FORM DEF 14A

Definitive proxy statements

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WELLS FARGO & CO

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SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

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/ / Definitive Additional Materials
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WELLS FARGO & COMPANY

(Name of Registrant as Specified in its Charter)

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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

[LOGO]

March 11, 1997

To Our Shareholders:

You are cordially invited to attend the annual meeting of shareholders to be held on Tuesday, April 15, 1997. Enclosed are the Secretary's official notice of this meeting, a proxy statement and a form of proxy. This year the meeting will be held at 1:00 p.m. in the Penthouse at the Company's headquarters, 420 Montgomery Street, San Francisco, California.

At this meeting you will be asked to elect directors to serve until the next annual meeting and to ratify the selection of the Company's independent auditors for 1997.

We hope that you will attend. But whether you plan to attend or not, please complete, date, sign and return the enclosed proxy as soon as possible. It is important that your shares be represented at the meeting.

Sincerely yours,
PAUL HAZEN
CHAIRMAN OF THE BOARD AND
CHIEF EXECUTIVE OFFICER

YOUR VOTE IS IMPORTANT

WE ENCOURAGE YOU TO COMPLETE, DATE, SIGN AND PROMPTLY RETURN YOUR PROXY CARD IN THE ENCLOSED ENVELOPE REGARDLESS OF WHETHER YOU PLAN TO ATTEND THE ANNUAL MEETING.

[LOGO]
420 Montgomery Street
San Francisco, California 94104
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
April 15, 1997

To the Shareholders of Wells Fargo & Company:

The annual meeting of shareholders of Wells Fargo & Company (the "Company") will be held in the Penthouse at the Company's headquarters, 420 Montgomery Street, San Francisco, California, at 1:00 p.m. on Tuesday, April 15, 1997, in order to:

1. Elect 18 directors to serve until the next annual meeting of shareholders or until their successors have been elected and qualified; and

2. Ratify the selection of KPMG Peat Marwick LLP as independent auditors for the Company for 1997.

The meeting will also act upon such other matters as may properly come before the meeting or any adjournment thereof. Shareholders of record at the close of business on February 14, 1997, will be entitled to vote the number of shares held of record in their names on that date. The transfer books will not be closed.

Whether you plan to attend the shareholders' meeting or not, please complete, date and sign the enclosed proxy card and return it in the accompanying envelope. You may revoke your proxy at any time prior to the time it is voted.

GUY ROUNSAVILLE, JR.
SECRETARY

March 11, 1997

PROXY STATEMENT

These proxy materials are furnished in connection with the solicitation by the Board of Directors of Wells Fargo & Company, a Delaware corporation (the "Company"), of proxies to be used at the annual meeting of shareholders of the Company and at any adjournment thereof. The meeting will be held in the Penthouse at the Company's headquarters, 420 Montgomery Street, San Francisco, California, at 1:00 p.m. on Tuesday, April 15, 1997. These proxy materials are being mailed to shareholders on or about March 11, 1997.

PURPOSE OF MEETING

At the meeting, shareholders will be asked to (1) elect directors to serve until the next annual meeting of shareholders or until their successors are elected and qualified; and (2) ratify the selection of KPMG Peat Marwick LLP as independent auditors for the Company for the year 1997. In addition, the shareholders may act upon such other matters as may properly come before the meeting.

VOTING

Holders of record of the Company's Common Stock, $5.00 par value (the "Common Stock"), at the close of business on the record date, February 14, 1997, will be entitled to vote on all matters to be presented at the annual meeting. On the record date, 90,869,162 shares of Common Stock were outstanding. Votes may be cast in person or by proxy, and each share of Common Stock entitles its holder to one vote.

A quorum comprising the holders of a majority of the outstanding shares of Common Stock on the record date must be present or represented for the transaction of business at the annual meeting. Abstentions and broker non-votes will be counted in establishing the quorum. Directors are elected by holders of shares representing a plurality of the quorum. Abstentions and broker non-votes are not counted in the election of directors. In accordance with the Company's By-Laws, Proposal 2 must be adopted by the holders of a majority of the shares present and voting. Abstentions and broker non-votes would have no effect on the outcome of Proposal 2.

Proxies in the accompanying form which are properly executed and returned to the Company will be voted at the annual meeting in accordance with the instructions contained in such proxies and, at the discretion of the proxy holders, on such other matters as may properly come before the meeting. Where no such instructions are given, the shares will be voted for the election of directors as described herein and for the ratification of the selection of independent auditors. The Board of Directors does not know of any matters to be acted upon at the meeting other than the foregoing items. Any shareholder has the power to revoke his or her proxy at any time before it is voted.

CORPORATE GOVERNANCE

The Company is a bank holding company registered under the Bank Holding Company Act of 1956, as amended, and is incorporated in the State of Delaware. The Company's principal subsidiary is Wells Fargo Bank, National Association (the "Bank"), a national banking association organized under the laws of the United States. The Company's 1996 Annual Report provides a review of the Company's operations during the past year.

The Board of Directors of the Company met 13 times during 1996 and now consists of 21 members. Myron Du Bain, Don C. Frisbee and William F. Miller, currently members of the Board, have reached the

mandatory age for retirement under the Company's tenure policy for directors and accordingly will not stand for reelection at the annual meeting. The 18 remaining incumbent directors have been nominated for reelection. Biographies of the nominees are provided under "Proposal 1 -- Election of Directors."

The directors of the Company also serve as the directors of the Bank. The Company and the Bank have each established the Board committees described below. The membership of each committee is the same for the Company and the Bank, and the corresponding committees of both institutions usually hold joint meetings.

The Executive Committee may exercise all of the power and authority of the Board, except for certain fundamental responsibilities such as amending the By-Laws, which are reserved to the Board. In addition, subject to the authority of the Board, the Committee is authorized to supervise the general management and direction of the business and affairs of the Company. Directors serving on the Executive Committee since the last annual meeting are: Paul Hazen, Chairman; Michael R. Bowlin; Edward M. Carson; William S. Davila; Rayburn S. Dezember; Don C. Frisbee; Philip J. Quigley; Carl E. Reichardt; John A. Young; and William F. Zuendt. The Committee met five times in 1996.

The Committee on Examinations and Audits oversees the adequacy of the Company's control environment. The Committee meets regularly with management, the Company's general auditor and its independent auditors to review the scope and results of their work. The Committee also recommends the appointment of the independent auditors. See "Proposal 2 -- Ratification of Selection of Independent Auditors." In addition, the Committee reviews the Company's quarterly and annual financial statements, including the adequacy of the allowance for loan losses, and all other reports legally required to be reviewed on behalf of the Board. The Committee also reviews all reports of examinations conducted by bank regulatory agencies and ensures that appropriate management personnel follow up on audit and examination findings and recommendations and implement corrective actions on a timely basis. Directors serving on the Committee since the last annual meeting are: Robert K. Jaedicke, Chairman; H. Jesse Arnelle; William S. Davila; Thomas L. Lee; William F. Miller; Ellen M. Newman; Richard J. Stegemeier; Susan G. Swenson; and Chang-Lin Tien. The Committee met six times during 1996.

The Management Development and Compensation Committee administers the executive compensation programs (including employee stock plans) of the Company and its subsidiaries and advises the chief executive officer concerning salary policy for employees of the Company and its subsidiaries below the executive level. Directors serving on the Committee since the last annual meeting are: John A. Young, Chairman; Michael R. Bowlin; Myron Du Bain; Philip J. Quigley; Donald B. Rice; Richard J. Stegemeier; Susan G. Swenson; and Daniel M. Tellep. The Committee met four times during 1996.

