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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

**August 10, 2007**

**Date of Report (Date of earliest event reported)**

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

(Exact name of registrant as specified in its charter)

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**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)

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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))
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**Item 2.02 Results of Operations and Financial Condition.**

On August 13, 2007, James E. Rohr, Chairman and Chief Executive Officer of The PNC Financial Services Group, Inc. (the "Corporation"), gave a presentation to investors at the Keefe, Bruyette & Woods Large Cap Bank Conference in Kohler, Wisconsin. This presentation was accompanied by a series of electronic slides that included information pertaining to the financial results and business strategies of the Corporation. The slides and related material were posted on the Corporation's website on Friday, August 10, 2007, after the market close. A copy of these slides and related material is included in this report as Exhibit 99.1 and is furnished herewith.

**Item 8.01 Other Events.**

On February 9, 2007, the Corporation filed, as Exhibits 4.1 and 4.2 to its current report on Form 8-K (date of event reported — February 8, 2007) the forms of Notes related to a public offering of \$600,000,000 aggregate principal amount of 5.625% Subordinated Notes due February 1, 2017 issued on February 8, 2007. The forms of Notes being filed with this report reflect a correction of a typographical error in the original Notes that has been made. Copies of the corrected forms of Notes are included in this report as Exhibits 4.1 and 4.2, respectively, and are filed herewith.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

- 4.1 Form of 5.625% Subordinated Notes due 2017 No. 1
- 4.2 Form of 5.625% Subordinated Notes due 2017 No. 2
- 99.1 Slide presentation and related material for the Keefe, Bruyette & Woods Large Cap Bank Conference on August 13, 2007

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**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.

August 13, 2007

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

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

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**EXHIBIT INDEX**

<u>Number</u>	<u>Description</u>	<u>Method of Filing</u>
4.1	Form of 5.625% Subordinated Notes due 2017 No. 1	Filed herewith
4.2	Form of 5.625% Subordinated Notes due 2017 No. 2	Filed herewith
99.1	Slide presentation and related material for the Keefe, Bruyette & Woods Large Cap Bank Conference on August 13, 2007	Furnished herewith

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN CERTIFICATED FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NEITHER THIS NOTE NOR THE GUARANTEE INCLUDED HEREIN IS A BANK DEPOSIT OR INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR BY ANY OTHER INSURER OR GOVERNMENTAL AGENCY.

THE INDENTURE, DATED AS OF DECEMBER 1, 1991, RELATING TO THIS SECURITY, HAS BEEN AMENDED BY A SUPPLEMENTAL INDENTURE, DATED AS OF FEBRUARY 15, 1993, AND FURTHER AMENDED BY A SECOND SUPPLEMENTAL INDENTURE, DATED AS OF FEBRUARY 15, 2000.

PNC FUNDING CORP  
5.625% SUBORDINATED NOTES DUE 2017

REGISTERED  
No. 1

CUSIP: 6693476BB8  
ISIN: US693476BB86  
\$500,000,000

PNC FUNDING CORP, a corporation duly organized and existing under the laws of Pennsylvania (herein called the "Company," which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to CEDE & Co., or registered assigns, the principal sum of Five Hundred Million Dollars on February 1, 2017, and to pay interest thereon from February 8, 2007, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually in arrears on August 1 and February 1 in each year, commencing August 1, 2007, and at maturity, at the rate of 5.625% per annum, until the principal hereof is paid or made available for payment, and (to the extent that the payment of such interest shall be legally enforceable) at the same rate per annum on any overdue principal and premium and on any overdue installment of interest. Interest shall accrue from February 8, 2007 to, but excluding the first Interest Payment Date and then from, and including, the immediately preceding Interest Payment Date to which interest has been paid or duly provided for to, but excluding, the next Interest payment Date or the maturity date, as the case may be. Each of these periods is referred to as an "interest period." Interest will be computed on the basis of a 360-day year for the actual number of days elapsed. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date, subject to certain exceptions, will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be July 15 or January 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. However, interest payable on the maturity date will be paid to the person to whom the principal will be payable. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to holders of the Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner acceptable to the Trustee and not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities" or "Notes"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 1991, among the Company, PNC Financial Corp (also known as "PNC Bank Corp." and now known as "The PNC Financial Services Group, Inc.") (the "Guarantor") and The Bank of New York (as successor to JPMorgan Chase Bank and formerly known as The Chase Manhattan Bank and Chemical Bank, successor by merger to Manufacturers Hanover Trust Company), as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture) as amended by a Supplemental Indenture dated as of February 15, 1993 by and among the Company, the Guarantor and the Trustee, and as further amended by a Second Supplemental Indenture dated as of February 15, 2000 by and among the Company, the Guarantor and the Trustee (such Indenture as amended being herein called the "Indenture"), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon

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which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated above, initially issued in the aggregate principal amount of \$500,000,000, and is subject to additional issuances as the Company may determine or as provided for in the Indenture.

