FORM 10-K/A

Annual report pursuant to section 13 and 15(d) [amend]

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NORWEST CORP

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SIC: **6021** National commercial banks

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K/A

Amendment No. 1

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 1993

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-2979

NORWEST CORPORATION

A Delaware Corporation - I.R.S. No. 41-0449260
Norwest Center
Sixth and Marquette
Minneapolis, Minnesota 55479
Telephone (612) 667-1234

This Form 10-K/A amends and restates in its entirety the consolidated financial statements of the corporation and its subsidiaries included on pages 36 through 83 of the Appendix, filed pursuant to Item 8 and Item 14(a)(1), to reflect the acquisition of First United Bank Group, Inc. on January 14, 1994. The acquisition was accounted for using the pooling of interests method of accounting and, accordingly, the corporation's financial statements have been restated for all periods prior to the acquisition to include the accounts and operations of First United.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K/A

AMENDMENT TO APPLICATION OR REPORT

Filed Pursuant to Section 13 or 15(d) of the
SECURITIES EXCHANGE ACT OF 1934

NORWEST CORPORATION

I.R.S. No. 41-0449260
Norwest Center
Sixth and Marquette
Minneapolis, Minnesota 55479
Telephone (612) 667-1234

AMENDMENT NO. 1

The undersigned registrant hereby amends the following items, financial statements, exhibits or other portions of its 1993 Annual Report on Form 10-K as set forth in the pages attached hereto.

FINANCIAL STATEMENTS

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this amendment to be signed on its behalf by the undersigned, thereunto duly authorized.

Norwest Corporation
(Registrant)

May 13, 1994

By /s/ Richard M. Kovacevich
President and Chief Executive Officer

By /s/ John T. Thornton
Executive Vice President
and Chief Financial Officer
(Principal Financial Officer)

By /s/ Michael A. Graf
Senior Vice President and Controller
(Principal Accounting Officer)

By /s/ William A. Hodder
Director and Attorney-in-fact

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Consolidated Balance Sheets	2
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The Board of Directors
Norwest Corporation

We consent to the substitution of the following financial statements for the corresponding financial statements previously filed by you as a part of your annual report on Form 10-K for the fiscal year ended December 31, 1993:

Consolidated Balance Sheets
Consolidated Statements of Income
Consolidated Statements of Cash Flows
Consolidated Statements of Stockholders' Equity
Notes to Consolidated Financial Statements

and to the use of our report dated January 19, 1994, included in said annual report after such substitution.

By /s/ KPMG Peat Marwick
KPMG Peat Marwick

Minneapolis, Minnesota
May 13, 1994

Norwest Corporation and Subsidiaries

CONSOLIDATED BALANCE SHEETS

In millions, except shares

<TABLE>
<CAPTION>

At December 31,	1993	1992
<S>	<C>	<C>
ASSETS		
Cash and due from banks	$ 2,844.4	2,744.3
Interest-bearing deposits with banks	55.9	112.6
Federal funds sold and resale agreements	707.7	571.1
Total cash and cash equivalents	3,608.0	3,428.0
Trading account securities	279.1	132.0
Investment securities (market value $1,597.6 in 1993 and $1,927.3 in 1992)	1,542.7	1,865.0
Mortgage-backed securities (market value $153.1 in 1993 and $167.5 in 1992)	151.0	165.9
Investment securities available for sale (market value $2,260.9 in 1993 and $1,815.7 in 1992)	2,001.2	1,573.6
Mortgage-backed securities available for sale		

(market value $9,244.0 in 1993 and $9,565.6 in 1992)	9,021.6	9,358.2
Total investment securities	12,716.5	12,962.7
Student loans available for sale	1,349.2	1,156.5
Mortgages held for sale	6,090.7	4,727.8
Loans and leases	29,781.9	26,797.9
Unearned discount	(1,021.1)	(1,015.4)
Allowance for credit losses	(789.2)	(773.1)
Net loans and leases	27,971.6	25,009.4
Premises and equipment, net	842.1	742.2
Interest receivable and other assets	1,807.8	1,878.4
Total assets	$54,665.0	50,037.0
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Noninterest-bearing	$ 9,054.3	7,382.5
Interest-bearing	26,922.2	24,226.9
Total deposits	35,976.5	31,609.4
Short-term borrowings	5,996.8	8,824.9
Accrued expenses and other liabilities	2,079.9	1,677.7
Long-term debt	6,850.9	4,553.2
Total liabilities	50,904.1	46,665.2
Preferred stock	380.0	394.0
Common stock, $1 2/3 par value-authorized 500,000,000 shares: Issued 309,255,558 and 303,608,233 shares in 1993 and 1992, respectively	515.4	265.1
Surplus	503.3	686.6
Retained earnings	2,433.3	2,089.1
Notes receivable from ESOP	(16.3)	(19.5)
Treasury stock-1,956,803 and 2,066,950 common shares in 1993 and 1992, respectively	(51.5)	(43.2)
Foreign currency translation	(3.3)	(0.3)
Total common stockholders' equity	3,380.9	2,977.8
Total stockholders' equity	3,760.9	3,371.8
Total liabilities and stockholders' equity	$54,665.0	50,037.0

</TABLE>
See notes to consolidated financial statements.

Norwest Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF INCOME

In millions, except per common share amounts

<TABLE>
<CAPTION>

Year ended December 31,	1993	1992	1991
<S>	<C>	<C>	<C>
INTEREST INCOME ON			
Loans and leases	$2,648.2	2,454.9	2,701.6
Investment securities	117.1	230.0	293.6
Mortgage-backed securities	9.3	584.2	751.2
Investment securities available for sale	118.5	16.9	-
Mortgage-backed securities available for sale	592.4	164.9	-
Student loans available for sale	85.3	24.2	-
Mortgages held for sale	326.8	279.4	192.1

Money market investments	19.8	28.9	76.7
Trading account securities	28.9	23.0	10.7
Total interest income	3,946.3	3,806.4	4,025.9
INTEREST EXPENSE ON			
Deposits	852.3	1,015.6	1,482.5
Short-term borrowings	238.1	277.9	352.4
Long-term debt	352.5	317.1	315.4
Total interest expense	1,442.9	1,610.6	2,150.3
NET INTEREST INCOME	2,503.4	2,195.8	1,875.6
Provision for credit losses	158.2	270.8	406.4
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	2,345.2	1,925.0	1,469.2
NON-INTEREST INCOME			
Trust	187.2	168.9	149.6
Service charges on deposit accounts	211.6	190.7	172.5
Mortgage banking	472.3	275.3	185.9
Data processing	65.5	66.1	64.2
Credit card	114.3	134.2	152.4
Insurance	176.8	155.1	140.6
Other fees and service charges	163.3	145.6	129.9
Net investment and mortgage-backed securities gains	0.1	10.7	20.9
Net investment and mortgage-backed securities available for sale gains	48.7	55.5	-
Net venture capital gains (losses)	59.5	29.7	(4.6)
Other	85.7	41.9	52.6
Total non-interest income	1,585.0	1,273.7	1,064.0
NON-INTEREST EXPENSES			
Salaries and benefits	1,474.3	1,175.4	983.3
Net occupancy	189.2	181.7	163.6
Equipment rentals, depreciation and maintenance	202.0	175.8	150.9
Business development	151.3	117.5	93.4
Communication	168.6	145.7	129.3
Data processing	108.2	100.5	94.3
FDIC assessment and regulatory examination fees	79.7	75.2	67.8
Intangible asset amortization	74.7	76.4	64.6
Other	602.4	504.9	294.3
Total non-interest expenses	3,050.4	2,553.1	2,041.5

</TABLE>
(CONTINUED ON PAGE 4)

Norwest Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF INCOME (CONTINUED FROM PAGE 3)

In millions, except per common share amounts

<TABLE>
<CAPTION>

Year ended December 31,	1993	1992	1991
<S>	<C>	<C>	<C>
INCOME BEFORE INCOME TAXES AND CUMULATIVE EFFECT OF A CHANGE IN METHOD OF ACCOUNTING FOR POSTRETIREMENT MEDICAL BENEFITS	879.8	645.6	491.7
Income tax expense	266.7	175.6	73.4

Income before cumulative effect of a change in accounting for postretirement medical benefits	613.1	470.0	418.3
Cumulative effect on years ended prior to December 31, 1992 of a change in accounting for postretirement medical benefits, net of tax	-	(76.0)	-
NET INCOME	$613.1	394.0	418.3
Average Common and Common Equivalent Shares	307.7	303.4	297.3
PER COMMON SHARE			
NET INCOME			
Primary:			
Before cumulative effect of a change in accounting for postretirement medical benefits	$ 1.89	1.44	1.33
Cumulative effect on years ended prior to December 31, 1992 of a change in accounting for postretirement medical benefits	-	(0.25)	-
Net Income	$ 1.89	1.19	1.33
Fully Diluted:			
Before cumulative effect of a change in accounting for postretirement medical benefits	$ 1.86	1.42	1.32
Cumulative effect on years ended prior to December 31, 1992 of a change in accounting for postretirement medical benefits	-	(0.23)	-
Net Income	$ 1.86	1.19	1.32
DIVIDENDS	$0.640	0.540	0.470

</TABLE>
See notes to consolidated financial statements

Norwest Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

In millions

<TABLE>
<CAPTION>

Year ended December 31,	1993	1992	1991
<S>	<C>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 613.1	394.0	418.3
Adjustments to reconcile net income to net cash flows used for operating activities:			
Cumulative effect on years prior to December 31, 1992 of a change in accounting for postretirement medical benefits, net of tax	-	76.0	-
Writedown of intangible and other assets	84.8	150.0	-
Provision for credit losses	158.2	270.8	406.4
Depreciation and amortization	206.4	178.7	163.9
(Gains) losses on other real estate owned, net	(0.6)	(5.2)	17.7

Losses on sales of premises and equipment	4.3	29.5	3.7
Gains on sales of mortgages held for sale	(140.5)	(18.9)	(12.9)
Gains on sales of investment, mortgage-backed and venture capital securities	(0.1)	(37.9)	(16.3)
Gains on sales of investment, mortgage-backed and venture capital securities available for sale	(108.2)	(58.0)	-
Gains on sales of student loans available for sale	(12.4)	(0.3)	-
Trading account securities gains	(22.0)	(2.3)	(12.8)
Purchases of trading account securities	(64,057.2)	(30,912.7)	(26,713.6)
Proceeds from sales of trading account securites	63,932.1	30,940.9	26,756.9
Originations of mortgages held for sale	(34,285.9)	(21,037.7)	(13,184.0)
Proceeds from sales of mortgages held for sale	33,063.5	19,338.3	12,031.6
Proceeds from sales of investment and mortgage-backed securities available for sale	2,351.6	2,590.1	-
Purchases of investment and mortgage-backed securities available for sale	(4,784.4)	(199.8)	-
Proceeds from maturities and paydowns of investment and mortgage-backed securities available for sale	3,120.4	691.1	-

</TABLE>
(CONTINUED ON PAGE 6)

Norwest Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED FROM PAGE 5)

In millions

<TABLE>
<CAPTION>

Year ended December 31, <S>	1993 <C>	1992 <C>	1991 <C>
Originations of student loans available for sale	(1,035.7)	-	-
Proceeds from sales of student loans available for sale	855.4	172.0	-
Deferred income taxes	(20.0)	(116.3)	27.0
Interest receivable	31.0	8.8	55.0
Interest payable	36.2	(44.1)	(11.8)
Other assets, net	(41.9)	(118.6)	(165.4)
Other accrued expenses and liabilities, net	284.1	103.8	98.9
Net cash flows from (used for) operating activities	232.2	2,392.2	(137.4)

CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturities and paydowns of investment securities	854.9	1,440.8	1,010.9
Proceeds from sales of investment securities	0.7	918.2	1,296.8
Purchases of investment securities	(657.9)	(1,838.4)	(2,259.9)
Proceeds from maturities and paydowns of mortgage-backed securities	-	2,357.6	1,888.0
Proceeds from sales of mortgage-backed securities	-	493.5	3,967.4
Purchases of mortgage-backed securities	-	(5,517.4)	(8,694.4)
Proceeds from sales of consumer loans by banking subsidiaries	25.6	278.8	122.7
Net (increase) decrease in banking subsidiaries' loans and leases	(1,278.8)	(3,702.0)	1,449.4
Principal collected on non-bank subsidiaries' loans and leases	4,048.4	3,241.1	2,766.1
Non-bank subsidiaries' loans and leases originated	(4,523.9)	(3,494.1)	(3,274.3)
Purchase of premises and equipment	(226.3)	(191.3)	(122.3)
Proceeds from sales of premises and equipment	1.3	16.3	25.6
Proceeds from sales of other real estate owned	129.7	138.5	148.8
Purchase of subsidiaries, net of cash and cash equivalents acquired	2,181.8	(204.5)	207.4
Net cash flows from (used for) investing activities	555.5	(6,062.9)	(1,467.8)

</TABLE>

(CONTINUED ON PAGE 7)

Norwest Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED FROM PAGE 6)

In millions

<TABLE>
<CAPTION>

Year ended December 31,	1993	1992	1991
<S>	<C>	<C>	<C>
CASH FLOWS FROM FINANCING ACTIVITIES			
Deposits, net	310.9	11.8	(656.1)
Short-term borrowings, net	(2,896.1)	2,720.2	(351.8)
Long-term debt borrowings	4,301.8	1,571.2	1,304.5
Repayments of long-term debt	(2,038.7)	(700.3)	(695.5)
Issuances of preferred stock	-	-	266.0
Repurchase/redemption of preferred stock	(0.7)	(2.9)	(30.4)
Issuances of common stock	55.9	35.8	239.6
Repurchases of common stock	(124.3)	(86.0)	(5.4)
Net decrease in notes receivable from ESOP	3.2	3.0	8.1
Dividends paid	(219.7)	(185.7)	(146.8)
Net cash flows from (used for) financing activities	(607.7)	3,367.1	(67.8)
Net increase (decrease) in cash and cash equivalents	180.0	(303.6)	(1,673.0)

Cash and cash equivalents			
Beginning of year	3,428.0	3,731.6	5,404.6
End of year	$ 3,608.0	3,428.0	3,731.6

</TABLE>
See notes to consolidated financial statements.

