

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 2, 2003

Date of Report (Date of earliest event reported)

**THE PNC FINANCIAL SERVICES GROUP, INC.**

(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, including zip code)

**(412) 762-2000**  
(Registrant's telephone number, including area code)

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

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**Item 7. Financial Statements and Exhibits**

(c) The exhibit listed on the Exhibit Index accompanying this Form 8-K is furnished herewith.

**Item 12. Disclosure of Results of Operations and Financial Condition**

On December 2, 2003, James E. Rohr, chairman and chief executive officer of The PNC Financial Services Group, Inc. (the "Corporation"), spoke at the Goldman Sachs Bank CEO Conference in New York, New York. This presentation was accompanied by a series of electronic slides that included information pertaining to financial and business performance and strategies. A copy of these slides and related material is attached hereto as Exhibit 99.1.

**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.

**THE PNC FINANCIAL SERVICES GROUP, INC.**  
*(Registrant)*

Date: December 2, 2003

By: /s/ Samuel R. Patterson

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Samuel R. Patterson  
*Controller*

**EXHIBIT INDEX**

<b>Number</b>	<b>Description</b>	<b>Method of Filing</b>
99.1	Slide presentation and related material for Goldman Sachs Bank CEO Conference in New York, New York.	Furnished Herewith



The PNC Financial Services Group, Inc.

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Goldman Sachs  
14<sup>th</sup> Annual Bank CEO Conference

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New York, NY  
December 2, 2003

# Cautionary Statement Regarding Forward-Looking Information

This presentation contains forward-looking statements with respect to PNC's outlook or expectations relating to its future business, operations, financial condition, financial performance and asset quality. Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties.

The forward-looking statements in this presentation are qualified by the factors affecting forward-looking statements identified in the more detailed Cautionary Statement included in PNC's written materials distributed at this conference and in the version of these slides posted on PNC's website at [www.pnc.com](http://www.pnc.com) as well as those factors previously disclosed in PNC's SEC reports (accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and on PNC's website).

Future events or circumstances may change PNC's outlook or expectations and may also affect the nature of the assumptions, risks and uncertainties to which the forward-looking statements are subject. The forward-looking statements in this presentation speak only as of the date of this presentation, and PNC assumes no duty and does not undertake to update them.



## Key Messages

PNC has...

- ▶ Strong platform for growth
- ▶ Differentiated business mix that can deliver growth
- ▶ Clear and executable plans to achieve growth



## Strong Platform for Growth

- ▶ Solid financial position
- ▶ Enhanced risk management and corporate governance
- ▶ Premier technology platform
- ▶ Outstanding team and culture
- ▶ Clear strategic direction





# PNC's Strategic Direction



## Goal

To expand as a deposit-driven bank franchise with select asset management and processing businesses that leverage the core operating platform and customer base to enhance the long-term growth rate and return for shareholders

PNC will be defined as a company with:

**Moderate  
Risk Profile**

**High-Return  
Business Mix**

**Above Average  
Growth**



# PNC's Valuable Business Mix

## Business Earnings Contribution

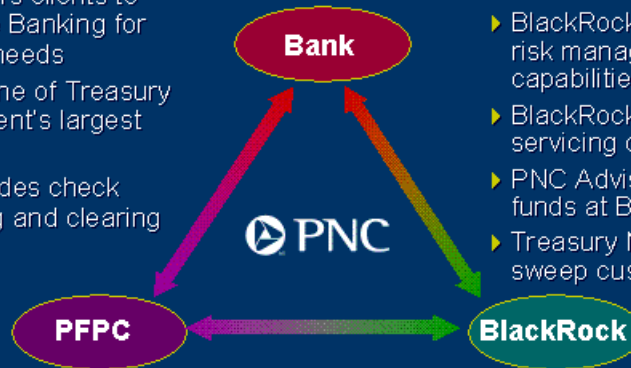
PNC Bank	82%	Regional Community Banking	A leading community bank in all major markets served
		Wholesale Banking	Top 10 treasury management business Top 5 asset-based lender
		PNC Advisors	One of the nation's largest bank wealth managers
BlackRock	13%		3 <sup>rd</sup> -largest publicly traded asset manager
PFPC	5%		One of the nation's largest providers of mutual fund transfer agency and accounting and administration services

