

BUILDING LOYALTY & MARKET SHARE THROUGH ENHANCED ONLINE SERVICES

At Wells Fargo & Company, we have not seen a flattening out of our online banking growth. In fact, we have experienced phenomenal growth from a 35% penetration rate in 2002 to 53% today.

As we celebrate our tenth anniversary as the first Internet bank this year, we attribute this success to the tight integration of online banking with every aspect of the bank - we are not a standalone unit or spin-off. Forbes' "Best of the Web" recently recognized Wells Fargo's single login access to checking savings, credit cards, mortgage, investment products, among others.

In another industry first, we recently debuted "My Spending Report" which is an innovative personal financial management tool. The report, which has a patent pending, combines spending transactions from a customer's check card, credit card, checking account and bill pay in one convenient place, accessed through a secured, online banking session and updated automatically each day. Electronic and bill payment transactions are organized by familiar categories such as gas/automotive, groceries, ATM withdrawals, etc. The response that we have had to this powerful tool so far has been extraordinary.

In addition, Wells Fargo has unveiled two new services that will allow a wide variety of businesses to deposit checks remotely from their own locations, helping them to save time, eliminate courier costs and consolidate their banking relationships with one provider nationwide. As a back-office revolution takes hold in businesses across the country, and paper checks go electronic, Wells Fargo's Desktop DepositSM service is the first product in the industry to be available online through Wells Fargo's Commercial Electronic Office[®] (CEO) portal. The pioneering CEO portal allows companies to bank at their convenience-anywhere, anytime. Businesses can also use the new Wells Fargo electronic deposit, piloted successfully by national retailer 7-Eleven, Inc. Wells Fargo electronic deposit allows users with their own scanning equipment to make deposits simply by sending a standardized file to the bank.



Jim Smith is Executive Vice President of Wells Fargo Consumer Internet Products at Wells Fargo & Company. Wells Fargo & Company is a diversified financial services company with \$436 billion in assets, providing banking, insurance, investments, mortgage and consumer finance to more than 23 million customers from more than 6,000 stores and the internet (wellsfargo.com) across North America and elsewhere internationally. Wells Fargo Bank, N.A. is the only bank in the United States to receive the highest possible credit rating, "Aaa," from Moody's Investors Service.

