FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1996-11-14** | Period of Report: **1996-09-30**
SEC Accession No. 0000950131-96-005841

FILER

FIRST CHICAGO NBD CORP

CIK:**70040**| IRS No.: **381984850** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-07127** | Film No.: **96664556**
SIC: **6021** National commercial banks

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First Chicago NBD Corporation and Subsidiaries
Financial Supplement and Form 10-Q

Contents

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FIVE-QUARTER SUMMARY OF SELECTED FINANCIAL INFORMATION
First Chicago NBD Corporation and Subsidiaries

(Dollars in millions, except per share data)	September 1996	June 1996	March 1996	December 1995	September 1995
<S>	<C>	<C>	<C>	<C>	<C>
SELECTED FINANCIAL DATA FOR THE QUARTER					
Net interest income..................................	$ 942	$ 910	$ 885	$ 834	$ 796
Tax-equivalent adjustment............................	25	25	28	30	28
Net interest income--tax-equivalent basis............	967	935	913	864	824
Provision for credit losses..........................	185	185	175	210	125
Noninterest income...................................	597	643	626	655	702
Operating expense....................................	798	814	828	821	827
Merger-related charges...............................	-	-	-	267	-
FDIC special assessment..............................	18	-	-	-	-
Net income...	358	361	340	126	357
EARNINGS PER SHARE					
Net income - Primary.................................	$ 1.09	$ 1.10	$ 1.04	$ 0.37	$ 1.07
Net income - Fully diluted...........................	1.08	1.09	1.03	0.37	1.06
AT QUARTER-END					
Assets...	$106,694	$113,714	$115,465	$122,002	$124,056
Loans..	66,602	66,431	64,253	64,434	61,076
Deposits...	63,679	64,593	64,243	69,106	66,934
Long-term debt.......................................	7,967	7,951	8,011	8,163	8,445
Common stockholders' equity..........................	8,612	8,339	8,135	7,961	7,954
Stockholders' equity.................................	9,087	8,827	8,624	8,450	8,445
AVERAGE BALANCES					
Assets...	$110,715	$116,280	$120,708	$123,773	$124,738
Loans..	65,962	64,534	63,790	62,258	59,661

Earning assets	96,123	100,564	104,629	106,187	107,731
Deposits	63,482	65,162	65,922	68,552	68,619
Common stockholders' equity	8,352	8,183	8,053	7,998	7,934
Stockholders' equity	8,839	8,672	8,543	8,488	8,504
FINANCIAL RATIOS					
Return on stockholders' equity	16.1%	16.7%	16.0%	5.9%	16.7%
Return on common stockholders' equity	16.7	17.4	16.6	5.9	17.4
Return on assets	1.29	1.25	1.13	0.40	1.14
CAPITAL DATA (1)					
Common-equity-to-assets ratio	8.1%	7.6%	7.3%	6.9%	6.8%
Regulatory leverage ratio	8.1	7.6	7.3	6.9	6.9
Risk-based capital					
Tier 1 ratio	8.4	8.1	8.1	7.8	8.2
Total capital ratio	12.4	12.2	12.3	11.8	12.4
COMMON SHARE AND STOCKHOLDER DATA FOR THE QUARTER ENDED					
Market price (at quarter-end)	$ 45 1/4	$ 39 1/8	$ 41 1/2	$ 39 1/2	$ 38 1/4
Book value (at quarter-end)	27.11	26.31	25.70	25.25	24.96
Dividends declared per common share	0.36	0.36	0.36	0.36	0.33
Common dividends	115	115	113	113	107
Preferred dividends	8	8	8	7	10
Dividend payout ratio	33.0%	32.7%	34.6%	97.3%	30.8%
Average number of common and common-equivalent shares (in millions)	320.2	320.2	319.2	320.0	324.4
Average number of shares, assuming full dilution (in millions)	327.5	326.9	326.2	326.9	331.8

</TABLE>

(1) Net of investment in First Chicago Capital Markets, Inc.

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BUSINESS SEGMENTS

OVERVIEW

Three Months Ended September 30

(Dollars in millions, except where noted)	Credit Card		Regional Banking		Corporate and Institutional Banking		Corporate Investments		Other Activities	
	1996	1995	1996	1995	1996	1995	1996	1995	1996	1995
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net income	$ 94	$ 81	$ 157	$ 134	$ 62	$ 74	$ 41	$ 56	$ 4	$ 12
Return on equity	34%	40%	17%	17%	8%	9%	36%	40%	N/M	N/M
Average assets (presecuritized) (in billions)	$17.9	$14.6	$38.2	$37.4	$43.6	$56.2	$18.2	$23.8	$ -	$ 0.5
Average common equity (in billions)	1.1	0.8	3.6	3.0	3.1	3.1	0.4	0.6	0.2	0.4

Nine Months Ended September 30

(Dollars in millions, except where noted)	Credit Card		Regional Banking		Corporate and Institutional Banking		Corporate Investments		Other Activities	
	1996	1995	1996	1995	1996	1995	1996	1995	1996	1995
Net income	$ 249	$ 250	$ 448	$ 372	$ 188	$ 200	$ 162	$ 156	$ 12	$ 46
Return on equity	30%	41%	17%	15%	8%	9%	46%	36%	N/M	N/M
Average assets (presecuritized) (in billions)	$17.5	$13.5	$38.1	$35.5	$47.8	$54.9	$19.8	$24.4	$ 0.2	$ 0.5
Average common equity (in billions)	1.1	0.8	3.4	3.1	3.2	2.9	0.5	0.6	-	0.3

</TABLE>

N/M - Not meaningful.

Financial results are reported by major business lines, principally structured around the customer segments served. These major business segments are: Credit Card, Regional Banking (retail and middle market), Corporate and Institutional Banking, and Corporate Investments. Investment management activities, while managed separately, serve customers in both the Regional and Corporate and Institutional Banking segments and, therefore, investment management's financial results are captured within those businesses. Certain corporate revenues and expenses, generally unusual or one time in nature, are included in Other Activities. Information for 1995 has been restated to reflect the management of activities consistent with the major business segments.

Results are derived from the internal profitability reporting systems and reflect full allocation of all institutional and overhead items. These systems use a detailed funds transfer methodology and a common equity allocation based on risk elements. Credit Card results are presented before the securitization of credit card receivables ("presecuritized") to facilitate analysis of trends. See the discussion of net interest income on page 8 and a reconciliation of reported to presecuritized results on page 34.

Earnings Contribution by Business Lines
For the Nine Months Ended September 30, 1996

[PIE CHART] [PIE CHART]

1996		1995	
Credit Card	23%	Credit Card	24%
Retail	19%	Retail	16%
Middle Market	24%	Middle Market	20%
Corporate & Institutional	18%	Corporate & Institutional	20%
Corporate Investments	15%	Corporate Investments	15%
Other	1%	Other	5%

<TABLE>
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Credit Card

(Presecuritized) (Dollars in millions, except where noted)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
<S>	<C>	<C>	<C>	<C>
Net interest income-- tax-equivalent basis	$ 380	$ 306	$1,110	$ 854
Provision for credit losses	269	189	750	452
Noninterest income	174	152	457	407
Noninterest expense	135	138	421	406
Net income	94	81	249	250
Return on equity	34%	40%	30%	41%
Efficiency ratio (1)	24%	30%	27%	32%
Average loans (in billions)	$17.8	$14.6	$ 17.5	$13.6
Average common equity (in billions)	1.1	0.8	1.1	0.8

</TABLE>

(1) Noninterest expense as a percentage of total revenue.

The Corporation reaches consumers nationally through its Credit Card business, known as First Card, which is one of the largest issuers of bank credit cards in the U.S.

Net income for Credit Card was $94 million for the third quarter of 1996 -- a record level. For the first nine months of 1996, net income was $249 million, or 23% of corporate earnings; and flat with 1995's nine-month results. Return on equity year-to-date declined from 41% to 30%.

Total revenue growth year-to-date was 24%, driven by an increase of almost 29% in managed receivables. However, this revenue growth has been offset by a significant rise in credit costs. The 1996 nine-month provision increased nearly $300 million from the year-earlier period. The trend of rising charge-offs for the Credit Card business is expected to continue in the near term.

<TABLE>
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Regional Banking

(Dollars in millions, except where noted)	Three Months Ended September 30 Retail		Middle Market		Nine Months Ended September 30 Retail		Middle Market	
	1996	1995	1996	1995	1996	1995	1996	1995
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income--tax-equivalent basis........	$ 323	$ 304	$ 203	$ 200	$ 922	$ 897	$ 619	$ 586
Provision for credit losses..	17	13	(3)	14	49	32	18	37
Noninterest income...........	145	120	47	44	430	345	145	134
Noninterest expense..........	343	306	113	118	988	938	351	352
Net income...................	68	64	89	70	197	165	251	207
Return on equity.............	16%	17%	19%	17%	16%	14%	18%	16%
Efficiency ratio (1).........	73%	72%	45%	49%	73%	76%	46%	49%
Average loans (in billions)..	$18.3	$16.8	$15.5	$15.4	$17.5	$15.9	$16.1	$14.9
Average assets (in billions).	21.1	19.5	17.1	17.9	20.4	18.3	17.7	17.2
Average common equity (in billions)...............	1.7	1.4	1.9	1.6	1.6	1.5	1.8	1.6

</TABLE>

(1) Noninterest expense as a percentage of total revenue.

The Corporation's Regional Banking business serves local consumers, small businesses and middle market customers through more than 700 banking offices in Michigan, Indiana and Illinois. Regional Banking contributed 43% of the Corporation's earnings for the nine months ended September 30, 1996. Net income of $157 million for the third quarter was up 17% from a year earlier. Return on equity for this segment was 17% for both the quarter and nine-month periods.

Retail Banking

For the third quarter of 1996, Retail Banking's earnings were $68 million, a 6% increase from the third quarter of 1995. Return on equity was 16%. Included in these results is a charge of $18 million for the recapitalization of the Savings Association Insurance Fund (SAIF).

A similar positive trend is represented in the year-to-date results--19% net income improvement. Growth in noninterest income is the principal reason for this earnings increase. Strong deposit fees reflect successful implementation of the deposit account repricing strategy initiated in 1995.

Middle Market Banking

Middle Market Banking's net income increased to $89 million for the third quarter of 1996 and $251 million for the nine-month period. Return on equity was 19% for the quarter and 18% for the nine-month period. Loan growth of 8% year-to-date was the primary driver in this earnings improvement. Credit quality and efficiency ratios in Middle Market Banking were excellent.

<TABLE>
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Corporate and Institutional Banking

(Dollars in millions, except where noted)	Three Months Ended September 30		Nine Months Ended September 30	
	1996	1995	1996	1995
<S>	<C>	<C>	<C>	<C>
Net interest income--tax-equivalent basis.........	$180	$158	$ 553	$ 486
Provision for credit losses...	8	3	49	13
Noninterest income............	134	212	443	547
Noninterest expense...........	209	245	651	702
Net income....................	62	74	188	200
Return on equity..............	8%	9%	8%	9%
Efficiency ratio (1)..........	67%	66%	65%	68%
Average loans (in billions)...	$20.1	$19.5	$20.0	$19.1
Average assets (in billions)..	43.6	56.2	47.8	54.9
Average common equity (in billions)................	3.1	3.1	3.2	2.9

</TABLE>

(1) Noninterest expense as a percentage of total revenue.

Through its Corporate and Institutional Banking business, the Corporation is the leading provider of banking services to large corporations, governments, institutions and investors in the Midwest. It is also among the top U.S. banking companies serving national and international customers.

Corporate and Institutional Banking earned $62 million in the third quarter of 1996 and generated an 8% return on equity. For the first nine months of 1996, net income was $188 million, and return on equity was 8%. This business receives the largest allocation of the Corporation's capital, approximately $3.1 billion in common equity.

