WELLS FARGO

2Q12 Quarterly Supplement

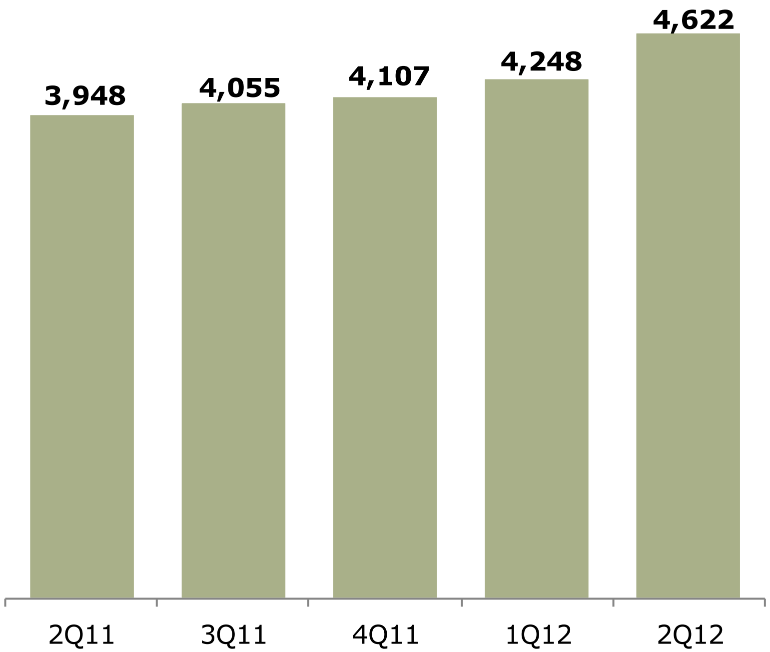
July 13, 2012

Together we'll go far

Table of contents

2Q12 Results

Wells Fargo Net Income
($ in millions)

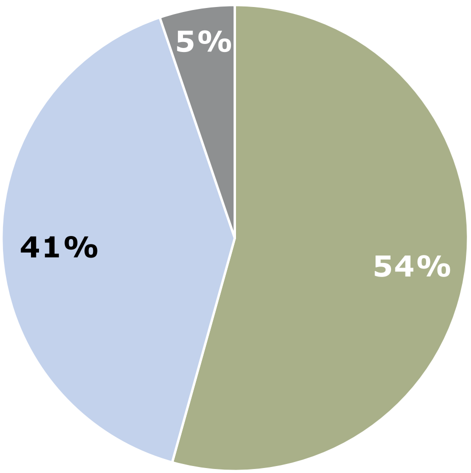


- Record earnings of $4.6 billion, up 9% linked quarter (LQ) and 17% year-over-year (YoY)
- Record diluted earnings per share of $0.82, up 9% LQ and 17% YoY
- Total revenue of $21.3 billion, down $347 million LQ as higher net interest income was offset by lower market-sensitive revenues
- Pre-tax pre-provision profit (1) of $8.9 billion, up $249 million LQ
- Positive operating leverage; efficiency ratio improvement to 58.2% (2)
- Improved credit quality including an 8% LQ decline in net charge-offs and a 7% LQ decline in NPAs
- ROA = 1.41%, up 10 bps LQ and up 14 bps YoY
- ROE = 12.86%, up 72 bps LQ and up 94 bps YoY
- Capital levels remained strong
  - 10.08% Tier 1 common equity ratio under Basel I and estimated Tier 1 common equity ratio under Basel III of 7.78% (3)

(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.
(2) Efficiency ratio defined as noninterest expense divided by total revenue (net interest income plus noninterest income).
(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 37-38 for additional information regarding Tier 1 common equity ratios.

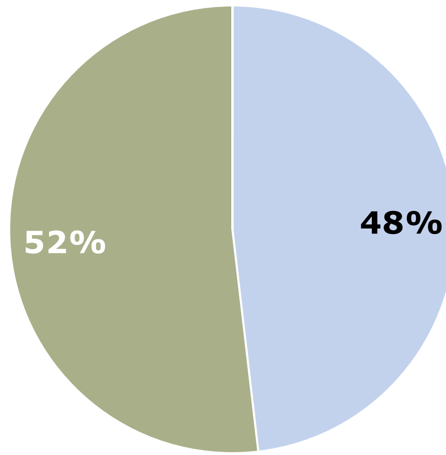
Continued strong diversification

Diversified Loan Portfolio



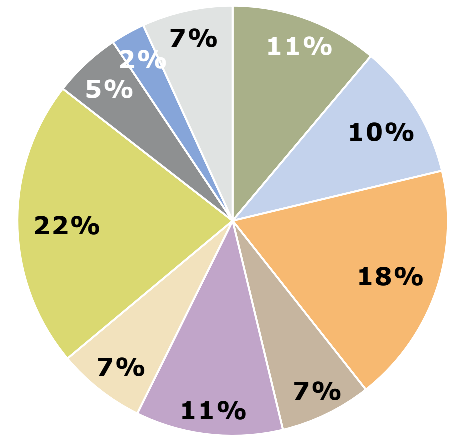
Consumer Loans	54%
Commercial Loans	41%
Foreign Loans	5%

Balanced Spread and Fee Income



Net Interest Income	52%
Noninterest Income	48%

Diversified Fee Generation



Deposit Service Charges	11%
Trust, Investment & IRA fees	10%
Commissions & All Other Investment Fees	18%
Card Fees	7%
Other Banking Fees	11%
Mortgage Servicing, net	7%
Mortgage Orig./Sales, net	22%
Insurance	5%
Net Gains from Trading [1]	2%
Other Noninterest Income [2]	7%

All data is for 2Q12.
(1) Net gains from trading activities.
(2) Other noninterest income includes net losses on debt securities available for sale, net gains from equity investments, operating leases and all other noninterest income.

Balance Sheet overview

Loans	▪ Total period-end loans up $8.7 billion; core loans grew $13.8 billion; non-strategic/liquidating portfolio decreased $5.1 billion (1)
Securities available for sale (AFS)	▪ Balances down $3.4 billion as new investments were more than offset by called lower-yielding securities and run-off
Trading assets	▪ Balances down $11.3 billion as first quarter conforming agency MBS production held over quarter-end to facilitate best execution was delivered during the second quarter
Deposits	▪ Balances down $1.3 billion reflecting seasonality due to tax payments
Long-term debt	▪ Balances down $4.8 billion as $7.6 billion in issuances were more than offset by $12.4 billion in maturities and redemptions
Common stock repurchases	▪ Purchased 53 million common shares in the quarter and an additional estimated 11 million shares through a forward repurchase transaction that is expected to settle in 3Q12

Period-end balances. All result comparisons are 2Q12 compared to 1Q12.

(1) See pages 6 and 24 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.

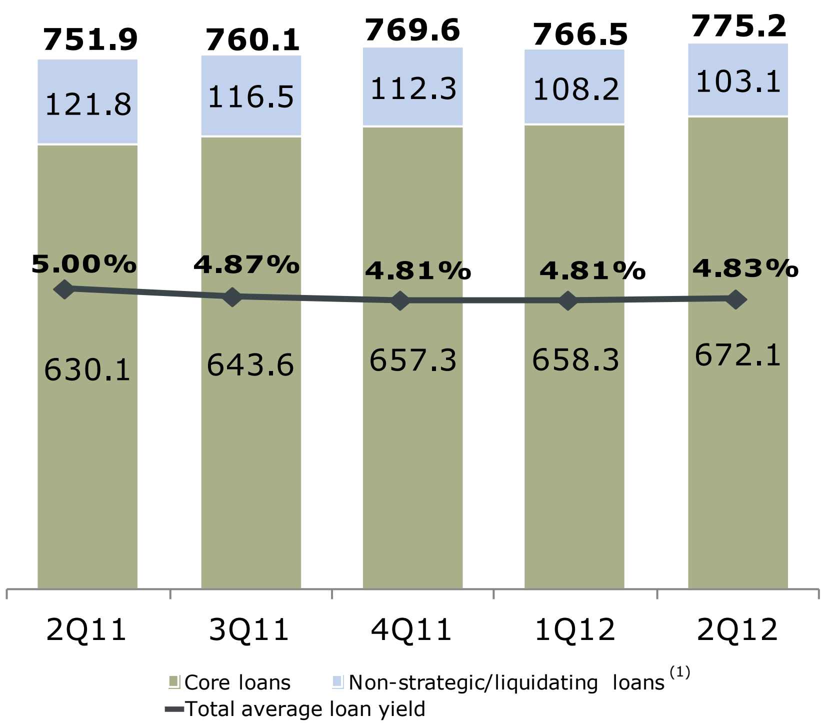
Income Statement overview

Net interest income	▪ NII up $149 million as higher PCI loan resolution income and lower long-term debt expense were offset by continued balance sheet repricing ▪ Net interest margin (NIM) unchanged at 3.91%
Noninterest income	▪ Mortgage banking up $23 million - Provision for mortgage repurchase losses up $239 million primarily due to future expected demands from the GSEs on loans sold between 2006 and 2008 ▪ Market sensitive revenues (1) down $553 million - Trading down $377 million driven by $218 million lower deferred compensation plan investment income (P&L neutral) - Equity investment gains down $122 million from strong 1Q12 results and higher OTTI (2) ▪ Trust & investment fees up $59 million on higher retail brokerage asset-based fees and capital markets
Noninterest expense	▪ Employee benefits expense down $559 million from seasonally high 1Q12 and $222 million lower deferred compensation expense ▪ Commission and incentive compensation decreased $63 million from seasonally high 1Q12, which was partially offset by $112 million higher revenue-based compensation ▪ Operating losses up $47 million and included an accrual for the settlement with the Department of Justice (DOJ) announced 7/12/12

All result comparisons are 2Q12 compared with 1Q12.
(1) Includes net gains from trading activities, net losses on debt securities available for sale and net gains from equity investments.
(2) Other-than-temporary impairment.

