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 the Report: January 18, 1996 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

2

Item 5. Other Events

1. Chemical Banking Corporation (the "Corporation") announced on January 16, 1996, that its full year 1995 net income was $1,805 million, an increase of 25 percent from 1994 net income on a comparable basis of $1,446 million. Primary earnings per share were $6.73, up 29 percent from $5.20 in 1994. Fully diluted earnings per share increased 26 percent to $6.47, compared with $5.13 in 1994. The 1994 results exclude a restructuring charge of $260 million ($152 million after-tax). Including the restructuring charge, net income for 1995 was up 39 percent from $1,294 million in 1994, with primary earnings per share up 46 percent from $4.60, and up 43 percent on a fully diluted basis from $4.54 per share.

The Corporation's 1995 fourth quarter net income was $490 million, an increase of 48 percent from net income on a comparable basis of $331 million for the same period a year ago. Primary earnings per share in the 1995 fourth quarter increased 48 percent to $1.81 per share, compared with $1.22 per share in the fourth quarter of 1994. Fully diluted earnings per share for the 1995 fourth quarter were $1.81, compared with $1.20 in the prior year period. Including the 1994 restructuring charge, the Corporation's 1995 fourth quarter net income rose 174 percent from $179 million, and both primary and fully diluted earnings per share increased 197 percent from $.61 per share.

A copy of the Corporation's Press Release announcing the results of operations for the 1995 fourth quarter is incorporated herein.

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

The following exhibits are filed with this Report:

Exhibit Number	Description
99.1	Press Release - 1995 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.

CHEMICAL BANKING CORPORATION
(Registrant)

Dated January 18, 1996

by /s/ JOSEPH L. SCLAFANI

Joseph L. Sclafani
Controller
[Principal Accounting Officer]

EXHIBIT INDEX

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

Investor Contact: John Borden
(212) 270-7318

For Immediate Release
Tuesday, January 16, 1996

New York, January 16 -- Chemical Banking Corporation today reported record net income for the full year 1995 of $1.805 billion, an increase of 25 percent from 1994 net income on a comparable basis of $1.446 billion. Primary earnings per share were $6.73, up 29 percent from $5.20 in 1994. Fully diluted earnings per share rose 26 percent to $6.47, compared with $5.13 a year ago. The 1994 results exclude a restructuring charge of $260 million ($152 million after-tax). Including the restructuring charge, net income for 1995 was up 39 percent from $1.294 billion in 1994, with primary earnings per share up 46 percent from $4.60, and up 43 percent on a fully diluted basis from $4.54 per share.

Net income for the 1995 fourth quarter was $490 million, up 48 percent from net income on a comparable basis of $331 million in the year-ago same period. Primary earnings per share in the fourth quarter increased 48 percent to $1.81, compared with $1.22 in 1994. Fully diluted earnings per share rose 51 percent to $1.81, from $1.20. Including the 1994 restructuring charge, 1995 fourth quarter net income rose 174 percent from $179 million, and both primary and fully diluted earnings per share increased 197 percent from $.61 per share.

"Chemical had an outstanding year in 1995. We achieved record earnings and delivered on all of the performance initiatives we announced on December 1, 1994," said Walter V. Shipley, chairman and chief executive officer. "Characterized by good revenue growth, lower expenses and a disciplined use of capital, these results set a solid base for our merger with Chase."

The corporation's return on average common stockholders' equity was 17.7 percent for the fourth quarter, compared with 12.7 percent a year ago (excluding the restructuring charge), and 17.1 percent for the full year 1995, compared with 13.9 percent in 1994 (excluding the restructuring charge). The efficiency ratio was 59 percent in the fourth quarter, compared with 67 percent a year ago, and 59 percent for the full year 1995 compared with 63 percent in 1994. The corporation's estimated Tier I risk-based capital ratio was 8.4 percent at December 31, compared with 8.0 percent a year ago. At December 31, the estimated total risk-based capital ratio was 12.1 percent, compared with 12.0 percent a year ago.

The corporation completed two transactions in the fourth quarter as part of its program to free up capital through the sale of non-strategic businesses. On December 15, Chemical completed the sale of half its 40 percent interest in The CIT Group to The Dai-Ichi Kangyo Bank for approximately $430 million. On October 6, the corporation completed the sale of its banking operations in southern and central New Jersey to PNC Bank Corp. for approximately $490 million. The two transactions resulted in a net gain of approximately $25 million after-tax.

Also in the fourth quarter, the corporation securitized $2.25 billion in credit card receivables. As a result of this securitization, the corporation experienced lower net interest income, offset by a lower provision for credit losses and higher fee revenue.

Net Interest Income

Net interest income for the fourth quarter was $1,174 million, compared with $1,169 million in the same year-ago period. The credit card securitization and the sale of certain New Jersey operations resulted in $49 million and $33 million reductions in net interest income for the fourth quarter, respectively.

Average interest-earning assets for the fourth quarter were $148.3 billion, compared with $131.8 billion in the same year-ago period. The net yield on average interest-earning assets was 3.16 percent in the fourth quarter, compared with 3.55 percent in the fourth quarter of 1994, largely reflecting the impact of the credit card securitization.

Noninterest Revenue

Noninterest revenue for the fourth quarter was $958 million, up 18 percent from $815 million in the same period a year ago.

Corporate finance and syndication fees were $126 million in the fourth quarter, compared with $133 million in the fourth quarter a year ago. For the full year 1995, corporate finance and syndication fees were a record $531 million, up 31 percent, reflecting increases in global investment banking activities, especially loan syndications and new issues of high-yield securities.

