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

FORM 10-Q

(Mark One)

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

For the Quarterly Period Ended March 31, 1995

OR

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

For the transition period from __________________ to _______________________.

COMMISSION FILE NUMBER 1-9718

PNC BANK CORP.
(Exact name of registrant as specified in its charter)

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

ONE PNC PLAZA
FIFTH AVENUE AND WOOD STREET
PITTSBURGH, PENNSYLVANIA 15265
(Address of principal executive offices)
(Zip Code)

(412) 762-3900
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock ($5 par value): 228,536,110 shares outstanding at April 30, 1995.

Exhibit Index appears on page 5

PART I--FINANCIAL INFORMATION

ITEM 1. Financial Statements

The following consolidated financial information of PNC Bank Corp. and subsidiaries ("Corporation") is incorporated herein by reference to the 1995 First Quarter Corporate Financial Review ("Financial Review") which is filed herewith as Exhibit 99. Page references set forth below are to such Financial Review.

Financial Information	Page Reference
Consolidated Balance Sheet as of March 31, 1995 and December 31, 1994	22
Consolidated Statement of Income for the three months ended March 31, 1995 and 1994	23

Consolidated Statement of Cash Flows for the three months ended March 31, 1995 and 1994	24
Notes to Consolidated Financial Statements	25-29

</TABLE>

The statistical disclosure under the caption "Average Consolidated Balance Sheet and Net Interest Analysis" in the Financial Review at pages 30 and 31 is incorporated herein by reference. Certain other statistical disclosure is included below in Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, as permitted by Guide 3, Statistical Disclosures by Bank Holding Companies.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information contained under the caption "Corporate Financial Review" in the Financial Review at pages 2 through 21 is incorporated herein by reference.

PART II--OTHER INFORMATION

ITEM 1. Legal Proceedings

The Corporation's Annual Report on Form 10-K for the year ended December 31, 1994 includes a description of a purported class action lawsuit filed against the Corporation and two of its executive officers, alleging violations of federal securities laws and common law relating to certain disclosures. On May 2, 1995, the Corporation filed a motion to dismiss the consolidated complaint.

ITEM 6. Exhibits and Reports on Form 8-K

(a) The exhibits listed on the Exhibit Index on Page 5 of this Form 10-Q are filed herewith.

(b) A Current Report on Form 8-K dated as of April 17, 1995, was filed pursuant to Item 5 to report the Corporation's consolidated financial results for the three months ended March 31, 1995.

(c) A Current Report on Form 8-K was filed on, and dated as of, January 6, 1995, pursuant to Item 5 to report (i) certain actions taken by the Corporation to reduce its interest rate sensitivity; (ii) to announce a charge to earnings related to the cost of consolidating existing telephone banking centers and continued rationalization of the branch network; and (iii) the authorization by the Corporation's Board of Directors to purchase up to 24 million shares of the Corporation's common stock over the next two years.

(d) A Current Report on Form 8-K dated as of January 13, 1995, was filed on January 23, 1995, pursuant to Item 5 to report (i) the Corporation's consolidated financial results for the three months and twelve months ended December 31, 1994; and (ii) the completion of the acquisition of Indian River.

(e) A Current Report on Form 8-K dated as of February 28, 1995, was filed on March 14, 1995, pursuant to Item 5 to report (i) the completion of the acquisition of BlackRock; (ii) the completion of the acquisition of Brentwood; and (iii) the entering into a definitive agreement to acquire Chemical Bank New Jersey.

SIGNATURES

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 thereunto duly authorized.

PNC BANK CORP.

(Registrant)

Date: May 15, 1995 By /s/ Robert L. Haunschild

Robert L. Haunschild
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

EXHIBIT INDEX

The following exhibits are filed herewith:

11	Calculation of Primary and Fully Diluted Earnings Per Common Share.
12.1	Computation of Ratio of Earnings to Fixed Charges.
12.2	Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends.
27	Financial Data Schedule.
99	1995 First Quarter Corporate Financial Review.

EXHIBIT 11

<TABLE>
PNC BANK CORP. AND SUBSIDIARIES
CALCULATION OF PRIMARY AND FULLY DILUTED EARNINGS PER COMMON SHARE

<CAPTION>

Three months ended March 31 In thousands, except per share data	1995	1994
<S>	<C>	<C>
PRIMARY WEIGHTED AVERAGE COMMON SHARES OUTSTANDING		
Weighted average shares of common stock outstanding	231,408	234,863
Weighted average common shares to be issued using average market price and assuming exercise of stock options	1,181	1,835
Primary weighted average common shares outstanding	232,589	236,698
FULLY DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING		
Weighted average shares of common stock outstanding	231,408	234,863
Weighted average common shares to be issued using average market price or period-end market price, whichever is higher, and assuming:		
Conversion of preferred stock Series A & B	208	241
Conversion of preferred stock Series C	651	705
Conversion of preferred stock Series D	833	873
Conversion of debentures	69	75
Exercise of stock options	1,294	1,835
Fully diluted weighted average common shares outstanding	234,463	238,592
PRIMARY EARNINGS PER COMMON SHARE		
Net income	$125,651	$205,689
Less: Preferred dividends declared	393	419
Net income applicable to primary earnings per common share	$125,258	$205,270
Primary earnings per common share	$.54	$.87
FULLY DILUTED EARNINGS PER COMMON SHARE		
Net income	$125,651	$205,689
Add: Interest expense on convertible debentures (net of tax)	11	12
Net income applicable to fully diluted earnings per common share	$125,662	$205,701
Fully diluted earnings per common share	$.54	$.86

</TABLE>

EXHIBIT 12.1

<TABLE>
PNC BANK CORP. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

<CAPTION>

Dollars in thousands	Three months ended March 31, 1995	Year ended December 31 1994	1993	1992	1991	1990
EARNINGS						
Income before taxes and cumulative effect of changes in accounting principles	$183,708	$ 902,389	$1,116,612	$ 778,122	$ 548,201	$ 29,425
Fixed charges excluding interest on deposits	353,761	1,043,195	649,898	517,424	513,370	918,698
Subtotal	537,469	1,945,584	1,766,510	1,295,546	1,061,571	948,123
Interest on deposits	292,334	935,876	742,772	1,063,422	1,727,765	1,973,087
Total	$829,803	$2,881,460	$2,509,282	$2,358,968	$2,789,336	$2,921,210
FIXED CHARGES						
Interest on notes and debentures	$143,447	$ 515,732	$ 265,353	$ 145,125	$ 95,207	$ 84,045
Interest on borrowed funds	204,122	499,252	362,995	352,162	398,779	816,448
Amortization of notes and debentures	206	1,346	967	970	584	538
Interest component of rentals	5,986	26,865	20,583	19,167	18,800	17,667
Subtotal	353,761	1,043,195	649,898	517,424	513,370	918,698
Interest on deposits	292,334	935,876	742,772	1,063,422	1,727,765	1,973,087
Total	$646,095	$1,979,071	$1,392,670	$1,580,846	$2,241,135	$2,891,785
RATIO OF EARNINGS TO FIXED CHARGES						
Excluding interest on deposits	1.52x	1.87x	2.72x	2.50x	2.07x	1.03x
Including interest on deposits	1.28	1.46	1.80	1.49	1.24	1.01

</TABLE>

EXHIBIT 12.2

<TABLE>

PNC BANK CORP. AND SUBSIDIARIES

COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES

AND PREFERRED STOCK DIVIDENDS

<CAPTION>

	Three months ended	Year ended December 31				
Dollars in thousands	March 31, 1995	1994	1993	1992	1991	1990
<S>	<C>	<C>	<C>	<C>	<C>	<C>
EARNINGS						
Income before taxes and cumulative effect of changes in accounting principles..	$183,708	$ 902,389	$1,116,612	$ 778,122	$ 548,201	$ 29,425
Fixed charges and preferred stock dividends excluding interest on deposits.............	354,336	1,045,609	652,432	521,908	518,004	922,156
Subtotal..................................	538,044	1,947,998	1,769,044	1,300,030	1,066,205	951,581
Interest on deposits.........................	292,334	935,876	742,772	1,063,422	1,727,765	1,973,087
Total.....................................	$830,378	$2,883,874	$2,511,816	$2,363,452	$2,793,970	$2,924,668
FIXED CHARGES						
Interest on notes and debentures............	$143,447	$ 515,732	$ 265,353	$ 145,125	$ 95,207	$ 84,045
Interest on borrowed funds...................	204,122	499,252	362,995	352,162	398,779	816,448
Amortization of notes and debentures.........	206	1,346	967	970	584	538
Interest component of rentals................	5,986	26,865	20,583	19,167	18,800	17,667
Preferred stock dividend requirements........	575	2,414	2,534	4,484	4,634	3,458
Subtotal..................................	354,336	1,045,609	652,432	521,908	518,004	922,156
Interest on deposits.........................	292,334	935,876	742,772	1,063,422	1,727,765	1,973,087
Total.....................................	$646,670	$1,981,485	$1,395,204	$1,585,330	$2,245,769	$2,895,243
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS						
Excluding interest on deposits.............	1.52x	1.86x	2.71x	2.49x	2.06x	1.03x
Including interest on deposits.............	1.28	1.46	1.80	1.49	1.24	1.01

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This schedule contains summary financial information  extracted from
the consolidated financial information incorporated by reference to the 1995
First Quarter Corporate Financial Review which is filed  herewith as Exhibit 99
and is qualified in its entirety by reference to such financial information.

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Exhibit 99

FINANCIAL HIGHLIGHTS

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Three months ended March 31	1995	1994
<S>	<C>	<C>
FINANCIAL PERFORMANCE (Dollars in thousands, except per share data)		
Net interest income (taxable-equivalent basis)	$392,168	$505,804
Net income	125,651	205,689
Fully diluted earnings per common share	.54	.86
Return on average total assets	.83%	1.41%
Return on average common shareholders' equity	11.71	19.32
Net interest margin	2.72	3.68
After-tax profit margin	19.97	26.91
Overhead ratio	69.50	55.84
SELECTED AVERAGE BALANCES (In millions)		
Assets	$ 61,693	$ 58,966
Earning assets	57,448	55,182
Loans, net of unearned income	35,315	32,023
Securities	20,903	21,238
Deposits	33,052	31,737
Shareholders' equity	4,357	4,330

</TABLE>

<TABLE>
<CAPTION>

	MARCH 31 1995	December 31 1994	March 31 1994
<S>	<C>	<C>	<C>
SELECTED RATIOS			
Capital			
Risk-based capital			
Tier I	8.26%	8.62%	9.86%
Total	11.14	11.45	12.42
Leverage	6.26	6.59	7.15
Common shareholders' equity to total assets	7.04	6.82	6.97
Average common shareholders' equity to average total assets	7.03	7.09	7.31
Asset quality			
Net charge-offs to average loans	.24	.29	.29
Nonperforming loans to total loans	.85	.90	1.09
Nonperforming assets to total loans and foreclosed assets	1.25	1.25	1.56
Nonperforming assets to total assets	.72	.69	.85
Allowance for credit losses to total loans	2.75	2.83	2.94
Allowance for credit losses to nonperforming loans	324.94	314.17	269.60
Book value per common share			
As reported	$19.08	$18.76	$18.14
Excluding net unrealized securities losses	19.36	19.26	18.53

</TABLE>

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2 Corporate Financial Review   22 Consolidated Financial Statements
30 Average Consolidated Balance Sheet and Net Interest Analysis
32 Corporate Information

CORPORATE FINANCIAL REVIEW

THE FOLLOWING CORPORATE FINANCIAL REVIEW SHOULD BE READ IN CONJUNCTION WITH THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF PNC BANK CORP. AND SUBSIDIARIES ("CORPORATION") INCLUDED HEREIN AND THE CORPORATE FINANCIAL REVIEW AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS INCLUDED IN THE CORPORATION'S 1994 ANNUAL REPORT.

overview

Net income for the first quarter of 1995 was $125.7 million, or $.54 per fully diluted share, compared with $205.7 million, or $.86 per share, for the first quarter of 1994. Return on assets and return on common shareholders' equity were .83 percent and 11.71 percent, respectively, in the first quarter of 1995 compared with 1.41 percent and 19.32 percent a year ago.