Loans
Strong core loan growth

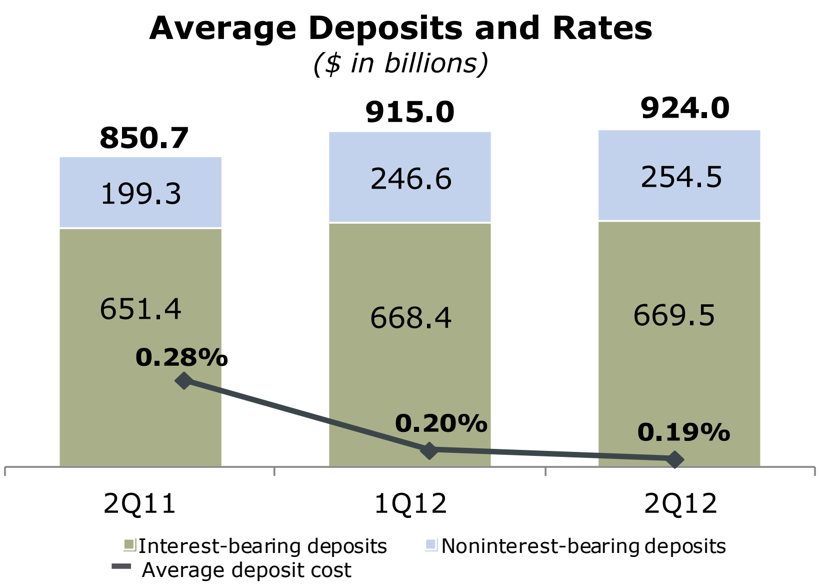
Period–end Loans Outstanding
($ in billions)

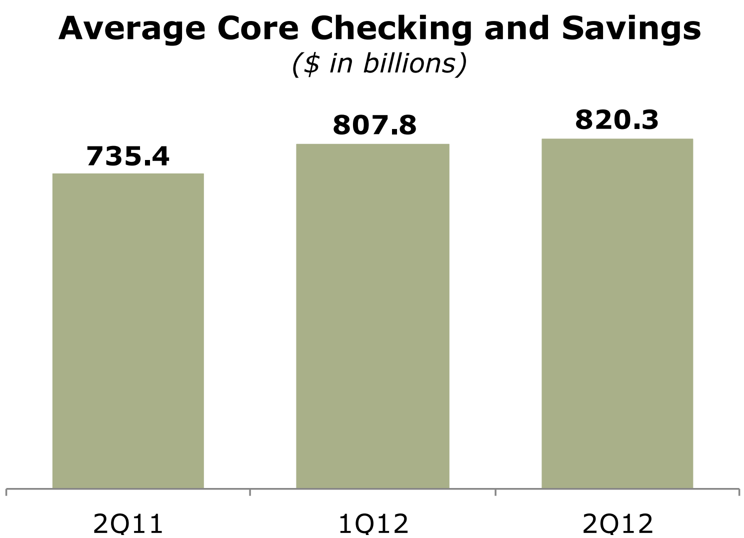


- Period-end loans up $8.7 billion from 1Q12
  - Commercial loans up $8.3 billion as growth in C&I and foreign was partially offset by lower CRE
    - Included $6.9 billion ($5.4 billion C&I and $1.5 billion foreign) from the purchase of BNP Paribas’ energy lending business and the purchase of subscription finance loans from WestLB
  - Consumer loans up $375 million as growth in first mortgages, core auto and credit card was partially offset by a $2.3 billion decline in junior lien mortgage
- Non-strategic/liquidating loans (1) down $5.1 billion from 1Q12
- Core loans grew $13.8 billion from 1Q12
- Total average loan yield of 4.83% up 2 bps LQ
  - Benefited from higher than average PCI loan resolutions
  - Weighted average yield of the non-strategic portfolio was 6.20% in 2Q12 vs. 5.40% in 1Q12

Period-end balances.
(1) See page 24 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
Strong growth and reduced average cost



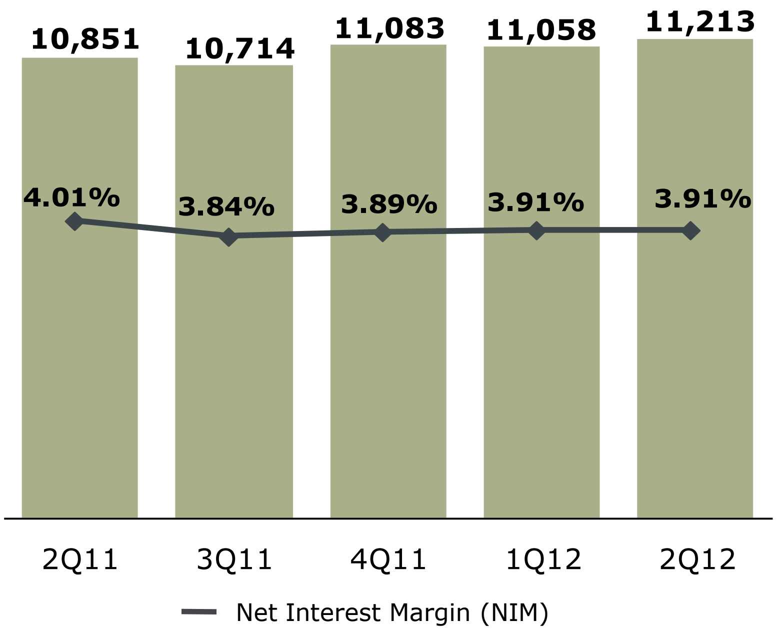


(1) *Checking account growth is 12-months ending May 2012.*

- Average deposits up $9.0 billion LQ to $924.0 billion driven by growth in consumer deposits
- Average core deposits of $880.6 billion up $10.1 billion from 1Q12 and up $73.2 billion, or 9% YoY
  - 115% of average loans
  - Average retail core deposits up 5% annualized LQ
- Average core checking and savings up $12.5 billion, or 2% from 1Q12, and up $84.9 billion, or 12% YoY
  - 93% of average core deposits
- Consumer checking accounts (1) up a net 1.0% YoY
- Average deposit cost of 19 bps down 1 bp from 1Q12 and 9 bps YoY

Net interest income

Net Interest Income (TE) [1]
($ in millions)

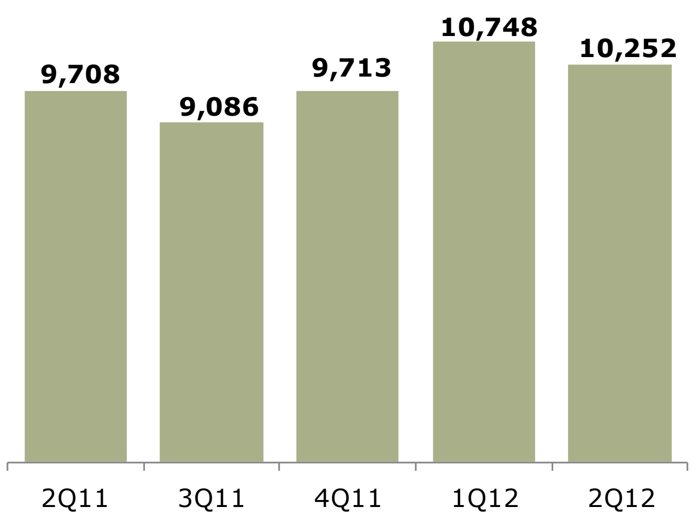


- Tax-equivalent net interest income [1] up $155 million from 1Q12; NIM unchanged
- Average earning assets up 1% LQ
  - Short-term investments/cash up $15.3 billion
  - $2.6 billion increase in mortgages held for sale
  - Trading assets down $1.2 billion
- NIM stable on an ~7 bps benefit from variable items including PCI loan resolution income
  - Balance sheet repricing continued as higher yielding earning assets ran off
  - Interest-bearing deposit costs stable in the quarter
  - Long-term debt expense declined on the redemption of TRUPs

