

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

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

Date of Report (Date of earliest event reported): September 1, 1996

Commission File No. 0-20293

UNION BANKSHARES CORPORATION
(Exact name of registrant as specified in its charter)

Virginia 54-1598552
(State of Incorporation) (I.R.S. Employer Identification No.)

211 North Main Street
P.O. Box 446
Bowling Green, Virginia 22427
(Address of principal executive offices)

(804) 633-5031
(Registrant's telephone number, including area code)

Item 2. Acquisition or Disposition of Assets

On September 1, 1996 Union Bankshares Corporation, a Virginia corporation ("Union"), acquired King George State Bank Inc., King George, Virginia ("King George"), through a statutory share exchange with King George (the "Merger"). The Merger was accounted for as a pooling of interests business combination. Union issued 275,000 shares of common stock for all the outstanding common shares of King George. The exchange ratio was 5.5 shares of Union common stock for each share of King George common stock outstanding on September 1, 1996. Upon consummation of the Merger on September 1, 1996, Union had outstanding a total of 3,567,049 shares of common stock.

King George State Bank operates from a single location in King George County, Virginia, and will continue to carry on its banking business in substantially the same manner as before the Merger.

For additional information concerning the Merger, reference is made to the Registration Statement on Form S-4 (No. 333-6631) filed by Union and declared effective on July 17, 1996.

Item 7. Financial Statements and Exhibits

(a) Financial Statements of the Business Acquired

The financial statements of King George are included in Exhibit 99.1 of this filing and include the balance sheets of King George as of December 31, 1995 and 1994, and the related statements of income, changes in stockholders' equity, and cash flows for each of the years in the three year period ended December 31, 1995, and the report of Smith & Eggleston, P. C., independent auditors, dated February 16, 1996 thereon.

Interim financial statements as of June 30, 1996 and for the six months then ended are not included in this Report because it was impracticable to provide this information in the required format within the prescribed time period. This interim financial information will be provided as soon as practicable (and in any event by October 4, 1996) by the filing of an amendment to this Report.

(b) Pro Forma Financial Information

Pro forma condensed financial information regarding the Merger is included in Exhibit 99.2 of this filing.

(c) Exhibits

Exhibit 99.1: Financial statements King George as of December 31, 1995 and for the period then ended.

Exhibit 99.2: Pro forma condensed financial information regarding the Merger.

Signatures

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

UNION BANKSHARES CORPORATION

Date: September 13, 1996

By: /s/ D. ANTHONY PEAY

D. Anthony Peay
Vice President and
Chief Financial Officer

UNION and KING GEORGE
Pro Forma Condensed Balance Sheets
(Unaudited)

Exhibit 99.2

<TABLE>
<CAPTION>

	June 30, 1996			
Forma	Union	King George	Pro Forma Adjustments	Pro
Combined	(Dollars in thousands)			
<S> <C>				
Assets				
Cash and due from banks	\$ 15,451	\$ 1,585		\$
17,036				
Interest-bearing deposits in other banks	418	2		
420				
Federal funds sold	2,808	3,785		
6,593				
Securities	127,918	9,737		
137,655				
Loans, net of unearned income	313,490	32,837		
346,327				
Less allowance for loan losses	3,953	324		
4,277				

Net loans	309,537	32,513	-	
342,050				
Premises and equipment, net	11,405	615		
12,020				
Other assets	14,149	1,322		
15,471				

Total assets	\$481,686	\$ 49,559	\$ -	\$
531,245				
=====				
Liabilities				
Deposits				
Non-interest-bearing demand deposits	\$ 47,459	\$ 5,896		\$
53,355				
Interest-bearing deposits	339,423	37,917		
377,340				

Total deposits	386,882	43,813	-	
430,695				
Short-term borrowings	29,927	-		
29,927				
Long-term borrowings	11,200	-		
11,200				
Other liabilities	2,700	945		
3,645				

