

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

FORM 8-K

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

OCTOBER 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

Third Quarter 1999 Financial Results

On October 20, 1999, PNC Bank Corp. ("Corporation") reported results of operations for the three and nine months ended September 30, 1999. A copy of the earnings press release issued by the Corporation is attached as Exhibit 99.1 and incorporated herein by reference.

Information on the Corporation's businesses for the nine months ended September 30, 1999 and 1998, which reflects organizational and business changes made during 1999 as part of the Corporation's operating strategy, is attached as Exhibit 99.2 and incorporated herein by reference.

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: October 28, 1999

By: /s/ Robert L. Haunschild

-----  
Robert L. Haunschild  
Senior Vice President and  
Chief Financial Officer

EXHIBIT INDEX

- 99.1 Earnings press release issued by the Corporation on October 20, 1999, with respect to results of operations for the three and nine months ended September 30, 1999, filed herewith.
- 99.2 Business information for the nine months ended September 30, 1999 and 1998 filed herewith.

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

[PNC BANK LOGO]

News Release

## CONTACTS:

## MEDIA:

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## INVESTORS:

- -----  
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PNC BANK CORP. REPORTS  
 HIGHER THIRD QUARTER 1999 EARNINGS

PITTSBURGH, October 20, 1999 - PNC Bank Corp. ("PNC Bank" - NYSE: PNC) today reported third quarter 1999 earnings of \$320 million or \$1.06 per diluted share. Excluding \$27 million of pretax gains from the sale of branches, earnings for the quarter were \$303 million or \$1.00 per diluted share and, on that basis, return on average common shareholders' equity was 21.81% and return on average assets was 1.63%. Earnings for the third quarter of 1998 were \$281 million or \$0.91 per diluted share.

"We continue to deliver strong financial performance driven by a mix of businesses that we believe can deliver long-term value for our shareholders," said Thomas H. O'Brien, chairman and chief executive officer of PNC Bank Corp. "We are especially pleased with the continued growth at BlackRock, PFPC Worldwide, PNC Advisors, PNC Mortgage and treasury management services, which has increased our noninterest income to 51% of total revenue."

## THIRD QUARTER 1999 HIGHLIGHTS

- o Diluted earnings per share excluding the branch gains increased 10% compared with the prior-year quarter.
- o Noninterest income to total revenue excluding the effect of the branch gains was 51% driven by double-digit growth in revenue at BlackRock, PFPC Worldwide, PNC Advisors, PNC Mortgage and treasury management services.
- o The quarterly dividend payable on October 24, 1999 was increased 10% to \$.45 per common share.

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PNC Bank Corp. Reports Third Quarter 1999 Earnings -- Page 2

- o PNC Bank announced a definitive agreement to purchase First Data Investor Services Group ("ISG"). The combination of ISG with PFPC Worldwide, PNC Bank's investment servicing subsidiary, will make PFPC Worldwide one of the nation's leading full-service processors for investment products. This transaction is expected to close in the fourth quarter of 1999, subject to regulatory approvals and customary conditions to closing.
- o BlackRock, PNC Bank's investment management subsidiary, issued 9 million shares of class A common stock at \$14.00 per share in an initial public offering on October 1, 1999. PNC Bank will continue to own approximately 70% of BlackRock's stock and expects to record an after-tax gain in the fourth quarter of 1999 of \$60 to \$70 million depending on whether the underwriters exercise their option to purchase additional shares to cover over-allotments.

## INCOME STATEMENT REVIEW

Taxable-equivalent net interest income was \$599 million in the third quarter of 1999, a \$54 million decrease compared with the prior-year quarter. The net interest margin was 3.59% for the third quarter of 1999 compared with 3.81% in the third quarter of 1998. These declines were primarily due to the sale of the credit card business in the first quarter of 1999. Excluding the

credit card business, net interest income increased \$29 million or 5% and the net interest margin widened six basis points compared with the third quarter of 1998.

The provision for credit losses was \$30 million in the third quarter of 1999 and net charge-offs were \$29 million.

Noninterest income was \$651 million in the third quarter of 1999 a 23% increase compared with the third quarter of 1998 and included \$27 million of gains from the sale of branches. Excluding the branch gains, noninterest income increased 18% compared with the prior-year quarter driven by growth in fee-based revenue.

Asset management fees grew 22% compared with the prior-year quarter primarily reflecting new business. Assets under management increased to approximately \$193 billion at September 30, 1999 compared with \$152 billion at September 30, 1998. Mutual fund servicing fees grew 17% compared with the third quarter of 1998 due to an increase in assets serviced. At September 30, 1999, PFC Worldwide provided custody and accounting/administration services for \$353 billion and \$246 billion of mutual fund assets, respectively. The comparable amounts were \$287 billion and \$228 billion, respectively, a year ago.