(1) *Tax equivalent net interest income is based on the federal statutory rate of 35% for the periods presented. Net interest income was $10,678 million, $10,542 million, $10,892 million, $10,888 million and $11,037 million for 2Q11, 3Q11, 4Q11, 1Q12 and 2Q12 respectively.*

Noninterest income

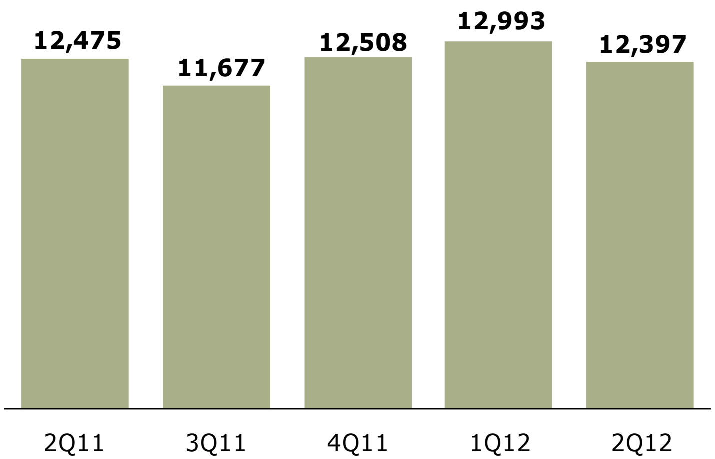
($ in millions)		2Q12	vs 1Q12		vs 2Q11
Noninterest income					
Service charges on deposit accounts	$	1,139	5	%	6
Trust and investment fees		2,898	2		(2)
Card fees		704	8		(30)
Other fees		1,134	4		11
Mortgage banking		2,893	1		79
Insurance		522	1		(8)
Net gains from trading activities		263	(59)		(36)
Net losses on debt securities available for sale		(61)	n.m.		(52)
Net gains from equity investments		242	(34)		(67)
Operating leases		120	n.m.		17
Other		398	(37)		9
Total nonterest income	**$**	**10,252**	**(5)**	**%**	6



- Deposit service charges up 5% LQ reflecting product and pricing changes as well as seasonality
- Trust and investment fees up 2% LQ on higher retail brokerage asset-based fees and capital markets activity partially offset by weaker retail brokerage transaction activity
- Card fees up 8% LQ reflecting higher credit and debit interchange revenue on higher volumes and new account growth
- Mortgage banking up $23 million, or 1%, LQ despite a $239 million increase in the provision for mortgage repurchase losses
- Trading gains down $377 million primarily on $218 million lower deferred compensation plan investment results (P&L neutral)
- Equity gains down $122 million LQ from strong 1Q12 results and higher OTTI

Noninterest expense

($ in millions)		2Q12	vs 1Q12		vs 2Q11
Noninterest expense					
Salaries	$	3,705	3	%	3
Commission and incentive compensation		2,354	(3)		8
Employee benefits		1,049	(35)		(10)
Equipment		459	(18)		(13)
Net occupancy		698	(1)		(7)
Core deposit and other intangibles		418	-		(10)
FDIC and other deposit assessments		333	(7)		6
Other		3,381	2		(3)
Total noninterest expense	**$**	**12,397**	**(5)**	**%**	**(1)**



- Noninterest expense down $596 million from 1Q12 driven by lower personnel expense; down $78 million from 2Q11
  - Commission and incentive compensation decreased $63 million LQ, or 3%, as $112 million increase in revenue driven compensation was more than offset by declines in seasonally high 1Q12 expense
  - Employee benefits expense down $559 million from 1Q12 seasonally high expense and $222 million decline in deferred compensation expense
- 2Q12 expenses included:
  - $89 million higher severance expense driven by expense initiatives
  - ~$100 million in mortgage servicing regulatory consent orders outside professional services expense was stable LQ
  - $47 million higher operating losses included an accrual for the settlement with the DOJ

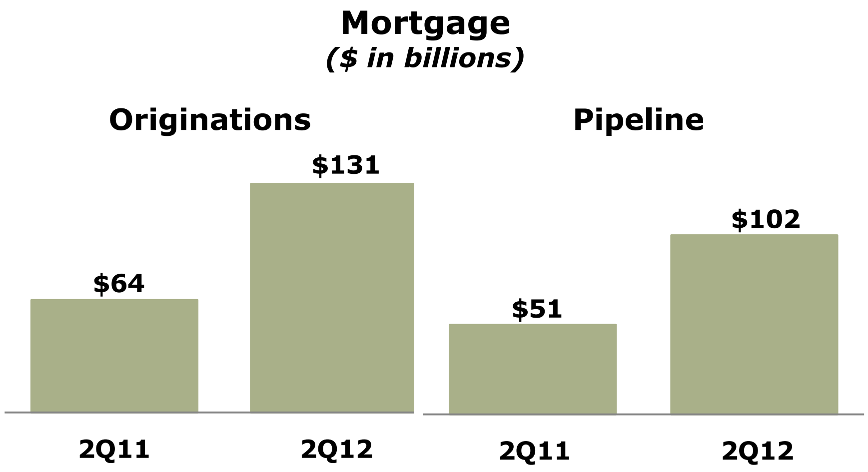
Year-over-year revenue up while expenses down

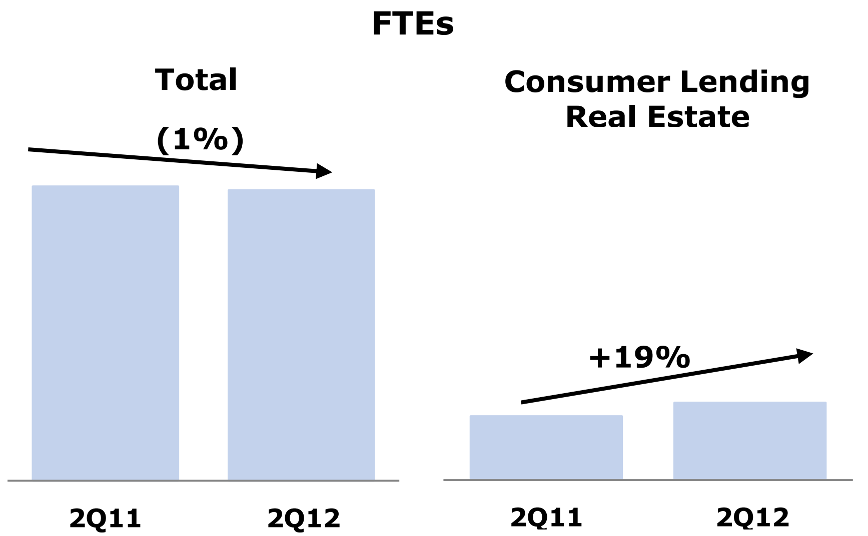
Year-over-year change:

- Revenue up $903 million
- Noninterest expense down $78 million

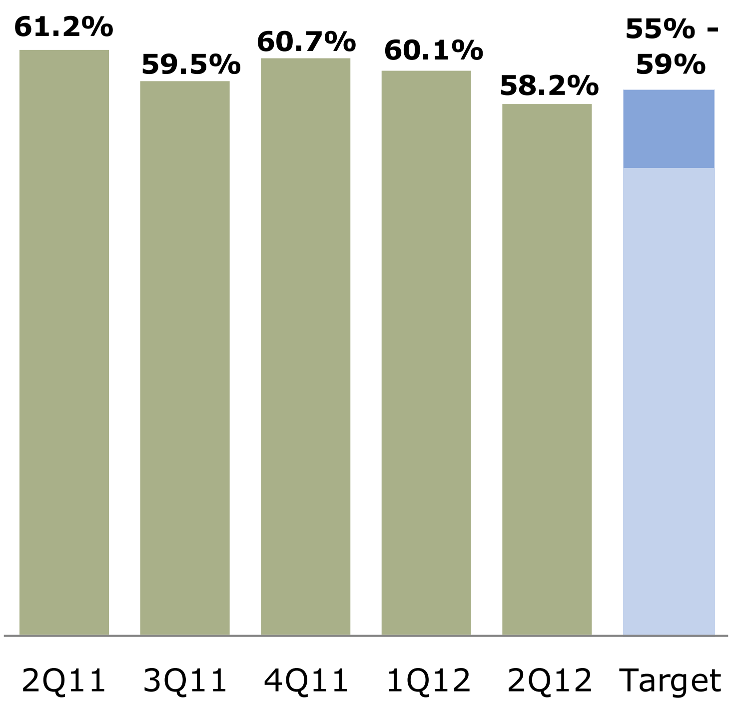
- Revenue and expense considerations as of 6/30/12 include:
  - Higher volume-driven revenue and expenses
    - Record mortgage loan applications in 2Q12
    - Second largest mortgage pipeline at the end of 2Q12
  - Successfully acquired several companies and loan portfolios during the last twelve months
  - Continued reinvestment in the business
  - Elevated litigation accruals
  - Mortgage servicing costs remain elevated due to the consent orders

- Currently expect 4Q12 noninterest expense to exceed our original target of ~$11,250 million given stronger than anticipated revenue
  - Expenses are expected to trend down over the remainder of the year





Efficiency ratio (1) improvements



- Expense reduction accomplishments to date (2):
  - Reduced FTEs by 3%
    - FTEs in high cost geographies reduced 10%
  - Net occupancy expense reduced by 7%
    - Includes real estate reduction of 3 million square feet
  - Reduced third party spend through renegotiated contracts and optimization of internal demand
  - Reduced foreclosed asset expense
  - Reduced loss mitigation personnel and related expenses
  - Reduced technology expenses by 3% despite meaningful growth in IT-related volumes
  - Reduced organizational complexity
    - 13% reduction in legal entities
    - 13% reduction in satellite data centers
- Efficiency ratio of 58.2% in 2Q12 was the lowest in nine quarters
- Continue to target a range of 55%-59%
- Currently expect to be within that range for the rest of 2012

(1) Efficiency ratio defined as noninterest expense divided by total revenue (net interest income plus noninterest income).
(2) Expense reductions since 4Q10 except for technology savings measured from 2Q10.