The Nominating Committee is responsible for proposing candidates to fill vacancies on the Board as they occur and recommending yearly to the Board the director nominees to be elected by the shareholders at the annual meeting. Directors serving on the Committee since the last annual meeting are: Donald B. Rice, Chairman; Edward M. Carson; William S. Davila; Myron Du Bain; Don C. Frisbee; Ellen M. Newman; Carl E. Reichardt; and Daniel M. Tellep. In carrying out its responsibilities, the Committee will consider candidates suggested by shareholders. Suggestions for candidates, accompanied by biographical material for evaluation, may be sent to the Secretary, Wells Fargo & Company, 420 Montgomery Street, San Francisco, CA 94104. At its meeting on January 21, 1997, the Committee recommended the 18 nominees identified in this Proxy Statement. See "Proposal 1 -- Election of Directors."

The following are committees of the Bank only:

The Trust and Investment Products Committee supervises the administration and proper exercise of the fiduciary powers of the Bank as well as the administration of the Bank's non-fiduciary investment management activities. Directors serving on the Committee since the last annual meeting are: William F.

Zuendt, Chairman; Edward M. Carson; Rayburn S. Dezember; Myron Du Bain; Don C. Frisbee; Carl E. Reichardt; Donald B. Rice; and Daniel M. Tellep. The Committee met twice in 1996.

The Directors' CRA Committee reviews the Bank's compliance with the Community Reinvestment Act and the statement made by the Bank under the Act with respect to the communities it serves. Directors serving on the Committee since the last annual meeting are: Chang-Lin Tien, Chairman; H. Jesse Arnelle; Rayburn S. Dezember; Robert K. Jaedicke; Thomas L. Lee; William F. Miller; and Ellen M. Newman. The Committee met twice in 1996.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

Average attendance at Board and committee meetings during 1996 was approximately 92 percent. During 1996, all directors attended at least 75 percent of the total number of Board meetings and meetings of the committees to which they belonged, except for William F. Miller, who attended 67 percent of such meetings.

DIRECTOR REMUNERATION AND RETIREMENT POLICY

Directors who are officers of the Company do not receive an annual retainer or meeting fees for service on the Board or as a member of any Board committee. Non-officer directors of the Company were paid a basic annual retainer of $31,000 in 1996, increasing to $32,000 in 1997, with additional amounts payable in accordance with committee service. Robert K. Jaedicke, as chairman of the Committee on Examinations and Audits, and the other members of such committee received additional amounts of $10,000 and $5,000, respectively, during 1996. John A. Young, as chairman of the Management Development and Compensation Committee, and the other members of such committee received additional amounts of $5,000 and $2,000, respectively, during the year. Non-officer directors were paid a fee of $1,200 for each Board meeting attended during the first quarter of 1996 and $1,500 per meeting during the remainder of the year, except that when Board meetings of the Company and the Bank were held on the same day, only one meeting fee was paid. During 1996, all non-officer directors received a fee of $1,000 for each committee meeting attended during the first quarter of 1996 and $1,150 per meeting thereafter, except that when the same committees of the Company and the Bank had a combined meeting, only one meeting fee was paid. A director may defer the receipt of his or her annual retainer and meeting fees and elect to receive either interest on the deferred amount or a return based upon the hypothetical investment of the deferred fees in Common Stock. The Company also reimburses directors for travel, food, lodging and other expenses incurred in attending Board and committee meetings.

Two directors have consulting arrangements, one with the Company and the other with the Bank. Rayburn S. Dezember promotes customer, community and trade association relations and provides customer referrals under a consulting agreement with the Company that runs until 1999 at a yearly fee of $75,000. Ellen M. Newman provides consulting services relating to the Bank's retail marketing strategies for a monthly fee of $2,500.

Carl E. Reichardt retired as chairman of the board of the Company in December 1994 and has continued as a member of the Board of Directors. In connection with his retirement, the Company agreed to make available office space and the services of a secretary and a driver on an as-needed basis for Mr. Reichardt's personal use.

Edward M. Carson retired as chairman of the board of First Interstate Bancorp in April 1995 and was elected to the Company Board in April 1996 upon the completion of the Company's merger with First Interstate. When he retired from First Interstate, First Interstate agreed to provide Mr. Carson with office

space and secretarial services for his personal use and to reimburse him for the cost of two club memberships. The Company has assumed those obligations pursuant to the First Interstate merger.

The Board of Directors terminated the Directors' Retirement Plan in 1996 for all persons elected to the Board at any time after the 1996 annual meeting of shareholders. For those eligible to participate, the Directors' Retirement Plan provides that a non-officer director with at least five years' combined service on the Board or the Board of First Interstate Bancorp is entitled to receive, during a period equal to the lesser of 10 years or the number of full years of service, an annual retirement benefit equal to the basic annual retainer in effect at the time of the director's retirement, without regard to that director's service on particular committees of the Board, except for certain former directors of First Interstate. Directors of the Company with more than 10 years' service on the Board of First Interstate will receive their retirement benefit for such longer period. First Interstate was acquired by the Company in 1996.

Non-officer directors may participate in the Director Option Plan, originally approved by shareholders in 1987 and amended with shareholder approval in 1995. Under the Plan, a non-officer director may elect to receive at the beginning of a year an option to purchase Common Stock in lieu of the director's annual retainer for that year. The number of shares subject to option is the quotient of the participant's annual retainer divided by 50 percent of the fair market value of a share of Common Stock as of January 2 of the year granted. In general, options become exercisable on the first anniversary of the date they are granted and remain exercisable for nine years thereafter. The option price is 50 percent of the fair market value of a share of Common Stock as of the date the option is granted. During 1996, options to purchase an aggregate of 1,929 shares of Common Stock were issued to six directors under the Plan.

Under the 1990 Director Option Plan, each non-officer director elected or reelected each year at the annual meeting automatically receives an option to purchase 500 shares of Common Stock. Directors joining the Board at other times receive options to purchase a prorated number of shares. The exercise price per share of each such option is the fair market value of a share of Common Stock as of the date the option is granted. During 1996, options to purchase 9,462 shares of Common Stock were granted to 19 directors under the 1990 Plan.

The Company reimburses members of the Board of Directors for up to $7,500 per year for expenses incurred in personal financial planning.

As successor to First Interstate Bancorp, the Company owns universal life insurance policies originally purchased by First Interstate on the lives of seven former directors of First Interstate who now serve on the Board of Directors. The death benefits of the policies depend on the length of service and do not exceed $200,000. The Company will continue to pay the premiums on such policies while the director remains a member of the Board. The seven directors have entered into "split-dollar" life insurance agreements which provide that they will become fully entitled to the policy upon the occurrence of certain events, including continuation of service to a future date and resignation for good reason following a change in control. If a director becomes entitled to the policy, the cash value of the policy reduces the payment of benefits under the Directors' Retirement Plan and deferrals of director's fees. During 1996, the directors covered by these insurance agreements received imputed income ranging from $124 to $3,100, which varied according to the director's age and length of service.

The Board of Directors has adopted a retirement policy which precludes any non-officer director from standing for election to the Board after age 70. This policy also precludes any director who was an active officer at the time of his or her first appointment from continuing to serve as a director after retirement, except that a director who has held the office of chairman of the board or president continues to be eligible to stand for election as a director until age 70.

