WACHOVIA CORP NEW
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Press Release April 14, 2008

WACHOVIA REPORTS 1ST QUARTER RESULTS; ANNOUNCES INITIATIVES

TO FURTHER ENHANCE CAPITAL BASE AND FLEXIBILITY

Plans to Raise Capital through Public Offering

Reduces Quarterly Dividend to $0.375 Per Common Share, Preserving $2.0 Billion of

Capital Annually

Increases Credit Reserves; Provision $2.1 Billion Above Net Charge-offs

Net Loss of $350 Million or $393 Million (20 Cents) after Preferred Dividend

Strong Sales Momentum and Solid Underlying Expense Control Cushions Impact of

Rising Credit Costs and Market Disruption Losses

CHARLOTTE, N.C.   Wachovia today announced a series of actions to further enhance its capital base and operational flexibility, and updated its credit reserve modeling to reflect greater emphasis on forecasted changes in customer behavior assuming continued house price depreciation. These actions include:

- Plans to raise capital through a public offering of common stock and perpetual convertible preferred stock;

- Lowering the quarterly common stock dividend, which preserves $2.0 billion of capital annually, to build capital ratios and provide more operational flexibility. The board of directors declared a quarterly common stock dividend of $0.375 cents per common share, payable on June 16, 2008, to stockholders of record on May 30, 2008. This dividend level is consistent with Wachovia s capital needs and growth opportunities for each of its business segments, and with an anticipated 40 percent to 50 percent cash payout ratio over the intermediate horizon; and

- The update in the credit reserve modeling in response to the current and forecasted market environment and its effect on consumer behavior, particularly in stressed markets, resulting in a significant increase in the first quarter 2008 provision for credit losses. In addition, the scope of credit disclosures was increased to provide enhanced insight into the payment option consumer real estate portfolio.

In addition, Wachovia reported a first quarter 2008 net loss of $350 million before preferred dividends, or a net loss available to common stockholders of $393 million, (20 cents per common share). These results, which reflect higher credit costs and the continued disruption in the capital markets, compared with earnings of $2.30 billion, or $1.20 per share, in the first quarter of 2007.

While solid underlying performance was overshadowed by market disruption-related valuation losses of $2.0 billion, Wachovia generated total revenue of $7.9 billion on higher loans and deposits and strength in fiduciary and asset management fees, brokerage commissions and traditional banking fees, including the impact of the A.G. Edwards acquisition.

I m deeply disappointed with our first quarter results, but I am confident we re taking prudent and appropriate actions in this challenging period to restore Wachovia to a more profitable path. The precipitous decline in housing market conditions and unprecedented changes in consumer behavior prompted us to update our credit reserve modeling and rely less heavily on historical trends to forecast losses. As a result, we have substantially increased our reserves, said Ken Thompson, Wachovia s chief executive officer. The most painful decision was to reduce the dividend because it adversely affects our shareholders. But we believe the long-term benefit to

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shareholder value outweighs the disadvantage of the dividend reduction as we fortify our balance sheet against continued instability in the housing and capital markets.

It s important to note that in early 2007 in advance of the market dislocation, we took steps to bolster our liquidity and reduce market-related exposures in products originally intended for distribution, Thompson added. We have generally been a provider of liquidity to the market during this period of market disruption, and we also continue to reduce our market-related exposures. The actions we announced today will further enhance and ensure our ongoing financial flexibility to invest and drive future earnings growth. With strengthened reserves and capital, and our strong deposit base, we believe we re well-positioned to continue to successfully weather this uniquely challenging period.

Earnings Highlights

	Three Months Ended					
	March 31, 2008		December 31, 2007		March 31, 2007	
(In millions, except per share data)	**Amount**	**EPS**	**Amount**	**EPS**	**Amount**	**EPS**
Earnings						
Net income (loss)	**$ (350)**		193	0.10	2,302	1.20
Discontinued operations, net of income taxes			(142)	(0.07)		
Dividends on preferred stock	**(43)**					
Net income (loss) available to common stockholders	**$ (393)**	**(0.20)**	51	0.03	2,302	1.20
Discontinued operations, net of income taxes			142	0.07		
Income (loss) from continuing operations	**(393)**	**(0.20)**	193	0.10	2,302	1.20
Net merger-related and restructuring expenses	**123**	**0.06**	108	0.05	6	
Earnings (loss) excluding merger-related and restructuring expenses, and discontinued operations	**$ (270)**	**(0.14)**	301	0.15	2,308	1.20
Financial ratios						
Return on average common stockholders equity	**(2.11)%**		0.28		13.47	
Net interest margin (a)	**2.92**		2.88		3.06	
Fee and other income as % of total revenue (a)	**39.15**		36.99		45.15	
Overhead efficiency ratio (a)	**68.91%**		78.00		55.88	
Capital adequacy (b)						
Tier 1 capital ratio	**7.5%**		7.4		7.4	
Total capital ratio	**12.1**		11.8		11.4	
Leverage ratio	**6.2%**		6.1		6.1	
Asset quality						
Allowance for loan losses as % of nonaccrual and restructured loans	**84%**		90		207	
Allowance for loan losses as % of loans, net	**1.37**		0.98		0.80	
Allowance for credit losses as % of loans, net (c)	**1.41**		1.02		0.84	

Net charge-offs as % of average loans, net	**0.66**	0.41	0.15
Nonperforming assets as % of loans, net, foreclosed properties and loans held for sale	**1.70%**	1.14	0.42

(a) Tax-equivalent.

(b) The first quarter of 2008 is based on estimates.

(c) The allowance for credit losses is the sum of the allowance for loan losses and the reserve for unfunded lending commitments.

Results include after-tax net merger-related expenses of 6 cents per share in the first quarter of 2008; these expenses did not affect earnings per share in the first quarter of 2007. Excluding the merger-related expenses, results were a net loss available to common stockholders of $270 million, or 14 cents per share, in the first quarter of 2008. Results also include the impact of the A.G. Edwards, Inc., acquisition from October 1, 2007.

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Wachovia Corporation

	Three Months Ended		
(In millions)	**March 31, 2008**	**December 31, 2007**	**March 31, 2007**
Net interest income *(Tax-equivalent)*	**$ 4,805**	4,674	4,537
Fee and other income	**3,091**	2,744	3,734
Total revenue *(Tax-equivalent)*	**7,896**	7,418	8,271
Provision for credit losses	**2,831**	1,497	177
Noninterest expense	**5,441**	5,786	4,621
Income (loss) from continuing operations before income taxes (benefits) *(Tax-equivalent)*	**(531)**	28	3,337
Income taxes (benefits) *(Tax-equivalent)*	**(181)**	(165)	1,035
Net income (loss) available to common stockholders	**(393)**	51	2,302
Average loans, net	**465,936**	449,805	415,261
Average core deposits	**$ 394,513**	390,043	369,270

Other key trends in the first quarter of 2008 compared with the first quarter of 2007 included:

Revenue of $7.9 billion on higher loan and deposit balances, while fee and other income declined due to net market disruption-related valuation losses of $2.0 billion and significantly reduced fee income related to the disruption in the capital markets. Otherwise, strong momentum continued in fiduciary and asset management fees and brokerage commissions reflecting the A.G. Edwards acquisition and organic growth. Results included $445 million in net gains related to adoption of new fair value accounting standards and a $225 million gain related to the Visa initial public offering.

Net interest margin compression of 14 basis points year over year, although the margin rose 4 basis points from the fourth quarter of 2007. Net interest income rose modestly, reflecting growth in average commercial loans, up 26 percent, and average consumer loans, up 4 percent, as well as solid core deposit growth, up 7 percent. Average loan growth included the impact of $7.3 billion of transfers to the loan portfolio from held-for-sale as well as strength in commercial, commercial real estate and traditional conforming mortgage loans. Deposit growth was led by strength in IRAs and money market accounts.

An 18 percent increase in noninterest expense largely reflecting the impact of A.G. Edwards, as well as growth in credit-related sundry expense.

Provision for credit losses of $2.8 billion, which exceeded net charge-offs by $2.1 billion. The provision largely reflected more severe deterioration in the residential housing market, particularly in specific markets in California and Florida, as well as the result of the refinements made to the credit reserve model for the payment option product. These refinements incorporate multiple and more granular factors regarding unprecedented consumer behavior, housing price deterioration and increased foreclosures. Net charge-offs were $765 million, or an annualized 0.66 percent of average net loans. Total nonperforming assets including loans held for sale were $8.4 billion, or 1.70 percent of loans, foreclosed properties and loans held for sale, largely reflecting increases in consumer real estate-related nonperforming assets due to the effects of the weakened housing industry.

Lines of Business

The following discussion covers the results for Wachovia s four core business segments and is on a segment earnings basis, which excludes net merger-related and restructuring expenses, other intangible amortization and discontinued operations. Segment earnings are the basis on which

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Wachovia manages and allocates capital to its business segments. In accordance with Wachovia s business segment methodology, provision expense in excess of charge-offs, which amounted to $2.1 billion in the first quarter of 2008, is not allocated to business segments.

Pages 13 and 14 include a reconciliation of segment results to Wachovia s consolidated results of operations in accordance with GAAP.

General Bank Highlights

(In millions)	Three Months Ended March 31, 2008	December 31, 2007	March 31, 2007
Net interest income *(Tax-equivalent)*	**$ 3,455**	3,402	3,398
Fee and other income	**990**	929	845
Total revenue *(Tax-equivalent)*	**4,500**	4,389	4,290
Provision for credit losses	**569**	320	147
Noninterest expense	**2,050**	2,041	1,869
Segment earnings	**$ 1,195**	1,287	1,444
Cash overhead efficiency ratio *(Tax-equivalent)*	**45.55%**	46.50	43.56
Average loans, net	**$ 311,447**	303,269	288,229
Average core deposits	**297,680**	296,568	284,046
Economic capital, average	**$ 12,695**	11,179	10,662

General Bank

The General Bank includes retail, small business and commercial customers. The first quarter of 2008 compared with the first quarter of 2007 included:

Earnings of $1.2 billion, down $249 million, driven by rapidly rising credit costs and related expenses, which overshadowed continued strong sales momentum reflected in total revenue of $4.5 billion, up 5 percent.

Average loan growth of 8 percent, with double digit growth in wholesale businesses and 4 percent growth in mortgage lending as a decline in prepayments offset lower volumes on the payment option mortgage product.

Significant efforts in the mortgage business included a restructuring of the operating model, extensive loss mitigation efforts and initiatives to increase the volume of marketable mortgages.

A home equity lending decline of 41 percent, reflecting implementation of tightened credit standards. Over 95 percent of our home equity loans are originated through our branch network and other direct channels.

A 26 percent increase in auto loan originations

Average core deposit growth of 5 percent, largely reflecting strength in wholesale deposits, which were up 10 percent, and an increase of 4 percent in retail deposits.

Growth in net new retail checking accounts slowed to a still strong increase of 174,000 in the first quarter of 2008 compared with an increase of 268,000 in the first quarter of 2007.

Net new checking accounts include 139,000 linked to the new Way2Save accounts, which launched in mid-January 2008.

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17 percent growth in fee and other income, with strength in service charges, interchange income and mortgage banking fee income. Strong interchange income reflected an 18 percent increase in debit/credit card volume from the first quarter of 2007.

Noninterest expense up 10 percent due to growth in credit-related sundry expense, as well as on continued strategic investment in de novo branch activity, Western expansion and buildup in credit card operations. During the first quarter of 2008, 23 de novo branches were opened and 58 branches were consolidated. As a result of performance initiatives, operating leverage continued to improve, which enabled the continued strategic investment.

A $422 million increase in the provision for credit losses largely reflecting rapid deterioration in consumer real estate in certain housing markets and higher losses on auto loans.

Wealth Management Highlights

	Three Months Ended		
(In millions)	**March 31, 2008**	**December 31, 2007**	**March 31, 2007**
Net interest income *(Tax-equivalent)*	**$ 181**	183	181
Fee and other income	**211**	214	196
Total revenue *(Tax-equivalent)*	**397**	400	380
Provision for credit losses	**5**	7	1
Noninterest expense	**246**	249	247
Segment earnings	**$ 92**	91	84
Cash overhead efficiency ratio *(Tax-equivalent)*	**62.08%**	62.27	65.12
Average loans, net	**$ 22,413**	21,791	20,394
Average core deposits	**17,397**	16,773	17,267
Economic capital, average	**$ 705**	616	592

Wealth Management

Wealth Management includes private banking, personal trust, investment advisory services, charitable services, financial planning and insurance brokerage. The first quarter of 2008 compared with the first quarter of 2007 included:

Earnings of $92 million on 4 percent revenue growth in challenging markets.

Strong fiduciary and asset management fees as a pricing initiative implemented in the third quarter of 2007 and new sales offset declines in equity valuations. Insurance commissions declined largely due to a soft market for insurance premiums and nonstrategic insurance account dispositions.

Relatively flat net interest income as solid loan growth offset deposit spread compression.

A slight decline in expense driven by efficiency initiatives, which offset the impact of private banking and Western expansion investment.

5 percent growth in assets under management to $79.8 billion as asset gathering overcame market depreciation.

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Corporate and Investment Bank Highlights

	Three Months Ended		
(In millions)	**March 31, 2008**	**December 31, 2007**	**March 31, 2007**
Net interest income *(Tax-equivalent)*	**$ 1,032**	988	716
Fee and other income	**(159)**	(555)	1,109
Total revenue *(Tax-equivalent)*	**823**	383	1,782
Provision for credit losses	**197**	112	6
Noninterest expense	**747**	952	911
Segment earnings (loss)	**$ (77)**	(431)	550
Cash overhead efficiency ratio *(Tax-equivalent)*	**90.76%**	247.83	51.10
Average loans, net	**$ 101,024**	91,702	73,385
Average core deposits	**33,623**	36,200	34,227
Economic capital, average	**$ 13,242**	11,293	8,329

Corporate and Investment Bank

The Corporate and Investment Bank includes corporate lending, investment banking, and treasury and international trade finance. First quarter 2008 results compared with the first quarter of 2007 included:

A segment loss of $77 million driven by $1.6 billion in net valuation losses reflecting continued disruption in the capital markets and reduced origination volume in most market-related businesses.

Market valuation losses, net of applicable hedges, of:

$339 million in subprime residential asset-backed collateralized debt obligations and other related exposures, compared with $818 million in fourth quarter 2007, excluding discontinued operations;

$521 million in commercial mortgage structured products, compared with $600 million in fourth quarter 2007;

$251 million in consumer mortgage structured products, compared with $123 million in fourth quarter 2007;

$309 million in leveraged finance net of fees, compared with a net $93 million gain in fourth quarter 2007; and

$144 million in non-subprime collateralized debt obligations and other structured products, compared with a $59 million net gain in fourth quarter 2007.

A 44 percent increase in net interest income, which reflected 38 percent growth in average loans including the transfer into the loan portfolio at fair value of certain loans originally slated for disposition, as well as loan growth in the corporate lending and global financial institutions business.

Principal investing revenue of $414 million, largely due to a net $486 million of gains related to the adoption of new fair value accounting standards in January 2008, offset by mark-to-market losses in the direct investment portfolio.

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An 18 percent decline in noninterest expense primarily due to lower variable compensation and reduced headcount in investment banking.

Provision of $197 million largely reflecting residential-related commercial real estate losses.

Capital Management Highlights

(In millions)	Three Months Ended March 31, 2008	December 31, 2007	March 31, 2007
Net interest income *(Tax-equivalent)*	**$ 274**	318	259
Fee and other income	**2,191**	2,211	1,477
Total revenue *(Tax-equivalent)*	**2,455**	2,518	1,728
Provision for credit losses			
Noninterest expense	**1,855**	1,938	1,237
Segment earnings	**$ 381**	368	312
Cash overhead efficiency ratio *(Tax-equivalent)*	**75.54%**	76.96	71.59
Average loans, net	**$ 2,562**	2,295	1,554
Average core deposits	**43,084**	38,019	31,683
Economic capital, average	**$ 2,143**	2,120	1,334

Capital Management

Capital Management includes retail brokerage services and asset management. The first quarter of 2008 compared with the first quarter of 2007 included:

Earnings of $381 million on 42 percent revenue growth, which primarily reflected the A.G. Edwards acquisition. In addition, solid growth in retail brokerage managed account and other asset-based fees despite declining equity markets offset lower transactional revenue and equity syndicate distribution fees. The impact of FDIC sweep deposit growth of $11.0 billion partially offset spread compression in the declining interest rate environment.