Average assets have declined significantly in this business as part of the Corporation's asset reduction program.

Revenues from the major product sets within Corporate and Institutional Banking are presented in the following table:

Total Revenue (In millions)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
Trading........	$ 8	$ 87	$ 94	$ 165
Servicing......	148	128	421	403
Lending........	96	101	290	308
Financing......	34	31	90	84
Other..........	28	23	101	73
Total.......	$314	$370	$996	$1,033

Lending and servicing contributed roughly 71% of Corporate and Institutional Banking's total revenue thus far for 1996. Revenues from trading activities (trading profits and related net interest income) were particularly weak in the third quarter, and for the year remain below the Corporation's expectations. Improving performance in this area is a top priority.

Expenses in Corporate and Institutional Banking continue to track favorably against 1995. The principal causes are continued merger-related consolidation, resulting in lower staff levels, and reduced incentive compensation costs.

Corporate Investments

(Dollars in millions, except where noted)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
Net interest income-- tax-equivalent basis.........	$ 30	$ 26	$ 97	$ 83
Provision for credit losses...	-	-	-	-
Noninterest income............	48	69	207	188
Noninterest expense...........	14	13	42	41
Net income....................	41	56	162	156
Return on equity..............	36%	40%	46%	36%
Average assets (in billions)..	$18.2	$23.8	$19.8	$24.4
Average common equity (in billions)................	0.4	0.6	0.5	0.6

Many of the Corporation's business activities that are not specifically oriented to its customers are combined in Corporate Investments. Included in this segment are the venture capital portfolio, leveraged leasing, funding and arbitrage, the investment account, and assorted other investment and trading activities. Due to the nature of these activities, this segment is likely to be a more variable component of earnings from period to period.

In the third quarter of 1996, Corporate Investments contributed $41 million in net income and generated a 36% return on equity. Equity securities gains of $44 million contributed to the strong performance. Similarly, Corporate Investments was a significant earnings contributor for the nine month period ended September 30, 1996, with $162 million in net income.

The decline in average assets reflects the successful completion of the merger-related program to reduce low margin assets by $25 billion.

Other Activities

(Dollars in millions)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
Total revenue.................	$ 7	$29	$ 21	$ 90
Noninterest expense...........	2	7	5	8
Net income....................	4	12	12	46
Average assets (in billions)..	-	$0.5	$0.2	$0.5

Net income for Other Activities was $4 million in the third quarter of 1996. The 1995 results included significant gains from the accelerated asset disposition portfolio.

STAFFING LEVELS

The following table shows average staff levels for the Corporation for the past five quarters.

	3rd Qtr. 1996	2nd Qtr. 1996	1st Qtr. 1996	4th Qtr. 1995	3rd Qtr. 1995
Average Full-Time-Equivalent Staff........................	33,617	34,079	34,512	35,220	35,678

EARNINGS ANALYSIS

Summary

The Corporation reported net income of $358 million, or $1.08 per share, for the third quarter of 1996, relatively unchanged from $357 million, or $1.06 per share, in the third quarter of 1995. Net income for the third quarter of 1996 was a record $369 million before a one-time charge of $18 million, or 4 cents per share, for the recapitalization of the Savings Association Insurance Fund (SAIF). For the first nine months of 1996, the Corporation earned net income of $1.059 billion, or $3.19 per share, compared with $1.024 billion, or $3.03 per share, in 1995.

(Dollars in millions, except per share data)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
Net interest income--tax-equivalent basis..	$ 967	$ 824	$2,815	$2,447
Provision for credit losses...............	185	125	545	300
Noninterest income........................	597	702	1,866	1,936
Operating expense.........................	798	827	2,440	2,447
FDIC special assessment...................	18	-	18	-
Net income................................	358	357	1,059	1,024
Common Share Data				
Primary				
Net income..............................	$ 1.09	$ 1.07	$ 3.24	$ 3.07
Average common and common-equivalent shares (in millions)...................	320.2	324.4	319.8	323.8
Fully diluted				
Net income..............................	$ 1.08	$ 1.06	$ 3.19	$ 3.03
Average shares, assuming full dilution				

(in millions)..........................	327.5	331.8	327.2	331.2
Return on assets..........................	1.29%	1.14%	1.22%	1.12%
Return on common stockholders' equity......	16.7	17.4	16.9	17.3

</TABLE>

Third-quarter 1996 highlights:

. The adjusted net interest margin continued to improve during the quarter, rising 13 basis points to 4.51%. In the quarter, the Corporation completed its $25 billion asset reduction program, well ahead of schedule. (See Merger-Related Initiatives, beginning on page 13, for more details.) Growth in average credit card receivables also contributed to this improvement.

. The provision for credit losses was $185 million, up considerably from the $125 million reported a year ago. Increased credit losses in the credit card business were only partially offset by reduced provisions associated with the large corporate and middle market commercial loan portfolios.

. Market-driven revenues were $40 million, well below the $111 million average reported for the past five quarters. Combined trading losses of $12 million were primarily responsible for this below-average performance.

. Operating expenses of $798 million were the lowest in five quarters. Operating expenses for the first nine months of 1996 were essentially flat with 1995 levels. These results reflect the Corportion's focus on expense control as well as the timely implementation of merger-related initiatives.

NET INTEREST INCOME

Net interest income includes fundamental spreads on earning assets as well as such items as loan fees, cash interest collections on problem loans, dividend income, interest reversals, and income or expense on interest rate derivatives used to manage interest rate risk. Net interest margin measures the efficiency of the use of the Corporation's earning assets and its underlying capital.

In order to analyze fundamental trends in net interest margin, it is useful to adjust for securitization of credit card receivables and the activities of First Chicago Capital Markets, Inc. (FCCM).

When credit card receivables are sold in securitization transactions, the Corporation's earnings are unchanged. However, the net interest income related to these high-yield assets is replaced by increased servicing fees, net of related credit losses. The average levels of securitized receivables were $7.2 billion in the third quarter of 1996, compared with $7.8 billion in the third quarter of 1995.

FCCM is the Corporation's wholly owned subsidiary engaged in permissible investment banking activities. Because capital requirements for FCCM are risk-exposure driven rather than based on asset levels, FCCM can generate substantial volumes of relatively riskless, thin-spread earning assets that require little additional capital. The Corporation's net interest margin trends can be better analyzed if these earning assets and related margins are excluded.

Adjusted net interest income in the third quarter of 1996 was $1.1 billion, up 11% from a year ago. The rise was attributable to loan growth in both the credit card (22%) and regional banking (5%) businesses.

<TABLE>
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Adjusted Average Loans (In millions)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
<S>	<C>	<C>	<C>	<C>
Corporate and Institutional......	$20,101	$19,487	$20,010	$19,061
Middle Market....................	15,489	15,350	16,108	14,868
Retail...........................	18,336	16,774	17,494	15,883
Credit Card......................	17,793	14,642	17,470	13,648
Corporate Investments/Other......	1,522	1,280	1,287	1,350
Total.......................	$73,241	$67,533	$72,369	$64,810

</TABLE>

On an adjusted basis, net interest margin for the third quarter of 1996 was 4.51%. This compares with 3.79% in the year-ago quarter. The increase was due to a more profitable earning asset mix, primarily driven by increased credit card receivables coupled with the effects of the Corporation's program to reduce low margin earning assets.

<TABLE>
<CAPTION>

Adjusted Average Earning Assets (In millions)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
<S>	<C>	<C>	<C>	<C>
Loans............................	$73,241	$ 67,533	$ 72,369	$ 64,810
Securities.......................	7,291	13,262	7,955	14,092
Trading assets...................	8,971	12,167	10,360	10,401
Other short-term investments.....	8,843	12,000	9,908	11,707
Total.......................	$98,346	$104,962	$100,592	$101,010

</TABLE>

The following charts illustrate the trends of net interest income, including a tax-equivalent adjustment (TEA), and net interest margin for the past five quarters.

<TABLE>
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[Bar Graph] [Line Graph]

	Net Interest Income $ Millions: Net Interest Income - TEA	Adjusted Net Interest Income - TEA	Net Interest Margin: Adjusted Net Interest Margin	Net Interest Margin
<S>	<C>	<C>	<C>	<C>
3Q95	$824	$1,003	3.79%	3.03%
4Q95	$864	$1,033	3.93%	3.23%
1Q96	$913	$1,078	4.23%	3.51%
2Q96	$935	$1,100	4.38%	3.74%
3Q96	$967	$1,115	4.51%	4.00%

</TABLE>

PROVISION FOR CREDIT LOSSES

Details of the Corporation's credit risk management and performance during the quarter ended September 30, 1996, are presented in the Credit Risk Management section, beginning on page 19.

NONINTEREST INCOME

The following table provides a breakdown of the components of noninterest income for the third quarter and the first nine months of 1996 as compared with a year ago.

<TABLE>
<CAPTION>

(In millions)	Three Months Ended September 30 1996	1995	Percent Increase (Decrease)	Nine Months Ended September 30 1996	1995	Percent Increase (Decrease)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Combined trading profits (losses)..	$(12)	$ 85	N/M	$ 46	$ 162	(72)%
Equity securities gains............	50	66	(24)%	184	181	2
Investment securities gains........	2	2	-	27	3	N/M
Market-driven revenue............	40	153	(74)	257	346	(26)
Credit card fee revenue............	228	248	(8)	655	673	(3)
Fiduciary and investment management fees...................	100	97	3	298	290	3

Service charges on deposits........	104	97	7	306	287	7
Other service charges and commissions.......................	97	87	11	279	258	8
Other..............................	28	20	40	71	82	(13)
Total............................	$597	$702	(15)	$1,866	$1,936	(4)

</TABLE>

N/M--Not Meaningful.

Combined trading activities generated losses of $12 million in the third quarter of 1996. For the first nine months of 1996, combined trading profits were significantly below 1995 levels, reflecting poor trading results in both the global derivatives and foreign exchange trading businesses.

Equity securities gains were $50 million during the third quarter of 1996, compared with $66 million in the third quarter of 1995. Gains from the sale of venture capital investments totaled $48 million in the third quarter of 1996, and $47 million in the third quarter of 1995.

For the first nine months of 1996, investment securities gains totaled $27 million, up significantly from the $3 million reported in the same period a year ago. As part of the Corporation's asset reduction program, the investment securities portfolio has been reduced by $4.8 billion over the past year to $7.1 billion at September 30, 1996.

Adjusted for credit card securitizations, credit card fee revenue was $183 million in the third quarter of 1996, up 15% from $159 million in the year-earlier period. The increase primarily reflects higher transaction activity, including credit card enhancement fees.

The Corporation's gain of $7 million on the sale of its Ohio banking network in the first quarter of 1996 is included in other noninterest income.

Gains from the sale of assets held in the accelerated disposition portfolio totaled nearly $4 million in the third quarter of 1995 and $37 million for the first nine months of 1995.

The following chart compares market-driven revenue and the significant components of fee-based revenue for the past five quarters. Fee-based revenue continues to be a significant contributor to overall profitability, with some seasonal effects associated with credit card fee revenue.

<TABLE>
<CAPTION>

[Bar Graph]

Noninterest Income
$ Millions

<S>	Other Revenue <C>	Fiduciary & Inv. Mgmt Fees <C>	Serv. Chgs. & Commissions <C>	Credit Card <C>	Market-Driven Revenue <C>	Total <C>
3Q95	$20	$ 97	$184	$248	$153	$702
4Q95	$22	$114	$190	$228	$101	$655
1Q96	$23	$100	$189	$207	$107	$626
2Q96	$20	$ 98	$195	$220	$110	$643
3Q96	$28	$100	$201	$228	$ 40	$597

</TABLE>

NONINTEREST EXPENSE

Operating expense in the third quarter of 1996 was $798 million, its lowest level in the past five quarters. Operating expense in the third quarter of 1995 was $827 million.

