Wealth and Investment Management

($ in millions)		1Q16	vs 4Q15		vs 1Q15
Net interest income	$	943	1	%	14
Noninterest income		2,911	(3)		(8)
Reversal of provision for credit losses		(14)	n.m.		n.m.
Noninterest expense		3,042	1		(3)
Income tax expense		314	(14)		(3)
Segment net income	**$**	**512**	**(14)**	**%**	**(3)**
($ in billions)					
Avg loans, net	$	64.1	2		13
Avg deposits		184.5	4		8

($ in billions, except where noted)		1Q16	vs 4Q15		vs 1Q15
Key Metrics:					
WIM Client assets [(1)] *($ in trillions)*	$	1.6	2	%	(2)
WIM Cross-sell [(2)]		10.55	-		1
Retail Brokerage					
Financial advisors		15,064	1		-
Advisory assets	$	428	2		(1)
Client assets *($ in trillions)*		1.4	2		(2)
Wealth Management					
Client assets		225	-		(1)
Wells Fargo Asset Management					
Total AUM [(3)]		481	(2)		(2)
Wells Fargo Funds AUM		222	(5)		(6)
Retirement					
IRA assets		357	1		(2)
Institutional Retirement Plan assets		331	(1)		(5)

- Net income of $512 million, down 3% YoY and down 14% LQ
- Net interest income up 14% YoY; average loans up 13% and average deposits up 8%
- Noninterest income down 3% LQ driven by lower brokerage transaction revenue, asset-based fees, and gains on deferred compensation plan investments (offset in employee benefits expense)
- Noninterest expense up 1% LQ primarily driven by seasonally higher personnel expense

Retail Brokerage

- Advisory assets of $428 billion, up 2% LQ; and down 1% YoY as lower market valuations were partially offset by net flows

Wealth Management

- Wealth Management client assets flat LQ and down 1% YoY

Wells Fargo Asset Management

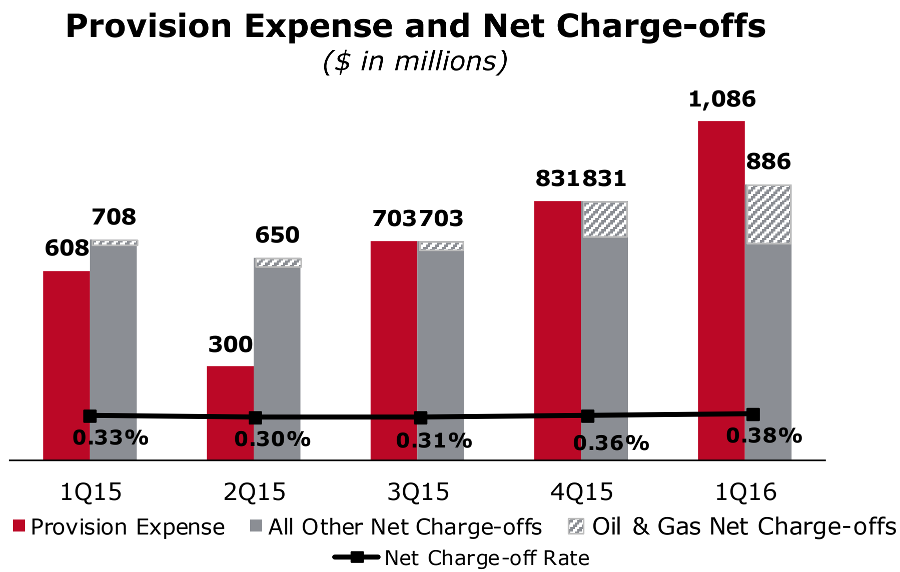
- Total AUM [(3)] down 2% LQ; and down 2% YoY due to equity outflows and lower market valuations, partially offset by favorable fixed income and money market net client inflows