Record annuity sales of $2.7 billion, including $1.5 billion in the General Bank financial centers.

50 percent growth in noninterest expense largely due to the effect of A.G. Edwards, as well as higher legal expense and revenue-based commissions.

Total assets under management of $258.7 billion at March 31, 2008, decreased 6 percent from December 31, 2007, primarily due to declining market valuations.

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Wachovia Corporation (NYSE:WB) is one of the nation s largest diversified financial services companies, with assets of $808.9 billion and market capitalization of $53.8 billion at March 31, 2008. Wachovia provides a broad range of retail banking and brokerage, asset and wealth management, and corporate and investment banking products and services to customers through 3,300 retail financial centers in 21 states from Connecticut to Florida and west to Texas and California, and nationwide retail brokerage, mortgage lending and auto finance businesses. Globally, clients are served in selected corporate and institutional sectors and through more than 40 international offices. Our retail brokerage operations under the Wachovia Securities brand name manage more than $1.1 trillion in client assets through 18,600 registered representatives in 1,500 offices nationwide. Online banking is available at wachovia.com; online brokerage products and services at wachoviasec.com; and investment products and services at evergreeninvestments.com.

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Forward-Looking Statements

This news release contains various forward-looking statements. A discussion of various factors that could cause Wachovia Corporation s actual results to differ materially from those expressed in such forward-looking statements is included in Wachovia s filings with the Securities and Exchange Commission, including its Current Report on Form 8-K dated April 14, 2008.

Explanation of Wachovia s Use of Certain Non-GAAP Financial Measures

In addition to results presented in accordance with GAAP, this news release includes certain non-GAAP financial measures, including those presented on page 2 and on page 11 under the captions Earnings Excluding Merger-Related and Restructuring Expenses, and Discontinued Operations and Earnings Excluding Merger-Related and Restructuring Expenses, Other Intangible Amortization and Discontinued Operations , and which are reconciled to GAAP financial measures on pages 21 and 22. In addition, in this news release certain designated net interest income amounts are presented on a tax-equivalent basis, including the calculation of the overhead efficiency ratio.

Wachovia believes these non-GAAP financial measures provide information useful to investors in understanding the underlying operational performance of the company, its business and performance trends and facilitates comparisons with the performance of others in the financial services industry. Specifically, Wachovia believes the exclusion of merger-related and restructuring expenses, discontinued operations and the cumulative effect of a change in accounting principle permits evaluation and a comparison of results for on-going business operations, and it is on this basis that Wachovia s management internally assesses the company s performance. Those non-operating items are excluded from Wachovia s segment measures used internally to evaluate segment performance in accordance with GAAP because management does not consider them particularly relevant or useful in evaluating the operating performance of our business segments. In addition, because of the significant amount of deposit base intangible amortization, Wachovia believes the exclusion of this expense provides investors with consistent and meaningful comparisons to other financial services firms. Wachovia s management makes recommendations to its board of directors about dividend payments based on reported earnings excluding merger-related and restructuring expenses, other intangible amortization, discontinued operations and the cumulative effect of a change in accounting principle, and has communicated certain dividend payout ratio goals to investors on this basis. Management believes this payout ratio is useful to investors because it provides investors with a better understanding of and permits investors to monitor Wachovia s dividend payout policy. Wachovia also believes the presentation of net interest income on a tax-equivalent basis ensures comparability of net interest income arising from both taxable and tax-exempt sources and is consistent with industry standards. Wachovia operates one of the largest retail brokerage businesses in our industry, and we have presented an overhead efficiency ratio excluding these brokerage services, which management believes is useful to investors in comparing the performance of our banking business with other banking companies.

Although Wachovia believes the above non-GAAP financial measures enhance investors understanding of its business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP basis financial measures.

Earnings Conference Call and Supplemental Materials

Wachovia CEO Ken Thompson and CFO Tom Wurtz will review Wachovia s first quarter 2008 results in a conference call and audio web cast beginning at 8:00 a.m. Eastern Daylight Saving Time today. This review may include a discussion of certain non-GAAP financial measures. Supplemental materials relating to first quarter results, which also include a reconciliation of any non-GAAP measures to Wachovia s reported financials, are available on the Internet at Wachovia.com/investor, and investors are encouraged to access these materials in advance of the conference call.

Web cast Instructions: To gain access to the web cast, which will be listen-only, go to Wachovia.com/investor and click on the link Wachovia First Quarter Earnings Audio Web cast. In order to listen to the web cast, you will need to download either Real Player or Media Player.

Teleconference Instructions: The telephone number for the conference call is 888-357-9787 for U.S. callers or 706-679-7342 for international callers. You will be asked to tell the answering coordinator your name and the name of your firm. Mention the conference Access Code: WB Investor.

Replay: Monday, April 14, by 12:00 Noon EST and continuing through 5 p.m. EST Friday, July 11. Replay telephone number is 706-645-9291; access code: 43662109.

Investors seeking further information should contact the Investor Relations team: Alice Lehman at 704-374-4139 or Ellen Taylor at 704-383-1381. Media seeking further information should contact the Corporate Media Relations team: Mary Eshet at 704-383-7777 or Christy Phillips at 704-383-8178.

Wachovia may file a registration statement (including prospectus) with the SEC for the offering to which this communication relates. Investors should read the prospectus in that registration statement, the preliminary prospectus supplement and other documents that Wachovia has filed with the SEC for more complete information about Wachovia and this offering. Documents may be obtained for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, investors may call toll-free 1-800-326-5897 to request that the prospectus be mailed after filing.

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WACHOVIA CORPORATION AND SUBSIDIARIES

FINANCIAL TABLES

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WACHOVIA CORPORATION AND SUBSIDIARIES

FINANCIAL HIGHLIGHTS

(Unaudited)

	2008	2007			
(Dollars in millions, except per share data)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
EARNINGS SUMMARY					
Net interest income *(GAAP)*	$ **4,752**	4,630	4,551	4,449	4,500
Tax-equivalent adjustment	**53**	44	33	38	37
Net interest income *(Tax-equivalent)*	**4,805**	4,674	4,584	4,487	4,537
Fee and other income	**3,091**	2,744	2,933	4,240	3,734
Total revenue *(Tax-equivalent)*	**7,896**	7,418	7,517	8,727	8,271
Provision for credit losses	**2,831**	1,497	408	179	177
Other noninterest expense	**5,097**	5,488	4,397	4,755	4,493
Merger-related and restructuring expenses	**241**	187	36	32	10
Other intangible amortization	**103**	111	92	103	118
Total noninterest expense	**5,441**	5,786	4,525	4,890	4,621
Minority interest in income of consolidated subsidiaries	**155**	107	189	139	136
Income (loss) from continuing operations before income taxes (benefits) *(Tax-equivalent)*	**(531)**	28	2,395	3,519	3,337
Income taxes (benefits)	**(234)**	(209)	656	1,140	998
Tax-equivalent adjustment	**53**	44	33	38	37
Income (loss) from continuing operations	**(350)**	193	1,706	2,341	2,302
Discontinued operations, net of income taxes		(142)	(88)		
Net income (loss)	**(350)**	51	1,618	2,341	2,302
Dividends on preferred stock	**43**				
Net income (loss) available to common stockholders	$ **(393)**	51	1,618	2,341	2,302
Diluted earnings per common share (a)	$ **(0.20)**	0.03	0.85	1.22	1.20
Return on average common stockholders equity	**(2.11)%**	0.28	9.19	13.54	13.47
Return on average assets	**(0.18)**	0.03	0.88	1.33	1.35
Overhead efficiency ratio	**68.91%**	78.00	60.20	56.02	55.88
Operating leverage	$ **823**	(1,359)	(847)	189	(13)
ASSET QUALITY					
Allowance for loan losses as % of loans, net	**1.37%**	0.98	0.78	0.79	0.80
Allowance for loan losses as % of nonperforming assets	**78**	84	115	157	189

Allowance for credit losses as % of loans, net	**1.41**	1.02	0.82	0.83	0.84
Net charge-offs as % of average loans, net	**0.66**	0.41	0.19	0.14	0.15
Nonperforming assets as % of loans, net, foreclosed properties and loans held for sale	**1.70%**	1.14	0.66	0.49	0.42
CAPITAL ADEQUACY (b)					
Tier I capital ratio	**7.5%**	7.4	7.1	7.5	7.4
Total capital ratio	**12.1**	11.8	10.8	11.5	11.4
Leverage ratio	**6.2%**	6.1	6.1	6.2	6.1
OTHER DATA					
Average basic common shares *(In millions)*	**1,963**	1,959	1,885	1,891	1,894
Average diluted common shares *(In millions)*	**1,977**	1,983	1,910	1,919	1,925
Actual common shares *(In millions)* (c)	**1,992**	1,980	1,901	1,903	1,913
Dividends paid per common share	**$ 0.64**	0.64	0.64	0.56	0.56
Dividend payout ratio on common shares	**(320.00)%**	2133.33	75.29	45.90	46.67
Book value per common share (c)	**$ 36.40**	37.66	36.90	36.40	36.47
Common stock price	**27.00**	38.03	50.15	51.25	55.05
Market capitalization (c)	**$ 53,782**	75,302	95,326	97,530	105,330
Common stock price to book value (c)	**74%**	101	136	141	151
FTE employees	**120,378**	121,890	109,724	110,493	110,369
Total financial centers/brokerage offices	**4,850**	4,894	4,167	4,135	4,167
ATMs	**5,308**	5,139	5,123	5,099	5,146

(a) Calculated using average basic common shares in the first quarter of 2008.
(b) The first quarter of 2008 is based on estimates.
(c) Includes restricted stock for which the holder receives dividends and has full voting rights.

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WACHOVIA CORPORATION AND SUBSIDIARIES

OTHER FINANCIAL DATA

(Unaudited)

	2008	2007			
(In millions)	**First Quarter**	**Fourth Quarter**	**Third Quarter**	**Second Quarter**	**First Quarter**
EARNINGS EXCLUDING MERGER-RELATED AND RESTRUCTURING EXPENSES, AND DISCONTINUED OPERATIONS (a) (b)					
Return on average common stockholders equity	**(1.45)%**	1.62	9.81	13.66	13.50
Return on average assets	**(0.12)**	0.16	0.94	1.34	1.35
Overhead efficiency ratio	**65.85**	75.48	59.73	55.65	55.75
Overhead efficiency ratio excluding brokerage	**61.92%**	74.54	56.82	52.04	52.60
Operating leverage	**$ 877**	(1,208)	(843)	210	(51)
EARNINGS EXCLUDING MERGER-RELATED AND RESTRUCTURING EXPENSES, OTHER INTANGIBLE AMORTIZATION AND DISCONTINUED OPERATIONS (a) (b) (c)					
Dividend payout ratio on common shares	**(640.00)%**	355.56	68.09	44.09	45.16
Return on average tangible common stockholders equity	**(2.80)**	5.05	23.88	33.57	33.27
Return on average tangible assets	**(0.09)**	0.20	1.03	1.47	1.49
Overhead efficiency ratio	**64.55**	73.97	58.51	54.47	54.33
Overhead efficiency ratio excluding brokerage	**60.14%**	72.40	55.32	50.61	50.88
Operating leverage	**$ 869**	(1,187)	(855)	197	(75)
OTHER FINANCIAL DATA					
Net interest margin	**2.92%**	2.88	2.92	2.96	3.06
Fee and other income as % of total revenue	**39.15**	36.99	39.02	48.58	45.15
Effective income tax rate (d)	**40.04**	122.05	27.33	32.78	30.22
Effective tax rate *(Tax-equivalent)* (d) (e)	**34.06%**	127.17	28.38	33.51	30.99
AVERAGE BALANCE SHEET DATA					
Commercial loans, net	**$ 198,578**	188,164	174,672	165,512	157,288
Consumer loans, net	**267,358**	261,641	255,129	255,745	257,973
Loans, net	**465,936**	449,805	429,801	421,257	415,261
Earning assets	**659,033**	650,140	628,773	605,978	593,663
Total assets	**783,593**	763,487	729,004	704,773	691,029
Core deposits	**394,513**	390,043	379,009	378,496	369,270
Total deposits	**443,353**	437,566	416,107	408,418	399,106
Interest-bearing liabilities	**611,099**	599,130	574,399	547,669	535,778
Stockholders equity	**$ 78,747**	73,986	69,857	69,317	69,320
PERIOD-END BALANCE SHEET DATA					
Commercial loans, net	**$ 211,700**	198,566	189,545	175,369	167,039
Consumer loans, net	**268,782**	263,388	259,661	253,751	254,624

Loans, net	**480,482**	461,954	449,206	429,120	421,663
Goodwill and other intangible assets					
Goodwill	**43,068**	43,122	38,848	38,766	38,838
Deposit base	**573**	619	670	727	796
Customer relationships	**1,375**	1,410	620	651	684
Tradename	**90**	90	90	90	90
Total assets	**808,890**	782,896	754,168	715,428	702,669
Core deposits	**398,562**	397,405	377,865	378,188	377,358
Total deposits	**444,964**	449,129	421,937	410,030	405,270
Stockholders equity	**$ 78,307**	76,872	70,140	69,266	69,786

(a) These financial measures are calculated by excluding from GAAP net income (loss) presented on page 10, $123 million, $108 million, $22 million, $20 million and $6 million in the first quarter of 2008 and the fourth, third, second and first quarters of 2007, respectively, of after-tax net merger-related and restructuring expenses and $142 million and $88 million after tax in the fourth and third quarters of 2007, respectively, of discontinued operations.

(b) See page 10 for the most directly comparable GAAP financial measure and pages 21 and 22 for a more detailed reconciliation.

(c) These financial measures are calculated by excluding from GAAP net income (loss) presented on page 10, $64 million, $65 million, $59 million, $66 million and $76 million in the first quarter of 2008 and the fourth, third, second and first quarters of 2007, respectively, of deposit base and other intangible amortization.

(d) The fourth and third quarters of 2007 include taxes on discontinued operations.

(e) The tax-equivalent tax rate applies to fully tax-equivalized revenues.

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WACHOVIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

	2008	2007			
(In millions, except per share data)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
INTEREST INCOME					
Interest and fees on loans	**$ 7,577**	7,980	7,937	7,723	7,618
Interest and dividends on securities	**1,496**	1,616	1,529	1,474	1,478
Trading account interest	**571**	557	566	506	433
Other interest income	**535**	757	799	647	611
Total interest income	**10,179**	10,910	10,831	10,350	10,140
INTEREST EXPENSE					
Interest on deposits	**2,941**	3,433	3,334	3,180	3,014
Interest on short-term borrowings	**523**	673	801	706	669
Interest on long-term debt	**1,963**	2,174	2,145	2,015	1,957
Total interest expense	**5,427**	6,280	6,280	5,901	5,640
Net interest income	**4,752**	4,630	4,551	4,449	4,500
Provision for credit losses	**2,831**	1,497	408	179	177
Net interest income after provision for credit losses	**1,921**	3,133	4,143	4,270	4,323
FEE AND OTHER INCOME					
Service charges	**676**	716	689	667	614
Other banking fees	**498**	497	471	449	416
Commissions	**914**	970	600	649	659
Fiduciary and asset management fees	**1,439**	1,436	1,029	1,015	953
Advisory, underwriting and other investment banking fees	**261**	249	393	454	407
Trading account profits (losses)	**(308)**	(524)	(301)	195	128
Principal investing	**446**	41	372	298	48
Securities gains (losses)	**(205)**	(320)	(34)	23	53
Other income	**(630)**	(321)	(286)	490	456
Total fee and other income	**3,091**	2,744	2,933	4,240	3,734
NONINTEREST EXPENSE					
Salaries and employee benefits	**3,260**	3,468	2,628	3,122	2,972
Occupancy	**379**	375	325	331	312
Equipment	**323**	334	283	309	307
Marketing	**97**	80	74	78	62
Communications and supplies	**186**	191	176	178	173

Professional and consulting fees	**196**	271	194	205	177
Other intangible amortization	**103**	111	92	103	118
Merger-related and restructuring expenses	**241**	187	36	32	10
Sundry expense	**656**	769	717	532	490
Total noninterest expense	**5,441**	5,786	4,525	4,890	4,621
Minority interest in income of consolidated subsidiaries	**155**	107	189	139	136
Income (loss) from continuing operations before income taxes (benefits)	**(584)**	(16)	2,362	3,481	3,300
Income taxes (benefits)	**(234)**	(209)	656	1,140	998
Income (loss) from continuing operations	**(350)**	193	1,706	2,341	2,302
Discontinued operations, net of income taxes		(142)	(88)		
Net income (loss)	**(350)**	51	1,618	2,341	2,302
Dividends on preferred stock	**43**				
Net income (loss) available to common stockholders	**$ (393)**	51	1,618	2,341	2,302
PER COMMON SHARE DATA (after preferred stock dividends)					
Basic earnings					
Income (loss) from continuing operations	**$ (0.20)**	0.10	0.91	1.24	1.22
Net income (loss) available to common stockholders	**(0.20)**	0.03	0.86	1.24	1.22
Diluted earnings (a)					
Income (loss) from continuing operations	**(0.20)**	0.10	0.90	1.22	1.20
Net income (loss) available to common stockholders	**(0.20)**	0.03	0.85	1.22	1.20
Cash dividends	**$ 0.64**	0.64	0.64	0.56	0.56
AVERAGE COMMON SHARES					
Basic	**1,963**	1,959	1,885	1,891	1,894
Diluted	**1,977**	1,983	1,910	1,919	1,925

(a) Calculated using average basic common shares in the first quarter of 2008.