Over the past five quarters, overall expense levels have been maintained within a narrow range, with resultant operating efficiency ratios showing marked improvement, as indicated by the following charts.

<TABLE>
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[Bar Graph] [Line Graph]

Operating Expense Operating Efficiency (1)

	$ Millions				
	Salaries & Benefits	Other Operating Expense	Total		
<S>	<C>	<C>	<C>	<S>	<C>
3Q95	$437	$390	$827	3Q95	54.2%
4Q95	$432	$389	$821	4Q95	54.0%
1Q96	$436	$392	$828	1Q96	53.8%
2Q96	$426	$388	$814	2Q96	51.6%
3Q96*	$419	$379	$798	3Q96*	51.0%

(1) Operating expense as a percentage of total revenue.

* Excludes FDIC Special Assessment of $18 million.

</TABLE>

<TABLE>
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Salaries and Employee Benefits (Dollars in millions)	Three Months Ended September 30 1996	1995	Percent Increase (Decrease)	Nine Months Ended September 30 1996	1995	Percent Increase (Decrease)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Salaries........................	$ 354	$ 373	(5)%	$ 1,065	$ 1,054	1%
Employee benefits...............	65	64	2	216	206	5
Total.........................	$ 419	$ 437	(4)	$ 1,281	$ 1,260	2
Average full-time-equivalent staff..............	33,617	35,678	(6)	34,293	35,396	(3)

</TABLE>

Overall salaries and benefit costs in the third quarter of 1996 were down $18 million, or 4%, from the third quarter of 1995. Reduced staff levels, in conjunction with merger-related and business reengineering initiatives, were the primary reason for the reduced costs.

Employee benefit costs in the 1996 third quarter increased slightly from 1995 as higher pension costs were partially offset by lower medical and other benefit-related costs.

The increase in employee benefits for the first nine months of 1996 also reflected higher FICA tax expense related to incentive compensation payments made in the first quarter of 1996.

<TABLE>
<CAPTION>

Other Noninterest Expense (In millions)	Three Months Ended September 30 1996	1995	Percent Increase (Decrease)	Nine Months Ended September 30 1996	1995	Percent Increase (Decrease)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Occupancy expense of premises, net...	$ 64	$ 69	(7)%	$ 195	$ 198	(2)%
Equipment rentals, depreciation and maintenance.........................	56	53	6	166	162	2
Marketing and public relations.......	26	42	(38)	96	129	(26)
FDIC insurance expense...............	2	2	-	6	54	(89)
Amortization of intangible assets....	20	21	(5)	59	67	(12)
Telephone............................	23	20	15	63	57	11
Freight and postage..................	22	19	16	66	58	14
Travel and entertainment.............	13	12	8	39	36	8
Stationery and supplies..............	13	11	18	36	32	13
Other................................	140	141	(1)	433	394	10
Other operating expense............	$ 379	$ 390	(3)	$1,159	$1,187	(2)
FDIC special assessment..............	18	-	N/M	18	-	N/M
Total..............................	$ 397	$ 390	2	$1,177	$1,187	(1)

</TABLE>

N/M--Not Meaningful.

Other operating expense was $379 million in the third quarter of 1996, down 3% from 1995. Operating expenses for the first nine months of 1996 were down 2%

from a year ago. Reduced market solicitation costs in the credit card business accounted for much of this decline.

Beginning in 1996, the FDIC insurance rate was effectively reduced to zero for Bank Insurance Fund deposits (approximately 94% of the Corporation's insurable deposit base). A good portion of this expense savings, however, is passed on to business customers in the form of fee reductions.

The FDIC special assessment for the third quarter of 1996 represents a special one-time assessment for the recapitalization of the Savings Association Insurance Fund (SAIF), in the amount of $18 million.

APPLICABLE INCOME TAXES

(In millions)	Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Income before income taxes..	$ 538	$ 546	$1,600	$1,563
Applicable income taxes.....	180	189	541	539
Effective tax rate..........	33.5%	34.6%	33.8%	34.5%

Tax expense in the third quarter of 1996 and 1995 included benefits from tax-exempt income and general business tax credits offset by the effect of nondeductible expenses, including goodwill.

MERGER-RELATED INITIATIVES

The Corporation remained ahead of schedule in achieving its merger-related initiatives. Merger-related initiatives include integration of common businesses, targeted asset reductions of $25 billion, business synergies to generate cost savings of $200 million, and revenue enhancements of $50 million from cross-sales of products to an expanded customer base.

In the third quarter, the Corporation completed its $25 billion targeted asset reduction program well ahead of schedule. The following table shows the components of the $25 billion decrease using average assets for the first half of 1995 as a baseline.

Asset Reduction Initiative

(In millions)	Actual Sept. 30, 1996	Average 1st Half 1995	Increase (Decrease)
Loans....................	$ 66,602	$ 56,927	$ 9,675
Targeted items			
Deposit placements.....	5,695	9,715	(4,020)
Federal funds sold.....	1,094	1,846	(752)
Trading assets.........	9,772	20,659	(10,887)
Investment securities..	5,340	14,507	(9,167)
Subtotal............	21,901	46,727	(24,826)
Other assets (1).........	18,191	16,830	1,361
Total assets........	$106,694	$120,484	$(13,790)

(1) Includes approximately $1.8 billion of investment securities required in conjunction with the Corporation's government-related cash management and payment services.

The Corporation continued to make significant progress toward its headcount reduction goals. At September 30, 1996, severance payments had been initiated for more than 1,500 positions. Additional staff reductions are expected as remaining merger-related and business reengineering initiatives are implemented.

The Corporation established a reserve for direct merger and restructuring-related charges totaling $225 million at the time of the merger. At September

30, 1996, the merger restructuring reserve totaled $142 million. The table below details the components of the reserve and related balances at September 30, 1996, and June 30, 1996.

(In millions)	Sept. 30, 1996	June 30, 1996	3rd Quarter 1996 Transactions
Direct merger costs.......	$ 1	$ 1	$ -
Severance.................	50	60	(10)
Facilities and equipment..	83	92	(9)
Other.....................	8	9	(1)
Total................	$ 142	$ 162	$(20)

The Corporation already has realized increased revenues as a result of offering a wider array of products to its expanded customer base. In addition, due to improved credit ratings the Corporation has generated additional business with new customers.

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the possibility of being unable to meet all present and future financial obligations in a timely manner. The Corporation considers strong capital ratios, credit quality and core earnings as essential to retaining high credit ratings and, thereby, cost-effective access to market liquidity.

The Statement of Cash Flows, on page 30, presents data on cash and cash equivalents provided and used in operating, investing and financing activities.

The Corporation's ability to attract wholesale funds on a regular basis and at a competitive cost is fostered by strong ratings from the major credit rating agencies. As of September 30, 1996, the parent company and the major banking subsidiaries had the following long- and short-term debt ratings.

	Long-Term Debt		Short-Term Debt	
	S&P	Moody's	S&P	Moody's
First Chicago NBD Corporation (parent)..	A+	A1	A-1	P-1
Major banking subsidiaries.............	AA-	Aa3	A-1+	P-1

A large customer deposit base is one of the significant strengths of the Corporation's liquidity position. The Corporation has established a 35% limit on the use of wholesale funds for funding core assets. As of September 30, 1996, its major banking subsidiaries collectively funded 78% of core assets with core liabilities, accessing the wholesale market for only 22% of core asset funding needs.

The following table shows the total funding source mix for the past five quarters.

Deposits and Other Purchased Funds

(In millions)	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
Domestic offices					
Demand........................	$16,242	$14,482	$13,566	$ 15,234	$ 13,286
Savings.......................	20,882	20,890	19,912	20,180	19,785
Time					
Under $100,000.............	9,944	9,952	10,008	9,972	10,309
$100,000 and over..........	5,900	5,864	6,263	5,947	5,647
Foreign offices................	10,711	13,405	14,494	17,773	17,907
Total deposits.........	63,679	64,593	64,243	69,106	66,934

Federal funds purchased and securities under repurchase agreements	8,193	11,630	13,110	15,711	20,031
Commercial paper	864	743	742	288	740
Other short-term borrowings	8,966	11,754	10,777	9,514	8,517
Long-term debt	7,967	7,951	8,011	8,163	8,445
Total other purchased funds	25,990	32,078	32,640	33,676	37,733
Total	$89,669	$96,671	$96,883	$102,782	$104,667

</TABLE>

MARKET RISK MANAGEMENT

OVERVIEW

Market risk arises from changes in interest rates, exchange rates, commodity prices and equity prices. The Corporation maintains risk management policies to monitor and limit exposure to market risk. Through its trading activities, the Corporation strives to take advantage of profit opportunities available in interest and exchange rate movements. In asset and liability management activities, policies are in place to minimize structural interest rate and foreign exchange rate risk. The measurement of market risk associated with financial instruments is meaningful only when all related and offsetting on-and off-balance-sheet transactions are aggregated, and the resulting net positions are identified.

TRADING ACTIVITIES

The Corporation maintains active trading positions in a variety of markets and instruments, including U.S. government, municipal and money market securities. It also maintains positions in derivative products associated with these markets and instruments, such as interest rate and currency swaps, and commodity and equity index options.

The Corporation's trading activities are primarily customer-oriented, and trading positions are established as necessary for customers. In order to accommodate customer demand for such transactions, an inventory in capital markets instruments is carried, and access to market liquidity is maintained by making bid-offer prices to other market makers. Although these two activities constitute proprietary trading business, they are essential to providing customers with capital markets products at competitive prices.

Value at risk is monitored in each significant trading portfolio on a daily basis. The following tables show average, maximum and minimum daily value at risk for the third quarter of 1996 as well as for the preceding four quarters, and the actual trading revenue for each quarter.

<TABLE>
<CAPTION>

<S> Daily Value at Risk (In millions)	<C> Sept. 30 1996	<C> June 30 1996	<C> March 31 1996	<C> Dec. 31 1995	<C> Sept. 30 1995
Average	$26	$32	$32	$28	$ 36
Maximum	30	37	38	35	42
Minimum	23	28	25	24	27

Quarter Ended (In millions)	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
Trading revenue*	$19	$55	$68	$60	$108

</TABLE>
*Includes trading profits and related net interest income.

Value at risk is estimated using statistical models calibrated at a three-standard-deviation confidence interval. The reported value at risk remains somewhat overstated because all offsets and correlations across different trading portfolios are not fully considered in the calculation. The Corporation is continuing its progress toward a fully consolidated view of market risk.

STRUCTURAL INTEREST RATE RISK MANAGEMENT

Movements in interest rates can create fluctuations in the Corporation's net interest income and economic value due to an imbalance in the repricing or maturity of assets and liabilities. Asset and liability positions are actively managed with the goal of minimizing the impact of interest rate volatility on current earnings and on the market value of equity.

The following table details the Corporation's interest rate gap analysis as of September 30, 1996. Interest rate risks in trading and overseas asset and liability positions are assumed to be matched and are managed principally as trading risks. Credit card securitizations, which subject credit card servicing fee revenue to interest rate risk, are included in the gap analysis measure.