BENEFICIAL OWNERSHIP

The following table shows the number of shares of Common Stock beneficially owned as of February 14, 1997, by all directors and nominees for director, each of the five most highly compensated executive officers during 1996 and all directors, nominees and executive officers as a group. Executive officers are defined as all Company officers at the level of vice chair and above and all Company staff heads on February 14, 1997 (14 persons). As of such date, no individual director, nominee or executive officer beneficially owned more than 0.5 percent of all outstanding Common Stock. All directors, nominees and executive officers as a group owned beneficially 1.5 percent of all outstanding Common Stock as of such date. No share of any other class of equity security was then beneficially owned by any member of the group.
<TABLE>
<CAPTION>

NON-OFFICER DIRECTORS AND NOMINEES	SHARES HELD DIRECTLY	SHARES HELD INDIRECTLY	SHARES SUBJECT TO OPTIONS EXERCISABLE WITHIN 60 DAYS	SHARES HELD THROUGH COMPANY 401(k) PLAN	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>
H. Jesse Arnelle...............	191	0	2,602	0	2,793
Michael R. Bowlin..............	0	5	0	0	5
Edward M. Carson...............	240	15,000	0	604	15,844
William S. Davila..............	100	0	4,404	0	4,504
Rayburn S. Dezember............	0	47,564	3,294	5,382	56,240
Myron Du Bain..................	733	18,558	6,663	0	25,954
Don C. Frisbee.................	581	0	3,330	0	3,911
Robert K. Jaedicke.............	400	0	3,000	0	3,400
Thomas L. Lee..................	866	0	4,665	0	5,531
William F. Miller..............	0	666	0	0	666
Ellen M. Newman................	2,350	227	3,000	0	5,577
Philip J. Quigley..............	0	733	1,480	0	2,213
Carl E. Reichardt..............	0	148,509	626	0	149,135
Donald B. Rice.................	610	4,490	2,289	0	7,389
Richard J. Stegemeier..........	0	3,915	1,998	0	5,913
Susan G. Swenson...............	50	0	668	0	718
Daniel M. Tellep...............	433	0	666	0	1,099
Chang-Lin Tien.................	100	0	3,494	0	3,594

John A. Young	400	0	6,143	0	6,543

<CAPTION>

MOST HIGHLY COMPENSATED OFFICERS DURING 1996					
<S>	<C>	<C>	<C>	<C>	<C>
Paul Hazen(1)	0	188,766	252,090	3,478	444,334
William F. Zuendt(1)	51,562	0	133,270	0	184,832
Rodney L. Jacobs	3,000	16,358	70,410	1,103	90,871
Charles M. Johnson	19,125	0	55,990	4,274	79,389
Clyde W. Ostler	9,985	0	69,258	0	79,243

<CAPTION>

GROUP					
<S>	<C>	<C>	<C>	<C>	<C>
Directors, Nominees and Executive Officers as a Group (33 persons)	136,494	448,703	793,895	19,010	1,398,102

</TABLE>

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1. Also a director.

The following are the only persons known to the Company to have been the beneficial owners of more than 5 percent of the outstanding Common Stock as of December 31, 1996:

<TABLE>
<CAPTION>

NAME AND ADDRESS OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP	PERCENT
<S>	<C>	<C>
Warren E. Buffett Berkshire Hathaway, Inc. 1440 Kiewit Plaza Omaha, Nebraska 68131	7,319,418(1)	8.00
Janus Capital Corporation 100 Fillmore Street Denver, Colorado 80206	6,415,594(2)	7.01
Oppenheimer Group, Inc. Oppenheimer Tower World Financial Center New York, New York 10281	5,476,665(3)	5.99

</TABLE>

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1. Mr. Buffett shares dispositive power over all of the reported shares. As to 7,291,418 of them, he shares voting power and dispositive power with Berkshire Hathaway Inc., a diversified holding company he may be deemed to control, and certain of its subsidiaries. The 28,000-share balance of the shares identified as beneficially owned by Mr. Buffett is held by certain defined-benefit-type employee benefit plans for Berkshire Hathaway employees. While Mr. Buffett may be deemed to have beneficial ownership of such 28,000 shares due to his power to direct the investments of such plans, Mr. Buffett does not have or share voting power over such shares.

2. Janus Capital Corporation is a registered investment adviser whose clients hold the reported shares. Thomas H. Bailey, in his capacity as president and chairman of the board of Janus, shares voting and dispositive power over all of the reported shares. Both Janus and Mr. Bailey disclaim beneficial ownership of them.

3. Oppenheimer Group, Inc., a holding company in the securities business, shares voting and dispositive power over the reported shares with certain affiliated companies and investment advisory clients. As to 5,418,505 of the reported shares, voting and dispositive power are shared with Oppenheimer Capital, an affiliated investment adviser. Oppenheimer Group and its affiliates disclaim beneficial ownership of the reported shares.

PROPOSAL 1
ELECTION OF DIRECTORS

A total of 18 persons have been nominated to serve on the Board of Directors until the next annual meeting or until their successors are elected and qualified. Directors are elected by a plurality of the votes cast by holders of Common Stock on the record date present in person or represented by proxy at the annual meeting. The proxy holders named on the accompanying proxy card, unless otherwise instructed, intend to vote all of the shares they represent as proxies for each of the nominees named herein. Although it is not contemplated that any nominee will decline or be unable to serve, if either occurs prior to the annual meeting, the Board of Directors will select a substitute nominee or amend the By-Laws of the Company to reduce the authorized number of directors. Biographical information about all nominees may be found below.

The Board of Directors recommends a vote FOR authority for the proxy holders to vote in favor of the nominees named below or their substitutes as described above.

All nominees are directors of the Bank. If elected as directors of the Company, all nominees will also be elected as directors of the Bank.

<TABLE>

<S>	<C>
[Photo]	H. JESSE ARNELLE Mr. Arnelle, 63, is the senior partner of Arnelle, Hastie, McGee, Willis & Greene, a corporate law firm in San Francisco. Mr. Arnelle has held this position since 1994 and held a similar position in a predecessor firm since 1985. He is also a director of Armstrong World Industries, Inc., Eastman Chemical Corporation, FPL Group, Inc., Textron Corporation, Union Pacific Resources, Inc., and WMX Technologies, Inc. Mr. Arnelle is the chairman of the Pennsylvania State University board of trustees. He has been a director of the Company since 1990.
[Photo]	MICHAEL R. BOWLIN Mr. Bowlin, 54, has been chairman of the board since 1995 of Atlantic Richfield Company, or ARCO, an integrated petroleum products company. He has also been chief executive officer of ARCO since 1994 and president and chief operating officer of ARCO since June 1993. Mr. Bowlin was an executive vice president of ARCO from 1992 to 1993. Mr. Bowlin is also chairman of the board of ARCO Chemical Company. He is a director of ARCO and ARCO Chemical Company. He has been a director of the Company since 1996.
[Photo]	EDWARD M. CARSON Mr. Carson, 67, was chairman of the board from 1990 through April 1995 of First Interstate Bancorp, where he was also chief executive officer from 1990 through 1994. He is also a director of Aztar Corporation, Castle & Cook, Inc., and Terra Industries, Inc. Mr. Carson had been a director of First Interstate Bancorp from 1985 until 1996, when he was elected to the Board of the Company for the first time.