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WACHOVIA CORPORATION AND SUBSIDIARIES

BUSINESS SEGMENTS

(Unaudited)

	Three Months Ended March 31, 2008						
(In millions)	**General Bank**	**Wealth Management**	**Corporate and Investment Bank**	**Capital Management**	**Parent**	**Net Merger-Related and Restructuring Expenses (b)**	**Total**
CONSOLIDATED							
Net interest income (a)	**$ 3,455**	**181**	**1,032**	**274**	**(137)**	**(53)**	**4,752**
Fee and other income	**990**	**211**	**(159)**	**2,191**	**(142)**		**3,091**
Intersegment revenue	**55**	**5**	**(50)**	**(10)**			
Total revenue (a)	**4,500**	**397**	**823**	**2,455**	**(279)**	**(53)**	**7,843**
Provision for credit losses	**569**	**5**	**197**		**2,060**		**2,831**
Noninterest expense	**2,050**	**246**	**747**	**1,855**	**302**	**241**	**5,441**
Minority interest					**198**	**(43)**	**155**
Income taxes (benefits)	**675**	**54**	**(65)**	**218**	**(1,041)**	**(75)**	**(234)**
Tax-equivalent adjustment	**11**		**21**	**1**	**20**	**(53)**	
Net income (loss)	**1,195**	**92**	**(77)**	**381**	**(1,818)**	**(123)**	**(350)**
Dividends on preferred stock					**43**		**43**
Net income (loss) available to common stockholders	**$ 1,195**	**92**	**(77)**	**381**	**(1,861)**	**(123)**	**(393)**

	Three Months Ended December 31, 2007						
(In millions)	**General Bank**	**Wealth Management**	**Corporate and Investment Bank**	**Capital Management**	**Parent**	**Net Merger-Related and Restructuring Expenses (b)**	**Total**
CONSOLIDATED							
Net interest income (a)	$ 3,402	183	988	318	(217)	(44)	4,630
Fee and other income	929	214	(555)	2,211	(55)		2,744
Intersegment revenue	58	3	(50)	(11)			
Total revenue (a)	4,389	400	383	2,518	(272)	(44)	7,374
Provision for credit losses	320	7	112		1,058		1,497
Noninterest expense	2,041	249	952	1,938	419	187	5,786

Minority interest					118	(11)	107
Income taxes (benefits)	730	53	(269)	211	(866)	(68)	(209)
Tax-equivalent adjustment	11		19	1	13	(44)	
Income (loss) from continuing operations	1,287	91	(431)	368	(1,014)	(108)	193
Discontinued operations, net of income taxes					(142)		(142)
Net income (loss)	$ 1,287	91	(431)	368	(1,156)	(108)	51

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WACHOVIA CORPORATION AND SUBSIDIARIES

BUSINESS SEGMENTS

(Unaudited)

	Three Months Ended March 31, 2007						
(In millions)	General Bank	Wealth Management	Corporate and Investment Bank	Capital Management	Parent	Net Merger-Related and Restructuring Expenses (b)	Total
CONSOLIDATED							
Net interest income (a)	$ 3,398	181	716	259	(17)	(37)	4,500
Fee and other income	845	196	1,109	1,477	107		3,734
Intersegment revenue	47	3	(43)	(8)	1		
Total revenue (a)	4,290	380	1,782	1,728	91	(37)	8,234
Provision for credit losses	147	1	6		23		177
Noninterest expense	1,869	247	911	1,237	347	10	4,621
Minority interest					136		136
Income taxes (benefits)	819	48	305	179	(349)	(4)	998
Tax-equivalent adjustment	11		10		16	(37)	
Net income (loss)	$ 1,444	84	550	312	(82)	(6)	2,302

(a) Tax-equivalent.

(b) The tax-equivalent amounts are eliminated herein in order for Total amounts to agree with amounts appearing in the Consolidated Statements of Income.

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WACHOVIA CORPORATION AND SUBSIDIARIES

LOANS ON-BALANCE SHEET, AND MANAGED AND SERVICING PORTFOLIOS

(Unaudited)

	2008	2007			
(In millions)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
ON-BALANCE SHEET LOAN PORTFOLIO					
COMMERCIAL					
Commercial, financial and agricultural	**$ 119,193**	112,509	109,269	102,397	99,687
Real estate construction and other	**18,597**	18,543	18,167	17,449	16,965
Real estate mortgage	**26,370**	23,846	21,514	20,448	20,130
Lease financing	**23,637**	23,913	23,966	24,083	24,053
Foreign	**33,616**	29,540	26,471	20,959	16,240
Total commercial	**221,413**	208,351	199,387	185,336	177,075
CONSUMER					
Real estate secured	**230,197**	227,719	225,355	220,293	220,682
Student loans	**9,324**	8,149	7,742	6,757	8,479
Installment loans	**27,437**	25,635	24,763	25,017	23,665
Total consumer	**266,958**	261,503	257,860	252,067	252,826
Total loans	**488,371**	469,854	457,247	437,403	429,901
Unearned income	**(7,889)**	(7,900)	(8,041)	(8,283)	(8,238)
Loans, net *(On-balance sheet)*	**$ 480,482**	461,954	449,206	429,120	421,663
MANAGED PORTFOLIO (a)					
COMMERCIAL					
On-balance sheet loan portfolio	**$ 221,413**	208,351	199,387	185,336	177,075
Securitized loans off-balance sheet	**120**	131	142	170	181
Loans held for sale	**3,342**	9,414	13,905	11,573	10,467
Total commercial	**224,875**	217,896	213,434	197,079	187,723
CONSUMER					
Real estate secured					
On-balance sheet loan portfolio	**230,197**	227,719	225,355	220,293	220,682
Securitized loans off-balance sheet	**6,845**	7,230	7,625	8,112	6,595
Securitized loans included in securities	**11,683**	10,755	5,963	6,091	5,629
Loans held for sale	**5,960**	4,816	3,583	4,079	4,089

Total real estate secured	**254,685**	250,520	242,526	238,575	236,995
Student					
On-balance sheet loan portfolio	**9,324**	8,149	7,742	6,757	8,479
Securitized loans off-balance sheet	**2,586**	2,811	2,856	2,905	3,045
Securitized loans included in securities	**52**	52	52	52	52
Loans held for sale			1,968	2,046	
Total student	**11,962**	11,012	12,618	11,760	11,576
Installment					
On-balance sheet loan portfolio	**27,437**	25,635	24,763	25,017	23,665
Securitized loans off-balance sheet	**1,968**	2,263	2,572	3,105	2,851
Securitized loans included in securities	**39**	47	55	116	126
Loans held for sale	**2,127**	2,542	1,975	35	476
Total installment	**31,571**	30,487	29,365	28,273	27,118
Total consumer	**298,218**	292,019	284,509	278,608	275,689
Total managed portfolio	**$ 523,093**	509,915	497,943	475,687	463,412
SERVICING PORTFOLIO (b)					
Commercial	**$ 354,624**	353,464	337,721	298,374	271,038
Consumer	**$ 27,415**	27,967	28,474	26,789	25,952

(a) The managed portfolio includes the on-balance sheet loan portfolio, loans securitized for which the retained interests are classified in securities on-balance sheet, loans held for sale on-balance sheet and the off-balance sheet portfolio of securitized loans sold, where we service the loans.

(b) The servicing portfolio consists of third party commercial and consumer loans for which our sole function is that of servicing the loans for the third parties.

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WACHOVIA CORPORATION AND SUBSIDIARIES

ALLOWANCE FOR CREDIT LOSSES

(Unaudited)

	2008	2007			
(In millions)	**First Quarter**	**Fourth Quarter**	**Third Quarter**	**Second Quarter**	**First Quarter**
ALLOWANCE FOR CREDIT LOSSES (a)					
Balance, beginning of period	**$ 4,717**	3,691	3,552	3,533	3,514
Provision for credit losses	**2,834**	1,467	381	168	175
Provision for credit losses relating to loans transferred to loans held for sale or sold	**7**	6	3	4	1
Provision for credit losses for unfunded lending commitments	**(10)**	24	24	7	1
LOAN LOSSES					
Commercial, financial and agricultural	**(171)**	(67)	(41)	(39)	(34)
Commercial real estate construction and mortgage	**(81)**	(117)	(5)	(4)	(6)
Total commercial	**(252)**	(184)	(46)	(43)	(40)
Real estate secured	**(351)**	(156)	(59)	(40)	(33)
Student loans	**(3)**	(4)	(5)	(2)	(3)
Installment and other loans (b)	**(242)**	(225)	(168)	(138)	(142)
Total consumer	**(596)**	(385)	(232)	(180)	(178)
Total loan losses	**(848)**	(569)	(278)	(223)	(218)
LOAN RECOVERIES					
Commercial, financial and agricultural	**14**	22	9	15	9
Commercial real estate construction and mortgage	**1**		3		3
Total commercial	**15**	22	12	15	12
Real estate secured	**10**	9	12	11	6
Student loans	**1**	2	3		1
Installment and other loans (b)	**57**	75	45	47	44
Total consumer	**68**	86	60	58	51
Total loan recoveries	**83**	108	72	73	63
Net charge-offs	**(765)**	(461)	(206)	(150)	(155)
Allowance relating to loans acquired, transferred to loans held for sale or sold	**(16)**	(10)	(63)	(10)	(3)

Balance, end of period	**$ 6,767**	4,717	3,691	3,552	3,533
ALLOWANCE FOR CREDIT LOSSES					
Allowance for loan losses	**$ 6,567**	4,507	3,505	3,390	3,378
Reserve for unfunded lending commitments	**200**	210	186	162	155
Total allowance for credit losses	**$ 6,767**	4,717	3,691	3,552	3,533
ALLOWANCE FOR LOAN LOSSES					
as % of loans, net	**1.37%**	0.98	0.78	0.79	0.80
as % of nonaccrual and restructured loans (c)	**84**	90	129	174	207
as % of nonperforming assets (c)	**78**	84	115	157	189
ALLOWANCE FOR CREDIT LOSSES					
as % of loans, net	**1.41%**	1.02	0.82	0.83	0.84
NET CHARGE-OFFS AS % OF AVERAGE LOANS, NET (d)					
Commercial, financial and agricultural	**0.41%**	0.12	0.10	0.07	0.08
Commercial real estate construction and mortgage	**0.73**	1.12	0.02	0.04	0.04
Total commercial	**0.48**	0.34	0.08	0.07	0.07
Real estate secured	**0.59**	0.26	0.08	0.05	0.05
Student loans	**0.08**	0.10	0.14	0.07	0.10
Installment and other loans (b)	**2.76**	2.35	1.99	1.47	1.67
Total consumer	**0.79**	0.46	0.27	0.19	0.20
Total as % of average loans, net	**0.66%**	0.41	0.19	0.14	0.15
CONSUMER REAL ESTATE SECURED NET CHARGE-OFFS					
First lien	**$ (291)**	(122)	(32)	(17)	(15)
Second lien	**(50)**	(25)	(15)	(12)	(12)
Total consumer real estate secured net charge-offs	**$ (341)**	(147)	(47)	(29)	(27)

(a) The allowance for credit losses is the sum of the allowance for loan losses and the reserve for unfunded lending commitments.
(b) Principally auto loans.
(c) These ratios do not include nonperforming assets included in loans held for sale.
(d) Annualized.

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WACHOVIA CORPORATION AND SUBSIDIARIES

NONPERFORMING ASSETS

(Unaudited)

	2008	2007			
(In millions)	**First Quarter**	**Fourth Quarter**	**Third Quarter**	**Second Quarter**	**First Quarter**
NONPERFORMING ASSETS					
Nonaccrual loans					
Commercial					
Commercial, financial and agricultural	**$ 908**	602	354	318	303
Commercial real estate - construction and mortgage	**1,750**	1,059	289	161	117
Total commercial	**2,658**	1,661	643	479	420
Consumer					
Real estate secured					
First lien	**5,015**	3,234	1,986	1,380	1,124
Second lien	**75**	58	41	44	37
Installment and other loans (a)	**40**	42	45	42	51
Total consumer	**5,130**	3,334	2,072	1,466	1,212
Total nonaccrual loans	**7,788**	4,995	2,715	1,945	1,632
Troubled debt restructurings (b)	**56**				
Foreclosed properties	**530**	389	334	207	155
Total nonperforming assets	**$ 8,374**	5,384	3,049	2,152	1,787
as % of loans, net, and foreclosed properties (c)	**1.74%**	1.16	0.68	0.50	0.42
Nonperforming assets included in loans held for sale					
Commercial	**$**				1
Consumer	**5**	62	59	42	25
Total nonperforming assets included in loans held for sale	**5**	62	59	42	26
Nonperforming assets included in loans and in loans held for sale	**$ 8,379**	5,446	3,108	2,194	1,813
as % of loans, net, foreclosed properties and loans held for sale (d)	**1.70%**	1.14	0.66	0.49	0.42
PAST DUE LOANS 90 DAYS AND OVER,					
AND NONACCRUAL LOANS (c)					

Accruing loans past due 90 days and over	**$ 1,047**	708	590	562	555
Nonaccrual loans	**7,788**	4,995	2,715	1,945	1,632
Total past due loans 90 days and over, and nonaccrual loans	**$ 8,835**	5,703	3,305	2,507	2,187
Commercial as % of loans, net	**1.31%**	0.89	0.38	0.31	0.28
Consumer as % of loans, net	**2.26%**	1.49	1.00	0.78	0.68

(a) Principally auto loans; nonaccrual status does not apply to student loans.

(b) Troubled debt restructurings were not significant prior to the first quarter of 2008.

(c) These ratios do not include nonperforming assets included in loans held for sale.

(d) These ratios reflect nonperforming loans included in loans held for sale. Loans held for sale are recorded at the lower of cost or market value, and accordingly, the amounts shown and included in the ratios are net of the transferred allowance for loan losses and the lower of cost or market value adjustments.

