
**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

September 12, 2006
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 001-09718

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)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 2.02 Results of Operations and Financial Condition.

On September 12, 2006, James E. Rohr, Chairman and Chief Executive Officer of The PNC Financial Services Group, Inc. (the "Corporation"), gave a presentation to investors at the Lehman Brothers 2006 Financial Services Conference in New York, New York. This presentation was accompanied by a series of electronic slides that included information pertaining to the financial results and business strategies of the Corporation. A copy of these slides and related material is included in this report as Exhibit 99.1 and is furnished herewith.

Item 9.01 Financial Statements and Exhibits.

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

SIGNATURE

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 hereunto duly authorized.

THE PNC FINANCIAL SERVICES GROUP, INC.
(Registrant)

Date: September 12, 2006

By: /s/ Samuel R. Patterson
Samuel R. Patterson
Controller

EXHIBIT INDEX

Number	Description	Method of Filing
99.1	Slide presentation and related material for the Lehman Brothers 2006 Financial Services Conference on September 12, 2006	Furnished herewith



The PNC Financial Services Group, Inc.

Lehman Brothers
2006 Financial Services Conference

September 12, 2006

Cautionary Statement Regarding Forward-Looking Information

This presentation contains forward-looking statements regarding our outlook or expectations relating to PNC's future business, operations, financial condition, financial performance and asset quality. Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time.

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 the Appendix and in the version of the presentation materials posted on our corporate website at www.pnc.com. We provide greater detail regarding those factors in our 2005 Form 10-K, including in the Risk Factors and Risk Management sections, and in our 2006 Form 10-Qs and other SEC reports (accessible on the SEC's website at www.sec.gov and on or through our corporate website).

Future events or circumstances may change our outlook or expectations and may also affect the nature of the assumptions, risks and uncertainties to which our forward-looking statements are subject. The forward-looking statements in this presentation speak only as of the date of this presentation. We do not assume any duty and do not undertake to update those statements.

This presentation may also include a discussion of non-GAAP financial measures, which, to the extent not so qualified therein or in the Appendix, is qualified by GAAP reconciliation information available on our corporate website at www.pnc.com under "About PNC - Investor Relations."



Key Messages

PNC has:

- ▶ Delivered on our strategies
- ▶ Business initiatives to drive continued momentum

Our Journey to Build a Great Company

1990's

- ▶ Invested in industry leading technology platform
- ▶ Built a diversified business mix
- ▶ Expanded distribution capabilities
- ▶ Improved employee and customer satisfaction
- ▶ Enhanced risk management capabilities
- ▶ Developed strong corporate governance
- ▶ Expanded into higher growth markets and products
- ▶ Deepened customer relationships
- ▶ Focused on expense management
- ▶ Managed capital in a disciplined manner


Today

Opportunity

- ▶ Create differentiated brand



What We Told Investors Last Year

	<h2>Keys to Success in the Current Environment</h2>
 <p>PNC Financial Services Group, Inc.</p> <p>Lehman Brothers 2005 Financial Services Conference</p> <p>New York, NY September 13, 2005</p>	<p>A Solid Platform</p> <ul style="list-style-type: none">▶ Diversified business mix▶ Strong risk management <p>Executable Growth Strategies</p> <ul style="list-style-type: none">▶ Invest in and grow fee-based businesses▶ Continue to grow low-cost deposit franchise▶ Generate value-added loans▶ Improve asset yields▶ Make operating efficiency a core competency
	

PNC's High Return Business Mix

Business Results Six Months Ended June 30, 2006

\$ millions



Business earnings, earnings growth and return on capital reconciled to GAAP net income, growth and returns in Appendix.

(1) Percentages for BlackRock and PFPC reflect return on average equity.

