

WACHOVIA CORP NEW  
Form 11-K  
June 19, 2006

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**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**FORM 11-K**

**ANNUAL REPORT**

**PURSUANT TO SECTION 15(d) OF THE**

**SECURITIES EXCHANGE ACT OF 1934**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]**

For the fiscal year ended December 31, 2005

OR

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 1-10000

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**WACHOVIA SAVINGS PLAN**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**WACHOVIA CORPORATION**

**One Wachovia Center**

**Charlotte, North Carolina 28288-0013**

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(a) The following financial statements and reports, which have been prepared pursuant to the requirements of the Employee Retirement Income Security Act of 1974, are filed as part of this Annual Report on Form 11-K:

Report of Independent Registered Public Accounting Firm

Financial Statements:

Statements of Net Assets Available for Benefits, December 31, 2005 and 2004

Statement of Changes in Net Assets Available for Benefits, Year Ended December 31, 2005

Notes to Financial Statements

Supplemental Schedule:

Schedule of Assets Held for Investment Purposes at End of Year, December 31, 2005

(b) The following Exhibits are filed as part of this Annual Report on Form 11-K:

Consent of Independent Registered Public Accounting Firm

**WACHOVIA SAVINGS PLAN**

Financial Statements

and Schedule

As of December 31, 2005 and 2004, and for the

Year Ended December 31, 2005

(With Report of Independent Registered Public Accounting Firm Thereon)

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Benefits Committee

Wachovia Corporation

We have audited the accompanying statements of net assets available for benefits of the Wachovia Savings Plan (the Plan), as of December 31, 2005 and 2004, and the related statement of changes in net assets available for benefits for the year ended December 31, 2005. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the Standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2005 and 2004, and the changes in net assets available for benefits for the year ended December 31, 2005, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes at end of year is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Charlotte, North Carolina

June 19, 2006

## WACHOVIA SAVINGS PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	<i>December 31,</i>	
	<i>2005</i>	<i>2004</i>
<b>ASSETS</b>		
Investments		
Marketable investments, at fair value		
Money Market Fund	\$ 2,303,211	
Mutual Funds	3,306,043,558	2,895,451,922
Stable Fund	1,048,151,996	962,637,682
Collective Investment Trusts	874,267,469	869,394,476
Wachovia Stock Non-ESOP	93,961,067	70,354,624
Employee Stock Ownership Plan		
Wachovia Corporation common stock		
Allocated	1,529,378,232	1,663,266,012
Unallocated	97,372,798	107,659,839
Cash and cash equivalents		
Allocated	88,992,381	75,402,623
Unallocated	946,280	950,060
Total marketable investments	7,041,416,992	6,645,117,238
Participants' loans receivable	222,685,409	209,715,758
Total investments	7,264,102,401	6,854,832,996
Employer contribution receivable	1,255,501	26,185,159
Prepaid expense	1,774,498	
Total assets	\$ 7,267,132,400	6,881,018,155
<b>LIABILITIES</b>		
Loan payable - Employee Stock Ownership Plan - unallocated	39,530,182	42,294,393
Net assets available for benefits	\$ 7,227,602,218	6,838,723,762

See accompanying notes to financial statements.

## WACHOVIA SAVINGS PLAN

## STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	<i>Year Ended December 31, 2005</i>		
	<i>Participant Directed</i>	<i>Employee Stock Ownership Plan- Unallocated</i>	<i>Total</i>
<b>ADDITIONS TO PLAN ASSETS</b>			
Investment income			
Interest on loans	\$ 9,973,063		9,973,063
Net appreciation/(depreciation) in fair value of investments	468,621,320	(6,564,558)	462,056,762
Total investment income/(loss), net	478,594,383	(6,564,558)	472,029,825
Employer contributions	224,434,247	2,690,937	227,125,184
Employee contributions	396,347,225		396,347,225
Net assets contributed through mergers	66,632,661		66,632,661
Transfers from other funds	330,861,734		330,861,734
Total additions to plan assets	1,496,870,250	(3,873,621)	1,492,996,629
<b>DEDUCTIONS FROM PLAN ASSETS</b>			
Participants withdrawals	769,603,450		769,603,450
Transfers to other funds	330,861,734		330,861,734
Interest expense		3,652,989	3,652,989
Total deductions from plan assets	1,100,465,184	3,652,989	1,104,118,173
Increase/(decrease) in net assets available for benefits	396,405,066	(7,526,610)	388,878,456
Net assets available for benefits			
Beginning of year	6,772,408,256	66,315,506	6,838,723,762
End of year	\$ 7,168,813,322	58,788,896	7,227,602,218

See accompanying notes to financial statements.

