

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

FORM 8-K

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

DECEMBER 31, 1995
DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)

COMMISSION FILE NUMBER 1-9718

PNC BANK CORP.

(Exact name of registrant as specified in its charter)

PENNSYLVANIA
(State or other jurisdiction of
incorporation or organization)

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

ONE PNC PLAZA
24th FLOOR
249 FIFTH AVENUE
PITTSBURGH, PENNSYLVANIA 15265
(Address of principal executive offices)
(Zip Code)

(412) 762-1553
(Registrant's telephone number, including area code)

ONE PNC PLAZA
FIFTH AVENUE AND WOOD STREET
PITTSBURGH, PENNSYLVANIA 15265

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

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

Merger with Midlantic Corporation

PNC Bank Corp. ("Corporation") completed, effective December 31, 1995, its merger with Midlantic Corporation ("Midlantic"), a bank holding company headquartered in New Jersey. Under the terms of the merger agreement, each outstanding share of Midlantic's common stock was converted into 2.05 shares of the Corporation's common stock with cash being paid in lieu of fractional shares, for a total of approximately 112 million shares of the Corporation's stock. At closing, Midlantic had total assets and deposits of \$13.6 billion and \$11.0 billion, respectively. The transaction was accounted for as a pooling of interests.

Midlantic was merged with and into PNC Bancorp, Inc., a wholly-owned subsidiary of the Corporation. Midlantic Bank, N.A., Midlantic's principal subsidiary, will continue to operate under its present name until integration and consolidation plans are fully implemented in 1996. As previously reported, certain operational changes are anticipated.

Additional Directors

In accordance with the merger agreement, effective December 31, 1995, four additional directors were appointed to the Corporation's Board of Directors, increasing the number of directors to twenty-two. The four are as follows: David F. Girard-diCarlo, managing partner of the law firm of Blank, Rome, Comisky & McCauley; Arthur J. Kania, principal of Tri-Kan Associates; Bruce C. Lindsay, chairman and managing director of Brin-Lindsay & Co., Inc.; and Garry J. Scheuring, chairman, president,

and chief executive officer of Midlantic, who will become vice chairman and a member of the office of the chairman of the Corporation.

ITEM 5. OTHER EVENTS

Announcement of Balance Sheet Actions and Estimate of 1995 Earnings

On January 2, 1996, the Corporation reported it had completed actions to accelerate the repositioning of its balance sheet and provided an estimate of combined earnings for 1995 giving effect to the Midlantic transaction. A copy of the press release issued by the Corporation is attached hereto as Exhibit 99 and incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements

- (i) Audited consolidated financial statements of Midlantic as of December 31, 1994 and 1993, and for each of the three years in the period ended December 31, 1994, and the independent auditors' report thereon, included on pages 42 - 70 of

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Midlantic's 1994 Annual Report to Shareholders and incorporated by reference in Midlantic's Annual Report on Form 10-K for the year ended December 31, 1994 (File No. 0-15870) were previously incorporated by reference in the Corporation's Form 8-K/A (Amendment No. 1) dated July 10, 1995 ("Form 8-K/A"). The consent of Coopers & Lybrand, L.L.P., independent auditors of Midlantic, to the incorporation by reference of their report on such financial statements was previously filed as Exhibit 23 to the Corporation's Form 8-K/A.

- (ii) Unaudited consolidated interim financial statements of Midlantic as of September 30, 1995 and 1994 and for the three months and nine months ended September 30, 1995 and 1994 were previously incorporated by reference to Midlantic's Form 10-Q for the quarterly period ended September 30, 1995 (File No. 0-15870) in the Corporation's Form 10-Q/A, Amendment No. 1 to the Corporation's Form 10-Q for the quarterly period ended September 30, 1995 ("Form 10-Q").

(b) Pro Forma Financial Information

Pro forma consolidated financial information (unaudited) as of September 30, 1995 and for the nine months ended September 30, 1995 and 1994 giving effect to the merger of Midlantic were previously filed as Exhibit 99.2 to the Corporation's Form 10-Q.

Pro forma consolidated financial information (unaudited) for each of the three years in the period ended December 31, 1994 giving effect to the merger of Midlantic were previously filed as Exhibit 99.4 to the Corporation's Form 8-K/A.

