

Wells Fargo & Company and Subsidiaries

Consolidated Balance Sheet

(in millions, except shares)	December 31,	
	2009	2008
Assets		
Cash and due from banks	\$ 27,080	23,763
Federal funds sold, securities purchased under resale agreements and other short-term investments	40,885	49,433
Trading assets	43,039	54,884
Securities available for sale	172,710	151,569
Mortgages held for sale (includes \$36,962 and \$18,754 carried at fair value)	39,094	20,088
Loans held for sale (includes \$149 and \$398 carried at fair value)	5,733	6,228
Loans	782,770	864,830
Allowance for loan losses	(24,516)	(21,013)
Net loans	758,254	843,817
Mortgage servicing rights:		
Measured at fair value (residential MSRs)	16,004	14,714
Amortized	1,119	1,446
Premises and equipment, net	10,736	11,269
Goodwill	24,812	22,627
Other assets	104,180	109,801
Total assets	\$1,243,646	1,309,639
Liabilities		
Noninterest-bearing deposits	\$ 181,356	150,837
Interest-bearing deposits	642,662	630,565
Total deposits	824,018	781,402
Short-term borrowings	38,966	108,074
Accrued expenses and other liabilities	62,442	50,689
Long-term debt	203,861	267,158
Total liabilities	1,129,287	1,207,323
Equity		
Wells Fargo stockholders' equity:		
Preferred stock	8,485	31,332
Common stock – \$1 ² / ₃ par value, authorized 6,000,000,000 shares; issued 5,245,971,422 shares and 4,363,921,429 shares	8,743	7,273
Additional paid-in capital	52,878	36,026
Retained earnings	41,563	36,543
Cumulative other comprehensive income (loss)	3,009	(6,869)
Treasury stock – 67,346,829 shares and 135,290,540 shares	(2,450)	(4,666)
Unearned ESOP shares	(442)	(555)
Total Wells Fargo stockholders' equity	111,786	99,084
Noncontrolling interests	2,573	3,232
Total equity	114,359	102,316
Total liabilities and equity	\$1,243,646	1,309,639

The accompanying notes are an integral part of these statements.

Financial Statements

Wells Fargo & Company and Subsidiaries

Consolidated Statement of Income

(in millions, except per share amounts)	Year ended December 31,		
	2009	2008	2007
Interest income			
Trading assets	\$ 918	177	173
Securities available for sale	11,319	5,287	3,451
Mortgages held for sale	1,930	1,573	2,150
Loans held for sale	183	48	70
Loans	41,589	27,632	29,040
Other interest income	335	181	293
Total interest income	56,274	34,898	35,177
Interest expense			
Deposits	3,774	4,521	8,152
Short-term borrowings	222	1,478	1,245
Long-term debt	5,782	3,756	4,806
Other interest expense	172	—	—
Total interest expense	9,950	9,755	14,203
Net interest income	46,324	25,143	20,974
Provision for credit losses	21,668	15,979	4,939
Net interest income after provision for credit losses	24,656	9,164	16,035
Noninterest income			
Service charges on deposit accounts	5,741	3,190	3,050
Trust and investment fees	9,735	2,924	3,149
Card fees	3,683	2,336	2,136
Other fees	3,804	2,097	2,292
Mortgage banking	12,028	2,525	3,133
Insurance	2,126	1,830	1,530
Net gains from trading activities	2,674	275	544
Net gains (losses) on debt securities available for sale (includes impairment losses of \$1,012, consisting of \$2,352 of total other-than-temporary impairment losses, net of \$1,340 recognized in other comprehensive income, for the year ended December 31, 2009)	(127)	1,037	209
Net gains (losses) from equity investments (includes impairment losses of \$655 for the year ended December 31, 2009)	185	(757)	864
Operating leases	685	427	703
Other	1,828	850	936
Total noninterest income	42,362	16,734	18,546
Noninterest expense			
Salaries	13,757	8,260	7,762
Commission and incentive compensation	8,021	2,676	3,284
Employee benefits	4,689	2,004	2,322
Equipment	2,506	1,357	1,294
Net occupancy	3,127	1,619	1,545
Core deposit and other intangibles	2,577	186	158
FDIC and other deposit assessments	1,849	120	34
Other	12,494	6,376	6,347
Total noninterest expense	49,020	22,598	22,746
Income before income tax expense	17,998	3,300	11,835
Income tax expense	5,331	602	3,570
Net income before noncontrolling interests	12,667	2,698	8,265
Less: Net income from noncontrolling interests	392	43	208
Wells Fargo net income	\$ 12,275	2,655	8,057
Wells Fargo net income applicable to common stock	\$ 7,990	2,369	8,057
Per share information			
Earnings per common share	\$ 1.76	0.70	2.41
Diluted earnings per common share	1.75	0.70	2.38
Dividends declared per common share	0.49	1.30	1.18
Average common shares outstanding	4,545.2	3,378.1	3,348.5
Diluted average common shares outstanding	4,562.7	3,391.3	3,382.8

The accompanying notes are an integral part of these statements.