 million common shares in 1Q13
- Redeemed $2.8 billion of trust preferred securities
- 2013 Capital Plan includes an increase in capital returns to shareholders from 2012 and includes:
  - Dividend rate of $0.30 per share for 2Q13 subject to Board approval
  - Increase in common stock repurchase activity

*See Appendix page 33-34 for additional information regarding Tier 1 common equity ratios.*
*1Q13 capital ratios are preliminary estimates.*
*(1) Federal Reserve's Market Risk Final Rule became effective on January 1, 2013.*
*(2) Estimated Basel III calculation based on management's current interpretation of the Basel III capital rules proposed by federal banking agencies in notices of proposed rulemaking announced in June 2012. The proposed rules and interpretations and assumptions used in estimating Basel III calculations are subject to change depending on final promulgation of Basel III capital rules. See pages 33-34 for additional information regarding Tier 1 common equity ratios.*

# Demonstrated momentum across the franchise

**Regional Banking**

- Retail bank cross-sell of 6.10 products per household up from 5.98 in 1Q12 (1)
- $4.2 billion in net new loan commitments to small business customers, up 24% YoY
- Primary consumer checking customers up a net 2.1% YoY (2)

**Consumer Lending Group**

- Record auto originations of $6.8 billion, up 27% LQ and 10% YoY
- Consumer credit card new accounts in 1Q13 increased 31% LQ and 18% YoY with household penetration increasing 420 bps YoY to 34.1% (3)

**Wholesale Banking**

- Cross-sell of 6.8 products per relationship (4) up from 6.6 in 1Q12 driven by increased penetration with eastern commercial banking customers across multiple products
- Eleven consecutive quarters of average loan growth in Commercial Banking
- Investment banking revenue from Wholesale customers increased 14% YoY, including revenue from commercial and corporate customers which was up 2%
- AUM up 4% YoY from $19 billion in net flows as well as higher market valuations

**Wealth, Brokerage and Retirement**

- Record managed account assets of $325 billion increased 7% LQ and 16% YoY
- Cross-sell of 10.33 products per household up from 10.16 in 1Q12 (1)

*(1) Metrics reported on a one-month lag from reported quarter-end; for example 1Q13 cross-sell is as of February 2013.*
*(2) Checking customer growth is 12-months ending February 2013. Customers who actively use their checking account with transactions such as debit card purchases, online bill payments, and direct deposit.*
*(3) Household penetration as of February 2013 and defined as the percentage of retail banking deposit households that have a credit card with Wells Fargo.*
*(4) Wholesale Banking cross-sell is reported on a one-quarter lag and is as of December 2012 and December 2011, respectively.*

# Summary - strong 1Q13

- Record earnings of $5.2 billion, up $923 million, or 22% from 1Q12
- Record diluted earnings per share of $0.92, up 23%
- 1Q13 efficiency ratio of 58.3%, improved 180 bps
- PTPP of $8.9 billion up $216 million, or 2%
- Strong credit performance
- Solid returns
  - ROA = 1.49%, up 18 bps
  - ROE = 13.59%, up 145 bps
- Strong capital generation

*All comparisons are 1Q13 vs. 1Q12.*

# Appendix

# Non-strategic/liquidating loan portfolio risk reduction

| *($ in billions)* | | *1Q13* | *4Q12* | *3Q12* | *2Q12* | *1Q12* | *4Q08* |
|---|---|---|---|---|---|---|---|
| Pick-a-Pay mortgage [(1)] | $ | 56.6 | 58.3 | 60.1 | 62.0 | 64.0 | 95.3 |
| Liquidating home equity | | 4.4 | 4.6 | 5.0 | 5.2 | 5.5 | 10.3 |
| Legacy WFF indirect auto | | 0.6 | 0.8 | 1.1 | 1.5 | 1.9 | 18.2 |
| Legacy WFF debt consolidation | | 14.1 | 14.5 | 15.0 | 15.5 | 16.0 | 25.3 |
| Education Finance - gov't guaranteed | | 11.9 | 12.5 | 13.0 | 13.8 | 14.8 | 20.5 |
| Legacy WB C&I, CRE and foreign PCI loans [(1)] | | 2.8 | 3.2 | 3.8 | 4.3 | 5.2 | 18.7 |
| Legacy WB other PCI loans [(1)] | | 0.4 | 0.6 | 0.6 | 0.8 | 0.8 | 2.5 |
| **Total** | **$** | **90.8** | **94.5** | **98.6** | **103.1** | **108.2** | **190.8** |

