

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

JULY 20, 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

On July 20, 1999, the Corporation announced an agreement to acquire First Data Investor Services Group, Inc. (ISG), the mutual fund servicing subsidiary of First Data Corp. for \$1.1 billion in cash. The transaction is expected to close in the fourth quarter of 1999, pending regulatory approvals and satisfaction of customary closing conditions. A copy of the press release issued by the Corporation is attached hereto as Exhibit 99.1 and incorporated herein by reference. Certain information made available by the Corporation with respect to the acquisition of ISG is attached hereto as Exhibit 99.2 and incorporated herein by reference.

The information in Exhibits 99.1 and 99.2 contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act, which are based upon numerous assumptions and estimates relating to future operations and are subject to the risks and uncertainties described therein, among others. Many of these matters are difficult to predict and may change over time. Forward-looking statements contained within Exhibits 99.1 and 99.2 are not guarantees of future performance. Actual results may differ materially from the Corporation's current expectations. The Corporation assumes no obligation to correct or update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking statements or if the Corporation later becomes aware that they are not likely to be achieved.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

The exhibits listed on the Exhibit Index on page 3 of this Form 8-K are 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: July 21, 1999

By: /s/ Robert L. Haunschild

Robert L. Haunschild
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

- 99.1 Press release issued by the Corporation on July 20, 1999, with respect to the announcement of an agreement to acquire ISG, filed herewith.
- 99.2 Certain information made available by the Corporation with respect to the acquisition of ISG, filed herewith.

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CONTACTS:

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PNC BANK ANNOUNCES ACQUISITION
OF FIRST DATA INVESTOR SERVICES GROUP

POSITIONS PFPC WORLDWIDE AS A PREMIER INVESTMENT SERVICES PROVIDER

PITTSBURGH, July 20, 1999--PNC Bank Corp. today announced an agreement to acquire First Data Investor Services Group (ISG), the mutual fund servicing subsidiary of First Data Corp. for \$1.1 billion in cash. ISG is one of the nation's leading providers of processing services for pooled investment products--a high-growth industry that includes mutual funds and retirement plans.

The addition of ISG to PFPC Worldwide, PNC's investment servicing subsidiary, will create a leading force in a processing business that is highly valued by the investor community. The acquisition will make PFPC one of the nation's leading full-service mutual fund transfer agents, while significantly strengthening PFPC's position as a full-service provider of mutual fund accounting services. The transaction will also add key related businesses including retirement plan servicing to PFPC's growing operations. The combined organization will provide fund accounting services for \$287 billion in mutual fund assets and transfer agent services for 33 million shareholder accounts, and will service over 20,000 retirement plans.

The acquisition is expected to increase the relative revenue contribution of PNC's fee-based businesses to approximately 55 percent this year on a pro forma basis and 60 percent in 2000. The transaction will be accounted for as a purchase and is expected to be less than one percent dilutive to GAAP earnings per share in the first year and accretive thereafter. On a cash basis, the transaction is expected to be substantially accretive to earnings per share immediately. The transaction is expected to close in the fourth quarter of 1999, pending regulatory approvals and customary conditions to closing.

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PNC Bank Announces Acquisition of First Data Investor Services Group - Page 2

"This acquisition advances our strategies focused on building best-of-class businesses in high-growth, high-return industries," said Thomas H. O'Brien, chairman and chief executive officer of PNC Bank. "The acquisition of ISG will create a market leader in virtually every major category of a fast-growing industry, and we expect it to have a positive impact on our growth and earnings dynamics."

"PFPC has a 25-year history of leadership and innovation in providing customized fund services," said J. Richard Carnall, chairman and chief executive officer of PFPC Worldwide. "The addition of ISG will further strengthen our core businesses, while enhancing our expansion in key, related businesses such as 401(k) administration which present significant opportunities for growth. This acquisition will also solidify PFPC's position as a leader in shareholder services technology."

"We believe this combination will create the premier one-stop shop for high-quality shareholder services, bringing a virtually unparalleled array of services to our customers," said James L. Fox, president and chief operating officer of ISG. "We are pleased to be joining an organization with a strong commitment and proven track record in this business."

Fox will become vice chairman of PFPC Worldwide, joining the executive management team headed by Carnall and Vincent J. Ciavardini, president and chief operating officer.

PFPC Worldwide provides a broad range of technology-driven services including fund accounting, administration, transfer agency, shareholder services, custody, integrated banking transaction services, hedge products accounting and securities lending. In 1993, PFPC established PFPC International Ltd., based in Dublin, Ireland, to better serve the international funds community and target opportunities to serve EU-based funds and partnerships.

PNC Bank Corp. is one of the largest diversified financial services organizations in the United States. Its major businesses include PNC Regional Bank, PNC Institutional Bank, PNC Advisors, PNC Mortgage, PNC Secured Finance, PFPC Worldwide and BlackRock.