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PNC Bank Corp. Reports Third Quarter 1999 Earnings -- Page 3

Consumer services revenue of \$105 million for the third quarter of 1999 increased 7% compared with the third quarter of 1998 primarily due to an increase in brokerage fees associated with the Hilliard Lyons acquisition that was substantially offset by lower credit card fees. Corporate services revenue increased \$30 million compared with the prior-year quarter due to higher commercial mortgage banking, capital markets and treasury management fees.

Net residential mortgage banking revenue grew \$28 million or 60% compared with the prior-year quarter primarily due to growth in the servicing portfolio. At September 30, 1999, approximately \$73 billion of residential mortgages were serviced compared with \$60 billion a year ago. Residential mortgage originations, including both retail and correspondent activity, totaled \$4 billion for the third quarter of 1999 compared with \$7 billion in the prior-year period.

Other noninterest income increased \$16 million compared with the third quarter of 1998 due to various operating items.

Noninterest expense of \$724 million for the third quarter of 1999 increased 4% compared with the third quarter of 1998 primarily to support growth in fee-based businesses. The efficiency ratio of 53.3% remained consistent in the third quarter of 1999 compared with the prior-year quarter reflecting the continued focus on improving returns in traditional businesses.

#### BALANCE SHEET REVIEW

Total assets were \$73.0 billion at September 30, 1999 compared with \$76.2 billion at September 30, 1998. Average earning assets decreased \$2.0 billion to \$66.0 billion for the third quarter of 1999 compared with the prior-year quarter of \$68.0 billion. The decrease was primarily due to a \$4.2 billion decrease in average loans in the period-to-period comparison that resulted from the sale of the credit card business and the decision to exit certain institutional lending businesses. Loans represented 78% of average earning assets in the third quarter of 1999 compared with 82% a year ago. Partially offsetting the decrease in average loans was a \$1.7 billion increase in average securities available for sale that was attributable to securities held to hedge residential mortgage servicing rights. Average securities available for sale represented 13% and 10% of average earning assets in the third quarter of 1999 and 1998, respectively.

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PNC Bank Corp. Reports Third Quarter 1999 Earnings -- Page 4

Average deposits were \$44.9 billion and represented 61% of total sources of funds for the third quarter of 1999 compared with \$44.5 billion and 59%, respectively, in the third quarter of 1998. The increase in average deposits was primarily in consumer deposits. Average borrowed funds decreased \$2.4 billion to \$20.2 billion compared with the third quarter of 1998.

Shareholders' equity totaled \$5.9 billion at September 30, 1999. The leverage ratio was 7.76% and Tier I and total risk-based capital ratios are estimated to be 8.4% and 11.8%, respectively.

Overall asset quality characteristics remained relatively stable during the third quarter of 1999. The ratio of nonperforming assets to total loans, loans held for sale and foreclosed assets was 0.65% at September 30, 1999 compared with 0.59% and 0.54% at June 30, 1999 and September 30, 1998, respectively. Nonperforming assets were \$361 million at September 30, 1999 compared with \$333 million and \$329 million at June 30, 1999 and September 30, 1998, respectively.

The allowance for credit losses was \$674 million and represented 1.31% of period-end loans and 215% of nonaccrual loans at September 30, 1999. The comparable amounts were 1.29% and 224% at June 30, 1999 and 1.44% and 289% at September 30, 1998, respectively. Net charge-offs were \$29 million or 0.22% of average loans in the third quarter of 1999 compared with \$24 million or 0.18% in the second quarter of 1999 and \$88 million or 0.62% a year ago.

YEAR TO DATE RESULTS

Earnings were \$960 million or \$3.14 per diluted share for the nine months ended September 30, 1999. Results for the first nine months of 1999 included \$331 million of pretax gains on the sales of PNC Bank's credit card business, an equity interest in Electronic Payment Services, Inc. and Concord EFS Inc. stock. The first nine months of 1999 also included \$142 million of valuation adjustments associated with exiting certain institutional lending businesses, \$98 million of costs related to efficiency initiatives and a \$30 million contribution to the PNC Bank Foundation. Excluding these items and the branch gains recorded in the third quarter of 1999, year-to-date core earnings were \$895 million or \$2.92 per diluted share and, on that basis, return on average common shareholders' equity was 21.24% and return on average assets was 1.59%. Earnings for the nine months ended September 30, 1998 were \$830 million or \$2.68 per diluted share.

