

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

FORM 8-K

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

JANUARY 19, 1999
DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)

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

COMMISSION FILE NUMBER 1-9718

PENNSYLVANIA
(State or other jurisdiction of
incorporation or organization)

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

ONE PNC PLAZA
249 FIFTH AVENUE
PITTSBURGH, PENNSYLVANIA 15222-2707
(Address of principal executive offices)
(Zip Code)

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

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

ITEM 5. OTHER EVENTS

Fourth Quarter 1998 Financial Results

On January 19, 1999, PNC Bank Corp. ("Corporation") reported results of operations for the three months and year ended December 31, 1998. A copy of the earnings press release issued by the Corporation is attached as Exhibit 99 and incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

The exhibit listed on the Exhibit Index on page 3 of this Form 8-K is filed herewith.

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 19, 1999

By: /s/ ROBERT L. HAUNSCHILD

Robert L. Haunschild
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

- 99 Earnings press release issued by the Corporation on January 19, 1999, with respect to the results of operations for the three months and year ended December 31, 1998, filed herewith.

PNC BANK CORP.
Public Relations
One PNC Plaza
249 Fifth Avenue
Pittsburgh, PA 15222-2707
412 762-8221

NEWS RELEASE

PNCBANK

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PNC BANK CORP. REPORTS RECORD
FOURTH QUARTER AND FULL YEAR 1998 EARNINGS

PITTSBURGH, Jan. 19, 1999 - PNC Bank Corp. (NYSE: PNC) today reported record fourth quarter and full year 1998 earnings. Fourth quarter earnings were \$285 million or \$0.92 per diluted share compared with 1997 fourth quarter earnings of \$265 million or \$0.85 per diluted share. Full year earnings increased to \$1.115 billion compared with \$1.052 billion in the prior year. Full year diluted earnings per share increased 10% to \$3.60 from \$3.28 in 1997.

Return on average common shareholders' equity was 20.25% for the fourth quarter and 20.81% for the full year compared with 20.28% and 20.01%, respectively, a year ago. Return on average assets was 1.46% for the fourth quarter and 1.49% for the full year compared with 1.49% for the respective 1997 periods.

"Our record earnings in a very challenging environment resulted from strong performance across a diverse portfolio of businesses," said Thomas H. O'Brien, chairman and chief executive officer. "Our current portfolio of businesses is well-positioned to deliver strong returns and growth going forward. The recently announced sale of our credit card business will strengthen our capital position, improve our risk profile and allow us to redeploy capital in ways that reflect our disciplined focus on creating superior value for shareholders."

FOURTH QUARTER HIGHLIGHTS

- o Total revenue grew 26% in the quarter-to-quarter comparison.
- o Noninterest income grew \$279 million driven by 47% growth in fee-based revenue and represented 55% of total revenue.

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PNC Bank Corp. Reports Record Fourth Quarter and Full Year 1998 Earnings--Page 2

- o Completed the acquisition of Hilliard-Lyons, Inc., a retail brokerage firm with 90 offices in 13 Midwestern and Southeastern states
- o Completed the sale of the corporate trust and escrow business to Chase Manhattan Trust Company, N.A.
- o Completed the sale of \$821 million of non-affinity, non-relationship credit card receivables
- o Announced the agreement to sell PNC Bank's credit card subsidiary, including the remaining \$3 billion in credit card receivables, to MBNA Corporation

Taxable-equivalent net interest income increased \$26 million from the fourth quarter of 1997 to \$665 million in the fourth quarter of 1998 due to growth in earning assets. The net interest margin was 3.77% for the fourth quarter of 1998 compared with 3.81% in the prior quarter and 3.95% in the fourth quarter of 1997. The net interest margin was lower than the prior-year quarter due to a change in balance sheet composition and the financing cost of the Midland acquisition.

The provision for credit losses was \$115 million in the fourth quarter of 1998, covering net charge-offs excluding credit card, compared with \$25 million last year.

Noninterest income was \$797 million in the fourth quarter of 1998. Asset management, mutual fund servicing, consumer services, corporate services and mortgage banking revenues each grew 30% or more compared with the prior-year quarter. Noninterest income included \$76 million of net gains from the sale of the corporate trust and escrow business and the sale of non-affinity, non-relationship credit cards. These items were primarily offset by a higher-than-planned provision for credit losses. Mortgage banking hedging activities resulted in \$42 million of net securities gains that largely offset an increase in the amortization of residential mortgage servicing rights ("MSR").