Management took strategic actions in the latter part of 1994 to reduce sensitivity to significantly higher interest rates and to realign the Corporation's balance sheet. These actions substantially eliminated liability sensitivity at one year and mitigated the impact of significantly higher

interest rates on net interest income. Financial results for the first quarter of 1995 reflect the costs associated with these actions.

The Corporation's balance sheet realignment is expected to include further reductions of the securities portfolio and certain low-spread loans through scheduled maturities and repayments or sales. In connection with this downsizing, in January 1995 the board of directors authorized the purchase of up to 24 million common shares over a two-year period, or approximately 10 percent of shares outstanding at year-end 1994. During the first quarter of 1995, approximately 4.5 million shares were purchased by the Corporation pursuant to this plan.

In the first quarter of 1995, the nation's real gross domestic product grew at a preliminary annual rate of 2.8 percent according to the United States Commerce Department. The Federal Reserve has continued to exercise monetary policies designed to reduce inflationary pressures associated with the economic expansion. Based on recent economic indicators, management expects economic growth to slow throughout 1995, which may reduce inflationary pressures. As a result, management expects a modest increase in short-term interest rates during the remainder of 1995. Should interest rates increase more than anticipated or a flat yield curve persist, the Corporation's financial results would likely be adversely affected.

mergers and acquisitions

During the first quarter of 1995, the Corporation completed the acquisition of BlackRock Financial Management L.P. ("BlackRock"), a New York-based, fixed-income investment management firm with approximately $25 billion in assets under management at closing. The transaction was accounted for under the purchase method and the Corporation paid $71 million in cash and issued $169 million of unsecured notes.

The Corporation also acquired Indian River Federal Savings Bank, Vero Beach, Florida, and Brentwood Financial Corporation, Cincinnati, Ohio, for $33 million in cash. The acquisitions added assets and deposits of approximately $175 million and $140 million, respectively.

In addition, the Corporation announced a definitive agreement to acquire the Chemical Bank franchise in southern and central New Jersey. The transaction includes approximately $3.3 billion of assets and $2.9 billion of retail deposits and is expected to close by year-end 1995, pending regulatory approvals. The acquisition has an indicated value of approximately $500 million and will be accounted for under the purchase method.

During 1994, the Corporation completed the acquisitions of United Federal Bancorp, Inc., State College, Pennsylvania, and First Eastern Corp., Wilkes-Barre, Pennsylvania. The acquisitions added assets and deposits of $2.8 billion and $2.4 billion, respectively. In addition, in June 1994, the Corporation purchased a $10 billion residential mortgage servicing portfolio from the Associates Corporation of North America.

CORPORATE FINANCIAL REVIEW

income statement review

INCOME STATEMENT HIGHLIGHTS

<TABLE>
<CAPTION>

Three months ended March 31 Dollars in millions	1995	1994	Change Amount	Change Percent
Net interest income (taxable-equivalent basis)	$392	$506	$(114)	(22.5)%
Provision for credit losses		25	(25)	(100.0)
Noninterest income before securities transactions	236	228	8	3.4
Net securities gains	1	30	(29)	(95.9)
Noninterest expense	437	427	10	2.5
Net income	126	206	(80)	(38.9)

</TABLE>

NET INTEREST INCOME AND NET INTEREST MARGIN On a fully taxable-equivalent basis, net interest income for the first quarter of 1995 decreased $113.6 million, compared with the first quarter of 1994. A $2.3 billion increase in average earning assets was more than offset by a narrower net interest margin compared with the prior-year period.

NET INTEREST INCOME

<TABLE>
<CAPTION>

Three months ended Taxable-equivalent basis In millions	MARCH 31 1995	December 31 1994	March 31 1994
<S>	<C>	<C>	<C>
Net interest income before swaps and caps			
Interest income	$1,045	$1,027	$855
Loans fees	17	15	19
Taxable-equivalent adjustment	8	8	8
Total interest income	1,070	1,050	882
Interest expense	637	598	433
Net interest income before swaps and caps	433	452	449
Effect of swaps and caps on			
Interest income	(37)	(17)	21
Interest expense	4	2	(36)
Total swaps and caps	(41)	(19)	57
Net interest income	$ 392	$ 433	$506

</TABLE>

VOLUME/RATE ANALYSIS

<TABLE>
<CAPTION>

Three months ended March 31 1995 versus 1994 In millions	Increase (Decrease) Due to Changes in Volume	Rate	Rate/ Volume	Total
<S>	<C>	<C>	<C>	<C>
Interest income	$36	$ 140	$12	$ 188
Interest expense	24	168	12	204
Interest rate swaps and caps	3	(101)		(98)
Net interest income	21	(131)	(4)	$(114)

</TABLE>

Net interest income declined and net interest margin narrowed in the comparisons primarily due to the adverse impact of interest rate swaps and caps and the costs of actions taken in 1994 to reduce interest sensitivity and down size the securities portfolio. These factors are expected to continue to adversely impact net interest income and net interest margin in 1995. In addition, the Corporation's net interest income and margin continue to be adversely impacted by higher interest rates, competitive loan pricing, rising deposit and borrowing costs and changes in deposit composition.

NET INTEREST MARGIN

<TABLE>
<CAPTION>

Three months ended Taxable-equivalent basis	MARCH 31 1995	December 31 1994	March 31 1994
<S>	<C>	<C>	<C>
Interest rate spread before swaps and caps			
Book-basis yield on earning assets	7.29%	6.91%	6.23%
Effect of loan fees	.11	.10	.14
Taxable-equivalent adjustment	.06	.06	.06
Taxable-equivalent yield on earning assets	7.46	7.07	6.43
Rate on interest-bearing liabilities	5.13	4.64	3.69

Interest rate spread before swaps and caps	2.33	2.43	2.74
Effect of			
Noninterest-bearing sources	.67	.62	.48
Interest rate swaps and caps on			
Interest income	(.25)	(.12)	.16
Interest expense	.03	.01	(.30)
Total swaps and caps	(.28)	(.13)	.46
Net interest margin	2.72%	2.92%	3.68%

</TABLE>

PROVISION FOR CREDIT LOSSES The Corporation did not record a provision for credit losses in the first quarter of 1995. The provisions for credit losses was $25.0 million in the first quarter of 1994. Stronger economic conditions combined with management's ongoing attention to asset quality resulted in a stable level of nonperforming assets, lower net charge-offs, and a higher reserve coverage of nonperforming loans. Based on the current risk profile of the loan portfolio and assuming economic trends continue, management does not expect to record a provision for credit losses during the remainder of 1995. Should risk profile of the loan portfolio or the economy deteriorate, asset quality may be adversely impacted and a provision for credit losses may be required.

NONINTEREST INCOME Noninterest income before securities transactions increased 3.4 percent to $235.9 million in the first quarter of 1995. Excluding securities transactions, noninterest income was 37.6 percent of total revenue in the first quarter of 1995 compared with 31.1 percent a year earlier. Net securities gains totaled $1.3 million in the first quarter of 1995 compared with $30.4 million in the year-earlier period.

NONINTEREST INCOME

<TABLE>
<CAPTION>

Three months ended March 31 Dollars in thousands	1995	1994	Change Amount	Change Percent
Investment management and trust				
Trust	$ 50,967	$ 49,399	$ 1,568	3.2%
Mutual funds	28,173	23,568	4,605	19.5
Total investment management and trust	79,140	72,967	6,173	8.5
Service charges, fees and commissions				
Deposit account and corporate services	39,542	39,806	(264)	(.7)
Credit card and merchant services	14,175	12,920	1,255	9.7
Brokerage	9,243	8,677	566	6.5
Corporate finance	10,707	10,679	28	.3
Other services	17,757	15,820	1,937	12.2
Total service charges, fees and commissions	91,424	87,902	3,522	4.0
Mortgage banking				
Servicing	31,123	29,877	1,246	4.2
Sale of servicing	12,258	5,145	7,113	138.3
Marketing	1,269	2,870	(1,601)	(55.8)
Total mortgage banking	44,650	37,892	6,758	17.8
Other	20,645	29,398	(8,753)	(29.8)
Total noninterest income before securities transactions	235,859	228,159	7,700	3.4
Net securities gains	1,254	30,392	(29,138)	(95.9)
Total	$237,113	$258,551	$(21,438)	(8.3)%

</TABLE>

CORPORATE FINANCIAL REVIEW

INVESTMENT MANAGEMENT AND TRUST

<TABLE>
<CAPTION>

	Assets at March 31						Revenue for the three months ended March 31	
	Discretionary		Nondiscretionary		Total			
In millions	1995	1994	1995	1994	1995	1994	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Personal and charitable	$23,266	$23,940	$ 10,986	$ 9,280	$ 34,252	$ 33,220	$36	$36
Institutional	20,683	5,755	33,706	71,971	54,389	77,726	15	13
Total trust	43,949	29,695	44,692	81,251	88,641	110,946	51	49
Mutual funds	35,830	22,777	89,506	57,154	125,336	79,931	28	24
Total	$79,779	$52,472	$134,198	$138,405	$213,977	$190,877	$79	$73

</TABLE>

Investment management and trust revenue increased 8.5 percent to $79.1 million primarily due to the BlackRock acquisition which was completed on February 28, 1995. On an annualized basis, BlackRock is expected to increase investment management and trust revenue by approximately 20 percent.

Total trust and mutual funds assets increased $23.1 billion to $214.0 billion at March 31, 1995. BlackRock added approximately $25 billion in discretionary assets, $15 billion of which are institutional funds and the remainder are mutual funds. At March 31, 1995, the composition of total discretionary assets was 45 percent fixed-income, 32 percent money market, 22 percent equity and one percent other assets. The PNC Family of Funds is included in the discretionary mutual funds category. Assets in these funds totaled $5.6 billion at March 31, 1995 compared with $4.0 billion a year ago. Nondiscretionary assets declined in the comparison as a decline in institutional trust custody business was partially offset by the addition of mutual fund custody services.

Service charges, fees and commissions increased $3.5 million, or 4.0 percent, to $91.4 million, primarily due to acquisitions and growth in brokerage and other consumer-related fees.

In April 1995, the Corporation announced an agreement with First Data Corporation/Card Services Group and Card Issuer Program Management Corporation to provide marketing expertise and processing technology designed to increase the Corporation's share of the credit card business. Fee income and operating expenses related to the credit card business are each expected to be reduced by approximately $20 million during the remainder of 1995 as a result of this relationship.

Mortgage banking income increased $6.8 million to $44.7 million primarily due to gains from sales of servicing totaling $12.3 million in the first quarter of 1995 compared with $5.1 million in the prior-year period.