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PNC Bank Corp. Reports Third Quarter 1999 Earnings -- Page 5

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

Visit PNC Bank on the World Wide Web at [www.pncbank.com](http://www.pncbank.com)

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to financial performance and other financial and business matters. Forward-looking statements are typically identified by words such as "believe" or "expect", or future or conditional verbs such as "will" or similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, all of which change over time, and PNC Bank assumes no duty to update these forward-looking statements. The following factors, among others, could cause actual results to differ materially from forward-looking statements: increased credit risk: the introduction, withdrawal, success and timing of business initiatives and strategies; the ability to realize cost savings or revenues and implement integration plans associated with acquisitions and divestitures; changes in economic conditions, interest rates, and financial and capital markets; inflation; customer borrowing, repayment, investment, and deposit practices; customer acceptance of PNC Bank products and services; the inability of PNC Bank or others to remediate year 2000 concerns; and the impact, extent, and timing of technological changes, capital management activities, actions of the Federal Reserve Board, and legislative and regulatory actions and reforms. Our SEC reports, accessible on our website, identify additional factors that can affect forward-looking statements.

[TABULAR MATERIAL FOLLOWS]

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PNC BANK CORP.

Consolidated Financial Highlights

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<TABLE>  
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ended September 30	Three months ended September 30		Nine months
	1999	1998	1999
Dollars in millions, except per share data			
1998			
<S>	<C>	<C>	<C>
<C>			
FINANCIAL PERFORMANCE			
Revenue			
Net interest income (taxable-equivalent basis)	\$599	\$653	\$1,875
\$1,934			
Noninterest income	651	529	2,046
1,604			
Total revenue	1,250	1,182	3,921
3,538			
Net income	320	281	960
830			
Per common share			
Basic earnings	1.07	.92	3.17
2.71			
Diluted earnings	1.06	.91	3.14
2.68			
Cash dividends declared	.41	.39	1.23

## SELECTED RATIOS

Return on			
Average common shareholders' equity	23.07%	20.52%	22.81%
21.00%			
Average assets	1.72	1.48	1.71
1.51			
Net interest margin	3.59	3.81	3.70
3.86			
Noninterest income to total revenue	52.08	44.75	52.18
45.34			
Efficiency *	53.34	53.28	53.78
55.50			

\* Excluding amortization, distributions on capital securities and residential mortgage banking hedging activities

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	September 30	June 30	March 31	December 31
	1999	1999	1999	1998
September 30				
1998				
-----				
<S>	<C>	<C>	<C>	<C>
<C>				
BALANCE SHEET DATA				
Assets	\$73,003	\$75,558	\$74,868	\$77,207
\$76,238				
Earning assets	64,782	66,889	66,710	69,027
68,638				
Loans, net of unearned income	51,398	52,075	52,800	57,650
56,752				
Securities available for sale	8,096	8,856	9,170	7,074
7,152				
Deposits	45,146	47,685	45,799	47,496
46,875				
Borrowed funds	18,898	18,464	19,935	20,946
19,972				
Shareholders' equity	5,871	5,755	5,931	6,043
5,793				
Common shareholders' equity	5,558	5,442	5,617	5,729
5,479				
Book value per common share	18.90	18.40	18.78	18.86
18.21				
CAPITAL RATIOS				
Leverage	7.76%	7.47%	7.28%	7.28%
7.18%				
Common shareholders' equity to total assets	7.61	7.20	7.50	7.42
7.19				
ASSET QUALITY RATIOS				
Nonperforming assets to total loans, loans held for sale and foreclosed assets	.65%	.59%	.58%	.55%
.54%				
Allowance for credit losses to total loans	1.31	1.29	1.27	1.31
1.44				
Allowance for credit losses to nonaccrual loans	214.65	224.33	230.93	255.25
289.36				
Net charge-offs to average loans	.22	.18	.56	1.24
.62				

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<TABLE>  
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In millions, except per share data 1998	1999	1998	1999
-----			
<S>	<C>	<C>	<C>
-----			
INTEREST INCOME			
Loans and fees on loans \$3,424	\$985	\$1,166	\$3,086
Securities available for sale 324	127	103	363
Other 211	100	85	257
-----			
Total interest income 3,959	1,212	1,354	3,706
-----			
INTEREST EXPENSE			
Deposits 1,095	340	371	1,024
Borrowed funds 950	278	337	823
-----			
Total interest expense 2,045	618	708	1,847
-----			
Net interest income 1,914	594	646	1,859
Provision for credit losses 110	30	45	133
-----			
Net interest income less provision for credit losses 1,804	564	601	1,726
-----			
NONINTEREST INCOME			
Asset management 421	175	143	505
Mutual fund servicing 134	55	47	159
Service charges on deposits 151	53	53	154
Consumer services 273	105	98	340
Corporate services 167	84	54	112
Net residential mortgage banking 155	75	47	205
Net securities gains 14	2	1	44
Other 289	102	86	527
-----			
Total noninterest income 1,604	651	529	2,046
-----			
NONINTEREST EXPENSE			
Staff expense 1,023	362	335	1,138
Net occupancy and equipment 301	103	101	381
Amortization 81	21	28	70
Marketing 78	18	14	50
Distributions on capital securities 43	16	16	48
Other 617	204	202	627
-----			
Total noninterest expense 2,143	724	696	2,314
-----			