Fees for other financial services were $337 million in the fourth quarter, compared with $294 million in the year-ago period, reflecting additional revenues from credit card growth and securitization.

Noninterest revenues from trading activities were $184 million in the fourth quarter, compared with $45 million in 1994. Net interest income related to trading activities in the fourth quarter was $57 million, compared with $10 million in 1994.

Securities gains in the fourth quarter were $21 million, compared with a gain of $1 million in the fourth quarter of 1994.

Other noninterest revenue was $123 million in the fourth quarter, compared with $165 million in the year-ago period. Revenues from equity and equity-related investments were $68 million, compared with $127 million in the same year-ago period.

Noninterest Expense

Noninterest expense in the fourth quarter was $1,250 million, down 6 percent from $1,333 million in the fourth quarter of 1994, excluding the 1994 restructuring charge. The sale of certain banking operations in New Jersey reduced operating expenses in the fourth quarter by $31 million. Expense levels in the fourth quarter also reflect reduced FDIC premium expense of $31 million when compared with 1994. For the full year 1995, noninterest expense on a comparable basis was slightly lower than 1994, meeting the corporation's goal of flat expenses in 1995, and reflecting the benefits from the margin improvement program.

Provision and Allowance for Losses

The provision for losses for the fourth quarter was $116 million, compared with $122 million in the third quarter of 1995 and $85 million in the fourth quarter of 1994.

Total net charge-offs were $116 million in the fourth quarter, compared with $258 million in the fourth quarter a year ago. Included in net charge-offs were consumer net charge-offs of $118 million in the fourth quarter of 1995, compared with $111 million in the fourth quarter of 1994, due largely to growth in outstandings in the credit card portfolio. Not included in 1995 consumer net charge-offs was $12 million related to the credit card securitization.

Recoveries in the fourth quarter were $97 million, compared with $82 million in the year-ago period. Included in the recoveries were $81 million for commercial loans, compared with $64 million in the fourth quarter of 1994.

At December 31, the total allowance for losses was $2,379 million, compared with $2,480 million on the same date a year ago.

Nonperforming Assets

At December 31, total nonperforming assets were $906 million, down from $1,047 million at September 30 and down $233 million, from $1,139 million on December 31, 1994.

Nonperforming loans at December 31 were $856 million, down from $991 million at September 30 and down from $929 million at December 31, 1994. Assets acquired as loan satisfactions were $50 million at December 31, compared with $56 million at September 30 and $210 million on December 31, 1994.

Other Financial Data

During the fourth quarter of 1995 the corporation reassessed its securities portfolio and transferred $5 billion of held to maturity securities (including developing markets securities) under a one-time window permitted by SFAS 115 into the available for sale category. As of December 31, 1995, the impact of this transfer reduced shareholders' equity by $389 million after-tax.

The impact of marking all of the available for sale securities to market resulted in a net unfavorable impact of approximately $303 million after-tax on the corporation's stockholders' equity at December 31, 1995, compared with a net unfavorable impact of $135 million after-tax at September 30, 1995 and $438 million after-tax at December 31, 1994. The market valuation does not include the impact of changes in interest rates on related funding.

Total assets at December 31, 1995 were $182.9 billion, compared with $171.4 billion on the same date a year ago. Total loans at December 31 were $82.1 billion, compared with $78.8 billion a year ago. At December 31, 1995, total deposits were $98.4 billion, compared with $96.5 billion a year ago.

The return on average total assets (ROA) was 1.05 percent for the fourth quarter, compared with .78 percent in the same year-ago period, excluding the restructuring charge of $260 million. The ROA for the full year was 1.00 percent, compared with .87 percent for all of 1994.

Book value per common share was $42.56 at December 31, compared with $37.88 per share on the same date a year ago.

UNAUDITED

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

	Three Months Ended December 31,			For The Year Ended December 31,		
	1995	1994	Pro-Forma(a) 1994	1995	1994	Pro-Forma(a) 1994
EARNINGS:						
Income Before Effect of Accounting Change	$ 490	$ 179	$ 331	$ 1,816	$ 1,294	$ 1,446
Effect of Change in Accounting Principle	--	--	--	(11)(c)	--	--
Net Income	$ 490	$ 179	$ 331	$ 1,805	$ 1,294	$ 1,446
Net Income Applicable to Common Stock	$ 466	$ 149	$ 301	$ 1,700	$ 1,156	$ 1,308
INCOME PER COMMON SHARE:(b)						
Primary:						
Income Before Effect of Accounting Change	$ 1.81	$ 0.61	$ 1.22	$ 6.77	$ 4.60	$ 5.20
Effect of Change in Accounting Principle	--	--	--	(0.04)(c)	--	--
Net Income	$ 1.81	$ 0.61	$ 1.22	$ 6.73	$ 4.60	$ 5.20
Assuming Full Dilution:						
Income Before Effect of Accounting Change	$ 1.81	$ 0.61	$ 1.20	$ 6.51	$ 4.54	$ 5.13
Effect of Change in Accounting Principle	--	--	--	(0.04)(c)	--	--
Net Income	$ 1.81	$ 0.61	$ 1.20	$ 6.47	$ 4.54	$ 5.13
Book Value at December 31,	$ 42.56	$ 37.88		$ 42.56	$ 37.88	
Market Value at December 31,	$ 58.75	$ 35.88		$ 58.75	$ 35.88	
Common Stock Dividends Declared (d)	$ 0.50	$ 0.44		$ 1.94	$ 1.64	
COMMON SHARES OUTSTANDING:						
Average Common and Common Equivalent Shares	256.5	246.3		252.6	251.3	
Average Common Shares Assuming Full Dilution	257.3	254.0		263.8	258.9	
Common Shares at Period End	250.5	244.5		250.5	244.5	
PERFORMANCE RATIOS:(Average Balances)(e)						
Return on Assets	1.05%	0.42%	0.78%	1.00%	0.78%	0.87%
Return on Common Stockholders' Equity	17.66%	6.29%	12.70%	17.08%	12.32%	13.94%
Return on Total Stockholders' Equity	16.59%	6.54%	12.10%	16.00%	11.80%	13.19%
CAPITAL RATIOS AT DECEMBER 31:						
Common Stockholders' Equity to Assets				5.8%	5.4%	
Total Stockholders' Equity to Assets				6.5%	6.2%	
Tier 1 Leverage (f)				6.4%	6.3%	
Risk-Based Capital:(f)						
Tier 1 (4.0% required)				8.4%*	8.0%	
Total (8.0% required)				12.1%*	12.0%	