(2) Corporate & Institutional Banking adjusted earnings growth excludes impact of a loan recovery in 2Q05 of \$34 million after-tax and is reconciled to GAAP in the Appendix



Disciplined Approach Leads to Strong Credit Risk Profile

Lending Profile (As of June 30, 2006)

Commercial

▶ Diverse

- No large industry concentration

▶ Limited large non-investment grade exposure

- Only 2% is non-investment grade and >\$50 million

▶ Targeted

- Focused on clients that meet risk-adjusted return criteria

Consumer

▶ Home equity portfolio statistics

- % of first lien positions 45%
- Weighted average loan to value ratio 69%
- Weighted average FICO scores 728

Strong Asset Quality

June 30, 2006

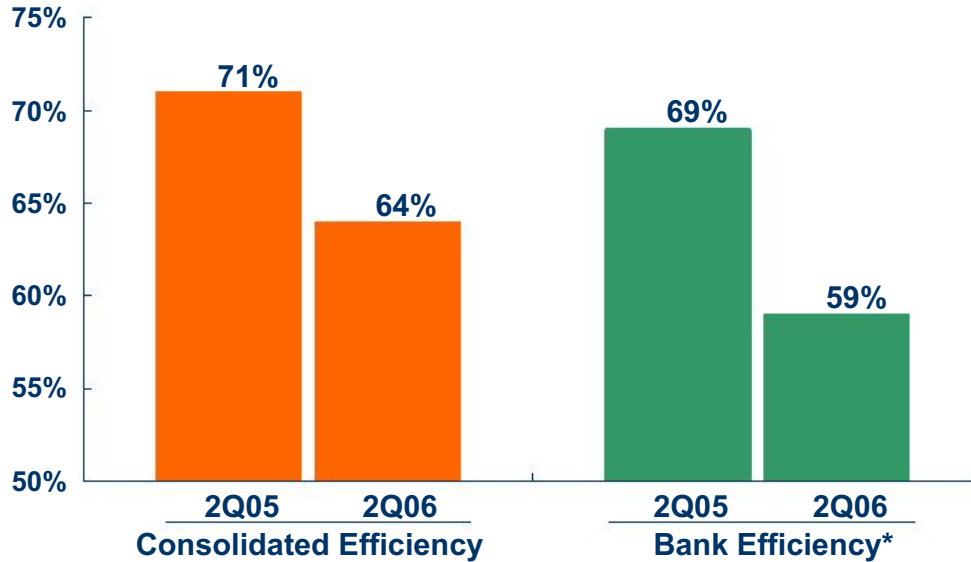
	<u>PNC</u>	<u>Peer Group</u>
Nonperforming loans to loans	0.41%	0.35%
Net charge-offs to average loans YTD	0.18%	0.23%
Allowance for loan and lease losses to loans	1.21%	1.15%

Source: SNL DataSource; PNC as reported
Peer group represents average of super-regional banks identified in the Appendix. Peer group excludes PNC.



Impact of Expense Management Becoming More Visible

Efficiency Ratios Improving



*Bank efficiency ratio represents the consolidated (GAAP basis) efficiency ratio excluding the effect of BlackRock and PFPC and is reconciled to GAAP in the Appendix. Efficiency equals noninterest expense divided by the sum of net interest income and noninterest income.



Innovative Technology Platform



**PNC Named to 2006 'CIO' 100 for
Technology Achievement**



U.S. Banks

PNC
Wells Fargo



We've Been Delivering Results...

Consolidated Net Income



Rebalanced Securities Portfolio to Improve Total Return

Objective

- ▶ Manage portfolio to optimize total return performance

Actions

- ▶ Performed comprehensive portfolio review
- ▶ Sold approximately \$6 billion of securities likely to underperform on a relative value basis
- ▶ Purchased \$3 billion of securities expected to outperform on a relative value basis and added \$3 billion notional value of interest rate swaps
- ▶ Recognized pretax loss of approximately \$200 million

Benefits

- ▶ Improved net interest income and margin
- ▶ No impact to duration of equity while maintaining flexibility to extend duration through the economic cycle
- ▶ Tangible common equity ratio improves

Key Messages

PNC has:

▶ Delivered on our strategies

▶ **Business initiatives to drive continued momentum**

- Retail Banking – Winning in the payments space
- C&I Banking – Building a premier middle market franchise
- PFPC – Expanding core clients and investing in growth opportunities
- BlackRock – Building a world-class asset manager

