SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

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

Date of the Report: January 19, 1995

Commission file number 1-5805

CHEMICAL BANKING CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	13-2624428
(State or other jurisdiction of incorporation)	(I.R.S. Employer Identification No.)

270 Park Avenue, New York, NY	10017
(Address of principal executive Offices)	(Zip Code)

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

Item 5. Other Events

1. Chemical Banking Corporation (the "Corporation") announced on January 17, 1995, that 1994 fourth quarter net income, before a previously-announced restructuring charge, was $331 million, or $1.24 per common share, compared with net income of $347 million, or $1.23 per common share, in the year-ago same period. Including the restructuring charge of $260 million ($152 million after-tax), reported net income in the fourth quarter of 1994 was $179 million, or $.63 per share.

   For the full year 1994, net income before the fourth quarter restructuring charge was $1.446 billion, or $5.25 per share, an increase of 11 percent from 1993 net income on a comparable basis of $1.305 billion, or $4.58 per share. Including the restructuring charge, 1994 net income was $1.294 billion, or $4.64 per share. Reported 1993 net income was $1.604 billion, or $5.77 per share, which included income tax benefits of $331 million and a $115 million merger-related charge ($67 million after-tax).

   A copy of the Corporation's Press Release announcing the results of operations for the 1994 Fourth quarter and full year is incorporated herein.

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

The following exhibits are filed with this Report:

Exhibit Number	Description
99	Press Release - 1994 Fourth Quarter Earnings.

SIGNATURE

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

CHEMICAL BANKING CORPORATION
(Registrant)

Dated January 19, 1995

by /s/Joseph L. Sclafani

Joseph L. Sclafani
Controller
[Principal Accounting Officer]

EXHIBIT INDEX

Exhibit Number	Description	Page at Which Located
99	Press Release	5

Press Contact: Ken Herz
(212) 270-4621
John Stefans
(212) 270-7438

Investor Contact: John Borden
(212) 270-7318

For Immediate Release
Tuesday, January 17, 1995

New York, January 17 -- Chemical Banking Corporation today reported net income, before a previously-announced restructuring charge, for the fourth quarter of 1994 of $331 million, or $1.24 per common share, compared with net income of $347 million, or $1.23 per common share, in the year-ago same period. Including the restructuring charge of $260 million ($152 million after-tax), reported net income in the fourth quarter of 1994 was $179 million, or $.63 per share.

For the full year 1994, net income before the fourth quarter restructuring charge was $1.446 billion, or $5.25 per share, an increase of 11 percent from 1993 net income on a comparable basis of $1.305 billion, or $4.58 per share. Including the restructuring charge, 1994 net income was $1.294 billion, or $4.64 per share. Reported 1993 net income was $1.604 billion, or $5.77 per share, which included income tax benefits of $331 million and a $115 million merger-related charge ($67 million after-tax).

"Despite a difficult operating environment, 1994 was a good year for Chemical and one in which we took important steps to position ourselves for sustained success," said Walter V. Shipley, chairman and chief executive officer. "We believe the series of initiatives we announced in December will lift the corporation to a new level of performance."

On December 1, 1994, the corporation announced a two-year program designed to produce earnings per share growth of more than 15 percent in 1995 and 1996, and a core efficiency ratio of 57 percent and a return on common shareholders' equity of 16 percent in 1996.

Under the program, Chemical will reduce its existing cost base by $440 million ($230 million in 1995), and at the same time focus $180 million of new investment spending in a number of high growth businesses. The net result should be flat expenses in 1995 and 1996 and annual revenue growth targeted at 4 to 6 percent. The pre-tax restructuring charge of $260 million in the fourth quarter covered the costs associated with severance and the disposition of certain facilities.

NET INTEREST INCOME

Net interest income for the fourth quarter was $1,169 million, compared with $1,149 million in the same year-ago period. For the full year, net interest income was $4,674 million, compared with $4,636 million in 1993. The rise in net interest income is attributable to an increase in average interest-earning assets, which more than offset the effect of rising interest rates.

Average interest-earning assets for the fourth quarter were $131.8 billion, compared with $125.7 billion in the same year-ago period. For the year, average interest-earning assets were $130.0 billion, compared with $124.9 billion for 1993.

The net yield on average interest-earning assets was 3.55 percent in the fourth quarter, compared with 3.65 percent in the fourth quarter of 1993. The net yield on interest-earning assets for the full year was 3.61 percent, compared with 3.73 percent for all of 1993.

NONINTEREST REVENUE

Noninterest revenue for the fourth quarter was $815 million, compared with $1,053 million in the same period a year ago. Noninterest revenue for the full year was $3,597 million, compared with $4,024 million for all of 1993.

Corporate finance and syndication fees were $133 million in the fourth quarter, up 51 percent from $88 million in the fourth quarter a year ago. For the full year 1994, corporate finance and syndication fees were $405 million, up 20 percent from $338 million in 1993. The fourth quarter and total 1994 corporate finance fees were record results, reflecting Chemical's continued global leadership in loan syndications and structured finance.