Income before income taxes	491	434	1,458
1,265			
Income taxes	171	153	498
435			
-----			
Net income	\$320	\$281	\$960
\$830			
-----			
Net income applicable to diluted earnings	\$315	\$276	\$946
\$817			
EARNINGS PER COMMON SHARE			
Basic	\$1.07	\$.92	\$3.17
\$2.71			
Diluted	1.06	.91	3.14
2.68			
CASH DIVIDENDS DECLARED PER COMMON SHARE			
	.41	.39	1.23
1.17			
AVERAGE COMMON SHARES OUTSTANDING			
Basic	294.5	300.6	298.0
300.5			
Diluted	297.6	304.2	301.3
305.3			
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PNC BANK CORP.  
 Details of Net Interest Income  
 <TABLE>  
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NET INTEREST INCOME ended September 30 Taxable-equivalent basis	Three months ended September 30		Nine months
	1999	1998	1999
In millions			
1998			
-----			
	<C>	<C>	<C>
Interest income			
Loans	\$989	\$1,172	\$3,098
\$3,440			
Securities available for sale	128	104	366
327			
Other	100	85	258
212			
-----			
Total interest income	1,217	1,361	3,722
3,979			
Interest expense			
Deposits	340	371	1,024
1,095			
Borrowed funds	278	337	823
950			
-----			
Total interest expense	618	708	1,847
2,045			
-----			
Net interest income	\$599	\$653	\$1,875
\$1,934			
=====			
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Taxable-equivalent basis  
 September 30      September 30      June 30      March 31      December 31



Three months ended - in millions 1998	1999	1999	1999	1998
<S>	<C>	<C>	<C>	<C>
<C>				
Interest income				
Loans	\$989	\$992	\$1,117	\$1,171
\$1,172				
Securities available for sale	128	131	107	102
104				
Other	100	86	72	87
85				
Total interest income	1,217	1,209	1,296	1,360
1,361				
Interest expense				
Deposits	340	333	351	376
371				
Borrowed funds	278	264	281	319
337				
Total interest expense	618	597	632	695
708				
Net interest income	\$599	\$612	\$664	\$665
\$653				

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PNC BANK CORP.  
Details of Net Interest Margin

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NET INTEREST MARGIN  
<TABLE>  
<CAPTION>

ended September 30	Three months ended September 30		Nine months
	1999	1998	1999
Taxable-equivalent basis			
1998			
<S>	<C>	<C>	<C>
<C>			
Average yields/rates			
Yield on earning assets			
Loans	7.55%	8.28%	7.67%
8.29%			
Securities available for sale	5.79	5.85	5.64
5.91			
Other	7.26	6.87	6.93
6.86			
Total yield on earning assets	7.29	7.92	7.35
7.94			
Rate on interest-bearing liabilities			
Deposits	3.69	4.17	3.71
4.17			
Borrowed funds	5.40	5.83	5.23
5.83			
Total rate on interest-bearing liabilities	4.30	4.82	4.25
4.80			
Interest rate spread	2.99	3.10	3.10
3.14			
Impact of noninterest-bearing sources	.60	.71	.60
.72			
Net interest margin	3.59%	3.81%	3.70%
3.86%			

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Taxable-equivalent basis September 30 Three months ended 1998	September 30 1999	June 30 1999	March 31 1999	December 31 1998
<S>	<C>	<C>	<C>	<C>
<C>				
Average yields/rates				
Yield on earning assets				
Loans	7.55%	7.53%	7.91%	8.06%
8.28%				
Securities available for sale	5.79	5.56	5.55	5.58
5.85				
Other	7.26	6.90	6.57	6.70
6.87				
Total yield on earning assets	7.29	7.20	7.56	7.70
7.92				
Rate on interest-bearing liabilities				
Deposits	3.69	3.63	3.80	4.03
4.17				
Borrowed funds	5.40	5.08	5.21	5.51
5.83				
Total rate on interest-bearing liabilities	4.30	4.15	4.31	4.59
4.82				
Interest rate spread	2.99	3.05	3.25	3.11
3.10				
Impact of noninterest-bearing sources	.60	.59	.61	.66
.71				
Net interest margin	3.59%	3.64%	3.86%	3.77%
3.81%				

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PNC BANK CORP.  
Details Of Noninterest Income

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DETAILS OF NONINTEREST INCOME

<TABLE>  
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September 30	Three months ended September 30		Nine months ended
September 30	1999	1998	1999
In millions 1998			
<S>	<C>	<C>	<C>
<C>			
Asset management	\$175	\$143	\$505
\$421			
Mutual fund servicing	55	47	159
134			
Service charges on deposits	53	53	154
151			
Consumer services			
Credit card	3	35	32
93			
Brokerage	47	16	138
48			
Insurance	13	12	49
33			
Other	42	35	121
99			
Total consumer services	105	98	340
273			
Corporate services			
Capital markets	22	13	60