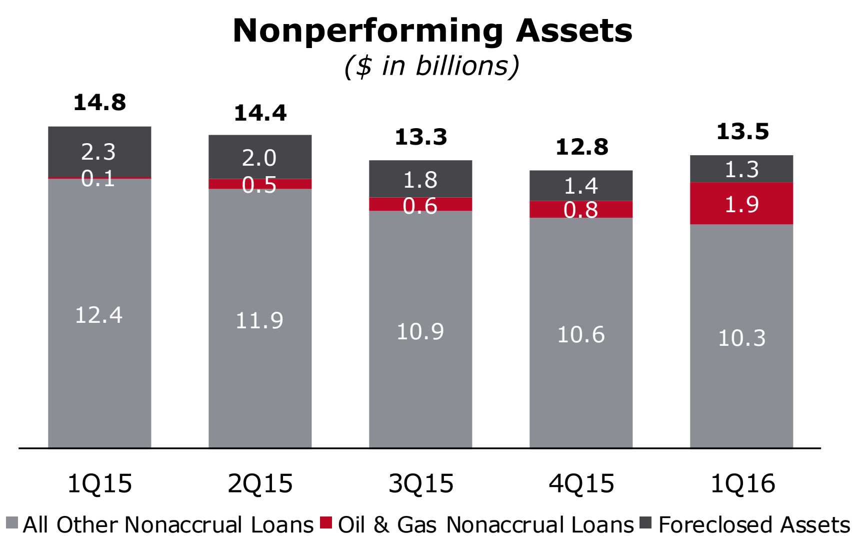
Retirement

- Institutional Retirement plan assets down 1% LQ and 5% YoY

(1) WIM Client Assets reflect Brokerage & Wealth assets, including Wells Fargo Funds holdings and deposits.
(2) 1Q16 data as of February 2016.
(3) Wells Fargo Asset Management Total AUM not held in Brokerage & Wealth client assets excluded from WIM Client Assets.

Credit quality





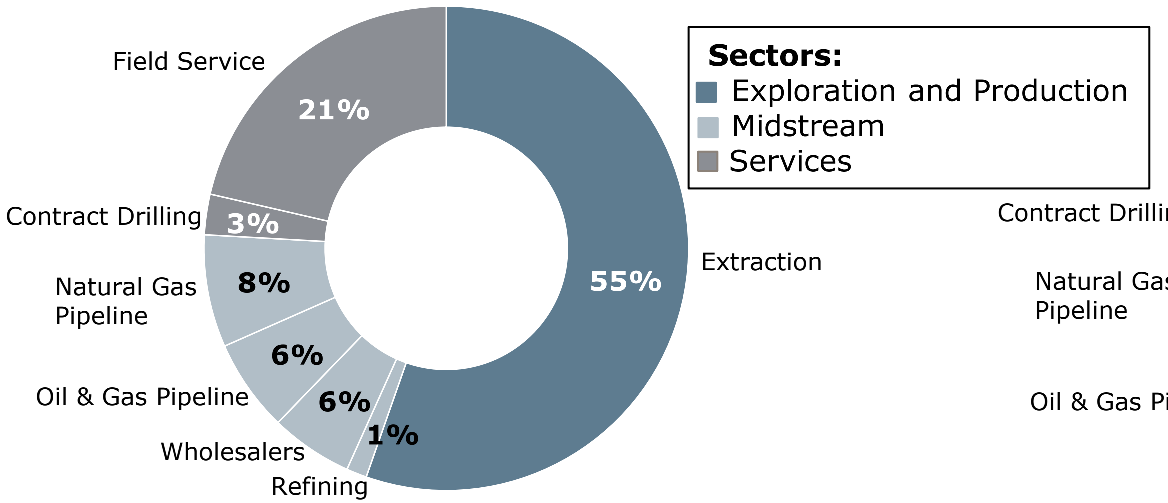
- Net charge-offs of $886 million, up $55 million, or 7%, LQ on $87 million higher oil and gas portfolio losses
- $200 million reserve build [(1)] in the quarter, as continued improvement in residential real estate was more than offset by higher oil and gas reserves
- 0.38% net charge-off rate
  - Commercial losses of 20 bps, up 4 bps LQ
  - Consumer losses of 57 bps, up 1 bp LQ
- NPAs increased $706 million LQ
  - Nonaccrual loans increased $852 million on $1.1 billion higher oil and gas and $343 million from the addition of GE Capital loans, partially offset by lower residential and commercial real estate nonaccruals
  - Foreclosed assets declined $146 million
- Early stage delinquencies in the consumer portfolio of 0.98%, down 19 bps LQ and 9 bps YoY
- Allowance for credit losses = $12.7 billion
  - Allowance covered 3.6x annualized 1Q16 net charge-offs
    - Acquired loans and leases from GE Capital acquisitions were marked to fair value in purchase accounting with no Allowance recorded with the closings
  - Future allowance levels will be based on a variety of factors, including loan growth, portfolio performance and general economic conditions

