

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

OCTOBER 1, 2003
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 1-9718

PENNSYLVANIA
(State or other jurisdiction of
incorporation or organization)

25-1435979
(I.R.S. Employer
Identification No.)

ONE PNC PLAZA
249 FIFTH AVENUE
PITTSBURGH, PENNSYLVANIA 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS

In accordance with the Securities and Exchange Commission's ("SEC") Release No. 33-8176, "Conditions for Use of Non-GAAP Financial Measures," and the SEC's "Frequently Asked Questions Regarding the Use of Non-GAAP Financial Measures" dated June 13, 2003, a summary of reconciliations of non-GAAP financial measures included in the Corporation's 2002 Annual Report to Shareholders that was incorporated by reference into the Corporation's Annual Report on Form 10-K for the year ended December 31, 2002, as amended, is attached hereto as Exhibit 99.1.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) The exhibit listed on the Exhibit Index accompanying this Form 8-K is filed herewith.

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: October 1, 2003

By: /s/ Samuel R. Patterson

Samuel R. Patterson
Controller

EXHIBIT INDEX

<TABLE>
<CAPTION>

Number	Description	Method of Filing
- - - - -	- - - - -	- - - - -
<S>	<C>	<C>
99.1	Identification and reconciliation of non-GAAP financial measures included in The PNC Financial Services Group, Inc. Annual Report on Form 10-K for the year ended December 31, 2002, as amended.	Filed Herewith

</TABLE>

THE PNC FINANCIAL SERVICES GROUP, INC.
 IDENTIFICATION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
 ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2002, AS AMENDED

This Exhibit 99.1 includes excerpts from or references to portions of the Corporation's 2002 Annual Report to Shareholders ("2002 Annual Report") that were incorporated by reference into the Corporation's Annual Report on Form 10-K, as amended, for the year ended December 31, 2002 ("2002 Form 10-K"). These excerpts or references include disclosures of non-GAAP financial measures as defined by the SEC's Release No. 33-8176, "Conditions for Use of Non-GAAP Financial Measures," that was effective subsequent to the Corporation's filing of the 2002 Form 10-K. In addition to such non-GAAP financial measures, this Exhibit 99.1 provides corresponding amounts or disclosures on a basis consistent with generally accepted accounting principles ("GAAP") as required by Release No. 33-8176 and in accordance with the SEC's "Frequently Asked Questions Regarding the Use of Non-GAAP Financial Measures" guidance issued June 13, 2003.

In addition, this Exhibit 99.1 includes a Glossary of Terms similar to the glossary that was included in the Financial Review section of the Corporation's Quarterly Report on Form 10-Q for the three months ended June 30, 2003 ("June 2003 Form 10-Q"). Many of these terms were also used in the 2002 Annual Report and 2002 Form 10-K.

The information in this Exhibit 99.1 is provided solely for the purpose of identifying and reconciling to GAAP the applicable items disclosed in the 2002 Annual Report and does not represent the consolidated financial statements of the Corporation for any period nor does it purport to serve any other purpose under the SEC's financial reporting and disclosure rules and regulations.

1-a. TAXABLE-EQUIVALENT NET INTEREST INCOME IN THE 2002 ANNUAL REPORT:

In the "Consolidated Statement of Income Review" and "2001 versus 2000 - Consolidated Income Statement Review" portions of the Financial Review section of the 2002 Annual Report, the Corporation discussed taxable-equivalent net interest income (net interest income on a taxable-equivalent basis). Further, total revenue as used in the "Selected Ratios" portions of "Selected Consolidated Financial Data" and in the "Results of Businesses" table of "Review of Businesses" in the Financial Review section of the 2002 Annual Report reflects the sum of net interest income, taxable-equivalent basis and noninterest income.

1-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:

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 a taxable investment. In presenting net interest income on a taxable-equivalent basis, the interest income earned on tax-exempt assets is increased to make them fully equivalent to other taxable interest income investments in order to provide accurate comparisons of yields and margins for all earning assets.

