WACHOVIA CORP NEW
Form 424B5
May 23, 2006
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The information in this preliminary prospectus supplement is not complete and may be changed.

SUBJECT TO COMPLETION, DATED MAY 22, 2006

(To prospectus dated May 13, 2005)

PROSPECTUS SUPPLEMENT

Filed Pursuant to Rule 424(b)(5)

Registration No. 333-123311

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Wachovia Corporation

Enhanced Growth Securities

Linked to the Nikkei 225® Index

due November 30, 2009

Offering Currency Protection

Issuer:	Wachovia Corporation
Principal Amount:	Each security will have a principal amount of $10. Each security will be offered at an initial public offering price of $10.
Maturity Date:	November 30, 2009
Interest:	Wachovia will not pay you interest during the term of the securities.
Market Measure:	The return on the securities is linked to the performance of the Nikkei 225® Index, which we refer to as the Index.
Payment at Maturity:	The amount you receive at maturity, for each security you own, will be based upon the percentage change in the level of the Index from the initial Index level relative to the final Index level (calculated as described in this prospectus supplement). If the final Index level is greater than the initial Index level, at maturity you will receive a payment per security based on triple the percentage increase of the level of the Index, not to exceed a maximum payment expected to be $17.80 per security. The actual maximum payment at maturity will be determined on the pricing date. If the final Index level is equal to or less than the initial Index level, at maturity you will receive a payment per security based on the full percentage decrease of the level of the Index. If the final Index level is less than the initial Index level, you will lose some or all of your principal.
Listing:	The securities will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network.

Pricing Date:	•, 2006
Expected Settlement Date:	•, 2006
CUSIP Number:	929903649

For a detailed description of the terms of the securities, see Summary Information beginning on page S-1 and Specific Terms of the Securities beginning on page S-11.

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

	Per Security	Total
Public Offering Price		
Underwriting Discount and Commission(1)		
Proceeds to Wachovia Corporation		

(1) This represents the maximum underwriting discount and commission paid and includes, among other things, an administrative fee of •% paid to Wachovia Securities, LLC. For further details, please see Supplemental Plan of Distribution .

The securities solely represent senior, unsecured debt obligations of Wachovia and are not the obligation of, or guaranteed by, any other entity. The securities 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 nor any state securities commission 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 securities. In addition, Wachovia Capital Markets, LLC or any other broker-dealer affiliate of Wachovia may use this prospectus supplement in a market-making or other transaction in any security 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 •, 2006.

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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 securities, 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 securities 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 securities in any circumstances under which the offer of solicitation is unlawful.

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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 Enhanced Growth Securities Linked to the Nikkei 225® Index due November 30, 2009 Offering Currency Protection (the securities). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the securities, the Nikkei 225® Index, which we refer to as the Index, and the tax and other considerations that are important to you in making a decision about whether to invest in the securities. 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 securities, to determine whether an investment in the securities 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. Wachovia Capital Markets, LLC is an indirect, wholly owned subsidiary of Wachovia Corporation. Wachovia Corporation conducts its investment banking, capital markets and retail brokerage activities through its various broker-dealer, bank and non-bank subsidiaries, including Wachovia Capital Markets, LLC, under the trade name Wachovia Securities . Any reference to Wachovia Securities in this prospectus supplement does not, however, refer to Wachovia Securities, LLC, a member of the New York Stock Exchange and the Securities Investor Protection Corporation, to Wachovia Securities Financial Network, LLC, a member of the National Association of Securities Dealers, Inc. and the Securities Investor Protection Corporation, or to broker-dealer affiliates of Wachovia Corporation and Wachovia Capital Markets, LLC. Unless otherwise mentioned or unless the context requires otherwise, 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 securities?

The securities offered by this prospectus supplement will be issued by Wachovia Corporation and will mature on November 30, 2009. The return on the securities will be linked to the performance of the Index. The securities will bear no interest and no other payments will be made until maturity.

As discussed in the accompanying prospectus, the securities are debt securities and are part of a series of debt securities entitled Medium-Term Notes, Series G that Wachovia Corporation may issue from time to time. The securities will rank equally with all other unsecured and unsubordinated debt of Wachovia Corporation. For more details, see Specific Terms of the Securities beginning on page S-11.

Each security will have a principal amount of $10. Each security will be offered at an initial public offering price of $10. You may transfer only whole securities. Wachovia Corporation will issue the securities 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 securities.

Are the securities principal protected?

No, the securities do not guarantee any return of principal at maturity. *If the final Index level is less than the initial Index level, the amount you will receive at maturity will be less than the principal amount of the securities in proportion to the decline in the level of the Index. Accordingly, if the level of the Index declines in this manner, you will lose some or all of your principal.*

What will I receive upon maturity of the securities?

At maturity, for each security you own, you will receive a cash payment equal to the maturity payment amount . The maturity payment amount to which you will be entitled depends on the percentage change in the level of the Index calculated based on the final Index level (as defined below) relative to the initial Index level (as defined below).

By linking the maturity payment amount to the percentage change in the level of the Index rather than to the U.S. dollar value of the common stocks underlying the Index, the calculation of the maturity payment amount will not be affected by changes in the Japanese yen/U.S. dollar exchange rate.

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The maturity payment amount for each security will be determined by the calculation agent as described below:

- If the final Index level is greater than the initial Index level, the maturity payment amount per security will equal:

$10 + Enhanced Upside Payment,

provided, however, that the maturity payment amount may not exceed an amount currently expected to be $17.80 per security (the maximum payment at maturity). The actual maximum payment at maturity will be determined on the pricing date.

- If the final Index level is equal to or less than the initial Index level, the maturity payment amount per security will equal:

$$\$10 \text{ x } \left(\frac{\text{final Index level}}{\text{initial Index level}} \right)$$

- If the final Index level is zero, the maturity payment amount per security will be $0. ***If the final Index level is less than the initial Index level, you will lose some or all of your principal in proportion to the decline in the Index from the initial Index level to the final Index level.***

The initial Index level is the closing level of the Index on the trading day immediately following the pricing date.

The final Index level will be determined by the calculation agent and will be the closing level of the Index on the valuation date.

The Enhanced Upside Payment is equal to 3 x Index Performance x $10.

The Index Performance is equal to $\left(\frac{\text{final Index level} \quad \text{initial Index level}}{\text{initial Index level}} \right)$

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day that is a disrupted day or is not a trading day, the valuation date will be postponed until the next succeeding trading day that is not a disrupted day; provided that in no event will the valuation date be postponed by more than five trading days. If the valuation date is postponed to the last possible day but that day is a disrupted day or is not a trading day, that date will nevertheless be the valuation date. *If the valuation date is postponed, then the maturity date of the securities will be postponed by an equal number of trading days.*

The closing level on any trading day will equal the official closing level (second session) of the Index or any successor index (as defined under Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index below) published by the Index Sponsor at the regular weekday close of trading on that trading day. In certain circumstances, the closing level will be based on the alternate calculation of the Index described under Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index below.

A trading day means any day on which each exchange and related exchange is scheduled to be open for its respective regular trading sessions.

A disrupted day means any trading day on which a relevant exchange or related exchange fails to open for trading during its regular trading session or on which a market disruption event has occurred.

You should understand that the opportunity to participate in the possible increases in the level of the Index through an investment in the securities 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 appreciation on the securities, currently

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expected to be 178% of the principal amount of the securities, which will be determined on the pricing date. However, if the final Index level is less than the initial Index level, the amount you will receive at maturity will be proportionately less than the principal amount of the securities. ***Accordingly, if the level of the Index 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. For purposes of these examples, we have assumed the following:

Hypothetical initial Index level: 16,500

Maximum payment at maturity: $17.80

Example 1 The hypothetical final Index level is 50% of the hypothetical initial Index level:

Hypothetical final Index level: 8,250

$$\text{Maturity payment amount (per security)} = \quad \$10 \text{ x } \left(\frac{8{,}250}{16{,}500} \right) = \$5.00.$$

Since the hypothetical final Index level is less than the hypothetical initial Index level, you would lose some of your principal based on the percentage change in the level of the Index. Your total cash payment at maturity would be $5.00 per security, representing a 50% total loss of the principal amount of your securities.

