WACHOVIA CORP NEW
Form 424B5
November 09, 2004

Table of Contents

This summary must be attached to the Prospectus Supplement and the accompanying Prospectus, which together provide a description of the notes, including details of the risks associated with an investment in the notes.

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Wachovia Corporation

5% SUPRS℠

(Stock Underlying Premium

Return Securities)

Linked to the Common Stock of

Intel Corporation

The 5% SUPRS℠ Linked to the Common Stock of Intel Corporation (the notes) provide investors with quarterly interest payments at the rate of 5% per annum and allow investors to participate in the appreciation in the common stock of Intel Corporation, up to the maximum payment at maturity, and 100% of any depreciation in Intel common stock, in each case as described more fully below. Intel Corporation has disclosed that it is a semiconductor chip maker, supplying advanced technology solutions for the computing and communications industry.

- **Current Yield** The notes bear interest at the rate of 5% of the principal amount per annum, payable on a quarterly basis.

- **Participate in the Growth Potential of Intel Corporation** The notes allow investors to participate in the appreciation in the common stock of Intel Corporation over the term of the notes up to the maximum payment at maturity.

- **Maximum Payment at Maturity** The maximum payment at maturity is currently expected to be between $1,080 and $1,120 per note (8% to 12% over the principal amount) and will be determined on the pricing date and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes.

- **No Principal Protection** The notes are not principal protected. Investors in the notes will lose 1% of the principal amount of their notes for every 1% decline in the price of Intel Corporation common stock over the term of the notes.

- **Term** The notes will mature 1 year and 1 day from the settlement date.

- **Denominations** $1,000 per note and integral multiples thereof.

Please read the attached Prospectus Supplement for a detailed description of the risks associated with an investment in the notes. The notes do not guarantee a return of principal at maturity. The price an investor receives upon a sale of the notes prior to maturity may be more or less than the original cost, depending on interest rates, dividend rates, time remaining to maturity, the value and volatility of Intel Corporation common stock and other factors described in the Prospectus Supplement.

Table of Contents

TERMS

Notes Offered

Wachovia Corporation 5% SUPRS[SM] Linked to the Common Stock of Intel Corporation (senior unsecured debt securities of Wachovia Corporation)

Issuer Rating

Wachovia Corporation s Long-term senior debt is currently rated Aa3 by Moody s Investors Service and A by Standard & Poor s

Public Offering Price

$1,000 per note, except as described in the Prospectus Supplement under Supplemental Plan of Distribution

Maturity Date

The maturity date will be 1 year and 1 day after the settlement date (to be determined on the pricing date)

Interest

5% per annum, payable quarterly

Maturity Payment Amount

On the maturity date, Wachovia Corporation will make a payment for each $1,000 note in an amount equal to the lesser of:

(i) $$\$1{,}000 \times \left(\frac{\text{final stock price}}{\text{initial stock price}} \right) \times \text{share multiplier, and}$$

(ii) the maximum payment at maturity,

in each case, plus accrued but unpaid interest payments. *If the final stock price is zero, the maturity payment amount will be zero (but an investor will still receive accrued but unpaid interest payments).*

Maximum Payment at Maturity

The maximum payment at maturity is currently expected to be between $1,080 and $1,120 per $1,000 note (8% to 12% over the principal amount) and will be determined on the pricing date and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes.

Share Multiplier

1.0, subject to adjustment for certain corporate events relating to Intel Corporation described in the Prospectus Supplement under Specific Terms of the Notes - Antidilution Adjustments.

Return Profile of SUPRS vs. Intel Corporation Common Stock Price

* Assumes a maximum payment at maturity of 10% over the principal amount plus 5% interest per annum.

STOCK SETTLEMENT OPTION

Holders of at least $1,000,000 aggregate principal amount of the notes as of a designated election date may elect to receive their maturity payment amount in shares of Intel Corporation rather than cash as described in the Prospectus Supplement under Specific Terms of the Notes Payment at Maturity.

For a detailed description of the terms of the notes, see Specific Terms of the Notes in the attached Prospectus Supplement.

UNDERLYING STOCK

Intel Corporation has disclosed that it is a semiconductor chip maker, supplying advanced technology solutions for the computing and communications industry. Intel Corporation is not involved in the offering of the notes in any way.

For a detailed discussion of the common stock of Intel Corporation, see The Underlying Stock in the attached Prospectus Supplement.

Table of Contents

The information in this preliminary prospectus supplement is not complete and may be changed.