**-$3.7** **-$4.1** **-$4.5** **-$5.1** **-$82.6**

**-$100.0**

*(1) Net of purchase accounting adjustments.*

# Purchased credit-impaired (PCI) portfolios

## Legacy Wachovia PCI loans continued to perform better than originally expected

| *($ in billions)* | | *Commercial* | *Pick-a-Pay* | *Other consumer* | *Total* |
|---|---|---|---|---|---|
| **Adjusted unpaid principal balance** [1] | | | | | |
| December 31, 2008 | $ | 29.2 | 62.5 | 6.5 | **98.2** |
| December 31, 2012 | | 5.0 | 32.0 | 1.4 | **38.4** |
| March 31, 2013 | | 4.4 | 31.1 | 0.9 | **36.4** |
| | | | | | |
| **Nonaccretable difference rollforward** | | | | | |
| 12/31/08 Nonaccretable difference | $ | 10.4 | 26.5 | 4.0 | **40.9** |
| Addition of nonaccretable difference due to acquisitions | | 0.2 | - | - | **0.2** |
| Losses from loan resolutions and write-downs | | (6.9) | (17.6) | (2.9) | **(27.4)** |
| Release of nonaccretable difference since merger | | (3.4) | (3.0) | (0.8) | **(7.2)** [2] |
| 3/31/13 Remaining nonaccretable difference | | 0.3 | 5.9 | 0.3 | **6.5** |
| | | | | | |
| **Life-to-date net performance** | | | | | |
| Additional provision since 2008 merger | $ | (1.7) | - | (0.1) | **(1.8)** |
| Release of nonaccretable difference since 2008 merger | | 3.4 | 3.0 | 0.8 | **7.2** [2] |
| Net performance | | 1.7 | 3.0 | 0.7 | **5.4** |

*(1) Includes write-downs taken on loans where severe delinquency (normally 180 days) or other indications of severe borrower financial stress exist that indicate there will be a loss of contractually due amounts upon final resolution of the loan.*

*(2) Reflects releases of $1.8 billion for loan resolutions and $5.4 billion from the reclassification of nonaccretable difference to the accretable yield, which will result in increasing income over the remaining life of the loan or pool of loans.*

# PCI nonaccretable difference

| Analysis of nonaccretable difference for PCI loans ($ in millions) | | Commercial | Pick-a-Pay | Other consumer | Total |
|---|---|---|---|---|---|
| Balance, December 31, 2012 | $ | 422 | 6,232 | 310 | 6,964 |
| Addition of nonaccretable difference due to acquisitions | | - | - | - | - |
| Release of nonaccretable difference due to: | | | | | |
| Loans resolved by settlement with borrower (1) | | (30) | - | - | (30) |
| Loans resolved by sales to third parties (2) | | (5) | - | - | (5) |
| Reclassification to accretable yield for loans with improving credit-related cash flows (3) | | (31) | - | - | (31) |
| Use of nonaccretable difference due to: | | | | | |
| Losses from loan resolutions and write-downs (4) | | (20) | (345) | (47) | (412) |
| Balance, March 31, 2013 | $ | 336 | 5,887 | 263 | 6,486 |

