

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

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

Date of Report: January 19, 1999

Commission file number 1-5805

THE CHASE MANHATTAN CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

13-2624428
(I.R.S. Employer
Identification No.)

270 Park Avenue, New York, NY
(Address of principal executive offices)

10017
(Zip Code)

Registrant's telephone number, including area code (212) 270-6000

Item 5. Other Events

On January 19, 1999, The Chase Manhattan Corporation ("Chase") reported fourth quarter 1998 diluted operating earnings per share of \$1.31, compared with \$.94 per share in the same 1997 quarter. Operating earnings and reported net income in the fourth quarter of 1998 were \$1.15 billion. Operating earnings and reported net income were \$850 million and \$874 million, respectively, in the 1997 quarter.

A copy of Chase's earnings press release is attached as an exhibit hereto.

Operating results (revenues and earnings) exclude the impact of credit card securitizations, restructuring costs and special items.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

The following exhibit is filed with this report:

Exhibit Number	Description
99.1	Press Release - 1998 Fourth Quarter Earnings.

SIGNATURE

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 hereunto duly authorized.

THE CHASE MANHATTAN CORPORATION
(Registrant)

Dated January 22, 1999

by /s/JOSEPH L. SCLAFANI

Joseph L. Sclafani
Executive Vice President and Controller
[Principal Accounting Officer]

EXHIBIT INDEX

Exhibit Number	Description	Page at Which Located
99.1	Press Release - 1998 Fourth Quarter Earnings	6

The Chase Manhattan Corporation
270 Park Avenue
New York, NY 10017-2070

[CHASE LETTERHEAD]
News Release

Chase Reports Record Fourth Quarter and Full Year 1998 Results

New York, January 19, 1999 -- The Chase Manhattan Corporation (NYSE:CMB) today reported fourth quarter 1998 diluted operating earnings per share of \$1.31, a 39 percent increase from \$.94 per share in the same 1997 quarter. Operating earnings and reported net income in the fourth quarter of 1998 were \$1.15 billion. Operating earnings and reported net income were \$850 million and \$874 million, respectively, in the 1997 quarter.

Diluted operating earnings per share for the full year 1998 increased to \$4.51 from \$4.17 in 1997. Operating earnings rose to \$4.02 billion from \$3.85 billion in 1997. Reported net income for the full year was \$3.78 billion, compared with \$3.71 billion in 1997.

Fourth Quarter 1998 Financial Highlights

- - Operating revenues increased 25 percent from the same 1997 quarter, and 19 percent from the 1998 third quarter, driven by a sharp recovery in global banking and strong growth in Chase's consumer and global services businesses.
- - Chase's return on common equity rose to 20.1 percent from 16.5 percent in the fourth quarter of 1997.
- - Shareholder value added (SVA) was \$470 million.

Full Year Financial Highlights

- - Operating revenues rose 12 percent with all three franchises producing double-digit growth.
- - Chase's Tier 1 capital ratio rose to 8.3 percent from 7.9 percent last year.
- - Shareholder value added was \$1.4 billion.

"In one of the most challenging periods that the financial services industry has faced in recent years, Chase's record performance demonstrates how strong and differentiated a competitor it has become," said Walter V. Shipley, chairman and chief executive officer. "Looking ahead, our focus remains unchanged: to realize the full growth potential of Chase's business franchises by maintaining a disciplined approach to risk, capital and expense management."

Investor contact: John Borden 212-270-7318
Press contact: Kathleen Baum 212-270-5089

Financial Performance

THE CHASE MANHATTAN CORP		Fourth Quarter		Full Year 1998	
Dollars, in millions	1998	O(U) 4Q97	O(U) 3Q98	1998	O(U) 97 %
Operating Revenues	\$5,350	\$1,055	\$842	\$19,824	12%
Cash Operating Earnings	1,219	320	418	4,277	6%
Shareholder Value Added	470	247	402	1,406	1%
Cash Return on Common Equity	21.4%	--	--	19.6%	--

Line-Of-Business Results

GLOBAL BANK		Fourth Quarter		Full Year 1998	
Dollars, in millions	1998	O(U) 4Q97	O(U) 3Q98	1998	O(U) 97 %
Operating Revenues	\$2,495	\$675	\$653	\$9,298	10%
Cash Operating Earnings	819	360	365	2,855	11%
Shareholder Value Added	335	333	345	985	28%
Cash Return on Common Equity	22.2%	--	--	20.1%	--

Chase's Global Bank had a very strong fourth quarter, with operating revenues up 37 percent from fourth quarter 1997 levels, and 35 percent from this year's third quarter; both prior periods were negatively affected by global market turmoil. For the year, operating revenues and cash operating earnings rose 10 and 11 percent, respectively, from 1997 levels.

Trading revenues and related net interest income rose to \$692 million in the fourth quarter, matching the record set in the first quarter of this year, and benefiting from strong performance across traditional products, including foreign exchange, and newer businesses, such as credit and equity derivatives, and high grade securities. Securities gains realized in the quarter were \$167 million, higher than in the year-ago quarter but below gains in the third quarter of 1998. For the year, trading revenues and related net interest income totaled \$2.16 billion, a 12 percent increase from 1997.

Investment banking fees in the 1998 fourth quarter increased to \$381 million from \$369 million in the fourth quarter of 1997. Investment banking fees for the year rose 32 percent to \$1.50 billion, benefiting from growth in loan syndications, mergers and acquisitions advisory and high grade and high yield underwriting fees.

Fourth quarter private equity-related investment gains were \$244 million. These results were eight percent higher than in the year-ago quarter and four times above the level of gains recognized in the third quarter 1998, reflecting improved equity markets and increased levels of activity. Private equity-related investment gains rose 16 percent to \$967 million in 1998.

GLOBAL SERVICES	Fourth Quarter			Full Year 1998	
Dollars, in millions	1998	O(U) 4Q97	O(U) 3Q98	1998	O(U) 97 %
Operating Revenues	\$724	\$106	\$55	\$2,667	14%
Cash Operating Earnings	138	24	18	496	17%
Shareholder Value Added	60	5	(1)	243	29%
Cash Return on Common Equity	23.3%	--	--	26.0%	--

In the fourth quarter, Global Services' operating revenues and cash operating earnings rose 17 and 21 percent, respectively, driven by continuing growth across all three businesses, as well as higher operating volumes related to the acquisitions of large global custody and fiduciary services businesses. Expenses reflect ongoing investment spending and costs related to Year 2000 and the launch of the Euro on January 1, 1999. For the full year, Global Services' operating revenues increased 14 percent and cash operating earnings were 17 percent higher than in 1997.