MORTGAGE SERVICING PORTFOLIO

<TABLE>
<CAPTION>

In millions	1995	1994
<S>	<C>	<C>
Balance at January 1	$40,966	$35,527
Originations	921	2,033
Acquisitions	64	461
Repayments	(836)	(2,284)
Sales	(1,128)	(488)
Balance at March 31	$39,987	$35,249

</TABLE>

During the first quarter of 1995, the Corporation funded $921 million of

residential mortgages, approximately 89 percent of which represented new financing. PNC Mortgage directly originated 63 percent of total volume in 1995. At March 31, 1995, the Corporation's mortgage servicing portfolio totaled $40.0 billion, including $28.6 billion serviced for others. The servicing portfolio had a weighted-average coupon rate of 7.90 percent, an unamortized carrying value of $307 million and an estimated fair value of $513 million.

Other noninterest income decreased $8.8 million primarily due to lower venture capital income and lower gains from sales of assets.

NONINTEREST EXPENSE Noninterest expense totaled $437.4 million in the first quarter of 1995 compared with $426.8 million in the first quarter of 1994. The increase was due to acquisitions. Excluding acquisitions, noninterest expense decreased 3.6 percent in the comparison.

NONINTEREST EXPENSE

<TABLE>
<CAPTION>
Three months ended March 31

Dollars in thousands	1995	1994	Change Amount	Change Percent
Compensation	$163,107	$ 164,792	$(1,685)	(1.0)%
Employee benefits	38,751	42,107	(3,356)	(8.0)
Total staff expense	201,858	206,899	(5,041)	(2.4)
Net occupancy	34,704	32,420	2,284	7.0
Equipment	34,146	32,862	1,284	3.9
Amortization of intangible assets	21,146	19,560	1,586	8.1
Federal deposit insurance	18,376	18,176	200	1.1
Taxes other than income	12,057	11,096	961	8.7
Other	115,092	105,833	9,259	8.7
Total	$437,379	$ 426,846	$10,533	2.5%

</TABLE>

The overhead ratio was 69.5 percent in the first quarter of 1995 compared with 55.8 percent in the year-earlier period. The higher overhead ratio primarily reflects the impact of lower net interest income.

Staff expense decreased 2.4 percent in the year-to-year comparison primarily due to lower staff levels. Average full-time equivalent employees decreased to approximately 20,300 for the first quarter of 1995 compared with approximately 21,000 a year ago. The impact of approximately 1,300 employees added from acquisitions was more than offset by lower staffing in the Consumer Banking line of business. The Mass Market sector experienced reductions due to centralization and branch rationalization initiatives. Mortgage Banking benefitted from the consolidation of operations centers and efficiencies gained from the use of technology. Pension and postretirement benefit expense declined $4.2 million due to lower staff levels and a higher discount rate used to estimate pension obligations.

Amortization of intangibles increased $1.6 million as higher amortization of goodwill from acquisitions was partially offset by the impact of slower mortgage prepayments on the amortization of mortgage servicing rights. The increase in the remaining noninterest expense categories was primarily due to acquisitions.

line of business results

The management accounting process uses various methods of balance sheet and income statement allocations, transfers and assignments to evaluate the performance of various business units. Unlike financial accounting, there is no comprehensive, authoritative body of guidance for management accounting equivalent to generally accepted accounting principles. The following information is based on management accounting practices which conform to and support the management structure of the Corporation and is not necessarily comparable with similar information for any other financial services institution. Designations, assignments, and allocations may change from time to time as the management accounting system is enhanced and business or product lines change. In 1995, the Corporation realigned its line of business management structure along customer segments. The principal change was segregating the trust business, previously managed separately, into the corporate and consumer banking organizations, as applicable. In addition, consistent with the Corporation's strategic focus and balance sheet realignment, asset/liability management has been redefined as a support function for the core lines of

business. Results for the first quarter of 1994 are presented on a basis consistent with this new structure.

For management reporting purposes, the Corporation has designated three lines of business: Corporate Banking, Consumer Banking, and Asset Management. The financial results presented in this section reflect each line of business as if it operated on a stand-alone basis. Securities or borrowings, and related interest rate spread, have been assigned to each line of business based on its net asset or liability position. Consumer Banking and Asset Management were net generators of funds and, accordingly, were assigned securities, while Corporate Banking received an assignment of borrowings as a net asset generator. An assignment of securities is accompanied by an assignment of equity in accordance with the methodology described below. The interest rate spread on the remaining securities, the impact of financial derivatives, and securities transactions are excluded from line of business results and

are reported separately in asset/liability management activities.

Capital is assigned to each business unit based on management's assessment of inherent risks. Equity levels at independent companies that provide products and services similar to those provided by the respective business unit are also considered. Capital assignments are not equivalent to risk-based capital guidelines and the total amount assigned may vary from consolidated shareholders' equity.

LINE OF BUSINESS HIGHLIGHTS

<TABLE>
<CAPTION>

Three months ended March 31	Average Balance Sheet		Revenue		Earnings		Return on Assigned Equity	
Dollars in millions	1995	1994	1995	1994	1995	1994	1995	1994
Corporate Banking								
Large Corporate	$ 3,877	$ 3,494	$ 37	$ 53	$ 12	$ 24	10%	25%
Middle Market	10,906	9,860	139	136	39	55	11	17
Equity Management	186	169	4	12	2	7	15	58
Total Corporate Banking	14,969	13,523	180	201	53	86	11	20
Consumer Banking								
Private Banking	1,045	844	57	51	9	8	26	33
Mass Market	25,609	23,891	304	272	57	50	17	14
Mortgage Banking	11,268	10,094	93	93	13	12	11	13
Total Consumer Banking	37,922	34,829	454	416	79	70	16	15
Asset Management	246	241	36	30	9	7	57	50
Total lines of business	53,137	48,593	670	647	141	163	14	18
Asset/liability management activities	8,964	9,517	(27)	112	(19)	70		
Unallocated provision					13	(19)		
Other unallocated items	(408)	856	(24)	(3)	(9)	(8)		
Total	$61,693	$58,966	$619	$756	$126	$206	12%	19%

</TABLE>

Total earnings contributed by the lines of business were $141 million in the first quarter of 1995 compared with $163 million in the first quarter of 1994. The decline, attributable to Corporate Banking, primarily resulted from an increase in the allocated provision for credit losses which was negative in the

prior-year period. Line of business earnings differ from reported consolidated net income in both periods due to asset/liability management activities, differences between specific reserve allocations to the lines of business and the consolidated provision for credit losses, and certain unallocated revenues and expenses. The decline in consolidated earnings was primarily due to the impact of interest rate swaps and caps, and lower net securities gains which are reported in asset/liability management activities.

CORPORATE BANKING Corporate Banking provides traditional financing, liquidity and treasury management, corporate and employee benefit trust, capital markets, direct investment and other financial services to businesses and governmental entities. It serves customers within the Corporation's primary markets as well as from a network of offices located in major U.S. cities. Corporate Banking includes: Large Corporate--customers having annual sales of more than $250 million; Middle Market--customers with annual sales of $5 million to $250 million and those in certain specialized industries such as real estate, communications, health care, natural resources, leasing and automobile dealer finance; and Equity Management--private equity investments.

Corporate Banking provided 38 percent of line of business earnings in the first quarter of 1995 compared with 53 percent in the first quarter of 1994. Large Corporate earnings declined in 1995 as the benefit of an increase in average loans was more than offset by the impact of narrower spreads in the loan portfolio and the benefit from resolution of a problem asset a year ago that negatively affected the comparison. Middle Market earnings declined primarily due to a higher provision for credit losses in 1995 compared with a negative provision a year ago resulting from a significant reduction of problem assets.

CONSUMER BANKING Consumer Banking provides lending, deposit, personal trust, brokerage and investment, payment system access and other financial services to consumers and small businesses. It provides services through a network of community banking and mortgage offices, alternative delivery systems such as ATMs and telephone banking, and regional banking centers offering a wide-array of products at a single point of contact. Consumer Banking includes: Private Banking--affluent consumers and charitable organizations with specialized banking requirements; Mass Market--small business customers having annual sales of up to $5 million and all other consumers who use traditional branch and direct banking services; and Mortgage Banking--residential and loan origination, acquisition and servicing activities and residential mortgage loans held in portfolio.

The earnings contribution from Consumer Banking increased to 56 percent in the first quarter of 1995 from 43 percent a year ago. Earnings from Private Banking increased in the first quarter of 1995 as the benefit from loan growth, new trust business and higher brokerage fees more than offset expense growth from continued resource investment in this sector. Mass Market earnings benefitted from an increase in average loans and deposits as a result of acquisitions and a greater assigned value for core deposits in the higher interest rate environment in 1995. Mortgage Banking continued to operate in an environment characterized by significantly reduced volumes. Earnings increased as the impact of lower originations was more than offset by the benefit of an increase in portfolio loans and higher gains on sales of mortgage servicing rights.

ASSET MANAGEMENT Asset Management provides trust and mutual fund investment management, strategy, and research, and asset servicing for institutional and family wealth customers. It serves customers through one unified money management organization.

Asset Management contributed 6 percent of line of business earnings in the first quarter of 1995 compared with 4 percent a year ago. Asset management earnings increased primarily due to a higher level of managed mutual fund assets, and growth in fund accounting and administrative services business. BlackRock is expected to increase earnings of this line of business during the remainder of 1995.

balance sheet review

AVERAGE ASSETS

<TABLE>
<CAPTION>

Three months ended In millions	MARCH 31 1995	December 31 1994	March 31 1994
<S>	<C>	<C>	<C>
Assets	$61,693	$62,952	$58,966
Earning assets	57,448	59,173	55,182
Loans, net of			

unearned income	35,315	34,955	32,023
Securities	20,903	22,923	21,238

</TABLE>

LOANS Average loans for the first quarter of 1995 increased 10.3 percent over the comparable period in 1994, to $35.3 billion. Acquisitions increased the loan portfolio primarily in the Consumer Banking line of business. Excluding the impact of acquisitions, average loans increased 6.2 percent. The proportion of average loans to average earning assets increased to 61.5 percent in the first quarter of 1995 compared with 58.0 percent a year ago. Management expects this ratio to increase further in 1995 as a result of loan growth and a decline in the securities portfolio.

The Corporation manages credit risk associated with its lending activities through underwriting policies and procedures, portfolio diversification and loan monitoring practices. The loan portfolio composition did not change significantly since year-end 1994.

LOAN PORTFOLIO COMPOSITION

<TABLE>
<CAPTION>

Percent of gross loans	MARCH 31 1995	December 31 1994	March 31 1994
<S>	<C>	<C>	<C>
Commercial	34.3%	34.9%	38.2%
Real estate project	4.6	4.6	5.0
Real estate mortgage			
Residential	27.8	26.0	24.0
Commercial	3.4	3.5	3.1
Total real estate mortgage	31.2	29.5	27.1
Consumer	24.9	25.8	25.4
Other	5.0	5.2	4.3
Total	100.0%	100.0%	100.0%

</TABLE>

At March 31, 1995, loan outstandings and net unfunded commitments increased $2.2 billion, or 3.6 percent, since year-end 1994. Unfunded commitments are net of participations and syndications.

In addition, the Corporation had letters of credit outstanding totaling $4.4 billion and $4.3 billion at March 31, 1995 and December 31, 1994, respectively, consisting primarily of standby letters of credit.

Total commercial loan outstandings declined $104 million from year-end 1994, reflecting a reduction in certain low-spread loans. Growth in commercial unfunded commitments was broad based and increased $1.6 billion, or 8.6 percent, in the comparison.

