SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 10-Q

(Mark One)

{X} QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

For the quarterly period ended June 30, 1996

OR

{ } TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

For the transition period from to

Commission file number 1-6523

NationsBank Corporation
(Exact name of registrant as specified in its charter)

North Carolina	56-0906609
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

NationsBank Corporate Center, Charlotte, North Carolina 28255
(Address of principal executive offices and zip code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

On July 31, 1996, there were 291,169,674 shares of NationsBank Corporation Common Stock outstanding.

NATIONSBANK CORPORATION

JUNE 30, 1996 FORM 10-Q

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<TABLE>
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Part I. Financial Information

Item 1. Financial Statements

NationsBank Corporation and Subsidiaries
Consolidated Statement of Income
(Dollars in Millions Except Per-Share Information)

<TABLE>
<CAPTION>

	Three Months Ended June 30		Six Months Ended June 30	
	1996	1995	1996	1995
<S>	<C>	<C>	<C>	<C>
Income from Earning Assets				
Interest and fees on loans	$ 2,540	$ 2,311	$ 5,113	$ 4,487
Lease financing income	75	51	141	101
Interest and dividends on securities				
Held for investment	49	232	107	466
Available for sale	296	162	652	268
Interest and fees on loans held for sale	19	3	44	4
Interest on time deposits placed and				
other short-term investments	17	42	35	82
Federal funds sold	5	12	13	28
Securities purchased under agreements to resell	149	273	332	487
Trading account securities	292	305	578	538
Total income from earning assets	3,442	3,391	7,015	6,461
Interest Expense				
Deposits	848	842	1,706	1,625
Borrowed funds	550	779	1,201	1,377
Trading account liabilities	147	249	338	471
Long-term debt	310	185	626	345
Total interest expense	1,855	2,055	3,871	3,818
Net interest income	1,587	1,336	3,144	2,643
Provision for credit losses	155	70	310	140
Net credit income	1,432	1,266	2,834	2,503
Gains / (losses) on sales of securities	(6)	4	8	5
Noninterest income	917	730	1,802	1,456
Other real estate owned expense..................................	7	1	7	3

Merger-related charge	-	-	118	-
Other noninterest expense	1,405	1,288	2,799	2,576
Income before income taxes	931	711	1,720	1,385
Income tax expense	326	244	602	475
Net income	$ 605	$ 467	$ 1,118	$ 910
Net income available to common shareholders	$ 601	$ 465	$ 1,110	$ 906
Per-share information				
Earnings per common share	$ 2.00	$ 1.71	$ 3.70	$ 3.31
Fully diluted earnings per common share	$ 1.98	$ 1.70	$ 3.65	$ 3.28
Dividends per common share	$ .58	$ .50	$ 1.16	$ 1.00
Average common shares issued (in thousands)	300,462	271,717	300,370	274,053

</TABLE>

See accompanying notes to consolidated financial statements.

NationsBank Corporation and Subsidiaries
Consolidated Balance Sheet
(Dollars in Millions)

<TABLE>
<CAPTION>

<S>	<C> June 30 1996	<C> December 31 1995
Assets		
Cash and cash equivalents	$ 7,557	$ 8,448
Time deposits placed and other short-term investments	1,226	1,296
Securities		
Held for investment, at cost (market value - $3,285 and $4,432)	3,304	4,432
Available for sale	15,806	19,415
Total securities	19,110	23,847
Loans held for sale	1,555	1,663
Federal funds sold	229	111
Securities purchased under agreements to resell	7,331	6,119
Trading account assets	21,560	18,867
Loans and leases, net of unearned income	122,643	116,042
Factored accounts receivable	1,062	991
Loans, leases and factored accounts receivable, net of unearned income	123,705	117,033
Allowance for credit losses	(2,292)	(2,163)
Premises, equipment and lease rights, net	2,721	2,508
Customers' acceptance liability	935	918
Interest receivable	1,461	1,597
Mortgage servicing rights	862	707
Goodwill	1,487	1,139
Core deposit and other intangibles	404	375

Other assets	4,457	4,833
	$ 192,308	$ 187,298
Liabilities		
Deposits		
Noninterest-bearing	$ 24,242	$ 23,414
Savings	8,667	8,257
NOW and money market deposit accounts	30,590	28,160
Time	32,938	27,971
Foreign time	11,687	12,889
Total deposits	108,124	100,691
Federal funds purchased	4,024	5,940
Securities sold under agreements to repurchase	18,895	23,034
Trading account liabilities	13,143	15,177
Commercial paper	2,933	2,773
Other short-term borrowings	3,741	4,143
Liability to factoring clients	592	580
Acceptances outstanding	935	918
Accrued expenses and other liabilities	5,369	3,466
Long-term debt	20,527	17,775
Total liabilities	178,283	174,497
Contingent liabilities and other financial commitments (Note 4)		
Shareholders' Equity		
Preferred stock: authorized - 45,000,000 shares; issued - 5,346,543 and 2,473,081 shares	176	105
Common stock: authorized - 800,000,000 shares; issued - 301,082,855 and 274,268,773 shares	5,130	4,655
Retained earnings	8,779	7,826
Other, including loan to ESOP trust	(60)	215
Total shareholders' equity	14,025	12,801
	$ 192,308	$ 187,298

</TABLE>

See accompanying notes to consolidated financial statements.

NationsBank Corporation and Subsidiaries
Consolidated Statement of Cash Flows
(Dollars in Millions)

<TABLE>
<CAPTION>

<S>	Six Months Ended June 30 1996 <C>	1995 <C>
Operating Activities		
Net income	$ 1,118	$ 910
Reconciliation of net income to net cash (used) provided by operating activities		

Provision for credit losses	310	140
Gains on sales of securities	(8)	(5)
Depreciation and premises improvements amortization	151	139
Amortization of intangibles	58	61
Deferred income tax expense	85	119
Net change in trading instruments	(4,759)	(2,039)
Net (increase) decrease in interest receivable	207	(168)
Net increase (decrease) in interest payable	(385)	183
Net (increase) decrease in loans held for sale	109	(395)
Other operating activities	3,167	(735)
Net cash (used) provided by operating activities	53	(1,790)
Investing Activities		
Proceeds from maturities of securities held for investment	1,131	3,758
Purchases of securities held for investment	(2)	(414)
Proceeds from sales and maturities of securities available for sale	15,003	16,044
Purchases of securities available for sale	(6,180)	(20,234)
Net increase in federal funds sold and securities purchased under agreements to resell	(1,025)	(279)
Net (increase) decrease in time deposits placed and other short-term investments	52	(195)
Net collections (originations) of loans and leases	313	(6,356)
Purchases of loans and leases	(7,019)	(1,961)
Proceeds from sales and securitizations of loans and leases	5,810	794
Purchases and originations of mortgage servicing rights	(218)	(492)
Purchases of factored accounts receivable	(3,684)	(3,898)
Collections of factored accounts receivable	3,597	3,770
Net purchases of premises and equipment	(219)	(165)
Proceeds from sales of other real estate owned	83	117
Sales/(acquisitions) of business activities, net of cash	(155)	(585)
Net cash provided (used) by investing activities	7,487	(10,096)
Financing Activities		
Net increase (decrease) in deposits	(2,228)	551
Net increase (decrease) in federal funds purchased and securities sold under agreements to repurchase	(7,061)	6,476
Net increase (decrease) in other short-term borrowings and commercial paper	(545)	1,687
Proceeds from issuance of long-term debt	3,620	2,576
Retirement of long-term debt	(1,768)	(350)
Proceeds from issuance of common stock	57	96
Cash dividends paid	(357)	(278)
Common stock repurchased	(157)	(453)
Other financing activities	8	6
Net cash provided (used) by financing activities	(8,431)	10,311
Net decrease in cash and cash equivalents	(891)	(1,575)
Cash and cash equivalents on January 1	8,448	9,582
Cash and cash equivalents on June 30	$ 7,557	$ 8,007

</TABLE>

Loans transferred to other real estate owned amounted to $77 and $47 for the six months ended June 30, 1996 and 1995, respectively.

See accompanying notes to consolidated financial statements.

NationsBank Corporation and Subsidiaries
Consolidated Statement of Changes in Shareholders' Equity
(Dollars in Millions, Shares in Thousands)
<TABLE>
<CAPTION>

	Preferred Stock	Common Stock Shares	Common Stock Amount	Retained Earnings	Loan to ESOP Trust	Other	Total Shareholders' Equity
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance on December 31, 1994....................$	111	276,452	$ 4,740	$ 6,451	$ (76)	$ (215)	$ 11,011
Net income				910			910
Cash dividends							
Common				(274)			(274)
Preferred				(4)			(4)
Common stock issued under dividend reinvestment and employee plans		1,950	84			12	96
Common stock repurchased		(8,635)	(453)				(453)
Net change in unrealized gains/(losses) on securities available for sale and marketable equity securities						216	216
Other	(2)	45	2		6	(4)	2
Balance on June 30, 1995.......................$	109	269,812	$ 4,373	$ 7,083	$ (70)	$ 9	$ 11,504
Balance on December 31, 1995....................$	105	274,269	$ 4,655	$ 7,826	$ (63)	$ 278	$ 12,801
Net income				1,118			1,118
Cash dividends							
Common				(349)			(349)
Preferred				(8)			(8)
Common stock issued under dividend reinvestment and employee plans		1,182	43			14	57
Stock issued in acquisitions	73	27,718	586	192		2	853
Common stock repurchased		(2,110)	(157)				(157)
Net change in unrealized gains/(losses) on securities available for sale and marketable equity securities						(298)	(298)
Other	(2)	24	3		7		8
Balance on June 30, 1996.......................$	176	301,083	$ 5,130	$ 8,779	$ (56)	$ (4)	$ 14,025

</TABLE>

See accompanying notes to consolidated financial statements.

NationsBank Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 - Accounting Policies

The consolidated financial statements include the accounts of NationsBank Corporation and its subsidiaries (the Corporation). Significant intercompany accounts and transactions have been eliminated in consolidation.

The information contained in the consolidated financial statements is unaudited. In the opinion of management, all normal recurring adjustments necessary for a fair presentation of the results of interim periods have been made. Certain prior period amounts have been reclassified to conform to current period classifications.

Accounting policies followed in the presentation of interim financial results are presented on pages 51, 52 and 53 of the Corporation's 1995 Annual Report to Shareholders, incorporated by reference into the Corporation's Annual Report on Form 10-K for the year ended December 31, 1995.

Note 2 - Trading Account Assets and Liabilities

The fair values of the components of trading account assets and liabilities on June 30, 1996 and December 31, 1995 and the average fair values for the six months ended June 30, 1996 were (dollars in millions):

<TABLE>
<CAPTION>

<S>	June 30 1996 <C>	December 31 1995 <C>	Average for the Six Months Ended June 30, 1996 <C>
Securities owned			
U.S. Treasury securities	$11,400	$ 10,364	$13,145
Securities of other U.S. Government agencies and corporations...........................	1,679	1,508	1,900
Certificates of deposit, bankers' acceptances and commercial paper......................	470	555	671
Corporate debentures	814	1,443	1,032
Foreign sovereign instruments	1,505	576	375
Other securities..............................	950	402	939
Total securities owned	16,818	14,848	18,062
Derivative-dealer positions	4,742	4,019	3,908
Total trading account assets	$21,560	$ 18,867	$21,970
Short sales			
U.S. Treasury securities	$ 8,570	$ 11,066	$ 9,800
Securities of other U.S. Government agencies and corporations..........................	1	16	25
Corporate debentures..........................	532	683	567
Other securities..............................	325	17	307
Total short sales	9,428	11,782	10,699
Derivative-dealer positions	3,715	3,395	3,205
Total trading account liabilities	$13,143	$15,177	$13,904

</TABLE>

Derivatives-dealer positions presented in the table above represent the fair values of interest rate, foreign exchange, equity and commodity-related products, including financial futures, forward settlement and option contracts and swap agreements associated with the Corporation's derivative trading activities.

Note 3 - Debt

In the second quarter of 1996, the Corporation issued $913 million of senior notes due 2002 to 2006, $273 million of which bear interest at floating rates and $640 million of which bear interest at fixed rates ranging from 6.65% to 7.125%. Subordinated notes in the amount of $105 million were issued by the Corporation, due 2011 with interest rates ranging from 7.5% to 7.75%. Also during the second quarter of 1996, the Corporation issued $331 million of senior notes due 1999 to 2003 under a Euro medium-term note program which notes bear interest at floating rates.

Of debt issued in the three months ended June 30, 1996, $371 million of fixed-rate debt with interest rates ranging from 6.65 % to 7.75 % was swapped to floating rates at spreads over LIBOR.

Under the bank note program jointly maintained by NationsBank, N.A., NationsBank, N.A. (South) and NationsBank of Texas, N.A., bank notes may be offered from time to time up to $9.0 billion with fixed or floating rates and maturities from 30 days to 15 years from date of issue. On June 30, 1996, there were short-term bank notes outstanding of $2.5 billion. In addition, NationsBank of Texas, N.A. and NationsBank, N.A. together had outstanding bank notes of $3.0 billion on June 30, 1996 that were classified as long-term debt.

On June 30, 1996 and December 31, 1995, the Corporation had unused commercial paper back-up lines of credit totaling $1.5 billion which will expire in 1997. These lines were supported by fees paid directly by the Corporation to unaffiliated banks.

On June 28, 1996, the Corporation filed a shelf registration statement to offer up to an aggregate of $3 billion in senior or subordinated debt securities, or common or preferred stock. The registration statement was declared effective in July 1996.

On July 5, 1996, the Corporation announced plans to offer up to $4.5 billion of senior or subordinated notes exclusively to non-United States residents under a new Euro medium-term note program. This program replaces the $1.5 billion program announced in late 1995.