The Securities of this series are not redeemable prior to their stated maturity and are not subject to any sinking fund.

The Notes are not convertible into, or exchangeable for, equity securities of the Company or the Guaranty. If an Event of Default (as defined in the Indenture) with respect to the Securities shall occur and be continuing, the principal of the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

Unless the certificate of authentication hereon has been executed by the Trustee hereinafter referred to, by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

The indebtedness of the Company evidenced by the Securities of this series, including the principal thereof and interest thereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment to its obligations to holders of Senior Company Indebtedness (as defined in the Indenture) and subject to the obligations of the holders of the Securities to pay over any Excess Proceeds to holders of Other Company Obligations, as provided in the Indenture, and shall rank pari passu in right of payment with each other and with all other unsecured subordinated indebtedness of the Company. Each Holder of this Security, by the acceptance hereof, agrees to and shall be bound by such provisions of the Indenture and authorizes and directs the Trustee on his behalf to take such actions as may be necessary or appropriate to effectuate the subordination so provided.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the Guarantor and the rights of the holders of the Securities of any series under the Indenture at any time by the Company, the Guarantor and the Trustee with the consent of the holders of a majority in principal amount of the outstanding Securities of all series (voting as one class) to be affected by such amendment or modification. The Indenture also contains provisions permitting the holders of specified percentages in principal amount of the Outstanding Securities of any series, on behalf of the holders of all Securities of such series, to waive compliance by the Company or the Guarantor with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the holder of this Security shall be conclusive and binding upon such holder and upon all future holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

The Securities are issuable only in registered form without coupons in denominations of \$1,000 and any integral multiple thereof. This Security is a global security, represented by one or more permanent global certificates registered in the name of the nominee of The Depository Trust Company (each a "Global Note" and collectively, the "Global Notes"). Accordingly, unless and until it is exchanged in whole or in part for individual certificates evidencing the Securities represented hereby, this Security may not be transferred except as a

whole by The Depositary Trust Company (the “Depositary”) to a nominee of such Depositary or by a nominee of such Depositary or by the Depositary or any nominee to a successor Depositary or any nominee of such successor. Ownership of beneficial interests in this Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the applicable Depositary or its nominee (with respect to interest of persons that have accounts with the Depositary (“Participants”) and the records of Participants (with respect to interests of persons other than Participants)). Beneficial interests in Securities by persons that hold through Participants will be evidenced only by, and transfers of such beneficial interests with such Participants will be effected only through, records maintained by such Participants. The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in this Security. Except as provided below, owners of beneficial interests in this Security will not be entitled to have any individual certificates and will not be considered the owners or Holders thereof under the Indenture.

Except in the limited circumstances set forth herein, Participants and owners of beneficial interests in the Global Notes will not be entitled to receive Securities in definitive form and will not be considered holders of Securities. If the Depositary is at any time unwilling, unable or ineligible to continue as Depositary and a successor Depositary is not appointed by the Company within 90 days, or an event of default has occurred and is continuing, and the Depositary requests the issuance of certificated notes, the Company will issue individual certificates evidencing the Securities represented hereby in definitive form in exchange for this Security in registered form to each person that the Depositary identifies as the beneficial owner of the Securities represented by the Global Notes upon surrender by the Depositary of the Global Notes. In addition, the Company may at any time and in its sole discretion determine not to have any Securities represented by one or more global securities and, in such event, will issue individual certificates evidencing Securities in definitive form in exchange for this Security. In any such instance, an owner of a beneficial interest in a Security will be entitled to physical delivery in certificated form of Securities equal in principal amount to such beneficial interest and to have such Securities registered in its name. Securities so issued in certificated form will be issued in denominations of \$1,000 and any integral multiple thereof and will be issued in registered form only, without coupons. Neither the Company nor the principal paying agent will be liable for any delay by the Depositary, its nominee or any direct or indirect participant in identifying the beneficial owners of the related Securities. The Company and the principal payment agent may conclusively rely on, and will be protected in relying on, instructions from the Depositary or its nominee for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of the Securities to be issued.

Except as provided herein, beneficial owners of Global Notes will not be entitled to receive physical delivery of Securities in definitive form and no Global Note will be exchangeable except for another Global Note of like denomination and tenor to be registered in the name of the Depositary or its nominee. Accordingly, each person owning a beneficial interest in a Global Note must rely on the procedures of the Depositary and, if such person is not a Participant, on the procedures of the Participant through which such person owns its interest, to exercise any rights of a holder under the Securities.

