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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

January 16, 2024
Date of Report (Date of earliest event reported)

THE PNC FINANCIAL SERVICES GROUP, INC.
(Exact name of registrant as specified in its charter)

Commission File Number 001-09718

Pennsylvania	**25-1435979**
(State or other jurisdiction of incorporation)	**(I.R.S. Employer Identification No.)**

The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, Pennsylvania 15222-2401
(Address of principal executive offices, including zip code)

(888) 762-2265
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $5.00	PNC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On January 16, 2024, The PNC Financial Services Group, Inc. (the "Corporation") issued a press release regarding the Corporation's earnings and business results for the fourth quarter and full year of 2023. A copy of the Corporation's press release is included in this Report as Exhibit 99.1 and is furnished herewith.

In connection therewith, the Corporation provided supplementary financial information on its website. A copy of the Corporation's supplementary financial information is included in this Report as Exhibit 99.2 and is furnished herewith.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Number	Description	Method of Filing
99.1	Press release dated January 16, 2024	Furnished herewith
99.2	Financial Supplement (unaudited) for the Fourth Quarter 2023	Furnished herewith
104	The cover page of this Current Report on Form 8-K, formatted in Inline XBRL.	

SIGNATURE

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

		THE PNC FINANCIAL SERVICES GROUP, INC. *(Registrant)*	
Date:	January 16, 2024	By:	/s/ Gregory H. Kozich
			Gregory H. Kozich *Senior Vice President and Controller*

NEWS RELEASE

Exhibit 99.1

PNC Reports Full Year 2023 Net Income of $5.6 Billion, $12.79 Diluted EPS or $14.10 as Adjusted

Fourth quarter 2023 net income was $0.9 billion, $1.85 diluted EPS or $3.16 as adjusted Grew revenue; increased average loans and deposits

PITTSBURGH, Jan. 16, 2024 – The PNC Financial Services Group, Inc. (NYSE: PNC) today reported:

	For the quarter		For the year	
In millions, except per share data and as noted	**4Q23**	**3Q23**	**2023**	**2022**
Financial Results				
Revenue	$ 5,361	$ 5,233	$ 21,490	$ 21,120
Noninterest expense (NIE)	4,074	3,245	14,012	13,170
Non-core NIE adjustments	665	—	665	—
Core NIE *(non-GAAP)*	3,409	3,245	13,347	13,170
Pretax, pre-provision earnings - as adjusted *(non-GAAP)*	1,952	1,988	8,143	7,950
Provision for credit losses	232	129	742	477
Net income	883	1,570	5,647	6,113
Per Common Share				
Diluted earnings	$ 1.85	$ 3.60	$ 12.79	$ 13.85
Impact from non-core NIE adjustments	1.31	—	1.31	—
Diluted earnings - as adjusted *(non-GAAP)*	3.16	3.60	14.10	13.85
Average diluted common shares outstanding	401	400	401	412
Book value	112.72	105.98	112.72	99.93
Tangible book value (TBV) *(non-GAAP)*	85.08	78.16	85.08	72.12
Balance Sheet & Credit Quality				
Average loans *In billions*	$ 324.6	$ 319.5	$ 323.5	$ 307.7
Average deposits *In billions*	423.9	422.5	427.1	443.4
Accumulated other comprehensive income (loss) (AOCI) *In billions*	(7.7)	(10.3)	(7.7)	(10.2)
Net loan charge-offs	200	121	710	563
Allowance for credit losses (ACL) to total loans	1.70 %	1.70 %	1.70 %	1.67 %
Selected Ratios				
Return on average common shareholders' equity	6.93 %	13.65 %	12.35 %	13.52 %
Return on average assets	0.62	1.12	1.01	1.11
Net interest margin (NIM) *(non-GAAP)*	2.66	2.71	2.76	2.65
Noninterest income to total revenue	37	35	35	38
Efficiency	76	62	65	62
Efficiency - as adjusted *(non-GAAP)*	64	62	62	62
Common equity Tier 1 (CET1) capital ratio	9.9	9.8	9.9	9.1

Core NIE is a non-GAAP measure calculated by excluding non-core NIE adjustments from noninterest expense. Non-core NIE adjustments include the pre-tax impact of the FDIC special assessment for the recovery of losses related to the closures of Silicon Valley Bank (SVB) and Signature Bank as well as workforce reduction charges incurred in the fourth quarter of 2023. See this and other non-GAAP financial measures in the Consolidated Financial Highlights accompanying this release.

Fourth Quarter Highlights

Comparisons reflect 4Q23 vs. 3Q23

Income Statement

- Revenue increased 2% due to strong noninterest income growth
- Core noninterest expense increased 5% primarily reflecting higher business activity
  - Core noninterest expense excludes $515 million related to the FDIC special assessment and $150 million of workforce reduction charges
- Provision for credit losses of $232 million

Balance Sheet

- Average loans increased 2%
- Average deposits grew modestly
- ACL to total loans of 1.7% was stable
- Net loan charge-offs were $200 million, or 0.24% annualized to average loans
- AOCI improved $2.6 billion to negative $7.7 billion, reflecting favorable interest rate movements
- TBV increased to $85.08
- CET1 capital ratio of 9.9%
  - Repurchased $0.1 billion of common shares

From Bill Demchak, PNC Chairman, President and Chief Executive Officer:

"During a challenging year for the banking industry, PNC demonstrated its strength and stability by growing customers, deepening relationships and managing the balance sheet for long-term success. We grew revenue, controlled core expenses, added to our loan portfolio and maintained strong credit metrics. We are well positioned for the year ahead to grow our businesses and deliver value for our stakeholders."

Income Statement Highlights

Fourth quarter 2023 compared with third quarter 2023

- Total revenue of $5.4 billion increased $128 million, or 2%, due to higher noninterest income.
- Net interest income of $3.4 billion was relatively stable.
  - Net interest margin of 2.66% decreased 5 basis points.
- Noninterest income of $2.0 billion increased $143 million, or 8%.
  - Fee income of $1.8 billion increased $99 million, or 6%, primarily due to higher capital markets and advisory fees.
  - Other noninterest income of $138 million increased $44 million, or 47%, and included favorable valuation adjustments and gains on sales. The fourth quarter also included negative Visa Class B derivative fair value adjustments of $100 million primarily related to the extension of anticipated litigation resolution timing. Visa Class B derivative fair value adjustments were negative $51 million in the third quarter.
- Noninterest expense of $4.1 billion increased $829 million, or 26%, and included $515 million related to the FDIC special assessment as well as $150 million of workforce reduction charges. Excluding the impact of these items, core noninterest expense was $3.4 billion increasing $164 million, or 5%, reflecting the impact of increased business activity, seasonality and asset impairments.
- Provision for credit losses was $232 million in the fourth quarter reflecting the impact of portfolio activity. The third quarter of 2023 included a provision for credit losses of $129 million.
- Net income of $0.9 billion decreased $687 million, or 44% and included $525 million of post-tax expenses related to the FDIC special assessment and workforce reduction charges.
- The effective tax rate was 16.3% for the fourth quarter and 15.5% for the third quarter.

Balance Sheet Highlights

Fourth quarter 2023 compared with third quarter 2023 or December 31, 2023 compared with September 30, 2023

- Average loans of $324.6 billion increased $5.1 billion, or 2%.
  - Average commercial loans of $222.6 billion increased $4.9 billion, driven by the acquisition of capital commitment facilities from Signature Bridge Bank, N.A. on October 2, 2023, partially offset by lower utilization of loan commitments and paydowns outpacing new production.
  - Average consumer loans of $102.0 billion were relatively stable.
- Credit quality performance:
  - Delinquencies of $1.4 billion increased $97 million, or 8%, due to higher consumer and commercial loan delinquencies.
  - Total nonperforming loans of $2.2 billion increased $57 million, or 3%, due to higher commercial nonperforming loans, partially offset by lower consumer nonperforming loans.
  - Net loan charge-offs of $200 million increased $79 million, reflecting higher commercial and consumer net loan charge-offs.
  - The allowance for credit losses of $5.5 billion was relatively unchanged. The allowance for credit losses to total loans was 1.70% at both December 31, 2023 and September 30, 2023.
- Average deposits of $423.9 billion grew $1.4 billion as seasonal growth in commercial deposits more than offset a modest decline in consumer deposits.
  - Deposits at December 31, 2023 of $421.4 billion decreased $2.2 billion, or 1%, reflecting a decline in commercial deposits at year end.

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- Average investment securities of $137.4 billion decreased $2.3 billion, or 2%.
- Average Federal Reserve Bank balances of $42.2 billion increased $4.3 billion.
  - Federal Reserve Bank balances at December 31, 2023 were $43.3 billion.
- Average borrowed funds of $72.9 billion increased $5.4 billion, or 8%, due to higher Federal Home Loan Bank borrowings and parent company senior debt issuances.
- PNC maintained a strong capital and liquidity position.
  - On January 4, 2024, the PNC board of directors declared a quarterly cash dividend on common stock of $1.55 per share payable on February 5, 2024.
  - PNC returned $0.7 billion of capital to shareholders, reflecting $0.6 billion of dividends on common shares and $0.1 billion of common share repurchases, representing 0.5 million shares.
  - The Basel III common equity Tier 1 capital ratio was an estimated 9.9% at December 31, 2023 and 9.8% at September 30, 2023.
  - PNC's average LCR for the three months ended December 31, 2023 was 107%, exceeding the regulatory minimum requirement throughout the quarter.
    - PNC Bank average LCR for the three months ended December 31, 2023 was 127%.

Earnings Summary

In millions, except per share data	4Q23	3Q23	4Q22
Net income	$ 883	$ 1,570	$ 1,548
Net income attributable to diluted common shares - as reported	$ 740	$ 1,440	$ 1,400
Net income attributable to diluted common shares - as adjusted *(non-GAAP)*	$ 1,265	$ 1,440	$ 1,400
Diluted earnings per common share - as reported	$ 1.85	$ 3.60	$ 3.47
Diluted earnings per common share - as adjusted *(non-GAAP)*	$ 3.16	$ 3.60	$ 3.47
Average diluted common shares outstanding	401	400	404
Cash dividends declared per common share	$ 1.55	$ 1.55	$ 1.50

See non-GAAP financial measures included in the Consolidated Financial Highlights accompanying this news release

Fourth quarter 2023 net income of $0.9 billion, or $1.85 per diluted common share, included $525 million of post-tax expenses pertaining to the FDIC special assessment for the recovery of losses related to the closure of SVB and Signature Bank as well as workforce reduction charges. Excluding the impact of these items, adjusted diluted earnings per common share was $3.16.

The Consolidated Financial Highlights accompanying this news release include additional information regarding reconciliations of non-GAAP financial measures to reported (GAAP) amounts. This information supplements results as reported in accordance with GAAP and should not be viewed in isolation from, or as a substitute for, GAAP results. Information in this news release, including the financial tables, is unaudited.

CONSOLIDATED REVENUE REVIEW

Revenue *In millions*	4Q23	3Q23	4Q22	Change 4Q23 vs 3Q23	Change 4Q23 vs 4Q22
Net interest income	$ 3,403	$ 3,418	$ 3,684	—	(8) %
Noninterest income	1,958	1,815	2,079	8 %	(6) %
Total revenue	$ 5,361	$ 5,233	$ 5,763	2 %	(7) %

Total revenue for the fourth quarter of 2023 increased $128 million from the third quarter of 2023 due to higher noninterest income. Compared with the fourth quarter of 2022, total revenue declined $402 million due to lower net interest income and noninterest income.

Net interest income of $3.4 billion for the fourth quarter of 2023 was relatively stable compared to the third quarter of 2023. Net interest margin was 2.66% in the fourth quarter of 2023, decreasing 5 basis points in comparison with the third quarter of 2023.

Compared to the fourth quarter of 2022, net interest income decreased $281 million and net interest margin declined 26 basis points. In both comparisons, the benefit of higher interest-earning asset yields was more than offset by increased funding costs.

Noninterest Income *In millions*	4Q23	3Q23	4Q22	Change 4Q23 vs 3Q23	Change 4Q23 vs 4Q22
Asset management and brokerage	$ 360	$ 348	$ 345	3 %	4 %
Capital markets and advisory	309	168	336	84 %	(8) %
Card and cash management	688	689	671	—	3 %
Lending and deposit services	314	315	296	—	6 %
Residential and commercial mortgage	149	201	184	(26) %	(19) %
Other	138	94	247	47 %	(44) %
Total noninterest income	$ 1,958	$ 1,815	$ 2,079	8 %	(6) %

Noninterest income for the fourth quarter of 2023 increased $143 million compared with the third quarter of 2023. Asset management and brokerage revenue increased $12 million and included the impact from favorable market conditions. Capital markets and advisory revenue grew $141 million, driven by higher merger and acquisition advisory fees. Residential and commercial mortgage revenue declined $52 million due to a $61 million decrease in mortgage servicing rights valuation, net of economic hedge. Other noninterest income increased $44 million, and included positive valuation adjustments and gains on sales. The fourth quarter also included negative Visa Class B derivative fair value adjustments of $100 million primarily related to the extension of anticipated litigation resolution timing. Visa Class B derivative fair value adjustments were negative $51 million in the third quarter.

Noninterest income for the fourth quarter of 2023 decreased $121 million from the fourth quarter of 2022. Asset management and brokerage revenue grew $15 million and included the impact from favorable market conditions. Capital markets and advisory revenue declined $27 million driven by lower trading revenue. Card and cash management fees increased $17 million due to growth in treasury management product revenue. Lending and deposit services increased $18 million, reflecting increased customer activity. Residential and commercial mortgage

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revenue declined $35 million primarily due to a decrease in mortgage servicing rights valuation, net of economic hedge. Other noninterest income decreased $109 million, primarily driven by lower private equity revenue. The fourth quarter of 2022 also included negative Visa Class B derivative fair value adjustments of $41 million.

CONSOLIDATED EXPENSE REVIEW

Noninterest Expense *In millions*	4Q23	3Q23	4Q22	Change 4Q23 vs 3Q23	Change 4Q23 vs 4Q22
Personnel	$ 1,983	$ 1,773	$ 1,943	12 %	2 %
Occupancy	243	244	247	—	(2) %
Equipment	365	347	369	5 %	(1) %
Marketing	74	93	106	(20) %	(30) %
Other	1,409	788	809	79 %	74 %
Total noninterest expense	$ 4,074	$ 3,245	$ 3,474	26 %	17 %
Non-core noninterest expense adjustments	665	—	—		
Core noninterest expense *(non-GAAP)*	$ 3,409	$ 3,245	$ 3,474	5 %	(2) %

See non-GAAP financial measures included in the Consolidated Financial Highlights accompanying this news release

Noninterest expense for the fourth quarter of 2023 increased $829 million in comparison to the third quarter of 2023, and included $515 million pertaining to the FDIC special assessment for the recovery of losses related to the closure of SVB and Signature Bank as well as $150 million of workforce reduction charges. Excluding the impact of these items, core noninterest expense was $3.4 billion for the fourth quarter of 2023, increasing $164 million, or 5%, reflecting the impact of increased business activity, seasonality and asset impairments.