Fees for other banking services were $294 million in the fourth quarter of 1994 and $1,148 million for the full year, up from $278 million and $1,067 million in the corresponding periods of 1993. This improvement primarily reflected increased revenues generated by the credit card business.

Combined revenues from all trading activities were $45 million in the fourth quarter of 1994 and $645 million for the full year, compared with $255 million and $1,073 million in the corresponding periods of 1993. Trading revenues were adversely affected by a difficult emerging markets debt trading environment and very low year-end activity. In addition, as previously announced, trading revenues in the fourth quarter of 1994 were reduced by $70 million ($40 million after-tax) as a result of losses sustained from unauthorized foreign exchange transactions involving the Mexican peso.

Other noninterest revenue was $165 million in the fourth quarter of 1994 and $612 million for the full year, compared with $236 million and $710 million in the corresponding periods of 1993. Revenues on equity-related investments in the fourth quarter were $127 million, compared with $78 million in the same year-ago period, and $362 million for all of 1994, compared with $278 million in 1993. The current quarter included $2 million from the sale of LDC-related past-due interest bonds, versus $154 million from the sale of such bonds in the 1993 fourth quarter, and $127 million for full year 1994, compared with $306 million in 1993.

NONINTEREST EXPENSE

Noninterest expense in the fourth quarter was $1,333 million, excluding the $260 million restructuring charge, compared with $1,335 million in the fourth quarter of 1993. For the full year, noninterest expense was $5,201 million, versus $5,135 million a year ago, excluding all restructuring charges.

Equipment expense for the fourth quarter was $107 million, compared with $93 million in the same year-ago period, and $382 million for the full year 1994, compared with $337 million in 1993. These increases result from investments in new technology in trading and consumer banking.

Foreclosed property expense was $2 million in the quarter, compared with $61 million in the fourth quarter a year ago, reflecting significant progress in managing the corporation's foreclosed real estate portfolio. For the full year, foreclosed property expense was $41 million, versus $287 million for all of 1993.

PROVISION AND ALLOWANCE FOR LOSSES

The provision for losses for the fourth quarter was $85 million, down 15 percent from $100 million in the third quarter and down 70 percent from $286 million in the fourth quarter a year ago. The provision has declined for six consecutive quarters, reflecting the continued improvement in the corporation's risk profile. For the full year, the provision for losses was $550 million, compared with $1,259 million for all of 1993.

Total net charge-offs were $258 million in the fourth quarter, compared with $125 million in the third quarter of 1994 and $232 million in the fourth quarter a year ago. Included in the fourth quarter net charge-offs were $148 million taken in conjunction with the transfer of certain real estate loans to the "held for sale" category in order to facilitate rapid disposition. Also included were consumer net charge-offs of $111 million in the fourth quarter, compared with consumer net charge-offs of $100 million in the third quarter and $89 million in the fourth quarter a year ago.

Recoveries in the fourth quarter were $82 million, compared with $76 million in the third quarter and $105 million in the fourth quarter a year ago. For the full year, recoveries were $319 million, compared with $343 million in 1993.

At December 31, the total allowance for losses was $2,480 million, compared with $3,020 million on the same date a year ago.

NONPERFORMING ASSETS

At December 31, total nonperforming assets were $1,139 million, down $1,054 million from September 30 and down $2,386 million, or 68 percent, from December 31, 1993. The reduction in nonperforming assets is largely attributable to the planned sale of approximately $735 million of real estate loans (approximately $580 million nonperforming) designated as "held for sale" as well as continued improvement in the corporation's credit profile. Nonperforming assets have decreased by 83 percent from their peak levels of $6,587 million in September 1992.

Nonperforming loans at December 31 were $929 million, down from $1,524 million at September 30 and down from $2,591 million at December 31 last year. Assets acquired as loan satisfactions were $210 million at December 31, down from $669 million at September 30 and down $724 million from $934 million on December 31, 1993.

OTHER FINANCIAL DATA

The company announced on December 1 that it plans to repurchase up to 6 million shares of its common stock over the next 12 months and said it will consider expanding the new stock buyback program upon completion of contemplated divestitures. This follows a 10 million share buyback program completed in September 1994.

The corporation's estimated Tier I risk-based capital ratio was 8.1 percent at December 31, compared with 8.1 percent a year ago. At December 31, the estimated total risk-based capital ratio was 12.2 percent, compared with 12.2 percent a year ago.

The corporation's effective tax rate was 41.5 percent in the fourth quarter. The corporation's earnings in 1994 were reported on a fully-taxed basis. Tax expense in 1993 included income tax benefits of $331 million.

The impact of marking the "available for sale" securities to market resulted in a net unfavorable impact of approximately $438 million after-tax on the corporation's stockholders' equity at December 31, 1994, compared with a net unfavorable impact of $296 million after-tax at September 30, 1994. The market valuation does not include the favorable impact of related funding sources.