(1) Provision expense minus net charge-offs.

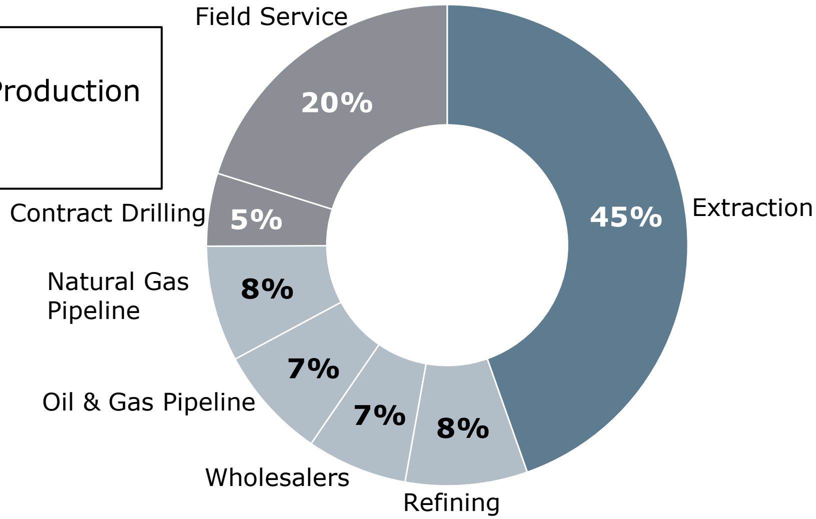
Oil and gas loan portfolio

- Oil and gas loan portfolio of $17.8 billion, or 1.9% of total loan outstandings

$17.8 billion of Oil and Gas Loans Outstanding (1)



$40.7 billion of Oil and Gas Exposure (1) (2)



- Outstandings up $474 million, or 3%, from 4Q15 on drawn lines and the acquisition of $236 million in loans from GE Capital
- Outstandings include $819 million second lien and $374 million of mezzanine loans
- ~7%, or $1.2 billion, of outstandings to investment grade companies (3)

- Exposure down $1.3 billion, or 3%, LQ reflecting declines across all 3 sectors from reductions to existing credit facilities and net charge-offs
- ~22%, or $8.8 billion, of exposure to investment grade companies (3)
  - ~34% of unfunded commitments are to investment grade companies

As of March 31, 2016.
(1) Industry classifications based on NAICS classifications.
(2) Exposure = Loans outstanding + unfunded commitments.
(3) Publicly rated investment grade rating from at least one of the debt rating agencies, as of 3/31/16.