NATIONAL CONSUMER SERVICES	Fourth Quarter			Full Year 1998	
Dollars, in millions	1998	O(U) 4Q97	O(U) 3Q98	1998	O(U) 97 %
Operating Revenues	\$2,217	\$282	\$161	\$8,203	12%
Cash Operating Earnings	374	72	71	1,265	12%
Shareholder Value Added	161	51	75	409	2%
Cash Return on Common Equity	23.1%	--	--	19.4%	--

National Consumer Services' operating revenues increased 15 percent in the 1998 fourth quarter; cash operating earnings increased 24 percent. Cash return on common equity and SVA rose to record levels, reversing the trend earlier in the year, and leading to an overall increase in SVA for 1998. Operating revenues and cash operating earnings for National Consumer Services for the year were 12 percent higher than in 1997.

Operating revenues from cardmember services increased 14 percent in the fourth quarter of 1998, with growth driven by recently acquired portfolios, pricing initiatives and higher levels of consumer card usage. For the year, revenues rose 17 percent to \$3.91 billion; cash operating earnings were up by 21 percent to \$461 million. Charge-offs for the year increased, primarily reflecting the impact of acquired portfolios.

Home finance revenues increased 29 percent in the fourth quarter, benefiting from the continued favorable environment for mortgage originations, and higher mortgage sales activities. Home finance revenues were 11 percent higher than in the prior year; cash operating earnings increased by 16 percent.

Regional consumer banking revenues rose six percent in the fourth quarter of 1998, reflecting growth in deposits, increased small business lending and rising fee income, offset in part by the cost of technology-related investments. Revenues and cash operating earnings for the full year increased by three and four percent, respectively, over 1997.

Revenues from diversified consumer services increased 31 percent in the fourth quarter, driven by continued strong growth in Chase's auto finance, investment and insurance businesses. Auto finance originations of \$3.5 billion in the fourth quarter represent an all-time high. Revenues from diversified consumer services were up 17 percent in 1998 from 1997 levels; cash operating earnings increased 21 percent.

Additional Financial Information

- - Total operating noninterest expenses were \$10.81 billion in 1998, and \$2.87 billion in the fourth quarter, reflecting higher incentives related to revenue increases as well as investment spending and costs related to Year 2000 and EMU conversion.
- - On a managed basis, the provision for credit losses was \$2.70 billion for full year 1998 compared with \$1.80 billion in 1997, and \$701 million in the 1998 fourth quarter, compared with \$753 million in the previous quarter and \$468 million in the 1997 fourth quarter. The provision for losses related to risk management instruments has been reclassified to the noninterest revenue section of the income statement for all periods presented. Nonperforming assets at December 31, 1998 were \$1.61 billion compared with \$1.53 billion at September 30, 1998, and \$1.02 billion at December 31, 1997. Net commercial charge-offs in the fourth quarter of 1998 were \$122 million, compared to \$200 million in the third quarter of 1998 and a net recovery of \$12 million in the 1997 fourth quarter. Net commercial charge-offs for the full year were \$492 million compared with a net recovery of \$17 million in 1997.
- - Chase's exposure to emerging markets in Latin America and Asia, excluding Japan, Australia and New Zealand, declined 34 percent in 1998, as detailed in the attached tables. In addition, at December 31, 1998, Chase had approximately \$190 million in lending, trading-related and resale agreement exposure to Russia, a decline of \$460 million from September 30, 1998.
- - Total assets at December 31, 1998 were \$366 billion, unchanged from a year ago. With equity capital increasing by 10 percent from year-end 1997 levels, Chase's Tier 1 capital ratio rose to 8.3 percent from 7.9 percent on December 31, 1997. In the fourth quarter of 1998, Chase announced a new common stock repurchase authorization, effective January 4, 1999, of up to \$3 billion of Chase's common stock.
- - Operating results (revenues, expenses and earnings) for 1998 exclude the impact of credit card securitizations, restructuring costs and special items. Special items, all after-tax, include a charge of \$320 million, taken in the first quarter, in connection with initiatives to streamline support functions and realign certain business units; a \$24 million charge for the accelerated vesting of stock-based awards, taken in the third quarter, and a credit of \$123 million, related to interest on prior years' tax refunds, also taken in the third quarter of 1998.

All per share results reflect a two-for-one stock split that became effective June 15, 1998.

Chase's news releases and quarterly financial results are available on the Internet at www.chase.com.

THE CHASE MANHATTAN CORPORATION
SUMMARY OF SELECTED FINANCIAL HIGHLIGHTS
(in millions, except per share and ratio data)

As of or for the period ended	Fourth Quarter		% Over/(Under)	For The Year		% Over/(Under)
	1998	1997	4QTR 97	1998	1997	1997
OPERATING BASIS (a)						
Operating Revenue	\$ 5,350	\$ 4,295	25%	\$ 19,824	\$17,699	12%
Operating Noninterest Expense	2,870	2,473	16%	10,812	9,755	11%
Credit Costs (b)	704	471	49%	2,707	1,809	50%
Operating Net Income	\$ 1,146	\$ 850	35%	\$ 4,016	\$ 3,849	4%
Cash Operating Earnings	\$ 1,219	\$ 899	36%	\$ 4,277	\$ 4,021	6%
Shareholder Value Added (SVA)	470	223	111%	1,406	1,393	1%
Operating Net Income Per Common Share:						
Basic	\$ 1.34	\$ 0.97	38%	\$ 4.63	\$ 4.32	7%
Diluted	1.31	0.94	39%	4.51	4.17	8%
Performance Ratios:						
Return on Average Total Assets (c)	1.20%	0.90%		1.08%	1.08%	
Return on Average Common Equity (c)	20.1	16.5		18.4	19.5	
Common Dividend Payout Ratio	27	32		31	29	
Cash Efficiency Ratio (d)	52	56		53	54	
Selected Balance Sheet Items: (e)						
Loans				\$ 190,787	\$ 185,306	3%
Total Assets				383,908	382,373	--
AS REPORTED BASIS						
Revenue	\$ 5,060	\$ 4,090	24%	\$18,656	\$16,808	11%
Noninterest Expense Before Restructuring Costs	2,873	2,476	16%	10,854	9,902	10%
Restructuring Costs	--	20	NM	529	192	176%
Provision for Loan Losses	411	205	100%	1,343	804	67%
Net Income	\$1,146	\$ 874	31%	\$ 3,782	\$ 3,708	2%
Per Common Share:						
Net Income:						
Basic	\$ 1.34	\$ 1.00	34%	\$ 4.35	\$ 4.15	5%
Diluted	1.31	0.97	35%	4.24	4.01	6%
Cash Dividends Declared	0.36	0.31	16%	1.44	1.24	16%
Book Value at Year End	26.90	23.76	13%	26.90	23.76	13%
Market Value at Year End	71.00	54.75	30%	71.00	54.75	30%
Common Shares Outstanding:						
Average Common Shares:						
Basic	842.3	842.6		846.1	849.2	
Diluted	863.0	864.4		869.3	878.4	
Common Shares at Period End	848.0	841.9		848.0	841.9	
Performance Ratios:						
Return on Average Total Assets (c)	1.20%	0.92%		1.01%	1.04%	
Return on Average Common Equity (c)	20.1	17.0		17.3	18.7	
Selected Balance Sheet Items:						
Loans				\$172,754	\$168,454	3%
Total Assets				365,875	365,521	--
Deposits				212,437	193,688	10%
Total Stockholders' Equity				23,838	21,742	10%
Capital Ratios:						
Tier I Risk-Based Capital Ratio				8.3% (f)	7.9%	
Total Risk-Based Capital Ratio				12.0 (f)	11.6	
Tier I Leverage				6.4 (f)	6.0	
Full-Time Equivalent Employees				72,683	69,033	