<TABLE>
<CAPTION>

INTEREST RATE SENSITIVITY

<S>	<C>	<C>	<C>	<C>	<C>	<C>
September 30, 1996 (Dollars in millions)	0-90 days	91-180 days	181-365 days	1-5 years	Beyond 5 years	Total
Loans..................................	$46,207	$ 3,520	$ 3,990	$12,772	$ 2,785	$ 69,274
Investment securities..................	844	404	826	4,239	1,368	7,681
Other earning assets...................	21,151	68	-	-	-	21,219
Nonearning assets......................	13,170	99	189	1,521	1,580	16,559
Total assets........................	$81,372	$ 4,091	$ 5,005	$18,532	$ 5,733	$114,733
Deposits...............................	$29,137	$ 3,617	$ 4,956	$14,844	$ 949	$ 53,503
Other interest-bearing liabilities.....	36,011	2,234	3,166	2,341	2,567	46,319
Noninterest-bearing liabilities........	4,852	100	23	164	685	5,824
Equity.................................	406	215	430	3,538	4,498	9,087
Total liabilities and equity........	$70,406	$ 6,166	$ 8,575	$20,887	$ 8,699	$114,733
Balance sheet sensitivity gap..........	$10,966	$(2,075)	$(3,570)	$(2,355)	$(2,966)	-
Cumulative gap as a % of total assets..	9.6%	7.7%	4.6%	2.6%	0.0%	0.0%
Effect of off-balance-sheet ALM derivative transactions:						
Specific transactions................	$(3,478)	$ (643)	$ 2,054	$ 581	$ 1,486	-
Specific asset or liability pools....	(3,747)	920	585	2,142	100	-
Interest rate sensitivity gap..........	$ 3,741	$(1,798)	$ (931)	$ 368	$(1,380)	-
Cumulative gap.........................	$ 3,741	$ 1,943	$ 1,012	$ 1,380	-	-
Cumulative gap as a % of total assets..	3.3%	1.7%	0.9%	1.2%	0.0%	0.0%

</TABLE>

The Corporation's policy is to limit the cumulative one-year gap position, including asset and liability management, or "ALM", derivatives, to within 4% of total assets. As of September 30, 1996, the cumulative one-year gap position was 0.9% of total assets. The Corporation uses off-balance-sheet transactions, principally interest rate swaps, to adjust the interest rate sensitivity of specific transactions, as well as pools of assets or liabilities, to remain structurally neutral to interest rate changes. As shown in the table above, the net result of ALM derivatives was to reduce the cumulative one-year gap position from 4.6% to 0.9% of total assets.

In addition to static gap analysis, an earnings simulation analysis and a value-at-risk measure are performed to identify more dynamic interest rate risk exposures of the businesses, including embedded option positions. The earnings simulation analysis estimates the effect that specific interest rate changes would have on pretax earnings. The Corporation's policy is to limit the change in annual pretax earnings to $100 million from an immediate parallel change in interest rates of 200 basis points. As of September 30, 1996, the Corporation had the following estimated earnings sensitivity profile.

<TABLE>
<CAPTION>

	Immediate Change in Rates	
(In millions)		
<S>	<C>	<C>
	+200 bp	-200 bp

Pretax earnings change.... $21 $(27)

</TABLE>

Access to the derivatives market is an important element in maintaining the interest rate risk position within policy guidelines. At September 30, 1996, the notional principal amount of ALM interest rate swaps totaled $9.8 billion, including $4.7 billion against specific transactions and $5.1 billion against specific pools of assets or liabilities. The following table summarizes the interest rate swaps used for asset and liability management purposes.

<TABLE>
<CAPTION>

ASSET AND LIABILITY MANAGEMENT SWAPS--NOTIONAL PRINCIPAL

September 30, 1996

(In millions)	Receive Fixed Pay Floating		Pay Fixed Receive Floating		Basis Swaps	Total
	Specific	Pool	Specific	Pool	Pool	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Swaps associated with:						
Loans......................	$ -	$ 997	$ 61	$ -	$ -	$1,058
Investment securities......	-	-	240	-	-	240
Securitized credit card receivables..............	-	581	-	-	-	581
Deposits...................	50	3,041	-	-	-	3,091
Funds borrowed (including long-term debt)...........	4,329	-	-	175	340	4,844
Total....................	$4,379	$4,619	$301	$175	$340	$9,814

</TABLE>

Substantially all ALM interest rate swaps are standard swap contracts. The table that follows summarizes the contractual maturities and weighted average pay and receive rates for the ALM swap position at September 30, 1996. The variable interest rates, which generally are the one-month, three-month and six-month LIBOR rates in effect on the date of repricing, are assumed to remain constant. However, the variable interest rates will change and would affect the related weighted average information presented in the table.

<TABLE>

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
(Dollars in millions)	1996	1997	1998	1999	2000	Thereafter	Total
Receive fixed/pay floating swaps							
Notional amount.....	$ 836	$4,102	$1,083	$ 419	$ 278	$2,280	$8,998
Weighted average							
Receive rate......	5.98%	5.97%	6.29%	6.32%	5.70%	7.03%	6.29%
Pay rate..........	5.70%	5.67%	5.81%	5.81%	5.82%	5.75%	5.72%
Pay fixed/receive floating swaps							
Notional amount.....	$ 66	$ 97	$ 57	$ 83	$ 110	$ 63	$ 476
Weighted average							
Receive rate......	5.62%	5.68%	5.82%	5.78%	5.74%	5.85%	5.74%
Pay rate..........	6.90%	7.22%	8.07%	7.99%	7.74%	8.01%	7.64%
Basis swaps							
Notional amount.....	$ -	$ 50	$ 265	$ 25	$ -	$ -	$ 340
Weighted average							
Receive rate......	-%	5.59%	5.72%	5.65%	-%	-%	5.70%
Pay rate..........	-%	5.48%	5.75%	5.58%	-%	-%	5.70%
Total notional amount................	$ 902	$4,249	$1,405	$ 527	$ 388	$2,343	$9,814

</TABLE>

CREDIT RISK MANAGEMENT

The Corporation has developed policies and procedures to manage the level and composition of risk in its credit portfolio. The objective of this credit risk process is to quantify and manage credit risk on a portfolio basis as well as reduce the risk of a loss resulting from a customer's failure to perform according to the terms of a transaction.

Selected Statistical Information (Dollars in millions)	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
At period-end					
Loans outstanding	$66,602	$66,431	$64,253	$64,434	$61,076
Nonperforming loans	309	356	391	363	296
Other real estate, net	26	33	39	34	36
Nonperforming assets	335	389	430	397	332
Allowance for credit losses	1,447	1,430	1,383	1,338	1,230
Nonperforming assets/loans outstanding and other real estate, net	0.5%	0.6%	0.7%	0.6%	0.5%
Allowance for credit losses/loans outstanding	2.2	2.2	2.2	2.1	2.0
Allowance for credit losses/nonperforming loans	468	402	354	369	416
For the quarter ended					
Average loans	$65,962	$64,534	$63,790	$62,258	$59,661
Net charge-offs	182	153	145	107	60
Net charge-offs/average loans	1.1%	0.9%	0.9%	0.7%	0.4%

For analytical purposes, the Corporation's portfolio is divided into commercial (domestic and foreign) and consumer (credit card and other consumer) segments.

Loan Composition (In millions)	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
Commercial risk					
Domestic					
Commercial	$27,537	$26,237	$25,220	$25,551	$24,818
Real estate					
Construction	1,094	1,193	1,191	1,151	1,116
Other	5,446	5,665	5,897	6,103	6,107
Lease financing	1,683	1,644	1,505	1,588	1,434
Foreign	3,587	3,790	3,487	3,726	3,605
Total commercial	39,347	38,529	37,300	38,119	37,080
Consumer risk					
Credit cards	9,888	10,441	9,722	9,649	7,597
Secured by real estate (1)	9,334	9,231	9,228	8,933	8,816
Automotive	4,411	4,463	4,546	4,477	4,390
Other	3,622	3,767	3,457	3,256	3,193
Total consumer	27,255	27,902	26,953	26,315	23,996
Total	$66,602	$66,431	$64,253	$64,434	$61,076

(1) Includes home equity loans.

ALLOWANCE FOR CREDIT LOSSES

The allowance for credit losses is maintained at a level that in management's judgment is adequate to provide for estimated probable credit losses inherent in on-and off-balance-sheet credit exposure attributable to various financial instruments. The amount of the allowance is based on formal review and analysis of potential credit losses, as well as prevailing economic conditions. The Corporation also maintains a separate reserve for securitized credit card receivables as shown in the table below.

Allowance for Credit Losses (In millions)	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
<S>	<C>	<C>	<C>	<C>	<C>
Balance, beginning of quarter.....	$1,430	$1,383	$1,338	$1,230	$1,159
Provision for credit losses.......	185	185	175	210	125
Charge-offs					
Commercial					
Domestic					
Commercial..................	30	21	43	43	11
Real estate.................	2	7	4	2	6
Lease financing.............	3	2	2	1	1
Foreign........................	2	-	-	-	-
Consumer					
Credit card.................	159	141	104	76	53
Other.......................	22	20	21	23	18
Total charge-offs.........	218	191	174	145	89
Recoveries					
Commercial					
Domestic					
Commercial..................	13	9	12	16	10
Real estate.................	6	9	1	1	4
Lease financing.............	1	-	-	1	-
Foreign........................	1	2	1	5	1
Consumer					
Credit card.................	6	10	7	8	8
Other.......................	9	8	8	7	6
Total recoveries..........	36	38	29	38	29
Net charge-offs...................	182	153	145	107	60
Transfers related to securitized credit card receivables.........	14	15	15	5	-
Other.............................	-	-	-	-	6
Balance, end of quarter...........	$1,447	$1,430	$1,383	$1,338	$1,230
Reserve related to securitized credit card receivables..........	$ 235	$ 256	$ 277	$ 302	$ 313

</TABLE>

NONPERFORMING ASSETS

The following table shows the trend in commercial nonperforming assets, including a breakdown of commercial real estate assets.
<TABLE>
<CAPTION>

Nonperforming Assets (In millions)	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
<S>	<C>	<C>	<C>	<C>	<C>
Nonperforming loans					
Commercial real estate.........	$ 121	$ 102	$ 117	$ 91	$ 108
Other..........................	188	254	274	272	188
Total nonperforming loans...	309	356	391	363	296
Other real estate, net...........	26	33	39	34	36
Total nonperforming assets..	$ 335	$ 389	$ 430	$ 397	$ 332

</TABLE>

COMMERCIAL RISK MANAGEMENT

The commercial risk portfolio includes all domestic and foreign commercial credit exposure. Credit exposure includes the credit risks associated with both on- and off-balance-sheet financial instruments.

Commercial loans totaled $39.3 billion at September 30, 1996, up 3% from December 31, 1995, and up 6% from September 30, 1995.

During the third quarter, charge-offs net of recoveries were $16 million in the commercial portfolio and total nonperforming assets totaled $335 million.

COMMERCIAL REAL ESTATE

Commercial real estate loans include loans secured by real estate as well as certain loans that are real estate-related. A loan is categorized as real estate-related when 80% or more of the borrower's revenues are derived from real estate activities and the loan is not collateralized by cash or marketable securities.

Commercial real estate loans totaled $6.5 billion at September 30, 1996, down 10% from December 31, 1995. Commercial real estate loans totaled $7.2 billion at September 30, 1995.

During the third quarter, net recoveries in the commercial real estate portfolio were $4 million, and nonperforming commercial real estate assets, including other real estate, totaled $147 million at September 30, 1996.

CONSUMER RISK MANAGEMENT

Consumer loans consist of credit card receivables as well as home mortgage loans, home equity loans, automobile financing and other forms of consumer installment credit. Consumer loans totaled $27.3 billion at September 30, 1996, up 14% from $24.0 billion a year ago. Including securitized credit card receivables, these loans totaled $35.3 billion at September 30, 1996, up 10% from a year ago.

Total managed credit card receivables (i.e. those held in the portfolio and those sold to investors through securitization) were $17.9 billion at September 30, 1996, up 15% from a year earlier.

