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WACHOVIA CORP/ NC
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Filed by First Union Corporation

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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 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 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 NEWS RELEASE WAS ISSUED BY FIRST UNION**

NEWS

Contact:
First Union: Betsy Weinberger
704-715-4539
Wachovia: Ed Hutchins
336-732-4200

**FIRST UNION CORP. AND WACHOVIA FILE LAWSUIT
AGAINST SUNTRUST BANKS, INC.
FOR INTERFERING IN MERGER AGREEMENT**

Lawsuit Alleges SunTrust Attempted to Confuse and Mislead Wachovia's Shareholders

CHARLOTTE—**May 23, 2001**—First Union Corp. (NYSE:FTU) and Wachovia Corp. (NYSE:WB) filed a joint lawsuit against SunTrust Banks, Inc. (NYSE:STI) for wrongly interfering with the First Union/Wachovia April 15th merger agreement by using misleading and deceptive

statements, misrepresenting information, and unlawfully using confidential information in its hostile takeover bid for Wachovia.

SunTrust's actions were designed to confuse and mislead Wachovia shareholders into concluding that its unwanted proposal was superior to the First Union merger of equals agreement, according to the lawsuit filed in the Mecklenburg County Superior Court in Charlotte, N.C.

"In filing this action, First Union and Wachovia are simply protecting their rights under their Merger Agreement," said Russell Robinson, of Charlotte-based Robinson, Bradshaw & Hinson, who is representing First Union in the lawsuit. "SunTrust's misleading statements are an attempt to interfere with the merger and led us to seek judicial intervention."

According to the lawsuit, SunTrust's actions in connection with its hostile takeover bid constitute unfair and deceptive acts in violation of North Carolina law. The lawsuit outlines four counts: a claim by Wachovia for breach of a confidentiality agreement; two claims by First Union for unfair trade practices and tortious interference with prospective economic advantage; and a claim by both plaintiffs for declaratory judgment. Plaintiffs are seeking a jury trial on all factual issues and request they be granted injunctive relief.

The lawsuit states that SunTrust broke its confidentiality contract with Wachovia by publicly disclosing information from its due diligence and negotiations with Wachovia in December 2000.

The lawsuit contends that SunTrust wrongfully made misleading public statements in its May 14th conference call with analysts and in its securities filings when its management misrepresented the effect certain provisions of the First Union/Wachovia merger agreement.

In addition, SunTrust made "aggressive and unrealistic" assumptions when it compared its hostile takeover plans to the First Union/Wachovia merger synergies during the analyst conference call as a further attempt to mislead Wachovia shareholders, and took actions that constituted illegal proxy solicitation, according to the lawsuit.

Some of the misleading public statements, according to the complaint, involve SunTrust's contention that its business model is very similar to Wachovia's. The lawsuit outlines specific differences in the company's models, and states: SunTrust's business model is "basically that of a 1980's-style commercial bank, while First Union's and Wachovia's business models are state-of-the-art, intently focused on commercial banking, capital management and capital markets." Other statements the lawsuit contends are misleading include SunTrust's portrayal of its acquisition and integration experience.

First Union (NYSE:FTU), 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 and internationally. Online banking products and services can be accessed through www.firstunion.com.

Wachovia Corporation (NYSE:WB), 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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(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 results to differ materially from those described in the forward-looking statements can be found in First Union'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 First Union or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. First Union 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.

Additional Information

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