Note: Share-related data for all periods have been restated to reflect a 2 for 1 common stock split, effective June 15, 1998.

(a) Excludes the impact of credit card securitizations, restructuring costs and special items. For a reconciliation of Reported Results as shown on the Consolidated Statement of Income to results on an Operating Basis see pages 10 and 11.

(b) Includes provision for loan losses, provision for risk management instrument losses, foreclosed property expense and charge-offs related to the securitized credit card portfolio.

(c) Ratios for the fourth quarter of 1998 and 1997 are based on annualized amounts.

(d) Noninterest expense as a percentage of the total of net interest income and noninterest revenue (excluding restructuring costs, foreclosed property expense, provision for risk management instrument losses, amortization of goodwill and certain intangibles, special items and costs associated with the REIT).

(e) Excludes the impact of credit card securitizations.

(f) Estimated

THE CHASE MANHATTAN CORPORATION
Lines of Business Results
(in millions, except ratios)

Three Months Ended December 31,	Global Banking (a)			National Consumer Services (a)			Global Services (a)			Total (b)		
	Over/(Under)1997			Over/(Under)1997			Over/(Under)1997			Over/(Under)1997		
	1998	\$	% or bp	1998	\$	% or bp	1998	\$	% or bp	1998	\$	% or bp
Operating Revenues	\$ 2,495	\$ 675	37%	\$ 2,217	\$ 282	15%	\$ 724	\$ 106	17%	\$ 5,350	\$1,055	25%
Cash Operating Earnings	819	360	78%	374	72	24%	138	24	21%	1,219	320	36%
Average Common Equity	14,428	1,135	9%	6,326	765	14%	2,328	618	36%	22,302	2,746	14%
Average Assets (c)	266,291	(7,282)	(3%)	108,915	8,096	8%	13,902	3,631	35%	396,554	4,176	1%
Shareholder Value Added (SVA)	335	333	NM	161	51	46%	60	5	9%	470	247	111%
Cash Return on Common Equity	22.2%		920bp	23.1%		230bp	23.3%		(270)bp	21.4%		390bp
Cash Efficiency Ratio (Operating)	45%		(800)bp	47%		(400)bp	70%		(100)bp	52%		(400)bp

GLOBAL BANKING
KEY FINANCIAL MEASURES

Three Months Ended December 31,	Operating Revenue			Cash Operating Earnings			Efficiency Ratio	
	Over/(Under) 1997			Over/(Under) 1997			Over/(Under)	
	1998	\$	%	1998	\$	%	1998	1997
Global Markets	\$ 1,051	\$ 633	151%	\$ 428	\$ 350	449%	37%	(2700)bp
Global Investment Banking	308	(31)	(9%)	100	(10)	(9%)	46	100bp
Corporate Lending	391	65	20%	146	36	33%	25	(600)bp
Chase Capital Partners	237	27	13%	132	14	12%	9	(200)bp
Global Private Bank	169	5	3%	30	(3)	(9%)	69	400bp
Middle Markets	202	-	-	45	(1)	(2%)	55	300bp
Chase Bank of Texas N.A. (Consolidated)	393	52	15%	107	23	27%	54	(500)bp

NATIONAL CONSUMER SERVICES
KEY FINANCIAL MEASURES

Three Months Ended December 31,	Operating Revenue			Cash Operating Earnings			Efficiency Ratio	
	Over/(Under)1997			Over/(Under)1997			Over/(Under)	
	1998	\$	%	1998	\$	%	1998	1997
Cardmember Services	\$ 1,046	\$ 126	14%	\$ 128	\$ 5	4%	35%	(100)bp
Regional Consumer Banking (a)	610	35	6%	114	24	27%	66	(500)bp
Chase Home Finance	281	64	29%	76	29	62%	50	(700)bp
Diversified Consumer Services (d)	259	61	31%	57	22	63%	47	(500)bp

Note: SVA is Chase's primary measure of business unit performance. SVA represents operating earnings excluding the amortization of goodwill and certain intangibles (i.e., cash operating earnings), less an explicit charge for allocated capital. Additional refinements were made to the methodology for the allocation of capital to businesses. Prior periods have been restated to reflect these changes.

(a)Only the global banking portion of Chase Bank of Texas, N.A. is reported in the total Global Banking line of business results. The consumer- and global services-related results for Chase Texas are reported as part of NCS and Global Services lines of business results, respectively.

(b)Total column includes Corporate results.

(c)Excludes the impact of credit card securitizations.

(d)Insurance products are managed within Diversified Consumer Services, but included for reporting purposes in Cardmember Services, Chase Home Finance and Regional Consumer Banking.

