BancAnalysts Association of Boston Conference

John Shrewsberry
Chief Financial Officer

November 6, 2015
Wells Fargo Vision

“We want to satisfy our customers’ financial needs and help them succeed financially.”
3Q15 Highlights

- Earnings of $5.8 billion
- Diluted earnings per common share of $1.05
- Revenue up 3% both year-over-year (YoY) and linked quarter (LQ)
  - Net interest income up 5% YoY and 2% LQ
  - Noninterest income up 1% YoY and 4% LQ
- Pre-tax pre-provision profit (PTPP)\(^{(1)}\) up 6% YoY and 7% LQ
- Strong loan and deposit growth
- Returned $3.2 billion to shareholders through common stock dividends and net share repurchases

\((1)\) 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.
3Q15 Revenue diversification

Balanced Spread and Fee Income

- $21.9 billion

48% Noninterest Income
52% Net Interest Income

Diversified Fee Generation (% of noninterest income)

- Deposit Service Charges: 13%
- Brokerage Advisory, Commissions and Other: 24%
- Trust and Investment Management: 8%
- Investment Banking: 3%
- Card Fees: 9%
- Charges and Fees on Loans: 3%
- Brokerage Advisory, Commissions and Other: 24%
- Merchant Processing: 2%
- Cash Network: 1%
- CRE Brokerage Commissions: 1%
- Letters of Credit: 1%
- All Other Fees: 2%
- Mortgage Servicing, net: 6%
- Mortgage Originations/Sales, net: 9%
- Insurance: 4%
- Net Gains (Losses) from Trading: 0%
- Net Gains on Debt Securities: 1%
- Net Gains from Equity Investments: 9%
- Lease Income and All Other Noninterest Income: 4%

Total Trust & Investment Fees: 35%
Total Mortgage Banking: 15%
Total Other Fees: 10%
Loan growth

Average Loans
($ in billions and % are YoY growth)

Year-to-Date (YTD) Average Loan Growth vs. Peers
YTD15 vs. YTD14

Year-to-date (YTD) results are through September 30.
Broad-based, year-over-year loan growth

($ in billions)

**Commercial and Industrial**
- Broad-based growth
  - 3Q14: 280 billion
  - 3Q15: 288 billion
  - Increase: $8.0 billion (15%)

**Commercial Real Estate**
- 2Q15 GE Capital loan portfolio acquisition and organic growth
  - 3Q14: 130 billion
  - 3Q15: 143 billion
  - Increase: $12.8 billion (10%)

**Core 1-4 Family First Mortgage**
- Nonconforming mortgage growth
  - 3Q14: 160 billion
  - 3Q15: 165.3 billion
  - Increase: $15.3 billion (7%)

**Credit Card**
- New account growth and 4Q14 portfolio acquisition
  - 3Q14: 18 billion
  - 3Q15: 22 billion
  - Increase: $4.0 billion (14%)

**Automobile**
- Disciplined origination activity
  - 3Q14: 30 billion
  - 3Q15: 33.9 billion
  - Increase: $3.9 billion (7%)

*Period-end balances.*

(1) Please see pages 4 and 32 of our press release announcing our third quarter 2015 earnings results for information on our core and non-strategic/liquidating loan portfolios.
Balanced loan portfolio with low loss content

Loan portfolio is similarly sized to that post Wachovia merger, yet composition and risk profile has improved

**12/31/08 Loan Portfolio**

- Commercial and Industrial: 45%
- Real estate 1-4 family first mortgage: 55%
- Other revolving credit and installment: 5%
- Automobile: 5%
- Credit card: 5%

**9/30/15 Loan Portfolio**

- Commercial and Industrial: 50%
- Real estate 1-4 family first mortgage: 50%
- Other revolving credit and installment: 5%
- Automobile: 5%
- Credit card: 5%

Loan portfolio now balanced between Commercial and Consumer

Period-end balances.
Commercial loan balances as of 9/30/15 included $55.7 billion of foreign loans.
GE Capital transactions

Commercial real estate (CRE) and related financing (announced 4/10/15)
- “Bolt-on” acquisition in an asset class where we are a market leader and have strong expertise
  - $11.8 billion of loans, majority of which closed late in second quarter 2015
    - $7.6 billion of CRE and $0.2 billion of C&I loans predominantly in the U.S., U.K and Canada
    - Related financing to Blackstone Mortgage Trust of $4.0 billion (classified in C&I)