SUBJECT TO COMPLETION, DATED NOVEMBER 8, 2004

(To prospectus dated May 31, 2002)

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-72374

PROSPECTUS SUPPLEMENT

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Wachovia Corporation

5% SUPRS℠

(Stock Underlying Premium Return Securities)

Linked to the Common Stock of Intel Corporation

due December •, 2005

Issuer:	Wachovia Corporation
Principal Amount:	Each note will have a principal amount of $1,000.
Maturity Date:	December •, 2005
Interest:	5% per annum
Interest Payment Dates:	March •, June •, September • and December •
Record Dates:	For the interest payment dates specified above, February •, May •, August • and November •. Interest will accrue from and including the settlement date to but excluding the maturity date.
Underlying Stock:	The return on the notes is linked to the market price of the common stock of Intel Corporation (trading symbol INTC). Intel Corporation has no obligations relating to, and does not sponsor or endorse, the notes.
Payment at Maturity:	On the maturity date, Wachovia Corporation will make a payment for each $1,000 note, in an amount equal to the lesser of:

(i) $\$1{,}000 \times \left(\frac{\text{final stock price}}{\text{initial stock price}}\right) \times \text{share multiplier}$, and

(ii) the maximum payment at maturity,

in each case, plus accrued but unpaid interest payments.

The maximum payment at maturity is currently expected to be between $1,080 and $1,120 per note (8% to 12% over the principal amount) and will be determined on the pricing date and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes. *If the final stock price is less than the initial stock price, you will lose some or all of your principal (but you will still receive accrued but unpaid interest).*

Listing:	Wachovia has applied to list the notes on the American Stock Exchange under the symbol WDB.E .
Pricing Date:	November •, 2004

Settlement Date:	December •, 2004
CUSIP Number:	•

For a detailed description of the terms of the notes, see Summary Information beginning on page S-1 and Specific Terms of the Notes beginning on page S-10.

Investing in the notes involves risks. See Risk Factors beginning on page S-6.

If you purchase less than $5,000,000 aggregate principal amount of the notes in any single transaction during the original public offering, the original public offering price for the notes you purchase will be $1,000 per note (100% of the principal amount), the underwriters will receive $15 commission per note and Wachovia will receive proceeds of $985 per note. If you purchase $5,000,000 or more aggregate principal amount of the notes but less than $10,000,000 aggregate principal amount of the notes in any single transaction during the original public offering, the original public offering price for the notes you purchase will be $985 per note (98.5% of the principal amount), the underwriters will not receive a commission and Wachovia will receive proceeds of $985 per note. If you purchase $10,000,000 or more aggregate principal amount of the notes in any single transaction during the original public offering, the original public offering price for the notes you purchase will be $980 per note (98% of the principal amount), the underwriters will not receive a commission and Wachovia will receive proceeds of $980 per note.

	Per Note	**Total**
Public Offering Price		
Underwriting Discount and Commission		
Proceeds to Wachovia Corporation.		

The notes solely represent senior, unsecured debt obligations of Wachovia and are not the obligation of, or guaranteed by, any other entity. The notes are not deposits or accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission, any state securities commission or the Commissioner of Insurance of the state of North Carolina has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Wachovia may use this prospectus supplement in the initial sale of the notes. In addition, Wachovia Securities, LLC or any other broker-dealer affiliate of Wachovia may use this prospectus supplement in a market-making or other transaction in any note after its initial sale. ***Unless Wachovia or its agent informs the purchaser otherwise in the confirmation of sale, this prospectus supplement is being used in a market-making transaction.***

Wachovia Securities

The date of this prospectus supplement is •, 2004.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

Unless otherwise indicated, you may rely on the information contained in this prospectus supplement and the accompanying prospectus. Neither we nor the underwriter has authorized anyone to provide information different from that contained in this prospectus supplement and the accompanying prospectus. When you make a decision about whether to invest in the notes, you should not rely upon any information other than the information in this prospectus supplement and the accompanying prospectus. Neither the delivery of this prospectus supplement nor sale of the notes means that information contained in this prospectus supplement or the accompanying prospectus is correct after their respective dates. This prospectus supplement and the accompanying prospectus are not an offer to sell or solicitation of an offer to buy the notes in any circumstances under which the offer of solicitation is unlawful.

Table of Contents

SUMMARY INFORMATION

This summary includes questions and answers that highlight selected information from this prospectus supplement and the accompanying prospectus to help you understand the 5% SUPRS[SM] (Stock Underlying Premium Return Securities) Linked to the Common Stock of Intel Corporation (the Underlying Stock) due December •, 2005 (the notes). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the notes as well as the principal tax and other considerations that are important to you in making a decision about whether to invest in the notes. You should carefully review the section Risk Factors in this prospectus supplement and the accompanying prospectus, which highlights certain risks associated with an investment in the notes, to determine whether an investment in the notes is appropriate for you.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to Wachovia , we , us and our or similar references mean Wachovia Corporation and its subsidiaries. Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to Wachovia Securities mean Wachovia Securities, LLC and all references to WBNA mean Wachovia Bank, National Association. All references to this prospectus supplement mean the pricing supplement contemplated in the accompanying prospectus.