Noninterest expense increased $600 million from the fourth quarter of 2022 due to the FDIC special assessment and workforce reduction charges, partially offset by a continued focus on expense management.

The effective tax rate was 16.3% for the fourth quarter of 2023, 15.5% for the third quarter of 2023 and 17.7% for the fourth quarter of 2022.

CONSOLIDATED BALANCE SHEET REVIEW

Average total assets were $562.3 billion in the fourth quarter of 2023 compared with $555.0 billion in the third quarter of 2023 and $557.2 billion in the fourth quarter of 2022. In both comparisons, the increase was attributable to higher loans and Federal Reserve Bank balances, partially offset by lower investment securities.

Average Loans *In billions*	4Q23	3Q23	4Q22	Change 4Q23 vs 3Q23	Change 4Q23 vs 4Q22
Commercial	$ 222.6	$ 217.7	$ 221.6	2 %	—
Consumer	102.0	101.8	100.3	—	2 %
Total	$ 324.6	$ 319.5	$ 321.9	2 %	1 %

Average loans for the fourth quarter of 2023 increased $5.1 billion compared to the third quarter of 2023 and $2.7 billion in comparison to the fourth quarter of 2022. Average commercial loans increased $4.9 billion and $1.0 billion compared to the third quarter of 2023 and the fourth quarter of 2022, respectively, driven by the acquisition of capital commitment facilities from Signature Bridge Bank, N.A. on October 2, 2023, partially offset by lower utilization of loan commitments and paydowns outpacing new production. Average consumer loans were relatively stable compared to the third quarter of 2023. Compared to the fourth quarter of 2022, average consumer loans increased $1.7 billion reflecting higher residential mortgage, home equity, and credit card loans.

Average Investment Securities				Change 4Q23 vs	Change 4Q23 vs
In billions	4Q23	3Q23	4Q22	3Q23	4Q22
Available for sale	$ 46.1	$ 46.5	$ 49.7	(1) %	(7) %
Held to maturity	91.3	93.2	93.2	(2) %	(2) %
Total	$ 137.4	$ 139.7	$ 142.9	(2) %	(4) %

Average investment securities for the fourth quarter of 2023 of $137.4 billion declined $2.3 billion and $5.5 billion from the third quarter of 2023 and the fourth quarter of 2022, respectively, as limited purchase activity was more than offset by portfolio paydowns and maturities. The duration of the investment securities portfolio was 4.1 years at December 31, 2023, 4.2 years at September 30, 2023 and 4.5 years at December 31, 2022.

Net unrealized losses on available for sale securities were $3.6 billion at December 31, 2023 decreasing from $5.4 billion at September 30, 2023 and $4.4 billion at December 31, 2022. In both comparisons, the decrease primarily reflected the favorable impact of interest rate movements.

Average Federal Reserve Bank balances for the fourth quarter of 2023 were $42.2 billion, increasing $4.3 billion from the third quarter of 2023, primarily due to higher borrowed funds and lower investment securities, partially offset by higher loans outstanding. Average Federal Reserve Bank balances increased $12.2 billion from the fourth quarter of 2022, primarily due to higher borrowed funds and a decline in investment securities, partially offset by lower deposits.

Federal Reserve Bank balances at December 31, 2023 were $43.3 billion, increasing $2.2 billion from September 30, 2023.

Average Deposits				Change 4Q23 vs	Change 4Q23 vs
In billions	4Q23	3Q23	4Q22	3Q23	4Q22
Commercial	$ 207.0	$ 204.7	$ 215.8	1 %	(4) %
Consumer	216.9	217.8	219.1	—	(1) %
Total	$ 423.9	$ 422.5	$ 434.9	—	(3) %
IB % of total avg. deposits	75%	74%	69%		
NIB % of total avg. deposits	25%	26%	31%		

IB - Interest-bearing
NIB - Noninterest-bearing

Average deposits for the fourth quarter of 2023 were $423.9 billion, increasing $1.4 billion from the third quarter of 2023 as seasonal growth in commercial deposits more than offset a modest decline in consumer deposits. Compared to the fourth quarter of 2022, average deposits decreased $11.0 billion due to lower commercial and consumer deposits, which included the impact of quantitative tightening by the Federal Reserve and increased customer spending. Noninterest-bearing balances as a percentage of average deposits decreased in both comparisons due to the continued shift into interest-bearing deposit products as interest rates have risen.

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Deposits at December 31, 2023 of $421.4 billion decreased $2.2 billion, or 1%, from September 30, 2023 reflecting a decline in commercial deposits at year end.

Average Borrowed Funds *In billions*	4Q23	3Q23	4Q22	Change 4Q23 vs 3Q23	Change 4Q23 vs 4Q22
Total	$ 72.9	$ 67.5	$ 59.2	8 %	23 %

Average borrowed funds of $72.9 billion in the fourth quarter of 2023 increased $5.4 billion compared to the third quarter of 2023 and $13.7 billion compared to the fourth quarter of 2022. In both comparisons, the increase was due to higher Federal Home Loan Bank borrowings and parent company senior debt issuances.

Capital	December 31, 2023	September 30, 2023	December 31, 2022
Common shareholders' equity *In billions*	$ 44.9	$ 42.2	$ 40.0
Accumulated other comprehensive income (loss) *In billions*	$ (7.7)	$ (10.3)	$ (10.2)
Basel III common equity Tier 1 capital ratio *	9.9 %	9.8 %	9.1 %
Basel III common equity Tier 1 fully implemented capital ratio (estimated)	9.8 %	9.7 %	8.9 %

**December 31, 2023 ratio is estimated*

PNC maintained a strong capital position. Common shareholders' equity at December 31, 2023 increased $2.7 billion from September 30, 2023, driven by an improvement in accumulated other comprehensive income and the benefit of net income, partially offset by dividends paid and share repurchases.

As a Category III institution, PNC has elected to exclude accumulated other comprehensive income related to both available for sale securities and pension and other post-retirement plans from CET1 capital. Accumulated other comprehensive income at December 31, 2023 improved $2.6 billion from September 30, 2023 and $2.5 billion from December 31, 2022. In both comparisons, the improvement reflected securities and swaps valuation changes related to the favorable impact of interest rate movements and the continued accretion of unrealized losses.

In the fourth quarter of 2023, PNC returned $0.7 billion of capital to shareholders, reflecting $0.6 billion of dividends on common shares and $0.1 billion of common share repurchases, representing 0.5 million shares. Consistent with the Stress Capital Buffer (SCB) framework, which allows for capital return in amounts in excess of the SCB minimum levels, our board of directors has authorized a repurchase framework under the previously approved repurchase program of up to 100 million common shares, of which approximately 45% were still available for repurchase at December 31, 2023.

In light of the Federal banking agencies proposed rules to adjust the Basel III capital framework, share repurchase activity is expected to remain modest during the first quarter of 2024. PNC continues to evaluate the potential impact of the proposed rules and may adjust share repurchase activity depending on market and economic conditions, as well as other factors.

PNC's SCB for the four-quarter period beginning October 1, 2023 is the regulatory minimum of 2.5%.

On January 4, 2024, the PNC board of directors declared a quarterly cash dividend on common stock of $1.55 per share payable on February 5, 2024.

At December 31, 2023, PNC was considered "well capitalized" based on applicable U.S. regulatory capital ratio requirements. For additional information regarding PNC's Basel III capital ratios, see Capital Ratios in the Consolidated Financial Highlights. PNC elected a five-year transition provision effective March 31, 2020 to delay until December 31, 2021 the full impact of the Current Expected Credit Losses (CECL) standard on regulatory capital, followed by a three-year transition period. Effective for the first quarter of 2022, PNC is now in the three-year transition period, and the full impact of the CECL standard is being phased-in to regulatory capital through December 31, 2024. The fully implemented ratios reflect the full impact of CECL and exclude the benefits of this transition provision.

CREDIT QUALITY REVIEW

Credit Quality *In millions*	December 31, 2023	September 30, 2023	December 31, 2022	Change 12/31/23 vs 09/30/23	Change 12/31/23 vs 12/31/22
Provision for credit losses	$ 232	$ 129	$ 408	$ 103	$ (176)
Net loan charge-offs	$ 200	$ 121	$ 224	65 %	(11)%
Allowance for credit losses (a)	$ 5,454	$ 5,407	$ 5,435	1 %	—
Total delinquencies (b)	$ 1,384	$ 1,287	$ 1,490	8 %	(7)%
Nonperforming loans	$ 2,180	$ 2,123	$ 1,985	3 %	10 %
Net charge-offs to average loans (annualized)	0.24 %	0.15 %	0.28 %		
Allowance for credit losses to total loans	1.70 %	1.70 %	1.67 %		
Nonperforming loans to total loans	0.68 %	0.67 %	0.61 %		

(a) Excludes allowances for investment securities and other financial assets
(b) Total delinquencies represent accruing loans more than 30 days past due

Provision for credit losses was $232 million in the fourth quarter of 2023 reflecting the impact of portfolio activity. The third quarter of 2023 included a provision for credit losses of $129 million.

Net loan charge-offs of $200 million in the fourth quarter of 2023 increased $79 million compared to the third quarter of 2023, reflecting higher commercial and consumer net loan charge-offs. Compared to the fourth quarter of 2022, net loan charge-offs decreased $24 million, primarily reflecting lower commercial net loan charge-offs.

The allowance for credit losses was $5.5 billion at December 31, 2023 and $5.4 billion at both September 30, 2023 and December 31, 2022. The allowance for credit losses as a percentage of total loans was 1.70% at both December 31, 2023 and September 30, 2023 and 1.67% at December 31, 2022.

Delinquencies at December 31, 2023 were $1.4 billion, increasing $97 million from September 30, 2023 due to higher consumer and commercial loan delinquencies. Compared to December 31, 2022, delinquencies decreased $106 million due to lower commercial and consumer loan delinquencies.

Nonperforming loans at December 31, 2023 were $2.2 billion, increasing $57 million from September 30, 2023 and $195 million from December 31, 2022. In both comparisons, the increase was driven by higher commercial nonperforming loans, partially offset by lower consumer nonperforming loans.

BUSINESS SEGMENT RESULTS

Business Segment Income (Loss)			
In millions	4Q23	3Q23	4Q22
Retail Banking	$ 1,073	$ 1,094	$ 752
Corporate & Institutional Banking	1,213	960	982
Asset Management Group	72	73	52
Other	(1,494)	(573)	(258)
Net income excluding noncontrolling interests	$ 864	$ 1,554	$ 1,528

Retail Banking				Change	Change
				4Q23 vs	4Q23 vs
In millions	4Q23	3Q23	4Q22	3Q23	4Q22
Net interest income	$ 2,669	$ 2,576	$ 2,330	$ 93	$ 339
Noninterest income	$ 722	$ 784	$ 749	$ (62)	$ (27)
Noninterest expense	$ 1,848	$ 1,876	$ 1,892	$ (28)	$ (44)
Provision for credit losses	$ 130	$ 42	$ 193	$ 88	$ (63)
Earnings	$ 1,073	$ 1,094	$ 752	$ (21)	$ 321
In billions					
Average loans	$ 97.4	$ 97.4	$ 96.6	—	$ 0.8
Average deposits	$ 251.3	$ 253.7	$ 259.8	$ (2.4)	$ (8.5)
Net loan charge-offs *In millions*	$ 128	$ 114	$ 108	$ 14	$ 20

Retail Banking Highlights

Fourth quarter 2023 compared with third quarter 2023

- Earnings decreased 2%, driven by a higher provision for credit losses and lower noninterest income, partially offset by higher net interest income and lower noninterest expense.
  - Noninterest income decreased 8%, due to negative Visa Class B derivative fair value adjustments of $100 million and lower residential mortgage banking activity, partially offset by increased brokerage fees reflecting the impact from favorable market conditions. The third quarter included negative Visa Class B derivative fair value adjustments of $51 million.
  - Noninterest expense decreased 1%, primarily driven by a decline in marketing spend.
  - Provision for credit losses of $130 million in the fourth quarter of 2023 reflected the impact of portfolio activity.
- Average loans were stable.
- Average deposits decreased 1%, as consumer spending levels have remained elevated.

Fourth quarter 2023 compared with fourth quarter 2022

- Earnings increased 43%, primarily due to higher net interest income.
  - Noninterest income decreased 4%, driven by negative Visa Class B derivative fair value adjustments, partially offset by higher lending and deposit related customer activity and increased brokerage fees. The fourth quarter of 2022 included negative Visa Class B derivative fair value adjustments of $41 million.
  - Noninterest expense decreased 2%, driven by lower personnel expense and a continued focus on expense management.

- Average loans increased 1%, as growth in commercial, home equity, and credit card loans was largely offset by declines in residential real estate, education and other consumer loans.
- Average deposits decreased 3%, reflecting the impact of quantitative tightening by the Federal Reserve and increased customer spending.

Corporate & Institutional Banking *In millions*		4Q23		3Q23		4Q22		Change 4Q23 vs 3Q23		Change 4Q23 vs 4Q22
Net interest income	$	1,642	$	1,419	$	1,489	$	223	$	153
Noninterest income	$	995	$	835	$	962	$	160	$	33
Noninterest expense	$	975	$	895	$	990	$	80	$	(15)
Provision for credit losses	$	115	$	102	$	183	$	13	$	(68)
Earnings	$	1,213	$	960	$	982	$	253	$	231
In billions										
Average loans	$	208.1	$	202.8	$	207.1	$	5.3	$	1.0
Average deposits	$	144.5	$	141.7	$	147.3	$	2.8	$	(2.8)
Net loan charge-offs *In millions*	$	76	$	12	$	100	$	64	$	(24)

Corporate & Institutional Banking Highlights

Fourth quarter 2023 compared with third quarter 2023

- Earnings increased 26%, driven by higher net interest and noninterest income, partially offset by higher noninterest expense and an increase in provision for credit losses.
  - Noninterest income increased 19%, due to higher capital markets and advisory fees and gains on sales, partially offset by a decrease in commercial mortgage servicing rights valuation, net of economic hedge.
  - Noninterest expense increased 9%, reflecting higher variable compensation associated with increased business activity.
  - Provision for credit losses of $115 million in the fourth quarter of 2023 reflected the impact of portfolio activity.
- Average loans increased 3%, driven by the acquisition of capital commitment facilities from Signature Bridge Bank, N.A. on October 2, 2023, partially offset by lower utilization of loan commitments and paydowns outpacing new production.
- Average deposits increased 2%, reflecting seasonality.