A reconciliation of net interest income on a taxable-equivalent basis to net interest income as reported in the Corporation's Consolidated Statement of Income in the 2002 Annual Report follows:

<TABLE>
 <CAPTION>

Year Ended December 31	2002	2001	2000
Dollars in millions			

<S> FINANCIAL PERFORMANCE <C> <C> <C>

Net interest income, GAAP basis	\$2,197	\$2,262	\$2,164
Taxable-equivalent adjustment	13	16	18

Net interest income, taxable-equivalent basis	\$2,210	\$2,278	\$2,182
	=====	=====	=====

</TABLE>

A reconciliation of total revenue on a taxable-equivalent basis to total revenue on a GAAP basis (net interest income on a GAAP basis and noninterest income) follows:

<TABLE>
<CAPTION>

Year Ended December 31			
Dollars in millions	2002	2001	2000
=====			
FINANCIAL PERFORMANCE	<C>	<C>	<C>
Total revenue, GAAP basis	\$5,394	\$4,914	\$5,114
Taxable-equivalent adjustment	13	16	18

Total revenue, taxable-equivalent basis	\$5,407	\$4,930	\$5,132
	=====	=====	=====

</TABLE>

2

2-a. EXCERPT FROM PAGE 26, "FINANCIAL REVIEW - SELECTED CONSOLIDATED FINANCIAL DATA," OF THE 2002 ANNUAL REPORT:

<TABLE>
<CAPTION>

	Year ended December 31			

Dollars in millions	2002	2001	2000	1999
1998	=====			

SUMMARY OF OPERATIONS	<C>	<C>	<C>	<C>
Noninterest income before net securities gains \$2,076	\$3,108	\$2,521	\$2,930	\$2,438
Net securities gains 16	89	131	20	22

</TABLE>

2-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:

The caption "noninterest income before net securities gains" is not found within the Corporation's 2002 consolidated financial statements prepared in accordance with GAAP. Total noninterest income disclosed in accordance with GAAP is the sum of the two line items disclosed above as follows:

<TABLE>
<CAPTION>

	Year ended December 31			

Dollars in millions	2002	2001	2000	1999
1998	=====			

SUMMARY OF OPERATIONS	<C>	<C>	<C>	<C>
Noninterest income before net securities gains \$2,076	\$3,108	\$2,521	\$2,930	\$2,438
Net securities gains 16	89	131	20	22

Total noninterest income	\$3,197	\$2,652	\$2,950	\$2,460
\$2,092	=====	=====	=====	=====
=====				

</TABLE>

3-a. EXCERPT FROM PAGE 27, "FINANCIAL REVIEW - SELECTED CONSOLIDATED FINANCIAL DATA," OF THE 2002 ANNUAL REPORT:

<TABLE>
<CAPTION>

SELECTED RATIOS				
Year ended December 31	2002	2001	2000	1999
1998				

<S>	<C>	<C>	<C>	<C>
<C>				
From Continuing Operations				9
Noninterest income to total revenue	59.1%	53.8%	57.5%	51.0%
45.4%				
Efficiency (b)	58.62	65.48	56.82	55.32
54.74				
From Net Income				
Noninterest income to total revenue	59.1	53.9	59.7	52.9
47.0				
Efficiency (b)	59.08	65.36	55.16	54.63
54.69				

</TABLE>

(b) The efficiency ratio is noninterest expense divided by the sum of taxable-equivalent net interest income and noninterest income. Amortization of goodwill and other intangibles, distributions on capital securities and mortgage banking risk management activities are excluded for purposes of computing this ratio. Excluding the impact of charges in 2001 related to strategic initiatives and additions to reserves related to insured residual value exposures, the efficiency ratios from continuing operations and from net income were 58.14% and 58.07%, respectively.

3-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:

The ratio of noninterest income to total revenue is computed as total noninterest income divided by the sum of net interest income and noninterest income. The ratios in 3-a. above for all periods presented were calculated using taxable-equivalent net interest income. See Item 1-b. of this Exhibit 99.1 for a description of taxable-equivalent net interest income and a reconciliation to net interest income on a GAAP basis.