What are the notes?

The notes offered by this prospectus supplement will be issued by Wachovia and will mature on December •, 2005. The return on the notes will be linked to the change in the market price of the common stock of Intel Corporation during the term of the notes.

As discussed in the accompanying prospectus, the notes are debt securities and are part of a series of debt securities entitled Medium-Term Notes, Series E that Wachovia may issue from time to time. The notes will rank equally with all other unsecured and unsubordinated debt of Wachovia. For more details, see Specific Terms of the Notes beginning on page S-10.

Each note will have a principal amount of $1,000. Each note will be offered at an original public offering price equal to $1,000. However, if you purchase $5,000,000 or more aggregate principal amount of the notes but less than $10,000,000 aggregate principal amount of the notes in any single transaction during the original public offering, the original public offering price for the notes you purchase will be $985 per note (98.5% of the principal amount), and if you purchase $10,000,000 or more aggregate principal amount of the notes in any single transaction during the original public offering, the original public offering price for the notes you purchase will be $980 per note (98% of the principal amount).

You may transfer only whole notes. Wachovia will issue the notes in the form of a global certificate, which will be held by The Depository Trust Company, also known as DTC, or its nominee. Direct and indirect participants in DTC will record your ownership of the notes.

Will I receive interest on the notes?

The notes will bear interest at 5% per annum payable on each of March •, June •, September • and December •. Interest will accrue from and including the settlement date to but excluding the maturity date. The interest rate on the notes is higher than the current dividend rate of the Underlying Stock.

What will I receive upon maturity of the notes?

At maturity, for each note you own, you will receive a payment in cash or, if you so elect, as described below, in shares of the Underlying Stock with a value on the valuation date equal to the maturity payment amount , plus accrued but unpaid interest. The maturity payment amount to which you will be entitled will be linked to the change in the market price of the Underlying Stock calculated by dividing the final stock price by the initial stock price. The maturity payment amount per note will equal the lesser of:

$$\$1{,}000 \text{ x } \left(\frac{\text{final stock price}}{\text{initial stock price}} \right) \text{ x share multiplier, and}$$

Table of Contents

the maximum payment at maturity.

In no event will the maturity payment amount exceed $• per note (the maximum payment at maturity), whether cash, shares of the Underlying Stock or a combination of cash and shares of the Underlying Stock is delivered. The maximum payment at maturity is currently expected to be between $1,080 and $1,120 and will be determined on the pricing date (the pricing date) and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes. *If the final stock price is zero, the maturity payment amount will be zero (but you will still receive accrued but unpaid interest).*

The initial stock price will be determined by the calculation agent and will equal the average price per share of the Underlying Stock that any affiliate of Wachovia pays to hedge Wachovia s obligations under the notes on the pricing date and will be disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes.

The final stock price will be determined by the calculation agent and will equal the average price per share of the Underlying Stock that any affiliate of Wachovia receives to unwind the hedge of Wachovia s obligations under the notes on the valuation date. If the valuation date occurs on a day that is not a business day or on a day on which the calculation agent has determined that a market disruption event has occurred or is continuing, then the final stock price will be the average price per share of the Underlying Stock that any affiliate of Wachovia receives to unwind the hedge of Wachovia s obligations under the notes on the next succeeding business day on which the calculation agent determines that a market disruption event does not occur and is not continuing. *If the determination of the final stock price is postponed, then the maturity date of the notes will be postponed by an equal number of business days*.

The share multiplier is 1.0, subject to adjustment for certain corporate events relating to the Underlying Stock Issuer described in this prospectus supplement under Specific Terms of the Notes Antidilution Adjustments.

The valuation date means the fifth business day prior to the maturity date.

