SUNTRUST BANKS INC

FORM 10-K
(Annual Report)

Filed 03/10/98 for the Period Ending 12/31/97

Address	303 PEACHTREE ST N E
	ATLANTA, GA 30308
Telephone	4045887711
CIK	0000750556
Symbol	STI
SIC Code	6021 - National Commercial Banks
Industry	Regional Banks
Sector	Financial
Fiscal Year	12/31

SUNTRUST BANKS INC

FORM 10-K
(Annual Report)

Filed 3/10/1998 For Period Ending 12/31/1997

Address	919 E MAIN ST
	RICHMOND, Virginia 23219
Telephone	804-782-7107
CIK	0000750556
Industry	Regional Banks
Sector	Financial
Fiscal Year	12/31

Form 10-K
Securities and Exchange Commission

Washington, D.C.20549

Annual Report Pursuant to Section 13 or 15(d)of the Securities
Exchange Act of 1934
For the Fiscal Year Ended December 31, 1997
Commission file number 1-8918

SunTrust Banks, Inc.

Incorporated in the State of Georgia
I.R.S. Employer Identification Number 58-1575035
Address: 303 Peachtree Street, N.E., Atlanta, GA 30308
Telephone: (404) 588-7711

Securities Registered Pursuant to Section 12(b) of the Act: Common Stock - $1.00 par value. which is registered on the New York Stock Exchange.
As of January 31, 1998, SunTrust had 211,408,881 shares of common stock outstanding. The aggregate market value of SunTrust common stock held by non-affiliates on January 31, 1998 was approximately $13.0 billion.
SunTrust (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.
Indicate by check mark if disclosure of delinquent filers pursuant to

Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [x]

Documents Incorporated By Reference

Part III information is incorporated herein by reference, pursuant to Instruction G to Form 10-K, from SunTrust's Proxy Statement for its 1997 Annual Shareholders' Meeting, which will be filed with the Commission by April 30, 1998. Certain Part I and Part II information required by Form 10-K is incorporated by reference from the SunTrust Annual Report to Shareholders as indicated below, which is included as an exhibit hereto.

FORM 10-K CROSS-REFERENCE INDEX

SIGNATURES	5-6	--	--

Exhibits, Financial Statement Schedules and Reports on Form 8-K

Financial Statements Filed. See "Index to Consolidated Financial Statements" on page 37 of the Annual Report to Shareholders in Exhibit 13. All financial statement schedules are omitted because the data is either not applicable or is discussed in the financial statements or related footnotes. No reports on Form 8-K were filed during the last quarter of 1997.

The Company's Articles of Incorporation, By-laws, certain instruments defining the rights of securities holders, including designations of the terms of outstanding indentures, constituent instruments relating to various employee benefit plans, and a statement setting forth the computation of per share earnings and certain other documents are filed as Exhibits to this Report or incorporated by reference herein pursuant to the Securities Exchange Act of 1934.

3. Exhibit Index

Exhibit	Description
3.1	Amended and Restated Articles of Incorporation of SunTrust Banks, Inc. ("SunTrust") effective as of November 14, 1989, incorporated by reference to Exhibit 3.1 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1989.
3.2	Amended and Restated Bylaws of SunTrust effective as of February 10, 1998, incorporated by reference to Exhibit 3 to Registration Statement No. 333-46093.
4.1	Indenture Agreement between SunTrust and Morgan Guaranty Trust Company of New York, as Trustee, incorporated by reference to Exhibit 4(a) to Registration Statement No. 33-00084.
4.2	Indenture Agreement between SunTrust and Manufacturers Hanover Trust Company, as Trustee, incorporated by reference to Exhibit 4(a) to Registration Statement No. 33-12186.
4.3	Indenture between SunTrust and PNC, N.A., as Trustee, incorporated by reference to Exhibit 4(a) to Registration Statement No. 33-62162.
4.4	Indenture between SunTrust and The First National Bank of Chicago, as Trustee, incorporated by reference to Exhibit 4(b) to Registration Statement No. 33-62162.

Executive Compensation Plans and Arrangements:

10.1	SunTrust Banks, Inc. Supplemental Executive Plan, as amended and restated effective February 13, 1990, incorporated by reference to Exhibit 10.1 to Registrant's Annual Report on 10-K for the year ended December 31, 1989.
10.2	SunTrust Banks, Inc. Performance Unit Plan, as amended and restated effective November 8, 1988, incorporated by reference to Exhibit 10.2 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1988.
10.3	SunTrust Banks, Inc. Performance Unit Plan, dated January 4, 1995, incorporated by reference to Exhibit 10.3 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1994.
10.4	SunTrust Banks, Inc. Management Incentive Plan dated January 4, 1995, incorporated by reference to Exhibit 10.3 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1994.
10.5	SunTrust Banks, Inc. Management Incentive Plan Deferred Compensation Fund, effective January 1, 1986, incorporated by reference to Exhibit 10.3 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1985.
10.6	SunTrust Banks, Inc. Performance Unit Plan Deferred Compensation Fund, amended and restated as of February 19, 1996, incorporated by reference to Exhibit 5 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1996.
10.7	SunTrust Banks, Inc. Executive Stock Plan, incorporated by reference to Exhibit 10.5 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1994.
10.8	Amendment to SunTrust Banks, Inc. Executive Stock Plan, effective

February 10, 1998.

10.9 SunTrust Banks, Inc. Performance Stock Agreement, effective February 11, 1992, and First Amendment to Performance Stock Agreement effective February 10, 1998.

10.10 SunTrust Banks, Inc. 1995 Executive Stock Plan, incorporated by reference to Exhibit 10.7 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1994.

10.11 Directors Deferred Compensation Plan, incorporated by reference to Exhibit 10.8 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993.

11 Statement re computation of per share earnings.

12 Ratio of Earnings to Fixed Charges.

13 SunTrust's 1997 Annual Report to Shareholders.

21 SunTrust Subsidiaries.

22 SunTrust's Proxy Statement relating to the 1998 Annual Meeting of Shareholders incorporated by reference to Registrants' Proxy Statement dated February 20, 1998 filed on Form DEF-14A.

23 Consent of Independent Public Accountants.

27 Financial Data Schedule

Certain instruments defining rights of holders of long-term debt of

SunTrust and its subsidiaries are not filed herewith pursuant to Item 601(b)(4)(iii) of Regulation S-K. At the Commission's request, SunTrust agrees to give the Commission a copy of any instrument with respect to long- term debt of SunTrust and its consolidated subsidiaries and any of its unconsolidated subsidiaries for which financial statements are required to be filed under which the total amount of debt securities authorized does not exceed ten percent of the total assets of SunTrust and its subsidiaries on a consolidated basis.

Certain statistical data required by the Securities and Exchange Commission are included on pages 39-68.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf on February 10, 1998 by the undersigned, thereunto duly authorized.

SunTrust Banks, Inc.
(Registrant)

By: /s/ James B. Williams
Chairman of the Board of Directors
and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed on February 10, 1998 by the following persons on behalf of the Registrant and in the capacities indicated.

By: /s/ James B. Williams
Chairman of the Board of Directors
and Chief Executive Officer

By: /s/ L. Phillip Humann
President

By: /s/ John W. Spiegel
Executive Vice President and
Chief Financial Officer

By: /s/ William P. O'Halloran
Senior Vice President and Controller
(Chief Accounting Officer)

/s/ J. Hyatt Brown *Director*
J. Hyatt Brown

/s/ James D. Camp, Jr. *Director*

James D. Camp, Jr.	
/s/ Alston D. Correll	*Director*
Alston D. Correll	
/s/ A.W. Dahlberg	*Director*
A.W. Dahlberg	
/s/ David H. Hughes	*Director*
David H. Hughes	
/s/ Summerfield K. Johnston, Jr.	*Director*
Summerfield K. Johnston	
/s/ Joseph L. Lanier, Jr.	*Director*
Joseph L. Lanier, Jr.	
/s/ Larry L. Prince	*Director*
Larry L. Prince	
/s/ Scott L. Probasco, Jr.	*Director*
Scott L. Probasco, Jr.	
/s/ R. Randall Rollins	*Director*
R. Randall Rollins	

AMENDMENT TO 1986 EXECUTIVE STOCK PLAN

COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS
SUNTRUST BANKS, INC.

February 10, 1998

The SunTrust Banks, Inc. 1986 Executive Stock Plan (the "Plan"), is hereby amended, effective as of February 10, 1998, as set forth below.

Any term which is not defined below shall have the meaning set forth in the Plan.

1. Section 8.1 of the Plan is hereby amended by adding a paragraph at the end thereof as follows:

The Committee shall also have the right to insert provisions in any Restricted or Performance Stock Agreement, either at the time such Restricted or Performance Stock Agreement is entered into or subsequent to such time, whereby the Restricted or Performance Stock (or a portion thereof) granted under such Restricted or Performance Stock Agreement may be converted into units, each of which will have a value equal at all times to a share of Stock (each such unit, a "Phantom Stock Unit"). Phantom Stock Units shall be subject to such terms and conditions (including, but not limited to the payment of dividends or the crediting of dividend equivalents in respect of such Phantom Stock Units) not inconsistent with this Plan as the Committee may, in its sole discretion, determine.

IN WITNESS WHEREOF, SunTrust Banks, Inc. has caused this Amendment to be executed by a duly authorized officer as of the day and year first above written.

SUNTRUST BANKS, INC.

By: ______________________________

PERFORMANCE STOCK AGREEMENT

SunTrust Banks, Inc. ("SunTrust"), a Georgia corporation, pursuant to action of the Compensation Committee ("Committee") of its Board of Directors and in accordance with the SunTrust Banks, Inc. Executive Stock Plan ("Plan") has made the following 5 Performance Stock grants ("Grants") to ________________ ("Grantee") as an incentive for Grantee to promote the interest of SunTrust and its Subsidiaries:

Grant 1	________________	Shares
Grant 2	________________	Shares
Grant 3	________________	Shares
Grant 4	________________	Shares
Grant 5	________________	Shares
TOTAL	________________	Shares

This Performance Stock Agreement evidences these Grants, and these Grants have been made subject to all the terms and conditions set forth on the reverse side of this Performance Stock Agreement and in the Plan. These Grants have been made as of February 11, 1992 ("Grant Date").

SUNTRUST BANKS, INC.

Authorized Officer

ACKNOWLEDGMENT

Grantee hereby acknowledges the receipt of this Performance Stock Agreement.

Grantee Date

TERMS AND CONDITIONS OF PERFORMANCE STOCK GRANTED ON FEBRUARY 11, 1992

1. Grants. All of the Grants have been made subject to all the terms and conditions set forth in the Plan and in this Performance Stock Agreement.

2. Average Stock Price Conditions. A grant shall be awarded under this Performance Stock Agreement on the first date (which comes before the earlier of the fifth anniversary of the Grant Date or the date the Grantee's employment terminates for any reason whatsoever) that the average closing price for a share of Stock (as accurately reported in The Wall Street Journal or any successor selected by the Committee) over 20 consecutive trading days (on the New York Stock Exchange or any successor exchange on which Stock is traded) equals or exceeds the average stock price condition for such grant as follows:

Grants	Average Stock Price Condition
Grant 1	$ 45.60
Grant 2	53.20
Grant 3	60.80
Grant 4	68.40
Grant 5	76.00

However, if a grant fails to satisfy the related average stock price condition before the earlier of the fifth anniversary of the Grant Date or the date the Grantee's employment terminates for any reason whatsoever, such grant automatically shall be forfeited as of the earlier of such fifth anniversary of the Grant Date or the date his employment terminates. If a grant is awarded to Grantee under this 2, he thereafter shall be eligible to receive the dividends, if any, paid with respect to the Stock subject to such grant and to vote such Stock (to the same extent he would have been entitled to receive such dividends and to vote such Stock if he had purchased such Stock on the date the underlying grant is awarded to him) in accordance with the terms and conditions set forth in the Plan (including any dividend deferral election available under the Plan) respecting dividends and voting until the date he either forfeits his interest in such grant under this Performance Stock Agreement or such shares of Stock are transferred to him under 3 or 4.

3. Service Conditions.

(a) All of the Grants have been made subject to a service condition, and Grantee shall satisfy such condition with respect to each grant if he remains in the continuous employ of SunTrust and its Subsidiaries from the Grant Date through the earlier of the date he reaches age 64 or the

15th anniversary of the date such grant is awarded to him under 2 and, if he fails to satisfy such service condition with respect to any such grant, he shall forfeit his interest in such grant unless (1) the Committee waives this service condition at the time his employment actually terminates or (2) the Grantee as employment with SunTrust and its Subsidiaries terminates by reason of his death or his disability (as determined by the Committee using a standard which is no less rigorous than the standard for disability described in Section 22(e)(3) of the Code).

(b) Any interest in a grant of Performance Stock which the Grantee does not forfeit under 2 or 3(a) shall be transferred to the Grantee free of any forfeiture conditions under the Plan as soon as practicable after the service condition under 3(a) no longer applies; provided, however, if the Committee at any time before such transfer reasonably determines that the Grantee might have violated any applicable civil or criminal law or did violate the written Code of Conduct or Code of Ethics for officers and employees of SunTrust and its Subsidiaries, the Committee shall have the right to completely forfeit Grantee's interest in the Stock underlying all his Grants of Performance Stock without regard to whether (i) the Grantee has satisfied the service condition set forth in 3(a) before the date the Committee makes such determination or (ii) the Grantee's employment is (or might have been) terminated as a result of such conduct.

4. Change in Control.

(a) If the service condition set forth in 3 has not been satisfied by the Grantee on the date there is a change in control (as defined in 4(b)) of SunTrust, 3(a) shall cease to apply to the Grants on the date of such "change in control", and any interest in a grant of Performance Stock which had been awarded to the Grantee under 2 on or before the date of such "change in control" shall be transferred to him as soon as practicable after such date and any interest in a grant of Performance Stock which thereafter is awarded to the Grantee under 2 shall be transferred to him as soon as practicable after the date such grant is awarded to him under 2.

(b) The term "change in control" for purposes of this 4 shall mean a change in control of SunTrust of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934 (34 Act) as in effect on February 11, 1992, provided that such a change in control shall be deemed to have occurred at such time as (i) any "person" (as that term is used in Sections 12(d) and 14(d)(2) of the 34 Act), is or becomes the beneficial owner (as defined in Rule 13d-3 under the 34 Act) directly or indirectly, of securities representing 20% or more of the combined voting power for election of directors of the then outstanding securities of SunTrust or any successor of SunTrust; (ii) during any period of two consecutive years or less, individuals who at the beginning of such period constituted the Board cease, for any reason, to constitute at least a majority of the Board, unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period; (iii) the shareholders of SunTrust approve any merger, consolidation or share exchange as a result of which stock shall be changed, converted or exchanged (other than a merger with a wholly-owned subsidiary of SunTrust) or any liquidation of SunTrust or any sale or other disposition of 50% or more of the assets or business of SunTrust; or (iv) the shareholders of SunTrust approve any merger or consolidation to which SunTrust is a party or a share exchange in which SunTrust shall exchange its shares for shares of another corporation as a result of which the persons who were shareholders of SunTrust immediately prior to the effective date of the merger, consolidation or share exchange shall have beneficial ownership of less than 50% of the combined voting power for election of directors of the surviving corporation following the effective date of such merger, consolidation or share exchange; provided, however, and notwithstanding the occurrence of any of the events described above, that no "change in control" shall be deemed to have occurred under this 4 if, prior to such time as a "change in control" would otherwise be deemed to have occurred, the Board determines otherwise.

5. Withholding. The Committee shall have the right to reduce the number of shares of Stock actually transferred to the Grantee to satisfy the minimum applicable tax withholding requirements, and the Grantee shall have the right (absent any such action by the Committee and subject to satisfying the requirements, if any, under Rule 16b-3) to elect that the minimum applicable tax withholding requirements be satisfied through a reduction in the number of shares of Stock transferred to him.

6. Nontransferable. No rights granted under the Plan or this Performance Stock Agreement shall be transferable by the Grantee other than by will or by the laws of descent and distribution, and the person or persons to whom such rights are so transferred shall be treated as the Grantee under this Performance Stock Agreement.

7. Employment and Termination. Nothing in the Plan or this Performance Stock Agreement or any related material shall give the Grantee the right to continue in employment by SunTrust or by a Subsidiary or adversely affect the right of SunTrust or a Subsidiary to terminate the Grantee as employment with or without cause at any time.

8. Other Laws. SunTrust shall have the right to refuse to issue or transfer any Stock under this Performance Stock Agreement if SunTrust acting in its absolute discretion determines that the issuance or transfer of such Stock might violate any applicable law or regulation.

9. Securities Registration. The Grantee may be requested by SunTrust to hold any shares of Stock transferred to him under this Performance Stock Agreement for personal investment and not for purposes of resale or distribution to the public; and the Grantee shall, if so requested by SunTrust, deliver a certified statement to that effect to SunTrust as a condition to the transfer of such Stock to the Grantee.

10. Miscellaneous.

(a) A mere transfer of employment between SunTrust and a Subsidiary shall not be deemed a termination of employment under the Plan or this Performance Stock Agreement.

(b) This Performance Stock Agreement shall be subject to all of the provisions, definitions, terms and conditions set forth in the Plan, all of which are incorporated by this reference in this Performance Stock Agreement except that under this agreement the term Performance Stock Agreement under the Plan shall mean Restricted Stock Agreement under the Plan and Performance Stock shall mean Restricted Stock.

(c) The Plan and this Performance Stock Agreement shall be governed by the laws of the State of Georgia.

(d) The Grantee as entire interest in the Performance Stock underlying the Grants shall (without regard to 2, 3 or 4) be available to satisfy the claims of SunTrust as creditors if SunTrust (on any date before such interests are actually transferred under 3(b) to the Grantee) is generally not paying its debts as such debts become due (other than debts that are the subject of a bona fide dispute) or if an order for relief is entered against SunTrust in a bankruptcy case commenced by or against it under the United States Bankruptcy Code, or if SunTrust is the debtor in any proceeding commenced under any other bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar debtor relief law in which SunTrust is alleged to be insolvent or otherwise unable to pay its debts as such debts become due, and the Grantee shall forfeit his interest in such Stock and such Grants as of such date.

PERFORMANCE STOCK AGREEMENT
FIRST AMENDMENT
EFFECTIVE FEBRUARY 10, 1998

The terms and conditions set forth in the SunTrust Banks, Inc. Performance Stock Agreement(s) (the "Agreement(s)") entered into with ______________________ under the Executive Stock Plan (the "Plan"), are hereby amended, effective as of February 10, 1998, as set forth below.

Performance Stock Granted in 1990

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Grant #1 Award                _____________ Shares
Grant #2 Award                _____________ Shares
Grant #3 Award                _____________ Shares
Grant #4 Award                _____________ Shares
Grant #5 Award                _____________ Shares
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Performance Stock Granted in 1992

Grant #1 Award _____________ Shares

Any term which is not defined below shall have the meaning set forth in the Agreement(s).

1. The Agreement(s) is hereby amended by adding a Section 3.A thereto as follows:

3.A Phantom Stock Units.

(a) As of February 10, 2000 (the Conversion Date), an aggregate of ________ shares of Performance Stock previously awarded to the Grantee and with respect to which the relevant stock price condition set forth in 2 has been satisfied (such number of shares being set forth above and hereinafter referred to as the "Converted Shares") shall be converted into "Phantom Stock Units" (as described below) at the rate of one Phantom Stock Unit per Converted Share; provided, however, that no such conversion shall occur if, prior to the Conversion Date, (1) the Grantee's employment with SunTrust and its Subsidiaries shall have terminated for any reason or (2) a "Change in Control" (as defined in 4) shall have occurred.

(b) The value of each Phantom Stock Unit shall at all times be equal to the value of a share of Stock. As of the Conversion Date, such Phantom Stock Units shall be fully vested and no longer subject to the conditions of 3 hereof. Payment in respect of such Phantom Stock Units shall be made to the Grantee in shares of Stock upon the earlier to occur of (1) the date on which the Grantee would otherwise have satisfied the conditions of 3(a) hereof with respect to the Converted Shares and (2) the date of occurrence of a "Change in Control."

(c) Upon the payment of dividends with respect to shares of Stock, the Grantee will be entitled to receive, with respect to each Phantom Stock Unit held by such Grantee, a cash payment equal to the dividend the Grantee would have received had such Phantom Stock Unit been a share of Stock.

SUNTRUST BANKS, INC.

By: ________________________________
Authorized Officer

ACKNOWLEDGMENT

I hereby approve the First Amendment to the Performance Stock Agreement(s) set forth under the Executive Stock Plan.

Grantee Date

EXHIBIT 11.1
Statement re: Computation of Per Share Earnings
(In thousands, except per share data)

	Year Ended December 31					
	1997	1996	1995	1994	1993	1992
Basic						
Net income	$667,253	$616,615	$565,476	$522,744	$473,729	$404,397
Average basic common shares	210,243	220,364	226,665	229,317	235,189	239,196
Earnings per common share - basic	$ 3.17	$ 2.80	$ 2.49	$ 2.28	$ 2.01	$ 1.69
Diluted						
Net income	$667,253	$616,615	$565,476	$522,744	$473,729	$404,397
Average common shares outstanding	210,243	220,364	226,665	229,317	235,189	239,196
Incremental shares outstanding <F1>	3,237	3,122	2,879	2,761	2,616	2,445
Average diluted common shares	213,480	223,486	229,544	232,078	237,805	241,641
Earnings per common share - diluted	$ 3.13	$ 2.76	$ 2.47	$ 2.25	$ 1.99	$ 1.67

<F1> Includes the incremental effect of stock options and restricted stock outstanding computed under the treasury stock method.

	Year Ended December 31					
	1997	1996	1995	1994	1993	1992
Ratio 1 - including deposit interest						
Earnings:						
Income before income taxes	$1,025,966	$903,200	$825,925	$781,965	$700,662	$575,768
Fixed charges	1,771,603	1,476,392	1,363,702	946,283	804,281	988,111
Total	2,797,569	2,379,592	2,189,627	1,728,248	1,504,943	1,563,879
Fixed charges:						
Interest on deposits	1,151,157	1,083,035	988,725	704,803	632,307	832,372
Interest on funds purchased	345,116	245,502	239,080	122,055	87,900	87,038
Interest on other short-term borrowings	91,592	48,264	54,843	42,519	21,623	7,027
Interest on long-term debt	168,508	85,031	68,114	63,119	48,839	48,560
Portion of rents representative of the interest factor (1/3) of rental expense	15,230	14,560	12,940	13,787	13,612	13,114
Total	$1,771,603	$1,476,392	$1,363,702	$946,283	$804,281	$988,111
Earnings to fixed charges	1.58 x	1.61 x	1.61 x	1.83 x	1.87 x	1.58 x
Ratio 2 - excluding deposit interest						
Earnings:						
Income before income taxes	$1,025,966	$903,200	$825,925	$781,965	$700,662	$575,768
Fixed charges	620,446	393,357	374,977	241,480	171,974	155,739
Total	$1,646,412	$1,296,557	$1,200,902	$1,023,445	$872,636	$731,507
Fixed charges:						
Interest on funds purchased	345,116	245,502	239,080	$122,055	$87,900	$87,038
Interest on other short-term borrowings	91,592	48,264	54,843	42,519	21,623	7,027
Interest on long-term debt	168,508	85,031	68,114	63,119	48,839	48,560
Portion of rents representative of the interest factor (1/3) of rental expense	15,230	14,560	12,940	13,787	13,612	13,114
Total	$620,446	$393,357	$374,977	$241,480	$171,974	$155,739
Earnings to fixed charges	2,65 x	3.30 x	3.20 x	4.24 x	5.07 x	4.70 x

CORPORATE PROFILE

SunTrust Banks, Inc., is a premier financial services company based in the Southeastern United States. The Company provides a wide range of services to meet the financial needs of its growing customer base through approximately 700 full-service banking offices in Florida, Georgia, Tennessee and Alabama. SunTrust's primary businesses include traditional deposit and credit services as well as trust and investment services. Through various subsidiaries the Company provides credit cards, mortgage banking, credit-related insurance, data processing and information services, discount brokerage and investment banking services. As of December 31, 1997, SunTrust had total assets of $58.0 billion, discretionary trust assets of $67.4 billion and a mortgage servicing portfolio of $16.9 billion.