Asset management and mutual fund servicing fees grew 59% and 30%, respectively, from the fourth quarter of 1997, primarily reflecting significant new business and performance fees. Assets under management increased to approximately

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PNC Bank Corp. Reports Record Fourth Quarter and Full Year 1998 Earnings--Page 3

\$170 billion at Dec. 31, 1998, compared with \$137 billion at Dec. 31, 1997. At Dec. 31, 1998, PFPC Worldwide provided custody and accounting/administration services for \$315 billion and \$252 billion of mutual fund assets, respectively. The comparable amounts were \$232 billion and \$183 billion, respectively, a year ago.

Consumer services revenue increased \$30 million or 34% compared with the fourth quarter of 1997 primarily due to an increase in brokerage accounts. Fees for corporate services, which include treasury management, capital markets and commercial mortgage servicing, increased 49% to \$82 million in the fourth quarter of 1998 primarily resulting from the Midland acquisition.

Mortgage banking revenue grew \$52 million or 90% from the prior-year quarter primarily due to significant mortgage refinance activity and higher servicing income reflecting the impact of servicing portfolio acquisitions. Residential mortgage originations totaled \$4 billion compared with \$2 billion in the year-earlier period. At Dec. 31, 1998, approximately \$62.1 billion of mortgages were serviced, including \$54 billion serviced for others.

Noninterest expense of \$896 million increased \$181 million compared with the fourth quarter of 1997. The increase in noninterest expense was primarily due to higher amortization of residential MSR, incentive compensation commensurate with revenue growth and the impact of acquisitions.

The managed efficiency ratio, which excludes amortization of intangibles, distributions on capital securities and mortgage banking hedging activities, improved to 52.8% in the fourth quarter of 1998 from 56.7% in the prior-year quarter.

FULL YEAR HIGHLIGHTS

- o Total revenue grew 19% in the year-to-year comparison.
- o Noninterest income grew \$768 million driven by 32% growth in fee-based revenue and represented 50% of total revenue.
- o Significant investments were made in businesses positioned for superior growth, including the acquisition of Hilliard-Lyons, Inc., Midland Loan Services, L.P., the Arcand Company (now Columbia Housing Corporation), the asset based finance business of BTM Capital and over \$25 billion of residential mortgage servicing.

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PNC Bank Corp. Reports Record Fourth Quarter and Full Year 1998 Earnings--Page 4

- o Strategic actions were taken to redeploy capital to higher-performing businesses and strengthen PNC Bank's risk profile. In the fourth quarter, the sale of the corporate trust and escrow business was completed and the sale of the credit card business was announced, which will provide capital flexibility to pursue strategies focused on growth and improved returns.

FULL YEAR INCOME STATEMENT REVIEW

Taxable-equivalent net interest income increased \$75 million to \$2.599 billion for full year 1998 due to growth in earning assets. The net interest margin narrowed to 3.85% compared with 3.94% in the prior year primarily due to a change in balance sheet composition.

The provision for credit losses increased to \$225 million in 1998 compared with \$70 million last year.

Noninterest income was \$2.623 billion or 50% of total revenue in 1998 compared with \$1.855 billion or 42% of total revenue in 1997. Asset management, mutual fund servicing, consumer services, corporate services and mortgage banking revenues each grew 25% or more compared with the prior year. Noninterest income included \$162 million of net gains from the sale of the corporate trust and escrow business, branch sales and the sale of non-affinity, non-relationship credit cards. These items were primarily offset by a higher-than-planned provision for credit losses, one-time costs related to consumer banking initiatives and valuation adjustments on certain market-sensitive asset positions. Mortgage banking hedging activities resulted in \$104 million of net securities gains and \$61 million of trading gains that largely offset an increase in residential MSR amortization.

Asset management and mutual fund servicing fees grew 35% and 29%, respectively, from 1997, reflecting significant new business and performance fees. Consumer services revenue increased \$78 million or 25% compared with 1997 primarily due to an increase in credit card and brokerage accounts. Fees for corporate services, which include treasury management, capital markets and commercial mortgage servicing, increased 30% to \$257 million in 1998 resulting from the Midland acquisition and higher treasury management and capital markets fees.