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WACHOVIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited)

	2008	2007			
(In millions, except per share data)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
ASSETS					
Cash and due from banks	**$ 14,703**	15,124	12,681	12,065	12,593
Interest-bearing bank balances	**3,236**	3,057	4,449	2,726	2,591
Federal funds sold and securities purchased under resale agreements	**10,644**	15,449	11,995	11,511	10,322
Total cash and cash equivalents	**28,583**	33,630	29,125	26,302	25,506
Trading account assets	**72,592**	55,882	54,835	51,540	44,161
Securities	**114,183**	115,037	111,827	106,184	106,841
Loans, net of unearned income	**480,482**	461,954	449,206	429,120	421,663
Allowance for loan losses	**(6,567)**	(4,507)	(3,505)	(3,390)	(3,378)
Loans, net	**473,915**	457,447	445,701	425,730	418,285
Loans held for sale	**11,429**	16,772	21,431	17,733	15,032
Premises and equipment	**6,733**	6,605	6,002	6,080	6,058
Due from customers on acceptances	**1,109**	1,418	1,295	831	992
Goodwill	**43,068**	43,122	38,848	38,766	38,838
Other intangible assets	**2,038**	2,119	1,380	1,468	1,570
Other assets	**55,240**	50,864	43,724	40,794	45,386
Total assets	**$ 808,890**	782,896	754,168	715,428	702,669
LIABILITIES AND STOCKHOLDERS EQUITY					
Deposits					
Noninterest-bearing deposits	**60,951**	60,893	56,825	62,112	63,399
Interest-bearing deposits	**384,013**	388,236	365,112	347,918	341,871
Total deposits	**444,964**	449,129	421,937	410,030	405,270
Short-term borrowings	**57,857**	50,393	62,714	52,715	47,144
Bank acceptances outstanding	**1,118**	1,424	1,303	840	1,004
Trading account liabilities	**28,887**	21,585	17,771	19,319	17,291
Other liabilities	**19,036**	19,151	18,424	18,080	16,741
Long-term debt	**175,653**	161,007	158,584	142,047	142,334
Total liabilities	**727,515**	702,689	680,733	643,031	629,784
Minority interest in net assets of consolidated subsidiaries	**3,068**	3,335	3,295	3,131	3,099

STOCKHOLDERS EQUITY					
Dividend Equalization Preferred shares, no par value, 97 million shares issued and outstanding at March 31, 2008					
Non-Cumulative Perpetual Class A Preferred Stock, Series I, $100,000 liquidation preference per share, 25,010 shares authorized					
Non-Cumulative Perpetual Class A Preferred Stock, Series J, $1,000 liquidation preference per share, 92 million depositary shares issued and outstanding at March 31, 2008	**2,300**	2,300			
Non-Cumulative Perpetual Class A Preferred Stock, Series K, $1,000 liquidation preference per share, 3.5 million shares issued and outstanding at March 31, 2008	**3,500**				
Common stock, $3.33-1/3 par value, authorized 3 billion shares, outstanding 1.965 billion shares at March 31, 2008	**6,551**	6,534	6,283	6,289	6,316
Paid-in capital	**56,368**	56,149	51,938	51,905	52,026
Retained earnings	**11,763**	13,456	14,670	14,335	13,378
Accumulated other comprehensive income, net	**(2,175)**	(1,567)	(2,751)	(3,263)	(1,934)
Total stockholders equity	**78,307**	76,872	70,140	69,266	69,786
Total liabilities and stockholders equity	**$ 808,890**	782,896	754,168	715,428	702,669

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WACHOVIA CORPORATION AND SUBSIDIARIES

NET INTEREST INCOME SUMMARIES

(Unaudited)

	FIRST QUARTER 2008			FOURTH QUARTER 2007		
(In millions)	Average Balances	Interest Income/ Expense	Average Rates Earned/ Paid	Average Balances	Interest Income/ Expense	Average Rates Earned/ Paid
ASSETS						
Interest-bearing bank balances	**$ 4,253**	**51**	**4.85%**	$ 5,083	64	5.05%
Federal funds sold and securities purchased under resale agreements	**11,865**	**103**	**3.49**	12,901	155	4.77
Trading account assets	**44,655**	**589**	**5.28**	37,694	569	6.04
Securities	**110,401**	**1,545**	**5.60**	115,436	1,625	5.62
Loans						
Commercial						
Commercial, financial and agricultural	**115,377**	**1,671**	**5.82**	111,500	1,908	6.79
Real estate construction and other	**18,634**	**251**	**5.42**	18,435	318	6.85
Real estate mortgage	**25,291**	**374**	**5.95**	22,973	426	7.36
Lease financing	**7,167**	**140**	**7.79**	7,374	145	7.82
Foreign	**32,109**	**389**	**4.86**	27,882	380	5.42
Total commercial	**198,578**	**2,825**	**5.72**	188,164	3,177	6.70
Consumer						
Real estate secured	**231,392**	**3,926**	**6.79**	227,893	4,042	7.08
Student loans	**9,155**	**113**	**4.96**	8,073	126	6.19
Installment loans	**26,811**	**659**	**9.88**	25,675	651	10.04
Total consumer	**267,358**	**4,698**	**7.04**	261,641	4,819	7.35
Total loans	**465,936**	**7,523**	**6.48**	449,805	7,996	7.08
Loans held for sale	**11,592**	**223**	**7.71**	18,998	360	7.53
Other earning assets	**10,331**	**146**	**5.69**	10,223	166	6.48
Total earning assets excluding derivatives	**659,033**	**10,180**	**6.19**	650,140	10,935	6.70
Risk management derivatives (a)		**52**	**0.04**		19	0.01
Total earning assets including derivatives	**659,033**	**10,232**	**6.23**	650,140	10,954	6.71
Cash and due from banks	**11,645**			12,028		
Other assets	**112,915**			101,319		
Total assets	**$ 783,593**			$ 763,487		

LIABILITIES AND STOCKHOLDERS EQUITY						
Interest-bearing deposits						
Savings and NOW accounts	**86,452**	**236**	**1.10**	83,370	345	1.64
Money market accounts	**128,074**	**747**	**2.34**	121,717	949	3.09
Other consumer time	**123,655**	**1,437**	**4.68**	127,061	1,557	4.86
Foreign	**26,197**	**231**	**3.55**	27,354	306	4.44
Other time	**22,643**	**265**	**4.71**	20,169	263	5.16
Total interest-bearing deposits	**387,021**	**2,916**	**3.03**	379,671	3,420	3.57
Federal funds purchased and securities sold under repurchase agreements	**35,956**	**308**	**3.45**	36,386	413	4.50
Commercial paper	**5,509**	**38**	**2.74**	7,272	78	4.27
Securities sold short	**6,919**	**62**	**3.63**	6,728	61	3.62
Other short-term borrowings	**10,154**	**45**	**1.77**	10,369	58	2.24
Long-term debt	**165,540**	**1,961**	**4.75**	158,704	2,129	5.34
Total interest-bearing liabilities excluding derivatives	**611,099**	**5,330**	**3.51**	599,130	6,159	4.08
Risk management derivatives (a)		**97**	**0.06**		121	0.08
Total interest-bearing liabilities including derivatives	**611,099**	**5,427**	**3.57**	599,130	6,280	4.16
Noninterest-bearing deposits	**56,332**			57,895		
Other liabilities	**37,415**			32,476		
Stockholders equity	**78,747**			73,986		
Total liabilities and stockholders equity	**$ 783,593**			$ 763,487		
Interest income and rate earned including derivatives		**$ 10,232**	**6.23%**		$ 10,954	6.71%
Interest expense and equivalent rate paid including derivatives		**5,427**	**3.31**		6,280	3.83
Net interest income and margin including derivatives		**$ 4,805**	**2.92%**		$ 4,674	2.88%

(a) The rates earned and the rates paid on risk management derivatives are based on off-balance sheet notional amounts. The fair value of these instruments is included in other assets and other liabilities.

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WACHOVIA CORPORATION AND SUBSIDIARIES

NET INTEREST INCOME SUMMARIES

(Unaudited)

	THIRD QUARTER 2007			SECOND QUARTER 2007			FIRST QUARTER 2007		
(In millions)	Average Balances	Interest Income/ Expense	Average Rates Earned/ Paid	Average Balances	Interest Income/ Expense	Average Rates Earned/ Paid	Average Balances	Interest Income/ Expense	Average Rates Earned/ Paid
ASSETS									
Interest-bearing bank balances	$ 6,459	93	5.68%	$ 3,384	50	6.00%	$ 1,523	30	7.80%
Federal funds sold and securities purchased under resale agreements	14,206	194	5.42	12,110	158	5.25	14,124	177	5.07
Trading account assets	38,737	575	5.93	35,165	519	5.90	29,681	442	5.97
Securities	111,424	1,522	5.46	108,433	1,467	5.41	108,071	1,461	5.42
Loans									
Commercial									
Commercial, financial and agricultural	106,263	1,927	7.19	101,012	1,805	7.16	98,413	1,736	7.16
Real estate construction and other	17,795	344	7.66	17,334	329	7.62	16,508	313	7.69
Real estate mortgage	20,883	406	7.71	20,175	378	7.53	20,231	380	7.61
Lease financing	7,523	146	7.80	7,759	150	7.74	7,730	150	7.75
Foreign	22,208	308	5.53	19,232	265	5.51	14,406	196	5.49
Total commercial	174,672	3,131	7.12	165,512	2,927	7.09	157,288	2,775	7.15
Consumer									
Real estate secured	223,356	4,070	7.28	222,096	4,042	7.28	225,909	4,148	7.36
Student loans	7,299	122	6.61	8,850	141	6.42	8,524	136	6.47
Installment loans	24,474	614	9.96	24,799	609	9.84	23,540	566	9.75
Total consumer	255,129	4,806	7.52	255,745	4,792	7.50	257,973	4,850	7.55
Total loans	429,801	7,937	7.35	421,257	7,719	7.34	415,261	7,625	7.40
Loans held for sale	20,209	363	7.14	17,644	285	6.47	16,748	255	6.16
Other earning assets	7,937	138	6.91	7,985	144	7.23	8,255	139	6.82
Total earning assets excluding derivatives	628,773	10,822	6.86	605,978	10,342	6.84	593,663	10,129	6.87
Risk management derivatives (a)		42	0.02		46	0.03		48	0.03
Total earning assets including derivatives	628,773	10,864	6.88	605,978	10,388	6.87	593,663	10,177	6.90
Cash and due from banks	11,134			11,533			12,260		
Other assets	89,097			87,262			85,106		

Total assets	$ 729,004			$ 704,773			$ 691,029		
LIABILITIES AND STOCKHOLDERS EQUITY									
Interest-bearing deposits									
Savings and NOW accounts	81,851	357	1.73	83,977	367	1.75	84,247	373	1.80
Money market accounts	116,404	980	3.34	111,562	976	3.51	107,785	917	3.45
Other consumer time	122,474	1,507	4.88	120,684	1,455	4.84	116,262	1,369	4.77
Foreign	23,322	292	4.97	21,871	270	4.96	20,802	249	4.85
Other time	13,776	187	5.40	8,051	107	5.30	9,034	119	5.36
Total interest-bearing deposits	357,827	3,323	3.68	346,145	3,175	3.68	338,130	3,027	3.63
Federal funds purchased and securities sold under repurchase agreements	44,334	556	4.98	38,031	473	4.98	35,142	430	4.97
Commercial paper	5,799	65	4.42	5,143	60	4.67	4,920	57	4.72
Securities sold short	7,420	70	3.74	7,158	67	3.75	8,709	83	3.86
Other short-term borrowings	7,793	55	2.74	7,688	52	2.77	6,898	44	2.54
Long-term debt	151,226	2,067	5.44	143,504	1,923	5.37	141,979	1,880	5.35
Total interest-bearing liabilities excluding derivatives	574,399	6,136	4.24	547,669	5,750	4.21	535,778	5,521	4.17
Risk management derivatives (a)		144	0.10		151	0.11		119	0.09
Total interest-bearing liabilities including derivatives	574,399	6,280	4.34	547,669	5,901	4.32	535,778	5,640	4.26
Noninterest-bearing deposits	58,280			62,273			60,976		
Other liabilities	26,468			25,514			24,955		
Stockholders equity	69,857			69,317			69,320		
Total liabilities and stockholders equity	$ 729,004			$ 704,773			$ 691,029		
Interest income and rate earned including derivatives		$ 10,864	6.88%		$ 10,388	6.87%		$ 10,177	6.90%
Interest expense and equivalent rate paid including derivatives		6,280	3.96		5,901	3.91		5,640	3.84
Net interest income and margin including derivatives		$ 4,584	2.92%		$ 4,487	2.96%		$ 4,537	3.06%

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WACHOVIA CORPORATION AND SUBSIDIARIES

RECONCILIATION OF CERTAIN NON-GAAP FINANCIAL MEASURES

(Unaudited)

		2008	2007			
(In millions, except per share data)	*	**First Quarter**	**Fourth Quarter**	**Third Quarter**	**Second Quarter**	**First Quarter**
INCOME (LOSS) FROM CONTINUING OPERATIONS						
Net income (loss) *(GAAP)*	**A**	**$ (350)**	51	1,618	2,341	2,302
Discontinued operations, net of income taxes *(GAAP)*			142	88		
Income (loss) from continuing operations *(GAAP)*		**(350)**	193	1,706	2,341	2,302
Merger-related and restructuring expenses *(GAAP)*		**123**	108	22	20	6
Earnings excluding merger-related and restructuring expenses, and discontinued operations	**B**	**(227)**	301	1,728	2,361	2,308
Other intangible amortization *(GAAP)*		**64**	65	59	66	76
Earnings excluding merger-related and restructuring expenses, other intangible amortization and discontinued operations	**C**	**$ (163)**	366	1,787	2,427	2,384
INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS						
Net income (loss) available to common stockholders *(GAAP)*	**D**	**$ (393)**	51	1,618	2,341	2,302
Discontinued operations, net of income taxes *(GAAP)*			142	88		
Income (loss) from continuing operations available to common stockholders *(GAAP)*		**(393)**	193	1,706	2,341	2,302
Merger-related and restructuring expenses *(GAAP)*		**123**	108	22	20	6
Income (loss) available to common stockholders excluding merger-related and restructuring expenses, and discontinued operations	**E**	**(270)**	301	1,728	2,361	2,308
Other intangible amortization *(GAAP)*		**64**	65	59	66	76
Net income (loss) available to common stockholders, excluding merger-related and restructuring expenses, other intangible amortization and discontinued operations	**F**	**$ (206)**	366	1,787	2,427	2,384
RETURN ON AVERAGE COMMON STOCKHOLDERS EQUITY						
Average common stockholders equity *(GAAP)*	**G**	**$ 74,697**	73,599	69,857	69,317	69,320
Merger-related and restructuring expenses *(GAAP)*		**110**	242	124	14	1
Discontinued operations *(GAAP)*			(142)	(88)		

Average common stockholders equity, excluding merger-related and restructuring expenses, and discontinued operations	**H**	**74,807**	73,699	69,893	69,331	69,321
Average intangible assets *(GAAP)*	**I**	**(45,211)**	(44,941)	(40,198)	(40,328)	(40,263)
Average common stockholders equity, excluding merger-related and restructuring expenses, other intangible amortization and discontinued operations	**J**	**$ 29,596**	28,758	29,695	29,003	29,058
Return on average common stockholders equity						
GAAP	**D/G**	**(2.11) %**	0.28	9.19	13.54	13.47
Excluding merger-related and restructuring expenses, and discontinued operations	**E/H**	**(1.45)**	1.62	9.81	13.66	13.50
Return on average tangible common stockholders equity						
GAAP	**D/G+I**	**(5.36)**	0.71	21.64	32.38	32.14
Excluding merger-related and restructuring expenses, other intangible amortization and discontinued operations	**F/J**	**(2.80)%**	5.05	23.88	33.57	33.27
RETURN ON AVERAGE ASSETS						
Average assets *(GAAP)*	**K**	**$ 783,593**	763,487	729,004	704,773	691,029
Average intangible assets *(GAAP)*		**(45,211)**	(44,941)	(40,198)	(40,328)	(40,263)
Average tangible assets *(GAAP)*	**L**	**738,382**	718,546	688,806	664,445	650,766
Average assets *(GAAP)*		**783,593**	763,487	729,004	704,773	691,029
Merger-related and restructuring expenses (GAAP)		**110**	242	124	14	1
Discontinued operations *(GAAP)*			(142)	(88)		
Average assets, excluding merger-related and restructuring expenses, and discontinued operations	**M**	**783,703**	763,587	729,040	704,787	691,030
Average intangible assets *(GAAP)*		**(45,211)**	(44,941)	(40,198)	(40,328)	(40,263)
Average tangible assets, excluding merger-related and restructuring expenses, and discontinued operations	**N**	**$ 738,492**	718,646	688,842	664,459	650,767
Return on average assets						
GAAP	**A/K**	**(0.18)%**	0.03	0.88	1.33	1.35
Excluding merger-related and restructuring expenses, and discontinued operations	**B/M**	**(0.12)**	0.16	0.94	1.34	1.35
Return on average tangible assets						
GAAP	**A/L**	**(0.19)**	0.03	0.93	1.41	1.43
Excluding merger-related and restructuring expenses, other intangible amortization and discontinued operations	**C/N**	**(0.09)%**	0.20	1.03	1.47	1.49