NM - Not meaningful

bp - basis points

Unaudited

THE CHASE MANHATTAN CORPORATION
Lines of Business Results
(in millions, except ratios)

For The Year Ended December 31,	Global Banking (a)			National Consumer Services (a)			Global Services (a)			Total (b)		
	Over/(Under)1997			Over/(Under)1997			Over/(Under)1997			Over/(Under)1997		
	1998	\$	% or bp	1998	\$	% or bp	1998	\$	% or bp	1998	\$	% or bp
Operating Revenues	\$ 9,298	\$ 826	10%	\$ 8,203	\$ 862	12%	\$2,667	\$ 326	14%	\$ 19,824	\$ 2,125	12%
Cash Operating Earnings	2,855	283	11%	1,265	137	12%	496	73	17%	4,277	256	6%
Average Common Equity	13,924	935	7%	6,381	1,121	21%	1,879	192	11%	21,328	2,500	13%
Average Assets (c)	267,227	6,418	2%	106,703	11,439	12%	10,386	983	10%	391,222	20,323	5%
Shareholder Value Added (SVA)	985	215	28%	409	9	2%	243	55	29%	1,406	13	1%
Cash Return on Common Equity	20.1%		110bp	19.4%		(120)bp	26.0%		180bp	19.6%		(80)bp
Cash Efficiency Ratio (Operating)	47%		-	49%		(200)bp	70%		(100)bp	53%		(100)bp

GLOBAL BANKING
KEY FINANCIAL MEASURES

For The Year Ended December 31,	Operating Revenue			Cash Operating Earnings			Efficiency Ratio	
	Over/(Under)1997			Over/(Under)1997			Over/(Under)	
	1998	\$	%	1998	\$	%	1998	1997
Global Markets	\$ 3,621	\$496	16%	\$ 1,231	\$ 212	21%	47%	(100)bp
Global Investment Banking	1,258	247	24%	321	51	19%	57	200bp
Corporate Lending	1,421	74	5%	503	25	5%	26	-
Chase Capital Partners	826	75	10%	449	38	9%	13	-
Global Private Bank	673	39	6%	143	5	4%	63	-
Middle Markets	785	(32)	(4%)	174	(27)	(13%)	55	500bp
Chase Bank of Texas N.A. (Consolidated)	1,577	215	16%	433	86	25%	54	(400)bp

NATIONAL CONSUMER SERVICES
KEY FINANCIAL MEASURES

For The Year Ended December 31,	Operating Revenue			Cash Operating Earnings			Efficiency Ratio	
	Over/(Under)1997			Over/(Under)1997			Over/(Under)	
	1998	\$	%	1998	\$	%	1998	1997
Cardmember Services	\$ 3,913	\$ 580	17%	\$ 461	\$ 80	21%	34%	(300)bp
Regional Consumer Banking(a)	2,337	77	3%	382	16	4%	70	-
Chase Home Finance	1,029	103	11%	264	36	16%	52	-
Diversified Consumer Services(d)	846	125	17%	144	25	21%	53	-

Note: SVA is Chase's primary measure of business unit performance. SVA represents operating earnings excluding the amortization of goodwill and certain intangibles (i.e., cash operating earnings), less an explicit charge for allocated capital. Additional refinements were made to the methodology for the allocation of capital to businesses. Prior periods have been restated to reflect these changes.

(a)Only the global banking portion of Chase Bank of Texas, N.A. is reported in the total Global Banking line of business results. The consumer- and global services-related results for Chase Texas are reported as part of NCS and Global Services lines of business results, respectively.

(b)Total column includes Corporate results.

(c)Excludes the impact of credit card securitizations.

(d)Insurance products are managed within Diversified Consumer Services, but included for reporting purposes in Cardmember Services, Chase Home Finance and Regional Consumer Banking.

bp - basis points
Unaudited

THE CHASE MANHATTAN CORPORATION
CONSOLIDATED STATEMENT OF INCOME
(in millions, except per share data)

	Fourth Quarter		%	For The Year		%
	1998	1997		Over/(Under) 4QTR 97	1998	
INTEREST INCOME						
Loans	\$ 3,381	\$ 3,392	--	\$ 13,389	\$ 12,921	4%
Securities	964	851	13%	3,616	3,028	19%
Trading Assets	435	707	(38%)	2,431	2,770	(12%)
Federal Funds Sold and Securities Purchased Under Resale Agreements	469	728	(36%)	2,211	2,607	(15%)
Deposits with Banks	192	156	23%	642	525	22%
Total Interest Income	5,441	5,834	(7%)	22,289	21,851	2%
INTEREST EXPENSE						
Deposits	1,717	1,764	(3%)	6,840	6,561	4%
Short-Term and Other Borrowings	1,247	1,640	(24%)	5,612	5,903	(5%)
Long-Term Debt	317	320	(1%)	1,271	1,134	12%
Total Interest Expense	3,281	3,724	(12%)	13,723	13,598	1%
NET INTEREST INCOME	2,160	2,110	2%	8,566	8,253	4%
Provision for Loan Losses	411	205	100%	1,343	804	67%
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	1,749	1,905	(8%)	7,223	7,449	(3%)
NONINTEREST REVENUE						
Investment Banking Fees	381	369	3%	1,502	1,136	32%
Trust, Custody and Investment Management Fees	414	338	22%	1,543	1,307	18%
Credit Card Revenue	428	322	33%	1,474	1,088	35%
Fees for Other Financial Services	552	517	7%	2,093	1,983	6%
Trading Revenue	522	(78)	NM	1,449	1,323	10%
Provision for Risk Management Instrument Losses	(6)	--	NM	(211)	--	NM
Securities Gains	167	123	36%	609	312	95%
Private Equity Gains	244	226	8%	967	831	16%
Other Revenue	198	163	21%	664	575	15%
Total Noninterest Revenue	2,900	1,980	46%	10,090	8,555	18%
NONINTEREST EXPENSE						
Salaries	1,296	1,072	21%	5,025	4,598	9%
Employee Benefits	194	192	1%	854	839	2%
Occupancy Expense	220	193	14%	798	767	4%
Equipment Expense	250	217	15%	890	792	12%
Other Expense	913	802	14%	3,287	2,906	13%
Total Noninterest Expense Before Restructuring Costs	2,873	2,476	16%	10,854	9,902	10%
Restructuring Costs	--	20	NM	529	192	176%
Total Noninterest Expense	2,873	2,496	15%	11,383	10,094	13%
INCOME BEFORE INCOME TAX EXPENSE	1,776	1,389	28%	5,930	5,910	--
Income Tax Expense	630	515	22%	2,148	2,202	(2%)
NET INCOME	\$ 1,146	\$ 874	31%	\$ 3,782	\$ 3,708	2%
NET INCOME APPLICABLE TO COMMON STOCK	\$ 1,128	\$ 839	34%	\$ 3,684	\$ 3,526	4%
NET INCOME PER COMMON SHARE:						
Basic	\$ 1.34	\$ 1.00	34%	\$ 4.35	\$ 4.15	5%
Diluted	\$ 1.31	\$ 0.97	35%	\$ 4.24	\$ 4.01	6%

NM - Not meaningful

Certain amounts have been reclassified to conform to the current presentation.