Oil and gas loan portfolio, 1Q credit performance

Net charge-offs

- $204 million of net charge-offs in 1Q16, up $87 million from 4Q15, driven by deterioration in borrower financial performance and collateral values reflecting lower crude and natural gas prices
  - All of the losses were in the E&P and services sectors

Nonaccrual loans

- Nonaccrual loans of $1.9 billion, up $1.1 billion from 4Q15 on higher outstandings, weaker expectations for borrower cash flows reflecting lower collateral values, the run-off of hedges, less sponsor support and the closing of external liquidity sources, as well as protective draws
  - Nearly all nonaccruals were in the E&P and services sectors
  - ~90% of nonaccruals current on interest and principal
  - Substantially all nonaccruals are senior secured

Allowance for credit losses

- $1.7 billion of allowance for credit losses allocated for oil and gas portfolio
  - 9.3% of total oil and gas loans outstanding
  - Reflects updated individual borrower grades and grade migration in the quarter resulting from changing borrower financial conditions

Monitoring other loan exposures in energy regions

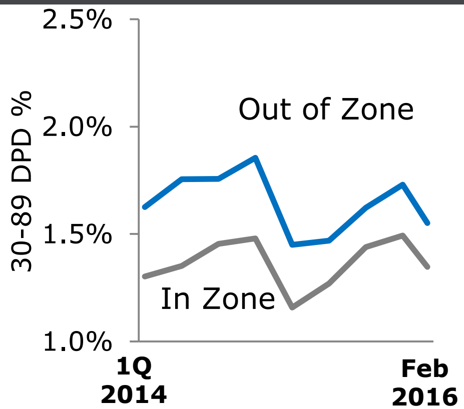
Consumer

For the past year, we have been closely monitoring communities dependent on petroleum, defined as "In Zone" (1)

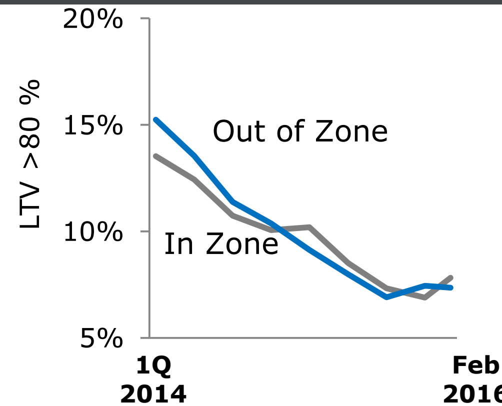
- 15 regions in 8 of these states have > 3% employment to oil and gas companies

- Tracking consumer loan outstandings and utilization, delinquency rates and trends, FICO scores and loan-to-value (LTV) migration in all large consumer portfolios including residential real estate, auto, credit card, and other revolving credit
- After having outperformed the consumer portfolio for several years, "In Zone" consumer delinquencies have increased and were trending in line with the rest of the consumer portfolio, defined as "Out of Zone"

30 89+ Days Past Due of Consumer Portfolios



Residential Real Estate, % LTVs > 80%



- Implemented underwriting changes across our consumer portfolios in these "In Zone" markets to respond to market conditions

Commercial Real Estate

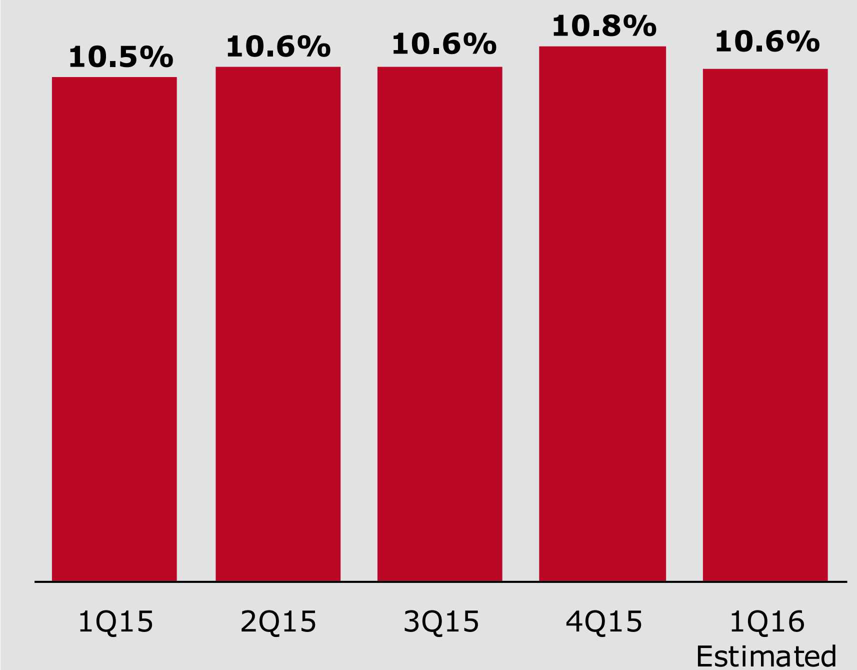
Monitoring exposures in states highly correlated to the oil and gas industry