Community Banking

($ in millions)		2Q12	vs 1Q12		vs 2Q11
Net interest income	$	7,306	-	%	(1)
Noninterest income		5,786	(5)		11
Provision for credit losses		1,573	(16)		(18)
Noninterest expense		7,580	(3)		2
Income tax expense		1,313	2		24
Segment earnings	**$**	**2,535**	**8**	**%**	**20**
($ in billions)					
Avg loans, net	$	483.9	-		(3)
Avg core deposits		586.1	2		6

	2Q12		1Q12	2Q11
Regional Banking				
Consumer checking account growth [1][2]	1.0	%	2.5	7.5
Business checking account growth [1][2]	3.8		3.8	5.0
Retail Bank household cross-sell [1]	6.00		5.98	5.82

($ in billions)		2Q12	vs 1Q12		vs 2Q11
Consumer Lending					
Credit card payment volumes (POS)	$	11.7	14	%	15
Credit card penetration [1][3]		31.0	110	bps	360
Home Mortgage					
Applications	$	208	11	%	91
Application pipeline		102	29		100
Originations		131	2		105
Managed residential mortgage servicing *($ in trillions)*	$	1.9	1		3

(1) *Metrics reported on a one-month lag from reported quarter-end; for example 2Q12 cross-sell is as of May 2012.*
(2) *Checking account growth is 12-months ending May 2012.*
(3) *Household penetration as of May 2012 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.*
(4) *Home Affordable Refinance Program.*

- Average loans were stable LQ as growth in first mortgage, core auto and credit card was offset by non-strategic/liquidating portfolio run-off and lower home equity outstandings

Regional Banking

- Continued franchise and cross-sell growth [1]
  - Consumer checking [2] up a net 1.0%
  - Business checking [2] up a net 3.8%
  - Retail bank cross-sell of 6.00 products per household up from 5.82 in 2Q11
    - West cross-sell = 6.37
    - East cross-sell = 5.52

Consumer Lending

- Credit card penetration [1] [3] rose to 31.0%, up from 29.9% in 1Q12 and 27.4% in 2Q11
- Record consumer auto originations of $6.6 billion, up 6% LQ and 18% YoY
- Mortgage originations of $131 billion up 2% LQ
  - 16% of originations were from HARP [4]
- Quarter-end pipeline of $102 billion up 29% LQ
- Managed residential mortgage servicing of $1.9 trillion up 1% LQ and 3% YoY

Wholesale Banking

($ in millions)		2Q12	vs 1Q12		vs 2Q11
Net interest income	$	3,347	5	%	14
Noninterest income		2,770	(3)		4
Provision for credit losses		188	98		n.m.
Noninterest expense		3,113	2		13
Income tax expense		932	(8)		(7)
Segment earnings	**$**	**1,881**	**1**	**%**	**(2)**
($ in billions)					
Avg loans, net	$	270.2	1		11
Avg core deposits		220.9	-		16

($ in billions)		2Q12		vs 1Q12		vs 2Q11
Key Metrics:						
Commercial card spend volume	$	4.0		8	%	26
CEO Mobile Wire volume [1]		4.1		26		217
YTD U.S. investment banking market share % [2]		4.9	%	10	bps	20
Total AUM	$	436.5		(2)	%	(9)
Advantage Funds AUM		204.1		(3)		(12)

- Record revenue of $6.1 billion
- Net interest income up 5% driven by higher PCI loan resolution income and loan outstandings
  - Average loans up $1.6 billion driven by acquisitions and customer loan growth partially offset by continued runoff of the liquidating portfolio
- Noninterest income down 3% LQ driven by lower trading and equity gains
- Provision expense up $93 million LQ as lower losses were offset by a $25 million reserve build vs. a $100 million release in 1Q12
- Expenses up 2% LQ driven by non-personnel expenses related to growth initiatives and compliance and regulatory requirements

Treasury Management

- Commercial card spend volume of $4.0 billion up 8% LQ and 26% YoY

Investment Banking

- Investment Banking fees from Commercial Banking customers up 22% YTD from 2011 YTD
- YTD U.S. investment banking market share [2] of 4.9% up from 4.7% YTD 2011

Asset Management

- Total AUM down 2% LQ
  - Money market outflows and lower market valuation partially offset by positive fixed income flows

(1) Approved and initiated.
(2) Source: Dealogic U.S. investment banking fee market share.

Wealth, Brokerage and Retirement

($ in millions)		2Q12	vs 1Q12		vs 2Q11
Net interest income	$	698	-	%	-
Noninterest income		2,273	(4)		(5)
Provision for credit losses		37	(14)		(40)
Noninterest expense		2,376	(7)		(4)
Income tax expense		210	16		2
Segment earnings	**$**	**343**	**16**	**%**	**2**
($ in billions)					
Avg loans, net	$	42.5	-		(2)
Avg core deposits		134.2	(1)		7

($ in billions, except where noted)		2Q12	vs 1Q12		vs 2Q11
Key Metrics:					
WBR Clients Assets [1] *($ in trillions)*	$	1.4	(2)	%	(2)
Cross-sell [2]		10.22	1		3
Retail Brokerage					
Financial Advisors		15,170	-	%	-
Managed account assets	$	278.9	-		7
Client assets [1] *($ in trillions)*		1.2	(2)		(2)
Wealth Management					
Client assets [1]		196.7	(2)		(4)
Retirement					
IRA Assets		282.3	(2)		(1)
Institutional Retirement Plan Assets		250.2	(2)		1

(1) Includes deposits.
(2) Data as of May 2012.

- Net interest income flat LQ
- Noninterest income down 4% LQ driven by lower deferred compensation results
- Total revenue declined 3% LQ; excluding $122 million lower deferred compensation plan investment results, revenues increased 1% on higher retail brokerage asset-based fees, partially offset by lower brokerage transaction revenue
- Expenses down 7% LQ primarily due to lower deferred compensation expense; excluding $118 million lower deferred compensation expense, expenses were down 2%

Retail Brokerage

- Managed account assets flat LQ and up 7% YoY driven by strong net flows

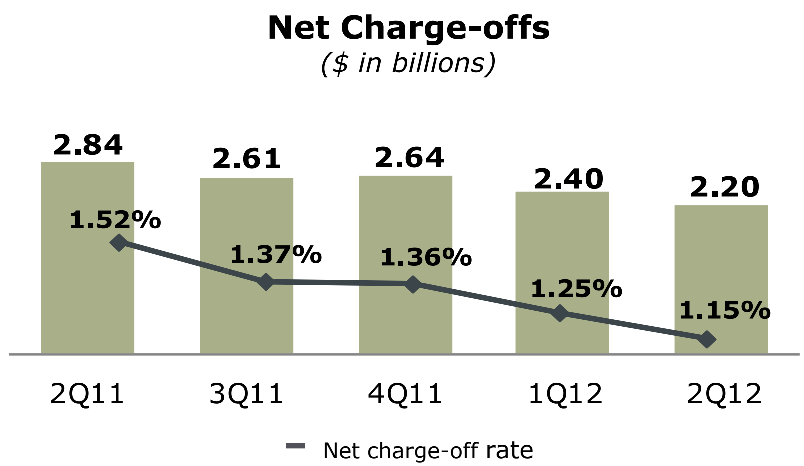
Wealth Management

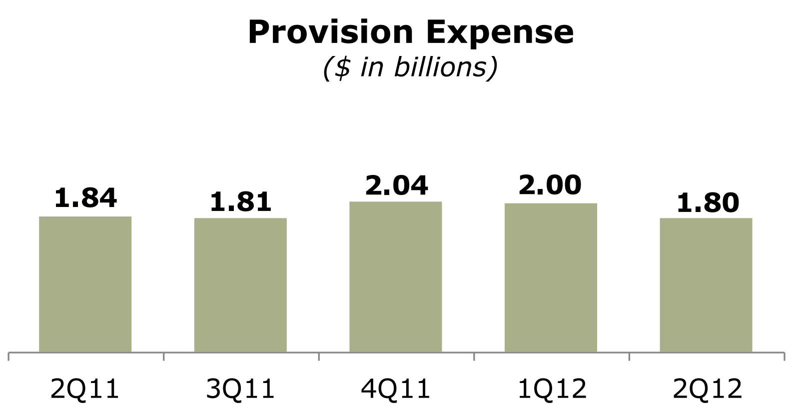
- Wealth Management client assets down 4% YoY reflecting asset mix including global equities and commodities, as well as lower deposit balances