- $31 million in nonaccretable difference reclassified to accretable yield this quarter
- $412 million in losses from loan resolutions and write-downs in the quarter
- $6.5 billion in nonaccretable difference remains to absorb losses on PCI loans
  - Remaining nonaccretable = 22.9% of unpaid principal balance (UPB) (5)
    - Remaining Pick-a-Pay nonaccretable = 24.2% of Pick-a-Pay UPB (5)

*(1) Release of the nonaccretable difference for settlement with borrower, on individually accounted PCI loans, increases interest income in the period of settlement. Pick-a-Pay and Other consumer PCI loans do not reflect nonaccretable difference releases for settlements with borrowers due to pool accounting for those loans, which assumes that the amount received approximates the pool performance expectations.*
*(2) Release of the nonaccretable difference as a result of sales to third parties increases noninterest income in the period of the sale.*
*(3) Reclassification of nonaccretable difference to accretable yield for loans with increased cash flow estimates will result in increased interest income as a prospective yield adjustment over the remaining life of the loan or pool of loans.*
*(4) Write-downs to net realizable value of PCI loans are absorbed by the nonaccretable difference when severe delinquency (normally 180 days) or other indications of severe borrower financial stress exist that indicate there will be a loss of contractually due amounts upon final resolution of the loan.*
*(5) Unpaid principal balance of loans without write-downs.*

# PCI accretable yield

- Accretable yield balance decreased $583 million LQ and included:
  - Accretion into interest income of $447 million
  - Accretion into noninterest income of $151 million reflecting loan sales of other consumer PCI loans
- Balance of $18.0 billion expected to accrete to income over the remaining life of the underlying loans
  - Commercial accretable yield balance of $1.0 billion; weighted average life of portfolio is 2.9 years
    - Accretable yield percentage of 16.60% relatively stable LQ
  - Pick-a-Pay accretable yield balance of $16.6 billion; weighted average life of 12.3 years
    - Accretable yield percentage of 4.7% flat LQ

| **Accretable yield rollforward** *($ in millions)* | | *1Q13* | *4Q12* | *Cumulative since merger* |
|---|---|---|---|---|
| Total, beginning of period | $ | 18,548 | 18,912 | 10,447 |
| Addition of accretable yield due to acquisitions | | - | 3 | 131 |
| Accretion into interest income (1) | | (447) | (513) | (9,798) |
| Accretion into noninterest income due to sales (2) | | (151) | - | (393) |
| Reclassification from nonaccretable difference for loans with improving credit-related cash flows | | 31 | 135 | 5,385 |
| Changes in expected cash flows that do not affect nonaccretable difference (3) | | (16) | 11 | 12,193 |
| Total, end of period | $ | 17,965 | 18,548 | 17,965 |

*(1) Includes accretable yield released as a result of settlements with borrowers, which is included in interest income.*
*(2) Includes accretable yield released as a result of sales to third parties, which is included in noninterest income.*
*(3) Represents changes in cash flows expected to be collected due to the impact of modifications, changes in prepayment assumptions, changes in interest rates on variable rate PCI loans and sales to third parties.*

# Pick-a-Pay credit highlights

| ($ in millions) | | 1Q13 | | 4Q12 |
|---|---|---|---|---|
| **Non-PCI loans** | | | | |
| Carrying value (1) | $ | 30,843 | | 31,940 |
| Nonaccrual loans | | 4,204 | | 4,200 |
| as a % of loans | | 13.63 | % | 13.15 |
| Net charge-offs | $ | 104 | | 138 |
| as % of avg loans | | 1.34 | % | 1.68 |
| 90+ days past due as % of loans | | 10.23 | | 10.30 |
| Current average LTV (2) | | 81 | % | 83 |

| ($ in millions) | | 1Q13 | | 4Q12 |
|---|---|---|---|---|
| **PCI loans** | | | | |
| Adjusted unpaid principal balance (3) | $ | 31,078 | | 32,003 |
| Carrying value (1) | | 25,765 | | 26,334 |
| Current average LTV (2) | | 86 | % | 88 |