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[Photo]	WILLIAM S. DAVILA Mr. Davila, 65, until his retirement in May 1992 had been president of The Vons Companies, Inc., a Los Angeles-based chain of supermarkets, since 1985. He is now president emeritus and a director of The Vons Companies, Inc., and a director of Geo. A. Hormel & Company and Pacific Gas and Electric Company. Mr. Davila serves on the foundation boards of Methodist Hospital, Arcadia, and Santa Marta Hospital, Los Angeles. He has been a director of the Company since 1990.
[Photo]	RAYBURN S. DEZEMBER Mr. Dezember, 66, served as chairman of the board and chief executive officer of Central Pacific Corporation from 1981 until its acquisition by the Company in 1990. Mr. Dezember is a director of CalMat Co., Tejon Ranch Company and The Bakersfield Californian and is also a trustee of Whittier College. He has been a director of the Company since 1990.
[Photo]	PAUL HAZEN Mr. Hazen, 55, became chairman of the board of the Company and the Bank in 1995, having been president of the Company and the Bank since 1984. He is a director of AirTouch Communications, Phelps Dodge Corporation and Safeway, Inc. He has been a director of the Company since 1984.
[Photo]	ROBERT K. JAEDICKE Mr. Jaedicke, 68, is a professor (emeritus) of accounting at the Graduate School of Business, Stanford University, where he served as dean from 1983 to 1990. He is a director of Bailard Biehl & Kaiser Real Estate Investment Trust Inc., Boise Cascade Corporation, California Water Service Company, C. M. Capital, Enron Corporation, GenCorp, Inc., Homestake Mining Company and State Farm Insurance Companies. He has been a director of the Company since 1983.

[Photo]	THOMAS L. LEE Mr. Lee, 54, has been chairman and chief executive officer since 1989 of The Newhall Land and Farming Company, which is engaged in planned community development and agriculture. He is also a director of CalMat Co. In addition, Mr. Lee is a director of the Los Angeles Area Chamber of Commerce, a trustee of the California Institute of the Arts and a member of the California Business Roundtable and the Urban Land Institute. He had been a director of First Interstate from 1993 to 1996, when he was first elected to the Board of the Company.

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[Photo]	ELLEN M. NEWMAN Mrs. Newman, 68, has been president of Ellen Newman Associates, consumer relations consultants, since its founding in 1974. She is chair emeritus of the board of trustees and a trustee of the University of California, San Francisco, Foundation, a member of the board of governors of the San Francisco Symphony, a director of the California Chamber of Commerce and a founding director of the Retail Management Institute of the University of Santa Clara. Mrs. Newman has been a director of the Company since 1976.
[Photo]	PHILIP J. QUIGLEY. Mr. Quigley, 54, has been chairman, president and chief executive officer since 1994 of Pacific Telesis Group, a telephone holding company with operating subsidiaries in California and Nevada. From 1987 to 1994 he was president and chief executive officer of Pacific Bell, the California operating subsidiary of Pacific Telesis Group. Mr. Quigley is also a director of Pacific Telesis Group. He has been a director of the Company since 1994.
[Photo]	CARL E. REICHARDT Mr. Reichardt, 65, retired as chairman of the board of the Company and the Bank at the end of 1994, having occupied those positions since 1983. Mr. Reichardt's directorships include Columbia/HCA Healthcare Corporation, ConAgra, Inc., Ford Motor Company, McKesson Corp., Newhall Management Corporation, Pacific Gas and Electric Company and SunAmerica Inc. He has been a director of the Company since 1979.
[Photo]	DONALD B. RICE Mr. Rice, 57, since 1996 has been president and chief executive officer of UroGenesys, Inc., a biotechnology research and development company. He was president and chief operating officer of Teledyne, Inc., from 1993 to 1996 and Secretary of the Air Force from 1989 to 1993. He is also a director of UroGenesys, Inc., and Vulcan Materials Company. Mr. Rice originally served as a director of the Company from 1980 to 1989 and rejoined the Board in 1993.
[Photo]	RICHARD J. STEGEMEIER Mr. Stegemeier, 68, is chairman emeritus of Unocal Corporation, an integrated petroleum company, where he was chairman of the board from 1989 until his retirement in May 1995. He also served as chief executive officer from 1988 to 1994. He is a director of Foundation Health Corporation, Halliburton Company, Northrop Grumman Corporation, Outboard Marine Corporation and Pacific Enterprises. Mr. Stegemeier had been a director of First Interstate from 1989 to 1996, when he was first elected to the Company Board.

</TABLE>

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[Photo]	SUSAN G. SWENSON Ms. Swenson, 48, has been president and chief executive officer since 1994 of Cellular One, a cellular telecommunications company. From 1979 to 1994 she held various operating positions within Pacific Telesis Group, including president of PacTel Cellular for two and a half years and general manager of Pacific Bell's second largest operating area for one year. Ms. Swenson has been a director of the Company since 1994.
[Photo]	DANIEL M. TELLEP Until his retirement at the end of 1996, Mr. Tellep, 65, served during 1996 as chairman of the board and during 1995 as chairman of the board and chief executive officer of Lockheed Martin Corporation, an aerospace manufacturer created by merger in 1995. He had been chairman and chief executive officer of Lockheed Corporation from 1989 until the merger. He is also a director of Edison International, Lockheed Martin Corporation and Southern California Edison Company. Mr. Tellep had been a director of First Interstate from 1991 to 1996, when he was first elected to the Company Board.

[Photo] CHANG-LIN TIEN Mr. Tien, 61, has been chancellor of the University of California, Berkeley, since 1990. He is also a director of Raychem Corporation. Currently serving on the boards of trustees of the Asia Foundation and the Carnegie Foundation for the Advancement of Teaching, he is also an elected member of the American Academy of Arts and Sciences and of the National Academy of Engineering. Mr. Tien has been a director of the Company since 1990.

[Photo] JOHN A. YOUNG Mr. Young, 64, retired in 1992 as president, chief executive officer and a director of Hewlett-Packard Company, positions he had held since 1978. He is a director of Affymetrix Corp., Chevron Corporation, Lucent Technologies, Novell, Inc., Shaman Pharmaceuticals Inc. and SmithKline Beecham PLC. Mr. Young is also co-chair of the President's Committee of Advisors on Science and Technology, a member of the executive committee of the Council on Competitiveness and a member of the Business Council. He has been a director of the Company since 1977.

[Photo] WILLIAM F. ZUENDT Mr. Zuendt, 50, became president of the Company and the Bank at the beginning of 1995 after serving as a vice chairman of the Company and the Bank since 1986. He is also a director of 3Com Corporation and the California Chamber of Commerce. Mr. Zuendt is a member of the Federal Advisory Council of the Federal Reserve System. He has been a director of the Company since 1995.

</TABLE>

EXECUTIVE COMPENSATION

The following table summarizes for the last five years compensation earned by or awarded to the chief executive officer and the other four most highly compensated executive officers during 1996. No stock appreciation rights were awarded during any period covered by the table.