Each holder of at least $1,000,000 aggregate principal amount of the notes may elect to receive the maturity payment amount with respect to at least $1,000,000 aggregate principal amount of its notes in shares of the Underlying Stock. You should refer to Specific Terms of the Notes Payment at Maturity beginning on page S-11 for a description of this election. *If Wachovia determines that it is prohibited from delivering shares of the Underlying Stock, or that it would otherwise be unduly burdensome to deliver shares of the Underlying Stock, on the maturity date, it will pay the maturity payment amount in cash, regardless of the election by any holder to receive shares of the Underlying Stock. Any such determination will be made in the sole discretion of Wachovia.*

You should understand that the opportunity to participate in the possible appreciation in the market price of the Underlying Stock through an investment in the notes is limited because the amount that you receive at maturity will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum return on the notes, currently expected to be between 8% and 12% over the principal amount of the notes, which will be determined on the pricing date and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes. However, in the event that the market price of the Underlying Stock declines over the term of the notes, the maturity payment amount will be proportionately less than the principal amount of the notes. ***Accordingly, if the market price of the Underlying Stock declines in this manner, you will lose some or all of your principal.***

Hypothetical Examples

Set forth below are three hypothetical examples of the calculation of the maturity payment amount (which do not consider any accrued but unpaid interest). For purposes of these examples, we have assumed the following:

Initial stock price:	$25.00

Table of Contents

Share multiplier: 1.0

Maximum payment at maturity: $1,100

Example 1 The hypothetical final stock price is equal to 50% of the initial stock price:

Hypothetical final stock price: $12.50

$$\text{Maturity payment amount (per note)} = \$1{,}000 \times \left(\frac{\$12.50}{\$25.00} \right) \times 1.0 = \$500$$

Since the hypothetical final stock price is *less* than the initial stock price, the maturity payment amount will be less than the principal amount of your note and you will lose some of your principal. Your total cash payment at maturity would be $500 per note, representing a 50% loss of the principal amount of your notes.

Example 2 The hypothetical final stock price is equal to 105% of the initial stock price:

Hypothetical final stock price: $26.25

$$\text{Maturity payment amount (per note)} = \$\,1{,}000 \times \left(\frac{\$26.25}{\$25.00} \right) \times 1.0 = \$1{,}050$$

Since the hypothetical final stock price is *greater* than the initial stock price, the maturity payment amount will be greater than the principal amount of your note, subject to the maximum payment at maturity. Your total cash payment at maturity would be $1,050 per note, representing a 5% return above the principal amount of your notes.

Example 3 The hypothetical final stock price is equal to 150% of the initial stock price:

Hypothetical final stock price: $37.50

$$\text{Maturity payment amount (per note)} = \$1{,}000 \times \left(\frac{\$37.50}{\$25.00}\right) \times 1.0 = \$1{,}500$$

(Subject to the maximum payment at maturity of $1,100)

Since the hypothetical final stock price is *greater* than the initial stock price, the maturity payment amount will be greater than the principal amount of your note, subject to the maximum payment at maturity. Although the calculation of the maturity payment amount would generate a result of $1,500 per note, your maturity payment amount would be limited to $1,100 per note, representing a 10% maximum return above the principal amount of your notes. This is because the payment on the notes at maturity may not exceed the maximum payment at maturity. The actual maximum payment at maturity will be determined on the pricing date and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes.

Who should or should not consider an investment in the notes?

We have designed the notes for investors who want to receive a quarterly interest payment of 5% per annum and participate in the possible appreciation in the market price of the Underlying Stock over the term of the notes, subject to the maximum payment at maturity, which is currently expected to be between 8% and 12% over the principal amount of the notes. The maximum payment at maturity will be determined on the pricing date and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes. The notes are designed for investors who are also willing to make an investment that is exposed to potential loss of some or all of their principal, and the risk of owning equity securities in general or the

Table of Contents

Underlying Stock in particular. The notes are not designed for, and may not be a suitable investment for, investors who seek principal protection for their investment and who are unwilling to make an investment exposed to any risk of loss of principal, or the risk of owning equity securities in general or the Underlying Stock in particular. The notes are also not designed for, and may not be a suitable investment for, investors who seek the full upside appreciation in the market price of the Underlying Stock. This may not be a suitable investment for investors who prefer the lower risk of fixed income investments with comparable maturities issued by companies with comparable credit ratings, or who are unable or unwilling to hold the notes until maturity.

What will I receive if I sell the notes prior to maturity?

The market value of the notes may fluctuate between the date you purchase them and the maturity date of the notes. Several factors and their interrelationship will influence the market value of the notes, including the market price of the Underlying Stock, dividend yields on the Underlying Stock, the time remaining to maturity of the notes, interest and yield rates in the market and the volatility of the market price of the Underlying Stock. Depending on the impact of these factors, you may receive less than $1,000 per note from any sale of your notes before the maturity date of the notes and less than what you would have received had you held the notes until maturity. For more details, see Risk Factors Many factors affect the market value of the notes.

Who is Intel Corporation?

Intel Corporation (the Underlying Stock Issuer) has disclosed that it is a semiconductor chip maker, supplying advanced technology solutions for the computing and communications industries. You should independently investigate the Underlying Stock Issuer and decide whether an investment in the notes linked to the Underlying Stock is appropriate for you.