Mortgage banking revenue grew \$144 million or 68% from the prior year primarily due to significant mortgage refinance activity and higher servicing income resulting from servicing portfolio acquisitions. Residential mortgage originations totaled \$12.4 billion compared with \$6.1 billion in 1997.

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PNC Bank Corp. Reports Record Fourth Quarter and Full Year 1998 Earnings--Page 5

Noninterest expense of \$3.261 billion increased \$599 million compared with 1997 primarily due to higher amortization of residential MSR, incentive compensation commensurate with revenue growth, the impact of acquisitions and consumer banking initiatives.

The managed efficiency ratio, which excludes amortization of intangibles, distributions on capital securities and mortgage banking hedging activities, improved to 54.8% in 1998 from 56.1% in the prior year.

BALANCE SHEET REVIEW

Total assets were \$77.2 billion at Dec. 31, 1998. Average earning assets increased \$3.4 billion from the prior year to \$67.4 billion primarily due to higher loans and loans held for sale. Average loans grew \$2.8 billion to \$55.7 billion, a 5.3% increase from the prior year. Growth in commercial loans more than offset a decline in commercial and residential mortgages and downsizing of the indirect automobile lending portfolio. The increase in commercial loans was primarily in secured lending and middle market. Loans represented 82.6% of average earning assets in 1998 and 1997. Average loans held for sale increased \$2 billion from the prior year, reflecting higher residential mortgage originations. Average securities available for sale decreased \$1.4 billion to \$7.4 billion or 10.9% of average earning assets in 1998.

Average deposits were \$44.9 billion in 1998 compared with \$44.5 billion in 1997 and represented 60.2% of total sources of funds in 1998 compared with 63.0% in 1997. Average borrowed funds increased \$3.2 billion compared with last year. Liquidity was strengthened as 48% of wholesale liabilities had a maturity beyond one year at Dec. 31, 1998, compared with 29% at Dec. 31, 1997.

Shareholders' equity totaled \$6.0 billion at Dec. 31, 1998. The leverage ratio was 7.22% and Tier I and total risk-based capital ratios are estimated to be 7.7% and 11.0%, respectively.

The ratio of nonperforming assets to total loans and foreclosed assets was 0.58% at Dec. 31, 1998, and Sept. 30, 1998, and 0.61% at Dec. 31, 1997. Nonperforming assets were \$332 million at Dec. 31, 1998, compared with \$329 million at Sept. 30, 1998, and \$333 million a year ago.

The allowance for credit losses was \$753 million at Dec. 31, 1998, and represented 255% of nonperforming loans compared with 289% at Sept. 30, 1998, and 352% at Dec. 31, 1997. Net charge-offs were \$447 million or .80% of average loans in 1998 compared with \$272 million or .51%, respectively, a year ago. The increase was primarily associated with credit cards and a charge-off in the fourth quarter of 1998 related to credit exposure to certain bankrupt affiliates of the Allegheny Health, Education and Research Foundation.

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PNC Bank Corp. Reports Record Fourth Quarter and Full Year 1998 Earnings--Page 6

PNC Bank Corp., headquartered in Pittsburgh, is one of the largest diversified financial services organizations in the United States. Its major businesses include Regional Community Banking, Corporate Banking, Private Banking, Mortgage Banking, Secured Lending, Asset Management and Mutual Fund Servicing.

Visit PNC Bank on the World Wide Web at <http://www.pncbank.com>

PNC Bank Corp.'s SEC reports, accessible on its website, identify factors that can affect forward-looking statements.

[TABULAR MATERIAL FOLLOWS]

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PNC BANK CORP. AND SUBSIDIARIES
Consolidated Financial Highlights

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<TABLE>
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ended December 31	Three months ended December 31		Year
	1998	1997	1998
1997			
<S>	<C>	<C>	<C>
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FINANCIAL PERFORMANCE (in millions, except per share data)			
Revenue			
Net interest income (taxable-equivalent basis)	\$665	\$639	\$2,599
\$2,524			
Noninterest income	797	518	2,623
1,855			
Total revenue	1,462	1,157	5,222
4,379			
Net income	285	265	1,115
1,052			
Per common share			
Basic earnings	.93	.86	3.64
3.33			
Diluted earnings	.92	.85	3.60
3.28			
Cash dividends declared	.41	.39	1.58
1.50			
SELECTED RATIOS			
Return on			
Average common shareholders' equity	20.25%	20.28%	20.81%
20.01%			
Average assets	1.46	1.49	1.49
1.49			
Net interest margin	3.77	3.95	3.85
3.94			
Noninterest income to total revenue	54.51	44.77	50.23