Norwest Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

<TABLE>
<CAPTION>

In millions, except for shares	Preferred Stock	Common Stock	Surplus	Retained Earnings	Notes Receivable from ESOP	Treasury Stock	Foreign Currency Translation	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, December 31, 1990, as originally reported	$144.7	225.8	395.7	1,590.8	(30.6)	(29.7)	-	2,296.7
Adjustments for pooling of interests	10.2	20.7	55.7	50.1	-	-	-	136.7
Balance, December 31, 1990, restated	154.9	246.5	451.4	1,640.9	(30.6)	(29.7)	-	2,433.4
Net income	-	-	-	418.3	-	-	-	418.3
Dividends on								
Common stock	-	-	-	(127.6)	-	-	-	(127.6)
Preferred stock	-	-	-	(20.1)	-	-	-	(20.1)
Redemption of preferred stock	(29.7)	-	-	(0.7)	-	-	-	(30.4)
Issuance of 2,618,041 preferred shares	271.3	-	(5.3)	-	-	-	-	266.0
Public offering of 17,638,200 common shares	-	14.7	189.0	-	-	-	-	203.7
Issuance of 5,262,594 common shares	-	1.8	21.6	(3.4)	-	25.4	-	45.4
Issuance of 230,000 common shares for acquisition	-	0.2	(1.0)	-	-	-	-	(0.8)
Repurchase of 323,138 common shares	-	-	-	-	-	(4.6)	-	(4.6)
Repurchase and retirement of 53,710 common shares	-	-	(0.8)	-	-	-	-	(0.8)
Net change in reserve for losses on equity investments	-	-	-	1.7	-	-	-	1.7
Cash payments received on notes receivable from ESOP	-	-	-	-	8.1	-	-	8.1
Balance,								

December 31, 1991	396.5	263.2	654.9	1,909.1	(22.5)	(8.9)	-	3,192.3

</TABLE>
(CONTINUED ON PAGE 9)

Norwest Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (CONTINUED FROM PAGE 8)

<TABLE>
<CAPTION>

In millions, except for shares	Preferred Stock	Common Stock	Sur-plus	Retained Earnings	Notes Receivable from ESOP	Treasury Stock	Foreign Currency Translation	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net income	-	-	-	394.0	-	-	-	394.0
Dividends on								
Common stock	-	-	-	(153.6)	-	-	-	(153.6)
Preferred stock	-	-	-	(32.1)	-	-	-	(32.1)
Issuance of 4,395,318 common shares	-	1.9	42.7	(27.8)	-	34.9	-	51.7
Issuance of 899,972 common shares for acquisition	-	-	(11.0)	-	-	16.7	-	5.7
Repurchase of 4,590,105 common shares	-	-	(0.1)	-	-	(85.9)	-	(86.0)
Repurchase of 18,550 preferred shares	(2.5)	-	0.1	(0.5)	-	-	-	(2.9)
Cash payments received on notes receivable from ESOP	-	-	-	-	3.0	-	-	3.0
Foreign currency translation	-	-	-	-	-	-	(0.3)	(0.3)
Balance, December 31, 1992	394.0	265.1	686.6	2,089.1	(19.5)	(43.2)	(0.3)	3,371.8
Net income	-	-	-	613.1	-	-	-	613.1
Dividends on								
Common stock	-	-	-	(188.5)	-	-	-	(188.5)
Preferred stock	-	-	-	(31.2)	-	-	-	(31.2)
Stock split	-	244.2	(244.2)	-	-	-	-	-
Issuance of 4,787,158 common shares	-	1.6	73.8	(59.5)	-	-	-	82.5
Issuance of 4,054,562 common shares for acquisitions	-	2.4	(24.2)	10.1	-	49.4	-	37.7
Repurchase of 4,789,658 common shares	-	-	-	-	-	(124.3)	-	(124.3)
Repurchase of 6,450 preferred shares	(0.6)	-	-	(0.1)	-	-	-	(0.7)
Conversion of 320,202 preferred shares into 1,705,410 common shares	(13.4)	2.1	11.3	-	-	-	-	-
Cash payments received on notes receivable from ESOP	-	-	-	-	3.2	-	-	3.2
Tax benefits of								

dividends on common stock held by ESOP	-	-	-	0.3	-	-	-	0.3
Foreign currency translation	-	-	-	-	-	-	(3.0)	(3.0)
Balance, December 31, 1993	$380.0	515.4	503.3	2,433.3	(16.3)	(51.5)	(3.3)	3,760.9

</TABLE>
See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Norwest Corporation (the "corporation") is a regional bank holding company organized in 1929 and registered under the Bank Holding Company Act of 1956, as amended. The corporation is a diversified financial services organization which operates through subsidiaries engaged in banking and related businesses. The corporation provides retail, commercial, and corporate banking services to its customers through banks located in Arizona, Colorado, Illinois, Indiana, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Ohio, South Dakota, Texas, Wisconsin and Wyoming. The corporation also owns subsidiaries engaged in various businesses related to banking, principally mortgage banking, equipment leasing, agricultural finance, commercial finance, consumer finance, securities brokerage and investment banking, insurance, computer and data processing services, trust services and venture capital investments.

The accounting and reporting policies of the corporation and its subsidiaries conform to generally accepted accounting principles and general practices within the financial services industry. The more significant accounting policies are summarized below.

CONSOLIDATION
The consolidated financial statements include the accounts of the corporation and all subsidiaries. Significant intercompany accounts and transactions have been eliminated.

CHANGE IN ACCOUNTING FOR POSTRETIREMENT MEDICAL BENEFITS
Effective January 1, 1992, the corporation adopted Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (FAS 106). FAS 106 requires employers to accrue the cost of retiree health care benefits and the cost of all other postretirement benefits other than pensions during the employees' active service. In prior years, this expense was recognized when benefits were paid. The cumulative liability for these expenses for years prior to 1992 of $76.0 million after tax, or $0.25 per common share, was recognized as a cumulative effect of accounting change as of January 1, 1992. As a result of applying the new method of accounting for postretirement medical benefits, medical benefits expense increased $9.5 million in 1992.

CONSOLIDATED STATEMENTS OF CASH FLOWS
For purposes of the consolidated statements of cash flows, the corporation considers cash and due from banks, interest-bearing deposits with banks and federal funds sold and resale agreements to be cash equivalents.

Cash paid for interest and income taxes for the years ended December 31 was:

In millions	1993	1992	1991

Interest	$1,481.1	1,654.6	2,174.8
Income taxes	226.0	208.6	55.6

Loans transferred to other real estate owned totaled $69.6 million in 1993, $112.7 million in 1992, and $128.0 million in 1991. Investment and mortgage-backed securities of $234.2 million and $14,001.2 million were transferred to available for sale in 1993 and 1992, respectively, and student loans of $1,330.3 million were transferred to available for sale in 1992. During 1993 and 1992, the corporation issued 2,127,428 and 899,972 shares of common stock, respectively, in connection with acquisitions accounted for using the purchase method.

SECURITIES
Investment and mortgage-backed securities which the corporation intends to hold until maturity are stated at cost, adjusted for amortization of premiums and accretion of discounts using a method that approximates level yield. Investment and mortgage-backed securities which the corporation intends to hold for indefinite periods of time, including securities that management intends to use as part of its asset/liability strategy, or that may be sold in response to changes in interest rates, changes in prepayment risk, securities on which call options have been written, the need to increase regulatory capital or similar factors, are classified as available for sale. Securities available for sale are stated at the lower of aggregate cost or market value. Investment and mortgage-backed securities are transferred to securities available for sale at their respective carrying value. Gains and losses on the sales of investment and mortgage-backed securities are computed by the specific identification method.

Trading account securities are purchased with the intent to earn a profit by trading or selling the security. These securities are stated at market value. Adjustments to the carrying value are reported in other non-interest income.

Securities held by the venture capital subsidiaries are included in investment securities available for sale and are stated at the lower of aggregate cost or market value. Gains and losses on the sales of such securities are computed on a specific identification basis.

LOANS AND LEASES
Loans are stated at their principal amount. Interest income is recognized on an accrual basis except when a loan has been past due for 90 days, unless such loan is in the process of collection and, in management's opinion, is fully secured. When a loan is placed on non-accrual status, uncollected interest accrued in prior years is charged against the allowance for credit losses. A loan is returned to accrual status when principal and interest are no longer past due and collectibility is no longer doubtful.

Restructured loans are those on which concessions in terms have been made as a result of deterioration in a borrower's financial condition. Interest on these loans is accrued at the new terms.

Lease financing assets include aggregate lease rentals, net of related unearned income, which includes deferred investment tax credits, and related nonrecourse debt. Leasing income is recognized as a constant percentage of outstanding lease financing balances over the lease terms.

Unearned discount on consumer loans is recognized by either the interest method or methods for which results are not materially different from the interest method.

Loan origination fees and costs incurred to extend credit are deferred and amortized over the term of the loan and the loan commitment period as a yield adjustment. Loan fees representing adjustments of interest rate yield are generally deferred and amortized into interest income over the term of the loan using the interest method. Loan commitment fees are generally deferred and amortized into non-interest income on a straight-line basis over the commitment period.

At December 31, 1993 and 1992, the corporation had $1,349.2 million and $1,156.5 million, respectively, of student loans available for sale because the corporation does not intend to hold these loans for the foreseeable future. Student loans available for sale are stated at the lower of aggregate cost or market value. Student loans were transferred to available for sale at their carrying value.

ALLOWANCE FOR CREDIT LOSSES

The allowance for credit losses is based upon management's evaluation of a number of factors, including credit loss experience, risk analyses of loan portfolios, as well as current and expected economic conditions.

Charge-offs are loans or portions thereof evaluated as uncollectible. Loans made by the consumer finance subsidiaries, unless fully secured by real estate, are generally charged off when the loan is 90 days or more contractually delinquent and no payment has been received for 90 days. Credit card receivables are generally charged off when they become 180 days past due or sooner upon receipt of a bankruptcy notice. Other consumer loans are generally charged off when they become 120 days past due unless fully secured.

MORTGAGES HELD FOR SALE

Mortgages held for sale are stated at the lower of aggregate cost or market value. The determination of market value includes consideration of all open positions, outstanding commitments from investors, and related fees paid.

Gains and losses on sales of mortgages are recognized at settlement dates. Gains and losses are determined by the difference between sales proceeds and the carrying value of the mortgages.

PURCHASED MORTGAGE SERVICING RIGHTS

The costs of purchased mortgage servicing rights are capitalized and are either deferred, if anticipated to be sold concurrent with the sale of the mortgage, or, if the servicing rights are retained, amortized over the estimated remaining life of the underlying loans using a method which approximates the level yield method with appropriate prepayment assumptions. The carrying value of purchased mortgage servicing rights is periodically evaluated in relation to estimated future servicing net revenues.

PREMISES AND EQUIPMENT

Premises and equipment are stated at cost less accumulated depreciation and amortization. Owned properties are depreciated on a straight-line basis over their estimated useful lives. Capital lease assets and leasehold improvements are amortized over lease terms on a straight-line basis.

The cost of improvements are capitalized while maintenance and repairs as well as gains and losses on dispositions of premises and equipment are included in non-interest expenses.

OTHER REAL ESTATE OWNED

Other real estate owned is stated at the lower of cost or 70 percent of current appraised value, which is not materially different from fair value minus estimated costs to sell. When a property is acquired, the excess of the recorded investment in the property over fair value, if any, is charged to the allowance for credit losses. Subsequent declines in the estimated fair value, net operating results and gains or losses on disposition of the property are included in other non-interest expenses.

GOODWILL AND OTHER INTANGIBLES

Goodwill represents the unamortized cost of acquiring subsidiaries and other net assets in excess of the appraised value of such net assets at the date of acquisition. In 1993, the corporation changed the amortizable life of goodwill to a maximum of 15 years from amortizable lives ranging from 15-30 years. Goodwill is amortized using the straight-line method. Other identifiable intangibles are amortized straight-line over various periods not to exceed 15 years.

INTEREST RATE FUTURES, CAPS AND FLOORS, OPTIONS AND FORWARD CONTRACTS

The corporation uses interest rate futures, caps and floors and forward contracts as part of its overall interest rate risk management strategy. Realized gains and losses on positions used in the management of specific asset and liability positions in banking operations are deferred and amortized over the terms of the items hedged as adjustments to interest income or interest expense. Realized gains and losses on positions used as hedges in mortgage banking operations are deferred and recognized when the related mortgages are sold. Positions which are not hedges of specific assets, liabilities or commitments are valued at market and the resulting gains or losses are recognized currently.

The corporation also uses option agreements as part of its overall risk management strategy. Premiums paid on purchased put options which qualify as hedges are deferred and amortized over the terms of the contracts. Purchased options for uncovered puts are marked to market daily with losses limited to the amount of the option fee. Losses are recognized currently on put options sold when the market value of the underlying security falls below the put price plus the premium received. A premium received on a covered call option sold is deferred until the option matures. If the market value of the related asset is greater than the option strike price, the option will be exercised and the premium recorded as an adjustment of the gain or loss recognized. If the option expires the premium is recorded in other non-interest income. Uncovered calls sold are marked to market daily with the gain limited to the amount of the option fee.