- Tracking loans outstanding and collateral performance, nonaccrual trends, loan rating migration, along with market trends
- Starting from a position of strength with loans typically being moderately levered and often credit enhanced with meaningful recourse
  - Larger exposures are typically with strong, institutional-quality sponsors

(1) Regions in nine states, including the Houston core-based statistical area due to the high total number of petroleum jobs in the metro area, and the state of Alaska due to a decrease in the payout from the Permanent Fund Dividend (is a fund that pays royalties from the oil industry to residents of Alaska).

Capital

Common Equity Tier 1 Ratio (Fully Phased-In) (1)



Capital Position

- Capital remained strong
- Common Equity Tier 1 ratio well above the regulatory minimum and buffers and our internal buffer
  - Common Equity Tier 1 ratio (fully phased-in) of 10.6% at 3/31/16 (1)
  - LQ decline reflected the deployment of capital for the addition of assets acquired from GE Capital

Capital Return

- Period-end common shares outstanding down 16.2 million LQ
  - Purchased 51.7 million common shares
  - Issued 35.5 million common shares reflecting seasonally higher employee benefit plan activity
- Our strong capital levels allowed us to continue to return capital to shareholders
  - Returned $3.0 billion to shareholders in 1Q16
  - Net payout ratio (2) of 60% in 1Q16

(1) 1Q16 capital ratio is a preliminary estimate. Fully phased-in capital ratios are calculated assuming the full phase-in of the Basel III capital rules. See page 31 for additional information regarding capital ratios.
(2) Net payout ratio means the ratio of (i) common stock dividends and share repurchases less issuances and stock compensation-related items, divided by (ii) net income applicable to common stock.

1Q16 Summary

1Q16

- Strong earnings of $5.5 billion
  - Diluted EPS of $0.99
- PTPP (1) of $9.2 billion, up 5% from 1Q15
- Solid returns
  - ROA = 1.21%
  - ROE = 11.75%
- Added $30.8 billion of loans and leases from GE Capital
- Strong loan and deposit growth
  - Period-end loans up $86.1 billion, or 10%, YoY
  - Period-end deposits up $44.8 billion, or 4%, YoY
- Diversified and high quality loan portfolio
  - Credit quality remained strong with net charge-offs of 0.38% (annualized), up 5 bps from 1Q15
  - Maintained our risk and pricing discipline
- Strong capital levels while returning $3.0 billion to shareholders through common stock dividends and net share repurchases in 1Q16

(1) 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.

Appendix

Non-strategic/liquidating loan portfolio

($ in billions)		1Q16	4Q15	3Q15	2Q15	1Q15	4Q08
Pick-a-Pay mortgage (1)	$	37.7	39.1	40.6	42.2	43.7	95.3
Liquidating home equity		2.1	2.2	2.4	2.6	2.7	10.3
Legacy WFF indirect auto		-	-	-	-	-	18.2
Legacy WFF debt consolidation		9.4	10.0	10.3	10.7	11.1	25.3
Education Finance - gov't guaranteed		-	-	-	-	-	20.5
Legacy WB C&I and CRE PCI loans (1)		0.4	0.5	0.5	0.6	0.7	18.7
Legacy WB other PCI loans (1)		0.1	0.2	0.2	0.3	0.4	2.5
Total	**$**	**49.7**	**52.0**	**54.0**	**56.4**	**58.6**	**190.8**

(1) Net of purchase accounting adjustments.