Business Earnings are for the nine months ended 9/30/03 and are reconciled to GAAP in the Appendix



# PNC's Business Synergies

- ▶ PFPC refers clients to Wholesale Banking for financing needs
- ▶ PFPC is one of Treasury Management's largest clients
- ▶ RCB provides check processing and clearing for PFPC



- ▶ BlackRock manages trading desk, performs research and provides investment advice for PNC Advisors
- ▶ BlackRock Solutions provides risk management modeling capabilities to PNC
- ▶ BlackRock manages Midland's servicing deposits
- ▶ PNC Advisors invests customer funds at BlackRock
- ▶ Treasury Management refers sweep customers to BlackRock

- ▶ PFPC services BlackRock funds
- ▶ BlackRock invests collateral from PFPC's securities lending business
- ▶ PFPC refers sweep customers to BlackRock



# A Differentiated Franchise

## A Core Funded Bank...

## That's Fee Driven...

## Generating High Returns

<u>Loans to Deposits</u>		<u>Noninterest Income to Total Revenue</u>		<u>Return on Average Common Shareholders' Equity</u>	
BK	64%	BK	68%	FITB	20.6%
PNC	76%	PNC	64%	USB	20.5%
WB	82%	WB	50%	WFC	18.9%
ONE	85%	ONE	48%	PNC	17.1%
WFC	92%	FITB	48%	NCC	16.2%
FBF	95%	FBF	47%	BK	15.9%
FITB	95%	USB	43%	ONE	15.8%
STI	98%	WFC	41%	FBF	15.5%
USB	104%	STI	40%	STI	14.2%
NCC	111%	KEY	40%	WB	13.7%
KEY	129%	NCC	32%	KEY	13.1%

Information as of or for the three months ended 9/30/03  
 Source: SNL DataSource, PNC as reported



# Premier Technology Platform

## Driving Growth and Efficiencies

- ▶ Web-enabled branches
- ▶ Leading call center
- ▶ Positioned for Check 21
- ▶ Treasury Management A/R Advantage product
- ▶ PFPC global transfer agency platform
- ▶ BlackRock Solutions

INFORMATIONWEEK 500 2003



- ▶ #1 Bank
- ▶ #19 Overall

### Rank

19	The PNC Financial Services Group, Inc.
38	Mellon Financial Corp.
40	J.P. Morgan Chase & Co.
51	State Street Corp.
134	KeyCorp
252	Bank of America
308	BB&T Corp.
333	Bank One Corp.
375	Bank of New York
402	Citigroup Inc.
488	Wells Fargo



# Our Growth Goals

## Three to Five Year Horizon

	<b>Annualized Earnings Growth</b>
Banking businesses	5 - 7%
Asset management and processing	15 - 20%
Capital management	1 - 3%
Consolidated PNC	10 - 12%



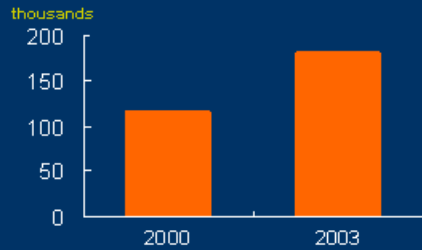
# Focus on Customer Acquisition

Regional Community Bank

## Strategies

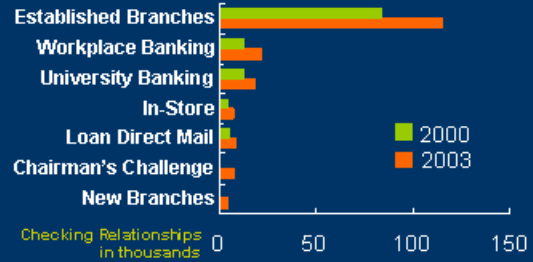
- ▶ Competitive and attractive product offerings
- ▶ Advertising positions PNC as the “bank of choice” for checking
- ▶ Targeted channels that leverage our business mix