FINANCIAL HIGHLIGHTS

	Year Ended December 31		
(Dollars in millions except per share data)	1997	1996	1995
For the Year			
Net income	$ 667.3	$ 616.6	$ 565.5
Common dividends paid	195.7	183.9	168.7
Per Common Share			
Net income - diluted	3.13	2.76	2.47
Net income - basic	3.17	2.80	2.49
Dividends paid	0.925	0.825	0.740
Market price:			
High	75.25	52.50	35.44
Low	44.13	32.00	23.63
Close	71.38	49.25	34.25
Book value	24.77	22.13	18.91
Financial Ratios			
Return on average assets (ROA)	1.30 %	1.35 %	1.36 %
Return on average realized shareholders' equity (ROE)	21.13	18.89	18.53
Net interest margin (taxable-equivalent)	4.11	4.36	4.49
Efficiency ratio	58.8	59.9	59.5
Tier 1 capital ratio	7.22	7.46	7.78
Total capital ratio	12.48	10.87	9.71
Tier 1 leverage ratio	6.49	6.40	6.71
Selected Average Balances			
Total assets	$54,272.0	$47,718.8	$43,072.6
Earning assets	46,996.3	41,831.0	38,401.4
Loans	37,516.2	32,792.5	29,709.3
Deposits	35,915.3	34,241.3	31,808.7
Realized shareholders' equity	3,158.4	3,263.9	3,052.3
Total shareholders' equity	5,018.0	4,621.5	3,905.2
Common shares- diluted (thousands)	213,480	223,486	229,544
Common shares- basic (thousands)	210,243	220,364	226,665
At December 31			
Total assets	$57,982.7	$52,468.2	$46,471.5
Earning assets	49,743.3	45,182.1	40,530.0
Loans	40,135.5	35,404.2	31,301.4
Reserve for loan losses	751.8	725.8	698.9
Deposits	38,197.5	36,890.4	33,183.2
Realized shareholders' equity	3,150.5	3,278.2	3,111.0
Total shareholders' equity	5,199.4	4,880.0	4,269.6
Common shares outstanding (thousands)	209,909	220,469	225,726
Market value of common stock of The Coca-Cola Company (48,266,496 shares)	$ 3,219	$ 2,540	$ 1,792

In this report, for 1993 - 1997, investment securities, total assets and total shareholders' equity include the net unrealized securities gain. However, earnings assets exclude this gain as do the calculations of ROA, ROE and the net interest margin because the gain is not included in income.

TO FELLOW SHAREHOLDERS

The Company and its shareholders, had a great year. For the third consecutive year, the total return on our investment was 47%, including reinvested dividends. While the stock market has rewarded almost everyone during the last ten years, SunTrust has experienced an average annual total return of 26% during that time, more than eight percentage points a year higher than the S&P 500. The stock market has valued our consistently strong earnings record and rich balance sheet.

During 1997, banking continued its dramatic consolidation and diversification. Believing that the prices of bank acquisitions were too high, SunTrust spent the year buying back its own stock and growing its business by improving sales efforts and service levels. To achieve this growth, we hired new and experienced personnel, increased training, improved existing products and introduced new ones. Banking has become an industry of constant change. Although SunTrust has not made a major acquisition since 1986, we are comfortable our performance record speaks well for the path we have chosen.

Our building for the future has not hampered current performance. Net income in 1997 totaled $667.3 million, or $3.13 per share, a 13.4% increase in earnings per share. Since SunTrust was formed in 1985, earnings per share have improved every year and we have not taken a major hit to earnings in any year. Excellent credit qualiry and good growth in both loans and noninterest income distinguished the past year. Our performance ratios reflected the solid earnings for 1997. The return on average assets (ROA) was 1.30% and the return on average realized shareholders' equiry (ROE) was 21.13%, a record high.

Significant improvement in our already outstanding loan portfolio also marked 1997. Loan growth continued to be strong while charge-offs remained low and nonperforming loans fell to their lowest level since 1987. As loan pricing remains very competitive and spreads stay very narrow, minimizing the charge-off level is even more important to providing good returns for our shareholders. Over the last four years our charge-off ratio has been exceptional, less than 0.30% each year. In addition, SunTrust has been one of the few banks which has consistently had a loan loss provision significantly higher than its charge-offs. At year-end our reserve for possible loan losses was nearly six times nonperforming loans, a comforting thought as the U.S. moves through its seventh year of economic expansion.

We have been talking about our growth initiatives for several years. The continued strong revenue growth, chronicled in the financial sections of this report, is a clear indication that we are realizing the benefits of these initiatives throughout the Company. We are particularly proud of the growth in noninterest income that has increased by more than 14% per year for the last two years.

Consistency is a word often associated with SunTrust. To have a consistent record of strong earnings per share growth, a company needs well-planned capital management and the absence of special charges in addition to strong revenue growth and good expense control. SunTrust has consistently repurchased its own shares, buying back more than eleven million shares in 1997, and increased its cash dividend in line with EPS growth. During this decade, SunTrust has not had any major special charges to distort performance trends.

As you are probably aware, Roberto Goizueta, our longtime Director and confidant, died in October. Mr. Goizueta was widely recognized as one of the world's truly great business leaders. His incomparable wisdom, vision and compassion greatly benefited SunTrust.

This spring SunTrust will undergo a leadership change. I have been privileged to serve as CEO since April 1990. On March 21, 1998, my sixty-fifth birthday, I will be turning over the reins to L. Phillip Humann, the current President of SunTrust. I will continue to serve on the Board and as Chairman of the Executive Committee. Phil is no stranger to many of you, having spent twenty-eight years in our organization, serving in many capacities, including CEO of our Atlanta companies. As the architect of our growth initiatives, he is ideally suited to lead this Company

We appreciate the dedicated and knowledgeable men and women who comprise SunTrust. These employees, aided by competitive products and up-to-date technology, are focused on generating growth internally. Whether serving existing or new customers, SunTrust is prepared to meet the challenges of providing superior products and services. As a team we pledge our best efforts to our customers and our shareholders.

Sincerely,

James B. Williams Chairman of the Board and Chief Exutive Officer	L. Phillip Humann President

February 10, 1998

A SOLID FOUNDATION

Like a building standing the test of time or a bridge spanning a wide river, a business depends upon its solid foundation to support and sustain it. At SunTrust we have built such a foundation - one that runs deep and wide throughout all the communities we serve, helping to promote and encourage the growth of SunTrust, our clients and our shareholders.

Amidst the undercurrents sweeping throughout today's banking industry, this foundation and an adherence to our long-term strategy of serving our client's needs and increasing the value of our shareholders' investments strengthen and enhance our position as one of the premier financial institutions serving the Southeast.

The Company's foundation is comprised of several critical elements - people, products and technology. The art of managing these elements to achieve consistent, solid, dependable results and outstanding service to our customers is an ongoing challenge. Our performance figures demonstrate our ability to continue to meet that challenge year after year.

SELECTED FINANCIAL DATA

	Year Ended December 31					
(Dollars in millions except per share data)	1997	1996	1995	1994	1993	1992
Summary of Operations						
Interest and dividend income	$ 3,650.8	$ 3,246.0	$ 3,027.2	$ 2,552.3	$ 2,362.3	$ 2,537.6
Interest expense	1,756.4	1,461.8	1,350.8	932.5	790.7	975.0
Net interest income	1,894.4	1,784.2	1,676.4	1,619.8	1,571.6	1,562.6
Provision for loan losses	117.0	115.9	112.1	137.8	189.1	234.2
Net interest income after provision for loan losses	1,777.4	1,668.3	1,564.3	1,482.0	1,382.5	1,328.4
Noninterest income	934.2	818.0	713.1	699.9	726.5	672.7
Noninterest expense	1,685.6	1,583.1	1,451.5	1,400.0	1,408.4	1,425.3
Income before provision for income taxes	1,026.0	903.2	825.9	781.9	700.6	575.8
Provision for income taxes	358.7	286.6	260.4	259.2	226.9	171.4
Net income	$ 667.3	$ 616.6	$ 565.5	$ 522.7	$ 473.7	$ 404.4
Net interest income (taxable-equivalent)	$ 1,931.0	$ 1,824.3	$ 1,726.0	$ 1,675.6	$ 1,634.4	$ 1,632.9
Per common share						
Earnings - diluted	$ 3.13	$ 2.76	$ 2.47	$ 2.25	$ 1.99	$ 1.67
Earnings - basic	3.17	2.80	2.49	2.28	2.01	1.69
Dividends paid	0.925	0.825	0.740	0.660	0.580	0.520
Market price:						
High	75.25	52.50	35.44	25.69	24.81	22.81
Low	44.13	32.00	23.63	21.75	20.69	16.75
Close	71.38	49.25	34.25	23.88	22.50	21.88
Selected Average Balances						
Total assets	$54,272.0	$47,718.8	$43,072.6	$40,489.2	$37,524.9	$35,356.5
Earning assets	46,996.3	41,831.0	38,401.4	36,111.0	34,047.3	32,008.6
Loans	37,516.2	32,792.5	29,709.3	26,412.6	24,162.8	22,489.1
Deposits	35,915.3	34,241.3	31,808.7	30,877.8	29,683.3	28,609.6
Realized shareholders' equity	3,158.4	3,263.9	3,052.3	2,960.1	2,875.1	2,697.9
Total shareholders' equity	5,018.0	4,621.5	3,905.2	3,571.5	2,877.2	2,697.9
At December 31						
Total assets	$57,982.7	$52,468.2	$46,471.5	$42,709.1	$40,728.4	$37,789.3
Earning assets	49,743.3	45,182.1	40,530.0	38,045.6	35,904.5	34,167.7
Loans	40,135.5	35,404.2	31,301.4	28,548.9	25,292.1	23,493.5
Reserve for loan losses	751.8	725.8	698.9	647.0	561.2	474.2
Deposits	38,197.5	36,890.4	33,183.2	32,218.4	30,485.8	29,883.0
Long-term debt	3,171.8	1,565.3	1,002.4	930.4	630.4	554.0
Realized shareholders' equity	3,150.5	3,278.2	3,111.0	2,883.3	2,845.8	2,769.7
Total shareholders' equity	5,199.4	4,880.0	4,269.6	3,453.3	3,609.6	2,769.7
Ratios and Other Data						
ROA	1.30 %	1.35 %	1.36 %	1.32 %	1.26 %	1.14
ROE	21.13	18.89	18.53	17.66	16.48	14.99
Net interest margin	4.11	4.36	4.49	4.64	4.80	5.10
Efficiency ratio	58.8	59.9	59.5	58.9	59.7	61.8
Tier 1 capital ratio	7.22	7.46	7.78	7.95	8.88	9.37
Total capital ratio	12.48	10.87	9.71	10.05	10.55	11.35
Tier 1 leverage ratio	6.49	6.40	6.71	6.68	6.82	7.27
Total shareholders' equity to assets	8.97	9.30	9.19	8.09	8.86	7.33
Nonperforming assets to total loans plus other real estate owned	0.37	0.72	0.80	0.96	1.61	2.30
Common dividend payout ratio	29.3	29.8	29.8	30.1	30.6	32.7
Full-service banking offices	699	689	652	658	656	654
ATMs	1,078	917	778	739	738	683
Full-time equivalent employees	21,227	20,863	19,415	19,408	19,532	19,539
Average common shares - diluted (thousands)	213,480	223,486	229,544	232,078	237,805	241,641
Average common shares - basic (thousands)	210,243	220,364	226,665	229,317	235,189	239,196

Financial Review

The following analysis reviews important factors affecting the financial condition and results of operations of SunTrust Banks, Inc. (SunTrust or Company) for the periods shown. Suntrust Banks, Inc. has made, and may continue to make, various forward-looking statements with respect to financial and business matters. The Company cautions that these forward- looking statements are subject to numerous assumptions, risks and uncertainties, all of which may change over time. Actual results could differ significantly from forward-looking statements. This review should be read in conjunction with the consolidated financial statements and related notes. In the Financial Review, net interest income and net interest margin are presented on a taxable-equivalent (FTE) basis.

Earnings Overview

SunTrust's diluted earnings per common share rose 13.4% in 1997 to $3.13, up from $2.76 per common share in 1996. Basic earnings per share in 1997 were $3.17 compared with $2.80 for the previous year. Net income of the Company amounted to $667.3 million, an increase of 8.2% over $616.6 million in 1996.

Operating results in 1997 reflected strong loan demand and continued excellent credit quality. Net interest income was $1,931.0 million in 1997, up $106.7 million from 1996. The net interest margin was 25 basis points lower than last year, but the impact of the decline was more than offset by a 12.4% increase in average earning assets. Average loans increased 14.4% and average deposits increased 4.9%. The 1997 loan loss provision of $117.0 million was 1.0% higher than in 1996, and $26.0 million above 1997 net charge- offs. Noninterest income increased 14.2% with trust fees up 14.5%. Noninterest expense was $1,685.6 million for 1997, 6.5% more than in 1996. Total personnel expense, the single largest component of noninterest expense, was up $81.5 million, or 9.3%, from the 1996 level. Per share earnings were aided by the repurchase during 1997 of approximately 11.3 million shares of the Company's common stock.

TABLE 1 - CONTRIBUTIONS TO NET INCOME

	Year Ended December 31			
	1997		1996	
(Dollars in millions)	Contribution	% of Total	Contribution	% of Total
Principal banking subsidiaries' net income <F1>:				
SunTrust Banks of Florida, Inc.	$371.5	55.7 %	$341.2	55.3 %
SunTrust Banks of Georgia, Inc.	281.5	42.2	253.8	41.2
SunTrust Banks of Tennessee, Inc.	110.1	16.5	100.1	16.2
Total prinicpal banking subsidiaries' net income	763.1	114.4	695.1	112.7
Other banks and nonbanking net income (expense):				
Other banks and nonbank subsidiaries	(15.0)	(2.3)	(10.5)	(1.7)
Parent Company	(80.8)	(12.1)	(68.0)	(11.0)
Total other banks and nonbanking net income (expens	(95.8)	(14.4)	(78.5)	(12.7)
Net income	$667.3	100.0 %	$616.6	100.0 %

<F1> Additional information on the performance of banking subsidiaries can be found on pages 32 and 33.

Net Interest Income/Margin

Net interest income for 1997 was $1,931.0 million or 5.9% higher than the prior year. Average earning assets were up 12.4% and the net interest margin was 4.11% in 1997 compared to 4.36% in 1996. The average rate on earning assets decreased 1 basis point to 7.85% while the average rate on interest- bearing liabilities increased 20 basis points to 4.50%.
Interest income that the Company was unable to recognize on nonperforming loans in 1997 had a negative impact of 1 basis point on the net interest margin as compared to 2 basic points in 1996. Table 5 contains more detailed information concerning average balances, yields earned and rates paid.

TABLE 2 - ANALYSIS OF CHANGES IN NET INTEREST INCOME

	1997 Compared to 1996 Increase (Decrease) Due to			1996 Compared to 1995 Increase (Decrease) Due to		
(In millions on a taxable-equivalent basis)<F1>	Volume	Rate	Net	Volume	Rate	Net
Interest Income						
Loans:						
Taxable	$ 379.4	$ (22.8)	$ 356.6	$ 257.7	$ (77.0)	$ 180.7
Tax-exempt <F2>	3.1	(2.6)	0.5	(1.9)	(5.7)	(7.6)
Investment securities:						
Taxable	5.5	20.4	25.9	16.2	28.0	44.2
Tax-exempt <F2>	(6.3)	(2.3)	(8.6)	(9.5)	(5.3)	(14.8)
Funds sold	15.8	4.2	20.0	9.7	(3.7)	6.0
Other short-term investments <F2>	7.8	(0.9)	6.9	0.8	0.0	0.8
Total interest income	405.3	(4.0)	401.3	273.0	(63.7)	209.3
Interest Expense						
NOW/Money market accounts	5.7	(5.2)	0.5	24.0	4.7	28.7
Savings deposits	(3.6)	(3.6)	(7.2)	56.1	45.3	101.4
Consumer time deposits	(14.5)	0.8	(13.7)	(30.8)	(8.5)	(39.3)
Other time deposits	84.4	4.2	88.6	5.9	(2.4)	3.5
Funds purchased	88.6	11.0	99.6	31.5	(25.1)	6.4
Other short-term borrowings	46.5	(3.2)	43.3	(3.4)	(3.2)	(6.6)
Long-term debt	80.9	2.6	83.5	20.8	(3.9)	16.9
Total interest expense	288.0	6.6	294.6	104.1	6.9	111.0
Net change in net interest income	$ 117.3	$ (10.6)	$ 106.7	$ 168.9	$ (70.6)	$ 98.3

<F1> Changes in net interest income are attributed to either changes in average balances (volume change) or changes in average rates (rate change) for earning assets and sources of funds on which interest is received or paid. Volume change is calculated as change in volume times the previous rate while rate change is change in rate times the previous volume. The rate/volume change, change in rate times change in volume, is allocated between volume change and rate change at the ratio each component bears to the absolute value of their total.

<F2> Interest income includes the effects of taxable-equivalent adjustments (reduced by the nondeductible portion of interest expense) using a federal income tax rate of 35% and, where applicable, state income taxes, to increase tax-exempt interest income to a taxable-equivalent basis.

Provision for Loan Losses

The Company increased its provision for loan losses slightly in 1997 to $117.0 million, which exceeded net charge-offs by $26.0 million. Net loan charge-offs were $91.0 million in 1997, representing 0.24% of average loans. The comparable net charge-off amount for 1996 was $90.2 million or 0.27% of average loans. As shown in Table 8, the largest increase in charge-offs occurred in credit card and other consumer loans while the dollar amount of recoveries remained relatively stable. Recoveries increased to 37.8% of total charge-offs in 1997 compared with 36.5% in 1996.

The Company's reserve for loan losses increased to $751.8 million at December 31, 1997, which was 1.87% of year-end loans and 587% of total nonperforming loans. The comparable ratios at December 31, 1996 were 2.05% and 342%, respectively.
The Company maintains a reserve for loan losses to absorb possible losses in the loan portfolio. The reserve consists of three elements; (i) reserves established on specific loans, (ii) reserves based on historical loan loss experience, and (iii) reserves based on economic conditions and other factors in the Company's individual markets. The specific reserve element is based on a regular analysis of all loans and commitments over a fixed dollar amount where the internal credit rating is at or below a pre- determined classification. The historical loan loss element represents a projection of future credit problems and is determined statistically using a loss migration analysis that examines loss experience and the related internal gradings of loans charged-off. The general economic condition element is determined by management at the individual subsidiary banks and is based on knowledge of specific economic factors in their markets that might affect the collectibility of loans. SunTrust is committed to the early recognition of possible problems and to a strong, conservative reserve.

Noninterest Income

Noninterest income increased $116.2 million, or 14.2%, with trust income, our largest source of noninterest income, up $40.3 million or 14.5%. Also other charges and fees were up $36.2 million or 26.8%. Service charges on deposit accounts rose $15.4 million or 6.6%. Mortgage fees were up $9.9 million or 27.3%. These increases reflect the Company's ongoing growth initiatives.

TABLE 3 - NONINTEREST INCOME

	Year Ended December 31					
(In millions)	1997	1996	1995	1994	1993	1992
Trust income	$318.6	$278.3	$259.7	$250.3	$247.0	$226.1
Service charges on deposit accounts	247.8	232.4	212.6	218.4	225.9	215.6
Other charges and fees	171.5	135.3	106.8	95.2	112.8	98.9
Credit card fees	73.6	66.3	62.6	57.2	57.8	58.8
Mortgage fees	45.9	36.0	25.0	25.9	29.3	22.7
Securities gains (losses)	1.5	14.2	(6.6)	(2.7)	2.0	5.1
Trading account profits and commissions	18.0	13.3	10.3	8.0	11.3	8.2
Other income	57.3	42.2	42.7	47.6	40.4	37.3
Total noninterest income	$934.2	$818.0	$713.1	$699.9	$726.5	$672.7

Noninterest Expense

Noninterest expense increased 6.5% in 1997; however, strong revenue growth kept the efficiency ratio below 60%. Total personnel expense increased 9.3% or $81.5 million due to increased employment and higher incentive pay. Outside processing and software increased 20.3% or $11.5 million.

TABLE 4 - NONINTEREST EXPENSE

	Year Ended December 31					
(In millions)	1997	1996	1995	1994	1993	1992
Salaries	$ 690.7	$ 635.0	$ 578.1	$ 550.4	$ 529.1	$ 511.7
Other compensation	153.5	128.5	95.3	96.1	107.4	107.9
Employee benefits	111.4	110.6	105.6	100.7	98.5	92.8
Total personnel expense	955.6	874.1	779.0	747.2	735.0	712.4
Net occupancy expense	126.8	138.2	130.1	126.9	128.4	134.8
Equipment expense	120.7	115.4	105.1	103.3	103.1	102.9
FDIC premiums	5.8	18.1	36.4	66.6	66.2	64.5
Marketing and customer development	68.8	76.4	50.0	57.2	48.0	51.9
Postage and delivery	42.6	40.5	36.4	34.1	32.4	32.5
Operating supplies	37.2	38.0	32.2	29.4	30.5	30.6
Communications	35.3	32.4	27.7	26.1	26.3	25.8
Consulting and legal	28.5	25.5	20.8	22.6	20.2	27.7
Other real estate expense	(11.4)	(0.4)	(9.0)	(2.2)	16.7	36.0
Amortization of intangible assets	34.0	26.7	21.4	20.6	19.7	17.0
Outside processing and software	68.4	56.9	42.7	41.8	41.8	41.2
Other expense	173.3	141.3	178.7	126.4	140.1	148.0
Total noninterest expense	$1,685.6	$1,583.1	$1,451.5	$1,400.0	$1,408.4	$1,425.3
Efficiency ratio	58.8 %	59.9 %	59.5 %	58.9 %	59.7 %	61.8 %

Provision for Income Taxes

The provision for income taxes covers federal and state income taxes. For 1997, the provision was $358.7 million, an increase of $72.1 million or 25.2% from 1996. For additional information see Note 10 of the Notes to Consolidated Financial Statements on pages 49 and 50.