SUMMARY COMPENSATION TABLE

<TABLE>
<CAPTION>

		ANNUAL COMPENSATION			LONG-TERM COMPENSATION	
NAME AND PRINCIPAL POSITION	YEAR	SALARY ($)	BONUS ($)	OTHER ANNUAL COMPENSATION ($)	COMMON SHARES UNDERLYING STOCK OPTIONS (#)	ALL OTHER COMPENSATION ($)(1)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Paul Hazen	1996	850,000	2,000,000	11,478	29,560	84,583
Chairman and Chief	1995	812,500	2,000,000	291	44,400	81,250
Executive Officer	1994	737,500	1,250,000	291	40,000	73,750
	1993	658,333	1,000,000	186	40,000	65,833
	1992	575,000	0	186	40,000	57,500
William F. Zuendt	1996	600,000	1,200,000	19,188	17,740	59,167
President	1995	537,500	1,200,000	11,571	26,640	52,709
	1994	475,000	850,000	11,571	27,500	47,500
	1993	466,667	600,000	11,466	20,000	46,667
	1992	425,000	200,000	11,466	20,000	42,500
Rodney L. Jacobs	1996	425,000	750,000	19,188	11,830	41,667
Vice Chair	1995	375,000	750,000	11,571	15,990	37,500
	1994	370,833	475,000	11,571	15,000	37,083
	1993	333,333	400,000	11,466	27,000	33,333
	1992	241,667	175,000	11,466	16,000	24,167
Charles M. Johnson	1996	375,000	550,000	18,804	8,870	37,500
Vice Chair	1995	367,500	550,000	11,571	13,320	36,750
	1994	325,000	475,000	11,571	15,000	32,500
	1993	291,667	400,000	11,466	15,000	29,167
	1992	240,833	175,000	11,466	28,000	23,147
Clyde W. Ostler	1996	375,000	475,000	15,687	7,100	46,500
Vice Chair	1995	375,000	475,000	11,571	10,660	37,500
	1994	375,000	475,000	11,571	15,000	36,790
	1993	362,500	400,000	12,092	15,000	36,250
	1992	300,000	175,000	11,466	16,000	30,000

</TABLE>

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1. Amounts shown for 1996 represent Company contributions to its Tax Advantage

and Retirement Plan ("TAP") and its unfunded Benefits Restoration Program (the "BRP"). As permitted by law, the BRP was credited with contributions which otherwise would have been made to TAP but for the limits imposed by the Internal Revenue Code on contributions made to TAP. Amounts contributed during 1996 to TAP and the BRP respectively on behalf of the named officers were as follows: Mr. Hazen, $13,750, $70,833; Mr. Zuendt, $8,969, $50,198; Mr. Jacobs, $13,750, $27,917; Mr. Johnson, $4,170, $33,330; and Mr. Ostler, $7,392, $39,108.

Shown below is further information regarding employee stock options awarded during 1996 under the Company's Long-Term Incentive Plan to the five officers named above. No stock appreciation rights were awarded during the year.

OPTION GRANTS DURING 1996

<TABLE>
<CAPTION>

	INDIVIDUAL GRANTS				POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR 10-YEAR OPTION TERM(1)		
					0% ($)	5% ($)	10% ($)
NAME	COMMON SHARES UNDERLYING OPTIONS GRANTED(2)	% OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR(3)	EXERCISE PRICE ($/SH)	EXPIRATION DATE	ASSUMED COMMON STOCK PRICE ON NOV. 19, 2006-- $277	ASSUMED COMMON STOCK PRICE ON NOV. 19, 2006-- $451.51	ASSUMED COMMON STOCK PRICE ON NOV. 19, 2006-- $717.43
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Paul Hazen.........	29,560	12.7	$ 277	Nov. 19, 2006	0	5,158,516	13,019,111
William F. Zuendt...........	17,740	7.6	$ 277	Nov. 19, 2006	0	3,095,807	7,813,228
Rodney L. Jacobs...	11,830	5.1	$ 277	Nov. 19, 2006	0	2,064,453	5,210,287
Charles M. Johnson..........	8,870	3.8	$ 277	Nov. 19, 2006	0	1,547,904	3,906,614
Clyde W. Ostler....	7,100	3.1	$ 277	Nov. 19, 2006	0	1,239,021	3,127,053
Five Named Officers as a Group.......	75,100	32.3	$ 277	Nov. 19, 2006	0	13,105,701	33,076,293
Total Approximate Shareholder Benefit..					0	15,963,000,000	40,288,000,000
Benefit of Five Named Officers as a Percent of Total............................					0	0.1%	0.1%

</TABLE>

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1. The amounts shown are not the values of the options on the date they were granted. Instead, these are hypothetical future values based on the difference between the option exercise price and an assumed future Common Stock price at the end of the 10-year term of the options using rates of growth prescribed by the Securities and Exchange Commission. For all grants shown, at an assumed appreciation rate of 5 percent per year starting at $277 per share, the Common Stock price would be $451.51 and the total increase in shareholder value would be approximately $15,963,000,000 ($174.51 increase per share X approximately 91.5 million outstanding shares). At an assumed appreciation rate of 10 percent per year starting at $277 per share, the Common Stock price would be $717.43 and the total increase in shareholder value would be approximately $40,288,000,000 ($440.43 increase per share X approximately 91.5 million outstanding shares).

2. The options generally become exercisable with respect to one-third of their underlying shares on each of the first, second and third anniversaries of their grant. The exercise price may be paid in cash or Common Stock or by means of a loan under the Long-Term Incentive Plan. See "Other Transactions with Officers and Directors -- Long-Term Incentive Plan," below. No stand-alone or tandem stock appreciation rights were granted during 1996. The Management Development and Compensation Committee of the Board, or a subcommittee thereof, has the discretion to provide for the acceleration of the exercisability of options under various circumstances, including its determination that a change in control of the Company has occurred, but the Committee has never exercised that discretion.

3. Options to purchase a total of 232,600 shares of Common Stock were granted under the Company's Long-Term Incentive Plan during 1996.

The following table shows the value realized upon exercise of options during 1996 and certain information about unexercised options at year-end with respect to the named officers. There were no stock appreciation rights exercised during the year or outstanding at year-end.

AGGREGATED OPTION EXERCISES DURING 1996 AND YEAR-END OPTION VALUES

NAME	OPTIONS EXERCISED DURING 1996		COMMON SHARES UNDERLYING UNEXERCISED OPTIONS ON DECEMBER 31, 1996(#)		VALUE(1) OF UNEXERCISED IN-THE-MONEY OPTIONS(2) ON DECEMBER 31, 1996($)	
	SHARES ACQUIRED ON EXERCISE(#)	VALUE REALIZED($)(1)	EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Paul Hazen..........	5,550	992,756	277,920	72,490	50,678,828	3,367,490
William F. Zuendt...	22,220	3,853,265	133,270	44,665	23,649,479	2,164,035
Rodney L. Jacobs....	10,420	2,060,658	70,410	27,490	11,374,299	1,237,278
Charles M. Johnson..	5,625	1,087,528	68,315	22,750	11,538,891	1,133,370
Clyde W. Ostler.....	1,600	285,963	70,578	19,207	12,082,638	1,029,871

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1. "Value" represents the difference between the option exercise price and the market value of the underlying Common Stock on December 31, 1996, in the case of unexercised options, or on the date of exercise, in the case of exercised options.

2. An option is "in the money" on a particular date if the market value of the underlying Common Stock on that date exceeds the option exercise price.

PENSION BENEFITS. The Company terminated its defined-benefit retirement plan on December 31, 1984, and purchased annuities for participants eligible to receive benefits under such plan. Since the Employee Retirement Income Security Act of 1974 limited individual annual benefits payable under the defined-benefit retirement plan, benefits that otherwise would have been payable under the annuities in excess of that limit will be paid under the Company's Benefits Restoration Program. The combined annual benefit payable from such annuities and under the Benefits Restoration Program to each of the named executive officers beginning at age 65 is as follows: Paul Hazen, $187,490; William F. Zuendt, $141,619; Rodney L. Jacobs, $27,573; Charles M. Johnson, $109,913; and Clyde W. Ostler, $108,638.