42.36			
After-tax profit margin	19.49	22.90	21.35
24.02			
Managed efficiency *	52.82	56.72	54.76
56.07			
Net charge-offs to average loans	1.24	.59	.80
.51			

* Excluding amortization of intangibles, distributions on capital securities and mortgage banking hedging activities

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	December 31	September 30	June 30	March 31
December 31	1998	1998	1998	1998
1997				
-				

<S>		<C>	<C>	<C>
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BALANCE SHEET DATA (in millions)				
Assets	\$77,207	\$76,238	\$75,873	\$72,355
\$75,120				
Earning assets	69,027	68,638	68,353	65,210
66,688				
Loans, net of unearned income	57,650	56,752	56,237	54,511
54,245				
Securities available for sale	7,074	7,152	7,540	7,511
8,522				
Deposits	47,496	46,875	47,096	46,068
47,649				
Borrowed funds	20,946	19,972	20,488	18,375
19,622				
Shareholders' equity	6,043	5,793	5,633	5,487
5,384				
Common shareholders' equity	5,729	5,479	5,318	5,173
5,069				
CAPITAL RATIOS				
Leverage	7.22%	7.18%	7.18%	7.36%
7.30%				
Common shareholders' equity to assets	7.42	7.19	7.01	7.15
6.75				
ASSET QUALITY RATIOS				
Nonperforming assets to loans and foreclosed assets	.58%	.58%	.57%	.61%
.61%				
Allowance for credit losses to loans	1.31	1.44	1.53	1.67
1.79				
Allowance for credit losses to nonperforming loans	255.25	289.02	315.09	320.96
351.79				
Book value per common share	\$18.86	\$18.21	\$17.64	\$17.20
\$16.87				
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PNC BANK CORP. AND SUBSIDIARIES
Consolidated Statement of Income

Page 8

	Three months ended December 31		Year ended
December 31			

In millions, except per share data	1998	1997	1998
1997			
-			

<S>	<C>	<C>	<C>
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INTEREST INCOME			
Loans and fees on loans	\$1,166	\$1,118	\$4,590
\$4,354			
Securities available for sale	101	119	425
540			

Other 157	87	44	298

Total interest income 5,051	1,354	1,281	5,313
INTEREST EXPENSE			
Deposits 1,457	376	370	1,471
Borrowed funds 1,099	319	279	1,269

Total interest expense 2,556	695	649	2,740

Net interest income 2,495	659	632	2,573
Provision for credit losses 70	115	25	225

Net interest income less provision for credit losses 2,425	544	607	2,348
NONINTEREST INCOME			
Asset management 462	205	129	626
Mutual fund servicing 141	48	37	182
Service charges on deposits 203	52	51	203
Consumer services 312	117	87	390
Corporate services 198	82	55	257
Mortgage banking 213	110	58	357
Net securities gains 49	43	21	120
Other 277	140	80	488

Total noninterest income 1,855	797	518	2,623
NONINTEREST EXPENSE			
Staff expense 1,241	393	322	1,416
Net occupancy and equipment 369	112	98	409
Amortization 174	129	56	432
Marketing 70	18	11	96
Distributions on capital securities 43	17	13	60
Other 765	227	215	848

Total noninterest expense 2,662	896	715	3,261
Income before income taxes 1,618	445	410	1,710
Income taxes 566	160	145	595

Net income \$1,052	\$285	\$265	\$1,115

Net income applicable to common shareholders \$1,037	\$280	\$262	\$1,098
EARNINGS PER COMMON SHARE			
Basic \$3.33	\$.93	\$.86	\$3.64
Diluted	.92	.85	3.60

3.28

CASH DIVIDENDS DECLARED PER COMMON SHARE	.41	.39	1.58
1.50			
AVERAGE COMMON SHARES OUTSTANDING			
Basic	301.5	303.2	300.8
310.1			
Diluted	304.7	309.5	305.1
316.2			

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PNC BANK CORP. AND SUBSIDIARIES
Details of Net Interest Income