TABLE 5A - CONSOLIDATED DAILY AVERAGE BALANCES, INCOME/EXPENSE AND AVERAGE YIELDS EARNED AND RATES PAID

	1997			1996			1995		
(Dollars in millions; yields on taxable-equivalent basis)	Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates
ASSETS									
Loans:<F1>									
Taxable	$36,817.1	$2,998.8	8.15 %	$32,132.5	$2,642.2	8.22 %	$29,028.1	$2,461.5	8.48 %
Tax-exempt <F2>	699.1	54.7	7.83	660.0	54.2	8.22	681.2	61.8	9.05

Total loans	37,516.2	3,053.5	8.14	32,792.5	2,696.4	8.22	29,709.3	2,523.3	8.49
Investment securities:									
Taxable	7,513.9	502.0	6.68	7,429.0	476.1	6.41	7,167.8	431.9	6.03
Tax-exempt <F2>	695.2	59.3	8.53	768.7	67.9	8.83	873.7	82.7	9.47
Total investment securities	8,209.1	561.3	6.84	8,197.7	544.0	6.64	8,041.5	514.6	6.40
Funds sold	1,031.1	60.9	5.90	759.0	40.9	5.39	582.4	34.9	5.98
Other short-term investments <F2><F3>	239.9	11.7	4.89	81.8	4.8	5.84	68.2	4.0	5.80
Total earning assets	46,996.3	3,687.4	7.85	41,831.0	3,286.1	7.86	38,401.4	3,076.8	8.01
Reserve for loan losses	(737.2)			(717.2)			(675.8)		
Cash and due from banks	2,273.2			2,240.1			2,114.4		
Premises and equipment	934.7			746.3			721.5		
Other assets	1,799.7			1,425.2			1,132.1		
Unrealized gains on investment securities	3,005.3			2,193.4			1,379.0		
Total assets	$54,272.0			$47,718.8			$43,072.6		
LIABILITIES AND SHAREHOLDERS' EQUITY									
Interest-bearing deposits:									
NOW/Money market accounts	$10,503.0	$ 286.7	2.73 %	$10,296.2	$ 286.2	2.78 %	$ 9,425.2	$ 257.5	2.73 %
Savings	5,271.1	189.5	3.59	5,374.0	196.7	3.66	3,619.4	95.3	2.63
Consumer time	6,996.9	363.4	5.19	7,282.3	377.1	5.18	7,875.0	416.4	5.29
Other time <F4>	5,604.6	311.6	5.56	4,084.9	223.0	5.46	3,978.0	219.5	5.52
Total interest-bearing deposits	28,375.6	1,151.2	4.06	27,037.4	1,083.0	4.01	24,897.6	988.7	3.97
Funds purchased	6,496.1	345.1	5.31	4,821.1	245.5	5.09	4,228.8	239.1	5.65
Other short-term borrowings	1,742.7	91.6	5.26	860.6	48.3	5.61	918.1	54.9	5.97
Long-term debt	2,442.4	168.5	6.90	1,268.7	85.0	6.70	960.3	68.1	7.09
Total interest-bearing liabilities	39,056.8	1,756.4	4.50	33,987.8	1,461.8	4.30	31,004.8	1,350.8	4.36
Noninterest-bearing deposits	7,539.7			7,203.9			6,911.1		
Other liabilities	2,657.5			1,905.6			1,251.5		
Realized shareholders' equity	3,158.4			3,263.9			3,052.3		
Net unrealized gains on investment securities	1,859.6			1,357.6			852.9		
Total liabilities and shareholders' equity	$54,272.0			$47,718.8			$43,072.6		
Interest rate spread			3.35 %			3.56 %			3.65 %
NET INTEREST INCOME		$1,931.0			$1,824.3			$1,726.0	
NET INTEREST MARGIN <F4>			4.11 %			4.36 %			4.49 %

<F1>Interest income includes loan fees of $100.0, $95.3, $86.5, $93.5, $88.6 and $80.8 in the six years ended December 31, 1997. Nonaccrual loans are included in average balances and income on such loans, if recognized, is recorded on a cash basis.

<F2>Interest income includes the effects of taxable-equivalent adjustments (reduced by the nondeductible portion of interest expense) using a federal income tax rate of 35% for 1997, 1996, 1995, 1994 and 1993 and 34% in 1992 and where applicable, state income taxes, to increase tax-exempt interest income to a taxable-equivalent basis. The net taxable-equivalent adjustment amounts included in the above table were $36.6, $40.1, 49.6, $55.8, $62.8, $70.3 in the six years ended December 31, 1997.

<F3>Stated rate is calculated after reducing interest income by $18.0 in 1992 representing earnings from investment in an employee benefit trust.

<F4>Interest rate swap transactions used to help balance the Company's interest-sensitivity position increased interest expense by $3.7 and $1.0 in 1997 and 1996 and reduced interest expense by $10.1, 30.6, $43.6 and $36.3 in 1995, 1994,1993 and 1992. Without these swaps, the rate on other time deposits and the net interest margin would have been 5.49% and 4.12% in 1997, 5.43% and 4.36% in 1996, 5.77% and 4.47% in 1995, 4.43% and 4.56% in 1994, 4.04% and 4.67% in 1993 and 5.12% and 4.99% in 1992, respectively.

TABLE 5B - CONSOLIDATED DAILY AVERAGE BALANCES, INCOME/EXPENSE AND AVERAGE YIELDS EARNED AND RATES PAID

	1994			1993			1992		
(Dollars in millions; yields on taxable-equivalent basis)	Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates
ASSETS									
Loans:<F1>									
Taxable	$25,678.3	$1,979.6	7.71 %	$23,362.8	$1,765.1	7.56 %	$21,628.4	$1,821.5	8.42 %
Tax-exempt <F2>	734.3	60.1	8.18	800.0	62.0	7.75	860.7	69.7	8.10
Total loans	26,412.6	2,039.7	7.72	24,162.8	1,827.1	7.56	22,489.1	1,891.2	8.41
Investment securities:									
Taxable	7,968.4	437.8	5.50	7,844.6	451.2	5.75	7,079.2	515.3	7.28
Tax-exempt <F2>	1,035.5	100.7	9.72	1,128.7	115.8	10.26	1,271.3	134.5	10.58
Total investment securities	9,003.9	538.5	5.98	8,973.3	567.0	6.32	8,350.5	649.8	7.78
Funds sold	380.9	17.1	4.49	334.4	10.6	3.17	439.9	16.8	3.83
Other short-term investments <F2><F3>	313.6	12.8	4.07	576.8	20.4	3.53	729.1	50.1	4.40
Total earning assets	36,111.0	2,608.1	7.22	34,047.3	2,425.1	7.12	32,008.6	2,607.9	8.15
Reserve for loan losses	(608.0)			(521.9)			(421.6)		
Cash and due from banks	2,228.8			2,200.0			2,007.0		
Premises and equipment	713.7			710.1			693.0		
Other assets	1,060.1			1,086.0			1,069.5		
Unrealized gains on investment securities	983.6			3.4					
Total assets	$40,489.2			$37,524.9			$35,356.5		
LIABILITIES AND SHAREHOLDERS' EQUITY									
Interest-bearing deposits:									
NOW/Money market accounts	$ 9,798.9	$ 223.7	2.28 %	$ 9,655.0	$ 211.8	2.19 %	$ 8,900.8	$ 246.2	2.77 %
Savings	4,364.5	104.6	2.40	4,515.0	108.8	2.41	4,316.1	130.4	3.02
Consumer time	6,626.2	271.8	4.10	6,799.4	276.8	4.07	7,350.0	382.8	5.21
Other time <F4>	3,054.1	104.7	3.43	1,940.6	34.9	1.80	2,132.8	73.0	3.42

Total interest-bearing deposits	23,843.7	704.8	2.96	22,910.0	632.3	2.76	22,699.7	832.4	3.67
Funds purchased	3,050.0	122.1	4.00	3,102.7	87.9	2.83	2,664.5	87.0	3.27
Other short-term borrowings	1,083.2	42.5	3.93	632.0	21.7	3.42	192.6	7.0	3.65
Long-term debt	908.4	63.1	6.95	611.4	48.8	7.99	534.5	48.6	9.09
Total interest-bearing liabilities	28,885.3	932.5	3.23	27,256.1	790.7	2.90	26,091.3	975.0	3.74
Noninterest-bearing deposits	7,034.1			6,773.3			5,909.9		
Other liabilities	998.3			618.3			657.4		
Realized shareholders' equity	2,960.1			2,875.1			2,697.9		
Net unrealized gains on investment securities	611.4			2.1			-		
Total liabilities and shareholders' equity	$40,489.2			$37,524.9			$35,356.5		
Interest rate spread			3.99 %			4.22 %			4.41 %
NET INTEREST INCOME		$1,675.6			$1,634.4			$1,632.9	
NET INTEREST MARGIN <F4>			4.64 %			4.80 %			5.10 %

<F1>See footnote 1 in Table 3A.
<F2>See footnote 2 in Table 3A.
<F3>See footnote 3 in Table 3A.
<F4>See footnote 4 in Table 3A.

TABLE 5C - CONSOLIDATED GROWTH RATE IN AVERAGE BALANCES

	Growth Rate in Average Balances	
	One Year	Five Year Annualized
(Dollars in millions; yields on taxable-equivalent basis)	1997-1996	1997-1992
Assets		
Loans		
Taxable	14.6 %	11.2 %
Tax-exempt	5.9	(4.1)
Total loans	14.4	10.8
Investment securities:		
Taxable	1.1	1.2
Tax-exempt	(9.6)	(11.4)
Total investment securities	0.1	(0.3)
Funds sold	35.9	18.6
Other short-term investments	193.2	(19.9)
Total earning assets	12.3	8.0
Reserve for loan losses	2.8	11.8
Cash and due from banks	1.5	2.5
Premises and equipment	25.2	6.2
Other assets	26.3	11.0
Unrealized gains on investment securities	-	-
Total assets	13.7 %	8.9 %
Liabilities and Shareholders' Equity		
Interest-bearing deposits:		
NOW/Money market accounts	2.0 %	3.4 %
Savings	(1.9)	4.1
Consumer time	(3.9)	(1.0)
Other time	37.2	21.3
Total interest-bearing deposits	4.9	4.6
Funds purchased	34.7	19.5
Other short-term borrowings	102.5	55.3
Long-term debt	92.5	35.5
Total interest-bearing liabilities	14.9	8.4
Noninterest-bearing deposits	4.7	5.0
Other liabilities	39.5	32.2
Realized shareholders' equity	(3.2)	3.2
Net unrealized gains on investment securities	-	-
Total liabilities and shareholders' equity	13.7 %	8.9 %

Loans

Loan demand was the strong in 1997 as average loans increased 14.4% over the prior year. An increased emphasis by our banks produced strong growth in both commercial loans and adjustable-rate residential mortgage loans. The Company's only significant concentration of credit at December 31, 1997 occurred in loans secured by real estate which totaled $19.2 billion. However, this amount is not concentrated in any specific geographic area or type of loan, except for adjustable-rate residential mortgages. At year-end 1997, residential mortgages were $8.1 billion in STI of Florida; $2.9 billion in STI of Georgia; and $1.8 billion in STI of Tennessee. Of the $13.0 billion in residential mortgages, $802.2 million were home equity loans. The average loan-to-deposit ratio increased to 104.5% in 1997 compared with 95.8% in 1996.

At December 31, 1997, international outstandings, which include loans, acceptances, deposits in other banks, foreign guarantees and accrued interest, totaled $286.4 million, an increase of 4.7% from $273.5 million at December 31, 1996. Most of the balances were temporary investments in Canada and Western Europe and trade financing.

TABLE 6 - LOAN PORTFOLIO BY TYPES OF LOANS

(In millions) At December 31	1997	1996	1995	1994	1993	1992
Commercial:						
Domestic	$14,139.9	$11,725.5	$10,222.5	$ 9,279.2	$ 8,190.3	$ 7,933.4
International	247.4	240.6	337.5	273.2	197.8	167.3
Real estate:						
Construction	1,442.6	1,384.8	1,216.6	1,151.1	1,083.2	1,034.7
Residential mortgages	12,992.9	11,508.2	9,732.8	8,380.5	7,013.8	5,911.6
Other	4,778.7	4,585.8	4,477.7	4,516.3	4,456.8	4,495.5
Lease financing	725.7	607.5	561.2	411.0	328.1	355.4
Credit card	1,041.3	946.8	774.0	690.5	698.2	725.7
Other consumer loans	4,767.0	4,405.0	3,979.1	3,847.1	3,323.9	2,869.9
Total Loans	$40,135.5	$35,404.2	$31,301.4	$28,548.9	$25,292.1	$23,493.5

TABLE 7 - RESERVE FOR LOAN LOSSES

	At December 31					
(Dollars in millions)	1997	1996	1995	1994	1993	1992
Allocation by Loan Type						
by Loan Type						
Commercial	$142.6	$143.8	$137.7	$138.7	$139.4	$155.2
Real estate	122.7	145.1	167.0	200.6	189.6	164.0
Lease financing	7.5	4.8	5.4	2.8	2.8	2.6
Consumer loans	136.4	107.8	86.2	74.6	88.7	82.5
Unallocated	342.6	324.3	302.6	230.3	140.7	69.9
Total	$751.8	$725.8	$698.9	$647.0	$561.2	$474.2
Allocation as a Percent of Total Reserve						
Commercial	19.0 %	19.8 %	19.7 %	21.4 %	24.8 %	32.7 %
Real estate	16.3	20.0	23.9	31.0	33.8	34.7
Lease financing	1.0	0.7	0.8	0.4	0.5	0.5
Consumer loans	18.1	14.8	12.3	11.5	16.0	17.4
Unallocated	45.6	44.7	43.3	35.7	24.9	14.7
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Year-end Loan Types as a Percent of						
Total Loans						
Commercial	35.8 %	33.8 %	33.7 %	33.5 %	33.1 %	34.3 %
Real estate	47.9	49.4	49.3	49.2	49.6	48.5
Lease financing	1.8	1.7	1.8	1.4	1.5	1.5
Consumer loans	14.5	15.1	15.2	15.9	15.8	15.7
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

TABLE 8 - SUMMARY OF LOAN LOSS EXPERIENCE

				Year Ended December 31		
(Dollars in millions)	1997	1996	1995	1994	1993	1992
Reserve for Loan Losses						
Balance - beginning of year	$ 725.8	$ 698.9	$ 647.0	$ 561.2	$ 474.2	$ 381.0
Reserve of purchased banks	-	1.2	6.3	8.3	8.0	6.4
Provision for loan losses	117.0	115.9	112.1	137.8	189.1	234.2
Charge-offs:						
Domestic:						
Commercial	(23.5)	(36.2)	(29.7)	(28.1)	(47.8)	(61.3)
Real estate:						
Construction	(2.3)	(1.4)	(0.4)	(0.7)	(7.6)	(7.3)
Residential mortgages	(7.2)	(6.3)	(7.1)	(7.3)	(10.9)	(10.3)
Other	(7.0)	(8.2)	(16.3)	(20.5)	(35.1)	(44.5)
Lease financing	(1.6)	(1.2)	(0.9)	(0.7)	(1.0)	(3.0)
Credit card	(50.7)	(40.8)	(27.7)	(26.3)	(28.9)	(33.6)
Other consumer loans	(53.9)	(47.9)	(38.7)	(30.1)	(31.9)	(42.0)
International						
Total charge-offs	(146.2)	(142.0)	(120.8)	(113.7)	(163.2)	(202.0)
Recoveries:						
Domestic:						
Commercial	16.2	15.6	20.0	18.6	20.9	22.1
Real estate:						
Construction	1.8	0.4	0.8	0.7	0.5	0.7
Residential mortgages	1.6	1.5	1.5	1.5	1.3	1.1
Other	6.0	7.5	5.5	6.3	5.2	3.0
Lease financing	0.5	0.5	0.5	0.6	1.0	1.1
Credit card	7.8	6.9	7.3	7.3	5.7	6.8
Other consumer loans	21.2	19.4	18.1	18.3	18.4	19.5
International	0.1	-	0.6	0.1	0.1	0.3
Total recoveries	55.2	51.8	54.3	53.4	53.1	54.6
Net charge-offs	(91.0)	(90.2)	(66.5)	(60.3)	(110.1)	(147.4)
Balance - end of year	$ 751.8	$ 725.8	$ 698.9	$ 647.0	$ 561.2	$ 474.2
Year-end loans outstanding:						
Domestic	$39,875.7	$35,154.8	$30,948.4	$28,260.3	$25,078.0	$23,326.2

International	259.8	249.4	353.0	288.6	214.1	167.3
Total	$40,135.5	$35,404.2	$31,301.4	$28,548.9	$25,292.1	$23,493.5
Average loans	$37,516.2	$32,792.5	$29,709.3	$26,412.6	$24,162.8	$22,489.1
Ratios						
Reserve to year-end loans	1.87 %	2.05 %	2.23 %	2.27 %	2.22 %	2.02 %
Net charge-offs to average loans	0.24	0.27	0.22	0.23	0.46	0.66
Provision to average loans	0.31	0.35	0.38	0.52	0.78	1.04
Recoveries to total charge-offs	37.8	36.5	44.9	47.0	32.5	27.0

Nonperforming Assets

Nonperforming assets were only $150.6 million at year-end 1997, decreasing 41.1% from year-end 1996. At December 31, 1997, the ratio of nonperforming assets to total loans plus other real estate owned was the lowest year-end ratio in the Company's history. Included in nonperforming loans are loans aggregating $16.2 million that are current as to the payment of principal and interest but have been placed in nonperforming status because of uncertainty as to the borrower's ability to make future payments. In management's opinion, all known material potential problem loans are included in Table 9.

Interest income on nonaccrual loans, if recognized, is recorded on a cash basis. When a loan is placed on nonaccrual, unpaid interest is reversed against interest income if it was accrued in the current year and is charged to reserve for loan losses if it was accrued in prior years. When a nonaccrual loan is returned to accruing status, any unpaid interest is recorded as interest income after all principal has been collected.

For the year 1997 the gross amount of interest income that would have been recorded on nonaccrual loans and restructured loans at December 31, 1997, if all such loans had been accruing interest at the original contractual rate, was $12.3 million. Interest payments recorded in 1997 as interest income (excluding reversals of previously accrued interest) for all such nonperforming loans at December 31, 1997, were $9.1 million.

TABLE 9 - NONPERFORMING ASSETS AND ACCRUING LOANS PAST DUE 90 DAYS OR MORE

	At December 31					
(Dollars in millions)	1997	1996	1995	1994	1993	1992
Nonperforming Assets						
Nonaccrual loans:						
Commercial	$ 20.9	$ 45.6	$ 28.3	$ 27.9	$ 41.3	$ 49.6
Real Estate:						
Construction	1.8	13.3	4.9	16.0	29.9	45.4
Residential mortgages	49.7	49.6	45.7	45.3	53.1	45.5
Other	41.2	81.0	99.3	82.0	116.8	160.2
Lease financing	3.0	2.3	0.1	0.2	0.1	0.9
Consumer loans	8.8	10.5	11.0	11.6	9.3	18.1
Total nonaccrual loans	125.4	202.3	189.3	183.0	250.5	319.7
Restructured loans	2.7	9.9	2.9	4.6	11.3	4.6
Total nonperforming loans	128.1	212.2	192.2	187.6	261.8	324.3
Other real estate owned	22.5	43.6	58.8	87.7	148.9	220.3
Total nonperforming assets	$ 150.6	$ 255.8	$ 251.0	$ 275.3	$ 410.7	$ 544.6
Ratios						
Nonperforming loans to total loans	0.32 %	0.60 %	0.61 %	0.66 %	1.03 %	1.38 %
Nonperforming assets to total loans plus other real estate owned	0.37	0.72	0.80	0.96	1.61	2.30
Reserve to nonperforming loans	586.9	342.0	363.6	344.9	214.4	146.2
Accruing Loans Past Due 90 Days or More	$ 40.8	$ 34.2	$ 24.3	$ 19.2	$ 24.4	$ 27.6

Investment Securities

The investment portfolio is managed to maximize yield over an entire interest rate cycle while providing liquidity and minimizing market risk. The portfolio yield improved from an average of 6.64% in 1996 to 6.84% in 1997. On an amortized cost basis, the portfolio increased by $455.0 million from December 31, 1996 to December 31, 1997. Portfolio turnover from sales totaled $637.8 million in 1997, representing approximately 7.8% of the average portfolio size. The average life of the portfolio increased to approximately 4.6 years at year-end 1997. Adjustable-rate securities in the portfolio reduced the duration (the average time until receipt of the present value of the portfolio's cash flow) to 1.8 years.

The Company classifies all of its investment securities as "available- for-sale" which is consistent with the Company's investment philosophy of maintaining flexibility to manage the securities portfolio. The carrying value of investment securities at December 31, 1997, reflected $3.3 billion in unrealized gains, including a $3.2 billion unrealized gain on the Company's investment in common stock of The Coca-Cola Company. The market value of this common stock investment increased $678.7 million during 1997, which was not reflected in net income of SunTrust.

TABLE 10 - INVESTMENT SECURITIES

(In millions) At December 31	Amortized Cost	Fair Value	Unrealized Gains	Unrealized Losses
U.S. Treasury and other U.S. government agencies and corporations:				
1997	$2,875.0	$ 2,896.3	$ 24.7	$ 3.4
1996	3,277.8	3,290.9	24.3	11.2

1995	3,286.7	3,308.4	32.5	10.8
States and political subsidivions:				
1997	622.3	642.1	20.0	0.2
1996	749.1	773.2	25.2	1.1
1995	831.2	865.8	36.1	1.5
Mortgage-backed securities:				
1997	4,031.5	4,049.9	34.2	15.8
1996	3,750.5	3,748.6	27.0	28.9
1995	3,508.4	3,516.2	26.4	18.6
Trust preferred securities:				
1997	663.0	674.4	17.4	6.0
1996	-	-	-	-
1995	-	-	-	-
Other securities:<F1>				
1997	225.5	3,466.6	3,241.4	0.3
1996	184.9	2,738.5	2,555.0	1.4
1995	177.5	1,986.5	1,810.1	1.1
Total investment securities				
1997	$8,417.3	$11,729.3	$3,337.7	$25.7
1996	7,962.3	10,551.2	2,631.5	42.6
1995	7,803.8	9,676.9	1,905.1	32.0

<F1> Includes the Company's investment in 48,266,496 shares of common stock of The Coca-Cola Company.

Deposits

Average interest-bearing deposits increased 5.0% in 1997 and comprised 79.0%, 79.0% and 78.3% of average total deposits in 1997, 1996 and 1995. Other time deposits had the largest increase at 37.2%. Consumer time deposits decreased 3.9%.