Example 2 The hypothetical final Index level is 125% of the hypothetical initial Index level:

Hypothetical final Index level: 20,625

$$\text{Maturity payment amount (per security)} = \quad \$10 + \left(3 \text{ x } \left(\frac{20{,}625 \quad 16{,}500}{16{,}500} \right) \text{ x } \$10 \right) = \$17.50.$$

Since the hypothetical final Index level is greater than the hypothetical initial Index level, you would receive three times the amount of the percentage change in the level of the Index, subject to the maximum payment at maturity. Your total cash payment at maturity would be $17.50 per security, representing a 75% return above the principal amount of your securities.

Example 3 The hypothetical final Index level is 175% of the hypothetical initial Index level:

Hypothetical final Index level: 28,875

$$\text{Maturity payment amount (per security)} = \quad \$10 + \left(3 \text{ x } \left(\frac{28{,}875 \quad 16{,}500}{16{,}500} \right) \text{ x } \$10 \right) = \$32.50,$$

subject to the $17.80 maximum payment at maturity.

Since the hypothetical final Index level is greater than the hypothetical initial Index level, you would receive three times the amount of the percentage change in the level of the Index, subject to the maximum payment at maturity. Although the calculation of the maturity payment amount without taking into account the maximum payment at maturity would generate a result of $32.50 per security, your maturity payment amount would be limited to $17.80 per security, representing a 78% maximum total return, because the payment on the securities at maturity may not exceed the maximum payment at maturity. The actual maximum payment at maturity will be determined on the pricing date.

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

We have designed the securities for investors who are willing to hold their securities until maturity and who want to participate in three times the possible appreciation of the Index (measured by the percentage change in the level of the Index based on the final Index level relative to the initial Index level) without exposure to the fluctuation in currency exchange rates between the Japanese yen and the U.S. dollar, subject to the maximum payment at maturity, currently expected to be 178% of the principal amount of the securities. The actual maximum payment at maturity will be determined on the pricing date. The securities are designed for investors who are also willing to make an investment that is exposed to the full downside performance risk of the Index.

The securities are not designed for, and may not be a suitable investment for, investors who are unable or unwilling to hold the securities to maturity, who seek principal protection for their investment and who are unwilling to make an investment exposed to any downside performance risk of the Index, or who seek exposure to the fluctuation in currency exchange rates between the Japanese yen and the U.S. dollar. 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.

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

The market value of the securities may fluctuate during the term of the securities. Several factors and their interrelationship will influence the market value of the securities, including the level of the Index, dividend yields of the component common stocks underlying the Index, the time remaining to maturity of the securities, interest rates and the volatility of the Index. Depending on the impact of these factors, you may receive less than $10 per security from any sale of your securities before the maturity date of the securities and less than what you would have received had you held the securities until maturity. For more details, see Risk Factors Many factors affect the market value of the securities .

Who publishes the Index and what does the Index measure?

The Index measures the composite price performance of selected Japanese common stocks and is calculated, published and disseminated by Nihon Keizai Shimbun, Inc. (the Index Sponsor or NKS). The Index is currently based on 225 underlying common stocks trading on the Tokyo Stock Exchange (the TSE) representing a broad cross-section of Japanese industries. Stocks listed in the First Section of the TSE are among the most actively traded stocks on the TSE. All 225 underlying common stocks are stocks listed in the First Section.

The Index is determined, calculated and maintained by the Index Sponsor without regard to the securities.

You should be aware that an investment in the securities does not entitle you to any ownership interest in the common stocks of the companies included in the Index. For a detailed discussion of the Index, see The Nikkei 225® Index beginning on page S-17.

How has the Index performed historically?

You can find a table with the high, low and closing levels of the Index during each calendar quarter from calendar year 2003 to the present in the section entitled The Nikkei 225® Index Historical Closing Levels of the Index in this prospectus supplement. We obtained the historical information from Bloomberg Financial Markets without independent verification. You should not take the past performance of the Index as an indication of how the Index will perform in the future.

What about taxes?

By purchasing a security, you and Wachovia hereby agree, in the absence of an administrative or judicial ruling to the contrary, to characterize a security for all tax purposes as a pre-paid derivative contract linked to the level of the Index. Under this characterization of the securities, you generally should be required to recognize capital gain or loss upon the sale or maturity of your securities in an amount equal to the difference between the amount you receive at such time and the amount you paid for the securities. For a further discussion, see Supplemental Tax Considerations beginning on page S-20.

In the opinion of our counsel, Sullivan & Cromwell LLP, the securities should be treated in the manner described above. However, because there is no authority that specifically addresses the tax treatment of the securities, it is possible that the securities could alternatively be treated in the manner described under Supplemental Tax Considerations Supplemental U.S. Tax Considerations Alternative Treatments on page S-20.

Will the securities be listed on a stock exchange?

The securities will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the securities. Accordingly, if you sell your securities 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 securities in this prospectus supplement.

Are there any risks associated with my investment?

Yes, an investment in the securities 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.

How to reach us

You may reach us by calling 1-888-215-4145 or 1-212-214-6282 and asking for the Investment Solutions Group.

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RISK FACTORS

An investment in the securities 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 securities are a riskier investment than ordinary debt securities. Also, your securities are not equivalent to investing directly in the component common stocks, i.e., the common stocks underlying the Index to which your securities are linked. You should carefully consider whether the securities 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 securities at maturity. The payment at maturity on the securities will depend on the percentage change in the level of the Index based on the final Index level relative to the initial Index level. Because the level of the Index is subject to market fluctuations, the amount of cash you receive at maturity may be more or less than the principal amount of the securities. If the final Index level is less than the initial Index level, the maturity payment amount will be less than the principal amount of each security. ***Accordingly, if the level of the Index declines in this manner, you will lose some or all of your principal.***

You will not receive interest payments on the securities

You will not receive any periodic interest payments on the securities or any interest payment at maturity. Your payment at maturity will depend on the percentage change in the level of the Index based on the final Index level relative to the initial Index level.

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

The yield that you will receive on your securities, which could be negative, may be less than the return you could earn on other investments. Even if your yield is positive, 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 date. 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 conventional senior non-callable debt securities, the securities do not guarantee the return of a principal amount at maturity. In addition, no interest will be paid during the term of your securities.

Your return is limited and will not reflect the return of owning the common stocks underlying the Index

You should understand that the opportunity to participate in the possible appreciation in the level of the Index through an investment in the securities 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 appreciation on the securities, currently expected to be 178% of the principal amount of the securities, which will be determined on the pricing date. Although any positive return on the securities is based on triple the amount of the percentage increase in the Index, in no event will the amount you receive at maturity be greater than the maximum payment at maturity, currently expected to be $17.80 per security, which will be determined on the pricing date. However, if the final Index level is less than the initial Index level, you will realize the entire decline and will lose some or all of your principal.

Owning the securities is not the same as owning the common stocks underlying the Index

The return on your securities will not reflect the return you would realize if you actually owned and held the common stocks underlying the Index for a similar period. First, because the maturity payment amount will be determined based on the performance of the Index, which is a price-return index, the return on the securities will not take into account the value of any dividends that may be paid on the common stocks underlying the Index. Second, the maturity payment amount will be determined without taking into consideration any change in the currency exchange rates between the Japanese yen and the U.S. dollar from the pricing date to the valuation date for the securities. A direct investment in the common stocks underlying the Index would benefit from any strengthening of the Japanese yen versus the U.S. dollar from the pricing date to the valuation date. In addition, as a holder of the securities, you will not be entitled to receive any dividend payments or other distributions on the common stocks underlying the Index, nor will you have voting rights or any other rights that holders of the common stocks underlying the Index may have. Even if the level of the Index increases above the initial Index level during the term of the securities, the market value of the securities may not increase by the same amount. It is also possible for the level of the Index to increase while the market value of the securities declines.