## Non-PCI portfolio

- Loans down 3% LQ driven by loans paid-in-full
- 85% of portfolio current
- Nonaccrual loans flat LQ
  - $129 million of nonaccrual TDRs reclassified to accruing TDR status based on borrower payment performance
- $4.2 billion in nonaccruals includes $2.1 billion of nonaccruing TDRs
- Net charge-offs of $104 million down $34 million LQ on improved portfolio performance and lower severities
- 48% of portfolio with LTV (2) ≤ 80%

## PCI portfolio

- Carrying value down 2%
- 68% of portfolio current, consistent with 4Q12
- Life-of-loan losses continued to be lower than originally projected at time of merger

*(1) The carrying value, which does not reflect the allowance for loan losses, includes purchase accounting adjustments, which, for PCI loans, are the nonaccretable difference and the accretable yield, and for all other loans, an adjustment to mark the loans to a market yield at date of merger less any subsequent charge-offs.*
*(2) The current loan-to-value (LTV) ratio is calculated as the net carrying value (defined in (1) above) divided by the collateral value.*
*(3) The adjusted unpaid principal balance includes write-downs taken on loans where severe delinquency (normally 180 days) or other indications of severe borrower financial stress exist that indicate there will be a loss of contractually due amounts upon final resolution of the loan.*

# Real estate 1-4 family first mortgage portfolio

| *($ in millions)* | | *1Q13* | | *4Q12* |
|---|---|---|---|---|
| Total real estate 1-4 family first mortgage | $ | 252,307 | | 249,900 |
| Less consumer non-strategic/liquidating portfolios: | | | | |
| Pick-a-Pay non-PCI first lien mortgage | | 30,843 | | 31,940 |
| PCI first lien mortgage | | 26,086 | | 26,838 |
| Debt consolidation first mortgage portfolio | | 13,794 | | 14,178 |
| Core first lien mortgage | | 181,584 | | 176,944 |
| Legacy WFF debt consolidation first mortgage loan performance (1) | | | | |
| Nonaccrual loans | $ | 2,323 | | 2,363 |
| as % of loans | | 16.84 | % | 16.67 |
| Net charge-offs | $ | 119 | | 182 |
| as % of average loans | | 3.45 | % | 5.03 |
| Core first lien mortgage loan performance (2) | | | | |
| Nonaccrual loans | $ | 4,793 | | 4,892 |
| as % of loans | | 2.64 | % | 2.76 |
| Net charge-offs | $ | 206 | | 329 |
| as % of loans | | 0.46 | % | 0.74 |

- First lien mortgage loans up 1% as growth in core first lien mortgage was partially offset by continued run-off in the liquidating portfolio
  - Pick-a-Pay non-PCI portfolio down 3%
  - PCI portfolio down 3%
  - Debt consolidation first lien down 3%
  - Core first lien up $4.6 billion, or 3%, reflecting the retention of $3.4 billion of conforming production and continued strong origination volumes
- Core net charge-offs down $123 million from 4Q12 losses that included OCC guidance impact; 1Q13 reflected improved severities and frequency

*(1) Ratios on Legacy WFF debt consolidation first mortgage loan portfolio only.*
*(2) Ratios on non run-off first lien mortgage loan portfolio only.*