Total real estate project exposure increased slightly since year-end 1994. Real estate projects primarily consist of retail and office, multi-family, hotel/motel and residential projects. Approximately 72 percent of total outstandings are located in the Corporation's primary markets. The remaining projects are geographically dispersed throughout the United States.

Real estate mortgage outstandings increased 6.3 percent primarily due to acquisitions and portfolio management strategies. As part of its overall asset/liability management strategy, the Corporation retains certain originated residential mortgage products in the loan portfolio. The remainder of its originations are securitized and sold.

Consumer loan outstandings totaled $9.0 billion at March 31, 1995 compared with $9.2 billion at year-end 1994. The decline was primarily due to a planned reduction in indirect automobile loans.

LOANS

<TABLE>
<CAPTION>

	MARCH 31, 1995		December 31, 1994	
In millions	OUTSTANDINGS	NET UNFUNDED COMMITMENTS	Outstandings	Net Unfunded Commitments
<S>	<C>	<C>	<C>	<C>

Commercial				
Manufacturing	$ 2,375	$ 6,217	$ 2,434	$ 6,011
Retail/Wholesale	2,352	2,412	2,148	2,123
Service providers	1,512	1,506	1,534	1,384
Communications				
Cable	711	209	691	215
Telephone/cellular	290	1,106	285	923
Other	161	181	125	93
Total communications	1,162	1,496	1,101	1,231
Financial services	521	2,750	691	2,502
Real estate related	651	192	610	180
Health care	676	1,025	606	958
Public utilities	171	1,153	254	1,079
Other	2,921	3,793	3,067	3,447
Total commercial	12,341	20,544	12,445	18,915
Real estate project				
Construction and development	429	261	394	254
Medium-term financings	1,214	41	1,234	56
Total real estate project	1,643	302	1,628	310
Real estate mortgage				
Residential	9,990	1,049	9,283	769
Commercial	1,222	19	1,261	19
Total real estate mortgage	11,212	1,068	10,544	788
Consumer				
Home equity	2,576	1,513	2,625	1,761
Automobile	2,419		2,534	
Student	1,304	5	1,258	30
Credit card	804	3,575	817	3,423
Other	1,871	351	1,953	330
Total consumer	8,974	5,444	9,187	5,544
Other	1,790	998	1,843	917
Unearned income	(236)		(240)	
Total, net of unearned income	$35,724	$28,356	$35,407	$26,474

</TABLE>

SECURITIES The securities portfolio declined $714 million from year-end 1994 to $20.2 billion at March 31, 1995. Securities represented 35.5 percent of earning assets at March 31, 1995 compared with 36.3 percent at December 31, 1994 and 37.5 percent a year ago. As part of the Corporation's balance sheet realignment, management anticipates a continued reduction in the securities portfolio through scheduled maturities and anticipated repayments or sales. As a result of the balance sheet realignment, the securities portfolio is expected to represent approximately 30 percent of earning assets by the end of 1995.

At March 31, 1995, the securities portfolio included $11.3 billion and $2.6 billion of collateralized mortgage obligations and mortgage-backed securities, respectively. The characteristics of these investments include principal guarantees, primarily by U.S. Government agencies, marketability, and availability as collateral for additional liquidity. The expected lives of mortgage-related securities can vary as a result of changes in interest rates. The Corporation monitors the impact of this risk through the use of an income simulation model as part of the asset/liability management process.

Other U.S. Government agencies securities and asset-backed private placements represent AAA-rated, variable-rate instruments. The interest rates on these instruments float with various indices and are limited by periodic and maximum caps. These securities have an initial specified term at the end of which the maturity may be extended or called at the option of the issuer. Other debt securities consist primarily of private label collateralized mortgage obligations.

<TABLE>
<CAPTION>
SECURITIES

	MARCH 31, 1995				December 31, 1994			
		UNREALIZED				Unrealized		
In millions	AMORTIZED COST	GAINS	LOSSES	FAIR VALUE	Amortized Cost	Gains	Losses	Fair Value
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Investment securities								
Debt securities								
U.S. Treasury	$1,795		$37	$1,758	$1,794		$93	$1,701
U.S. Government agencies and corporations								
Mortgage-related	10,643		632	10,011	10,920		1,025	9,895
Other	1,000		15	985	1,000		28	972
State and municipal	344	$19	1	362	348	$12	2	358
Asset-backed private placements	1,597		7	1,590	1,597		33	1,564
Other debt								
Mortgage-related	700		21	679	726		43	683
Other	675		8	667	769		20	749
Other	316	1		317	310	1		311
Total	$17,070	$20	$721	$16,369	$17,464	$13	$1,244	$16,233
Securities available for sale								
Debt securities								
U.S. Treasury	$324		$3	$321	$401		$8	$393
U.S. Government agencies and corporations								
Mortgage-related	1,890	$19	21	1,888	2,161		69	2,092
Other	25		3	22	25		4	21
Other debt								
Mortgage-related	703		6	697	749		17	732
Other	113	1	6	108	117	$2		119
Corporate stocks and other	104	1	4	101	105	1	6	100
Total	$3,159	$21	$43	$3,137	$3,558	$3	$104	$3,457

</TABLE>

Securities available for sale are recorded at fair value in the consolidated balance sheet and net unrealized gains or losses, net of tax, are reflected as an adjustment to shareholders' equity. The Corporation may sell such securities as part of the overall asset/liability management process should market conditions or other factors warrant. Gains and losses from such transactions would be reflected in results of operations.

The table below sets forth the expected maturity distribution of the securities portfolio as of March 31, 1995. Mortgage-related securities and other instruments are distributed based on expected weighted average lives determined by historical experience.

The expected weighted average life of the securities portfolio was 3 and one-half years at March 31, 1995 compared with 4 years at year-end 1994.

EXPECTED MATURITY DISTRIBUTION OF SECURITIES

Dollars in millions	1995	1996	1997 and beyond	Total	Weighted Average Life
Investment securities					
Debt securities					
U.S. Treasury			$ 1,795	$ 1,795	3.8 yr
U.S. Government agencies and corporations					
Mortgage-related	$ 1,361	$ 1,577	7,705	10,643	3.7
Other		1,000		1,000	1.3
State and municipal	14	22	308	344	9.1
Asset-backed private placements		1,347	250	1,597	1.5
Other debt					
Mortgage-related	65	95	540	700	2.5
Other	236	237	202	675	1.4
Other			316	316	NM
Total investment securities	1,676	4,278	11,116	17,070	3.3
Securities available for sale					
Debt securities					
U.S. Treasury	56	226	39	321	1.5
U.S. Government agencies and corporations					
Mortgage-related	239	271	1,378	1,888	5.4
Other		5	17	22	2.8
Other debt					
Mortgage-related	102	120	475	697	3.7
Other	3	3	102	108	6.5
Corporate stocks and other			101	101	NM
Total securities available for sale	400	625	2,112	3,137	4.6
Total	$ 2,076	$ 4,903	$13,228	$20,207	3.5 yr
Percent of total	10.3%	24.3%	65.4%	100.0%	
Securities with interest rates that are					
Fixed	$ 1,757	$ 2,190	$11,077	$15,024	
Variable	319	2,713	2,151	5,183	

NM--not meaningful

AVERAGE FUNDING SOURCES

<TABLE>
<CAPTION>

Three months ended In millions	MARCH 31 1995	December 31 1994	March 31 1994
<S>	<C>	<C>	<C>
Deposits	$33,052	$33,409	$31,737
Borrowed funds	13,328	11,642	11,543
Notes and debentures	9,736	12,593	10,142
Shareholders' equity	4,357	4,386	4,330

</TABLE>

FUNDING SOURCES Average deposits increased $1.3 billion, or 4.1 percent, compared with the first quarter of 1994 primarily due to acquisitions. Average noninterest-bearing sources were 13.0 percent of total funding sources during the first quarter of 1995 compared with 14.1 percent a year ago.

FUNDING SOURCES

<TABLE>
<CAPTION>

In millions	MARCH 31 1995	December 31 1994
<S>	<C>	<C>
Deposits		
Demand, savings and money market	$17,798	$19,313
Time	14,012	13,100
Foreign	1,131	2,598
Total deposits	32,941	35,011
Borrowed funds		
Repurchase agreements	7,059	3,785
Treasury, tax and loan	886	1,989
Federal funds purchased	2,928	2,181
Commercial paper	825	1,226
Other	2,082	2,427
Total borrowed funds	13,780	11,608
Notes and debentures		
Bank notes	6,815	8,825
Federal Home Loan Bank	1,287	1,384
Other	1,497	1,545
Total notes and debentures	9,599	11,754
Total	$56,320	$58,373

</TABLE>

Total deposits at March 31, 1995 decreased $2.1 billion, or 5.9 percent, since year-end 1994. Demand, savings and money market deposits declined $1.5 billion to $17.8 billion and time deposits increased $912 million to $14.0 billion at March 31, 1995. The change in deposit composition was primarily due to customers shifting to higher rate deposit products.

Brokered deposits totaled $2.4 billion at March 31, 1995 compared with $2.8 billion at December 31, 1994. Retail brokered deposits are issued or participated-out by brokers in denominations of $100,000 or less. Such deposits represented 75.0 percent of the total brokered at March 31, 1995 compared with 77.2 percent at year-end 1994.

The change in the composition of borrowed funds and notes and debentures reflects asset/liability management activities to utilize less costly sources of funds. In addition, the Corporation extended the maturity structure of approximately $15.5 billion of interest-bearing funding sources that matured in the first quarter of 1995. These initiatives were achieved through a variety of funding sources, primarily repurchase agreements and term Federal funds, with maturities ranging from six months to one year.

CAPITAL Acquisition capability, funding alternatives, new business activities, deposit insurance costs, and the level and nature of expanded regulatory oversight depend in large part on a banking institution's capital strength. The minimum regulatory capital ratios are 4.00 percent for Tier I, 8.00 percent for total risk-based and 3.00 percent for leverage. However, regulators may require higher capital levels when a bank's particular circumstances warrant. To be classified as well capitalized, regulators require capital ratios of 6.00 percent for Tier I, 10.00 percent for total risk-based and 5.00 percent for leverage. At March 31, 1995, the capital position of each bank affiliate was classified as well capitalized.

RISK-BASED CAPITAL AND CAPITAL RATIOS

Dollars in millions	MARCH 31 1995	December 31 1994
CAPITAL COMPONENTS		
Shareholders' equity	$4,390	$ 4,394
Goodwill	(622)	(373)
Net unrealized securities losses	65	119
Total Tier I risk-based capital	3,833	4,140
Subordinated debt	752	752
Eligible allowance for credit losses	585	605
Total risk-based capital	$5,170	$ 5,497
ASSETS		
Risk-weighted assets and off-balance-sheet instruments	$46,401	$48,007
Average tangible assets	61,175	62,842
CAPITAL RATIOS		
Tier I risk-based capital	8.26%	8.62%
Total risk-based capital	11.14	11.45
Leverage	6.26	6.59

Shareholders' equity declined slightly at March 31, 1995 compared with year-end 1994 primarily due to the impact of the Corporation's share repurchase program. Goodwill increased in the comparison due to the acquisition of BlackRock in February 1995. The pending acquisition of Chemical Bank New Jersey is not expected to significantly impact capital ratios.

In January 1995, the board of directors approved a stock repurchase program which authorized the Corporation to purchase up to 24 million additional common shares over the next two years. As of March 31, 1995, approximately 4.5 million shares were purchased by the Corporation pursuant to this plan at an average price of $24.14 per share.