There may not be an active trading market for the securities

The securities will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the securities. The development of a trading market for the securities will depend on our financial performance and other factors such as the increase, if any, in the level of the Index. Even if a secondary market for the securities develops, it may not provide significant liquidity and transaction costs in any secondary market could be high. As a result, the difference between bid and asked prices for your security in any secondary market could be substantial. If you sell your securities before maturity, you may have to do so at a discount from the initial public offering price, and, as a result, you may suffer substantial losses.

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

Many factors affect the market value of the securities

The market value of the securities 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 securities caused by another factor and that the effect of one factor may compound the decrease in the market value of the securities caused by another factor. For example, a change in the volatility of the Index may offset some or all of any increase in the market value of the securities attributable to another factor, such as an increase in the level of the Index. In addition, a change in interest rates may offset other factors that would otherwise change the level of the Index, and therefore, may change the market value of the securities. We expect that the market value of the securities will depend substantially on the amount, if any, by which the final Index level exceeds or does not exceed the initial Index level. If you choose to sell your securities when the level of the Index exceeds the initial Index level, you may receive substantially less than the amount that would be payable at maturity based on this level because of the expectation that the Index will continue to fluctuate until the final Index level is determined. Moreover, because the maturity payment amount on the securities will not exceed the maximum payment at maturity, we do not expect that the securities will trade in the secondary market above the maximum payment at maturity. We believe that other factors that may also influence the value of the securities include:

- The volatility (frequency and magnitude of changes in the level) of the Index and, in particular, market expectations regarding the volatility of the Index;
- interest rates in the U.S. and Japanese markets;
- the dividend yields of the common stocks included in the Index;
- the relationship between changes in the U.S. dollar/Japanese yen exchange rates and the level of the Index;
- our creditworthiness, as represented by our credit ratings or as otherwise perceived in the market;
- changes that affect the Index, such as additions, deletions or substitutions;
- the time remaining to maturity; and

geopolitical, economic, financial, political, regulatory or judicial events as well as other conditions may affect the common stocks included in the Index.

Wachovia and its affiliates have no affiliation with the Index Sponsor and are not responsible for its public disclosure of information

Wachovia and its affiliates are not affiliated with the Index Sponsor in any way (except for licensing arrangements discussed below under The Nikkei 225® Index) and have no ability to control or predict its actions, including any errors in or discontinuation of disclosure regarding its methods or policies relating to the calculation of the Index. If the Index Sponsor discontinues or suspends the calculation of the Index, it may become difficult to determine the market value of the securities or the maturity payment amount. The calculation agent may designate a successor index selected in its sole discretion. If the calculation agent determines in its sole discretion that no successor index comparable to the Index exists, the amount you receive at maturity will be determined by the calculation agent in its sole discretion. See Specific Terms of the Securities Market Disruption Event on page S-14 and Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index on page S-13. The Index Sponsor is not involved in the offer of the securities in any way and has no obligation to consider your interest as an owner of securities in taking any actions that might affect the value of your securities.

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

We have derived the information about the Index Sponsor and the Index in this prospectus supplement from publicly available information, without independent verification. Neither we nor any of our affiliates assumes any responsibility for the adequacy or accuracy of the information about the Index or the Index Sponsor contained in this prospectus supplement. You, as an investor in the securities, should make your own investigation into the Index and the Index Sponsor.

Historical levels of the Index should not be taken as an indication of the future levels of the Index during the term of the securities

The trading prices of the common stocks underlying the Index will determine the Index level at any given time. As a result, it is impossible to predict whether the level of the Index will rise or fall. Trading prices of the common stocks underlying the Index will be influenced by complex and interrelated political, economic, financial and other factors that can affect the issuers of the common stocks underlying the Index.

The maturity payment amount for the securities will not be adjusted for any change in the currency exchange rates between the Japanese yen and the U.S. dollar

Although the common stocks underlying the Index are traded in Japanese yen and the securities, which are linked to the Index, are denominated in U.S. dollars, the maturity payment amount will not be adjusted for any change in the currency exchange rate between the Japanese yen and the U.S. dollar. Changes in exchange rates, however, may reflect changes in the Japanese economy that in turn may affect the maturity payment amount for the securities. The maturity payment amount will be based solely on the principal amount of the securities plus the percentage change in the level of the Index from the initial Index level to the final Index level, which may be negative.

An investment in the securities is subject to risks associated with the Japanese securities markets

The common stocks underlying the Index have been issued by Japanese companies. An investment in securities linked to the value of Japanese equity securities involves particular risks. The Japanese securities markets may be more volatile than U.S. or other securities markets and market developments may affect Japanese markets differently from U.S. or other securities markets. Direct or indirect government intervention to stabilize the Japanese securities markets, as well as cross shareholdings in Japanese companies, may affect trading prices and volumes in those markets. Also, there is generally less publicly available information about Japanese companies than about those U.S. companies that are subject to the reporting requirements of the U.S. Securities and Exchange Commission, and Japanese companies are subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies. Securities prices in Japan are subject to political, economic, financial and social factors that apply in Japan. These factors, which could negatively affect the Japanese securities markets, include the possibility of recent or future changes in the Japanese government s economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other Japanese laws or restrictions applicable to Japanese companies or investments in Japanese equity securities and the possibility of fluctuations in the rate of exchange between currencies. Moreover, the Japanese economy may differ favorably or unfavorably from the U.S. economy in important respects such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency. The Japanese economy has been troubled by negative or low rates of growth for many years. Many Japanese common stocks have performed poorly over an extended period.

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

As described below under Use of Proceeds and Hedging on page S-22, we or one or more of our affiliates may hedge our obligations under the securities by purchasing common stocks underlying the Index, futures or options on the Index or common stocks underlying the Index, or exchange-traded funds or other derivative instruments with returns linked or related to changes in the trading prices of common stocks underlying the Index or the level of the Index, and we may adjust these hedges by, among other things, purchasing or selling common stocks underlying the Index, futures, options, or exchange-traded funds or other derivative instruments with returns linked to the Index or the common stocks underlying the Index at any time. Although they are not expected to, any of these hedging activities may adversely affect the trading prices of common stocks underlying the Index and/or the level of the Index and, therefore, the market value of the securities. 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 securities declines.

The inclusion of commissions and projected profits from hedging in the original issue price is likely to adversely affect secondary market prices

Assuming no change in market conditions or any other relevant factors, the price, if any, at which Wachovia is willing to purchase the securities in secondary market transactions will likely be lower than the initial public offering price, since the initial public offering price included, and secondary market prices are likely to exclude, commissions paid with respect to the securities, as well as the projected profit included in the cost of hedging our obligations under the securities. In addition, any such prices may differ from values determined by pricing models used by Wachovia, as a result of dealer discounts, mark-ups or other transactions.

Additional potential conflicts of interest could arise

Our subsidiary, WBNA, is our agent for the purposes of calculating the final Index level and the maturity payment amount. Under certain circumstances, WBNA s role as our subsidiary and its responsibilities as calculation agent for the securities could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the level of the Index can be calculated on a particular trading day, or in connection with judgments that it would be required to make in the event of a discontinuation of the Index. See the sections entitled Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index on page S-13 and Specific Terms of the Securities Market Disruption Event on page S-14. 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 one or more of the issuers of component common stocks included in the Index. This business may include extending loans to, or making equity investments in, such companies or providing advisory services to such companies, including merger and acquisition advisory services. In the course of business, Wachovia or its affiliates may acquire non-public information relating to these companies and, in addition, one or more affiliates of Wachovia may publish research reports about these companies. Wachovia does not make any representation to any purchasers of the securities regarding any matters whatsoever relating to the issuers of component common stocks included in the Index. Any prospective purchaser of the securities should undertake an independent investigation of these companies as in its judgment is appropriate to make an informed decision regarding an investment in the securities. The composition of the issuers of component stocks included in the Index does not reflect any investment or sell recommendations of Wachovia or its affiliates.

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The calculation agent may postpone the valuation date and, therefore, determination of the final Index level and the maturity date if a market disruption event occurs on the valuation date

The valuation date and, therefore, determination of the final Index level may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the valuation date with respect to the Index. If a postponement occurs, the calculation agent will use the closing level of the Index on the next succeeding trading day on which no market disruption event occurs or is continuing as the final Index level. As a result, the maturity date for the securities would be postponed. You will not be entitled to 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 level of the Index after the valuation date. See Specific Terms of the Securities Market Disruption Event beginning on page S-14.