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

(b) Effective with the 1995 second quarter, the Corporation changed its reporting of earnings per share ("EPS") for all periods from "simple" EPS (which is based solely on the average number of common shares outstanding) to reporting "primary" and "fully diluted" EPS (which are based on the average number of common and common equivalent shares outstanding). Previously, the Corporation reported simple EPS, since the differences between simple EPS and primary EPS or simple EPS and fully diluted EPS were not material (less than 3%).

(c) On January 1, 1995, the Corporation adopted SFAS 106 for the accounting for other postretirement benefits relating to the Corporation's foreign plans.

(d) The Corporation increased its quarterly common stock dividend from $0.44 per share to $0.50 per share in the second quarter of 1995, and from $0.38 per share to $0.44 per share in the third quarter of 1994.

(e) Performance ratios for three months ended December 31, 1995 and 1994 are based on annualized net income amounts.

(f) For all periods presented, risk-based capital and leverage ratios exclude the assets and off-balance sheet financial instruments of the Corporation's securities subsidiary, Chemical Securities Inc., as well as the Corporation's investment in this subsidiary. These ratios also exclude the net unfavorable impact on stockholders' equity resulting from the

adoption of SFAS 115.
* Estimated

UNAUDITED

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

	Three Months Ended		
	Dec. 31, 1995	Sept. 30, 1995	Dec. 31, 1994
INTEREST INCOME			
Loans	$ 1,749	$ 1,844	$ 1,575
Securities	609	535	445
Trading Assets	263	211	177
Federal Funds Sold and Securities Purchased Under Resale Agreements	173	181	178
Deposits with Banks	58	62	91
Total Interest Income	2,852	2,833	2,466
INTEREST EXPENSE			
Deposits	932	943	718
Short-Term and Other Borrowings	612	559	444
Long-Term Debt	134	134	135
Total Interest Expense	1,678	1,636	1,297
NET INTEREST INCOME	1,174	1,197	1,169
Provision for Losses	116	122	85
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	1,058	1,075	1,084
NONINTEREST REVENUE			
Trust and Investment Management Fees	95	96	99
Corporate Finance and Syndication Fees	126	157	133
Service Charges on Deposit Accounts	72	75	78
Fees for Other Financial Services	337	307	294
Trading Revenue	184	213	45
Securities Gains	21	47	1
Other Revenue	123	82	165
Total Noninterest Revenue	958	977	815
NONINTEREST EXPENSE			
Salaries	613	616	571
Employee Benefits	106	104	110
Occupancy Expense	125	131	142
Equipment Expense	100	97	107
Foreclosed Property Expense	(2)	--	2
Other Expense	308	309	401
Total Noninterest Expense Before Restructuring Charge	1,250	1,257	1,333
Restructuring Charge	--	--	260
Total Noninterest Expense	1,250	1,257	1,593
INCOME BEFORE INCOME TAX EXPENSE	766	795	306
Income Tax Expense	276	318	127
NET INCOME	$ 490	$ 477	$ 179
NET INCOME APPLICABLE TO COMMON STOCK	$ 466	$ 452	$ 149
INCOME PER COMMON SHARE:			
Primary	$ 1.81	$ 1.74	$ 0.61
Assuming Full Dilution	$ 1.81	$ 1.70	$ 0.61

UNAUDITED

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

	For The Year Ended December 31, 1995	1994
INTEREST INCOME		
Loans	$ 7,024	$ 5,730
Securities	2,162	1,715
Trading Assets	878	722
Federal Funds Sold and Securities Purchased Under Resale Agreements	785	550
Deposits with Banks	269	371
Total Interest Income	11,118	9,088
INTEREST EXPENSE		
Deposits	3,657	2,378
Short-Term and Other Borrowings	2,226	1,500
Long-Term Debt	546	536
Total Interest Expense	6,429	4,414
NET INTEREST INCOME	4,689	4,674
Provision for Losses	478	550
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	4,211	4,124
NONINTEREST REVENUE		
Trust and Investment Management Fees	379	421
Corporate Finance and Syndication Fees	531	405
Service Charges on Deposit Accounts	297	300
Fees for Other Financial Services	1,228	1,148
Trading Revenue	624	645
Securities Gains	119	66
Other Revenue	588	612
Total Noninterest Revenue	3,766	3,597
NONINTEREST EXPENSE		
Salaries	2,332	2,205
Employee Benefits	434	439
Occupancy Expense	520	573
Equipment Expense	395	382
Foreclosed Property Expense	(23)	41
Other Expense	1,343	1,561
Total Noninterest Expense Before Restructuring Charge	5,001	5,201
Restructuring Charge	--	308
Total Noninterest Expense	5,001	5,509
INCOME BEFORE INCOME TAX EXPENSE AND EFFECT OF ACCOUNTING CHANGE	2,976	2,212
Income Tax Expense	1,160	918
INCOME BEFORE EFFECT OF ACCOUNTING CHANGE	1,816	1,294
Effect of Change in Accounting Principle	(11)	--
NET INCOME	$ 1,805	$ 1,294
NET INCOME APPLICABLE TO COMMON STOCK	$ 1,700	$ 1,156
INCOME PER COMMON SHARE:		
Primary:		
Income Before Effect of Accounting Change	$ 6.77	$ 4.60
Effect of Change in Accounting Principle	(0.04)	--
Net Income	$ 6.73	$ 4.60
Assuming Full Dilution:		
Income Before Effect of Accounting Change	$ 6.51	$ 4.54
Effect of Change in Accounting Principle	(0.04)	--
Net Income	$ 6.47	$ 4.54