Between June 30, 1996 and August 9, 1996, the Corporation issued an additional $858 million of senior notes due 1999 to 2006, $738 million of which bear interest at floating rates and $120 million of which are denominated in Japanese yen and bear interest at fixed rates ranging from 3.10 % to 3.51 %. This includes $500 million of floating rate senior notes issued by the Corporation on July 3, 1996 to non-United States residents under its Euro medium-term note program. The Euro medium-term notes bear interest at a spread of 15 basis points over the London interbank offered rate and are due in July 2002. During this same period, the Corporation issued a $25 million subordinated note bearing interest at 7.875 %, maturing in 2011. As of August 9, 1996, the Corporation had approximately $4.0 billion of capacity available under its existing shelf registration statements and $3.3 billion available under the Euro medium-term note program.

Note 4 - Commitments and Contingencies

The Corporation enters into commitments to extend credit, standby letters of credit and commercial letters of credit to meet the financing needs of its customers. The commitments shown below have been reduced by amounts collateralized by cash and participated to other financial institutions. The following summarizes commitments outstanding (dollars in millions):

	June 30 1996	December 31 1995
Commitments to extend credit		
Credit card commitments.........	$ 23,135	$ 21,033
Other loan commitments..........	75,673	66,638
Standby letters of credit and financial guarantees...........	9,196	8,356
Commercial letters of credit......	997	986

On June 30, 1996 and December 31, 1995, indemnified securities lending transactions totaled $2.6 billion. Collateral, with a market value of $2.6 billion and $2.7 billion for the respective periods, was obtained by the Corporation in support of these transactions.

On June 30, 1996, the Corporation had commitments to purchase and sell when-issued securities of $6.8 billion and $4.3 billion, respectively. This compares to commitments to purchase and sell when-issued securities of $4.4 billion and $4.3 billion, respectively, on December 31, 1995.

See Tables 13 and 14 and the accompanying discussion in Item 2 regarding the Corporation's derivatives used for risk management purposes. See Table 15 and the accompanying discussion in Item 2 regarding the Corporation's derivative trading activities.

In the ordinary course of business, the Corporation and its subsidiaries are routinely defendants in or parties to a number of pending and threatened legal actions and proceedings, including several actions brought on behalf of various classes of claimants. In certain of these actions and proceedings, substantial money damages are asserted against the Corporation and its subsidiaries, and certain of these actions and proceedings are based on alleged violations of consumer protection, securities, environmental, banking and other laws. Management believes, based upon the advice of counsel, that the actions and proceedings and losses, if any, resulting from the final outcome thereof, will not be material in the aggregate to the Corporation's financial position or results of operations.

Note 5 - Loans, Leases and Factored Accounts Receivable

The distribution of loans, leases and factored accounts receivable on June 30, 1996 and December 31, 1995 was as follows (dollars in millions):

	June 30, 1996 Amount	Percent	December 31, 1995 Amount	Percent
Domestic				
Commercial..............	$ 49,366	39.9%	$47,989	41.0%
Real estate commercial...	5,734	4.6	6,183	5.3
Real estate construction.	3,262	2.6	2,976	2.5
Total commercial....	58,362	47.1	57,148	48.8
Residential mortgage.....	27,870	22.5	24,026	20.6
Credit card.............	5,690	4.6	6,532	5.6
Other consumer...........	23,452	19.0	22,287	19.0
Total consumer......	57,012	46.1	52,845	45.2
Lease financing..........	3,824	3.1	3,264	2.8
Factored accounts receivable..	1,062	.9	991	.8
	120,260	97.2	114,248	97.6
Foreign..................	3,445	2.8	2,785	2.4
Total loans, leases and factored accounts receivable, net of unearned income.......	$ 123,705	100%	$117,033	100.0%

On June 30, 1996, the recorded investment in certain loans that were considered to be impaired was $522 million, all of which was classified as nonperforming. Impaired loans on June 30, 1996 were comprised of commercial loans of $388 million, real estate commercial loans of $119 million and real estate construction loans of $15 million. Of these impaired loans, $367 million had a valuation allowance

of $77 million and $155 million did not have a valuation allowance primarily due to the application of interest payments against book balances or write-downs previously made with respect to these loans.

On June 30, 1996 and December 31, 1995, nonperforming loans, including certain loans which are considered to be impaired, totaled $854 million and $706 million, respectively. Other real estate owned amounted to $138 million and $147 million on June 30, 1996 and December 31, 1995, respectively.

Note 6 - Merger-Related Charge

During the first quarter of 1996, primarily in connection with the acquisition of Bank South Corporation, the Corporation recorded a pre-tax merger-related charge of $118 million. The charge consisted of $34 million of severance costs, $28 million for facilities consolidations and branch closures, $11 million related to cancellations of contractual obligations, and other merger-related expenses. Of the $118 million accrued charge, approximately $65 million remained at June 30, 1996 and is expected to be used in 1996.

The following table summarizes the activity in the merger-related reserve for the six-month period ended June 30, 1996 (dollars in millions):

	Six Months Ended June 30, 1996
Balance at beginning of period..........................	$ -
Establishment of reserve...............................	118
Cash payments..	(59)
Non-cash additions.....................................	6
Balance on June 30, 1996................................	$ 65

Note 7 - Employee Benefit Plans

On June 26, 1996, the Corporation's Board of Directors approved the 1996 Associates Stock Option Award Plan. Under the plan, eligible full-time and part-time employees at the level of Vice President and below received an award of a predetermined number of stock options entitling them to purchase shares of the Corporation's common stock at the closing price of $84.25 per share on July 1, 1996. Approximately 16 million options were granted on July 1, 1996. One-half of the options are exercisable after the Corporation's stock closes at or above $100 per share for 10 consecutive trading days. The remainder of the options are exercisable after the Corporation's common stock closes at or above $120 per share for 10 consecutive trading days. Regardless of the stock price, all options will be fully exercisable July 1, 2000. No option can be exercised before January 1, 1997 or after June 29, 2001.

Note 8 - Shareholders' Equity

On July 16, 1996, the Corporation's Board of Directors authorized the Corporation to purchase up to 20 million shares of its common stock, from time to time during the next 36 months, in open market or private transactions. Acting under such authority, on July 18, 1996, the Corporation purchased 10 million shares of its common stock pursuant to a purchase agreement with an agent of the Corporation. On July 16, 1996, the Corporation's Board of Directors also authorized the Corporation to purchase in the open market, from time to time during the next 13 months, the number of shares expected to be issued for various stock option and employee benefit plans.

Note 9 - Merger-Related Activity

On January 9, 1996, the Corporation completed the acquisition of Bank South Corporation (Bank South), headquartered in Atlanta, Georgia. Each outstanding share of Bank South common stock was converted into .44 shares of Corporation common stock, resulting in the net issuance of 26,304,617 shares of common stock by the Corporation. Bank South's total assets, total deposits and total shareholders' equity were $7.4 billion, $5.1 billion and $685 million, respectively, on the date of acquisition. This acquisition was accounted for as a pooling of interests and does not have a material impact on the results of operations or financial condition of the Corporation.

During January and February 1996, the Corporation acquired a banking organization in Florida and one in Texas. Combined total loans and total deposits acquired were $3.1 billion and $3.9 billion, respectively. These acquisitions were accounted for as purchases.

During the first quarter of 1996, the Corporation recorded a merger-related charge of $118 million pre-tax, as discussed in Note 6.

On April 25, 1996, the Corporation entered into an agreement to acquire from Bluebonnet Savings Bank, FSB (Bluebonnet) 21 branches, with aggregate deposits at June 30, 1996 of $986 million, for approximately $47 million, payable in cash. This acquisition will be accounted for as a purchase. The acquisition has been approved by Bluebonnet shareholders and various regulatory agencies and is expected to be completed in the third quarter of 1996.

On April 29, 1996, NationsCredit Commercial Corporation, a wholly owned subsidiary of the Corporation, completed its acquisition of LDI Corporation (LDI) by purchasing all of the outstanding shares of capital stock of LDI at an aggregate purchase price of approximately $28 million, payable in cash. LDI had assets of $247 million on the date of acquisition. This acquisition was accounted for as a purchase.

On May 24, 1996, the Corporation completed its acquisition of the outstanding common shares not owned by the Corporation of Charter Bancshares, Inc. (Charter), a multi-bank holding company headquartered in Houston, Texas. The Corporation issued approximately 1.4 million shares of its common stock in connection with this acquisition. Prior to the acquisition, the Corporation had ownership of 42 percent of Charter. Charter had total assets and total deposits of $928 million and $720 million, respectively, on the date of acquisition. This acquisition was accounted for as a purchase.

On August 13, 1996, the Corporation completed the acquisition of TAC Bancshares, Inc. (TAC) and its subsidiary, Chase Federal Bank FSB (Chase Federal), headquartered in Miami, Florida, for approximately $280 million, in the aggregate, paid in cash. On June 30, 1996, TAC and Chase Federal had total assets and total deposits of $2.8 billion and $2.0 billion, respectively. These acquisitions were accounted for as purchases.

The acquisitions discussed above are not expected to have a material impact on the results of operations or financial condition of the Corporation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

EARNINGS REVIEW

A comparison of selected operating results for the three- and six-month periods ended June 30, 1996 and 1995 is presented in TABLE 1.

The Corporation experienced a 30-percent increase in net income to $605 million in the second quarter of 1996 over the same quarter of 1995. Earnings per common share were $2.00 and $1.71 for the second quarters of 1996 and 1995, respectively.

Operating net income totaled $1.2 billion in the first six months of 1996, an increase of 31 percent over the same period of 1995. Earnings per common share based on operating net income were $3.95 and $3.31 for the first six months of 1996 and 1995, respectively. Including a one-time merger-related charge of $118 million ($77 million, net of tax), net income and earnings per common share were $1.1 billion and $3.70, respectively, for the first six months of 1996.

Key performance highlights for the first six months of 1996 were:

* Operating return on average common shareholders' equity rose to 18.04 percent in the first six months of 1996 compared to 16.36 percent in the first six months of 1995. Including the merger-related charge, the return on average common shareholders' equity was 16.87 percent.

* Taxable-equivalent net interest income increased 18 percent to $3.2 billion in the first six months of 1996 over the same period in 1995 due to the impact of acquisitions, higher spreads in the securities portfolio and 10-percent loan growth net of acquisitions.

* Noninterest income increased 24 percent to $1.8 billion in the first six months of 1996 over the first six months of 1995, driven primarily by higher deposit service charges, investment banking fees and mortgage servicing fees. .

* Revenue growth continued to outpace expense growth in the first six months of 1996, improving the efficiency ratio to 56.0 percent compared to 62.0 percent in the first six months of 1995.

* Excluding the impact of acquisitions, noninterest expense increased three percent during the first six months of 1996 compared to the first six months of 1995. Including the impact of acquisitions, noninterest expense increased 9 percent.

* Provision for credit losses increased to $310 million for the first six months of 1996 compared to $140 million for the same period of 1995, reflecting growth in commercial and consumer lending as well as the continuation of a return to more normalized levels of credit losses following periods of unusually low credit losses. Nonperforming assets increased to $992 million on June 30, 1996 compared to $853 million at the end of 1995, due principally to acquisitions.

BUSINESS UNIT OPERATIONS

The Corporation provides a diversified range of banking and certain nonbanking financial services and products through its various subsidiaries. The Corporation manages its business activities through three major Business Units: the GENERAL BANK, GLOBAL FINANCE and FINANCIAL SERVICES. The Business Units are managed with a focus on numerous performance objectives including return on equity, operating efficiency and net income. TABLE 2 summarizes key performance measures for each of the Business Units.

The net interest income of the Business Units reflects a funds transfer pricing process which derives net interest income by matching assets and liabilities with similar interest rate sensitivity and maturity characteristics. Equity capital is allocated to each Business Unit based on an assessment of its inherent risk.

Table 1
Selected Operating Results
(Dollars in Millions Except Per-Share Information)
<TABLE>
<CAPTION>

<S>	Three Months Ended June 30 1996 <C>	Three Months Ended June 30 1995 <C>	Six Months Ended June 30 1996 <C>	Six Months Ended June 30 1995 <C>
Income Statement				
Income from earning assets....................................$	3,442 $	3,391 $	7,015 $	6,461
Interest expense..	1,855	2,055	3,871	3,818
Net interest income (taxable-equivalent).....................	1,611	1,367	3,195	2,702
Net interest income...	1,587	1,336	3,144	2,643
Provision for credit losses...................................	155	70	310	140
Gains (losses) on sales of securities.........................	(6)	4	8	5
Noninterest income..	917	730	1,802	1,456
Other real estate owned expense...............................	7	1	7	3
Merger-related charge...	-	-	118	-
Other noninterest expense.....................................	1,405	1,288	2,799	2,576
Income before income taxes....................................	931	711	1,720	1,385
Income tax expense..	326	244	602	475
Net income	605	467	1,118	910
Net income applicable to common shareholders.................	601	465	1,110	906
Net income (excluding merger-related charge).................	605	467	1,195	910
Average common shares issued (in thousands)..................	300,462	271,717	300,370	274,053
Per common share				
Earnings ....$	2.00	1.71	3.70	3.31
Earnings (excluding merger-related charge)..................	2.00	1.71	3.95	3.31
Cash dividends paid...	.58	.50	1.16	1.00
Common shareholders' equity (period-end).....................	46.18	42.49	46.18	42.49
Balance Sheet (period-end)				
Total assets..	192,308	184,188	192,308	184,188
Total loans, leases and factored accounts receivable, net of unearned income....................................	123,705	110,923	123,705	110,923

Total deposits	108,124	100,606	108,124	100,606
Long-term debt	20,527	10,716	20,527	10,716
Common shareholders' equity	13,905	11,465	13,905	11,465
Total shareholders' equity	14,025	11,504	14,025	11,504
Performance ratios				
Return on average assets	1.20%	.96%	1.09%	.99%
Return on average assets (excluding merger-related charge)	1.20	.96	1.17	.99
Return on average common shareholders' equity (1)	18.00	16.69	16.87	16.36
Return on average common shareholders' equity (excluding merger-related charge)(1)	18.00	16.69	18.04	16.36
Risk-based capital ratios				
Tier 1	7.58	7.03	7.58	7.03
Total	11.93	10.90	11.93	10.90
Leverage capital ratio	6.64	5.65	6.64	5.65
Total equity to total assets	7.29	6.25	7.29	6.25
Market price per share of common stock				
Close at the end of the period	$ 82 5/8	$ 53 5/8	$ 82 5/8	$ 53 5/8
High for the period	84 5/8	57 3/4	84 5/8	57 3/4
Low for the period	74 3/4	49 5/8	64 3/8	44 5/8

</TABLE>

(1) Average common shareholders' equity does not include the effect of market value adjustments to securities available for sale and marketable equity securities.