### Checking Relationships Acquired



Information for the nine months ended September 30

### Sources of Customer Acquisition



Information for the nine months ended September 30

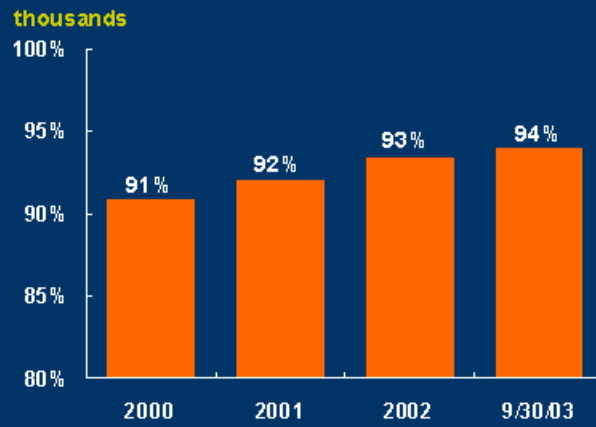


# Keeping More Customers

Regional Community  
Bank

## Retention Initiatives Have Produced Impressive Results

### DDA Households - Retention





# Selling More to Customers

Regional Community Bank

## Proven Success in Growing Valuable Customer Base

### Checking Relationships



### Provides Opportunities for Growth and Improved Retention

	Growth
ATM / debit card fees	+14%
Home equity loans	+15%
Online banking users	+29%

Growth is for the nine months ended 9/30/03 vs. 9/30/02



# Building a More Successful Model

Wholesale  
Bank

## Strategies

- ▶ Improve customer acquisition and penetration
- ▶ Continue transition to customer-focused approach
- ▶ Establish best-in-class risk management
- ▶ Develop culture for growth

## Profile of New Corporate Banking Clients with Annual Revenue to PNC >\$35,000

- ▶ Client acquisition ahead of plan
- ▶ 99% investment grade equivalent
- ▶ Limited exposure size
  - Average commitment size \$16 million
  - Over 92% less than or equal to \$25 million



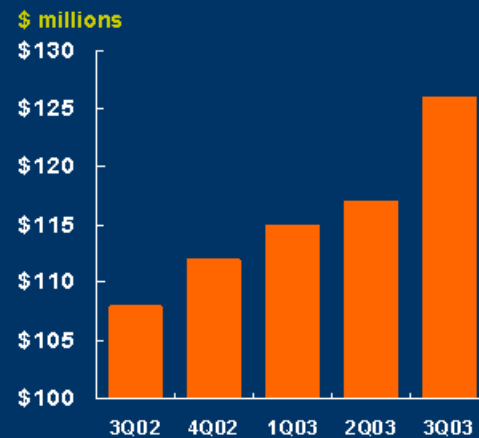
# Selling More Fee-Based Products

Wholesale Bank

## Highlights

- ▶ Significant Treasury Management client wins
- ▶ #1 in loan syndications for middle market in the Northeast through September
- ▶ Commercial real estate finance industry leader

## Noninterest Income



Noninterest income is reconciled to GAAP in the Appendix and excludes held for sale gains, net securities gains, and the adoption of FIN 46



# Strategies to Reposition PNC Advisors

- ▶ Shift to advice-based provider
  - New managed account product strengthens value proposition
  - Energizing sales with well-prepared sales force
- ▶ Improve client retention
  - Managing at-risk client relationships
- ▶ Strengthen client relationships
  - Plans to improve client and employee satisfaction
- ▶ Realign revenue / expense structure
  - Implementing \$20 million efficiency initiative for 2004



# PFPC – A Leading Global Provider of Fund Services

## Opportunities

- ▶ Improve client retention and penetration
- ▶ Build aggressive sales force
- ▶ Improve efficiency
- ▶ Strengthen product development and technology

## Highlights

<u>\$ billions</u>	<u>12/31/02</u>	<u>9/30/03</u>	<u>Change</u>
Accounting/ administration assets	\$510	\$634	24%
Custody assets	\$336	\$384	14%
Average FTEs quarter-ended	5,538	4,760	(14%)