<TABLE>
<CAPTION>

Consumer Loans (In millions)	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
<S>	<C>	<C>	<C>	<C>	<C>
Credit card loans................	$ 9,888	$10,441	$ 9,722	$ 9,649	$ 7,597
Securitized credit card receivables.....................	8,039	7,336	7,553	7,877	7,986
Total managed credit card receivables..................	17,927	17,777	17,275	17,526	15,583
Other consumer loans					
Secured by real estate (1).....	9,334	9,231	9,228	8,933	8,816
Automotive.....................	4,411	4,463	4,546	4,477	4,390
Other..........................	3,622	3,767	3,457	3,256	3,193
Other consumer loans.........	17,367	17,461	17,231	16,666	16,399
Total.......................	$35,294	$35,238	$34,506	$34,192	$31,982

</TABLE>
(1) Includes home equity loans.

Credit card receivables represent the most significant risk element in the consumer portfolio. The credit card charge-off rate of 5.9% in the last two quarters represents a significant increase from prior quarters. In addition, the portfolio has experienced an increase in delinquency rates as presented in the table below.

<TABLE>
<CAPTION>

Credit Card Receivables (Dollars in millions)	For the Quarter Ended Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
<S>	<C>	<C>	<C>	<C>	<C>
Average balances:					
Credit card loans..............	$10,497	$ 9,814	$ 9,380	$ 8,034	$ 6,772

Securitized credit card receivables	7,219	7,544	7,867	7,986	7,808
Total average managed credit card receivables	$17,716	$17,358	$17,247	$16,020	$14,580
Total net charge-offs (including securitizations)	$ 265	$ 254	$ 206	$ 176	$ 144
Net charge-offs/average total managed receivables	5.9%	5.9%	4.8%	4.4%	3.9%
Credit Card Delinquency Rate-- Managed Receivables-Period End					
30 or more days	4.3%	3.8%	3.6%	3.6%	3.4%
90 or more days	1.6	1.4	1.4	1.3	1.2

</TABLE>

Credit card receivables are generally charged off no later than 180 days past due, or earlier in the event of bankruptcy. Current levels of unemployment and the increasing level of personal bankruptcy filings make reductions in the credit card charge-off rate unlikely in the near term. In response to these trends, the Corporation has tightened its credit management policies and practices.

DERIVATIVE FINANCIAL INSTRUMENTS

The Corporation uses a variety of derivative financial instruments in its trading, asset and liability management, and Corporate Investment activities. These instruments include interest rate, currency, commodity and equity swaps, forwards, futures, options, caps, floors, forward rate agreements, and other conditional or exchange contracts, and include both exchange-traded and over-the-counter contracts.

The Corporation uses interest rate derivative financial instruments to reduce structural interest rate risk and the volatility of net interest margin. The Corporation's net interest margin reflects the effective use of these derivatives. Without their use, net interest income would have been lower by $12.2 million in the third quarter of 1996, and by $29.8 million in the first nine months of 1996; net interest income in the third quarter and first nine months of 1995 would have increased by $8.7 million and $21.6 million, respectively.

The sale of fixed- and floating-rate credit card receivables as securities to investors subjects servicing revenue to interest rate risk. Therefore, interest rate derivatives, whose terms match those of the credit card securitizations, are used to reduce this volatility. Without the use of these instruments, credit card fee revenue would have been reduced by $2.4 million in the third quarter of 1996, and by $6.7 million in the first nine months of 1996. Credit card fee revenue in the third quarter and first nine months of 1995 would also have been reduced by $0.6 million and $5.1 million, respectively.

Deferred gains and losses on the early termination of interest rate swaps totaled a net deferred loss of $0.4 million as of September 30, 1996. This amount is scheduled to be amortized into income in the following periods: $2.5 million in the remainder of 1996, $(0.7) million in 1997, $(0.7) million in 1998, $(0.3) million in 1999, and $(1.2) million thereafter.

Credit exposure resulting from derivative financial instruments is represented by their fair value amounts, increased by an estimate of potential adverse position exposure. The incremental amount of credit exposure for potential adverse movement is calculated using a statistical model that estimates changes over time in exchange rates, interest rates and other relevant factors. Credit exposure amounts fluctuate as a function of maturity, interest rates, foreign exchange rates, commodity prices and equity prices. Gross credit exposure may be overstated because it does not consider collateral and other security, or the offsetting of losses with the same counterparties based on legally enforceable termination and netting rights. A reconciliation between gross credit exposure and balance sheet exposure is presented in the following table.

<TABLE>
<CAPTION>

(In billions)	Sept. 30 1996	Dec. 31 1995
<S>	<C>	<C>
Gross credit exposure	$21.4	$19.8
Less additional exposure based on estimate of potential adverse position exposure	9.9	6.8

Gross fair value exposure	$11.5	$13.0
Gross fair value exposure	$11.5	$13.0
Less netting adjustments due to master netting agreements	6.9	6.2
Less unrecognized net gain due to nontrading activities	-	0.1
Balance sheet exposure	$ 4.6	$ 6.7

</TABLE>

The increase in gross credit exposure and incremental potential adverse position exposure during the first nine months of 1996 was primarily a result of new activity. In the first nine months of 1996, there were no charge-offs associated with derivative financial instruments.

CAPITAL MANAGEMENT

Selected Capital Ratios

<TABLE>
<CAPTION>

Quarter Ended	Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995	Corporate Guideline
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Common equity/total assets (1)	8.1%	7.6%	7.3%	6.9%	6.8%	N/A
Tangible common equity ratio (1)	7.7	7.1	6.9	6.4	6.3	N/A
Stockholders' equity/total assets	8.5	7.8	7.5	6.9	6.8	N/A
Risk-based capital ratios (1)						
Tier 1	8.4	8.1	8.1	7.8	8.2	7-8%
Total	12.4	12.2	12.3	11.8	12.4	11-12%
Leverage ratio (1)	8.1	7.6	7.3	6.9	6.9	5.5-7.0%
Double leverage ratio	113	114	115	115	114	Less than or equal to 120%
Dividend payout ratio (2)	33	33	35	29	31	30-40%

</TABLE>

(1) Net of investment in FCCM.
(2) Fourth-quarter 1995 excludes merger-related charges.
N/A - Not Applicable.

Capital represents the stockholders' investment on which the Corporation strives to generate attractive returns. It supports business growth and provides protection to depositors and creditors. Management believes that capital is the foundation of a cohesive risk management framework because it links return with risk. Capital adequacy objectives have been developed for the Corporation and its major banking subsidiaries to meet these needs and also to maintain a well-capitalized regulatory position.

ECONOMIC CAPITAL

An economic capital framework has been constructed to allocate capital to business segments, products and customers based on the amount and type of risk inherent in the activity. Once economic capital is assigned, returns can be computed to determine if the activity earns an adequate return on risk. Total economic capital will vary proportionately with the level and risk of the Corporation's businesses and products. During the third quarter of 1996, credit risk consumed the largest amount of economic capital.

The Corporation has also established a capital level that it believes is necessary to provide management flexibility while maintaining an adequate base for its risk profile and in relation to its peers. This target, or intermediary capital, is expressed in terms of Tier 1 capital and ranges from 7% to 8%. The Corporation intends to maintain capital commensurate with its risk profile and intermediary requirements, and to deploy its capital resources in activities that earn attractive returns for stockholders.

The Corporation's average common equity during the third quarter of 1996 and the previous four quarters exceeded its economic capital -- that needed for current business risks. Excess capital, defined as common equity above the intermediary capital target, is available for core business investment and acquisitions. If attractive long-term opportunities are not available over time in core businesses, management intends to return any excess capital to stockholders.

Integral to any successful capital management program is the ability to generate acceptable returns on stockholders' capital. The Corporation has been able to earn attractive returns on equity. Before merger-related charges, the return on average common stockholders' equity has been consistently above 15% -- the Corporation's minimum goal.

OTHER CAPITAL ACTIVITIES

In August 1995, the Corporation's $120.5 million issue of Preferred Stock, Series A, was redeemed, reducing quarterly dividend requirements by $2.1 million. Regulatory total capital was increased in February 1996 through the issuance of $150 million of subordinated debt. In October 1996, the Corporation issued an additional $150 million of subordinated debt.

In October 1996, the Board of Directors authorized the purchase of up to 40 million shares of the Corporation's common stock over the next two to three years. Purchases will occur periodically in open market or private transactions.

REGULATORY CAPITAL

The Corporation endeavors to maintain regulatory capital ratios, including those of the major banking subsidiaries, in excess of the well-capitalized guidelines. To ensure this goal is met, target ranges of 7% to 8% have been established for Tier 1 capital and 11% to 12% for total risk-based capital. As shown in the table on page 24, the Corporation's risk-based capital ratios for Tier 1 and total capital exceeded the regulatory well-capitalized guidelines of 6% and 10%, respectively.

<TABLE>
<CAPTION>

The following table shows the components of regulatory risk-based capital and risk-weighted assets.

(In millions)	Sept. 30 1996	Dec. 31 1995	Sept. 30 1995
<S>	<C>	<C>	<C>
Regulatory Risk-Based Capital			
Tier 1 capital.................................	$ 8,530	$ 7,750	$ 7,874
Tier 2 capital and other adjustments...........	4,036	4,017	3,998
Total capital.............................	$ 12,566	$11,767	$11,872
Regulatory Risk-Weighted Assets			
Balance sheet risk-weighted assets.............	$ 71,577	$71,040	$68,280
Off-balance-sheet risk-weighted assets.........	29,763	28,403	27,384
Total risk-weighted assets................	$101,340	$99,443	$95,664

Intangible Assets (In millions)	Sept. 30 1996	Dec. 31 1995	Sept. 30 1995
Goodwill......................................	$ 404	$ 446	$ 457
Other identified intangibles...................	79	106	118
Total.....................................	$ 483	$ 552	$ 575

</TABLE>

Tier 1 and total capital have been reduced by goodwill and other nonqualifying intangible assets, which totaled $408 million at September 30, 1996, $458 million at December 31, 1995, and $470 million at September 30, 1995.

The Corporation's major banking subsidiaries have exceeded the regulatory well-capitalized guidelines as shown in the following tables. Major banking subsidiaries include: The First National Bank of Chicago (FNBC), FCC National Bank (FCCNB), American National Bank and Trust Company of Chicago (ANB), NBD Bank (Michigan) (NBD Michigan), and NBD Bank, N.A. (Indiana)(NBD Indiana).

<TABLE>
<CAPTION>

	NBD	NBD

	FNBC	FCCNB	ANB	Michigan	Indiana
September 30, 1996					
Risk-based capital ratios					
Tier 1 capital..........	7.8%	8.9%	8.5%	9.1%	10.7%
Total capital...........	11.0	11.8	11.3	12.9	12.0
Leverage ratio...........	6.8	8.4	9.4	10.1	9.4

	FNBC	FCCNB	ANB	NBD Michigan	NBD Indiana
December 31, 1995					
Risk-based capital ratios					
Tier 1 capital..........	7.6%	10.0%	9.2%	7.6%	10.3%
Total capital...........	11.3	12.1	11.5	10.9	11.5
Leverage ratio............	5.9	11.7	9.2	7.4	7.9

	FNBC	FCCNB	ANB	NBD Michigan	NBD Indiana
September 30, 1995					
Risk-based capital ratios					
Tier 1 capital..........	7.9%	12.6%	9.6%	7.4%	10.7%
Total capital...........	11.7	15.1	12.0	10.8	11.9
Leverage ratio............	5.9	14.1	9.6	6.8	8.2

</TABLE>

It is important to note that by maintaining regulatory well-capitalized status, these banks benefit from lower FDIC deposit premiums.