On January 1, 1994, the corporation adopted FASB Interpretation No. 39, which changed the reporting of unrealized gains and losses on interest rate and foreign exchange contracts on the balance sheet. The adoption of this Interpretation has resulted in an increase of assets and liabilities of $16.0 billion at December 31, 1994, with unrealized gains reported as Trading Assets-Risk Management Instruments and the unrealized losses reported in Other Liabilities.

Net income for 1993 included a $35 million net favorable impact from the January 1, 1993 adoption of two accounting standards relating to the recognition of tax benefits and the costs associated with postretirement benefits.

Total assets at December 31 were $171.4 billion, compared with $149.9 billion on the same date a year ago. Total loans at December 31 were $78.8 billion, compared with $75.4 billion a year ago. At December 31, 1994, total deposits were $96.5 billion, compared with $98.3 billion at December 31, 1993.

The return on average total assets (ROA) was .78 percent for the fourth quarter, excluding the restructuring charge of $260 million, compared with .94 percent in the same year-ago period. The ROA for the full year was .87 percent, excluding the restructuring charge, compared with .90 percent on a comparable basis for all of 1993.

The return on average common stockholders' equity (ROE) was 12.70 percent for the fourth quarter, excluding the restructuring charge, compared with 13.38 percent in the year-ago fourth quarter. The ROE for the full year was 13.94 percent, excluding the restructuring charge, compared with 13.22 percent on a comparable basis for all of 1993.

Book value per common share was $37.88 at December 31, versus $37.60 per share on the same date a year ago.

TEXAS COMMERCE BANCSHARES

Texas Commerce Bancshares (TCB) reported net income of $38 million in the fourth quarter and $206 million for the year, compared with $39 million and $169 million in the same periods of 1993. At December 31, total assets of TCB were $20.0 billion, versus $21.8 billion a year ago.

UNAUDITED
CHEMICAL BANKING CORPORATION and Subsidiaries
(in millions, except per share and ratio data)

	Three Months Ended December 31, 1994	Three Months Ended December 31, Pro-Forma 1994	Three Months Ended December 31, 1993
EARNINGS:			
Net Income	$ 179	$ 331	$ 347
Net Income Applicable to Common Stock	$ 149	$ 301	$ 309
PER COMMON SHARE:			
Net Income	$0.63	$1.24	$1.23
Book Value at December 31,	$37.88		$37.60
Market Value at December 31,	$35.88		$40.13
Common Stock Dividends Declared	$ 0.44		$ 0.38
COMMON SHARES:			
Average Outstanding	**244.5**		**252.5**
Period End Outstanding	**244.5**		**252.9**
BALANCE SHEET AVERAGES:			
Loans	**$ 76,894**		**$ 76,063**
Securities	**$ 26,120**		**$ 23,727**
Total Assets	**$ 169,435(c)**		**$146,870**
Deposits	**$ 95,226**		**$ 97,149**
Long-Term Debt	**$ 8,262**		**$ 8,295**
Stockholders' Equity	**$ 10,854**		**$ 11,032**
PERFORMANCE RATIOS: (Average Balances)			
Return on Assets	**0.42%(c)**	**0.78%(c)**	**0.94%**
Return on Common Stockholders' Equity	**6.29%**	**12.70%**	**13.38%**
Return on Total Stockholders' Equity	**6.54%**	**12.10%**	**12.48%**

[FN]

The pro-forma column excludes the impact of the $260 million restructuring charge ($152 million after-tax) recorded in the fourth quarter of 1994.

In the third quarter of 1994, the Corporation increased its quarterly common stock dividend to $0.44 per share from $0.38 per share.

(c) On January 1, 1994, the Corporation adopted FASI 39, which increased total average assets by approximately $17.8 billion for the 1994 fourth quarter.

Performance ratios are based on annualized net income amounts.

UNAUDITED

CHEMICAL BANKING CORPORATION and Subsidiaries
(in millions, except per share and ratio data)

	For The Year Ended December 31,			
	1994	Pro-Forma 1994	1993	Pro-Forma 1993
EARNINGS:				
Income Before Effect of Accounting Changes	$1,294	$1,446	$1,569	$1,305
Net Effect of Changes in Accounting Principles	--	--	35	35
Net Income	$1,294	$1,446	$1,604	$1,340
Net Income Applicable to Common Stock	$1,156	$1,308	$1,449	$1,185
PER COMMON SHARE:				
Income Before Effect of Accounting Changes	$ 4.64	$ 5.25	$ 5.63	$ 4.58
Net Effect of Changes in Accounting Principles	--	--	.14	.14
Net Income	$ 4.64	$ 5.25	$ 5.77	$ 4.72
Book Value at December 31,	$ 37.88		$ 37.60	
Market Value at December 31,	$ 35.88		$ 40.13	
Common Stock Dividends Declared	$ 1.64(c)		$ 1.37	
COMMON SHARES:				
Average Outstanding	249.3		251.2	
Period End Outstanding	244.5		252.9	
BALANCE SHEET AVERAGES:				
Loans	$ 75,234		$ 78,739	
Securities	$ 26,207		$ 23,654	
Total Assets	$166,679		$144,881	
Deposits	$ 94,763		$ 95,656	
Long-Term Debt	$ 8,419		$ 8,053	
Stockholders' Equity	$ 10,962		$ 10,583	
PERFORMANCE RATIOS: (Average Balances)				
Return on Assets	0.78%	0.87%	1.11%	0.90%
Return on Common Stockholders' Equity	12.32%	13.94%	16.66%	13.22%
Return on Total Stockholders' Equity	11.80%	13.19%	15.16%	12.33%
CAPITAL RATIOS AT DECEMBER 31:				
Total Stockholders' Equity to Assets	6.2%		7.4%	
Common Stockholders' Equity to Assets	5.4%		6.3%	
Tier 1 Leverage	5.9%		6.8%	
Risk Based Capital:				
Tier 1 (4.0% required)	8.1%*		8.1%	
Total (8.0% required)	12.2%*		12.2%	

