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WACHOVIA CORP/ NC

Form 425

July 18, 2001

Pursuant to Rule 425 under the Securities Act of 1933 and deemed filed pursuant to Rule 14a-6(b) under the Securities Exchange Act of 1934

Subject Company: Wachovia Corporation
Commission File No. 333-59616

Date: July 18, 2001

This filing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, (i) statements about the benefits of the merger between First Union Corporation and Wachovia Corporation, including future financial and operating results, cost savings, enhanced revenues, and accretion to reported earnings that may be realized from the merger; (ii) statements with respect to First Union's and Wachovia's plans, objectives, expectations and intentions and other statements that are not historical facts; and (iii) other statements identified by words such as "believes", "expects", "anticipates", "estimates", "intends", "plans", "targets", "projects" and similar expressions. These statements are based upon the current beliefs and expectations of First Union's and Wachovia's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: (1) the risk that the businesses of First Union and Wachovia will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; (2) expected revenue synergies and cost savings from the merger may not be fully realized or realized within the expected time frame; (3) revenues following the merger may be lower than expected; (4) deposit attrition, operating costs, customer loss and business disruption following the merger, including, without limitation, difficulties in maintaining relationships with employees, may be greater than expected; (5) the ability to obtain governmental approvals of the merger on the proposed terms and schedule; (6) the failure of First Union's and Wachovia's stockholders to approve the merger; (7) competitive pressures among depository and other financial institutions may increase significantly and have an effect on pricing, spending, third-party relationships and revenues; (8) the strength of the United States economy in general and the strength of the local economies in which the combined company will conduct operations may be different than expected resulting in, among other things, a

deterioration in credit quality or a reduced demand for credit, including the resultant effect on the combined company's loan portfolio and allowance for loan losses; (9) changes in the U.S. and foreign legal and regulatory framework; and (10) adverse conditions in the stock market, the public debt market and other capital markets (including changes in interest rate conditions) and the impact of such conditions on the combined company's capital markets and asset management activities. Additional factors that could cause First Union's and Wachovia's results to differ materially from those described in the forward-looking statements can be found in First Union's and Wachovia's reports (such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current

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Reports on Form 8-K) filed with the Securities and Exchange Commission and available at the SEC's Internet site (<http://www.sec.gov>). All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters attributable to First Union or Wachovia or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. First Union and Wachovia do not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statements are made.

The proposed transaction will be submitted to First Union's and Wachovia's stockholders for their consideration. Stockholders are urged to read the definitive joint proxy statement/prospectus regarding the proposed transaction and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they contain (or will contain) important information. You will be able to obtain a free copy of the joint proxy statement/prospectus, as well as other filings containing information about First Union and Wachovia, at the SEC's Internet site (<http://www.sec.gov>). Copies of the joint proxy statement/prospectus and the SEC filings that have been or will be incorporated by reference in the joint proxy statement/prospectus can also be obtained, without charge, by directing a request to First Union, Investor Relations, One First Union Center, Charlotte, North Carolina 28288-0206 (704-374-6782), or to Wachovia, Investor Relations, 100 North Main Street, Winston-Salem, North Carolina 27150 (888-492-6397).

THE FOLLOWING ADVERTISEMENT BY FIRST UNION RAN IN NATIONAL AND REGIONAL PUBLICATIONS

[FIRST UNION LOGO]

The Momentum Is Building...

[GRAPHIC]

SunTrust	First Union
Up 5.2%	Up 26.7%
YTD	YTD

Year-to-date performance of common stock.

...and Wall Street Agrees.

Reports on First Union's second-quarter earnings:

Richard X. Bove, Raymond James & Associates:
"Virtually every aspect of First Union's business demonstrated improvement during the quarter. This suggests that First Union's outlook going forward is more attractive than it has been for years."

Andrew B. Collins, U.S. Bancorp Piper Jaffray:
"In our judgment, this strong second-quarter performance virtually guarantees First Union is the winning bidder for the recently announced Wachovia franchise."

Jennifer Thompson, Putnam Lovell Securities, Inc.:
"Overall, generally solid second-quarter results were highlighted by strong double-digit linked quarter revenue growth, particularly in the General Bank and Investment Bank, flat expense growth, and stable asset quality."

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Michael A. Plodwick, UBS Warburg:

"Revenue growth was evident in both the net-interest-income and fee-income categories, expense control was evident, and credit quality was stable. Consequently, it appears that the much anticipated turnaround at First Union is taking place, which could give the company an advantage in the takeover battle for Wachovia."

David C. Stumpf, A.G. Edwards & Son, Inc.:

"Based on the improvement evident in the Q2 results as well as our numerous discussions with management over the last month or two we have also become increasingly more comfortable with the proposed merger with Wachovia. There is no question that First Union is better positioned than we previously thought."

George A. Bicher, Deutsche Banc Alex. Brown, Inc.:

"The results underscore our view that this company is pointed in the right direction."

The management and the Board of Directors of First Union and Wachovia have agreed on a strategic partnership that we believe will create a superior financial institution, deliver greater value to shareholders and position the combined companies for long-term growth.

If you are a shareholder of Wachovia or First Union, we urge you to vote for the Wachovia/First Union merger by returning the white proxy card.

First Union and Wachovia

The Right Combination

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