Railcar purchase (announced 9/30/15)
- Agreement to purchase GE Railcar Services from GE Capital, expected to close in 1Q16
  - 77,000 railcars and just over 1,000 locomotives, as well as associated operating and long-term leases will be added to existing fleet
    - Railcars subject to operating leases recorded in Other Assets (operating lease assets), long-term leases recorded in lease financing loans
  - Will make First Union Rail the second largest railcar and locomotive leasing company in North America, up from #5 currently

Commercial Distribution Finance (CDF) and Vendor Finance purchase (announced 10/13/15)
- Agreement to purchase GE Capital’s CDF and Vendor Finance businesses, as well as certain commercial loans and leases from their Corporate Finance business; expected to close in 1Q16
  - Total assets of approximately $32 billion with approximately 3,000 team members (1)
  - Strategic rationale:
    - Predominantly U.S. and Canada-based assets
    - Market leadership
    - Relationship oriented
    - Solid cross-sell opportunity
    - Diversified both by industry and geography
    - Compatible risk discipline with WFC

(1) As of September 30, 2015.
Deposit growth

**Average Deposits**
($ in billions and % are YoY growth)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Average Deposits</th>
<th>Deposit Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>3Q11</td>
<td>883</td>
<td>8%</td>
</tr>
<tr>
<td>3Q12</td>
<td>947</td>
<td>7%</td>
</tr>
<tr>
<td>3Q13</td>
<td>1,026</td>
<td>8%</td>
</tr>
<tr>
<td>3Q14</td>
<td>1,127</td>
<td>10%</td>
</tr>
<tr>
<td>3Q15</td>
<td>1,199</td>
<td>6%</td>
</tr>
</tbody>
</table>

- Average deposit cost

**Year-to-Date (YTD) Average Deposit Growth vs. Peers**
YTD15 vs. YTD14

<table>
<thead>
<tr>
<th>Bank</th>
<th>YTD14</th>
<th>YTD15</th>
</tr>
</thead>
<tbody>
<tr>
<td>WFC</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>PNC</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>USB</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>JPM</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>BAC</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td></td>
<td>-6%</td>
</tr>
</tbody>
</table>

Year-to-date (YTD) results are through September 30.
Deposit growth reflects primary checking customer \(^{(1)}\) growth.

**Primary Consumer Checking Customer \(^{(1)}\) YoY Growth**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>3Q14</th>
<th>4Q14</th>
<th>1Q15</th>
<th>2Q15</th>
<th>3Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>4.9%</td>
<td>5.2%</td>
<td>5.7%</td>
<td>5.6%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

**Primary Small Business and Business Banking Checking Customer \(^{(1)}\) YoY Growth**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>3Q14</th>
<th>4Q14</th>
<th>1Q15</th>
<th>2Q15</th>
<th>3Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>5.6%</td>
<td>5.4%</td>
<td>5.5%</td>
<td>5.3%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

*Growth rate reported on a one-month lag from reported quarter-end; for example 3Q15 data as of August 2015 compared with August 2014.*

\(^{(1)}\) Customers who actively use their checking account with transactions such as debit card purchases, online bill payments, and direct deposit.
Net interest income

Net Interest Income
($ in billions and % are YoY growth)

- YTD Net interest income up 4% YoY on growth in investment securities and loans
- Net interest margin (NIM) of 2.96% in 3Q15, down 1 bp LQ and 10bps YoY

Have added duration over the past year, but the balance sheet remains asset sensitive and we are positioned to benefit from rising rates

Expect to grow net interest income modestly in 2016 compared with 2015

Year-to-date (YTD) results are through September 30.
Noninterest income driven by customer growth as well as cyclical factors

Deposit Service Charges and Card Fees
($ in billions and % are YoY growth)

- YTD 2014: $6.3
- YTD 2015: $6.6
- YoY growth: 4.4%

Trust and Investment Fees
($ in billions and % are YoY growth)

- YTD 2014: $10.6
- YTD 2015: $11.0
- YoY growth: 3.6%

Mortgage Banking Fees
($ in billions and % are YoY growth)

- YTD 2014: $4.9
- YTD 2015: $4.8
- YoY growth: (0.5)%

Market Sensitive Revenue (1)
($ in billions and % are YoY growth)

- YTD 2014: $3.4
- YTD 2015: $2.9
- YoY growth: (13.8)%

Year-to-date (YTD) results are through September 30. 
(1) Consists of net gains from trading activities, debt securities, and equity investments.
Noninterest expense of $37.4 billion YTD 2015, up 3% YoY driven by higher personnel expenses reflecting merit increases, higher revenue-related incentive compensation, and FTE growth

- Cost savings in non-customer facing activities such as travel (down 28% YoY), being reinvested in the business, risk, compliance, cybersecurity and technology

Expect to continue to operate at the higher end of the targeted efficiency ratio range of 55%-59%

---

(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.
Energy exposure

- Oil and gas loans account for 2% of total loans outstanding and 3% of total commitments.