Third quarter operating margin improved to 23%

Operating margin equals operating income divided by total fund servicing revenue

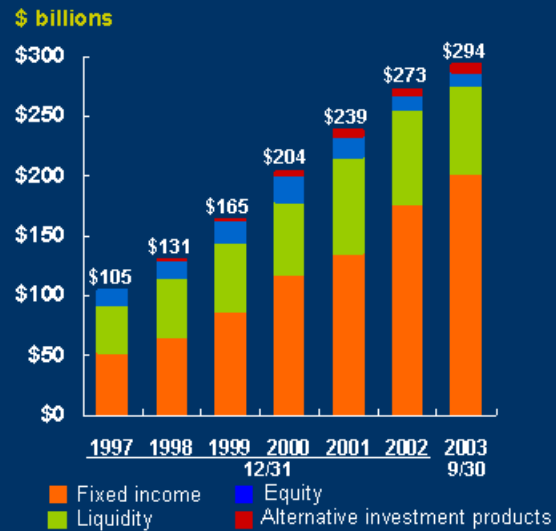


# BlackRock - A World Class Asset Manager

## Opportunities

- ▶ Client-driven consolidation of fixed income asset managers
- ▶ BlackRock Solutions
- ▶ Leverage unified operating platform

## Assets Under Management



## Key Messages

PNC has...

- ▶ Strong platform for growth
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- ▶ Clear and executable plans to achieve growth





Every day is an opportunity to do more.<sup>sm</sup>

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# Appendix

# Cautionary Statement Regarding Forward-Looking Information

This presentation and other statements made by PNC may contain forward-looking statements with respect to PNC's outlook or expectations for earnings, revenues, expenses, capital levels, asset quality or other future financial or business performance, strategies or expectations or the impact of legal, regulatory or supervisory matters on PNC's business operations or performance. Forward-looking statements are typically identified by words or phrases such as "believe," "feel," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "position," "target," "assume," "achievable," "potential," "strategy," "goal," "objective," "plan," "aspiration," "outcome," "continue," "remain," "maintain," "seek," "strive," "trend," and variations of such words and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "might," "can," "may" or similar expressions. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and PNC assumes no duty and does not undertake to update them.

In addition to factors mentioned in this presentation or previously disclosed in PNC's SEC reports (accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and on PNC's website at [www.pnc.com](http://www.pnc.com)), the following risks and uncertainties, among others, could cause actual results or future events to differ materially from those anticipated in forward-looking statements or from historical performance:

- (1) changes in political, economic or industry conditions, the interest rate environment or financial and capital markets, which if adverse could result in: a deterioration in credit quality, increased credit losses, and increased funding of unfunded loan commitments and letters of credit; an adverse effect on the allowances for credit losses and unfunded loan commitments and letters of credit; a reduction in demand for credit or fee-based products and services; a reduction in net interest income, value of assets under management and assets serviced, value of private equity investments and of other debt and equity investments, value of loans held for sale or value of other on-balance sheet and off-balance sheet assets; or changes in the availability and terms of funding necessary to meet PNC's liquidity needs;
- (2) relative and absolute investment performance of assets under management;
- (3) the introduction, withdrawal, success and timing of business initiatives and strategies, decisions regarding further reductions in balance sheet leverage, the timing and pricing of any sales of loans held for sale, and PNC's inability to realize cost savings or revenue enhancements, or to implement integration plans relating to or resulting from mergers, acquisitions, restructurings and divestitures;
- (4) customer borrowing, repayment, investment and deposit practices and their acceptance of PNC's products and services;
- (5) the impact of increased competition;
- (6) how PNC chooses to redeploy available capital, including the extent and timing of any share repurchases and acquisitions or other investments in PNC businesses;
- (7) the inability to manage risks inherent in PNC's business;
- (8) the unfavorable resolution of legal proceedings or regulatory and other governmental inquiries; the impact of increased litigation risk from recent regulatory and other governmental developments; and the impact of reputational risk created by recent regulatory and other governmental