Total liabilities	430,709	44,758	-	
475,467				

Stockholders' equity				
Preferred stock	-	-	-	
-				
Common stock, \$4 par value	13,168	-	1,100 (1)	
14,268				
Common stock, \$6 par value	-	300	(300) (1)	
-				
Surplus	674	300	(300) (1)	
674				
Retained earnings	37,427	4244	(500) (1)	
41,171				
Unrealized gains (losses) on securities available				

for sale, net of taxes (335)	(292)	(43)	-	
-----	-----	-----	-----	-----
55,778 Total stockholders' equity	50,977	4,801	-	
-----	-----	-----	-----	-----
531,245 Total liabilities and stockholders' equity	\$ 481,686	\$ 49,559	\$ -	\$
=====	=====	=====	=====	=====

</TABLE>

See Notes to Pro Forma Condensed Financial Information

1

UNION and KING GEORGE

Pro Forma Condensed Statement of Income
For the Year Ended December 31, 1995
(Unaudited)

<TABLE>
<CAPTION>

	Union	King George	Pro Forma Combined
<S> <C>			
Interest income:			
Interest and fees on loans	\$ 26,583	\$ 2,978	\$ 29,561
Interest on securities	7,560	603	8,163
Federal funds sold	295	32	327
Interest-bearing deposits in other banks	32	-	32
	-----	-----	-----
Total interest income	34,470	3,613	\$ 38,083
Interest expense:			
Interest on deposits	14,806	1,559	16,365
Interest on other borrowings	1,476	14	1,490
	-----	-----	-----
Total interest expense	16,282	1,573	17,855
	-----	-----	-----
Net interest income	18,188	2,040	\$ 20,228
Provision for loan losses (note 2)	574	403	977
	-----	-----	-----
Net interest income after provision for loan losses	17,614	1,637	19,251
	-----	-----	-----
Other income:			
Service fees	2,007	136	2,143
Losses on sales of securities available for sale	(9)	(7)	(16)
Other operating income	444	47	491
	-----	-----	-----
Total other income	2,442	176	2,618
	-----	-----	-----
Other expenses:			
Salaries and employee benefits	6,244	550	6,794
Occupancy expenses	1,618	108	1,726
FDIC assessments	406	43	449
Other operating expenses	3,631	437	4,068
	-----	-----	-----
Total other expenses	11,899	1,138	13,037
	-----	-----	-----
Income before income taxes	8,157	675	8,832
Income tax expense	1,910	169	2,079
	-----	-----	-----
Net income	\$ 6,247	\$ 506	\$ 6,753
	=====	=====	=====
Per Share Data:			
Net income per share of common stock	\$ 1.91	\$ 10.11	\$ 1.91
Cash dividends per share of common stock	\$ 0.56	\$ 2.30	\$ 0.56
Average common shares outstanding	3,268,033	50,000	3,543,033

</TABLE>

See Notes to Pro Forma Condensed Financial Information

UNION and KING GEORGE

Pro Forma Condensed Statement of Income
For the Year Ended December 31, 1994
(Unaudited)

<TABLE>
<CAPTION>

	Union	King George	Pro Forma Combined
<S> <C>			
Interest income:			
Interest and fees on loans	\$ 21,244	\$ 2,591	\$ 23,835
Interest on securities	7,173	671	7,844
Federal funds sold	156	53	209
Interest-bearing deposits in other banks	39	-	39
	-----	-----	-----
Total interest income	28,612	3,315	\$ 31,927
Interest expense:			
Interest on deposits	11,025	1,380	12,405
Interest on other borrowings	684	-	684
	-----	-----	-----
Total interest expense	11,709	1,380	13,089
	-----	-----	-----
Net interest income	16,903	1,935	\$ 18,838
Provision for loan losses (note 2)	597	505	1,102
	-----	-----	-----
Net interest income after provision for loan losses	16,306	1,430	17,736
Other income:			
Service fees	1784	113	1,897
Losses on sales of securities available for sale	(14)	-	(14)
Other operating income	1,004	62	1,066
	-----	-----	-----
Total other income	2,774	175	2,949
Other expenses:			
Salaries and employee benefits	5408	464	5,872
Occupancy expenses	1428	96	1,524
FDIC assessments	730	29	759
Other operating expenses	3,465	453	3,918
	-----	-----	-----
Total other expenses	11,031	1,042	12,073
Income before income taxes	8,049	563	8,612
Income tax expense	1,774	125	1,899
	-----	-----	-----
Net income	\$ 6,275	\$ 438	\$ 6,713
	=====	=====	=====
Per Share Data:			
Net income per share of common stock	\$ 1.93	\$ 8.76	\$ 1.90
Cash dividends per share of common stock	\$ 0.52	\$ 2.25	\$ 0.52
Average common shares outstanding	3,258,035	50,000	3,533,035