56% of loans and 45% of commitments are to the Exploration & Production (Upstream) sector,
- Nearly 80% of outstandings have regular (typically semi-annual) borrowing base determinations
- Loans and exposures are diversified across North American basins

- $566 million of NPLs from the Oil and Gas sector (1) in 3Q15, up from $508 million in 2Q15
- $1.4 billion in securities and trading assets in AFS (valuation changes / impact recorded through OCI and OTTI)

As of September 30, 2015.
(1) Industry classifications based on NAICS industry classifications.
Strong credit performance

- Net charge-off rate of 31 bps of average loans in YTD15, down 199 bps from 2010 peak
- YTD15 net charge-offs of $2.1 billion

- Allowance for loans losses of $11.7 billion down $12.8 billion, or 52%, from 2009

Year-to-date (YTD) results are through September 30.
$450 million of loan loss reserve release\(^{(1)}\) in the first nine months of 2015 versus $1.3 billion in the first nine months of 2014

Future allowance levels may increase or decrease based on a variety of factors, including loan growth, portfolio performance and general economic conditions.

Year-to-date (YTD) results are through September 30.

(1) Provision expense minus net charge-offs.
Liquidity Coverage Ratio (LCR) at 9/30/15 exceeded regulatory requirements; committed to maintaining liquidity buffers as the GE loan acquisitions are added to the balance sheet.
Strong capital position

- Capital ratios as of 9/30/15 exceeded regulatory requirements
  - Common Equity Tier 1 ratio under Basel III (Standardized Approach, fully phased-in) \(^{(1)}\) \(^{(2)}\) of 10.65%
  - Supplementary Leverage ratio under Basel III (Advanced Approach, fully phased-in)\(^{(1)}\) of 7.8%

- Returned $9.4 billion to shareholders in YTD 2015 through common stock dividends and net share repurchases

**Common Equity Tier 1 Ratio under Basel III, Fully Phased-In \(^{(1)}\)**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>1Q15</th>
<th>2Q15</th>
<th>3Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Year-to-date (YTD) results are through September 30.

\(^{(1)}\) Fully phased-in capital and leverage ratios are calculated assuming the full phase-in of Basel III capital rules. See pages 21 and 22 for additional information regarding capital and leverage ratios.

\(^{(2)}\) Reflects the lowest capital ratio as determined under the Basel III Advanced and Standardized Approaches. See page 21 for additional information.
Performance in line with targets

**Efficiency Ratio**
(target 55 – 59%)

<table>
<thead>
<tr>
<th>1Q12</th>
<th>3Q12</th>
<th>1Q13</th>
<th>3Q13</th>
<th>1Q14</th>
<th>3Q14</th>
<th>1Q15</th>
<th>3Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>60.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>56.7%</td>
<td></td>
</tr>
</tbody>
</table>

**Return on Equity**
(target 12 – 15%)

<table>
<thead>
<tr>
<th>1Q12</th>
<th>3Q12</th>
<th>1Q13</th>
<th>3Q13</th>
<th>1Q14</th>
<th>3Q14</th>
<th>1Q15</th>
<th>3Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.14%</td>
<td>12.62%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Return on Assets**
(target 1.30 – 1.60%)

<table>
<thead>
<tr>
<th>1Q12</th>
<th>3Q12</th>
<th>1Q13</th>
<th>3Q13</th>
<th>1Q14</th>
<th>3Q14</th>
<th>1Q15</th>
<th>3Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.31%</td>
<td>1.32%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Net Payout Ratio**
(target 55 – 75%)

<table>
<thead>
<tr>
<th>3Q14</th>
<th>4Q14</th>
<th>1Q15</th>
<th>2Q15</th>
<th>3Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>66%</td>
<td>60%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Net payout ratio is 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. Dividends and share repurchases are subject to Wells Fargo board and regulatory approvals, capital requirements and other considerations. Share issuances may vary based on business and market conditions, as well as other factors.