# Home equity portfolio

| ($ in millions) | | 1Q13 | | 4Q12 |
|---|---|---|---|---|
| **Core Portfolio** [1] | | | | |
| Outstandings | $ | 87,298 | | 90,427 |
| Net charge-offs | | 414 | | 622 |
| as % of avg loans | | 1.89 | % | 2.69 |
| 2+ payments past due | $ | 2,271 | | 2,497 |
| as % loans | | 2.61 | % | 2.77 |
| % CLTV > 100% [2] | | 33 | | 34 |
| 2+ payments past due | | 3.19 | | 3.52 |
| % Unsecured balances [3] | | 15 | | 15 |
| % 1st lien position | | 22 | | 22 |
| **Liquidating Portfolio** | | | | |
| Outstandings | $ | 4,421 | | 4,647 |
| Net charge-offs | | 66 | | 101 |
| as % of avg loans | | 5.87 | % | 8.33 |
| 2+ payments past due | $ | 161 | | 178 |
| as % loans | | 3.64 | % | 3.82 |
| % CLTV > 100% [2] | | 70 | | 71 |
| 2+ payments past due | | 3.28 | | 3.73 |
| % 1st lien position | | 4 | | 4 |

*Excludes purchased credit-impaired loans.*

*(1) Includes equity lines of credit and closed-end junior liens associated with the Pick-a-Pay portfolio totaling $1.3 billion at March 31, 2013 and at December 31, 2012.*

*(2) CLTV is calculated based on outstanding balance plus unused lines of credit divided by estimated home value. Estimated home values are determined predominantly based on automated valuation models updated through March 2013.*

*(3) Unsecured balances, representing the percentage of outstanding balances above the most recent home value.*

**Core Portfolio** [1]

- Outstandings down 3%
  - High quality new originations with weighted average CLTV of 62%, 777 FICO, and 32% total debt service ratio
- 1Q13 losses decreased $208 million
- 2+ delinquencies decreased $226 million
- Delinquency rate for loans with a CLTV >100% improved 33 bps

**Liquidating Portfolio**

- Outstandings down 5%
- 1Q13 losses decreased $35 million
- 2+ delinquencies declined $17 million
- Delinquency rate for loans with a CLTV >100% improved 45 bps

**Total home equity portfolio = $92 billion**

- 21% in 1st lien position
- 40% in junior lien position behind WFC owned or serviced 1st lien
  - Current 1st lien, Current junior lien = 96.1%
  - Current 1st lien, Delinquent junior lien = 1.0%
  - Delinquent 1st lien, Current junior lien = 1.4%
  - Delinquent 1st lien, Delinquent junior lien = 1.5%
- 39% in junior lien position behind third party 1st lien

# Credit card portfolio

| ($ in millions) | 1Q13 | | 4Q12 |
|---|---|---|---|
| Credit card outstandings | $ 24,120 | | 24,640 |
| Net charge-offs | 235 | | 222 |
| as % of avg loans | 3.96 | % | 3.71 |
| | | | |
| **Key Metrics:** | | | |
| Purchase volume | $ 11,658 | | 12,609 |
| Penetration (1) | 34.1 | % | 33.1 |

- Credit card outstandings of $24.1 billion, down 2% LQ on seasonally lower balances and up 10% YoY on strong account growth
  - Record 577,000 new accounts in 1Q13, up 31% LQ and 18% YoY
  - Credit Card household penetration rate rose to 34.1% (1), up from 33.1% in 4Q12
  - Purchase dollar volume and transactions are down 8% and 7% from 4Q12, respectively, reflecting seasonality
- Net charge-offs up $13 million, or 25 bps, LQ and down $7 million, or 44 bps, YoY

*(1) Household penetration as of February 2013 and defined as the percentage of retail banking deposit households that have a credit card with Wells Fargo.*