Creating a Differentiated Brand

Deliver
Exceptional
Service

Demonstrate
Ease

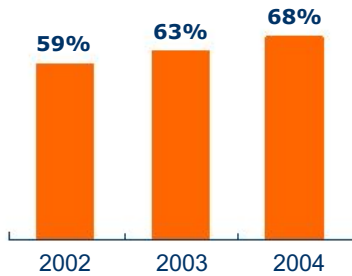
Build
Confidence

Ask for the
Business

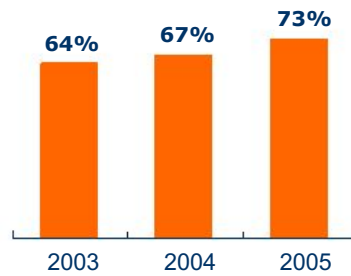
Driving Solid Growth in Retail Banking Checking Relationships

The Value Profit Chain is Working

Employees' Willingness to Recommend PNC Products and Services



Customers Rating PNC Consumer Banking Excellent*



* Percentage rated 6 or 7 on 7 point scale

Checking Relationships

CAGR
12/31/03 to
6/30/06

Consumer	+7%
Small business	+10%

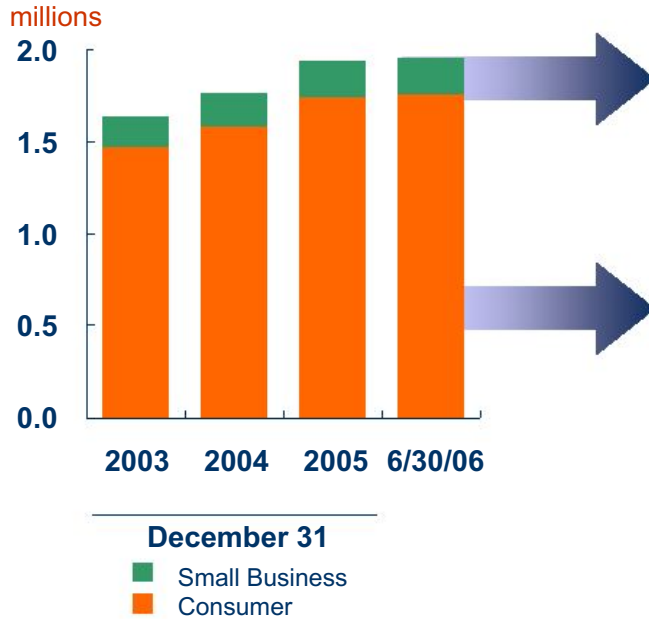


Source: PNC proprietary surveys conducted by independent third party



Increasing and Deepening Checking Relationships

Retail Banking Checking Customer Base



...Provides Opportunities to Leverage Increased Ownership in Payments Business

	1H06	Growth ⁽¹⁾
Small Business		
Small Business debit card revenue (\$ millions)	\$5.8	+27%
Small Business online banking users	45%	+21% ⁽²⁾
Consumer		
Consumer debit card revenue (\$ millions)	\$48.9	+21%
Consumer online banking users	51%	+13% ⁽²⁾
Consumer online bill-pay users	17%	+83% ⁽²⁾

⁽¹⁾ Growth is for 1H06 vs. 1H05
⁽²⁾ Reflects growth in users



Growing Deposits Faster Than Our Peers

Deposit Increase Compared to Peers

Average Balances

	2Q06 vs. 2Q05	
	PNC	Peers
Total interest-bearing deposits	12%	9%
Total noninterest-bearing deposits	7%	1%
Total deposits	11%	8%

Source: SNL DataSource

Peers reflects median of super-regional banks identified in the Appendix excluding PNC



Noninterest-Bearing Deposits Becoming More Valuable

PNC's High Percentage of Noninterest-Bearing Funding

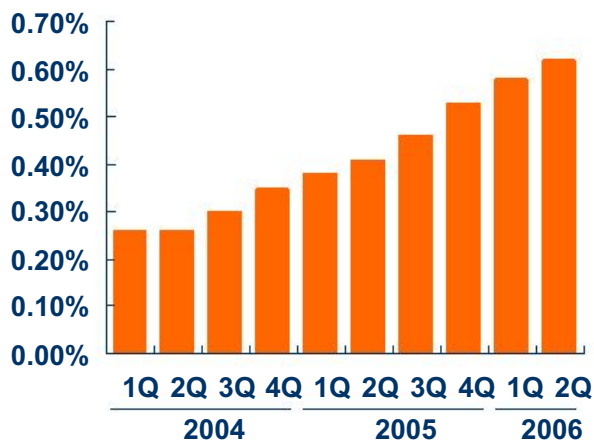
Average Noninterest-Bearing Deposits to Average Earning Assets