Page 9

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NET INTEREST INCOME			
Taxable-equivalent basis	Three months ended December 31		Year ended
December 31			

In millions	1998	1997	1998
1997			

<S>	<C>	<C>	<C>
<C>			
Interest income			
Loans	\$1,171	\$1,123	\$4,611
\$4,376			
Securities available for sale	102	120	430
546			
Other	87	45	298
158			

Total interest income	1,360	1,288	5,339
5,080			
Interest expense			
Deposits	376	370	1,471
1,457			
Borrowed funds	319	279	1,269
1,099			

Total interest expense	695	649	2,740
2,556			

Net interest income	\$665	\$639	\$2,599
\$2,524			
=====			
=====			

<CAPTION>				
Taxable-equivalent basis	December 31	September 30	June 30	March 31
December 31				
Three months ended - in millions	1998	1998	1998	1998
1997				

<S>	<C>	<C>	<C>	
<C>				
Interest income				
Loans	\$1,171	\$1,172	\$1,144	\$1,124
\$1,123				
Securities available for sale	102	104	107	117
120				
Other	87	85	69	57
45				

Total interest income	1,360	1,361	1,320	1,298
1,288				
Interest expense				
Deposits	376	371	363	361
370				
Borrowed funds	319	337	320	293
279				

Total interest expense	695	708	683	654
649				

Net interest income	\$665	\$653	\$637	\$644
\$639				
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PNC BANK CORP. AND SUBSIDIARIES
Details of Net Interest Margin

Page 10

<TABLE>			
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NET INTEREST MARGIN			
December 31	Three months ended December 31		Year ended

Taxable-equivalent basis	1998	1997	1998
1997			

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Rates earned/paid			
Yield on earning assets			
Loans	8.06%	8.27%	8.28%
8.27%			
Securities available for sale	5.58	6.19	5.83
6.22			
Other	6.70	6.68	6.82
6.75			
Total yield on earning assets	7.70	7.96	7.92
7.93			
Rate on interest-bearing liabilities			
Deposits	4.03	4.23	4.13
4.18			
Borrowed funds	5.51	5.91	5.82
5.91			
Total rate on interest-bearing liabilities	4.59	4.82	4.77
4.78			

Interest rate spread	3.11	3.14	3.15
3.15			
Impact of noninterest-bearing sources	.66	.81	.70
.79			

Net interest margin	3.77%	3.95%	3.85%
3.94%			
=====			
=====			

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Taxable-equivalent basis	December 31	September 30	June 30	March 31
December 31				
Three months ended	1998	1998	1998	1998
1997				

<S>	<C>	<C>	<C>	<C>
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Rates earned/paid				
Yield on earning assets				

Loans	8.06%	8.28%	8.23%	8.36%
8.27%				
Securities available for sale	5.58	5.85	5.86	6.01
6.19				
Other	6.70	6.87	6.80	6.96
6.68				
Total yield on earning assets	7.70	7.92	7.89	8.00
7.96				
Rate on interest-bearing liabilities				
Deposits	4.03	4.17	4.15	4.19
4.23				
Borrowed funds	5.51	5.83	5.81	5.85
5.91				
Total rate on interest-bearing liabilities	4.59	4.82	4.79	4.79
4.82				

Interest rate spread	3.11	3.10	3.10	3.21
3.14				
Impact of noninterest-bearing sources	.66	.71	.71	.75
.81				

Net interest margin	3.77%	3.81%	3.81%	3.96%
3.95%				
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PNC BANK CORP. AND SUBSIDIARIES
Details of Noninterest Income

Page 11

<TABLE>			
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NONINTEREST INCOME			
December 31	Three months ended December 31		Year ended

In millions	1998	1997	1998
1997			

<S>	<C>	<C>	<C>
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Asset management	\$205	\$129	\$626
\$462			
Mutual fund servicing	48	37	182
141			
Service charges on deposits	52	51	203
203			
Consumer services			
Credit card	36	29	129
93			
Brokerage	27	14	75
54			
Insurance	16	11	49
40			
Other	38	33	137
125			

Total consumer services	117	87	390
312			
Corporate services	82	55	257
198			
Mortgage banking			
Servicing	54	31	160
116			
Origination	24	14	79
47			
Marketing	32	13	111
47			
Sales of servicing			7
3			