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See Notes to Pro Forma Condensed Financial Information

UNION and KING GEORGE

Pro Forma Condensed Statement of Income
For the Year Ended December 31, 1993

(Unaudited)

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	Union	King George	Pro Forma Combined
<S> <C>			
Interest income:			
Interest and fees on loans	\$ 19,855	\$ 2,738	\$ 22,593
Interest on securities	6,811	487	7,298
Federal funds sold	275	178	453
Interest-bearing deposits in other banks	53	-	53
	-----	-----	-----

Total interest income	26,994	3,403	\$ 30,397
Interest expense:			
Interest on deposits	11,018	1,670	12,688
Interest on other borrowings	321	-	321
Total interest expense	11,339	1,670	13,009
Net interest income	15,655	1,733	\$ 17,388
Provision for loan losses (note 2)	1,220	351	1,571
Net interest income after provision for loan losses	14,435	1,382	15,817
Other income:			
Service fees	1666	115	1,781
Losses on sales of securities available for sale	(69)	1	(68)
Other operating income	298	50	348
Total other income	1,895	166	2,061
Other expenses:			
Salaries and employee benefits	4939	356	5,295
Occupancy expenses	1250	92	1,342
FDIC assessments	718	61	779
Other operating expenses	2,968	450	3,418
Total other expenses	9,875	959	10,834
Income before income taxes	6,455	589	7,044
Income tax expense	1,301	228	1,529
Net income	\$ 5,154	\$ 361	\$ 5,515
Per Share Data:			
Net income per share of common stock	\$ 1.58	\$ 7.23	\$ 1.56
Cash dividends per share of common stock	\$ 0.45	\$ 2.20	\$ 0.45
Average common shares outstanding	3,255,630	50,000	3,530,630

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See Notes to Pro Forma Condensed Financial Information

Union Bankshares Corporation and King George State Bank
Notes to Pro Forma Condensed Financial Information

(Unaudited)

a) The pro forma information presented is not necessarily indicative of the results of operations or the financial position that would have resulted had the KGSB Merger been consummated at the beginning of the periods indicated, nor is it necessarily indicative of the results of operations in future periods or the future financial position of the combined entities.

b) It is assumed that the KGSB Merger will be accounted for on a pooling of interests accounting basis and, accordingly, the related pro forma adjustments have been calculated using the exchange ratio, whereby Union will issue 5.5 share of Union Common Stock for each share of KGSB Common Stock.

As a result, information was appropriately adjusted for the KGSB Merger by the (i) addition of 275,000 shares of Union Common Stock amounting to \$1,100,000; (ii) elimination of 50,000 shares of KGSB Common Stock amounting to \$300,000; and (iii) recodation of the remaining amount of \$800,000 as a decrease in capital surplus (\$300,000) and retained earnings (\$500,000) at June 30, 1996.

c) Per share data has been computed based on the combined historical net income applicable to common shareholders of Union and KGSB using the historical weighted average shares outstanding of Union Common Stock and the weighted average shares, adjusted to equivalent shares of Union Common Stock, of KGSB, as of the earliest period presented.

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(Unaudited)

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Total liabilities	430,709	44,758	-	
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Common stock, \$4 par value	13,168	-	1,100 (1)	
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Total stockholders' equity 55,778	50,977	4,801	-	
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