Retirement

- IRA assets down 2% LQ and 1% YoY
- Institutional Retirement plan assets down 2% LQ and up 1% YoY

Credit quality
Improved performance with lower net charge-offs

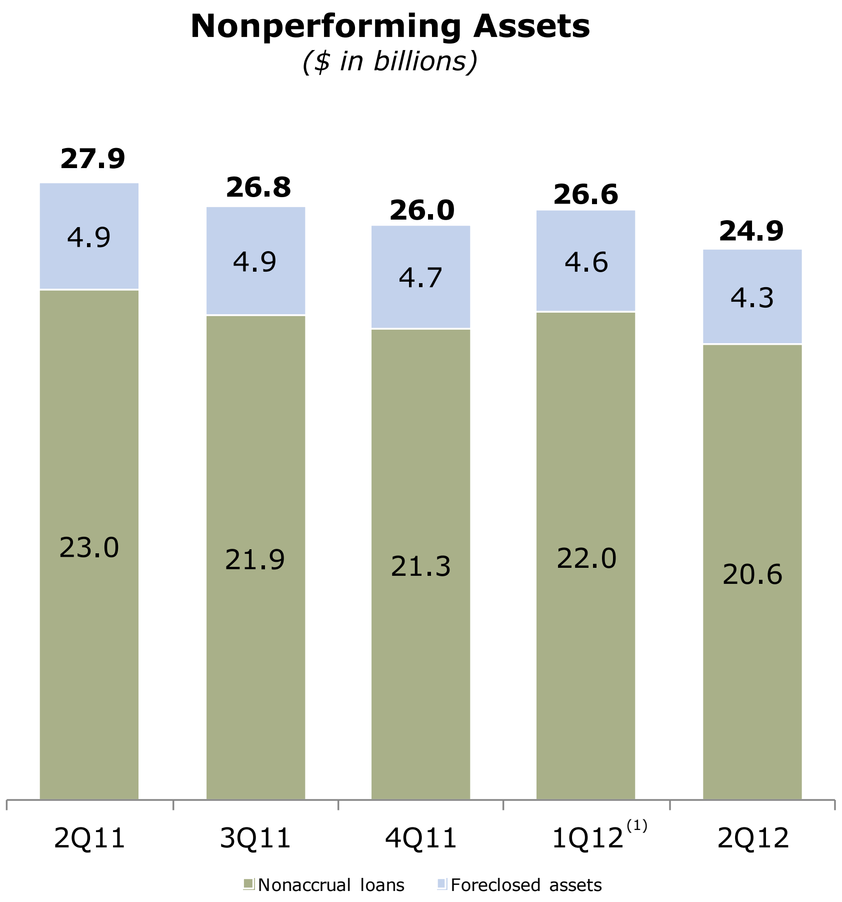


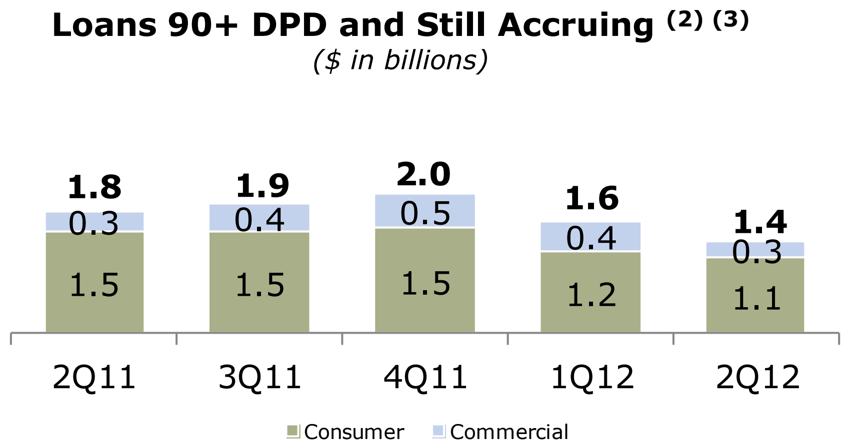


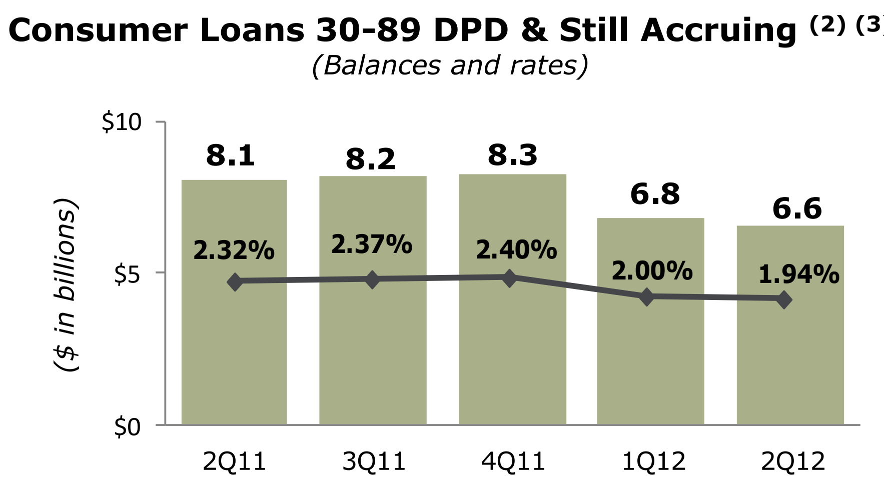
- $2.2 billion net charge-offs, down $195 million LQ and down 59% from 4Q09 peak
  - 1.15% net charge-off rate, down 10 bps LQ
- Provision expense of $1.8 billion, down $195 million from 1Q12, included a $400 million reserve release (1) in 2Q12 in line with 1Q12
- Allowance for credit losses = $18.6 billion
- Remaining PCI nonaccretable = 25.4% of remaining UPB (2)
- Credit metrics:
  - $1.8 billion LQ decline in NPAs reflects $1.4 billion reduction in NPLs and $310 million lower foreclosed assets
  - Early stage consumer delinquency balances declined 3% and rates improved 6 bps LQ driven by the Pick-a-Pay and core home equity portfolios

(1) Reserve release represents the amount by which net charge-offs exceed the provision for credit losses.
(2) Unpaid principal balance for PCI loans that have not had a UPB charge-off.

Credit quality



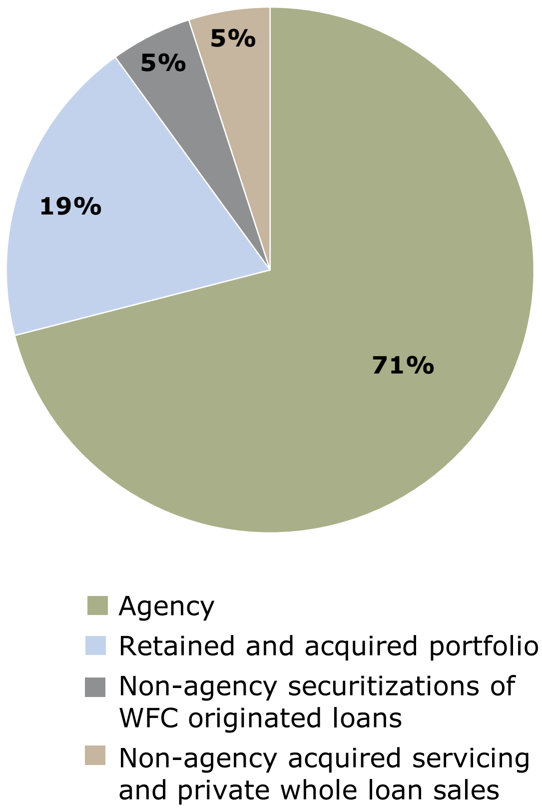




(1) Includes $1.7 billion at March 31, 2012, resulting from implementation of Interagency Supervisory Guidance on Allowance for Loan and Lease Losses Estimation Practices for Loans and Lines of Credit Secured by Junior Liens on 1-4 Family Residential Properties issued January 31, 2012.
(2) Excludes mortgage 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.
(3) Consumer includes mortgage loans held for sale 30-89 days and 90 days or more past due and still accruing.

