

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):  
July 13, 1998

NATIONSBANK CORPORATION  
(Exact name of registrant as specified in its charter)

North Carolina  
(State or other jurisdiction of incorporation or organization)

1-6523  
(Commission File Number)

56-0906609  
(IRS Employer Identification No.)

NationsBank Corporate Center  
Charlotte, North Carolina  
(Address of principal executive offices)

28255  
(Zip Code)

(704) 386-5000  
(Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS.

Release of Second Quarter Earnings. On July 13, 1998, NationsBank Corporation, the registrant (the "Registrant"), announced financial results for the second quarter of fiscal 1998, reporting earnings of \$1.13 billion and earnings per common share of \$1.18. A copy of the press release announcing the results of the Registrant's fiscal quarter ended June 30, 1998 is filed as Exhibit 99.1 to this Current Report on Form 8-K.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following exhibits are filed herewith:

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
99.1	Press Release dated July 13, 1998 with respect to the Registrant's financial results for the fiscal quarter ended June 30, 1998.

SIGNATURE

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

NATIONSBANK CORPORATION

By: /s/ Marc D. Oken  
Marc D. Oken  
Chief Accounting Officer

Dated: July 13, 1998



Contact: Investors Susan Carr (704-386-8059)  
Kevin Stitt (704-386-5667)  
Media Bob Stickler (704-386-8465)

DOUBLE-DIGIT REVENUE GROWTH DRIVES 23 PERCENT INCREASE IN OPERATING EARNINGS  
AT NATIONSBANK

CHARLOTTE, NC, July 13, 1998 -- NationsBank today reported that operating earnings rose 23 percent in the second quarter to \$1.13 billion, or \$1.18 per common share. Earnings totaled \$919 million, or \$.97 per share, a year earlier. This significant earnings improvement was primarily due to strong, broad-based increases in revenue, particularly from loan growth, investment banking and brokerage activities.

The company also recorded during the second quarter of 1998 a \$430 million pre-tax gain on the sale of 67 banking offices in Florida arising from the merger with Barnett Banks. Including that gain, net income for the quarter was \$1.41 billion, or \$1.47 per share.

"NationsBank's core operating performance trends continue to be quite positive," said Chief Executive Officer Hugh L. McColl Jr. "We are particularly pleased with the growth in our fee-based businesses, such as investment banking and brokerage, which is lessening our dependence on spread-based income." McColl also noted that the assimilation of Barnett in Florida is on track. "We couldn't feel better about both our transition efforts and our financial performance in Florida," he said.

Operating earnings represented a return on average assets of 1.45 percent and a return on equity of 18.3 percent, exceeding the 1.30 percent and 15.7 percent, respectively, a year earlier.

Cash operating earnings -- which exclude the amortization of intangibles -- increased 21 percent from a year earlier to \$1.27 billion, or \$1.32 per share. Return on average tangible common shareholders' equity rose to 35 percent on an operating basis from 30 percent a year earlier.

For the first six months of 1998, operating earnings totaled \$2.27 billion, or \$2.38 per share, up 28 percent from \$1.77 billion, or \$1.87 per share a year earlier. Net income for the first six months was \$1.90 billion, or \$1.99 per share.

Earnings Highlights (second quarter 1998 compared to second quarter 1997)

- \* Total revenues increased 14 percent to \$4.42 billion.
- \* Noninterest income rose 31 percent to \$1.86 billion, equal to 42 percent of total revenues compared to 37 percent a year earlier.
- \* Managed loans and leases grew 8 percent to \$194 billion.
- \* The cash basis efficiency ratio improved to 53.6 percent from 54.0 percent.

Net Interest Income

Taxable-equivalent net interest income increased 4 percent to \$2.56 billion, as average earning assets grew 10 percent. The net interest yield on earning assets declined by 24 basis points to 3.81 percent due to a higher level of investment securities as a result of leveraging excess capital.

Noninterest Income

Noninterest income grew 31 percent to \$1.86 billion. Investment banking and brokerage fees more than doubled, reflecting strong internal growth as well as the addition of NationsBanc Montgomery Securities in October 1997. Fees from credit cards, service charges and mortgage banking as well as trading were also up.

Efficiency

Noninterest expense rose 12 percent to \$2.51 billion, primarily due to the addition of NationsBanc Montgomery Securities. The efficiency ratio improved to 56.7 percent from 57.3 percent a year earlier, reflecting benefits from mergers and internal cost-control measures.

Credit Quality

Nonperforming assets were \$1.44 billion, or .80 percent of net loans, leases, factored accounts receivable and foreclosed properties on June 30, 1998, down from \$1.49 billion, or .82 percent a year earlier. The allowance for credit losses totaled \$3.21 billion on June 30, 1998, equal to 248 percent of nonperforming loans and 1.78 percent of net loans, leases and factored accounts receivable. The provision for loan losses in the second quarter was \$265 million. Net charge-offs were \$276 million, equal to an annualized .61 percent

of average net loans, leases and factored accounts receivable.

Capital Strength  
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Total shareholders' equity was \$26.7 billion at June 30, 1998. This represented 8.66 percent of period-end assets, compared to 8.27 percent on June 30, 1997. Book value per common share rose 11 percent to \$27.71 at June 30, 1998 from a year earlier.