# Auto portfolios (1)

| ($ in millions) | | 1Q13 | | 4Q12 |
|---|---|---|---|---|
| **Indirect Consumer Portfolio** | | | | |
| Auto outstandings | $ | 44,939 | | 43,647 |
| Nonaccrual loans | | 192 | | 210 |
| as % of loans | | 0.43 | % | 0.48 |
| Net charge-offs | $ | 71 | | 103 |
| as % of avg loans | | 0.65 | % | 0.94 |
| 30+ days past due | $ | 614 | | 937 |
| as % of loans | | 1.37 | % | 2.15 |
| **Direct Consumer Portfolio** | | | | |
| Auto outstandings | $ | 2,320 | | 2,351 |
| Nonaccrual loans | | 28 | | 35 |
| as % of loans | | 1.20 | % | 1.50 |
| Net charge-offs | $ | 5 | | 9 |
| as % of avg loans | | 0.85 | % | 1.41 |
| 30+ days past due | $ | 19 | | 34 |
| as % of loans | | 0.83 | % | 1.43 |
| **Commercial Portfolio** | | | | |
| Auto outstandings | $ | 7,570 | | 7,396 |
| Nonaccrual loans | | - | | - |
| as % of loans | | - | % | - |
| Net charge-offs (recoveries) | $ | - | | - |
| as % of avg loans | | n.m. | % | n.m. |

**Consumer Portfolio**

- Auto outstandings of $47.3 billion up 3% LQ and 7% YoY
  - 1Q13 originations of $6.8 billion up 27% LQ reflecting seasonal car sales and up 10% YoY
- Nonaccrual loans stable LQ
- Net charge-offs were down $36 million LQ
  - March Manheim index of 120.4, down 3% LQ and 5% from March 2012
- 30+ days past due decreased $338 million LQ reflecting seasonality

**Commercial Portfolio**

- Loans of $7.6 billion up 2% LQ and 21% YoY as dealer floorplan utilization rates hit highest levels since the merger
- Continued strong credit performance

*(1) The auto portfolio has been refined to exclude Specialized Lending recreational vehicle and marine loan balances and includes the liquidating legacy Wells Fargo Financial indirect portfolio of $593 million.*

# Student lending portfolio

| ($ in millions) | | 1Q13 | | 4Q12 |
|---|---|---|---|---|
| **Education Finance** | | | | |
| Total outstandings | $ | 22,897 | | 23,119 |
| **Private Portfolio** | | | | |
| Private outstandings | $ | 10,975 | | 10,654 |
| Net charge-offs | | 30 | | 38 |
| as % of avg loans | | 1.10 | % | 1.41 |
| 30 days past due | $ | 226 | | 233 |
| as % of loans | | 2.06 | % | 2.19 |
| **Government Guaranteed Portfolio** | | | | |
| Government outstandings | $ | 11,922 | | 12,465 |

- $22.9 billion student lending outstandings down 1% LQ

**Private Portfolio**

- $11.0 billion private loans outstandings up 3% LQ and up 7% YoY
  - Applications decreased 10% LQ due to spring term applications
  - Dollar originations increased 140% LQ due to spring term disbursements in the quarter
  - Continued to originate high quality loans with an average FICO of 764 and 78% of new loans co-signed
- Net charge-offs down $8 million LQ due to seasonality of repayments on loans

**Government Portfolio**

- $11.9 billion liquidating government guaranteed outstandings declined 4% LQ and 19% YoY

# Tier 1 common equity under Basel I (1)

Wells Fargo & Company and Subsidiaries

**FIVE QUARTER TIER 1 COMMON EQUITY UNDER BASEL I** (1)

| *($ in billions)* | | **Mar. 31, 2013** | Dec. 31, 2012 | Sept. 30 2012 | June 30, 2012 | Mar. 31, 2012 |
|---|---|---|---|---|---|---|
| Total equity | | **$ 163.4** | 158.9 | 156.1 | 149.4 | 146.8 |
| Noncontrolling interests | | **(1.3)** | (1.3) | (1.4) | (1.3) | (1.3) |
| Total Wells Fargo stockholders' equity | | **162.1** | 157.6 | 154.7 | 148.1 | 145.5 |
| Adjustments: | | | | | | |
| Preferred equity | | **(12.6)** | (12.0) | (11.3) | (10.6) | (10.6) |
| Goodwill and intangible assets (other than MSRs) | | **(32.5)** | (32.9) | (33.4) | (33.5) | (33.7) |
| Applicable deferred assets | | **3.1** | 3.2 | 3.3 | 3.5 | 3.7 |
| Deferred tax asset limitation | | **-** | - | - | - | - |
| MSRs over specified limitations | | **(0.8)** | (0.7) | (0.7) | (0.7) | (0.9) |
| Cumulative other comprehensive income | | **(5.1)** | (5.6) | (6.4) | (4.6) | (4.1) |
| Other | | **(0.6)** | (0.6) | (0.4) | (0.5) | (0.4) |
| Tier 1 common equity | (A) | **$ 113.6** | 109.0 | 105.8 | 101.7 | 99.5 |
| Total risk-weighted assets (2) | (B) | **$ 1,095.1** | 1,077.1 | 1,067.10 | 1,008.6 | 996.8 |
| Tier 1 common equity to total risk-weighted assets (2) | (A)/(B) | **10.38 %** | 10.12 | 9.92 | 10.08 | 9.98 |

