



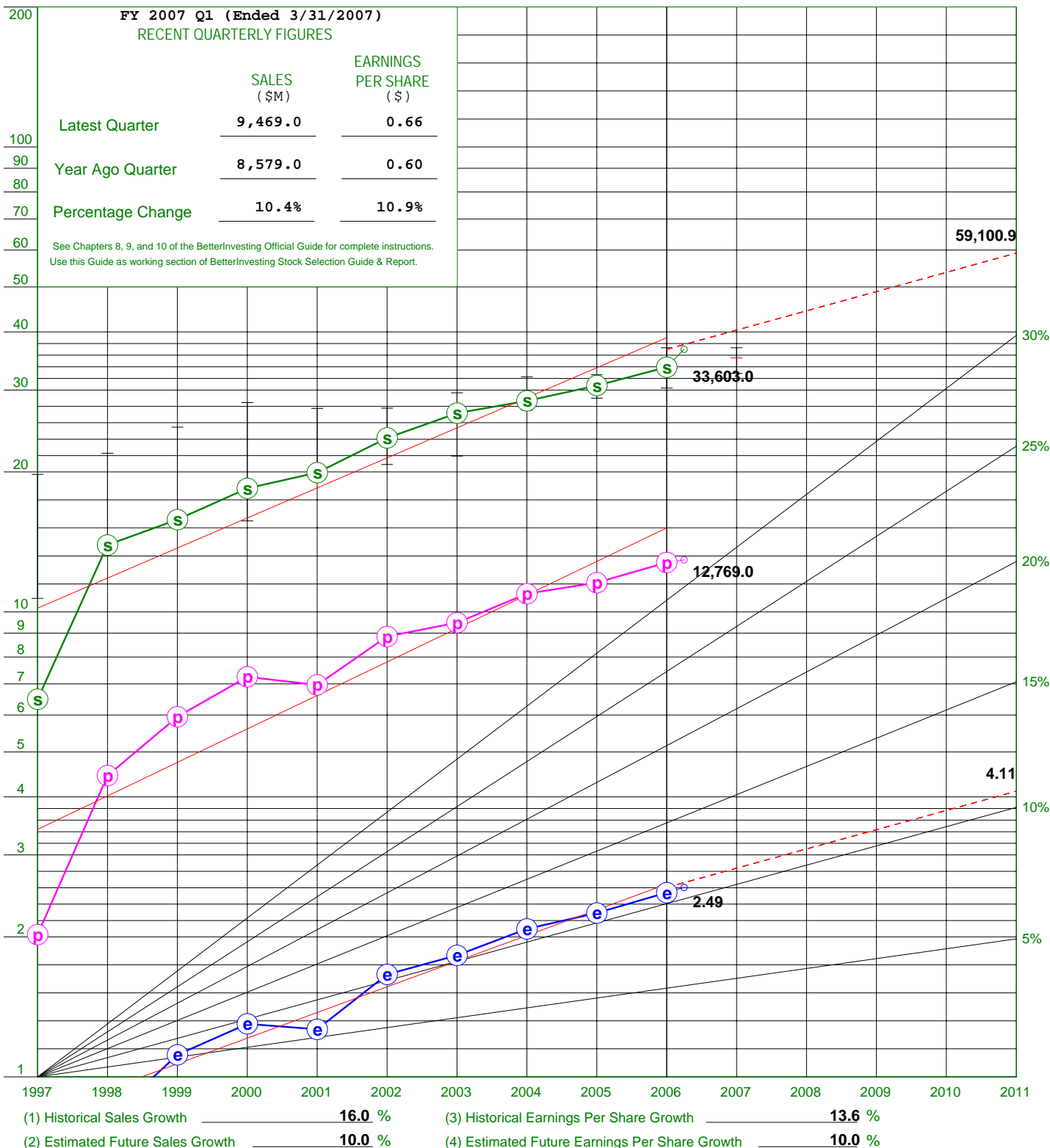
Stock Selection Guide[®]

The most widely used aid to good investment judgment

Company	WELLS FARGO & CO	Date	06/12/07
Prepared by	jah	Data taken from	NAIC Data
Where traded	NYSE	Major product/service	Diversified
CAPITALIZATION --- Outstanding Amounts		Reference	
Preferred (\$M)	-52.0	% Insiders	% Institution
Common (M Shares)	3,350.5	0.0	0.0
Debt (\$M)	103,508.0	% to Tot.Cap.	69.5
		% Potential Dil.	None

1 VISUAL ANALYSIS of Sales, Earnings and Price

WFC



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	LAST 5 YEAR AVG.	TREND	
												UP	DOWN
A % Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	31.2	31.9	37.7	39.3	34.9	37.4	35.4	38.5	37.7	38.0	37.4	UP	
B % Earned on Equity (E/S ÷ Book Value)	19.4	13.1	16.7	17.1	15.8	18.5	18.0	18.6	18.6	18.3	18.4	EVEN	EVEN

PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is a building block for translating earnings into future stock prices.