The GENERAL BANK includes the BANKING GROUP, which contains the retail banking network and is the service provider for the consumer sector as well as small and medium-size companies. Within the GENERAL BANK, specialized services, such as the origination and servicing of home mortgage loans, the issuance and servicing of credit cards, indirect lending, dealer finance and certain insurance services, are provided throughout the Corporation's franchise, and on a nationwide basis for certain products, through the FINANCIAL PRODUCTS GROUP. The GENERAL BANK also contains the ASSET MANAGEMENT GROUP which contains NATIONSBANK INVESTMENTS AND INVESTMENT MANAGEMENT, which provides investment management services, retirement services for defined benefit and defined contribution plans, mutual funds and full-service and discount brokerage services, and the PRIVATE CLIENT GROUP, which offers banking, fiduciary and investment management services.

The GENERAL BANK earned $796 million in the first six months of 1996, an increase of 48 percent over the same period in 1995. The BANKING GROUP'S 9 percent average loan growth net of acquisitions and the growth in deposit service fee income accounted for most of the GENERAL BANK'S increased earnings over the same period last year. The GENERAL BANK'S return on equity rose 400 basis points to 22 percent in the first six months of 1996 compared to the first six months of 1995. Taxable-equivalent net interest income in the GENERAL BANK increased $448 million reflecting the impact of acquisitions, broad-based loan growth and deposit cost containment efforts. Acquisitions accounted for just over one-half of the net interest income growth. Excluding the impact of acquisitions and securitizations, loan growth of $9.1 billion was driven by residential mortgage loans, up $6.3 billion, and credit card loans, up $2.0 billion.

Noninterest income rose 24 percent in the first six months of 1996 to $1.2 billion led by increases in deposit service fee income, increased mortgage-related activity and acquisition-related mortgage servicing fees and a gain related to the change in control of Gartmore plc, the Corporation's partner in the Gartmore Global Partners joint venture (formerly called NationsGartmore Investment Management). Noninterest expense increased 7 percent, significantly below the total revenue growth of 24 percent. Acquisition-related and other increases in personnel and higher general operating expense partly offset by reduced deposit insurance expense accounted for most of the growth year over year. Excluding acquisitions, noninterest expense was flat. Strong revenue growth offset by a moderate increase in operating expense led to the improvement in the efficiency ratio, down 900 basis points to 58.0 percent compared to 67.0 percent in the same period in 1995.

GLOBAL FINANCE provides comprehensive corporate and investment banking, as well as trading and distribution services to domestic and international customers through its CORPORATE FINANCE, SPECIALIZED LENDING, and CAPITAL MARKETS units. The group serves as a principal lender and investor as well as an advisor, arranger and underwriter and manages treasury and trade transactions for clients and customers. Loan origination and syndication, asset-backed lending, leasing, factoring, project finance and mergers and acquisitions are representative of the services provided. The CAPITAL MARKETS group underwrites, trades and distributes a wide range of securities (including bank-eligible securities and, to a limited extent, bank-ineligible securities as authorized by the Board of Governors of the Federal Reserve System under Section 20 of the Glass-Steagall Act) and trades and distributes financial futures, forward settlement contracts, option contracts, swap agreements and other derivative products in certain interest rate, foreign exchange, commodity and equity markets and spot and forward foreign exchange contracts through two principal units, NATIONSBANC - CRT (CRT) and NATIONSBANC CAPITAL MARKETS, INC. (NCMI).

GLOBAL FINANCE earned $314 million in the first six months of 1996 compared to $306 million in the first six months of 1995. Taxable-equivalent net interest income for the first six months of 1996 was $586 million compared to $603 million in the first six months of 1995 reflecting narrower commercial loan spreads resulting from increased competitive pressure on commercial loan pricing and the Corporation's efforts to reduce commercial real estate outstandings.

Noninterest income in the first six months increased 17 percent over the same period last year driven by strong investment banking fees which increased $69 million to $163 million and a gain on the sale of Panmure Gordon, the Corporation's British brokerage firm. Noninterest expense for the period rose only 5 percent leading to an improved 53.6 percent efficiency ratio, compared to 54.2 percent year-to-date 1995.

FINANCIAL SERVICES is composed of a holding company, NATIONSCREDIT CORPORATION, which includes NATIONSCREDIT CONSUMER CORPORATION, primarily a consumer finance operation, and NATIONSCREDIT COMMERCIAL CORPORATION, primarily a commercial finance operation. NATIONSCREDIT CONSUMER CORPORATION provides personal, mortgage and automobile loans to consumers and retail finance programs to dealers.

NATIONSCREDIT COMMERCIAL CORPORATION consists of seven divisions that specialize in one or more of the following commercial financing areas: equipment loans and leasing; loans for debt restructuring, mergers and acquisitions and working capital; real estate, golf/recreational and health care financing; and inventory financing to manufacturers, distributors and dealers.

FINANCIAL SERVICES' earnings of $77 million in the first six months of 1996 increased 40 percent over the same period in 1995. Taxable-equivalent net interest income increased $45 million resulting from 14 percent growth in average loans and leases. The increase in provision for credit losses was driven mainly by loan growth, but also by higher loss rates. The net interest yield of 7.39 percent was up 21 basis points from 1995, due principally to lower funding costs. Noninterest income more than doubled to $67 million in the first six months in 1996, reflecting increased warrant gains and higher loan prepayment fees. Noninterest expense increased $37 million, or 31 percent, driven by office consolidation costs and higher personnel expense associated with the expansion of consumer finance operations. The return on equity rose to 13 percent in the first six months of 1996.

Table 2
Business Unit Summary
For the Six Months Ended June 30
(Dollars in Millions)

<TABLE>
<CAPTION>

	General Bank		Global Finance		Financial Services	
	1996	1995	1996	1995	1996	1995
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income (taxable-equivalent).......	$ 2,292	$ 1,844	$ 586	$ 603	$ 290	$ 245
Noninterest income............................	1,222	989	513	437	67	30
Total revenue............................	3,514	2,833	1,099	1,040	357	275
Provision for credit losses....................	216	82	17	-	77	58
Gains on sale of securities....................	6	-	-	-	-	-
Other real estate owned expense (income).......	6	4	(3)	(7)	5	7
Noninterest expense...........................	2,037	1,896	589	563	155	118
Income before income taxes.....................	1,261	851	496	484	120	92
Income tax expense............................	465	312	182	178	43	37
Net income (1)................................	$ 796	$ 539	$ 314	$ 306	$ 77	$ 55
Net interest yield (4).........................	4.79%	4.49 %	3.03% (2)	3.38 % (2)	7.39%	7.18%

Return on equity..............................	22%	18 %	16%	16 %	13%	12%
Efficiency ratio..............................	58.0%	67.0 %	53.6%	54.2 %	43.4%	43.0%
Average (3)(4)						
Total loans and leases, net of unearned income................................	$ 80,029	$65,458	$ 36,077	$ 33,983	$ 7,868	$ 6,886
Total deposits............................	87,473	77,431	8,375	7,006	-	-
Total assets..............................	102,909	88,513	79,041	70,408	8,384	7,371
Period end (3)(4)						
Total loans and leases, net of unearned income..................................	79,201	68,513	35,995	34,632	8,094	7,345
Total deposits............................	87,148	78,288	9,343	6,867	-	-

</TABLE>

(1) Business Unit results are presented on a fully allocated basis but do not include $69 million net expense for 1996 and $10 million net income for 1995, which represents earnings associated with unassigned capital, gains on sales of securities, merger-related charges and other corporate activities.

(2) Global Finance's net interest yield excludes the impact of trading-related activities. Including trading-related activities, the net interest yield was 1.75 percent and 2.00 percent for the first six months of 1996 and 1995, respectively.

(3) The sums of balance sheet amounts differ from consolidated amounts due to activities between the Business Units.

(4) 1995 average and period end balances and net interest yield have been restated to reflect current organizational structure.

RESULTS OF OPERATIONS

NET INTEREST INCOME

TABLES 3 and 4 present the Corporation's taxable-equivalent net interest income and average balance sheet levels for the last five quarters and the first six months of 1996, respectively.

Taxable-equivalent net interest income increased $244 million to $1.6 billion in the second quarter of 1996 compared to the second quarter of 1995 and $493 million to $3.2 billion in the first six

Table 3
Quarterly Taxable-Equivalent Data
(Dollars in Millions)

<TABLE>
<CAPTION>

	Second Quarter 1996			First Quarter 1996		
	Average Balance Sheet Amounts	Income or Expense	Yields/ Rates	Average Balance Sheet Amounts	Income or Expense	Yields/ Rates
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Earning assets						
Loans and leases, net of unearned income(1)						
Commercial (2)........................	$49,983	$1,000	8.04 %	$49,319	$ 987	8.05 %
Real estate commercial................	6,288	141	9.07	6,774	149	8.82
Real estate construction..............	3,229	71	8.83	3,154	69	8.85
Total commercial	59,500	1,212	8.19	59,247	1,205	8.18
Residential mortgage..................	27,728	542	7.82	27,352	534	7.83
Credit card...........................	6,057	173	11.45	6,590	206	12.59
Other consumer........................	23,441	578	9.93	23,850	593	9.99
Total consumer....................	57,226	1,293	9.07	57,792	1,333	9.26
Foreign	2,746	45	6.56	2,392	45	7.54
Lease financing.......................	4,254	80	7.59	3,851	72	7.46
Total loans and leases, net........	123,726	2,630	8.54	123,282	2,655	8.65
Securities...............................						
Held for investment	3,731	51	5.45	4,292	60	5.62
Available for sale (3)..................	18,328	303	6.64	22,997	365	6.37
Total securities...................	22,059	354	6.44	27,289	425	6.25

Loans held for sale......................	1,156	19	6.49	1,331	25	7.55
Time deposits placed and other short-term investments.................	1,263	17	5.28	1,056	18	6.90
Federal funds sold.......................	397	5	5.75	525	8	5.89
Securities purchased under agreements to resell............................	12,075	149	4.99	13,870	183	5.29
Trading account securities (4)...........	17,912	292	6.53	18,213	286	6.33
Total earning assets (5)..........	178,588	3,466	7.80	185,566	3,600	7.80
Cash and cash equivalents...................	7,928			7,998		
Factored accounts receivable................	1,124			1,010		
Other assets, less allowance for credit losses	15,156			14,043		
Total assets......................	$202,796			$208,617		
Interest-bearing liabilities................						
Savings.................................	$ 9,336	52	2.27	$ 9,361	55	2.35
NOW and money market deposit accounts.....	30,155	191	2.52	29,692	192	2.61
Consumer CDs and IRAs....................	29,698	389	5.28	29,469	397	5.42
Negotiated CDs, public funds and other time deposits.........................	3,331	46	5.53	3,273	44	5.42
Foreign time deposits....................	12,867	170	5.34	11,902	170	5.73
Federal funds purchased..................	4,433	59	5.37	6,817	92	5.41
Securities sold under agreements to repurchase (6)........................	28,924	391	5.44	33,705	455	5.43
Commercial paper.........................	3,064	42	5.49	2,821	39	5.62
Other short-term borrowings (6)..........	3,968	58	5.80	4,455	65	5.89
Trading account liabilities (4)..........	8,912	147	6.63	12,485	191	6.16
Long-term debt (7).......................	19,730	310	6.30	18,885	316	6.68
Total interest-bearing liabilities.	154,418	1,855	4.83	162,865	2,016	4.97
Noninterest-bearing sources.................						
Noninterest-bearing deposits.............	24,601			23,209		
Other liabilities........................	10,225			9,399		
Shareholders' equity.....................	13,552			13,144		
Total liabilities and shareholders' equity..........................	$202,796			$208,617		
Net interest spread.........................			2.97			2.83
Impact of noninterest-bearing sources........			.65			.60
Net interest income/yield on earning assets..		$1,611	3.62 %		$1,584	3.43 %