The ratio of noninterest income to total revenue using net interest income on a GAAP basis is as follows:

<TABLE>
<CAPTION>

Year ended December 31	2002	2001	2000	1999
1998				

<S>	<C>	<C>	<C>	<C>
<C>				
From Continuing Operations	59.3%	54.0%	57.7%	51.2%
45.7%				
From net income	59.3%	53.9%	59.7%	
52.9% 47.0%				

</TABLE>

See note (b) to the table under 3-a. above regarding the efficiency ratio as calculated for the 2002 Annual Report. The efficiency ratio calculated on a GAAP basis as noninterest expense divided by the sum of net interest income and noninterest income is as follows:

<TABLE>
<CAPTION>

Year ended December 31 1998	2002	2001	2000	1999
<S>	<C>	<C>	<C>	<C>
<C>				
From Continuing Operations	59.83%	69.48%	60.68%	59.08%
58.91%				
From net income	60.29	69.38	60.69	59.87
59.93				

</TABLE>

4-a. EXCERPT FROM PAGE 28, FIRST PARAGRAPH OF "OVERVIEW - SUMMARY FINANCIAL RESULTS," OF THE 2002 ANNUAL REPORT:

Consolidated net income for 2002 was \$1.184 billion or \$4.15 per diluted share compared with \$377 million or \$1.26 per diluted share for 2001. Results for 2002 reflected the adoption of Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets," under which goodwill is no longer amortized to expense. Results for 2001 reflected the cost of actions taken during the year to accelerate the repositioning of PNC's lending business and other strategic initiatives. These charges totaled \$1.2 billion pretax and reduced 2001 net income by \$768 million or \$2.65 per diluted share. Excluding the effects of the strategic repositioning charges and goodwill amortization expense, net income for 2001 would have been \$1.238 billion, or \$4.23 per diluted share.

4-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:

The last sentence of the excerpt in 4-a. above does not quantify the impact of 2001 goodwill amortization expense. However, this information is disclosed in Note 14 Goodwill And Other Intangible Assets in the Notes To Consolidated Financial Statements included in the 2002 Annual Report and incorporated by reference in the 2002 Form 10-K. A reconciliation of 2001 net income and earnings per diluted share on a GAAP basis to the corresponding amounts excluding the effects of the strategic repositioning charges and goodwill amortization expense follows:

<TABLE>
<CAPTION>

In millions, except per share data	Net Income	Per diluted share
<S>	<C>	<C>
2001 net income, GAAP basis	\$377	\$1.26
Add back: Strategic repositioning charges	768	2.65
Goodwill amortization expense	93	.32
2001 net income, as adjusted	\$1,238	\$4.23
	=====	=====

</TABLE>

5-a. EXCERPT FROM PAGE 31, "REVIEW OF BUSINESSES," OF THE 2002 ANNUAL REPORT:

REGIONAL COMMUNITY BANKING

<TABLE>
<CAPTION>

Year ended December 31 Taxable-equivalent basis Dollars in millions	2002	2001
INCOME STATEMENT		
<S>	<C>	<C>
Net interest income	\$1,409	\$1,466
Noninterest income	689	679

Operating revenue	2,098	2,145
Provision for credit losses	52	50
Noninterest expense	1,061	1,063
Goodwill amortization		36

Operating income	985	996
Net securities (gains)	(84)	(86)
Strategic repositioning:		
Vehicle leasing costs		135
Asset impairment and severance costs		13

Pretax earnings	1,069	934
Income taxes	372	338

Earnings	\$697	\$596
=====		
PERFORMANCE RATIOS		
Return on assigned capital	27%	22%
Noninterest income to operating revenue	33	32
Efficiency	49	54
Efficiency, excluding strategic repositioning	51	50

</TABLE>

5-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:

The table below presents the income statement information included in 5-a. above in a format consistent with that used on a GAAP basis and includes in note (a) to the table a reconciliation of net interest income on a taxable equivalent basis to net interest income on a GAAP basis. In addition, the noninterest income to total revenue and efficiency ratios have been recomputed on a GAAP basis, consistent with the approach described at 3-b. above.