# Cautionary Statement Regarding Forward-Looking Information (continued)

developments on such matters as business generation and retention, the ability to attract and retain management, liquidity and funding;

(9) the denial of insurance coverage for claims made by PNC;

(10) an increase in the number of customer or counterparty delinquencies, bankruptcies or defaults that could result in, among other things, increased credit and asset quality risk, a higher provision for credit losses and reduced profitability;

(11) the impact, extent and timing of technological changes, the adequacy of intellectual property protection and costs associated with obtaining rights in intellectual property claimed by others;

(12) actions of the Federal Reserve Board affecting interest rates, money supply or otherwise reflecting changes in monetary policy;

(13) the impact of legislative and regulatory reforms and changes in accounting policies and principles;

(14) the impact of the regulatory examination process, PNC's failure to satisfy the requirements of agreements with governmental agencies, and regulators' future use of supervisory and enforcement tools;

(15) terrorist activities and international hostilities which may adversely affect the general economy, financial and capital markets, specific industries, and PNC; and

(16) issues related to the completion of the pending acquisition of United National Bancorp and the expected consequences of the integration of its business into that of PNC, including the following: completion of the transaction is dependent on, among other things, receipt of stockholder and regulatory approvals, which may not be received or which may be received later than anticipated; the transaction may be materially more expensive to complete than anticipated, including as a result of unexpected factors or events; the integration of United National's business and operations into PNC, which will include conversion of United Trust Bank's different systems and procedures, may take longer than anticipated or be more costly than anticipated or have unanticipated adverse results relating to United National's or PNC's existing businesses; the anticipated cost savings of the acquisition may take longer than expected to be realized, may not be achieved, or may not be achieved in their entirety; and the anticipated benefits to PNC are dependent in part on United National's business performance in the future, and there can be no assurance as to actual future results, which could be impacted by various factors, including the risks and uncertainties generally related to PNC's and United National's performance (with respect to United National, see United National's SEC reports, also accessible on the SEC's website) or due to factors related to the acquisition of United National and the process of integrating it into PNC.

Any annualized, proforma, estimated, third party or consensus numbers in this presentation are used for illustrative or comparative purposes only and may not reflect actual results. Consensus earnings estimates are calculated based on the earnings projections made by analysts who cover that company. The analysts' opinions, estimates or forecasts (and therefore the consensus earnings estimates) are theirs alone, are not those of PNC or its management, and may not reflect PNC's actual or anticipated results.



# Non-GAAP to GAAP Reconciliation

Appendix

## Business Earnings

\$ millions	Nine Months Ended 9/30/03	
	Earnings (Loss)	Business Earnings Contribution
Banking businesses		
Regional Community Banking	\$449	51%
Wholesale Banking	212	24%
PNC Advisors	56	7%
Total banking businesses	717	82%
Asset management and processing businesses		
BlackRock	114	13%
PFPC	43	5%
Total asset management and processing businesses	157	18%
Total business results	874	100%
Intercompany eliminations	(5)	
Other	(142)	
Total consolidated	\$727	



# Non-GAAP to GAAP Reconciliation

Appendix

## Wholesale Banking Noninterest Income

\$ millions	Three Months Ended				
	9/30/02	12/31/02	3/31/03	6/30/03	9/30/03
Wholesale Banking noninterest income	\$125	\$164	\$153	\$134	\$155
Less: Net securities gains	-	-	23	2	-
Held for sale gains, net of valuation adjustments	17	52	15	15	23
Adoption of FIN 46	-	-	-	-	6
Wholesale Banking – adjusted noninterest income	\$108	\$112	\$115	\$117	\$126



# Peer Group of Super-Regional Banks

Appendix

	<u>Ticker</u>
The Bank of New York Company, Inc.	BK
Bank One Corporation	ONE
Fifth Third Bancorp	FITB
FleetBoston Financial Corporation	FBF
KeyCorp	KEY
National City Corporation	NCC
The PNC Financial Services Group, Inc.	PNC
SunTrust Banks, Inc.	STI
U.S. Bancorp	USB
Wachovia Corporation	WB
Wells Fargo & Company	WFC