</TABLE>

<TABLE>
<CAPTION>

<S> <C> <C> <C> <C> <C> <C> <C> <C>

Fourth Quarter 1995			Third Quarter 1995			Second Quarter 1995		
Average Balance Sheet Amounts	Income or Expense	Yields/ Rates	Average Balance Sheet Amounts	Income or Expense	Yields/ Rates	Average Balance Sheet Amounts	Income or Expense	Yields/ Rates
$ 47,077	$ 971	8.18 %	$ 46,574	$ 953	8.12 %	$ 46,525	$ 954	8.22 %
6,649	157	9.39	7,116	168	9.38	7,395	171	9.29
3,016	72	9.44	3,091	75	9.63	3,216	78	9.76
56,742	1,200	8.39	56,781	1,196	8.36	57,136	1,203	8.45
23,573	459	7.78	21,581	420	7.78	19,242	378	7.84
5,709	182	12.69	5,014	164	12.94	4,775	156	13.13
22,852	581	10.09	22,638	583	10.19	21,609	544	10.11
52,134	1,222	9.33	49,233	1,167	9.41	45,626	1,078	9.47
2,100	40	7.65	2,034	40	7.73	2,048	41	7.96
3,628	68	7.48	3,407	65	7.65	3,114	58	7.43
114,604	2,530	8.77	111,455	2,468	8.79	107,924	2,380	8.84
12,945	186	5.72	14,101	205	5.77	17,457	235	5.40
10,689	174	6.45	11,891	188	6.28	10,730	170	6.33
23,634	360	6.05	25,992	393	6.01	28,187	405	5.76
644	12	7.34	424	8	7.36	153	3	8.06
1,634	28	6.77	2,031	32	6.32	2,310	42	7.29
534	8	6.02	747	11	6.14	714	12	6.24
12,088	163	5.36	14,740	240	6.45	16,820	273	6.53
16,196	285	6.99	13,063	275	8.37	15,834	307	7.77
169,334	3,386	7.95	168,452	3,427	8.08	171,942	3,422	7.98
7,500			7,449			8,024		
1,221			1,201			1,181		
13,638			13,399			13,155		
$ 191,693			$ 190,501			$ 194,302		
$ 8,287	49	2.34	$ 8,455	51	2.37	$ 8,656	51	2.40
27,233	185	2.71	27,160	183	2.67	27,608	185	2.68

24,682	339	5.44	24,786	335	5.36	25,075	325	5.20
2,946	42	5.74	2,830	41	5.72	3,046	42	5.51
13,546	211	6.18	13,921	220	6.27	15,107	239	6.36
5,599	81	5.78	6,109	90	5.84	5,654	87	6.17
30,136	440	5.79	30,179	465	6.11	34,445	547	6.37
2,871	43	5.89	2,803	43	6.10	2,806	44	6.30
4,550	78	6.72	5,833	93	6.30	6,546	101	6.16
11,125	185	6.60	11,891	240	8.03	13,660	249	7.31
17,276	295	6.83	14,127	246	6.98	10,209	185	7.22
148,251	1,948	5.22	148,094	2,007	5.38	152,812	2,055	5.39
21,908			21,519			21,077		
9,631			9,401			9,200		
11,903			11,487			11,213		
$ 191,693			$ 190,501			$ 194,302		
		2.73			2.70			2.59
		.65			.65			.60
	$ 1,438	3.38 %		$ 1,420	3.35 %		$ 1,367	3.19 %

</TABLE>

(1) Nonperforming loans are included in the respective average loan balances. Income on such nonperforming loans is recognized on a cash basis.
(2) Commercial loan interest income includes net interest rate swap revenues related to swaps converting variable-rate commercial loans to fixed rate. Such increases (decreases) in interest income were $3 and ($19) in the second and first quarters of 1996, respectively, and ($34), ($49) and ($65) in the fourth, third, and second quarters of 1995, respectively.
(3) The average balance sheet amounts and yields on securities available for sale are based on the average of historical amortized cost balances.
(4) The fair values of derivatives-dealer positions are reported in other assets and liabilities, respectively.
(5) Interest income includes taxable-equivalent adjustments of $24 and $27 in the second and first quarters of 1996, respectively, and $25, $29 and $31 in the fourth, third and second quarters of 1995, respectively.
(6) Securities sold under agreements to repurchase and other short-term borrowings interest expense includes net interest rate swap expense related to swaps fixing the cost of certain of these liabilities. Such increases (decreases) in interest expense were $26 and $21 in the second and first quarters of 1996, respectively, and $12, $4 and ($1) in the fourth, third and second quarters of 1995, respectively.
(7) Long-term debt interest expense includes net interest rate swap expense related to swaps primarily converting the cost of certain fixed-rate debt to variable rate. Such increases (decreases) in interest expense were ($2) and ($3) in the second and first quarters of 1996, respectively, and $1 in the second quarter of 1995.

Table 4
Six Month Taxable-Equivalent Data
(Dollars in Millions)

<TABLE>
<CAPTION>

	Six Months Ended June 30 1996			1995		
	Average Balance Sheet Amounts	Income or Expense	Yields/ Rates	Average Balance Sheet Amounts	Income or Expense	Yields/ Rates
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Earning assets						
Loans and leases, net of unearned income (1)						
Commercial (2)...........	$ 49,652	$ 1,987	8.05 %	$ 45,884	$ 1,873	8.23 %
Real estate commercial....	6,531	290	8.94	7,512	344	9.23
Real estate construction..	3,191	140	8.84	3,159	155	9.91
Total commercial	59,374	2,417	8.19	56,555	2,372	8.46
Residential mortgage......	27,540	1,076	7.82	18,515	721	7.80
Credit card................	6,324	379	12.05	4,660	295	12.75
Other consumer............	23,645	1,171	9.96	21,119	1,045	9.98
Total consumer........	57,509	2,626	9.17	44,294	2,061	9.36
Foreign	2,569	90	7.01	2,004	77	7.74
Lease financing...........	4,052	152	7.53	3,033	116	7.64
Total loans and leases, net.................	123,504	5,285	8.60	105,886	4,626	8.80
Securities						
Held for investment	4,012	111	5.54	17,552	473	5.43
Available for sale (3).....	20,662	668	6.49	9,238	280	6.11
Total securities......	24,674	779	6.34	26,790	753	5.66
Loans held for sale..........	1,243	44	7.06	107	4	8.33

Time deposits placed and other short-term investments.....	1,160	35	6.02	2,304	82	7.15
Federal funds sold..........	461	13	5.83	908	28	6.10
Securities pruchased under agreements to resell.......	12,973	332	5.15	15,373	487	6.39
Trading account securities (4)	18,062	578	6.43	13,715	540	7.93
Total earning assets (5)	182,077	7,066	7.80	165,083	6,520	7.96
Cash and cash equivalents.......	7,963			8,172		
Factored accounts receivable....	1,067			1,115		
Other assets, less allowance for credit losses................	14,600			11,585		
Total assets...........	$205,707			$185,955		
Interest-bearing liabilities						
Savings......................	$ 9,349	107	2.31	$ 8,783	104	2.39
NOW and money market deposit accounts...............	29,924	383	2.57	28,090	372	2.67
Consumer CDs and IRAs........	29,583	786	5.35	24,947	616	4.98
Negotiated CDs, public and other time................	3,302	90	5.47	3,098	83	5.40
Foreign time deposits........	12,384	340	5.53	14,479	450	6.27
Federal funds purchased......	5,625	151	5.39	5,050	151	6.02
Securities sold under agreements to repurchase (6)..........	31,315	846	5.43	30,518	958	6.33
Commercial paper............	2,943	81	5.55	2,770	85	6.22
Other short-term borrowings (6)	4,210	123	5.85	6,197	183	5.96
Trading account liabilities (4)	10,699	338	6.36	12,550	471	7.56
Long-term debt (7)...........	19,308	626	6.49	9,552	345	7.21
Total interest-bearing liabilities.........	158,642	3,871	4.90	146,034	3,818	5.27
Noninterest-bearing sources						
Noninterest-bearing deposits.	23,905			20,533		
Other liabilities............	9,812			8,186		
Shareholders' equity.........	13,348			11,202		
Total liabilities and shareholders' equity..	$205,707			$185,955		
Net interest spread............			2.90			2.69
Impact of noninterest-bearing sources.....................			.62			.61
Net interest income/yield on earning assets............		$ 3,195	3.52 %		$ 2,702	3.30%

</TABLE>

(1) Nonperforming loans are included in the respective average loan balances. Income on such nonperforming loans is recognized on a cash basis.
(2) Commercial loan interest income includes net interest rate swap revenues related to swaps converting variable-rate commercial loans to fixed rate. Interest rate swaps decreased interest income $16 and $126 in 1996 and 1995, respectively.
(3) The average balance sheet amounts and yields on securities available for sale are based on the average of historical amortized cost balances.
(4) The fair values of derivatives-dealer positions are reported in other assets and liabilities, respectively.
(5) Interest income includes taxable-equivalent adjustments of $51 and $59 in 1996 and 1995, respectively.
(6) Securities sold under agreements to repurchase and other short-term borrowings interest expense includes net interest rate swap expense related to swaps fixing the cost of certain of these liabilites. Such increases in interest expense were $47 and $12 in 1996 and 1995, respectively.
(7) Long-term debt interest expense includes net interest rate swap expense related to swaps primarily converting the cost of certain fixed-rate debt to variable rate. Such increases (decreases) in interest expense were ($5) and $2 in 1996 and 1995, respectively.

months of 1996 compared to the first six months of 1995. The increase was attributable to acquisitions of several banking operations, higher spreads in the securities portfolio, loan growth and an increase in noninterest-bearing deposits. The increase was partially offset by the impact of securitizations and the use of term debt. As the growth in earning assets has outpaced customer deposit growth, the Corporation has shifted to alternative funding sources such as the issuance of term debt. Securitizations lowered net interest income by $63 million and $99 million in the second quarter and first six months of 1996, respectively. Securitizations of loans do not significantly affect the Corporation's earnings. As the Corporation's role changes from that of a lender to that of a servicer, net credit income, including provision for credit losses, related to such loans is reflected as noninterest income.

Of the $546-million increase in interest income for the first six months of 1996 compared to 1995, $661 million was due to higher average earning assets, and was partially offset by a $115-million decrease relating to lower yields on average earning assets. Interest expense increased $53 million with

$318 million resulting primarily from the impact of higher levels of average interest-bearing liabilities partially offset by the $265-million impact of lower rates on average interest-bearing liabilities.

Loan growth is expected to continue, but is dependent on economic conditions as well as various discretionary factors, such as decisions to securitize certain loan portfolios, the retention of residential mortgage loans generated by the Corporation's mortgage subsidiary and the management of borrower, industry, product and geographic concentrations.

The net interest yield was 3.62 percent in the second quarter of 1996 and 3.52 percent in the first six months of 1996 compared to 3.19 percent and 3.30 percent in the comparable periods of 1995. The increase in the net interest yield reflected the sale of treasury securities, the reinvestment of cash from the sale of low-yielding securities into higher-spread products and an increase in noninterest-bearing deposits when compared to 1995.

PROVISION FOR CREDIT LOSSES

The provision for credit losses was $155 million in the second quarter of 1996 compared to $70 million in the second quarter of 1995, reflecting the industry-wide trend towards higher losses compared to lower levels in prior periods. Net charge-offs in the second quarter of 1996 increased to $157 million from $83 million in the comparable 1995 period due to increases of $30 million in commercial net charge-offs, $12 million in real estate commercial net charge-offs, $15 million in other consumer net charge-offs, and $10 million in credit card net charge-offs. In the second quarter of 1996, $18 million of the increase in total commercial net charge-offs was attributed to the bulk sale of $110 million of loans, primarily commercial real estate.

The provision for credit losses of $310 million for the first six months of 1996 represented an increase of $170 million over the same period in 1995. The increase was attributed primarily to an increase in total commercial net charge-offs of $67 million as well as increases of $30 million in credit card net charge-offs and $39 million in other consumer net charge-offs. Management expects the higher level of charge-offs experienced in the first half of 1996 to continue as the Corporation continues its efforts to shift the mix of the loan portfolio to a higher consumer concentration, and credit losses continue to return to more normalized levels.

The allowance for credit losses was $2.3 billion on June 30, 1996 and $2.2 billion on December 31, 1995, or 1.85 percent of net loans, leases and factored accounts receivable for both periods. The allowance for credit losses was 268 percent of nonperforming loans on June 30, 1996 compared to 306 percent on December 31, 1995. Future economic conditions will continue to impact credit quality and may result in increased net charge-offs and higher provisions for credit losses.

NONINTEREST INCOME

As presented in TABLE 5, noninterest income increased $187 million and $346 million to $917 million and $1.8 billion in the second quarter and the first six months of 1996, respectively, reflecting diverse fee generating activities as described below:

* Service charges on deposit accounts increased $64 million and $116 million over the second quarter and first six months of 1995, respectively, attributable to growth in the number of households served, in part due to acquisitions, and higher fees.
* Mortgage servicing and other mortgage-related fees grew $24 million and $50 million, or 71 percent and 91 percent, over the second quarter and first six months of 1995. The average portfolio of loans serviced increased 46 percent from $58.4 billion in the first six months of 1995 to $85.2 billion in the first six months of 1996. Mortgage loan originations through the Corporation's mortgage banking subsidiary increased $600 million to $3.1 billion in the second quarter of 1996 and increased $2.1 billion to $6.2 billion in the first six months of 1996 compared to the same periods one year earlier, primarily reflecting changes in the interest rate environment. Origination volume in the second quarter consisted of approximately $1.3 billion of retail loan volume and $1.8 billion of correspondent loan volume.

  In conducting its mortgage banking activities, the Corporation is exposed to fluctuations in interest rates. Loans originated for sale to third parties expose the Corporation to interest rate risk for the period between loan commitment date and subsequent delivery date. Additionally, the value of the Corporation's mortgage servicing rights is affected by changes in prepayment rates. To manage risks associated with mortgage banking activities, the Corporation enters into various financial instruments including option contracts, forward delivery contracts and certain rate swaps. The contract notional amount of these instruments approximated $6.8 billion on June 30, 1996. Net unrealized losses associated with these contracts were $36 million on June 30, 1996.
* Investment banking income totaled $66 million and $165 million in the second quarter and first six months of 1996, respectively, an increase of 47 percent and 76 percent over the comparable periods of 1995, primarily reflecting increased underwriting volume and higher agency and management fees. The GLOBAL FINANCE syndication group was agent or co-agent on 216 deals totaling $147 billion in the first half of 1996, compared to 163

deals totaling $138 billion one year earlier.