Total mortgage banking	110	58	357
213			
Net securities gains	43	21	120
49			
Other	140	80	488
277			

Total noninterest income	\$797	\$518	\$2,623
\$1,855			
=====			
=====			

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	December 31	September 30	June 30	March 31
Three months ended - in millions	1998	1998	1998	1998

<S>		<C>	<C>	<C>
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Asset management	\$205	\$143	\$137	\$141
\$129				
Mutual fund servicing	48	47	46	41
37				
Service charges on deposits	52	53	50	48
51				
Consumer services				
Credit card	36	35	32	26
29				
Brokerage	27	16	17	15
14				
Insurance	16	12	11	10
11				
Other	38	35	33	31
33				

Total consumer services	117	98	93	82
87				
Corporate services	82	57	67	51
55				
Mortgage banking				
Servicing	54	44	33	29
31				
Origination	24	18	20	17
14				
Marketing	32	24	30	25
13				
Sales of servicing				7

Total mortgage banking	110	86	83	78
58				
Net securities gains	43	51	3	23
21				
Other	140	141	132	75
80				

Total noninterest income	\$797	\$676	\$611	\$539
\$518				
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NONINTEREST EXPENSE

December 31

Three months ended December 31 Year ended

In millions 1997	1998	1997	1998
<S>	<C>	<C>	<C>
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Staff expense			
Compensation	\$353	\$287	\$1,220
\$1,049			
Employee benefits	40	35	196
192			
Total staff expense	393	322	1,416
1,241			
Net occupancy and equipment			
Net occupancy	56	50	204
189			
Equipment	56	48	205
180			
Total net occupancy and equipment	112	98	409
369			
Amortization			
Mortgage servicing rights	99	32	321
81			
Goodwill	19	13	68
53			
Other	11	11	43
40			
Total amortization	129	56	432
174			
Marketing	18	11	96
70			
Distributions on capital securities	17	13	60
43			
Other	227	215	848
765			
Total noninterest expense	\$896	\$715	\$3,261
\$2,662			
=====			
=====			

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	December 31	September 30	June 30	March 31
December 31				
Three months ended - in millions	1998	1998	1998	1998
1997				
<S>	<C>	<C>	<C>	
<C>				
Staff expense				
Compensation	\$353	\$291	\$285	\$291
\$287				
Employee benefits	40	44	49	63
35				
Total staff expense	393	335	334	354
322				
Net occupancy and equipment				
Net occupancy	56	47	52	49
50				
Equipment	56	52	50	47
48				
Total net occupancy and equipment	112	99	102	96
98				
Amortization				
Mortgage servicing rights	99	147	42	33
32				
Goodwill	19	18	18	13
13				
Other	11	10	11	11

Total amortization	129	175	71	57
56				
Marketing	18	14	27	37
11				
Distributions on capital securities	17	16	14	13
13				
Other	227	204	233	184
215				

Total noninterest expense	\$896	\$843	\$781	\$741
\$715				
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PNC BANK CORP. AND SUBSIDIARIES
Consolidated Balance Sheet

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December

31 December 31
Dollars in millions, except par value
1998 1997

<S>				<C>
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ASSETS				
Cash and due from banks				
\$2,534	\$4,303			
Short-term investments				
1,014	1,526			
Loans held for sale				
3,226	2,324			
Securities available for sale				
7,074	8,522			
Loans, net of unearned income of \$554 and \$412				57,650
54,245				
Allowance for credit losses				
(753)	(972)			

Net loans	
56,897	53,273
Other	
6,462	5,172

Total assets	
\$77,207	\$75,120

LIABILITIES

Deposits

Noninterest-bearing	
\$9,943	\$10,158
Interest-bearing	
37,553	37,491

Total deposits	
47,496	47,649
Borrowed funds	
Bank notes and senior debt	
10,384	9,826
Federal funds purchased	
390	3,632
Repurchase agreements	
1,669	714
Other borrowed funds	
6,722	3,753

Subordinated debt			
1,781	1,697		

Total borrowed funds			
20,946	19,622		
Other			
1,874	1,815		

Total liabilities			
70,316	69,086		
Mandatorily redeemable capital securities of subsidiary trusts			848
650			
SHAREHOLDERS' EQUITY			
Preferred stock			
7	7		
Common stock - \$5 par value			
Authorized 450,000,000 shares			
Issued 352,822,767 and 348,447,600 shares			
1,764	1,742		
Capital surplus			
1,250	1,042		
Retained earnings			
5,262	4,641		
Deferred benefit expense			
(36)	(41)		
Accumulated other comprehensive income			
(43)	(23)		
Common stock held in treasury at cost: 49,091,295 and 48,017,641 shares			
(2,161)	(1,984)		