Because the Underlying Stock is registered under the Securities Exchange Act of 1934, as amended (the Exchange Act), the Underlying Stock Issuer is required to file periodically certain financial and other information specified by the Securities and Exchange Commission (the SEC). Information provided to or filed with the SEC by the Underlying Stock Issuer can be located by reference to SEC file number 0-06217 and inspected at the SEC s public reference facilities or accessed over the Internet through the SEC s web site. The address of the SEC s website is http://www.sec.gov. In addition, information regarding the Underlying Stock may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information. For further information, please see the section entitled The Underlying Stock The Underlying Stock Issuer in this prospectus supplement.

What is the Underlying Stock Issuer s role in the notes?

The Underlying Stock Issuer has no obligations relating to the notes or amounts to be paid to you, including no obligation to take the needs of Wachovia or of holders of the notes into consideration for any reason. The Underlying Stock Issuer will not receive any of the proceeds of the offering of the notes, is not responsible for, and has not participated in, the offering of the notes and is not responsible for, and will not participate in, the determination or calculation of the maturity payment amount. Wachovia is not affiliated with the Underlying Stock Issuer.

How has the Underlying Stock performed historically?

You can find a table with the high, low and closing prices per share of the Underlying Stock during each calendar quarter from calendar year 2001 to the present in the section entitled The Underlying Stock Historical Data in this prospectus supplement. We have provided this historical information to help you

Table of Contents

evaluate the behavior of the Underlying Stock in the recent past; however, past performance of the Underlying Stock is not indicative of how it will perform in the future.

What about taxes?

The U.S. federal income tax consequences of an investment in the notes are complex and uncertain. By purchasing a note, you and Wachovia hereby agree, in the absence of an administrative or judicial ruling to the contrary, to characterize a note for all tax purposes as a pre-paid cash-settled forward contract linked to the level of the Underlying Stock plus a cash deposit. Under this characterization of the notes, (1) interest on your note will be characterized as interest payable on the amount of the deposit and will be includible annually in your income in accordance with your method of accounting, and (2) you will generally recognize capital gain or loss on the sale, exchange or maturity of your note equal to the difference between the amount realized on the sale, exchange or maturity and your tax basis in the note. For a further discussion, see Supplemental Tax Considerations beginning on page S-20.

Will the notes be listed on a stock exchange?

We have applied to list the notes on the American Stock Exchange under the symbol WDB.E. You should be aware that the listing of the notes on the American Stock Exchange will not necessarily ensure that a liquid trading market will develop for the notes. Accordingly, if you sell your notes prior to maturity, you may have to sell them at a substantial loss. You should review the section entitled Risk Factors There may not be an active trading market for the notes in this prospectus supplement.

Are there any risks associated with my investment?

Yes, an investment in the notes is subject to significant risks, including the risk of loss of some or all of your principal. We urge you to read the detailed explanation of risks in Risk Factors beginning on page S-6.

Table of Contents

RISK FACTORS

An investment in the notes is subject to the risks described below, as well as the risks described under Risk Factors Risks Related to Indexed Notes in the accompanying prospectus. Your notes are a riskier investment than ordinary debt securities. Also, your notes are not equivalent to investing directly in the Underlying Stock to which your notes are linked. You should carefully consider whether the notes are suited to your particular circumstances.

Your investment may result in a loss of some or all of your principal

We will not repay you a fixed amount of principal on the notes at maturity. The maturity payment amount on the notes will depend on the change in the market price of the Underlying Stock, based on the final stock price relative to the initial stock price. Because the market price of the Underlying Stock is subject to market fluctuations, the amount of cash or the value of the shares of the Underlying Stock you receive at maturity may be more or less than the principal amount of the notes. If the final stock price is less than the initial stock price, the maturity payment amount will be less than the principal amount of each note. ***Accordingly, if the market price of the Underlying Stock declines in this manner, you will lose some or all of your principal.***

The return on your notes is limited

You should understand that the opportunity to participate in the possible appreciation in the market price of the Underlying Stock through an investment in the notes is limited because the maturity payment amount will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum return on the notes, currently expected to be between 8% and 12% over the principal amount of the notes, which will be determined on the pricing date and disclosed to you in the final prospectus supplement delivered in connection with the sale of the notes. However, as discussed above, in the event that the market price of the Underlying Stock declines over the term of the notes, you will realize the entire decline and will lose some or all of your principal.