* Asset management and fiduciary service fees declined $6 million and $11 million in the second quarter and first six months of 1996, respectively, reflecting the impact of the sale of Corporate Trust. Corporate Trust, which dealt with bond servicing and administration, was sold in December 1995. Excluding the impact of this sale, asset management fees increased $10 million, or 5 percent, in the six months ended June 30, 1996.
* Credit card income increased $19 million and $21 million in the second quarter and first six months of 1996, respectively, primarily due to increased purchase volume and interchange rates and securitizations of credit card loans, which result in net interest income from securitized credit card loans being removed from net interest income and reflected in credit card income. Credit card securitizations increased noninterest income by $15 million and $27 million in the second quarter and first six months of 1996, respectively. Excluding the impact of securitizations, credit card income for the six months ended June 30, 1996 declined slightly due to sale of the merchant discount credit card unit at the end of the first quarter of 1995.
* Trading account profits and fees, including foreign exchange income, totaled $82 million and $150 million in the second quarter and first six months of 1996, respectively, an increase of $20 million and $5 million over the same periods in 1995.

An analysis of trading account profits and fees by major business activity follows (in millions):

	Three Months Ended June 30		Six Months Ended June 30	
	1996	1995	1996	1995
Securities trading...........	$ 36	$ 28	$ 46	$ 63
Interest rate contracts......	34	17	90	41
Foreign exchange contracts...	(2)	(3)	(9)	6
Other........................	14	20	23	35
	$ 82	$ 62	$ 150	$ 145

In addition to trading account profits and fees, the CAPITAL MARKETS group also generates investment banking income and brokerage income.

* Miscellaneous income totaled $119 million and $222 million in the second quarter and the first six months of 1996, respectively, an increase of $30 million and $56 million, or 34 percent, over the second quarter and first six months of 1995, respectively. Miscellaneous income includes certain prepayment fees and other fees such as net gains on sales of miscellaneous investments, business activities, premises, venture capital investments and other similar items.

Table 5
Noninterest Income
(Dollars in Millions)
<TABLE>
<CAPTION>

	Three Months Ended June 30		Change		Six Months Ended June 30		Change	
	1996	1995	Amount	Percent	1996	1995	Amount	Percent
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Service charges on deposit accounts....	$ 276	$ 212	$ 64	30.2 %	$ 535	$ 419	$ 116	27.7%
Nondeposit-related service fees								
Safe deposit rent................	6	6	-	-	15	15	-	-
Mortgage servicing and mortgage-related fees..	58	34	24	70.6	105	55	50	90.9
Fees on factored accounts receivable................	15	16	(1)	(6.3)	31	33	(2)	(6.1)
Investment banking income.......	66	45	21	46.7	165	94	71	75.5
Other service fees..............	40	29	11	37.9	85	58	27	46.6
Total nondeposit-related service fees...........	185	130	55	42.3	401	255	146	57.3
Asset management and fiduciary service fees.......................	112	118	(6)	(5.1)	217	228	(11)	(4.8)
Credit card income								

Merchant discount fees............	2	-	2	N/M	6	7	(1)	(14.3)
Annual credit card fees...........	8	6	2	33.3	15	12	3	25.0
Other credit card fees............	70	55	15	27.3	128	109	19	17.4
Total credit card income......	80	61	19	31.1	149	128	21	16.4
Other income								
Brokerage income..................	30	25	5	20.0	58	49	9	18.4
Trading account profits and fees......................	82	62	20	32.3	150	145	5	3.4
Bankers' acceptances and letters of credit fees........	15	18	(3)	(16.7)	33	36	(3)	(8.3)
Insurance commissions and earnings......................	18	15	3	20.0	37	30	7	23.3
Miscellaneous....................	119	89	30	33.7	222	166	56	33.7
Total other income............	264	209	55	26.3	500	426	74	17.4
	$ 917	$ 730	$ 187	25.6	$ 1,802	$ 1,456	$ 346	23.8

</TABLE>

N/M - Not meaningful

NONINTEREST EXPENSE

As presented in TABLE 6, the Corporation's noninterest expense increased nine percent in the second quarter and first six months of 1996 compared to the same periods of 1995 to $1.4 billion and $2.8 billion, respectively. Excluding acquisitions, noninterest expense increased only three percent in both the second quarter and the first six months of 1996 compared to the same 1995 periods.

Expenditures in selected areas to generate continued revenue growth, such as enhancing customer sales and optimizing product delivery channels, contributed to the year-over-year increase. These increases were partially offset by lower deposit insurance and expense savings associated with streamlining and consolidating the infrastructure of several GENERAL BANK administrative and support areas as well as modifying certain business activities.

A discussion of the significant components of noninterest expense for the second quarter and first six months of 1996 compared to the second quarter and the first six months of 1995 are as follows:

* Personnel expense increased $59 million and $96 million in the second quarter and first six months of 1996, respectively, over the comparable 1995 periods, primarily due to the impact of acquisitions.
* Equipment expense increased 12 percent and 13 percent in the second quarter and first six months of 1996, respectively, over the same periods in 1995, reflecting acquisitions and enhancements to computer resources and product delivery systems.
* Marketing expense increased $16 million and $25 million in the second quarter and the first six months of 1996, respectively, primarily attributable to the Corporation's sponsorship of the 1996 Olympic Summer Games.
* Professional fees increased $21 million and $33 million in the second quarter and first six months of 1996, respectively, compared to the same periods in 1995. This increase was primarily due to an increase in consulting and technical support fees for projects to enhance revenue growth.
* The Corporation's deposit insurance expense decreased $44 million and $88 million in the second quarter and the first six months of 1996, respectively, compared to the same periods of 1995, primarily reflecting reductions in insurance rates charged by the FDIC beginning June 1, 1995.
* The Corporation's other general operating expenses increased $30 million and $89 million in the second quarter and first six months of 1996, respectively, compared to the second quarter and first six months of 1995. Included in the year-to-date expenses is a $40-million pre-tax charge reflecting the estimated loss associated with a customer's fraudulent commercial loan transactions.

Table 6
Noninterest Expense
(Dollars in Millions)

<TABLE>
<CAPTION>

	Three Months Ended June 30		Change		Six Months Ended June 30		Change	
	1996	1995	Amount	Percent	1996	1995	Amount	Percent
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Personnel	$ 684	$ 625	$ 59	9.4%	$1,346	$1,250	$ 96	7.7%
Occupancy, net	127	123	4	3.3	254	244	10	4.1
Equipment	110	98	12	12.2	216	191	25	13.1
Marketing	67	51	16	31.4	134	109	25	22.9
Professional fees	64	43	21	48.8	113	80	33	41.3
Amortization of intangibles	32	31	1	3.2	58	61	(3)	(4.9)
Credit card	14	12	2	16.7	31	26	5	19.2
Deposit insurance	7	51	(44)	(86.3)	14	102	(88)	(86.3)
Data processing	62	60	2	3.3	123	123	-	-
Telecommunications	41	37	4	10.8	82	73	9	12.3
Postage and courier	36	33	3	9.1	74	67	7	10.4
Other general operating	114	84	30	35.7	262	173	89	51.4
General administrative and miscellaneous	47	40	7	17.5	92	77	15	19.5
	$1,405	$1,288	$ 117	9.1	$2,799	$2,576	$ 223	8.7

</TABLE>

INCOME TAXES

The Corporation's income tax expense for the second quarter and first six months of 1996 was $326 million and $602 million, respectively, for an effective rate of 35.0 percent of pretax income. Tax expense in the second quarter and first six months of 1995 was $244 million and $475 million, respectively, for an effective rate of 34.3 percent.

BALANCE SHEET REVIEW AND LIQUIDITY RISK MANAGEMENT

The Corporation utilizes an integrated approach in managing its balance sheet which includes management of interest rate sensitivity, credit risk, liquidity risk and capital position.

TABLE 7 provides an analysis of the sources and uses of funds for the two six-month periods ended June 30, 1996 and 1995 based on average levels. Market-based funds decreased $3.8 billion in the first six months of 1996 over the same period of 1995, and comprised a smaller portion of total sources of funds, at 34 percent for the first six months of 1996 compared to 39 percent during the same period of 1995. Average long-term debt increased $9.8 billion in the first six months of 1996 over 1995 levels for the comparable period and represented 9 percent of total sources of funds compared to 5 percent during the same period of 1995.

Table 7
Sources and Uses of Funds
(Average Dollars in Millions)

<TABLE>
<CAPTION>

	Six Months Ended June 30			
	1996		1995	
	Amount	Percent	Amount	Percent
<S>	<C>	<C>	<C>	<C>
Composition of sources				
Savings, NOW, money market deposit accounts and consumer CDs and IRAs......	$ 68,856	33.4%	$ 61,820	33.3%
Noninterest-bearing deposits.............	23,905	11.6	20,533	11.0
Customer-based portion of negotiated CDs..................................	1,143	.6	1,508	.8
Customer-based funds....................	93,904	45.6	83,861	45.1
Market-based funds.......................	69,335	33.7	73,154	39.4
Long-term debt...........................	19,308	9.4	9,552	5.1
Other liabilities........................	9,812	4.8	8,186	4.4
Shareholders' equity.....................	13,348	6.5	11,202	6.0
Total sources..........................	$205,707	100.0%	$185,955	100.0%
Composition of uses				
Loans and leases, net of unearned income..	$123,504	60.0%	$105,886	56.9%
Securities held for investment...........	4,012	2.0	17,552	9.4
Securities available for sale............	20,662	10.0	9,238	5.0
Federal funds sold and securities purchased under agreements to resell.............	13,434	6.5	16,281	8.8
Trading account securities...............	18,062	8.8	13,715	7.4
Other....................................	2,403	1.2	2,411	1.3
Total earning assets...................	182,077	88.5	165,083	88.8
Factored accounts receivable.............	1,067	.5	1,115	.6
Other assets.............................	22,563	11.0	19,757	10.6
Total uses.............................	$205,707	100.0%	185,955	100.0%

</TABLE>

Customer-based funds increased $10.0 billion in the first six months of

1996 compared to the first six months of 1995 primarily due to deposits acquired in recent acquisitions. As a percentage of total sources, customer-based funds remained relatively constant at 46 percent in the first six months of 1996 compared to 45 percent in the first six months of 1995.

Loans and leases, the Corporation's primary use of funds, increased $17.6 billion during the first six months of 1996 compared to the same period of 1995 and comprised 60 percent of total uses of funds compared to 57 percent during the same period of 1995. The ratio of average loans and leases to customer-based funds increased to 132 percent in the first six months of 1996 compared to 126 percent in the first six

months of 1995 due to loan growth resulting from acquisitions and the use of term debt to support earning asset growth.

Cash and cash equivalents were $7.6 billion on June 30, 1996, a decrease of $891 million from December 31, 1995. During the first six months of 1996, net cash provided by operating activities was $53 million, net cash provided by investing activities was $7.5 billion and net cash used in financing activities was $8.4 billion. For further information on cash flows, see the Consolidated Statement of Cash Flows in the consolidated financial statements.

Liquidity is a measure of the Corporation's ability to fulfill its cash requirements and is managed by the Corporation through its asset and liability management process. The Corporation assesses the level of liquidity necessary to meet its cash requirements by monitoring its assets and liabilities and modifying these positions as liquidity requirements change. This process, coupled with the Corporation's ability to raise capital and issue debt, is designed to cover the liquidity needs of the Corporation. The following discussion provides an overview of significant on- and off-balance sheet components.

SECURITIES

The securities portfolio on June 30, 1996 consisted of securities held for investment totaling $3.3 billion and securities available for sale totaling $15.8 billion compared to $4.4 billion and $19.4 billion, respectively, on December 31, 1995.

On June 30, 1996, the market value of the Corporation's portfolio of securities held for investment reflected net unrealized depreciation of $19 million. On December 31, 1995, the market value of securities held for investment equaled the book value of the portfolio.

The valuation reserve for securities available for sale and marketable equity securities increased shareholders' equity by $28 million on June 30, 1996, reflecting pretax depreciation of $119 million on securities available for sale and appreciation of $159 million on marketable equity securities. The valuation reserve increased shareholders' equity by $323 million on December 31, 1995. The decrease in the valuation reserve was primarily attributable to maturities, sales of securities and the general increase in interest rates during the first six months of 1996.

The estimated average maturities of the securities held for investment and securities available for sale portfolios were 1.45 years and 4.95 years, respectively, on June 30, 1996 compared with 1.65 years and 2.96 years, respectively, on December 31, 1995, a reflection of mortgage-backed securities obtained primarily through securitization of residential mortgages, acquisitions and the investment activity which occurred during the first six months of 1996.

NONPERFORMING ASSETS

As presented in TABLE 8, on June 30, 1996, nonperforming assets were $992 million, or .80 percent of net loans, leases, factored accounts receivable and other real estate owned, compared to $853 million, or .73 percent, on December 31, 1995. Nonperforming loans increased to $854 million on June 30, 1996 from $706 million on December 31, 1995. Approximately one half of the increase in nonperforming assets was related to acquisitions while the remainder was attributable to the continuation of a return toward more normal levels of credit quality. The allowance coverage of nonperforming loans was 268 percent on June 30, 1996 compared to 306 percent on December 31, 1995.