Real estate 1-4 family first mortgage portfolio

($ in millions)		1Q16		4Q15
Real estate 1-4 family first mortgage:				
Core portfolio	$	227,614		224,750
Non-strategic and liquidating loan portfolios (1)		47,120		49,119
Total real estate 1-4 family first mortgage portfolio	$	274,734		273,869
Core first lien mortgage:				
Nonaccrual loans	$	3,059		3,210
as % of loans		1.34	%	1.43
Net charge-offs	$	34		23
as % of average loans		0.06	%	0.04
Non-strategic and liquidating first lien mortgage portfolio:				
Nonaccrual loans	$	3,624		4,083
as % of loans		7.69	%	8.31
Net charge-offs	$	14		27
as % of average loans		0.12	%	0.22

- Core first lien up $2.9 billion, or 1%, LQ reflecting nonconforming mortgage originations
  - Nonconforming mortgage loans increased $5.5 billion to $144.5 billion (2)
  - First lien home equity lines of $15.9 billion, down $280 million
- Strong core first lien credit performance
  - Nonaccrual loans down $151 million, or 9 bps, LQ
  - Net charge-offs up $11 million LQ to 6 bps
- Pick-a-Pay non-PCI portfolio
  - Loans of $19.3 billion down 4% LQ driven by loans paid-in-full
  - Nonaccrual loans decreased $132 million, or 6%, LQ
  - Net charge-offs down $5.7 million LQ on improved portfolio performance and lower severities
  - Current average LTV of 58% (3)
- Pick-a-Pay PCI portfolio
  - Accretable yield balance of $15.6 billion
  - Remaining nonaccretable difference of $1.7 billion

(1) Non-strategic and liquidating loan portfolios primarily consist of Pick-a-Pay and PCI loans acquired from Wachovia and certain portfolios from legacy Wells Fargo Home Equity and Wells Fargo Financial.
(2) Nonconforming mortgages originated post February 2009.
(3) The current loan-to-value (LTV) ratio is calculated as the net carrying value divided by the collateral value.

Real estate 1-4 family junior lien mortgage portfolio

($ in millions)		1Q16		4Q15
Real estate 1-4 family junior lien mortgage:				
Core portfolio	$	49,119		50,652
Non-strategic and liquidating loan portfolios [(1)]		2,205		2,352
Total real estate 1-4 family junior lien mortgage portfolio	$	51,324		53,004
Core junior lien mortgage:				
Nonaccrual loans	$	1,329		1,398
as % of loans		2.71	%	2.76
Net charge-offs	$	65		60
as % of average loans		0.52	%	0.47
Non-strategic and liquidating junior lien mortgage portfolio:				
Nonaccrual loans	$	92		97
as % of loans		4.17	%	4.11
Net charge-offs	$	9		10
as % of average loans		1.53	%	1.61

- Junior lien mortgage loans down 3% LQ as new originations were more than offset by paydowns
- Core junior nonaccruals down $69 million, or 5%, LQ
- Core junior net charge-offs of $65 million, or 52 bps, up $5 million LQ

(1) Non-strategic and liquidating loan portfolios primarily consist of PCI loans acquired from Wachovia and certain portfolios from legacy Wells Fargo Home Equity and Wells Fargo Financial.