INTEREST RATE SWAPS

The corporation and its subsidiaries have entered into interest rate swaps as a tool to manage the interest sensitivity of the balance sheet. The contracts represent an exchange of interest payments, and the underlying principal balances of the assets or liabilities are not affected. Net settlement amounts are reported as adjustments to interest income or interest expense.

INCOME TAXES

The corporation and its United States subsidiaries file a consolidated federal income tax return. The effects of current or deferred taxes are recognized as a current and deferred tax liability or asset based on current tax laws. Accordingly, income tax expense in the consolidated statements of income includes charges or credits to properly reflect the current and deferred tax asset or liability. Foreign taxes paid are applied as credits to reduce federal income taxes payable.

In 1992, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes," (FAS 109) effective January 1, 1993. The corporation adopted FAS 109 as of January 1, 1993, with no material impact on the consolidated financial statements of the corporation. Prior to adoption of FAS 109, the corporation accounted for income taxes under Statement of Financial Accounting Standards No. 96.

FOREIGN CURRENCY TRANSLATION

The accounts of the corporation's Canadian subsidiary are measured using local currency as the functional currency. Assets and liabilities are translated into United States dollars at period-end exchange rates, and income and expense accounts are translated at average monthly exchange rates. Net exchange gains or losses resulting from such translation are excluded from net income and included as a separate component of stockholders' equity.

EARNINGS PER SHARE
Income for primary and fully diluted earnings per share is adjusted for preferred stock dividends. Primary earnings per share data is computed based on the weighted average number of common shares outstanding and common stock equivalents arising from the assumed exercise of outstanding stock options. Fully diluted earnings per share data is computed by using such average common shares and equivalents increased by the assumed conversion into common stock of the 6 3/4 percent convertible subordinated debentures, the 12 percent convertible notes, the Cumulative Convertible Preferred Stock, Series B, the First United Cumulative Convertible Exchangeable Preferred Stock, Series A and the First United Cumulative Convertible Exchangeable Preferred Stock, Series C. Income for fully diluted earnings per share is also adjusted for interest expense on these debentures and notes, net of the related income tax effect, and preferred stock dividends related to the convertible preferred stock.

Weighted average numbers of common and common equivalent shares applied in calculating earnings per share are as follows:

	1993	1992	1991
Primary	307,726,009	303,427,080	297,315,000
Fully diluted	323,823,259	322,422,652	306,752,300

2. BUSINESS COMBINATIONS

The corporation regularly explores opportunities for acquisitions of financial institutions and related businesses. Generally, management of the corporation does not make a public announcement about an acquisition opportunity until a definitive agreement has been signed.

On January 14, 1994, the corporation completed its acquisition of First United Bank Group, Inc. (First United), a multibank holding company headquartered in Albuquerque, New Mexico, with total assets of $3.9 billion. The corporation issued 17,784,916 shares of its common stock in connection with the acquisition. The acquisition was accounted for using the pooling of interests method of accounting and, accordingly, the corporation's financial statements have been restated for all periods prior to the acquisition to include the accounts and operations of First United.

Net income and net income per common share amounts of the corporation and First United prior to restatement for the years ended December 31, 1993, 1992 and 1991 were:

In millions, except per common share amounts	1993	1992	1991
The corporation			
Net income	$653.6	364.1	400.9
Net income per common share			
Primary	2.13	1.16	1.34
Fully diluted	2.10	1.16	1.33
First United			
Net (loss) income	$(40.5)	29.9	17.4

Net (loss) income per common share			
Primary	(3.40)	2.18	1.34
Fully diluted	(3.40)	1.84	1.29

On January 1, 1994, the corporation completed its acquisition of St. Cloud National Bank & Trust Co., a $119 million bank, and on January 6, 1994, closed on St. Cloud Metropolitan Agency, Inc., an insurance agency, and issued 1,105,820 and 32,969 common shares, respectively.

On December 10, 1993, the corporation completed its acquisition of Winner Banshares, Inc., a $99 million bank holding company headquartered in Winner, South Dakota, and issued 530,737 common shares. On October 29, 1993, the corporation completed its acquisition of FirstAmerican Bank, N.A., a $47.6 million bank, located in Colorado Springs, Colorado. On October 7, 1993, the corporation completed its acquisition of Ralston Bancshares, Inc., a $101.1 million bank holding company headquartered in Ralston, Nebraska, and issued 548,981 common shares. On October 1, 1993, the corporation completed its acquisition of M & D Holding Company, a $57.1 million bank holding company headquartered in Spring Lake Park, Minnesota, and issued 536,084 common shares. On September 10, 1993, Norwest Bank Denver, N.A., a banking subsidiary of the corporation, completed its acquisition of $1.1 billion in assets of the Columbia Savings division of First Nationwide Bank, a Federal Savings Bank. On September 1, 1993, Norwest Bank Arizona, N.A., a subsidiary of the corporation, completed its acquisition of the $2.1 billion banking business of Citibank (Arizona), a subsidiary of Citicorp. On April 1, 1993, the corporation completed its acquisition of Financial Concepts Bancorp, Inc., a $175.5 million bank holding company headquartered in Green Bay, Wisconsin, and issued 847,416 common shares. On February 1, 1993, the corporation completed its acquisitions of Merchants & Miners Bancshares, Inc., a $57 million bank holding company headquartered in Hibbing, Minnesota, and BORIS Systems, Inc., a $6 million data processing/transmission service, headquartered in East Lansing, Michigan, which provides services to more than 100 boards of realtors located throughout the United States, and issued 343,050 and 691,210 common shares, respectively. On January 8, 1993, the corporation completed its acquisition of Rocky Mountain Bankshares, Inc., a $105 million bank holding company with a bank in Aspen, Colorado, and issued 557,084 common shares.

The acquisitions of St. Cloud National Bank & Trust Co., Winner Banshares, Inc., Ralston Bancshares, Inc. and Financial Concepts Bancorp, Inc. were accounted for using the pooling of interests method of accounting; however, the financial results of the corporation have not been restated because the effect of these acquisitions on the corporation's financial statements was not material. The acquisitions of St. Cloud Metropolitan Agency, Inc., FirstAmerican Bank, N.A., M & D Holding Company, Columbia Savings, Citibank (Arizona), Merchants & Miners Bancshares, Inc., BORIS Systems, Inc. and Rocky Mountain Bankshares, Inc. were accounted for using the purchase method.

On February 9, 1993, the corporation completed its acquisition of Lincoln Financial Corporation (Lincoln), a $2.0 billion bank holding company headquartered in Fort Wayne, Indiana. The corporation issued 8,529,242 shares of its common stock in connection with the acquisition. The acquisition was accounted for using the pooling of interests method of accounting and, accordingly, the corporation's financial statements have been restated for all periods prior to the acquisition to include the accounts and operations of Lincoln.

Net income and net income per share amounts of the corporation and Lincoln prior to restatement for the years ended December 31, 1992 and 1991 were:

In millions, except per common share amounts	1992	1991
The corporation		
Net income	$ 446.7	422.1
Net income per common share		
Primary	1.48	1.46
Fully diluted	1.47	1.44
Lincoln		
Net loss	$ (82.6)	(21.2)
Net loss per common share	(11.47)	(2.96)

As of January 19, 1994, the corporation had eight other pending acquisitions with total assets of approximately $1.3 billion. The corporation expects to issue approximately 10.4 million common shares upon completion of these acquisitions. These acquisitions, subject to approval of regulatory authorities, are expected to be completed during 1994 and are not significant to the financial statements of the corporation, either individually or in the aggregate.

On December 29, 1992, the corporation acquired Am-Can Investment, Inc., a $33 million bank holding company headquartered in Moorhead, Minnesota, for cash. On October 2, 1992, the corporation completed its acquisition of United Bancshares, Inc. a $174 million bank holding company headquartered in Lincoln, Nebraska and issued 899,972 common shares. These acquisitions were accounted for using the purchase method.

Effective January 19, 1992, Davenport Bank and Trust Company (Davenport Bank), an Iowa banking corporation headquartered in Davenport, Iowa, consolidated with Bettendorf Bank, National Association, a banking subsidiary of the corporation. The corporation issued 19,331,426 shares of its common stock to former Davenport Bank shareholders in connection with the consolidation. The consolidation was accounted for using the pooling of interests method of accounting and, accordingly, the corporation's financial statements have been restated for all periods prior to the consolidation to include the accounts and operations of Davenport Bank.

On November 27, 1991, the corporation acquired MIG Insurance Brokers, Inc. (MIG), an insurance brokerage company headquartered in Minneapolis, Minnesota. As provided under the agreement, the corporation issued 230,000 shares of its common stock in exchange for all outstanding shares of MIG common stock. This acquisition was accounted for using the pooling of interests method of accounting. Financial statements prior to the acquisition date were not restated due to immateriality.

Effective April 19, 1991, United Banks of Colorado, Inc. (United), a $5.5 billion bank holding company headquartered in Denver, Colorado, merged with the corporation. As provided under the agreement, the corporation issued 38,515,662 shares of its common stock in exchange for all outstanding shares of United's common stock. In addition, each outstanding share of United preferred stock was converted into the right to receive $51.50 in cash plus accrued dividends. The merger was accounted for using the pooling of interest method of accounting and, accordingly, the corporation's financial statements have been restated for all periods prior to the acquisition to include the accounts and operations of United.

3. RESTRICTIONS ON CASH AND DUE FROM BANKS

The corporation's banking subsidiaries are required to maintain reserve balances in cash with Federal Reserve Banks. The average amount of those reserve balances was approximately $555 million and $463 million for the years ended December 31, 1993 and 1992, respectively.

4. INVESTMENT SECURITIES

Information related to the carrying and market values of investment and mortgage-backed securities for the three years ended December 31 is provided in the table below. At December 31, 1991, no investment or mortgage-backed securities were classified as available for sale.

CARRYING AND MARKET VALUES OF INVESTMENT AND MORTGAGE-BACKED SECURITIES

In millions	1993 Carrying Value	1993 Market Value	1992 Carrying Value	1992 Market Value	1991 Carrying Value	1991 Market Value
Held for investment:						
U.S. Treasury and federal agencies	$ 665.0	670.5	884.3	890.7	2,107.5	2,232.8
State, municipal and housing-tax exempt	632.9	682.0	787.3	842.8	974.1	1,035.8
Other	244.8	245.1	193.4	193.8	448.8	534.3
Total investment securities held for investment	1,542.7	1,597.6	1,865.0	1,927.3	3,530.4	3,802.9
Mortgage-backed securities:						
Federal agencies	126.0	128.1	165.9	167.5	10,160.9	10,463.5
Collateralized mortgage obligations	25.0	25.0	-	-	266.8	275.5
Total mortgage-backed securities held for investment	151.0	153.1	165.9	167.5	10,427.7	10,739.0
Total investment and mortgage-backed securities held for investment	1,693.7	1,750.7	2,030.9	2,094.8	13,958.1	14,541.9
Available for sale:						
U.S. Treasury and federal agencies	1,520.5	1,594.9	1,241.0	1,322.9	-	-
State, municipal and housing-tax exempt	96.2	99.8	71.8	76.9	-	-
Other	384.5	566.2	260.8	415.9	-	-
Total investment securities available for sale	2,001.2	2,260.9	1,573.6	1,815.7	-	-
Mortgage-backed securities:						
Federal agencies	8,889.1	9,109.1	9,096.6	9,301.7	-	-
Collateralized mortgage obligations	132.5	134.9	261.6	263.9	-	-
Total mortgage-backed securities available for sale	9,021.6	9,244.0	9,358.2	9,565.6	-	-
Total investment and mortgage-backed securities available for sale	11,022.8	11,504.9	10,931.8	11,381.3	-	-
Total investment securities	$12,716.5	13,255.6	12,962.7	13,476.1	13,958.1	14,541.9

</TABLE>

The gross unrealized gains and losses on investment and mortgage-backed securities at December 31 were:

<TABLE>
<CAPTION>

In millions	1993 Gross Unrealized Gains	1993 Gross Unrealized Losses	1992 Gross Unrealized Gains	1992 Gross Unrealized Losses
<S>	<C>	<C>	<C>	<C>
Held for investment:				
U.S. Treasury and federal agencies	$ 5.5	-	7.7	1.3
State, municipal and housing-tax exempt	50.1	1.0	59.5	4.0
Other	0.3	-	0.4	-
Subtotal investment securities held for investment	55.9	1.0	67.6	5.3
Mortgage-backed securities:				
Federal agencies	2.1	-	1.6	-
Collateralized mortgage obligations	-	-	-	-
Subtotal mortgage-backed securities held for investment	2.1	-	1.6	-
Total investment and mortgage-backed securities held for investment	58.0	1.0	69.2	5.3
Available for sale:				
U.S. Treasury and federal agencies	77.2	2.8	85.0	3.1
State, municipal and housing-tax exempt	3.7	0.1	5.1	-
Other	188.8	7.1	158.5	3.4
Subtotal investment securities available for sale	269.7	10.0	248.6	6.5
Mortgage-backed securities:				
Federal agencies	227.5	7.5	217.5	12.4
Collateralized mortgage obligations	2.7	0.3	6.5	4.2
Subtotal mortgage-backed securities available for sale	230.2	7.8	224.0	16.6
Total investment securities available for sale	499.9	17.8	472.6	23.1
Total investment securities	$557.9	18.8	541.8	28.4

</TABLE>

The carrying and market values of investments and mortgage-backed securities by maturity at December 31 were:

<TABLE>
<CAPTION>

In millions	1993 Carrying Value	1993 Market Value	1992 Carrying Value	1992 Market Value
<S>	<C>	<C>	<C>	<C>
Held for investment:				
Investment Securities:				
In one year or less	$ 686.4	690.7	489.9	494.2
After one year through five years	446.3	461.8	758.6	775.6
After five years through ten years	163.1	179.4	192.6	213.1