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WACHOVIA CORPORATION AND SUBSIDIARIES

RECONCILIATION OF CERTAIN NON-GAAP FINANCIAL MEASURES

(Unaudited)

		2008	2007			
(In millions, except per share data)	*	**First Quarter**	**Fourth Quarter**	**Third Quarter**	**Second Quarter**	**First Quarter**
OVERHEAD EFFICIENCY RATIOS						
Noninterest expense *(GAAP)*	**O**	**$ 5,441**	5,786	4,525	4,890	4,621
Merger-related and restructuring expenses *(GAAP)*		**(241)**	(187)	(36)	(32)	(10)
Noninterest expense, excluding merger-related and restructuring expenses	**P**	**5,200**	5,599	4,489	4,858	4,611
Other intangible amortization *(GAAP)*		**(103)**	(111)	(92)	(103)	(118)
Noninterest expense, excluding merger-related and restructuring expenses, and other intangible amortization	**Q**	**$ 5,097**	5,488	4,397	4,755	4,493
Net interest income *(GAAP)*		**$ 4,752**	4,630	4,551	4,449	4,500
Tax-equivalent adjustment		**53**	44	33	38	37
Net interest income *(Tax-equivalent)*		**4,805**	4,674	4,584	4,487	4,537
Fee and other income *(GAAP)*		**3,091**	2,744	2,933	4,240	3,734
Total	**R**	**$ 7,896**	7,418	7,517	8,727	8,271
Retail Brokerage Services, excluding insurance Noninterest expense *(GAAP)*	**S**	**$ 1,628**	1,719	1,033	1,070	1,015
Net interest income *(GAAP)*		**$ 261**	303	255	248	249
Tax-equivalent adjustment		**1**	1			
Net interest income *(Tax-equivalent)*		**262**	304	255	248	249
Fee and other income *(GAAP)*		**1,866**	1,908	1,180	1,202	1,185
Total	**T**	**$ 2,128**	2,212	1,435	1,450	1,434
Overhead efficiency ratios GAAP	**O/R**	**68.91%**	78.00	60.20	56.02	55.88
Excluding merger-related and restructuring expenses	**P/R**	**65.85**	75.48	59.73	55.65	55.75
Excluding merger-related and restructuring expenses, and brokerage	**P-S/R-T**	**61.92**	74.54	56.82	52.04	52.60
Excluding merger-related and restructuring expenses, and other intangible amortization	**Q/R**	**64.55**	73.97	58.51	54.47	54.33
	Q-S/R-T	**60.14%**	72.40	55.32	50.61	50.88

Excluding merger-related and restructuring expenses, other intangible amortization and brokerage						
OPERATING LEVERAGE						
Operating leverage *(GAAP)*		**$ 823**	(1,359)	(847)	189	(13)
Merger-related and restructuring expenses *(GAAP)*		**54**	151	4	21	(38)
Operating leverage, excluding merger-related and restructuring expenses		**877**	(1,208)	(843)	210	(51)
Other intangible amortization *(GAAP)*		**(8)**	21	(12)	(13)	(24)
Operating leverage, excluding merger-related and restructuring expenses, and other intangible amortization		**$ 869**	(1,187)	(855)	197	(75)
DIVIDEND PAYOUT RATIOS ON COMMON SHARES						
Dividends paid per common share	**U**	**$ 0.64**	0.64	0.64	0.56	0.56
Diluted earnings per common share *(GAAP)*	**V**	**$ (0.20)**	0.03	0.85	1.22	1.20
Merger-related and restructuring expenses *(GAAP)*		**0.06**	0.05		0.01	
Other intangible amortization *(GAAP)*		**0.04**	0.03	0.04	0.04	0.04
Discontinued operations *(GAAP)*			0.07	0.05		
Diluted earnings per common share, excluding merger-related and restructuring expenses, other intangible amortization and discontinued operations	**W**	**$ (0.10)**	0.18	0.94	1.27	1.24
Dividend payout ratios						
GAAP	**U/V**	**(320.00)%**	2,133.33	75.29	45.90	46.67
Excluding merger-related and restructuring expenses, other intangible amortization and discontinued operations	**U/W**	**(640.00)%**	355.56	68.09	44.09	45.16

* The letters included in the columns are provided to show how the various ratios presented in the tables on pages 21 and 22 are calculated. For example, return on average assets on a GAAP basis is calculated by dividing income (GAAP) by average assets (GAAP) (i.e., A/K) and annualized where appropriate.

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Wachovia Corporation
1Q08 Financial Highlights
April 14, 2008

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Loss
of
$350
million,
EPS
(a)
of
($0.20)
-
Operating loss of $270 million, EPS of ($0.14)
Core strength in General Bank, Capital Management and Wealth Management
overwhelmed by credit costs and continued market disruption losses

-
$2.8 billion provision including $1.1 billion Pick-a-Pay reserve build
Enhanced Pick-a-Pay credit modeling with greater emphasis on forecasted future changes in customer behaviors assuming continued house price depreciation, particularly in stressed markets
Expect further robust provisioning in 2008-2009
-
$2.0 billion of market disruption-related losses including $729 million on unfunded leveraged finance positions
Proactive actions provide solid foundation in order to further strengthen the balance sheet and build capital to top tier levels
-
Reduce dividend by 41% to quarterly level of $0.375 per share
Annual capital retention of $2.1 billion
-
Plans
to
raise
capital
of
approximately
$7
-
8
billion
through
public
offering
-
Provides capacity to build Tier 1 capital ratio in excess of 8.8% by YE2009
Results significantly
affected by higher
credit costs and
continued market
disruption-related
losses
Significant actions
taken to strengthen
the balance sheet
1Q08 Quarterly highlights
(a) EPS calculated on net loss available to common stockholders of $393 million, reflecting preferred dividends of $43 million.

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2
Financial highlights
Results include $2.1 billion reserve build and $2.0 billion of market disruption losses somewhat offset by $445 million of FAS 157/159 fair value net gains and Visa IPO gain of $225 million
NII up 6% YoY and up 3% QoQ on strong earning asset growth and improved margin
-

Low-cost core deposits up 7% YoY; up 3%
QoQ
Fees down 17% YoY on higher market
disruption losses;
up 13% QoQ
-
Effects of market disruption overwhelm
underlying strength in traditional banking
Expenses up 18% YoY and down 6% QoQ
-
QoQ declines driven by lower incentives
somewhat offset by higher FAS123R expense
New dividend level consistent with
anticipated 40-50% cash payout ratio over
intermediate horizon
Outlook for 2008 on page 32
vs
vs
($ in millions, except per share data)
1Q08
4Q07
1Q07
Net interest income
$
4,805
3
%
6
Fee and other income
3,091
13
(17)
Total revenue
7,896
6
%
(5)
Provision
2,831
89
-
Expense
5,441
(6)
18
Minority interest
155
45
14
Pre-tax income (loss)

(531)
-
-
Income taxes (benefits)
(181)
10
-
Net income (loss)
(350)
-
-
Preferred dividends
43
-
-
Net income (loss) available to
common stockholders
(393)
-
-
Net merger-related
123
-
-
Operating income (loss)/
continuing operations
$
(270)
-
%
-
Avg
basic shares
1,963
-
%
4
EPS
$
(0.20)
-
-
EPS operating
$
(0.14)
-
%
-
Net interest margin
2.92

%
4
bps
(14)
Return
on
avg
equity
(2.11)
-
-
Overhead efficiency ratio
68.91
%
(909)
bps
-

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3
Balance sheet strengthening
Building capital and reserves
Capital preservation and build
Provides ability to operate from a position of strength
Reducing dividend to quarterly rate of $0.375; preserves $2.1 billion of capital annually
-

Targeting
40
-
50%
cash
payout
ratio
(a)
Hypothetical $7 billion common /
convertible preferred capital raise would
add 150
bps to Tier 1 Capital ratio
(b)
Credit reserve build
Refined reserve
modeling;
use of new dynamic model results in higher expected loss factors on
Pick-a-Pay
-
Results
in
current
modeled
charge-offs
and
additional
reserve
of
$3.2
-
$3.8
billion
in
2008
and
$2.4
-
$2.8
billion
in
2009
and
allowance
to
loan
ratio
of
approximately
2.5%
-

2.8%
by
YE
2009
(a)
-
Additional granularity on future loss expectations in stressed MSAs based on changing consumer behaviors
tied to declining home prices; less reliant on historical frequency and loss severity experience
(a) Before net merger-related and restructuring expenses, other intangible amortization and discontinued operations.
(b) Assumes estimated Net Risk Weighted Assets at 3/31/08; $3.5 billion of common and $3.5 billion of convertible preferred
dividend rate of $0.375 per share.
(c) Market data as of 4/11/08.
(a) As of March 31, 2008, see important assumptions as outlined on page 21. Future changes in assumptions could cause forec
Dividend Yield
(c)
9.2%
6.9%
5.5%
5.4%
4.4%
3.6%
WB
$2.56
BAC
C
WB
$1.50
WFC
JPM

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4
Capital Ratios
vs
1Q08
(a)
4Q07
4Q07

Tier 1
7.5

%
7.4

10

bps
Total Capital
12.1

11.8

30

Leverage
6.2

%
6.1

10
bps
Strong liquidity and capital position
Proactively managing liquidity and capital for
challenging environment
Retail franchise provides significant deposit
funding
Capital ratios hold steady
-
1Q08 $3.5 billion preferred stock offering; strong
demand
-
Lower dividend preserves 35 bps of Tier 1
capital annually
-
Plans to further enhance capital ratios
Wachovia Bank, N.A. has generally been a
liquidity provider to the market throughout
the market disruption
Wachovia Corporation continues to maintain
a very prudent liquidity profile
Period end as of 3/31/08.
10%
22%
6%
55%
7%
Stable Liability Funding

87% funded by Deposits, LTD & Equity
Total
Deposits
Other
Liab
ST
Debt
LT
Debt
Equity
(a)
1Q08
capital
ratios
are
based
on
estimates.

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5
Market disruption losses and write-downs
(a) Net of associated hedges.
(b) 4Q07 includes $50 million of provision expense relating to loan impairments.
Market
Disruption-Related
Losses,
Net
(a)
2007/

2008
($ in millions)
1Q08
4Q07
3Q07
Life-to-Date
Corporate and Investment Bank
ABS CDO and other subprime-related
$
(339)
(818)
(230)
(1,387)
Commercial mortgage (CMBS)
(521)
(600)
(488)
(1,609)
Consumer mortgage
(251)
(123)
(82)
(456)
Leveraged finance
(309)
93
(272)
(488)
Other
(144)
59
(109)
(194)
Total
(1,564)
(1,389)
(1,181)
(4,134)
Capital Management
Asset-backed commercial paper
0
(17)
(40)
(57)
Parent
Impairment losses
(b)
(409)
(94)
0

(503)
Total, net
(1,973)
(1,500)
(1,221)
(4,694)
Discontinued operations
(BluePoint)
$
-
(210)
(120)
(330)

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6
Average deposit growth
7% YoY core deposit growth
-
Low cost core up 7% YoY on strong money market and checking sales
1Q08 deposit growth driven by
-
Retail brokerage FDIC sweep deposits increase of $5.0 billion

-
Strong commercial results on treasury and trade finance sales
-
Checking account net new sales of 174,000
-
Leveraging World Savings franchise
-
De novo branch expansion
-
Way2Save product launch
Results exceeding expectations with 33% of accounts generating a new checking account
vs
vs
($ in billions)
1Q08
4Q07
1Q07
DDA
$
56.3

(3)

%
(8)

Interest checking
53.1

3

5

Savings
33.4

5

-

Money market
128.1

5

19

Low-cost core

270.9

3

7

Retail CDs
123.6

(3)

6

Core deposits
394.5

1

7

Other deposits
48.9

3

64

Total deposits
$
443.4

1

%
11

Core Deposit Growth
$369.3
$378.5
$379.0
$390.0
$394.5
1Q07
2Q07
3Q07
4Q07
1Q08
Low-Cost Core Deposits
Other Core Deposits

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7
Average loan growth
Loans up 12% YoY and 4% QoQ
-
Strength in commercial, commercial real estate, traditional mortgage and auto
Traditional mortgage up 10% YoY on disciplined originations of marketable mortgages; Pick-a-Pay mortgage up 2% as slower prepay speeds offset lower volumes

C & I up 28% YoY on strength in large
corporate and middle-market and included
net $2.5 billion in foreign commercial real
estate and commercial loans transferred from
held-for-sale in 1Q08
CRE up 20% YoY on organic growth and
$2.5
billion in loans transferred from held-for-
sale in late 4Q07 and 1Q08
Current outlook:
-
Modest growth expectations for remainder of
2008
vs
vs
($ in billions)
1Q08
4Q07
1Q07
Pick-a-Payment mortgage
$
121.0
1
%
2
Traditional mortgage
52.6
4
10
Home equity
57.8
1
(3)
Other consumer
36.0
7
12
Total consumer
267.4
2
4
Commercial and industrial
154.7
5
28
Commercial real estate
43.9
6
20
Total commercial

198.6
6
26
Total loans, net
$
465.9
4
%
12

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8

General Bank key metrics

Average loans up 8% YoY

-

Mortgage originations down 11%; higher marketable production offset by lower Pick-a-Pay volumes

-

Home equity down 41% reflecting implementation of tightened credit standards

> 95%
direct channel originations
-
Auto originations up 26%
Average deposits up 5% YoY
-
1Q08 net new checking account sales of
174,000, including 139,000 checking accounts
linked to Way2Save accounts
Debit/credit card purchase volume up 18%
YoY
Opened 23 de novo branches and
consolidated 58
branches in 1Q08
New/lost ratio of 1.27
-
Retail customer acquisition rate of 14.9%;
attrition of 11.7%
Customer satisfaction remains best in class
(a) Volume of purchase activity on debit and credit cards.
(b) Percentage of customers who rate Wachovia a 7 on all three loyalty questions
(scale 1-7). Goal: 55%. Results based on Gallup survey.
(c) Controllable retail households acquired/retail households attrited; controllable
households exclude single service mortgage.
(d) New commercial banking relationship or customer with no prior loan or
deposit account.
vs
vs
($ in millions)
1Q08
4Q07
1Q07
Product originations
Mortgage
$
12,787
3
%
(11)
First lien home equity
2,148
(9)
(29)
Second lien home equity
2,689
(29)
(47)
Auto
3,720
16

26
Avg
loans, net
$
311,447
3
8
Net new checking
174,431
86
(35)
Avg
core deposits
$
297,680
-
5
Card
purchase
volume
(a)
$
17,424
(2)
%
18
Customer
loyalty
(b)
52.50
%
(50)
bps
40
New/Lost
ratio
(c)
1.27
(5)
%
1
Commercial customer
acquisition
(d)
310
(15)
%
(16)

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9
General Bank summary
Segment earnings of $1.2 billion, down 17% YoY and 7% QoQ largely reflecting rising credit costs
NII reflects balance sheet growth despite margin compression and rising NPAs
Fees up 17% YoY reflecting strong fee growth in most categories
-

Strong service charge and interchange income
growth on higher volumes
-
Mortgage banking fees up on higher marketable
origination volumes
-
Investment sales referral income up on in-bank
annuity sales
Modest expense growth
-
34% of expense increase driven by higher
credit-related expenses and 18% by growth
initiatives
Provision driven by higher losses in
consumer real estate and auto
vs
vs
($ in millions)
1Q08
4Q07
1Q07
Net interest income
$
3,455
2
%
2
Service charges
572
(6)
11
Interchange income
186
(2)
22
Mortgage
banking
fees
69
33
All
other
fees/ income
163
-
38
Fee and other income
990
7
Total revenue