Fourth quarter 2023 compared with fourth quarter 2022

- Earnings increased 24%, due to higher net interest and noninterest income, a lower provision for credit losses and a decline in noninterest expense.
  - Noninterest income increased 3%, driven by higher capital markets and advisory fees and growth in treasury management product revenue, partially offset by lower commercial mortgage banking activities.
  - Noninterest expense decreased 2%, reflecting a continued focus on expense management.
- Average loans modestly increased, driven by the acquisition of capital commitment facilities from Signature Bridge Bank, N.A. on October 2, 2023, partially offset by lower utilization of loan commitments and paydowns outpacing new production.
- Average deposits decreased 2%, and included the impact of quantitative tightening by the Federal Reserve.

Asset Management Group *In millions*	4Q23	3Q23	4Q22	Change 4Q23 vs 3Q23	Change 4Q23 vs 4Q22
Net interest income	$ 156	$ 139	$ 152	$ 17	$ 4
Noninterest income	$ 224	$ 223	$ 223	$ 1	$ 1
Noninterest expense	$ 284	$ 271	$ 291	$ 13	$ (7)
Provision for (recapture of) credit losses	$ 2	$ (4)	$ 17	$ 6	$ (15)
Earnings	$ 72	$ 73	$ 52	$ (1)	$ 20
In billions					
Discretionary client assets under management	$ 189	$ 176	$ 173	$ 13	$ 16
Nondiscretionary client assets under administration	$ 179	$ 170	$ 152	$ 9	$ 27
Client assets under administration at quarter end	$ 368	$ 346	$ 325	$ 22	$ 43
In billions					
Average loans	$ 16.1	$ 15.7	$ 14.5	$ 0.4	$ 1.6
Average deposits	$ 28.2	$ 27.2	$ 27.8	$ 1.0	$ 0.4
Net loan charge-offs (recoveries) *In millions*	$ (1)	—	$ 18	$ (1)	$ (19)

Asset Management Group Highlights

Fourth quarter 2023 compared with third quarter 2023

- Earnings decreased 1%, primarily due to higher noninterest expense and a provision for credit losses, partially offset by higher net interest income.
  - Noninterest income was largely stable.
  - Noninterest expense increased 5%, and included higher personnel costs and marketing spend.
- Discretionary client assets under management increased 7%, driven by higher spot equity markets.
- Average loans increased 3%, due to growth in residential mortgage loans.
- Average deposits increased 4%, reflecting growth in deposit sweep balances.

Fourth quarter 2023 compared with fourth quarter 2022

- Earnings increased 38%, primarily driven by a lower provision for credit losses, a decline in noninterest expense and higher net interest income.
  - Noninterest income was relatively stable.
  - Noninterest expense decreased 2%, reflecting a continued focus on expense management.
- Discretionary client assets under management increased 9%, driven by higher spot equity markets.
- Average loans increased 11%, driven by growth in residential mortgage loans.
- Average deposits increased 1%, reflecting growth in deposit sweep and CD balances, partially offset by the impact of quantitative tightening by the Federal Reserve and the redeployment of funds to assets under management.

Other

The "Other" category, for the purposes of this release, includes residual activities that do not meet the criteria for disclosure as a separate reportable business, such as asset and liability management activities, including net securities gains or losses, ACL for investment securities, certain trading activities, certain runoff consumer loan portfolios, private equity investments, intercompany eliminations, certain corporate overhead, tax adjustments that are not allocated to business segments, exited businesses and differences between business segment performance reporting and financial statement reporting under generally accepted accounting principles.

CONFERENCE CALL AND SUPPLEMENTAL FINANCIAL INFORMATION

PNC Chairman, President and Chief Executive Officer William S. Demchak and Executive Vice President and Chief Financial Officer Robert Q. Reilly will hold a conference call for investors today at 11:00 a.m. Eastern Time regarding the topics addressed in this news release and the related earnings materials. Dial-in numbers for the conference call are (800) 728-2056 and (312) 429-0440 (international) and Internet access to the live audio listen-only webcast of the call is available at www.pnc.com/investorevents. PNC's fourth quarter 2023 earnings materials to accompany the conference call remarks will be available at www.pnc.com/investorevents prior to the beginning of the call. A telephone replay of the call will be available for one week at (800) 633-8284 and (402) 977-9140 (international), Conference ID 22028514 and a replay of the audio webcast will be available on PNC's website for 30 days.

The PNC Financial Services Group, Inc. is one of the largest diversified financial services institutions in the United States, organized around its customers and communities for strong relationships and local delivery of retail and business banking including a full range of lending products; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. For information about PNC, visit www.pnc.com.

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[TABULAR MATERIAL FOLLOWS]

e PNC Financial Services Group, Inc. **Consolidated Financial Highlights** (Unaudited)

NANCIAL RESULTS	Three months ended			Year ended	
llars in millions, except per share data	December 31 2023	September 30 2023	December 31 2022	December 31 2023	December 31 2022
venue					
let interest income	$ 3,403	$ 3,418	$ 3,684	$ 13,916	$ 13,014
loninterest income	1,958	1,815	2,079	7,574	8,106
Total revenue	5,361	5,233	5,763	21,490	21,120
vision for credit losses	232	129	408	742	477
ninterest expense	4,074	3,245	3,474	14,012	13,170
ome before income taxes and noncontrolling interests	$ 1,055	$ 1,859	$ 1,881	$ 6,736	$ 7,473
ome taxes	172	289	333	1,089	1,360
income	$ 883	$ 1,570	$ 1,548	$ 5,647	$ 6,113
s:					
Net income attributable to noncontrolling interests	19	16	20	69	72
Preferred stock dividends (a)	118	104	120	417	301
Preferred stock discount accretion and redemptions	2	2	1	8	5
income attributable to common shareholders	$ 744	$ 1,448	$ 1,407	$ 5,153	$ 5,735
Common Share					
Basic	$ 1.85	$ 3.60	$ 3.47	$ 12.80	$ 13.86
Diluted	$ 1.85	$ 3.60	$ 3.47	$ 12.79	$ 13.85
sh dividends declared per common share	$ 1.55	$ 1.55	$ 1.50	$ 6.10	$ 5.75
ective tax rate (b)	16.3 %	15.5 %	17.7 %	16.2%	18.2%
RFORMANCE RATIOS					
interest margin (c)	2.66 %	2.71 %	2.92 %	2.76%	2.65%
ninterest income to total revenue	37 %	35 %	36 %	35%	38%
iciency (d)	76 %	62 %	60 %	65%	62%
urn on:					
verage common shareholders' equity	6.93 %	13.65 %	14.19 %	12.35%	13.52%
verage assets	0.62 %	1.12 %	1.10 %	1.01%	1.11%

(a) Dividends are payable quarterly, other than Series S preferred stock, which is payable semiannually.

(b) The effective income tax rates are generally lower than the statutory rate due to the relationship of pretax income to tax credits and earnings that are not subject to tax.

(c) Net interest margin is the total yield on interest-earning assets minus the total rate on interest-bearing liabilities and includes the benefit from use of noninterest-bearing sources. To provide more meaningful comparisons of net interest margins, we use net interest income on a taxable-equivalent basis in calculating average yields used in the calculation of net interest margin by increasing the interest income earned on tax-exempt assets to make it fully equivalent to interest income earned on taxable investments. This adjustment is not permitted under generally accepted accounting principles (GAAP) in the Consolidated Income Statement. The taxable-equivalent adjustments to net interest income for the three months ended December 31, 2023, September 30, 2023 and December 31, 2022 were $36 million, $36 million and $36 million, respectively. The taxable-equivalent adjustments to net interest income for the twelve months ended December 31, 2023 and December 31, 2022 were $147 million and $112 million, respectively.

(d) Calculated as noninterest expense divided by total revenue.

The PNC Financial Services Group, Inc. **Consolidated Financial Highlights** (Unaudited)

	December 31 2023	September 30 2023	December 31 2022
BALANCE SHEET DATA			
Dollars in millions, except per share data and as noted			
Assets	$ 561,580	$ 557,334	$ 557,263
Loans (a)	$ 321,508	$ 318,416	$ 326,025
Allowance for loan and lease losses	$ 4,791	$ 4,767	$ 4,741
Interest-earning deposits with banks	$ 43,804	$ 41,484	$ 27,320
Investment securities	$ 132,569	$ 132,387	$ 139,334
Total deposits	$ 421,418	$ 423,609	$ 436,282
Borrowed funds (a)	$ 72,737	$ 66,167	$ 58,713
Allowance for unfunded lending related commitments	$ 663	$ 640	$ 694
Total shareholders' equity	$ 51,105	$ 49,454	$ 45,774
Common shareholders' equity	$ 44,864	$ 42,215	$ 40,028
Accumulated other comprehensive income (loss)	$ (7,712)	$ (10,261)	$ (10,172)
Book value per common share	$ 112.72	$ 105.98	$ 99.93
Tangible book value per common share *(non-GAAP)* (b)	$ 85.08	$ 78.16	$ 72.12
Period end common shares outstanding *(In millions)*	398	398	401
Loans to deposits	76 %	75 %	75 %
Common shareholders' equity to total assets	8.0 %	7.6 %	7.2 %
CLIENT ASSETS (In billions)			
Discretionary client assets under management	$ 189	$ 176	$ 173
Nondiscretionary client assets under administration	179	170	152
Total client assets under administration	368	346	325
Brokerage account client assets	80	78	74
Total client assets	$ 448	$ 424	$ 399
CAPITAL RATIOS			
Basel III (c) (d)			
Common equity Tier 1	9.9 %	9.8 %	9.1 %
Common equity Tier 1 fully implemented (e)	9.8 %	9.7 %	8.9 %
Tier 1 risk-based	11.3 %	11.5 %	10.4 %
Total capital risk-based	13.2 %	13.4 %	12.3 %
Leverage	8.7 %	8.9 %	8.2 %
Supplementary leverage	7.2 %	7.6 %	6.9 %
ASSET QUALITY			
Nonperforming loans to total loans	0.68 %	0.67 %	0.61 %
Nonperforming assets to total loans, OREO and foreclosed assets	0.69 %	0.68 %	0.62 %
Nonperforming assets to total assets	0.39 %	0.39 %	0.36 %
Net charge-offs to average loans (for the three months ended) (annualized)	0.24 %	0.15 %	0.28 %
Allowance for loan and lease losses to total loans	1.49 %	1.50 %	1.45 %
Allowance for credit losses to total loans (f)	1.70 %	1.70 %	1.67 %
Allowance for loan and lease losses to nonperforming loans	220 %	225 %	239 %
Total delinquencies *(In millions)* (g)	$ 1,384	$ 1,287	$ 1,490

(a) Amounts include assets and liabilities for which we have elected the fair value option. Our 2023 Form 10-Qs included, and our 2023 Form 10-K will include, additional information regarding these Consolidated Balance Sheet line items.
(b) See the Tangible Book Value per Common Share table on page 18 for additional information.
(c) All ratios are calculated using the regulatory capital methodology applicable to PNC during each period presented and calculated based on the standardized approach. See Capital Ratios on page 15 for additional information. The ratios as of December 31, 2023 are estimated.
(d) The ratios are calculated to reflect PNC's election to adopt the CECL optional five-year transition provision.
(e) The estimated fully implemented ratios are calculated to reflect the full impact of CECL and exclude the benefits of the five-year transition provision.
(f) Excludes allowances for investment securities and other financial assets.
(g) Total delinquencies represent accruing loans more than 30 days past due.

The PNC Financial Services Group, Inc. Consolidated Financial Highlights (Unaudited)

CAPITAL RATIOS

PNC's regulatory risk-based capital ratios in 2023 are calculated using the standardized approach for determining risk-weighted assets. Under the standardized approach for determining credit risk-weighted assets, exposures are generally assigned a pre-defined risk weight. Exposures to high volatility commercial real estate, past due exposures and equity exposures are generally subject to higher risk weights than other types of exposures.

PNC elected a five-year transition provision effective March 31, 2020 to delay until December 31, 2021 the full impact of the CECL standard on regulatory capital, followed by a three-year transition period. Effective for the first quarter 2022, PNC is now in the three-year transition period, and the full impact of the CECL standard is being phased-in to regulatory capital through December 31, 2024. See the table below for the September 30, 2023, December 31, 2022 and estimated December 31, 2023 ratios. For the full impact of PNC's adoption of CECL, which excludes the benefits of the five-year transition provision, see the December 31, 2023 and September 30, 2023 (Fully Implemented) estimates presented in the table below.

Our Basel III capital ratios may be impacted by changes to the regulatory capital rules and additional regulatory guidance or analysis.

Basel lll Common Equity Tier 1 Capital Ratios (a)

	Basel III				
Dollars in millions	December 31 2023 (estimated) (b)	September 30 2023 (b)	December 31 2022 (b)	December 31, 2023 (Fully Implemented) (estimated) (c)	September 30, 2023 (Fully Implemented) (estimated) (c)
Common stock, related surplus and retained earnings, net of treasury stock	$ 53,059	$ 52,958	$ 50,924	$ 52,576	$ 52,476
Less regulatory capital adjustments:					
Goodwill and disallowed intangibles, net of deferred tax liabilities	(10,999)	(11,083)	(11,138)	(10,999)	(11,083)
All other adjustments	(86)	(99)	(101)	(86)	(101)
Basel III Common equity Tier 1 capital	$ 41,974	$ 41,776	$ 39,685	$ 41,491	$ 41,292
Basel III standardized approach risk-weighted assets (d)	$ 424,905	$ 425,131	$ 435,537	$ 425,050	$ 425,323
Basel III Common equity Tier 1 capital ratio	9.9 %	9.8 %	9.1 %	9.8 %	9.7 %

(a) All ratios are calculated using the regulatory capital methodology applicable to PNC during each period presented.
(b) The ratios are calculated to reflect PNC's election to adopt the CECL optional five-year transition provisions.
(c) The December 31, 2023 and September 30, 2023 ratios are calculated to reflect the full impact of CECL and exclude the benefits of the five-year transition provisions.
(d) Basel III standardized approach risk-weighted assets are based on the Basel III standardized approach rules and include credit and market risk-weighted assets.

The PNC Financial Services Group, Inc. Consolidated Financial Highlights (Unaudited)

NON-GAAP MEASURES

Core Noninterest Expense (non-GAAP)
Efficiency Ratio - as adjusted (non-GAAP)

Dollars in millions	Three months ended December 31 2023	Three months ended September 30 2023	Year ended December 31 2023	Year ended December 31 2022
Noninterest expense	$ 4,074	$ 3,245	$ 14,012	$ 13,170
Less non-core noninterest expense adjustments:				
FDIC special assessment costs	515		515	
Workforce reduction charges	150		150	
Total non-core noninterest expense adjustments	$ 665		$ 665	
Core noninterest expense *(non-GAAP)*	$ 3,409	$ 3,245	$ 13,347	$ 13,170
Total revenue	$ 5,361	$ 5,233	$ 21,490	$ 21,120
Efficiency ratio (a)	76 %	62 %	65 %	62 %
Efficiency ratio - as adjusted *(non-GAAP)* (b)	64 %	62 %	62 %	62 %

(a) Calculated as noninterest expense divided by total revenue.
(b) Calculated as core noninterest expense divided by total revenue.