After ten years	246.9	265.7	423.9	444.4
Total investment securities held for investment	1,542.7	1,597.6	1,865.0	1,927.3
Mortgage-backed securities:				
After ten years	151.0	153.1	165.9	167.5
Total investment securities held for investment	1,693.7	1,750.7	2,030.9	2,094.8
Available for sale:				
Investment securities:				
In one year or less	289.9	352.5	197.6	256.6
After one year through five years	1,211.7	1,364.2	694.5	820.7
After five years through ten years	480.7	525.0	587.0	624.7
After ten years	18.9	19.2	94.5	113.7
Total investment securities available for sale	2,001.2	2,260.9	1,573.6	1,815.7
Mortgage-backed securities:				
In one year or less	247.6	270.3	36.8	37.5
After one year through five years	111.1	115.2	97.0	101.6
After five years through ten years	126.0	128.7	265.9	274.3
After ten years	8,536.9	8,729.8	8,958.5	9,152.2
Total mortgage-backed securities available for sale	9,021.6	9,244.0	9,358.2	9,565.6
Total investment securities available for sale	11,022.8	11,504.9	10,931.8	11,381.3
Total investment securities	$12,716.5	13,255.6	12,962.7	13,476.1

</TABLE>

Interest income on investment and mortgage-backed securities for each of the three years ended December 31 was:

<TABLE>
<CAPTION>

In millions	1993	1992	1991
<S>	<C>	<C>	<C>
Held for investment:			
U.S. Treasury and federal agencies	$ 44.0	132.1	178.6
State, municipal and housing-tax exempt	55.8	68.3	78.7
Other	17.3	29.6	36.3
Total investment securities held for investment	117.1	230.0	293.6
Mortgage-backed securities:			
Federal agencies	8.2	562.7	715.3
Collateralized mortgage obligations	1.1	21.5	35.9
Total mortgage-backed securities held for investment	9.3	584.2	751.2
Total investment and mortgage-backed securities held for investment	126.4	814.2	1,044.8
Available for sale:			
U.S. Treasury and federal agencies	101.6	13.1	-
State, municipal and housing-tax exempt	4.8	2.7	-
Other	12.1	1.1	-
Total investment securities available for sale	118.5	16.9	-
Mortgage-backed securities:			
Federal agencies	561.3	161.9	-
Collateralized mortgage obligations	31.1	3.0	-
Total mortgage-backed securities available for sale	592.4	164.9	-

Total investment securities available for sale	710.9	181.8	-
Total investment securities	$837.3	996.0	1,044.8

</TABLE>

Investment and mortgage-backed securities (including securities available for sale) carried at $6,207.6 million and $5,697.0 million were pledged to secure public or trust deposits or for other purposes at December 31, 1993 and 1992, respectively.

Total gross realized gains and gross realized losses from the sale of securities for each of the three years ended December 31 were:

<TABLE>
<CAPTION>

In millions	1993	1992	1991
<S>	<C>	<C>	<C>
Held for investment:			
Investment securities:			
Gross realized gains	$ 0.1	6.7	9.8
Gross realized losses	-	(1.2)	(8.6)
Net gains	0.1	5.5	1.2
Mortgage-backed securities:			
Gross realized gains	-	13.8	41.2
Gross realized losses	-	(8.6)	(21.5)
Net gains	-	5.2	19.7
Net realized gains on securities held for investment	$ 0.1	10.7	20.9
Available for sale:			
Investment securities:			
Gross realized gains	$ 24.4	2.7	-
Gross realized losses	(3.4)	-	-
Net gains	21.0	2.7	-
Mortgage-backed securities:			
Gross realized gains	35.6	52.9	-
Gross realized losses	(7.9)	(0.1)	-
Net gains	27.7	52.8	-
Net realized gains on securities available for sale	$ 48.7	55.5	-
Venture capital securities held for investment:			
Gross realized gains	$ -	31.7	9.5
Gross realized losses	-	(4.5)	(14.1)
Net gains (losses)	-	27.2	(4.6)
Venture capital securities available for sale:			
Gross realized gains	73.2	16.9	-
Gross realized losses	(13.7)	(14.4)	-
Net gains	59.5	2.5	-
Net venture capital gains (losses)	$ 59.5	29.7	(4.6)

</TABLE>

During 1993 securities held for investment with a total amortized cost of $29.5 million were called by the issuer and, therefore, sold by the corporation for a total gain on sales of $0.1 million.

5. LOANS AND LEASES

The carrying values of loans and leases at December 31 were:

In millions	1993	1992
Commercial	$ 7,624.1	7,406.5
Construction and land development	565.6	453.6
Real estate	11,738.8	10,768.4
Consumer	8,606.3	7,040.0
Lease financing	698.6	627.0
Foreign	548.5	502.4
Total loans and leases	29,781.9	26,797.9
Unearned discount	(1,021.1)	(1,015.4)
Loans and leases, net of unearned discount	$28,760.8	25,782.5

Changes in the allowance for credit losses were:

In millions	1993	1992	1991
Balance at beginning of year	$ 773.1	704.3	577.0
Allowances related to assets acquired	36.2	23.4	42.5
Provision for credit losses	158.2	270.8	406.4
Credit losses	(310.3)	(341.1)	(444.5)
Recoveries	132.0	115.7	122.9
Net credit losses	(178.3)	(225.4)	(321.6)
Balance at end of year	$ 789.2	773.1	704.3

Non-accrual, restructured and 90 day past due loans and other real estate owned at December 31 were:

In millions	1993	1992
Non-accrual loans	$195.7	257.6
Restructured loans	10.3	5.4
Total non-accrual and restructured loans	206.0	263.0
Other real estate owned	63.0	113.7
Total non-performing assets	269.0	376.7
Loans and leases past due 90 days or more*	50.8	51.9
Total non-performing assets and 90-day past due loans and leases	$319.8	428.6

* Excludes non-accrual loans and leases.

The effect of non-accrual and restructured loans on interest income for each of the three years ended December 31 was:

In millions	1993	1992	1991
Interest income			
As originally contracted	$19.4	26.5	41.6
As recognized	(5.5)	(8.1)	(14.2)
Reduction of interest income	$13.9	18.4	27.4

There are no material commitments to lend additional funds to customers whose loans were classified as non-accrual or restructured at December 31, 1993.

Leveraged lease financing amounted to $144.9 million and $131.1 million at December 31, 1993 and 1992, respectively. Deferred income taxes related to leveraged leases amounted to $99.7 million and $83.0 million at the same dates, respectively.

Loans and leases totaling $4,082.3 million and $1,400.0 million were pledged to secure Federal Home Loan Bank (FHLB) advances at December 31, 1993 and 1992, respectively.

The corporation and its subsidiaries have made loans to the executive officers and directors (and their associates) of the corporation and its significant subsidiaries in the ordinary course of business. Aggregate amounts of these loans (but excluding loans to the immediate families of persons who are solely executive officers and directors of the corporation's significant subsidiaries) were $65.3 million and $61.0 million at December 31, 1993 and 1992, respectively. Activity with respect to these loans during 1993 included advances, repayments and net decreases (due to changes in executive officers and directors) of $203.0 million, and $196.6 million and $2.1 million, respectively.

6. PREMISES AND EQUIPMENT

The carrying value of premises and equipment at December 31 was:

In millions	1993	1992
Owned		
Land	$ 99.0	88.3
Premises and improvements	665.4	640.3
Furniture, fixtures and equipment	829.3	687.9
Total	1,593.7	1,416.5
Capitalized leases		
Premises	20.2	19.6
Equipment	14.3	12.5
Total	34.5	32.1
Total premises and equipment	1,628.2	1,448.6
Less accumulated depreciation and amortization	(786.1)	(706.4)
Premises and equipment, net	$ 842.1	742.2

7. CERTIFICATES OF DEPOSIT OVER $100,000

The corporation had certificates of deposit over $100,000 of $1,849.6 million and $1,773.5 million at December 31, 1993 and 1992, respectively. Interest expense on certificates of deposit over $100,000 was $90.2 million, $99.0 million and $178.0 million for the years ended December 31, 1993, 1992, and 1991, respectively. Total brokered certificates of deposit over $100,000 were $13.5 million at December 31, 1992. There were no brokered certificates of deposit over $100,000 at December 31, 1993.

8. SHORT-TERM BORROWINGS

Information related to short-term borrowings for the three years ended December 31 is provided in the table below.

At December 31, 1993, the corporation had available lines of credit totaling $1,172.7 million, including $972.7 million at a subsidiary, Norwest Financial, Inc. These financing arrangements require the maintenance of compensating balances or payment of fees, which are not material.

At December 31, 1993, the corporation had revolving credit agreements totaling

$200.0 million (included in the $1,172.7 million reported in the preceding paragraph).

SHORT-TERM BORROWINGS

<TABLE>
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In millions	1993 Amount	1993 Rate	1992 Amount	1992 Rate	1991 Amount	1991 Rate
At December 31,						
Commercial paper	$2,711.6	3.56%	$2,947.5	3.65%	$3,067.2	5.07%
Federal funds purchased and securities sold under agreements to repurchase	2,202.8	2.72	5,025.5	2.83	2,274.5	4.16
Other	1,082.4	3.23	851.9	5.26	756.8	4.72
Total	$5,996.8	3.19	$8,824.9	3.34	$6,098.5	4.69
For the year ended December 31, Average Daily Balance						
Commercial paper	$2,675.0	3.37%	$2,751.2	4.19%	$2,739.4	6.37%
Federal funds purchased and securities sold under agreements to repurchase	3,509.0	3.01	3,805.8	3.63	2,743.7	5.60
Other	1,127.0	3.83	483.8	5.08	406.5	5.96
Total	$7,311.0	3.27	$7,040.8	3.95	$5,889.6	5.98
Maximum month-end balance						
Commercial paper	$3,084.6	NA	$2,947.5	NA	$3,067.2	NA
Federal funds purchased and securities sold under agreements to repurchase	4,729.7	NA	5,138.0	NA	3,641.4	NA
Other	1,590.2	NA	861.5	NA	775.5	NA

</TABLE>
NA - not applicable

9. LONG-TERM DEBT

Long-term debt at December 31 consisted of:

In millions	1993	1992
Norwest Corporation (parent company only)		
Medium-Term Notes, Series A, 4.5% to 9.1% due 1994 to 1998	$ 62.6	85.6
Floating Rate Medium-Term Notes, Series B, due 1995	200.0	-
Floating Rate Medium-Term Notes, Series C, due 1995 to 1998	255.4	-
Medium-Term Notes, Series C, 4.03% to 5.14%, due 1995 to 1998	44.6	-
12% Convertible Notes due 1993	-	6.7
ESOP Series A Notes due 1996, 8.42% and 8.5% in 1993 and 1992, respectively	31.0	31.0
7 7/8% Notes due 1997	100.0	100.0

9 1/4% Subordinated Capital Notes due 1997	100.0	100.0
Floating Rate Subordinated Capital Notes due 1998	-	78.0
Floating Rate Subordinated Capital Notes due 1999	-	83.0
6 5/8% Subordinated Notes, due 2003	200.0	-
ESOP Series B Notes due 1999, 8.52% and 8.6% in 1993 and 1992, respectively	13.3	13.3
7 3/4% Sinking Fund Debentures due 2003	-	51.8
6 3/4% Convertible Subordinated Debentures due 2003	0.3	0.5
6.65% Subordinated Debentures, due 2023	200.0	-
Senior Notes, 11.22% to 11.66%, due 1994 to 1995	15.0	30.0
5.75% Senior Notes, due 1998	100.0	-
6% Senior Notes, due 2000	200.0	-
Other Notes	6.0	3.8
Total	1,528.2	583.7
Norwest Financial, Inc. and its subsidiaries		
Senior Notes, 4.625% to 9.75%, due 1994 to 2003	2,479.2	2,141.8
Senior Subordinated Notes, 4.85% to 9.63%, due 1994 to 1998	262.5	262.5
Junior Subordinated Notes, 9.87% to 10%, due 1993	-	1.9
Total	2,741.7	2,406.2
Other consolidated subsidiaries		
FHLB Notes and Advances, 3.10% to 7.61%, due 1994 through 2012	306.5	309.1
Floating Rate FHLB Advances due 1994 through 2000	2,140.1	1,110.0
10.585% to 12.175% Notes guaranteed by Small Business Administration due 1994 through 1995	4.8	6.8
9.25% Subordinated Capital Notes due 1993	-	4.3
Floating Rate Subordinated Notes, due 1995 to 1996	1.2	1.2
8% Subordinated Note, due 1993 to 1995	-	0.7
10% Subordinated Note, due 1994 to 1998	0.5	0.5
Senior Notes, 9.40% to 12.25%, due 1994 to 2001	44.9	62.0
Other notes and debentures due 1994 through 2004	36.7	30.7
Mortgages payable	27.0	29.0
Capital lease obligations	19.3	17.9
Total	2,581.0	1,572.2
Less 7 3/4% Sinking Fund Debentures due 2003 held by subsidiaries	-	(8.9)
Total	$6,850.9	4,553.2

Notes and debentures of the corporation and Norwest Financial, Inc. and its subsidiaries are unsecured.