Unaudited

THE CHASE MANHATTAN CORPORATION
NONINTEREST REVENUE AND NONINTEREST EXPENSE DETAIL
(in millions)

NONINTEREST REVENUE	Fourth Quarter		% Over/(Under)	For The Year		% Over/(Under)
	1998	1997	4QTR 97	1998	1997	1997
Fees for Other Financial Services:						
Service Charges on Deposit Accounts	\$ 93	\$ 96	(3%)	\$ 368	\$ 376	(2%)
Fees in Lieu of Compensating Balances	88	78	13%	344	314	10%
Commissions on Letters of Credit and Acceptances	83	83	--	301	307	(2%)
Mortgage Servicing Fees	43	54	(20%)	192	231	(17%)
Loan Commitment Fees	35	34	3%	136	120	13%
Insurance Fees (a)	42	29	45%	145	91	59%
Brokerage and Investment Services	40	35	14%	142	128	11%
Other Fees	128	108	19%	465	416	12%
Total	\$ 552	\$ 517	7%	\$ 2,093	\$ 1,983	6%
Trading-Related Revenue: (b)						
Interest Rate Contracts	\$ 317	\$ 165	92%	\$ 695	\$ 704	(1%)
Foreign Exchange Revenue	144	228	(37%)	963	790	22%
Debt Instruments and Other	231	(297)	NM	502	442	14%
Total	\$ 692	\$ 96	621%	\$ 2,160	\$ 1,936	12%
Other Revenue:						
Residential Mortgage Origination/Sales Activities	\$ 115	\$ 32	259%	\$ 356	\$ 130	174%
Gains on Sales of Partially-Owned Investments	--	58	NM	--	102	NM
All Other Revenue	83	73	14%	308	343	(10%)
Total	\$ 198	\$ 163	21%	\$ 664	\$ 575	15%
NONINTEREST EXPENSE						
Other Expense:						
Professional Services	\$ 185	\$ 167	11%	\$ 668	\$ 575	16%
Marketing Expense	113	115	(2%)	419	415	1%
Telecommunications	91	82	11%	349	307	14%
Travel and Entertainment	66	59	12%	243	220	10%
Amortization of Intangibles	73	49	49%	261	172	52%
Minority Interest (c)	14	16	(13%)	50	74	(32%)
Foreclosed Property Expense	3	3	--	5	12	(58%)
All Other	368	311	18%	1,292	1,131	14%
Total	\$ 913	\$ 802	14%	\$ 3,287	\$ 2,906	13%

(a) Excludes certain insurance fees related to credit cards and mortgage products, which are included in those revenue captions.

(b) Includes net interest income attributable to trading activities.

(c) Includes minority interest related to the REIT of \$11 million in each quarter.

NM - Not meaningful

Certain amounts have been reclassified to conform to the current presentation.

Unaudited

THE CHASE MANHATTAN CORPORATION
OPERATING INCOME RECONCILIATION
(in millions, except per share data)

FOURTH QUARTER 1998

	REPORTED RESULTS	CREDIT COSTS	CREDIT CARD SECURITIZATIONS	SPECIAL ITEMS	OPERATING BASIS
EARNINGS					
Total Revenue	\$ 5,060	\$ 6	\$ 284	\$ -	\$ 5,350
Noninterest Expense	2,873	(3)	-	-	2,870
Operating Margin	2,187	9	284	-	2,480
Credit Costs	411	9	284	-	704
Income Before Restructuring Costs	1,776	-	-	-	1,776
Restructuring Costs	-	-	-	-	-
Income Before Taxes	1,776	-	-	-	1,776
Tax Expense	630	-	-	-	630
Net Income	\$ 1,146	\$ -	\$ -	\$ -	\$ 1,146
NET INCOME PER COMMON SHARE					
Basic	\$ 1.34				\$ 1.34
Diluted	\$ 1.31				\$ 1.31

FOURTH QUARTER 1997

	REPORTED RESULTS	CREDIT COSTS	CREDIT CARD SECURITIZATIONS	SPECIAL ITEMS	OPERATING BASIS
EARNINGS					
Total Revenue	\$ 4,090	\$ -	\$ 263	\$ (58)	\$ 4,295
Noninterest Expense	2,476	(3)	-	-	2,473
Operating Margin	1,614	3	263	(58)	1,822
Credit Costs	205	3	263	-	471
Income Before Restructuring Costs	1,409	-	-	(58)	1,351
Restructuring Costs	20	-	-	(20)	-
Income Before Taxes	1,389	-	-	(38)	1,351
Tax Expense	515	-	-	(14)	501
Net Income	\$ 874	\$ -	\$ -	\$ (24)	\$ 850
NET INCOME PER COMMON SHARE					
Basic	\$ 1.00				\$ 0.97
Diluted	\$ 0.97				\$ 0.94

NOTES:

Reported results represent amounts shown in Chase's Consolidated Statement of Income, except restructuring costs have been separately displayed.

Credit Costs reclasses - For purposes of Operating Basis presentation, the provision for risk management instrument losses is reclassified from noninterest revenue to credit costs and foreclosed property expense is reclassified from noninterest expense to credit costs.

Credit Card Securitizations excludes the impact of credit card securitizations.

1998 special items - there were no special items in the fourth quarter of 1998.

1997 special items includes a \$58 million pre-tax gain (\$37 million after-tax) from the sale of Chase's remaining interest in CIT Group Holdings, Inc. ("CIT") and merger-related restructuring costs.

Unaudited

THE CHASE MANHATTAN CORPORATION
 OPERATING INCOME RECONCILIATION (FOR THE YEAR)
 (in millions, except per share data)

 FOR THE YEAR 1998

	REPORTED RESULTS	CREDIT COSTS	CREDIT CARD SECURITIZATIONS	SPECIAL ITEMS	OPERATING BASIS
EARNINGS					
Total Revenue	\$ 18,656	\$ 211	\$ 1,148	\$ (191)	\$ 19,824
Noninterest Expense	10,854	(5)	-	(37)	10,812
Operating Margin	7,802	216	1,148	(154)	9,012
Credit Costs	1,343	216	1,148	-	2,707
Income Before Restructuring Costs	6,459	-	-	(154)	6,305
Restructuring Costs	529	-	-	(529)	-
Income Before Taxes	5,930	-	-	375	6,305
Tax Expense	2,148	-	-	141	2,289
Net Income	\$ 3,782	\$ -	\$ -	\$ 234	\$ 4,016
NET INCOME PER COMMON SHARE					
Basic	\$ 4.35				\$ 4.63
Diluted	\$ 4.24				\$ 4.51