36	Net commercial mortgage banking	12	(4)	45
4	Other	50	45	7
127				
-----				
	Total corporate services	84	54	112
167	Net residential mortgage banking			
	Mortgage servicing	77	44	207
113	Origination and securitization	31	42	145
134	MSR amortization	41	(143)	25
(214)	Hedging activities	(74)	104	(172)
122				
-----				
	Total net residential mortgage banking	75	47	205
155	Net securities gains	2	1	44
14	Other	102	86	527
289				
-----				
	Total noninterest income	\$651	\$529	\$2,046
\$1,604				

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	September 30	June 30	March 31	December
Three months ended - in millions	1999	1999	1999	1998
-----				
	<C>	<C>	<C>	<C>
31	September 30			
1998				
-----				
	<S>	<C>	<C>	<C>
	<C>			
Asset management	\$175	\$169	\$161	\$205
143				
Mutual fund servicing	55	53	51	48
47				
Service charges on deposits	53	51	50	52
53				
Consumer services				
Credit card	3	2	27	36
35				
Brokerage	47	45	46	27
16				
Insurance	13	17	19	16
12				
Other	42	41	38	38
35				
-----				
	Total consumer services	105	105	130
98				
Corporate services				
Capital markets	22	19	19	16
13				
Net commercial mortgage banking	12	23	10	22
(4)				
Other	50	46	(89)	40
45				
-----				
	Total corporate services	84	88	(60)
54				
Net residential mortgage banking				
Mortgage servicing	77	70	60	54
44				
Origination and securitization	31	56	58	56
42				
MSR amortization	41	(4)	(12)	(95)
(143)				
Hedging activities	(74)	(52)	(46)	42
104				

Total net residential mortgage banking	75	70	60	57
Net securities gains	2	42		2
Other	102	86	339	139
Total noninterest income	\$651	\$664	\$731	\$698

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PNC BANK CORP.  
 Details of Noninterest Expense

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DETAILS OF NONINTEREST EXPENSE  
 <TABLE>  
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ended September 30	Three months ended September 30		Nine months
	1999	1998	1999
In millions			
Staff expense			
Compensation	\$317	\$291	\$987
Employee benefits	45	44	151
Total staff expense	362	335	1,138
Net occupancy and equipment			
Net occupancy	52	49	191
Equipment	51	52	190
Total net occupancy and equipment	103	101	381
Amortization			
Goodwill	19	18	58
Other	2	10	12
Total amortization	21	28	70
Marketing	18	14	50
Distributions on capital securities	16	16	48
Other	204	202	627
Total noninterest expense	\$724	\$696	\$2,314

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	September 30	June 30	March 31	December 31
September 30				
Three months ended - in millions	1999	1999	1999	1998

1998

	<C>	<C>	<C>	<C>
<S>				
<C>				
Staff expense				
Compensation	\$317	\$319	\$351	\$353
\$291				
Employee benefits	45	45	61	40
44				
-----				
Total staff expense	362	364	412	393
335				
Net occupancy and equipment				
Net occupancy	52	52	87	52
49				
Equipment	51	51	88	56
52				
-----				
Total net occupancy and equipment	103	103	175	108
101				
Amortization				
Goodwill	19	20	19	19
18				
Other	2	1	9	11
10				
-----				
Total amortization	21	21	28	30
28				
Marketing	18	17	15	18
14				
Distributions on capital securities	16	16	16	17
16				
Other	204	246	177	231
202				
-----				
Total noninterest expense	\$724	\$767	\$823	\$797
\$696				

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PNC BANK CORP.  
 Consolidated Balance Sheet  
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	September 30	December 31
	1999	1998
September 30		
In millions, except par value		
1998		
-----		
<S>	<C>	<C>
ASSETS		
Cash and due from banks	\$2,194	\$2,534
\$1,982		
Short-term investments	1,102	1,014
832		
Loans held for sale	4,117	3,226
3,833		
Securities available for sale	8,096	7,074
7,152		
Loans, net of unearned income of \$601, \$554 and \$445	51,398	57,650
56,752		
Allowance for credit losses	(674)	(753)
(816)		
-----		
Net loans	50,724	56,897
55,936		
Goodwill and other amortizable assets	2,943	2,548
2,302		
Other	3,827	3,914
4,201		
-----		
Total assets	\$73,003	\$77,207