TABLE 11 - COMPOSITION OF AVERAGE DEPOSITS

	Year Ended December 31			Percent of Total		
(Dollars in millions)	1997	1996	1995	1997	1996	1995
Noninterest-bearing	$ 7,539.7	$ 7,203.9	$ 6,911.1	21.0 %	21.0 %	21.7 %
NOW/Money market accounts	10,503.0	10,296.2	9,425.2	29.2	30.1	29.6
Savings	5,271.1	5,374.0	3,619.4	14.7	15.7	11.4
Consumer time	6,996.9	7,282.3	7,875.0	19.5	21.3	24.8
Other time	5,604.6	4,084.9	3,978.0	15.6	11.9	12.5
Total	$ 35,915.3	$ 34,241.3	$ 31,808.7	100.0 %	100.0 %	100.0 %

Funds Purchased

Average funds purchased increased $1,675.0 million or 34.7% in 1997. Also, average net purchased funds (average funds purchased less average funds sold) increased $1,402.9 million in 1997. Average net purchased funds were 11.6% of earning assets for 1997 compared to 9.7% in 1996.

FUNDS PURCHASED <F1>

	At December 31		Daily Average		Maximum Outstanding at Any
(Dollars in millions)	Balance	Rate	Balance	Rate	Month-end
1997	$6,483.1	5.76 %	$6,496.1	5.31 %	$7,842.1
1996	6,047.7	5.91	4,821.1	5.09	6,409.2
1995	5,483.8	5.08	4,228.8	5.65	5,483.8

<F1> Consists of federal funds purchased and securities sold under agreements to repurchase that mature either overnight or at a fixed maturity generally not exceeding three months. Rates on overnight funds reflect current market rates. Rates on fixed maturity borrowings are set at the time of borrowings.

Capital Resources

Regulatory agencies measure capital adequacy within a framework that makes capital requirements sensitive to the risk profiles of individual banking companies. The guidelines define capital as either Tier 1 (primarily common shareholders' equity) or Tier 2 (certain debt instruments and a portion of the reserve for loan losses). The Company and its subsidiary banks are subject to a minimum Tier 1 capital ratio (Tier 1 capital to risk-weighted assets) of 4%, total capital ratio (Tier 1 plus Tier 2 to risk-weighted assets) of 8% and Tier 1 leverage ratio (Tier 1 to average quarterly assets) of 3%. To be considered a "well capitalized" institution, the Tier 1 capital ratio, the total capital ratio, and the Tier 1 leverage ratio must equal or exceed 6%, 10% and 5%, respectively. Under regulations proposed in 1997, a portion of the unrealized gains on equity securities are included in the Tier 2 capital calculation. SunTrust is committed to maintaining well capitalized banks.

In April 1997, the Board of Directors authorized the Company to repurchase up to 15,000,000 shares of SunTrust common stock. At December

31, 1997, the Company had 13,068,994 shares remaining to be repurchased under this authorization.

TABLE 13 - CAPITAL RATIOS

	At December 31					
(Dollars in millions)	1997	1996	1995	1994	1993	1992
Tier 1 capital:						
Realized shareholders' equity	$ 3,150.5	$ 3,278.2	$ 3,111.0	$ 2,883.3	$ 2,845.8	$ 2,769.7
Trust preferred securities	600.0					
Intangible assets other than servicing rights	(292.4)	(244.1)	(252.3)	(222.2)	(194.0)	(174.6)
Tier 1 capital	3,458.1	3,034.1	2,858.7	2,661.1	2,651.8	2,595.1
Tier 2 capital:						
Allowable reserve for loan losses	600.1	510.8	462.2	420.9	378.1	349.8
Allowable long-term debt	950.0	877.1	246.8	281.4	120.4	200.0
Regulatory adjustment	965.6					
Tier 2 capital	2,515.7	1,387.9	709.0	702.3	498.5	549.8
Total capital	$ 5,973.8	$ 4,422.0	$ 3,567.7	$ 3,363.4	$ 3,150.3	$ 3,144.9
Risk-weighted assets	$47,856.6	$40,651.0	$36,742.0	$33,444.3	$29,871.4	$27,684.4
Risk-based ratios:						
Tier 1 capital	7.22 %	7.46 %	7.78 %	7.95 %	8.88 %	9.37 %
Total capital	12.48	10.87	9.71	10.05	10.55	11.35
Tier 1 leverage ratio	6.49	6.40	6.71	6.68	6.82	7.27
Total shareholders' equity to assets	8.97	9.30	9.19	8.09	8.86	7.33

Liquidity

Liquidity is managed to ensure there is sufficient cash flow to satisfy demand for credit, deposit withdrawals and attractive investment opportunities. A large, stable core deposit base, strong capital position and excellent credit ratings are the solid foundation for the Company's liquidity position. Liquidity is enhanced by an investment portfolio structured to provide liquidity as needed. It is also strengthened by ready access to regional and national wholesale funding sources including fed funds purchased, securities sold under agreements to repurchase, negotiable certificates of deposit and offshore deposits, as well as an active bank note program, commercial paper issuance by the Parent Company, and Federal Home Loan Bank (FHLB) advances for several subsidiary banks who are FHLB members.

TABLE 14 - LOAN MATURITY
(In millions)

		Remaining Maturities of Selected Loans		
At December 31, 1997	Total	Within 1 Year	1-5 Years	After 5 Years
Loan Maturity				
Commercial	$ 14,387.3	$ 6,955.8	$ 5,721.8	$ 1,709.7
Real estate - construction	1,442.6	998.1	444.5	
Total	$ 15,829.9	$ 7,953.9	$ 6,166.3	$ 1,709.7
Interest Rate Sensitivity				
Selected loans with:				
Predetermined interest rates			$ 1,261.8	$ 277.9
Floating or adjustable interest rates			4,904.5	1,431.8
Total			$ 6,166.3	$ 1,709.7

TABLE 15 - MATURITY DISTRIBUTION OF INVESTMENT SECURITIES

	At December 31, 1997					
(Dollars in millions)	1 Year or Less	1-5 Years	5-10 Years	After 10 Years	Total	Average Maturity in Years
Distribution of Maturities:						
Amortized Cost						
U.S. Treasury and other U.S. government agencies and corporations	$ 1,131.1	$ 1,739.3	$ 4.6	$ -	$ 2,875.0	1.5
States and political subdivisions	138.4	357.9	117.2	8.8	622.3	2.8
Mortgage-backed securities <F1>	567.8	2,593.0	824.1	46.6	4,031.5	3.1
Trust preferred securities	-	-	30.3	632.7	663.0	29.1
Total debt securities	$ 1,837.3	$ 4,690.2	$ 976.2	$ 688.1	$ 8,191.8	4.6
Fair Value						
U.S. Treasury and other U.S. government agencies and corporations	$ 1,130.8	$ 1,760.6	$ 4.9	$ -	$ 2,896.3	
States and political subdivisions	140.7	366.7	125.3	9.4	642.1	
Mortgage-backed securities <F1>	561.8	2,610.4	830.7	47.0	4,049.9	
Trust preferred securities	-	-	30.1	644.3	674.4	
Total debt securities	$ 1,833.3	$ 4,737.7	$ 991.0	$ 700.7	$ 8,262.7	
Weighted average yield(FTE):						
U.S. Treasury and other U.S. government agencies and corporations	5.67 %	6.27 %	7.14 %	- %	6.04 %	
States and political subdivisions	8.84	8.04	8.99	7.83	8.40	
Mortgage-backed securities <F1>	5.85	6.67	6.28	5.73	6.46	
Trust preferred securities	-	-	6.68	7.17	7.15	
Total debt securities	5.97	6.63	6.62	7.08	6.52	

<F1> Distribution of maturities is based on expected cash flows which may be different from the contractual terms.

TABLE 16 - MATURITY OF CONSUMER TIME AND OTHER TIME DEPOSITS IN AMOUNTS OF $100,000 OR MORE

(In millions) At December 31, 1997	Consumer Time	Other Time Deposits	Total
Months to maturity:			
3 or less	$1,572.8	$3,041.3	$4,614.1
Over 3 through 6	586.8		586.8
Over 6 through 12	630.1		630.1
Over 12	469.2		469.2
Total	$3,258.9	$3,041.3	$6,300.2

Interest Rate and Market Risk

The normal course of business activity exposes SunTrust to interest rate risk. Fluctuations in interest rates may result in changes in the fair market value of the Company's financial instruments, cashflows and net interest income. SunTrust's asset / liablilty management process manages the Company's interest rate risk position. The objective of this process is the optimization of the Company's financial position, liquidity and net interest income, while maintaining a relatively neutral interest rate sensitive position. The gap analysis in Table 17 represents a snapshot of the Company's balance sheet structure as of year-end. It does not reflect the complexities of the Company's interest rate sensitivity.

SunTrust uses a simulation modeling process to measure interest rate risk and evaluate potential strategies. These simulations incorporate assumptions regarding balance sheet growth and mix, pricing, and the repricing and maturity characteristics of the existing and projected balance sheet. Other interest-rate-related risks such as prepayment, basis and option risk are also considered. Simulation results quantify interest rate risk under various interest rate scenarios. Management then develops and implements appropriate strategies. Senior management regularly reviews the overall interest rate risk position and asset / liability management strategies.

The Company's relative interest rate risk neutrality as of December 31, 1997 is evidence of the management's ability to reach their interest rate risk objectives. Management estimates the Company's annual net interest income would decline less than $5 million, or 0.2%, under an instantaneous increase, or decrease, in interest rates of 100 basis points, versus the projection under stable rates. A fair market value analysis of the Company's balance sheet calculated under an instantaneous 100 basis point increase in rates over December 31, 1997 estimates a $225 million decrease in market value. SunTrust estimates a like decrease in rates would increase market value $183 million. These changes in market value represent less than 0.4% of total carrying value of total assets as of year-end. These simulated computations should not be relied upon as indicative of actual future results. Further, the computations do not contemplate certain actions that management may undertake in response to future changes in interest rates.

The Company is also subject to risk from changes in equity prices. SunTrust owns 48,266,496 shares of commom stock of The Coca-Cola Company which had a carrying value of $3.2 billion at December 31, 1997. An instantaneous 10% decrease in share price of The Coca-Cola Company would result in a decrease of approximately $205 million in shareholders' equity.

The Company's trading portfolio at December 31, 1997 is not significant compared to the remainder of the balance sheet. The increase or decrease in portfolio equity from trading assets caused by hypothetical 10% increase or decrease in interest rates or equity prices would not be material. Nevertheless, the Company closely monitors market risk .

TABLE 17 - INTEREST RATE SENSITIVITY ANALYSIS

	At December 31, 1997 Repricing Within<F1>					
(Dollars in millions)	0-30 Days	31-90 Days	91-180 Days	181-365 Days	Over 1 Year	Total
EARNING ASSETS						
Loans <F2>	$ 13,494.2	$ 5,749.9	$ 2,339.5	$ 3,743.0	$ 14,390.3	$ 39,716.9
Debt securities <F3>	1,022.7	845.5	577.0	1,354.8	4,570.2	8,370.2
Interest-bearing deposits	13.4	0.7	-	-	1.3	15.4
Funds sold	1,063.6	-	-	-	-	1,063.6
Total earning assets	15,593.9	6,596.1	2,916.5	5,097.8	18,961.8	49,166.1
INTEREST-BEARING LIABILITIES						
Interest-bearing deposits <F4>	20,936.6	1,584.2	2,193.9	2,281.3	2,273.7	29,269.7
Funds purchased	8,101.0	-	-	-	-	8,101.0
Other short-term borrowings	1,307.4	197.0	35.0	450.0	-	1,989.4
Long-term debt	137.6	97.1	4.5	18.8	2,913.8	3,171.8
Total interest-bearing liabilities	30,482.6	1,878.3	2,233.4	2,750.1	5,187.5	42,531.9
Off-balance sheet financial instruments	(236.1)	276.8	(341.0)	(535.4)	835.7	-
Interest-sensitivity gap	$(15,124.8)	$ 4,994.6	$ 342.1	$ 1,812.3	$ 14,610.0	$ 6,634.2
Cumulative gap	$(15,124.8)	$(10,130.2)	$ (9,788.1)	$ (7,975.8)	$ 6,634.2	
Ratio of cumulative gap to total earning assets	30.8 %	20.6 %	19.9 %	16.2 %	13.5 %	
Ratio of interest-sensitive assets to interest-sensitive liabilities	51.2	351.2	130.6	185.4	365.5	
Cumulative gap at December 31, 1996	$(12,256.7)	$ (9,157.7)	$ (8,764.8)	$ (5,809.2)	$ 7,544.2	
Cumulative gap at December 31, 1995	(8,215.5)	(7,687.5)	(7,233.8)	(4,597.4)	6,972.4	

<F1> The repricing dates (which may differ from maturity dates) for various assets and liabilities do not consider external factors that might affect the interest rate sensitivity of assets and liabilities.

<F2> Excludes overdrafts and nonaccrual loans.
<F3> Includes trading account.
<F4> Savings, NOW and money market accounts can be repriced at any time, therefore all such balances have been included in 0-30 days. Consumer time and other time deposit balances are classified according to their remaining maturities.

Derivative Instruments

Derivative financial instruments, such as interest rate swaps, options, futures and forward contracts, are components of the Company's risk management profile. The Company also enters into such instruments as a service to corporate banking customers. Where contracts have been created for customers, the Company enters into offsetting positions to eliminate the Company's exposure to interest rate risk.
The Company monitors its sensitivity to changes in interest rates and may use interest rate swap contracts to limit the volatility of net interest income. Interest rate swaps increased interest expense by $3.7 million in 1997 and $1.0 in 1996 and decreased interest expense by $10.1 million for 1995. Included in those amounts are $(1.4), $2.3 and $0.5 million representing income from swaps entered into for customers. For interest rate swaps entered into by the Company as an end user, the following table shows the weighted average rate received and weighted average rate paid by maturity and corresponding notional amounts at December 31, 1997.

TABLE 18 - INTEREST RATE SWAPS

(Dollars in millions) At December 31, 1997	Notional Value	Fair Value	Maturity In Months	Average Rate Paid	Average Rate Received	Average
Gain position:						
Receive fixed	$ 718.8	$ 36.0	87.1	5.90 %	6.87 %	
Pay fixed	112.8	2.8	23.5	5.65	5.90	
Basis swaps	250.0	0.4	14.8	5.47	5.73	
Total gain position	1,081.6	39.2				
Loss position:						
Receive fixed	1,038.0	(3.5)	4.6	5.82	5.32	
Pay fixed	589.6	(7.0)	46.2	6.52	5.84	
Basis swaps	750.0	(4.3)	33.9	5.47	5.71	
Total loss position	2,377.6	(14.8)				
Total	$3,459.2	$ 24.4				

Earnings and Balance Sheet Analysis 1996 vs. 1995

Net income was $616.6 million in 1996 compared with $565.5 million in 1995. This increase amounted to $51.1 million or 9.0%. Diluted earnings per common share in 1996 were $2.76, an 11.7% increase over the preceding year. Basic earnings per common share in 1996 were $2.80 compared to $2.49 the previous year.
Net interest income, at $1,824.3 million for 1996, was $98.3 million higher than in 1995 primarily because of a 10.8% growth in average assets. The Company's net interest margin declined from 4.49% in 1995 to 4.36% in 1996.
The provision for loan losses increased $3.8 million from $112.1 million to $115.9 million while the reserve for loan losses as a percentage of loans decreased from 2.23% to 2.05%. Net charge-offs were 0.27% of loans in 1996 versus 0.22% in 1995. Nonperforming assets increased $4.8 million from $251.0 million at December 31, 1995 to $255.8 million at December 31, 1996.
Noninterest income increased $104.9 million from $713.1 million in 1995 to $818.0 million in 1996. Other charges and fees were up as a result of increased investment banking activity. Noninterest expense was up $131.6 million or 9.1%.
Loans at December 31, 1996, were $35.4 billion or 13.1% greater than at year-end 1995. At December 31, 1996, deposits were $36.9 billion, an increase of $3.7 billion, or 11.2%, from 1995 year-end.

Fourth Quarter Results

Diluted net income per common share for the fourth quarter of 1997 was $0.82, an increase of 13.9% from $0.72 per share in the fourth quarter of 1996. Basic net income per common share increased 13.7% to $0.83 in 1997 from $0.73 in 1996. Net income increased from $158.5 million in the 1996 fourth quarter to $172.2 million in the 1997 fourth quarter.

The 1997 provision for loan losses of $32.6 million was $2.1 million lower than the $34.7 million in 1996. Net loan charge-offs for the current period were lower at $27.9 million, $5.7 million lower than in the 1996 fourth quarter.
Average earning assets were $49.0 billion in the 1997 fourth quarter, an increase of 11.9% over 1996. This gain, offset somewhat by a 29 basis point decline in the net interest margin, produced an increase of $21.9 million in net interest income on a taxable-equivalent basis.
Noninterest income increased by $40.4 million in the 1997 fourth quarter compared to the fourth quarter of 1996. Trust income was up $13.5 million or 19.6%. Service charges on deposit accounts were up $3.1 million or 5.3% over the 1996 fourth quarter.
Noninterest expense increased 8.7% from year-ago levels. Personnel expense was up $15.0 million or 6.6%.

TABLE 19 - QUARTERLY FINANCIAL DATA

(Dollars in millions) except per share data	1997 4	1997 3	1997 2	1997 1	1996 4	1996 3	1996 2	1996 1
SUMMARY OF OPERATIONS								
Interest and dividend income	$ 954.4	$ 934.9	$ 898.4	$ 863.1	$ 846.5	$ 820.4	$ 798.6	$ 780.5
Interest expense	469.0	458.1	428.7	400.6	384.2	366.0	354.3	357.3
Net interest income	485.4	476.8	469.7	462.5	462.3	454.4	444.3	423.2

Provision for loan losses	32.6	29.0	29.2	26.2	34.7	30.0	26.2	25.0
Net interest income after								
provision for loan losses	452.8	447.8	440.5	436.3	427.6	424.4	418.1	398.2
Noninterest income	247.4	232.9	228.1	225.8	207.0	197.2	200.1	213.7
Noninterest expense	433.9	424.4	413.3	414.0	399.1	389.6	393.4	401.0
Income before provision								
for income taxes	266.3	256.3	255.3	248.1	235.5	232.0	224.8	210.9
Provision for income taxes	94.1	87.7	89.9	87.0	77.0	76.4	72.7	60.5
Net income	$ 172.2	$ 168.6	$ 165.4	$ 161.1	$ 158.5	$ 155.6	$ 152.1	$ 150.4
Net interest income,								
(taxable-equivalent)	$ 494.1	$ 485.7	$ 479.2	$ 472.0	$ 472.2	$ 464.2	$ 454.2	$ 433.7
PER COMMON SHARE								
Net income - diluted	$ 0.82	$ 0.80	$ 0.77	$ 0.74	$ 0.72	$ 0.70	$ 0.68	$ 0.66
Net income - basic	0.83	0.81	0.78	0.75	0.73	0.71	0.68	0.68
Dividends declared	0.250	0.225	0.225	0.225	0.225	0.200	0.200	0.200
Book value	24.77	23.63	24.21	22.31	22.13	21.43	20.73	19.60
Market Price:								
High	75.25	70.44	59.00	54.75	52.50	41.50	38.00	38.38
Low	61.13	54.75	44.13	46.13	40.88	34.88	33.25	32.00
Close	71.38	67.94	55.06	46.38	49.25	41.00	37.00	35.00
SELECTED AVERAGE BALANCES								
Total assets	$56,563.4	$55,060.2	$53,498.3	$51,906.5	$50,061.1	$48,122.6	$47,019.5	$45,641.9
Earning assets	48,970.5	47,672.1	46,238.1	45,054.0	43,763.9	42,179.2	41,241.8	40,114.0
Loans	39,230.1	37,898.9	37,000.9	35,894.2	34,416.9	33,029.6	32,265.2	31,437.9
Total deposits	35,940.2	36,115.7	36,078.8	35,519.5	34,840.7	34,652.8	34,378.8	33,081.9
Realized shareholders' equity	3,150.0	3,127.6	3,128.2	3,229.2	3,334.0	3,281.7	3,232.0	3,206.8
Total shareholders' equity	5,006.0	5,090.4	5,007.8	4,966.6	4,841.3	4,713.7	4,522.2	4,405.3
Common shares - diluted (thousands)	210,554	211,671	213,572	218,227	221,840	222,683	224,061	225,388
Common shares - basic (thousands)	207,138	208,391	210,608	214,940	218,353	219,610	221,142	222,381
Ratios (Annualized)								
ROA	1.28 %	1.29 %	1.31 %	1.33 %	1.32 %	1.35 %	1.36 %	1.38 %
ROE	21.69	21.38	21.21	20.23	18.91	18.86	18.93	18.87
Net interest margin	4.00	4.04	4.16	4.25	4.29	4.38	4.43	4.35

TABLE 20 - CONSOLIDATED DAILY AVERAGE BALANCES, INCOME/EXPENSE
AND AVERAGE YIELDS EARNED AND RATES PAID

	Quarter Ended					
	December 31, 1997			December 31, 1996		
(Dollars in millions; yields on taxable-equivalent basis)	Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates
Assets						
Loans: <F1>						
Taxable	$38,531.7	$787.5	8.11 %	$33,669.4	$688.4	8.13 %
Tax-exempt <F2>	698.4	13.8	7.83	747.5	14.5	7.75
Total loans	39,230.1	801.3	8.10	34,416.9	702.9	8.13
Investment securities:						
Taxable	7,681.3	129.6	6.69	7,330.4	120.1	6.52
Tax-exempt <F2>	653.1	13.8	8.37	733.8	16.0	8.69
Total investment securities	8,334.4	143.4	6.82	8,064.2	136.1	6.71
Funds sold	1,166.1	17.0	5.82	1,177.5	15.9	5.36
Other short-term investments <F2>	239.9	1.4	2.33	105.3	1.5	5.57
Total earning assets	48,970.5	963.1	7.80	43,763.9	856.4	7.78
Reserve for loan losses	(745.1)			(724.8)		
Cash and due from banks	2,395.4			2,320.1		
Premises and equipment	958.0			759.4		
Other assets	1,985.6			1,506.4		
Unrealized gains(losses) on investment securities	2,999.0			2,436.1		
Total assets	$56,563.4			$50,061.1		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
NOW/Money market accounts	$10,603.1	$ 72.9	2.73 %	$10,369.1	$ 70.4	2.70 %
Savings	5,184.4	47.2	3.61	5,437.8	48.9	3.57
Consumer time	6,976.0	92.1	5.24	7,062.1	91.3	5.15
Other time <F3>	5,374.8	76.2	5.62	4,487.4	60.7	5.39
Total interest-bearing deposits	28,138.3	288.4	4.07	27,356.4	271.3	3.95
Funds purchased	7,593.4	102.7	5.36	5,788.3	74.3	5.11
Other short-term borrowings	1,935.4	20.6	4.23	874.8	12.3	5.58
Long-term debt	3,073.2	57.3	7.40	1,568.4	26.3	6.67
Total interest-bearing liabilities	40,740.3	469.0	4.57	35,587.9	384.2	4.30
Noninterest-bearing deposits	7,801.9			7,484.3		
Other liabilities	3,015.2			2,147.6		
Realized shareholders' equity	3,150.0			3,334.0		
Net unrealized gains(losses) on investment securities	1,856.0			1,507.3		
Total liabilities and shareholders' equity	$56,563.4			$50,061.1		
Interest rate spread			3.23 %			3.48 %

Net Interest Income	$494.1	$472.2
Net Interest Margin <F3>	4.00 %	4.29 %

<F1> Interest income includes loan fees of $26.2 and $24.7 in the quarters ended December 31, 1997 and 1996. Nonaccrual loans are included in average balances and income on such loans, if recognized, is recorded on a cash basis.