The Corporation maintains its capital positions primarily through the issuance of debt and equity instruments, its dividend policy and retained earnings.

risk management

The Corporation's ordinary course of business involves varying degrees of risk taking, two of the most significant of which are interest rate risk and credit risk. In order to manage these risks, the Corporation has risk management processes designed to provide for risk identification, measurement, monitoring and control.

INTEREST RATE RISK Interest rate risk is the sensitivity of net interest income and the market value of financial instruments to the magnitude, direction and frequency of changes in interest rates. Interest rate risk results from various repricing frequencies, changes in the relationship or spread between interest rates and the maturity structure of assets, liabilities, and off-balance-sheet positions. Asset/liability management uses a variety of investments, funding sources and off-balance-sheet instruments in managing the overall interest rate risk profile of the Corporation. A number of tools are used to measure interest rate risk including income simulation modeling and interest sensitivity ("gap") analyses.

A dynamic income simulation model is the primary mechanism used by management to measure interest rate risk. The primary purpose of the simulation model is to assess the direction and magnitude of the impact of most likely (a "base case" which management believes is reasonably likely to occur) and higher and lower ("alternative") interest rate scenarios on net interest income.

The results of the simulation model are highly dependent on numerous assumptions. These assumptions generally fall into two categories: those relating to the interest rate environment and those relating to general business and economic factors. Assumptions related to the interest rate environment include the level of various interest rates, the shape of the yield curve, and the relationship among these factors as rates change. Also included are other rate-related factors, such as prepayment speeds on mortgage-related assets and the cash flows and maturities of financial instruments including index-amortizing interest rate swaps. Assumptions related to general business and economic factors include changes in market conditions, loan volumes and pricing, deposit sensitivity, customer preferences, competition, and management's financial and capital plans. The assumptions are developed based on

current business and asset/liability management strategies, historical experience, the current economic environment, forecasted economic conditions and other analyses. These assumptions are inherently uncertain and subject to change as time passes. Accordingly, they are updated on at least a quarterly basis and will not necessarily provide a precise estimate of net interest income or the impact of higher or lower interest rates.

Using these assumptions, the model simulates net interest income under the base case scenario and evaluates the relative risk of changes in interest rates by simulating the impact on net interest income of gradual parallel shifts in interest rates of 100 basis points higher and lower than the base case scenario. In such alternative scenarios, certain assumptions that are directly dependent on the interest rate environment are adjusted for the respective higher or lower interest rate environment. Other assumptions related to general and economic factors are held constant with those developed for the base case scenario. As a result, the alternative interest rate scenarios indicate what may happen to net interest income if interest rates were to change to the levels of the higher and lower scenarios but do not predict what may happen to net interest income if business and economic assumptions are not realized.

Actual results will differ from the simulated results of the base case scenario and of each alternative scenario due to various factors including timing, direction, magnitude and fre-

quency of interest rate changes, the relationship or spread between various interest rates, changes in market conditions, loan volumes and pricing, deposit sensitivity, customer preferences, competition, and the actual interaction of the numerous assumptions. In addition, the actual results will be affected by the impact of mergers or acquisitions and business and asset/ liability management strategies that differ from those assumed in the model. While the simulation model measures the relative risk of changes in interest rates on net interest income, the actual impact on net interest income could exceed or be less than the amounts projected in the base case and in each alternative scenario. If interest rates exceed those assumed in the high alternative scenario, or if interest rates are less than those assumed in the low alternative scenario, the actual impact on net interest income could further differ from the simulated results.

Based on recent economic indicators, management expects economic growth in 1995 to be at a slower pace than recently experienced. The slower economic growth may reduce inflationary pressures and, accordingly, the Federal Reserve may be less aggressive with respect to increases in interest rates during 1995 compared with 1994. The simulated results of management's base case scenario for 1995 are consistent with previously reported expectations.

The following table sets forth interest rates for the periods indicated including management's base case scenario and the industry consensus for the twelve months ended March 31, 1996 as reported in the Blue Chip Financial Forecasts.

INTEREST RATES

[CAPTION]
<TABLE>

<S>	March 1995 <C>	Base case scenario: December 1995 <C>	Base case scenario: March 1996 <C>	Industry Consensus Average for Twelve Months Ended March 1996 <C>
Federal funds	6.00%	6.50%	6.50%	6.23%
3-month LIBOR	6.28	6.75	6.75	6.50
5-year U.S. Treasury Note	7.05	7.40	7.40	7.10
Spread between Fed funds and 5-year Treasury	105bp	90bp	90bp	87bp

</TABLE>

The Corporation's current base case scenario assumes a 50 basis point increase in the Federal funds rate in September 1995.

The results of the simulation model include the impact of actions taken by management during the latter part of 1994 to reduce the adverse impact of interest rates significantly above the base case scenario. The model also includes the impact of management's plans to reduce further the securities portfolio, through scheduled maturities and repayments, and to repurchase common stock. The model does not reflect the impact of pending acquisitions.

If interest rates increase evenly over the next four quarters by 100 basis points more than the base case scenario, the simulation model projects net interest income would decline from the base case scenario by 3.6 percent. Conversely, if interest rates decline by 100 basis points, net interest income would exceed the base case scenario by 3.3 percent.

In addition to the simulation model, management performs an interest

sensitivity (gap) analysis which represents a point-in-time net position of assets, liabilities and off-balance-sheet instruments subject to repricing in specified time periods. A cumulative liability-sensitive gap position indicates liabilities are expected to reprice more quickly than assets over a specified time period. Alternatively, a cumulative asset-sensitive gap position indicates assets are expected to reprice more quickly than liabilities. The gap analysis alone does not accurately measure the magnitude of changes in net interest income since changes in interest rates over time do not impact all categories of assets, liabilities and off-balance-sheet instruments equally or simultaneously. The liability sensitivity of the cumulative one-year gap position was 1.9 percent of total earning assets at March 31, 1995, compared with 1.5 percent at December 31, 1994, and 19.1 percent a year ago.

FINANCIAL DERIVATIVES As part of its overall asset/liability management process, the Corporation enters into or may terminate off-balance-sheet financial derivatives positions. Substantially all such instruments are used to manage interest rate risk and consist of interest rate swaps, interest rate caps, and futures and forward contracts.

Interest rate swaps are agreements with a counterparty to exchange periodic interest payments that are calculated on a notional principal amount. Interest rate swaps, including those with index-amortizing features are used to alter the repricing characteristics of interest-bearing assets or liabilities.

Interest rate caps are agreements where, for a fee, the counterparty agrees to pay the Corporation the amount, if any, by which a specified market interest rate exceeds a defined cap rate, up to a contractually specified limit, applied to a notional amount.

Futures contracts are agreements to purchase or sell a financial instrument at a specified future date, quantity and price or yield. Futures contracts are standardized contractual terms traded on organized exchanges.

Forward contracts provide for the delivery of financial instruments at a specified future date and at a specified price or yield. The Corporation uses forward contracts to manage interest rate risk associated with its mortgage banking activities. Commitments to purchase and sell forward contracts totaled $311 million and $532 million, respectively, at March 31, 1995. Substantially all contracts mature within 90 days.

Financial derivatives involve, to varying degrees, interest rate and credit risks in excess of the amount recognized in the balance sheet. The Corporation manages overall interest rate risk, including that related to financial derivatives, as part of its asset/liability management process. Financial derivatives are also subject to the Corporation's credit policies and procedures.

FINANCIAL DERIVATIVES

[CAPTION]
<TABLE>

In millions March 31, 1995	Notional Value	Positive Fair Value	Notional Value	Negative Fair Value	Total Notional Value
Interest rate swaps					
Receive-fixed	$ 219	$ 6	$11,281	$ (393)	$11,500
Pay-fixed	2,045		5,423	(130)	7,468
Basis swap	440				440
Total swaps	2,704	6	16,704	(523)	19,408
Interest rate caps	5,500	69			5,500
Eurodollar futures	2,500				2,500
Total	$10,704	$ 75	$16,704	$ (523)	$27,408
December 31, 1994					
Interest rate swaps					
Receive-fixed	$ 119	$ 4	$11,375	$ (772)	$11,494
Pay-fixed	5,060	26	658	(19)	5,718
Total swaps	5,179	30	12,033	(791)	17,212
Interest rate caps	5,500	132			5,500
Total	$10,679	$162	$12,033	$ (791)	$22,712

</TABLE>

The Corporation is currently considering various alternatives regarding

financial derivatives, including termination of certain contracts. Fair values of financial derivatives are estimates of amounts that would be received or paid upon termination of such contracts. Such fair values are not recorded in the Corporation's financial statements. Under current accounting guidance, if the interest rate swaps or futures are terminated, the net loss would be deferred and amortized over the shorter of the remaining original life of the agreements or the designated instrument. Upon termination of the interest rate caps, any losses, measured by the difference between the unamortized premium, $118.3 million at March 31, 1995, and the estimated fair value, would be recognized immediately. If the underlying designated instruments are no longer reflected in the financial statements, a net loss would be recognized immediately for derivatives related to such instruments.

Substantially all receive-fixed swaps are index amortizing and are primarily associated with commercial loans and deposits. The Corporation receives payments based on fixed interest rates and makes payments based on floating money market indices, primarily one-month and 3-month LIBOR. The notional values of the receive-fixed swaps amortize on predetermined dates and in predetermined amounts based on market movements of the designated index, which are primarily 3-year U.S. Treasury constant maturities and 3-month LIBOR. The Corporation's swaps do not contain leverage or any similar features. In management's base case scenario, substantially all index-amortizing swaps would fully extend. Should interest rates remain at current levels, or decline, expected lives will decline as the swaps begin to amortize.

Approximately $5.0 billion of the Corporation's pay-fixed interest rate swaps are associated with collateralized mortgage and U.S. Treasury obligations in the investment securities portfolio. The Corporation receives payments based on floating money market indices, primarily 3-month LIBOR, and pays fixed interest rates. Substantially all of these pay-fixed swaps mature by the end of 1998. During the first quarter of 1995, the Corporation entered into forward start, pay-fixed interest rate swap contracts with a $2.0 billion notional value to alter the repricing characteristics of overnight borrowings. The Corporation pays 6.20 percent and receives the average Federal funds rate over the term of the contracts. The contracts were effective April 3, 1995 and mature June 30, 1995.

During the first quarter of 1995, the Corporation entered into a "basis swap" with a notional value of $440 million to modify the interest rate characteristics of one-year bank notes.

The bank notes bear interest based on the 6-month Treasury bill index. Under this swap, the Corporation receives payments based on the 6-month Treasury bill index and makes payments based on 1-month LIBOR. The contract matures in February 1996.

FINANCIAL DERIVATIVES ACTIVITY

<TABLE>
<CAPTION>

Notional value In millions	January 1 1995	Additions	Maturities/ Amortization	March 31 1995
Interest rate swaps				
Receive-fixed	$11,494	$ 100	$ (94)	$11,500
Pay-fixed	5,718	2,000	(250)	7,468
Basis swaps		440		440
Interest rate caps	5,500			5,500
Eurodollar futures		2,500		2,500
Total	$22,712	$5,040	$(344)	$27,408

</TABLE>

In November 1994, the Corporation paid a $129.6 million premium for interest rate caps with a notional value of $5.5 billion associated with fixed-rate collateralized mortgage obligations in the investment securities portfolio. The caps require the counterparty to pay the Corporation the excess of 3-month LIBOR over a specified cap rate, currently 6.00 percent, computed quarterly, applied to the notional value of the contracts. At March 31, 1995, 3-month LIBOR was 6.25 percent. The cap rate adjusts to 6.50 percent during the fourth quarter of 1995 and the contracts expire during the fourth quarter of 1997. The agreements limit the amount payable to the Corporation to 150 basis points over the cap rate. The effect of these caps is to modify the interest rate characteristics of certain fixed-rate collateralized mortgage obligations to be variable within certain ranges.