	<u>2Q06</u>
WFC	21 %
PNC	18
RF	17
KEY	16
USB	16
STI	15
BK	14
FITB	14
WB	14
NCC	14
BBT	13

Source: SNL DataSource, PNC as reported

Rising Interest Rates Increase Value of PNC's Noninterest-Bearing Deposits

Impact of Noninterest-Bearing Sources on PNC's Net Interest Margin



Investing in Our Brand to Drive Growth

Ease. Confidence. Achievement

- ▶ Redesigned and simplified checking product
- ▶ National marketing campaign to expand checking product reach beyond branch footprint
- ▶ Launched regional credit card product
- ▶ Investing to enhance the customer experience in mortgage and merchant services
- ▶ Leveraging existing relationships with affluent clients





**INTRODUCING CHECKING THAT MAKES
EVERY ATM IN THE WORLD FREE.**



Success in Greater Washington DC Market Highlights Scalability of Model

Demonstrating Ease of PNC

- ▶ Leveraging successful technology platform
- ▶ Extended hours
- ▶ Free ATM's
- ▶ Opened five new branches
 - Plan to open approximately 35 more by end of 2008
- ▶ Established Business Banking team

Improved Monthly Same Store Sales Production

	<u>Change June '06 vs June '05</u>
Consumer	
Checking relationships	+19%
Average deposits	+15%
Average home equity loans	+15%
Small Business	
Checking relationships	+29%
Average deposits	+22%
Average loans	+207%