Consumer credit card portfolio

($ in millions)		1Q16		4Q15
Credit card outstandings	$	33,139		34,039
Net charge-offs		262		243
as % of avg loans		3.16	%	2.93
Key Metrics:				
Purchase volume	$	17,467		18,943
POS transactions *(millions)*		256		274
New accounts [(1)]		664,344		597,355
POS active accounts *(thousands)* [(2)]		8,207		8,282

- Credit card outstandings down 3% LQ from a seasonally high 4Q15, and up 10% YoY reflecting account growth
  - Credit card household penetration [(3)] of 43.3%, down 16 bps LQ reflecting household growth, while up 145 bps YoY reflecting continued new account growth and card portfolio acquisition
  - Purchase dollar volume down 8% LQ on seasonality and up 13% YoY
- Net charge-offs up $19 million, or 23 bps, LQ and $23 million YoY on portfolio growth

(1) Includes consumer credit card as well as certain co-brand and private label relationship new account openings.
(2) Accounts having at least one POS transaction, including POS reversal, during the month.
(3) Household penetration as of February 2016 and defined as the percentage of Retail Bank households that have a credit card with Wells Fargo.

Auto portfolios

($ in millions)		1Q16		4Q15
Indirect Consumer:				
Auto outstandings	$	57,829		57,082
Nonaccrual loans		111		118
as % of loans		0.19	%	0.21
Net charge-offs	$	123		131
as % of avg loans		0.86	%	0.92
30+ days past due	$	1,070		1,416
as % of loans		1.85	%	2.48
Direct Consumer:				
Auto outstandings	$	2,829		2,884
Nonaccrual loans		3		3
as % of loans		0.11	%	0.10
Net charge-offs	$	4		4
as % of avg loans		0.62	%	0.53
30+ days past due	$	12		16
as % of loans		0.42	%	0.55
Commercial:				
Auto outstandings	$	10,336		10,245
Nonaccrual loans		16		16
as % of loans		0.15	%	0.16
Net charge-offs	$	-		-
as % of avg loans		n.m.	%	n.m.

Consumer Portfolio

- Auto outstandings of $60.7 billion up 1% LQ and 8% YoY
  - 1Q16 originations of $7.7 billion up 2% LQ and 9% YoY
- Nonaccrual loans declined $7 million LQ and $19 million YoY
- Net charge-offs down $8 million LQ driven by seasonality, and up $26 million YoY on higher severity
  - March Manheim index of 122.5, down 3% LQ and 2% YoY
- 30+ days past due decreased $350 million, LQ reflecting seasonality and increased $108 million YoY on portfolio growth

Commercial Portfolio

- Loans of $10.3 billion up 1% LQ and 15% YoY

Student lending portfolio

($ in millions)		1Q16		4Q15
Private Portfolio:				
Private outstandings	$	12,466		12,241
Net charge-offs		32		44
as % of avg loans		1.04	%	1.42
30 days past due	$	218		240
as % of loans		1.75	%	1.96

Private Portfolio

- $12.5 billion private loan outstandings up 2% LQ and YoY
  - Average FICO of 756 and 81% of the total outstandings have been co-signed
  - Originations up 136% LQ due to seasonality and 11% YoY
- Net charge-offs decreased $12 million LQ due to seasonality of repayment and $1 million, or 2%, YoY
- 30+ days past due decreased $22 million LQ and $10 million YoY

Common Equity Tier 1 (Fully Phased-In)

Wells Fargo & Company and Subsidiaries

COMMON EQUITY TIER 1 UNDER BASEL III (FULLY PHASED-IN) (1)

(in billions)		Estimated Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015
Total equity		**$ 198.5**	193.9	194.0	190.7	190.0
Noncontrolling interests		**(1.0)**	(0.9)	(0.9)	(1.1)	(1.2)
Total Wells Fargo stockholders' equity		**197.5**	193.0	193.1	189.6	188.8
Adjustments:						
Preferred stock		**(22.0)**	(21.0)	(21.0)	(20.0)	(20.0)
Goodwill and other intangible assets (2)		**(30.9)**	(28.7)	(28.7)	(29.1)	(28.9)
Investment in certain subsidiaries and other		**(1.9)**	(0.9)	(1.6)	(0.6)	(0.9)
Common Equity Tier 1 (Fully Phased-In) under Basel III (1)	(A)	**142.7**	142.4	141.8	139.9	139.0
Total risk-weighted assets (RWAs) anticipated under Basel III (3)(4)	(B)	**$ 1,341.2**	1,321.7	1,331.8	1,325.6	1,326.3
Common Equity Tier 1 to total RWAs anticipated under Basel III (Fully Phased-In) (4)	(A)/(B)	**10.6%**	10.8	10.6	10.6	10.5