4,500
3
5
Provision
569
78
-
Expense
2,050
-
10
Segment earnings
$
1,195
(7)
%
(17)
17
17

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10
211
Wealth Management summary
Segment earnings of $92 million
-
Up 10% YoY and 1% QoQ in spite of
environmental headwinds
Revenues up 4% YoY
-
NII flat YoY as loan growth was offset by

deposit spread compression
-
Fees up 8% YoY as growth in fiduciary and
asset management fees offset lower insurance
commissions
Investment management sales remain strong
but down YoY on market volatility and wealth
lens client segmentation
Expenses flat YoY on continued focus on
tight expense management
AUM up 5% YoY
(a)
Assets
under
management
include
$39
billion
in
assets
managed
by
and
reported
in
Capital
Management.
(b) Trust and Investment Management new recurring fee sales.
(c) Annualized wealth revenue per relationship manager.
vs
vs
($ in millions)
1Q08
4Q07
1Q07
Net interest income
$
181
(1)
%
-
Fee and other income
8
(1)
Total revenue
397
(1)
4
Provision
5

(29)
-
Expense
246
(1)
-
Segment earnings
92
1
10
Avg
loans, net
22,413
3
10
Avg
core deposits
17,397
4
1
AUM
(a)
79,834
(5)
5
Investment
mgmt
sales
(b)
14.0
9
(22)
Revenue/
RM
(c)
$
2.9
7
-
Wealth Mgmt producers
970
(2)
%
2

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11
Corporate and Investment Bank summary
Segment loss of $77 million
-
Net market disruption losses of $1.6 billion reflecting lower valuations in virtually all asset classes
Results include $729 million loss on unfunded leveraged finance commitments
-

Principal investing gains of $414 million
included $486 million in FAS 157 net gains
-
Strong performance in high grade, global rate
products and equities offset by lower results in
structured products and leveraged finance
Expenses down 18% YoY on lower
revenue-based incentive compensation
Additional planned markets-related
headcount reductions of 450
550 FTEs
and additional cost reductions will benefit
margins further in 3Q08
Provision driven by higher losses on
residential-related commercial real estate
Loans up 38% YoY driven by growth in
commercial real estate and international
trade finance and reflects transfers from
held for sale to the portfolio
vs
vs
($ in millions)
1Q08
4Q07
1Q07
Principal Investing
$
414
-
%
-
IB originations
401
-
(9)
Capital markets
(875)
(3)
-
Lending
599
3
10
Treasury and Trade Finance
284
1
11
Total revenue
823
-

(54)
Provision
197
76
-
Expense
747
(22)
(18)
Segment loss
(77)
(82)
-
Avg
loans, net
101,024
10
38
Avg
core deposits
33,623
(7)
(2)
Lending commitments
$
113,521
(4)
3
($ in millions)
1Q08
4Q07
3Q07
ABS CDO and other
subprime-related
$
(339)
(818)
(230)
Commercial mortgage (CMBS)
(521)
(600)
(488)
Consumer mortgage
(251)
(123)
(82)
Leveraged finance
(309)
93
(272)

Other
(144)
59
(109)
Total CIB market disruption-
related losses
(1,564)
(1,389)
(1,181)
Discontinued ops
(BluePoint)
$
-
(210)
(120)
%

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12
1Q08 net valuation losses of $521 million including losses on $3.5 billion of loans moved from held-for-sale in 1Q08
-
Results reflect continued spread widening despite solid underlying fundamentals
Net exposure of $3.0 billion as of 3/31/08
-
$3.5 billion income producing commercial real

estate loans moved to the portfolio in 1Q08
-
Sold $4.2 billion during the quarter
-
Reduced hedging as overall levels decreased
Commercial mortgage and leveraged finance
Distribution-related exposure
Leveraged finance
1Q08 net valuation losses of $309
million
-
Assumes 100% funding of current unfunded commitments
Net exposure of $8.2 billion including $6.5 billion of unfunded commitments
-
$1.3 billion of exposure, including $750 million of outstandings, moved to the portfolio in 1Q08
$0
$2,000
$4,000
$6,000
$8,000
$10,000
$12,000
$14,000
$16,000
$18,000
$20,000
2Q07
3Q07
4Q07
1Q08
Gross MTM Exposure
Net MTM Exposure
Commercial mortgage (CMBS)
($ in millions)

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13
Corporate and Investment Bank
Remaining distribution exposure
(a)
At 3/31/08, $2.0 billion is hedged with highly rated monoline financial guarantors; $900 million with a AA-rated large Europe
multi-line insurer, both under margin agreements.
Subprime-related, CMBS and Leveraged Finance
3/31/08
Distribution Exposure, Net
Exposure

3/31/08
Hedged With
3/31/08
12/31/07
3/31/08
Gross
Various
Net
Net
vs
($ in millions)
Exposure
Instruments
Exposure
Exposure
12/31/07
ABS CDO-related exposures:
Super senior ABS CDO exposures
High grade
$
2,403
(2,403)
0
0
-
%
Mezzanine
2,038
(1,599)
439
613
(28)
CDO-squared
0
0
0
0
-
Total super senior ABS CDO exposures
4,441
(4,002)
439
613
(28)
Other retained ABS CDO-related exposures
67
0
67
208
(68)

Total
ABS
CDO-related
exposures
(a)
4,508
(4,002)
506
821
(38)
Subprime RMBS exposures:
AAA rated
1,684
0
1,684
1,948
(14)
Below AAA rated (net of hedges)
(365)
0
(365)
(253)
44
Total subprime RMBS exposures
1,319
0
1,319
1,695
(22)
Total subprime-related exposure
5,827
(4,002)
1,825
2,516
(27)
Commercial mortgage-related (CMBS)
3,793
(840)
2,953
7,564
(61)
Leveraged finance (net of applicable fees)
$
n.a.
n.a.
8,157
9,149
(11)
%

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14
Capital Management key metrics
Series 7 brokers consistent with 4Q07 levels
-
Growth in high-producing brokers offset by lower-producing broker attrition
Series 6 reps up 23% QoQ on growth throughout the footprint and Western expansion
Recurring revenue percentage in Retail

Brokerage up 160 bps YoY
-
Managed account assets up 35% YoY
-
FDIC sweep deposits up 35% YoY
Record annuity sales in 1Q08, up 52% YoY
and 19% QoQ
AUM down 18% YoY on 2Q07 change in
investment management discretion on $34
billion which had minimal impact on fees
Gross fluctuating fund flows down 2%
YoY excluding $1B 1Q07 Evergreen closed-
end fund offering
-
Retail money market net flows up 203% YoY
(a) Annualized.
(b)
Assets
under
management
include
$39
billion
in
assets
managed
for
Wealth
Management,
which
are
also
reported
in
that
segment.
In
2Q07
there
was
a
$34
billion change in investment discretion of previously co-managed AUM, now solely managed by Wealth Management.
vs
vs
($ in billions)
1Q08
4Q07
1Q07
Retail Brokerage

Series 7 brokers
14,583
-
%
79
Bank series 6 reps
4,059
23
61
Managed acct assets
$
190.3
(6)
35
Avg
FDIC sweep deposits
42.1
13
35
Client assets
$
1,118.5
(4)
%
45
Recurring revenue
61.8
%
40
bps
160
Rev/broker
(000)
(a)
$
584
(3)
%
(17)
In-bank revenue
(millions)
282
3
7
Loan originations
$
1.7
13
%
42

Pre-tax margin
24.3
%
140
bps
(550)
Asset Management
Total AUM
(b)
$
258.7
(6)
%
(18)
Gross fluctuating
fund flows
$
2.6
4
%
(30)
Pre-tax margin
25.3
%
160
bps
530

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15
Capital Management summary
Segment earnings of $381 million up 22% YoY driven by the addition of AG Edwards
Revenues up 42% YoY driven by acquisitions and managed account asset growth
-
NII up 6% on strong FDIC sweep deposit growth partially offset by spread compression

-
Commissions up 54% on addition of AGE which contributed $319 million during the quarter
-
Fiduciary and asset management fees up 53%; up 11% before the benefit of acquisitions
-
AGE revenue retention in line with original expectations
Expenses up 50% YoY driven by $572 million related to acquisitions
-
Excluding acquisitions, expenses up 4% driven by salaries and employee benefits, and legal costs
vs
vs
($ in millions)
1Q08
4Q07
1Q07
Net interest income
$
274
(14)
%
6
Commissions
824
(3)
54
Fiduciary/ asset mgmt
1,304
(1)
53
Other fee income
63
37
(29)
Fee and other income
2,191
(1)
48
Total revenue
2,455
(3)
42
Provision
-

-
-
Expense
1,855
(4)
50
Segment earnings
381
4
22
Avg
loans, net
2,562
12
65
Avg
core deposits
$
43,084
13
%
36

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16
Credit quality
Increase in NPAs reflects significant
weakness in the housing market
particularly in specific regions of California
and Florida
Provision of $2.8 billion; net charge-offs of
$765 million or 66 bps
-
Commercial net charge-offs of $237 million, up

$75 million QoQ; included $126 million from
Real Estate Financial Services
1Q08 results include a $66 million loss on a
loan backed by ABS securities in CIB
-
Consumer net charge-offs of $528 million, up
$229 million QoQ
Consumer real estate losses of $341 million
include Pick-a-Pay losses of $240 million
Installment losses of $185 million, up $35
million QoQ driven by higher consumer DDA
overdraft losses; auto losses up $6 million
(a) Excludes nonperforming assets in loans held for sale.
($ in millions)
1Q08
4Q07
1Q07
Nonaccrual loans
$
7,788
4,995
1,632
Restructured loans
56
-
-
Foreclosed properties
530
389
155
Total NPAs
$
8,374
5,384
1,787
as % of loans, net ORE
(a)
1.74
%
1.16
0.42
Provision
$
2,831
1,497
177
Net charge-offs
$
765
461

155
Commercial
0.48
%
0.34
0.07
Consumer
0.79
0.46
0.20
Total c/o ratio
0.66
0.41
0.15
Commercial past dues
0.05
0.05
0.03
Consumer past dues
0.35
%
0.23
0.20

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17

Allowance for credit losses

Allowance for credit losses of $6.8 billion increased $3.2 billion from 1Q07 to 1.41% of loans

-

Covers 1Q08 annualized net charge-offs 2.2 times

Provision of $2.8 billion exceeded charge-offs by $2.1 billion

-
$1.6 billion due to higher expected loss factors
for Pick-a-Pay, home equity, auto and traditional
mortgage on significant market weakness and
changing consumer behaviors
Pick-a-Pay allowance ratio of 155 bps vs. 66 bps
in 4Q07
Home equity allowance ratio of 79 bps
Auto portfolio allowance ratio of 321 bps
-
$138 million commercial over provision on higher
frequency and loss severity expectations
-
$116 million commercial real estate over
provision including $98 million of FAS 114
reserves
-
$165 million increase in unallocated reserves
($ in millions)
1Q08
4Q07
1Q07
Allowance for loan losses
$
6,567
4,507
3,378
Allowance for credit losses
$
6,767
4,717
3,533
Allowance for loan losses
as % of loans, net
1.37
%
0.98
0.80
Commercial
1.25
1.20
1.12
Consumer
1.34
0.74
0.53
as % of nonaccrual and
restructured loans
84
90

207
as % of NPAs
78
84
189
Allowance for credit losses
as % of loans, net
1.41
%
1.02
0.84

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18
Mortgage portfolio
Average traditional mortgage LTV of 72%;
average FICO score of 732
-
Traditional mortgage NPAs up $303 million QoQ;
current average LTV of 79%
(b)
1Q08 results include $253 million of NPAs relating to
$2.8 billion of non-branch originated Alt-A loans in CIB

transferred at market value from HFS to the portfolio at
an average LTV of 81%; these loans have no associated
allowance
Average Pick-a-Pay LTV of 71%
-
Pick-a-Pay NPAs up $1.6 billion QoQ; current average
LTV of NPAs of 89%
(b)
-
Trends largely reflect the continued effect of declining
home values, particularly in stressed areas such as CA
and FL
-
Tightening underwriting standards based on
geographic risk
FICO >
700 and max LTV of 60% in markets with
significant home price declines
FICO >
660 and max LTV of 80% in most stable markets
-
Focused on aggressive resolution of problem assets
with accelerated disposition of foreclosed properties
Sold 825 properties in 1Q08; new inflows to REO of
1,107
All FICO scores and LTVs at origination unless otherwise noted.
(a)
Includes other non Pick-a-Pay product balances of $6.0 billion in 1Q08, $5.4
billion in 4Q07, and $3.0 billion in 1Q07.
(b) Based on AVM automated valuation method using February data.
($ in millions)
1Q08
4Q07
1Q07
Traditional mortgage
$
48,932
47,991
43,934
NPAs
$
560
257
141
as a % of loans
1.15
%
0.54
0.32
Net charge-offs

$
29
16
5
as % of avg
loans
0.23
%
0.13
0.04
Pick-a-Pay
(a)
$
121,161
119,630
117,506
NPAs
$
4,623
3,052
924
as a % of loans
3.82
%
2.55
0.79
Net charge-offs
$
240
93
1
as % of avg
loans
0.79
%
0.31
-

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19
Wachovia Mortgage
90+ days past due vs. industry
Source: Industry Prime, Alt-A, Subprime and NegAm ARM delinquency data from LoanPerformance,
a unit of First American CoreLogic.
.
0%
1%
2%
3%

4%
5%
6%
7%
8%
9%
10%
11%
12%
13%
14%
WB Traditional
Pick-a-Pay
Industry Prime
Industry Alt-A
Industry Subprime
Industry Prime ARM NegAm

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20
Consumer real estate
Key market statistics
($ in millions)
(a) AVM is automated valuation method using February data. Source: Veros.
(b) Portfolio-weighted OFHEO index for home price changes.
(c) Management forecast of the OFHEO index for home prices weighted for the portfolio.
Region
Outstandings
Original LTV

Current
LTV -
AVM
(a)
OFHEO Change
Peak -
1Q08
(b)
Forecast
1Q08 -
Trough
(c)
Original
FICO
Current
FICO
CA
$70,579
70
80
-7.6%
-6.4%
666
657
FL
$12,030
71
77
-8.7%
-8.5%
683
662
NJ
$5,660
71
71
-3.3%
-6.9%
692
686
AZ
$3,095
72
80
-8.8%
-18.7%
681
674
TX
$2,986

75
62
N/A
N/A
679
661
Other States
$26,810
72
73
-2.4%
-5.2%
687
678
Total Pick-a-Pay
$121,161
71
78
-6.1%
-6.8%
674
664
FL
$8,351
69
69
730
727
CA
$7,483
66
61
742
753
NC
$4,171
74
68
732
731
NJ
$3,931
66
67
731
732
GA
$3,454
74
73

725
722
Other States
$21,541
71
66
731
732
Total
$48,932
72
67
732
734
Total Mortgage
$170,093
70
75
690
684
FL
$12,169
74
75
728
723
NJ
$7,358
71
67
733
732
NC
$6,047
81
74
730
727
PA
$6,033
76
67
731
732
VA
$4,876
75
68
733
734

Other States
$23,620
76
74
724
719
Total Home Equity
$60,104
75
72
726
725

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21
Pick-a-Pay mortgage
Refined reserve modeling in 1Q08
-8.5%
-8.7%
Florida
-6.4%
-7.6%
California
-6.8%