Table 8
Nonperforming Assets
(Dollars in Millions)
<TABLE>
<CAPTION>

	June 30 1996	March 31 1996	December 31 1995	September 30 1995	June 30 1995
<S>	<C>	<C>	<C>	<C>	<C>
Nonperforming loans					
Commercial..........................	$ 388	$ 359	$ 271	$ 412	$463
Real estate commercial..............	119	180	196	176	184

Real estate construction	15	15	16	46	65
Total commercial	522	554	483	634	712
Residential mortgage	174	138	87	81	76
Other consumer	135	136	130	126	111
Total consumer	309	274	217	207	187
Foreign	-	-	-	-	3
Lease financing	23	13	6	7	3
Total nonperforming loans	854	841	706	848	905
Other real estate owned	138	144	147	190	194
Total nonperforming assets	$992	$ 985	$853	$1,038	$1,099
Nonperforming assets as a percentage of					
Total assets	.52 %	.51 %	.46 %	.57 %	.60 %
Loans, leases and factored accounts receivable, net of unearned income, and other real estate owned	.80	.79	.73	.90	.99
Loans past due 90 days or more and not classified as nonperforming	$153	$ 173	$ 174	$ 137	$143

</TABLE>

ALLOWANCE FOR CREDIT LOSSES

The Corporation's allowance for credit losses was $2.3 billion on June 30, 1996 compared to $2.2 billion on December 31, 1995. TABLE 9 provides an analysis of the changes in the allowance for credit losses. The provision for credit losses was $85 million higher in the second quarter of 1996 than in the second quarter of 1995, primarily as a result of loan growth and higher charge-offs in the commercial and consumer loan portfolios. Total net charge-offs increased $74 million in the current quarter to $157 million, or .50 percent of average loans, leases and factored accounts receivable, versus $83 million, or .31 percent, in the prior year's quarter. Of the increase in net charge-offs, $43 million was associated with the total commercial loan portfolio, where a bulk sale of certain commercial and commercial real estate loans resulted in net charge-offs of $18 million. The remaining increase in net charge-offs was due to a 25-percent growth in average consumer loans over the second quarter of 1995. Additionally, an increase in the rate of personal bankruptcies in 1995 and into 1996 contributed to higher charge-offs. The net charge-offs of $312 million for the first six months of 1996 represented an increase of $146 million over the same period in 1995. Management anticipates that the credit losses experienced in the first half of 1996 reflect a move toward more typical loss levels than the lower charges experienced in prior periods and that losses at these or higher levels will continue for the near future. Furthermore, future economic conditions also will impact credit quality and may result in increased net charge-offs and higher provisions for credit losses.

Table 9
Allowance For Credit Losses
(Dollars in Millions)

<TABLE>
<CAPTION>

	Three Months Ended June 30		Six Months Ended June 30	
	1996	1995	1996	1995
<S>	<C>	<C>	<C>	<C>
Beginning balance	$ 2,253	$ 2,174	$ 2,163	$ 2,186
Loans, leases and factored accounts receivable charged off				
Commercial	(50)	(20)	(84)	(40)
Real estate commercial	(16)	(6)	(29)	(13)
Real estate construction	(3)	(3)	(3)	(6)
Total commercial	(69)	(29)	(116)	(59)
Residential mortgage	(2)	(2)	(6)	(4)
Credit card	(61)	(43)	(126)	(82)
Other consumer	(81)	(60)	(168)	(119)
Total consumer	(144)	(105)	(300)	(205)
Lease financing	(1)	-	(2)	-
Factored accounts receivable	(10)	(6)	(16)	(10)
Total loans, leases and factored accounts receivable charged off	(224)	(140)	(434)	(274)
Recoveries of loans, leases and factored accounts receivable				

previously charged off				
Commercial.................	22	22	36	39
Real estate commercial......	3	5	6	8
Real estate construction....	2	3	2	7
Total commercial....	27	30	44	54
Residential mortgage........	-	1	1	1
Credit card................	14	6	26	12
Other consumer.............	24	18	46	36
Total consumer......	38	25	73	49
Lease financing............	-	-	-	1
Factored accounts receivable...............	2	2	5	4
Total recoveries of loans, leases and factored accounts receivable previously charged off............	67	57	122	108
Net charge-offs.....	(157)	(83)	(312)	(166)
Provision for credit losses.........	155	70	310	140
Allowance applicable to loans of purchased companies and other......	41	3	131	4
Balance on June 30.................	$ 2,292	$2,164	$ 2,292	$ 2,164
Loans, leases and factored accounts receivable, net of unearned income, outstanding end of period.........	$ 123,705	$110,923	$ 123,705	$ 110,923
Allowance for credit losses as a percentage of loans, leases and factored accounts receivable, net of unearned income, outstanding end of period.........	1.85%	1.95%	1.85%	1.95%
Average loans, leases and factored accounts receivable, net of unearned income, outstanding during the period.....	$ 124,850	$109,105	$ 124,571	$ 107,001
Net charge-offs as a percentage of average loans, leases and factored accounts receivable, net of unearned income, outstanding during the period......................	.50%	.31%	.50%	.31%
Allowance for credit losses as a percentage of nonperforming loans............................	268.34	239.09	268.34	239.09

</TABLE>

Table 10
Real Estate Commercial and Construction Loans, Other Real Estate Owned and
Other Real Estate Credit Exposures
June 30, 1996
(Dollars in Millions)

<TABLE>
<CAPTION>

	Loans (1) Outstanding	Nonperforming	OREO	Other Credit Exposures(2)
<S>	<C>	<C>	<C>	<C>
By Geographic Region:				
Maryland, District of Columbia and Virginia.............................	$1,826	$48	$48	$ 392
Florida................................	1,849	26	15	135
North Carolina and South Carolina........	1,462	25	15	48
Other states............................	3,859	35	19	592
	$8,996	$134	$97	$1,167
By Property Type:				
Apartments..............................	$1,534	$ 9	$ -	$ 451
Shopping centers/retail.................	1,459	8	4	109
Office buildings........................	1,262	16	14	26
Residential............................	1,193	9	3	45
Hotels..................................	760	8	2	62

Land and land development................	642	18	49	83
Industrial/warehouse.....................	574	17	4	24
Commercial-other.........................	405	19	15	260
Resorts/golf courses.....................	210	-	-	-
Multiple use.............................	86	6	1	6
Other....................................	871	24	5	101
	$8,996	$134	$97	$1,167

</TABLE>

(1) On June 30, 1996, the Corporation had unfunded binding real estate commercial and construction loan commitments. (2) Other credit exposures include letters of credit and loans held for sale.

CONCENTRATIONS OF CREDIT RISK

REAL ESTATE - Total nonresidential real estate commercial and construction loans, the portion of such loans which are nonperforming, OREO and other credit exposures are presented in TABLE 10 . The exposures presented represent credit extensions for real estate-related purposes to borrowers or counterparties who are primarily in the real estate development or investment business and for which the ultimate repayment of the credit is dependent on the sale, lease, rental or refinancing of the real estate.

Total nonresidential real estate commercial and construction loans were $9.0 billion and $9.2 billion on June 30, 1996 and December 31, 1995, respectively, and declined as a percentage of net loans, leases and factored accounts receivable to 7.2 percent on June 30, 1996 from 7.8 percent on December 31, 1995. During the second quarter of 1996, the Corporation recorded real estate net charge-offs of $14 million, or .60 percent of average real estate loans, compared to $1 million, or .03 percent, in the second quarter of 1995. The majority of the real estate net chargeoffs were related to a bulk sale of certain commercial real estate loans. During the first six months of 1996, the Corporation had real estate net charge-offs of $24 million, or .49 percent of average real estate loans, compared to $4 million, or .08 percent, in the first half of 1995. Nonperforming real estate commercial and construction loans totaled $134 million and $212 million on June 30, 1996 and December 31, 1995, respectively.

Table 11
Selected Industry Credit Exposures
June 30, 1996
(Dollars in Millions)

<TABLE>
<CAPTION>

	Loans, Leases and Factored Accounts Receivable, Net of Unearned Income Outstanding	Nonperforming	Unfunded Commitments	Other Credit Exposures (1)
<S>	<C>	<C>	<C>	<C>
Communications...........	$ 4,181	$ 3	$ 4,858	$ 297
Health care..............	3,501	20	2,917	786
Leisure and sports........	3,328	25	2,127	355
Textiles and apparel......	2,936	45	1,312	436
Oil and gas..............	2,872	30	3,451	578
Retail...................	2,677	64	2,939	639
Automotive...............	2,503	12	1,527	101
Food.....................	2,501	21	2,487	314
Machinery and equipment...	2,470	4	2,241	274
Finance companies.........	1,702	1	5,931	125
Construction.............	1,617	34	1,115	163
Forest products and paper.	1,488	10	2,055	275
Electronics..............	1,476	26	2,082	141
Utilities................	1,008	-	3,025	207
Banks....................	949	1	1,537	2,369
Brokers and dealers.......	423	-	876	664

</TABLE>

(1) Other credit exposures include loans held for sale, letters of credit, bankers' acceptances and derivatives exposures in a gain position.

The exposures included in TABLE 10 do not include credit extensions which were made on the general creditworthiness of the borrower, for which real estate was obtained as security or as an abundance of caution, and for which the ultimate repayment of the credit is not dependent on the sale, lease, rental or refinancing of the real estate. Accordingly, the exposures presented do not include commercial loans secured by owner-occupied real estate, except where the borrower is a real estate developer. In addition to the amounts presented in the table, on June 30, 1996, the Corporation had approximately $7.7 billion of commercial loans which were not real estate dependent but for which the Corporation had obtained real estate as secondary repayment security.

OTHER INDUSTRIES - TABLE 11 presents selected industry credit exposures. Commercial loans, factored accounts receivable and lease financing are included in the table. Other credit exposures as represented include loans held for sale, letters of credit, bankers' acceptances and derivatives exposures in a gain position. Commercial loan outstandings as a percentage of net loans, leases and factored accounts receivable remained relatively constant at 39.9 percent on June 30, 1996 compared to 41.0 percent on December 31, 1995 and totaled $49.4 billion and $48.0 billion on June 30, 1996 and December 31, 1995, respectively. Net charge-offs of commercial loans totaled $28 million, or .23 percent of average commercial loans in the second quarter of 1996 compared to net recoveries of $2 million, or .02 percent in the second quarter of 1995. For the first half of 1996, the Corporation had commercial net charge-offs of $48 million, or .20 percent of average commercial loans, compared to $1 million or .01 percent for the first half of 1995.

CONSUMER - Consumer loan outstandings as a percentage of net loans, leases and factored accounts receivable remained relatively constant at 46.1 percent on June 30, 1996 compared to 45.2 percent on December 31, 1995 and totaled $57.0 billion and $52.8 billion on June 30, 1996 and December 31, 1995, respectively. In addition to the credit card loans reported in the financial statements, the Corporation manages credit card receivables which have been sold. Total average credit card receivables managed by the CARD SERVICES group were $7.9 billion in the second quarter of 1996 compared to $5.9 billion in the second quarter of 1995. On June 30, 1996, the Corporation completed a securitization of $900 million of credit card receivables. On a managed portfolio basis, which includes both on balance sheet receivables

and credit card, indirect auto loan and consumer finance securitizations, net charge-offs as a percentage of average managed consumer loans in the second quarter of 1996 were 4.36 percent for credit card and .99 percent for other consumer loans. This compares to net charge-off ratios on a managed basis of 3.79 percent for credit card loans and 1.05 percent for other consumer loans for the first quarter of 1996 and 3.87 percent and .77 percent, respectively, for the second quarter of 1995. Net charge-offs as a percentage of average managed consumer loans in the first half of 1996 were 4.08 percent for credit card and 1.03 percent for other consumer loans. This compares to net charge-off ratios on a managed basis of 3.79 percent for credit card loans and .78 percent for other consumer loans for the first half of 1995.

See NOTE 5 to the consolidated financial statements for information regarding the distribution of loans on June 30, 1996 and December 31, 1995.

MARKET RISK

In the normal course of conducting business activities, the Corporation is exposed to market risk which includes both price and liquidity risk. Price risk arises from fluctuations in interest rates, foreign exchange rates and commodity and equity prices that may result in changes in the values of financial instruments. Liquidity risk arises from the possibility that the Corporation may not be able to satisfy current and future financial commitments or that the Corporation may not be able to liquidate financial instruments at market prices. Risk management procedures and policies have been established and are utilized to manage the Corporation's exposure to market risk. The strategy of the Corporation with respect to market risk is to maximize net income while maintaining an acceptable level of risk to changes in market rates. While achievement of this goal requires a balance between profitability, liquidity and market price risk, there are opportunities to enhance revenues through controlled risks. In implementing strategies to manage interest rate risk, the primary tools used by the Corporation are the securities portfolio and interest rate swaps, and management of the mix, yields or rates and maturities of assets and of the wholesale and retail funding sources of the Corporation.

TABLE 12 represents the Corporation's interest rate gap position on June 30, 1996. Based on contractual maturities or repricing dates (or anticipated dates where no contractual maturity or repricing date exists), interest-sensitive assets and liabilities are placed in maturity categories. The Corporation's near-term cumulative interest rate gap position is a reflection of the strength of the customer-deposit gathering franchise which provides the Corporation with a relatively stable core deposit base. These funds have been deployed in longer-term interest earning assets, primarily loans and securities. A gap analysis is limited in its usefulness as it represents a one-day position, which is continually changing and not necessarily indicative of the

Corporation's position at any other time. Additionally, the gap analysis does not consider the many factors accompanying interest rate movements.

On June 30, 1996, the interest rate risk position of the Corporation was relatively neutral as the impact of a gradual parallel 100-basis-point rise or fall in interest rates over the next 12 months was estimated to be less than 1 percent of net income when compared to stable rates. Additionally, on June 30, 1996, a 100-basis-point parallel increase in interest rates from June 30, 1996 levels was estimated to result in a change of less than 2 percent in the market value of the Corporation's total shareholders' equity.