REPORT ON EXECUTIVE COMPENSATION BY MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE

The Management Development and Compensation Committee (the "Committee") of the Board of Directors, which consists solely of non-officer directors, has provided the following report on executive compensation:

The Committee has responsibility for executive compensation programs designed to attract, motivate, reward and retain the management talent required to lead the Company, achieve its business objectives and increase shareholder value. An executive's compensation consists of three elements -- base salary, bonus and stock options -- which are determined separately based on different sets of criteria. Each element of compensation is evaluated relative to recent levels of compensation for positions of similar responsibility at the 15 bank holding companies with the largest stock market capitalization, which comprise Wells Fargo's peer group (the "Peer Group"). The Committee believes that these institutions, in light of their similarity to the Company, are significant potential competitors for the executive talent Wells Fargo seeks to attract and retain. Members of the Peer Group are among the 50 largest bank holding companies in the United States and are included in the Keefe, Bruyette & Woods, Inc., 50 Total Return Index for Bank Holding Companies shown on page 18. The Committee also reviews the compensation levels of non-bank financial service providers to ensure that Wells Fargo's pay levels are competitive.

BASE SALARIES

Base salaries for executives, including the chief executive officer, typically approximate the median salary for positions of similar responsibility in the Peer Group. Salaries are adjusted up or down from the median based on the strategic importance of the position and the skills of the executive. Generally, increases in salary occur only in response to market changes or when warranted by an executive's change in responsibilities. No adjustments in base salary were made this year for the most senior executive officers, including the chief executive officer.

BONUSES

Executive officers are eligible for bonuses that are based on shareholder, Company and individual performance and on the Peer Group comparison, described below.

SHAREHOLDER PERFORMANCE CRITERIA. The Company's return to its shareholders is compared to:

- the returns of our Peer Group.

- a broader measure of bank holding company stocks, the 50 bank holding companies represented in the Keefe, Bruyette & Woods, Inc., 50 Total Return Index for Bank Holding Companies (the "KBW 50"). All members of the Peer Group are included in the KBW 50.

- a broad measure of market performance, the 500 stocks represented in the Standard & Poor's 500 Stock Index (the "S&P 500").

COMPANY PERFORMANCE CRITERIA. In 1996 the Committee focused on such measures of Company profitability as return on equity, "cash" return on equity and "cash" return on assets. Following the First Interstate merger, the cash return measurements are believed to be the most relevant measures of financial performance for shareholders and are the most comparable with prior periods.

INDIVIDUAL PERFORMANCE CRITERIA. The Committee considered the contribution individual executive officers made to the performance of the Company, as described above. An executive's individual performance was also evaluated in such areas as leadership, vision, initiative and personnel selection and development.

PEER GROUP COMPARISON. To the extent that executive positions can be matched with positions in the Peer Group, bonuses are compared to those of the Peer Group. This year, bonuses for executive officers, including the chief executive officer, are intended to be near the Peer Group median. The Peer Group is used for these evaluations rather than the KBW 50 because we believe the Peer Group reflects the market in which we compete for executives.

In awarding bonuses, all of the foregoing factors are evaluated in a qualitative manner, are not weighted, and their relative importance may vary in view of individual circumstances. The 1996 cash bonuses for executive officers took into account individual contributions to business performance and, except for the most senior executive officers, contributions towards integrating the Company's operations following the First Interstate merger.

SENIOR EXECUTIVE PERFORMANCE PLAN. The five most highly compensated officers from among the chief executive officer, the president and the vice chairs are eligible for bonuses under the terms of the Senior Executive Performance Plan ("SEPP"), which is designed to qualify bonuses paid thereunder for tax deductibility by the Company under Section 162(m) of the Internal Revenue Code. The Company's policy with regard to Section 162(m) is stated below. The Board of Directors adopted the SEPP on February 15, 1994. The shareholders approved the plan on April 18, 1994.

In accordance with the terms of the SEPP, in February 1996 the Committee set a target threshold for return on equity of 8 percent, then set 3 percent as the percentage of net income applicable to Common Stock in excess of that target threshold, to fund the maximum pool available for 1996 bonuses. In February 1996 the Committee also determined the size of each participant's percentage share of the pool, based on such participant's potential individual contribution to the success of the Company. In accordance with SEPP provisions approved by the shareholders in 1994, the Committee is permitted to adjust net income for certain restructuring charges. In determining the size of the 1996 SEPP pool, the Committee, at its February 1997 meeting, adjusted the 1996 net income applicable to Common Stock by $260 million in order to remove the effect of certain expenses related to severance and integration costs associated with the First Interstate merger.

At its meeting in February 1997, the Committee also decided to award each participant in the Plan an amount smaller than the maximum amount permitted by the available pool based on the shareholder, Company and individual performance criteria and the Peer Group comparison described above. In particular, the Committee determined that cash bonuses awarded under the SEPP for 1996, including the chief executive officer's bonus, should not exceed bonuses awarded under the SEPP for 1995 performance.

At such meeting, the Committee also set target thresholds of 3 percent of net income applicable to Common Stock in excess of 8 percent return on equity to determine the 1997 bonus pool. Such amounts were determined in light of the reduction in the Company's reported return on equity resulting from the amortization of goodwill and intangibles associated with the First Interstate merger.

1996 PERFORMANCE. Highlights of the Company's 1996 performance, taking into account the impact of the First Interstate merger, are as follows:

- The return to our shareholders in 1996, assuming full reinvestment of dividends, was 27.6 percent, compared to 53 percent in 1995. This compares with 38.2 percent on average for the Peer Group, 41.5 percent for the bank holding companies in the KBW 50 and 22.9 percent for the companies comprising the S&P 500.

- Our five-year return to shareholders of 426 percent compares with the 250 percent average for the Peer Group, 189 percent for the bank holding companies in the KBW 50 and 103 percent for the companies comprising the S&P 500.

- Our ten-year return to shareholders of 658 percent compares with the 442 percent average for the Peer Group and 314 percent for the S&P 500. This data is not available for the KBW 50.

- Our return on equity of 8.83 percent compares with the Peer Group average of 17.58 percent. Our cash return on average common equity of 28.46 percent ranked first in the Peer Group, whose estimated average was 18.65 percent. Our 1996 cash return on average assets was 1.66 percent. The Peer Group average return on assets was 1.32 percent.

LONG-TERM INCENTIVE COMPENSATION

Stock options are awarded to motivate executives, including the chief executive officer, to make decisions leading to sustained growth in shareholder value. To determine award levels the Committee focuses on individual impact on shareholder value, individual performance and strategic responsibility. All of the foregoing factors are evaluated in a qualitative manner, are not weighted, and their relative importance may vary in view of individual circumstances. Occasionally stock options may be granted to a new executive if his or her position has substantial strategic value and potential impact on shareholder value. Stock options are granted at fair market value on the date of grant, thereby linking individual potential compensation to shareholder gain and encouraging management to operate the Company from the perspective of an owner.

Stock options are an integral tool used to ensure that the total compensation of our executives is generally competitive, and we analyze individual grants on a Peer Group basis when data is available. The value of grants in 1996 to the executive officers, including the chief executive officer, are in general between the median and the 75th percentile when compared to the Peer Group. Based on the foregoing considerations, the Committee awarded 1996 stock option grants to the five officers named in the above table, "Option Grants During 1996."

At its meeting in February 1997, the Committee decided to award the Company's most senior executive officers with an additional stock option grant to recognize their efforts thus far towards the successful integration of the Company's operations following the First Interstate merger. The options were granted at fair market value on the date of grant, have an exercise price of $314.25 per share and vest annually over a three-year period. To the extent that the Company's future performance resulting from the successful completion of the First Interstate merger generates additional value to shareholders, it will also result in value to these executives through these grants.