 FOR THE YEAR 1997

	REPORTED RESULTS	CREDIT COSTS	CREDIT CARD SECURITIZATIONS	SPECIAL ITEMS	OPERATING BASIS
EARNINGS					
Total Revenue	\$ 16,808	\$ -	\$ 993	\$ (102)	\$ 17,699
Noninterest Expense	9,902	(12)	-	(135)	9,755
Operating Margin	6,906	12	993	33	7,944
Credit Costs	804	12	993	-	1,809
Income Before Restructuring Costs	6,102	-	-	33	6,135
Restructuring Costs	192	-	-	(192)	-
Income Before Taxes	5,910	-	-	225	6,135
Tax Expense	2,202	-	-	84	2,286
Net Income	\$ 3,708	\$ -	\$ -	\$ 141	\$ 3,849
NET INCOME PER COMMON SHARE					
Basic	\$ 4.15				\$ 4.32
Diluted	\$ 4.01				\$ 4.17

NOTES:

Reported results represent amounts shown in Chase's Consolidated Statement of Income, except restructuring costs have been separately displayed.

Credit Costs reclasses - For purposes of Operating Basis presentation, the provision for risk management instrument losses is reclassified from noninterest revenue to credit costs and foreclosed property expense is reclassified from noninterest expense to credit costs.

Credit Card Securitizations excludes the impact of credit card securitizations.

1998 special items include \$191 million pre-tax income (\$123 million after-tax) for prior years' tax refunds, a \$37 million pre-tax charge (\$24 million after-tax) for the accelerated vesting of stock-based awards, the \$510 million pre-tax charge (\$320 million after-tax) in the first quarter, taken in connection with initiatives to streamline support functions and realign certain business units, and merger-related restructuring costs of \$19 million pre-tax (\$13 million after-tax).

1997 special items include \$58 million pre-tax gain (\$37 million after-tax) from the sale of Chase's remaining interest in CIT, \$44 million pre-tax gain (\$28 million after-tax) from the sale of a partially-owned foreign investment, \$135 million pre-tax charge (\$85 million after-tax) for the accelerated vesting of stock-based awards, and merger-related restructuring costs.

Unaudited

THE CHASE MANHATTAN CORPORATION
CONSOLIDATED BALANCE SHEET
(in millions)

	December 31,		%
	1998	1997	Over/ (Under) Dec. 31, 1997
ASSETS			
Cash and Due from Banks	\$ 17,068	\$ 15,704	9%
Deposits with Banks	7,212	2,886	150%
Federal Funds Sold and Securities Purchased Under Resale Agreements	18,487	30,928	(40%)
Trading Assets:			
Debt and Equity Instruments	24,844	34,641	(28%)
Risk Management Instruments	32,848	37,752	(13%)
Securities	64,490	52,738	22%
Loans	172,754	168,454	3%
Allowance for Credit Losses	(3,552)	(3,624)	(2%)
	169,202	164,830	3%
Net Loans	169,202	164,830	3%
Other Assets	31,724	26,042	22%
	\$ 365,875	\$ 365,521	--
LIABILITIES			
Deposits:			
Domestic:			
Noninterest-Bearing	\$ 47,541	\$ 46,603	2%
Interest-Bearing	85,886	71,576	20%
Foreign:			
Noninterest-Bearing	4,082	3,205	27%
Interest-Bearing	74,928	72,304	4%
	212,437	193,688	10%
Total Deposits	212,437	193,688	10%
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	41,632	56,126	(26%)
Commercial Paper	7,788	4,744	64%
Other Borrowed Funds	7,239	6,861	6%
Trading Liabilities	38,502	52,438	(27%)
Accounts Payable, Accrued Expenses and Other Liabilities	15,514	14,245	9%
Long-Term Debt	16,187	13,387	21%
Guaranteed Preferred Beneficial Interests in Corporation's Junior Subordinated Deferrable Interest Debentures	2,188	1,740	26%
	341,487	343,229	(1%)
TOTAL LIABILITIES	341,487	343,229	(1%)
PREFERRED STOCK OF SUBSIDIARY	550	550	--
STOCKHOLDERS' EQUITY			
Preferred Stock	1,028	1,740	(41%)
Common Stock	882	441	100%
Capital Surplus	9,836	10,360	(5%)
Retained Earnings	13,544	11,086	22%
Accumulated Other Comprehensive Income	392	112	250%
Treasury Stock, at Cost	(1,844)	(1,997)	(8%)
	23,838	21,742	10%
TOTAL STOCKHOLDERS' EQUITY	23,838	21,742	10%
TOTAL LIABILITIES, PREFERRED STOCK OF SUBSIDIARY AND STOCKHOLDERS' EQUITY	\$ 365,875	\$ 365,521	--

Certain amounts have been reclassified to conform to the current presentation.
Unaudited

THE CHASE MANHATTAN CORPORATION
CONSOLIDATED STATEMENT OF CHANGES
IN STOCKHOLDERS' EQUITY
(in millions)

	For The Year Ended December 31,	
	1998	1997
Preferred Stock:		
Balance at Beginning of Year	\$ 1,740	\$ 2,650
Issuance of Stock	200	--
Redemption of Stock	(912)	(910)
Balance at End of Year	\$ 1,028	\$ 1,740
Common Stock:		
Balance at Beginning of Year	\$ 441	\$ 441
Issuance of Common Stock for a Two-for-One Stock Split	441	--
Balance at End of Year	\$ 882	\$ 441
Capital Surplus:		
Balance at Beginning of Year	\$ 10,360	\$ 10,459
Issuance of Common Stock for a Two-for-One Stock Split	(441)	--
Shares Issued and Commitments to Issue Common Stock for Employee Stock-Based Awards and Related Tax Effects	(83)	(99)
Balance at End of Year	\$ 9,836	\$ 10,360
Retained Earnings:		
Balance at Beginning of Year	\$ 11,086	\$ 8,610
Net Income	3,782	3,708
Cash Dividends Declared:		
Preferred Stock	(98)	(182)
Common Stock	(1,226)	(1,050)
Balance at End of Year	\$ 13,544	\$ 11,086
Accumulated Other Comprehensive Income: (a)		
Balance at Beginning of Year	\$ 112	\$ (271)
Other Comprehensive Income	280	383
Balance at End of Year	\$ 392	\$ 112
Common Stock in Treasury, at Cost:		
Balance at Beginning of Year	\$ (1,997)	\$ (895)
Purchase of Treasury Stock	(1,091)	(2,169)
Reissuance of Treasury Stock	1,244	1,067
Balance at End of Year	\$ (1,844)	\$ (1,997)
Total Stockholders' Equity	\$ 23,838	\$ 21,742
<hr/>		
Comprehensive Income: (a)		
Net Income	\$ 3,782	\$ 3,708
Other Comprehensive Income	280	383
Comprehensive Income	\$ 4,062	\$ 4,091

(a) Effective with the first quarter 1998, Chase adopted SFAS 130, which defines and establishes the standards for reporting comprehensive income. Comprehensive income for Chase includes net income as well as the change in unrealized gains and losses on available-for-sale securities and foreign currency translation adjustments.