(1) Basel III capital rules, adopted by the Federal Reserve Board on July 2, 2013, revised the definition of capital, increased minimum capital ratios, and introduced a minimum Common Equity Tier 1 (CET1) ratio. These rules established a new comprehensive capital framework for U.S. banking organizations that implements the Basel III capital framework and certain provisions of the Dodd-Frank Act. The rules are being phased in through the end of 2021. Fully phased-in capital amounts, ratios and RWAs are calculated assuming the full phase-in of the Basel III capital rules. Fully phased-in regulatory capital amounts, ratios and RWAs are considered non-GAAP financial measures that are used by management, bank regulatory agencies, investors and analysts to assess and monitor the Company's capital position. We have 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) Goodwill and other intangible assets are net of any associated deferred tax liabilities.

(3) The final Basel III capital rules provide for two capital frameworks: the Standardized Approach, which replaced Basel I, and the Advanced Approach applicable to certain institutions. Under the final rules, we are subject to the lower of our CET1 ratio calculated under the Standardized Approach and under the Advanced Approach in the assessment of our capital adequacy. Because the final determination of our CET1 ratio and which approach will produce the lower CET1 ratio as of March 31, 2016, is subject to detailed analysis of considerable data, our CET1 ratio at that date has been estimated using the Basel III definition of capital under the Basel III Standardized Approach RWAs. The capital ratio for December 31, 2015, September 30, 2015, and June 30, 2015, was calculated under the Basel III Standardized Approach RWAs, and the capital ratio for March 31, 2015 was calculated under the Basel III Advanced Approach RWAs.

(4) The Company's March 31, 2016, RWAs and capital ratio are preliminary estimates.

Forward-looking statements and additional information

Forward-looking statements:

This document contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, we may make forward-looking statements in our other documents filed or furnished with the SEC, and our management may make forward-looking statements orally to analysts, investors, representatives of the media and others. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," "target," "projects," "outlook," "forecast," "will," "may," "could," "should," "can" and similar references to future periods. In particular, forward-looking statements include, but are not limited to, statements we make about: (i) the future operating or financial performance of the Company, including our outlook for future growth; (ii) our noninterest expense and efficiency ratio; (iii) future credit quality and performance, including our expectations regarding future loan losses and allowance levels; (iv) the appropriateness of the allowance for credit losses; (v) our expectations regarding net interest income and net interest margin; (vi) loan growth or the reduction or mitigation of risk in our loan portfolios; (vii) future capital levels or targets and our estimated Common Equity Tier 1 ratio under Basel III capital standards; (viii) the performance of our mortgage business and any related exposures; (ix) the expected outcome and impact of legal, regulatory and legislative developments, as well as our expectations regarding compliance therewith; (x) future common stock dividends, common share repurchases and other uses of capital; (xi) our targeted range for return on assets and return on equity; (xii) the outcome of contingencies, such as legal proceedings; and (xiii) the Company's plans, objectives and strategies. Forward-looking statements are not based on historical facts but instead represent our current expectations and assumptions regarding our business, the economy and other future conditions. 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 the "Forward-Looking Statements" discussion in Wells Fargo's press release announcing our first quarter 2016 results and in our most recent Quarterly Report on Form 10-Q, as well as to Wells Fargo's other 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, 2015.

Purchased credit-impaired loan portfolios:

Loans acquired that were considered credit impaired at acquisition were written down at that 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 document have been adjusted to exclude the purchased credit-impaired loans. References in this document to impaired loans mean the purchased credit-impaired loans. Please see page 30 of the press release announcing our 1Q16 results for additional information regarding the purchased credit-impaired loans.