UNAUDITED

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

	Three Months Ended			For The Year Ended	
	Dec. 31, 1995	Sept.30, 1995	Dec. 31, 1994	December 31, 1995	December 31, 1994
TRUST AND INVESTMENT MANAGEMENT FEES:					
Personal Trust Fees	$ 52	$ 51	$ 50	$ 206	$ 206
Corporate and Institutional Trust Fees	33	34	40	131	176
Other, primarily Foreign Asset Management	10	11	9	42	39
Total	$ 95	$ 96	$ 99	$ 379	$ 421
FEES FOR OTHER FINANCIAL SERVICES:					
Credit Card Revenue	$ 128	$ 87	$ 86	$ 378	$ 315
Fees in Lieu of Compensating Balances	46	47	47	187	203
Commissions on Letters of Credit and Acceptances	37	40	35	154	151
Loan Commitment Fees	21	22	20	87	86
Mortgage Servicing Fees	24	24	22	94	79
Other Fees	81	87	84	328	314
Total	$ 337	$ 307	$ 294	$ 1,228	$ 1,148
TRADING REVENUE:					
Interest Rate Contracts	$ 68	$ 48	$ 73	$ 173	$ 391
Foreign Exchange Revenue	69	70	(4)(a)	280	152(a)
Debt Instruments and Other	47	95	(24)	171	102
Total	$ 184	$ 213	$ 45	$ 624	$ 645
OTHER REVENUE:					
Revenue from Equity-Related Investments	$ 68	$ 77	$ 127	$ 378	$ 362
Net Gains (Losses) on Emerging Markets Bond Sales	--	(36)	2	(86)	127
All Other Revenue	55	41	36	296 (b)	123
Total	$ 123	$ 82	$ 165	$ 588	$ 612

(a) Reflects $70 million reduction as a result of losses sustained from unauthorized foreign exchange transactions involving the Mexican peso.
(b) Includes $85 million gain related to the sale of the Corporation's investment in Far East Bank and Trust Company.

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

	Three Months Ended			For The Year Ended December 31,	
	Dec. 31, 1995	Sept. 30, 1995	Dec. 31, 1994	1995	1994
OTHER EXPENSE: (a)					
Professional Services	$ 48	$ 50	$ 65	$ 205	$ 225
Marketing Expense	40	44	44	178	186
FDIC Assessments	7	(3)(b)	38	77 (b)	160
Telecommunications	34	37	37	148	153
Amortization of Intangibles	21	25	30	101	115
All Other	158	156	187	634	722
Total	$ 308	$ 309	$ 401	$ 1,343	$ 1,561

(a) Certain prior period amounts have been reclassified to conform with the December 31, 1995 presentation.
(b) Includes the impact of a FDIC refund due to a reduction in the assessment rate.

UNAUDITED

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

	December 31, 1995	December 31, 1994
ASSETS		
Cash and Due from Banks	$ 9,077	$ 8,832
Deposits with Banks	2,666	5,649
Federal Funds Sold and Securities Purchased Under Resale Agreements	8,033	12,797
Trading Assets:		
Debt and Equity Instruments	18,317	11,093
Risk Management Instruments	17,703	17,709
Securities:		
Held-to-Maturity	4,628	8,566
Available-for-Sale	30,157	18,431
Loans (Net of Unearned Income)	82,143	78,767
Allowance for Credit Losses	(2,379)	(2,480)
Premises and Equipment	2,038	2,134
Due from Customers on Acceptances	1,179	1,088
Accrued Interest Receivable	1,328	1,190
Assets Acquired as Loan Satisfactions	50	210
Assets Held for Accelerated Disposition	412	526
Other Assets	7,574	6,911
TOTAL ASSETS	$ 182,926	$ 171,423
LIABILITIES		
Deposits:		
Demand (Noninterest Bearing)	$ 21,673	$ 21,399
Time and Savings	44,491	46,799
Foreign	32,253	28,308
Total Deposits	98,417	96,506
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	25,675	23,098
Other Borrowed Funds	14,047	11,843
Acceptances Outstanding	1,193	1,104
Accounts Payable and Accrued Liabilities	2,690	2,361
Other Liabilities	21,663	17,808
Long-Term Debt	7,329	7,991
TOTAL LIABILITIES	171,014	160,711
STOCKHOLDERS' EQUITY		
Preferred Stock	1,250	1,450
Common Stock	255	254
Capital Surplus	6,479	6,544
Retained Earnings	4,493	3,263
Net Unrealized Loss on Securities Available-for-Sale, Net of Taxes	(303)	(438)
Treasury Stock, at Cost	(262)	(361)
TOTAL STOCKHOLDERS' EQUITY	11,912	10,712
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 182,926	$ 171,423