PRESENT PRICE 35.180 HIGH THIS YEAR 36.990 LOW THIS YEAR 32.570

Year	PRICE		C Earnings Per Share	D Price Earnings Ratio		F Dividend Per Share	G % Payout F ÷ C X 100	H % High Yield F ÷ B X 100
	HIGH	LOW		HIGH A ÷ C	LOW B ÷ C			
1 2002	27.4	20.8	1.66	16.5	12.5	0.550	33.1	2.6
2 2003	29.6	21.6	1.83	16.2	11.8	0.750	41.1	3.5
3 2004	32.0	27.2	2.08	15.4	13.1	0.930	44.7	3.4
4 2005	32.4	28.8	2.25	14.4	12.8	1.000	44.4	3.5
5 2006	37.0	30.3	2.49	14.9	12.2	1.080	43.4	3.6
6 TOTAL		128.7		77.4	62.4		206.7	
7 AVERAGE		25.7		15.5	12.5		41.3	
8 AVERAGE PRICE EARNINGS RATIO	14.0		9	CURRENT PRICE EARNINGS RATIO		13.8		

4 Proj. P/E [12.49] Based on Next 4 qtr. EPS [2.82] Current P/E Based on Last 4 qtr. EPS [2.56] PEG=125

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE -- NEXT 5 YEARS

Avg. High P/E 15.5 X Estimate High Earnings/Share 4.11 = Forecast High Price \$ 63.7
(3D7 as adj.) (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E 12.5 X Estimated Low Earnings/Share 2.49 2.56 = \$ 32.0
(3E7 as adj.)
(b) Avg. Low Price of Last 5 Years = 25.7
(3B7)
(c) Recent Severe Market Low Price = 28.8
(d) Price Dividend Will Support Present Divd. = 1.120 = 31.4
High Yield (H) 0.036
Selected Estimate Low Price = \$ 28.8
(4B1)

C ZONING

63.7 High Forecast Price Minus 28.8 Low Forecast Price Equals 34.9 Range. 1/3 of Range = 8.7
(4A1) (4B1) (C) (4CD)
(4C2) Lower 1/3 = 28.8 to 37.5 (Buy) Note: Ranges changed to 25%/50%/25%
(4C3) Middle 1/3 = 37.5 to 55.0 (Maybe)
(4C4) Upper 1/3 = 55.0 to 63.7 (4A1) (Sell)

Present Market Price of 35.180 is in the Buy Range
(4C5)

D UP-SIDE DOWN-SIDE RATIO (Potential Gain vs. Risk of Loss)

High Price (4A1) 63.7 Minus Present Price 35.180
Present Price 35.180 Minus Low Price (4B1) 28.8 = 28.5 = 4.5 To 1
6.4 (4D)

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

High Price (4A1) 63.7
Present Market Price 35.180 = (1.811) X 100 = (181.1) - 100 = 81.1 % Appreciation
(4E)

5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

Note: Results are expressed as a simple rate; use the table below to convert to a compound rate.

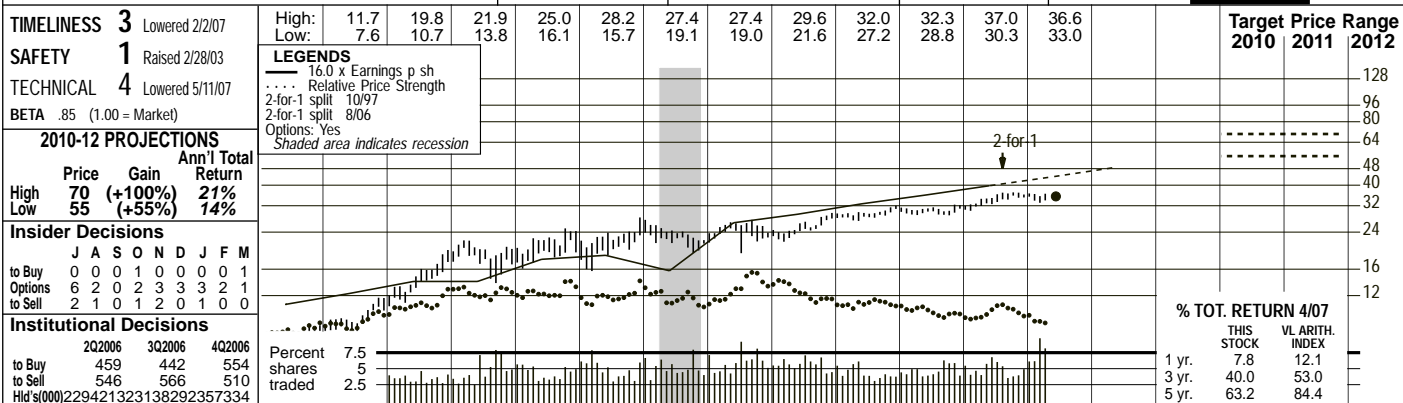
A Present Full Year's Dividend \$ 1.120
Present Price of Stock \$ 35.180 = 0.032 X 100 = 3.2 Present Yield or % Returned on Purchase Price
(5A)