Mortgage servicing
Wells Fargo has a high quality servicing portfolio

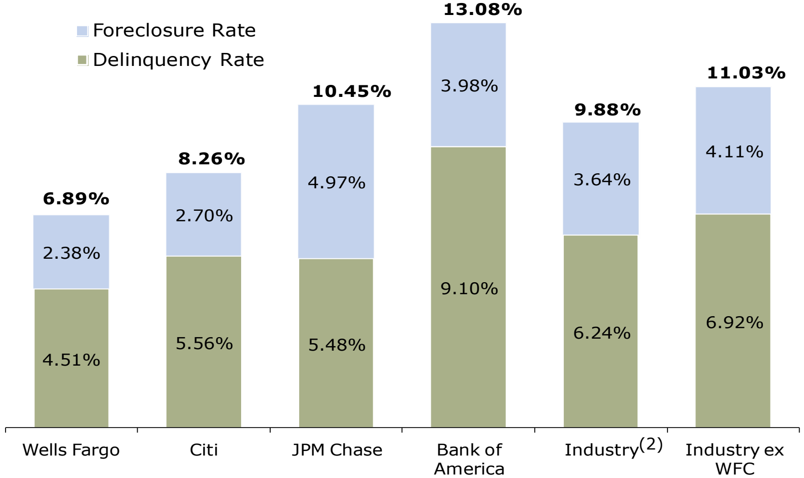
Residential Mortgage Servicing Portfolio
$1.9 Trillion
(as of June 30, 2012)



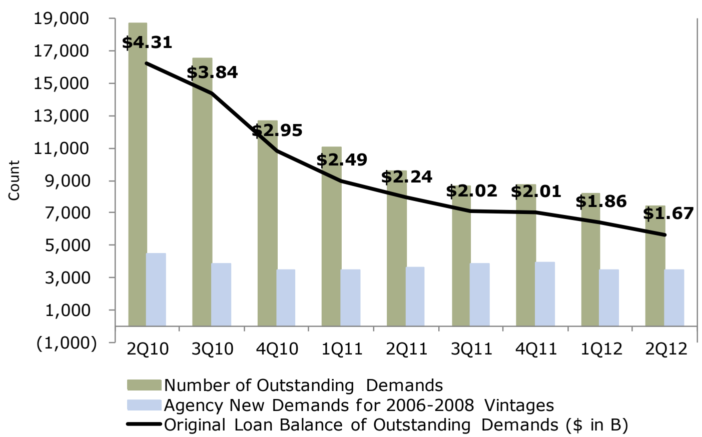
- 71% of the portfolio is with the Agencies (FNMA, FHLMC and GNMA)
- 19% are loans that we retained or acquired
  - Loss exposure handled through loan loss reserves and PCI nonaccretable
- 5% are private securitizations where Wells Fargo originated the loan and therefore has some repurchase risk
  - 79% prime at origination
  - 58% from pre-2006 vintages
  - Insignificant amount of home equity and no option ARMs
  - ~50% do not have traditional reps and warranties
- 5% are non-agency acquired servicing and private whole loan sales
  - 4% is acquired servicing where Wells Fargo did not underwrite and securitize and has repurchase recourse with the originator
  - 1% are private whole loan sales
    - Less than 2% subprime at origination
    - Loans sold to others and subsequently securitized are included in private securitizations above

Mortgage servicing
Delinquency and outstanding repurchase demands

1Q12 Servicing Portfolio Delinquency Performance (1)



Total Outstanding Repurchase Demands (3) and Agency New Demands for 2006-2008 Vintages



(1) *Inside Mortgage Finance, data as of March 31, 2012. Industry excluding WFC performance calculated based on IMF data.*
(2) *Industry is all large servicers ($6.6 trillion) including WFC, C, JPM and BAC.*
(3) *Includes mortgage insurance rescissions.*

- As of 1Q12, the delinquency and foreclosure ratio of Wells Fargo's servicing portfolio continued to be significantly lower than peers, per industry data
- Wells Fargo's total delinquency and foreclosure ratio for 2Q12 was 7.14%, up LQ due to seasonality but down from 7.44% in 2Q11
- Balance of total outstanding repurchase demands down 10% LQ and down 26% YoY
- Increased repurchase reserve in 2Q12 primarily due to future expected demands from the GSEs on loans sold between 2006 and 2008

Agency demands outstanding

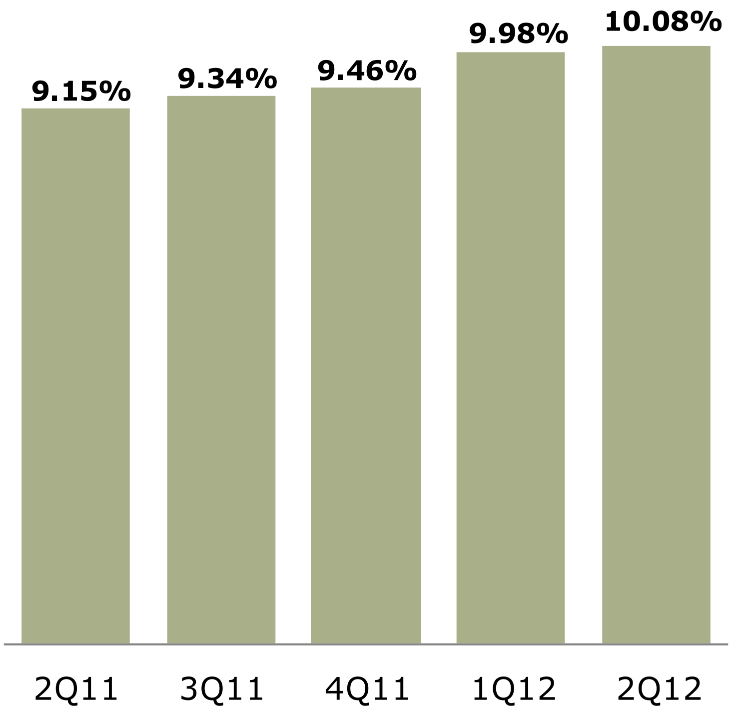
- Agency repurchase demands outstanding down from 1Q12
- Demands on newer vintage originations continue to emerge consistent with our estimates
- Demands and losses continued to be concentrated in the 2006 - early 2008 vintages

Non-Agency demands outstanding

- Balance of non-agency repurchase demands outstanding, which includes non-agency securities, whole loans sold and acquired servicing, down from 1Q12; continued to be a small percentage of total demands outstanding

Capital
Capital remained strong and continued to grow

Tier 1 Common Equity Ratio Under Basel I



- Tier 1 common equity ratio under Basel I increased 10 bps in 2Q12
- Tier 1 common equity ratio under Basel III is estimated to be 7.78% at 6/30/12 (1)
  - Pro forma estimate approximately 30 bps lower as a result of latest Basel III capital proposals released in June 2012
- Redeemed $1.8 billion of trust preferred securities with a weighted average coupon of 6.31% on 6/15/12, and repurchased $2.2 billion of subordinated debt on 6/28/12
- Purchased 53 million common shares in 2Q12 and entered into a $350 million 2Q12 forward repurchase transaction, estimated to be 11 million shares, that is expected to settle in 3Q12

See Appendix page 37 for additional information on Tier 1 common equity.
2Q12 capital ratios are preliminary estimates.
(1) 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 37-38 for additional information regarding Tier 1 common equity ratios.

Summary

- Record earnings of $4.6 billion
- Higher net interest income and revenue momentum across many fee categories offset by higher provision for mortgage repurchase losses and lower market-sensitive revenues
  - Period-end loans up $8.7 billion from 1Q12
- Expenses down $596 million from 1Q12 on lower personnel expense
  - 2Q12 efficiency ratio within our target range of 55% to 59%; expect to operate within this range over remainder of 2012 (1)
- Higher PTPP (2) of $8.9 billion
- Improved credit quality
- Solid returns
  - ROA = 1.41%; highest in 16 quarters
  - ROE = 12.86%
- Capital levels remained strong

(1) 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) Pre-tax pre-provision profit (PTPP) is total revenue less noninterest expense. Management believes that 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

Recent acquisitions and divestitures

Acquired from / Divestiture of	Date
2012	
Pending	
Merlin Securities, LLC	
Complete	
WestLB (Subscription finance portfolio)	2Q12
BNP Paribas North American Energy Lending	2Q12
Burdale Financial Holdings Limited	1Q12
EverKey Global Partners	1Q12
2011	
Loan portfolio purchases	
Irish Bank Resolution Corp.	4Q11
Bank of Ireland	3Q11
Allied Irish	2Q11
Acquisitions	
LaCrosse Holdings, LLC	4Q11
CP Equity, LLC (remaining equity interest)	3Q11
Foreign Currency Exchange Corp. (certain assets)	3Q11
Insurance brokerage firms	
7 transactions	2Q11-3Q11
Divestitures	
H.D. Vest Financial Services	4Q11
Wells Fargo Third Party Administrator, Inc.	4Q11
WFF Canadian, Guam and Saipan receivables	4Q11
American E&S	2Q11