During 1993, the corporation issued $100 million of senior notes at 5.75 percent due March 15, 1998 and $200 million of senior notes at 6 percent due March 15, 2000. The corporation issued $200 million of subordinated notes at 6 5/8 percent due March 15, 2003 and issued $200 million of subordinated debentures at 6.65 percent due October 15, 2023. Also during 1993, the corporation issued a total of $560.3 million of Medium-Term Notes. This included $60.3 million of Medium-Term Notes, Series A, bearing interest at rates from 4.47 percent to 5.74 percent and maturing from June 14, 1995 to July 2, 1998; $200 million of Medium-Term Notes, Series B, at a floating rate of LIBOR minus five basis points and maturing July 7, 1995, and $300 million of Medium-Term Notes, Series C. The Medium-Term Notes, Series C, have maturity dates ranging from October 5, 1995 to October 22, 1998, and consist of $44.6 million of fixed rate notes and $255.4 million of floating rate notes. The fixed rate Medium-Term Notes, Series C, bear interest at rates ranging from 4.03 percent to 5.14 percent. The floating rate Medium-Term Notes, Series C, reset periodically at interest rates ranging from three month LIBOR to three month LIBOR plus 30 basis points or U.S. Treasury bills plus 25 basis points. The corporation has entered into $55 million of interest rate swap agreements to exchange the fixed rate interest on the Medium-Term Notes, Series A to a floating rate. The $60.3 million of Medium-Term Notes, Series A, issued in 1993 combined with the interest rate swap agreements provide the corporation with $55 million of funds at an effective net interest rate of three-month LIBOR plus 0.29 percent. In addition, the corporation has entered into $20 million of interest rate swap agreements to exchange the fixed rate interest on the Medium-Term Notes, Series C, to a floating rate. $44.65 million of fixed rate Medium-Term Notes, Series C, coupled with the interest rate swap agreements provide the corporation with $20 million of funds at an effective net interest rate of three-month LIBOR plus 0.09 percent.

The 9 1/4 percent Subordinated Capital Notes due 1997 are redeemable at the option of the corporation at the principal amount in exchange for an equivalent market value of common stock, perpetual preferred or other eligible primary capital securities of the organization or cash at the bondholder's election if the corporation determines that the debt no longer constitutes primary capital or ceases to be treated as primary capital by the regulatory authorities. The corporation is required to sell or issue and dedicate common stock, preferred stock or any other capital securities, as determined by the regulatory authorities, and dedicate the proceeds to the retirement or redemption of the principal amount of these subordinated capital notes. Proceeds of equity offerings have been designated to redeem the full amount of the subordinated debentures.

The 6 5/8 percent Subordinated Notes due 2003 are unsecured and subordinated to all present and future senior debt of the corporation. Payment of principal may be accelerated only in the case of bankruptcy of the corporation. There is no right of acceleration in the case of a default in the payment of principal or interest or in the lack of performance of any covenant or agreement of the corporation.

The 6.65 percent Subordinated Debentures due 2003 are unsecured and subordinated to all present and future senior debt of the corporation. There is no right of acceleration in the case of a default in the payment of principal or interest or in the lack of performance of any covenant of the corporation. Payment of principal may be accelerated only in the case of bankruptcy of the corporation.

The Series A ESOP Notes are due April 26, 1996 and the Series B ESOP Notes are due April 26, 1999. The full principal amounts of the Series A ESOP Notes are due at maturity. The Series B ESOP Notes require payments of $4.4 million on April 25 of 1997 and 1998, with the balance due at maturity. As a result of the increase in the federal tax rate in 1993, the rates on the Series A ESOP Notes and Series B ESOP Notes were adjusted retroactively from 8.5 percent to 8.6 percent, respectively, to 8.42 percent and 8.52 percent, respectively.

The 7 7/8 percent Notes due 1997 were redeemed on January 20, 1994, at the principal amounts plus accrued interest.

The corporation has entered into interest rate swap agreements to exchange the fixed interest rate on $50 million of the 9 1/4 percent Subordinated Capital Notes for a floating rate through 1997. The 9 1/4 percent Subordinated Capital Notes coupled with the interest rate swap agreements provide the corporation with $50 million of funds at an effective net interest rate of the six month LIBOR plus 0.44 percent.

The 6 3/4 percent Convertible Subordinated Debentures due 2003 can be converted into common stock of the corporation at $5 per share subject to adjustment for certain events. Repayment is subordinated, but only to the extent described in the indenture relating to the debentures, to the prior payment in full of all of the corporation's obligations for borrowed money. The subordinated debentures are redeemable at the principal amount plus a premium ranging from 1.35 percent in 1993 to 0.338 percent in 1997, and thereafter without a premium.

During 1993, Norwest Financial, Inc. issued a total of $698 million of senior notes bearing interest at rates from 5.125 percent to 7.0 percent and due dates ranging from December 2, 1996, to August 1, 2003. Norwest Financial also issued $100 million of Senior Subordinated Notes, bearing interest rates ranging from 4.85 percent to 5.2 percent and maturing in 1996.

Mortgages payable consist of notes secured by deeds of trust on the premises and certain other real estate owned with a net book value of $16.6 million at December 31, 1993. Interest rates on the mortgages payable range up to 9.25 percent with maturities through the year 1998.

The Floating Rate FHLB advances bear interest at rates ranging from LIBOR less 0.20 percent to LIBOR less 0.07 percent, the one month LIBOR less 0.15 percent to the one month LIBOR less 0.12 percent and the three month LIBOR less 0.15 percent to the three month LIBOR less 0.10 percent. The maturities of the FHLB Advances are determined quarterly, based on the outstanding balance, the then current LIBOR rate, and the maximum life of the advance. Based upon these factors and the LIBOR rate in effect at December 31, 1993, the maturity dates range from 1994 to 2000.

The interest rate on the Floating Rate Subordinated Notes due 1995 to 1996 is determined semi-annually at 1% over the average yield on 10 year U.S. Treasury notes, subject to a minimum rate of 8% and a maximum rate of 14%.

Maturities of long-term debt at December 31, 1993 were:

In Millions	Consolidated	Parent Company Only
1994	$1,481.5	8.0
1995	991.0	309.8
1996	1,053.5	179.8
1997	637.2	205.1
1998	870.7	218.1
Thereafter	1,817.0	607.4
Total	$6,850.9	1,528.2

10. STOCKHOLDERS' EQUITY

Preferred Stock
The corporation is authorized to issue 5,000,000 shares of preferred stock without par value. A summary of the corporation's preferred stock at December 31 is presented below.

In millions, except share and per share amounts

<TABLE>
<CAPTION>

	Shares Outstanding	Annual Dividend Rate	Amount Outstanding

	1993	1992	1993	1993	1992
<S>	<C>	<C>	<C>	<C>	<C>
10.24% Cumulative, $100 stated value	1,131,250	1,137,700	10.24%	$113.2	113.8
7.00% Cumulative Convertible, Series B, $200 stated value	1,143,750	1,143,750	7.00%	228.7	228.7
First United Cumulative Convertible Exchangeable, Series A, $25 stated value	1,200,000	1,200,000	$2.125 per share	30.0	30.0
First United 10.00% Cumulative Convertible Exchangeable, Series C, $1 par value	3,570	265,475	10.00%	0.2	11.2
First United Adjustable Rate Cumulative, Series B, $1 par value	188,095	188,095	6.75%	7.9	7.9
FBG Adjustable Rate Cumulative, Series B, $42 stated value	-	21,992	-	-	0.9
FBG Adjustable Rate non-cumulative, Series C, $42 stated value	-	36,305	-	-	1.5
	3,666,665	3,993,317		$380.0	394.0

</TABLE>

The corporation has outstanding 1,131,250 shares of 10.24 percent Cumulative Preferred Stock, $100 stated value per share, in the form of 4,525,000 depositary shares, each of which represents ownership of one quarter of a share of such preferred stock. At December 31, 1993, there were 1,639 holders of record of the depositary shares. Dividends are cumulative from the date of issue and are payable quarterly at 10.24 percent per annum. Prior to January 1, 1996, if the corporation requests the holders of this preferred stock to vote upon or consent to a merger or consolidation, and the corporation shall not have received a favorable vote or consent requisite to the consummation of the transaction within 60 days, the corporation may redeem, at its option, all outstanding shares of 10.24 percent Cumulative Preferred Stock at the $100 stated value plus accrued and unpaid dividends. On or after January 1, 1996, the corporation, at its option, may redeem all or part of the outstanding shares at the $100 stated value plus accrued and unpaid dividends. During 1993 and 1992, the corporation repurchased 6,450 and 12,300 shares of 10.24% Cumulative Preferred Stock, respectively.

The corporation has outstanding 1,143,750 shares of Cumulative Convertible Preferred Stock, Series B, $200 stated value per share, in the form of 4,575,000 depositary shares, each of which represents ownership of one quarter of a share of such preferred stock. At December 31, 1993, there were 91 holders of record of the depositary shares. Dividends are cumulative from the date of issue and are payable quarterly at a rate of 7.00 percent per annum. The convertible preferred stock is convertible at the option of the holder at any time, unless previously redeemed, into common stock of the corporation at a conversion price of $18.23 per share of common stock subject to adjustments in certain events. On or after September 1, 1995, the corporation, at its option, may redeem all or part of the outstanding shares at 104.2 percent of its stated value plus accrued and unpaid dividends. The redemption price declines during each 12-month subsequent period to 100.0 percent of the stated value plus accrued and unpaid dividends if redeemed on or after September 1, 2001. During 1992, the corporation repurchased 6,250 shares of Cumulative Convertible Preferred Stock, Series B.

First United had 1,200,000 shares of Cumulative Convertible Exchangeable Preferred Stock, Series A, $25 stated value per share; 188,095 shares of Cumulative Preferred Stock, Series B, $1 par value per share; and 3,570 shares of Cumulative Convertible Preferred Stock, Series C, $1 par value per share. Dividends were payable quarterly and were cumulative from the date of original issue at an annual rate of $2.125 per share, prime plus 3/4 of one percent, and 10.00 percent, respectively. As a result of the acquisition on January 14, 1994, each share of the Series A and Series C Preferred Stock was converted into 2.2 and 6.039 shares, respectively, of the corporation's common stock and each outstanding share of the Series B Preferred Stock was converted into the right to receive $42.00 per share, plus accrued and unpaid dividends. During 1993, 261,905 shares of Cumulative Convertible Preferred Stock, Series C, 21,992 shares of Ford Bank Group, Inc. ("FBG") Cumulative Preferred Stock, Series B, and 36,305 shares of FBG Non-cumulative Preferred Stock, Series C, were converted into 1,705,410 shares of First United's common stock.

Common Stock

On April 27, 1993, the stockholders approved an amendment to the corporation's Restated Certificate of Incorporation increasing the authorized shares of common stock to 500,000,000. On April 27, 1993, the Board of Directors approved a two-for-one stock split effected in the form of a 100 percent stock dividend distributed on June 28, 1993 to stockholders of record on June 4, 1993. The stock split resulted in an increase in common stock of 146,549,734 shares and was accounted for by a transfer of $244.2 million to common stock from surplus. All prior year common share and per share disclosures have been restated to reflect the stock split.

In 1993, 1992, and 1991, holders of $6.9 million, $5.0 million and $0.7 million, respectively, of convertible subordinated debentures and the 12 percent convertible notes exchanged such debt for 695,016 shares, 831,710 shares and 92,198 shares, respectively, of the corporation's common stock. At December 31, 1993, there were 11 holders of record of the convertible subordinated debentures.

Common stockholders may purchase shares of common stock at market prices with no sales charges through a dividend reinvestment plan. Stockholders may purchase additional shares up to $30,000 per quarter with no sales charges under the terms of the plan.

The corporation had reserved shares of authorized but unissued common stock at December 31, as follows:

	1993	1992
Stock incentive plans	25,591,754	18,660,332
Convertible subordinated debentures and notes	50,500	858,004
Dividend reinvestment	1,089,842	1,408,874
Invest Norwest Program	1,067,105	249,452
Savings-Investment Plans and Executive Incentive Compensation Plan	5,108,548	1,089,514
Cumulative Convertible Preferred Stock	17,494,416	19,076,115
Directors' Formula Stock Award and Stock Deferral Plans	386,244	392,820

Employees' deferral plans	1,350,000	-
Total	52,138,409	41,735,111

Each share of the corporation's common stock includes one preferred share purchase right. These rights will become exercisable only if a person or group acquires or announces an offer to acquire 25 percent or more of the corporation's common stock. This triggering percentage may be reduced to no less than 15 percent by the Board prior to the time the rights become exercisable. When exercisable, each right will entitle the holder to buy one four-hundredth of a share of a new series of junior participating preferred stock at a price of $175 for each one one-hundredth of a preferred share. In addition, upon the occurrence of certain events, holders of the rights will be entitled to purchase either the corporation's common stock or shares in an "acquiring entity" at one half of the then market value. The corporation will generally be entitled to redeem the rights at one-quarter cent per right at any time before they become exercisable. The rights will expire on November 23, 1998, unless extended, previously redeemed or exercised. The corporation has reserved one million shares of preferred stock for issuance upon exercise of the rights.

11. EMPLOYEE BENEFIT AND STOCK INCENTIVE PLANS

Savings Investment Plans

Under the Savings-Investment Plan (SIP), each eligible employee may contribute on a before-tax basis up to twelve percent of his or her salary, and the contributions will be matched 100 percent by the corporation up to six percent of the employee's salary. The corporation's matching contributions vest 25 percent per year of eligibility. All of the corporation's matching contributions are invested in the corporation's common stock. The employee's contributions are invested in a bond, equity, S&P 500 index, stable return or Norwest common stock fund, or a combination thereof, at the employee's direction. The corporation also maintains a Supplemental Savings-Investment Plan under which amounts otherwise available for contribution to the SIP, in excess of the contribution limitations imposed by the Internal Revenue Code of 1986, are credited to an account for the participant. Contribution expense for the plans amounted to $22.4 million, $18.9 million and $19.3 million in 1993, 1992, and 1991, respectively.