The pro-forma column excludes the impact of the $260 million restructuring charge ($152 million after-tax) recorded in the fourth quarter of 1994.

The Corporation recognized its remaining available Federal tax benefits in the third quarter of 1993 and as a result the Corporation's earnings beginning in the fourth quarter of 1993 are reported on a fully-taxed basis. The pro-forma column excludes the impact of the $115 million merger related charge ($67 million after-tax) recorded in the third quarter of 1993 and also assumes the Corporation's results for the year ended December 31, 1993 are reported on a fully-taxed basis.

(c) In the third quarter of 1994, the Corporation increased its quarterly common stock dividend to $0.44 per share from $0.38 per share.

On January 1, 1994, the Corporation adopted FASI 39, which increased total assets by approximately $16.0 billion at December 31, 1994 and total average assets by $16.1 billion for the year ended December 31, 1994.

The amounts exclude the net unfavorable impact on stockholders' equity of $438 million in 1994, and the net favorable impact on stockholders' equity of $215 million

in 1993, resulting from the adoption of SFAS No. 115.
The pro-forma 1993 performance ratios exclude the impact of accounting changes of $35 million.

*Estimated

UNAUDITED

CHEMICAL BANKING CORPORATION and Subsidiaries
CONSOLIDATED STATEMENT OF INCOME
(in millions, except per share data)

	Three Months Ended December 31,	
	1994	1993
INTEREST INCOME		
Loans	$1,575	$1,350
Securities	445	428
Trading Assets	177	135
Federal Funds Sold and Securities Purchased Under Resale Agreements	178	94
Deposits with Banks	91	67
Total Interest Income	2,466	2,074
INTEREST EXPENSE		
Deposits	718	542
Short-Term and Other Borrowings	444	249
Long-Term Debt	135	134
Total Interest Expense	1,297	925
NET INTEREST INCOME	1,169	1,149
Provision for Losses	85	286
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	1,084	863
NONINTEREST REVENUE		
Trust and Investment Management Fees	99	109
Corporate Finance and Syndication Fees	133	88
Service Charges on Deposit Accounts	78	71
Fees for Other Banking Services	294	278
Trading Account and Foreign Exchange Revenue	45	255
Securities Gains	1	16
Other Revenue	165	236
Total Noninterest Revenue	815	1,053
NONINTEREST EXPENSE		
Salaries	571	522
Employee Benefits	110	95
Occupancy Expense	142	149
Equipment Expense	107	93
Foreclosed Property Expense	2	61
Restructuring Charge	260	--
Other Expense	401	415
Total Noninterest Expense	1,593	1,335
INCOME BEFORE INCOME TAX EXPENSE	306	581
Income Tax Expense	127	234
NET INCOME	$ 179	$ 347
NET INCOME APPLICABLE TO COMMON STOCK	$ 149	$ 309
NET INCOME PER COMMON SHARE	$ 0.63	$ 1.23
AVERAGE COMMON SHARES OUTSTANDING	244.5	252.5

UNAUDITED
CHEMICAL BANKING CORPORATION and Subsidiaries
CONSOLIDATED STATEMENT OF INCOME
(in millions, except per share data)

	For The Year Ended December 31, 1994	1993
INTEREST INCOME		
Loans	$5,730	$5,620
Securities	1,715	1,727
Trading Assets	722	449
Federal Funds Sold and Securities Purchased Under Resale Agreements	550	339
Deposits with Banks	371	268
Total Interest Income	9,088	8,403
INTEREST EXPENSE		
Deposits	2,378	2,241
Short-Term and Other Borrowings	1,500	992
Long-Term Debt	536	534
Total Interest Expense	4,414	3,767
NET INTEREST INCOME	4,674	4,636
Provision for Losses	550	1,259
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	4,124	3,377
NONINTEREST REVENUE		
Trust and Investment Management Fees	421	406
Corporate Finance and Syndication Fees	405	338
Service Charges on Deposit Accounts	300	288
Fees for Other Banking Services	1,148	1,067
Trading Account and Foreign Exchange Revenue	645	1,073
Securities Gains	66	142
Other Revenue	612	710
Total Noninterest Revenue	3,597	4,024
NONINTEREST EXPENSE		
Salaries	2,205	2,070
Employee Benefits	439	396
Occupancy Expense	573	587
Equipment Expense	382	337
Foreclosed Property Expense	41	287
Restructuring Charge	308	158
Other Expense	1,561	1,458
Total Noninterest Expense	5,509	5,293
INCOME BEFORE INCOME TAX EXPENSE AND EFFECT OF ACCOUNTING CHANGES	2,212	2,108
Income Tax Expense	918	539
INCOME BEFORE EFFECT OF ACCOUNTING CHANGES	1,294	1,569
Net Effect of Changes in Accounting Principles	--	35
NET INCOME	$1,294	$1,604
NET INCOME APPLICABLE TO COMMON STOCK	$1,156	$1,449
PER COMMON SHARE:		
Income Before Effect of Accounting Changes	$ 4.64	$ 5.63
Net Effect of Changes in Accounting Principles	--	.14
Net Income	$ 4.64	$ 5.77
AVERAGE COMMON SHARES OUTSTANDING	249.3	251.2