Core noninterest expense is a non-GAAP measure calculated based on noninterest expense less costs related to the FDIC special assessment related to the closures of Silicon Valley Bank (SVB) and Signature Bank as well as restructuring expenses incurred as part of the workforce reduction executed in the fourth quarter of 2023. We believe this non-GAAP measure to be a useful tool for comparison of operating expenses incurred during the normal course of business.

The efficiency ratio - as adjusted is a non-GAAP measure and excludes non-core noninterest expense adjustments comprised of costs related to the FDIC special assessment related to the closures of SVB and Signature Bank as well as restructuring expenses incurred as part of the workforce reduction executed in the fourth quarter of 2023. It is calculated based on adjusting the efficiency ratio calculation to use core noninterest expense which excludes the non-core noninterest expense adjustments. We believe that this non-GAAP measure is a useful tool for the purpose of evaluating PNC's results. The exclusion of FDIC special assessment costs and workforce reduction charges increases comparability across periods, demonstrates the impact of significant items and provides a useful measure for determining PNC's expenses that are core to our business operations and expected to recur over time.

The PNC Financial Services Group, Inc. **Consolidated Financial Highlights** (Unaudited)

Pretax Pre-Provision Earnings (non-GAAP)
Pretax Pre-Provision Earnings - as adjusted (non-GAAP)

Dollars in millions	Three months ended December 31 2023	Three months ended September 30 2023	Year ended December 31 2023	Year ended December 31 2022
Income before income taxes and noncontrolling interests	$ 1,055	$ 1,859	$ 6,736	$ 7,473
Provision for credit losses	232	129	742	477
Pretax pre-provision earnings *(non-GAAP)*	$ 1,287	$ 1,988	$ 7,478	$ 7,950
Total non-core noninterest expense adjustments	665		665	
Pretax pre-provision earnings - as adjusted *(non-GAAP)*	$ 1,952	$ 1,988	$ 8,143	$ 7,950

Pretax pre-provision earnings is a non-GAAP measure and is based on adjusting income before income taxes and noncontrolling interests to exclude provision for credit losses. We believe that pretax, pre-provision earnings is a useful tool to help evaluate the ability to provide for credit costs through operations and provides an additional basis to compare results between periods by isolating the impact of provision for credit losses, which can vary significantly between periods.

Pretax pre-provision earnings - as adjusted is a non-GAAP measure and is based on adjusting pretax pre-provision earnings to exclude non-core noninterest expense adjustments comprised of costs related to the FDIC special assessment related to the closures of SVB and Signature Bank as well as restructuring expenses incurred as part of the workforce reduction executed in the fourth quarter of 2023. We believe that this non-GAAP measure is a useful tool in understanding PNC's results by providing greater comparability between periods, as well as demonstrating the effect of significant items.

Diluted Earnings per Common Share - as adjusted (non-GAAP)

Dollars in millions, except per share data	Three months ended December 31 2023	Three months ended Per Common Share	Year ended December 31 2023	Year ended Per Common Share
Net income attributable to common shareholders	$ 744		$ 5,153	
Dividends and undistributed earnings allocated to nonvested restricted shares	(4)		(27)	
Net income attributable to diluted common shareholders	$ 740	$ 1.85	$ 5,126	$ 12.79
Total non-core noninterest expense adjustments after tax (a)	525	$ 1.31	525	$ 1.31
Net income attributable to diluted common shareholders - as adjusted *(non-GAAP)*	$ 1,265	$ 3.16	$ 5,651	$ 14.10
Average diluted common shares outstanding *(In millions)*	401		401	

(a) Statutory tax rate of 21% used to calculate impacts.

The diluted earnings per common share - as adjusted is a non-GAAP measure and excludes non-core noninterest expense adjustments comprised of costs related to the FDIC special assessment related to the closures of SVB and Signature Bank as well as restructuring expenses incurred as part of the workforce reduction executed in the fourth quarter of 2023. It is calculated based on adjusting net income attributable to diluted common shareholders by removing post-tax non-core noninterest expense adjustments in the period. We believe this non-GAAP measure serves as a useful tool in understanding PNC's results by providing greater comparability between periods, as well as demonstrating the effect of significant items.

The PNC Financial Services Group, Inc. **Consolidated Financial Highlights** (Unaudited)

Tangible Book Value per Common Share (non-GAAP)

Dollars in millions, except per share data	December 31 2023	September 30 2023	December 31 2022
Book value per common share	$ 112.72	$ 105.98	$ 99.93
Tangible book value per common share			
Common shareholders' equity	$ 44,864	$ 42,215	$ 40,028
Goodwill and other intangible assets	(11,244)	(11,337)	(11,400)
Deferred tax liabilities on goodwill and other intangible assets	244	254	261
Tangible common shareholders' equity	$ 33,864	$ 31,132	$ 28,889
Period-end common shares outstanding *(In millions)*	398	398	401
Tangible book value per common share *(non-GAAP)*	$ 85.08	$ 78.16	$ 72.12

Tangible book value per common share is a non-GAAP measure and is calculated based on tangible common shareholders' equity divided by period-end common shares outstanding. We believe this non-GAAP measure serves as a useful tool to help evaluate the strength and discipline of a company’s capital management strategies and as an additional, conservative measure of total company value.

Taxable-Equivalent Net Interest Income (non-GAAP)

	Three months ended		Year ended	
Dollars in millions	December 31 2023	September 30 2023	December 31 2023	December 31 2022
Net interest income	$ 3,403	$ 3,418	$ 13,916	$ 13,014
Taxable-equivalent adjustments	36	36	147	112
Net interest income *(Fully Taxable-Equivalent - FTE) (non-GAAP)*	$ 3,439	$ 3,454	$ 14,063	$ 13,126

The interest income earned on certain earning assets is completely or partially exempt from federal income tax. As such, these tax-exempt instruments typically yield lower returns than taxable investments. To provide more meaningful comparisons of net interest income, we use interest income on a taxable-equivalent basis by increasing the interest income earned on tax-exempt assets to make it fully equivalent to interest income earned on taxable investments. This adjustment is not permitted under GAAP. Taxable-equivalent net interest income is only used for calculating net interest margin. Net interest income shown elsewhere in this presentation is GAAP net interest income.

Cautionary Statement Regarding Forward-Looking Information

We make statements in this news release and related conference call, and we may from time to time make other statements, regarding our outlook for financial performance, such as earnings, revenues, expenses, tax rates, capital and liquidity levels and ratios, asset levels, asset quality, financial position, and other matters regarding or affecting us and our future business and operations, including our sustainability strategy, that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements are typically identified by words such as “believe,” “plan,” “expect,” “anticipate,” “see,” “look,” “intend,” “outlook,” “project,” “forecast,” “estimate,” “goal,” “will,” “should” and other similar words and expressions.

Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time. Future events or circumstances may change our outlook and may also affect the nature of the assumptions, risks and uncertainties to which our forward-looking statements are subject. Forward-looking statements speak only as of the date made. We do not assume any duty and do not undertake any obligation to update forward-looking statements. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance. As a result, we caution against placing undue reliance on any forward-looking statements.

Our forward-looking statements are subject to the following principal risks and uncertainties.

- Our businesses, financial results and balance sheet values are affected by business and economic conditions, including:
  - Changes in interest rates and valuations in debt, equity and other financial markets,
  - Disruptions in the U.S. and global financial markets,
  - Actions by the Federal Reserve Board, U.S. Treasury and other government agencies, including those that impact money supply, market interest rates and inflation,
  - Changes in customer behavior due to changing business and economic conditions or legislative or regulatory initiatives,
  - Changes in customers', suppliers' and other counterparties' performance and creditworthiness,
  - Impacts of sanctions, tariffs and other trade policies of the U.S. and its global trading partners,
  - Impacts of changes in federal, state and local governmental policy, including on the regulatory landscape, capital markets, taxes, infrastructure spending and social programs,
  - Our ability to attract, recruit and retain skilled employees, and
  - Commodity price volatility.
- Our forward-looking financial statements are subject to the risk that economic and financial market conditions will be substantially different than those we are currently expecting and do not take into account potential legal and regulatory contingencies. These statements are based on our views that:
  - Economic growth accelerated in the first three quarters of 2023, but Federal Reserve monetary policy tightening to slow inflation is weighing on interest-rate sensitive industries. Sectors where interest rates play an outsized role, such as business investment and consumer spending on durable goods, will contract in 2024.
  - PNC’s baseline outlook is for a mild recession starting in mid-2024, with a small contraction in real GDP of less than 1%, lasting into late 2024. The unemployment rate will increase throughout 2024, peaking at close to 5% in early 2025. Inflation will slow with weaker demand, moving back to the Federal Reserve's 2% objective by the second half of 2024.
  - PNC expects the federal funds rate to remain unchanged in the near term, between 5.25% and 5.50% through mid-2024, with federal funds rate cuts starting in mid-2024 in response to the recession.

- PNC's ability to take certain capital actions, including returning capital to shareholders, is subject to PNC meeting or exceeding minimum capital levels, including a stress capital buffer established by the Federal Reserve Board in connection with the Federal Reserve Board's Comprehensive Capital Analysis and Review (CCAR) process.

- PNC's regulatory capital ratios in the future will depend on, among other things, the company's financial performance, the scope and terms of final capital regulations then in effect and management actions affecting the composition of PNC's balance sheet. In addition, PNC's ability to determine, evaluate and forecast regulatory capital ratios, and to take actions (such as capital distributions) based on actual or forecasted capital ratios, will be dependent at least in part on the development, validation and regulatory review of related models and the reliability of and risks resulting from extensive use of such models.

Cautionary Statement Regarding Forward-Looking Information (Continued)

- Legal and regulatory developments could have an impact on our ability to operate our businesses, financial condition, results of operations, competitive position, reputation, or pursuit of attractive acquisition opportunities. Reputational impacts could affect matters such as business generation and retention, liquidity, funding, and ability to attract and retain employees. These developments could include:
  - Changes to laws and regulations, including changes affecting oversight of the financial services industry, changes in the enforcement and interpretation of such laws and regulations, and changes in accounting and reporting standards.
  - Unfavorable resolution of legal proceedings or other claims and regulatory and other governmental investigations or other inquiries resulting in monetary losses, costs, or alterations in our business practices, and potentially causing reputational harm to PNC.
  - Results of the regulatory examination and supervision process, including our failure to satisfy requirements of agreements with governmental agencies.
  - Costs associated with obtaining rights in intellectual property claimed by others and of adequacy of our intellectual property protection in general.

- Business and operating results are affected by our ability to identify and effectively manage risks inherent in our businesses, including, where appropriate, through effective use of systems and controls, third-party insurance, derivatives, and capital management techniques, and to meet evolving regulatory capital and liquidity standards.

- Our reputation and business and operating results may be affected by our ability to appropriately meet or address environmental, social or governance targets, goals, commitments or concerns that may arise.

- We grow our business in part through acquisitions and new strategic initiatives. Risks and uncertainties include those presented by the nature of the business acquired and strategic initiative, including in some cases those associated with our entry into new businesses or new geographic or other markets and risks resulting from our inexperience in those new areas, as well as risks and uncertainties related to the acquisition transactions themselves, regulatory issues, the integration of the acquired businesses into PNC after closing or any failure to execute strategic or operational plans.

- Competition can have an impact on customer acquisition, growth and retention and on credit spreads and product pricing, which can affect market share, deposits and revenues. Our ability to anticipate and respond to technological changes can also impact our ability to respond to customer needs and meet competitive demands.

- Business and operating results can also be affected by widespread manmade, natural and other disasters (including severe weather events), health emergencies, dislocations, geopolitical instabilities or events, terrorist activities, system failures or disruptions, security breaches, cyberattacks, international hostilities, or other extraordinary events beyond PNC's control through impacts on the economy and financial markets generally or on us or our counterparties, customers or third-party vendors and service providers specifically.

We provide greater detail regarding these as well as other factors in our 2022 Form 10-K and subsequent Form 10-Qs, including in the Risk Factors and Risk Management sections and the Legal Proceedings and Commitments Notes of the Notes To Consolidated Financial Statements in those reports, and in our other subsequent SEC filings. Our forward-looking statements may also be subject to other risks and uncertainties, including those we may discuss elsewhere in this news release or in our SEC filings, accessible on the SEC's website at www.sec.gov and on our corporate website at www.pnc.com/secfilings. We have included these web addresses as inactive textual references only. Information on these websites is not part of this document.

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Exhibit 99.2

THE PNC FINANCIAL SERVICES GROUP, INC.

FINANCIAL SUPPLEMENT
FOURTH QUARTER 2023
(Unaudited)

THE PNC FINANCIAL SERVICES GROUP, INC.
FINANCIAL SUPPLEMENT
FOURTH QUARTER 2023
(UNAUDITED)

The information contained in this Financial Supplement is preliminary, unaudited and based on data available on January 16, 2024. This information speaks only as of the particular date or dates included in the schedules. We do not undertake any obligation to, and disclaim any duty to, correct or update any of the information provided in this Financial Supplement. Our future financial performance is subject to risks and uncertainties as described in our United States Securities and Exchange Commission (SEC) filings.

BUSINESS

PNC is one of the largest diversified financial services companies in the United States (U.S.) and is headquartered in Pittsburgh, Pennsylvania. PNC has businesses engaged in retail banking, including residential mortgage, corporate and institutional banking and asset management, providing many of its products and services nationally. PNC's retail branch network is located coast-to-coast. PNC also has strategic international offices in four countries outside the U.S.