The corporation's SIP contains Employee Stock Ownership Plan (ESOP) provisions under which the SIP may borrow money to purchase corporation common stock. In 1989, the corporation loaned money to the SIP which was used to purchase shares of the corporation's common stock. The loans from the corporation to the SIP are repayable in monthly installments through April 26, 1999, with interest at rates of 8.35 percent and 8.45 percent. Interest income on these loans was $1.6 million, $1.8 million and $2.3 million in 1993, 1992 and 1991, respectively, and is included as a reduction in salaries and benefits expense. Total interest expense on the Series A and B ESOP Notes was $3.8 million in each of 1993, 1992, and 1991. Each quarter dividends paid to the ESOP are used to make loan principal and interest payments. With each principal and

interest payment, a portion of the common stock purchased in 1989 is released and allocated to participating employees. The corporation's ESOP loans to the SIP are recorded as a reduction of stockholders' equity. Total dividends paid to the ESOP in 1993, 1992, and 1991 were $5.7 million, $4.9 million and $4.3 million, respectively.

Norwest Financial Services, Inc. has a thrift and profit sharing plan for its employees in which eligible employees may contribute on a before tax basis up to ten percent of their salary, and the contributions will be matched 25 percent by Norwest Financial up to six percent of the employee's salary.

Norwest Financial may also make a profit sharing contribution with the amount determined by the percentage return on consolidated equity of Norwest Financial and its subsidiaries. Contribution expense for the plan was $9.3 million, $7.9 million and $8.1 million in 1993, 1992 and 1991, respectively.

RETIREMENT PLANS

The corporation's noncontributory defined benefit retirement plans cover substantially all full-time employees. Pension benefits provided are based on the employee's highest compensation in three consecutive years during the last ten years of employment. The corporation's funding policy is to maximize the federal income tax benefits of the contributions while maintaining adequate assets to provide for both benefits earned to date and those expected to be earned in the future.

The combined plans' funded status at December 31 is presented below:

In millions	1993	1992
Plan assets at fair value*	$661.1	538.0
Actuarial present value of benefit obligations		
Accumulated benefit obligation, including vested benefits of $474.3 and $386.2, respectively	522.0	418.1
Projected benefit obligation for service rendered to date	678.1	533.3
Plan assets (in excess of) less than projected benefit obligation	17.0	(4.7)
Unrecognized net gain (loss) from past experience different from that assumed and effects of changes in assumptions	(15.7)	30.3
Unrecognized net asset being amortized over approximately 17 years	16.4	23.2
Unrecognized prior service cost	(2.7)	(5.8)
Accrued pension liability included in other liabilities	$ 15.0	43.0

* Consists primarily of listed stocks and bonds and obligations of the U.S. Government and its agencies.

The components of net pension cost for the years ended December 31 are presented below:

In millions	1993	1992	1991
Service cost-benefits earned during the year	$32.3	22.9	20.3
Interest cost on projected benefit obligation	43.3	40.1	35.9
Actual return on plan assets	(67.5)	(39.4)	(115.1)
Net amortization and deferral*	49.9	(8.7)	73.9
Net pension cost	$58.0	14.9	15.0

* Consists primarily of the net effects of the difference between the expected investment return and the actual investment return and the amortization of the unrecognized net gains and losses over five years.

The weighted average discount rate and the rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation were seven percent and six percent, respectively, for 1993 and eight percent and six percent, respectively, for 1992. The expected long-term rate of return on assets was six percent for 1993 and nine percent for 1992.

Other Postretirement Benefits
The corporation sponsors a medical plan for retired employees. Substantially all employees become eligible for these benefits if they retire under the corporation's retirement plans. The corporation's funding policy is to maximize the federal income tax benefits of the contributions while maintaining adequate assets to provide for both benefits earned to date and those expected to be earned in the future. The plan's funded status at December 31 is presented below:

In millions	1993	1992
Plan asset at fair value*	$ 52.1	32.6
Accumulated postretirement benefit obligation:		
Retirees	88.6	70.4
Fully eligible active plan participants	11.5	10.1
Other active plan participants	66.8	50.3
	166.9	130.8
Unrecognized net gain (loss)	(15.7)	0.9
Accrued postretirement benefit liability included in other liabilities	$ 99.1	99.1

* Consists primarily of listed stocks and bonds, municipal securities, and obligations of the U.S. government and its agencies.

The components of net periodic postretirement benefit cost for the years ended December 31 are presented below:

In millions	1993	1992
Service cost-benefits earned during the year	$ 7.5	4.8
Interest cost on accumulated postretirement benefit obligation	10.7	9.6
Actual return on plan assets	(3.4)	(1.2)
Net amortization and deferral*	6.0	(0.4)
Net periodic postretirement benefit cost	$20.8	12.8

* Consists primarily of the net effects of the difference of the expected investment return and the actual investment return and amortization of gains and losses over five years.

For measurement purposes, a 12.0 percent annual increase in the cost of covered health care benefits is assumed in the first two years. This rate is assumed to decrease to eight percent after seven years and remain at that level thereafter. The health care cost trend rate assumption has a significant effect on the amounts reported. For example, a one percent increase in the health care trend rate would increase the accumulated postretirement benefit obligation by approximately $16.0 million at December 31, 1993 and the service and interest components of the net periodic cost by $1.9 million for the year. The weighted average discount rate used in determining the accumulated postretirement benefit obligation was seven percent in 1993 and eight percent in 1992. The expected long-term rate of return on plan assets after taxes was 3.6 percent in 1993 and 4.8 percent in 1992.

In years prior to 1992, the expense for postretirement medical benefits was recognized when benefits were paid, and amounted to approximately $3.8 million in 1991. The total cost of medical benefits for the year ended December 31, 1991 is presented below:

In millions of dollars 1991

Medical benefits expense	$ 35.4
Total active employees	24,300
Total retired employees	3,200

STOCK INCENTIVE PLANS

The corporation grants stock incentives to key employees. In April 1985, the corporation's stockholders approved the adoption of the 1985 Long-Term Incentive Compensation Plan (1985 Plan). In April 1988, 1991 and 1993, the stockholders approved amendments which increased the number of shares that may be distributed under the 1985 Plan. Shares which are not used because the terms of an award are not met, and shares which are used by a participant to pay all or part of the purchase price of an option, may again be used for awards under the 1985 Plan.

At the discretion of a committee comprised of non-management directors, participants may be granted stock options, stock appreciation rights, restricted stock, performance awards, and stock awards without restrictions. At December 31, 1993, 324,900 shares of restricted stock and options to acquire 8,981,891 shares of common stock were outstanding under the the 1985 plan.

Stock options may be granted as incentive stock options or nonqualified options, but may not be granted at prices less than market value at the dates of grant. Options may be exercised during a period fixed by the committee of not more than ten years. At the discretion of the committee, a stock option grant may include the right to acquire an Accelerated Ownership Non-Qualified Stock Option ("AO"). If an option grant contains the AO feature and if a participant pays all or part of the purchase price of the option with shares of the corporation's stock held by the participant for at least six months, then upon exercise of the option the participant is granted an AO to purchase,

at the fair market value as of the date of the AO grant, the number of shares of common stock of the corporation equal to the sum of the number of shares used in payment of the purchase price and a number of shares with respect to taxes.

With the adoption of the 1985 Plan, no new grants may be made under the 1983 Stock Option and Restricted Stock Plan (1983 Plan). At December 31, 1993, 39,400 shares remained reserved under the 1983 Plan for unexercised options having an expiration date of September 25, 1994.

Proceeds from stock options exercised are credited to common stock and surplus. There are no charges or credits to expense with respect to the granting or exercise of options.

In connection with the First United acquisition, the corporation assumed First United's obligations under the First United Bank Group Incentive Stock Option Plan. Exercise prices were based on the fair market value of First United's common stock on the date of grant. As a result of the acquisition, all outstanding options under the plan were vested and converted into options to acquire the corporation's common stock. At December 31, 1993, options to acquire 163,900 shares of common stock were outstanding under First United's stock option plan.

In connection with the acquisition of Financial Concepts Bancorp, Inc. (Financial Concepts), the corporation assumed Financial Concepts's obligations under a stock option plan. As a result of the merger, all options under the plan were converted into options to acquire 99,712 shares of the corporation's common stock, which options remain outstanding as of December 31, 1993.

In connection with the Lincoln acquisition, the corporation assumed Lincoln's obligations under two stock option plans and the Director's Stock Compensation Plan. Under terms of the option plans, stock options were granted as either incentive stock options or non-qualified options, at prices not less than market value at the dates of grant, and became exercisable not less than one year from the date of grant. As of the effective time of the acquisition, Lincoln's stock option plans were terminated and all outstanding options were vested and converted into options to purchase shares of the corporation's common stock. In addition, all restrictions on outstanding restricted stock were terminated. At December 31, 1993, options to acquire 59,922 shares of common stock were outstanding under Lincoln's stock option plans.

In connection with the United merger, the corporation assumed United's obligations under two stock option plans and the Outside Directors' Supplemental Compensation Plan. Exercise prices were based upon the fair market value of United's common stock on the date of grant. As a result of the merger, all options under these plans were vested and converted into options to acquire the corporation's common stock. No new options may be granted under these plans. In addition, immediately prior to the merger, all outstanding awards under the United Restricted Stock Rights Award Plan were accelerated and converted into United's common stock and this plan was terminated. At December 31, 1993, options to acquire 16,776 shares were outstanding under United's stock option plans.

The table on page 35 presents a summary of stock option transactions under the plans. At December 31, 1993 options for 7,034,028 shares were exercisable under the plans.

STOCK OPTION TRANSACTIONS

	Options		Option Price	
	Available for Grant	Outstandings	Per Share	Total In millions
December 31, 1990	8,054,093	10,547,053	$ 4.25-11.905	$ 81.7
Stockholder Amendment	9,880,188	-	-	-
Granted*	(8,030,948)	8,030,948	6.6845-18.1563	113.0
Shares Swapped	1,194,638	-	-	-
Excercised	-	(4,913,959)	4.4067-14.6875	(34.8)
Cancelled	514,146	(564,964)	6.6845-14.5313	(4.7)
Restricted Stock Awards	(201,020)	(254,524)	-	-
Termination of United Plans	(3,378,088)	-	-	-
December 31, 1991	8,033,009	12,844,554	4.25-18.1563	155.2
Granted*	(1,522,158)	1,522,158	16.9375-21.9688	29.9
Shares Swapped	1,271,826	-	-	-
Excercised	-	(3,334,261)	4.25-19.4688	(34.5)
Cancelled	170,422	(200,938)	9.0909-19.4688	(3.3)
Restricted Stock Awards	(124,280)	-	-	-
December 31, 1992	7,828,819	10,831,513	4.25-21.9688	147.3
Stockholder Amendment	9,000,000	-	-	-
Granted*	(1,391,620)	1,391,620	20.8125-28.6875	36.8
Shares Swapped	835,264	-	-	-
Excercised	-	(2,705,836)	4.4066-23.0625	(33.6)
Cancelled	236,518	(255,408)	6.6845-27.375	(2.6)
Restricted Stock Awards	(105,600)	-	-	-

Acquisition of Financial Concepts	-	99,712	8.4101-11.6818	0.8
Termination of Lincoln Plans	(173,228)	-	-	-
December 31, 1993	16,230,153	9,361,601	$ 4.25-28.6875	$148.7

* Includes 1,076,552, 1,263,568 and 1,623,662 AO Grants at December 31, 1993, 1992 and 1991, respectively.

12. INCOME TAXES

Components of income tax expense were:

In millions	1993	1992	1991
From Operations			
Current			
Federal	$250.1	224.3	31.9
State	32.6	21.1	14.1
Foreign	4.0	1.3	0.4
Total current	286.7	246.7	46.4
Deferred			
Federal	(19.0)	(78.6)	27.6
State	(1.0)	7.5	(0.6)
Total deferred	(20.0)	(71.1)	27.0
Total from operations	266.7	175.6	73.4
From change in accounting for postretirement medical benefits			
Deferred			
Federal	-	(39.2)	-
State	-	(6.0)	-
Total deferred	-	(45.2)	-
Total	$266.7	130.4	73.4

Income tax expense applicable to net gains on investment/mortgage-backed securities for the years ended December 31, 1993, 1992, and 1991 was $18.3 million, $23.6 million and $7.8 million, respectively.

Income before income taxes from operations outside the United States was not material.

The net deferred tax asset included the following major temporary differences at December 31:

In millions	1993	1992
Deferred tax liabilities		
Depreciation	$ 24.3	28.1
Lease financing	169.8	132.4
Other	83.9	37.6
Total deferred tax liabilities	278.0	198.1
Deferred tax assets		
Provision for credit losses	(231.4)	(222.4)
Expenses deducted when paid	(114.0)	(109.8)
Mark to market	(19.6)	-
Postretirement benefits other than pensions	(37.5)	(37.5)
Other	(133.0)	(26.0)
Total deferred tax assets	(535.5)	(395.7)
Valuation allowance	-	-

Deferred tax assets, net	(535.5)	(395.7)
Total net deferred tax assets	$(257.5)	(197.6)

Pursuant to FAS 109, the corporation has determined that it is not required to establish a valuation reserve for the deferred tax asset since it is more likely than not that the net deferred tax asset of $257.5 million will be principally realized through carryback to taxable income in prior years, and future reversals of existing taxable temporary differences, and, to a lesser extent, future taxable income and tax planning strategies. The corporation's conclusion that it is "more likely than not" that the deferred tax asset will be realized is based on federal taxable income of over $1.4 billion in the carryback period, substantial state taxable income in the carryback period, as well as a history of growth in earnings and the prospects for continued growth.