[FN]
On January 1, 1993, the Corporation adopted SFAS 106 which resulted in a charge of $415 million relating to postretirement benefits and also adopted SFAS 109 which resulted in an income tax benefit of $450 million.

UNAUDITED

CHEMICAL BANKING CORPORATION and Subsidiaries
NONINTEREST REVENUE DETAIL
(in millions)

	Three Months Ended December 31, 1994	Three Months Ended December 31, 1993	For The Year Ended December 31, 1994	For The Year Ended December 31, 1993
Trust and Investment Management Fees:				
Personal Trust Fees	$ 50	$ 53	$ 206	$ 196
Corporate and Institutional Trust Fees	40	43	176	168
Other, primarily Foreign Asset Management	9	13	39	42
Total	$ 99	$ 109	$ 421	$ 406
Fees for Other Banking Services:				
Credit Card Services Revenue	$ 86	$ 71	$ 315	$ 238
Fees in Lieu of Compensating Balances	47	53	203	209
Commissions on Letters of Credit and Acceptances	35	36	151	155
Loan Commitment Fees	20	21	86	90
Mortgage Servicing Fees	22	15	79	63
Other Fees	84	82	314	312
Total	$ 294	$ 278	$1,148	$1,067
Trading Account and Foreign Exchange Revenue:				
Interest Rate Contracts	$ 73	$ 111	$ 391	$ 453
Foreign Exchange Revenue	(4)	59	152	302
Debt Instruments and Other	(24)	85	102	318
Total	$ 45	$ 255	$ 645	$1,073
Other Revenue:				
Revenue from Equity-Related Investments	$ 127	$ 78	$ 362	$ 278
Net Gains on LDC-Related Interest Bond Sales	2	154	127	306
All Other Revenue	36	4	123	126
Total	$ 165	$ 236	$ 612	$ 710

Reflects $70 million reduction as a result of losses sustained from unauthorized foreign exchange transactions involving the Mexican peso.

CHEMICAL BANKING CORPORATION and Subsidiaries
NONINTEREST EXPENSE DETAIL
(in millions)

	Three Months Ended December 31, 1994	Three Months Ended December 31, 1993	For The Year Ended December 31, 1994	For The Year Ended December 31, 1993
Other Expense:				
Professional Services	$ 65	$ 48	$ 225	$ 193
Marketing Expense	44	79	186	187
FDIC Assessments	38	41	160	175
Telecommunications	32	31	134	115
Amortization of Intangibles	30	30	115	106
All Other	192	186	741	682
Total	$ 401	$ 415	$1,561	$ 1,458

UNAUDITED
CHEMICAL BANKING CORPORATION and Subsidiaries
CONSOLIDATED BALANCE SHEET
(in millions)

	December 31, 1994	December 31, 1993
ASSETS		
Cash and Due from Banks	$ 8,832	$ 6,852
Deposits with Banks	5,649	6,030
Federal Funds Sold and Securities Purchased Under Resale Agreements	12,797	10,556
Trading Assets:		
Debt and Equity Instruments	11,093	11,679
Risk Management Instruments	17,709	--
Securities:		
Held-to-Maturity	8,566	10,108
Available-for-Sale	18,431	15,840
Loans (Net of Unearned Income)	78,767	75,381
Allowance for Losses	(2,480)	(3,020)
Premises and Equipment	2,134	1,910
Due from Customers on Acceptances	1,088	1,077
Accrued Interest Receivable	1,190	1,106
Assets Acquired as Loan Satisfactions	210	934
Assets Held for Accelerated Disposition	526	--
Other Assets	6,911	11,435
TOTAL ASSETS	$171,423	$149,888
LIABILITIES		
Deposits:		
Demand (Noninterest Bearing)	$ 21,399	$ 23,443
Time and Savings	46,799	51,940
Foreign	28,308	22,894
Total Deposits	96,506	98,277
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	23,098	12,857
Other Borrowed Funds	11,843	11,908
Acceptances Outstanding	1,104	1,099
Accounts Payable and Accrued Liabilities	2,361	2,607
Other Liabilities	17,808	3,784
Long-Term Debt	7,991	8,192
TOTAL LIABILITIES	160,711	138,724
STOCKHOLDERS' EQUITY		
Preferred Stock	1,450	1,654
Common Stock	254	253
Capital Surplus	6,544	6,553
Retained Earnings	3,263	2,501
Net Unrealized Gain (Loss) on Securities Available-for-Sale, Net of Taxes	(438)	215
Treasury Stock, at Cost	(361)	(12)
TOTAL STOCKHOLDERS' EQUITY	10,712	11,164
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$171,423	$149,888