Prior period amounts have been reclassified to conform to the current presentation.
Unaudited

THE CHASE MANHATTAN CORPORATION
CREDIT RELATED INFORMATION
(in millions)

December 31,	Credit-Related Assets		% Over/(Under)	Nonperforming Assets		% Over/(Under)
	1998	1997	1997	1998	1997	1997
CONSUMER						
Domestic Consumer:						
1-4 Family Residential Mortgages	\$ 41,831	\$ 38,680	8%	\$ 313	\$ 340	(8%)
Credit Card	14,229	15,631	(9%)	--	--	--
Other Consumer	24,831	21,786	14%	56	38	47%
Total Domestic Consumer	80,891	76,097	6%	369	378	(2%)
Total Foreign Consumer	3,807	3,976	(4%)	23	21	10%
Total Consumer	84,698	80,073	6%	392	399	(2%)
COMMERCIAL						
Domestic Commercial:						
Commercial and Industrial	49,706	44,583	11%	332	259	28%
Commercial Real Estate	3,984	5,030	(21%)	41	75	(45%)
Total Domestic Commercial	53,690	49,613	8%	373	334	12%
Total Foreign Commercial	34,366	38,768	(11%)	675	175	286%
Total Commercial	88,056	88,381	--	1,048	509	106%
Total Loans	172,754	168,454	3%	1,440	908	59%
Derivative and Foreign Exchange Contracts	33,255	38,476	(14%)	50	--	NM
Total Credit-Related Assets	\$206,009	\$206,930	--	1,490	908	64%
Assets Acquired as Loan Satisfactions				116	110	5%
Total Nonperforming Assets				\$ 1,606	\$ 1,018	58%

NET CHARGE-OFFS	Fourth Quarter		% Over/(Under)	For The Year		% Over/(Under)
	1998	1997	4QTR 97	1998	1997	1997
CONSUMER						
Domestic Consumer:						
1-4 Family Residential Mortgages	\$ 9	\$ 11	(18%)	\$ 31	\$ 32	(3%)
Credit Card	212	140	51%	762	543	40%
Other Consumer	63	61	3%	244	232	5%
Total Domestic Consumer	284	212	34%	1,037	807	29%
Total Foreign Consumer	11	5	120%	25	14	79%
Total Consumer	295	217	36%	1,062	821	29%
COMMERCIAL						
Domestic Commercial:						
Commercial and Industrial	9	(10)	NM	(68)	22	NM
Commercial Real Estate	(5)	(14)	NM	(14)	(37)	NM
Total Domestic Commercial	4	(24)	NM	(82)	(15)	NM
Total Foreign Commercial	112	12	NM	438	(2)	NM
Total Commercial	116	(12)	NM	356	(17)	NM
Derivative and Foreign Exchange Contracts	6	--	NM	136	--	NM
Total Net Charge-offs	\$ 417	\$ 205	103%	\$ 1,554	\$ 804	93%

NM - Not meaningful
Unaudited

THE CHASE MANHATTAN CORPORATION
CREDIT RELATED INFORMATION (Continued)

CREDIT CARD PORTFOLIO (excluding the impact of securitizations): * (in millions, except ratios)	As of or For The Three Months Ended December 31,		As of or For The Year Ended December 31,	
	1998	1997	1998	1997
Average Credit Card Receivables	\$ 31,902	\$ 29,958	\$ 31,965	\$ 27,390
Past Due 90 Days or More and Accruing	\$ 691	\$ 639	\$ 691	\$ 639
As a Percentage of Average Credit Card Receivables	2.17%	2.13%	2.16%	2.33%
Net Charge-offs	\$ 500	\$ 402	\$ 1,925	\$ 1,527
As a Percentage of Average Credit Card Receivables	6.27%	5.37%	6.02%	5.58%

* Includes domestic and international credit card activity.

SELECTED COUNTRY EXPOSURE (a)
(in billions)

	At December 31, 1998				At Sept 30, 1998	At Dec. 31, 1997	
	Lending- Related (b)	Trading- Related and Other (c)	Foreign Exchange and Derivatives (d)	Resale Agreements (e)	Total Cross- Border Exposure	Total Cross- Border Exposure	
LATIN AMERICA							
Brazil	\$ 1.5	\$ 0.6	\$ 0.1	\$ 0.9	\$ 3.1	\$ 3.7	\$ 4.7
Argentina	2.0	0.2	0.1	0.5	2.8	2.7	3.2
Mexico	1.3	0.2	0.3	0.4	2.2	2.5	2.9
Chile	0.8	0.1	-	-	0.9	1.1	1.5
Colombia	0.8	-	-	-	0.8	0.9	0.8
Venezuela	0.3	0.1	-	-	0.4	0.5	1.0
All Other Latin America (f)	0.9	-	0.1	-	1.0	1.0	0.8
Total Latin America	\$ 7.6	\$ 1.2	\$ 0.6	\$ 1.8	\$ 11.2	\$ 12.4	\$ 14.9
ASIA							
Korea	\$ 1.0	\$ 1.0	\$ 0.4	\$ -	\$ 2.4	\$ 2.5	\$ 5.3
Indonesia	1.0	-	0.2	-	1.2	1.3	2.2
Thailand	-	0.7	0.2	-	0.9	1.1	1.4
Total IMF Countries	2.0	1.7	0.8	-	4.5	4.9	8.9
Hong Kong	0.6	-	0.2	-	0.8	0.7	1.1
Singapore	0.7	-	0.1	-	0.8	1.1	1.6
Philippines	0.3	0.3	-	-	0.6	0.5	0.9
Malaysia	0.1	0.4	0.1	-	0.6	0.5	0.9
China	0.5	-	0.1	-	0.6	0.7	0.7
All Other Asia	0.4	-	0.1	-	0.5	0.6	0.6
Total excluding Japan, Australia and New Zealand	\$ 4.6	\$ 2.4	\$ 1.4	\$ -	\$ 8.4	\$ 9.0	\$ 14.7
Japan	\$ 2.6	\$ 1.5	\$ 1.1	\$ 1.7	\$ 6.9	\$ 5.2	\$ 8.8
Australia	0.4	0.7	0.8	-	1.9	1.6	2.8
New Zealand	0.6	-	-	-	0.6	0.3	0.3
Total Japan, Australia and New Zealand	\$ 3.6	\$ 2.2	\$ 1.9	\$ 1.7	\$ 9.4	\$ 7.1	\$ 11.9

(a) Estimated cross-border disclosure is based on the Federal Financial Institutions Examination Council ("FFIEC") guidelines governing the determination of cross-border risk. The most significant change from the prior methodology is the treatment of local country exposure. Prior period amounts have been reclassified to conform to the current presentation.