Tax consequences are uncertain

You should consider the tax consequences of investing in the securities, 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 securities with the assets of such a plan, should consult with its counsel regarding whether the purchase or holding of the securities 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-21.

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SPECIFIC TERMS OF THE SECURITIES

Please note that in this section entitled Specific Terms of the Securities , references to holders mean those who own securities 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 securities registered in street name or in securities 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 securities are part of a series of debt securities, entitled Medium-Term Notes, Series G , that we may issue under the indenture from time to time as described in the accompanying prospectus. The securities 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 securities. Terms that apply generally to all Medium-Term Notes, Series G, 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 securities in more detail below.

No Interest

There will be no interest payments, periodic or otherwise, on the securities.

Denominations

Wachovia will issue the securities in principal amounts of $10 per security and integral multiples thereof.

Offering Price

Each security will be offered at an initial public offering price of $10.

Payment at Maturity

At maturity, for each security you own, you will receive a cash payment equal to the maturity payment amount . The maturity payment amount to which you will be entitled depends on the percentage change in the level of the Index calculated based on the final Index level (as defined below) relative to the initial Index level (as defined below).

By linking the maturity payment amount to the percentage change in the level of the Index rather than to the U.S. dollar value of the common stocks underlying the Index, the calculation of the maturity payment amount will not be affected by changes in the Japanese yen/U.S. dollar exchange rate.

The maturity payment amount for each security will be determined by the calculation agent as described below:

- If the final Index level is greater than the initial Index level, the maturity payment amount per security will equal:

$10 + Enhanced Upside Payment,

provided, however, that the maturity payment amount may not exceed an amount currently expected to be $17.80 per security (the maximum payment at maturity). The actual maximum payment at maturity will be determined on the pricing date.

- If the final Index level is equal to or less than the initial Index level, the maturity payment amount per security will equal:

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$$\$10 \text{ x } \left(\frac{\text{final Index level}}{\text{initial Index level}} \right)$$

- If the final Index level is zero, the maturity payment amount per security will be $0. ***If the final Index level is less than the initial Index level, you will lose some or all of your principal in proportion to the decline in the Index from the initial Index level to the final Index level.***

The initial Index level is the closing level of the Index on the trading day immediately following the pricing date.

The final Index level will be determined by the calculation agent and will equal the closing level of the Index on the valuation date.

The Enhanced Upside Payment is equal to 3 x Index Performance x $10.

The Index Performance is equal to $\left(\frac{\text{final Index level} \quad \text{initial Index level}}{\text{initial Index level}} \right)$

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day that is a disrupted day or is not a trading day, the valuation date will be postponed until the next succeeding trading day that is not a disrupted day; provided that in no event will the valuation date be postponed by more than five trading days. If the valuation date is postponed to the last possible day but that day is a disrupted day or is not a trading day, that date will nevertheless be the valuation date. *If the valuation date is postponed, then the maturity date of the securities will be postponed by an equal number of trading days*.

The closing level on any trading day will equal the official closing level (second session) of the Index or any successor index (as defined under Discontinuation of the Index; Adjustments to the Index below) published by the Index Sponsor at the regular weekday close of trading on that trading day. In certain circumstances, the closing level will be based on the alternate calculation of the Index described under Discontinuation of the Index; Adjustments to the Index below.

A trading day means any day on which each exchange and related exchange is scheduled to be open for its respective regular trading sessions.

A disrupted day means any trading day on which a relevant exchange or related exchange fails to open for trading during its regular trading session or on which a market disruption event has occurred.

You should understand that the opportunity to participate in the possible increases in the level of the Index through an investment in the securities 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 appreciation on the securities, currently expected to be 178% of the principal amount of the securities, which will be determined on the pricing date. However, if the final Index level is less than the initial Index level, the amount you will receive at maturity will be proportionately less than the principal amount of the securities. ***Accordingly, if the level of the Index declines in this manner, you will lose some or all of your principal.***

If any payment is due on the securities on a day which is not a day on which commercial banks settle payments in New York City, then such payment may be made on the next day that is a day on which commercial banks settle payments in New York City, in the same amount and with the same effect as if paid on the original due date.

WBNA, our subsidiary, will serve as the calculation agent. All determinations made by the calculation agent will be at the sole discretion of the calculation agent and, absent a determination of a manifest error, will be conclusive for all purposes and binding on Wachovia and the holders and beneficial owners of the securities. Wachovia may at any time change the calculation agent without notice to holders of securities.

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Discontinuation of the Index; Adjustments to the Index

If the Index Sponsor discontinues publication of the Index and the Index Sponsor or another entity publishes a successor or substitute Index that the calculation agent determines, in its sole discretion, to be comparable to the Index (a successor index), then, upon the calculation agent s notification of any determination to the trustee and Wachovia, the calculation agent will substitute the successor index as calculated by the Index Sponsor or any other entity for the Index and calculate the final Index level as described above under Payment at Maturity . Upon any selection by the calculation agent of a successor index, Wachovia will cause notice to be given to holders of the securities.

If the Index Sponsor discontinues publication of the Index and:

- the calculation agent does not select a successor index, or
- the successor index is no longer published on any of the relevant trading days,

the calculation agent will compute a substitute level for the Index in accordance with the procedures last used to calculate the level of the Index before any discontinuation but using only those securities that composed the Index prior to such discontinuation. If a successor index is selected or the calculation agent calculates a level as a substitute for the Index as described below, the successor index or level will be used as a substitute for the Index for all purposes going forward, including for purposes of determining whether a market disruption event exists, even if the Index Sponsor elects to begin republishing the Index, unless the calculation agent in its sole discretion decides to use the republished Index.

If the Index Sponsor discontinues publication of the Index before the valuation date and the calculation agent determines that no successor index is available at that time, then on each trading day until the earlier to occur of:

- the determination of the final Index level, or
- a determination by the calculation agent that a successor index is available,

the calculation agent will determine the level that would be used in computing the maturity payment amount as described in the preceding paragraph as if that day were a trading day. The calculation agent will cause notice of each level to be published not less often than once each month in *The Wall Street Journal* or another newspaper of general circulation, and arrange for information with respect to these levels to be made available by telephone.

Notwithstanding these alternative arrangements, discontinuation of the publication of the Index would be expected to adversely affect the value of, liquidity of and trading in the securities.

If at any time the method of calculating the level of the Index or the level of the successor index, changes in any material respect, or if the Index or successor index is in any other way modified so that the Index or successor index does not, in the opinion of the calculation agent, fairly represent the level of the Index had those changes or modifications not been made, then, from and after that time, the calculation agent will, at the close of business in New York City, New York, on each date that the closing level of the Index is to be calculated, make any adjustments as, in the good faith judgment of the calculation agent, may be necessary in order to arrive at a calculation of a level of a stock index comparable to the Index or such successor index, as the case may be, as if those changes or modifications had not been made, and calculate the closing level with reference to the Index or such successor index, as so adjusted. Accordingly, if the method of calculating the Index or a successor index is modified and has a dilutive or concentrative effect on the level of such index e.g., due to a split, then the calculation agent will adjust such index in order to arrive at a level of such index as if it had not been modified, e.g., as if a split had not occurred.

Neither the calculation agent nor Wachovia will have any responsibility for good faith errors or omissions in calculating or disseminating information regarding the Index or any successor index or as to modifications, adjustments or calculations by the Index Sponsor or any successor index sponsor in order to arrive at the level of the Index or any successor index.

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Market Disruption Event

A market disruption event, as determined by the calculation agent in its sole discretion, means a relevant exchange or any related exchange fails to open for trading during its regular trading session or the occurrence or existence of any of the following events:

- a trading disruption, if the calculation agent determines it is material, at any time during the one hour period that ends at the close of trading for a relevant exchange or related exchange; or

- an exchange disruption, if the calculation agent determines it is material, at any time during the one hour period that ends at the close of trading for a relevant exchange or related exchange; or

- an early closure.