\$76,238		
=====		
=====		
LIABILITIES		
Deposits		
Noninterest-bearing	\$8,660	\$9,943
\$9,136		
Interest-bearing	36,486	37,553
37,739		
-----		
Total deposits	45,146	47,496
46,875		
Borrowed funds		
Federal funds purchased	472	390
771		
Repurchase agreements	857	1,669
1,041		
Bank notes and senior debt	7,379	10,384
10,558		
Other borrowed funds	7,563	6,722
5,759		
Subordinated debt	2,627	1,781
1,843		
-----		
Total borrowed funds	18,898	20,946
19,972		
Other	2,240	1,874
2,750		
-----		
Total liabilities	66,284	70,316
69,597		
-----		
Mandatorily redeemable capital securities of subsidiary trusts	848	848
848		
SHAREHOLDERS' EQUITY		
Preferred stock	7	7
7		
Common stock - \$5 par value		
Authorized 450 shares		
Issued 353 shares	1,764	1,764
1,764		
Capital surplus	1,270	1,250
1,178		
Retained earnings	5,839	5,262
5,105		
Deferred benefit expense	(33)	(36)
(54)		
Accumulated other comprehensive loss	(236)	(43)
17		
Common stock held in treasury at cost: 59, 49 and 52 shares	(2,740)	(2,161)
(2,224)		
-----		
Total shareholders' equity	5,871	6,043
5,793		
-----		
Total liabilities, capital securities and shareholders' equity	\$73,003	\$77,207
\$76,238		
=====		
=====		

</TABLE>

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PNC BANK CORP.  
Consolidated Average Balance Sheet Data  
<TABLE>  
<CAPTION>

Page 13

	Three months ended September 30	Nine months	
ended September 30			
	-----	-----	-----
In millions	1999	1998	1999
1998			
-----			

	<C>	<C>	<C>
-----			
<S>			
<C>			
ASSETS			
Interest-earning assets			
Securities available for sale	\$8,803	\$7,073	\$8,669
\$7,391			
Loans, net of unearned income			
Consumer (excluding credit card)	10,171	11,038	10,615
11,073			
Credit card		4,029	899
3,942			
Residential mortgage	12,451	12,455	12,378
12,598			
Commercial	22,631	23,359	23,343
22,159			
Commercial real estate	3,389	2,850	3,394
3,224			
Other	3,104	2,207	2,993
2,133			
-----			
Total loans, net of unearned income	51,746	55,938	53,622
55,129			
Loans held for sale	4,385	3,850	3,838
3,059			
Other	1,102	1,097	1,112
1,042			
-----			
Total interest-earning assets	66,036	67,958	67,241
66,621			
Noninterest-earning assets	7,727	7,332	8,007
7,078			
-----			
Total assets	\$73,763	\$75,290	\$75,248
\$73,699			
=====			
-----			
LIABILITIES			
Interest-bearing liabilities			
Deposits	\$36,581	\$35,353	\$36,913
\$35,086			
Borrowed funds	20,242	22,642	20,785
21,501			
-----			
Total interest-bearing liabilities	56,823	57,995	57,698
56,587			
Noninterest-bearing deposits	8,318	9,169	8,676
9,353			
Other	2,042	1,632	2,167
1,518			
-----			
Total liabilities	67,183	68,796	68,541
67,458			
Mandatorily redeemable capital securities of subsidiary trusts	848	848	848
733			
SHAREHOLDERS' EQUITY	5,732	5,646	5,859
5,508			
-----			
Total liabilities, capital securities and shareholders' equity	\$73,763	\$75,290	\$75,248
\$73,699			
=====			
COMMON SHAREHOLDERS' EQUITY	\$5,419	\$5,332	\$5,545
\$5,193			
=====			

</TABLE>

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AVERAGE BALANCES

	September 30	June 30	March 31	December 31
September 30	1999	1999	1999	1998
Three months ended - in millions				
1998				
-----				
<S>	<C>	<C>	<C>	<C>
<C>				
ASSETS				
Interest-earning assets				
Securities available for sale	\$8,803	\$9,437	\$7,755	\$7,323
\$7,073				
Loans, net of unearned income				
Consumer (excluding credit card)	10,171	10,729	10,955	11,075
11,038				
Credit card			2,724	3,570
4,029				
Residential mortgage	12,451	12,496	12,184	12,193
12,455				
Commercial	22,631	22,846	24,574	24,593
23,359				
Commercial real estate	3,389	3,396	3,398	3,442
2,850				
Other	3,104	3,012	2,860	2,493
2,207				
-----				
Total loans, net of unearned income	51,746	52,479	56,695	57,366
55,938				
Loans held for sale	4,385	3,727	3,383	4,295
3,850				
Other	1,102	1,236	1,005	881
1,097				
-----				
Total interest-earning assets	66,036	66,879	68,838	69,865
67,958				
Noninterest-earning assets	7,727	8,181	8,120	7,512
7,332				
-----				
Total assets	\$73,763	\$75,060	\$76,958	\$77,377
\$75,290				
=====				
LIABILITIES				
Interest-bearing liabilities				
Deposits	\$36,581	\$36,786	\$37,381	\$37,048
\$35,353				
Borrowed funds	20,242	20,544	21,584	22,723
22,642				
-----				
Total interest-bearing liabilities	56,823	57,330	58,965	59,771
57,995				
Noninterest-bearing deposits	8,318	8,684	9,035	9,202
9,169				
Other	2,042	2,325	2,135	1,756
1,632				
-----				
Total liabilities	67,183	68,339	70,135	70,729
68,796				
Mandatorily redeemable capital securities of subsidiary trusts	848	848	848	848
848				
SHAREHOLDERS' EQUITY	5,732	5,873	5,975	5,800
5,646				
-----				
Total liabilities, capital securities and shareholders' equity	\$73,763	\$75,060	\$76,958	\$77,377
\$75,290				
=====				
COMMON SHAREHOLDERS' EQUITY	\$5,419	\$5,559	\$5,661	\$5,486
\$5,332				
=====				