In September 1996, the U.S. bank regulators amended their risk-based capital requirements to incorporate a measure for market risk inherent in the trading portfolio. Under the new market risk requirements, capital will be allocated to support the amount of market risk that relates to the Corporation's trading activities. The market risk rules are not effective until 1998 and will only apply to institutions with significant trading activities. It is anticipated that both the Corporation and FNBC will be subject to the new market risk capital rules. It is currently estimated that the new rules will not significantly affect the risk-based capital ratios of either entity.

<TABLE>
<CAPTION>
FIRST CHICAGO NBD CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Dollars in millions)	September 30 1996	December 31 1995	September 30 1995
ASSETS			
Cash and due from banks..	$ 7,706	$ 7,297	$ 6,348
Interest-bearing due from banks...................................	5,695	10,241	10,302
Federal funds sold and securities under resale agreements..........	5,640	11,698	14,244
Trading assets...	5,226	8,150	8,116
Derivative product assets..	4,645	6,713	7,981
Investment securities (fair values--$7,140, $9,449 and $12,049, respectively)...	7,140	9,449	11,910
Loans (net of unearned income--$681, $610 and $502, respectively)..	66,602	64,434	61,076
Allowance for credit losses..	(1,447)	(1,338)	(1,230)
Premises and equipment...	1,424	1,423	1,456
Customers' acceptance liability....................................	705	729	783
Other assets...	3,358	3,206	3,070
Total assets..	$106,694	$122,002	$124,056
LIABILITIES			
Deposits			
Demand..	$ 16,242	$ 15,234	$ 13,286

Savings	20,882	20,180	19,785
Time	15,844	15,919	15,956
Foreign offices	10,711	17,773	17,907
Total deposits	63,679	69,106	66,934
Federal funds purchased and securities under repurchase agreements	8,193	15,711	20,031
Other short-term borrowings	9,830	9,802	9,257
Long-term debt	7,967	8,163	8,445
Acceptances outstanding	705	729	783
Derivative product liabilities	4,589	6,723	7,609
Other liabilities	2,644	3,318	2,552
Total liabilities	97,607	113,552	115,611
STOCKHOLDERS' EQUITY			
Preferred stock	475	489	491
Common stock--$1 par value	319	319	330
Number of shares authorized--750,000,000; 750,000,000; and 500,000,000, respectively			
Number of shares issued--318,920,332; 318,535,798; and 330,080,612, respectively			
Number of shares outstanding--317,699,166; 315,241,109; and 318,712,027, respectively			
Surplus	2,179	2,185	2,550
Retained earnings	6,189	5,497	5,491
Fair value adjustment on investment securities available-for-sale	23	112	(34)
Deferred compensation	(57)	(39)	(39)
Accumulated translation adjustment	7	8	9
Treasury stock at cost--1,221,166; 3,294,689; and 11,368,585 shares, respectively	(48)	(121)	(353)
Stockholders' equity	9,087	8,450	8,445
Total liabilities and stockholders' equity	$106,694	$122,002	$124,056

</TABLE>

<TABLE>
<CAPTION>
FIRST CHICAGO NBD CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT

(In millions, except per share data)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
<S>	<C>	<C>	<C>	<C>
INTEREST INCOME				
Loans, including fees	$1,482	$1,318	$4,310	$3,862
Bank balances	112	161	381	466
Federal funds sold and securities under resale agreements	113	230	453	716
Trading assets	96	141	323	335
Investment securities--taxable	82	176	285	561
Investment securities--tax-exempt	23	28	70	84
Total	1,908	2,054	5,822	6,024
INTEREST EXPENSE				
Deposits	527	677	1,664	1,917
Federal funds purchased and securities under repurchase agreements	149	304	564	906
Other short-term borrowings	156	131	448	396
Long-term debt	134	146	409	431
Total	966	1,258	3,085	3,650
NET INTEREST INCOME	942	796	2,737	2,374
Provision for credit losses	185	125	545	300
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	757	671	2,192	2,074
NONINTEREST INCOME				
Combined trading profits (losses)	(12)	85	46	162
Equity securities gains	50	66	184	181
Investment securities gains	2	2	27	3
Market-driven revenue	40	153	257	346
Credit card fee revenue	228	248	655	673
Fiduciary and investment management fees	100	97	298	290
Service charges and commissions	201	184	585	545

Other	28	20	71	82
Total	597	702	1,866	1,936
NONINTEREST EXPENSE				
Salaries and employee benefits	419	437	1,281	1,260
Occupancy expense of premises, net	64	69	195	198
Equipment rentals, depreciation and maintenance	56	53	166	162
FDIC insurance expense	20	2	24	54
Amortization of intangible assets	20	21	59	67
Other	237	245	733	706
Total	816	827	2,458	2,447
INCOME BEFORE INCOME TAXES	538	546	1,600	1,563
Applicable income taxes	180	189	541	539
NET INCOME	$ 358	$ 357	$1,059	$1,024
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS' EQUITY	$ 350	$ 347	$1,035	$ 994
EARNINGS PER SHARE				
NET INCOME - PRIMARY	$1.09	$1.07	$3.24	$3.07
NET INCOME - FULLY DILUTED	$1.08	$1.06	$3.19	$3.03

</TABLE>

<TABLE>
<CAPTION>
First Chicago NBD Corporation and Subsidiaries
Consolidated Statement of Stockholders' Equity

Nine Months Ended September 30 (In millions)	1996	1995
<S>	<C>	<C>
PREFERRED STOCK		
Balance, beginning of period	$ 489	$ 611
Redemption of preferred stock	-	(120)
Conversion of preferred stock	(14)	-
Balance, end of period	475	491
COMMON STOCK		
Balance, beginning of period	319	329
Issuance of common stock	-	1
Balance, end of period	319	330
CAPITAL SURPLUS		
Balance, beginning of period	2,185	2,555
Issuance of common stock	-	12
Issuance of treasury stock	(45)	(12)
Acquisition of subsidiaries	17	(3)
Cancellation of shares held in treasury	-	(8)
Conversion of preferred stock	(5)	-
Other	27	6
Balance, end of period	2,179	2,550
RETAINED EARNINGS		
Balance, beginning of period	5,497	4,808
Net income	1,059	1,024
Cash dividends declared--common stock	(343)	(311)
Cash dividends accrued--preferred stock	(24)	(30)
Balance, end of period	6,189	5,491
FAIR VALUE ADJUSTMENT ON INVESTMENT SECURITIES AVAILABLE-FOR-SALE		
Balance, beginning of period	112	(158)
Change in fair value (net of taxes) and other	(89)	124
Balance, end of period	23	(34)
DEFERRED COMPENSATION		
Balance, beginning of period	(39)	(33)
Awards granted, net	(31)	(17)
Amortization of deferred compensation	18	17

Other	(5)	(6)
Balance, end of period	(57)	(39)
ACCUMULATED TRANSLATION ADJUSTMENT		
Balance, beginning of period	8	7
Translation gain (loss), net of taxes	(1)	2
Balance, end of period	7	9
TREASURY STOCK		
Balance, beginning of period	(121)	(310)
Purchase of common stock	(17)	(360)
Acquisition of subsidiaries	-	262
Cancellation of shares held in treasury	-	8
Issuance of stock	90	47
Balance, end of period	(48)	(353)
TOTAL STOCKHOLDERS' EQUITY, END OF PERIOD	$9,087	$8,445

</TABLE>

<TABLE>
<CAPTION>

FIRST CHICAGO NBD CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

Nine Months Ended September 30 (In millions)	1996	1995
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 1,059	$ 1,024
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	187	207
Provision for credit losses	545	300
Equity securities gains	(184)	(181)
Net (increase) in net derivative product balances	(66)	(87)
Net (increase) decrease in trading assets	2,939	(2,941)
Net (increase) in loans held for sale	(157)	(407)
Net (increase) decrease in accrued income receivable	83	(177)
Net increase (decrease) in accrued expenses payable	(12)	200
Net (increase) decrease in other assets	(233)	93
Other noncash adjustments	(41)	(274)
Total adjustments	3,061	(3,267)
Net cash provided by (used in) operating activities	4,120	(2,243)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net (increase) decrease in federal funds sold and securities under resale agreements	6,058	(543)
Purchase of investment securities--available-for-sale	(3,980)	(2,892)
Purchase of debt investment securities--held-to-maturity	-	(117)
Purchase of equity securities--fair value	(95)	(318)
Proceeds from maturities of debt securities--available-for-sale	2,107	2,236
Proceeds from maturities of debt securities--held-to-maturity	-	903
Proceeds from sales of investment securities--available-for-sale	4,067	3,283
Proceeds from sales of equity securities--fair value	98	906
Credit card receivables securitized	1,029	2,286
Net (increase) in loans	(3,827)	(7,017)
Loan recoveries	102	106
Net proceeds from sales of assets held for accelerated disposition	24	59
Purchases of premises and equipment	(206)	(280)
Proceeds from sales of premises and equipment	63	63
Net cash and cash equivalents due to acquisitions and dispositions	(225)	115
Net cash provided by (used in) investing activities	5,215	(1,210)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in deposits	(4,888)	473
Net increase (decrease) in federal funds purchased and securities under repurchase agreements	(7,518)	3,112
Net increase in other short-term borrowings	29	809
Proceeds from issuance of long-term debt	1,442	1,878

Repayment of long-term debt	(1,670)	(734)
Net (decrease) in other liabilities	(463)	(242)
Dividends paid	(366)	(337)
Proceeds from issuance of common and treasury stock	22	37
Repurchase of common stock	(17)	(378)
Payment for redemption of preferred stock	-	(121)
Net cash provided by (used in) financing activities	(13,429)	4,497
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(43)	57
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,137)	1,101
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	17,538	15,549
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$13,401	$16,650

</TABLE>

For purposes of this statement, cash and cash equivalents consist of cash and due from banks--noninterest-bearing and interest-bearing.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1

The consolidated financial statements for the Corporation, including its subsidiaries, have been prepared in conformity with generally accepted accounting principles. Such preparation requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Although the interim amounts are unaudited, they do reflect all adjustments that, in the opinion of management, are necessary for a fair presentation of the results of operations for the interim periods. All such adjustments are of a normal, recurring nature. Because the results from commercial banking operations are so closely related and responsive to changes in economic conditions, fiscal policy and monetary policy, and because the results for the investment security and trading portfolios are largely market-driven, the results for any interim period are not necessarily indicative of the results that can be expected for the entire year.

Note 2

The Corporation presents earnings per share on both a primary and a fully diluted basis. Primary earnings per share were computed by dividing net income, after deducting dividends on preferred stock, by the average number of common and common-equivalent shares outstanding during the period.

Common-equivalent shares consist of shares issuable under the Employee Stock Purchase and Savings Plan and outstanding stock options. Fully diluted shares also include the common shares that would result from the conversion of convertible preferred stock.

To compute fully diluted earnings per share, net income was reduced by preferred stock dividend requirements, except those related to convertible stock.

The net income, preferred stock dividends and shares used to compute primary and fully diluted earnings per share are presented in the following table.

<TABLE>
<CAPTION>

(In millions)	Nine Months Ended September 30 1996	1995
<S>	<C>	<C>
PRIMARY		
Net income	$1,059	$1,024
Preferred stock dividends	24	30
Net income attributable to common stockholders' equity	$1,035	$ 994
Average number of common and common-equivalent shares	319.8	323.8

	1996	1995
FULLY DILUTED		
Net income	$1,059	$1,024
Preferred stock dividends, excluding convertible Series B	15	21
Fully diluted net income	$1,044	$1,003
Average number of shares, assuming full dilution	327.2	331.2

</TABLE>

Note 3

At September 30, 1996, credit card receivables aggregated $9.9 billion. These receivables are available for sale at face value through credit card securitization programs.