Beneficial interests in the Global Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depositary. Investors may elect to hold interests in the Global Notes through the Depositary, either directly if they are Participants of such system or indirectly through organizations that are Participants in such system.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer



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interests in the Securities represented by a Global Note to those persons may be limited. In addition, because the Depository can act only on behalf of its Participants, who in turn act on behalf of persons who hold interests through Participants, the ability of a person having an interest in Securities represented by a Global Note to pledge or transfer such interest to persons or entities that do not participate in the Depository's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

Neither the Company, the Trustee, the principal paying agent nor any Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of Securities by the Depository, or for maintaining, supervising or reviewing any records of the Depository relating to the Securities.

The Bank of New York will act as the Company's principal paying agent with respect to the Securities through its offices presently located at 4 New York Plaza, New York, New York 10004. The Company may at any time rescind the designation of a paying agent, appoint a successor paying agent, or approve a change in the office through which any paying agent acts. Payments of interest and principal may be made by wire-transfer in immediately available funds for Securities held in book-entry form or, at the Company's option in the event the Securities are not represented by Global Notes, by check mailed to the address of the person entitled to the payment as it appears in the Security register. Payment of principal will be made upon the surrender of the relevant Securities at the offices of the principal paying agent.

Notices to the holders of registered Securities will be mailed to them at their respective addresses in the register of the Securities and will be deemed to have been given on the fourth weekday (being a day other than Saturday or Sunday) after the date of mailing. The Indenture contains provisions setting forth certain conditions to the institution of proceedings by the holders of Securities with respect to the Indenture or for any remedy under the Indenture.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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*[signatures appear on following page]*

IN WITNESS WHEREOF, PNC Funding Corp has caused this Note to be signed in its name by its Chairman of the Board, President or any Executive or Senior Vice President, and by its Secretary or an Assistant Secretary, or by facsimiles of any of their signatures, and its corporate seal, or a facsimile thereof, to be hereto affixed.

Dated: February 8, 2007

PNC FUNDING CORP

By /s/ Lisa M. Kovac

Name: Lisa M. Kovac

Title: Vice President

Attest:

/s/ George P. Long, III

Name: George P. Long, III

Title: Corporate Secretary

[SEAL]

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TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK  
as Trustee

By \_\_\_\_\_  
Authorized officer

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PNC FUNDING CORP  
5.625% SUBORDINATED NOTES DUE 2017

REGISTERED  
No. 2

CUSIP: 6693476BB8  
ISIN: US693476BB86  
\$100,000,000

PNC FUNDING CORP, a corporation duly organized and existing under the laws of Pennsylvania (herein called the "Company," which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to CEDE & Co., or registered assigns, the principal sum of One Hundred Million Dollars on February 1, 2017, and to pay interest thereon from February 8, 2007, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually in arrears on August 1 and February 1 in each year, commencing August 1, 2007, and at maturity, at the rate of 5.625% per annum, until the principal hereof is paid or made available for payment, and (to the extent that the payment of such interest shall be legally enforceable) at the same rate per annum on any overdue principal and premium and on any overdue installment of interest. Interest shall accrue from February 8, 2007 to, but excluding the first Interest Payment Date and then from, and including, the immediately preceding Interest Payment Date to which interest has been paid or duly provided for to, but excluding, the next Interest payment Date or the maturity date, as the case may be. Each of these periods is referred to as an "interest period." Interest will be computed on the basis of a 360-day year for the actual number of days elapsed. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date, subject to certain exceptions, will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be July 15 or January 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. However, interest payable on the maturity date will be paid to the person to whom the principal will be payable. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to holders of the Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner acceptable to the Trustee and not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities" or "Notes"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 1991, among the Company, PNC Financial Corp (also known as "PNC Bank Corp." and now known as "The PNC Financial Services Group, Inc.") (the "Guarantor") and The Bank of New York (as successor to JPMorgan Chase Bank and formerly known as The Chase Manhattan Bank and Chemical Bank, successor by merger to Manufacturers Hanover Trust Company), as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture) as amended by a Supplemental Indenture dated as of February 15, 1993 by and among the Company, the Guarantor and the Trustee, and as further amended by a Second Supplemental Indenture dated as of February 15, 2000 by and among the Company, the Guarantor and the Trustee (such Indenture as amended being herein called the "Indenture"), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon

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which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated above, initially issued in the aggregate principal amount of \$100,000,000, and is subject to additional issuances as the Company may determine or as provided for in the Indenture.

The Securities of this series are not redeemable prior to their stated maturity and are not subject to any sinking fund.