For the purposes of determining whether a market disruption event exists at any time, if a market disruption event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index will be based on a comparison of (i) the portion of the level of the Index attributable to that security and (ii) the overall level of the Index, in each case immediately before the occurrence of such market disruption event.

A trading disruption means any suspension of or limitation imposed on trading by the relevant exchange or related exchange or otherwise, whether by reason of movements in price exceeding limits permitted by the relevant exchange or related exchange or otherwise, (i) relating to securities that compose 20 percent or more of the level of the Index or (ii) in options contracts or futures contracts relating to the Index on any relevant related exchange.

An exchange disruption means any event (other than a scheduled early closure) that disrupts or impairs (as determined by the calculation agent in its sole discretion) the ability of market participants in general to (i) effect transactions in or obtain market values on any relevant exchange or related exchange in securities that compose 20 percent or more of the level of the Index or (ii) effect transactions in options contracts or futures contracts relating to the Index on any relevant related exchange.

An early closure means the closure on any exchange business day of any relevant exchange relating to securities that compose 20 percent or more of the level of the Index or any related exchange prior to its normally scheduled closing time unless such earlier closing time is announced by such exchange or related exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such exchange or related exchange on such exchange business day and (ii) the submission deadline for orders to be entered into the relevant exchange system for execution at the close of trading on such exchange business day.

An exchange means the primary organized exchange or quotation system for trading any securities included in the Index and any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in any securities underlying the Index has temporarily relocated (provided that the calculation agent has determined that there is comparable liquidity relative to the securities underlying the Index on such substitute exchange or quotation system as on the original exchange).

An exchange business day means any trading day on which each exchange and related exchange is open for business during its regular trading session, notwithstanding any such exchange or related exchange closing prior to its scheduled weekday closing time, without regard to after hours or other trading outside its regular trading session hours.

A related exchange means each exchange or quotation system on which futures or options contracts relating to the Index are traded, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the futures or options contracts relating to such Index has temporarily relocated (provided that the calculation agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original related exchange).

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Events of Default and Acceleration

In case an event of default with respect to any securities has occurred and is continuing, the amount payable to a beneficial owner of a security upon any acceleration permitted by the securities, with respect to each $10 principal amount of each security, will be equal to the maturity payment amount, calculated as though the date of early repayment were the maturity date of the securities. If a bankruptcy proceeding is commenced in respect of Wachovia, the claim of the beneficial owner of a security may be limited, under Section 502(b)(2) of Title 11 of the United States Code, to the principal amount of the security plus an additional amount of contingent interest calculated as though the date of the commencement of the proceeding were the maturity date of the securities.

In case of default in payment of the securities, whether at their maturity or upon acceleration, the securities will not bear a default interest rate.

HYPOTHETICAL RETURNS

The following table illustrates, for the hypothetical initial Index level and a range of hypothetical final Index levels:

- the hypothetical percentage change from the hypothetical initial Index level to the hypothetical final Index level;
- the hypothetical pre-tax annualized rate of total return of an investment in the common stocks included in the Index;
- the hypothetical maturity payment amount per security;
- the hypothetical total rate of return to beneficial owners of the securities; and
- the hypothetical pre-tax annualized rate of return to beneficial owners of the securities, as more fully described below.

The figures below are for purposes of illustration only. The actual maturity payment amount and the resulting total and pre-tax annualized rate of return will depend on the actual final Index level as determined by the calculation agent as described in this prospectus supplement.

Hypothetical final Index level	Percentage change from the hypothetical initial Index level to the hypothetical final Index level	Hypothetical pre-tax annualized rate of total return of common stocks included in the Index[1][2]	Hypothetical maturity payment amount per security[4]	Hypothetical total rate of return on the securities[4]	Hypothetical pre-tax annualized rate of return on the securities[1][4]
4,125	75.00%	32.08%	$2.50	75.00%	32.80%
5,363	67.50	26.81	3.25	67.50	27.55
6,600	60.00	22.34	4.00	60.00	23.10
7,838	52.50	18.44	4.75	52.50	19.22
9,075	45.00	14.95	5.50	45.00	15.75
10,313	37.50	11.78	6.25	37.50	12.61
11,550	30.00	8.87	7.00	30.00	9.72
12,788	22.50	6.17	7.75	22.50	7.05

14,025	15.00	3.66	8.50	15.00	4.55
15,263	7.50	1.29	9.25	7.50	2.21
16,500(3)	0.00	0.94	10.00	0.00	0.00
17,738	7.50	3.06	12.25	22.50	5.99
18,975	15.00	5.07	14.50	45.00	11.24
20,213	22.50	7.00	16.75	67.50	15.94
21,450	30.00	8.84	17.80	78.00	17.98
22,688	37.50	10.61	17.80	78.00	17.98
23,925	45.00	12.31	17.80	78.00	17.98
25,163	52.50	13.95	17.80	78.00	17.98
26,400	60.00	15.54	17.80	78.00	17.98
27,638	67.50	17.07	17.80	78.00	17.98
28,875	75.00	18.56	17.80	78.00	17.98

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(1) The annualized rates of return specified in the preceding table are calculated on (a) annual compounding and (b) an actual/365 day count.

(2) This rate of return is solely based on the following assumptions:

(a) quarterly dividends paid on the stocks included in the Index based on a constant dividend yield of 0.94% per year;

(b) no transaction fees or expenses; and

(c) a three-year, five-month, 24-day investment term.

(3) This is also the hypothetical initial Index level.

(4) Assumes a maximum payment at maturity of $17.80. The actual maximum payment at maturity will be determined on the pricing date.

The following graph sets forth the return at maturity for a range of final Index levels (as a percentage of the initial Index level), assuming a maximum payment at maturity of $17.80 per $10 security (178% of the principal amount).

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THE NIKKEI 225® INDEX

The Nikkei 225® Index

We have obtained all information regarding the Index contained in this prospectus supplement, including its make-up, method of calculation and changes in its components, from publicly available information. That information reflects the policies of, and is subject to change by, the Index Sponsor. The Index Sponsor has no obligation to continue to publish, and may discontinue publication of the Index at any time. We make no representation or warranty as to the accuracy or completeness of such information.

The Nikkei 225® Index measures the composite price performance of selected Japanese common stocks and is calculated, published and disseminated by NKS. The Nikkei 225® Index is currently based on 225 underlying common stocks trading on the Tokyo Stock Exchange, and represents a broad cross-section of Japanese industry. All 225 of the underlying stock are listed on the First Section of the TSE, which are the most actively traded stocks on the TSE.

Computation of the Nikkei 225® Index

The Nikkei 225® Index is a modified, price-weighted index. Each stock s weight in the Nikkei 225® Index is based on its price per share rather than the total market capitalization of the issuer. NKS calculates the Nikkei 225® Index by multiplying the per share price of each stock underlying the Nikkei 225® Index by the corresponding weighting factor for that stock, calculating the sum of all these products and then dividing that sum by a divisor. The divisor, which in 1950 was retroactively set to the May 17, 1949 level of 225, was 24.290 as of April 4, 2006 when it was last updated, and is subject to periodic adjustments, as described below. The weighting factor for each underlying stock is computed by dividing 50 Japanese yen by the par value of that stock, so that the share price of underlying stock when multiplied by its weighting factor corresponds to a share price based on a uniform par value of 50 Japanese yen. Each weighting factor represents the number of shares of the related stock underlying the Nikkei 225® Index that are included in one trading unit of the Nikkei 225® Index. The stock prices used in the calculation of the Nikkei 225® Index are those reported by a primary market for the stock underlying the Nikkei 225® Index, which is currently the TSE. The level of the Nikkei 225® Index is calculated once per minute during TSE trading hours.