Note 4

Nonperforming loans are generally identified as "impaired loans." At September 30, 1996, the recorded investment in loans considered impaired was $309 million, which required a related allowance for credit losses of $49 million. Substantially all of the $309 million in impaired loans required the establishment of an allocated reserve. The average recorded investment in impaired loans was approximately $346 million for the quarter ended September 30, 1996. The Corporation recognized interest income associated with impaired loans of $5 million during the quarter.

Loans 90 days or more past due and still accruing interest amounted to $266 million at September 30, 1996, compared with $197 million at December 31, 1995, and $144 million at September 30, 1995.

Note 5

The Corporation adopted SFAS No. 122, "Accounting for Mortgage Servicing Rights," on January 1, 1996. This Statement requires the capitalization of all mortgage servicing rights, except those related to loans the Corporation originated and has no plan to sell or securitize. Previously, only purchased mortgage servicing rights were capitalized. Implementation of this Statement did not have a material effect on the results of operations, nor is it expected to have a material effect on the Corporation's business practices or continuing results of operations.

The Corporation also has adopted SFAS No. 123, "Accounting for Stock-Based Compensation," effective January 1, 1996. The Corporation has elected to retain its current method of accounting for employee stock compensation plans and to begin disclosing the effect of the valuations required by this Statement in the annual report for the year ending December 31, 1996. Accordingly, there is no financial statement effect related to the adoption of this Statement.

In June of 1996, the FASB issued SFAS 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," which generally becomes effective on a prospective basis beginning January 1, 1997. In October of 1996, the FASB tentatively decided to delay the effective date of certain provisions until January 1, 1998. The new Statement primarily establishes criteria based on legal control to determine whether a transfer of a financial asset is a sale or a secured borrowing. The effect of the Statement is uncertain at this time pending the resolution of various implementation issues.

Note 6

The ratio of income to fixed charges for the nine months ended September 30, 1996, excluding interest on deposits was 2.1x, and including interest on deposits was 1.5x. The ratio has been computed on the basis of the total enterprise (as defined by the Securities and Exchange Commission) by dividing income before fixed charges and income taxes by fixed charges. Fixed charges consist of interest expense on all long- and short-term borrowings, excluding or including interest on deposits.

Note 7

On December 1, 1995 (the "Effective Time"), First Chicago Corporation ("FCC") merged with and into NBD Bancorp, Inc. ("NBD"), with the combined company renamed First Chicago NBD Corporation. At the Effective Time, each share of FCC common stock was converted into 1.81 shares of the Corporation's common stock. In aggregate, 87.1 million shares of FCC common stock were converted into 157.7 million shares of the Corporation's common stock. Each share of NBD common stock remained outstanding representing one share of the Corporation's common stock. Each share of FCC preferred stock outstanding immediately prior to the merger was converted into one share of the Corporation's preferred stock with substantially similar terms. FCC treasury shares held at the Effective Time were canceled. The merger was accounted for as a pooling of interests and, accordingly, the financial statements have been restated.

Note 8

The Corporation and certain of its subsidiaries are defendants in various lawsuits, including certain class actions, arising out of the normal course of business, and the Corporation has received certain tax deficiency assessments. Since the Corporation and certain of its subsidiaries, which are regulated by one or more federal and state regulatory authorities, also are the subject of numerous examinations and reviews by such authorities, the Corporation is and will, from time to time, normally be engaged in various disagreements with regulators, related primarily to banking matters. In the opinion of management and the Corporation's general counsel, the ultimate resolution of the matters referred to in this note will not have a material effect on the consolidated financial statements.

<TABLE>
<CAPTION>
FIRST CHICAGO NBD CORPORATION AND SUBSIDIARIES
SELECTED STATISTICAL INFORMATION

	Investment Securities--Available-for-Sale			
September 30, 1996 (In millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value (Book Value)
<S>	<C>	<C>	<C>	<C>
U.S. Treasury..........................	$2,910	$ 10	$ 10	$2,910
U.S. government agencies				
Mortgage-backed securities...........	1,563	19	32	1,550
Collateralized mortgage obligations...	27	-	-	27
Other................................	66	-	-	66
States and political subdivisions.......	1,199	57	1	1,255
Other debt securities...................	201	3	-	204
Equity securities (1)(2)................	1,020	185	77	1,128
Total..............................	$6,986	$274	$120	$7,140

</TABLE>

(1) The fair values of certain securities for which market quotations were not available were estimated. In addition, the fair values of certain securities reflect liquidity and other market-related factors.
(2) Includes investments accounted for at fair value, in keeping with specialized industry practice.

IMPACT OF CREDIT CARD SECURITIZATION

For analytical purposes only, the following table shows income statement line items adjusted for the net impact of securitization of credit card receivables.

<TABLE>
<CAPTION>

	Three Months Ended September 30, 1996			Three Months Ended September 30, 1995		
(In millions)	Reported	Credit Card Securitizations	Adjusted	Reported	Credit Card Securitizations	Adjusted
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income-- tax-equivalent basis..	$ 967	$ 151	$ 1,118	$ 824	$ 183	$ 1,007
Provision for credit						

losses................	185	106	291	125	94	219
Noninterest income......	597	(45)	552	702	(89)	613
Noninterest expense.....	816	-	816	827	-	827
Net income.............	358	-	358	357	-	357
Assets--quarter-end.....	$106,694	$8,039	$114,733	$124,056	$7,986	$132,042
--average.........	110,715	7,219	117,934	124,738	7,808	132,546

	Nine Months Ended September 30, 1996			Nine Months Ended September 30, 1995		
(In millions)	Reported	Credit Card Securitizations	Adjusted	Reported	Credit Card Securitizations	Adjusted
Net interest income-- tax-equivalent basis..	$ 2,815	$ 487	$ 3,302	$ 2,447	$ 487	$ 2,934
Provision for credit losses................	545	321	866	300	234	534
Noninterest income......	1,866	(166)	1,700	1,936	(253)	1,683
Noninterest expense.....	2,458	-	2,458	2,447	-	2,447
Net income.............	1,059	-	1,059	1,024	-	1,024
Assets--quarter-end.....	$106,694	$8,039	$114,733	$124,056	$7,986	$132,042
--average.........	115,882	7,542	123,424	121,907	6,911	128,818

</TABLE>

FIRST CHICAGO NBD CORPORATION AND SUBSIDIARIES
SELECTED STATISTICAL INFORMATION
<TABLE>
<CAPTION>

Average Balances/Net Interest Margin/Rates

Three Months Ended	September 30, 1996			June 30, 1996		
(Income and rates on tax-equivalent basis) (Dollars in millions)	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Assets						
Interest-bearing due from banks..........................	$ 7,891	$ 112	5.65%	$ 8,765	$ 123	5.64%
Federal funds sold and securities under resale agreements..	8,402	113	5.35	12,264	163	5.35
Trading assets..	6,577	96	5.81	7,312	105	5.78
Investment securities						
U.S. government and federal agency.....................	4,778	78	6.49	5,171	87	6.77
States and political subdivisions......................	1,265	29	9.12	1,354	30	8.91
Other..	1,248	17	5.42	1,164	18	6.22
Total investment securities.........................	7,291	124	6.77	7,689	135	7.06
Loans (1)(2)						
Domestic offices.....................................	62,384	1,429	9.23	60,981	1,361	9.09
Foreign offices......................................	3,578	59	6.56	3,553	60	6.79
Total loans...	65,962	1,488	9.08	64,534	1,421	8.96
Total earning assets (3)............................	96,123	1,933	8.00	100,564	1,947	7.79
Cash and due from banks................................	6,352			6,330		
Allowance for credit losses............................	(1,455)			(1,378)		
Other assets...	9,695			10,764		
Total assets.......................................	$110,715			$116,280		
Liabilities and Stockholders' Equity						
Deposits--interest-bearing						
Savings..	$ 10,940	$ 61	2.22%	$ 11,184	$ 59	2.12%
Money market...	10,166	92	3.60	9,910	91	3.69
Time...	15,736	213	5.38	15,881	213	5.39
Foreign offices......................................	12,898	161	4.97	14,324	182	5.11
Total deposits--interest-bearing....................	49,740	527	4.22	51,299	545	4.27
Federal funds purchased and securities under repurchase agreements...	11,227	149	5.28	14,622	190	5.23
Other short-term borrowings............................	11,773	156	5.27	10,947	139	5.11
Long-term debt...	8,122	134	6.56	8,197	138	6.77
Total interest-bearing liabilities..................	80,862	966	4.75	85,065	1,012	4.78
Demand deposits..	13,742			13,863		
Other liabilities......................................	7,272			8,680		
Preferred stock..	487			489		
Common stockholders' equity............................	8,352			8,183		

Total liabilities and stockholders' equity	$110,715			$116,280		
Interest income/earning assets (3)		$1,933	8.00%		$1,947	7.79%
Interest expense/earning assets		966	4.00		1,012	4.05
Net interest margin		$ 967	4.00%		$ 935	3.74%

</TABLE>

(1) Average lease-financing receivables are reduced by related deferred tax liabilities in calculating the average rate.
(2) Nonperforming loans are included in average balances used to determine the average rate.
(3) Includes tax-equivalent adjustments based on a 35% federal income tax rate.

<TABLE>
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March 31, 1996			December 31, 1995			September 30, 1995		
Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
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$ 9,686	$ 146	6.06%	$ 10,155	$ 154	6.02%	$ 10,460	$ 161	6.11%
13,465	177	5.29	13,911	206	5.88	15,789	230	5.78
8,797	124	5.67	8,742	132	5.99	8,554	142	6.59
6,197	105	6.81	8,356	143	6.79	9,842	167	6.73
1,428	32	9.01	1,457	34	9.26	1,500	35	9.26
1,266	17	5.40	1,308	21	6.37	1,925	22	4.53
8,891	154	6.97	11,121	198	7.06	13,267	224	6.70
60,315	1,358	9.17	58,537	1,343	9.22	56,260	1,261	9.02
3,475	61	7.06	3,721	63	6.72	3,401	64	7.47
63,790	1,419	9.05	62,258	1,406	9.07	59,661	1,325	8.93
104,629	2,020	7.77	106,187	2,096	7.83	107,731	2,082	7.66
6,081			6,141			5,992		
(1,335)			(1,234)			(1,179)		
11,333			12,679			12,194		
$120,708			$123,773			$124,738		
$ 11,273	$ 64	2.28%	$ 11,221	$ 72	2.55%	$ 11,335	$ 73	2.56%
8,645	84	3.91	8,979	90	3.98	9,564	97	4.02
16,941	234	5.56	18,529	271	5.80	17,368	260	5.94
15,707	210	5.38	16,365	231	5.60	17,194	247	5.70
52,566	592	4.53	55,094	664	4.78	55,461	677	4.84
17,076	225	5.30	19,003	286	5.97	20,443	304	5.90
11,774	153	5.23	8,986	142	6.27	8,962	131	5.80
8,079	137	6.82	8,275	140	6.71	8,238	146	7.03
89,495	1,107	4.97	91,358	1,232	5.35	93,104	1,258	5.36
13,356			13,458			13,158		
9,314			10,469			9,972		
490			490			570		
8,053			7,998			7,934		
$120,708			$123,773			$124,738		
	$2,020	7.77%		$2,096	7.83%		$2,082	7.66%
	1,107	4.26		1,232	4.60		1,258	4.63
	$ 913	3.51%		$ 864	3.23%		$ 824	3.03%