(1) Tier 1 common equity is a non-generally accepted accounting principle (GAAP) financial measure that is used by investors, analysts and bank regulatory agencies to assess the capital position of financial services companies. Management reviews Tier 1 common equity along with other measures of capital as part of its financial analyses and has included this non-GAAP financial information, and the corresponding reconciliation to total equity, because of current interest in such information on the part of market participants.

(2) Under the regulatory guidelines for risk-based capital, on-balance sheet assets and credit equivalent amounts of derivatives and off-balance sheet items are assigned to one of several broad risk categories according to the obligor, or, if relevant, the guarantor or the nature of any collateral. The aggregate dollar amount in each risk category is then multiplied by the risk weight associated with that category. The Company’s March 31, 2013, risk-weighted assets and resulting Tier 1 common equity to total risk-weighted assets are preliminary and reflect total estimated on-balance sheet and total estimated derivative and off-balance sheet risk-weighted assets of $882.7 billion and $212.4 billion, respectively. Effective September 30, 2012, the Company refined its determination of the risk weighting of certain unused lending commitments that provide for the ability to issue standby letters of credit and commitments to issue standby letters of credit under syndication arrangements where the Company has an obligation to issue in a lead agent or similar capacity beyond its contractual participation level.

# Tier 1 common equity under Basel III (Estimated) (1)

Wells Fargo & Company and Subsidiaries

**TIER 1 COMMON EQUITY UNDER BASEL III (ESTIMATED)** [1] [2]

| *($ in billions)* | | **Mar. 31, 2013** | |
|---|---|---|---|
| Tier 1 common equity under Basel I | | **$ 113.6** | |
| Adjustments from Basel I to Basel III [3][5]: | | | |
| Cumulative other comprehensive income related to AFS securities and defined benefit pension plans | | **$ 4.8** | |
| Other | | **0.5** | |
| Total adjustments from Basel I to Basel III | | **5.3** | |
| Threshold deductions, as defined under Basel III [4] [5] | | **(0.9)** | |
| Tier 1 common equity anticipated under Basel III | (C) | **$ 118.0** | |
| Total risk-weighted assets anticipated under Basel III [6] | (D) | **$ 1,406.1** | |
| Tier 1 common equity to total risk-weighted assets anticipated under Basel III | (C)/(D) | **8.39** | % |

(1) Tier 1 common equity is a non-generally accepted accounting principle (GAAP) financial measure that is used by investors, analysts and bank regulatory agencies to assess the capital position of financial services companies. Management reviews Tier 1 common equity along with other measures of capital as part of its financial analyses and has included this non-GAAP financial information, and the corresponding reconciliation to total equity, because of current interest in such information on the part of market participants.

(2) The Basel III Tier 1 common equity and risk-weighted assets are calculated based on management's current interpretation of the Basel III capital rules proposed by federal banking agencies in notices of proposed rulemaking announced in June 2012. The proposed rules and interpretations and assumptions used in estimating Basel III calculations are subject to change depending on final promulgations of Basel III capital rules.

