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WACHOVIA CORP/ NC
Form 425
May 29, 2001

Filed by First Union Corporation

Pursuant to Rule 425 under the Securities Act of 1933 and deemed filed pursuant to Rule 14a-12 under the Securities Exchange Act of 1934

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

Date: May 29, 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 Reports on Form 8-K) filed with the Securities and Exchange Commission and

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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, and, on April 26, 2001, First Union filed a registration statement on Form S-4 with the SEC containing a preliminary joint proxy statement/prospectus of First Union and Wachovia and other relevant documents concerning the proposed transaction. Stockholders are urged to read the definitive joint proxy statement/prospectus when it becomes available and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. You will be able to obtain a free copy of the registration statement and 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 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).

First Union and Wachovia, and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of First Union and Wachovia in connection with the merger. Information about the directors and executive officers of First Union and their ownership of First Union common stock is set forth in First Union's proxy statement on Schedule 14A, as filed with the SEC on March 13, 2001. Information about the directors and executive officers of Wachovia and their ownership of Wachovia common stock is set forth in Wachovia's proxy statement on Schedule 14A, as filed with the SEC on March 19, 2001. Additional information regarding the interests of those participants may be obtained by reading the definitive joint proxy statement/prospectus regarding the proposed transaction when it becomes available.

THE FOLLOWING IS AN ADVERTISEMENT THAT RAN IN VARIOUS REGIONAL PUBLICATIONS

An open letter on the Wachovia-First Union merger.

Last week, the Wachovia board of directors reaffirmed its commitment to merge with First Union. We are confident that our vision for the new Wachovia is clearly the right choice for our shareholders, customers, employees, and the communities we serve.

Our merger of equals will truly create a new company unlike any other in financial services today. The new Wachovia will provide outstanding benefits for everyone involved:

- o Shareholders-immediate higher earnings and accelerated future growth.
- o Individual customers and business clients -a strong relationship focus and an expanded range of products and services to meet our customers' needs.
- o Employees-a combination of talent that is the "best of the best," and career opportunities provided by the nation's fourth- largest financial services

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company.

- o Communities—an outstanding corporate citizen up and down the East Coast, with strong commitments to local civic causes and community initiatives.

Since April 16, when First Union and Wachovia announced their intention to combine, hundreds of people from both companies have come together to blend the best of our systems, processes, and cultures to create the financial services model of the future. These teams are making great progress and are creating effective, exciting solutions with a strong spirit of teamwork and partnership. The new Wachovia is coming together with a shared vision of a new company—one that combines exceptional talent, competitive products, and the highest levels of customer service.

Together we move forward, confident in our vision and gratified by the support and encouragement of our stakeholders. Our priorities are clear —staying keenly focused on serving our customers, and moving ahead to build the new Wachovia. We are honored to have this opportunity. We are confident we will succeed.

THE FOLLOWING NEWS RELEASE WAS ISSUED BY FIRST UNION AND WACHOVIA

[FIRST UNION LOGO]

[WACHOVIA LOGO]

Media Contacts:

First Union:	Mary Eshet	704-383-7777
Wachovia:	Ed L. Hutchins	336-732-4200
	Jay E. Reed	336-732-5855

FIRST UNION'S EVERETT AND LEHMAN TO BE NAMED TO LEADERSHIP

 POSTS FOR THE NEW WACHOVIA

Everett to Lead Corporate and Community Affairs;
 Lehman to Head Investor Relations

Charlotte and Winston Salem; May 29, 2001 -- Today First Union Corporation (NYSE:FTU) and Wachovia Corporation (NYSE:WB) announced that Malcolm E. Everett III will head Corporate and Community Affairs for the new company, effective upon consummation of the planned merger. Everett will report to the combined company's chairman, L.M. Baker Jr.

Alice L. Lehman will head Investor Relations for the combined company, also effective upon consummation. Lehman will report to Robert Kelly, chief financial officer for First Union and designated CFO for the new Wachovia.

Everett will oversee the combined functions for Community Development Lending/CRA Compliance; Corporate Communications; Government Relations/Public Policy; and Corporate Contributions/Community Involvement. Lehman will direct strategy and communication with the investment community, including institutional and retail investors as well as the buy- and sell-side analysts.

Everett has been with First Union for 23 years, serving most recently as president of the Southeast region. His past roles include head of the North

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Carolina bank; head of the Retail Investment Division of the Capital Management Group; president of First Union Securities Corporation; and vice president and head of statewide sales for Trust and Investments.

"Mac Everett is clearly the right leader to direct our strategies for community commitments and corporate relations for the new Wachovia," said Baker. "As our merger integration efforts continue to move forward, it is imperative that our new company aligns with employees, customers and political leaders in the communities we serve. Our recent community pledge underscores our commitment in this area. It is critical to communicate with those key groups in a powerful and consistent way."

"Alice Lehman has all of the critical skills to lead and raise our visibility while building key relationships with the analyst community," said Kelly. "Our shareholders are one of our most critical constituencies. It is more important than ever that we focus on this group as we combine our two great companies into one even stronger organization. Alice is absolutely the right and proven leader to do this."

Lehman is a 17-year veteran of First Union, serving currently as managing director for the Corporate Relations Division. She has led First Union Capital Markets' Loan Syndications and Specialized Lending groups and was a senior credit officer in corporate banking.

On April 16, 2001, First Union Corporation and Wachovia Corporation announced a merger of equals. The company will be the nation's fourth largest financial services company upon consummation later this year.

First Union Corporation, with \$253 billion in assets and stockholders' equity of \$16 billion at March 31, 2001, is a leading provider of financial services to 15 million retail and corporate customers throughout the East Coast and the nation. The company operates full-service banking offices in 11 East Coast states and Washington, D.C., and full-service brokerage offices in 47 states. Online banking products and services can be accessed through www.firstunion.com.

Wachovia Corporation, with dual headquarters in Atlanta and Winston-Salem, N.C., is a leading financial holding company serving regional, national and international markets. As of March 31, 2001, Wachovia had assets of \$75.6 billion. Member companies offer consumer and commercial banking, bank card, asset and wealth management, capital markets and investment banking, community development finance, brokerage and insurance services. Wachovia Bank, N.A., the principal subsidiary, has nearly 650 offices and 1,350 ATMs primarily in Florida, Georgia, North Carolina, South Carolina and Virginia.

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Additional Information:

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