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**WACHOVIA SAVINGS PLAN**

**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2005 and 2004

**NOTE 1: DESCRIPTION OF PLAN**

The following brief description of the Wachovia Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

*GENERAL*

Wachovia Corporation and its subsidiaries (the Companies) sponsor the Plan, which is designed to promote savings for retirement, and which is a defined contribution plan. The Companies' and employees' contributions are held in trust and earn income tax-free until distributed. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Effective January 1, 1999, the portion of the Plan invested in the Wachovia Corporation Common Stock Fund was amended to be an employee stock ownership plan that invests primarily in employer securities. The first one percent of the Companies' matching contribution is made in Wachovia Corporation common stock. Each employee can immediately elect to liquidate the Wachovia Corporation common stock credited to the employee's account by transferring the value of the common stock to any of a number of investment options available within the Plan.

*ELIGIBILITY, CONTRIBUTIONS AND BENEFITS*

Under the Plan, an employee is eligible to make contributions beginning on the first of the month following the month in which they complete one full calendar month of service. The employee is eligible to receive employer matching contributions after one year of service. Employee contributions, pre-tax and after-tax, are elected by the participant and cannot exceed 30 percent of the employee's benefits eligible compensation. The maximum percentage of the employer matched contribution is determined annually by the Wachovia Human Resources and Corporate Relations Director, and the contribution amounts are paid from net income or accumulated earnings in accordance with the provisions of the Internal Revenue Code of 1986 as amended together with all regulations, revenue rulings and revenue procedures issued thereunder (the Code). The employer's matching contribution cannot exceed 6 percent of a participant's benefits eligible compensation. Participants are fully vested in their entire account balances at all times.

Four types of withdrawals are allowed under the Plan: normal, specified cause, hardship and after age 59 1/2. The Benefits Committee (the Committee) must approve any new types of withdrawals. Participants may withdraw up to their entire account balance, depending on the type of withdrawal, net of applicable withholdings and/or loan balances, or a minimum of \$500. The amount of tax withholding depends on the type of withdrawal. In addition, participants may elect to receive current distributions of cash dividends on shares of Wachovia Corporation common stock allocated to them under the Employee Stock Ownership Plan portion of the Plan.

Participants may borrow up to 50 percent of the balance of their accounts with a minimum loan of \$1,000 and a maximum loan of \$50,000. Loan balances are charged interest at a fixed rate for the life of the loan. The interest rate is determined at origination as the prime interest rate in use by Wachovia Bank, National Association, on the business day preceding the date the loan is processed. Loans are made for a minimum of 12 months or a maximum of 60 months, except that if the loan is used to acquire the participant's principal residence, the maximum term is 180 months. Loan repayments are generally made semi-monthly as a payroll deduction. If a participant retires or is otherwise terminated, the loan balance must be paid in full or the outstanding balance will be considered as a taxable distribution.

Participants, at retirement, may elect to receive a distribution of their account balances. A participant is considered retired if it is the participant's 65th birthday, if it is the participant's 50th birthday with 10 or more years of service, or if it is determined that the participant is totally disabled. Distributions may be made in a lump sum or, in certain circumstances, the participant's account may be applied to the purchase of an annuity. Distribution of a retired participant's account balance must begin at age 70 1/2. If a participant leaves Wachovia before retirement, their Wachovia Savings Plan account may be distributed in the same manner as described above.

Although the employer has not expressed any intent to terminate the Plan, it may do so at any time subject to the provisions of ERISA. If the Plan is terminated, the accounts of each participant shall be adjusted in accordance with Plan provisions.

*(Continued)*

**WACHOVIA SAVINGS PLAN**

**NOTES TO FINANCIAL STATEMENTS**

*PARTICIPANT DIRECTED*

In accordance with the Plan provisions, Plan earnings are allocated to participants' accounts on a daily basis. The investment options available to participants at December 31, 2005 and 2004, are presented below.

*Stable Fund*

This fund invests in a diversified portfolio of high quality securities, primarily consisting of Guaranteed Investment Contracts ( GICs ), collateralized synthetic GIC contracts and cash equivalents. Target duration is 1.5 years to 3.0 years. Its investment objective is preservation of principal with stable market value.