(c) Exhibits

The exhibits listed on the Exhibit Index on page 4 of this Form 8-K are filed herewith, previously filed, or incorporated herein by reference.

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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: January 5, 1996

By /s/ ROBERT L. HAUNSCHILD

Robert L. Haunschild
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

- 2.1 Agreement and Plan of Reorganization dated as of July 10, 1995, by and among Midlantic, the Corporation and PNC Bancorp, Inc., including Agreement and Plan of Merger (Annex A), incorporated by reference to Exhibit 2 to the Corporation's Current Report on Form 8-K dated July 10, 1995.*
- 2.2 Amendment Agreement dated as of August 16, 1995, by and among Midlantic, the Corporation and PNC Bancorp, Inc., incorporated by reference to Exhibit 2 to the Corporation's Form 10-Q for the quarterly period ended September 30, 1995.
- 2.3 Second Amendment dated as of November 17, 1995, by and among Midlantic, the Corporation and PNC Bancorp, Inc., filed herewith.
- 23 Consent of Coopers & Lybrand, L.L.P., independent auditors of Midlantic, previously filed as Exhibit 23 to the Corporation's Form 8-K/A (Amendment No. 1) dated July 10, 1995.
- 99 Press release issued by the Corporation on January 2, 1996, filed herewith.

* The exhibits of the agreements have been omitted. They are (a) Exhibit 4.9(a) - form of Midlantic affiliate letter, (b) Exhibit 4.9(b) - form of Corporation affiliate letter, (c) Exhibit 5.2(f) - form of opinion of Corporation counsel, and (d) Exhibit 5.3(g) - form of opinion of Midlantic counsel. The Corporation agrees to furnish supplementally a copy of any omitted exhibit to the Commission upon request.

SECOND AMENDMENT AGREEMENT

THIS SECOND AMENDMENT AGREEMENT ("Second Amendment") is entered into as of November 17, 1995, by and among MIDLANTIC CORPORATION ("MC"), a New Jersey corporation having its principal executive office at Metro Park Plaza, P.O. Box 600, Edison, New Jersey 08818, PNC BANK CORP. ("PNC"), a Pennsylvania corporation having its principal executive office at One PNC Plaza, Pittsburgh, Pennsylvania 15265, and PNC BANCORP, INC. ("Bancorp"), a Delaware corporation and a wholly owned subsidiary of PNC, having its principal executive office at 222 Delaware Avenue, Wilmington, Delaware 19899.

WITNESSETH

WHEREAS, MC, PNC and Bancorp previously have entered into an Agreement and Plan or Reorganization dated as of July 10, 1995, and amended as of August 16, 1995 (as amended, the "Reorganization Agreement"); and

WHEREAS, MC, PNC and Bancorp wish to further amend the Reorganization Agreement in certain respects;

NOW, THEREFORE, MC, PNC and Bancorp agree as follows:

1. Section 4.8 of the Reorganization Agreement is amended by:
 - (a) Changing the location of the Closing from the executive offices of PNC to the offices of Arnold & Porter at 399 Park Avenue, New York, New York 10022-4690; and
 - (b) Specifying December 29, 1995, as the Closing Date, it being the intention of the parties that December 31, 1995, will be the Effective Date specified in the respective certificates of merger to be delivered to the New Jersey and Delaware Secretaries of State.
2. From the date hereof, this Second Amendment shall be read and construed along with the Reorganization Agreement and such agreement shall, along with all the terms, covenants and conditions thereof, be and continue to be in full force and effect, save as hereby amended.
3. This Second Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania applicable to agreements made and entirely to be performed within such jurisdiction, except to the extent federal law may be applicable.
4. This Second Amendment may be executed in any number of counterparts, each of which shall constitute an original and all of which when taken together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Second Amendment to be executed in counterparts by their duly authorized officers thereunto duly authorized, all as of the day and year first above written.

PNC BANK CORP.

By: /s/ WALTER E. GREGG, JR.

Walter E. Gregg, Jr.
Executive Vice President

PNC BANCORP, INC.

By: /s/ WALTER E. GREGG, JR.