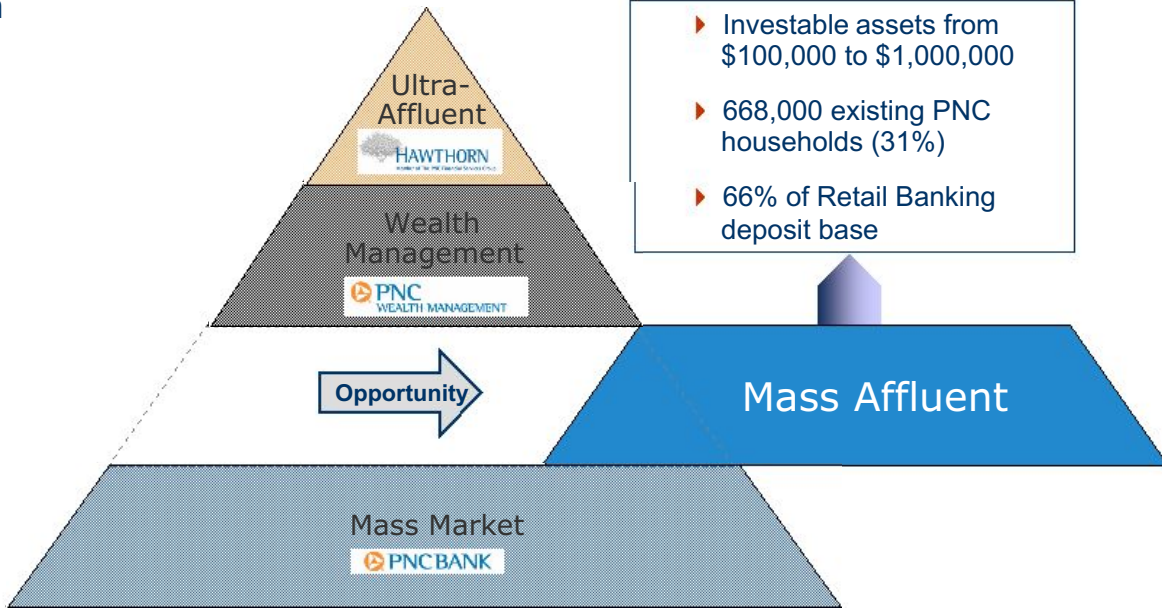


Focused on Winning in the Affluent Segment

High

Investable Assets

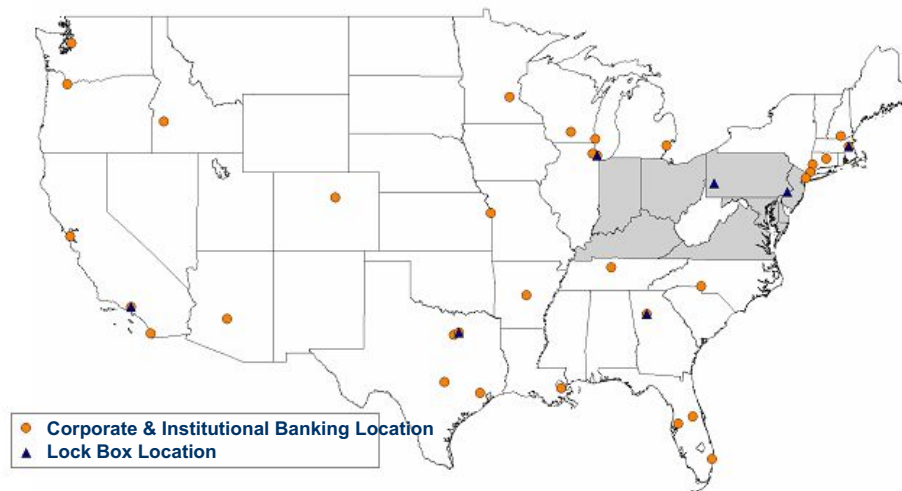
Low



Corporate & Institutional Banking: Building a Premier Middle Market Franchise

What's Our Competitive Advantage?

- ▶ Focused on middle market
- ▶ Extensive product offering
- ▶ Established national origination and servicing capabilities



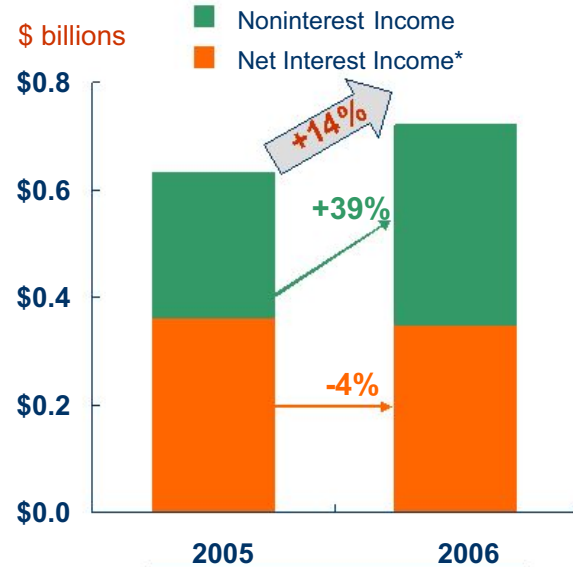
Successfully Deepening C&I Banking Relationships