-6.1%
Nationwide
1Q08
Trough
Peak
1Q08
Portfolio-weighted OFHEO-
based home price forecasts
At 3/31/08, new model results in a higher 12-month forward view of expected losses that required additional portfolio reserves of $1.1 billion due to increased propensity to default tied to further home price declines
-
Reflects
February
current
LTVs
which
indicate
that
approximately
14%
of
the
Pick-a-Pay
portfolio
has
current
LTV > 100% with 75% in California and 10% in Florida
More precisely captures key factors observed to drive default rates and economic losses
Reflects
February
estimated
traditional
correlation
between
borrower
credit
profile
and
default
frequency
but
incorporates
the
view
that
changes
in
borrowers
equity
levels

are
a
greater
predictor
of
future
losses
than
FICO
scores
Includes approximately 20 loan / borrower characteristics to further enhance loss forecast by:
-
Borrower propensity to default and loss severity correlated to changes in the OFHEO index
-
Connecting borrower equity to projected changes in home prices by geographic region
Model variables influenced by management s current economic outlook:
-
Full year 2008 GDP of flat to 1% growth with negative growth in first half
-
Rising unemployment reaches 6% sometime in 2009
-
Management forecast of the OFHEO index: Currently estimate that we are roughly halfway through the housing price decline
Utilized newly developed loss forecasting model that more strongly correlates forward
expected losses to changes in home prices and the resulting change in consumer
behavior on default frequency and loss severity; less reliant on
historical roll rates
Expect
trough to
occur in
mid-09

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22
Pick-a-Pay mortgage
Modeled credit costs
Actual
Actual
Full Year
Full Year
4Q07
1Q08
2008

2009
Charge-offs
$0.09
$ 0.2
$1.3 -
1.7
$2.4 -
2.8
Additional provision
0.55
1.1
1.9 -
2.1
Total credit costs
0.64
1.3
3.2
3.8
2.4
2.8
Ending allowance
$0.82
$2.0
$2.7 -
2.9
$2.7
2.9
Ending
allowance/loans
(b)
0.7%
1.6
%
2.4% -
2.7%
2.5% -
2.8%
($ in billions)
The
above
modeled
output
builds
to
an
estimated
cumulative
losses
range
of

7

8%
over
the
remaining
life of the pool
As an illustration, a 7.5% cumulative loss scenario could imply that 20% of the loans in the portfolio default through foreclosure and suffer a loss of 45% of the original property values, on average, assuming loans were originated at a 75% LTV, plus disposition costs of 10% of the loan balance
These forecast outcomes may be affected by changes in a variety of factors including actual home price trends, economic conditions, changes in borrower behavior, regulatory changes and loss mitigation strategies
(a) Based on assumptions on page 21, as of March 31, 2008. Future changes in assumptions could cause forecasts to change.
(b) Assumes forecasted loan balances for 2008 and 2009.
.
Pick-a-Pay Modeled Credit Costs
(a)
None expected

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23
Wachovia Pick-a-Pay
March 2008 deferred interest analysis
Deferred interest of $3.5 billion represented 3.04%
of the portfolio
(a)
-
$176 million in deferred interest associated with nonperforming loans, 3.77% of NPAs
Borrowers utilization of minimum payment option remains fairly constant
-

68% elected in March 2008 vs. 66% in March 2007
-
52% elected the minimum option in each of the past 6 months
-
41% elected the minimum option in each of the past 12 months
$1.2 billion, or less than 1% of borrowers, with a deferred interest balance > 10% of current balance
Current average LTV
(b)
of 82% for loans with deferred interest balance > 10% of current balance
(a)
$115.0
billion
in
Pick-a-Pay
product
excludes
other
balances
of
$6.2
billion.
(b) Current average LTVs based on February 2008 AVMs. Source: Veros.
($ in millions)
1Q08
4Q07
1Q07
Deferred interest balance by LTV
At or below 80%
60% or less
$
329

305

231

60.01% to 70%
434

402

298

70.01% to 80%
1,090

991

699

Subtotal
1,853

1,698
1,228
80.01% to 85%
1,033

935

617

85.01% to 90%
466

327

40

Greater than 90%
174

129

64

Subtotal
1,673

1,391
721

Total deferred interest
$
3,526

3,089
1,949

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24
Wachovia Pick-a-Pay
Proactively managing risk
Significantly tightening underwriting standards based on geographic risk with particular focus on stressed markets in California and Florida
In markets that have experienced significant housing price declines, we are increasing
minimum
FICO
scores
to

700
and
we
will
allow
up
to
a
maximum
LTV
of
60%
In our most stable markets, our minimum FICO will be 660 and we will allow up to a maximum
LTV of 80%
Conservative in-house appraisal and underwriting approach
Aggressive problem loan resolution
Enhanced collection and loss mitigation
Accelerated disposition of foreclosed properties
Continue
to
offer
conforming
mortgage
products
throughout
all
of
our
markets

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25
Home equity loans and lines
45% secured by first lien
75% average LTV
(a)
Portfolio is predominantly customer-
relationship based
-
> 95% of the portfolio originated through
direct channels

-
5% of portfolio in CA and 20% in FL
NPAs up 15 bps QoQ but remain at relatively
low levels
-
Second lien home equity 60+ days past due are
40%
of
the
industry
average
(b)
Charge-offs up 22 bps QoQ driven by
increases in stressed geographies
Implementing additional limitations on
utilization of undrawn equity lines
Period end balances reflect the quarter-end transfer of $2.3 billion of first lien home equity loans to held for sale.
(a) FICOs and LTVs at origination unless otherwise noted.
(b) Source: Loan Performance Data as of January 2008 industry average.
($ in millions)
1Q08
4Q07
1Q07
First lien
$
27,171
27,749
28,629
Second lien
32,933
32,350
30,560
Total home equity
$
60,104
60,099
59,189
30+ days past due
as % of loans
1.37
%
1.32
0.78
NPAs
$
432
342
235
as % of loans
0.72

%
0.57
0.40
Net charge-offs
$
73
38
19
as % of avg
loans
0.47
%
0.25
0.13

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26
Wachovia second lien home equity loans
and lines
60+ days past due vs. industry
Second Lien Home Equity Loans
0.00%
0.20%
0.40%
0.60%
0.80%
1.00%

1.20%
1.40%
1.60%
1.80%
WB Total General Bank (a)
WB Bank Channel
Industry
Second Lien Home Equity Lines
0.00%
0.20%
0.40%
0.60%
0.80%
1.00%
1.20%
1.40%
1.60%
1.80%
WB Total General Bank (a)
WB Bank Channel
Industry
(a) Excludes Wealth Management and Retail Brokerage home equity loans and lines.
Source: Industry Prime, Alt-A and Subprime delinquency data from LoanPerformance, a unit of First American CoreLogic.

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27
Managed auto portfolio
Managed losses of 2.31% down 5 bps QoQ
-
30+ days past due of 2.05% vs. industry
forecast of 3.54%
(b)
Managed NPAs as a % of loans of 25 bps;
down 3 bps QoQ
-

Roll rates declined throughout quarter
Began proactive migration towards prime
credit customer originations in mid-2006
Managed Consumer Auto 30+ Days Past Due
vs. Industry
(a)
Includes NPAs and net charge-offs from securitizations not included in our
reported NPAs and net charge-offs as referenced on page 16.
(b) Source: Moody s Economy.com; 1Q08 industry average is a forecast.
($ in millions)
1Q08
4Q07
1Q07
Managed auto
$
26,357
24,672
22,225
NPAs
(a)
$
67
70
70
as % of loans
0.25
%
0.28
0.31
Net charge-offs
(a)
$
151
145
81
as % of avg
loans
2.31
%
2.36
1.46
$0
$5,000
$10,000
$15,000
$20,000
$25,000
$30,000
1Q06
2Q06

3Q06
4Q06
1Q07
2Q07
3Q07
4Q07
1Q08
0.00%
1.00%
2.00%
3.00%
4.00%
5.00%
6.00%
WB Balances
WB 30+ days past due
Industry 30+ days past due

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28
Commercial Real Estate
Real Estate Financial Services portfolio
Commercial Real Estate outstandings
(a)
up
12% driven by the 1Q08 transfer to the
portfolio of $3.5
billion in income producing
loans from held-for-sale

Continued review of REFS residential-
related portfolio in response to continued
housing market deterioration
-
1Q08 and 4Q07 portfolio reviews included land
and condo loans as well as residential-related
facilities generally > $2 million
NPAs up $795 million; charge-offs of $126
million up $17 million to 110 bps vs. 115
bps in 4Q07
-
Increases driven largely by residential portfolio
Average maturity of 1.8 years
(a) Includes the Real Estate Financial Services (REFS) portfolio
of $37.3
billion and $10.3 billion in commercial real estate loans held-for-investment
in Investment Banking
($ in millions)
1Q08
4Q07
1Q07
Residential
$
12,197
12,437
11,884
Income producing
35,447
30,199
24,437
Total REFS
(a)
47,644
42,636
36,321
Residential NPAs
1,396
919
63
Income producing NPAs
488
170
11
Total NPAs
$
1,884
1,089
74
as % of loans
3.95

%
2.55
0.20
Residential c/o
$
120
77
6
Income producing c/o
7
32
0
Total net charge-offs
$
126
109
6
as % of avg
loans
1.10
%
1.15
0.06

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29
Real Estate Financial Services
Well diversified loan portfolio
$47.6
Billion Commercial Real
Estate Portfolio
(a)
Office
16%
Retail

13%
Multi-Family
12%
Industrial
5%
Income
Producing
Land
8%
Lodging
Other
3.5%
Single
Family
8%
Residential
Improved
Land
7%
Condos
6%
Residential
Unimproved
Land
3%
Non-RE
Collateral
5%
74% income producing
26% residential-related
-
Average maturity of 1.0 years
Homebuilders -
$4.5B
-
Regional/small builder portfolio is largely
recourse based with disciplined inventory
controls and 1 2 year terms
-
Focus on strong sponsorship/management
Land -
$4.8B
-
Primarily originated with substantial equity
cushion and recourse to borrowers
Condos -
$2.9B
(a) Includes the Real Estate Financial Services portfolio of $37.3 billion and $10.3 billion in commercial real estate loans held-
Period-end balance sheet as of 3/31/2008.
5%

5%
3.5%
Mixed
Use
Unsecured
Real Estate

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30
Real Estate Financial Services
Geographic concentrations
(a)
Includes the Real Estate Financial Services portfolio of $37.3 billion and $10.3 billion in commercial real estate loans held-for-
(b) Geographic concentration totals do not include $5.9 billion in Commercial Real Estate outstandings related to loans secured
undefined property locations. International includes Europe and Asia.
Period-end balance sheet as of 3/31/2008.
$47.6
Billion Commercial Real Estate Portfolio

(a)
Top 10 Geographic Concentrations
(b)
California
$4.3
18%
International
$3.5
10%
North
Carolina
$3.1
9%
Texas
$2.9
7%
Virginia
$2.7
7%
Other Remaining
States
$10.4
Georgia
$2.6
Florida
$7.5
24%
7%
6%
New Jersey
$1.7
4%
New York
$1.6
4%
Pennsylvania
$1.4
3%

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31
Middle-market and large corporate
Portfolios much more granular than last
down cycle
-
Average loan size of $1.5MM
Borrowers well positioned and generally
maintaining higher levels of liquidity
1Q08 commercial net losses of 39 bps
-

$66 million of losses related to loans backed
by ABS securities in CIB
$119 Billion Commercial
Loan Portfolio
Agriculture/Forestry/
Fishing
1%
22%
Finance
4%
Other
1%
13%
Manufacturing
Mining
2%
11%
Property
Management
Public
Administration
2%
Retail
Trade
6%
Services
17%
9%
Transportation/
Public Util
9%
Building Contractors
2%
Individuals
NEC/
Nonclass
Insurance
1%
Wholesale
Trade
Period-end balance sheet as of 3/31/2008.

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Summary and Outlook

Expect 2Q08 net interest income to grow by approximately 5 -
7% over 1Q08 and
then grow modestly over remaining period of 2008

-

Sources of growth to include:
Modest loan growth from 1Q08 levels
Continued deposit growth including growth in FDIC sweep deposits
Benefit of capital raise and lower dividend rate

Fees remain exposed to net market disruption losses/gains
No share repurchases in the rest of 2008
Targeted capital raise of approximately $7 billion
Tax rate of 28.5 -
29%

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34
Consumer real estate portfolio
FICO scores and LTVs at origination.
(a) Second lien LTVs reflect total amount borrowed, including first lien positions held by third parties. LTV data assumes that
% Loans
1Q08
Average
Average
LTV
($ in millions)

Balances
FICO
LTV
(a)
> 90%
(a)
Home equity loans and lines
First lien
$
27,171
729
73
%
13
Second lien
32,933
724
76
14
Total home equity loans and lines
60,104
726
75
14
Total mortgage
170,093
690
71
2
Total consumer real estate portolio
230,197
699
72
5
Nonaccrual loans
First lien
5,015
647
75
2
Second lien
75
691
83
22
Total consumer real estate nonaccrual loans
$
5,090
647
75

%
3

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35
0.0%
2.0%
4.0%
6.0%
8.0%
Wachovia Mortgage
90+ days past due by vintage vs. industry
0.0%
2.0%

4.0%
6.0%
8.0%
2007 -
$33.4 billion Pick-a-Pay / $10.8 billion Traditional
0.0%
2.0%
4.0%
6.0%
8.0%
0.0%
2.0%
4.0%
6.0%
8.0%
Source: Industry Prime, Alt-A, Subprime and NegAm ARM delinquency data from LoanPerformance,
a unit of First American CoreLogic.
.
Month
Month
2006 -
$32.9 billion Pick-a-Pay / $8.5 billion Traditional
2004 -
$12.0 billion Pick-a-Pay / $4.8 billion Traditional
2005 -
$25.0 billion Pick-a-Pay / $13.9 billion Traditional
WB Traditional
Pick-a-Pay
Industry Prime
Industry Alt-A
Industry Subprime
Industry Prime ARM NegAm

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36
Consumer Real Estate
FICO scores and LTV stratification
Original
FICO
<=60
61-70
71-80
81-90
91-100

100+
Total
Balance
<620
4%
6%
11%
0%
0%
0%
21%
25,160
$
620-659
3%
5%
14%
0%
0%
0%
21%
26,002
$
660-699
3%
5%
15%
1%
0%
0%
23%
27,627
$
>700
6%
7%
21%
1%
0%
0%
35%
42,372
$
15%
22%
60%
2%
0%
0%
100%

121,161
$
<620
0%
0%
1%
0%
1%
0%
2%
1,120
$
620-659
1%
1%
3%
0%
1%
0%
7%
3,471
$
660-699
3%
3%
8%
1%
1%
0%
16%
7,887
$
>700
19%
13%
35%
3%
4%
0%
74%
36,454
$
24%
17%
48%
5%
6%
0%
100%
48,932

$
<620
1%
0%
1%
1%
0%
0%
2%
634
$
620-659
1%
1%
2%
3%
2%
0%
9%
2,473
$
660-699
3%
2%
3%
6%
3%
0%
17%
4,738
$
>700
20%
8%
14%
22%
8%
0%
71%
19,326
$
25%
11%
19%
31%
13%
0%
100%
27,171
$

<620
1%
0%
1%
1%
0%
0%
3%
844
$
620-659
1%
1%
2%
3%
2%
0%
9%
2,843
$
660-699
2%
2%
4%
6%
3%
0%
17%
5,667
$
>700
11%
8%
16%
28%
8%
0%
72%
23,580
$
15%
12%
22%
38%
14%
0%
100%
32,933
$
18%

18%
47%
11%
5%
0%
100%
230,197
$
RE Total
Total
Original CLTV
Total
Total
Total
Total
The
percentages
in
the
table
above
may
not
add
to
the
totals
due
to
rounding.