In order to maintain continuity in the level of the Nikkei 225® Index in the event of certain changes affecting the common stocks underlying the Nikkei 225® Index, such as the addition or deletion of common stocks, substitution of common stocks, stock dividends, stock splits or distributions of assets to stockholders, the divisor used in calculating the Nikkei 225® Index is adjusted in a manner designed to prevent any change or discontinuity in the level of the Nikkei 225® Index. The divisor remains at the new value until a further adjustment is necessary as a result of another change. As a result of each change affecting any stock underlying the Nikkei 225® Index, the divisor is adjusted in such a way that the sum of all share prices immediately after the change multiplied by the applicable weighting factor and divided by the new divisor will equal the level of the Nikkei 225® Index immediately prior to the change.

Modifications to the Common Stocks Underlying the Nikkei 225® Index

As previously mentioned, all 225 of the underlying common stocks that compose the Nikkei 225® Index are listed on the First Section of the TSE. Domestic stocks admitted to the TSE are assigned either to the First Section, Second Section or Mothers Section. Stocks listed in the First Section are among the most actively traded stocks on the TSE. At the end of each business year, the TSE examines each First Section stock to determine whether it continues to meet the criteria for inclusion in the First Section and each Second Section stock to determine whether it may qualify for inclusion in the First Section.

Common stocks underlying the Nikkei 225® Index may be deleted or added by NKS. However, to maintain continuity in the Nikkei 225® Index, the policy of NKS is generally not to alter the composition of the common stocks underlying the Nikkei 225® Index except when a stock underlying the Nikkei 225® Index is deleted in accordance with the following criteria:

Any stock underlying the Nikkei 225® Index becoming ineligible for listing in the First Section of the TSE due to any of the following reasons will be deleted from the common stocks underlying the Nikkei 225® Index: bankruptcy of the issuer; merger of the issuer into, or acquisition of the issuer by, another company; delisting of the stock because of excess

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debt of the issuer or because of any other reason; transfer of an underlying stock to the Seiri Post (the Liquidation Post); transfer of the underlying stock to the Second Section of the TSE; and, in some cases, transfer of an underlying stock to the Kanri Post (the Post for stocks under supervision and, therefore, candidates for deletion). In addition, those underlying common stocks with relatively low liquidity based on trading volume and price fluctuation over the past five years may be deleted by NKS. Upon deletion of a stock underlying the Nikkei 225® Index, NKS will select, in accordance with certain criteria established by it, a replacement for the deleted stock. Until such replacement, the Nikkei 225® Index will be calculated with the common stocks underlying the Nikkei 225® Index less the deleted stock.

A list of the issuers of the common stocks underlying the Nikkei 225® Index is available from the NKS Economic Electronic Databank System and from NKS directly. NKS may delete, add or substitute any stock underlying the Nikkei 225® Index.

The Tokyo Stock Exchange

The TSE is one of the world s largest securities exchanges in terms of market capitalization. Trading hours for TSE-listed stocks are currently from 9:00 a.m. to 11:00 a.m. and from 12:30 p.m. to 3:00 p.m. (the second session), Tokyo time, Monday through Friday.

Due to time zone differences, on any normal trading day the TSE will close before the opening of business in New York City on the same calendar day. Therefore, the closing level of the Index on any particular business day will generally be available in the United States by the opening of business on that business day.

The TSE has adopted certain measures, including daily price floors and ceilings on individual stocks, intended to prevent any extreme short-term price fluctuations resulting from order imbalances. In general, any stock listed on the TSE cannot be traded at a price lower than the applicable price floor or higher than the applicable price ceiling. These price floors and ceilings are expressed in absolute Japanese yen, rather than percentage limits based on the closing price of the stock on the previous trading day. In addition, when there is a major order imbalance in a listed stock, the TSE posts a special bid quote or a special offer quote for that stock at a specified higher or lower price level than the stock s last sale price in order to solicit counter-orders and balance supply and demand for the stock. Prospective investors should also be aware that the TSE may suspend the trading of individual stocks in certain limited and extraordinary circumstances, including, for example, unusual trading activity in that stock. As a result, changes in the Index may be limited by price limitations, special quotes or by suspension of trading in stocks underlying the Index, and these limitations may, in turn, adversely affect the value of the securities.

Historical Closing Levels of the Index

Since its inception, the Index has experienced significant fluctuations. Any historical upward or downward trend in the closing level of the Index during any period shown below is not an indication that the closing level of the Index is more or less likely to increase or decrease at any time during the term of the securities. The historical levels of the Index do not give an indication of future performance of the Index. We cannot make any assurance that the future performance of the Index or the trading prices of the underlying common stocks will result in holders of the securities receiving a positive total return on their investment.

We obtained the closing levels of the Index listed below from Bloomberg Financial Markets without independent verification. The actual level of the Index at or near maturity of the securities may bear little relation to the historical levels shown below.

The following table sets forth the published high and low closing levels of the Index and the level of the Index at the end of each quarter from January 1, 2003, through March 31, 2006, and for the period from April 1, 2006, through May 22, 2006. On May 22, 2006, the closing level of the Index was 15,857.87. This historical data on the Index is not indicative of the future levels of the Index or what the market value of the securities may be. Any historical upward or downward trend in the level of the Index during any period set forth below is not any indication that the level of the Index is more or less likely to increase or decrease at any time during the term of the securities.

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Quarterly High, Low and Closing Levels of the Index

Quarter Start Date	Quarter End Date	High Closing Level of the Index	Low Closing Level of the Index	Quarter End Closing Level of the Index
1/1/03	3/31/03	8,790.92	7,862.43	7,972.71
4/1/03	6/30/03	9,137.14	7,607.88	9,083.11
7/1/03	9/30/03	11,033.32	9,265.56	10,219.05
10/1/03	12/31/03	11,161.71	9,614.60	10,676.64
1/1/04	3/31/04	11,770.65	10,365.40	11,715.39
4/1/04	6/30/04	12,163.89	10,505.05	11,858.87
7/1/04	9/30/04	11,896.01	10,687.81	10,823.57
10/1/04	12/31/04	11,488.76	10,659.15	11,488.76
1/1/05	3/31/05	11,966.69	11,238.37	11,668.95
4/1/05	6/30/05	11,874.75	10,825.39	11,584.01
7/1/05	9/30/05	13,617.24	11,565.99	13,574.30
10/1/05	12/31/05	16,344.20	13,106.18	16,111.43
1/1/06	3/31/06	17,059.66	15,341.18	17,059.66
4/1/06	5/22/06	17,563.37	15,857.87	15,857.87

License Agreement

We have entered into a non-exclusive license agreement with NKS, which allows us and our affiliates, in exchange for a fee, to use the Index in connection with the issuance of certain securities, including the securities. We are not affiliated with NKS; the only relationship between NKS and us is the licensing of the use of the Index and trademarks relating to the Index.

NKS is under no obligation to continue the calculation and dissemination of the Nikkei 225® Index. The securities are not sponsored, endorsed, sold or promoted by NKS. No inference should be drawn from the information contained in this prospectus supplement that NKS makes any representation or warranty, implied or express, to us, any holder of the securities or any member of the public regarding the advisability of investing in securities generally or in the securities in particular or the ability of the Index to track general stock market performance.

NKS determines, composes and calculates the Nikkei 225® Index without regard to the securities. NKS has no obligation to take into account your interest, or that of anyone else having an interest, in the securities in determining, composing or calculating the Nikkei 225® Index. NKS is not responsible for, and has not participated in the determination of, the terms, prices or amount of the securities and will not be responsible for, or participate in, any determination or calculation regarding the principal amount of the securities payable at maturity. NKS has no obligation or liability in connection with the administration, marketing or trading of the securities.

NKS disclaims all responsibility for any errors or omissions in the calculation and dissemination of the Nikkei 225® Index or the manner in which the Nikkei 225® Index is applied in determining the initial Index level or the final Index level or any amount payable upon maturity of the securities.

NKS DOES NOT GUARANTEE THE ACCURACY OR THE COMPLETENESS OF THE NIKKEI 225® INDEX OR ANY DATA INCLUDED IN THE NIKKEI 225® INDEX. NKS ASSUMES NO LIABILITY FOR ANY ERRORS OR OMISSIONS.