THE PNC FINANCIAL SERVICES GROUP, INC.
Cross Reference Index to Fourth Quarter 2023 Financial Supplement (Unaudited)
Financial Supplement Table Reference

Table 1: Consolidated Income Statement (Unaudited)

In millions, except per share data	Three months ended December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	Year ended December 31 2023	December 31 2022
Interest Income							
Loans	$ 4,875	$ 4,643	$ 4,523	$ 4,258	$ 3,860	$ 18,299	$ 11,795
Investment securities	885	892	883	885	836	3,545	2,726
Other	742	668	538	516	413	2,464	915
Total interest income	6,502	6,203	5,944	5,659	5,109	24,308	15,436
Interest Expense							
Deposits	1,995	1,792	1,531	1,291	812	6,609	1,267
Borrowed funds	1,104	993	903	783	613	3,783	1,155
Total interest expense	3,099	2,785	2,434	2,074	1,425	10,392	2,422
Net interest income	3,403	3,418	3,510	3,585	3,684	13,916	13,014
Noninterest Income							
Asset management and brokerage	360	348	348	356	345	1,412	1,444
Capital markets and advisory	309	168	213	262	336	952	1,296
Card and cash management	688	689	697	659	671	2,733	2,633
Lending and deposit services	314	315	298	306	296	1,233	1,134
Residential and commercial mortgage	149	201	98	177	184	625	647
Other (a) (b)	138	94	129	258	247	619	952
Total noninterest income	1,958	1,815	1,783	2,018	2,079	7,574	8,106
Total revenue	5,361	5,233	5,293	5,603	5,763	21,490	21,120
Provision For Credit Losses	232	129	146	235	408	742	477
Noninterest Expense							
Personnel	1,983	1,773	1,846	1,826	1,943	7,428	7,244
Occupancy	243	244	244	251	247	982	992
Equipment	365	347	349	350	369	1,411	1,395
Marketing	74	93	109	74	106	350	355
Other	1,409	788	824	820	809	3,841	3,184
Total noninterest expense	4,074	3,245	3,372	3,321	3,474	14,012	13,170
Income before income taxes and noncontrolling interests	1,055	1,859	1,775	2,047	1,881	6,736	7,473
Income taxes	172	289	275	353	333	1,089	1,360
Net income	883	1,570	1,500	1,694	1,548	5,647	6,113
Less: Net income attributable to noncontrolling interests	19	16	17	17	20	69	72
Preferred stock dividends (c)	118	104	127	68	120	417	301
Preferred stock discount accretion and redemptions	2	2	2	2	1	8	5
Net income attributable to common shareholders	$ 744	$ 1,448	$ 1,354	$ 1,607	$ 1,407	$ 5,153	$ 5,735
Earnings Per Common Share							
Basic	$ 1.85	$ 3.60	$ 3.36	$ 3.98	$ 3.47	$ 12.80	$ 13.86
Diluted	$ 1.85	$ 3.60	$ 3.36	$ 3.98	$ 3.47	$ 12.79	$ 13.85
Average Common Shares Outstanding							
Basic	400	400	401	401	404	401	412
Diluted	401	400	401	402	404	401	412
Efficiency	76 %	62 %	64 %	59 %	60 %	65 %	62 %
Noninterest income to total revenue	37 %	35 %	34 %	36 %	36 %	35 %	38 %
Effective tax rate (d)	16.3 %	15.5 %	15.5 %	17.2 %	17.7 %	16.2 %	18.2 %

(a) Includes net gains (losses) on sale of securities of less than $1 million, less than $1 million, $(2) million, less than $1 million and $(3) million for the quarters ended December 31, 2023, September 30, 2023, June 30, 2023, March 31, 2023 and December 31, 2022 respectively, and $(2) million and $(7) million for the twelve months ended December 31, 2023 and December 31, 2022, respectively.
(b) Includes Visa Class B derivative fair value adjustments of $(100) million, $(51) million, $(83) million, $(45) million and $(41) million for the quarters ended December 31, 2023, September 30, 2023, June 30, 2023, March 31, 2023, December 31, 2022, respectively, and $(279) million and $(40) million for the twelve months ended December 31, 2023 and December 31, 2022, respectively.
(c) Dividends are payable quarterly, other than Series S preferred stock, which is payable semiannually.
(d) The effective income tax rates are generally lower than the statutory rate due to the relationship of pretax income to tax credits and earnings that are not subject to tax.

Table 2: Consolidated Balance Sheet (Unaudited)

In millions, except par value	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022
Assets					
Cash and due from banks	$ 6,921	$ 5,300	$ 6,191	$ 5,940	$ 7,043
Interest-earning deposits with banks (a)	43,804	41,484	38,259	33,865	27,320
Loans held for sale (b)	734	923	835	998	1,010
Investment securities – available for sale	41,785	40,590	41,787	43,220	44,159
Investment securities – held to maturity	90,784	91,797	93,874	95,019	95,175
Loans (b)	321,508	318,416	321,761	326,475	326,025
Allowance for loan and lease losses	(4,791)	(4,767)	(4,737)	(4,741)	(4,741)
Net loans	316,717	313,649	317,024	321,734	321,284
Equity investments	8,314	8,046	8,015	8,323	8,437
Mortgage servicing rights	3,686	4,006	3,455	3,293	3,423
Goodwill	10,932	10,987	10,987	10,987	10,987
Other (b)	37,903	40,552	37,780	38,398	38,425
Total assets	$ 561,580	$ 557,334	$ 558,207	$ 561,777	$ 557,263
Liabilities					
Deposits					
Noninterest-bearing	$ 101,285	$ 105,672	$ 110,527	$ 118,014	$ 124,486
Interest-bearing	320,133	317,937	316,962	318,819	311,796
Total deposits	421,418	423,609	427,489	436,833	436,282
Borrowed funds					
Federal Home Loan Bank borrowings	38,000	36,000	34,000	32,020	32,075
Senior debt	26,836	22,407	22,005	19,622	16,657
Subordinated debt	4,875	4,728	5,548	5,630	6,307
Other (b)	3,026	3,032	3,831	3,550	3,674
Total borrowed funds	72,737	66,167	65,384	60,822	58,713
Allowance for unfunded lending related commitments	663	640	663	672	694
Accrued expenses and other liabilities (b)	15,621	17,437	15,325	14,376	15,762
Total liabilities	510,439	507,853	508,861	512,703	511,451
Equity					
Preferred stock (c)					
Common stock - $5 par value					
Authorized 800,000,000 shares, issued 543,116,271, 543,012,047, 543,012,047, 542,874,855 and 542,874,829 shares	2,716	2,715	2,715	2,714	2,714
Capital surplus	19,020	19,971	19,934	19,864	18,376
Retained earnings	56,290	56,170	55,346	54,598	53,572
Accumulated other comprehensive income (loss)	(7,712)	(10,261)	(9,525)	(9,108)	(10,172)
Common stock held in treasury at cost: 145,087,054, 144,671,252, 144,763,739, 143,781,812 and 142,298,689 shares	(19,209)	(19,141)	(19,150)	(19,024)	(18,716)
Total shareholders' equity	51,105	49,454	49,320	49,044	45,774
Noncontrolling interests	36	27	26	30	38
Total equity	51,141	49,481	49,346	49,074	45,812
Total liabilities and equity	$ 561,580	$ 557,334	$ 558,207	$ 561,777	$ 557,263

(a) Amounts include balances held with the Federal Reserve Bank of $43.3 billion, $41.1 billion, $37.8 billion, $32.5 billion and $26.9 billion as of December 31, 2023, September 30, 2023, June 30, 2023, March 31, 2023 and December 31, 2022, respectively.
(b) Amounts include assets and liabilities for which PNC has elected the fair value option. Our 2023 Form 10-Qs included, and our 2023 Form 10-K will include, additional information regarding these items.
(c) Par value less than $0.5 million at each date.

Table 3: Average Consolidated Balance Sheet (Unaudited) (a) (b)

	Three months ended					Year ended	
In millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	December 31 2023	December 31 2022
Assets							
Interest-earning assets:							
Investment securities							
Securities available for sale							
Residential mortgage-backed							
Agency	$ 30,980	$ 31,020	$ 31,180	$ 31,850	$ 31,818	$ 31,255	$ 42,151
Non-agency	599	627	663	689	714	644	842
Commercial mortgage-backed	2,727	2,880	2,948	3,102	3,377	2,913	4,107
Asset-backed	1,080	989	575	218	105	719	2,184
U.S. Treasury and government agencies	7,788	7,996	8,231	9,088	10,345	8,271	21,642
Other	2,899	2,931	2,997	3,263	3,370	3,021	3,982
Total securities available for sale	46,073	46,443	46,594	48,210	49,729	46,823	74,908
Securities held to maturity							
Residential mortgage-backed	43,336	44,112	45,033	45,616	44,184	44,517	29,325
Commercial mortgage-backed	2,318	2,346	2,396	2,453	2,323	2,378	1,400
Asset-backed	6,040	6,463	6,712	7,026	6,995	6,557	4,446
U.S. Treasury and government agencies	36,457	37,043	36,912	36,748	36,441	36,790	25,074
Other	3,164	3,256	3,391	3,338	3,218	3,286	1,996
Total securities held to maturity	91,315	93,220	94,444	95,181	93,161	93,528	62,241
Total investment securities	137,388	139,663	141,038	143,391	142,890	140,351	137,149
Loans							
Commercial and industrial	180,566	175,206	180,878	182,017	179,111	179,650	168,663
Commercial real estate	35,617	36,032	35,938	36,110	36,181	35,923	34,954
Equipment lease financing	6,430	6,441	6,364	6,452	6,275	6,423	6,196
Consumer	54,512	54,744	55,070	55,020	54,809	54,835	54,721
Residential real estate	47,444	47,081	46,284	45,927	45,499	46,689	43,165
Total loans	324,569	319,504	324,534	325,526	321,875	323,520	307,699
Interest-earning deposits with banks (c)	42,627	38,352	31,433	34,054	30,395	36,645	41,050
Other interest-earning assets	8,738	8,777	9,215	8,806	9,690	8,884	9,651
Total interest-earning assets	513,322	506,296	506,220	511,777	504,850	509,400	495,549
Noninterest-earning assets	48,997	48,667	49,287	50,555	52,356	49,370	55,103
Total assets	$ 562,319	$ 554,963	$ 555,507	$ 562,332	$ 557,206	$ 558,770	$ 550,652
Liabilities and Equity							
Interest-bearing liabilities:							
Interest-bearing deposits							
Money market	$ 66,393	$ 64,310	$ 63,691	$ 65,753	$ 63,944	$ 65,037	$ 61,376
Demand	124,124	123,730	124,111	124,376	122,501	124,084	118,749
Savings	98,490	100,643	102,415	104,408	102,020	101,470	106,577
Time deposits	30,357	25,872	22,342	20,519	12,982	24,802	12,340
Total interest-bearing deposits	319,364	314,555	312,559	315,056	301,447	315,393	299,042
Borrowed funds							
Federal Home Loan Bank borrowings	37,783	34,109	33,752	32,056	30,640	34,440	13,674
Senior debt	26,634	23,479	20,910	19,679	16,312	22,696	16,265
Subordinated debt	5,091	5,293	5,850	6,100	6,933	5,580	7,081
Other	3,384	4,584	5,180	5,133	5,346	4,566	5,430
Total borrowed funds	72,892	67,465	65,692	62,968	59,231	67,282	42,450
Total interest-bearing liabilities	392,256	382,020	378,251	378,024	360,678	382,675	341,492
Noninterest-bearing liabilities and equity:							
Noninterest-bearing deposits	104,567	107,981	113,178	121,176	133,461	111,670	144,382
Accrued expenses and other liabilities	16,328	15,629	15,063	16,014	17,461	15,759	16,414
Equity	49,168	49,333	49,015	47,118	45,606	48,666	48,364
Total liabilities and equity	$ 562,319	$ 554,963	$ 555,507	$ 562,332	$ 557,206	$ 558,770	$ 550,652

(a) Calculated using average daily balances.

(b) Nonaccrual loans are included in loans, net of unearned income. The impact of financial derivatives used in interest rate risk management is included in the interest income/expense and average yields/rates of the related assets and liabilities. Basis adjustments related to hedged items are included in noninterest-earning assets and noninterest-bearing liabilities. Average balances of securities are based on amortized historical cost (excluding adjustments to fair value, which are included in other assets). Average balances for certain loans and borrowed funds accounted for at fair value are included in noninterest-earning assets and noninterest-bearing liabilities, with changes in fair value recorded in Noninterest income.

(c) Amounts include average balances held with the Federal Reserve Bank of \$42.2 billion, \$37.9 billion, \$30.6 billion, \$33.5 billion and \$30.0 billion for the three months ended December 31, 2023, September 30, 2023, June 30, 2023, March 31, 2023 and December 31, 2022 and \$36.1 billion and \$40.7 billion for the twelve months ended December 31, 2023 and December 31, 2022, respectively.

Table 4: Details of Net Interest Margin (Unaudited)

	Three months ended					*Year ended*	
	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	December 31 2023	December 31 2022
Average yields/rates (a)							
Yield on interest-earning assets							
Investment securities							
Securities available for sale							
Residential mortgage-backed							
Agency	2.83 %	2.73 %	2.67 %	2.67 %	2.54 %	2.73 %	2.11 %
Non-agency	9.15 %	10.42 %	9.39 %	8.53 %	7.85 %	9.32 %	7.60 %
Commercial mortgage-backed	3.00 %	3.41 %	2.84 %	2.62 %	2.75 %	2.95 %	2.53 %
Asset-backed	6.41 %	6.30 %	6.56 %	7.04 %	11.98 %	6.40 %	1.69 %
U.S. Treasury and government agencies	2.22 %	2.28 %	2.20 %	2.05 %	1.96 %	2.21 %	1.45 %
Other	2.61 %	2.58 %	2.55 %	2.47 %	2.39 %	2.55 %	2.56 %
Total securities available for sale	2.89 %	2.87 %	2.73 %	2.64 %	2.52 %	2.78 %	2.02 %
Securities held to maturity							
Residential mortgage-backed	2.75 %	2.72 %	2.72 %	2.74 %	2.60 %	2.73 %	2.31 %
Commercial mortgage-backed	5.53 %	5.55 %	5.35 %	4.95 %	4.57 %	5.34 %	3.64 %
Asset-backed	4.57 %	4.36 %	4.10 %	3.97 %	3.44 %	4.24 %	2.74 %
U.S. Treasury and government agencies	1.32 %	1.34 %	1.34 %	1.33 %	1.30 %	1.33 %	1.20 %
Other	4.72 %	4.57 %	4.65 %	4.62 %	4.47 %	4.63 %	4.31 %
Total securities held to maturity	2.44 %	2.42 %	2.41 %	2.41 %	2.27 %	2.42 %	1.99 %
Total investment securities	2.59 %	2.57 %	2.52 %	2.49 %	2.36 %	2.54 %	2.00 %
Loans							
Commercial and industrial	6.13 %	5.86 %	5.70 %	5.34 %	4.70 %	5.84 %	3.60 %
Commercial real estate	6.68 %	6.59 %	6.37 %	6.02 %	5.28 %	6.50 %	3.97 %
Equipment lease financing	4.98 %	4.72 %	4.51 %	4.28 %	4.18 %	4.62 %	3.84 %
Consumer	7.00 %	6.89 %	6.57 %	6.34 %	5.88 %	6.70 %	5.14 %
Residential real estate	3.60 %	3.52 %	3.41 %	3.35 %	3.28 %	3.47 %	3.16 %
Total loans	5.94 %	5.75 %	5.57 %	5.29 %	4.75 %	5.69 %	3.86 %
Interest-earning deposits with banks	5.53 %	5.44 %	5.10 %	4.58 %	3.76 %	5.19 %	1.41 %
Other interest-earning assets	6.96 %	6.66 %	5.96 %	5.75 %	5.20 %	6.33 %	3.50 %
Total yield on interest-earning assets	5.03 %	4.87 %	4.70 %	4.46 %	4.02 %	4.80 %	3.14 %
Rate on interest-bearing liabilities							
Interest-bearing deposits							
Money market	3.32 %	3.10 %	2.79 %	2.40 %	1.75 %	2.91 %	0.72 %
Demand	2.26 %	2.15 %	1.89 %	1.58 %	1.14 %	1.97 %	0.49 %
Savings	1.68 %	1.49 %	1.26 %	1.03 %	0.50 %	1.36 %	0.17 %
Time deposits	4.11 %	3.67 %	3.26 %	3.00 %	1.45 %	3.60 %	0.52 %
Total interest-bearing deposits	2.48 %	2.26 %	1.96 %	1.66 %	1.07 %	2.10 %	0.42 %
Borrowed funds							
Federal Home Loan Bank borrowings	5.66 %	5.55 %	5.28 %	4.80 %	3.92 %	5.41 %	3.22 %
Senior debt	6.25 %	6.17 %	5.91 %	5.39 %	4.30 %	6.05 %	2.47 %
Subordinated debt	6.63 %	6.52 %	6.19 %	5.69 %	4.79 %	6.24 %	2.91 %
Other	5.55 %	4.49 %	3.79 %	3.70 %	3.24 %	4.34 %	1.99 %
Total borrowed funds	5.94 %	5.77 %	5.44 %	4.98 %	4.07 %	5.62 %	2.72 %
Total rate on interest-bearing liabilities	3.10 %	2.86 %	2.56 %	2.20 %	1.55 %	2.72 %	0.71 %
Interest rate spread	1.93 %	2.01 %	2.14 %	2.26 %	2.47 %	2.08 %	2.43 %
Benefit from use of noninterest-bearing sources (b)	0.73 %	0.70 %	0.65 %	0.58 %	0.45 %	0.68 %	0.22 %
Net interest margin	2.66 %	2.71 %	2.79 %	2.84 %	2.92 %	2.76 %	2.65 %