*Evergreen U.S. Government Fund*

This fund invests primarily in U.S. Treasury securities and other securities issued by the U.S. Government, its agencies or instrumentalities. Its investment objective is a high level of current income with stability of principal.

*Evergreen Growth Fund*

This fund invests primarily in common stocks of small to medium-sized companies that the fund's management believes are demonstrating strong and consistent earnings growth not fully recognized in their stock price. Its investment objective is long-term capital growth.

*Evergreen Core Bond Fund*

This fund invests at least 80 percent of its assets in U.S. dollar-denominated investment grade debt securities. The fund seeks to maximize total return through a combination of current income and capital growth.

*Evergreen Special Value Fund*

This fund invests primarily in common stocks of small U.S. companies. Fund management looks for significantly undervalued companies they believe have the potential for above-average appreciation potential with below average risk. The fund seeks to produce growth of capital.

*American Europacific Growth Fund*

This fund invests in strong, growing companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations. The fund invests primarily in common and preferred stocks, convertible securities, American Depositary Receipts, European Depositary Receipts, bonds and cash. Its investment objective is long-term capital growth.

*Dodge and Cox Balanced Fund*

This fund invests in equities that the fund's management believes to be temporarily undervalued by the stock market but that have a favorable outlook for long-term growth. The fund also invests in a diversified portfolio of investment grade fixed-income securities, such as U.S. Government obligations, mortgage and asset-backed securities, and corporate bonds. Its investment objective is regular income and conservation of principal.

*Dodge and Cox Stock Fund*

This fund invests primarily in a broadly diversified portfolio of common stocks. The fund consists of stocks that the fund's management believes are temporarily undervalued but have a favorable outlook for long-term growth. Its investment objective is long-term growth of principal and income.



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### *Hartford Midcap Fund*

This fund invests primarily in stocks selected on the basis of potential for capital appreciation. Under normal circumstances, the fund invests at least 80 percent of its assets in common stock of mid-capitalization companies. The fund seeks long-term growth of capital.

### *T. Rowe Price Blue Chip Growth Fund*

This fund invests at least 80 percent of its net assets in the common stocks of large and medium-sized blue chip growth companies. These are firms that, in fund management's view, are well established in their industries and have the potential for above-average earnings growth. Its investment objective is long-term capital appreciation, with income as a secondary objective.

### *Enhanced Stock Market Fund*

This fund uses a diversified equity strategy that invests in both value and growth oriented companies. The fund's portfolio sector and industry weights reflect those in the S&P 500 Index. Its investment objective is to achieve a total rate of return which closely tracks the return of the S&P 500 Index over time.

*(Continued)*

**WACHOVIA SAVINGS PLAN**

**NOTES TO FINANCIAL STATEMENTS**

*Wachovia Stock Non-ESOP Fund*

Only participants employed by a business entity not taxable as a corporation, such as the employees of Wachovia Securities LLC, may invest in this fund. This fund's objective is long-term capital appreciation. The fund seeks to achieve its objective through investments in Wachovia Corporation common stock.

*Wachovia Corporation Common Stock Fund*

This fund invests primarily in Wachovia Corporation common stock and varying levels of short-term cash equivalent investments. Dividends allocated to each participant's account are reinvested in additional units of Wachovia Corporation common stock or paid out in cash at each participant's election. Its primary investment objective is long-term capital appreciation.

*Aim Large Cap Basic Value Fund*

This fund seeks to provide long-term growth of capital and invests in securities of large-capitalization companies that offer potential for capital growth, and may offer potential for current income.

*Pimco Total Return Fund*

This fund invests in a diversified portfolio of fixed income instruments of varying maturities. The average portfolio duration of the fund is 3 - 6 years. The total return sought by the fund consists of income earned on the fund's investments, plus any capital appreciation.

*American Funds Growth Fund of America Fund*

This fund invests in attractively valued companies that represent good long-term investment opportunities. Its objective is growth of capital and it invests primarily in common stocks.

*Aim Capital Development Institutional Fund*

This fund's investment objective is long-term growth of capital. This fund invests primarily in securities, including common stocks, convertible securities and bonds of small and medium sized companies.

*STI Classic Small Growth Fund*

This fund invests primarily in equity U.S. traded securities of companies with market capitalizations between \$50 million and \$3 billion in size. The investment goal is long-term capital appreciation.

*Hotchkis & Wiley Mid-Cap Value Fund*

This fund's investment objective is capital appreciation. It invests primarily in common stocks of mid-capitalization U.S. companies.