SUPPLEMENTAL TAX CONSIDERATIONS

The following is a general description of certain United States federal income tax considerations relating to the securities. The following does not purport to be a complete analysis of all tax considerations relating to the securities. Prospective purchasers of the securities should consult their tax advisors as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of the United States of acquiring, holding and disposing of the securities and receiving payments of interest, principal and/or other amounts under the securities. This summary is based upon the law as in effect on the date of this prospectus supplement and is subject to any change in law that may take effect after such date. This summary does not address all aspects of United States federal income taxation of the securities that may be relevant to you in light of your particular circumstances, nor does it address all of your tax consequences if you are a holder of securities who is subject to special treatment under the United States federal income tax laws.

Supplemental U.S. Tax Considerations

The discussion below supplements the discussion under United States Taxation in the accompanying prospectus and is subject to the limitations and exceptions set forth therein. Except as otherwise noted under United States Alien Holders below, this discussion is only applicable to you if you are a United States holder (as defined in the accompanying prospectus).

In the opinion of Sullivan & Cromwell LLP (tax counsel), the securities should be treated as pre-paid derivative contracts linked to the level of the Index and the terms of the securities require you and us (in the absence of an administrative or judicial ruling to the contrary) to treat the securities for all tax purposes in accordance with such characterization. If the securities are so treated, you should recognize capital gain or loss upon the sale or maturity of your securities (which will be long-term capital gain or loss if you hold your securities for more than one year) in an amount equal to the difference between the amount you receive at such time and your tax basis in the securities. Capital gain of a noncorporate United States holder that is recognized in taxable years beginning before January 1, 2011 is generally taxed at a maximum rate of 15% where the holder has a holding period with respect to its securities of more than one year. In general, your tax basis in your securities will be equal to the price you paid for them. The deductibility of capital losses is subject to limitations.

Alternative Treatments. Notwithstanding the opinion of tax counsel, it is possible that the securities could be treated as a single debt instrument subject to the special tax rules governing contingent debt instruments. If the securities are so treated, you would be required to accrue interest income over the term of your securities based upon the yield at which we would issue a noncontingent fixed-rate debt instrument with other terms and conditions similar to your securities (the comparable yield). You would recognize gain or loss upon the sale or maturity of your securities in an amount equal to the difference, if any, between the amount you receive at such time and your adjusted basis in your securities. In general, your adjusted basis in your securities would be equal to the amount you paid for your securities, increased by the amount of interest you previously accrued with respect to your securities. Any gain you recognize upon the sale, redemption or maturity of your securities would be ordinary income and any loss recognized by you at such time would be ordinary loss to the extent of interest you included in income in the current or previous taxable years with respect to your securities, and thereafter would be capital loss.

If the securities are treated as a contingent debt instrument and you purchase your securities in the secondary market at a price that is at a discount from, or in excess of, the adjusted issue price of the securities, such excess or discount would not be subject to the generally applicable market discount or amortizable bond premium rules described in the accompanying prospectus but rather would be subject to special rules set forth in treasury regulations governing contingent debt instruments. Accordingly, if you purchase your securities in the secondary market, you should consult your tax advisor as to the possible application of such rules to you.

Because of the absence of authority regarding the appropriate tax characterization of your securities, it is possible that the Internal Revenue Service could seek to characterize your securities in a manner that results in tax consequences to you that are different from those described above. You should consult your tax advisor as to the tax consequences of any possible alternative characterizations of your securities for U.S. federal income tax purposes.

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United States Alien Holders. If the securities are treated as pre-paid derivative contracts, as discussed above, and you are a United States alien holder (as defined in the accompanying prospectus), you will not be subject to United States withholding tax with respect to payments on your securities but you will be subject to generally applicable information reporting and backup withholding requirements with respect to payments on your securities unless you comply with certain certification and identification requirements as to your foreign status.

As discussed above, alternative characterizations of the securities for U.S. federal income tax purposes are possible. Should an alternative characterization of the securities, by reason of a change or clarification of the law, by regulation or otherwise, cause payments with respect to the securities to become subject to withholding tax, we will withhold tax at the applicable statutory rate and we will not make payments of any Additional Amounts (as defined in the accompanying prospectus). Prospective United States alien holders of the securities should consult their own tax advisors in this regard.

EMPLOYEE RETIREMENT INCOME SECURITY ACT

A fiduciary of a pension, profit-sharing or other employee benefit plan (a plan) subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA), should consider the fiduciary standards of ERISA in the context of the plan s particular circumstances before authorizing an investment in the securities. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the plan, and whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code (the Code).

Section 406 of ERISA and Section 4975 of the Code prohibit plans, as well as individual retirement accounts and Keogh plans subject to Section 4975 of the Internal Revenue Code (also plans), from engaging in certain transactions involving plan assets with persons who are parties in interest under ERISA or disqualified persons under the Code (parties in interest) with respect to the plan or account. A violation of these prohibited transaction rules may result in civil penalties or other liabilities under ERISA and/or an excise tax under Section 4975 of the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain employee benefit plans and arrangements including those that are governmental plans (as defined in section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and foreign plans (as described in Section 4(b)(4) of ERISA) (non-ERISA arrangements) are not subject to the requirements of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, foreign or other regulations, rules or laws (similar laws).

The acquisition of the securities by a plan with respect to which Wachovia, Wachovia Capital Markets, LLC or certain of our affiliates is or becomes a party in interest may constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code, unless those securities are acquired pursuant to and in accordance with an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or PTCEs , that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the securities. These exemptions are:

- PTCE 84-14, an exemption for certain transactions determined or effected by independent qualified professional asset managers;
- PTCE 90-1, an exemption for certain transactions involving insurance company pooled separate accounts;
- PTCE 91-38, an exemption for certain transactions involving bank collective investment funds;
- PTCE 95-60, an exemption for transactions involving certain insurance company general accounts; and
- PTCE 96-23, an exemption for plan asset transactions managed by in-house asset managers.

The securities may not be purchased or held by (1) any plan, (2) any entity whose underlying assets include plan assets by reason of any plan s investment in the entity (a plan asset entity) or (3) any person investing plan assets of any plan, unless in each case the purchaser or holder is eligible for the exemptive relief available under one or more of the PTCEs listed above or another applicable similar exemption. Any purchaser or holder of the securities or any interest in the securities will be deemed to have represented by its purchase and holding of the securities that it either (1) is not a plan or a plan asset entity and is not purchasing those securities on behalf of or with plan assets of any plan or plan asset entity or (2) with respect to the purchase or holding, is eligible for the exemptive relief available under any of the PTCEs listed above or another applicable exemption. In addition, any purchaser or holder of the securities or any interest in the securities which is a non-ERISA arrangement will be deemed to have represented by its purchase and holding of the securities that its purchase and holding will not violate the provisions of any similar law.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing the securities on behalf of or with plan assets of any plan, plan asset entity or non-ERISA arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above or any other applicable exemption, or the potential consequences of any purchase or holding under similar laws, as applicable.

If you are an insurance company or the fiduciary of a pension plan or an employee benefit plan, and propose to invest in the securities, you should consult your legal counsel.

USE OF PROCEEDS AND HEDGING

The net proceeds from the sale of the securities will be used as described under Use of Proceeds in the accompanying prospectus and to hedge market risks of Wachovia associated with its obligation to pay the maturity payment amount at the maturity of the securities.

The hedging activity discussed above may adversely affect the market value of the securities from time to time and the maturity payment amount you will receive on the securities at maturity. See Risk Factors Purchases and sales by us or our affiliates may affect your return and Risk Factors Potential conflicts of interest could arise for a discussion of these adverse effects.

SUPPLEMENTAL PLAN OF DISTRIBUTION

Wachovia Capital Markets, LLC has agreed, subject to the terms and conditions of the distribution agreement and a terms agreement, to purchase from Wachovia as principal $• aggregate principal amount of securities and will receive an underwriting discount and commission of •%. Wachovia Capital Markets, LLC has engaged the services of each of Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC, as broker, to resell $• and $•, respectively, aggregate principal amount of the securities purchased by Wachovia Capital Markets, LLC and has agreed to reallow Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC •% of the principal amount of each security sold through Wachovia Securities, LLC or Wachovia Securities Financial Network, LLC, respectively, as broker.