Cross-sell Results

Product Penetration of Primary Clients with a Credit Relationship

	<u>April 2006</u>
Treasury Management	75%
Capital Markets	38%
Leasing	9%

Driving Strong Fee Revenue Growth



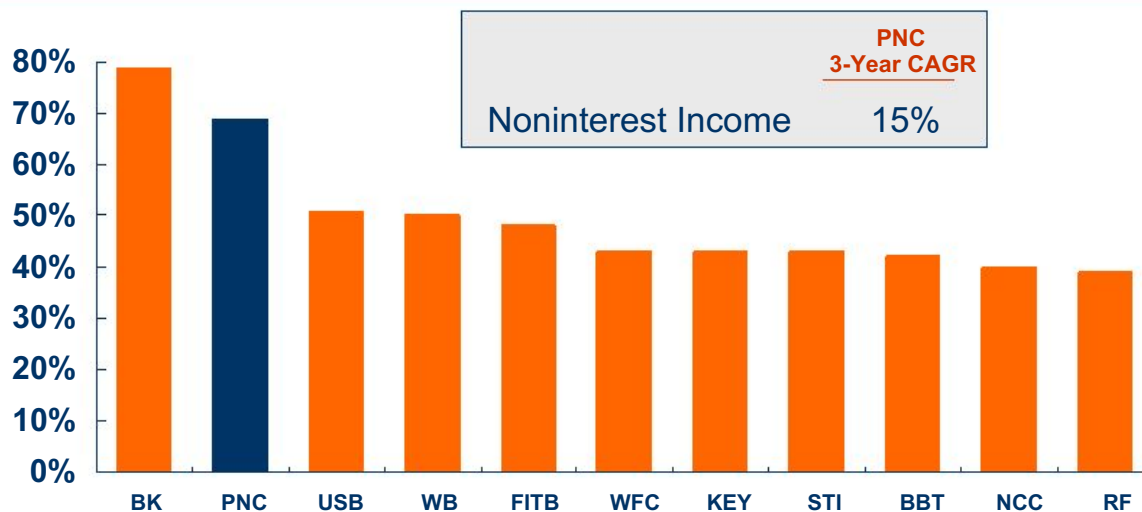
Six Months Ended June 30,

*Net interest income on taxable-equivalent basis and is reconciled to GAAP in Appendix



Fee-Based Businesses Differentiate PNC

Noninterest Income to Total Revenue



Information for the quarter ended 6/30/06
Source: SNL DataSource, PNC as reported



PFPC – Benefiting from Investments in High Growth Products

Servicing Statistics

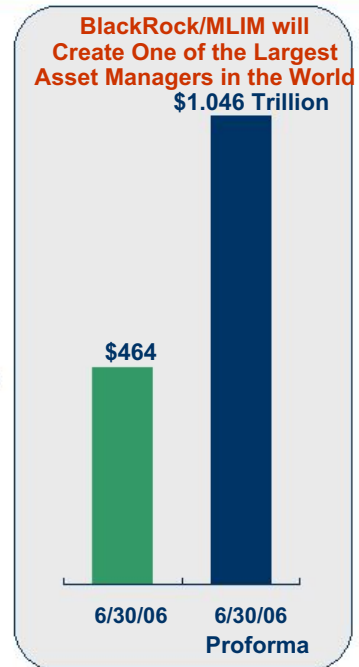
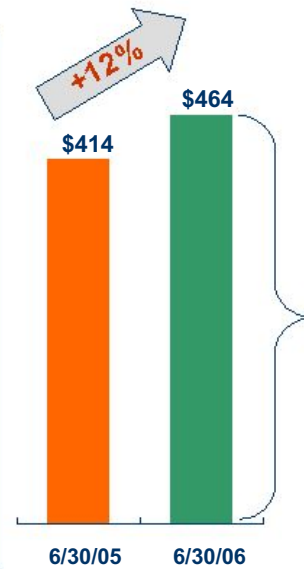
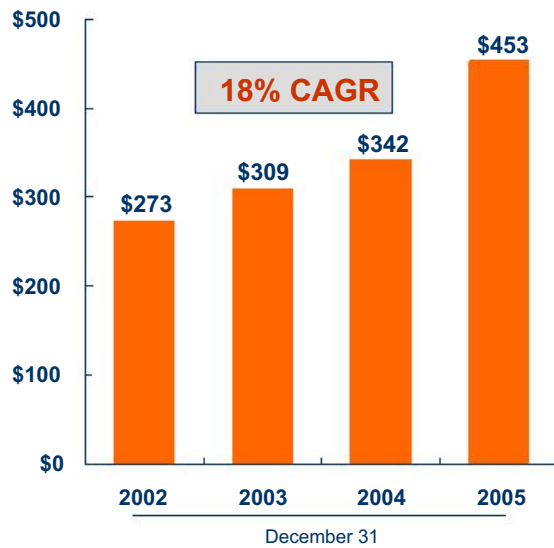
	June 30	
	2006	% Change vs. 2005
<u>Assets serviced (\$ billions)</u>		
Accounting / administration	\$743	-3%
Domestic	\$671	-4%
Offshore	\$72	+7%
<u>Shareholder accounts (in millions)</u>		
Total	65	+12%
Transfer agency	18	-10%
Subaccounting	47	+24%
YTD Earnings (\$ millions)	\$53	+13%



BlackRock – Strong Record of Growth

Assets Under Management

\$ billions



Improving Capital Flexibility

Capital Management Priorities

- ▶ Invest in and grow our businesses
- ▶ Disciplined approach to acquisitions
- ▶ Return to shareholders