In March 1995, the Corporation sold June 1995 Eurodollar futures contracts with a notional value of $2.5 billion. The futures contracts hedge interest rate risk associated with the anticipated rollover of approximately $2.5 billion of short-term borrowings maturing in June 1995.

For interest rate swaps and caps, interest payments and with respect to caps,

the premium, are exchanged; therefore, cash requirements and exposure to credit risk are significantly less than the notional principal amounts. The Corporation seeks to minimize the credit risk associated with its interest rate swaps and caps activities primarily by entering into transactions with only a select number of high-quality institutions, establishing credit limits with counterparties and, where applicable, requiring segregated collateral or bilateral netting agreements. Eurodollar futures are traded on a regulated exchange and settlement of gains and losses occurs daily; therefore there is minimal credit risk to the Corporation.

During the first quarter of 1995, interest rate swaps and caps negatively affected net interest income by $40.8 million compared with a benefit of $56.7 million in 1994. Based on its base case scenario, and as reflected in the results of the simulation model, management expects interest rate swaps and caps will continue to adversely impact net interest income in 1995.

The following table sets forth the maturity distribution of the notional value of interest rate swaps, assuming management's base case interest rate scenario and the associated weighted average interest rates on the instruments maturing in the respective year. Variable rates paid or received are subject to change as the underlying index floats with changes in the market.

MATURITY DISTRIBUTION OF INTEREST RATE SWAPS

<TABLE>
<CAPTION>

Dollars in millions	1995	1996	1997	1998	1999 and beyond	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Receive-fixed						
Notional value	$2,294	$3,256	$5,292	$ 658		$11,500
Weighted average fixed interest rate received	6.05%	5.48%	5.38%	5.04%		5.52%
Weighted average variable interest rate paid	6.41	6.41	5.70	5.75		6.05
Pay-fixed						
Notional value	$2,070	$ 165	$1,040	$4,050	$ 143	$ 7,468
Weighted average variable interest rate received	6.18%	6.37%	5.77%	5.75%	5.75%	5.87%
Weighted average fixed interest rate paid	6.27	7.50	7.90	7.93	9.59	7.49

</TABLE>

CREDIT RISK Credit risk represents the possibility that a customer or counter party may not perform in accordance with contractual terms. Credit risk is inherent in the lending business and results from extending credit to customers, purchasing securities, and entering into certain off-balance-sheet financial instruments. The Corporation seeks to manage credit risk through diversification, utilizing exposure limits to any single industry or customer, requiring collateral and selling participations to third parties.

NONPERFORMING ASSETS

<TABLE>
<CAPTION>

Dollars in millions	March 31 1995	December 31 1994
<S>	<C>	<C>
Nonaccrual loans		
Commercial	$129	$143
Real estate project	71	70
Real estate mortgage	94	97
Total nonaccrual loans	294	310
Restructured loans	8	9
Total nonperforming loans	302	319
Foreclosed assets		
Real estate project	89	77
Real estate mortgage	32	26
Other	24	24
Total foreclosed assets	145	127

Total	$447	$446
Nonperforming loans to total loans	.85%	.90%
Nonperforming assets to total loans and foreclosed assets	1.25	1.25
Nonperforming assets to total assets	.72	.69

</TABLE>

The following table sets forth changes in nonperforming assets during the first quarter of 1995.

CHANGE IN NONPERFORMING ASSETS

<TABLE>
<CAPTION>

In millions	1995
<S>	<C>
Balance at January 1	$446
Transferred from accrual	95
Acquisitions	1
Returned to performing	(10)
Principal reductions	(56)
Sales	(8)
Charge-offs and valuation adjustments	(21)
Balance at March 31	$447

</TABLE>

Accruing loans contractually past due 90 days or more as to the payment of principal or interest totaled $161 million at March 31, 1995 compared with $148 million at December 31, 1994. Residential mortgages and student loans totaling $57 million and $30 million, respectively, were included in the total at March 31, 1995 compared with $50 million and $36 million, respectively, at year-end 1994.

ALLOWANCE FOR CREDIT LOSSES In determining the adequacy of the allowance for credit losses, the Corporation allocates reserves to specific problem loans based on a collectibility review and pools of watchlist and non-watchlist loans for various credit risk factors. Effective January 1, 1995, the Corporation adopted Statement of Financial Accounting Standards ("SFAS") No. 114, "Accounting by Creditors for Impairment of a Loan," as amended by SFAS No. 118. Under this Standard, the Corporation estimates a portion of the allowance for credit losses on impaired loans based on the present value of expected cash flows or the fair value of the underlying collateral if the loan repayment is expected to come from the sale or operation of such collateral.

The allowance for credit losses totaled $981 million at March 31, 1995 compared with $1.0 billion at December 31, 1994. The allowance as a percentage of period-end loans and nonperforming loans was 2.75 percent and 324.9 percent, respectively, at March 31, 1995. The comparable year-end 1994 amounts were 2.83 percent and 314.2 percent, respectively.

CHARGE-OFFS AND RECOVERIES

<TABLE>
<CAPTION>

Dollars in millions Three months ended March 31, 1995	Charge-offs	Recoveries	Net Charge-offs	Percent of Average Loans
<S>	<C>	<C>	<C>	<C>
Commercial	$17	$ 9	$ 8	.27%
Real estate project	1		1	.25
Real estate mortgage	4	1	3	.11
Consumer	18	8	10	.45
Total	$40	$18	$22	.24%
Three months ended March 31, 1994				
Commercial	$12	$ 7	$ 5	.18%

Real estate project	3		3	.71
Real estate mortgage	6	1	5	.22
Consumer	17	7	10	.48
Total	$38	$15	$23	.29%

</TABLE>

Annualized net charge-offs as a percentage of average loans were .24 percent for the first quarter of 1995 compared with .29 percent in the corresponding 1994 period.

LIQUIDITY RISK Liquidity represents an institution's ability to generate cash or otherwise obtain funds at reasonable rates to satisfy commitments to borrowers and demands of depositors and debtholders, and invest in other strategic initiatives. Liquidity risk represents the inability to generate cash or otherwise obtain funds at reasonable rates to satisfy commitments to borrowers, as well as the obligations to depositors and debtholders. Liquidity is managed through the coordination of the relative maturities of assets, liabilities and off-balance-sheet positions and is enhanced by the ability to raise funds in capital markets.

Liquid assets consist of cash and due from banks, short-term investments, loans held for sale and securities available for sale. At March 31, 1995, such assets totaled $6.8 billion. Liquidity is also provided by residential mortgages which may be used as collateral for funds obtained through the Federal Home Loan Bank system and by mortgage-related securities available as collateral for securities sold under agreements to repurchase. At March 31, 1995, approximately $5.2 billion of residential mortgages were available as collateral for borrowings from the Federal Home Loan Bank system. Mortgage-related securities available as collateral for securities sold under agreements to repurchase totaled $3.5 billion at March 31, 1995. The planned reduction in the securities portfolio and related wholesale funding sources is not expected to materially affect overall liquidity.

Liquidity for the parent company and its affiliates is also generated through the issuance of securities in public or private markets, lines of credit and dividends from subsidiaries. Under effective shelf registration statements at March 31, 1995, the Corporation had available $140 million of debt, $300 million of preferred stock and $350 million of securities that may be issued as either debt or preferred stock. In addition, the Corporation had a $300 million unused committed line of credit. Funds obtained from any of these sources can be used for both bank and nonbank activities. In addition to current parent company funds, the funding for pending or potential acquisitions may include the issuance of instruments that qualify as regulatory capital, such as preferred stock or subordinated debt.

Management believes the Corporation has sufficient liquidity to meet its current obligations to customers, debtholders and others. The impact of replacing maturing liabilities is reflected in the income simulation model used in the Corporation's overall asset/liability management process. At March 31, 1995, the model assumed rising interest rates and a resulting higher cost of replacement funding.

CONSOLIDATED BALANCE SHEET

<TABLE>
<CAPTION>

Dollars in millions, except par values	MARCH 31 1995	December 31 1994
<S>	<C>	<C>
ASSETS		
Cash and due from banks	$ 2,699	$ 2,592
Short-term investments	533	809
Loans held for sale	437	487
Securities available for sale	3,137	3,457
Investment securities, fair value of $16,369 and $16,233	17,070	17,464
Loans, net of unearned income of $236 and $240	35,724	35,407
Allowance for credit losses	(981)	(1,002)
Net loans	34,743	34,405
Other	3,475	4,931
Total assets	$62,094	$64,145
LIABILITIES		
Deposits		
Noninterest-bearing	$ 6,578	$ 6,992
Interest-bearing	26,363	28,019

Total deposits	32,941	35,011
Borrowed funds		
Federal funds purchased	2,928	2,181
Repurchase agreements	7,059	3,785
Commercial paper	825	1,226
Other	2,968	4,416
Total borrowed funds	13,780	11,608
Notes and debentures	9,599	11,754
Accrued expenses and other liabilities	1,384	1,378
Total liabilities	57,704	59,751
SHAREHOLDERS' EQUITY		
Preferred stock - $1 par value		
Authorized: 17,592,735 and 17,601,524 shares		
Issued and outstanding: 912,177 and 920,966 shares		
Aggregate liquidation value: $19	1	1
Common stock - $5 par value		
Authorized: 450,000,000 shares		
Issued: 236,249,010 and 236,063,418 shares	1,181	1,180
Capital surplus	463	462
Retained earnings	3,062	3,018
Deferred ESOP benefit expense	(83)	(83)
Net unrealized securities losses	(65)	(119)
Common stock held in treasury at cost: 7,126,985 and 2,814,910 shares	(169)	(65)
Total shareholders' equity	4,390	4,394
Total liabilities and shareholders' equity	$62,094	$64,145

</TABLE>

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF INCOME

<TABLE>
<CAPTION>

Three months ended March 31 In thousands, except per share data	1995	1994
<S>	<C>	<C>
INTEREST INCOME		
Loans and fees on loans	$ 707,039	$572,836
Securities	295,423	295,808
Other	21,621	26,460
Total interest income	1,024,083	895,104
INTEREST EXPENSE		
Deposits	292,334	200,004
Borrowed funds	204,121	96,737
Notes and debentures	143,654	101,022
Total interest expense	640,109	397,763
Net interest income	383,974	497,341
Provision for credit losses		25,015
Net interest income less provision for credit losses	383,974	472,326
NONINTEREST INCOME		
Investment management and trust	79,140	72,967
Service charges, fees and commissions	91,424	87,902
Mortgage banking	44,650	37,892
Net securities gains	1,254	30,392
Other	20,645	29,398
Total noninterest income	237,113	258,551
NONINTEREST EXPENSE		
Staff expense	201,858	206,899
Net occupancy and equipment	68,850	65,282

Other	166,671	154,665
Total noninterest expense	437,379	426,846
Income before income taxes	183,708	304,031
Applicable income taxes	58,057	98,342
Net income	$ 125,651	$205,689
EARNINGS PER COMMON SHARE		
Primary	$ .54	$ .87
Fully diluted	.54	.86
CASH DIVIDENDS DECLARED PER COMMON SHARE	.35	.32
AVERAGE COMMON SHARES OUTSTANDING		
Primary	232,589	236,698
Fully diluted	234,463	238,592

