

News Release
CFO

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For Immediate Release
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**WELLS FINANCIAL CORP. ANNOUNCES INCREASED
CASH DIVIDEND**

Wells, Minnesota - - January 29, 2003 - - Lonnie R. Trasamar, President of Wells Financial Corp. (the Company), Wells, Minnesota, the holding company of Wells Federal Bank, fsb, (the Bank), announced that on January 28, 2003, the Company's Board of Directors declared a quarterly cash dividend of \$0.20 per share to shareholders of record on February 10, 2003, payable on February 24, 2003. The \$0.20 per share dividend is a \$0.02 increase when compared to the dividend paid for the prior quarter.

Wells Financial Corp. and Wells Federal Bank are headquartered in Wells, Minnesota. The Bank operates eight full service offices located in Wells, Blue Earth, Mankato, Fairmont, North Mankato, Albert Lea, St. Peter and Owatonna, Minnesota and a loan origination office located in Farmington, Minnesota. The Bank is a community oriented, full service retail savings bank offering traditional mortgage, consumer, commercial and agricultural loan products. The Company's common stock trades on the Nasdaq National Market under the symbol "WEFC."