NationsBank Corporation, with \$308 billion in assets, is the third largest U.S. bank with full-service operations in 16 states and the District of Columbia. NationsBank provides financial products and services to 18 million households and 1 million businesses as well as institutional investors and government agencies throughout the United States and in major markets around the world. The company's shares (Symbol: NB) are listed on the New York Stock Exchange.

www.nationsbank.com

NationsBank Corporation

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Financial Summary (In millions except per-share data)	Three Months Ended June 30		Six Months Ended June 30	
	1998	1997	1998	1997
<S>	<C>	<C>	<C>	<C>
Operating net income.....	\$ 1,131	\$ 919	\$ 2,270	\$ 1,774
Operating earnings per common share.....	1.18	.97	2.38	1.87
Diluted operating earnings per common share.....	1.15	.94	2.32	1.81
Cash basis earnings (1).....	1,268	1,046	2,546	2,014
Cash basis earnings per common share.....	1.32	1.10	2.67	2.12
Cash basis diluted earnings per common share.....	1.29	1.07	2.60	2.06
Dividends paid per common share....	.38	.33	.76	.66
Price per share of common stock at period end.....	76.69	64.56	76.69	64.56
Average common shares.....	958.392	946.462	954.040	945.826
Average diluted common shares.....	982.335	976.453	978.032	976.767

Summary Income Statement (Operating Basis)  
(Taxable-equivalent in millions)

Net interest income.....	\$ 2,563	\$ 2,472	\$ 5,127	\$ 4,916
Provision for credit losses.....	(265)	(225)	(530)	(447)
Gains on sales of securities.....	108	29	260	72
Noninterest income.....	1,859	1,424	3,635	2,745
Foreclosed properties (expense) income.....	(16)	-	(21)	2
Noninterest expense.....	(2,508)	(2,233)	(4,960)	(4,458)
Income before income taxes.....	1,741	1,467	3,511	2,830
Income taxes - including FTE adjustment.....	610	548	1,241	1,056
Operating net income.....	\$ 1,131	\$ 919	\$ 2,270	\$ 1,774

Summary Balance Sheet  
(Average balances in billions)

Loans and leases, net.....	\$ 178.958	\$ 179.430	\$177.835	\$ 178.405
Managed loans and leases, net (2)..	194.104	180.010	193.351	180.235
Securities.....	47.170	27.210	48.295	27.382
Earning assets.....	269.831	244.428	270.507	244.761
Total assets.....	312.540	284.194	313.728	283.906
Deposits.....	169.584	167.762	168.561	167.943
Shareholders' equity.....	24.855	23.531	24.584	23.598
Common shareholders' equity.....	24.797	23.426	24.524	23.458

Performance Indices (Operating Basis)

Return on average common shareholders' equity.....	18.27%	15.68%	18.64%	15.18%
Return on average tangible common shareholders' equity.....	35.06	30.36	36.29	28.30
Return on average assets.....	1.45	1.30	1.46	1.26
Return on average tangible assets..	1.68	1.53	1.69	1.48
Net interest yield.....	3.81	4.05	3.81	4.05
Efficiency ratio.....	56.71	57.31	56.61	58.19
Cash basis efficiency ratio.....	53.60	54.03	53.45	55.05
Net charge-offs (in millions).....	\$ 276	\$ 220	\$ 553	\$ 435
% of average loans, leases and				

factored accounts receivable, net.....	.61%	.49%	.62%	.49%
Managed credit card net charge-offs as a % of average managed credit card receivables.....	6.44	6.05	6.57	5.88

Reported Results (Including Merger and Restructuring Items)  
(In millions except per-share data)

Net income.....	\$ 1,408	\$ 919	\$ 1,905	\$ 1,774
Earnings per common share.....	1.47	.97	1.99	1.87
Diluted earnings per common share.....	1.43	.94	1.95	1.81
Return on average common shareholders' equity.....	22.75	15.68	15.64	15.18

- (1) Cash basis earnings equal operating net income excluding amortization of intangibles.  
(2) Prior periods are restated for comparison (e.g. acquisitions, divestitures and securitizations).  
(3) Ratios and amounts for 1997 have not been restated to reflect the impact of the Barnett Banks, Inc. merger.

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	June 30	
	1998	1997
Balance Sheet Highlights (In billions except per-share data)		
<S>	<C>	<C>
Loans and leases, net.....	\$ 179.755	\$ 180.424
Securities.....	44.958	25.849
Earning assets.....	268.393	245.240
Total assets.....	307.985	284.286
Deposits.....	169.238	168.444
Shareholders' equity.....	26.670	23.506
Common shareholders' equity.....	26.607	23.445
Per share.....	27.71	25.00
Total equity to assets ratio (period-end).....	8.66	8.27
Risk-based capital (3)		
Tier 1 capital ratio.....	7.30%	6.83%
Total capital ratio.....	11.77	11.32
Leverage ratio (3).....	6.21	6.05
Common shares issued (in millions).....	960.352	937.822
Allowance for credit losses.....	\$ 3.215	\$ 3.272
Allowance for credit losses as a % of net loans, leases and factored accounts receivable.....	1.78%	1.80%
Allowance for credit losses as a % of nonperforming loans.....	248.15	253.11
Nonperforming loans.....	\$ 1.295	\$ 1.293
Nonperforming assets.....	1.443	1.494
Nonperforming assets as a % of:		
Total assets.....	.47%	.53%
Net loans, leases, factored accounts receivable and foreclosed properties.....	.80	.82

Other Data

Full-time equivalent headcount.....	98,961	100,269
Banking centers.....	3,067	3,248
ATMs.....	6,960	6,932

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BUSINESS SEGMENT RESULTS - Three months ended June 30, 1998  
(In millions)

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	Total Revenue	Net Income	Average loans and leases, net	Return on risk adjusted tangible equity
<S>	<C>	<C>	<C>	<C>
Consumer Banking	\$ 2,578	\$ 503	\$ 99,394	30%
Commercial Banking	480	187	34,313	29

Asset Management	316	82	8,935	44
Corporate Finance	983	249	36,842	25

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