The distribution agreement provides that the obligations of Wachovia Capital Markets, LLC are subject to certain conditions and that Wachovia Capital Markets, LLC is obligated to purchase the securities. Wachovia Capital Markets, LLC has advised Wachovia that it proposes initially to offer all or part of the securities directly to the public at the offering price set forth on the cover page of this prospectus supplement. In addition to the compensation paid at the time of the initial public offering of the securities, an additional administrative fee of •% will be paid to Wachovia Securities, LLC in connection with the administration of orders for the securities. After the initial public offering, the public offering price may be changed and a concession to dealers may be offered. Wachovia Capital Markets, LLC is offering the securities subject to receipt and acceptance and subject to its right to reject any order in whole or in part.

In addition, additional agents under the distribution agreement, subject to the terms and conditions of the distribution agreement, may act as Wachovia s agents in the sale of $• aggregate principal amount of the securities. The total commission payable on securities sold by the additional agents on an agency basis, pursuant to the distribution agreement, will be •%. We refer to the additional agents, together with Wachovia Capital Markets, LLC, as the Agents .

Proceeds to be received by Wachovia in this offering will be net of the underwriting discount, commission and expenses payable by Wachovia.

The Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia may use this prospectus supplement and the accompanying prospectus for offers and sales related to

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market-making transactions in the securities. The Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia may act as principal or agent in these transactions, and the sales will be made at prices related to prevailing market prices at the time of sale.

Wachovia Capital Markets, LLC, Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC are affiliates of Wachovia. Rule 2720 of the Conduct Rules of the National Association of Securities Dealers, Inc. (NASD) imposes certain requirements when an NASD member such as Wachovia Capital Markets, LLC, Wachovia Securities, LLC or Wachovia Securities Financial Network, LLC distributes an affiliated company s debt securities. Wachovia Capital Markets, LLC, Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC have advised Wachovia that this offering will comply with the applicable requirements of Rule 2720. No NASD member participating in this offering will confirm initial sales to accounts over which it exercises discretionary authority without the prior written approval of the customer.

We expect to deliver the securities against payment therefor in New York City on or about the expected settlement date specified on the cover page of this prospectus supplement, which will be the fifth business day following the date of this prospectus supplement and of the pricing of the securities. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade securities on the pricing date or the next succeeding business day will be required, by virtue of the fact that the securities initially will settle in five business days (T+5), to specify alternative settlement arrangements to prevent a failed settlement.

No action has been or will be taken by Wachovia, the Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia that would permit a public offering of the securities or possession or distribution of this prospectus supplement or the accompanying prospectus in any jurisdiction, other than the United States, where action for that purpose is required. No offers, sales or deliveries of the securities, or distribution of this prospectus supplement or the accompanying prospectus, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on Wachovia, the Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia. In respect of specific jurisdictions, please note the following:

The securities, and the offer to sell such securities, do not constitute a public offering in Argentina. Consequently, no public offering approval has been requested or granted by the Comisión Nacional de Valores, nor has any listing authorization of the securities been requested on any stock market in Argentina.

The securities will not be offered or sold to any persons who are residents of the Bahamas within the meaning of the Exchange Control Regulations of 1956 issued by the Central Bank of the Bahamas.

The securities may not be offered or sold to the public in Brazil. Accordingly, the securities have not been submitted to the Comissão de Valores Mobiliários for approval. Documents relating to this offering may not be supplied to the public as a public offering in Brazil or be used in connection with any offer for subscription or sale to the public in Brazil.

Neither the securities nor Wachovia Corporation are registered in the Securities Registry of the Superintendency of Securities and Insurance in Chile.

The securities have not been registered with the National Registry of Securities maintained by the Mexican National Banking and Securities Commission and may not be offered or sold publicly in Mexico. This prospectus supplement and the accompanying prospectus may not be publicly distributed in Mexico.

RECENT DEVELOPMENTS

On May 7, 2006, Wachovia and Golden West Financial Corporation (Golden West) announced that they had entered into an Agreement and Plan of Merger, dated as of May 7, 2006 (the Merger Agreement), that provides, among other things, for Golden West to be merged with and into a wholly-owned subsidiary of Wachovia (the Merger). As a result of the Merger, the outstanding shares of Golden West common stock, with respect to each shareholder of record of Golden West common stock, will be converted into the right to receive (A) a number of shares of Wachovia common stock equal to the

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product of (i) 1.365 times (ii) the number of shares of Golden West common stock held by such holder of record times (iii) 77%, and (B) an amount in cash equal to the product of (i) $81.07 times (ii) the number of shares of Golden West common stock held by such holder of record times (iii) 23%. Wachovia also entered into Voting Agreements, dated as of May 7, 2006 (the Voting Agreements), with the co-chairman and chief executive officers of Golden West, Marion Sandler and Herbert Sandler, and with one other director, Bernard Osher. Under the Voting Agreements, the Sandlers and Mr. Osher gave Wachovia an irrevocable proxy to vote, and they agreed to vote, their Golden West shares in favor of the Merger and agreed that they will not vote those shares in favor of another acquisition transaction. In the Merger Agreement, Golden West agreed to pay Wachovia a termination fee of $995 million under certain circumstances generally arising if Golden West or a third party takes certain actions that could prevent or impede consummation of the Merger. Wachovia agreed to elect two current Golden West directors to its board of directors upon consummation of the Merger.

The Merger is intended to be treated as a tax-free reorganization to Wachovia and Golden West and otherwise tax free to Golden West s shareholders, except to the extent they receive cash, and is to be accounted for as a purchase. Consummation of the Merger is subject to various conditions, including: (i) receipt of the approvals of Wachovia s and Golden West s shareholders; (ii) receipt of requisite regulatory approvals from the Board of Governors of the Federal Reserve System and other regulatory authorities; (iii) receipt of legal opinions as to the tax treatment of the Merger; (iv) listing on the New York Stock Exchange, Inc., subject to notice of issuance, of Wachovia s common stock to be issued in the Merger; and (v) satisfaction of certain other conditions.

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$9,100,000,000

WACHOVIA CORPORATION

Senior Global Medium-Term Notes, Series G

and

Subordinated Global Medium-Term Notes, Series H

Terms of Sale

Wachovia Corporation may from time to time offer and sell notes with various terms, including the following:

stated maturity of 9 months or longer

fixed or floating interest rate, zero-coupon or issued with original issue discount; a floating interest rate may be based on:

commercial paper rate

prime rate

LIBOR

EURIBOR

treasury rate

CMT rate

amount of principal or interest may be determined by reference to an index or formula

book-entry form through The Depository Trust Company, Euroclear, Clearstream or any other clearing system or financial institution named in the applicable pricing supplement

redemption at the option of Wachovia or repayment at the option of the holder

interest on notes paid monthly, quarterly, semi-annually or annually

denominations of $1,000 and multiples of $1,000

denominated in U.S. dollars, a currency other than U.S dollars or in a composite currency

settlement in immediately available funds

CD rate

CPI rate

federal funds rate

ranked as senior or subordinated indebtedness
of Wachovia

The final terms of each note will be included in a pricing supplement. Wachovia will receive between $9,090,000,000 and $8,372,000,000 of the proceeds from the sale of the notes, after paying the agents commissions of between $10,000,000 and $728,000,000, unless otherwise agreed with the agents.

Wachovia has filed an application to list notes issued under this prospectus on the Luxemburg Stock Exchange. The Luxembourg Stock Exchange has advised us that with respect to notes so listed, this prospectus is valid for one year from the date of this prospectus.

Investing in the notes involves risks. See Risk Factors beginning on page 5.

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 the securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

These securities will be our unsecured obligations and will not be savings accounts, deposits or other obligations of any bank or non-bank subsidiary of ours and are not insured by the Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other governmental agency.

Wachovia may sell the notes directly or through one or more agents or dealers, including the agents listed below. The agents are not required to sell any particular amount of the notes.

Wachovia may use this prospectus in the initial sale of any notes. In addition, Wachovia Capital Markets, LLC, or any other affiliate of Wachovia may use this prospectus 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 or pricing supplement, this prospectus is being used in a market-making transaction.***