<TABLE>
<CAPTION>

Year ended December 31		
Taxable-equivalent basis		
Dollars in millions	2002	2001
=====		
INCOME STATEMENT		
<S>	<C>	<C>
Net interest income (a)	\$1,409	\$1,466
Other noninterest income	689	672
Net securities gains	84	86

Total revenue	2,182	2,224
Provision for credit losses	52	50
Noninterest expense	1,061	1,240

Pretax earnings	1,069	934
Income taxes	372	338

Earnings	\$697	\$596
=====		
PERFORMANCE RATIOS		
Return on assigned capital	27%	22%
Noninterest income to total revenue	35	34
Efficiency	49	56

</TABLE>

(a) A reconciliation of net interest income on a taxable-equivalent basis to net interest income on a GAAP basis follows:

<TABLE>
<CAPTION>

Year ended December 31		
Dollars in millions		
	2002	2001
=====		
<S>	<C>	<C>
Net interest income, GAAP basis	\$1,403	\$1,460
Taxable-equivalent adjustment	6	6

Net interest income, taxable-equivalent basis	\$1,409	\$1,466

</TABLE>

WHOLESALE BANKING
CORPORATE BANKING

<TABLE>
<CAPTION>
Year ended December 31
Taxable-equivalent basis
Dollars in millions

	2002	2001
=====		
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income	\$349	\$508
Noninterest income	282	256

Operating revenue	631	764
Provision for credit losses	203	57
Noninterest expense	359	378
Goodwill amortization		3

Operating income	69	326
Strategic repositioning:		
Institutional lending repositioning		891
Asset impairment and severance costs		16
Net (gains) on loans held for sale	(155)	

Pretax earnings (loss)	224	(581)
Income tax expense (benefit)	74	(206)

Earnings (loss)	\$150	\$(375)
=====		
PERFORMANCE RATIOS		
Return on assigned capital	14%	(30)%
Noninterest income to operating revenue	45	34
Efficiency	46	71
Efficiency, excluding strategic repositioning	57	49

</TABLE>

6-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:
The table below presents the income statement information included in 6-a. above in a format consistent with that used on a GAAP basis and includes in note (a) to the table a reconciliation of net interest income on a taxable-equivalent basis to net interest income on a GAAP basis. In addition, the noninterest income to total revenue and efficiency ratios have been recomputed on a GAAP basis, consistent with the approach described at 3-b. above, and the return on assigned capital ratio reflects the other reclassifications made to the income statement information.

<TABLE>
<CAPTION>
Year ended December 31
Taxable-equivalent basis
Dollars in millions

	2002	2001
=====		
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income (a)	\$349	\$508
Noninterest income	437	31

Total revenue	786	539
Provision for credit losses	203	733
Noninterest expense	359	387

Pretax earnings	224	(581)
Income tax	74	(206)

Earnings	\$150	\$(375)
=====		
PERFORMANCE RATIOS		
Return on assigned capital	14%	(30)%
Noninterest income to total revenue	56	6
Efficiency	46	72

</TABLE>

(a) A reconciliation of net interest income on a taxable-equivalent basis to net interest income on a GAAP basis follows:

<TABLE>
<CAPTION>

Year ended December 31	2002	2001
Dollars in millions		
<S>	<C>	<C>
Net interest income, GAAP basis	\$344	\$501
Taxable-equivalent adjustment	5	7
Net interest income, taxable-equivalent basis	\$349	\$508

</TABLE>

6

7-a. EXCERPT FROM PAGE 33, "REVIEW OF BUSINESSES," OF THE 2002 ANNUAL REPORT:

WHOLESALE BANKING
PNC REAL ESTATE FINANCE

<TABLE>
<CAPTION>

Year ended December 31	2002	2001
Taxable-equivalent basis		
Dollars in millions		
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income	\$117	\$118
Noninterest income		
Commercial mortgage banking	65	58
Other	44	37
Total noninterest income	109	95
Operating revenue	226	213
Provision for credit losses	(10)	16
Noninterest expense	160	139
Goodwill amortization		18
Operating income	76	40
Strategic repositioning:		
Institutional lending repositioning		34
Severance costs		1
Net (gains) on loans held for sale	(3)	
Pretax earnings	79	5
Minority interest (benefit) expense	(2)	
Income tax (benefit) expense	(9)	(33)
Earnings	\$90	\$38
PERFORMANCE RATIOS		
Return on assigned capital	23%	10%
Noninterest income to operating revenue	48	45
Efficiency	63	60
Efficiency, excluding strategic repositioning	64	58

</TABLE>

7-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP: The table below presents the income statement information included in 7-a. above in a format consistent with that used on a GAAP basis and includes in note (a) to the table a reconciliation of net interest income on a taxable-equivalent basis to net interest income on a GAAP basis. In addition, the noninterest income to total revenue and efficiency ratios have been recomputed on a GAAP basis, consistent with the approach described at 3-b. above, and the return on assigned capital ratio reflects the other reclassifications made to the income statement information.