<F2> Interest income includes the effects of taxable-equivalent adjustments using a Federal income tax rate of 35% and, where applicable, state income taxes to increase tax-exempt interest income to a taxable-equivalent basis. The net taxable-equivalent adjustment amounts included in the above table aggregated $8.7 and $9.9 in the quarters ended December 31, 1997 and 1996.

<F3> Interest rate swap transactions used to help balance the Company's interest-sensitivity position increased interest expense by $1.3 in the fourth quarter of 1997 and reduced interest expense by $0.1 in the fourth quarter of 1996. Without these swaps, the rate on Other time deposits and the net interest margin would have been 5.52% and 4.01% in 1997 and 5.40% and 4.29% in 1996.

TABLE 21 - QUARTERLY NONINTEREST INCOME AND EXPENSE

	Quarters							
	1997				1996			
(In millions)	4	3	2	1	4	3	2	1
Noninterest Income								
Trust income	$ 82.5	$ 79.0	$ 78.7	$ 78.4	$ 69.0	$ 68.1	$ 70.5	$ 70.7
Service charges on deposit accounts	63.8	62.4	61.9	59.7	60.7	57.9	58.1	55.7
Corporate and institutional investment income	6.4	8.6	4.6	5.0	4.8	3.4	3.3	2.8
Retail investment income	8.4	8.3	8.5	8.0	5.1	6.3	6.2	4.6
Credit card fees	18.9	17.5	18.4	18.8	17.0	15.7	16.6	17.0
Mortgage fees	13.6	12.2	10.9	9.2	8.8	8.7	9.8	8.7
Other charges and fees	28.0	27.2	29.5	29.0	25.9	23.8	25.6	23.5
Securities gains (losses)	0.4	0.1	(0.4)	1.4	(0.4)	(0.5)	(2.2)	17.3
Trading account profits and commissions	5.2	4.0	4.8	4.0	4.1	3.5	3.1	2.6
Other income	20.2	13.6	11.2	12.3	12.0	10.3	9.1	10.8
Total noninterest income	$ 247.4	$ 232.9	$ 228.1	$ 225.8	$ 207.0	$ 197.2	$ 200.1	$ 213.7
Noninterest Expense								
Salaries	$ 178.7	$ 175.2	$ 169.8	$ 167.0	$ 165.6	$ 161.7	$ 156.0	$ 151.7
Other compensation	42.9	39.2	36.0	35.4	34.2	32.9	32.3	29.1
Employee benefits	22.0	27.5	29.5	32.4	28.8	26.0	26.4	29.4
Total personnel expense	243.6	241.9	235.3	234.8	228.6	220.6	214.7	210.2
Net occupancy expense	30.9	30.9	32.5	32.5	35.2	34.9	34.4	33.7
Equipment expense	29.6	30.7	30.3	30.1	30.4	29.5	28.0	27.5
FDIC premiums	1.3	1.3	1.4	1.8	1.4	14.1	1.4	1.2
Marketing and customer development	19.2	15.9	16.9	16.8	23.3	19.2	18.7	15.2
Postage and delivery	10.7	10.1	10.5	11.3	10.3	10.5	9.7	10.0
Operating supplies	9.8	8.7	9.1	9.6	9.5	8.9	9.9	9.7
Other real estate expense	(5.8)	(3.1)	(1.3)	(1.2)	(1.1)	0.4	(0.5)	0.8
Communications	8.7	8.9	8.6	9.1	8.6	8.3	7.8	7.7
Consulting and legal	9.3	8.1	5.4	5.7	8.5	5.8	6.1	5.1
Amortization of intangible assets	10.0	8.3	8.0	7.7	7.3	6.8	6.5	6.1
Outside processing and software	19.4	18.0	16.1	14.9	18.2	14.2	12.8	11.7
Other expense	47.2	44.7	40.5	40.9	18.9	16.4	43.9	62.1
Total noninterest expense	$ 433.9	$ 424.4	$ 413.3	$ 414.0	$ 399.1	$ 389.6	$ 393.4	$ 401.0

TABLE 22 - SUMMARY OF LOAN LOSS EXPERIENCE, NONPERFORMING ASSETS AND ACCRUING LOANS PAST DUE 90 DAYS OR MORE (DOLLARS IN MILLIONS)

	Quarters							
	1997				1996			
	4	3	2	1	4	3	2	1
RESERVE FOR LOAN LOSSES								
Balance - Beginning of quarter	$ 747.1	$ 739.8	$ 734.5	$ 725.8	$ 724.7	$ 722.6	$ 712.4	$ 698.9
Reserve of purchased bank	-	-	-	-	-	-	-	1.2
Provision for loan losses	32.6	29.0	29.2	26.2	34.7	30.0	26.2	25.0
Charge-offs	(41.5)	(37.4)	(35.3)	(32.0)	(45.9)	(40.9)	(28.6)	(26.6)
Recoveries	13.6	15.7	11.4	14.5	12.3	13.0	12.6	13.9
Balance - End of quarter	$ 751.8	$ 747.1	$ 739.8	$ 734.5	$ 725.8	$ 724.7	$ 722.6	$ 712.4
RATIOS								
Reserve to loans outstanding - Quarter-end	1.87 %	1.94 %	1.96 %	2.02 %	2.05 %	2.14 %	2.23 %	2.24 %
Net loan charge-offs (annualized) to average loans	0.28	0.23	0.26	0.20	0.39	0.34	0.20	0.16
Provison to average loans (annualized)	0.33	0.30	0.32	0.30	0.40	0.36	0.33	0.32
NONPERFORMING ASSETS								
Nonaccrual loans	$ 125.4	$ 152.3	$ 161.0	$ 181.0	$ 202.3	$ 184.9	$ 192.0	$ 187.7
Restructured loans	2.7	2.7	11.0	9.9	9.9	2.7	2.8	2.9
Total nonperforming loans	128.1	155.0	172.0	190.9	212.2	187.6	194.8	190.6
Other real estate owned	22.5	35.7	41.9	43.9	43.6	51.9	53.5	58.8
Total nonperforming assets	$ 150.6	$ 190.7	$ 213.9	$ 234.8	$ 255.8	$ 239.5	$ 248.3	$ 249.4
RATIOS								
Nonperforming loans to total loans	0.32 %	0.40 %	0.46 %	0.52 %	0.60 %	0.55 %	0.60 %	0.60 %
Nonperforming assets to total loans plus other real estate owned	0.37	0.50	0.57	0.64	0.72	0.71	0.77	0.78
Reserve to nonperforming loans	586.9	482.0	430.1	384.7	342.0	386.2	371.0	373.8

Accruing Loans Past Due 90 Days or More	$ 40.8	$ 41.4	$ 25.9	$ 33.9	$ 34.2	$ 28.0	$ 29.9	$ 26.0

Banking Income

TABLE 23 - SELECTED FINANCIAL DATA OF PRINCIPAL BANKING SUBSIDIARIES
(Dollars in Millions)

	SunTrust Banks of Florida, Inc.		SunTrust Banks of Georgia, Inc.		SunTrust Banks of Tennessee, Inc.	
	1997	1996	1997	1996	1997	1996
Summary of Operations						
Net interest income (FTE)	$1,007.1	$ 947.4	$ 662.8	$ 603.2	$ 293.6	$ 276.5
Provision for loan losses	32.4	30.3	20.3	26.7	6.1	8.9
Trust income	156.3	142.0	114.5	100.5	38.6	35.5
Other noninterest income	314.0	271.2	206.1	176.0	89.2	77.6
Personnel expense	347.1	324.0	230.9	204.2	111.9	103.8
Other noninterest expense	492.7	449.3	298.2	255.6	125.2	114.4
Net income	$ 371.5	$ 341.2	$ 281.5	$ 253.8	$ 110.1	$ 100.1
Selected Average Balances						
Total assets	25,609	23,058	21,275	17,673	7,577	6,877
Earning assets	24,110	21,583	16,708	14,065	7,284	6,599
Loans	18,194	16,363	13,402	11,218	5,673	4,973
Total deposits	18,409	18,275	11,751	10,485	5,820	5,528
Realized shareholder's equity	2,090	1,978	1,530	1,351	606	565
At December 31						
Total assets	27,387	24,783	22,718	20,068	8,142	7,489
Earning assets	25,435	22,885	17,582	15,698	7,783	7,094
Loans	19,549	17,267	14,299	12,287	5,906	5,370
Reserve for loan losses	379	369	201	196	110	114
Total deposits	19,715	19,316	12,251	11,703	6,382	5,837
Realized shareholder's equity	2,172	2,048	1,685	1,404	635	585
Total shareholder's equity	2,190	2,058	3,687	2,982	641	590
Credit Quality						
Net loan charge-offs<F1>	22.3	23.5	15.0	23.0	10.4	9.7
Nonperforming loans<F2>	79.3	117.4	36.4	73.6	12.0	20.7
Other real estate owned<F2>	10.9	24.4	2.8	5.3	8.6	13.9
Ratios and Other Data						
ROA	1.45 %	1.48 %	1.54 %	1.64 %	1.45 %	1.46 %
ROE	17.77	17.25	18.39	18.79	18.17	17.71
Net interest margin	4.18	4.40	3.97	4.29	4.03	4.20
Efficiency ratio	56.8	56.8	53.8	52.3	56.3	56.0
Total shareholder's equity/assets	8.00	8.30	16.23	14.86	7.88	7.88
Net loan charge-offs to average loans	0.13	0.15	0.11	0.21	0.19	0.20
Nonperforming loans to total loans	0.42	0.70	0.26	0.61	0.21	0.39
Nonperforming assets to total loans plus other real estate owned	0.47	0.84	0.28	0.65	0.36	0.66
Reserve to loans	1.99	2.19	1.43	1.62	1.90	2.17
Reserve to nonperforming loans<F1>	478.4	314.5	552.2	266.1	909.6	550.5
Full-service banking offices	368	372	213	201	118	116
ATMs	550	496	359	292	169	129

<F1> Charge-offs on credit cards are recorded in SunTrust BankCard, N.A. and are not included in the principal banking subsidiaries.
<F2> At December 31.

TABLE 24 - FINANCIAL HIGHLIGHTS OF PRINCIPAL BANKING SUBSIDIARIES

	Net Income		ROA		Total Assets at December 31	
(Dollars in millions)	1997	1996	1997	1996	1997	1996
SunTrust Banks of Florida, Inc.						
SunTrust Bank, Central Florida, N.A.	$ 96.7	$ 86.6	1.40 %	1.53 %	$ 7,803	$ 6,460
SunTrust Bank, East Central Florida	17.8	16.9	1.65	1.58	1,070	1,056
SunTrust Bank, Gulf Coast	22.6	17.9	1.22	0.99	1,907	1,822
SunTrust Bank, Miami, N.A.	43.5	47.4	1.38	1.83	3,523	2,849
SunTrust Bank, Mid-Florida, N.A.	11.6	11.9	1.19	1.21	963	984
SunTrust Bank, Nature Coast	17.9	16.2	1.38	1.31	1,342	1,292
SunTrust Bank, North Central Florida	13.4	12.2	1.54	1.54	907	822
SunTrust Bank, North Florida, N.A.	8.0	9.5	0.76	1.08	1,037	972
SunTrust Bank, South Florida, N.A.	70.6	60.6	1.78	1.57	4,452	4,113
SunTrust Bank, Southwest Florida	18.8	16.6	1.43	1.46	1,359	1,255
SunTrust Bank, Tallahassee, N.A.	5.7	5.0	1.21	1.06	520	445
SunTrust Bank, Tampa Bay	36.3	31.8	1.57	1.57	2,493	2,106
SunTrust Bank, West Florida	9.4	7.9	1.69	1.51	587	565
SunTrust Banks of Georgia, Inc.						
SunTrust Bank, Atlanta	$ 198.0	$ 179.1	1.38 %	1.52 %	$17,050	$14,978
SunTrust Bank, Augusta, N.A.	7.9	7.5	1.52	1.58	536	483
SunTrust Bank, Middle Georgia, N.A.	11.5	9.8	1.98	1.65	565	631
SunTrust Bank, Northeast Georgia, N.A.	12.6	10.5	2.03	1.72	661	612
SunTrust Bank, Northwest Georgia, N.A.	6.4	5.7	1.73	1.68	372	376
SunTrust Bank, Savannah, N.A.	10.9	9.6	1.95	1.89	596	519
SunTrust Bank, South Georgia, N.A.	10.6	9.5	1.66	1.59	670	622
SunTrust Bank, Southeast Georgia, N.A.	7.0	6.3	1.48	1.51	526	452
SunTrust Bank, West Georgia, N.A.	6.2	6.6	1.26	1.49	502	476

SunTrust Banks of Tennessee, Inc.						
SunTrust Bank, Chattanooga, N.A.	$ 25.3	$ 21.5	1.79 %	1.57 %	$ 1,471	$ 1,399
SunTrust Bank, East Tennessee, N.A.	21.2	20.4	1.24	1.34	1,915	1,600
SunTrust Bank, Nashville, N.A.	54.9	49.5	1.42	1.46	4,264	3,899
SunTrust Bank, South Central Tennessee, N.A.	5.1	4.9	1.52	1.49	341	332
SunTrust Bank, Alabama, N.A.	3.6	3.7	1.04	1.12	353	348

Supervision and Regulation

As a bank holding company, the Company is subject to the regulation and supervision of the Board of Governors of the Federal Reserve System (the "Federal Reserve"). The Company's subsidiary banks (the "Subsidiary Banks") are subject to supervision and regulation by applicable state and federal banking agencies, including the Federal Reserve, the Office of the Comptroller of the Currency (the "Comptroller") and the Federal Deposit Insurance Corporation (the "FDIC"). The Subsidiary Banks are also subject to various requirements and restrictions under federal and state law, including requirements to maintain reserves against deposits, restrictions on the types and amounts of loans that may be granted and the interest that may be charged thereon, and limitations on the types of investments that may be made and the types of services that may be offered. Various consumer laws and regulations also affect the operations of the Subsidiary Banks. In addition to the impact of regulation, commercial banks are affected significantly by the actions of the Federal Reserve as it attempts to control the money supply and credit availability in order to influence the economy.

Pursuant to the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, bank holding companies from any state may now acquire banks located in any other state, subject to certain conditions, including concentration limits. A bank may establish branches across state lines by merging with a bank in another state, beginning June 1, 1997 (unless applicable state law permitted such interstate mergers at an earlier date or prohibits such interstate mergers entirely), provided certain conditions are met. A bank may also establish a de novo branch in a state in which the bank does not maintain a branch if that state expressly permits such interstate de novo branching and certain other conditions are met.

There are a number of obligations and restrictions imposed on bank holding companies and their depository institution subsidiaries by federal law and regulatory policy that are designed to reduce potential loss exposure to the depositors of such depository institutions and to the FDIC insurance fund in the event the depository institution becomes in danger of default or is in default. For example, under a policy of the Federal Reserve with respect to bank holding company operations, a bank holding company is required to serve as a source of financial strength to its subsidiary depository institutions and commit resources to support such institutions in circumstances where it might not do so absent such policy. In addition, the "cross-guarantee" provisions of federal law require insured depository institutions under common control to reimburse the FDIC for any loss suffered or reasonably anticipated as a result of the default of a commonly controlled insured depository institution or for any assistance provided by the FDIC to a commonly controlled insured depository institution in danger of default.

The federal banking agencies have broad powers under current federal law to take prompt corrective action to resolve problems of insured depository institutions. The extent of these powers depends upon whether the institutions in question are "well capitalized," "adequately capitalized," "undercapitalized", "significantly undercapitalized" or "critically undercapitalized" as such terms are defined under regulations issued by each of the federal banking agencies.

There are various legal and regulatory limits on the extent to which the Company's Subsidiary Banks may pay dividends or otherwise supply funds to the Company. In addition, federal and state regulatory agencies also have the authority to prevent a bank or bank holding company from paying a dividend or engaging in any other activity that, in the opinion of the agency, would constitute an unsafe or unsound practice.

There have been a number of legislative and regulatory proposals that would have an impact on the operation of bank holding companies and their banks. It is impossible to predict whether or in what form these proposals may be adopted in the future and, if adopted, what their effect will be on the Company.

FDIC regulations require that management report on its responsibility for preparing its institution's financial statements, and establishing and maintaining an internal control structure and procedures for financial reporting and compliance with designated laws and regulations concerning safety and soundness.

SunTrust Securities, Inc. is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the National Association of Securities Dealers, Inc. Trusco Capital Management, Inc. is registered with the SEC and is an investment adviser pursuant to the Investment Advisers Act of 1940, as amended.

SunTrust Equitable Securities Corporation ("SESC") is a broker-dealer registered with the SEC and is a member of the New York Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. SESC engages in investment banking activities, including underwriting and dealing in debt and equity securities, public finance, corporate finance, mergers and acquisitions and other advisory services to corporations, and the sale of securities to corporations, institutions and governmental entities, high net worth individuals and others. SESC also engages in investment advisory activities and is an investment adviser registered with the SEC pursuant to the Investment Advisers Act of 1940, as amended. SESC has an indirect subsidiary, Equitable Asset Management, Inc. which is also an investment adviser registered with the SEC pursuant to the Investment Advisers Act of 1940, as amended.

Year 2000

SunTrust recognizes the need to ensure that Year 2000 software failures will not adversely impact its operation. Potential software failures due to processing errors arising from calculations using the Year 2000 date are a known risk. A corporate-wide task force, with representation from all major business units, was established in early 1996 to evaluate and manage the risks, solutions and cost associated with addressing this issue. Under the direction of this group, with direct supervision by executive management, much has already been accomplished.

The costs incurred in addressing the Year 2000 problem are being expensed as incurred in compliance with generally accepted accounting principles. None of these costs are expected to impact materially the results of operations in any one period. Managment estimates the total cost of achieving Year 2000 compliance to be approximately $45 million (pre-tax). A significant portion of this cost is not expected to be incremental to SunTrust but instead will constitute a reassignment of existing internal systems technology resources. SunTrust believes that its plans for dealing with the Year 2000 issue will result in timely and adequate modifications of its systems and technology. Ultimately, the potential impact of the Year 2000 issue will depend not only on the corrective measures SunTrust undertakes but also on the way in which the

Year 2000 issue is addressed by governmental agencies, businesses and other entities that provide data to, or receive data from, SunTrust, or whose financial condition or operational capability is important to SunTrust as borrowers, suppliers or customers.

Community Reinvestment

"Build your community and you build your bank" has always been the operating philosophy of SunTrust. In our communities, where you find people working together to build, rebuild or improve their quality of life, SunTrust will be there.
Each SunTrust bank is an integral part of the community it serves. Our bankers work side by side with community groups, non-profit organizations, governmental agencies, and individuals to provide decent, safe, affordable housing; opportunities for small businesses; and redevelopment of blighted areas. SunTrust employees can be found hammering nails in Habitat homes, serving on the boards of Community Development Corporations, teaching small- business owners the keys to success, walking for charity, and anywhere there is an activity to improve our communities. Our role as a community leader is a responsibility that every SunTrust bank takes seriously. Each bank has designated a senior executive to oversee our community activities and ensure that we are doing our part.
SunTrust provides financial support to community building afforts through our extensive corporate contributions, investments, and lending activities. In 1997, SunTrust approved 4,639 loans for $288 million to provide housing in low- to moderate income areas. We also approved 9,567 loans totaling $432 million for families classified as low- to moderate- income to purchase or rehabilitate their homes. Thirty-two thousand thirty (32,030) small businesses in our communities received $3.1 billion in SunTrust loans.
SunTrust continues to seek new and innovative ways to build the communities we serve and to ensure that all qualified applicants receive the loans they need to improve their quality of life.

Legal Proceedings

The Company and its subsidiaries are parties to numerous claims and lawsuits arising in the course of their normal business activities, some of which involve claims for substantial amounts. Although the ultimate outcome of these suits cannot be ascertained at this time, it is the opinion of management that none of these matters, when resolved, will have a material effect on the Company's consolidated results of operations or financial position.

Competition

All aspects of the Company's business are highly competitive. The Company faces aggressive competition from other domestic and foreign lending institutions and from numerous other providers of financial services. The ability of nonbanking financial institutions to provide services previously reserved for commercial banks has intensified competition. Because nonbanking financial institutions are not subject to the same regulatory restrictions as banks and bank holding companies, they can often operate with greater flexibility.

Properties

The Company's headquarters are located in Atlanta, Georgia. As of December 31, 1997, bank subsidiaries of the Company owned 469 of their 699 full- service banking offices, and leased the remaining banking offices. See Note 6 of the Notes to Consolidated Financial Statements.

Consolidated Financial Statements
Contents

Management's Statement of Responsibility for Financial Information

Financial statements and information in this Annual Report were prepared in conformity with generally accepted accounting principles. Management is responsible for the integrity and objectivity of the financial statements and related information. Accordingly, it maintains an extensive system of internal controls and accounting policies and procedures to provide reasonable assurance of the accountability and safeguarding of Company assets, and of the accuracy of financial information. These procedures include management evaluations of asset quality and the impact of economic events, organizational arrangements that provide an appropriate division of responsibility, and a program of internal audits to evaluate independently the adequacy and application of financial and operating controls and compliance with Company policies and procedures.
The Company's independent public accountants, Arthur Andersen LLP, express their opinion as to the fairness of the financial statements presented. Their opinion is based on an audit conducted in accordance with generally accepted auditing standards as described in the second paragraph of their report.
The Board of Directors, through its Audit Committee, is responsible for ensuring that both management and the independent public accountants fulfill their respective responsibilities with regard to the financial statements. The Audit Committee, composed entirely of directors who are not officers or employees of the Company, meets periodically with both management and the independent public accountants to ensure that each is carrying out its responsibilities. The independent public accountants have full and free access to the Audit Committee and meet with it, with and without management present, to discuss auditing and financial reporting matters.
The Company assessed its internal control system as of December 31, 1997, in relation to criteria for effective internal control over financial reporting described in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, the Company believes that, as of December 31, 1997, its system of internal controls over financial reporting met those criteria.