UNAUDITED

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

	For The Year Ended December 31, 1995	For The Year Ended December 31, 1994
BALANCE AT JANUARY 1,	$ 10,712	$ 11,164
Net Income	1,805	1,294
Dividends Declared:		
Preferred Stock	(105)	(126)
Common Stock	(480)	(406)
Issuance of Preferred Stock	--	200
Conversion of Preferred Stock	(200)(a)	--
Redemption of Preferred Stock	--	(404)
Premium on Redemption of Preferred Stock	--	(12)
Issuance of Common Stock	1	1
Net Change in Capital Surplus	(72)(a)	12
Restricted Stock Granted, Net of Amortization	7	(9)
Net Change in Treasury Stock	99 (a)	(349)
Net Change in the Fair Value of Available-for-Sale Securities, Net of Taxes	135	(653)
Accumulated Translation Adjustment	10	--
Net Change in Stockholders' Equity	1,200	(452)
BALANCE AT DECEMBER 31,	$ 11,912	$ 10,712

(a) During the second quarter of 1995, the Corporation called all of the outstanding shares of its 10% convertible preferred stock for redemption. Substantially all of the 10% convertible preferred stock was converted to common stock. The common stock from the conversion was issued from treasury.

UNAUDITED

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

	Loans Outstanding December 31, 1995	Loans Outstanding December 31, 1994	Nonperforming Assets December 31, 1995	Nonperforming Assets December 31, 1994
DOMESTIC COMMERCIAL:				
Commercial Real Estate	$ 4,850	$ 5,650	$ 176	$ 156
Other Commercial	26,574	24,723	322	358
Total Commercial Loans	31,424	30,373	498	514
DOMESTIC CONSUMER:				
Residential Mortgage	17,746	13,560	123	92
Credit Card	8,678	9,261	--	--
Other Consumer	7,009	7,265	5	12
Total Consumer Loans	33,433	30,086	128	104
Total Domestic Loans	64,857	60,459	626	618
Foreign	17,286	18,308	230	311
Total Loans	$ 82,143	$ 78,767	856	929
Assets Acquired as Loan Satisfactions			50	210
Total Nonperforming Assets			$ 906	$ 1,139
ASSETS HELD FOR ACCELERATED DISPOSITION			$ 412 (a)	$ 526

(a) During the 1995 fourth quarter, the Corporation transferred $421 million of residential mortgage loans into the accelerated disposition portfolio.

	Three Months Ended December 31, 1995	Three Months Ended December 31, 1994	For The Year Ended December 31, 1995	For The Year Ended December 31, 1994
ALLOWANCE FOR CREDIT LOSSES:				
Balance at Beginning of Period	$ 2,405	$ 2,650	$ 2,480	$ 3,020
Provision for Losses	116	85	478	550
Net Charge-Offs:				
Domestic Commercial:				
Commercial Real Estate	(14)	(22)	(53)	(165)
Other Commercial	12	16	(21)	(80)
Total Commercial	(2)	(6)	(74)	(245)
Domestic Consumer:				
Residential Mortgage	(7)	(23)	(52)	(47)
Credit Card	(104)	(82)	(411)	(329)
Other Consumer	(7)	(6)	(31)	(19)
Total Consumer	(118)	(111)	(494)	(395)
Total Domestic Net Charge-offs	(120)	(117)	(568)	(640)
Foreign	4	7	15	(307)
Total Net Charge-offs	(116)	(110)	(553)	(947)
Charge for Assets Held for Accelerated Disposition	--	(148)	--	(148)
Other, including portion related to sale of certain New Jersey operations	(26)	3	(26)	5
Total Allowance for Credit Losses	$ 2,379	$ 2,480	$ 2,379	$ 2,480
ALLOWANCE COVERAGE RATIOS:				
Allowance for Credit Losses to:				
Loans at Period-End			2.90%	3.15%
Average Loans			2.91%	3.30%
Nonperforming Loans			277.92%	266.95%

UNAUDITED

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

	Three Months Ended December 31, 1995			Three Months Ended December 31, 1994		
	Average Balance	Interest	Rate (Annualized)	Average Balance	Interest	Rate (Annualized)
ASSETS						
Liquid Interest-Earning Assets	$ 32,362	$ 494	6.06%	$ 28,774	$ 446	6.15%
Securities	34,240	611	7.10%	26,120	448	6.81%
Loans	81,661	1,752	8.54%	76,894	1,579	8.16%
Total Interest-Earning Assets	148,263	2,857	7.67%	131,788	2,473	7.47%
Noninterest-Earning Assets	37,028			37,647		
Total Assets	$ 185,291			$169,435		
LIABILITIES						
Interest-Bearing Deposits	$ 77,009	932	4.83%	$ 74,042	718	3.87%
Short-Term and Other Borrowings	42,180	612	5.77%	32,017	444	5.50%
Long-Term Debt	7,639	134	6.97%	8,262	135	6.49%
Total Interest-Bearing Liabilities	126,828	1,678	5.27%	114,321	1,297	4.52%
Noninterest-Bearing Liabilities	46,744			44,260		
Total Liabilities	173,572			158,581		
STOCKHOLDERS' EQUITY						
Preferred Stock	1,250			1,450		
Common Stockholders' Equity	10,469			9,404		
Total Stockholders' Equity	11,719			10,854		
Total Liabilities and Stockholders' Equity	$ 185,291			$169,435		
INTEREST RATE SPREAD			2.40%			2.95%
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS		$ 1,179	3.16%		$ 1,176	3.55%