<TABLE>
<CAPTION>

Year ended December 31

Taxable-equivalent basis Dollars in millions	2002	2001
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income (a)	\$117	\$118
Noninterest income		
Net commercial mortgage banking	65	58
Other	47	31

Total noninterest income	112	89

Total revenue	229	207
Provision for credit losses	(10)	44
Noninterest expense	160	158

Pretax earnings	79	5

Minority interest (benefit)	(2)	
Income tax (benefit)	(9)	(33)

Earnings	\$90	\$38
=====		
PERFORMANCE RATIOS		
Return on assigned capital	23%	10%
Noninterest income to total revenue	49	43
Efficiency	70	76

</TABLE>

(a) A reconciliation of net interest income on a taxable-equivalent basis to net interest income on a GAAP basis follows:

<TABLE>
<CAPTION>

Year ended December 31 Dollars in millions	2002	2001
<S>	<C>	<C>
Net interest income, GAAP basis	\$116	\$116
Taxable-equivalent adjustment	1	2

Net interest income, taxable-equivalent basis	\$117	\$118

</TABLE>

7

8-a. EXCERPT FROM PAGE 34, "REVIEW OF BUSINESSES," OF THE 2002 ANNUAL REPORT:

WHOLESALE BANKING
PNC BUSINESS CREDIT

<TABLE>
<CAPTION>

Year ended December 31 Taxable-equivalent basis Dollars in millions	2002	2001
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income	\$134	\$104
Noninterest income	59	30

Operating revenue	193	134
Provision for credit losses	64	19
Noninterest expense	53	29
Goodwill amortization		2

Operating income	76	84
Strategic repositioning:		
Institutional lending repositioning		48
Net losses on loans held for sale	11	

Pretax earnings	65	36

Income taxes	25	14

Earnings	\$40	\$22
=====		
PERFORMANCE RATIOS		
Return on assigned capital	16%	13%
Noninterest income to operating revenue	31	22
Efficiency	29	30
Efficiency, excluding strategic repositioning	27	22

</TABLE>

8-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP: The table below presents the income statement information included in 8-a. above in a format consistent with that used on a GAAP basis. In addition, the noninterest income to total revenue and efficiency ratios have been recomputed on a GAAP basis, consistent with the approach described at 3-b. above.

<TABLE>
<CAPTION>

Year ended December 31		
Taxable-equivalent basis		
Dollars in millions	2002	2001
=====		
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income (a)	\$134	\$104
Noninterest income	48	(8)

Total revenue	182	96
Provision for credit losses	64	29
Noninterest expense	53	31

Pretax earnings	65	36
Income taxes	25	14

Earnings	\$40	\$22
=====		
PERFORMANCE RATIOS		
Return on assigned capital	16%	13%
Noninterest income to total revenue	26	(8)
Efficiency	29	32

</TABLE>

(a) Net interest income on a taxable-equivalent basis equaled net interest income on a GAAP basis for each period presented.

9-a. EXCERPT FROM PAGE 35, "REVIEW OF BUSINESSES," OF THE 2002 ANNUAL REPORT:

PNC ADVISORS

<TABLE>
<CAPTION>

Year ended December 31		
Taxable-equivalent basis		
Dollars in millions	2002	2001
=====		
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income	\$100	\$128
Noninterest income		
Investment management and trust	334	393
Brokerage	131	130
Other	89	84

Total noninterest income	554	607

Operating revenue	654	735
Provision for credit losses	4	2
Noninterest expense	497	497
Goodwill amortization		7

Pretax earnings	153	229
Income taxes	56	86
Earnings	\$97	\$143
PERFORMANCE RATIOS		
Return on assigned capital	19%	26%
Noninterest income to operating revenue	85	83
Efficiency	76	68

</TABLE>

9-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP: The table below presents the income statement information included in 9-a. above in a format consistent with that used on a GAAP basis. In addition, the noninterest income to total revenue and efficiency ratios have been recomputed on a GAAP basis, consistent with the approach described at 3-b. above.