James B. Williams Chairman of the Board of Directors and Chief Executive Officer	John W. Spiegel Executive Vice President and Chief Financial Officer	William P. O'Halloran Senior Vice President and Controller

Abbreviations

Within the consolidated financial statements and the notes thereto, the following references will be used:
SunTrust Banks, Inc. - Company or SunTrust SunTrust Banks of Florida, Inc. - STI of Florida SunTrust Banks of Georgia, Inc. - STI of Georgia SunTrust Banks of Tennessee, Inc. - STI of Tennessee SunTrust Banks, Inc. Parent Company - Parent Company Consolidated Statements of Income

CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands except per share data)<F1>	Year Ended December 31 1997	1996	1995
INTEREST INCOME			
Interest and fees on loans	$3,036,100	$2,678,566	$2,501,536
Interest and dividends on investment securities:			
Taxable interest	464,210	442,497	403,133
Tax-exempt interest	40,246	46,092	55,611
Dividends(1)	37,778	33,302	28,292
Interest on funds sold	60,861	40,881	34,857
Interest on deposits in other banks	776	1,011	1,053
Other interest	10,768	3,693	2,722
Total interest income	3,650,739	3,246,042	3,027,204
INTEREST EXPENSE			
Interest on deposits	1,151,157	1,083,035	988,725
Interest on funds purchased	345,116	245,502	239,080
Interest on other short-term borrowings	91,592	48,264	54,843
Interest on long-term debt	168,508	85,031	68,114
Total interest expense	1,756,373	1,461,832	1,350,762
NET INTEREST INCOME	1,894,366	1,784,210	1,676,442
Provision for loan losses - Note 5	117,043	115,916	112,108
Net interest income after provision for loan losses	1,777,323	1,668,294	1,564,334
NONINTEREST INCOME			
Trust income	318,637	278,294	259,742
Service charges on deposit accounts	247,828	232,426	212,582
Other charges and fees	217,377	171,289	131,826
Credit card fees	73,611	66,309	62,572
Securities gains(losses) - Note 3	1,523	14,168	(6,649)
Other noninterest income	75,262	55,503	52,997
Total noninterest income	934,238	817,989	713,070
NONINTEREST EXPENSE			
Salaries and other compensation - Note 11	844,156	763,461	673,417
Employee benefits - Note 11	111,447	110,588	105,573
Net occupancy expense	126,802	138,186	130,124
Equipment expense	120,675	115,423	105,122
Marketing and customer development	68,802	76,409	49,966
Postage and delivery	42,621	40,515	36,392
Operating supplies	37,225	37,938	32,157
Other noninterest expense	333,867	300,563	318,728
Total noninterest expense	1,685,595	1,583,083	1,451,479
Income before provision for income taxes	1,025,966	903,200	825,925
Provision for income taxes - Note 10	358,713	286,585	260,449
NET INCOME	$ 667,253	$ 616,615	$ 565,476
Net income per average common share - diluted	$ 3.13	$ 2.76	$ 2.47
Net income per average common share - basic	3.17	2.80	2.49
Dividends paid per common share	0.925	0.825	0.740
Average common shares - diluted	213,479,820	223,486,311	229,543,890
Average common shares - basic	210,242,895	220,363,781	226,665,006
(1) Includes dividends on 48,266,496 shares of common stock of The Coca-Cola Company	$ 27,029	$ 24,133	$ 21,237

<F1> See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands) <F1>	At December 31 1997	1996
ASSETS		
Cash and due from banks	$ 2,991,263	$ 3,037,309
Interest-bearing deposits in other banks	15,417	13,461
Trading account	178,434	80,377
Investment securities(1) - Note 3	11,729,298	10,551,166
Funds sold	996,583	1,721,845

Loans - Notes 4,12 and 13	40,135,505	35,404,171
Reserve for loan losses - Note 5	(751,830)	(725,849)
Net loans	39,383,675	34,678,322
Premises and equipment - Note 6	964,169	768,266
Intangible assets	292,370	277,736
Customers' acceptance liability	488,632	507,554
Other assets - Note 11	942,895	832,213
Total assets	$57,982,736	$52,468,249
LIABILITIES AND SHAREHOLDERS' EQUITY - NOTES 9 AND 11		
Noninterest-bearing deposits	$ 8,927,796	$8,900,260
Interest-bearing deposits	29,269,732	27,990,129
Total deposits	38,197,528	36,890,389
Funds purchased	6,483,055	6,047,692
Other short-term borrowings - Note 7	1,989,415	867,961
Long-term debt - Note 8	3,171,832	1,565,341
Acceptances outstanding	488,632	507,554
Other liabilities - Notes 10 and 11	2,452,892	1,709,332
Total liabilities	52,783,354	47,588,269
Commitments and contingencies - Notes 6, 8, 11, 12, and 15		
Preferred stock, no par value; 50,000,000 shares authorized; none issued	-	-
Common stock, $1.00 par value; 350,000,000 shares authorized	211,608	225,608
Additional paid in capital	296,751	310,612
Retained earnings	2,751,645	2,972,900
Treasury stock and other	(109,503)	(230,918)
Realized shareholders' equity	3,150,501	3,278,202
Unrealized gains on investment securities, net of taxes - Note 3	2,048,881	1,601,778
Total shareholders' equity	5,199,382	4,879,980
Total liabilities and shareholders' equity	$57,982,736	$52,468,249
Common shares outstanding	209,909,204	220,469,001
Treasury shares of common stock	1,698,853	5,139,056
(1) Includes unrealized gains on investment securities	$ 3,311,979	$ 2,588,907

<F1> See notes to consolidated financial statements

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

(In thousands) <F1>	Common Stock	Additional Paid in Capital	Retained Earnings	Treasury Stock and Other(1)	Unrealized Gains on Securities, Net of Taxes	Total
Balance, January 1, 1995	$243,644	$325,126	$3,020,985	$(706,499)	$ 570,075	$3,453,331
Net income	-	-	565,476	-	-	565,476
Cash dividends paid on common stock, $0.74 per share	-	-	(168,660)	-	-	(168,660)
Proceeds from exercise of stock options	-	(8,332)	-	13,146	-	4,814
Acquisition of treasury stock	-	-	-	(204,824)	-	(204,824)
Issuance of treasury stock for acquisitions	-	-	-	13,695	-	13,695
Issuance of treasury stock for 401(k)	-	1,385	-	9,759	-	11,144
Issuance (net of forfeitures) of treasury stock as restricted stock	-	3,362	-	13,518	-	16,880
Compensation element from forfeitures of restricted stock	-	-	-	(16,880)	-	(16,880)
Amortization of compensation element of restricted stock	-	-	-	6,132	-	6,132
Change in unrealized gains(losses) on securities, net of taxes	-	-	-	-	588,473	588,473
BALANCE, DECEMBER 31, 1995	243,644	321,541	3,417,801	(871,953)	1,158,548	4,269,581
Net income	-	-	616,615	-	-	616,615
Cash dividends paid on common stock, $0.825 per share	-	-	(183,892)	-	-	(183,892)
Proceeds from exercise of stock options	-	(13,733)	-	19,198	-	5,465
Acquisition of treasury stock	-	-	-	(297,319)	-	(297,319)
Retirement of trasury stock	(18,036)	-	(877,624)	895,660	-	-
Issuance of treasury stock for acquisitions	-	-	-	5,636	-	5,636
Issuance of treasury stock for 401(k)	-	1,831	-	7,848	-	9,679
Issuance (net of forfeitures) of treasury stock as restricted stock	-	973	-	18,523	-	19,496
Compensation element from issuance of restricted stock	-	-	-	(19,496)	-	(19,496)
Amortization of compensation element of restricted stock	-	-	-	10,985	-	10,985
Change in unrealized gains(losses) on securities, net of taxes	-	-	-	-	443,230	443,230
BALANCE, DECEMBER 31, 1996	225,608	310,612	2,972,900	(230,918)	1,601,778	4,879,980
Net income	-	-	667,253	-	-	667,253
Cash dividends paid on common stock, $0.925 per share	-	-	(195,672)	-	-	(195,672)
Proceeds from exercise of stock options	-	(18,696)	-	25,343	-	6,647
Acquisition of treasury stock	-	-	-	(625,143)	-	(625,143)
Retirement of treasury stock	(14,000)	-	(692,836)	706,836	-	-
Issuance of treasury stock for 401(k)	-	1,491	-	8,527	-	10,018
Issuance (net of forfeitures) of treasury stock as restricted stock	-	3,344	-	14,428	-	17,772
Compensation element from issuance of restricted stock	-	-	-	(17,772)	-	(17,772)
Amortization of compensation element of restricted stock	-	-	-	9,196	-	9,196
Change in unrealized gains(losses) on securities, net of taxes	-	-	-	-	447,103	447,103

BALANCE, DECEMBER 31, 1997	$211,608	$296,751	$2,751,645	$(109,503)	$2,048,881	$5,199,382

(1)Balance at December 31, 1997 includes $51,463 for treasury stock and $58,040 for compensation element of restricted stock.

<F1>See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOW

(In thousands)<F1>	Year Ended Ended December 31 1997	1996	1995
CASH FLOW FROM OPERATING ACTIVITIES			
Net income	$ 667,253	$ 616,615	$ 565,476
Adjustments to reconcile net income to net cash (used in) provided by operating activities:			
Depreciation and amortization	153,580	130,555	133,771
Provision for loan losses	117,043	115,916	112,108
Provision for losses on other real estate	3,710	3,524	3,870
Deferred income tax benefit	32,531	(5,068)	(19,918)
Amortization of compensation element of restricted stock	9,196	10,985	6,132
Securities (gains) losses, net	(1,523)	(14,168)	6,649
Gains on sale of loans, equipment, other real estate and repossessed assets, net	(43,321)	(14,738)	(13,385)
Recognition of unearned loan income	(249,792)	(217,475)	(127,440)
Origination of loans for sale	(3,946,854)	(2,897,590)	(822,054)
Proceeds from sale of loans	2,351,111	2,646,706	667,216
Change in period-end balances of:			
Trading account	(98,057)	16,236	1,497
Interest receivable	(21,725)	(4,332)	(14,359)
Prepaid expenses	(48,333)	(35,582)	(11,545)
Other assets	(106,039)	82,252	(87,556)
Taxes payable	55,324	(7,898)	5,605
Interest payable	47,323	(11,847)	43,802
Other accrued expenses	376,093	61,918	81,086
Net cash (used in) operating activities	(702,480)	476,009	530,955
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from maturities of investment securities	1,361,988	1,945,278	1,482,138
Proceeds from sales of investment securities	639,307	758,751	1,206,904
Purchases of investment securities	(2,453,421)	(2,837,598)	(1,977,136)
Net increase in loans	(2,929,805)	(3,635,956)	(2,334,133)
Capital expenditures	(311,770)	(138,061)	(133,292)
Proceeds from sale of equipment, other real estate and repossessed assets	22,531	7,675	103,248
Net funds received (paid) in acquisitions	122,624	(987)	(57,939)
Other	(39,020)	(22,646)	(9,480)
Net cash (used in) investing activities	(3,587,566)	(3,923,544)	(1,719,690)
CASH FLOW FROM FINANCING ACTIVITIES			
Net increase in deposits	1,171,554	3,628,816	734,135
Net increase (decrease) in funds purchased and other short-term borrowings	1,556,817	534,525	1,129,112
Proceeds from issuance of long-term debt	1,809,319	671,319	160,936
Repayment of long-term debt	(202,828)	(108,323)	(88,986)
Proceeds from the exercise of stock options	6,647	5,465	4,814
Payments to acquire treasury stock	(625,143)	(297,319)	(204,824)
Dividends paid	(195,672)	(183,892)	(168,660)
Net cash provided by financing activities	3,520,694	4,250,591	1,566,527
Net (decrease) increase in cash and cash equivalents	(769,352)	803,056	377,792
Cash and cash equivalents at beginning of year	4,772,615	3,969,559	3,591,767
Cash and cash equivalents at end of year	$ 4,003,263	$ 4,772,615	$ 3,969,559
SUPPLEMENTAL DISCLOSURE			
Interest paid	$ 1,709,050	$ 1,473,679	$ 1,306,960
Income taxes paid	303,519	294,618	261,997

<F1> See notes to consolidated financial statements

Notes to Consolidated Financial Statements

Note 1 - Accounting Policies

General: The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated. Results of operations of companies purchased are included from the dates of acquisition.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from these estimates; however, in the opinion of management, such variances would not be material.

Reclassifications: Certain prior year amounts have been restated to conform with the current year financial statement presentation.

Purchase Accounting: Following the purchase method of accounting, assets and liabilities of purchased banks are stated at estimated fair values at the date of acquisition.

Securities: Investment securities are classified as available-for-sale and are carried at market value with unrealized gains and losses, net of any tax effect, added to or deducted from realized shareholders' equity to determine total shareholders' equity. Trading account securities are carried at market value with the gains and losses, determined using the specific identification method, recognized currently in the statement of income. Included in noninterest income are realized and unrealized gains and losses resulting from such market value adjustments and from recording the results of sales of trading account securities.

Loans: Interest income on all classifications of loans is accrued based upon the outstanding principal amounts except those classified as nonaccrual loans. Interest accrual is discontinued when it appears that future collection of principal or interest according to the contractual terms may be doubtful. Interest income on nonaccrual loans is recognized on a cash basis, if there is no doubt of future collection of principal. Fees and incremental direct costs associated with the loan origination and pricing process are deferred and amortized as level yield adjustments over the respective loan terms. Fees received for providing loan commitments and letters of credit facilities that result in loans are deferred and then recognized over the term of the loan as an adjustment of the yield. Fees on commitments and letters of credit that are not expected to be funded are amortized into noninterest income by the straight-line method over the commitment period.

Reserve for Loan Losses: The Company's reserve is that amount considered adequate to absorb possible losses in the portfolio based on management's evaluations of the size and current risk characteristics of the loan portfolio. Such evaluations consider the balance of impaired loans (which are defined as all nonperforming loans except residential mortgages and groups of small homogeneous loans), prior loan loss experience as well as the impact of current economic conditions. Specific provision for loan losses is made for impaired loans based on a comparison of the recorded carrying value in the loan to either the present value of the loan's expected cash flow, the loan's estimated market price or the estimated fair value of the underlying collateral. Specific and general provisions for loan losses are also made based on other considerations.

Long-lived Assets: Premises and equipment are stated at cost less accumulated depreciation and amortization. Depreciation has been calculated primarily using the straight-line method over the assets' estimated useful lives. Certain leases are capitalized as assets for financial reporting purposes. Such capitalized assets are amortized, using the straight-line method, over the terms of the leases. Maintenance and repairs are charged to expense and betterments are capitalized.
Intangible assets consist primarily of goodwill and mortgage servicing rights. Goodwill associated with purchased banks is being amortized on the straight-line method over various periods ranging from fifteen to forty years. Mortgage servicing rights, including those purchased as well as originated, are amortized over the estimated period of the related net servicing revenues.
Long-lived assets are evaluated regularly for other-than-temporary impairment. If circumstances suggest that their value may be impaired and the write-down would be material, an assessment of recoverability is performed prior to any write-down of the asset. Impairment on intangibles is evaluated at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount should be assessed. Impairment for mortgage servicing rights is determined based on the fair value of the rights stratified on the basis of interest rate and type of related loan. Impairment, if any, is recognized through a valuation allowance with a corresponding charge recorded in the income statement.

Income Taxes: Deferred income tax assets and liabilities result from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements that will result in taxable or deductible amounts in future years.

Earnings per Share: Basic earnings per share are based on the weighted average number of common shares outstanding during each period, excluding outstanding shares that are contingently returnable shares. Diluted ernings per share are based on the weighted average number of common shares outstanding during each period, plus common shares calculated for stock options and performance restricted stock outstanding using the treasury stock method. All share and per share information included in these financial statements have been restated to give effect to the Company's adoption of Statement of Financial Accounting Standards No. 128, "Earnings Per Share."

Cash Flow: For purposes of reporting cash flow, cash and cash equivalents include cash and due from banks, interest-bearing deposits in other banks and funds sold (only those items with an original maturity of three months or less.)

Derivative Financial Instruments: Derivatives are used to hedge interest rate exposures by modifying the interest rate characteristics of related balance sheet instruments. The specific criteria required for derivatives used as hedges are described below. Derivatives that do not meet these criteria are carried at market value with changes in value recognized currently in earnings. Currently, it is not the Company's policy to hold derivatives that do not qualify as hedges.

Derivatives used as hedges must be effective at reducing the risk associated with the exposure being hedged and must be designated as a hedge at the inception of the derivative contract. Derivatives used for hedging purposes may include swaps, forwards, futures, and purchased options. The fair value of derivative contracts are carried off-balance sheet and the unrealized gains and losses on derivative contracts are generally deferred. The interest component associated with derivatives used as hedges or to modify the interest rate characteristics of assets and liabilities is recognized over the life of the contract in net interest income. Upon contract settlement or termination, the cumulative change in the market value of such derivatives is recorded as an adjustment to the carrying value of the underlying asset or liability and recognized in net interest income over the expected remaining life of the related asset or liability. In instances where the underlying instrument is sold, the cumulative change in the value of the associated derivative is recognized immediately in the component of earnings relating to the underlying instrument.

Note 2 - Acquisitions

During the three year period ended December 31, 1997, the Company has consummated the following acquisitions:

(Dollars in millions)

Date	Entity	Accounting Method	Consideration	Assets Acquired
2/96	Ponte Vedra Banking Corporation (Ponte Vedra, Florida)	Purchase	$7.7 in cash and 170,148 shares of Company stock	$ 88
10/95	Stephens Diversified Leasing, Inc. (Little Rock, Arkansas)	Purchase	$35.0 in cash	$ 129
8/95	Key Biscayne, Bankcorp, Inc. (Key Biscayne, Florida)	Purchase	$29.6 in cash	$ 152
5/95	Peoples State Bank (New Port Richey, Florida)	Purchase	$3.0 in cash and 490,198 shares of Company stock	$ 127

On September 26, 1997, the Company signed a definitive agreement to acquire Equitable Securities Corporation, a Nashville, Tennessee-based investment banking, securities brokerage and investment advisory firm. The merger, which was accounted for as a purchase, was completed on January 2, 1998, and the subsidiary was renamed SunTrust Equitable Securities Corporation. Consideration tendered, including contingently returnable shares, aggregated 2.3 million shares of the Company's common stock.

Note 3 - Investment Securities

Investment securities at December 31:

	1997			
(In thousands)	Amortized Cost	Fair Value	Unrealized Gains	Unrealized Losses
U.S. Treasury and other U.S. government agencies and corporations	$2,875,007	$ 2,896,354	$ 24,717	$ 3,370
States and political subdivisions	622,386	642,092	19,955	249
Mortgage-backed securities	4,031,451	4,049,922	34,291	15,820
Trust preferred securities	662,993	674,346	17,397	6,044
Common stock of The Coca-Cola Company	110	3,218,772	3,218,662	-
Other securities	225,372	247,812	22,702	262
Total investment securities	$8,417,319	$11,729,298	$ 3,337,724	$25,745

	1996			
(In thousands)	Amortized Cost	Fair Value	Unrealized Gains	Unrealized Losses
U.S. Treasury and other U.S. government agencies and corporations	$3,277,833	$ 3,290,850	$ 24,306	$11,289
States and political subdivisions	749,077	773,197	25,183	1,063
Mortgage-backed securities	3,750,505	3,748,583	27,043	28,965
Common stock of The Coca-Cola Company	110	2,540,024	2,539,914	-
Other securities	184,734	198,512	15,108	1,330
Total investment securities	$7,962,259	$10,551,166	$ 2,631,554	$42,647

The amortized cost and fair value of investments in debt securities at December 31, 1997, by contractual maturities are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

(In thousands)	Amortized Cost	Fair Value
Due in one year or less	$1,269,502	$1,271,523
Due in one year through five years	2,097,194	2,127,316
Due after five years through ten years	152,102	160,265
After ten years	641,588	653,688
Mortgage-backed securities	4,031,451	4,049,922
Total	$8,191,837	$8,262,714

Proceeds from the sale of investments in debt securities were $634.9, $736.5 and $1,206.9 million in 1997, 1996 and 1995. Gross realized gains were $0.2, $0.2 and $1.4 million and gross realized losses on such sales were $2.2, $3.2 and $8.0 million in 1997, 1996 and 1995.
The fair value of investment securities pledged to secure public deposits, trust and other funds were $5.9 and $4.4 billion at December 31, 1997 and 1996.

Note 4 - Loans

The composition of the Company's loan portfolio at December 31:

(In thousands)	1997	1996
Commercial, financial and agricultural:		
Domestic	$14,139,947	$11,725,503
International	247,368	240,595
Real estate:		
Construction	1,442,607	1,384,796
Residential mortgages	12,992,901	11,508,154
Other	4,778,707	4,585,803
Lease financing	725,705	607,470
Credit card	1,041,308	946,756
Other consumer loans	4,766,962	4,405,094
Loans	$40,135,505	$35,404,171

The gross amounts of interest income that would have been recorded in 1997, 1996, and 1995 on nonaccrual and restructured loans at December 31 of each year, if all such loans had been accruing interest at their contractual rates, were $12.3, $19.3, and $20.1 million, while interest income actually recognized totaled $9.1, $9.1, and $11.0 million, respectively. Total nonaccrual and restructured loans at December 31, 1997 and 1996 were $128.1 and $212.2 million, respectively.

In the normal course of business, the Company's banking subsidiaries have made loans at prevailing interest rates and terms to directors and executive officers of the Company and its subsidiaries, and to their affiliates. The aggregate dollar amount of these loans, as defined, was $1,421.3 million at December 31, 1997 and $529.2 million at December 31, 1996. During 1997, $2,878.8 million of such loans were made and repayments totaled $2,045.9 million. None of these loans have been restructured, nor were any related party loans charged off during 1997 and 1996.

Note 5 - Reserve for Loan Losses

Activity in the reserve for loan losses:

(In thousands)	1997	1996	1995
Balance at beginning of year	$ 725,849	$ 698,864	$ 647,016
Reserve of purchased banks	-	1,243	6,336
Provision charged to operating expense	117,043	115,916	112,108
Loan charge-offs	(146,188)	(142,016)	(120,766)
Loan recoveries	55,126	51,842	54,170
Balance at end of year	$ 751,830	$ 725,849	$ 698,864

It is the opinion of management that the reserve was adequate at December 31, 1997, based on conditions reasonably known to management; however, the reserve may be increased or decreased in the future based on loan balances outstanding, changes in internally generated credit quality ratings of the loan portfolio, or changes in general economic conditions.

Note 6 - Premises and Equipment

Premises and equipment at December 31:

(In thousands)	Useful Life	1997	1996
Land		$ 241,047	$ 212,211
Buildings and improvements	3-55 years	725,978	584,348
Leasehold improvements	5-30 years	149,015	115,651
Furniture and equipment	3-20 years	671,031	642,531
Construction in progress		45,204	36,282
		1,832,275	1,591,023
Less accumulated depreciation and amortization		868,106	822,757
Total		$ 964,169	$ 768,266

The carrying amounts of premises and equipment subject to mortgage indebtedness (included in long-term debt) was not significant at December 31, 1997 and 1996.

Various Company facilities and equipment are also leased under both capital and noncancelable operating leases with initial remaining terms in excess of one year. Minimum payments, by year and in aggregate, as of December 31, 1997 were as follows:

	Operating Leases	Capital Leases
1998	$ 50,599	$ 4,474
1999	47,187	4,475
2000	37,414	4,220
2001	35,310	4,210

2002	33,074	3,142
Thereafter	115,039	45,747
Total minimum lease payments	$318,623	$66,268
Amounts representing interest		$39,377
Present value of net minimum lease payments		$26,891

Net premises and equipment include $17.9 and $21.4 million at December 31, 1997 and 1996, respectively, related to capital leases.
Aggregate rent expense for all operating leases (including contingent rental expense and reduced by sublease rental income, both of which were not significant) amounted to $50.1, $44.9 and $40.4 million for 1997, 1996 and 1995.