A reconciliation of the federal income tax rate to effective income tax rates follows:

	1993	1992	1991
Federal income tax rate	35.0%	34.0	34.0
Adjusted for			
State income taxes	2.4	2.9	1.5
Tax-exempt income	(3.5)	(6.7)	(8.0)
Federal tax benefit limitation	(0.1)	(6.0)	(10.7)
Charitable contributions of appreciated assets	(2.5)	(1.2)	(0.2)
Other, net	(1.0)	1.9	(1.7)
Effective income tax rate	30.3%	24.9	14.9

13. COMMITMENTS AND CONTINGENT LIABILITIES

At December 31, 1993, the corporation and its subsidiaries were obligated under noncancelable leases for premises and equipment with terms, including renewal options, ranging from one to approximately 100 years, which provide for increased rentals based upon increases in real estate taxes, operating costs or selected price indices.

Rental expense (including taxes, insurance and maintenance when included in rent, and contingent rentals) net of sublease rentals, amounted to $156.4 million, $139.4 million and $134.8 million in 1993, 1992 and 1991, respectively.

Future minimum rental payments under capital leases and noncancelable operating leases, net of sublease rentals with terms of one year or more, at December 31, 1993 were:

In millions	Capital Leases	Operating Leases
1994	$ 2.6	$ 72.1
1995	2.4	62.4
1996	2.2	49.3
1997	2.2	40.6
1998	2.2	34.2
Thereafter	49.6	285.8
Total minimum rental payments	61.2	$544.4
Less interest	(41.9)	
Present value of net minimum rental payments	$ 19.3	

To meet the financing needs of its customers and as part of its overall risk management strategy, the corporation is a party to financial instruments with off-balance sheet risk. These financial instruments include commitments to extend credit, recourse obligations, options, standby letters of credit, interest rate futures, caps and floors and interest rate swaps and forward contracts. These instruments involve elements of credit and interest rate risk in addition to amounts recognized in the financial statements.

The corporation's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit, recourse obligations, and financial guarantees written is represented by the contractual notional amount of those instruments. The corporation uses the same credit policies in making commitments and conditional obligations as it does on balance sheet instruments. The corporation uses the same credit and collateral policies in making loans which are subsequently sold with recourse obligations as it does for loans not sold. For interest rate futures, caps, floors, and swap transactions, forward contracts and options written, the contract or notional amounts do not represent exposure to credit loss. The corporation controls the credit risk of its interest rate futures, caps, floors and swaps, forward contracts and option contracts through credit approvals, limits, and monitoring procedures.

A summary of the contract or notional amounts of these financial instruments at December 31, is as follows:

In millions	1993	1992
Commitments to extend credit	$6,498.2	5,048.0
Standby letters of credit*	907.7	761.0
Other letters of credit	404.9	317.1
Forward contracts for delivery of securities	7,962.6	7,569.4
Interest rate swap agreements	1,891.2	1,377.5
Futures contracts	-	1,845.0
Interest rate caps and floors	1,213.0	4,001.3
Option contracts:		
Purchased	2,107.5	-
Written	400.0	-
Foreign exchange options:		
Purchased	79.5	4.7
Written	8.9	4.6

* Total standby letters of credit are net of participations in standby letters of credit sold to other institutions of $319.0 million in 1993 and $195.2 million in 1992.

Commitments to extend credit generally have fixed expiration dates or other termination clauses and usually require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The amount of collateral obtained is based on management's credit evaluation of the counter-party. Collateral held varies but may include cash, marketable securities, accounts receivable, inventory, property, plant and equipment, and income-producing commercial properties.

Standby letters of credit and financial guarantees written are conditional commitments issued by the corporation to guarantee the performance of a customer to a third party. Outstanding standby letters of credit at December 31, 1993 supported $500.3 million of industrial revenue bonds, $196.6 million of supplier payment guarantees, $148.9 million of performance bonds and $380.9

million of other obligations of unaffiliated parties with maturities up to 14 years, eight years, 15 years and eight years, respectively. Risks associated

with such standby letters of credit are included in the evaluation of overall credit risk in determining the allowance for credit losses. The collateral requirements are essentially the same as those involved in extending loan facilities to customers. As part of its overall risk management strategy, the corporation does not believe it has any significant concentrations of credit risk.

The corporation has entered into mandatory and standby forward contracts to reduce interest rate risk on certain mortgage loans held for sale and other commitments. The contracts provide for the delivery of securities at a specified future date, at a specified price or yield. In the event the counter-party is unable to meet its contractual obligations, the corporation may be exposed to the risk of selling mortgage loans at the prevailing market prices.

Interest rate swap transactions generally involve the exchange of fixed and floating rate interest payment obligations without the exchange of the underlying financial instrument. The corporation becomes a principal in the exchange of interest payments with other parties and, therefore, is exposed to loss should the counter-party default. The corporation minimizes this risk by performing normal credit reviews on its swap customers and minimizes its exposure to the interest rate risk inherent in customer swap transactions by entering into offsetting swap positions that essentially counter-balance each other.

Entering into interest rate swap agreements involves not only the risk of dealing with counter-parties and their ability to meet the terms of the contracts but also the interest rate risk associated with unmatched positions. Notional principal amounts often are used to express the volume of these transactions, but the amounts potentially subject to credit risk are much smaller.

Interest rate caps and floors written by the corporation enable customers to transfer, modify, or reduce their interest rate risk. Option contracts allow the holder of the option to purchase or sell a financial instrument at a specified price and within a specified period of time from or to the seller or "writer" of the option. As a writer of options, the corporation receives a premium at the outset and then bears the risk of an unfavorable change in the price of the financial instrument underlying the option.

The corporation has written $400 million of uncovered call options as of December 31, 1993. Fees received on the sales of these options were $1.5 million and the market value as of December 31, 1993 was $2.6 million.

As of December 31, 1993 the corporation has hedged for one year $2.0 billion of variable rate FHLB borrowings and variable rate deposits using a stream of purchased put options on Euro Futures. The corporation also had $50 million of notional value purchased put options on Euro Futures outstanding as part of the corporation's trading account portfolio, which are valued at market.

Norwest Mortgage, Inc., prior to 1985, sold mortgage loans in non-standard, negotiated transactions, primarily with the Federal Home Loan Mortgage Corporation, which provide for recourse to Norwest Mortgage, Inc. The outstanding loan balances for these sales transactions were $203.8 million at December 31, 1993 and $268.5 million at December 31, 1992. The liability under these recourse arrangements is not material.

The corporation and certain subsidiaries are defendants in various matters of litigation generally incidental to their business. Although it is difficult to predict the ultimate outcome of these cases, management believes, based on discussions with counsel, that any ultimate liability will not materially affect the consolidated financial position of the corporation and its subsidiaries.

14. SEGMENT REPORTING

The corporation's operations include three primary business segments: banking, mortgage banking and consumer finance. The corporation, primarily through its subsidiary banks, offers diversified banking services including retail, commercial and corporate banking, equipment leasing, trust services, securities brokerage and investment banking and venture capital investments. Mortgage banking activities include the origination and purchase of residential mortgage loans for sale to various investors as well as providing servicing of mortgage loans for others where servicing rights have been retained. Consumer finance activities, provided through the corporation's Norwest Financial subsidiaries, include providing direct installment loans to individuals, purchasing of sales finance contracts, private label and lease accounts receivable financing and other related products and services.

Selected financial information by business segment for each of the three years ended December 31 is included in the following summary:

In millions	Revenues*	Organizational Earnings*	Total Assets
1993:			
Banking	$2,550.7	356.7	41,956.9
Mortgage banking	698.6	56.3	7,425.2
Consumer finance	839.1	200.1	5,282.9
Total	$4,088.4	613.1	54,665.0
1992:**			
Banking	$2,340.5	257.6	39,879.1
Mortgage banking	450.8	53.4	5,328.8
Consumer finance	678.2	159.0	4,829.1
Total	$3,469.5	470.0	50,037.0
1991:			
Banking	$2,111.0	263.4	38,497.0
Mortgage banking	268.6	31.4	3,308.4
Consumer finance	560.0	123.5	4,169.1
Total	$2,939.6	418.3	45,974.5

* Revenues, where applicable, and organizational earnings by business segment are impacted by intercompany revenues and expenses, such as interest on borrowings from the parent company, corporate service fees and allocations of federal income taxes.

** Organizational earnings is presented prior to the cumulative effect of a change in accounting for postretirement medical benefits, which totaled $76.0 million net of tax. Organizational earnings for 1992 reflect additional postretirement benefit costs as compared with 1991 due to the change in accounting of $3.9 million in banking, $0.3 million in mortgage banking and $1.4 million in consumer finance.

15. MORTGAGE BANKING ACTIVITIES

The detail of mortgage banking non-interest income for each of the three years ended December 31 is presented below:

In millions	1993	1992	1991
Origination fees	$135.6	103.8	60.0
Servicing fees	56.1	39.9	11.7
Net gains on sales of servicing rights	61.7	62.4	76.5
Net gains on sales of mortgages	140.5	19.8	13.0
Other mortgage fee income	78.4	49.4	24.7
Total mortgage banking non-interest income	$472.3	275.3	185.9

Mortgage loans serviced for others are not included in the accompanying consolidated statements of financial condition. The outstanding balances of serviced loans were $45,695.1 million, $21,612.9 million and $8,643.3 million at December 31, 1993, 1992 and 1991, respectively.

Changes in mortgage loan servicing rights purchased for each of the three years ended December 31, were:

In millions	1993	1992	1991
Balance at beginning of year	$ 64.0	35.8	31.6
Purchases	169.9	133.4	93.1
Sales	(2.5)	(90.9)	(82.1)
Amortization	(27.7)	(11.5)	(4.0)
Adjustments due to changes in prepayment assumptions	(18.5)	(2.8)	(2.8)
Balance at end of year	$ 185.2	64.0	35.8

16. FAIR VALUES OF FINANCIAL INSTRUMENTS AND CERTAIN NON-FINANCIAL INSTRUMENTS

Statement of Financial Accounting Standards No. 107 "Disclosures about Fair Value of Financial Instruments" (FAS 107) requires the disclosure of estimated fair values of all asset, liability and off-balance sheet financial instruments. FAS 107 also allows the disclosure of estimated fair values of non-financial instruments. Fair value estimates under FAS 107 are determined as of a specific point in time utilizing various assumptions and estimates. The use of assumptions and various valuation techniques, as well as the absence of secondary markets for certain financial instruments, will likely reduce the comparability of fair value disclosures between financial institutions.

FINANCIAL INSTRUMENTS

The fair value estimates disclosed in the table on page 42 are based on existing on and off balance sheet financial instruments and do not consider the value of future business. Other significant assets and liabilities, which are not considered financial assets or liabilities and for which fair values have not been estimated, include premises and equipment, goodwill and other intangibles, deferred tax assets and other liabilities. The estimated fair values of the corporation's financial instruments as of December 31 are set forth in the following table on page 42 and explained below. The 1992 and 1991 fair values of loans and leases and student loans available for sale have been restated to conform with the methodologies used in the 1993 valuations.

FAIR VALUES OF FINANCIAL INSTRUMENTS

<TABLE>
<CAPTION>

	1993		1992		1991	
	Carrying	Fair	Carrying	Fair	Carrying	Fair

In millions	Amount	Value	Amount	Value	Amount	Value
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Financial assets:						
Cash and cash equivalents	$ 3,608.0	$3,608.0	3,428.0	3,428.0	3,731.6	3,731.6
Trading account securities	279.1	279.1	132.0	132.0	157.9	157.9
Investment securities	1,542.7	1,597.6	1,865.0	1,927.3	3,530.4	3,802.9
Mortgage-backed securities	151.0	153.1	165.9	167.5	10,427.7	10,739.0
Investment securities available for sale	2,001.2	2,260.9	1,573.6	1,815.7	-	-
Mortgage-backed securities available for sale	9,021.6	9,244.0	9,358.2	9,565.6	-	-
Student loans available for sale	1,349.2	1,349.2	1,156.5	1,156.5	-	-
Mortgages held for sale	6,090.7	6,103.4	4,727.8	4,727.8	3,007.7	3,007.7
Loans and leases, net	27,971.6	28,236.7	25,009.4	25,255.3	22,615.5	22,926.0
Interest receivable	300.8	300.8	330.9	330.9	342.2	342.2
Excess servicing rights receivable	54.4	86.7	9.0	20.7	3.0	3.0
Total financial assets	52,370.3	53,219.5	47,756.3	48,527.3	43,816.0	44,710.3
Financial liabilities:						
Non-maturity deposits	24,066.8	24,066.8	20,116.9	20,116.9	18,266.6	18,266.6
Deposits with stated maturities	11,909.7	12,074.5	11,492.5	11,687.9	13,064.5	13,340.6
Short-term borrowings	5,996.8	5,996.8	8,824.9	8,824.9	6,098.5	6,098.5
Long-term debt	6,850.9	6,928.7	4,553.2	4,645.2	3,686.6	3,882.0
Interest payable	238.4	238.4	263.8	263.8	303.1	303.1
Total financial liabilities	49,062.6	49,305.2	45,251.3	45,538.7	41,419.3	41,890.8
Off-balance sheet financial instruments:						
Forward delivery commitments	28.3	28.3	(35.7)	(35.7)	(122.7)	(122.7)
Interest rate swaps	11.2	14.8	0.7	(7.0)	0.7	18.0
Futures contracts	0.5	-	-	-	17.9	-
Interest rate caps/floors	2.4	17.2	23.4	36.3	10.7	55.1
Options contracts to sell	4.2	8.1	-	-	(3.8)	(11.5)
Total off-balance sheet financial instruments	46.6	68.4	(11.6)	(6.4)	(97.2)	(61.1)
Net financial instruments	$ 3,354.3	$ 3,982.7	2,493.4	2,982.2	2,299.5	2,758.4

</TABLE>

The following methods and assumptions are used by the corporation in estimating its fair value disclosures for financial instruments.