</TABLE>

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<CAPTION>

LOAN PORTFOLIO

September 30 Period ended - in millions 1998	September 30 1999	June 30 1999	March 31 1999	December 31 1998
<S>	<C>	<C>	<C>	<C>
Consumer (excluding credit card) \$11,120	\$9,522	\$10,206	\$10,893	\$10,980
Credit card 3,874				2,958
Residential mortgage 12,388	12,567	12,657	12,579	12,265
Commercial 24,239	22,659	22,731	23,082	25,182
Commercial real estate 2,838	3,369	3,468	3,417	3,449
Other 2,738	3,882	3,541	3,360	3,370
Total loans 57,197	51,999	52,603	53,331	58,204
Unearned income (445)	(601)	(528)	(531)	(554)
Total loans, net of unearned income \$56,752	\$51,398	\$52,075	\$52,800	\$57,650

</TABLE>

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PNC BANK CORP.  
Asset Quality Data  
<TABLE>  
<CAPTION>

ALLOWANCE FOR CREDIT LOSSES

September 30 Three months ended - in millions 1998	September 30 1999	June 30 1999	March 31 1999	December 1998
<S>	<C>	<C>	<C>	<C>
Beginning balance \$859	\$673	\$672	\$753	\$816
Charge-offs				
Consumer (excluding credit card) (19)	(15)	(16)	(18)	(21)
Credit card (73)			(60)	(77)
Residential mortgage (1)	(1)	(2)	(4)	(1)
Commercial (8)	(18)	(18)	(12)	(101)
Commercial real estate (4)	(3)		(1)	(1)
Other (2)	(2)	(1)	(2)	(2)
Total charge-offs (107)	(39)	(37)	(97)	(203)
Recoveries				
Consumer (excluding credit card) 8	6	7	7	8
Credit card 4			2	5
Residential mortgage 6			1	
Commercial 1	4	6	7	8
Commercial real estate 1			1	1
Other			1	1

-----				
19	Total recoveries	10	13	19
19	Net charge-offs			
(11)	Consumer (excluding credit card)	(9)	(9)	(11)
(69)	Credit card			(58)
(1)	Residential mortgage	(1)	(2)	(3)
(2)	Commercial	(14)	(12)	(5)
(3)	Commercial real estate	(3)		
(2)	Other	(2)	(1)	(1)
-----				
(88)	Total net charge-offs	(29)	(24)	(78)
45	Provision for credit losses	30	25	78
	(Divestitures) acquisitions			(81)
-----				
\$816	Ending balance	\$674	\$673	\$672
				\$753
=====				

</TABLE>

<TABLE>  
<CAPTION>

NONPERFORMING ASSETS

31	September 30	September 30	June 30	March 31	December
Period ended - in millions	1999	1999	1999	1999	1998
1998					
-----					
<S>	<C>	<C>	<C>	<C>	<C>
<C>					
Nonaccrual loans					
\$148	Commercial	\$222	\$197	\$184	\$188
73	Commercial real estate	32	42	45	50
56	Residential mortgage	57	57	58	51
5	Consumer	3	4	4	6
-----					
282	Total nonaccrual loans	314	300	291	295
20	Foreclosed and other assets				
18	Commercial real estate	10	12	13	15
9	Residential mortgage	14	12	15	17
	Other	23	9	9	5
-----					
47	Total foreclosed and other assets	47	33	37	37
-----					
\$329	Total nonperforming assets	\$361	\$333	\$328	\$332
=====					

</TABLE>

<TABLE>  
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 BUSINESS INFORMATION