	For The Year Ended December 31, 1995			For The Year Ended December 31, 1994		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate
ASSETS						
Liquid Interest-Earning Assets	$ 30,088	$ 1,932	6.42%	$ 28,604	$ 1,643	5.74%
Securities	29,878	2,174	7.28%	26,207	1,724	6.58%
Loans	81,649	7,038	8.62%	75,234	5,745	7.64%
Total Interest-Earning Assets	141,615	11,144	7.87%	130,045	9,112	7.01%
Noninterest-Earning Assets	39,082			36,634		
Total Assets	$180,697			$166,679		
LIABILITIES						
Interest-Bearing Deposits	$ 76,115	3,657	4.80%	$ 73,040	2,378	3.26%
Short-Term and Other Borrowings	37,946	2,226	5.87%	30,689	1,500	4.89%
Long-Term Debt	7,635	546	7.16%	8,419	536	6.37%
Total Interest-Bearing Liabilities	121,696	6,429	5.28%	112,148	4,414	3.94%
Noninterest-Bearing Liabilities	47,718			43,569		
Total Liabilities	169,414			155,717		
STOCKHOLDERS' EQUITY						
Preferred Stock	1,330			1,579		
Common Stockholders' Equity	9,953			9,383		
Total Stockholders' Equity	11,283			10,962		
Total Liabilities and						

Stockholders' Equity	$180,697			$166,679		
INTEREST RATE SPREAD			2.59%			3.07%
NET INTEREST INCOME AND NET YIELD ON INTEREST-EARNING ASSETS		$ 4,715	3.33%		$ 4,698	3.61%

COMBINED FINANCIAL DATA
CHEMICAL BANKING CORPORATION
AND THE CHASE MANHATTAN CORPORATION
UNAUDITED PROFORMA COMBINED FINANCIAL DATA

(In millions, except per share data)

The following Unaudited Pro Forma Combined Financial Data combines the historical financial data of Chemical and Chase giving effect to the Merger, which will be accounted for as a pooling of interests, as if the Merger had occurred on the dates indicated herein, after giving effect to certain pro forma adjustments.

The effect of the estimated $1.5 billion restructuring charge ($925 million after-tax) expected to be taken in connection with the Merger has not been reflected in the pro forma combined balance sheet and income statement. Additionally, the pro forma financial data does not give effect to the anticipated cost savings in connection with the Merger. The pro forma financial data is not necessaily indicative of the results that actually would have occurred had the Merger been consummated on the dates indicated or that may be obtained in the future.

UNAUDITED

THE NEW CHASE MANHATTAN CORPORATION and Subsidiaries
(in millions, except per share and ratio data)
PRO FORMA

	Three Months Ended December 31, 1995	Three Months Ended December 31, 1994	Three Months Ended December 31, Pro-Forma(a) 1994	For The Year Ended December 31, 1995	For The Year Ended December 31, 1994	For The Year Ended December 31, Pro-Forma(a) 1994
EARNINGS:						
Income Before Effect of Accounting Change	$ 827	$ 403	$ 582	$ 2,970	$ 2,486	$ 2,665
Effect of Change in Accounting Principle	--	--	--	(11)(b)	--	--
Net Income	$ 827	$ 403	$ 582	$ 2,959	$ 2,486	$ 2,665
Net Income Applicable to Common Stock	$ 773	$ 342	$ 521	$ 2,732	$ 2,221	$ 2,400
INCOME PER COMMON SHARE:						
Primary:						
Income Before Effect of Accounting Change	$ 1.73	$ 0.79	$ 1.20	$ 6.23	$ 5.02	$ 5.43
Effect of Change in Accounting Principle	--	--	--	(0.03)(b)	--	--
Net Income	$ 1.73	$ 0.79	$ 1.20	$ 6.20	$ 5.02	$ 5.43
Assuming Full Dilution:						
Income Before Effect of Accounting Change	$ 1.73	$ 0.79	$ 1.19	$ 6.07	$ 4.97	$ 5.37
Effect of Change in Accounting Principle	--	--	--	(0.03)(b)	--	--
Net Income	$ 1.73	$ 0.79	$ 1.19	$ 6.04	$ 4.97	$ 5.37
Book Value at December 31,	$ 41.81	$37.37		$ 41.81	$ 37.37	
COMMON SHARES OUTSTANDING:						
Average Common and Common Equivalent Shares	446.0	433.3		440.8	442.2	
Average Common Shares Assuming Full Dilution	447.7	441.7		453.5	450.9	
Common Shares at Period End	435.0	428.8		435.0	428.8	
BALANCE SHEET AVERAGES:						
Loans	$ 148,217	$138,560		$146,528	$136,713	
Total Interest-Earning Assets	$ 253,660	$231,564		$244,507	$227,270	
Total Assets	$ 314,757	$291,952		$307,385	$287,073	
Deposits	$ 170,650	$166,958		$168,312	$166,702	
Common Stockholders' Equity	$ 17,695	$ 16,141		$ 16,913	$ 16,022	
Total Stockholders' Equity	$ 20,345	$ 18,991		$ 19,643	$ 19,042	
PERFORMANCE RATIOS:(Average Balances)(c)						
Return on Assets	1.04%	0.55%	0.79%	0.96%	0.87%	0.93%
Return on Common Stockholders' Equity	17.33%	8.41%	12.81%	16.15%	13.86%	14.98%
Return on Total Stockholders' Equity	16.13%	8.42%	12.16%	15.06%	13.06%	14.00%
Net Yield on Total Interest-Earning Assets	3.30%	3.58%		3.40%	3.70%	
CAPITAL RATIOS AT DECEMBER 31:						
Common Stockholders' Equity to Assets				6.0%	5.6%	
Total Stockholders' Equity to Assets				6.9%	6.6%	
Tier 1 Leverage (d)				6.7%	6.6%	
Risk-Based Capital: (d)						
Tier 1 (4.0% required)				8.2%*	8.1%	
Total (8.0% required)				12.3%*	12.2%	