Owning the notes is not the same as owning the Underlying Stock

Your return will not reflect the return you would realize if you actually owned and held the Underlying Stock for a similar period because the maturity payment amount will never exceed the maximum payment at maturity and will be determined without taking into consideration the value of any dividends that may be paid on the Underlying Stock. In addition, you will not receive any dividend payments or other distributions on the Underlying Stock, and as a holder of the notes, you will not have voting rights or any other rights that holders of the Underlying Stock may have. If the return on the Underlying Stock over the term of the notes exceeds the maximum payment at maturity and the interest payments you receive, your return on the notes at maturity will be less than the return on a direct investment in the Underlying Stock without taking into account taxes and other costs related to such a direct investment. Even if the market price of the Underlying Stock increases above the initial stock price during the term of the notes, the market value of the notes may not increase by the same amount. It is also possible for the market price for the Underlying Stock to increase while the market value of the notes declines.

There may not be an active trading market for the notes

We have applied to list the notes on the American Stock Exchange under the symbol WDB.E. You should be aware that the listing of the notes on the American Stock Exchange will not necessarily ensure that a liquid trading market will develop for the notes. The development of a trading market for the notes will depend on our financial performance and other factors such as the appreciation, if any, in the market price of the Underlying Stock. Even if a secondary market for the notes develops, it may not provide significant liquidity, and we expect that transaction costs in any secondary market would be high. As a result, the difference between bid and asked prices for your note in any secondary market could be substantial. If you sell your notes before maturity, you may have to do so at a discount from the original public offering price, and, as a result, you may suffer substantial losses.

Table of Contents

Wachovia Securities and other broker-dealer affiliates of Wachovia currently intend to make a market for the notes, although they are not required to do so and may stop any such market-making activities at any time. As market makers, trading of the notes may cause Wachovia Securities or any other broker-dealer affiliates of Wachovia to have long or short positions of the notes in their inventory. The supply and demand for the notes, including inventory positions of market makers, may affect the secondary market for the notes.

Many factors affect the market value of the notes

The market value of the notes will be affected by factors that interrelate in complex ways. It is important for you to understand that the effect of one factor may offset the increase in the market value of the notes caused by another factor and that the effect of one factor may exacerbate the decrease in the market value of the notes caused by another factor. The following paragraphs describe the expected impact on the market value of the notes given a change in a specific factor, assuming all other conditions remain constant.

The market price of the Underlying Stock is expected to affect the market value of the notes

We expect that the market value of the notes will depend substantially on the amount, if any, by which the market price of the Underlying Stock exceeds or does not exceed the initial stock price. If you choose to sell your notes when the market price of the Underlying Stock exceeds the initial stock price, you may receive substantially less than the amount that would be payable at maturity based on this market price because of the expectation that the market price of the Underlying Stock will continue to fluctuate until the final stock price is determined. In addition, because the maturity payment amount on the notes will not exceed the maximum payment at maturity, we do not expect that the notes will trade in the secondary market above the maximum payment at maturity.

Changes in the volatility of the Underlying Stock are expected to affect the market value of the notes

Volatility is the term used to describe the size and frequency of price and/or market fluctuations. If the volatility of the Underlying Stock increases or decreases, the market value of the notes may be adversely affected.

Changes in the levels of interest rates are expected to affect the market value of the notes

We expect that changes in interest rates, even if they do not affect the market price of the Underlying Stock as described above, may affect the market value of the notes and, depending upon other factors (such as the magnitude of the changes in interest rates and the time remaining to the maturity of the notes), such changes may be adverse to holders of the notes. In general, if U.S. interest rates increase, we expect that the market value of the notes will decrease and, conversely, if U.S. interest rates decrease, we expect that the market value of the notes will increase.

Changes in dividend yields of the Underlying Stock are expected to affect the market value of the notes

In general, if dividend yields on the Underlying Stock increase, we expect that the market value of the notes will decrease and, conversely, if dividend yields on Underlying Stock decrease, we expect that the market value of the notes will increase. The return on the notes will not reflect any dividends paid on the Underlying Stock.

Changes in our credit ratings may affect the market value of the notes

Our credit ratings are an assessment of our ability to pay our obligations. Consequently, real or anticipated changes in our credit ratings may affect the market value of the notes. However, because the return on your notes is dependent upon factors in addition to our ability to pay our obligations under the notes, such as the change in the market price of the Underlying Stock shortly prior to maturity relative to the pricing date, an improvement in our credit ratings will not reduce the other investment risks related to the notes.

Table of Contents

In general, assuming all relevant factors are held constant, we expect that the effect on the market value of the notes of a given change in some of the factors listed above will be less if it occurs later in the term of the notes than if it occurs earlier in the term of the notes.

Your yield may be lower than the yield on a standard debt security of comparable maturity

The yield that you will receive on your notes may be less than the return you could earn on other investments. Your yield may be less than the yield you would earn if you bought a standard senior non-callable debt security of Wachovia with the same maturity. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money. Unlike standard senior non-callable debt securities, the notes do not guarantee the return of a principal amount at maturity.