Non-strategic/liquidating loan portfolio risk reduction

($ in billions)		*2Q12*	*1Q12*	*4Q11*	*3Q11*	*2Q11*	*4Q08*
Pick-a-Pay mortgage (1)	$	62.0	64.0	65.7	67.4	69.6	95.3
Liquidating home equity		5.2	5.5	5.7	6.0	6.3	10.3
Legacy WFF indirect auto		1.5	1.9	2.5	3.1	3.9	18.2
Legacy WFF debt consolidation		15.5	16.0	16.5	17.2	17.7	25.3
Education Finance - gov't guaranteed		13.8	14.8	15.4	15.6	16.3	20.5
Legacy WB C&I, CRE and foreign PCI loans (1)		4.3	5.2	5.7	6.3	7.0	18.7
Legacy WB other PCI loans (1)		0.8	0.8	0.8	0.9	1.0	2.5
Total	**$**	**103.1**	**108.2**	**112.3**	**116.5**	**121.8**	**190.8**

-$5.1 **-$4.1** **-$4.2** **-$5.3** **-$69.0**

-$87.7

(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**	
March 31, 2012		7.8	35.8	1.8	**45.4**	
June 30, 2012		6.6	34.6	1.7	**42.9**	
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		(6.8)	(16.0)	(2.8)	**(25.6)**	
Release of nonaccretable difference since merger		(3.1)	(2.4)	(0.8)	**(6.3)**	(2)
6/30/12 Remaining nonaccretable difference		0.7	8.1	0.4	**9.2**	
Life-to-date net performance						
Additional provision since 2008 merger	$	(1.7)	-	(0.1)	**(1.8)**	
Release of nonaccretable difference since 2008 merger		3.1	2.4	0.8	**6.3**	(2)
Net performance		1.4	2.4	0.7	**4.5**	

(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 $4.5 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 accretable yield

- 2Q12 results included accretion into interest income of $630 million, up from 1Q12 reflecting higher settlements with borrowers
- Balance of $15.2 billion expected to accrete to income over the remaining life of the underlying loans

Accretable yield rollforward *($ in millions)*		*2Q12*	*1Q12*	*Cumulative since merger*
Total, beginning of period	$	15,763	15,961	10,447
Addition of accretable yield due to acquisitions		-	-	128
Accretion into interest income [1]		(630)	(514)	(8,343)
Accretion into noninterest income due to sales [2]		(5)	-	(242)
Reclassification from nonaccretable difference for loans with improving cash flows		84	235	4,532
Changes in expected cash flows that do not affect nonaccretable difference [3]		(59)	81	8,631
Total, end of period	$	15,153	15,763	15,153

(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 changes in interest rates on variable rate PCI loans, changes in prepayment assumptions and the impact of modifications.

PCI accretable yield (Commercial [1] and Pick-a-Pay)

Commercial [1] PCI Accretable Yield ($ in millions)		2Q12		1Q12	4Q11
PCI interest income					
Accretion and resolution income	$	323		210	242
Average carrying value		5,629		6,638	6,812
Accretable yield percentage [2]		22.95	%	12.61	14.20
Accretable yield balance	$	1,008		1,347	1,363
Weighted average life (years)		2.2		2.8	3.2

- Commercial accretion [2] increased $113 million and accretable yield percentage rose to 22.95% reflecting higher settlements with borrowers in 2Q12

Pick-a-Pay PCI Accretable Yield ($ in millions)		2Q12		1Q12	4Q11
PCI interest income					
Accretion	$	303		311	326
Average carrying value		28,041		28,734	29,331
Accretable yield percentage		4.32	%	4.32	4.45
Accretable yield balance	$	13,466		13,709	14,018
Weighted average life (years)		11.4		11.0	11.0

- Pick-a-Pay weighted average life increased to 11.4 years on the extension of liquidation timing

(1) Includes both legacy Wachovia PCI loans as well as recently purchased PCI loans.
(2) Includes resolution income.

2Q12 Credit quality highlights

($ in millions)		2Q12 PCI loans	Non PCI loans		Total Wells Fargo	
Commercial loans	$	5,285	348,767		354,052	
Consumer loans		28,521	392,626		421,147	
Total period-end loans	$	33,806	741,393		775,199	
Total nonaccrual loans				$	20,578	
Total foreclosed assets					4,307	
Total NPAs				$	24,885	
as % of loans					3.21	%
Provision for credit losses				$	1,800	
Net charge-offs					2,200	
as % of avg loans					1.15	%
Commercial					0.42	
Consumer					1.76	%
Allowance for credit losses				$	18,646	
as % of loans					2.41	%
as % of nonaccrual loans					91	%

- Net charge-offs of $2.2 billion down $195 million LQ
  - Commercial losses down $28 million driven by lower CRE construction and C&I losses
  - Consumer losses down $167 million on declines across all asset classes
- Total NPAs of $24.9 billion down $1.8 billion
  - Nonaccrual loans down $1.4 billion with declines in both commercial and consumer nonaccruals
  - Foreclosed assets down $310 million
    - 60% of the balance are government guaranteed loans and loans written down through purchase accounting
      - $1.5 billion, or 34%, are government guaranteed
      - $1.1 billion, or 25%, reflects shift from PCI loans to REO ($321 million consumer and $777 million C&I and CRE)
- Currently expect future reserve releases in 2012 absent significant deterioration in the economy

Pick-a-Pay mortgage portfolio

- Carrying value of $62.0 billion in first lien loans outstanding, down $1.9 billion from 1Q12 and down $33.3 billion from 4Q08 on paid-in-full loans and loss mitigation efforts
  - Adjusted unpaid principal balance of $68.9 billion, down $2.4 billion from 1Q12 and down $46.8 billion from 4Q08
  - $4.3 billion in modification principal forgiveness since acquisition reflects over 105,000 completed full-term modifications; additional $548 million of conditional forgiveness that can be earned by borrowers through performance over the next 3 years
  - Modification redefault rate has been consistently better than the industry average (as measured by 60+ DPD after six months)

($ in millions)	At 6/30/2012		At 3/31/2012		At 12/31/2008	
Product type	*Adjusted unpaid principal*	*% of total*	*Adjusted unpaid principal*	*% of total*	*Adjusted unpaid principal*	*% of total*
Option payment loans [1]	$ 35,353	51 %	$ 37,251	52 %	$ 99,937	86 %
Non-option payment adjustable-rate and fixed-rate loans [1]	9,315	14	9,673	14	15,763	14
Full-term loan modifications [1]	24,184	35	24,284	34	-	-
Total adjusted unpaid principal balance [1]	$ 68,852	100 %	$ 71,208	100 %	$ 115,700	100 %
Total carrying value	62,045		63,983		95,315	

(1) Adjusted unpaid principal 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.

Pick-a-Pay credit highlights

($ in millions)		2Q12		1Q12
Non-PCI loans				
Carrying value (1)	$	34,342		35,563
Nonaccrual loans		3,808		3,918
as a % of loans		11.09	%	11.02
Net charge-offs	$	203		200
as % of avg loans		2.35	%	2.21
90+ days past due as % of loans		10.16		10.27
Current average LTV (2)		85	%	86
Current average FICO		682		681
Contractual average loan size	$	206,000		208,000
Contractual average age of loans		8.29	years	8.04
% of loans in California		49	%	49

($ in millions)		2Q12		1Q12
PCI loans				
Adjusted unpaid principal balance (3)	$	34,644		35,785
Carrying value (1)		27,703		28,420
Current average LTV (2)		89	%	90
Current average FICO		615		612
Contractual average loan size	$	307,000		310,000
Contractual average age of loans		6.25	years	6.00
% of loans in California		68	%	68

Non-PCI portfolio

- Loans down 3% driven by loans paid-in-full
- 85% of portfolio current
- Nonaccrual loans declined 3% from 1Q12
  - $117 million of nonaccrual TDRs reclassified to accruing TDR status based on borrower payment performance
- $3.8 billion in nonaccruals includes $1.1 billion of nonaccruing TDRs
- Net charge-offs of $203 million in 2Q12, consistent with expectations
- 43% of portfolio with LTV (2) ≤ 80%

PCI portfolio

- Carrying value down 3%
- 68% of portfolio current
- 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)		2Q12		1Q12
Total real estate 1-4 family first mortgage	$	230,263		228,885
Less consumer non-strategic/liquidating portfolios:				
Pick-a-Pay non-PCI first lien mortgage		34,342		35,563
PCI first lien mortgage		28,331		29,082
Debt consolidation first mortgage portfolio		15,129		15,610
Core first lien mortgage		152,461		148,630
Legacy WFF debt consolidation first mortgage loan performance (1)				
Nonaccrual loans	$	2,158		2,284
as % of loans		14.26	%	14.63
Net charge-offs	$	191		195
as % of average loans		4.97	%	4.91
Core first lien mortgage loan performance (2)				
Nonaccrual loans	$	4,402		4,481
as % of loans		2.89	%	3.01
Net charge-offs	$	349		396
as % of loans		0.92	%	1.07