<TABLE>
<CAPTION>

Year ended December 31		
Taxable-equivalent basis		
Dollars in millions	2002	2001
=====		
<S>	<C>	<C>
INCOME STATEMENT		
Net interest income (a)	\$100	\$128
Noninterest income		
Investment management and trust	334	393
Brokerage	131	130
Other	89	84

Total noninterest income	554	607

Total revenue	654	735
Provision for credit losses	4	2
Noninterest expense	497	504

Pretax earnings	153	229
Income taxes	56	86

Earnings	\$97	\$143
=====		
PERFORMANCE RATIOS		
Return on assigned capital	19%	26%
Noninterest income to total revenue	85	83
Efficiency	76	69

</TABLE>

(a) Net interest income on a taxable-equivalent basis equaled net interest income on a GAAP basis for each period presented.

10-a. EXCERPT FROM PAGE 36, "REVIEW OF BUSINESSES," OF THE 2002 ANNUAL REPORT:

BLACKROCK

<TABLE>
<CAPTION>

Year ended December 31		
Dollars in millions		
	2002	2001
=====		
<S>	<C>	<C>
INCOME STATEMENT		
Investment advisory and administrative fees	\$519	\$495
Other income	58	38

Total revenue	577	533
Operating expense	321	292
Fund administration		

and servicing costs - affiliates	40	61
Amortization of goodwill and other intangible assets	1	10

Total expense	362	363

Operating income	215	170
Nonoperating income	9	11

Pretax earnings	224	181
Income taxes	91	74

Earnings	\$133	\$107
=====		
PERFORMANCE DATA		
Return on equity	24%	25%
Operating margin (a)	40	36
Diluted earnings per share	\$2.04	\$1.65

</TABLE>

(a) Excludes the impact of fund administration and servicing costs - affiliates.

10-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP: The table below presents the income statement information included in 10-a. above in a format consistent with that used on a GAAP basis. In addition, the operating margin ratio as presented in the table has been reconciled to the ratio calculated on a GAAP basis as described in note (b) to the table below.

<TABLE>
<CAPTION>

Year ended December 31		
Dollars in millions	2002	2001
=====		
<S>	<C>	<C>
INCOME STATEMENT		
Investment advisory and administration fees	\$519	\$495
Other income	58	38

Total revenue	577	533
Operating expense	321	292
Fund administration and servicing costs	41	71

Total expense	362	363

Operating income	215	170
Nonoperating income (a)	9	11

Pretax earnings	224	181
Income taxes	91	74

Earnings	\$133	\$107
=====		
PERFORMANCE DATA		
Return on equity	24%	25%
Operating margin (b)	40	37
Diluted earnings per share	\$2.04	\$1.65

</TABLE>

(a) Net of nonoperating expense.

(b) (b) Calculated as operating income divided by total revenue less fund administration and servicing costs. A reconciliation of this presentation to operating margin calculated on a GAAP basis (operating income divided by total revenue) follows:

<TABLE>
<CAPTION>

Year ended December 31		
Dollars in millions	2002	2001
=====		
<S>	<C>	<C>
Operating income	\$215	\$170

Total revenue	\$577	\$533
Less fund administration and servicing costs	41	71

Revenue used for operating		

margin calculation, as reported	\$536	\$462
Operating margin, as reported	40%	37%
Operating margin, GAAP basis	37%	32%

</TABLE>

PNC believes that operating margin, as reported, is an effective indicator of management's ability to effectively employ BlackRock's resources. Fund administration and servicing costs have been excluded from the operating margin calculation because these costs are a fixed, asset-based expense which can fluctuate based on the discretion of a third party.

10

11-a. EXCERPT FROM PAGE 37, "REVIEW OF BUSINESSES," OF THE 2002 ANNUAL REPORT:

PFPC

<TABLE>
<CAPTION>

Year ended December 31	2002	2001
Dollars in millions		
=====	=====	=====
<S>	<C>	<C>
INCOME STATEMENT		
Fund servicing revenue	\$817	\$846
Operating expense	669	644
Goodwill amortization		40
(Accretion)/amortization of other intangibles, net	(19)	(15)
- - - - -		
Operating income	167	177
Nonoperating income (a)	10	14
Debt financing	88	94
Facilities consolidation and other charges	(19)	36
- - - - -		
Pretax earnings	108	61
Income taxes	43	25
- - - - -		
Earnings	\$65	\$36
=====	=====	=====

</TABLE>

(a) Net of nonoperating expense.