*Aim International Small Company Fund*

This fund seeks long-term growth of capital by investing primarily in securities of small international companies. The fund will normally invest in companies located in at least four countries outside of the United States. The fund is non-diversified, which means it can invest a greater percentage of its assets in any one issuer than a diversified fund can.

*Pimco Real Return Fund*

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This fund seeks maximum real return consistent with preservation of real capital. The fund invests primarily in investment grade inflation-indexed fixed-income securities.

### *Invesco Stable Value Trust Fund*

This fund's objective is the preservation of principal and interest income reasonably obtained under prevailing market conditions and rates, consistent with seeking to maintain required liquidity. It invests primarily in security backed fixed-income investments.

### *Invesco 500 Index Trust Fund*

This fund's objective is to provide total investment returns and characteristics that closely replicate those of the S&P 500 composite stock index.

### *Invesco Structured Small Cap Value Equity Trust Fund*

This fund's objective is long-term appreciation. The fund is designed to (1) outperform the Russell 2000 Small Cap Value Index over time based on the performance of the stocks ranked by a proprietary Stock Selection Model, and (2) control risk by having an overall risk profile which is similar to that of the Russell 2000 Small Cap Value Index in terms of beta, styles and industries.

*(Continued)*

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**WACHOVIA SAVINGS PLAN**

**NOTES TO FINANCIAL STATEMENTS**

*Invesco Equity Real Estate Securities Trust Fund*

The objective of this fund is to provide current income with long-term appreciation potential by primarily investing in Real Estate Investment Trusts and other publicly traded stocks that derive a substantial portion of the revenues from the real estate industry.

*DISCONTINUED INVESTMENT OPTIONS*

As of December 31, 2005, funds no longer available as an investment option were the Dreyfus Emerging Leaders Fund, Federated Kaufmann Fund, Federated U.S. Government Bond Fund, Montag and Caldwell Growth Fund, SouthTrust Bond Fund, SouthTrust Growth Fund, SouthTrust Income Fund, SouthTrust U.S. Treasury Money Market Fund, SouthTrust Value Fund and the Templeton Growth Fund.

*MERGERS WITH FINANCIAL INSTITUTIONS*

On December 31, 2005, the Palmer & Cay Inc. Retirement Plan merged into the Plan. The Palmer & Cay Retirement Plan had assets of \$67 million.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*BASIS OF PRESENTATION*

The accompanying financial statements are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles.

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect reported amounts of assets, liabilities and obligations and disclosure of contingent liabilities at the date of the financial statements, as well as additions to and deductions from these amounts during the reporting period. Actual results could differ from those estimates.

The Plan allows for investments in mutual funds, which have investments in debt and equity securities of companies within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Plan's financial statements and schedule.

*VALUATION OF INVESTMENTS*

The specific identification method is used in determining the cost of securities. Security transactions are recognized on the trade date (the date the order to buy or sell is executed). Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date.

Investments in cash management accounts and participants' loans receivable are stated at cost which approximates fair value. Investments in mutual funds, collective investment funds, common stocks and other financial instruments are stated at fair value, which is based on closing market quotations.

In accordance with the American Institute of Certified Public Accountants Statement of Position 94-4, "Reporting of Investment Contracts Held by Health and Welfare Benefits Plans and Defined-Contribution Pension Plans", the Stable Fund's holdings of investment contracts are generally stated at contract value plus accrued interest because they are considered to be benefit responsive, thus providing reasonable access to the funds by participants. If Plan management is aware that an event has occurred that may affect the ability to recover the full value of a contract, the contract is reported at its estimated realizable value. Otherwise the contract value of investment contracts, including any accrued interest approximates the fair value.

Certain Guaranteed Investment Contracts (GICs) held by the Stable Fund are synthetic; that is, the Stable Fund owns certain fixed-income marketable securities and a liquidity agreement (wrapper) is entered into for a fee with a third party that guarantees a minimum rate of return and provides benefit responsiveness. Several of the GICs have crediting interest rates that, according to the terms of the contract,

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will reset periodically. The frequency of credit interest-rate resets on those GIC s are either semi-annually or quarterly. Financial Accounting Standards Board Staff Position Nos. AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP ), is effective for Plan years ending after December 15, 2006. The FSP describes the limited circumstances in which the net assets of an investment company shall reflect the contract value of certain investments that it holds, provides a definition of a fully benefit-responsive investment contract and provides guidance with respect to financial statement presentation and disclosure of fully benefit-responsive investment contracts. The Companies are currently evaluating the impact of this FSP on the accounting, presentation and disclosure of the Plan s GIC s.