POLICY REGARDING SECTION 162(M) OF THE INTERNAL REVENUE CODE

Section 162(m) of the Internal Revenue Code ("Section 162(m)") limits federal income tax deductions by the Company for compensation paid to the chief executive officer and the four other most highly compensated officers to $1 million per year, but contains an exception for performance-based compensation that satisfied certain conditions, including limitations on the discretion of the Committee in determining the amount of such compensation.

The Committee believes that a substantial portion of an executive's compensation should be based on Company performance and, in determining the amount and form of compensation, the Committee considers the net cost of that compensation, including whether it will generate a tax deduction for the Company. As a result, the Committee will generally seek to award performance-based compensation that would otherwise be deductible by the Company in a manner that complies with the performance-based compensation exception to Section 162(m). In that regard, the Committee believes that stock options granted at fair market value under the Long-Term Incentive Plan and bonuses awarded under the Senior Executive Performance Plan will qualify for the performance-based compensation exception to the Section 162(m) deduction limit. However, because the net cost of compensation is weighed against many other factors in determining executive compensation, the Committee may determine that it is appropriate to authorize compensation that is not deductible by the Company, whether by reason of Section 162(m) or otherwise.

STOCK OWNERSHIP GUIDELINES

In 1993 the Company introduced minimum stock ownership guidelines to be met by officers at the level of senior vice president and above within five years after promotion to such levels. These guidelines support the view that management risk and rewards should have a direct relationship to shareholder returns. The investment at risk of each of the executive officers substantially exceeds these guidelines.

Management Development and
Compensation Committee:
John A. Young, Chairman
Michael R. Bowlin
Myron Du Bain
Philip J. Quigley
Donald B. Rice
Richard J. Stegemeier
Susan G. Swenson
Daniel M. Tellep

COMPARATIVE TOTAL RETURN ON COMMON STOCK

The following graphs present the yearly percentage change in the cumulative total shareholder return on the Common Stock for the five years and the ten years ended December 31, 1996. The graphs compare the cumulative total returns during those periods on the Common Stock, the Standard & Poor's 500 Stock Price Index ("S&P 500") and, in the five-year comparison only, the Keefe, Bruyette & Woods, Inc., 50 Total Return Index ("KBW 50"), which is not available for the ten-year period shown below. The KBW 50 is a market-capitalization-weighted stock price index composed of 50 bank holding company stocks. All computations have been made to give effect to the reinvestment of dividends.

FIVE-YEAR PERFORMANCE COMPARISON

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

<TABLE>
<CAPTION>

AS OF DECEMBER 31,	WELLS FARGO	S&P 500	KBW50
<S>	<C>	<C>	<C>
1991	100	100	100
1992	136	108	127
1993	235	118	134
1994	270	120	128
1995	413	165	204
1996	526	203	289

</TABLE>

Assuming the reinvestment of all dividends, a hypothetical investment of $100 made as of December 31, 1991, in the Common Stock of the Company, and pro rata in the 50 stocks included in the KBW 50 and in the 500 stocks comprising the S&P 500 would have been worth $526, $289 and $203, respectively, as of December 31, 1996.

TEN-YEAR PERFORMANCE COMPARISON

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

<TABLE>
<CAPTION>

AS OF DECEMBER 31,	WELLS FARGO	S&P 500
<S>	<C>	<C>
1986	100	100
1987	87	105
1988	128	123
1989	164	162
1990	135	156
1991	144	204
1992	195	220
1993	338	242
1994	389	245
1995	595	337
1996	758	414

</TABLE>

Assuming the reinvestment of all dividends, a hypothetical investment of $100 made as of December 31, 1986, in the Common Stock of the Company and pro rata in the 500 stocks included in the S&P 500 would have been worth $758 and $414, respectively, as of December 31, 1996. A 10-year performance comparison is not available for the KBW 50.

OTHER TRANSACTIONS WITH OFFICERS AND DIRECTORS

EXECUTIVE LOAN PLAN. The Company's Executive Loan Plan was adopted by the Board of Directors in 1984. The persons eligible under the Plan to receive mortgage or general purpose loans or loan guarantees from the Company include executive officers of the Company and are selected by the chairman of the board or the president pursuant to authority delegated by the Management Development and Compensation Committee, which administers the Plan. Loans bear interest at the applicable rate in effect under Section 1274(d) of the Internal Revenue Code at the time the loan is made (currently between 5.83 and 6.42 percent for loans made in March 1997, depending on the term of the loan and certain other factors) and may be reduced by up to 5 percentage points while the borrower is an employee of the Company.

Mortgage loans must be for the purpose of purchasing, constructing or improving the executive's principal residence or refinancing outstanding indebtedness with respect to such residence, cannot have a term exceeding 30 years and, when aggregated with other outstanding debt secured by such residence, must have a maximum principal balance of the lesser of $1,500,000 or 100 percent of the fair market value of such residence. General purpose loans may not have a term exceeding 10 years and must be for personal household expenses, education or support of dependents, extraordinary medical or dental expenses, income taxes or other purposes deemed appropriate by the Management Development and Compensation Committee. General purpose loans cannot be used for investment purposes or to acquire shares of Common Stock under a stock option or similar plan of the Company or its subsidiaries, although such loans are available under the Long-Term Incentive Plan. See "Long-Term Incentive Plan," below. The maximum principal balance of all general purpose loans to the same executive cannot exceed the lesser of $250,000 or 150 percent of the executive's annual base salary.

The following table gives information regarding the unpaid principal balances under the Plan for those of the five most highly compensated executive officers in 1996 with loans under the Plan and for all 1996 executive officers as a group during the time they served as such.

	BALANCE AS OF DECEMBER 31, 1996	MAXIMUM BALANCE DURING 1996
Paul Hazen Chairman of the Board	$ 1,372,476	$ 1,398,392
Clyde W. Ostler Vice Chair	$ 1,687,979	$ 1,709,837
All 1996 Executive Officers as a Group(1)	$ 4,451,165	$ 4,766,141

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1 Both the balance as of December 31, 1996, and the maximum balance during 1996 represent loans to three persons.

LONG-TERM INCENTIVE PLAN. The Management Development and Compensation Committee may authorize an extension of credit from the Company to an employee (including an employee who is an officer or director of the Company) to assist the employee in the purchase of Common Stock upon exercise of employee stock options granted under the Plan or a predecessor plan. Under current policy, the Company may extend or guarantee such loans with a maximum term of six years. Such loans bear interest at a variable rate that is adjusted each year to equal the greater of the average annual rate for three-year U.S. Treasury notes for the immediately preceding calendar year, which was 6.25 percent for 1996, and the applicable rate in effect under Section 1274(d) of the Internal Revenue Code at the time the loan is made (currently between 6.36 and 6.75 percent for loans made in March 1997, depending on the term of the loan and certain other factors).

The following table gives information about the unpaid principal balances under the Plan and a predecessor plan for those of the five most highly compensated executive officers in 1996 with loans under the Plan or a predecessor plan and for all 1996 executive officers as a group during the time they served as such.

	BALANCE AS OF DECEMBER 31, 1996	MAXIMUM BALANCE DURING 1996
Paul Hazen Chairman of the Board	0	$ 2,699,798
William F. Zuendt President	0	$ 1,804,609
Clyde W. Ostler		

Vice Chair..	$	758,283	$	866,283
All 1996 Executive Officers as a Group(1).....................	$	1,928,945	$	6,779,352

</TABLE>

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1 The balance as of December 31, 1996, represents loans to five persons; the maximum balance during 1996 represents loans to seven persons.