Note 7 - Other Short-Term Borrowings

Other short-term borrowings at December 31:

	1997		1996	
(In thousands)	Balance	Rate	Balance	Rate
Commercial paper	765,377	5.57%-5.91%	364,624	5.300% - 6.10%
Bank notes	450,000	5.80%-5.83%	-	-
Federal funds purchased maturing in over one day	283,000	5.31%-5.81%	125,000	5.125% - 5.75%
Federal reserve borrowings - discount window	160,000	5.00%	-	-
Short-term borrowing facility	140,400	5.65%-6.00%	216,481	5.340% - 6.89%
Other	190,638		161,856	
Total	1,989,415		867,961	

At December 31, 1997, $325.0 million of unused borrowings under unsecured lines of credit from non-affiliated banks were available to the Parent Company to support the outstanding commercial paper and provide for general liquidity needs. The average balance of short-term borrowings for the years ended December 31, 1997, 1996, and 1995, were $1,742.7, $860.6, and $918.1 million, respectively while the maximum amount outstanding at any month-end during the years ended December 31, 1997, 1996 and 1995, were $1,989.4, $1,137.3 and $1,082.4 million, respectively.

Note 8 - Long-Term Debt

Long-term debt at December 31:

(In thousands)	1997	1996
PARENT COMPANY		
Payment agreement due 1997	$ -	$ 7,500
8.875% notes due 1998	94,500	94,500
Floating rate notes due 1999	200,000	200,000
Payment agreement due 2001	28,753	34,932
7.375% notes due 2002	200,000	200,000
7.50% debentures due 2002	-	10,573
Floating rate notes due 2002	250,000	-
6.125% notes due 2004	200,000	200,000
7.375% notes due 2006	200,000	200,000
6.0% notes due 2026	200,000	200,000
Floating rate preferred securities due 2027	350,000	-
7.9% trust preferred securities due 2027	250,000	-
Capital lease obligation	5,239	5,789
Total Parent Company (excluding intercompany)	1,978,492	1,153,294
SUBSIDIARIES		
7.25% notes due 2006	250,000	250,000
6.90% notes due 2007	100,000	-
Capital lease obligations	21,652	22,574
FHLB advances (1997: 5.62% - 6.61%; 1996: 5.80 - 7.38%)	819,168	136,566
Other	2,520	2,907
Total subsidiaries	1,193,340	412,047
Total long-term debt	$3,171,832	$1,565,341

Principal amounts due for the next five years on long-term debt at December 31, 1997 are: 1998 - $164.5 million; 1999 - $254.0 million; 2000 - $69.0 million; 2001 - $18.7 million and 2002 - $1,134.9 million.
Restrictive provisions of several long-term debt agreements prevent the Company from creating liens on, disposing of, or issuing (except to related parties) voting stock of subsidiaries. Further, there are restrictions on mergers, consolidations, certain leases, sales or transfers of assets, minimum shareholders' equity, and maximum borrowings by the Company. As of December 31, 1997 the Company was in compliance with all covenants and provisions of long-term debt agreements.
In the summary table of long-term debt, $600 million in 1997 qualifies as Tier 1 capital, and $950.0 million in 1997 and $877.1 million in 1996 qualify as Tier 2 capital as currently defined by federal bank regulators.

Note 9 - Capital

The Company is subject to various regulatory capital requirements which involve quantitative measures of the Company's assets, liabilities, and certain off-balance sheet items. The Company's capital requirements and classification are ultimately subject to qualitative judgments by the regulators about components, risk weightings, and other factors. Quantitative measures established by regulation to ensure capital adequacy require that the Company maintain amounts and ratios (set forth in the table on page 48) of Tier 1 and total capital to risk-weighted assets, and of Tier 1 capital to quarterly average total assets. Management believes, as of December 31, 1997, that the Company meets all capital adequacy requirements to which it is subject.

A summary of Tier 1 and total capital (actual, required, and to be well capitalized) and the Tier 1 leverage ratio for the Company and its significant subsidiaries as of December 31, 1997 and 1996 is as follows:

(Dollars in thousands)	Actual		Required For Capital Adequacy Purposes		Required To Be Well Well Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 1997:						
Tier 1 capital:						
SunTrust Banks, Inc.	$ 3,458	7.22 %	> $ 1,914	> 4.00 %	> $ 2,871	> 6.00 %
SunTrust Banks of Florida, Inc.	2,076	10.37	> 801	> 4.00	> 1,201	> 6.00
SunTrust Banks of Georgia, Inc.	1,666	8.00	> 832	> 4.00	> 1,248	> 6.00
SunTrust Banks of Tennessee, Inc.	624	10.04	> 248	> 4.00	> 373	> 6.00
SunTrust Bank, Atlanta	1,286	7.62	> 675	> 4.00	> 1,012	> 6.00
Total capital:						
SunTrust Banks, Inc.	5,974	12.48	> 3,829	> 8.00	> 4,786	> 10.00
SunTrust Banks of Florida, Inc.	2,428	12.13	> 1,601	> 8.00	> 2,001	> 10.00
SunTrust Banks of Georgia, Inc.	3,083	14.81	> 1,664	> 8.00	> 2,080	> 10.00
SunTrust Banks of Tennessee, Inc.	702	11.29	> 497	> 8.00	> 621	> 10.00
SunTrust Bank, Atlanta	2,178	12.91	> 1,350	> 8.00	> 1,687	> 10.00
Tier 1 leverage:						
SunTrust Banks, Inc.		6.49		> 3.00		> 5.00
SunTrust Banks of Florida, Inc.		7.83		> 3.00		> 5.00
SunTrust Banks of Georgia, Inc.		8.86		> 3.00		> 5.00
SunTrust Banks of Tennessee, Inc.		8.07		> 3.00		> 5.00
SunTrust Bank, Atlanta		8.75		> 3.00		> 5.00
As of December 31, 1996:						
Tier 1 capital:						
SunTrust Banks, Inc.	$ 3,034	7.46 %	> $ 1,626	> 4.00 %	> $ 2,439	> 6.00 %
SunTrust Banks of Florida, Inc.	1,943	11.17	> 695	> 4.00	> 1,043	> 6.00
SunTrust Banks of Georgia, Inc.	1,383	8.16	> 677	> 4.00	> 1,016	> 6.00
SunTrust Banks of Tennessee, Inc.	584	9.75	> 240	> 4.00	> 359	> 6.00
SunTrust Bank, Atlanta	1,050	7.66	> 548	> 4.00	> 822	> 6.00
Total capital:						
SunTrust Banks, Inc.	4,422	10.87	> 3,252	> 8.00	> 4,065	> 10.00
SunTrust Banks of Florida, Inc.	2,162	12.43	> 1,391	> 8.00	> 1,738	> 10.00
SunTrust Banks of Georgia, Inc.	1,848	10.91	> 1,354	> 8.00	> 1,693	> 10.00
SunTrust Banks of Tennessee, Inc.	659	11.00	> 479	> 8.00	> 599	> 10.00
SunTrust Bank, Atlanta	1,429	10.42	> 1,096	> 8.00	> 1,370	> 10.00
Tier 1 leverage:						
SunTrust Banks, Inc.		6.40		> 3.00		> 5.00
SunTrust Banks of Florida, Inc.		8.23		> 3.00		> 5.00
SunTrust Banks of Georgia, Inc.		8.30		> 3.00		> 5.00
SunTrust Banks of Tennessee, Inc.		8.24		> 3.00		> 5.00
SunTrust Bank, Atlanta		8.17		> 3.00		> 5.00

On May 21, 1996, the Company paid a stock dividend of one share of SunTrust common stock for each outstanding share of SunTrust common stock to shareholders of record on May 1, 1996. All references to common share and per share information and the weighted average number of common shares reflect the stock dividend.

Substantially all the Company's retained earnings are undistributed earnings of its banking subsidiaries, which are restricted by various regulations administered by federal and state bank regulatory authorities. Retained earnings of bank subsidiaries available for payment of cash dividends to STI of Florida, STI of Georgia and STI of Tennessee under these regulations totaled approximately $540.1 million at December 31, 1997.

In the calculation of basic and diluted EPS, net income is identical. Below is a reconciliation for the three years ended December 31, 1997, of the difference between average basic common shares outstanding and average diluted common shares outstanding.

(In thousands)	1997	1996	1995
Average common shares - basic	210,243	220,364	226,665
Effect of dilutive securities:			
Stock options	1,572	1,415	1,505
Performance restricted stock	1,665	1,707	1,374
Average common shares - diluted	213,480	223,486	229,544

Note 10 - Income Taxes

The provision for income taxes for the three years ended December 31, 1997 consisted of the following:

(In thousands)	1997	1996	1995
Provision for federal income taxes:			
Current	$312,693	$273,642	$268,718
Deferred (prepaid)	4,774	(24,794)	(41,857)
Total provision for federal income taxes	317,467	248,848	226,861
Provision for state income taxes:			
Current	13,489	18,011	11,649
Deferred	27,757	19,726	21,939
Total provision for state income taxes	41,246	37,737	33,588
Total	$358,713	$286,585	$260,449

The Company's income, before provision for income taxes, from international operations was not significant.
The Company's provisions for income taxes for the three years ended December 31, 1997 differ from the amount computed by applying the statutory federal income tax rate of 35% to income before income taxes. A reconciliation of this difference is as follows:

(In thousands)	1997	1996	1995
Tax provision at federal statutory rate	$359,088	$316,120	$289,074
Increase (decrease) resulting from:			
Tax-exempt interest	(25,820)	(28,498)	(33,017)
Disallowed interest deduction	4,107	3,883	3,857
Income tax credits	(2,709)	(2,455)	(1,533)
State income taxes, net of federal benefit	26,834	24,552	21,847
Dividend exclusion	(6,841)	(6,430)	(5,517)
Favorable tax settlement	(2,845)	(27,486)	(20,177)
Other	6,899	6,899	5,915
Provision for income taxes	$358,713	$286,585	$260,449

Temporary differences create deferred tax assets and liabilities which are detailed below for December 31, 1997 and 1996:

	Deferred Tax Assets (Liabilities)	
(In thousands)	1997	1996
Loan loss reserve	$ 292,026	$ 280,943
Depreciation	(3,980)	(7,325)
Employee benefits	(81,794)	(72,111)
Unrealized gains on investment securities	(1,263,098)	(987,129)
Leasing	(98,191)	(103,633)
Other real estate	17,534	16,169
Other	(10,985)	(1,783)
Total deferred tax liability	$(1,148,488)	$(874,869)

SunTrust and its subsidiaries file consolidated income tax returns where permissible. Each subsidiary remits current taxes to or receives current refunds from the Parent Company based on what would be required had the subsidiary filed an income tax return as a separate entity. The Company's federal and state income tax returns are subject to review and examination by government authorities. Various such examinations are now in progress covering SunTrust's income tax returns for certain prior years. In the opinion of management, any adjustments which may result from these examinations will not have a material effect on the Company's consolidated financial statements.

Note 11 - Employee Benefit Plans

SunTrust sponsors various incentive plans for eligible, participating employees. The 401(k) and performance bonus plans are the profit sharing plans which have the broadest participation among employees. The qualified 401(k) plan awards amounts to employees based on pre-tax contributions, which are a percentage of compensation, and on the Company's earnings performance. The Performance Bonus Plan is a nonqualified plan which awards amounts to employees based on compensation and earnings performance. A Management Incentive Plan for key executives provides for annual cash awards, if any, based on compensation and earnings performance. The Performance Unit Plan for key executives provides awards, if any, based on a multi-year earnings performance in relation to earnings goals as established by the Compensation Committee (Committee) of the Company's Board of Directors.
The Company also sponsors an Executive Stock Plan (Stock Plan) under which the Committee has the authority to grant stock options and Performance Restricted Stock (Performance Stock) to key employees of the Company. Ten million shares of common stock are reserved for issuance under the plan of which no more than five million shares may be issued as Performance Stock. Options granted are at no less than the fair market value of a share of stock on the grant date and may be either tax-qualified incentive stock options or nonqualified options. The Company does not record expense as a result of the grant or exercise of any of the stock options. With respect to Performance Stock, shares must be granted, awarded and vested before participants take full title. After Performance Stock is granted by the Committee, specified portions are awarded based on increases in the average market value of SunTrust common stock from the initial price specified by the Committee. Awards are distributed on the earliest of: (i) fifteen years after the date shares are awarded to participants; (ii) the participant attaining age 64; (iii) death or disability of a participant; or (iv) a change in control of the Company as defined in the Stock Plan. Dividends are paid on awarded and unvested Performance Stock, and participants may exercise voting privileges on such shares. The compensation element for Performance Stock (which is deferred and shown as a reduction of shareholders' equity) is equal to the fair market value of the shares at the date of award and is amortized to compensation expense over the period from the award date to age 64 or the 15th anniversary of the award date, whichever comes first. Compensation expense related to the incentive plans for the three years ended December 31 were as follows:

(In thousands)	1997	1996	1995
401(k) Plan and Performance Bonus Plan	$30,053	$28,737	$30,552
Management Incentive Plan and Performance Unit Plan	17,871	16,500	15,929
Performance Stock	9,196	10,985	6,132

The following table presents information on stock options and Performance Stock:

(Dollars in thousands except per share data)

	Stock Options			Performance Stock	
	Shares	Price Range	Weighted Average Exercise Price	Shares	Deferred Compensation
Balance, January 1, 1995	3,370,392	$ 8.19 - 24.69	$ 13.78	2,841,200	$ 31,339
Granted	1,167,500	30.25 - 33.19	32.01	578,000	16,879
Exercised/Vested	(754,786)	8.19 - 24.69	12.08	(80,400)	-
Cancelled, expired/Forfeited	(7,000)	11.50 - 11.63	11.56	(60,800)	(1,134)
Amortization of compensation for Performance Stock				-	(6,132)
Balance, December 31, 1995	3,776,106	8.23 - 33.19	19.76	3,278,000	40,952
Granted	583,400	46.63	46.63	543,200	20,835
Exercised/Vested	(906,121)	9.50 - 33.19	13.47	(35,200)	-
Cancelled, expired/Forfeited	(9,076)	8.23 - 33.19	16.29	(64,000)	(1,338)
Amortization of compensation for Performance Stock					(10,985)
Balance, December 31, 1996	3,444,309	9.50 - 46.63	25.97	3,722,000	49,464
Granted	632,000	65.25	65.25	300,000	19,172
Exercised/Vested	(614,270)	9.50 - 33.19	15.26	(738,000)	-
Cancelled, expired/Forfeited	(33,500)	33.19 - 46.63	46.22	(56,000)	(1,400)
Amortization of compensation for Performance Stock					(9,196)
Balance, December 31, 1997	3,428,539	$10.50 - 65.25	$ 34.93	3,228,000	$ 58,040

The Company does not recognize compensation cost in accounting for its stock option plans. If the Company had elected to recognize compensation cost for options granted in 1997, 1996 and 1995, based on the fair value of the options granted at the grant date, net income and earnings per share would have been reduced to the pro forma amounts indicated below (in millions except per share amounts):

	1997	1996	1995
Net income - as reported	$667.3	$616.6	$565.5
Net income - pro forma	665.4	616.0	562.7
Diluted earnings per share - as reported	3.13	2.76	2.47
Diluted earnings per share - pro forma	3.12	2.76	2.46
Basic earnings per share - as reported	3.17	2.80	2.49
Basic earnings per share - pro forma	3.16	2.80	2.48

The weighted average fair values of options granted during 1997, 1996 and 1995 were $15.00, $9.73 and $11.71 per share, respectively. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	1997	1996	1995
Expected dividend yield	1.53%	1.93%	2.40%
Expected stock price volatility	11.5%	11.5%	11.5%
Risk-free interest rate	6.50%	6.54%	6.24%
Expected life of options	5 years	5 years	5 years

At December 31, 1997, options for 2,245,639 shares were exercisable with a weighted average exercise price of $23.54. The weighted average remaining contractual life of all options at December 31, 1997 was 6.9 years.

SunTrust maintains a noncontributory qualified retirement plan (Plan) covering all employees meeting certain age and service requirements. The Plan provides benefits based on salary and years of service. The Company funds the Plan with at least the minimum amount required by federal regulations. The Plan assets consist of listed common stocks, U.S. government and agency securities and units of certain trust funds administered by subsidiary banks of the Company. No shares of SunTrust common stock are included in the assets of the Plan. The Plan's net periodic expense is summarized as follows:

(In thousands)	Year Ended December 31 1997	1996	1995
Service cost - benefits earned during the period	$ 24,461	$ 23,990	$ 21,286
Interest cost on projected benefit obligations	30,055	27,735	25,364
Actual return on Plan assets	(111,870)	(54,120)	(89,162)
Net amortization and deferral	62,463	10,788	47,556
Net periodic retirement Plan expense	$ 5,109	$ 8,393	$ 5,044
Actuarial Assumptions:			
Weighted average discount rate	7.25%	7.75%	7.50%
Rate of increase in future compensation levels	4.00%	4.00%	4.00%
Long-term weighted average rate of return	9.25%	9.25%	9.25%

The funded status of the Plan at December 31 was as follows:

(In thousands)	1997	1996
Actuarial present value of benefit obligations:		
Accumulated benefit obligation, including vested benefits of $327,965 in 1997 and $277,255 in 1996	$ (373,633)	$ (317,399)
Projected benefit obligation for service rendered to date	$ (436,406)	$ (364,945)
Plan assets at fair value	609,502	493,694
Plan assets in excess of projected benefit obligation	173,096	128,749
Unrecognized net loss since transition	34,486	51,220
Unrecognized prior service cost	(10,587)	(13,887)
Unrecognized net asset at transition being amortized over 14 years	(13,173)	(17,381)
Prepaid pension expense included in other assets	$ 183,822	$ 148,701

SunTrust also has a nonqualified defined benefit plan that covers key executives of the Company for which cost is accrued but is unfunded. At December 31, 1997 and 1996, the projected benefit obligation for this plan was $17.5 and $14.7 million. Included in other liabilities at December 31, 1997 and 1996, is $15.5 and $12.4 million representing accumulated benefit obligations. The expense of the nonqualified plan was $3.0, $3.1 and $3.5 million in 1997, 1996 and 1995.

Although not under contractual obligation, SunTrust provides certain health care and life insurance benefits to current and retired employees. As currently structured, substantially all employees become eligible for benefits upon full-time employment and, at the option of SunTrust, may continue them if they reach retirement age while working for the Company. Certain benefits are prefunded in taxable and tax-exempt trusts.

The Retiree Health Plan provides medical benefits for retirees and eligible dependents under indemnity and managed care arrangements with costs shared by SunTrust and the retiree. For employees who retired on or prior to January 1, 1993, it is anticipated that future cost increases will be shared by SunTrust and these retirees through increased deductibles, co-insurance, and retiree contributions. For employees who retired after January 1, 1993, SunTrust's cost sharing will remain fixed at the 1993 level and future cost increases will be paid solely by these retirees.

The Retiree Life Plan provides a fixed life insurance amount to eligible current retirees and active employees who reach retirement age while working for the Company. The cost of this benefit is entirely paid for by the Company.

The Retiree Health and Life benefits are prefunded in a Voluntary Employees' Beneficiary Association (VEBA). As of December 31, 1997, these Plan assets consist of common trust funds, U.S. government securities, corporate bonds and notes and a cash equivalent cash reserve fund. The Retiree Health and Life Plans' net periodic expense for the three years ended December 31 totaled:

(Dollars in thousands)	1997	1996	1996
Service cost - benefits earned during the period	$ 1,584	$ 1,505	$ 1,277
Interest cost on projected benefit obligations	6,352	6,182	5,730
Actual return on plan assets	(16,406)	(9,192)	(16,128)
Deferral of asset gain	9,950	3,008	10,688
Amortization of transition obligation	2,892	2,892	2,892
Net cost	$ 4,372	$ 4,395	$ 4,459
Actuarial assumptions:			
Weighted average discount rate	7.25%	7.75%	7.50%
Health care cost trend rate:			
Pre-medicare (for 1997, equal adjustments until leveling out at 5.0% in 2004)	10.25	11.25	12.00
Post-medicare (for 1997, equal adjustments until leveling out at 5.0% in 2006)	9.75	10.50	11.00
Long-term weighted average rate of return	6.50	6.50	6.50

The funded status of the Retiree Health and Life Plan at December 31 was as follows:

(In thousands)	1997	1996
Accumulated postretirement benefit obligation (APBO):		
Fully eligible active employees	$ (9,561)	$ (8,818)
Other active employees	(14,893)	(15,499)

Retirees	(63,828)	(57,202)
Total APBO	(88,282)	(81,519)
Plan assets at fair value	111,353	105,171
Plan assets in excess of APBO	23,071	23,652
Unrecognized net loss	11,867	12,766
Unrecognized net transition obligation	43,389	46,281
Prepaid postretirement benefit expense included in other assets	78,327	82,699
Incremental effect of 1% increase in the health care trend rate:		
on total APBO	$ (2,250)	$ (4,364)

Note 12 - Off-Balance Sheet Financial Instruments

In the normal course of business, the Company utilizes various financial instruments to meet the needs of customers and to manage the Company's exposure to interest rate and other market risks. These financial instruments, which consist of derivatives contracts and credit-related arrangements, involve, to varying degrees, elements of credit and market risk in excess of the amount recorded on the balance sheet in accordance with generally accepted accounting principles.

Credit risk represents the potential loss that may occur because a party to a transaction fails to perform according to the terms of the contract. Market risk is the possibility that a change in interest or currency exchange rates will cause the value of a financial instrument to decrease or become more costly to settle. The contract/notional amounts of financial instruments, which are not included in the consolidated balance sheet, do not necessarily represent credit or market risk. However, they can be used to measure the extent of involvement in various types of financial instruments.

The Company controls the credit risk of its off-balance sheet portfolio by limiting the total amount of arrangements outstanding by individual counterparty; by monitoring the size and maturity structure of the portfolio; by obtaining collateral based on management's credit assessment of the counterparty; and by applying uniform credit standards maintained for all activities with credit risk. Collateral held varies but may include marketable securities, accounts receivable, inventory, property, plant and equipment, and income-producing commercial properties. In addition, the Company enters into master netting agreements which incorporate the right of set-off to provide for the net settlement of covered contracts with the same counterparty in the event of default or other termination of the agreement.