Walter E. Gregg, Jr.
Executive Vice President

MIDLANTIC CORPORATION

By: /s/ HOWARD I. ATKINS

Howard I. Atkins
Executive Vice President and
Chief Financial Officer

CONTACTS:

MEDIA:

- -----
Jonathan Williams
(412) 762-4550

INVESTORS:

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William H. Callihan
(412) 762-8257

PNC BANK CORP. PROVIDES PRELIMINARY ESTIMATE OF 1995 EARNINGS
REFLECTING BALANCE SHEET ACTIONS AND MIDLANTIC MERGER

PITTSBURGH, Jan. 2, 1996-PNC Bank Corp. (NYSE: PNC) today announced the completion of actions taken during the fourth quarter of 1995 that enhanced the corporation's balance sheet and are expected to positively impact future operating results.

Commenting on the strategic importance of the fourth-quarter actions, Thomas H. O'Brien, chairman and chief executive officer, said, "We have accelerated our balance sheet restructuring by substantially reducing our securities portfolio and related derivative positions. The acquisitions of Midlantic Corporation and Chemical Bank New Jersey have provided us with more stable consumer deposits, reducing the need for wholesale funding, and have added attractive middle-market and consumer assets. These actions create a financial institution with a more stable and consistent earnings stream, capable of sustaining superior returns."

SECURITIES SALES AND OTHER BALANCE SHEET ACTIONS

The company reported that during the fourth quarter of 1995 it had accelerated and substantially completed the repositioning of its balance sheet through further reduction of the securities portfolio, to approximately 23 percent of earning assets, and related wholesale funding, to approximately 28 percent of total funding.

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PNC Bank Corp. Provides Preliminary Estimate of 1995 Earnings...--Page 2

All investment securities previously classified as held to maturity were reclassified as available for sale, as permitted by recently issued guidance from the Financial Accounting Standards Board (FASB). Subsequently, \$1.9 billion of U.S. Treasury securities and \$4.1 billion of collateralized mortgage obligations (CMOs) were liquidated at an after-tax net loss of approximately \$40 million. In addition, PNC Bank terminated all remaining pay-fixed interest rate swaps associated with such securities. As a result, after-tax losses approximating \$150 million were recognized from the termination of these swap contracts, including accelerated recognition of deferred losses on contracts previously terminated.

During the fourth quarter, PNC Bank also terminated \$4.4 billion of receive-fixed index amortizing swaps, resulting in a net after-tax loss of \$8 million, which is being deferred and amortized.

MIDLANTIC MERGER

The corporation completed the merger with Midlantic Corporation effective Dec. 31, 1995. Under the terms of the merger agreement, PNC Bank exchanged 2.05 shares of common stock for each share of Midlantic common stock, or a total of approximately 112 million shares of PNC Bank stock. Letters of transmittal informing Midlantic shareholders how to complete the exchange are being mailed beginning today. The merger was accounted for as a pooling of interests; accordingly, all combined financial information has been restated to account for the transaction on this basis.

"The merger with Midlantic significantly expands our presence in the New Jersey and greater Philadelphia markets and is expected to be accretive to earnings in 1996," said O'Brien.

Midlantic Bank will continue to operate under its present name as a subsidiary of PNC Bank Corp. until integration and consolidation plans are fully implemented later this year.

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PNC Bank Corp. Provides Preliminary Estimate of 1995 Earnings...--Page 3

In connection with the merger, PNC Bank recorded after-tax charges of

approximately \$190 million. These charges are primarily associated with eliminating duplicative operations and facilities, the termination of interest rate caps and the write-off of state-deferred tax assets.

ESTIMATED COMBINED 1995 EARNINGS

Prior to reflecting charges recorded in connection with the merger and losses from the initiatives to reposition the balance sheet, the combined earnings of the companies for 1995 are estimated to be \$790 million or \$2.28 per fully diluted share. Reflecting these actions, PNC Bank Corp. expects to report net income for the year of \$410 million or \$1.18 per fully diluted share. With the completion of the Midlantic merger and reflecting the fourth-quarter balance sheet actions, PNC Bank Corp. had assets of approximately \$72 billion and deposits of approximately \$46 billion.

PNC Bank Corp., headquartered in Pittsburgh, is one of the largest financial services organizations in the United States, with banking subsidiaries in Pennsylvania, New Jersey, Delaware, Ohio, Kentucky, Indiana, Massachusetts and Florida. Its major businesses include corporate banking, consumer banking, mortgage banking and asset management.

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