[FN]

On January 1, 1994, the Corporation adopted FASB Interpretation No. 39. As a result, assets and liabilities increased by $16.0 billion at December 31, 1994 with unrealized gains reported as Trading Assets-Risk Management Instruments and the unrealized losses reported in Other Liabilities. Prior to adoption, unrealized gains and losses were reported net in Other Assets.

During the 1994 third quarter, the Corporation completed the repurchase of 10 million shares of its common stock in the open market under a stock repurchase plan.

UNAUDITED
CHEMICAL BANKING CORPORATION and Subsidiaries
CONSOLIDATED STATEMENT OF CHANGES
IN STOCKHOLDERS' EQUITY
(in millions)

	For The Year Ended December 31, 1994	1993
BALANCE AT JANUARY 1,	$ 11,164	$ 9,851
Net Income	1,294	1,604
Dividends Declared:		
Preferred Stock	(126)	(155)
Common Stock	(406)	(345)
Issuance of Preferred Stock	200	400
Redemption of Preferred Stock	(404)	(594)
Premium on Redemption of Preferred Stock	(12)	(17)
Issuance of Common Stock	15	200
Restricted Stock Granted	(11)	--
Net Changes in Treasury Stock	(349)	--
Net Change in the Fair Value of Available-for-Sale Securities, Net of Taxes	(653)	215
Accumulated Translation Adjustment	--	5
Net Change in Stockholders' Equity	(452)	1,313
BALANCE AT DECEMBER 31,	$ 10,712	$ 11,164

[FN]
During the 1994 third quarter, the Corporation completed the repurchase of 10 million shares of its common stock in the open market under a stock repurchase plan.

UNAUDITED
CHEMICAL BANKING CORPORATION and Subsidiaries
LOAN INFORMATION
(in millions)

	December 31, 1994	December 31, 1993
LOANS:		
Domestic Commercial:		
Commercial Real Estate	$ 5,650	$ 7,338
Other Commercial	24,723	23,690
Total Commercial Loans	30,373	31,028
Domestic Consumer:		
Residential Mortgage	13,560	12,244
Credit Card	9,261	7,176
Other Consumer	7,265	6,266
Total Consumer Loans	30,086	25,686
Total Domestic Loans	60,459	56,714
Foreign	18,308	18,667
Total Loans	$ 78,767	$ 75,381

[FN]
Included in Foreign are loans previously classified as LDC loans. Previously reported loan amounts have been reclassified to conform with the December 31, 1994 presentation.

CHEMICAL BANKING CORPORATION and Subsidiaries
ALLOWANCE RELATED INFORMATION
(in millions, except ratios)

Allowance for Losses	Three Months Ended December 31, 1994	Three Months Ended December 31, 1993	For The Year Ended December 31, 1994	For The Year Ended December 31, 1993
Non-LDC Allowance:				
Balance at Beginning of Period	$ 2,650	$2,429	$2,423	$ 2,206
Provision for Losses	85	286	550	1,259
Net Charge-Offs	(110)	(286)	(650)	(1,259)
Charge for Assets Held for Accelerated Disposition	(148)	--	(148)	--
Transfer from LDC Allowance	--	--	300	200
Allowance Related To Purchased Assets of First City Banks	--	--	--	19
Other	3	(6)	5	(2)
Balance at End of Period	2,480	2,423	2,480	2,423
LDC Allowance:				
Balance at Beginning of Period	--	543	597	819
Provision for Losses	--	--	--	--
Net (Charge-Offs) Recoveries	--	60	(239)	130
Losses on Sales and Swaps	--	(6)	(58)	(152)
Transfer to Non-LDC Allowance	--	--	(300)	(200)
Balance at End of Period	--	597	--	597
Total Allowance for Losses	$2,480	$3,020	$2,480	$3,020
Allowance Coverage Ratios:				
Allowance for Losses to:				
Loans at Period-End			3.15%	4.01%
Average Loans			3.30%	3.84%
Nonperforming Loans			266.95%	116.56%

The provision and non-LDC net charge-offs included $55 million related to the decision to accelerate the disposition of certain nonperforming residential mortgages.