</TABLE>

<TABLE>
<CAPTION>

FIRST CHICAGO NBD CORPORATION AND SUBSIDIARIES
SELECTED STATISTICAL INFORMATION

Average Balances/Net Interest Margin/Rates

Nine Months Ended	September 30, 1996			September 30, 1995		
(Income and rates on tax-equivalent basis) (Dollars in millions)	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Assets						
Interest-bearing due from banks	$ 8,778	$ 381	5.80%	$ 9,962	$ 466	6.25%
Federal funds sold and securities under resale agreements	11,366	453	5.32	16,296	716	5.87
Trading assets	7,558	325	5.74	6,820	337	6.61
Investment securities						
U.S. government and federal agency	5,380	270	6.70	10,574	538	6.80
States and political subdivisions	1,349	91	9.01	1,575	107	9.08
Other	1,226	52	5.67	1,939	50	3.45
Total investment securities	7,955	413	6.93	14,088	695	6.60
Loans (1)(2)						
Domestic offices	61,231	4,148	9.16	54,537	3,700	9.20
Foreign offices	3,535	180	6.80	3,313	183	7.39
Total loans	64,766	4,328	9.03	57,850	3,883	9.09
Total earning assets (3)	100,423	5,900	7.84	105,016	6,097	7.76
Cash and due from banks	6,254			6,392		
Allowance for credit losses	(1,389)			(1,186)		
Other assets	10,594			11,685		
Total assets	$115,882			$121,907		
Liabilities and Stockholders' Equity						
Deposits--interest-bearing						
Savings	$ 11,131	$ 184	2.21%	$ 11,441	$ 226	2.64%
Money market	9,576	267	3.72	9,370	279	3.98
Time	16,184	660	5.45	16,949	737	5.81
Foreign offices	14,305	553	5.16	15,646	675	5.77
Total deposits--interest-bearing	51,196	1,664	4.34	53,406	1,917	4.80
Federal funds purchased and securities under repurchase agreements	14,297	564	5.27	20,388	906	5.94
Other short-term borrowings	11,499	448	5.20	9,222	396	5.74
Long-term debt	8,133	409	6.72	7,833	431	7.36
Total interest-bearing liabilities	85,125	3,085	4.84	90,849	3,650	5.37
Demand deposits	13,654			13,189		
Other liabilities	8,417			9,585		
Preferred stock	489			597		
Common stockholders' equity	8,197			7,687		
Total liabilities and stockholders' equity	$115,882			$121,907		
Interest income/earning assets (3)		$5,900	7.84%		$6,097	7.76%
Interest expense/earning assets		3,085	4.10		3,650	4.65
Net interest margin		$2,815	3.74%		$2,447	3.11%

</TABLE>

(1) Average lease-financing receivables are reduced by related deferred tax liabilities in calculating the average rate.
(2) Nonperforming loans are included in average balances used to determine the average rate.
(3) Includes tax-equivalent adjustments based on a 35% federal income tax rate.

FIRST CHICAGO NBD CORPORATION AND SUBSIDIARIES

SELECTED STATISTICAL INFORMATION

<TABLE>
<CAPTION>

(Dollars in millions, except per share data)	September 30 1996	June 30 1996	March 31 1996	December 31 1995	September 30 1995
<S>	<C>	<C>	<C>	<C>	<C>
NET INTEREST INCOME DATA					
For the Quarter Ended					
Actual					
Net interest income--tax-equivalent basis	$ 967	$ 935	$ 913	$ 864	$ 824
Average earning assets	96,123	100,564	104,629	106,187	107,731
Net interest margin	4.00%	3.74%	3.51%	3.23%	3.03%
Adjusted (1)					
Net interest income--tax-equivalent basis	$ 1 ,115	$ 1,100	$ 1,078	$ 1,033	$ 1,003
Average earning assets	98,346	100,935	102,518	104,143	104,962
Net interest margin	4.51%	4.38%	4.23%	3.93%	3.79%
AT QUARTER-END					
BALANCE SHEET DATA					
Assets	$106,694	$113,714	$115,465	$122,002	$124,056
Loans	66,602	66,431	64,253	64,434	61,076
Deposits	63,679	64,593	64,243	69,106	66,934
Long-term debt	7,967	7,951	8,011	8,163	8,445
Common stockholders' equity	8,612	8,339	8,135	7,961	7,954
Stockholders' equity	9,087	8,827	8,624	8,450	8,445
CAPITAL DATA (2)					
Common equity/assets	8.1%	7.6%	7.3%	6.9%	6.8%
Regulatory leverage ratio	8.1	7.6	7.3	6.9	6.9
Risk-based capital					
Tier 1 capital ratio	8.4	8.1	8.1	7.8	8.2
Total capital ratio	12.4	12.2	12.3	11.8	12.4
FINANCIAL RATIOS					
FOR THE QUARTER ENDED					
Net income as a percentage of:					
Average stockholders' equity	16.1%	16.7%	16.0%	5.9%	16.7%
Average common stockholders' equity	16.7	17.4	16.6	5.9	17.4
Average total assets	1.29	1.25	1.13	0.40	1.14
Average earning assets	1.48	1.44	1.31	0.47	1.31
Stockholders' equity as a percentage of:					
Total assets	8.5	7.8	7.5	6.9	6.8
Total loans	13.6	13.3	13.4	13.1	13.8
Total deposits	14.3	13.7	13.4	12.2	12.6
Average stockholders' equity as a percentage of:					
Average assets	8.0	7.5	7.1	6.9	6.8
Average loans	13.4	13.4	13.4	13.6	14.3
Average deposits	13.9	13.3	12.9	12.4	12.4
COMMON STOCK DATA					
FOR THE QUARTER ENDED					
Market price					
High	$ 45 1/4	$ 45 1/2	$ 44 1/4	$ 42 1/2	$ 39 1/4
Low	36 5/8	38 5/8	34 3/4	36 1/2	31 1/2
At quarter-end	45 1/4	39 1/8	41 1/2	39 1/2	38 1/4
Book value	$ 27.11	$ 26.31	$ 25.70	$ 25.25	$ 24.96
Dividends declared on common stock	$ 0.36	$ 0.36	$ 0.36	$ 0.36	$ 0.33

</TABLE>

(1) Adjusted to exclude impact of securitization of credit card receivables and the activities of FCCM.

(2) Net of investment in FCCM.

First Chicago NBD Corporation and Subsidiaries

Five-Quarter Consolidated Income Statement

<TABLE>
<CAPTION>

(Dollars in millions, except per share data)	Three Months Ended Sept. 30 1996	June 30 1996	March 31 1996	Dec. 31 1995	Sept. 30 1995
<S>	<C>	<C>	<C>	<C>	<C>
Interest Income					
Loans, including fees	$ 1,482	$ 1,416	$ 1,412	$ 1,398	$ 1,318
Bank balances	112	123	146	154	161
Federal funds sold and securities under resale agreements	113	163	177	206	230

Trading assets	96	104	123	132	141
Investment securities--taxable	82	94	109	133	176
Investment securities--tax-exempt	23	22	25	43	28
Total	1,908	1,922	1,992	2,066	2,054
Interest Expense					
Deposits	527	545	592	664	677
Federal funds purchased and securities under repurchase agreements	149	190	225	286	304
Other short-term borrowings	156	139	153	142	131
Long-term debt	134	138	137	140	146
Total	966	1,012	1,107	1,232	1,258
Net Interest Income	942	910	885	834	796
Provision for credit losses	185	185	175	210	125
Net Interest Income After Provision for Credit Losses	757	725	710	624	671
Noninterest Income					
Combined trading profits (losses)	(12)	22	36	48	85
Equity securities gains	50	85	49	72	66
Investment securities gains (losses)	2	3	22	(19)	2
Market-driven revenue	40	110	107	101	153
Credit card fee revenue	228	220	207	228	248
Fiduciary and investment management fees	100	98	100	114	97
Service charges and commissions	201	195	189	190	184
Other	28	20	23	22	20
Total	597	643	626	655	702
Noninterest Expense					
Salaries and employee benefits	419	426	436	432	437
Occupancy expense of premises, net	64	64	67	54	69
Equipment rentals, depreciation and maintenance	56	55	55	63	53
FDIC insurance expense	2	2	2	4	2
Amortization of intangible assets	20	19	20	21	21
Other	237	248	248	247	245
Operating expenses	798	814	828	821	827
Merger-related charges	-	-	-	267	-
FDIC special assessment	18	-	-	-	-
Total	816	814	828	1,088	827
Income Before Income Taxes	538	554	508	191	546
Applicable income taxes	180	193	168	65	189
Net Income	$ 358	$ 361	$ 340	$ 126	$ 357
Net Income Attributable to Common Stockholders' Equity	$ 350	$ 353	$ 332	$ 119	$ 347
Earnings Per Share					
Net Income - Primary	$ 1.09	$ 1.10	$ 1.04	$ 0.37	$ 1.07
Net Income - Fully Diluted	$ 1.08	$ 1.09	$ 1.03	$ 0.37	$ 1.06
Average number of common and common-equivalent shares (in millions)	320.2	320.2	319.2	320.0	324.4
Average number of shares, assuming full dilution (in millions)	327.5	326.9	326.2	326.9	331.8

</TABLE>

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1996

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ____________

Commission file number 1-7127

FIRST CHICAGO NBD CORPORATION

(exact name of registrant as specified in its charter)

DELAWARE	38-1984850
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

ONE FIRST NATIONAL PLAZA CHICAGO, ILLINOIS 60670

(Address of principal executive offices) (Zip Code)

312-732-4000

(Registrant's telephone number, including area code)

NO CHANGE

(Former name, former address and former fiscal year, if changed since last report)

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 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of October 31, 1996.

Class	Number of Shares Outstanding
Common Stock $1 par value	318,838,372

FORM 10-Q CROSS-REFERENCE INDEX

PART I - FINANCIAL INFORMATION

PART II - OTHER INFORMATION

PART II. - OTHER INFORMATION

ITEM 1. Legal Proceedings

None

ITEM 2. Changes in Securities

None

ITEM 3. Defaults Upon Senior Securities

Not applicable

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

None

ITEM 5. Other Information

None

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibit 12 Statement re computation of ratio

Exhibit 27 Financial Data Schedule

(b) The Registrant filed the following Current Reports on Form 8-K during the quarter ended September 30, 1996.

Date	Item Reported
7/15/96	The Registrant's earnings for the quarter ended June 30, 1996.

SIGNATURES

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

FIRST CHICAGO NBD CORPORATION
(Registrant)

Date November 14, 1996 /s/ Verne G. Istock

Verne G. Istock
Principal Executive Officer

Date November 14, 1996 /s/ William J. Roberts

William J. Roberts
Principal Accounting Officer

EXHIBIT INDEX

Exhibit Number	Description of Exhibit	Page
12 -	Statement re computation of ratio	45
27 -	Financial Data Schedule	46

Exhibit 12

COMPUTATION OF RATIO OF INCOME TO FIXED CHARGES

The computation of the ratio of income to fixed charges is set forth in Note 6 of Notes to Consolidated Financial Statements on page 32 of the Form 10-Q.

```
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First Chicago NBD Corporation's Form 10Q for the period ended September 30, 1996
and is qualified in its entirety by reference to such financial statements.
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<F1> Treasury stock of $48 million is included as a reduction of other
     stockholders' equity.

<F2> Investment securities gains/losses do not include the Corporation's equity
     securities gains which totaled $184 million.

<F3> Other expense incl.: Salaries and employee benefits, $1,281 mil.;
     Occupancy, $195 mil.; Equipment rentals, depreciation and maintenance,
     $166 mil.; FDIC insurance of $20 mil.; amortization of intangible assets,
     $59 mil.; and other expenses totaling $733 mil.

<F4> Allowance-Domestic, Allowance-Foreign, and Allowance-Unallocated are only
     disclosed on an annual basis in the Corporation's Form 10-K and are
     therefore not included in this Financial Data Schedule.
</FN>


</TABLE>
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