Interest and dividends earned on marketable investments and GIC s are treated as gains in appreciation of the fair value of the fund, since all income received by the fund is reinvested in the fund and thus increases the participants share value. In 2005, interest and dividends earned on marketable investments were \$1,782,853, and \$258,815,049, respectively.

*(Continued)*

## WACHOVIA SAVINGS PLAN

## NOTES TO FINANCIAL STATEMENTS

## NOTE 3: INVESTMENTS

Under the terms of the Plan, Wachovia Bank, National Association (the Trustee), a wholly-owned subsidiary of Wachovia Corporation and a party-in-interest, holds the assets of the Plan in bank-administered trust funds.

The fair values of investments at December 31, 2005 and 2004 are presented below. Investments that represent 5 percent or more of the Plan's net assets are separately identified.

	<i>December 31,</i>	
	<i>2005</i>	<i>2004</i>
<b>INVESTMENTS</b>		
Money Market Fund	<b>\$ 2,303,211</b>	
Mutual funds		
Evergreen U.S. Government Fund	<b>181,875,153</b>	185,820,237
Evergreen Growth Fund	<b>213,686,479</b>	187,169,324
Evergreen Core Bond Fund	<b>55,469,420</b>	33,061,635
Evergreen Special Value Fund	<b>307,714,076</b>	243,227,554
American Europacific Growth Fund	<b>454,906,312(a)</b>	295,001,565
Dodge and Cox Balanced Fund	<b>632,464,138(a)</b>	562,453,000(a)
Dodge and Cox Stock Fund	<b>869,306,209(a)</b>	615,671,933(a)
Hartford Midcap Fund	<b>416,799,368(a)</b>	304,330,984
T. Rowe Price Blue Chip Growth Fund	<b>145,151,415</b>	
Aim Large Cap Basic Value Fund	<b>8,475,829</b>	
Pimco Total Return Fund	<b>4,571,587</b>	
American Funds Growth Fund of America Fund	<b>5,218,779</b>	
Aim Capital Development Institutional Fund	<b>4,044,925</b>	
STI Classic Small Growth Fund	<b>3,296,730</b>	
Hotchkis & Wiley Mid-Cap Value Fund	<b>1,450,617</b>	
Aim International Small Company Fund	<b>1,264,186</b>	
Pimco Real Return Fund	<b>348,335</b>	
Montag and Caldwell Growth Fund		130,485,368
SouthTrust U.S. Treasury Money Market Fund		87,317,744
Federated U.S. Government Bond Fund		6,541,956
SouthTrust Bond Fund		18,062,349
SouthTrust Income Fund		5,229,800
Dreyfus Emerging Leaders Fund		12,865,436
Federated Kaufmann Fund		11,443,902
SouthTrust Value Fund		171,522,674
SouthTrust Growth Fund		9,496,356
Templeton Growth Fund		15,750,105
Total mutual funds	<b>3,306,043,558</b>	2,895,451,922
Collective investment trusts		
Enhanced Stock Market Fund	<b>847,392,618(a)</b>	869,394,476(a)
Invesco Stable Value Trust Fund	<b>10,012,006</b>	
Invesco 500 Index Trust Fund	<b>10,352,882</b>	
Invesco Structured Small Cap Value Equity Trust Fund	<b>5,831,960</b>	
Invesco Equity Real Estate Securities Trust Fund	<b>678,003</b>	
Total collective investment trusts	<b>874,267,469</b>	869,394,476
Stable Fund	<b>1,048,151,996(a)</b>	962,637,682(a)

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Wachovia Stock Non-ESOP Fund	<b>93,961,067</b>	70,354,624
Employee Stock Ownership Plan		
Wachovia Corporation common stock	<b>1,626,751,030(a)</b>	1,770,925,851(a)
Cash and cash equivalents	<b>89,938,661</b>	76,352,683
Total marketable investments	<b>7,041,416,992</b>	6,645,117,238
Participants' loans receivable	<b>222,685,409</b>	209,715,758
Total investments	<b>\$ 7,264,102,401</b>	6,854,832,996

(a) Investment is greater than five percent of the Plan's net assets at the end of the period.

*(Continued)*

**WACHOVIA SAVINGS PLAN****NOTES TO FINANCIAL STATEMENTS**

The net appreciation in value of the Plan's investments (including investments bought, sold and held during the year) is presented below.