To estimate potential losses that could result from adverse market movements, the Corporation uses a daily earnings at risk methodology. Earnings at risk estimates are measured on a daily basis at the individual trading unit level, by type of trading activity and for all trading activities in the aggregate. Daily reports of estimates compared to respective limits are reviewed by senior management, and trading strategies are adjusted accordingly. In addition to these simulations, portfolios which have significant option positions are stress tested continually to simulate the potential loss that might occur due to unexpected market movements in each market.

Earnings at risk represents a one-day measurement of pre-tax earnings at risk from movements in market prices using the assumption that positions cannot be rehedged during the period of any prescribed price and volatility change. A 99-percent confidence level is utilized, which indicates that actual trading profits and losses may deviate from expected levels and exceed estimates approximately one day out of every 100 days of trading activity. Earnings at risk is measured on both a gross and uncorrelated basis. The gross measure assumes that adverse market movements occur simultaneously across all segments of the trading portfolio, an unlikely assumption. On June 30, 1996, the gross estimates for aggregate interest rate, foreign exchange and equity and commodity trading activities were $52.9 million, $4.2 million and $2.3

million, respectively. Alternatively, using a statistical measure which is more likely to capture the effects of market movements, the estimate on June 30, 1996 for aggregate trading activities was $21.0 million.

Average daily CAPITAL MARKETS-related revenues in the second quarter of 1996 approximated $1.4 million. During the second quarter of 1996, the Corporation's CAPITAL MARKETS-related activities resulted in positive daily revenues for approximately 73 percent of total trading days. In the second quarter of 1996, the standard deviation of CAPITAL MARKETS-related revenues was $3.2 million. Using this data, one can conclude that the aggregate Capital Markets activities should not result in exposure of more than $6.0 million for any one day, assuming 99-percent confidence. Daily earnings at risk will average considerably more than this due to the assumption of no evasive actions as well as the assumption that adverse market movements occur simultaneously across all segments of the trading portfolio.

Table 12
Interest Rate Gap Analysis
June 30, 1996
(Dollars in Millions)

<TABLE>
<CAPTION>

	Interest-Sensitive						
	30-Day	3-Month	6-Month	12-Month	Total	Over 12 Months and Noninterest-Sensitive	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Earning assets							
Loans and leases, net of unearned income................	$51,078	$11,815	$5,153	$8,126	$76,172	$46,471	$122,643
Securities held for investment....	82	179	169	1,268	1,698	1,606	3,304
Securities available for sale.....	172	280	463	2,194	3,109	12,697	15,806
Loans held for sale..............	1,555	-	-	-	1,555	-	1,555
Time deposits placed and other short-term investments.........	916	211	95	4	1,226	-	1,226
Trading account securities........	16,818	-	-	-	16,818	-	16,818
Federal funds sold and securities purchased under agreements to resell......................	7,560	-	-	-	7,560	-	7,560
Total.................	78,181	12,485	5,880	11,592	108,138	60,774	168,912
Interest-bearing liabilities							
Savings..........................	8,667	-	-	-	8,667	-	

							8,667
NOW and money market deposit accounts......................	30,590	-	-	-	30,590	-	30,590
Consumer CDs and IRAs............	4,307	5,201	5,783	6,785	22,076	7,372	29,448
Negotiated CDs, public funds and other time deposits...........	1,134	969	668	394	3,165	325	3,490
Foreign time deposits..............	7,399	2,270	1,559	312	11,540	147	11,687
Borrowed funds.....................	25,846	1,903	1,254	590	29,593	-	29,593
Short sales........................	9,428	-	-	-	9,428	-	9,428
Long-term debt.....................	4,427	6,711	175	473	11,786	8,741	20,527
Total..........................	91,798	17,054	9,439	8,554	126,845	16,585	143,430
Noninterest-bearing, net..............	-	-	-	-	-	25,482	25,482
Total..........................	91,798	17,054	9,439	8,554	126,845	42,067	$168,912
Interest rate gap.....................	(13,617)	(4,569)	(3,559)	3,038	(18,707)	18,707	
Effect of asset and liability management interest rate swaps, futures and other off-balance sheet items.......	(9,862)	(8,587)	(311)	1,330	(17,430)	17,430	
Adjusted interest rate gap..........	$(23,479)	$(13,156)	$(3,870)	$ 4,368	$ (36,137)	$36,137	
Cumulative adjusted interest rate gap..	$(23,479)	$(36,635)	$(40,505)	$(36,137)			

</TABLE>

Table 13
Asset and Liability Management Interest Rate Swaps Notional Contracts
(Dollars in Millions)

<TABLE>
<CAPTION>

	Generic		Index Amortizing	CMO		Total			Total
	Receive Fixed	Pay Fixed	Receive Fixed	Receive Fixed	Pay Fixed	Receive Fixed	Pay Fixed	Basis	Interest Rate Swaps
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance on December 31, 1995.........	$ 5,963	$9,908	$5,911	$1,964	$75	$13,838	$9,983	$ 486	$24,307
Additions..........................	12,202	478	295	961	-	13,458	478	600	14,536
Maturities/Other....................	(3,731)	(384)	(1,843)	(547)	(10)	(6,121)	(394)	-	(6,515)
Balance on June 30, 1996............	$14,434	$10,002	$4,363	$2,378	$65	$21,175	$10,067	$1,086	$32,328

</TABLE>

OFF BALANCE SHEET

DERIVATIVES - ASSET AND LIABILITY MANAGEMENT POSITIONS

The Corporation utilizes interest rate contracts in its asset and liability management (ALM) process. Interest rate contracts allow the Corporation to adjust its interest rate risk position without exposure to risk of loss of the underlying principal or funding requirements, as these contracts do not involve the exchange of notional amounts, only payment or receipt of cash flows. The periodic interest payments can be based on a fixed rate or a variable index.

The Corporation uses non-leveraged generic, index amortizing, collateralized mortgage obligation (CMO) and basis swaps. Generic swaps involve the exchange of fixed rate and variable rate interest payments based on the contractual underlying notional amounts. Index amortizing and CMO swaps also involve the exchange of fixed rate and variable rate interest payments; however, the notional amounts may decline and their maturities vary based on certain interest rate indices in the case of index amortizing swaps and mortgage prepayment rates in the case of CMO swaps. Basis swaps involve the exchange of interest payments based on the contractual underlying notional amounts where both the pay rate and the receive rate are floating rates based on different indices.

In its ALM process, the Corporation also purchases interest rate caps and floors. Interest rate caps and floors are agreements where, for a fee, the purchaser obtains the right to receive interest payments when a variable interest rate moves above or below a specified cap or floor rate.

As presented in the footnotes to TABLE 3, net interest receipts and payments on these contracts have been included in interest income and expense on the underlying instruments. On June 30, 1996, there were no realized deferred gains or losses associated with terminated ALM contracts.

TABLE 13 summarizes the notional amount and the activity of ALM interest rate swap contracts for the six months ended June 30, 1996. As reflected in the table, the gross notional amount of the Corporation's ALM swap program on June 30, 1996 was $32.3 billion, with the Corporation receiving fixed on $21.2 billion, primarily converting variable-rate commercial loans to fixed rate, and receiving variable on $10.1 billion, fixing the cost of certain variable-rate liabilities, primarily market-based funds. The increase in the notional amount of ALM interest rate swap contracts from December 31, 1995 was primarily due to acquisitions and management of the Corporation's risk profile. On June 30, 1996, the net receive fixed position was $11.1 billion, representing an increase from the net receive fixed position of $3.9 billion on December 31, 1995.

The gross notional amount of option products, primarily caps and floors, on June 30, 1996 was $4.3 billion. Such instruments primarily relate to term debt, consumer loans and securities available for sale. On June 30, 1996, the net unrealized appreciation of option products, primarily caps and floors, was $2 million.

TABLE 14 summarizes the maturities, average pay and receive rates and the market value on June 30, 1996 of the Corporation's ALM contracts. Floating rates represent the last repricing and will change in the future based on movements in one-, three- and six-month LIBOR rates. Maturities for CMO and amortizing swaps are based on interest rates implied by the forward yield curve on June 30, 1996 and may differ from actual maturities depending on future interest rate movements and resultant prepayment patterns.

Table 14
Asset and Liability Management Interest Rate Swaps
June 30, 1996
(Dollars in Millions, Average Maturity in Years)

<TABLE>
<CAPTION>

	Market Value	Expected Maturity Total	1996	1997	1998	1999	2000	After 2000	Average Expected Maturity
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Asset Conversion Swaps									
Receive fixed generic...............	$ (76)								3.23
Notional amount.....................		$11,800	-	$ 500	$ 2,000	$ 3,200	$ 5,600	$ 500	
Weighted average receive rate.......		6.25%	-	4.59%	5.89%	6.29%	6.46%	6.72%	
Weighted average pay rate...........		5.52							
Receive fixed amortizing............	(51)								1.07
Notional amount.....................		$ 4,363	$ 1,175	$2,137	$ 900	$ 11	$ 140	-	
Weighted average receive rate.......		5.06%	5.04%	4.91%	5.11%	6.98%	6.98%	-	
Weighted average pay rate...........		5.53							
Receive fixed CMO...................	(34)								2.14
Notional amount.....................		$ 2,378	$ 318	$ 432	$ 480	$ 1,148	-	-	
Weighted average receive rate.......		5.61%	5.23%	5.13%	5.09%	6.11%	-	-	
Weighted average pay rate...........		5.47							
Pay fixed generic...................	(12)								3.02
Notional amount.....................		$ 440	$ 33	$ 15	$ 7	$ 374	$ 1	$ 10	
Weighted average pay rate...........		7.60%	7.64%	7.75%	7.92%	7.52%	9.78%	9.52%	
Weighted average receive rate.......		5.54							

Total asset conversion swaps	$ (173)								
Notional amount			$ 18,981	$1,526	$3,084	$ 3,387	$ 4,733	$ 5,741	$ 510
Liability Conversion Swaps									
Receive fixed generic	$ (59)	5.74							
Notional amount			$ 2,634	$ 2	$ 658	$ 31	$ 34	$ 312	$1,597
Weighted average receive rate			6.76%	6.51%	6.94%	6.35%	9.80%	6.79%	6.62%
Weighted average pay rate			5.69						
Pay fixed generic	(34)	.22							
Notional amount			$ 9,562	$ 8,537	$ 925	$ 100	-	-	-
Weighted average pay rate			6.69%	6.50%	8.14%	9.31%	-	-	-
Weighted average receive rate			5.28						
Pay fixed CMO	1	1.32							
Notional amount			$ 65	$ 10	$ 16	$ 39	-	-	-
Weighted average pay rate			4.44%	4.44%	4.44%	4.44%	-	-	-
Weighted average receive rate			5.45						
Total liability conversion swaps	$ (92)								
Notional amount			$ 12,261	$ 8,549	$1,599	$ 170	$ 34	$ 312	$ 1,597
Total receive fixed swaps	$ (220)	2.98							
Notional amount			$ 21,175	$1,495	$3,727	$3,411	$ 4,393	$ 6,052	$ 2,097
Weighted average receive rate			6.00%	5.08%	5.25%	5.57%	6.27%	6.49%	6.64%
Weighted average pay rate			5.54						
Total pay fixed swaps	(45)	.35							
Notional amount			$ 10,067	$ 8,580	$ 956	$ 146	$ 374	$ 1	$ 10
Weighted average pay rate			6.71%	6.50%	8.07%	7.94%	7.52%	9.78%	9.52%
Weighted average receive rate			5.29						
Basis Swaps	-	1.40							
Notional amount			$ 1,086	$ 100	$ 371	$ 600	-	-	$ 15
Weighted average receive rate			5.47%						
Weighted average pay rate			5.53						
Total Swaps	$ (265)								
Notional amount			$ 32,328	$10,175	$5,054	$4,157	$ 4,767	$ 6,053	$2,122

</TABLE>

On June 30, 1996, in addition to the above interest rate swaps, the Corporation had approximately $1.3 billion notional of receive fixed generic interest rate swaps associated primarily with a credit card securitization. On June 30, 1996, these positions had an unrealized market value of negative $32 million, a weighted average receive rate of 5.25 percent, a pay rate of 5.81 percent and an average maturity of 3.26 years.

The net unrealized depreciation of the ALM swap portfolio on June 30, 1996 was $265 million compared to $75 million on December 31, 1995, reflecting the increase in interest rates. The unrealized depreciation in the estimated value of the ALM interest rate swap portfolio should be viewed in the context of the overall balance sheet. The value of any single component of the balance sheet or off-balance sheet position should not be viewed in isolation.

DERIVATIVES - DEALER POSITIONS

Credit risk associated with derivative positions is measured as the net replacement cost the Corporation could incur should counterparties with contracts in a gain position completely fail to perform under the terms of those contracts and any collateral underlying the contracts proves to be of no value to the Corporation. In managing derivative credit risk, the Corporation considers both the current exposure, which is the replacement cost of contracts on the measurement date, as well as an estimate of the potential change in value of contracts over their remaining lives.