B AVERAGE YIELD OVER NEXT 5 YEARS

Avg. Earnings Per Share Next 5 Years 3.40 X Avg. % Payout (3G7) 41.3 = 140.4 = 4.0 %
(5B)

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

5 Year Appreciation Potential (4E) 81.1
5 16.2 %
Average Yield (5B) 4.0 %
Average Total Annual Return Over the Next 5 Years (5C) 20.2 %
Present Price \$ 35.180
P.A.R. 3.0% Tot. Ret. 2.7%
Average Yield 10.3% 12.6%
Annual Appreciation 13.3% % Compd Ann Rate of Ret 15.3%



1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	VALUE LINE, INC	10-12
.37	.43	.53	.60	.68	.77	.88	.88	1.12	1.17	.99	1.66	1.83	2.05	2.25	2.49	2.75	3.05	Earnings per sh ^{AB}	4.10
.12	.14	.16	.19	.23	.26	.31	.31	.40	.45	.50	.55	.75	.93	1.00	1.08	1.12	1.16	Div'ds Decl'd per sh ^C	1.32
2.16	2.43	2.76	2.70	3.55	3.98	4.50	6.17	6.72	7.61	7.77	8.67	9.86	10.83	11.61	13.10	15.40	17.30	Book Value per sh	24.80
1041.3	1120.9	1168.7	1236.6	1411.0	1474.8	1517.2	3288.1	3253.7	3429.3	3472.8	3472.8	3472.8	3472.8	3472.8	3368.3	3370.00	3360.00	Common Shs Outst'g ^D	3350.00
9.9	11.2	11.9	10.4	10.4	12.3	16.6	21.5	18.2	18.2	23.4	14.7	13.9	14.3	13.5	13.7	Bold figures are Value Line estimates	.74	Avg Ann'l P/E Ratio	15.0
.63	.68	.70	.68	.70	.77	.96	1.12	1.04	1.18	1.20	.80	.79	.76	.72	.74			Relative P/E Ratio	1.00
3.3%	2.8%	2.6%	3.1%	3.2%	2.8%	2.1%	1.6%	1.9%	2.1%	2.2%	2.3%	3.0%	3.2%	3.3%	3.2%			Avg Ann'l Div'd Yield	2.1%