Tangible Common Equity Ratio

As of June 30, 2006

PNC (Pro forma)	7+ %
FITB	6.9%
RF	6.7%
KEY	6.7%
NCC	6.6%
WFC	6.2%
STI	5.8%
USB	5.6%
BBT	5.4%
PNC	5.2%
BK	5.2%
WB	4.5%

Pro forma after giving effect to anticipated BlackRock/Merrill Lynch transaction and is reconciled to GAAP in Appendix.
Source: SNL DataSource, PNC as reported



Summary

- ▶ Diversified business mix delivering high fee revenue contribution
- ▶ Balance sheet characterized by strong asset quality and significant flexibility in current environment
- ▶ Executing on strategies to maintain momentum
- ▶ Improved capital position anticipated

Cautionary Statement Regarding Forward-Looking Information

We make statements in this presentation, and we may from time to time make other statements, regarding our outlook or expectations for earnings, revenues, expenses and/or other matters regarding or affecting PNC that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project" and other similar words and 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. We do not assume any duty and do not undertake to update our forward-looking statements. Actual results or future events could differ, possibly materially, from those that we anticipated in our forward-looking statements, and future results could differ materially from our historical performance.

Our forward-looking statements are subject to the following principal risks and uncertainties. We provide greater detail regarding these factors in our Form 10-K for the year ended December 31, 2005, including in the Risk Factors and Risk Management sections, and in our Form 10-Q for the quarter ended March 31, 2006. Our forward-looking statements may also be subject to other risks and uncertainties, including those that we may discuss elsewhere in this presentation or in our filings with the SEC, accessible on the SEC's website at www.sec.gov and on or through our corporate website at www.pnc.com under "About PNC - Investor Relations - Investor Events"

- Our business and operating results are affected by business and economic conditions generally or specifically in the principal markets in which we do business. We are affected by changes in our customers' financial performance, as well as changes in customer preferences and behavior, including as a result of changing economic conditions.
- The value of our assets and liabilities as well as our overall financial performance are affected by changes in interest rates or in valuations in the debt and equity markets. Actions by the Federal Reserve and other government agencies, including those that impact money supply and market interest rates, can affect our activities and financial results.
- Competition can have an impact on customer acquisition, growth and retention, as well as on our credit spreads and product pricing, which can affect market share, deposits and revenues.
- Our ability to implement our One PNC initiative, as well as other business initiatives and strategies we may pursue, could affect our financial performance over the next several years.
- Our ability to grow successfully through acquisitions is impacted by a number of risks and uncertainties related both to the acquisition transactions themselves and to the integration of the acquired businesses into PNC after closing. These uncertainties are present in transactions such as the pending acquisition by BlackRock of Merrill Lynch's investment management business.



Cautionary Statement Regarding Forward-Looking Information (continued)

- Legal and regulatory developments could have an impact on our ability to operate our businesses or our financial condition or results of operations or our competitive position or reputation. Reputational impacts, in turn, could affect matters such as business generation and retention, our ability to attract and retain management, liquidity and funding. These legal and regulatory developments could include: (a) the resolution of legal proceedings or regulatory and other governmental inquiries; (b) increased litigation risk from recent regulatory and other governmental developments; (c) the results of the regulatory examination process, our failure to satisfy the requirements of agreements with governmental agencies, and regulators' future use of supervisory and enforcement tools; (d) legislative and regulatory reforms, including changes to laws and regulations involving tax, pension, and the protection of confidential customer information; and (e) changes in accounting policies and principles.
- Our business and operating results are affected by our ability to identify and effectively manage risks inherent in our businesses, including, where appropriate, through the effective use of third-party insurance and capital management techniques.
- Our ability to anticipate and respond to technological changes can have an impact on our ability to respond to customer needs and to meet competitive demands.
- The adequacy of our intellectual property protection, and the extent of any costs associated with obtaining rights in intellectual property claimed by others, can also impact our business and operating results.
- Our business and operating results can be affected by widespread natural disasters, terrorist activities or international hostilities, either as a result of the impact on the economy and financial and capital markets generally or on us or on our customers, suppliers or other counterparties specifically.