TABLE 15 presents the notional or contract amounts on June 30, 1996 and December 31, 1995 and the current credit risk amounts (the net replacement cost of contracts in a gain position on June 30, 1996 and December 31, 1995) of the Corporation's derivatives-dealer positions which are primarily executed in the over the counter market. The notional or contract amounts indicate the total volume of transactions and significantly exceed the amount of the Corporation's credit or market risk associated with these instruments. The credit risk amounts presented in TABLE 15 do not consider the value of any collateral, but generally take into

Table 15
Derivatives - Dealer Positions
(Dollars in Millions)

<TABLE>
<CAPTION>

	June 30 1996		December 31 1995	
	Contract/ Notional	Credit Risk Amount(1)	Contract/ Notional	Credit Risk Amount(1)
<S>	<C>	<C>	<C>	<C>
Interest Rate Contracts				
Swaps........................	$ 170,843	$ 1,076	$123,946	$989
Futures and forwards.........	196,109	326	193,774	37
Written options	354,571	-	233,976	-
Purchased options	310,109	1,078	236,317	1,310
Foreign Exchange Contracts				
Swaps........................	1,250	21	1,196	21
Spot, futures and forwards...	108,841	787	70,199	532
Written options..............	74,572	-	42,227	-
Purchased options............	75,389	577	44,273	350
Commodity and Other Contracts				
Swaps........................	777	87	757	141
Futures and forwards.........	2,503	1	3,231	3
Written options..............	22,891	-	15,476	-
Purchased options............	25,967	543	16,344	600
Total before cross product netting...................		4,496		3,983
Cross product netting.......		98		183
Net replacement cost........		$4,398		$3,800

</TABLE>

(1) Represents the net replacement cost the Corporation could incur should

counterparties with contracts in a gain position to the Corporation completely fail to perform under the terms of those contracts. Amounts include accrued interest.

consideration the effects of legally enforceable master netting agreements. On June 30, 1996, the credit risk associated with the Corporation's asset and liability management positions was not significant.

In managing credit risk associated with its derivatives activities, the Corporation deals with creditworthy counterparties, primarily U.S. and foreign commercial banks, broker-dealers and corporates.

A portion of the Corporation's derivatives-dealer activity involves exchange-traded instruments. Because exchange-traded instruments conform to standard terms and are subject to policies set by the exchange involved, including counterparty approval, margin requirements and security deposit requirements, the credit risk to the Corporation is minimal. Of the $4.4-billion current credit risk amount reported in TABLE 15, $782 million relates to exchange-traded instruments. This compares to a total credit risk amount of $3.8 billion on December 31, 1995, which included $791 million related to exchange-traded instruments.

During the first six months of 1996, there were no credit losses associated with derivative transactions. In addition, on June 30, 1996, there were no nonperforming derivative positions.

CAPITAL

Shareholders' equity totaled $14.0 billion on June 30, 1996 compared to $12.8 billion on December 31, 1995. Net earnings retention of $761 million coupled with the acquisition of Bank South, which resulted in the issuance of 26.3 million shares of common stock and an increase of $685 million in shareholders' equity, were the primary reasons for the increase. The increase was partially offset by net depreciation of $298 million in the market value of securities available for sale during the first six months of 1996.

Presented below are the Corporation's regulatory capital ratios on June 30, 1996 and December 31, 1995:

	June 30 1996	December 31 1995
Risk-Based Capital Ratios		
Tier 1 Capital......	7.58%	7.24%
Total Capital.......	11.93	11.58
Leverage Capital Ratio...	6.64	6.27

The Corporation's regulatory capital ratios on June 30, 1996 compare favorably with the regulatory minimums of 4 percent for Tier 1, 8 percent for total risk-based capital and the leverage guidelines of 100 to 200 basis points above the minimum ratio of 3 percent.

Table 16
Selected Quarterly Operating Results
(Dollars in Millions Except Per-Share Information)
<TABLE>
<CAPTION>

	1996 Quarters First	1996 Quarters Second
<S>	<C>	<C>
Income statement		
Income from earning assets.................................	$ 3,573	$ 3,442
Interest expense...	2,016	1,855
Net interest income (taxable-equivalent)....................	1,584	1,611
Net interest income..	1,557	1,587
Provision for credit losses................................	155	155
Gains (losses) on sales of securities.......................	14	(6)
Noninterest income...	885	917

Other real estate owned expense	-	7
Merger-related charge	118	-
Other noninterest expense	1,394	1,405
Income before income taxes	789	931
Income tax expense	276	326
Net income	513	605
Net income applicable to common shareholders	509	601
Net income (excluding merger-related charge)	590	605
Average common shares issued (in thousands)	300,279	300,462
Per common share		
Earnings	$ 1.70	$ 2.00
Earnings (excluding merger-related charge)	1.95	2.00
Cash dividends paid	.58	.58
Common shareholders' equity (period-end)	44.92	46.18
Balance sheet (period-end)		
Total assets	194,375	192,308
Total loans, leases and factored accounts receivable, net of unearned income	124,344	123,705
Total deposits	109,622	108,124
Long-term debt	18,659	20,527
Common shareholders' equity	13,444	13,905
Total shareholders' equity	13,557	14,025
Performance ratios		
Return on average assets	.99%	1.20%
Return on average assets (excluding merger-related charge)	1.14	1.20
Return on average common shareholders' equity (1)	15.71	18.00
Return on average common shareholders' equity (excluding merger-related charge) (1)	18.07	18.00
Risk-based capital ratios		
Tier 1	7.35	7.58
Total	11.71	11.93
Leverage capital ratio	6.19	6.64
Total equity to total assets	6.97	7.29
Market price per share of common stock		
Close at the end of the period	$ 80 1/8	$ 82 5/8
High for the period	81 3/8	84 5/8
Low for the period	64 3/8	74 3/4

</TABLE>

(1) Average common shareholders' equity does not include the effect of market value adjustments to securities available for sale and marketable equity securities.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

a. The Annual Meeting of Shareholders was held on April 24, 1996.

b. The following are voting results on each of the matters which were submitted to the shareholders:

<TABLE>
<CAPTION>

<S>	For <C>	Against or Withheld <C>	Abstentions <C>	Broker Nonvotes <C>
1. To elect 20 Directors				
Ronald W. Allen	242,955,641	1,159,553		
William M. Barnhardt	243,030,626	1,084,568		
Thomas E. Capps	242,997,952	1,117,242		
Charles W. Coker	243,039,958	1,075,236		
Thomas G. Cousins	243,065,266	1,049,928		
Alan T. Dickson	243,052,491	1,062,703		
W. Frank Dowd, Jr.	243,024,362	1,090,832		
Paul Fulton	242,959,863	1,155,331		
Timothy L. Guzzle	243,032,928	1,082,266		
W. W. Johnson	243,044,183	1,071,011		
Hugh L. McColl, Jr.	243,042,143	1,073,051		
John J. Murphy	242,966,068	1,149,126		
John C. Slane	242,982,449	1,132,745		
John W. Snow	242,941,106	1,174,088		
Meredith R. Spangler	243,039,950	1,075,244		
Robert H. Spilman	243,009,960	1,105,234		
Ronald Townsend	242,939,366	1,175,828		

	E. Craig Wall, Jr...........	243,057,101	1,058,093		
	Jackie M. Ward..............	242,940,077	1,175,117		
	Virgil R. Williams..........	243,033,952	1,081,242		
2.	To consider and act upon a proposal to approve and adopt the NationsBank Corporation Directors' Stock Plan..........	230,832,999	9,517,984	3,736,948	27,263
3.	To consider and act upon a proposal to ratify the action of the Board of Directors in selecting Price Waterhouse LLP as independent public accountants to audit the books of the Corporation and its subsidiaries for the current year..........	242,425,041	588,335	1,101,818	

</TABLE>

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

Exhibit 11 - Earnings Per Common Share Computation

Exhibit 12(a) - Ratio of Earnings to Fixed Charges

Exhibit 12(b) - Ratio of Earnings to Fixed Charges and Preferred Dividends

Exhibit 27 - Financial Data Schedule

b. Reports on Form 8-K

The following reports on Form 8-K were filed by the Corporation during the quarter ended June 30, 1996:

Current Report on Form 8-K dated April 15, 1996, and filed April 17, 1996, Items 5 and 7.

Current Report on Form 8-K dated May 14, 1996, and filed May 16, 1996, Items 5 and 7.

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 thereunto duly authorized.

NationsBank Corporation
Registrant

Date: August 13, 1996
/s/ Marc D. Oken

Marc D. Oken
Executive Vice President
and Chief Accounting Officer
(Duly Authorized Officer and
Principal Accounting Officer)

NationsBank Corporation
Form 10-Q
Index to Exhibits

EXHIBIT 11

FULLY DILUTED EARNINGS PER COMMON SHARE AND FULLY DILUTED AVERAGE COMMON SHARES OUTSTANDING

For fully diluted earnings per common share, net income available to common shareholders can be affected by the conversion of the registrant's convertible preferred stock. Where the effect of this conversion would have been dilutive, net income available to common shareholders is adjusted by the associated preferred dividends. This adjusted net income is divided by the weighted average number of common shares outstanding for each period plus amounts representing the dilutive effect of stock options outstanding and the dilution resulting from the conversion of the registrant's convertible preferred stock, if applicable. The effect of convertible preferred stock is excluded from the computation of fully diluted earnings per share in periods in which the effect would be antidilutive.

Fully diluted earnings per common share was determined as follows (shares in thousands, dollars in millions except per-share information):

<TABLE>
<CAPTION>

	Three Months Ended June 30		Six Months Ended June 30	
	1996	1995	1996	1995
<S>	<C>	<C>	<C>	<C>
Average common shares outstanding......	300,462	271,717	300,370	274,053
Dilutive effect of				
Convertible preferred stock.	2,054	2,345	2,054	2,345
Stock Options...............	2,855	1,369	2,977	1,390
Total fully dilutive shares............	305,371	275,431	305,401	277,788
Income available to common shareholders	$ 601	$ 465	$ 1,110	$ 906
Preferred dividends paid on dilutive convertible preferred stock	2	2	4	4
Total net income available for common shareholders adjusted for full dilution..............	$ 603	$ 467	$ 1,114	$ 910
Fully diluted earnings per share.......	$ 1.98	$ 1.70	$ 3.65	$ 3.28

</TABLE>

NationsBank Corporation and Subsidiaries Exhibit 12(b)

Ratio of Earnings to Fixed Charges and Preferred Dividends

(Dollars in Millions)

<TABLE>
<CAPTION>

	Six Months Ended June 30, 1996	Year Ended December 31 1995	1994	1993	1992	1991
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Excluding Interest on Deposits						
Income before taxes....................$	1,720	$ 2,991	$ 2,555	$ 1,991	$ 1,396	$ 109
Equity in undistributed earnings of unconsolidated subsidiaries.......	(4)	(7)	(3)	(5)	(1)	(1)
Fixed charges:						
Interest expense (including capitalized interest)..	2,156	4,480	2,896	1,421	916	1,291
Amortization of debt discount and appropriate issuance costs......	9	12	8	6	3	2
1/3 of net rent expense...........	63	125	114	96	91	82
Total fixed charges............	2,228	4,617	3,018	1,523	1,010	1,375
Preferred dividend requirements........	12	13	15	16	29	31
Earnings (excluding capitalized interest)........................... $	3,944	$ 7,601	$ 5,570	$ 3,509	$ 2,398	$ 1,471
Fixed charges.......................... $	2,240	$ 4,630	$ 3,033	$ 1,539	$ 1,039	$ 1,406
Ratio of Earnings to Fixed Charges......	1.76	1.64	1.84	2.28	2.31	1.05
Including Interest on Deposits						
Income before taxes.................... $	1,720	$ 2,991	$ 2,555	$ 1,991	$ 1,396	$ 109
Equity in undistributed earnings of unconsolidated subsidiaries........	(4)	(7)	(3)	(5)	(1)	(1)
Fixed charges:						
Interest expense (including capitalized interest).................	3,862	7,761	5,310	3,570	3,688	5,611
Amortization of debt discount and appropriate issuance costs............	9	12	8	6	3	2
1/3 of net rent expense.................	63	125	114	96	91	82
Total fixed charges.............	3,934	7,898	5,432	3,672	3,782	5,695
Preferred dividend requirements.........	12	13	15	16	29	31
Earnings (excluding capitalized interest) $	5,650	$ 10,882	$ 7,984	$ 5,658	$ 5,170	$ 5,791
Fixed charges........................... $	3,946	$ 7,911	$ 5,447	$ 3,688	$ 3,811	$ 5,726
Ratio of Earnings to Fixed Charges.......	1.43	1.38	1.47	1.53	1.36	1.01

</TABLE>

NationsBank Corporation and Subsidiaries   Exhibit 12(b)

Ratio of Earnings to Fixed Charges and Preferred Dividends

(Dollars in Millions)

<TABLE>
<CAPTION>

	Six Months Ended June 30, 1996	Year Ended December 31 1995	1994	1993	1992	1991
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Excluding Interest on Deposits						
Income before taxes....................$	1,720	$ 2,991	$ 2,555	$ 1,991	$ 1,396	$ 109
Equity in undistributed earnings of unconsolidated subsidiaries.......	(4)	(7)	(3)	(5)	(1)	(1)
Fixed charges:						
Interest expense (including capitalized interest)..	2,156	4,480	2,896	1,421	916	1,291
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Equity in undistributed earnings of unconsolidated subsidiaries........	(4)	(7)	(3)	(5)	(1)	(1)
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Fixed charges.......................... $	3,946	$ 7,911	$ 5,447	$ 3,688	$ 3,811	$ 5,726
Ratio of Earnings to Fixed Charges.......	1.43	1.38	1.47	1.53	1.36	1.01

</TABLE>

<TABLE> <S> <C>

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The schedule contains summary information extracted from the June 30, 1996,
Form 10-Q for NationsBank Corporation and is qualified in its entirety by
reference to such financial statements.
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<FN>
<F1>(1) Allowance-Domestic, Allowance-Foreign and Allowance-Unallocated are
only disclosed on an annual basis in the Corporation's 10-K and are
therefore not included in this Financial Data Schedule.
</FN>

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