UNAUDITED

CHEMICAL BANKING CORPORATION and Subsidiaries
NONPERFORMING ASSETS INFORMATION
AND ASSETS HELD FOR ACCELERATED DISPOSITION
(in millions)

	December 31, 1994	December 31, 1993
NONPERFORMING ASSETS:		
Domestic Commercial:		
Commercial Real Estate	$ 156	$ 682
Other Commercial	358	891
Total Commercial Loans	514	1,573
Domestic Consumer:		
Residential Mortgage	92	101
Other Consumer	12	24
Total Consumer Loans	104	125
Total Domestic	618	1,698
Foreign, primarily Commercial	311	893
Total Nonperforming Loans	929	2,591
Assets Acquired as Loan Satisfactions	210	934
Total Nonperforming Assets	$ 1,139	$ 3,525
ASSETS HELD FOR ACCELERATED DISPOSITION:		
Loans	$ 336	$ --
Real Estate Owned	190	--
Assets Held for Accelerated Disposition	$ 526	$ --

[FN]
Reflects approximately $580 million decrease related to the decision to accelerate the disposition of certain nonperforming real estate assets.
Includes nonperforming loans previously classified as LDC nonperforming loans. Previously reported loan amounts have been reclassified to conform with the December 31, 1994 presentation.

CHEMICAL BANKING CORPORATION and Subsidiaries
NET CHARGE-OFFS INFORMATION
(in millions)

	Three Months Ended December 31,		For The Year Ended December 31,	
- -------	1994	1993	1994	1993
NET CHARGE-OFFS:				
Domestic Commercial:				
Commercial Real Estate	$ 22	$ 66	$ 165	$ 244
Other Commercial	(16)	91	80	422
Total Commercial	6	157	245	666
Domestic Consumer:				
Residential Mortgage	23	2	47	67
Credit Card	82	77	329	322
Other Consumer	6	10	19	30
Total Consumer	111	89	395	419
Total Domestic Charge-offs	117	246	640	1,085
Foreign	(7)	(14)	307	196
Total Net Charge-offs	$ 110	$ 232	$ 947	$1,281
Charge for Assets Held for Accelerated Disposition	$ 148	$ --	$ 148	$ --

Includes charge-offs previously classified as LDC charge-offs and losses on sales and swaps. Previously reported net charge-off amounts have been reclassified to conform with the 1994 presentation.

UNAUDITED
CHEMICAL BANKING CORPORATION and Subsidiaries
Average Consolidated Balance Sheet, Interest and Rates
(Taxable-Equivalent Interest and Rates; in millions)

	Three Months Ended December 31, 1994			Three Months Ended December 31, 1993		
	Average Balance	Interest	Rate (Annualized)	Average Balance	Interest	Rate (Annualized)
ASSETS						
Deposits with Banks	$ 6,078	$ 91	6.06%	$ 4,128	$ 67	6.52%
Federal Funds Sold and Securities Purchased Under Resale Agreements	12,107	178	5.85%	11,491	94	3.23%
Trading Assets	10,589	177	6.68%	10,305	135	5.23%
Securities:						
Held-to-Maturity	8,613	141	6.50%	--	--	--%
Available-for-Sale	17,507	307	6.96%	--	--	--%
Securities	--	--	--%	23,727	430	7.19%
Loans	76,894	1,579	8.16%	76,063	1,354	7.08%
Total Interest-Earning Assets	131,788	$ 2,473	7.47%	125,714	$2,080	6.58%
Allowance for Losses	(2,667)			(3,050)		
Cash and Due from Banks	7,977			8,886		
Risk Management Instruments	19,248			--		
Other Assets	13,089			15,320		
Total Assets	$ 169,435			$ 146,870		
LIABILITIES						
Domestic Retail Time Deposits	$ 42,094	$ 336	3.17%	$ 46,986	$ 299	2.52%
Domestic Negotiable Certificates of Deposit and Other Deposits	5,015	49	3.90%	5,756	45	3.07%
Deposits in Foreign Offices	26,933	333	4.97%	21,556	198	3.69%
Total Interest-Bearing Deposits	74,042	718	3.87%	74,298	542	2.90%
Short-Term and Other Borrowings:						
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	20,950	277	5.25%	14,191	100	2.79%
Commercial Paper	3,095	40	5.13%	2,363	18	3.17%
Other	7,972	127	6.32%	7,052	131	7.37%
Total Short-Term and Other Borrowings	32,017	444	5.50%	23,606	249	4.20%
Long-Term Debt	8,262	135	6.49%	8,295	134	6.43%
Total Interest-Bearing Liabilities	114,321	1,297	4.52%	106,199	925	3.47%
Demand Deposits	21,184			22,851		
Risk Management Instruments	17,807			--		
Other Liabilities	5,269			6,788		
Total Liabilities	158,581			135,838		
STOCKHOLDERS' EQUITY						
Preferred Stock	1,450			1,852		
Common Stockholders' Equity	9,404			9,180		
Total Stockholders' Equity	10,854			11,032		
Total Liabilities and Stockholders' Equity	$ 169,435			$ 146,870		
INTEREST RATE SPREAD			2.95%			3.11%
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS		$ 1,176	3.55%		$1,155	3.65%

On December 31, 1993 the Corporation adopted SFAS 115.