Total shareholders' equity			
6,043	5,384		

Total liabilities, capital securities and shareholders' equity			\$77,207
\$75,120			
=====			
</TABLE>			

-more-

<TABLE> <CAPTION>			
December 31	Three months ended December 31		Year ended
-----	-----		
In millions	1998	1997	1998
1997	-----		

<S>	<C>	<C>	<C>
<C>			
ASSETS			
Interest-earning assets			
Securities available for sale	\$7,323	\$7,769	\$7,374
\$8,774			
Loans, net of unearned income			
Consumer (excluding credit card)	11,075	11,108	11,073
11,291			
Credit card	3,570	3,803	3,849
3,558			
Residential mortgage	12,193	12,966	12,496
13,105			
Commercial	24,593	19,838	22,773
19,014			
Commercial real estate	3,442	4,067	3,279
4,068			
Other	2,493	1,881	2,223
1,871			

-----	-----			
Total loans, net of unearned income	57,366	53,663	55,693	
52,907				
Loans held for sale	4,295	1,680	3,371	
1,417				
Other	881	975	1,001	
919				
-----	-----			
Total interest-earning assets	69,865	64,087	67,439	
64,017				
Noninterest-earning assets	7,512	6,782	7,187	
6,627				
-----	-----			
Total assets	\$77,377	\$70,869	\$74,626	
\$70,644				
=====				
LIABILITIES				
Interest-bearing liabilities				
Deposits	\$37,048	\$34,655	\$35,581	
\$34,864				
Borrowed funds	22,723	18,624	21,809	
18,594				
-----	-----			
Total interest-bearing liabilities	59,771	53,279	57,390	
53,458				
Noninterest-bearing deposits	9,202	9,925	9,315	
9,670				
Other	1,756	1,601	1,578	
1,501				
-----	-----			
Total liabilities	70,729	64,805	68,283	
64,629				
Mandatorily redeemable capital securities of subsidiary trusts	848	650	762	
537				
SHAREHOLDERS' EQUITY	5,800	5,414	5,581	
5,478				
-----	-----			
Total liabilities, capital securities and shareholders' equity	\$77,377	\$70,869	\$74,626	
\$70,644				
=====				
COMMON SHAREHOLDERS' EQUITY	\$5,486	\$5,099	\$5,267	
\$5,162				
=====				
</TABLE>				

-more-

<TABLE>				
<CAPTION>				
AVERAGE BALANCES				
	December 31	September 30	June 30	March 31
December 31				
Three months ended - in millions	1998	1998	1998	1998
1997				
-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
<C>				
ASSETS				
Interest-earning assets				
Securities available for sale	\$7,323	\$7,073	\$7,323	\$7,784
\$7,769				
Loans, net of unearned income				
Consumer (excluding credit card)	11,075	11,038	10,995	11,186

11,108				
Credit card	3,570	4,029	4,048	3,748
3,803				
Residential mortgage	12,193	12,455	12,560	12,784
12,966				
Commercial	24,593	23,359	22,425	20,665
19,838				
Commercial real estate	3,442	2,850	3,206	3,624
4,067				
Other	2,493	2,207	2,114	2,076
1,881				

Total loans, net of unearned income	57,366	55,938	55,348	54,083
53,663				
Loans held for sale	4,295	3,850	2,948	2,363
1,680				
Other	881	1,097	1,069	959
975				

Total interest-earning assets	69,865	67,958	66,688	65,189
64,087				
Noninterest-earning assets	7,512	7,332	6,944	6,952
6,782				

Total assets	\$77,377	\$75,290	\$73,632	\$72,141
\$70,869				
=====				
LIABILITIES				
Interest-bearing liabilities				
Deposits	\$37,048	\$35,353	\$34,956	\$34,945
\$34,655				
Borrowed funds	22,723	22,642	21,844	19,989
18,624				