(a) The pro-forma columns exclude the impact of the $260 million restructuring charge ($152 million after-tax) recorded by Chemical and $157 million in restructuring charges ($97 million after-tax) recorded by Chase in the fourth quarter of 1994. The pro-forma columns also exclude the impact of deferred Federal tax benefits of $70 million recognized by Chase in the 1994 fourth quarter.

(b) On January 1, 1995, the Corporation adopted SFAS 106 for the accounting for other postretirement benefits relating to the Corporation's foreign plans.

(c) Performance ratios for three months ended December 31, 1995 and 1994 are based on annualized amounts.

(d) For all periods presented, risk-based capital and leverage ratios exclude the assets and off-balance sheet financial instruments of each of Chemical and Chase's U.S. underwriting and dealing subsidiaries as well as their respective investment in such subsidiaries. These ratios also exclude the net unfavorable impact on stockholders' equity resulting from the adoption of SFAS 115.

* Estimated

UNAUDITED

THE NEW CHASE MANHATTAN CORPORATION and Subsidiaries
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
(in millions, except per share data)

	Three Months Ended Dec. 31, 1995	Three Months Ended Sept. 30, 1995	Three Months Ended Dec. 31, 1994
INTEREST INCOME			
Loans	$ 3,271	$ 3,296	$ 2,927
Securities	718	639	558
Trading Assets	369	331	297
Federal Funds Sold and Securities Purchased Under Resale Agreements	491	448	407
Deposits with Banks	187	194	224
Total Interest Income	5,036	4,908	4,413
INTEREST EXPENSE			
Deposits	1,602	1,593	1,327
Short-Term and Other Borrowings	1,106	991	795
Long-Term Debt	231	239	218
Total Interest Expense	2,939	2,823	2,340
NET INTEREST INCOME	2,097	2,085	2,073
Provision for Losses	186	192	175
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	1,911	1,893	1,898
NONINTEREST REVENUE			
Trust and Investment Management Fees	261	243	243
Corporate Finance and Syndication Fees	228	219	204
Service Charges on Deposit Accounts	101	105	106
Fees for Other Financial Services	591	563	543
Trading Revenue	281	349	77
Securities Gains	25	53	(2)
Other Revenue	259	162	316
Total Noninterest Revenue	1,746	1,694	1,487
NONINTEREST EXPENSE			
Salaries	1,130	1,074	1,046
Employee Benefits	219	228	241
Occupancy Expense	224	227	241
Equipment Expense	187	177	203
Foreclosed Property Expense	(15)	(7)	(25)
Other Expense	619	633	752
Total Noninterest Expense Before Restructuring Charge	2,364	2,332	2,458
Restructuring Charge	--	--	417
Total Noninterest Expense	2,364	2,332	2,875
INCOME BEFORE INCOME TAX EXPENSE	1,293	1,255	510
Income Tax Expense	466	491	107
NET INCOME	$ 827	$ 764	$ 403
NET INCOME APPLICABLE TO COMMON STOCK	$ 773	$ 708	$ 342
INCOME PER COMMON SHARE:			
Primary	$ 1.73	$ 1.58	$ 0.79
Assuming Full Dilution	$ 1.73	$ 1.55	$ 0.79

UNAUDITED

THE NEW CHASE MANHATTAN CORPORATION and Subsidiaries
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
(in millions, except per share data)

	For The Year Ended December 31, 1995	1994
INTEREST INCOME		
Loans	$ 12,907	$ 11,055
Securities	2,591	2,329
Trading Assets	1,316	1,142
Federal Funds Sold and Securities Purchased Under Resale Agreements	1,889	1,827
Deposits with Banks	824	869
Total Interest Income	19,527	17,222
INTEREST EXPENSE		
Deposits	6,291	4,704
Short-Term and Other Borrowings	4,027	3,307
Long-Term Debt	942	848
Total Interest Expense	11,260	8,859
NET INTEREST INCOME	8,267	8,363
Provision for Losses	758	1,050
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	7,509	7,313
NONINTEREST REVENUE		
Trust and Investment Management Fees	954	988
Corporate Finance and Syndication Fees	840	638
Service Charges on Deposit Accounts	417	408
Fees for Other Financial Services	2,222	2,116
Trading Revenue	1,036	1,196
Securities Gains	132	65
Other Revenue	1,092	1,239
Total Noninterest Revenue	6,693	6,650
NONINTEREST EXPENSE		
Salaries	4,208	3,978
Employee Benefits	955	929
Occupancy Expense	897	968
Equipment Expense	755	724
Foreclosed Property Expense	(75)	50
Other Expense	2,635	2,888
Total Noninterest Expense Before Restructuring Charge	9,375	9,537
Restructuring Charge	15	465
Total Noninterest Expense	9,390	10,002
INCOME BEFORE INCOME TAX EXPENSE AND EFFECT OF ACCOUNTING CHANGE	4,812	3,961
Income Tax Expense	1,842	1,475
INCOME BEFORE EFFECT OF ACCOUNTING CHANGE	2,970	2,486
Effect of Change in Accounting Principle	(11)	--
NET INCOME	$ 2,959	$ 2,486
NET INCOME APPLICABLE TO COMMON STOCK	$ 2,732	$ 2,221
INCOME PER COMMON SHARE:		
Primary:		
Income Before Effect of Accounting Change	$ 6.23	$ 5.02
Effect of Change in Accounting Principle	(0.03)	--
Net Income	$ 6.20	$ 5.02
Assuming Full Dilution:		
Income Before Effect of Accounting Change	$ 6.07	$ 4.97
Effect of Change in Accounting Principle	(0.03)	--
Net Income	$ 6.04	$ 4.97