(a) Yields and rates are calculated using the applicable annualized interest income or interest expense divided by the applicable average earning assets or interest-bearing liabilities. Net interest margin is the total yield on interest-earning assets minus the total rate on interest-bearing liabilities and includes the benefit from use of noninterest-bearing sources. To provide more meaningful comparisons of net interest margins, we use net interest income on a taxable-equivalent basis in calculating average yields used in the calculation of net interest margin by increasing the interest income earned on tax-exempt assets to make it fully equivalent to interest income earned on taxable investments. This adjustment is not permitted under GAAP in the Consolidated Income Statement. The taxable-equivalent adjustments to net interest income for the three months ended December 31, 2023, September 30, 2023, June 30, 2023, March 31, 2023 and December 31, 2022 were $36 million, $36 million, $37 million, $38 million and $36 million, respectively. The taxable-equivalent adjustments to net interest income for the twelve months ended December 31, 2023 and December 31, 2022 were $147 million and $112 million, respectively.

(b) Represents the positive effects of investing noninterest-bearing sources in interest-earning assets.

Table 5: Details of Loans (Unaudited)

In millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022
Commercial					
Commercial and industrial					
Manufacturing	$ 28,989	$ 29,163	$ 30,586	$ 32,132	$ 30,845
Financial services	28,422	22,770	21,823	22,534	21,320
Retail/wholesale trade	28,198	28,284	28,751	29,172	29,176
Service providers	21,354	21,680	22,277	23,186	23,548
Real estate related (a)	16,235	16,182	17,200	17,548	17,780
Technology, media & telecommunications	10,249	10,989	11,158	11,338	11,845
Health care	9,808	10,092	10,186	10,537	10,649
Transportation and warehousing	7,733	7,891	8,048	7,824	7,858
Other industries	26,592	27,112	27,600	28,726	29,198
Total commercial and industrial	177,580	174,163	177,629	182,997	182,219
Commercial real estate	35,436	35,776	35,928	35,991	36,316
Equipment lease financing	6,542	6,493	6,400	6,424	6,514
Total commercial	219,558	216,432	219,957	225,412	225,049
Consumer					
Residential real estate	47,544	47,359	46,834	46,067	45,889
Home equity	26,150	26,159	26,200	26,203	25,983
Automobile	14,860	14,940	15,065	14,923	14,836
Credit card	7,180	7,060	7,092	6,961	7,069
Education	1,945	2,020	2,058	2,131	2,173
Other consumer	4,271	4,446	4,555	4,778	5,026
Total consumer	101,950	101,984	101,804	101,063	100,976
Total loans	$ 321,508	$ 318,416	$ 321,761	$ 326,475	$ 326,025

(a) Represents loans to customers in the real estate and construction industries.

Allowance for Credit Losses (Unaudited)

Table 6: Change in Allowance for Loan and Lease Losses

	Three months ended					*Year ended*	
Dollars in millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	December 31 2023	December 31 2022
Allowance for loan and lease losses							
Beginning balance	$ 4,767	$ 4,737	$ 4,741	$ 4,741	$ 4,581	$ 4,741	$ 4,868
Adoption of ASU 2022-02 (a)				(35)		(35)	
Beginning balance, adjusted	4,767	4,737	4,741	4,706	4,581	4,706	4,868
Gross charge-offs:							
Commercial and industrial	(52)	(43)	(45)	(104)	(121)	(244)	(257)
Commercial real estate	(56)	(25)	(87)	(12)	(22)	(180)	(44)
Equipment lease financing	(7)	(4)	(3)	(4)	(2)	(18)	(6)
Residential real estate	(2)	(1)	(2)	(3)	(2)	(8)	(11)
Home equity	(6)	(4)	(5)	(6)	(6)	(21)	(15)
Automobile	(30)	(30)	(28)	(33)	(34)	(121)	(152)
Credit card	(87)	(78)	(80)	(74)	(62)	(319)	(256)
Education	(4)	(4)	(5)	(4)	(4)	(17)	(16)
Other consumer	(40)	(44)	(38)	(42)	(64)	(164)	(228)
Total gross charge-offs	(284)	(233)	(293)	(282)	(317)	(1,092)	(985)
Recoveries:							
Commercial and industrial	24	45	33	20	33	122	101
Commercial real estate	2	2		2	2	6	5
Equipment lease financing	1	2	3	3	1	9	8
Residential real estate	3	3	4	3	2	13	17
Home equity	10	12	13	11	13	46	71
Automobile	23	26	27	24	24	100	124
Credit card	11	10	11	11	8	43	51
Education	2	1	2	2	1	7	5
Other consumer	8	11	6	11	9	36	40
Total recoveries	84	112	99	87	93	382	422
Net (charge-offs) / recoveries:							
Commercial and industrial	(28)	2	(12)	(84)	(88)	(122)	(156)
Commercial real estate	(54)	(23)	(87)	(10)	(20)	(174)	(39)
Equipment lease financing	(6)	(2)		(1)	(1)	(9)	2
Residential real estate	1	2	2			5	6
Home equity	4	8	8	5	7	25	56
Automobile	(7)	(4)	(1)	(9)	(10)	(21)	(28)
Credit card	(76)	(68)	(69)	(63)	(54)	(276)	(205)
Education	(2)	(3)	(3)	(2)	(3)	(10)	(11)
Other consumer	(32)	(33)	(32)	(31)	(55)	(128)	(188)
Total net (charge-offs)	(200)	(121)	(194)	(195)	(224)	(710)	(563)
Provision for credit losses (b)	221	153	189	229	380	792	439
Other	3	(2)	1	1	4	3	(3)
Ending balance	$ 4,791	$ 4,767	$ 4,737	$ 4,741	$ 4,741	$ 4,791	$ 4,741
Supplemental Information							
Net charge-offs							
Commercial net charge-offs	$ (88)	$ (23)	$ (99)	$ (95)	$ (109)	$ (305)	$ (193)
Consumer net charge-offs	(112)	(98)	(95)	(100)	(115)	(405)	(370)
Total net charge-offs	$ (200)	$ (121)	$ (194)	$ (195)	$ (224)	$ (710)	$ (563)
Net charge-offs to average loans (c)	0.24 %	0.15 %	0.24 %	0.24 %	0.28 %	0.22 %	0.18 %
Commercial	0.16 %	0.04 %	0.18 %	0.17 %	0.20 %	0.14 %	0.09 %
Consumer	0.44 %	0.38 %	0.38 %	0.40 %	0.45 %	0.40 %	0.38 %

(a) Represents the impact of adopting ASU 2022-02 *Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures* on January 1, 2023 . Our third quarter 2023 Form 10-Q included, and our 2023 Form 10-K will include additional information related to our adoption of this ASU.
(b) See Table 7 for the components of the Provision for credit losses being reported on the Consolidated Income Statement.
(c) Three month period percentages are annualized.

Allowance for Credit Losses (Unaudited) (Continued)

Table 7: Components of the Provision for Credit Losses

	Three months ended					*Year ended*	
In millions	December 31 2023	September 30 2023	June 30 2023	March 31 2022	December 31 2022	December 31 2023	December 31 2022
Provision for credit losses							
Loans and leases	$ 221	$ 153	$ 189	$ 229	$ 380	$ 792	$ 439
Unfunded lending related commitments	23	(23)	(9)	(22)	12	(31)	32
Investment securities	(7)	(10)		(1)	10	(18)	17
Other financial assets	(5)	9	(34)	29	6	(1)	(11)
Total provision for credit losses	$ 232	$ 129	$ 146	$ 235	$ 408	$ 742	$ 477

Table 8: Allowance for Credit Losses by Loan Class (a)

	December 31, 2023			September 30, 2023			December 31, 2022		
Dollars in millions	Allowance Amount	Total Loans	% of Total Loans	Allowance Amount	Total Loans	% of Total Loans	Allowance Amount	Total Loans	% of Total Loans
Allowance for loan and lease losses									
Commercial									
Commercial and industrial	$ 1,806	$ 177,580	1.02 %	$ 1,843	$ 174,163	1.06 %	$ 1,957	$ 182,219	1.07 %
Commercial real estate	1,371	35,436	3.87 %	1,270	35,776	3.55 %	1,047	36,316	2.88 %
Equipment lease financing	82	6,542	1.25 %	109	6,493	1.68 %	110	6,514	1.69 %
Total commercial	3,259	219,558	1.48 %	3,222	216,432	1.49 %	3,114	225,049	1.38 %
Consumer									
Residential real estate	61	47,544	0.13 %	62	47,359	0.13 %	92	45,889	0.20 %
Home equity	276	26,150	1.06 %	288	26,159	1.10 %	274	25,983	1.05 %
Automobile	173	14,860	1.16 %	169	14,940	1.13 %	226	14,836	1.52 %
Credit card	766	7,180	10.67 %	762	7,060	10.79 %	748	7,069	10.58 %
Education	56	1,945	2.88 %	56	2,020	2.77 %	63	2,173	2.90 %
Other consumer	200	4,271	4.68 %	208	4,446	4.68 %	224	5,026	4.46 %
Total consumer	1,532	101,950	1.50 %	1,545	101,984	1.51 %	1,627	100,976	1.61 %
Total	4,791	$ 321,508	1.49 %	4,767	$ 318,416	1.50 %	4,741	$ 326,025	1.45 %
Allowance for unfunded lending related commitments	663			640			694		
Allowance for credit losses	$ 5,454			$ 5,407			$ 5,435		
Supplemental Information									
Allowance for credit losses to total loans			1.70 %			1.70 %			1.67 %
Commercial			1.73 %			1.73 %			1.66 %
Consumer			1.62 %			1.62 %			1.69 %

(a) Excludes allowances for investment securities and other financial assets, which together totaled $120 million, $131 million and $176 million at December 31, 2023, September 30, 2023 and December 31, 2022, respectively.

Details of Nonperforming Assets (Unaudited)

Table 9: Nonperforming Assets by Type

Dollars in millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022
Nonperforming loans (a)					
Commercial					
Commercial and industrial					
Service providers	$ 157	$ 162	$ 114	$ 128	$ 174
Technology, media & telecommunications	156	51	55	22	20
Health care	36	37	60	57	50
Transportation and warehousing	35	44	33	24	27
Manufacturing	32	34	50	105	85
Retail/wholesale trade	30	41	41	82	151
Real estate related (b)	30	31	42	43	50
Other industries	83	58	75	87	106
Total commercial and industrial	559	458	470	548	663
Commercial real estate	735	723	350	337	189
Equipment lease financing	13	30	7	6	6
Total commercial	1,307	1,211	827	891	858
Consumer (c)					
Residential real estate	294	330	429	432	424
Home equity	458	446	506	523	526
Automobile	104	114	133	145	155
Credit card	10	11	10	9	8
Other consumer	7	11	8	10	14
Total consumer	873	912	1,086	1,119	1,127
Total nonperforming loans (d)	2,180	2,123	1,913	2,010	1,985
OREO and foreclosed assets	36	35	36	38	34
Total nonperforming assets	$ 2,216	$ 2,158	$ 1,949	$ 2,048	$ 2,019
Nonperforming loans to total loans	0.68 %	0.67 %	0.59 %	0.62 %	0.61 %
Nonperforming assets to total loans, OREO and foreclosed assets	0.69 %	0.68 %	0.61 %	0.63 %	0.62 %
Nonperforming assets to total assets	0.39 %	0.39 %	0.35 %	0.36 %	0.36 %
Allowance for loan and lease losses to nonperforming loans	220 %	225 %	248 %	236 %	239 %

(a) In connection with the adoption of ASU 2022-02 *Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures,* nonperforming loan amounts after January 1, 2023 include certain loans whose terms were modified as a result of a borrower's financial difficulty. Amounts as of December 31, 2022 included nonperforming TDRs, for which accounting guidance was eliminated effective January 1, 2023. Our third quarter 2023 Form 10-Q included, and our 2023 Form 10-K will include additional information related to our adoption of this ASU.
(b) Represents loans related to customers in the real estate and construction industries.
(c) Excludes most unsecured consumer loans and lines of credit, which are charged off after 120 to 180 days past due and are not placed on nonperforming status.
(d) Nonperforming loans exclude certain government insured or guaranteed loans, loans held for sale and loans accounted for under the fair value option.