</TABLE>

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

<TABLE>
<CAPTION>

Three months ended March 31 In millions	1995	1994
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net income	$ 126	$ 206
Adjustments to reconcile net income to net cash provided by operating activities		
Provision for credit losses		25
Depreciation, amortization and accretion	62	56
Deferred income taxes	29	(8)
Net securities gains	(1)	(30)
Net gain on sales of assets	(10)	(19)
Valuation adjustments on assets, net of gains on sales	1	(5)
Changes in		
Loans held for sale	62	448
Other		(641)
Net cash provided by operating activities	269	32
INVESTING ACTIVITIES		
Net change in loans	(298)	(143)
Repayment		
Securities available for sale	107	955
Investment securities	408	1,242
Sales		
Securities available for sale	614	6,166
Loans	102	537
Foreclosed assets	8	25
Purchases		
Securities available for sale	(281)	(5,651)
Investment securities	(12)	(2,360)
Loans	(30)	(10)
Net cash paid for acquisitions	(68)	(129)
Other	1,895	161
Net cash provided by investing activities	2,445	793
FINANCING ACTIVITIES		
Net change in		
Noninterest-bearing deposits	(445)	(171)
Interest-bearing deposits	(1,825)	(508)
Federal funds purchased	744	(674)
Sale/issuance		
Repurchase agreements	27,845	38,805
Commercial paper	1,179	608
Other borrowed funds	26,620	25,983
Notes and debentures	1,354	820
Common stock	7	8
Redemption/maturity		
Repurchase agreements	(24,571)	(38,611)
Commercial paper	(1,580)	(691)
Other borrowed funds	(28,075)	(25,386)
Notes and debentures	(3,682)	(210)

Net acquisition of treasury stock	(96)	(4)
Cash dividends paid to shareholders	(82)	(75)
Net cash used by financing activities	(2,607)	(106)
INCREASE IN CASH AND DUE FROM BANKS	107	719
Cash and due from banks at beginning of year	2,592	1,817
Cash and due from banks at end of period	$ 2,699	$ 2,536

</TABLE>

See accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

accounting policies

BUSINESS PNC Bank Corp. provides a full range of banking and related financial services through its subsidiaries to consumers, small businesses and corporate customers and is subject to intense competition from other financial services companies with respect to these services and customers. PNC Bank Corp. is also subject to the regulations of certain federal and state agencies and undergoes periodic examinations by such regulatory authorities.

BASIS OF FINANCIAL STATEMENT PRESENTATION The unaudited consolidated interim financial statements have been prepared in accordance with generally accepted accounting principles and include the accounts of PNC Bank Corp. and its subsidiaries ("Corporation"), substantially all of which are wholly owned. In the opinion of management, the financial statements reflect all adjustments, which are of a normal recurring nature, necessary for a fair statement of the results for the interim periods presented.

In preparing the unaudited consolidated interim financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenses for the period. Actual results could differ from such estimates.

The notes included herein should be read in conjunction with the audited consolidated financial statements included in the Corporation's 1994 Annual Report.

ALLOWANCE FOR CREDIT LOSSES Effective January 1, 1995, the Corporation adopted Statement of Financial Accounting Standards ("SFAS") No. 114, "Accounting by Creditors for Impairment of a Loan," as amended by SFAS No. 118. Under this Standard, the Corporation estimates credit losses on impaired loans based on the present value of expected cash flows or the fair value of the underlying collateral if the loan repayment is expected to come from the sale or operation of such collateral. For purposes of this Standard, nonaccrual and restructured commercial, real estate project and commercial real estate loans are considered to be impaired. Prior to 1995, the credit losses related to these loans were estimated based on undiscounted cash flows or the fair value of the underlying collateral.

The allowance is maintained at a level believed by management to be sufficient to absorb estimated potential credit losses. Management's determination of the adequacy of the allowance is based on periodic evaluations of the credit portfolio and other relevant factors. This evaluation is inherently subjective as it requires material estimates, including the amounts and timing of expected future cash flows on impaired loans, which may be susceptible to significant change. The allowance for credit losses on impaired loans pursuant to SFAS No. 114 is one component of the methodology for determining the allowance for credit losses. The remaining components of the allowance for credit losses provide for estimated losses on consumer loans and residential real estate mortgages, and general amounts for historical loss experience, uncertainties in estimating losses and inherent risks in the various credit portfolios.

NONPERFORMING ASSETS Foreclosed assets are comprised of property acquired through a foreclosure proceeding or acceptance of a deed-in-lieu of foreclosure and loans where the Corporation has possession of the underlying collateral. Foreclosed assets are recorded as other assets in the consolidated balance sheet.

The interest collected on impaired loans is recognized on the cash basis or cost recovery method depending on the collectibility of the loans.

FINANCIAL DERIVATIVES The Corporation uses off-balance-sheet financial derivatives as part of its overall asset/liability management process. Substantially all of such instruments are used to manage interest rate risk and consist of interest rate swaps, interest rate caps, and futures and forward contracts.

Futures contracts, which are used to manage interest rate risk, are

commitments to either purchase or sell a financial instrument at a future date for a specified price and are settled in cash. To qualify for hedge accounting, the futures contract must be designated as a hedge of an asset, liability, firm commitment or anticipated transaction exposing the Corporation to interest rate risk and the futures contract must reduce such risk. For anticipated transactions, the significant characteristics and expected terms of the anticipated transaction must be identified and the anticipated transaction must be probable of

occurring. Under hedge accounting, gains and losses on futures contracts are deferred and included in the carrying value of related assets and liabilities. The deferred gains and losses are amortized as a yield adjustment over the expected life of the hedged instrument. If the hedged instruments are disposed of, the unamortized deferred gains or losses are included in the determination of the gain/loss on the disposition of such instruments.

EARNINGS PER COMMON SHARE Primary earnings per common share is calculated by dividing net income adjusted for preferred stock dividends declared by the sum of the weighted average number of shares of common stock outstanding and the number of shares of common stock which would be issued assuming the exercise of stock options during each period.

Fully diluted earnings per common share is based on net income adjusted for interest expense, net of tax, on outstanding convertible debentures and dividends declared on nonconvertible preferred stock. The weighted average number of shares of common stock outstanding is increased by the assumed conversion of outstanding convertible preferred stock and convertible debentures from the beginning of the year or date of issuance, if later, and the number of shares of common stock which would be issued assuming the exercise of stock options. Such adjustments to net income and the weighted average number of shares of common stock outstanding are made only when such adjustments dilute earnings per common share.

mergers and acquisitions

During the first quarter of 1995, the Corporation completed the acquisition of BlackRock Financial Management L.P., a New York-based, fixed-income investment management firm with approximately $25 billion in assets under management at closing. The transaction was accounted for under the purchase method and the Corporation paid $71 million in cash and issued $169 million of unsecured notes. In connection with this acquisition, the Corporation recorded $239 million of intangible assets.

The Corporation also acquired Indian River Federal Savings Bank, Vero Beach, Florida, and Brentwood Financial Corporation, Cincinnati, Ohio, for $33 million in cash. The acquisitions added assets and deposits of approximately $175 million and $140 million, respectively.

In addition, the Corporation announced a definitive agreement to acquire the Chemical Bank franchise in southern and central New Jersey. The transaction includes approximately $3.3 billion of assets and $2.9 billion of retail deposits and is expected to close by year-end 1995, pending regulatory approvals. The acquisition has an indicated value of approximately $500 million and will be accounted for under the purchase method.

During 1994, the Corporation completed the acquisitions of United Federal Bancorp, Inc., State College, Pennsylvania, and First Eastern Corp., Wilkes-Barre, Pennsylvania. The acquisitions added assets and deposits of $2.8 billion and $2.4 billion, respectively. In addition, in June 1994, the Corporation purchased a $10 billion residential mortgage servicing portfolio from the Associates Corporation of North America.

cash flows

For purposes of the statement of cash flows, the Corporation defines cash and due from banks as cash and cash equivalents. During the first quarter of 1995 and 1994, interest paid on deposits and other contractual debt obligations was $705.3 million and $422.1 million, respectively. Income tax refunds of $47.6 million were received during the first quarter of 1995, and income taxes of $34.5 million were paid in the prior-year period. Loans transferred to foreclosed assets aggregated $24.8 million in 1995 and $9.4 million in the first quarter of 1994.

The table below sets forth information pertaining to acquisitions which affect the statement of cash flows for the three months ended March 31, 1995 and 1994.

<TABLE>
<CAPTION>

Three months ended March 31 In millions	1995	1994
<S>	<C>	<C>
Assets acquired	$517	$944
Liabilities assumed	410	788
Cash paid	107	156

Cash and due from banks received	39	27

</TABLE>

In addition, the Corporation issued $169 million of unsecured notes in connection with the BlackRock acquisition.

securities

The following table sets forth the amortized cost, unrealized gains and losses, and the fair value of the securities portfolio at March 31, 1995 and December 31, 1994.

<TABLE>

<CAPTION>

SECURITIES

	MARCH 31, 1995				December 31, 1994			
		UNREALIZED				Unrealized		
In millions	AMORTIZED COST	GAINS	LOSSES	FAIR VALUE	Amortized Cost	Gains	Losses	Fair Value
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Investment securities								
Debt securities								
U.S. Treasury	$ 1,795		$ 37	$ 1,758	$ 1,794		$ 93	$ 1,701
U.S. Government agencies and corporations								
Mortgage-related	10,643		632	10,011	10,920		1,025	9,895
Other	1,000		15	985	1,000		28	972
State and municipal	344	$19	1	362	348	$12	2	358
Asset-backed private placements	1,597		7	1,590	1,597		33	1,564
Other debt								
Mortgage-related	700		21	679	726		43	683
Other	675		8	667	769		20	749
Other	316	1		317	310	1		311
Total	$17,070	$20	$721	$16,369	$17,464	$13	$1,244	$16,233
Securities available for sale								
Debt securities								
U.S. Treasury	$324		$ 3	$321	$ 401		$ 8	$ 393
U.S. Government agencies and corporations								
Mortgage-related	1,890	$19	21	1,888	2,161		69	2,092
Other	25		3	22	25		4	21
Other debt								
Mortgage-related	703		6	697	749		17	732
Other	113	1	6	108	117	$ 2		119
Corporate stocks and other	104	1	4	101	105	1	6	100
Total	$ 3,159	$21	$ 43	$ 3,137	$ 3,558	$ 3	$ 104	$ 3,457

</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

nonperforming assets

Nonperforming assets are comprised of nonaccrual and restructured loans, and foreclosed assets. These assets were as follows:

In millions	MARCH 31 1995	December 31 1994
Nonaccrual loans	$294	$310
Restructured loans	8	9
Total nonperforming loans	302	319
Foreclosed assets	145	127
Total nonperforming assets	$447	$446

Information with respect to impaired loans and the related allowance determined in accordance with SFAS No. 114 is set forth below.