11-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP: The table below presents the income statement information included in 11-a. above in a format consistent with that used on a GAAP basis.

<TABLE>
<CAPTION>

Year ended December 31	2002	2001
Dollars in millions		
=====	=====	=====
<S>	<C>	<C>
INCOME STATEMENT		
Fund servicing revenue	\$817	\$846
Operating expense	650	720
(Accretion)/amortization of other intangibles, net	(19)	(15)
- - - - -		
Operating income	186	141
Nonoperating income (a)	10	14
Debt financing	88	94
- - - - -		
Pretax earnings	108	61
Income taxes	43	25
- - - - -		
Earnings	\$65	\$36
=====	=====	=====

</TABLE>

(a) Net of nonoperating expense.

12-a. EXCERPT FROM PAGE 64, FROM THE FIRST PARAGRAPH OF "2001 VERSUS 2000, CONSOLIDATED INCOME STATEMENT REVIEW, SUMMARY RESULTS," OF THE 2002 ANNUAL REPORT:

Consolidated net income for 2001 was \$377 million or \$1.26 per diluted share. Excluding the effect of adopting the new accounting standard for financial derivatives, net income was \$382 million or \$1.28 per diluted share compared with \$1.279 billion or \$4.31 per diluted share for 2000.

12-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:

The second sentence from the excerpt in 12-a. above does not quantify the impact of the adoption of the new accounting standard for financial derivatives, Statement of Financial Accounting Standards ("SFAS") No. 133. However, the after-tax charge of \$5 million that the Corporation recognized upon adoption of SFAS No. 133 in 2001 is disclosed in "Selected Consolidated Financial Data" and under "Financial And Other Derivatives" in the Risk Management portion of the Financial Review section of the 2002 Annual Report.

A reconciliation of 2001 net income (in millions) and the corresponding earnings per diluted share amounts as described in 12-a. above to the GAAP amounts follows:

<TABLE>
<CAPTION>

	NET INCOME	DILUTED EARNINGS PER SHARE
<S>	<C>	<C>
2001 net income, GAAP basis	\$377	\$1.26
After-tax charge related to the adoption of SFAS No. 133	5	.02
	----	-----
2001 net income, excluding impact of adoption of SFAS No. 133	\$382	\$1.28
	=====	=====

</TABLE>

13-a. EXCERPT FROM PAGE 64, "2001 VERSUS 2000, CONSOLIDATED INCOME STATEMENT REVIEW, NET INTEREST INCOME," OF THE 2002 ANNUAL REPORT:

Taxable-equivalent net interest income of \$2.278 billion for 2001 increased 4% compared with 2000 net interest income of \$2.182 billion.

13-b. DISCUSSION OF NON-GAAP FINANCIAL MEASURE AND RECONCILIATION TO GAAP:

See 1-b. of this Exhibit 99.1 for a description of taxable-equivalent net interest income and a reconciliation of 2001 and 2000 taxable-equivalent net interest income amounts to the corresponding amounts calculated in accordance with GAAP.

GLOSSARY OF TERMS

ACCOUNTING/ADMINISTRATION NET ASSETS - Domestic and foreign assets for which PNC provides accounting and administration services. These assets are not included in PNC's balance sheet.

ADJUSTED AVERAGE TOTAL ASSETS - Primarily comprised of total average quarterly assets plus (less) unrealized losses (gains) on available-for-sale debt securities, less goodwill and certain other intangible assets.

ANNUALIZED - Adjusted to reflect a full year of activity.

ASSETS UNDER MANAGEMENT - Assets held by PNC in a fiduciary capacity for customers/clients. These assets are not included in PNC's balance sheet.

ASSIGNED CAPITAL - Capital assignments based on management's assessment of inherent risks and equity levels at independent companies providing similar products and services in order to present, to the extent practicable, the financial results of each business as if the business operated on a stand-alone basis.