- 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 $3.8 billion, or 3%, reflecting strong origination volumes
- Core first lien mortgage nonaccruals down $80 million, or 12 bps
- Core net charge-offs down $47 million

(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)		2Q12		1Q12
Core Portfolio [1]				
Outstandings	$	95,753		98,009
Net charge-offs		627		721
as % of avg loans		2.60	%	2.91
2+ payments past due	$	2,686		2,854
as % loans		2.81	%	2.92
% CLTV > 100% [2]		36		37
2+ payments past due		3.93		3.99
% Unsecured balances [3]		16		18
% 1st lien position		21		21
Liquidating Portfolio				
Outstandings	$	5,199		5,456
Net charge-offs		108		113
as % of avg loans		8.14	%	8.11
2+ payments past due	$	218		241
as % loans		4.19	%	4.41
% CLTV > 100% [2]		73		74
2+ payments past due		4.46		4.69
% 1st lien position		4		4

Core Portfolio [1]

- Outstandings down 2%
  - High quality new originations with weighted average CLTV of 62%, 778 FICO, and 32% total debt service ratio
- 2Q12 losses decreased $94 million, or 31 bps
- 2+ delinquencies decreased $168 million
- Continued decline in delinquency rate for loans with a CLTV >100%, 6 bps improvement

Liquidating Portfolio

- Outstandings down 5%
- 2Q12 losses down $5 million
- 2+ delinquencies declined $23 million
- Continued decline in delinquency rate for loans with a CLTV >100%, 23 bps improvement

Excludes purchased credit-impaired loans.

(1) Includes equity lines of credit and closed-end junior liens associated with the Pick-a-Pay portfolio totaling $1.4 billion at June 30, 2012 and $1.5 billion at March 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 June 2012.

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

Home equity portfolio

- $101 billion home equity portfolio
  - 20% in 1st lien position
  - 40% in junior lien position behind WFC owned or serviced 1st lien

Delinquency Status (1) of Junior Liens Behind a Wells Fargo 1st Lien	***Outstanding Balance %***	
Delinquency Status		
Current 1st lien, Current junior lien	95.8	%
Current 1st lien, Delinquent junior lien	0.9	
Delinquent 1st lien, Current junior lien	1.5	
Delinquent 1st lien, Delinquent junior lien	1.8	

  - 40% in junior lien position behind third party 1st lien

Excludes purchased credit-impaired loans.
(1) Delinquency represents two or more payments past due as of May 2012.

Credit card portfolio

($ in millions)	2Q12		1Q12
Credit card outstandings	$ 22,706		21,998
Net charge-offs	240		242
as % of avg loans	4.37	%	4.40

- $22.7 billion credit card outstandings up 3% from 1Q12 and 7% YoY on strong account growth
  - Consumer credit card new accounts in 2Q12 increased 5% LQ with household penetration increasing to 31.0% (1)
  - Purchase dollar volume increased 14% and transactions rose 13% from 1Q12
  - Purchase dollar volume increased 15% and transactions rose 18% from 2Q11
- Net charge-offs down $2 million, or 3 bps, LQ and down $54 million, or 126 bps, YoY reflecting continued steady improvement

(1) Household penetration as of May 2012 and defined as the percentage of retail banking deposit households that have a credit card with Wells Fargo.

Auto portfolios (1)

($ in millions)		2Q12		1Q12
Core Consumer Portfolios				
Direct				
Auto outstandings	$	2,387		2,380
Nonaccrual loans		46		56
as % of loans		1.92	%	2.35
Net charge-offs	$	0		7
as % of avg loans		n.m.	%	1.09
30+ days past due	$	26		31
as % of loans		1.09	%	1.31
Indirect				
Auto outstandings	$	42,411		40,908
Nonaccrual loans		68		9
as % of loans		0.16	%	0.02
Net charge-offs	$	30		54
as % of avg loans		0.29	%	0.57
30+ days past due	$	517		447
as % of loans		1.22	%	1.09
Commercial Portfolio				
Auto outstandings (2)	$	6,652		6,268
Nonaccrual loans		-		-
as % of loans		-	%	-
Net charge-offs (recoveries)	$	-		(3)
as % of avg loans		n.m.	%	n.m.

Core Consumer Portfolio

- Core auto outstandings of $44.8 billion up 3% LQ and 9% YoY
  - Record originations were up 6% LQ and 18% YoY reflecting growth across the credit spectrum
- Net charge-offs were down $31 million LQ on higher recoveries
  - June Manheim index of 123.4, down 2% LQ and down 3% from June 2011
- 30+ days past due increased $65 million LQ reflecting seasonality

Commercial Portfolio

- Loans of $6.7 billion increased on higher demand in floor plan lending
- Continued strong credit performance

(1) Legacy Wells Fargo Financial indirect portfolio balance as of June 30, 2012, was $1,454 million.
(2) 1Q12 Commercial outstandings have been revised to conform with 2Q12 presentations.

Student lending portfolio

($ in millions)		2Q12		1Q12
Education Finance				
Total outstandings	$	24,131		25,102
Private Portfolio				
Private outstandings	$	10,308		10,302
Net charge-offs		26		22
as % of avg loans		1.01	%	0.88
30 days past due	$	181		197
as % of loans		1.76	%	1.91
Government Guaranteed Portfolio				
Government outstandings	$	13,823		14,800

- $24.1 billion student lending outstandings down 4% LQ

Private Portfolio

- $10.3 billion private loans outstandings flat with 1Q12 and up 10% YoY
  - Applications increased 50% LQ as peak season approaches
  - Dollar originations decreased 70% LQ due to seasonality
  - Continued to originate high quality loans with an average FICO of 751 and 79% of new loans co-signed
- Net charge-offs up $4 million LQ due to seasonality of repayments on loans but down $8 million YoY

Government Portfolio

- $13.8 billion liquidating government guaranteed outstandings declined 7% LQ and 15% 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)			Quarter ended June 30, 2012	Mar. 31, 2012	Dec. 31, 2011	Sept. 30, 2011	June 30, 2011
Total equity		$	**149.4**	146.8	141.7	139.2	137.9
Noncontrolling interests			**(1.3)**	(1.3)	(1.5)	(1.5)	(1.5)
Total Wells Fargo stockholders' equity			**148.1**	145.5	140.2	137.7	136.4
Adjustments:							
Preferred equity			**(10.6)**	(10.6)	(10.6)	(10.6)	(10.6)
Goodwill and intangible assets (other than MSRs)			**(33.5)**	(33.7)	(34.0)	(34.4)	(34.6)
Applicable deferred taxes			**3.5**	3.7	3.8	4.0	4.1
MSRs over specified limitations			**(0.7)**	(0.9)	(0.8)	(0.7)	(0.9)
Cumulative other comprehensive income			**(4.6)**	(4.1)	(3.1)	(3.7)	(5.3)
Other			**(0.5)**	(0.4)	(0.4)	(0.4)	(0.3)
Tier 1 common equity	(A)	$	**101.7**	99.5	95.1	91.9	88.8
Total risk-weighted assets (2)	(B)	$	**1,009.1**	996.8	1,005.6	983.2	970.2
Tier 1 common equity to total risk-weighted assets	(A)/(B)		**10.08** %	9.98	9.46	9.34	9.15

(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 resulting weighted values from each of the risk categories are aggregated for determining total risk-weighted assets. The Company's June 30, 2012, preliminary risk-weighted assets reflect estimated on-balance sheet risk-weighted assets of $841.0 billion and derivative and off-balance sheet risk-weighted assets of $168.1 billion.

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)			Quarter ended June 30, 2012	
Tier 1 common equity under Basel I		$	101.7	
Adjustments from Basel I to Basel III [3][5]:				
Cumulative other comprehensive income related to AFS securities and defined benefit pension plans			4.2	
Other			0.3	
Total Adjustments from Basel I to Basel III			4.5	
Threshold deductions, as defined under Basel III [4][5]			(0.7)	
Tier 1 common equity anticipated under Basel III	(C)		105.5	
Total risk-weighted assets anticipated under Basel III [6]	(D)	$	1,355.4	
Tier 1 common equity to total risk-weighted assets anticipated under Basel III	(C)/(D)		7.78	%

(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; 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; loan growth; our net interest margin; reduction or mitigation of risk in our loan portfolios; future effects of loan modification programs; life-of-loan loss estimates; the estimated impact of regulatory reform on our financial results and business and expectations regarding our efforts to mitigate such impact; and our estimated Tier 1 common equity ratio as of June 30, 2012, under proposed Basel III capital rules. 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 13 of Wells Fargo's press release announcing our second quarter 2012 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, 2011.

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.