(3) Adjustments from Basel I to Basel III represent reconciling adjustments, primarily certain components of cumulative other comprehensive income deducted for Basel I purposes, to derive Tier 1 common equity under Basel III.

(4) Threshold deductions, as defined under Basel III, include individual and aggregate limitations, as a percentage of Tier 1 common equity, with respect to MSRs, deferred tax assets and investments in unconsolidated financial companies.

(5) Volatility in interest rates can have a significant impact on the valuation of cumulative other comprehensive income and MSRs and therefore, may impact adjustments from Basel I to Basel III, and MSRs subject to threshold deductions, as defined under Basel III, in future reporting periods.

(6) Under current Basel proposals, risk-weighted assets incorporate different classifications of assets, with certain risk weights based on a borrower's credit rating or Wells Fargo's own risk models, along with adjustments to address a combination of credit/counterparty, operational and market risks, and other Basel III elements. The amount of risk-weighted assets anticipated under Basel III is preliminary and subject to change depending on final promulgation of Basel III capital rulemaking and interpretations thereof by regulatory authorities.

# Forward-looking statements and additional information

**Forward-looking statements:**

*This Quarterly Supplement and management's related presentation contain forward-looking statements about our future financial performance. These forward-looking statements include statements using words such as "believe," "expect," "anticipate," "estimate," "target", "should," "may," "can," "will," "outlook," "appears" or similar expressions. These forward-looking statements may include, among others, statements about: future credit quality and performance, including our current expectation of future loan loss reserve releases; our outlook for future growth; mortgage repurchase exposure; exposure related to mortgage practices, including foreclosures and servicing; our noninterest expense and efficiency ratio, including our targeted efficiency ratio range as part of our expense management initiatives; the future economic environment, including the housing market; loan growth; our expectations regarding net interest income and net interest margin; reduction or mitigation of risk in our loan portfolios; our mortgage originations, including mortgage volume, sale or retention of our mortgage production, and gain on sale margins; the estimated impact of regulatory reform on our financial results and business and expectations regarding our efforts to mitigate such impact; our estimated Tier 1 common equity ratio as of March 31, 2013, under proposed Basel III capital rules; our full year 2013 effective income tax rate; and future common stock dividends, common share repurchases and other uses of capital. Investors are urged to not unduly rely on forward-looking statements as actual results could differ materially from expectations. Forward-looking statements speak only as of the date made, and we do not undertake to update them to reflect changes or events that occur after that date. For more information about factors that could cause actual results to differ materially from expectations, refer to page 14 of Wells Fargo's press release announcing our first quarter 2013 results, as well as Wells Fargo's reports filed with the Securities and Exchange Commission, including the discussion under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2012.*

**Purchased credit-impaired loan portfolio:**

*Loans that were acquired from Wachovia that were considered credit impaired were written down at acquisition date in purchase accounting to an amount estimated to be collectible and the related allowance for loan losses was not carried over to Wells Fargo's allowance. In addition, such purchased credit-impaired loans are not classified as nonaccrual or nonperforming, and are not included in loans that were contractually 90+ days past due and still accruing. Any losses on such loans are charged against the nonaccretable difference established in purchase accounting and are not reported as charge-offs (until such difference is fully utilized). As a result of accounting for purchased loans with evidence of credit deterioration, certain ratios of the combined company are not comparable to a portfolio that does not include purchased credit-impaired loans.*

*In certain cases, the purchased credit-impaired loans may affect portfolio credit ratios and trends. Management believes that the presentation of information adjusted to exclude the purchased credit-impaired loans provides useful disclosure regarding the credit quality of the non-impaired loan portfolio. Accordingly, certain of the loan balances and credit ratios in this Quarterly Supplement have been adjusted to exclude the purchased credit-impaired loans. References in this Quarterly Supplement to impaired loans mean the purchased credit-impaired loans. Please see pages 31-33 of the press release for additional information regarding the purchased credit-impaired loans.*