Wachovia and its affiliates have no affiliation with the Underlying Stock Issuer and are not responsible for its public disclosure of information

Wachovia and its affiliates are not affiliated with the Underlying Stock Issuer in any way and have no ability to control or predict its actions, including any corporate actions of the type that would require the calculation agent to adjust the maturity payment amount, and have no ability to control the public disclosure of these corporate actions or any events or circumstances affecting them.

Each note is an unsecured debt obligation of Wachovia only and is not an obligation of the Underlying Stock Issuer. None of the money you pay for your notes will go to the Underlying Stock Issuer. Since the Underlying Stock Issuer is not involved in the offering of the notes in any way, it has no obligation to consider your interest as an owner of notes in taking any actions that might affect the value of your notes. The Underlying Stock Issuer may take actions that will adversely affect the market value of the notes.

This prospectus supplement relates only to the notes and does not relate to the Underlying Stock. We have derived the information about the Underlying Stock Issuer in this prospectus supplement from publicly available information, without independent verification. We have not participated in the preparation of any of the documents or made any due diligence investigation or any inquiry of the Underlying Stock Issuer in connection with the offering of the notes. Neither we nor any of our affiliates assumes any responsibility for the adequacy or accuracy of the information about the Underlying Stock Issuer contained in this prospectus supplement. Furthermore, we do not know whether the Underlying Stock Issuer has disclosed all events occurring before the date of this prospectus supplement including events that could affect the accuracy or completeness of the publicly available documents referred to above, the market price of the Underlying Stock and, therefore, the initial stock price and the final stock price of the Underlying Stock that the calculation agent will use to determine the maturity payment amount with respect to your notes. You, as an investor in the notes, should make your own investigation into the Underlying Stock Issuer.

You have limited antidilution protection

WBNA, as calculation agent for your notes, will, in its sole discretion, adjust the share multiplier for certain events affecting the Underlying Stock, such as stock splits and stock dividends, and certain other corporate actions involving the Underlying Stock Issuer, such as mergers. However, the calculation agent is not required to make an adjustment for every corporate event that can affect the Underlying Stock. For example, the calculation agent is not required to make any adjustments to the share multiplier if the Underlying Stock Issuer or anyone else makes a partial tender or partial exchange offer for the Underlying Stock. Consequently, this could affect the calculation of the maturity payment amount and the market value of the notes. You should refer to Specific Terms of the Notes Antidilution Adjustments beginning on page S-13 for a description of the general circumstances in which the calculation agent will make adjustments to the share multiplier.

Table of Contents

Historical performance of the Underlying Stock should not be taken as an indication of its future performance during the term of the notes

It is impossible to predict whether the market price of the Underlying Stock will rise or fall. The Underlying Stock has performed differently in the past and is expected to perform differently in the future. The market price of the Underlying Stock will be influenced by complex and interrelated political, economic, financial and other factors that can affect the Underlying Stock Issuer. You should refer to The Underlying Stock beginning on page S-17 for a description of the Underlying Stock Issuer and historical data on the Underlying Stock.

Purchases and sales by us and our affiliates may affect the return on the notes

As described below under Use of Proceeds and Hedging on page S-24, we or one or more of our affiliates may hedge our obligations under the notes by purchasing the Underlying Stock, futures or options on the Underlying Stock, or exchange-traded funds or other derivative instruments with returns linked or related to changes in the market price of the Underlying Stock, and we may adjust these hedges by, among other things, purchasing or selling the Underlying Stock, futures, options, or exchange-traded funds or other derivative instruments with returns linked to the Underlying Stock at any time. Although they are not expected to, any of these hedging activities may adversely affect the market price of the Underlying Stock and, therefore, the market value of the notes. It is possible that we or one or more of our affiliates could receive substantial returns from these hedging activities while the market value of the notes declines.

The calculation agent may postpone the determination of the final stock price and the maturity date if a market disruption event occurs on the valuation date

The determination of the final stock price may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the valuation date. If a postponement occurs, the calculation agent will use the average price per share of the Underlying Stock that any affiliate of Wachovia receives to unwind the hedge of the obligations under the notes on the next succeeding business day on which no market disruption event occurs or is continuing. As a result, the maturity date for the notes would also be postponed. You will not be entitled to any compensation from us or the calculation agent for any loss suffered as a result of the occurrence of a market disruption event, any resulting delay in payment or any change in the market price of the Underlying Stock after the valuation date. See Specific Terms of the Notes Market Disruption Event beginning on page S-12.