This press release contains forward-looking statements with respect to the anticipated effect of the proposed acquisition of ISG. The following factors, among others, could cause actual results to differ materially from PNC's expectations: extent of ISG customer retention and generation; ability to timely and fully realize contemplated cost savings and revenues; ability to attract and retain management; cost and availability of acquisition financing; factors related to ISG's Year 2000 remediation efforts and the Year 2000 compliance of other parties; technological changes; changes in economic conditions, interest rates, and financial and capital markets; competition; and changes in legislation or regulatory requirements. PNC does not assume any duty to update forward-looking statements.

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

Forward-Looking Information

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to cost savings, revenue enhancements and accretion/dilution to reported earnings that may result from the acquisition; anticipated revenues and expenses after the acquisition; PNC's future financial performance; and other financial and business matters.

In addition to factors previously disclosed in our SEC reports and those identified elsewhere in this presentation, the following factors, among others, could cause actual results to differ materially from these forward-looking statements: changes in global and domestic economic conditions; changes in interest rates and financial and capital markets; competition; the impact, extent, timing and cost of technological changes; the combined company's ability to retain existing customers and to attract new ones; the ability to timely and fully realize contemplated cost savings and revenues following the acquisition; the combined company's ability to attract and retain qualified management and personnel; the cost and availability of acquisition financing; factors related to FDISG's year 2000 remediation efforts and the year 2000 compliance of other parties; and changes in legislation or regulatory requirements. We assume no duty to update forward-looking statements.

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Incremental Impact on PNC Earnings

(\$ millions, after tax)	Estimates		
	2000	2001	2002
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FDISG earnings contribution, excluding existing intangible amortization	\$58	\$62	\$67
Cost savings (1)	10	23	29
Net revenue enhancements (2)	2	6	9
Financing costs	(36)	(33)	(30)
Intangibles amortization (3)	(32)	(32)	(32)
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Incremental net income	2	26	43
Preferred financing costs	(13)	(13)	(13)
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Net income available to common	(\$11)	\$13	\$30
	===	===	===
Cash earnings	\$42	\$66	\$83
	===	===	===

- (1) Total after-tax cost savings \$29 million (12% of proforma combined operating costs)
- (2) Total after-tax benefits of net revenue synergies \$9 million (total revenue synergies of \$63 million in 2002 representing 11% of proforma combined revenue and profit margin of 25%)
- (3) Total customer intangibles and goodwill of \$1,066 million amortized over lives ranging from 10 to 25 years

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Impact on PNC Consolidated

	Estimates		
	2000	2001	2002
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PNC Bank Corp. earnings per share (1)	\$4.35	\$4.80	\$5.30
Earnings per share	(\$0.04)	\$0.04	\$0.11

Accretion (dilution)	(1%)	1%	2%
Cash earnings per share	\$0.14	\$0.23	\$0.30
Accretion	3%	5%	6%

(1) Salomon Smith Barney estimates as of July 19, 1999

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Proforma PFPC Worldwide

(\$ millions)

	Proforma Estimates			
	2000	2001	2002	CAGR
Revenue				
PFPC / FDISG	\$706	\$819	\$955	
Revenue enhancements	11	43	63	
Total revenue	717	862	1,018	19%
Expense				
PFPC / FDISG	541	630	736	
Financing costs	81	77	72	
Cost savings	(16)	(38)	(48)	
Costs for revenue enhancements	8	33	48	
Incremental intangible amortization	33	33	33	
Total expense	647	735	841	14%
Income before income taxes	70	127	177	
Income taxes	28	51	71	
Earnings contribution	\$42	\$76	\$106	59%

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Overview of FDISG

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First Data Investor Services Group

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- o Headquartered in Westborough, MA
 - o Currently employs approximately 3,400
 - o 2nd largest full service transfer agent
 - o 8th largest full service accounting agent
 - o Significant provider of retirement plan services
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----- Fund Accounting -----	----- Transfer Agency -----	----- Retirement Services -----
o Accounting	o Full-Service Outsourcing	o Full-Service Outsourcing
o Administration	o Remote Access	o Remote Access
o Tax	o Subaccounting	o Automated Voice Response
o Legal Compliance	o Proxy Services	o Internet Access
o Blue Sky	o Call Center	
	o Broker / Dealer Services	
	o Internet Access	

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(\$ millions)

Year Ended December 31

	1999 Estimate	1998 Actual	1997 Actual
Revenue			
Shareholder service fees	\$282	\$250	\$228
Service and other revenue	98	87	72
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Total revenue	380	337	300
Expense			
Staff expense	181	163	136
All other	130	110	116
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Total expense	311	273	252
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Income before income taxes	69	64	48
Income taxes	28	25	19
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Net income	\$41	\$39	\$29
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