Table 10: Change in Nonperforming Assets

In millions	October 1, 2023 - December 31, 2023	July 1, 2023 - September 30, 2023	April 1, 2023 - June 30, 2023	January 1, 2023 - March 31, 2023	October 1, 2022 - December 31, 2022
Beginning balance	$ 2,158	$ 1,949	$ 2,048	$ 2,019	$ 2,101
New nonperforming assets	496	641	410	452	346
Charge-offs and valuation adjustments	(104)	(91)	(135)	(122)	(174)
Principal activity, including paydowns and payoffs	(250)	(112)	(297)	(172)	(139)
Asset sales and transfers to loans held for sale	(6)	(7)	(12)	(46)	(22)
Returned to performing status (a)	(78)	(222)	(65)	(83)	(93)
Ending balance	$ 2,216	$ 2,158	$ 1,949	$ 2,048	$ 2,019

(a) Amounts for the three months ended September 30, 2023 included updates to our return to accrual guidelines to bring consistency across consumer loan classes as to how and when loans become eligible to return to performing status.

Accruing Loans Past Due (Unaudited)

The CARES Act Credit reporting rules expired in the third quarter of 2023 and as such, delinquency status at December 31, 2023 and September 30, 2023 is being reported for all loans based on the contractual terms of the loan. Prior period amounts continue to be presented in accordance with the credit reporting rules under the CARES Act, which required certain loans modified due to pandemic related hardships to not be reported as past due based on the contractual terms of the loan, even when borrowers may not have made payments on their loans during the modification period.

Table 11: Accruing Loans Past Due 30 to 59 Days (a)

Dollars in millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022
Commercial					
Commercial and industrial	$ 104	$ 84	$ 64	$ 119	$ 169
Commercial real estate	7	2	10	25	19
Equipment lease financing	41	25	14	33	20
Total commercial	152	111	88	177	208
Consumer					
Residential real estate					
Non government insured	201	179	151	167	190
Government insured	81	78	77	78	91
Home equity	63	59	56	48	53
Automobile	91	83	84	79	106
Credit card	54	50	49	48	50
Education					
Non government insured	5	6	5	6	5
Government insured	22	26	28	29	29
Other consumer	16	15	17	13	15
Total consumer	533	496	467	468	539
Total	$ 685	$ 607	$ 555	$ 645	$ 747
Supplemental Information					
Total accruing loans past due 30-59 days to total loans	0.21 %	0.19 %	0.17 %	0.20 %	0.23 %
Commercial	0.07 %	0.05 %	0.04 %	0.08 %	0.09 %
Consumer	0.52 %	0.49 %	0.46 %	0.46 %	0.53 %

(a) Excludes loans held for sale.

Accruing Loans Past Due (Unaudited) (Continued)

Table 12: Accruing Loans Past Due 60 to 89 Days (a)

Dollars in millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022
Commercial					
Commercial and industrial	$ 45	$ 32	$ 47	$ 21	$ 27
Commercial real estate		2		1	4
Equipment lease financing	8	6	5	5	4
Total commercial	53	40	52	27	35
Consumer					
Residential real estate					
Non government insured	50	52	36	43	54
Government insured	51	51	50	55	58
Home equity	27	22	18	18	20
Automobile	20	19	20	18	25
Credit card	39	38	36	35	35
Education					
Non government insured	3	3	2	4	2
Government insured	16	19	15	17	20
Other consumer	11	9	9	8	12
Total consumer	217	213	186	198	226
Total	$ 270	$ 253	$ 238	$ 225	$ 261
Supplemental Information					
Total accruing loans past due 60-89 days to total loans	0.08 %	0.08 %	0.07 %	0.07 %	0.08 %
Commercial	0.02 %	0.02 %	0.02 %	0.01 %	0.02 %
Consumer	0.21 %	0.21 %	0.18 %	0.20 %	0.22 %

(a) Excludes loans held for sale.

Accruing Loans Past Due (Unaudited) (Continued)

Table 13: Accruing Loans Past Due 90 Days or More (a)

Dollars in millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022
Commercial					
Commercial and industrial	$ 76	$ 102	$ 112	$ 134	$ 137
Commercial real estate	9				
Total commercial	85	102	112	134	137
Consumer					
Residential real estate					
Non government insured	38	36	30	26	32
Government insured	154	146	144	152	167
Automobile	7	6	5	5	7
Credit card	86	80	71	74	70
Education					
Non government insured	2	2	2	2	2
Government insured	47	46	46	54	57
Other consumer	10	9	9	9	10
Total consumer	344	325	307	322	345
Total	$ 429	$ 427	$ 419	$ 456	$ 482
Supplemental Information					
Total accruing loans past due 90 days or more to total loans	0.13 %	0.13 %	0.13 %	0.14 %	0.15 %
Commercial	0.04 %	0.05 %	0.05 %	0.06 %	0.06 %
Consumer	0.34 %	0.32 %	0.30 %	0.32 %	0.34 %
Total accruing loans past due	$ 1,384	$ 1,287	$ 1,212	$ 1,326	$ 1,490
Commercial	$ 290	$ 253	$ 252	$ 338	$ 380
Consumer	$ 1,094	$ 1,034	$ 960	$ 988	$ 1,110
Total accruing loans past due to total loans	0.43 %	0.40 %	0.38 %	0.41 %	0.46 %
Commercial	0.13 %	0.12 %	0.11 %	0.15 %	0.17 %
Consumer	1.07 %	1.01 %	0.94 %	0.98 %	1.10 %

(a) Excludes loans held for sale.

Business Segment Descriptions (Unaudited)

Retail Banking provides deposit, lending, brokerage, insurance services, investment management and cash management products and services to consumer and small business customers who are serviced through our coast-to-coast branch network, digital channels, ATMs, or through our phone-based customer contact centers. Deposit products include checking, savings and money market accounts and time deposits. Lending products include residential mortgages, home equity loans and lines of credit, auto loans, credit cards, education loans and personal and small business loans and lines of credit. The residential mortgage loans are directly originated within our branch network and nationwide, and are typically underwritten to agency and/or third-party standards, and either sold, servicing retained or held on our balance sheet. Brokerage, investment management and cash management products and services include managed, education, retirement and trust accounts.

Corporate & Institutional Banking provides lending, treasury management, capital markets and advisory products and services to mid-sized and large corporations and government and not-for-profit entities. Lending products include secured and unsecured loans, letters of credit and equipment leases. The Treasury Management business provides corporations with cash and investment management services, receivables and disbursement management services, funds transfer services, international payment services and access to online/mobile information management and reporting services. Capital markets and advisory includes services and activities primarily related to merger and acquisitions advisory, equity capital markets advisory, asset-backed financing, loan syndication, securities underwriting and customer-related trading. We also provide commercial loan servicing and technology solutions for the commercial real estate finance industry. Products and services are provided nationally.

Asset Management Group provides private banking for high net worth and ultra high net worth clients and institutional asset management. The Asset Management group is composed of two operating units:

- PNC Private Bank provides products and services to emerging affluent, high net worth and ultra high net worth individuals and their families, including investment and retirement planning, customized investment management, credit and cash management solutions, trust management and administration. In addition, multi-generational family planning services are also provided to ultra high net worth individuals and their families, which include estate, financial, tax, fiduciary and customized performance reporting through PNC Private Bank Hawthorn.
- Institutional Asset Management provides outsourced chief investment officer, custody, private real estate, cash and fixed income client solutions, retirement plan fiduciary investment services to institutional clients, including corporations, healthcare systems, insurance companies, unions, municipalities and non-profits.

Table 14: Period End Employees

	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022
Full-time employees					
Retail Banking	28,761	29,692	30,446	31,583	32,467
Other full-time employees	26,052	27,725	27,785	27,874	27,427
Total full-time employees	54,813	57,417	58,231	59,457	59,894
Part-time employees					
Retail Banking	1,540	1,480	1,567	1,537	1,577
Other part-time employees	58	70	503	79	74
Total part-time employees	1,598	1,550	2,070	1,616	1,651
Total	56,411	58,967	60,301	61,073	61,545

Table 15: Summary of Business Segment Net Income and Revenue (Unaudited) (a)

	Three months ended					Year ended	
In millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	December 31 2023	December 31 2022
Net Income							
Retail Banking	$ 1,073	$ 1,094	$ 954	$ 647	$ 752	$ 3,768	$ 1,974
Corporate & Institutional Banking	1,213	960	817	1,059	982	4,049	3,870
Asset Management Group	72	73	63	52	52	260	330
Other	(1,494)	(573)	(351)	(81)	(258)	(2,499)	(133)
Net income excluding noncontrolling interests	$ 864	$ 1,554	$ 1,483	$ 1,677	$ 1,528	$ 5,578	$ 6,041
Revenue							
Retail Banking	$ 3,391	$ 3,360	$ 3,150	$ 3,024	$ 3,079	$ 12,925	$ 10,507
Corporate & Institutional Banking	2,637	2,254	2,202	2,300	2,451	9,393	8,891
Asset Management Group	380	362	353	357	375	1,452	1,544
Other	(1,047)	(743)	(412)	(78)	(142)	(2,280)	178
Total revenue	$ 5,361	$ 5,233	$ 5,293	$ 5,603	$ 5,763	$ 21,490	$ 21,120

(a) Our business information is presented based on our internal management reporting practices. Net interest income in business segment results reflects PNC’s internal funds transfer pricing (FTP) methodology. Assets receive a funding charge and liabilities and capital receive a funding credit based on a transfer pricing methodology that incorporates product repricing characteristics, tenor and other factors.

Table 16: Retail Banking (Unaudited) (a)

	Three months ended					*Year ended*	
Dollars in millions	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	December 31 2023	December 31 2022
Income Statement							
Net interest income	$ 2,669	$ 2,576	$ 2,448	$ 2,281	$ 2,330	$ 9,974	$ 7,540
Noninterest income	722	784	702	743	749	2,951	2,967
Total revenue	3,391	3,360	3,150	3,024	3,079	12,925	10,507
Provision for (recapture of) credit losses	130	42	(14)	238	193	396	259
Noninterest expense	1,848	1,876	1,904	1,927	1,892	7,555	7,598
Pretax earnings	1,413	1,442	1,260	859	994	4,974	2,650
Income taxes	329	337	295	202	232	1,163	621
Noncontrolling interests	11	11	11	10	10	43	55
Earnings	$ 1,073	$ 1,094 752	$ 954 322	$ 647	$ 752	$ 3,768	$ 1,974
Average Balance Sheet							
Loans held for sale	$ 488	$ 633	$ 614	$ 542	$ 737	$ 569	$ 927
Loans							
Consumer							
Residential real estate	$ 34,951	$ 35,107	$ 35,150	$ 35,421	$ 35,286	$ 35,156	$ 33,643
Home equity	24,569	24,591	24,663	24,571	24,126	24,598	23,221
Automobile	14,875	14,976	15,005	14,918	14,793	14,943	15,425
Credit card	7,084	7,075	7,015	6,904	6,882	7,020	6,620
Education	2,001	2,057	2,115	2,188	2,257	2,090	2,381
Other consumer	1,840	1,882	1,929	1,990	2,049	1,910	2,164
Total consumer	85,320	85,688	85,877	85,992	85,393	85,717	83,454
Commercial	12,088	11,733	11,708	11,438	11,181	11,744	11,177
Total loans	$ 97,408	$ 97,421	$ 97,585	$ 97,430	$ 96,574	$ 97,461	$ 94,631
Total assets	$ 114,730	$ 114,724	$ 114,826	$ 115,384	$ 115,827	$ 114,914	$ 113,829
Deposits							
Noninterest-bearing	$ 55,948	$ 58,110	$ 59,464	$ 60,801	$ 64,031	$ 58,566	$ 64,775
Interest-bearing	195,314	195,560	197,854	201,720	195,743	197,589	199,614
Total deposits	$ 251,262	$ 253,670	$ 257,318	$ 262,521	$ 259,774	$ 256,155	$ 264,389
Performance Ratios							
Return on average assets	3.71 %	3.78 %	3.33 %	2.27 %	2.58 %	3.28 %	1.73 %
Noninterest income to total revenue	21 %	23 %	22 %	25 %	24 %	23 %	28 %
Efficiency	54 %	56 %	60 %	64 %	61 %	58 %	72 %

(a) See note (a) on page 13.

Retail Banking (Unaudited) (Continued)

	Three months ended					Year ended	
Dollars in millions, except as noted	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	December 31 2023	December 31 2022
Supplemental Noninterest Income Information							
Asset management and brokerage	$ 139	$ 130	$ 123	$ 131	$ 128	$ 523	$ 528
Card and cash management	$ 326	$ 329	$ 344	$ 324	$ 335	$ 1,323	$ 1,338
Lending and deposit services	$ 186	$ 193	$ 176	$ 181	$ 172	$ 736	$ 670
Residential and commercial mortgage	$ 117	$ 128	$ 75	$ 104	$ 111	$ 424	$ 319
Residential Mortgage Information							
Residential mortgage servicing statistics (in billions, except as noted) (a)							
Serviced portfolio balance (b)	$ 209	$ 213	$ 191	$ 188	$ 190		
Serviced portfolio acquisitions	$ 1	$ 25	$ 7	$ 2	$ 24	$ 35	$ 74
MSR asset value (b)	$ 2.7	$ 2.8	$ 2.3	$ 2.2	$ 2.3		
MSR capitalization value (in basis points) (b)	127	133	123	119	122		
Servicing income: (in millions)							
Servicing fees, net (c)	$ 89	$ 67	$ 67	$ 78	$ 73	$ 301	$ 192
Mortgage servicing rights valuation net of economic hedge	$ 11	$ 37	$ (9)	$ 14	$ 24	$ 53	$ 9
Residential mortgage loan statistics							
Loan origination volume (in billions)	$ 1.5	$ 2.1	$ 2.4	$ 1.4	$ 2.1	$ 7.4	$ 15.1
Loan sale margin percentage	2.45 %	2.43 %	2.23 %	2.26 %	2.20 %	2.34 %	2.14 %
Percentage of originations represented by:							
Purchase volume (d)	87 %	87 %	90 %	84 %	88 %	87 %	67 %
Refinance volume	13 %	13 %	10 %	16 %	12 %	13 %	33 %
Other Information (b)							
Customer-related statistics (average)							
Non-teller deposit transactions (e)	66 %	68 %	65 %	65 %	65 %	66 %	64 %
Digital consumer customers (f)	78 %	78 %	76 %	75 %	76 %	77 %	78 %
Credit-related statistics							
Nonperforming assets	$ 834	$ 856	$ 981	$ 1,009	$ 1,003		
Net charge-offs - loans and leases	$ 128	$ 114	$ 109	$ 112	$ 108	$ 463	$ 435
Other statistics							
ATMs	8,447	8,476	8,566	8,697	8,933		
Branches (g)	2,299	2,303	2,361	2,450	2,518		
Brokerage account client assets (in billions) (h)	$ 78	$ 73	$ 75	$ 73	$ 70		

(a) Represents mortgage loan servicing balances for third parties and the related income.
(b) Presented as of period end, except for average customer-related statistics and net charge-offs, which are both shown for the three months and year ended, respectively.
(c) Servicing fees net of impact of decrease in MSR value due to passage of time, including the impact from regularly scheduled loan principal payments, prepayments and loans paid off during the period.
(d) Mortgages with borrowers as part of residential real estate purchase transactions.
(e) Percentage of total consumer and business banking deposit transactions processed at an ATM or through our mobile banking application.
(f) Represents consumer checking relationships that process the majority of their transactions through non-teller channels.
(g) Reflects all branches and solution centers excluding standalone mortgage offices and satellite offices (*e.g.*, drive-ups, electronic branches and retirement centers) that provide limited products and/or services.
(h) Includes cash and money market balances.