	<i>Year Ended December 31,</i>
	<i>2005</i>
Stable Fund	<b>\$ 40,498,269</b>
Evergreen U.S. Government Fund	<b>4,219,558</b>
Evergreen Growth Fund	<b>13,412,593</b>
Enhanced Stock Market Fund	<b>49,664,649</b>
American Europacific Growth Fund	<b>74,782,602</b>
Dodge and Cox Balanced Fund	<b>39,657,768</b>
Dodge and Cox Stock Fund	<b>76,382,072</b>
Montag and Caldwell Growth Fund	<b>11,333,324</b>
Evergreen Core Bond Fund	<b>1,221,903</b>
Evergreen Special Value Fund	<b>29,186,323</b>
Hartford Midcap Fund	<b>57,772,081</b>
T. Rowe Price Blue Chip Growth Fund	<b>(2,383,232)</b>
Wachovia Stock Non-ESOP Fund	<b>5,539,698</b>
Wachovia Corporation Common Stock Fund - allocated	<b>67,333,712</b>
Wachovia Corporation Common Stock Fund - unallocated	<b>(6,564,558)</b>
Net appreciation	<b>\$ 462,056,762</b>

**NOTE 4: INCOME TAX STATUS**

The Internal Revenue Service has determined and informed the Companies by a letter dated October 21, 2005, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Code. The Plan has been amended since receiving the determination letter. However, the Companies believe that the Plan is currently designed and being operated in compliance with applicable requirements of the Code. Therefore, the Companies believe that the Plan was qualified and the related trust was tax-exempt as of December 31, 2005. Therefore, no provision for income taxes has been made in the accompanying financial statements. The Committee files an annual information return with the Department of Labor.

**NOTE 5: RELATED PARTY TRANSACTIONS**

The Evergreen U.S. Government Fund, the Evergreen Growth Fund, the Evergreen Core Bond Fund, the Evergreen Special Value Fund and the Evergreen Ultra Short Opportunities Fund (included as a component of the Stable Fund) are mutual funds managed by subsidiaries of Wachovia Bank, National Association, which is a subsidiary of Wachovia Corporation. The Enhanced Stock Market Fund and the Stable Fund investments are managed by Wachovia Bank, National Association. The Wachovia Corporation Common Stock Fund and the Wachovia Stock Non-ESOP Fund are also managed by Wachovia Bank, National Association, and are principally comprised of shares of Wachovia Corporation common stock.

Wachovia Bank, National Association, a party-in-interest, serves as the trustee for the Plan. In 2005, the Companies paid administrative expenses on behalf of the Plan of \$2,807,621.

*(Continued)*



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**WACHOVIA SAVINGS PLAN**
**NOTES TO FINANCIAL STATEMENTS**

Certain Plan investments are shares of mutual funds managed by companies that are not considered parties-in-interest. These non-related mutual fund companies pay a sub-transfer agent fee to the Plan for services provided by the trustee. These monies are deposited into an interest-bearing money market account, and are used to pay expenses of the Plan. In 2005, the Plan received \$1,750,794 of sub-transfer agent fees, and earned an additional \$23,704 in interest, all of which was used to pre-pay 2006 Plan expenses.

**NOTE 6: LOAN PAYABLE**

Upon the merger of the CoreStates Employee Stock Ownership and Savings Plan into the Plan in 1999, Wachovia Bank, National Association, assumed all obligations of CoreStates Financial Corp under the loan agreement dated October 27, 1994, pursuant to which Meridian Trust Company issued to Meridian Bancorp, Inc. its promissory note dated October 27, 1994, in the amount of \$60,000,000, with a maturity date of October 1, 2014, and bearing an interest rate of 8.85 percent. The Companies are obligated to make contributions to maintain debt service.

The loan was originally collateralized by 3,274,816 shares of Wachovia Corporation common stock. The loan repayment schedule is presented below:

2006	\$ 3,017,082
2007	3,293,087
2008	3,594,342
2009	3,923,153
2010	4,282,046
Thereafter	\$ 21,420,472

As the Plan makes each payment of principal and interest, an appropriate percentage of common stock will be available to fund the Companies one percent match in accordance with the provisions of the Plan document. If shares made available after payment of principal are in excess of those amounts required to fund the Companies one percent matching contribution, those shares may be utilized to fund the Companies matching contribution where participants have elected to invest in the Wachovia Corporation Common Stock Fund or in participant contributions where participants have elected to invest in Wachovia Corporation common stock. Shares vest fully upon allocation. Dividends allocated to each participant's account are reinvested in additional units of Wachovia Corporation common stock or paid out in cash at each participant's election. Dividends on unallocated shares not distributed currently to participants may be either distributed or reinvested in Wachovia Corporation common stock at the discretion of the Companies. The Companies have elected to reinvest the dividends.