Potential conflicts of interest could arise

Our subsidiary, WBNA, is our agent for the purposes of calculating the final stock price and the maturity payment amount. Under certain circumstances, WBNA s role as our subsidiary and its responsibilities as calculation agent for the notes could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the final stock price can be calculated on a particular business day or what price any affiliate of Wachovia receives to unwind its hedge on the valuation date. See the section entitled Specific Terms of the Notes Market Disruption Event on page S-12. WBNA is required to carry out its duties as calculation agent in good faith and using its reasonable judgment.

Wachovia or its affiliates may presently or from time to time engage in business with the Underlying Stock Issuer. This business may include extending loans to, or making equity investments in, the Underlying Stock Issuer or providing advisory services to the Underlying Stock Issuer, including merger and acquisition advisory services. In the course of business, Wachovia or its affiliates may acquire non-public information relating to the Underlying Stock Issuer and, in addition, one or more affiliates of Wachovia may publish research reports about the Underlying Stock Issuer. Wachovia does not make any representation to any purchasers of the notes regarding any matters whatsoever relating to the Underlying Stock Issuer. Any prospective purchaser of the notes should undertake an independent investigation of the Underlying Stock Issuer as in its judgment is appropriate to make an informed decision regarding an investment in the notes.

Table of Contents

Tax consequences are uncertain

You should consider the tax consequences of investing in the notes, significant aspects of which are uncertain. See Supplemental Tax Considerations on page S-20.

Certain considerations for insurance companies and employee benefit plans

A fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended, which we call ERISA , or the Internal Revenue Code of 1986, as amended, and that is considering purchasing the notes with the assets of such a plan, should consult with its counsel regarding whether the purchase or holding of the notes could become a prohibited transaction under ERISA, the Internal Revenue Code or any substantially similar prohibition. These prohibitions are discussed in further detail under Employee Retirement Income Security Act on page S-23.

SPECIFIC TERMS OF THE NOTES

Please note that in this section entitled Specific Terms of the Notes , references to holders mean those who own notes registered in their own names, on the books that we or the trustee maintain for this purpose, and not indirect holders who own beneficial interests in notes registered in street name or in notes issued in book-entry form through The Depository Trust Company. Please review the special considerations that apply to indirect holders in the accompanying prospectus under Legal Ownership .

The notes are part of a series of debt securities, entitled Medium-Term Notes, Series E , that we may issue under the indenture from time to time as described in the accompanying prospectus. The notes are also Indexed Notes and Senior Notes , each as described in the accompanying prospectus.

This prospectus supplement summarizes specific financial and other terms that apply to the notes. Terms that apply generally to all Medium-Term Notes, Series E, are described in Description of the Notes We May Offer in the accompanying prospectus. The terms described here supplement those described in the accompanying prospectus and, if the terms described there are inconsistent with those described here, the terms described here are controlling.

We describe the terms of the notes in more detail below.

Interest

The notes will bear interest at 5% per annum payable on each of March •, June •, September • and December •. Interest will accrue from and including the settlement date to but excluding the maturity date. The interest rate on the notes is higher than the current dividend rate of the

Underlying Stock.

The regular record dates will be the close of business on February •, May •, August • and November •, respectively, in each case the fifteenth calendar day, whether or not a business day, immediately preceding the related interest payment date. For the purpose of determining the holder at the close of business on a day that is not a business day, the close of business will mean 5:00 P.M., New York City time, on that day.

Denominations

Wachovia will issue the notes in principal amount of $1,000 per note and integral multiples thereof.

Offering Price

Each note will be offered at an original public offering price equal to $1,000. However, if you purchase $5,000,000 or more aggregate principal amount of the notes but less than $10,000,000 aggregate principal amount of the notes in any single transaction during the original public offering, the original public offering price for these notes will be $985 per note (98.5% of the principal amount), and if you purchase $10,000,000 or more aggregate principal amount of the notes in any single transaction during the original public offering, the original public offering price for these notes will be $980 per note (98% of the principal amount).

Table of Contents

Payment at Maturity

At maturity, for each note you own, you will receive a payment in cash or, if you so elect, as provided below, in shares of the Underlying Stock with a value on the valuation date equal to the maturity payment amount, as provided below, plus accrued but unpaid interest. The maturity payment amount to which you will be entitled will be linked to the change in the market price of the Underlying Stock calculated by dividing the final stock price by the initial stock price as described below.

Determination of the Maturity Payment Amount

The maturity payment amount for each note will be determined by the calculation agent as described below. The maturity payment amount will equal the lesser of:

$$\$1{,}000 \text{ x } \left(\frac{\text{final stock price}}{\text{initial stock price}} \right) \text{ x share multiplier, and}$$