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37
Consumer Real Estate FICO scores and LTV
stratification Prior to 2004 and 2005
vintages
Original
FICO
<=80
81-90
91-100
100+
Total
Balance
<=80

81-90
91-100
100+
Total
Balance
<620
17%
0%
0%
0%
17%
4,257
$
17%
0%
0%
0%
18%
4,376
$
620-659
19%
0%
0%
0%
19%
4,846
$
20%
0%
0%
0%
20%
5,111
$
660-699
24%
0%
0%
0%
24%
5,997
$
24%
0%
0%
0%
25%
6,127
$

>700
39%
0%
0%
0%
40%
9,930
$
37%
0%
0%
0%
38%
9,372
$
99%
0%
1%
0%
100%
25,031
$
100%
0%
0%
0%
100%
24,986
$
<620
2%
0%
1%
0%
3%
296
$
1%
0%
0%
0%
1%
147
$
620-659
6%
1%
1%
0%
7%

843
$
5%
0%
0%
0%
6%
812
$
660-699
15%
1%
1%
0%
17%
2,031
$
15%
1%
1%
0%
16%
2,239
$
>700
68%
3%
2%
0%
73%
8,560
$
72%
3%
2%
0%
77%
10,750
$
90%
5%
5%
0%
100%
11,731
$
93%
4%
3%
0%

100%
13,948
$
<620
2%
1%
0%
0%
3%
370
$
1%
0%
0%
0%
2%
85
$
620-659
5%
4%
2%
0%
11%
1,262
$
4%
3%
1%
0%
8%
393
$
660-699
10%
7%
3%
0%
21%
2,343
$
8%
6%
3%
0%
17%
889
$
>700
38%

20%
7%
0%
65%
7,415
$
40%
25%
8%
0%
73%
3,781
$
55%
32%
12%
0%
100%
11,390
$
54%
34%
12%
0%
100%
5,149
$
<620
2%
1%
0%
0%
3%
242
$
1%
0%
0%
0%
2%
145
$
620-659
5%
4%
2%
0%
11%
865
$

4%
3%
1%
0%
8%
533
$
660-699
9%
8%
5%
0%
22%
1,734
$
8%
7%
3%
0%
18%
1,216
$
>700
28%
26%
11%
0%
64%
5,157
$
33%
31%
8%
0%
72%
4,970
$
43%
38%
18%
1%
100%
7,998
$
47%
41%
12%
0%
100%
6,864

$
79%
14%
7%
0%
100%
55,897
$
86%
10%
4%
0%
100%
50,853
$
RE Total
Total
Total
Total
Total
2004 and Prior
2005
Original CLTV
Original CLTV
The
percentages
in
the
table
above
may
not
add
to
the
totals
due
to
rounding.

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38
Consumer Real Estate FICO scores and LTV
stratification 2006 and 2007 vintages
Original
FICO
<=80
81-90
91-100
100+
Total

Balance
<=80
81-90
91-100
100+
Total
Balance
<620
25%
0%
0%
0%
25%
8,329
$
22%
0%
0%
0%
22%
7,346
$
620-659
22%
0%
0%
0%
22%
7,357
$
22%
1%
0%
0%
22%
7,474
$
660-699
21%
1%
0%
0%
21%
6,950
$
21%
1%
0%
0%
22%

7,343
$
>700
30%
1%
0%
0%
31%
10,230
$
32%
2%
0%
0%
34%
11,261
$
98%
2%
0%
0%
100%
32,866
$
96%
4%
0%
0%
100%
33,424
$
<620
2%
0%
1%
0%
3%
255
$
2%
0%
1%
0%
3%
358
$
620-659
7%
0%
1%

0%
8%
651
$
6%
1%
2%
0%
9%
956
$
660-699
14%
1%
1%
0%
16%
1,392
$
13%
1%
2%
0%
16%
1,768
$
>700
65%
4%
4%
0%
73%
6,242
$
60%
4%
7%
0%
72%
7,750
$
87%
6%
7%
0%
100%
8,541
$
82%
6%

12%
0%
100%
10,834
$
<620
1%
0%
0%
0%
2%
77
$
1%
0%
0%
0%
2%
90
$
620-659
4%
2%
2%
0%
9%
390
$
4%
2%
2%
0%
8%
382
$
660-699
7%
5%
4%
0%
17%
751
$
6%
4%
3%
0%
13%
632
$

>700
37%
26%
11%
0%
73%
3,321
$
46%
21%
9%
0%
76%
3,578
$
49%
34%
17%
0%
100%
4,539
$
57%
28%
15%
0%
100%
4,682
$
<620
2%
1%
0%
0%
3%
203
$
2%
1%
0%
0%
3%
234
$
620-659
4%
3%
1%
0%
8%

673
$
4%
3%
2%
0%
8%
726
$
660-699
7%
6%
3%
0%
16%
1,312
$
7%
5%
3%
0%
15%
1,310
$
>700
36%
29%
8%
0%
73%
5,875
$
40%
26%
8%
0%
74%
6,488
$
50%
38%
12%
0%
100%
8,062
$
53%
34%
13%
0%

100%
8,757
$
85%
10%
4%
0%
100%
54,247
$
84%
11%
5%
0%
100%
57,866
$
RE Total
Total
Total
Total
Total
2006
2007
Original CLTV
Original CLTV
The
percentages
in
the
table
above
may
not
add
to
the
totals
due
to
rounding.

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39
Consumer Real Estate FICO scores and LTV
stratification 2008 and Total
Original
FICO
<=80
81-90
91-100
100+
Total

Balance
<=80
81-90
91-100
100+
Total
Balance
<620
11%
0%
0%
0%
12%
563
$
21%
0%
0%
0%
21%
25,160
$
620-659
21%
1%
0%
0%
22%
1,073
$
21%
0%
0%
0%
21%
26,002
$
660-699
26%
1%
0%
0%
27%
1,297
$
22%
1%
0%
0%
23%

27,627
$
>700
38%
2%
0%
0%
40%
1,922
$
34%
1%
0%
0%
35%
42,372
$
96%
4%
0%
0%
100%
4,855
$
98%
2%
0%
0%
100%
121,161
$
<620
1%
0%
0%
0%
1%
58
$
2%
0%
1%
0%
2%
1,120
$
620-659
5%
0%
0%

0%
5%
205
$
6%
0%
1%
0%
7%
3,471
$
660-699
11%
0%
1%
0%
12%
474
$
14%
1%
1%
0%
16%
7,887
$
>700
76%
3%
2%
0%
81%
3,141
$
67%
3%
4%
0%
74%
36,454
$
93%
3%
4%
0%
100%
3,878
$
89%
5%

6%
0%
100%
48,932
$
<620
1%
0%
0%
0%
1%
18
$
1%
1%
0%
0%
2%
634
$
620-659
3%
1%
0%
0%
4%
58
$
4%
3%
2%
0%
9%
2,473
$
660-699
8%
2%
0%
0%
10%
143
$
8%
6%
3%
0%
17%
4,738
$

>700
73%
10%
2%
0%
84%
1,192
$
42%
22%
8%
0%
71%
19,326
$
85%
13%
2%
0%
100%
1,411
$
56%
31%
13%
0%
100%
27,171
$
<620
1%
0%
0%
0%
2%
26
$
2%
1%
0%
0%
3%
844
$
620-659
3%
2%
1%
0%
6%

75
$
4%
3%
2%
0%
9%
2,843
$
660-699
6%
5%
2%
0%
13%
157
$
8%
6%
3%
0%
17%
5,667
$
>700
46%
29%
4%
0%
79%
993
$
35%
28%
8%
0%
72%
23,580
$
56%
37%
7%
0%
100%
1,252
$
49%
38%
14%
0%

100%
32,933
$
89%
8%
2%
0%
100%
11,333
$
84%
11%
5%
0%
100%
230,197
$
RE Total
Total
Total
Total
Total
2008
Total
Original CLTV
Original CLTV
The percentages in the table above may not add to the totals due to rounding.

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40
1Q08
Pick-a-Pay mortgage nonperforming loans
($ in millions)
Total $4,386
Cumulative charge-offs to date of
$187 million (17% of orig. balance)
No charge-offs to date
Initial charge-offs taken at 180 days
past due as necessary

20%
18%
62%
90 -179 Days
Past Due
(a) LTV is considered to be over 100% if the loan balance exceeds current estimated appraised value less estimated selling cos
180+ Days Past Due
Updated
(a)
LTV
100%
180+ Days Past Due
Updated
(a)
LTV > 100%

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41
Pick-a-Pay reserve model
Our use of OFHEO in reserve modeling
Office of Federal Housing Enterprise Oversight (OFHEO) is a widely recognized source of data that measures average price changes in home sales financed by conventional mortgages, purchased by Fannie Mae or Freddie Mac, and therefore the data excludes information on home sales financed by jumbo loans.
We utilize the OFHEO data set as the basis for our allowance modeling for our Pick-a-Pay portfolio because we believe the data most closely represents the geographic diversity and

granularity, the lower average loan size and the higher average owner equity of this portfolio. OFHEO s data set is very robust, granular and covers a long time series which we believe is a critical foundation for any modeling exercise. Our historical data and model correlations have been calibrated to the sensitivities of the OFHEO index.

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Cautionary statement

The foregoing materials and management s discussion of them may contain, among other things, certain forward-looking state
as well as the goals, plans, objectives, intentions, expectations, financial condition, results of operations, future performance an
including, without limitation, (i) statements regarding certain of Wachovia s goals and expectations with respect to earnings, e
expenses and the growth rate in such items, as well as other measures of economic performance, including statements relating
credit quality trends, (ii) statements relating to the benefits of the merger between Wachovia and A.G. Edwards, Inc. completed
Edwards Merger), including future financial and operating results, cost savings, enhanced revenues and the accretion/dilution
realized
from

the A.G. Edwards Merger, (iii) statements relating to the benefits of the merger between Wachovia and Golden West Financial Corporation completed on October 1, 2006 (the Golden West Merger), including future financial and operating results, cost savings, enh
accretion/dilution to reported earnings that may be realized from the Golden West Merger, and (iv) statements preceded by, fol
may , could , should , would , believe , anticipate , estimate , expect , intend , plan , projects , outlook or similar expressions. These forward-looking statements are based on the current beliefs and expectations of Wachovia s management and are subject to significant risks an
change based on various factors (many of which are beyond Wachovia s control). Actual results may differ from those set fort
statements.
The following factors, among others, could cause Wachovia s

financial
performance
to
differ
materially
from
that
expressed
in
such
forward-looking
statements: (1) the risk that the applicable businesses in connection with the A.G. Edwards Merger or the Golden West Merger
or such integrations may be more difficult, time-consuming or costly than expected; (2) the risk that expected revenue synergie
Edwards
Merger
or
the
Golden
West
Merger
may
not
be
fully
realized
or
realized
within
the
expected
time
frame;
(3)
the
risk
that
revenues
following
the
A.G.
Edwards Merger or the Golden West Merger may be lower than expected; (4) deposit attrition, operating costs, customer loss a
the
A.G.
Edwards
Merger
or
the
Golden
West
Merger,

including,
without
limitation,
difficulties
in
maintaining
relationships
with
employees,
may
be
greater
than
expected; (5) the risk that the strength of the United States economy in general and the strength of the local economies in whic
may
be
different
than
expected
resulting
in,
among
other
things,
a
deterioration
in
credit
quality
or
a
reduced
demand
for
credit,
including
the
resultant
effect
on
Wachovia s loan portfolio and allowance for loan losses; (6) the effects of, and changes in, trade, monetary and fiscal policies
policies of the Board of Governors of the Federal Reserve System; (7) potential or actual litigation; (8) inflation, interest rate, r
(9)
adverse
conditions
in
the
stock
market,
the

public
debt
market
and
other
capital
markets
(including
changes
in
interest
rate
conditions)
and
the
impact
of
such
conditions
on
Wachovia s
brokerage
and
capital
markets
activities;
(10)
unanticipated
regulatory
or
judicial
proceedings
or
rulings;
(11)
the
impact
of
changes
in
accounting principles; (12) adverse changes in financial performance and/or condition of Wachovia s borrowers which could i
borrowers
outstanding loans; and (13) the impact on Wachovia s businesses, as well as on the risks set forth above, of various domestic o
or terrorist activities or conflicts.
Wachovia cautions that the foregoing list of factors is not exclusive. All subsequent written and oral forward-looking statemen
Edwards Merger or the Golden West Merger or other matters and attributable to Wachovia or any person acting on its behalf a
entirety by the cautionary statements above. Wachovia does not undertake any obligation to update any forward-looking staten
The issuer may file a registration statement (including prospectus) with the SEC for the offering to which this communication r
should read the prospectus in that registration statement, the preliminary prospectus supplement and other documents the issue
complete

information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer will arrange to send you the prospectus after filing if you request it by calling toll-free 1-800-326-589

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Notes on non-GAAP financial measures
The information contained herein includes certain non-GAAP financial measures.
Please
refer
to
our
First
Quarter
2008

Quarterly
Earnings
Report
for
additional
information
reconciling
non-GAAP
financial
measures
and
for an important explanation of our use of non-GAAP measures and reconciliation of those non-GAAP measures to GAAP.
Wachovia believes these non-GAAP financial measures provide information useful to investors in understanding the underlyin
performance of the company, its business and performance trends and facilitates comparisons with the performance of others i
services
industry.
Specifically,
Wachovia
believes
the
exclusion
of
A.G.
Edwards
(AGE)
and
European
Credit
Management
(ECM)
from
the
key
performance measures of fiduciary and asset management fees and expenses permits evaluation and a comparison of results fo
ongoing business operations, and it is on this basis that Wachovia management internally assesses the company s performance
15,
references
to
Capital
Management s
results
excluding
AGE
and
ECM
reflect
the
following
growth
for

the
first
quarter
of
2008:
Fiduciary and asset management fees
$360 million
Expenses
$572 million

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Notes on non-GAAP financial measures

Wachovia also provides certain information regarding its auto loan portfolio on a "managed" basis, which is a non-GAAP finar non-GAAP financial measure combines auto loans reported on-balance sheet on a GAAP basis with auto loans that have been are off-balance sheet. Management believes that providing information on a "managed" basis is useful to investors in understa operational performance, trends, and facilitates comparisons with the performance of others in the financial services industry. C references are made regarding the managed auto portfolio which is reconciled as follows for the first quarter of 2008, fourth qu first quarter of 2007:

Managed Auto Portfolio

($ in millions)

1Q08
4Q07
1Q07
Managed auto
On-balance sheet
24,349
$
21,790
18,772
Securitized
2,008
2,882
3,453
Total managed auto
26,357
24,672
22,225
NPAs
On-balance sheet
61
63
63
Securitized
6
7
7
Total NPAs
67
70
70
Net charge-offs
On-balance sheet
145
138
77
Securitized
6
7
4
Total net charge-offs
151
145
81
Average loans
On-balance sheet
23,605
21,614
18,596
Securitized
2,532

2,923
3,573
Total average loans
26,137
$
24,537
22,169
NPAs
as a % of loans
On-balance sheet
0.25
%
0.29
0.33
Securitized
0.31
0.23
0.21
Total NPAs
as a % of loans
0.25
0.28
0.31
Net charge-offs as a % of average loans
On-balance sheet
2.46
2.55
1.65
Securitized
0.97
0.97
0.46
Total net charge-offs as a % of average loans
2.31
%
2.36
1.46
Managed consumer auto 30+ days past due loans
On-balance sheet
499
$
667
317
Securitized
41
51
44
Total managed consumer auto 30+ days past due loans
540
$

718
361
Managed consumer auto 30+ days past due loans as a % of loans
On-balance sheet
2.05
%
3.06
1.69
Securitized
2.02
1.77
1.27
Total managed consumer auto 30+ days past due loans as a % of loans
2.05
%
2.91
1.62

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WACHOVIA FIRST QUARTER 2008

QUARTERLY EARNINGS REPORT

APRIL 14, 2008

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READERS ARE ENCOURAGED TO REFER TO WACHOVIA'S RESULTS FOR THE YEAR ENDED DECEMBER 31, 2007, PRESENTED IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("GAAP"), WHICH MAY BE FOUND IN WACHOVIA'S 2007 ANNUAL REPORT ON FORM 10-K.

ALL NARRATIVE COMPARISONS ARE WITH FOURTH QUARTER 2007 UNLESS OTHERWISE NOTED.

THE INFORMATION CONTAINED HEREIN INCLUDES CERTAIN NON-GAAP FINANCIAL MEASURES. PLEASE REFER TO PAGES 31-35 FOR AN IMPORTANT EXPLANATION OF OUR USE OF NON-GAAP MEASURES AND RECONCILIATION OF THOSE NON-GAAP MEASURES TO GAAP.

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Earnings Summary

Earnings Reconciliation

	2008		2007								1Q08 EPS	
	First Quarter		Fourth Quarter		Third Quarter		Second Quarter		First Quarter		vs	vs
(After-tax in millions, except per share data)	Amount	EPS	Amount	EPS	Amount	EPS	Amount	EPS	Amount	EPS	4Q07	1Q07
Net income (loss) available to common stockholders (GAAP)	**$ (393)**	**(0.20)**										