The borrowing is collateralized by 1,842,088 unallocated shares of Wachovia Corporation common stock at December 31, 2005, and is guaranteed by the Companies. In 2005, 204,677 shares were released based on principal and interest paydowns on the loan. The lender has no rights against shares once they are allocated under the Plan. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to: (a) the accounts of employees with vested rights in allocated stock (Allocated), and (b) stock not yet allocated to employees (Unallocated).

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is required to vote all shares in the Plan, including unallocated shares, in proportion to the response received for participants and beneficiaries with respect to stock allocated to participant accounts.

The fair value of the loan payable is based on the current rates available to the Plan for debt with the same or similar maturities and terms. At December 31, 2005 and 2004, the loan payable was recorded at \$39,530,182 and \$42,294,393, respectively, and had an estimated fair value of \$46,588,457 and \$52,152,227, respectively.

## SCHEDULE 1

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## WACHOVIA SAVINGS PLAN

## Schedule H, Line 4i - Schedule of Assets Held for Investment Purposes at End of Year

<i>Identity of Issue</i>	<i>December 31, 2005</i>	
	<i>Par Value or Number of Units</i>	<i>Fair Value</i>
<b>MONEY MARKET FUND</b>		
SSGA Money Market	2,303,211	\$ 2,303,211
<b>MUTUAL FUNDS</b>		
Evergreen U.S. Government Fund *	13,852,194	181,875,153
Evergreen Growth Fund *	12,330,437	213,686,479
Evergreen Core Bond Fund *	3,985,846	55,469,420
Evergreen Special Value Fund *	11,439,189	307,714,076
American Europacific Growth Fund	11,072,758	454,906,312
Dodge and Cox Balanced Fund	7,775,561	632,464,138
Dodge and Cox Stock Fund	6,335,128	869,306,209
Hartford Midcap Fund	14,507,461	416,799,368
T. Rowe Price Blue Chip Growth Fund	4,441,598	145,151,415
Aim Large Cap Basic Value Fund	586,563	8,475,829
Pimco Total Return Fund	437,098	4,571,587
American Funds Growth Fund of America Fund	170,104	5,218,779
Aim Capital Development Institutional Fund	224,718	4,044,925
STI Classic Small Growth Fund	157,212	3,296,730
Hotchkis & Wiley Mid-Cap Value Fund	51,642	1,450,617
Aim International Small Company Fund	61,608	1,264,186
Pimco Real Return Fund	31,438	348,335
Total mutual funds		3,306,043,558
Wachovia Stock Non-ESOP *	4,514,950	93,961,067
<b>COLLECTIVE INVESTMENT TRUSTS</b>		
Enhanced Stock Market Fund *	10,053,526	847,392,618
Invesco Stable Value Trust	10,012,006	10,012,006
Invesco 500 Index Trust Fund	317,963	10,352,882
Invesco Structured Small Cap Value Equity Trust Fund	51,167	5,831,960
Invesco Equity Real Estate Securities Trust Fund	12,125	678,003
Total collective investment trusts		874,267,469
<b>STABLE FUND *</b>		
<b>CASH MANAGEMENT ACCOUNTS</b>		
Valiant General Fund	40,879,364	40,879,364
<b>COLLECTIVE INVESTMENT FUND</b>		
SEI Stable Asset Fund	117,793,856	117,793,856
<b>COMMERCIAL PAPER</b>		
Thunder Bay Fdg Inc. DCP, 4.30%, due 1/06/06	10,000,000	9,957,800

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Three Crowns Fdg LLC DCP, 4.30%, due 1/10/06	10,000,000	9,953,000
Total commercial paper		19,910,800

**CORPORATE BONDS**

NPF XII Incorporated, 9.33%, due 6/01/04	10,000,000	1,049,231
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**INVESTMENT CONTRACTS**