UNAUDITED
CHEMICAL BANKING CORPORATION and Subsidiaries
Average Consolidated Balance Sheet, Interest and Rates
(Taxable-Equivalent Interest and Rates; in millions)

	For the Year Ended December 31, 1994			For The Year Ended December 31, 1993		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate
ASSETS						
Deposits with Banks	$ 5,257	$ 371	7.07%	$ 4,202	$ 268	6.39%
Federal Funds Sold and Securities Purchased Under Resale Agreements	12,000	550	4.58%	10,300	339	3.29%
Trading Assets	11,347	722	6.37%	8,039	449	5.59%
Securities:						
Held-to-Maturity	9,204	620	6.73%	--	--	--%
Available-for-Sale	17,003	1,104	6.49%	--	--	--%
Securities	--	--	--%	23,654	1,731	7.32%
Loans	75,234	5,745	7.64%	78,739	5,637	7.16%
Total Interest-Earning Assets	130,045	$ 9,112	7.01%	124,934	$8,424	6.74%
Allowance for Losses	(2,872)			(3,084)		
Cash and Due from Banks	8,491			8,537		
Risk Management Instruments	17,779			--		
Other Assets	13,236			14,494		
Total Assets	$ 166,679			$ 144,881		
LIABILITIES						
Domestic Retail Deposits	$ 43,861	$ 1,164	2.66%	$ 46,598	$1,237	2.65%
Domestic Negotiable Certificates of Deposit and Other Deposits	5,128	186	3.64%	6,242	191	3.05%
Deposits in Foreign Offices	24,051	1,028	4.27%	21,066	813	3.86%
Total Interest-Bearing Deposits	73,040	2,378	3.26%	73,906	2,241	3.03%
Short-Term and Other Borrowings:						
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	19,154	844	4.41%	15,461	472	3.05%
Commercial Paper	2,760	118	4.29%	2,438	83	3.42%
Other	8,775	538	6.12%	6,663	437	6.56%
Total Short-Term and Other Borrowings	30,689	1,500	4.89%	24,562	992	4.04%
Long-Term Debt	8,419	536	6.37%	8,053	534	6.64%
Total Interest-Bearing Liabilities	112,148	4,414	3.94%	106,521	3,767	3.54%
Demand Deposits	21,723			21,750		
Risk Management Instruments	16,143			--		
Other Liabilities	5,703			6,027		
Total Liabilities	155,717			134,298		
STOCKHOLDERS' EQUITY						
Preferred Stock	1,579			1,887		
Common Stockholders' Equity	9,383			8,696		
Total Stockholders' Equity	10,962			10,583		
Total Liabilities and Stockholders' Equity	$ 166,679			$ 144,881		
INTEREST RATE SPREAD			3.07%			3.20%
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS		$ 4,698	3.61%		$4,657	3.73%

On December 31, 1993 the Corporation adopted SFAS 115.

UNAUDITED

TEXAS COMMERCE BANCSHARES, INC. and Subsidiaries
CONDENSED CONSOLIDATED STATEMENT OF INCOME
(in millions)

	Three Months Ended December 31, 1994	Three Months Ended December 31, 1993	For The Year Ended December 31, 1994	For The Year Ended December 31, 1993
NET INTEREST INCOME	$ 180	$ 169	$ 690	$ 692
Provision for Losses	(10)	(6)	(40)	--
Net Interest Income After Provision for Losses	190	175	730	692
NONINTEREST REVENUE	93	95	400	392
NONINTEREST EXPENSE	223	206	805	858
Income Before Income Tax Expense and Effect of Accounting Changes	60	64	325	226
Income Tax Expense	22	20	119	66
Income Before Effect of Accounting Changes	38	44	206	160
Net Effect of Changes in Accounting Principles	--	(5)	--	9
NET INCOME	$ 38	$ 39	$ 206	$ 169

Includes $36 million restructuring charge ($23 million after tax).
Includes $43 million restructuring charge ($30 million after tax) related to the acquisition of certain former First City assets.

TEXAS COMMERCE BANCSHARES, INC. and Subsidiaries
CONDENSED CONSOLIDATED BALANCE SHEET
(in millions)

	December 31, 1994	December 31, 1993
ASSETS		
Cash and Due from Banks	$ 2,273	$ 2,160
Deposits with Banks	5	5
Federal Funds Sold and Securities Purchased Under Resale Agreements	2,708	5,154
Trading Assets	39	16
Securities:		
Held-to-Maturity	1,565	1,291
Available-for-Sale	1,452	1,455
Loans (Net of Unearned Income)	10,569	10,267
Allowance for Losses	(311)	(344)
Assets Acquired as Loan Satisfactions	63	95
All Other Assets	1,672	1,687
TOTAL ASSETS	$20,035	$21,786
LIABILITIES		
Demand Deposits (Noninterest Bearing)	$ 5,469	$ 6,172
Domestic and Foreign Interest Bearing Deposits	10,725	11,204
All Other Liabilities	2,194	2,663
TOTAL LIABILITIES	18,388	20,039
STOCKHOLDER'S EQUITY	1,647	1,747
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$20,035	$21,786

[FN]

Includes $15 million of risk management instruments as a
result of the adoption of FASB Interpretation No. 39.