Table 17: Corporate & Institutional Banking (Unaudited) (a)

Dollars in millions	Three months ended December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	Year ended December 31 2023	December 31 2022
Income Statement							
Net interest income	$ 1,642	$ 1,419	$ 1,381	$ 1,414	$ 1,489	$ 5,856	$ 5,270
Noninterest income	995	835	821	886	962	3,537	3,621
Total revenue	2,637	2,254	2,202	2,300	2,451	9,393	8,891
Provision for (recapture of) credit losses	115	102	209	(28)	183	398	198
Noninterest expense	975	895	921	939	990	3,730	3,651
Pretax earnings	1,547	1,257	1,072	1,389	1,278	5,265	5,042
Income taxes	330	292	250	325	291	1,197	1,155
Noncontrolling interests	4	5	5	5	5	19	17
Earnings	$ 1,213	$ 960	$ 817	$ 1,059	$ 982	$ 4,049	$ 3,870
Average Balance Sheet							
Loans held for sale	$ 450	$ 283	$ 440	$ 456	$ 337	$ 407	$ 475
Loans							
Commercial							
Commercial and industrial	$ 167,185	$ 161,810	$ 167,357	$ 168,874	$ 166,176	$ 166,289	$ 155,551
Commercial real estate	34,488	34,587	34,410	34,605	34,663	34,522	33,373
Equipment lease financing	6,430	6,441	6,364	6,451	6,274	6,422	6,195
Total commercial	208,103	202,838	208,131	209,930	207,113	207,233	195,119
Consumer	5	4	5	7	8	6	9
Total loans	$ 208,108	$ 202,842	$ 208,136	$ 209,937	$ 207,121	$ 207,239	$ 195,128
Total assets	$ 234,590	$ 230,082	$ 234,174	$ 234,536	$ 234,120	$ 233,337	$ 219,941
Deposits							
Noninterest-bearing	$ 46,880	$ 48,123	$ 51,948	$ 58,529	$ 67,340	$ 51,329	$ 76,956
Interest-bearing	97,660	93,563	89,068	86,832	79,916	91,815	71,388
Total deposits	$ 144,540	$ 141,686	$ 141,016	$ 145,361	$ 147,256	$ 143,144	$ 148,344
Performance Ratios							
Return on average assets	2.05 %	1.66 %	1.40 %	1.83 %	1.66 %	1.74 %	1.76 %
Noninterest income to total revenue	38 %	37 %	37 %	39 %	39 %	38 %	41 %
Efficiency	37 %	40 %	42 %	41 %	40 %	40 %	41 %
Other Information							
Consolidated revenue from:							
Treasury Management (b)	$ 1,044	$ 849	$ 778	$ 785	$ 843	$ 3,456	$ 2,801
Commercial mortgage banking activities:							
Commercial mortgage loans held for sale (c)	$ 17	$ 17	$ 13	$ 27	$ 15	$ 74	$ 77
Commercial mortgage loan servicing income (d)	59	43	44	39	52	185	256
Commercial mortgage servicing rights valuation, net of economic hedge	19	54	4	41	39	118	138
Total	$ 95	$ 114	$ 61	$ 107	$ 106	$ 377	$ 471
Commercial mortgage servicing statistics							
Serviced portfolio balance (in billions) (e)	$ 288	$ 282	$ 280	$ 281	$ 281		
MSR asset value (e)	$ 1,032	$ 1,169	$ 1,106	$ 1,061	$ 1,113		
Average loans by C&IB business (f)							
Corporate Banking	$ 119,916	$ 113,538	$ 117,259	$ 119,602	$ 115,126	$ 117,568	$ 106,098
Real Estate	47,028	47,234	47,692	47,297	48,031	47,312	45,335
Business Credit	29,252	29,900	30,613	30,180	30,087	29,984	28,461
Commercial Banking	7,591	7,861	8,225	8,430	8,683	8,024	9,294
Other	4,321	4,309	4,347	4,428	5,194	4,351	5,940
Total average loans	$ 208,108	$ 202,842	$ 208,136	$ 209,937	$ 207,121	$ 207,239	$ 195,128
Credit-related statistics							
Nonperforming assets (e)	$ 1,217	$ 1,130	$ 738	$ 801	$ 761		
Net charge-offs - loans and leases	$ 76	$ 12	$ 93	$ 85	$ 100	$ 266	$ 143

(a) See note (a) on page 13.
(b) Amounts are reported in net interest income and noninterest income.
(c) Represents commercial mortgage banking income for valuations on commercial mortgage loans held for sale and related commitments, derivative valuations, origination fees, gains on sale of loans held for sale and net interest income on loans held for sale.
(d) Represents net interest income and noninterest income from loan servicing, net of reduction in commercial mortgage servicing rights due to amortization expense and payoffs. Commercial mortgage servicing rights valuation, net of economic hedge is shown separately.
(e) Presented as of period end.
(f) As the result of a business realignment within C&IB during the second quarter of 2023, certain loans were reclassified from Other to Corporate Banking in the prior periods to conform to the current period presentation.

Table 18: Asset Management Group (Unaudited) (a)

	Three months ended					Year ended	
Dollars in millions, except as noted	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	December 31 2023	December 31 2022
Income Statement							
Net interest income	$ 156	$ 139	$ 125	$ 127	$ 152	$ 547	$ 608
Noninterest income	224	223	228	230	223	905	936
Total revenue	380	362	353	357	375	1,452	1,544
Provision for (recapture of) credit losses	2	(4)	(10)	9	17	(3)	28
Noninterest expense	284	271	280	280	291	1,115	1,086
Pretax earnings	94	95	83	68	67	340	430
Income taxes	22	22	20	16	15	80	100
Earnings	$ 72	$ 73	$ 63	$ 52	$ 52	$ 260	$ 330
Average Balance Sheet							
Loans							
Consumer							
Residential real estate	$ 11,314	$ 10,750	$ 9,855	$ 9,174	$ 8,835	$ 10,280	$ 8,029
Other consumer	3,893	3,901	4,065	4,156	4,388	4,003	4,550
Total consumer	15,207	14,651	13,920	13,330	13,223	14,283	12,579
Commercial	867	1,090	1,229	1,246	1,291	1,107	1,505
Total loans	$ 16,074	$ 15,741	$ 15,149	$ 14,576	$ 14,514	$ 15,390	$ 14,084
Total assets	$ 16,505	$ 16,161	$ 15,562	$ 14,997	$ 14,935	$ 15,812	$ 14,505
Deposits							
Noninterest-bearing	$ 1,742	$ 1,756	$ 1,787	$ 1,846	$ 2,107	$ 1,782	$ 2,664
Interest-bearing	26,479	25,417	25,482	26,337	25,651	25,928	27,830
Total deposits	$ 28,221	$ 27,173	$ 27,269	$ 28,183	$ 27,758	$ 27,710	$ 30,494
Performance Ratios							
Return on average assets	1.73 %	1.79 %	1.62 %	1.41 %	1.38 %	1.64 %	2.28 %
Noninterest income to total revenue	59 %	62 %	65 %	64 %	59 %	62 %	61 %
Efficiency	75 %	75 %	79 %	78 %	78 %	77 %	70 %
Other Information							
Nonperforming assets (b)	$ 39	$ 39	$ 41	$ 42	$ 56		
Net charge-offs (recoveries) - loans and leases	$ (1)		$ (2)		$ 18	$ (3)	$ 17
Client Assets Under Administration (in billions) (b) (c)							
Discretionary client assets under management	$ 189	$ 176	$ 176	$ 177	$ 173		
Nondiscretionary client assets under administration	179	170	168	156	152		
Total	$ 368	$ 346	$ 344	$ 333	$ 325		
Discretionary client assets under management							
PNC Private Bank	$ 117	$ 109	$ 111	$ 108	$ 105		
Institutional Asset Management	72	67	65	69	68		
Total	$ 189	$ 176	$ 176	$ 177	$ 173		

(a) See note (a) on page 13.
(b) As of period end.
(c) Excludes brokerage account client assets.

Glossary of Terms

Allowance for credit losses (ACL) – A valuation account that is deducted from or added to the amortized cost basis of the related financial assets to present the net carrying value at the amount expected to be collected on the financial asset.

Amortized cost basis – Amount at which a financial asset is originated or acquired, adjusted for applicable accretion or amortization of premiums, discounts and net deferred fees or costs, collection of cash, charge-offs, foreign exchange and fair value hedge accounting adjustments.

Basel III common equity Tier 1 (CET1) capital (Tailoring Rules) – Common stock plus related surplus, net of treasury stock, plus retained earnings, less goodwill, net of associated deferred tax liabilities, less other disallowed intangibles, net of deferred tax liabilities and plus/less other adjustments. Investments in unconsolidated financial institutions, as well as mortgage servicing rights and deferred tax assets, must then be deducted to the extent such items (net of associated deferred tax liabilities) individually exceed 25% of our adjusted Basel III common equity Tier 1 capital.

Basel III common equity Tier 1 capital ratio – Common equity Tier 1 capital divided by period-end risk-weighted assets (as applicable).

Basel III Tier 1 capital – Common equity Tier 1 capital, plus qualifying preferred stock, plus certain trust preferred capital securities, plus certain noncontrolling interests that are held by others and plus/less other adjustments.

Basel III Tier 1 capital ratio – Tier 1 capital divided by period-end risk-weighted assets (as applicable).

Basel III Total capital – Tier 1 capital plus qualifying subordinated debt, plus certain trust preferred securities, plus, under the Basel III transitional rules and the standardized approach, the allowance for loan and lease losses included in Tier 2 capital and other.

Basel III Total capital ratio – Basel III Total capital divided by period-end risk-weighted assets (as applicable).

Charge-off – Process of removing a loan or portion of a loan from our balance sheet because it is considered uncollectible. We also record a charge-off when a loan is transferred from portfolio holdings to held for sale by reducing the loan carrying amount to the fair value of the loan, if fair value is less than carrying amount.

Common shareholders' equity – Total shareholders' equity less the liquidation value of preferred stock.

Credit valuation adjustment – Represents an adjustment to the fair value of our derivatives for our own and counterparties' non-performance risk.

Criticized commercial loans – Loans with potential or identified weaknesses based upon internal risk ratings that comply with the regulatory classification definitions of "special mention," "substandard" or "doubtful."

Current Expected Credit Loss (CECL) – Methodology for estimating the allowance for credit losses on in-scope financial assets held at amortized cost and unfunded lending related commitments which uses a combination of expected losses over a reasonable and supportable forecast period, a reversion period and long run average credit losses for their estimated contractual term.

Discretionary client assets under management – Assets over which we have sole or shared investment authority for our customers/clients. We do not include these assets on our Consolidated Balance Sheet.

Earning assets – Assets that generate income, which include: interest-earning deposits with banks; loans held for sale; loans; investment securities; and certain other assets.

Effective duration – A measurement, expressed in years, that, when multiplied by a change in interest rates, would approximate the percentage change in value of on- and off-balance sheet positions.

Efficiency – Noninterest expense divided by total revenue.

Fair value – The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fee income – Refers to the following categories within Noninterest income: Asset management and brokerage, Capital markets and advisory, Card and cash management, Lending and deposit services, and Residential and commercial mortgage.

GAAP – Accounting principles generally accepted in the United States of America.

Leverage ratio – Basel III Tier 1 capital divided by average quarterly adjusted total assets.

Nondiscretionary client assets under administration – Assets we hold for our customers/clients in a nondiscretionary, custodial capacity. We do not include these assets on our Consolidated Balance Sheet.

Nonperforming assets – Nonperforming assets include nonperforming loans, OREO and foreclosed assets. We do not accrue interest income on assets classified as nonperforming.

Nonperforming loans – Loans accounted for at amortized cost whose credit quality has deteriorated to the extent that full collection of contractual principal and interest is not probable. Interest income is not recognized on nonperforming loans. Nonperforming loans exclude certain government insured or guaranteed loans for which we expect to collect substantially all principal and interest, loans held for sale and loans accounted for under the fair value option.

Operating leverage – The period to period dollar or percentage change in total revenue less the dollar or percentage change in noninterest expense. A positive variance indicates that revenue growth exceeded expense growth (*i.e*., positive operating leverage) while a negative variance implies expense growth exceeded revenue growth (*i.e*., negative operating leverage).

Other real estate owned (OREO) and foreclosed assets – Assets taken in settlement of troubled loans primarily through deed-in-lieu of foreclosure or foreclosure. Foreclosed assets include real and personal property. Certain assets that have a government-guarantee which are classified as other receivables are excluded.

Risk-weighted assets – Computed by the assignment of specific risk-weights (as defined by the Board of Governors of the Federal Reserve System) to assets and off-balance sheet instruments.

Servicing rights – Intangible assets or liabilities created by an obligation to service assets for others. Typical servicing rights include the right to receive a fee for collecting and forwarding payments on loans and related taxes and insurance premiums held in escrow.

Supplementary leverage ratio – Basel III Tier 1 capital divided by Supplementary leverage exposure.

Tailoring Rules – Rules adopted by the federal banking agencies to better tailor the application of their capital, liquidity, and enhanced prudential requirements for banking organizations to the asset size and risk profile (as measured by certain regulatory metrics) of the banking organization. Effective January 1, 2020, the agencies' capital and liquidity rules classify all BHCs with $100 billion or more in total assets into one of four categories (Category I, Category II, Category III, and Category IV).

Taxable-equivalent interest income – The interest income earned on certain assets that is completely or partially exempt from federal income tax. These tax-exempt instruments typically yield lower returns than taxable investments.

Troubled debt restructuring (TDR) – A loan whose terms have been restructured in a manner that grants a concession to a borrower experiencing financial difficulties. On January 1, 2023, we adopted ASU 2022-02, which eliminated the accounting guidance for TDRs.

Unfunded lending related commitments – Standby letters of credit, financial guarantees, commitments to extend credit and similar unfunded obligations that are not unilaterally, unconditionally, cancelable at PNC’s option.