Assets* Nine months ended September 30- ----- Dollars in millions 1998	Earnings		Revenue		Return on Assigned Capital		Average
	1999	1998	1999	1998	1999	1998	1999
----- <S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
PNC Regional Bank \$38,741	\$490	\$451	\$1,734	\$1,746	22%	21%	\$39,485
Asset Management							
PNC Advisors 2,646	111	87	551	348	27	31	3,299
BlackRock 302	42	23	280	210	44	38	443
FFPC Worldwide 229	34	29	170	141	42	43	257
-----							
Total asset management 3,177	187	139	1,001	699	32	34	3,999
Wholesale							
PNC Institutional Bank 8,459	84	58	313	280	17	13	9,660
PNC Secured Finance 6,766	79	52	224	147	19	15	8,038
PNC Mortgage 4,634	45	23	327	243	13	10	7,092
-----							
Total wholesale 19,859	208	133	864	670	16	13	24,790
-----							
Total businesses 61,777	885	723	3,599	3,115	22	20	68,274
Other 11,922	10	107	106	423			6,974
-----							
Total consolidated - core 73,699	895	830	3,705	3,538	21	21	75,248
Gain on sale of credit card business	125		193				
Gain on sale of equity interest in Electronic Payment Services	63		97				
Gain on sale of Concord EFS stock net of PNC Bank Foundation contribution	16		41				
Valuation adjustments	(92)		(142)				
Costs related to efficiency initiatives	(64)						
Gain on sale of branches	17		27				
-----							
Total consolidated - reported \$73,699	\$960	\$830	\$3,921	\$3,538	23	21	\$75,248

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 </TABLE>

\* BlackRock's assets are presented as of period end.

PNC REGIONAL BANK - PNC Regional Bank provides credit, deposit, branch-based brokerage and electronic banking products and services to retail customers as well as credit, leasing, treasury management and capital markets products and services to mid-sized and small businesses primarily within PNC Bank's geographic footprint. PNC Regional Bank contributed 55% of total business earnings in the first nine months of 1999 compared with 63% in the first nine months of 1998. Earnings increased 9% in the comparison driven by improved efficiency and growth in deposits. Excluding the impact of branch gains and costs related to consumer delivery initiatives in 1998, earnings increased 16%.

PNC ADVISORS - PNC Advisors offers personalized investment management, high-end brokerage, personal trust, estate planning and traditional banking services to affluent and wealthy individuals; and investment management, trust and administrative services to pensions, 401(k) plans and charitable organizations. PNC Advisors contributed 13% of total business earnings in the first nine months

of 1999 comprised with 12% in the first nine months of 1998. Earnings increased 28% in the comparison due to strong revenue growth attributable to new business.

**BLACKROCK** - BlackRock offers fixed income, domestic and international equity and liquidity investment products, and utilizes technology-based risk management capabilities to provide investment advisory and asset management capabilities for a wide range of institutional and retail customers. BlackRock contributed 5% of total business earnings in the first nine months of 1999 compared with 3% a year ago. Earnings nearly doubled in the comparison as a result of new business.

**PFPC WORLDWIDE** - PFPC Worldwide provides a wide range of accounting, administration, transfer agency, custody, securities lending and integrated banking transaction services to mutual funds, pension and money fund managers, partnerships, brokerage firms, insurance companies and banks. PFPC Worldwide contributed 4% of total business earnings in the first nine months of 1999 and 1998. Earnings increased 17% in the comparison as a result of an increase in assets serviced.

**PNC INSTITUTIONAL BANK** - PNC Institutional Bank provides specialized credit, capital markets and treasury management products and services to corporations, institutions and government entities nationwide. PNC Institutional Bank contributed 9% of total business earnings in the first nine months of 1999 compared with 8% in the prior-year period. Earnings increased 45% in the comparison due to higher revenue and a lower provision for credit losses.

**PNC SECURED FINANCE** - PNC Secured Finance is engaged in commercial real estate finance, including loan origination, securitization and servicing; asset-based financing, including lending, syndication and treasury management services; and equipment lease financing to corporate clients nationwide. PNC Secured Finance contributed 9% of total business earnings in the first nine months of 1999 compared with 7% a year ago. Earnings increased 52% in the comparison driven by revenue attributable to Midland Loan Services, L.P.

**PNC MORTGAGE** - PNC Mortgage originates, purchases and services residential mortgages and related products. PNC Mortgage also acquires and securitizes residential mortgages as private-label mortgage-backed securities and performs the master servicing of those securities for investors. PNC Mortgage contributed 5% of total business earnings in the first nine months of 1999 compared with 3% in the prior-year period. Earnings nearly doubled in the comparison driven by revenue growth primarily attributable to a larger servicing portfolio.

**OTHER** - Other reflects differences between total business results and consolidated core financial results primarily due to differences between management accounting practices and generally accepted accounting principles, divested and exited businesses, venture capital activities, sales of equity interests and minority interests in subsidiaries, eliminations and unassigned items.