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WACHOVIA CORP/ NC
Form 425
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Filed by SunTrust Banks, Inc.
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Subject Company: Wachovia Corporation
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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 a merger between SunTrust Banks, Inc. and Wachovia Corporation, including future financial and operating results, cost savings and accretion to reported and cash earnings that may be realized from such merger; (ii) statements with respect to SunTrust'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 SunTrust'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 businesses of SunTrust and Wachovia may 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, including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers, may be greater than expected following the merger; (5) the regulatory approvals required for the merger may not be obtained on the proposed terms or on the anticipated schedule; (6) the failure of SunTrust's and Wachovia's stockholders to approve the merger; (7) competitive pressures among depository and other financial institutions may increase significantly and may 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 SunTrust's results to differ materially from those described in the forward-looking statements can be found in SunTrust'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 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 SunTrust or any person acting on its behalf are expressly qualified in

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their entirety by the cautionary statements above. SunTrust does 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 following is a letter that may be sent by SunTrust Banks, Inc. to certain shareholders of Wachovia Corporation from time to time in connection with SunTrust's solicitation of shareholders of Wachovia.

[SunTrust Banks, Inc. letterhead]

Dear []:

As the August 3rd Wachovia shareholders meeting approaches, both SunTrust and First Union are turning up the volume regarding our competing proposals. But above all the noise, SunTrust believes one issue deserves special attention and consideration: your Wachovia dividend.

As you know, FIRST UNION RECENTLY CUT ITS DIVIDEND IN HALF, just weeks after CEO Ken Thompson stated: "We've got plenty of capacity to generate all of the capital we need in this company. At the end of the day, we didn't need to cut the dividend."

But cut they did. And now, First Union has patched together a confusing proposal that forces you to decide how you want your dividend configured and to wait for First Union's common dividend to increase 25% before you realize any real growth. That's not just our view. Take a moment to review the attached excerpts from Wachovia's proxy statement. These disclosures likely will leave you concerned - or simply confused.

By comparison, SUNTRUST'S DIVIDEND HAS GROWN EVERY YEAR since the company was founded. Our proposal for Wachovia shareholders: a simpler - and better - dividend that doesn't require you to evaluate formulas or make irreversible decisions about how its calculated.

Beyond the dividend difference, we believe that SunTrust offers a stronger currency, with better long-term shareholder returns and a better record of earnings growth. This is all spelled out in our proxy materials which, if you have not already done so, you may wish to review.

If you have questions or would like to discuss our proposal in more detail, please contact me at <