Also, risks and uncertainties that could affect the results anticipated in forward-looking statements or from historical performance relating to our majority-owned subsidiary BlackRock, Inc. are discussed in more detail in BlackRock's 2005 Form 10-K, including in the Risk Factors section, and in BlackRock's other filings with the SEC, accessible on the SEC's website and on or through BlackRock's website at www.blackrock.com.

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. Any 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.





Appendix

Non-GAAP to GAAP Reconciliation

Appendix

Business Earnings and Return on Capital

\$ millions	Six Months Ended June 30			Return on Avg Capital *
	Earnings			
	2006	2005	Growth	2006
Business segments				
Retail Banking	\$375	\$311	21%	26%
Corporate & Institutional Banking	221	254	(13)%	22%
BlackRock	134	100	34%	29%
PFPC	53	47	13%	29%
Total business segments	783	712		25%
Minority interest in income of BlackRock	(41)	(30)		
Other	(7)	(46)		
Total consolidated	\$735	\$636	16%	17%
Corporate & Institutional Banking	\$221	\$254	(13)%	
Adjustment – 2005 loan recovery		(34)		
Corporate & Institutional Banking , adjusted	\$221	\$220	0%	

* Percentages for BlackRock and PFPC reflect return on average equity



Non-GAAP to GAAP Reconciliation

Appendix

Efficiency Ratios

GAAP and Bank Efficiency Ratios	Quarter ended				
	June 30 2006	March 31 2006	December 31 2005	September 30 2005	June 30 2005
GAAP basis efficiency ratio (a)	64%	67%	67%	69%	71%
Bank efficiency ratio (b)	59%	63%	64%	67%	69%

(a) Calculated as noninterest expense divided by the sum of net interest income and noninterest income.

(b) The bank efficiency ratio represents the consolidated (GAAP basis) efficiency ratio excluding the effect of BlackRock and PFPC. We believe the disclosure of this bank efficiency ratio is meaningful for investors because it provides a more relevant basis of comparison with other financial institutions that may not have significant asset management and fund processing businesses.

Reconciliation of GAAP amounts with amounts used in the calculation of the bank efficiency ratio:

Dollars in millions	Quarter ended				
	June 30 2006	March 31 2006	December 31 2005	September 30 2005	June 30 2005
PNC total revenue, GAAP basis	\$1,786	\$1,741	\$1,709	\$1,675	\$1,463
Less: BlackRock revenue (c)	365	409	373	320	275
PFPC revenue (c)	208	218	209	211	212
Revenue, as adjusted	\$1,213	\$1,114	\$1,127	\$1,144	\$976
PNC noninterest expense, GAAP basis	\$1,149	\$1,171	\$1,145	\$1,159	\$1,040
Less: BlackRock noninterest expense	264	296	256	221	189
PFPC noninterest expense	167	173	165	171	173
Noninterest expense, as adjusted	\$718	\$702	\$724	\$767	\$678

(c) These amounts differ from amounts included on pages 7 and 8 of this financial supplement due to the presentation on pages 7 and 8 of BlackRock revenue on a taxable-equivalent basis and classification differences related to BlackRock and PFPC. Note 13 Segment Reporting in our first quarter 2006 Quarterly Report on Form 10-Q provides further details on these differences.

Source: Page 10 of The PNC Financial Services Group, Inc. second quarter 2006 Earnings Release Financial Supplement



Non-GAAP to GAAP Reconciliation

Appendix

Tangible Common Equity Ratio

\$ billions	PNC Consolidated 6/30/06	BlackRock Deconsolidating Adjustments	Transaction Adjustments	PNC Pro forma 6/30/06
Common shareholders equity	\$8.8		\$1.6(a)	\$10.4
Goodwill & other intangible assets	4.1	(\$0.5)		3.6
Tangible common equity	<u>\$4.7</u>			<u>\$6.8</u>
Total assets	\$94.9	(\$1.2)	\$2.5(b)	\$96.2
Goodwill & other intangible assets	4.1	(0.5)		3.6
Tangible assets	<u>\$90.8</u>			<u>\$92.6</u>
Tangible common equity ratio	5.2%			7.3%

(a) Increase equals the expected after-tax gain to be recorded on this transaction, subject to adjustments, at closing

(b) PNC's Investment equals its expected ownership percentage of BlackRock's pro forma book equity



Peer Group of Super-Regional Banks

Appendix

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