CAPITAL STRUCTURE as of 12/31/06										88540	202475	218102	272426	307569	349259	387798	427849	481741	481996	520000	560000	Total Assets (\$mill)	680000
LT Debt \$87145 mill. Due in 5 Yrs \$57322 mill.										41288	104860	116294	157405	168738	192772	249182	283824	306966	315352	340000	365000	Loans (\$mill)	445000
LT Interest \$3070 mill.										4033.4	8990.0	9355.0	10865	12460	14855	16007	17150	18504	19951	21480	22900	Net Interest Inc (\$mill)	27200
Pension Assets-12/06 \$5.35 bill. Oblig. \$4.44 bill.										524.7	1225.0	1045.0	1329.0	1780.0	1733.0	1722.0	1717.0	2383.0	2204.0	2850	3200	Loan Loss Prov'n (\$mill)	3880
Pfd Stock \$384.0 mill. Pfd Div'd \$4.0 mill.										2962.3	6427.0	7420.0	8843.0	7690.0	9641.0	12382	12909	14445	15740	16800	17920	Noninterest Inc (\$mill)	21420
Common Stock 3,378,619,486 shs. as of 1/31/07										4421.3	9427.0	9782.0	11830	12891	13909	17190	17573	19018	20742	21200	21640	Noninterest Exp (\$mill)	22900
MARKET CAP: \$119.0 billion (Large Cap)										1351.0	2906.0	3747.0	4026.0	3423.0	5710.0	6202.0	7014.0	7671.0	8482.0	9390	10380	Net Profit (\$mill)	13900
ASSETS										34.1%	39.0%	37.0%	38.5%	37.5%	35.5%	34.6%	34.9%	33.6%	33.4%	34.0%	35.0%	Income Tax Rate	36.0%
Loans										1.53%	1.44%	1.72%	1.48%	1.11%	1.63%	1.60%	1.64%	1.59%	1.76%	1.80%	1.85%	Return on Total Assets	2.00%
Funds Sold										12767	20494	24160	32981	38530	50205	63642	73580	79668	87145	90000	90000	Long-Term Debt (\$mill)	80000
Securities										7022.2	20759	22131	26488	27214	30358	34469	37866	40660	45876	51900	58040	Shr. Equity (\$mill)	83030
Other Earning										7.9%	10.3%	10.1%	9.7%	8.8%	8.7%	8.9%	8.9%	8.4%	9.5%	10.0%	10.5%	Shr. Eq. to Total Assets	12.0%
Other										46.6%	51.8%	53.3%	57.8%	54.9%	55.2%	64.3%	66.3%	63.7%	65.4%	65.5%	65.0%	Loans to Tot Assets	65.5%
LIABILITIES(\$mill.)										19.2%	14.0%	16.9%	15.2%	12.6%	18.8%	18.0%	18.5%	18.9%	18.5%	18.0%	18.0%	Return on Shr. Equity	16.5%
Deposits										12.8%	9.3%	11.1%	9.3%	6.3%	12.7%	10.7%	10.3%	10.7%	10.6%	11.0%	11.0%	Retained to Com Eq	11.5%
Funds Borrowed										35%	35%	35%	39%	50%	33%	41%	45%	44%	43%	40%	38%	All Div'ds to Net Prof	32%
Long-Term Debt										274858	314450	310243											
Shr. Equity										21962	23892	12819											
Other										73580	79668	87145											
Total										37866	40660	45876											
Loan Loss Resrv.										19583	23071	25913											
										427849	481741	481996											
										3762	3871	3764											

BUSINESS: Wells Fargo & Company was formed by the merger of Norwest and Wells Fargo on 11/98. Wells is the 5th largest bank holding co. in the U.S. on 12/31/06. had over 6,000 offices, including over: 3,000 bank branches; 800 mortgage offices, 1,200 consumer finance offices in the U.S., Canada, Caribbean, & Central America. Loan losses, .73% of loans in '06. Loan loss reserve, 1.24% of loans; nonperforming assets, .76%. At 12/31/06, about 158,000 full-time equivalent employees. Officers & directors own about 1.0% of common stock (Proxy 3/07). Chairman and CEO: R. Kovacevich. Incorporated: Delaware. Address: 420 Montgomery Street, San Francisco, CA 94104. Telephone: 800-292-9932. Internet: www.wellsfargo.com

Wells Fargo started 2006 on a decent note. Even as the flat-to-inverted yield curve caused a narrowing in the net interest margin of most of the bank's peers, Wells was able to widen its margin by 10 basis points. First-quarter share net increased 10% from a year earlier, helped by a 3% increase in average loans and a 13% jump in average core deposits. Specifically, average commercial and commercial real estate loan growth was the primary driver of the top-line advance. That said, although Wells is feeling some of the effects of the deterioration in the subprime mortgage sector, it has been taking steps to reduce its exposure and cushion against a greater downturn in the market.										65% jump in credit losses, we think this is short term. Management is tightening its underwriting standards and strengthening its reserves to limit the impact that any upticks in losses may have on earnings in the coming quarters. Meanwhile, nonperforming assets have risen over the last few months, but still only constitute a small (less than 1%) percentage of loans.									
Wells has signed an agreement to acquire Greater Bay Bancorp. The stock-for-stock deal, currently valued around \$1.5 billion, is expected to close in the fourth quarter, pending regulatory approval. This move should help Wells to expand its banking operations in the California market and increase its asset base.										These neutrally ranked shares offer a measure of conservative appeal. Although the stock has not performed too well over the past few months, it does possess a good dividend yield, with prospects for steady increases in the years to come. Furthermore, the equity's stellar marks for Safety and Price Stability make it a nice addition to risk-averse portfolios.									
Credit quality should remain healthy in Wells' home equity portfolio led to a										Randy Shrikishun									
May 25, 2007																			