UNAUDITED

THE NEW CHASE MANHATTAN CORPORATION and Subsidiaries
PRO FORMA CONSOLIDATED BALANCE SHEET
(in millions)

	December 31, 1995	December 31, 1994
ASSETS		
Cash and Due from Banks	$ 14,794	$ 13,545
Deposits with Banks	8,468	12,440
Federal Funds Sold and Securities Purchased Under Resale Agreements	17,461	20,077
Trading Assets:		
Debt and Equity Instruments	26,212	17,926
Risk Management Instruments	25,825	25,985
Securities:		
Held-to-Maturity	4,628	10,650
Available-for-Sale	37,141	23,140
Loans (Net of Unearned Income)	150,207	142,231
Allowance for Credit Losses	(3,784)	(3,894)
Premises and Equipment	3,757	3,951
Due from Customers on Acceptances	1,896	1,608
Accrued Interest Receivable	2,541	2,466
Assets Acquired as Loan Satisfactions	171	537
Assets Held for Accelerated Disposition	412	526
Other Assets	14,260	14,195
TOTAL ASSETS	$ 303,989	$ 285,383
LIABILITIES		
Deposits:		
Domestic Noninterest Bearing	$ 35,414	$ 33,389
Domestic Interest Bearing	64,640	68,063
Foreign	71,480	65,010
Total Deposits	171,534	166,462
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	37,263	32,410
Other Borrowed Funds	13,936	11,780
Acceptances Outstanding	1,915	1,629
Trading Liabilities	34,341	30,356
Accounts Payable, Accrued Expenses and Other Liabilities	11,339	10,812
Long-Term Debt	12,825	13,061
TOTAL LIABILITIES	283,153	266,510
STOCKHOLDERS' EQUITY		
Preferred Stock	2,650	2,850
Common Stock	439	438
Capital Surplus	10,625	10,474
Retained Earnings	7,621	5,945
Net Unrealized Loss on Securities Available-for-Sale, Net of Taxes	(237)	(473)
Treasury Stock, at Cost	(262)	(361)
TOTAL STOCKHOLDERS' EQUITY	20,836	18,873
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 303,989	$ 285,383

UNAUDITED
PRO FORMA
THE NEW CHASE MANHATTAN CORPORATION and Subsidiaries
LOAN PORTFOLIO AND ALLOWANCE RELATED INFORMATION
(in millions, except ratios)

	Loans Outstanding December 31, 1995	Loans Outstanding December 31, 1994	Nonperforming Assets December 31, 1995	Nonperforming Assets December 31, 1994
Domestic Commercial:				
Commercial Real Estate	$ 6,588	$ 7,705	$ 375	$ 422
Other Commercial	40,500	36,810	498	474
Total Commercial Loans	47,088	44,515	873	896
Total Domestic Consumer	66,993	62,549	277	232
Total Domestic Loans	114,081	107,064	1,150	1,128
Foreign	36,126	35,167	343	461
Total Loans	$150,207	$142,231	1,493	1,589
Assets Acquired as Loan Satisfactions			171	537
Total Nonperforming Assets			$ 1,664	$ 2,126
ASSETS HELD FOR ACCELERATED DISPOSITION			$ 412	$ 526

	Three Months Ended December 31, 1995	Three Months Ended December 31, 1994	For The Year Ended December 31, 1995	For The Year Ended December 31, 1994
ALLOWANCE FOR CREDIT LOSSES:				
Balance at Beginning of Period	$ 3,809	$ 4,066	$ 3,894	$ 4,445
Provision for Losses	186	175	758	1,050
Net Charge-Offs:				
Domestic Commercial:				
Commercial Real Estate	(9)	(24)	(31)	(290)
Other Commercial	31	19	16	(96)
Total Commercial	22	(5)	(15)	(386)
Domestic Consumer:				
Residential Mortgage	(11)	(29)	(62)	(60)
Credit Card	(192)	(168)	(755)	(672)
Other Consumer	(11)	(10)	(42)	(36)
Total Consumer	(214)	(207)	(859)	(768)
Total Domestic Net Charge-offs	(192)	(212)	(874)	(1,154)
Foreign	6	7	34	(310)
Total Net Charge-offs	(186)	(205)	(840)	(1,464)
Charge for Assets Held for Accelerated Disposition	--	(148)	--	(148)
Other	(25)	6	(28)	11
Total Allowance for Credit Losses	$ 3,784	$ 3,894	$ 3,784	$ 3,894
ALLOWANCE COVERAGE RATIOS:				
Allowance for Credit Losses to:				
Loans at Period-End			2.52%	2.74%
Average Loans			2.58%	2.85%
Nonperforming Loans			253.45%	245.06%