Metropolitan Life Insurance Company, Contract #28563, 6.02%, due 3/16/07	5,000,000	6,230,737
Metropolitan Life Insurance Company, Contract #29217, 4.24%, due 10/15/09	10,000,000	10,388,483
Metropolitan Life Insurance Company, Contract #29194, 4.37%, split maturity, 50% due 1/15/10, 50% due 4/15/10	10,000,000	10,429,664
Metropolitan Life Insurance Company, Contract #25204, 4.90%, due 1/01/2099**	28,306,668	28,306,668
Monumental Life Insurance Company, Contract #SV04249Q, 5.59%, due 5/15/07	10,000,000	12,173,918
Pacific Life Insurance Company, Contract #G2618802, 6.27%, due 6/30/06	10,000,000	13,139,073

## WACHOVIA SAVINGS PLAN

## Schedule H, Line 4i - Schedule of Assets Held for Investment Purposes at End of Year

<i>Identity of Issue</i>	<i>December 31, 2005</i>	
	<i>Par Value or Number of Units</i>	<i>Fair Value</i>
<b>INVESTMENT CONTRACTS</b> <i>cont d</i>		
Principal Life Insurance Company, Contract #4-40344-4, 6.00%, due 3/16/07	5,000,000	6,226,314
Principal Life Insurance Company, Contract #4-40344-5, 4.10%, due 4/15/09	10,000,000	10,375,677
Travelers Insurance Company, Contract #GR18225, 5.75%, due 9/15/06	10,000,000	12,357,563
Total investment contracts		109,628,097
<b>SYNTHETIC GUARANTEED INVESTMENT CONTRACTS</b>		
CDC-Ixis, Contract #1843-01, 5.21%, open-ended maturity**	103,982,923	
Collective investment fund		
Dwight Core Intermediate Fund	104,388,595	104,388,595
Total collective investment fund	104,388,595	104,388,595
Wrap Agreement		
Total CDC contract		104,388,595
AIG Financial Products, Contract #443423, 4.05%, open-ended maturity**	117,591,280	
Bank of America, Contract #02-135, 4.08%, open-ended maturity**	117,571,275	
State Street Bank & Trust Company, Contract #102-078, 4.10%, open-ended maturity**	117,618,245	
UBS Warburg, Contract #3103, 4.10%, open-ended maturity**	117,609,262	
Rabobank, Contract #WAC010401, 4.06%, open-ended maturity**	117,597,098	
Collective investment funds		
Dwight Target 2 Fund and Dwight Target 5 Fund (c)	576,839,640	576,839,640
Total collective investment funds	576,839,640	576,839,640
Global Wrap Agreement		11,147,520
Total AIG, Bank of America, State Street, UBS Warburg and Rabobank contracts		587,987,160
Royal Bank of Canada #NYDWI10WACH0104, 3.78%, open-ended maturity**	63,833,799	
Collective investment fund		
Evergreen Ultra Short Opportunities Fund*	62,826,791	62,826,791
Total collective investment fund	62,826,791	62,826,791
Wrap Agreement		1,007,008
Total Royal Bank of Canada contract		63,833,799
Total synthetic guaranteed investment contracts		756,209,554
Accrued receivable on assets of the stable fund		2,681,094

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Total Stable Fund		1,048,151,996
<b>EMPLOYEE STOCK OWNERSHIP PLAN</b>		
Wachovia Corporation common stock *		
Allocated	28,932,619	1,529,378,232
Unallocated (a)	1,842,088	97,372,798
Valiant General Fund - Cash Management Account		
Allocated	88,992,381	88,992,381
Unallocated (b)	946,280	946,280
Total Employee Stock Ownership Plan		1,716,689,691
Participants	loans receivable, various maturities, rates from 4.00% to 11.50% *	222,685,409
Total investments		\$ 7,264,102,401

\* Party-in-Interest.

\*\* Investment with periodic credit interest-rate reset.

(a) Cost of plan assets for this nonparticipant-directed investment is \$27,174,056.

(b) Cost of plan assets for this nonparticipant-directed investment is \$946,280.

(c) The fair values of the Dwight Target 2 and Dwight Target 5 funds are \$297,171,680 and \$279,667,960, respectively.  
See accompanying Report of Independent Registered Public Accounting Firm.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the plan administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

**WACHOVIA SAVINGS PLAN**

/s/ BENJAMIN J. JOLLEY

Benjamin J. Jolley

Senior Vice President

Wachovia Benefits Committee, Plan Administrator

June 19, 2006

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>	<b>Location</b>
(23)	Consent of Independent Registered Public Accounting Firm	Filed herewith