	At December 31, 1997 Contract or Notional Amount			At December 31, 1996 Contract or Notional Amount		
(In millions)	End User	For Customers	Credit Risk Amount	End User	For Customers	Credit Risk Amount
Derivatives contracts:						
Interest rate contracts:						
Swaps	$ 3,459	$2,765	$ 78	$ 2,255	$1,174	$ 36
Futures and forwards		4	-		20	-
Options written		855	-		468	-
Options purchased		861	-		471	-
Total interest rate contracts	3,459	4,485	78	2,255	2,133	36
Foreign exchange rate contracts	637	-	7	257		3
Commodity and other contracts	15	-	2	9		-
Total derivatives contracts	$ 4,111	$4,485	87	$ 2,521	$2,133	39
Credit-related arrangements:						
Commitments to extend credit	$23,120		23,120	$19,134		19,134
Standby letters of credit and similar arrangements	3,842		3,842	3,195		3,195
Total credit-related arrangements	26,962		26,962	22,329		22,329
When-issued securities:						
Commitments to sell	$ -		-	$ 297		-
Commitments to purchase	-		-	-		-
Total credit risk amount			$27,049			$22,368

Derivatives

The Company enters into various derivatives contracts in managing its own interest rate risk and in a dealer capacity as a service for customers. Where contracts have been created for customers, the Company enters into offsetting positions to eliminate its exposure to interest rate risk. Interest rate swaps are contracts in which a series of interest rate flows, based on a specific notional amount and a fixed and floating interest rate, are exchanged over a prescribed period. Interest rate options, which include caps and floors, are contracts which transfer, modify, or reduce interest rate risk in exchange for the payment of a premium when the contract is issued. The true measure of credit exposure is the replacement cost of contracts which have become favorable to the Company, the mark-to-market exposure amount.

The Company monitors its sensitivity to changes in interest rates and uses interest rate swap contracts to limit the volatility of net interest income. At December 31, 1997 and 1996, there were no deferred gains or losses relating to terminated interest rate swap contracts. The Company records substantially all swap income and expense in the interest expense category. Interest rate swaps increased interest expense by $3.7 million in 1997 and $1.0 million in 1996 and decreased interest expense by $10.1 million for 1995. Included in those amounts are ($1.4), $2.3, and $0.5 million representing income from swaps entered into for customers.

Futures and forwards are contracts for the delayed delivery of securities or money market instruments in which the seller agrees to deliver on a specified future date, a specified instrument, at a specified price or yield. Futures contracts settle in cash daily; therefore, there is minimal credit risk to the Company. The credit risk inherent in forwards arises from the potential inability of counterparties to meet the terms of their contracts. Both futures and forwards are also subject to the risk of movements in interest rates or the value of the underlying securities or instruments.

The Company also enters into transactions involving "when-issued securities". When-issued securities are commitments to purchase or sell securities authorized for issuance but not yet actually issued. Accordingly, they are not recorded on the balance sheet until issued. The credit risk in commitments to purchase is represented by the contract amount since the underlying instrument that the Company is obligated to buy is subject to credit risk.

Credit-Related Arrangements

In meeting the financing needs of its customers, the Company issues commitments to extend credit, standby and other letters of credit and guarantees. The Company also provides securities lending services. For these instruments, the contractual amount of the financial instrument represents the maximum potential credit risk if the counterparty does not perform according to the terms of the contract. A large majority of these contracts expire without being drawn upon. As a result, total contractual amounts do not represent actual future credit exposure or liquidity requirements.

Commitments to extend credit are agreements to lend to a customer who has complied with predetermined contractual conditions. Commitments generally have fixed expiration dates.

Standby letters of credit and guarantees are conditional commitments issued by the Company generally to guarantee the performance of a customer to a third party in borrowing arrangements, such as commercial paper, bond financing and similar transactions. The credit risk involved in issuing standby letters of credit is essentially the same as that involved in extending loan facilities to customers and may be reduced by selling participations to third parties. The Company holds collateral to support those standby letters of credit and guarantees for which collateral is deemed necessary.

Note 13 - Concentrations of Credit Risk

Credit risk represents the maximum accounting loss that would be recognized at the reporting date if counterparties failed completely to perform as contracted and any collateral or security proved to be of no value. Concentrations of credit risk or types of collateral (whether on-or off- balance sheet) arising from financial instruments exist in relation to certain groups of customers. A group concentration arises when a number of counterparties have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Company does not have a significant concentration to any individual customer or counterparty except for the U.S. government and its agencies. The major concentrations of credit risk for the Company arise by collateral type in relation to loans and credit commitments. The only significant concentration that exists is in loans secured by residential real estate. At December 31, 1997 the Company had $13.0 billion in loans and an additional $2.3 billion in commitments to extend credit for loans secured by residential real estate. A geographic concentration arises because the Company operates primarily in the Southeastern region of the United States.

Note 14 - Fair Values of Financial Instruments

The following table presents the carrying amounts and fair values of the Company's financial instruments at December 31, 1997 and 1996:

	1997		1996	
(In thousands)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Cash and short-term investments	$ 4,003,263	$4,003,263	$ 4,772,615	$ 4,772,615
Trading account	178,434	178,434	80,377	80,377
Investment securities	11,729,298	11,729,298	10,551,166	10,551,166
Loans	39,383,675	40,735,498	35,678,322	35,770,163
Financial liabilities:				
Deposits	38,197,528	38,111,528	36,890,389	36,878,671
Short-term borrowings	8,472,470	8,472,470	6,915,653	6,915,653
Long-term debt	3,171,832	3,221,977	1,565,341	1,563,294
Off-balance sheet financial instruments:				
Interest rate swaps:				
In a net receivable position		39,210		19,658
In a net payable position		(14,841)		(11,655)
Commitments to extend credit		12,976		9,581
Standby letters of credit		1,885		1,418
Other		-		3

The following methods and assumptions were used by the Company in estimating the fair value of financial instruments.

Short-term financial instruments are valued at their carrying amounts reported in the balance sheet, which are reasonable estimates of fair value due to the relatively short period to maturity of the instruments. This approach applies to cash and short-term investments, short-term borrowings and certain other liabilities.

Investment securities and trading account assets are valued at quoted market prices where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments except in the case of certain options and swaps where pricing models are used.

Loans are valued on the basis of estimated future receipts of principal and interest, discounted at rates currently being offered for loans with similar terms and credit quality. Loan prepayments are assumed to occur at the same rate as in previous periods when interest rates were at levels similar to current levels. The fair values for certain mortgage loans and credit card loans are based on quoted market prices of similar loans sold in conjunction with securitization transactions, adjusted for differences in loan characteristics. The carrying amount of accrued interest approximates its fair value.

Deposit liabilities with no defined maturity such as demand deposits, NOW/money market accounts and savings accounts have a fair value equal to the amount payable on demand at the reporting date, i.e., their carrying amounts. Fair values for certificates of deposit are estimated using a discounted cash flow calculation that applies current interest rates to a schedule of aggregated expected maturities. The intangible value of long-term relationships with depositors is not taken into account in estimating fair values.
Fair values for long-term debt are based on quoted market prices for similar instruments or estimated using discounted cash flow analyses and the Company's current incremental borrowing rates for similar types of instruments.
Fair values for off-balance-sheet instruments (futures, swaps, forwards, options, guarantees, and lending commitments) are based on quoted market prices, current settlement values, or pricing models or other formulas.

Note 15 - Contingencies

The Company and its subsidiaries are parties to numerous claims and lawsuits arising in the course of their normal business activities, some of which involve claims for substantial amounts. Although the ultimate outcome of these suits cannot be ascertained at this time, it is the opinion of management that none of these matters, when resolved, will have a material effect on the Company's consolidated results of operations or financial position.

Note 16 - SunTrust Banks, Inc. (Parent Company Only) Financial Information

Statements of Income

STATEMENTS OF INCOME

(In thousands)	Year Ended December 31 1997	1996	1995
OPERATING INCOME			
From subsidiaries:			
Dividends - substantially all from banking subsidiaries	$396,344	$464,813	$417,255
Service fees	80,044	74,812	46,649
Interest on loans	25,007	17,950	13,218
Other income	4	102	128
Other operating income <F1>	36,036	21,945	1,291
Total operating income	537,435	579,622	478,541
OPERATING EXPENSE			
Interest on short-term borrowings	42,184	21,827	22,727
Interest on long-term debt (F2>	112,121	69,010	56,866
Salaries and employee benefits	38,951	48,236	39,972
Amortization of intangible assets	7,650	7,660	7,660
Service fees to subsidiaries	35,152	17,804	14,130
Other operating expense <F3>	40,952	102,176	30,758
Total operating expense	277,010	266,713	172,113
Income before income taxes and equity in undistributed income of subsidiaries	260,425	312,909	306,428
Income tax benefit	48,595	83,949	56,365
Income before equity in undistributed income of subsidiaries	309,020	396,858	362,793
Equity in undistributed income of subsidiaries	358,233	219,757	202,683
NET INCOME	$667,253	$616,615	$565,476

<F1> Other operating income for 1997 includes $25.8 million in interest income on trust preferred securities purchased during 1997. For 1996, other operating income includes a $16.2 million securities gain on the sale of a long-held minority position in a Florida bank.
<F2> Interest on long-term debt includes $26.4 million in interest expense from trust preferred securities which were issued in 1997.
<F3> Other operating expense for 1997 and 1996 contains expenses incurred on behalf of certain banking subsidiaries in connection with the Company's growth initiatives.

Balance Sheets

BALANCE SHEETS

(Dollars in thousands)	December 31 1997	1996
ASSETS		
Cash in subsidiary banks	$ 11,739	$ 9,376
Interest-bearing deposits in banks	2,497	1,521
Funds sold	47,415	
Investment securities	705,104	23,920
Loans to subsidiaries	617,030	337,503
Investment in capital stock of subsidiaries stated on the basis of the Company's equity in subsidiaries' capital accounts:		
Banking subsidiaries	6,611,981	5,718,219

Nonbanking and holding company subsidiaries	189,513	77,720
Premises and equipment	20,371	22,561
Intangible assets	107,161	114,812
Other assets - Note 11	327,049	450,848
Total Assets	$ 8,639,860	$ 6,756,480
LIABILITIES AND SHAREHOLDERS' EQUITY - NOTES 9 AND 11		
Short-term borrowings from:		
Subsidiaries	$ 1,050	$ 83,197
Non-affiliated companies - Note 7	892,527	417,224
Long-term debt - Note 8	2,048,492	1,153,294
Other liabilities - Notes 10 and 11	498,409	222,785
Total Liabilities	3,440,478	1,876,500
Preferred stock, no par value; 50,000,000 shares authorized; none issued		
Common stock, $1.00 par value; 350,000,000 shares authorized	211,608	225,608
Additional paid in capital	296,751	310,612
Retained earnings	2,751,645	2,972,900
Treasury stock and other	(109,503)	(230,918)
Realized Shareholders' Equity	3,150,501	3,278,202
Unrealized gains on investment securities, net of taxes - Note 3	2,048,881	1,601,778
Total Shareholders' Equity	5,199,382	4,879,980
Total Liabilities and Shareholders' Equity	$ 8,639,860	$ 6,756,480
Common shares outstanding	209,909,204	220,469,001
Treasury shares of common stock	1,698,853	5,139,056

Statements of Cash Flow

STATEMENTS OF CASH FLOW

	Year Ended December 31		
(In thousands)	1997	1996	1995
CASH FLOW FROM OPERATING ACTIVITIES:			
Net income	$ 667,253	$ 616,615	$ 565,476
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in undistributed income of subsidiaries	(358,233)	(219,757)	(202,683)
Depreciation and amortization	12,511	11,610	10,658
Securities gains	(3,503)	(17,145)	
Deferred income tax benefit	33,572	5,068	19,918
Changes in period end balances of:			
Prepaid expenses	(45,049)	(32,211)	(31,511)
Other assets	143,219	(182,108)	468
Taxes payable	44,803	(46,374)	12,439
Interest payable	4,828	5,838	(1,079)
Other accrued expenses	228,560	20,094	27,410
Net cash provided by operating activities	727,961	161,630	401,096
CASH FLOW FROM INVESTING ACTIVITIES:			
Proceeds from sales and maturities of investment securities	9,305	23,494	6,000
Purchase of investment securities	(667,830)	(219)	(9)
Net change in loans to subsidiaries	(279,527)	(69,113)	(97,255)
Net funds received in acquisitions	-	5,636	-
Capital expenditures	(1,347)	(8,231)	(11,229)
Capital contributions to subsidiaries	(212,103)	(96,822)	(90,355)
Other, net	109	4,143	15,264
Net cash (used in) investing activities	(1,151,393)	(141,112)	(177,584)
CASH FLOW FROM FINANCING ACTIVITIES:			
Net change in short-term borrowings	393,156	98,211	140,731
Proceeds from issuance of long-term debt	920,000	407,500	42,330
Repayment of long-term debt	(24,802)	(81,549)	(2,723)
Proceeds from the exercise of stock options	6,647	5,465	4,814
Payments to acquire treasury stock	(625,143)	(297,319)	(204,824)
Dividends paid	(195,672)	(183,892)	(168,660)
Net cash provided by (used in) financing activities	474,186	(51,584)	(188,332)
Net increase (decrease) in cash and cash equivalents	50,754	(31,066)	35,180
Cash and cash equivalents at beginning of year	10,897	41,963	6,783
Cash and cash equivalents at end of year	$ 61,651	$ 10,897	$ 41,963
SUPPLEMENTAL DISCLOSURE			
Income taxes received from subsidiaries	$ 394,908	$ 336,898	$ 322,440
Income taxes paid by Parent Company	(298,520)	(290,450)	(253,228)
Net income taxes received by Parent Company	96,388	46,448	69,212
Interest paid	$ 106,311	$ 84,310	$ 80,077

Report of Independent Public Accountants

To the Shareholders of SunTrust Banks, Inc. We have audited the accompanying consolidated balance sheets of SunTrust Banks, Inc. (a Georgia corporation) and subsidiaries as of December 31, 1997 and 1996 and the related consolidated statements of income, shareholders' equity and cash flow for each of the three years in the period ended December 31, 1997. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of SunTrust Banks, Inc. and subsidiaries as of December 31, 1997 and 1996, and the results of their operations and their cash flow for each of the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Atlanta, Georgia
January 30, 1998

Corporate Headquarters
SunTrust Banks, Inc.
303 Peachtree Street, N.E.
Atlanta, Georgia 30308
(404) 588-7711

Corporate Mailing Address
SunTrust Banks, Inc.
P.O. Box 4418
Atlanta, Georgia 30302-4418

Notice of Annual Meeting
The Annual Meeting of Shareholders will be held on Tuesday, April 21, 1998, at 9:30 a.m. in Room 10 of the SunTrust Bank, Atlanta Tower at 25 Park Place, Atlanta

Stock Trading
SunTrust Banks, Inc. common stock is traded on the New York Stock Exchange under the symbol "STI".

Shareholder Services
Shareholders who wish to change the name, address, or ownership of stock, to report lost certificates, or to consolidate accounts, should contact the Transfer Agent:

SunTrust Bank, Atlanta
P. O. Box 4625
Atlanta, Georgia 30302-4625
(404) 588-7815
(800) 568-3476

Dividend Reinvestment
SunTrust offers a Dividend Reinvestment Plan that provides automatic reinvestment of dividends in additional shares of SunTrust common stock. For information, contact:

Stock Transfer Department
SunTrust Bank Atlanta
P.O. Box 4625
Atlanta, Georgia 30302-4625
(404) 588-7822
(800) 568-3476

Shareholders of Record
SunTrust has 30,315 shareholders of record as of December 31, 1997. In addition, approximately 16,700 SunTrust employees own stock through the Company's 401(k) program.

Debt ratings
SunTrust Banks, Inc. debt ratings are as follows:
Senior Long-term debt
Moody's Investors Service, Inc.: A1
Standard & Poor's Corp.: A+
Thomson BankWatch: AA
Commercial Paper
Moody's Investors Service, Inc.:P-1
Standard & Poor's Corp.: A-1
Thomson BankWatch: TBW-1

Financial Information
Those seeking information should contact:
James C. Armstrong
(404) 588-7425
or
Margaret L. Fisher
(404) 586-6416

Internet Information
To access information about STI, including news releases and product information, visit the SunTrust home page on the World Wide Web. The address is http://www.SunTrust.com

Independent Public Accountants
Arthur Andersen & Co.
Atlanta, Georgia

SunTrust and its subsidiaries are Equal Opportunity Employers.

Banks in the SunTrust group are members of the Federal Deposit Insurance Corporation.

Subsidiaries of the Registrant as of December 31, 1997.

SunTrust Banks, Inc. (27 banks in total) 100% SunTrust Banks of Florida, Inc.
100% SunTrust Bank, Central Florida, National Association 100% STB Management (Central Florida), Inc. 100% STB Real Estate Parent (Central Florida), Inc. 100% STB Real Estate Holdings (Central Florida), Inc. 100% STB Receivables (Central Florida), Inc. 100% SunTrust Annuities, Inc. 100% SunTrust Insurance Services (Florida), Inc. 100% SunTrust Bank, East Central Florida 100% Service of Volusia County, Inc. 100% STB Receivables (East Central Florida), Inc. 100% SunTrust Bank, Gulf Coast
100% STB Management (Gulf Coast), Inc. 100% STB Real Estate Parent (Gulf Coast), Inc. 100% STB Real Estate Holdings (Gulf Coast), Inc. 100% STB Receivables (Gulf Coast), Inc. 100% SunTrust Bank, Miami, National Association 100% Florida Aviation, Inc. 100% Kasalta Miramar, Inc.
100% STB Management (Miami), Inc. 100% STB Receivables (Miami), Inc. 100% SunTrust Bank, Mid-Florida, National Association 100% STB Receivables (Mid-Florida), Inc. 100% SunTrust Bank, Nature Coast
100% STB Real Estate Parent (Nature Coast), Inc. 100% STB Real Estate Holdings (Nature Coast), Inc. 100% STB Receivables (Nature Coast), Inc. 100% SunTrust Bank, North Central Florida 100% STB Receivables (North Central Florida), Inc. 100% SunTrust Bank, North Florida, National Association 100% STB Receivables (North Florida), Inc. 100% SunTrust Bank, South Florida, National Association 100% STB Management (South Florida), Inc. 100% STB Real Estate Parent (South Florida), Inc. 100% STB Real Estate Holdings (South Florida), Inc. 100% STB Receivables (South Florida), Inc. 100% SunTrust Bank, Southwest Florida 100% STB Real Estate Parent (Southwest Florida), Inc. 100% STB Real Estate Holdings (Southwest Florida), Inc. 100% STB Receivables (Southwest Florida), Inc. 100% SunTrust Bank, Tallahassee, National Association 100% STB Receivables (Tallahassee), Inc. 100% SunTrust Bank, Tampa Bay
100% STB Management (Tampa Bay), Inc. 100% STB Receivables (Tampa Bay), Inc. 100% SunTrust Bank, West Florida
100% STB Receivables (West Florida), Inc. 100% SunTrust Banks Trust Company (Cayman) LTD 100% Premium Assignment Corporation 100% SunTrust Banks of Georgia, Inc.
100% SunTrust Bank, Atlanta
100% STB Management (Atlanta), Inc. 100% STB Real Estate Parent (Atlanta), Inc. 100% STB Real Estate Holdings (Atlanta), Inc. 100% STI Credit Corporation 100% SunTrust International Banking Company 100% SunTrust Asia, Limited (inactive) 100% TCB Holdings, Inc.
100% SunTrust Bank, Augusta, National Association 100% SunTrust Bank, Middle Georgia, National Association 100% SunTrust Bank, Northeast Georgia, National Association 100% STB Real Estate Parent (Northeast Georgia), Inc. 100% STB Real Estate Holdings (Northeast Georgia), Inc. 100% SunTrust Insurance Services (Georgia), Inc. 100% SunTrust Bank, Northwest Georgia, National Association 100% SunTrust Bank, Savannah, National Association 100% SunTrust Bank, South Georgia, National Association 100% STB Real Estate Parent (South Georgia), Inc. 100% STB Real Estate Holdings (South Georgia), Inc. 100% SunTrust Bank, Southeast Georgia, National Association 100% SunTrust Bank, West Georgia, National Association 100% SunTrust Personal Loans, Inc. 100% Preferred Surety Holdings, Inc. 100% Preferred Surety Corporation 100% Madison Insurance Company (inactive) 100% SunTrust Banks of Tennessee, Inc.
100% SunTrust Bank, Nashville, National Association 100% Cherokee Insurance Company (inactive) 100% STB Management (Nashville), Inc. 100% SunTrust Leasing of Tennessee, Inc. 100% SunTrust Bank, Alabama, National Association 100% SunTrust Annuities (Alabama), Inc. 100% SunTrust Bank, Chattanooga, National Association 100% STB Management (Chattanooga), Inc. 100% SunTrust of Chattanooga Mortgage Corporation 100% SunTrust Insurance Services (Tennessee), Inc. 100% SunTrust Bank, East Tennessee, National Association 100% Acquisition and Equity Corporation 100% SunTrust Bank, South Central Tennessee, National Association 100% Trust Company of Tennessee (inactive)

100% STI Capital Management, National Association 100% STI Trust & Investment Operations, Inc. 100% SunTrust BankCard, National Association 100% SunTrust Capital I
100% SunTrust Capital II
100% SunTrust Capital Markets, Inc.
100% SunTrust Insurance Company
100% SunTrust International Services, Inc. 100% SunTrust Mortgage, Inc.
100% SunTrust Online, Inc. (inactive)
100% SunTrust Plaza Associates, LLC
100% SunTrust Properties, Inc.
100% SunTrust Securities, Inc.
100% SunTrust Service Corporation*
100% Trusco Capital Management, Inc.

* SunTrust Service Corporation is 100% owned by certain subsidiary banks of SunTrust Banks, Inc. None of this nonbank subsidiary's stock is owned by SunTrust Banks, inc. (Parent Company).

ARTICLE 9

MULTIPLIER: 1,000

PERIOD TYPE	12 MOS
FISCAL YEAR END	DEC 31 1997
PERIOD START	JAN 01 1997
PERIOD END	DEC 31 1997
CASH	2,991,263
INT BEARING DEPOSITS	15,417
FED FUNDS SOLD	996,583
TRADING ASSETS	178,434
INVESTMENTS HELD FOR SALE	11,729,298
INVESTMENTS CARRYING	0
INVESTMENTS MARKET	0
LOANS	40,135,505
ALLOWANCE	751,830
TOTAL ASSETS	57,982,736
DEPOSITS	38,197,528
SHORT TERM	8,472,470
LIABILITIES OTHER	2,941,524
LONG TERM	3,171,832
COMMON	211,608
PREFERRED MANDATORY	0
PREFERRED	0
OTHER SE	4,987,774
TOTAL LIABILITIES AND EQUITY	57,982,736
INTEREST LOAN	3,036,100
INTEREST INVEST	542,234
INTEREST OTHER	72,405
INTEREST TOTAL	3,650,739
INTEREST DEPOSIT	1,151,157
INTEREST EXPENSE	1,756,373
INTEREST INCOME NET	1,894,366
LOAN LOSSES	117,043
SECURITIES GAINS	1,523
EXPENSE OTHER	1,685,595
INCOME PRETAX	1,025,966
INCOME PRE EXTRAORDINARY	667,253
EXTRAORDINARY	0
CHANGES	0
NET INCOME	667,253
EPS DILUTED	3.13
EPS PRIMARY	3.13
YIELD ACTUAL	4.11
LOANS NON	125,375
LOANS PAST	40,781
LOANS TROUBLED	2,721
LOANS PROBLEM	0
ALLOWANCE OPEN	725,849
CHARGE OFFS	146,188
RECOVERIES	55,126
ALLOWANCE CLOSE	751,830
ALLOWANCE DOMESTIC	0
ALLOWANCE FOREIGN	0
ALLOWANCE UNALLOCATED	751,830