Represents target ranges
Summary

- Sustainable long-term advantages
  - Strong distribution
  - Leading market share in cornerstone products
  - Diversified and balanced revenue sources
  - Large, low cost deposit base
  - Strong risk culture
  - Experienced management team

- Continued strength in long-term growth drivers in 3Q15
  - Period-ending core loans up 9% YoY on broad-based growth
  - Period-ending deposits up 6% YoY
  - Retail bank household growth YTD through August the strongest in 4 years
  - Primary checking customer growth
  - Consumer credit card penetration of 42.9%, up from 39.7% in 3Q14
  - Commercial credit card spend volume up 11% YoY
  - Treasury management revenue up 1% LQ and 9% YoY

- Strong liquidity and capital levels

- Continued to perform within target ranges through the first three quarters of 2015
Wells Fargo & Company and Subsidiaries

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total equity</strong></td>
<td>$ 194.0</td>
<td>190.7</td>
<td>190.0</td>
<td>185.3</td>
</tr>
<tr>
<td><strong>Noncontrolling interests</strong></td>
<td>(0.9)</td>
<td>(1.1)</td>
<td>(1.2)</td>
<td>(0.9)</td>
</tr>
<tr>
<td><strong>Total Wells Fargo stockholders’ equity</strong></td>
<td>193.1</td>
<td>189.6</td>
<td>188.8</td>
<td>184.4</td>
</tr>
<tr>
<td><strong>Adjustments:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred stock</td>
<td>(21.0)</td>
<td>(20.0)</td>
<td>(20.0)</td>
<td>(18.0)</td>
</tr>
<tr>
<td>Goodwill and other intangible assets (2)</td>
<td>(28.7)</td>
<td>(29.1)</td>
<td>(28.9)</td>
<td>(29.0)</td>
</tr>
<tr>
<td>Investment in certain subsidiaries and other</td>
<td>(1.6)</td>
<td>(0.6)</td>
<td>(0.9)</td>
<td>(0.7)</td>
</tr>
<tr>
<td><strong>Common Equity Tier 1 (Fully Phased-In) under Basel III (1)</strong></td>
<td>(A) 141.8</td>
<td>139.9</td>
<td>139.0</td>
<td>136.7</td>
</tr>
<tr>
<td><strong>Total risk-weighted assets (RWAs) under Basel III (3)</strong></td>
<td>(B) $ 1,331.8</td>
<td>1,325.6</td>
<td>1,326.3</td>
<td>1,310.5</td>
</tr>
<tr>
<td><strong>Common Equity Tier 1 to total RWAs under Basel III (Fully Phased-In)</strong></td>
<td>(A)/(B) 10.6%</td>
<td>10.6</td>
<td>10.5</td>
<td>10.4</td>
</tr>
</tbody>
</table>

(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. The capital ratio for September 30, 2015, and June 30, 2015, was calculated under the Basel III Standardized Approach RWAs, and the capital ratio for March 31, 2015, and December 31, 2014, was calculated under the Basel III Advanced Approach RWAs.
## Basel III Fully Phased-In SLR

<table>
<thead>
<tr>
<th>(in billions)</th>
<th>September 30, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tier 1 capital</strong></td>
<td>$162.2</td>
</tr>
<tr>
<td>Total average assets</td>
<td>1,746.4</td>
</tr>
<tr>
<td>Less: deductions from Tier 1 capital</td>
<td>29.6</td>
</tr>
<tr>
<td>Total adjusted average assets</td>
<td>1,716.8</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
</tr>
<tr>
<td>Derivative exposures</td>
<td>55.6</td>
</tr>
<tr>
<td>Repo-style transactions</td>
<td>7.6</td>
</tr>
<tr>
<td>Other off-balance sheet exposures</td>
<td>286.6</td>
</tr>
<tr>
<td>Total adjustments</td>
<td>349.8</td>
</tr>
<tr>
<td><strong>Total leverage exposure</strong></td>
<td>$2,066.6</td>
</tr>
<tr>
<td><strong>Supplementary leverage ratio</strong></td>
<td>7.8%</td>
</tr>
</tbody>
</table>
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 not to 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 third quarter 2015 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, 2014.

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 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 31 of the press release announcing our 3Q15 results for additional information regarding the purchased credit-impaired loans.