CHARGE-OFF - Process of removing a loan or portion of a loan from a bank's balance sheet because the loan is considered uncollectible. A charge-off also is recorded when a loan is transferred to held for sale and the loan's market value is less than its carrying amount prior to the transfer. This difference is a charge-off.

COMMON SHAREHOLDERS' EQUITY TO TOTAL ASSETS - Common shareholders' equity divided by total assets. Common shareholders' equity equals total shareholders' equity less preferred stock and the portion of capital surplus and retained interest related to the preferred stock.

CUSTODY ASSETS - Assets held on behalf of clients under safekeeping arrangements. Such assets are not reported in PNC's balance sheet. Assets held in custody accounts at other institutions on behalf of PNC are included in the appropriate asset categories as if held in the physical custody of PNC.

EARNING ASSETS - Assets that generate income, which include: short-term investments; loans held for sale; loans, net of unearned income; securities; federal funds sold and certain other assets.

EFFICIENCY RATIO - Noninterest expense divided by the sum of net interest income and noninterest income.

INSTITUTIONAL LENDING REPOSITIONING - A 2001 PNC strategic action taken to build a more diverse and valuable business mix designed to create shareholder value over time by reducing lending leverage and improving the risk/return characteristics of the banking business.

LEVERAGE RATIO - Tier 1 risk-based capital divided by adjusted average total assets.

NET INTEREST MARGIN - Annualized taxable-equivalent net interest income divided by average earning assets.

NONINTEREST INCOME TO TOTAL REVENUE - Total noninterest income divided by total revenue. Total noninterest income includes asset management, fund servicing, service charges on deposits, brokerage, consumer services, corporate services, equity management, net securities gains (losses) and other noninterest income. Total revenue includes total noninterest income plus net interest income.

NONPERFORMING ASSETS - Nonperforming assets include nonaccrual loans, troubled debt restructured loans, nonaccrual loans held for sale, foreclosed and other assets.

NONPERFORMING LOANS - Nonperforming loans include nonaccrual loans to commercial, lease financing, consumer, commercial real estate and residential mortgage customers as well as troubled debt restructured loans. Nonperforming loans do not include nonaccrual loans held for sale or foreclosed and other assets.

OPERATING MARGIN - Operating income divided by total revenue.

RETURN ON ASSIGNED CAPITAL - Annualized net income divided by assigned capital.

RETURN ON AVERAGE ASSETS - Annualized earnings divided by average assets. Earnings can be from net income or continuing operations, as indicated in PNC's disclosures.

RETURN ON AVERAGE EQUITY - Annualized earnings divided by average shareholders' equity. Earnings can be from net income or continuing operations, as indicated in PNC's disclosures.

RISK-WEIGHTED ASSETS - Primarily 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.

SECURITIZATION - The process by which financial assets are legally transformed into securities.

SHAREHOLDERS' EQUITY TO TOTAL ASSETS - Total shareholders' equity divided by total assets.

TAXABLE-EQUIVALENT INTEREST - 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 a taxable investment. In order to provide accurate comparisons of yields and margins for all earning assets, the interest income earned on tax-exempt assets is increased to make them fully equivalent to other taxable interest income investments.

TIER 1 AND TOTAL RISK-BASED CAPITAL - Terms used by The Board of Governors of the Federal Reserve System to describe the capital adequacy of a bank holding company. Refer to the Risk-Based Capital table within the Capital portion of the Consolidated Balance Sheet Review of the Financial Review section of the 2002 Annual Report for the components of risk-based capital.

TIER 1 RISK-BASED CAPITAL RATIO - Tier 1 risk-based capital divided by risk-weighted assets.

TOTAL ASSETS SERVICED - Domestic and foreign assets for which PNC provides mutual fund related services. These assets are not included in PNC's balance sheet.

TOTAL DEPOSITS - The sum of total transaction deposits, savings accounts, certificates of deposit, other time deposits and deposits in foreign offices.

TOTAL RISK-BASED CAPITAL RATIO - Total risk-based capital divided by risk-weighted assets.

TOTAL TRANSACTION DEPOSITS - The sum of noninterest-bearing demand deposits, interest-bearing demand deposits and money market accounts.