(b) Includes loans and accrued interest, interest-bearing deposits with banks, acceptances, other monetary assets, issued letters of credit and undrawn commitments to extend credit.

(c) Includes cross-border trading debt and equity instruments and local country assets, net of local country liabilities.

(d) Foreign exchange largely represents the mark-to-market exposure of spot and forward contracts. Derivatives largely represent the mark-to-market exposure of risk management instruments. Mark-to-market exposure is a measure, at a point in time, of the value of a foreign exchange or derivative contract in the open market. The impact of legally enforceable master netting agreements on these foreign exchange and derivative contracts reduced exposure by \$17.7 billion at December 31, 1998, \$16.7 billion at September 30, 1998 and \$12.7 billion at December 31, 1997.

(e) Approximately \$1.1 billion (or 60%) of the exposure to Latin America and \$1.3 billion (or 75%) of the exposure to Japan represents resale agreements with investment grade counterparties from G-7 (Group of 7) countries. G-7 countries are the United States, United Kingdom, Germany, Japan, Italy, France, and Canada.

(f) Excludes Bermuda and Cayman Islands.
Unaudited

THE CHASE MANHATTAN CORPORATION
Condensed Average Consolidated Balance Sheet, Interest and Rates
(Taxable-Equivalent Interest and Rates; in millions)

	Three Months Ended December 31, 1998			Three Months Ended December 31, 1997		
	Average Balance	Interest	Rate (Annualized)	Average Balance	Interest	Rate (Annualized)
ASSETS						
Liquid Interest-Earning Assets	\$ 62,155	\$ 1,096	7.00%	\$ 82,894	\$ 1,592	7.62%
Securities	64,340	967	5.96%	51,130	855	6.64%
Loans	173,119	3,382	7.75%	168,804	3,394	7.98%
	-----	-----		-----	-----	
Total Interest-Earning Assets	299,614	5,445	7.21%	302,828	5,841	7.65%
Noninterest-Earning Assets	78,827			73,628		
	-----			-----		
Total Assets	\$ 378,441			\$ 376,456		
	=====			=====		
LIABILITIES						
Interest-Bearing Deposits	\$ 160,386	1,717	4.25%	\$ 142,326	1,764	4.92%
Short-Term and Long-Term Debt	92,633	1,564	6.70%	114,840	1,960	6.77%
	-----	-----		-----	-----	
Total Interest-Bearing Liabilities	253,019	3,281	5.14%	257,166	3,724	5.74%
Noninterest-Bearing Deposits	48,628			44,338		
Other Noninterest-Bearing Liabilities	52,914			53,106		
	-----			-----		
Total Liabilities	354,561			354,610		
	-----			-----		
PREFERRED STOCK OF SUBSIDIARY	550			550		
	-----			-----		
STOCKHOLDERS' EQUITY						
Preferred Stock	1,028			1,740		
Common Stockholders' Equity	22,302			19,556		
	-----			-----		
Total Stockholders' Equity	23,330			21,296		
	-----			-----		
Total Liabilities, Preferred Stock of Subsidiary and Stockholders' Equity	\$ 378,441			\$ 376,456		
	=====			=====		
INTEREST RATE SPREAD			2.07%			
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS			=====			
	\$ 2,164		2.87%	\$ 2,117		2.77%
	=====		=====	=====		=====
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS (a)			2.07%			
	\$ 2,531		3.16%	\$ 2,457		3.06%
	=====		=====	=====		=====

	For The Year Ended December 31, 1998			For The Year Ended December 31, 1997		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate
ASSETS						
Liquid Interest-Earning Assets	\$ 68,910	\$ 5,284	7.67%	\$ 80,601	\$ 5,903	7.32%
Securities	58,484	3,635	6.22%	46,042	3,045	6.61%
Loans	169,386	13,394	7.91%	159,932	12,929	8.08%
	-----	-----		-----	-----	
Total Interest-Earning Assets	296,780	22,313	7.52%	286,575	21,877	7.63%
Total Noninterest-Earning Assets	76,431			69,771		
	-----			-----		
Total Assets	\$ 373,211			\$ 356,346		
	=====			=====		
LIABILITIES						
Total Interest-Bearing Deposits	\$ 153,545	6,840 (b)	4.45% (b)	\$ 137,095	6,561	4.79%
Short-Term and Long-Term Debt	98,368	6,883	7.00%	106,050	7,037	6.64%
	-----	-----		-----	-----	
Total Interest-Bearing Liabilities	251,913	13,723	5.45%	243,145	13,598	5.59%
Noninterest-Bearing Deposits	46,169			42,067		
Other Noninterest-Bearing Liabilities	51,971			49,544		
	-----			-----		
Total Liabilities	350,053			334,756		
	-----			-----		
PREFERRED STOCK OF SUBSIDIARY	550			550		
	-----			-----		
STOCKHOLDERS' EQUITY						
Preferred Stock	1,280			2,212		
Common Stockholders' Equity	21,328			18,828		
	-----			-----		
Total Stockholders' Equity	22,608			21,040		
	-----			-----		
Total Liabilities, Preferred Stock of Subsidiary and Stockholders' Equity	\$ 373,211			\$ 356,346		
	=====			=====		
INTEREST RATE SPREAD			2.07%			
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS			=====			
	\$ 8,590		2.89%	\$ 8,279		2.89%
	=====		=====	=====		=====
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS (a)			2.07%			
	\$ 10,050 (b)		3.19% (b)	\$ 9,532		3.17%
	=====		=====	=====		=====

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(a) Excludes the impact of the credit card securitizations.
(b) Includes \$191 million pre-tax income for prior years' tax refunds.
Excluding this amount, the net yield on interest-earning assets would be 3.13%.
Unaudited