In millions	MARCH 31 1995
Impaired loans	
With a related allowance for credit losses	$ 148
Without a related allowance for credit losses	97
Total impaired loans	$ 245
Allowance for credit losses	$ 25
Average recorded investment	256

During the first quarter of 1995, interest income recognized on impaired loans was $474 thousand.

allowance for credit losses

The following table presents changes in the allowance for credit losses:

In millions	1995	1994
Balance at January 1	$1,002	$972
Charge-offs	(40)	(38)
Recoveries	18	15
Net charge-offs	(22)	(23)
Provision for credit losses		25
Acquisitions	1	6
Balance at March 31	$ 981	$980

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

notes and debentures

Notes and debentures consisted of the following:

<TABLE>
<CAPTION>
MARCH 31 DECEMBER 31

In millions	1995	1994
<S>	<C>	<C>
BANKING SUBSIDIARIES		
Bank notes	$6,815	$ 8,825
Federal Home Loan Bank	1,287	1,384
Student Loan Marketing Association	300	500
Other	182	
Total banking subsidiaries	8,584	10,709
OTHER SUBSIDIARIES		
Senior notes	164	164
Subordinated notes	746	746
ESOP borrowing	101	110
Other	4	25
Total other subsidiaries	1,015	1,045
Total	$9,599	$11,754

</TABLE>

Notes and debentures have scheduled repayments for the years 1995 through 1999 and thereafter of $6.9 billion, $1.2 billion, $65 million, $153 million, and $1.3 billion, respectively. In April 1995, the Corporation issued $350 million of 7.875 percent unsecured subordinated bank notes due in 2005.

financial derivatives

The notional value of financial derivatives and the related fair values were comprised of the following:

<TABLE>
<CAPTION>

In millions March 31, 1995	Notional Value	Positive Fair Value	Notional Value	Negative Fair Value	Total Notional Value
<S>	<C>	<C>	<C>	<C>	<C>
Interest rate swaps					
Receive-fixed	$ 219	$ 6	$11,281	$ (393)	$11,500
Pay-fixed	2,045		5,423	(130)	7,468
Basis swap	440				440
Total swaps	2,704	6	16,704	(523)	19,408
Interest rate caps	5,500	69			5,500
Eurodollar futures	2,500				2,500
Total	$10,704	$ 75	$16,704	$ (523)	$27,408
December 31, 1994					
Interest rate swaps					
Receive-fixed	$ 119	$ 4	$11,375	$ (772)	$11,494
Pay-fixed	5,060	26	658	(19)	5,718
Total swaps	5,179	30	12,033	(791)	17,212
Interest rate caps	5,500	132			5,500
Total	$10,679	$162	$12,033	$ (791)	$22,712

</TABLE>

STATISTICAL INFORMATION

AVERAGE CONSOLIDATED BALANCE SHEET AND NET INTEREST ANALYSIS

<TABLE>
<CAPTION>

Taxable-equivalent basis	1995 FIRST QUARTER			1994 Fourth Quarter		
Average balances in millions, interest in thousands	AVERAGE BALANCES	INTEREST	AVERAGE YIELDS/RATES	Average Balances	Interest	Average Yields/Rates
<S>	<C>	<C>	<C>	<C>	<C>	<C>

ASSETS						
Interest-earning assets						
Short-term investments	$ 771	$ 12,411	6.53%	$ 771	$ 11,115	5.72%
Mortgages held for sale	412	8,469	8.23	477	8,884	7.45
Securities						
U.S. Treasury	2,176	20,810	3.88	2,174	24,394	4.45
U.S. Government agencies and corporations	14,110	198,622	5.63	15,930	243,014	6.10
State and municipal	347	8,864	10.23	352	9,239	10.49
Other debt	3,955	65,196	6.59	4,153	65,047	6.27
Corporate stocks and others	315	4,856	6.25	314	4,903	6.25
Total securities	20,903	298,348	5.72	22,923	346,597	6.04
Loans, net of unearned income						
Commercial	12,129	241,853	7.98	12,311	222,072	7.16
Real estate project	1,619	38,305	9.46	1,670	35,668	8.47
Real estate mortgage	10,882	204,069	7.50	10,236	184,382	7.21
Consumer	9,023	200,355	9.01	9,061	195,334	8.55
Other	1,662	27,726	6.72	1,677	27,847	6.62
Total loans, net of unearned income	35,315	712,308	8.10	34,955	665,303	7.57
Other interest-earning assets	47	741	6.38	47	617	5.25
Total interest-earning assets/interest income	57,448	1,032,277	7.21	59,173	1,032,516	6.95
Noninterest-earning assets						
Allowance for credit losses	(1,000)			(1,026)		
Cash and due from banks	2,147			2,308		
Other assets	3,098			2,497		
Total assets	$61,693			$62,952		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-bearing liabilities						
Interest-bearing deposits						
Demand	$ 3,310	17,378	2.13	$ 3,496	17,782	2.02
Savings	2,284	14,540	2.58	2,406	14,474	2.39
Money market	6,025	53,517	3.60	6,546	52,241	3.17
Other time	13,616	181,407	5.39	13,048	166,843	5.07
Deposits in foreign offices	1,702	25,492	5.99	1,447	19,759	5.42
Total interest-bearing deposits	26,937	292,334	4.39	26,943	271,099	3.99
Borrowed funds						
Federal funds purchased	2,132	31,382	5.97	2,621	35,272	5.34
Repurchase agreements	6,859	103,037	6.01	4,677	59,477	5.05
Commercial paper	1,078	15,639	5.88	1,443	19,340	5.32
Other	3,259	54,063	6.68	2,901	46,769	6.39
Total borrowed funds	13,328	204,121	6.16	11,642	160,858	5.48
Notes and debentures	9,736	143,654	5.94	12,593	167,837	5.32
Total interest-bearing liabilities/interest expense	50,001	640,109	5.16	51,178	599,794	4.65
Noninterest-bearing liabilities and						

	Average Balances	Interest	Average Yields/Rates	Average Balances	Interest	Average Yields/Rates
shareholders' equity						
Demand and other noninterest-bearing deposits	6,115			6,466		
Accrued expenses and other liabilities	1,220			922		
Shareholders' equity	4,357			4,386		
Total liabilities and shareholders' equity	$61,693			$62,952		
Interest rate spread including interest rate swaps and caps			2.05			2.30
Impact of noninterest-bearing liabilities			.67			.62
Net interest income/margin on earning assets		$ 392,168	2.72%		$ 432,722	2.92%

</TABLE>

Nonaccrual loans are included in loans, net of unearned income. The impact of interest rate swaps and caps is included in the interest income/expense and average yields/rates for commercial loans, U.S. Government agencies and corporations securities, all interest-bearing deposits, other borrowed funds and notes and debentures.

STATISTICAL INFORMATION

<TABLE>
<CAPTION>

1994 Third Quarter			1994 Second Quarter			1994 First Quarter		
Average Balances	Interest	Average Yields/Rates	Average Balances	Interest	Average Yields/Rates	Average Balances	Interest	Average Yields/Rates
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
$ 744	$ 9,493	5.06%	$ 855	$ 10,666	5.00%	$ 864	$ 9,220	4.32%
546	10,026	7.35	724	12,681	7.01	926	16,241	7.03
3,008	37,751	4.99	4,244	51,997	4.91	3,439	39,514	4.66
15,494	237,219	6.12	15,206	229,640	6.04	15,520	224,558	5.79
359	9,246	10.30	369	9,566	10.36	379	9,783	10.33
3,245	49,231	6.07	1,746	24,823	5.69	1,625	21,247	5.23
316	4,818	6.10	294	3,996	5.44	275	4,184	6.10
22,422	338,265	6.03	21,859	320,022	5.86	21,238	299,286	5.65
12,454	230,552	7.34	12,075	213,853	7.10	11,349	204,046	7.29
1,621	34,587	8.46	1,736	33,767	7.80	1,723	31,827	7.49
9,836	175,174	7.12	8,981	156,806	6.98	9,055	151,988	6.71
8,993	192,343	8.49	8,617	175,131	8.15	8,450	170,595	8.19
1,590	24,587	6.16	1,122	19,448	6.94	1,446	19,337	5.38
34,494	657,243	7.58	32,531	599,005	7.38	32,023	577,793	7.29
69	827	4.76	93	1,024	4.39	131	1,027	3.17
58,275	1,015,854	6.94	56,062	943,398	6.74	55,182	903,567	6.59
(1,043)			(997)			(986)		
2,107			2,029			2,228		
2,649			2,531			2,542		
$61,988			$59,625			$58,966		
$ 3,561	13,139	1.46	$ 3,380	8,344	.99	$ 3,377	6,315	.76
2,547	11,504	1.79	2,381	6,851	1.15	2,391	3,870	.66
6,712	44,641	2.64	6,495	37,421	2.31	6,493	32,255	2.01
13,125	160,701	4.86	12,988	155,764	4.76	13,232	155,692	4.77
1,712	19,547	4.53	884	9,132	4.14	223	1,872	3.41
27,657	249,532	3.58	26,128	217,512	3.34	25,716	200,004	3.15
3,550	40,613	4.54	2,821	28,434	4.04	2,254	18,326	3.30
4,615	49,901	4.29	4,879	48,241	3.97	6,065	51,828	3.47
1,405	16,343	4.61	925	9,681	4.20	500	4,095	3.32
1,776	24,304	5.43	2,342	24,218	4.15	2,724	22,488	3.21
11,346	131,161	4.59	10,967	110,574	4.04	11,543	96,737	3.37
11,358	131,921	4.63	11,030	113,949	4.14	10,142	101,022	4.04

50,361	512,614	4.04	48,125	442,035	3.68	47,401	397,763	3.39
6,325			6,124			6,021		
942			1,108			1,214		
4,360			4,268			4,330		
$61,988			$59,625			$58,966		
		2.90			3.06			3.20
		.55			.52			.48
	$ 503,240	3.45%		$501,363	3.58%		$505,804	3.68%

</TABLE>

CORPORATE INFORMATION

CORPORATE HEADQUARTERS
PNC Bank Corp.
One PNC Plaza
Fifth Avenue and Wood Street
Pittsburgh, Pennsylvania 15265

STOCK LISTING
PNC Bank Corp. common stock is traded on the New York
Stock Exchange (NYSE) under the symbol PNC.

REGISTRAR AND TRANSFER AGENT
Chemical Bank
J.A.F. Building
P. O. Box 3068
New York, New York 10116-3068
800-982-7652

INQUIRIES
Individual shareholders should contact:
Shareholder Relations at 800-843-2206 or
the PNC Bank Hotline at 800-982-7652
Analysts and institutional investors should contact:
William H. Callihan, Vice President,
Investor Relations, at 412-762-8257

News media representatives and others seeking general
information should contact:
Jonathan Williams, Vice President,
Media Relations, at 412-762-4550

FORM 10-Q
The Quarterly Report on Form 10-Q is filed with the Securities and Exchange
Commission. This report, excluding exhibits, may be obtained without charge by
writing to Glenn Davies, Vice President, Financial Reporting, at corporate
headquarters.

COMMON STOCK PRICES/DIVIDENDS DECLARED
The table below sets forth by quarter the range of high and low sale prices for
PNC Bank Corp. common stock and the cash dividends declared per common share.

<TABLE>
<CAPTION>

1995 Quarter	High	Low	Cash Dividends Declared
<S>	<C>	<C>	<C>
First	$25.750	$21.125	$ .35
1994 Quarter			
First	$29.875	$25.250	$ .32
Second	31.625	26.125	.32
Third	30.000	25.625	.32
Fourth	26.375	20.000	.35
Total			$1.31

</TABLE>

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN
The PNC Bank Corp. dividend reinvestment and stock purchase plan enables holders
of common and preferred stock to purchase additional shares of common stock
conveniently and without paying brokerage commissions or service charges. A
prospectus and enrollment card may be obtained by writing to Shareholder

Relations at corporate headquarters.