OTHER TRANSACTIONS. The Bank has had and expects in the future to have banking transactions in the ordinary course of its business with many of the Company's directors and executive officers and their associates, including transactions with corporations of which such persons are directors, officers or controlling shareholders, on substantially the same terms (including interest rates and collateral) as those prevailing at the time for comparable transactions with others. The loans included among such transactions did not involve more than the normal risk of collectibility or present other unfavorable features when such loans were made.

Loans by the Bank to directors and executive officers of the Company and to entities controlled by them are subject to limitations as to amount and purpose as prescribed by the Federal Reserve Act. For example, extensions of credit by the Bank in excess of $500,000 to directors and executive officers of the Company and their related interests require the prior approval of a majority of the disinterested directors of the Bank. All extensions of credit to such persons must be made on non-preferential terms. In addition, the Bank may not extend credit in excess of $100,000 (not counting up to $15,000 of open-end credit) to any executive officer of the Bank, which includes most executive officers of the Company, unless the purpose of the loan is to finance the education of the officer's children or the purchase, construction, maintenance or improvement of the officer's residence or unless the loan is secured by collateral of the types specified by federal law.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Because of the complexity of the reporting requirements imposed on the Company's directors and executive officers under Section 16 of the Securities Exchange Act of 1934, the Company has assumed responsibility for preparing and filing the reports of changes in beneficial ownership required of these persons by this statute. Based on a review of beneficial ownership reporting forms and representations of its directors, executive officers and 10 percent shareholders, the Company believes that such persons were in compliance during 1996 with these reporting requirements, except as follows. The initial beneficial ownership reports on behalf of directors Edward M. Carson and Richard J. Stegemeier were filed two and seven days late, respectively. The initial beneficial ownership report filed on behalf of Paul M. Watson, an executive officer, understated his Common Stock ownership by 130 shares; this was corrected by amendment four months later. And the sale of 1,130 shares of Common Stock by Robert M. Nahas, a former director emeritus, was reported approximately 2 1/2 months late.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The following persons served as members of the Management Development and Compensation Committee during all or part of 1996: John A. Young, Chairman; Michael R. Bowlin; Myron Du Bain; William R. Breuner (retired); William S. Davila; Rayburn S. Dezember; Ellen M. Newman; Philip J. Quigley; Donald B. Rice; Richard J. Stegemeier; Susan G. Swenson; and Daniel M. Tellep. With the exception of Messrs. Bowlin, Du Bain, Stegemeier and Tellep, each director on the Committee, a family member or an entity controlled by the director had loans or other extensions of credit outstanding from the Bank or one of its affiliates during 1996. These loans were made in the ordinary course of business and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons. Such loans did not involve more than the normal risk of collectibility or present other unfavorable features when they were made.

PROPOSAL 2
RATIFICATION OF SELECTION OF INDEPENDENT AUDITORS

The Board of Directors has appointed KPMG Peat Marwick LLP, certified public accountants, Three Embarcadero Center, San Francisco, California, as independent auditors for the Company for 1997. Shareholders are being asked to ratify this selection at the annual meeting. This firm or a predecessor has served as the independent auditors for the Company since 1969. Ratification of the appointment of KPMG Peat Marwick LLP as independent auditors requires the affirmative vote of the holders of a majority of the shares voting at the meeting.

As in the past, representatives of KPMG Peat Marwick LLP will be present at the annual meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

The Board of Directors recommends a vote FOR this proposal.

COST OF SOLICITATION

In addition to solicitation by mail, proxies may also be solicited by directors, officers and employees of the Company and the Bank, who will not receive additional compensation for such solicitation. The Company has also engaged D. F. King & Co. Inc. to assist in contacting shareholders whose stock is held in the names of brokers or other custodians and will pay $7,500 plus out-of-pocket expenses for these services. Brokerage firms and other custodians, nominees and fiduciaries will be reimbursed by the Company for their reasonable expenses incurred in sending proxy materials to beneficial owners of the Common Stock.

MISCELLANEOUS

A shareholder who intends to present a proposal at the 1998 annual meeting of shareholders for inclusion in the Company's proxy statement and form of proxy relating to such meeting must submit such proposal by November 11, 1997. The proposal must be mailed to the Company's principal executive offices at 420 Montgomery Street, San Francisco, California 94104, Attention: Secretary.

Guy Rounsaville, Jr.
SECRETARY

March 11, 1997

PROXY
WELLS FARGO & COMPANY
PROXY FOR ANNUAL MEETING OF SHAREHOLDERS APRIL 15, 1997
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoint(s) PAUL HAZEN, ROBERT K. JAEDICKE and WILLIAM F. ZUENDT, and each of them, the proxy or proxies of the undersigned, with full power of substitution, to vote all shares of Common Stock, $5 par value, of Wells Fargo & Company (the "Company") which the undersigned is entitled to vote at the Annual Meeting of Shareholders of the Company to be held in San Francisco, California, on Tuesday, April 15, 1997, at 1:00 p.m., and at any adjournment thereof, with the same force and effect as the undersigned might or could do if personally present thereat.

UNLESS A CONTRARY INSTRUCTION IS INDICATED, THIS PROXY WILL BE VOTED FOR THE ELECTION OF DIRECTORS AND IN FAVOR OF THE PROPOSAL TO RATIFY THE SELECTION OF INDEPENDENT AUDITORS FOR 1997, ALL AS DESCRIBED IN THE ACCOMPANYING PROXY STATEMENT. THIS PROXY WILL ALSO BE VOTED AT THE DISCRETION OF THE PROXY HOLDERS ON SUCH MATTERS OTHER THAN THE TWO SPECIFIED ITEMS AS MAY COME BEFORE THE MEETING.

A majority of such proxies or their substitutes as shall be present and acting at the meeting, or if only one be present and acting then that one, shall have and may exercise all of the powers of all of said proxies hereunder.

PLEASE MARK, DATE AND SIGN ON THE REVERSE SIDE AND RETURN PROMPTLY

[Reverse Side]

The shares represented by this proxy will be voted as directed by the stockholder. If no direction is given when the duly executed proxy is returned, such shares will be voted "FOR" authority in Proposal 1 and "FOR" Proposal 2.

The Board of Directors favors a vote "FOR" authority in Proposal 1 and "FOR" Proposal 2.

1. Authority to vote for the following nominees for director:

   H.J. Arnelle; M.R. Bowlin; E.M. Carson; W.S. Davila; R.S. Dezember; P. Hazen; R.K. Jaedicke; T.L. Lee; E.M. Newman; P.J. Quigley; C.E. Reichardt; D.B. Rice; R.J. Stegemeier; S.G. Swenson; D.M. Tellep; C-L. Tien; J.A. Young; W.F. Zuendt.

   / / FOR   / / WITHHELD

   FOR, except vote withheld from the following nominee(s):

   ____

2. Ratify selection of KPMG Peat Marwick LLP as independent auditors for 1997.

/ / FOR   / / AGAINST   / / ABSTAIN

Signature(s):_____________________________________   Date:____________

NOTE: Please sign exactly as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If signer is a corporation or other organization, please sign in full name of corporation or other organization and indicate capacity of signing officer.

The signer hereby revokes all proxies heretofore given by the signer to vote at said meeting or any adjournment thereof.