Total interest-bearing liabilities	59,771	57,995	56,800	54,934
53,279				
Noninterest-bearing deposits	9,202	9,169	9,213	9,685
9,925				
Other	1,756	1,632	1,445	1,474
1,601				

Total liabilities	70,729	68,796	67,458	66,093
64,805				
Mandatorily redeemable capital securities of subsidiary trusts	848	848	698	650
650				
SHAREHOLDERS' EQUITY	5,800	5,646	5,476	5,398
5,414				

Total liabilities, capital securities and shareholders' equity	\$77,377	\$75,290	\$73,632	\$72,141
\$70,869				
=====				
COMMON SHAREHOLDERS' EQUITY	\$5,486	\$5,332	\$5,161	\$5,083
\$5,099				
=====				
=====				

<CAPTION>
LOAN PORTFOLIO

	December 31	September 30	June 30	March 31
December 31				
Period ended - in millions	1998	1998	1998	1998
1997				

<S>	<C>	<C>	<C>	<C>
<C>				
Consumer (excluding credit card)	\$10,980	\$11,120	\$11,035	\$11,106
\$11,205				
Credit card	2,958	3,874	4,150	3,729
3,830				
Residential mortgage	12,265	12,388	12,698	12,351

12,785				
Commercial	25,182	24,239	23,359	21,823
19,989				
Commercial real estate	3,449	2,838	2,872	3,467
3,974				
Other	3,370	2,738	2,516	2,428
2,874				

Total loans	58,204	57,197	56,630	54,904
54,657				
Unearned income	(554)	(445)	(393)	(393)
(412)				

Total loans, net of unearned income	\$57,650	\$56,752	\$56,237	\$54,511
\$54,245				

</TABLE>

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PNC BANK CORP. AND SUBSIDIARIES
Asset Quality Data

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<TABLE>
<CAPTION>
ALLOWANCE FOR CREDIT LOSSES

	Year ended December 31		Three months ended			
			December 31	September 30	June 30	March 31
December 31 In millions	1998	1997	1998	1998	1998	
1998	1997					
<hr/>						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
<C>						
Beginning balance	\$972	\$1,166	\$816	\$859	\$912	\$972
\$1,027						
Charge-offs						
Consumer (excluding credit card)	(83)	(104)	(21)	(19)	(19)	
(24) (26)						
Credit card	(297)	(208)	(77)	(73)	(75)	
(72) (54)						
Residential mortgage	(7)	(9)	(1)	(1)	(3)	
(2) (1)						
Commercial	(122)	(48)	(101)	(8)	(7)	
(6) (18)						
Commercial real estate	(8)	(12)	(1)	(4)	(1)	
(2) (5)						
Other	(7)	(4)	(2)	(2)	(2)	
(1) (1)						
<hr/>						
Total charge-offs	(524)	(385)	(203)	(107)	(107)	
(107) (105)						
Recoveries						
Consumer (excluding credit card)	34	36	8	8	8	10
10						
Credit card	17	25	5	4	5	
3 5						
Residential mortgage	1	1			1	
Commercial	20	38	8	6	3	
3 4						
Commercial real estate	3	12	1	1		
1 6						
Other	2	1	1		1	
<hr/>						
Total recoveries	77	113	23	19	18	17
25						
<hr/>						
Net charge-offs	(447)	(272)	(180)	(88)	(89)	
(90) (80)						
Provision for credit losses	225	70	115	45	35	30
25						

Acquisitions	3	8	2	1		

Ending balance	\$753	\$972	\$753	\$816	\$859	\$912
\$972						
=====						
=====						

<CAPTION>
NONPERFORMING ASSETS

December 31	December 31	September 30	June 30	March 31
Period ended - in millions	1998	1998	1998	1998
1997				
-				

<S>	<C>	<C>	<C>	<C>
<C>				
Nonperforming loans				
Commercial	\$188	\$148	\$129	\$145
\$128				
Commercial real estate	50	73	80	81
94				
Residential mortgage	51	56	56	51
44				
Consumer	6	5	7	7
10				

Total nonperforming loans	295	282	272	284
276				
Foreclosed assets				
Commercial real estate	15	20	22	23
27				
Residential mortgage	17	18	20	19
21				
Other	5	9	9	9
9				

Total foreclosed assets	37	47	51	51
57				

Total nonperforming assets	\$332	\$329	\$323	\$335
\$333				
=====				
=====				

</TABLE>