CASH AND CASH EQUIVALENTS
The carrying value of cash and cash equivalents approximates fair value due to the relatively short period of time between the origination of the instruments and their expected realization.

TRADING ACCOUNT SECURITIES, INVESTMENT SECURITIES, MORTGAGE-BACKED SECURITIES, AND INVESTMENTS AND MORTGAGE-BACKED SECURITIES AVAILABLE FOR SALE

Fair values of these financial instruments were estimated using quoted market prices, when available. If quoted market prices were not available, fair value was estimated using quoted market prices for similar assets.

MORTGAGES HELD FOR SALE

Fair value of mortgages held for sale are stated at market.

LOANS AND LEASES AND STUDENT LOANS AVAILABLE FOR SALE

Fair values of loans and leases are estimated based on contractual cash flows, adjusted for prepayment assumptions and credit risk factors, discounted using the current market rate for loans and leases. Variable rate loans, including student loans available for sale, are valued at carrying value since the loans reprice to market rates over short periods of time. Credit card receivables are valued at carrying value since the receivables are priced near market rates for such receivables and are short-term in life. The fair value of the corporation's consumer finance subsidiaries' loans have been reported at book value since the estimated life, assuming prepayments, is short-term in nature.

INTEREST RECEIVABLE AND PAYABLE

The carrying value of interest receivable and payable approximates fair value due to the relatively short period of time between accrual and expected realization.

EXCESS SERVICING RIGHTS RECEIVABLE

Excess servicing rights receivable represents the present value using applicable investor yields of estimated future servicing revenues in excess of normal servicing revenues over the assumed life of the servicing portfolio.

DEPOSITS

The fair value of fixed-maturity deposits is the present value of the contractual cash flows, including principal and interest, and servicing costs, discounted using an appropriate investor yield.

In accordance with FAS 107, the fair value of deposits with no stated maturity, such as demand deposit, savings, NOW and money market accounts, are disclosed as the amount payable on demand.

SHORT-TERM BORROWINGS

The carrying value of short-term borrowings approximates fair value due to the relatively short period of time between the origination of the instruments and their expected payment.

LONG-TERM DEBT

The fair value of long-term debt is the present value of the contractual cash flows, discounted by the investor yield which considers the corporation's credit rating.

COMMITMENTS TO EXTEND CREDIT, STANDBY LETTERS OF CREDIT AND RECOURSE OBLIGATIONS

The majority of the corporation's commitment agreements and letters of credit contain variable interest rates and counter-party credit deterioration clauses and therefore, the carrying value of the corporation's commitments to extend credit and letters of credit approximates fair value. The fair value of the corporation's recourse obligations are valued based on estimated cash flows associated with such obligations. As any potential liabilities under such recourse obligations are recognized on the corporation's balance sheet, the carrying value of such recourse obligations approximates fair value.

FORWARD DELIVERY COMMITMENTS, INTEREST RATE SWAPS, FUTURES CONTRACTS, OPTIONS AND INTEREST RATE CAPS AND FLOORS

The fair value of forward delivery commitments, interest rate caps, floors, swaps and futures contracts is estimated, using dealer quotes, as the amount that the corporation would receive or pay to execute a new agreement with terms identical to those remaining on the current agreement, considering current interest rates.

CERTAIN NON-FINANCIAL INSTRUMENTS

Supplemental fair value information for certain non-financial instruments as of December 31 are set forth in the table on page 45 and explained below.

The supplemental fair value information, combined with the total fair value of net financial instruments from the table on page 42, is presented in the table on page 45 for information purposes. This combination is not necessarily indicative of the "franchise value" or the fair value of the corporation taken as a whole. Certain values of non-financial instruments for 1992 and 1991 have been restated to conform with the non-financial instruments and related methodologies reported in the 1993 information.

In millions	1993	1992	1991
Non-financial instrument assets and liabilities:			
Premises and equipment, net	$ 842.1	742.2	697.1
Other assets	1,452.6	1,538.5	1,461.4
Accrued expenses and other liabilities	(1,841.5)	(1,413.9)	(1,362.8)
Other values:			
Non-maturity deposits	1,265.1	1,150.4	1,035.0
Consumer finance network	3,128.5	2,374.0	1,932.2
Credit card	245.3	84.6	109.2
Banking subsidiaries' consumer loans	269.3	224.4	198.3
Mortgage servicing	431.4	187.2	69.7
Mortgage loan origination/ wholesale network	836.4	707.6	180.4
Trust department	631.8	570.0	504.9
Net fair value of certain non-financial instruments	7,261.0	6,165.0	4,825.4
Fair value of financial instruments	3,982.7	2,982.2	2,758.4
Net stockholders' equity at the fair value of net financial instruments and certain non-financial instruments*	$11,243.7	9,147.2	7,583.8

* Amounts do not include applicable deferred income taxes, if any.

The following methods and assumptions were used by the corporation in estimating the fair value of certain non-financial instruments.

NON-FINANCIAL INSTRUMENT ASSETS AND LIABILITIES

The non-financial instrument assets and liabilities are stated at book value, which approximates fair value.

NON-MATURITY DEPOSITS

The fair value table of financial instruments on page 42 does not consider the benefit resulting from the low-cost funding provided by deposit liabilities as compared with wholesale funding rates. The fair value of non-maturity deposits, considering these relational benefits, would be $25,331.9 million, $21,267.3 million, and $19,301.6 million at December 31, 1993, 1992 and 1991, respectively. Such amounts are based on a discounted cash flow analysis, assuming a constant balance over ten years and taking into account the interest sensitivity of each deposit category.

CONSUMER FINANCE NETWORK
The supplemental fair value table includes the estimated fair value associated with the consumer finance network which is estimated to be $3,128.5 million, $2,374.0 million and $1,932.2 million at December 31, 1993, 1992 and 1991, respectively. Such estimates are based on current industry price/earnings ratios for similar networks. These current price/earnings ratios are industry averages and do not consider the higher earnings levels and the value of the data processing business associated with the corporation's consumer finance network.

CREDIT CARD
The fair value of financial instruments on page 42 excludes the fair value attributed to the expected credit card balances in future years with the holders of such cards. The fair value of such future balances is estimated to exceed book value by $245.3 million, $84.6 million and $109.2 million at December 31, 1993, 1992 and 1991, respectively. This represents the fair value related to such future balances of both securitized and on-balance sheet credit card receivables based on a discounted cash flow analysis, utilizing an investor yield on similar portfolio acquisitions.

BANKING SUBSIDIARIES' CONSUMER LOANS
For purposes of the table of fair values of financial instruments on page 42, the fair value of the banking subsidiaries' consumer loans is based on the contractual balances and maturities of existing loans. The fair value of such financial instruments does not consider future loans with customers. The fair value related to such future balances is estimated to be $269.3 million, $224.4 million and $198.3 million at December 31, 1993, 1992 and 1991, respectively. This fair value is estimated by cash flow analysis, discounted utilizing an investor yield. The expected balances for such purposes are estimated to extend ten years at a constant rate of replacement.

MORTGAGE SERVICING
Mortgage servicing represents estimated current value in the servicing portfolio. The corporation estimates that the fair value of its mortgage servicing exceeds book values by $431.4 million, $187.2 million and $69.7 million at December 31, 1993, 1992, and 1991, respectively.

MORTGAGE LOAN ORIGINATION/WHOLESALE NETWORK
The supplemental fair value table includes the fair value associated with the corporation's origination network for mortgage loans, which is estimated to be $836.4 million, $707.6 million and $180.4 million at December 31, 1993, 1992 and 1991, respectively. Such estimates are based on current industry price/earnings ratios for similar networks.

TRUST DEPARTMENT
The fair value associated with the corporation's management of trust assets is estimated to be $631.8 million, $570.0 million and $504.9 million at December 31, 1993, 1992 and 1991, respectively. Such estimates are based on current trust revenues using an industry multiple.

17. PARENT COMPANY FINANCIAL INFORMATION

Condensed financial information for Norwest Corporation (parent company only) follows:

BALANCE SHEETS

In millions

At December 31,	1993	1992
Assets		
Interest-bearing deposits with subsidiary banks	$ 155.4	146.4
Advances to non-bank subsidiaries	2,313.8	1,556.3
Capital notes and term loans of subsidiaries		
Banks	353.0	333.0
Non-banks	371.5	237.8
Total capital notes and term loans of subsidiaries	724.5	570.8
Investments in subsidiaries		
Banks	3,096.6	2,598.3
Non-banks	803.4	837.1
Total investment in subsidiaries	3,900.0	3,435.4
Investment and mortgage-backed securities	211.7	148.2
Investment securities available for sale	91.4	105.9
Other assets	173.0	186.6
Total assets	$7,569.8	6,149.6
Liabilities and Stockholders' Equity		
Short-term borrowings	$2,094.1	2,028.7
Accrued expenses and other liabilities	186.6	165.4
Long-term debt with non-affiliates	1,528.2	583.7
Stockholders' equity	3,760.9	3,371.8
Total liabilities and stockholders'equity	$7,569.8	6,149.6

STATEMENTS OF INCOME

In millions

Year ended December 31,	1993	1992	1991
Income			
Dividends from subsidiaries			
Banks	$402.0	318.3	107.0
Non-banks	215.7	168.8	107.6
Total dividends from subsidiaries	617.7	487.1	214.6
Interest from subsidiaries	91.2	109.1	173.4
Service fees from subsidiaries	58.0	50.0	45.5
Other income	38.2	29.0	21.8
Total income	805.1	675.2	455.3
Expenses			
Interest to subsidiaries	1.5	1.0	1.7
Other interest	140.0	134.0	191.7
Other expenses	113.0	140.8	56.8
Total expenses	254.5	275.8	250.2
Income before income taxes, equity in undistributed earnings of subsidiaries, and cumulative effect of a change in accounting for postretirement medical benefits	550.6	399.4	205.1
Income tax benefit	24.4	43.3	39.9
Income before equity in undistributed earnings of subsidiaries and cumulative effect of a change in accounting for postretirement medical benefits	575.0	442.7	245.0
Equity in undistributed earnings of subsidiaries	38.1	27.3	173.3
Income before cumulative effect of a change in accounting for postretirement medical benefits	613.1	470.0	418.3
Cumulative effect on years ended prior			

to December 31, 1992 of a change in accounting for post retirement medical benefits, net of tax	-	(76.0)	-
Net income	$613.1	394.0	418.3

STATEMENTS OF CASH FLOWS

In millions	1993	1992	1991
Year ended December 31,			
Cash Flows From Operating Activities			
Net income	$ 613.1	394.0	418.3
Adjustments to reconcile net income to net cash flows from operating activities:			
Cumulative effect on years ended prior to December 31, 1992 of a change in accounting for postretirement medical benefits, net of tax	-	76.0	-
Equity in undistributed earnings of subsidiaries	(38.1)	(27.3)	(173.3)
Depreciation and amortization	12.2	12.9	12.9
Other assets, net	(3.7)	(36.4)	9.4
Accrued expenses and other liabilities, net	32.1	(5.9)	(41.3)
Net cash flows from operating activities	615.6	413.3	226.0
Cash Flows From Investing Activities			
Advances to non-bank subsidiaries, net	(762.5)	580.8	(328.5)
Investment securities, net	(63.5)	46.5	(56.9)
Investment securities available for sale, net	14.5	(105.9)	-
Principal collected on capital notes and term loans of subsidiaries	23.3	75.6	383.5
Capital notes and term loans made to subsidiaries	(218.2)	(143.2)	(322.1)
Investment in subsidiaries, net	(354.4)	(242.1)	(277.8)
Net cash flows from (used for) investing activities	(1,360.8)	211.7	(601.8)
Cash Flows From Financing Activities			
Short-term borrowings, net	84.3	(158.8)	(20.6)
Taxes receivable from affiliates, net	4.7	(4.7)	2.8
Proceeds from issuance of long-term debt with non-affiliates	1,263.2	-	25.0
Repayment of long-term debt with non-affiliates	(312.4)	(137.5)	(148.9)
Issuances of common stock	55.9	35.8	239.6
Repurchases of common stock	(124.3)	(86.0)	(5.4)
Issuances of preferred stock	-	-	266.0
Redemption of preferred stock	(0.7)	(2.9)	(30.4)
Net decrease in ESOP loans	3.2	3.0	8.1
Dividends paid	(219.7)	(185.7)	(146.8)
Net cash flows from (used for) financing activities	754.2	(536.8)	189.4
Net increase (decrease) in cash and cash equivalents	9.0	88.2	(186.4)
Cash and cash equivalents			
Beginning of year	146.4	58.2	244.6
End of year	$ 155.4	146.4	58.2

Federal law prevents the corporation from borrowing from its subsidiary banks unless loans are secured by specified assets. Such secured loans by any subsidiary bank are generally limited to 10 percent of the subsidiary bank's capital and surplus and aggregate loans to the corporation and its non-bank subsidiaries are limited to 20 percent of the subsidiary bank's capital and surplus.

The payment of dividends to the corporation by subsidiary banks is subject to various federal and state regulatory limitations. A national bank must obtain the approval of the Comptroller of the Currency if the total of all dividends declared in any calendar year exceeds the bank's net profits for that year combined with its retained net profits for the preceeding two calendar years. Under this formula, at December 31, 1993 the corporation's national banks could have declared $491.0 million of aggregate dividends, in addition to amounts previously paid, without the approval of the Comptroller of the Currency, subject to minimum regulatory capital requirements. In addition, the corporation's non-bank subsidiaries could have declared dividends totaling $803.4 million.