The Notes are not convertible into, or exchangeable for, equity securities of the Company or the Guaranty. If an Event of Default (as defined in the Indenture) with respect to the Securities shall occur and be continuing, the principal of the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

Unless the certificate of authentication hereon has been executed by the Trustee hereinafter referred to, by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

The indebtedness of the Company evidenced by the Securities of this series, including the principal thereof and interest thereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment to its obligations to holders of Senior Company Indebtedness (as defined in the Indenture) and subject to the obligations of the holders of the Securities to pay over any Excess Proceeds to holders of Other Company Obligations, as provided in the Indenture, and shall rank pari passu in right of payment with each other and with all other unsecured subordinated indebtedness of the Company. Each Holder of this Security, by the acceptance hereof, agrees to and shall be bound by such provisions of the Indenture and authorizes and directs the Trustee on his behalf to take such actions as may be necessary or appropriate to effectuate the subordination so provided.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the Guarantor and the rights of the holders of the Securities of any series under the Indenture at any time by the Company, the Guarantor and the Trustee with the consent of the holders of a majority in principal amount of the outstanding Securities of all series (voting as one class) to be affected by such amendment or modification. The Indenture also contains provisions permitting the holders of specified percentages in principal amount of the Outstanding Securities of any series, on behalf of the holders of all Securities of such series, to waive compliance by the Company or the Guarantor with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the holder of this Security shall be conclusive and binding upon such holder and upon all future holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

The Securities are issuable only in registered form without coupons in denominations of \$1,000 and any integral multiple thereof. This Security is a global security, represented by one or more permanent global certificates registered in the name of the nominee of The Depository Trust Company (each a "Global Note" and collectively, the "Global Notes"). Accordingly, unless and until it is exchanged in whole or in part for individual certificates evidencing the Securities represented hereby, this Security may not be transferred except as a

whole by The Depositary Trust Company (the “Depositary”) to a nominee of such Depositary or by a nominee of such Depositary or by the Depositary or any nominee to a successor Depositary or any nominee of such successor. Ownership of beneficial interests in this Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the applicable Depositary or its nominee (with respect to interest of persons that have accounts with the Depositary (“Participants”) and the records of Participants (with respect to interests of persons other than Participants)). Beneficial interests in Securities by persons that hold through Participants will be evidenced only by, and transfers of such beneficial interests with such Participants will be effected only through, records maintained by such Participants. The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in this Security. Except as provided below, owners of beneficial interests in this Security will not be entitled to have any individual certificates and will not be considered the owners or Holders thereof under the Indenture.

Except in the limited circumstances set forth herein, Participants and owners of beneficial interests in the Global Notes will not be entitled to receive Securities in definitive form and will not be considered holders of Securities. If the Depositary is at any time unwilling, unable or ineligible to continue as Depositary and a successor Depositary is not appointed by the Company within 90 days, or an event of default has occurred and is continuing, and the Depositary requests the issuance of certificated notes, the Company will issue individual certificates evidencing the Securities represented hereby in definitive form in exchange for this Security in registered form to each person that the Depositary identifies as the beneficial owner of the Securities represented by the Global Notes upon surrender by the Depositary of the Global Notes. In addition, the Company may at any time and in its sole discretion determine not to have any Securities represented by one or more global securities and, in such event, will issue individual certificates evidencing Securities in definitive form in exchange for this Security. In any such instance, an owner of a beneficial interest in a Security will be entitled to physical delivery in certificated form of Securities equal in principal amount to such beneficial interest and to have such Securities registered in its name. Securities so issued in certificated form will be issued in denominations of \$1,000 and any integral multiple thereof and will be issued in registered form only, without coupons. Neither the Company nor the principal paying agent will be liable for any delay by the Depositary, its nominee or any direct or indirect participant in identifying the beneficial owners of the related Securities. The Company and the principal payment agent may conclusively rely on, and will be protected in relying on, instructions from the Depositary or its nominee for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of the Securities to be issued.

Except as provided herein, beneficial owners of Global Notes will not be entitled to receive physical delivery of Securities in definitive form and no Global Note will be exchangeable except for another Global Note of like denomination and tenor to be registered in the name of the Depositary or its nominee. Accordingly, each person owning a beneficial interest in a Global Note must rely on the procedures of the Depositary and, if such person is not a Participant, on the procedures of the Participant through which such person owns its interest, to exercise any rights of a holder under the Securities.

Beneficial interests in the Global Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depositary. Investors may elect to hold interests in the Global Notes through the Depositary, either directly if they are Participants of such system or indirectly through organizations that are Participants in such system.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer

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interests in the Securities represented by a Global Note to those persons may be limited. In addition, because the Depository can act only on behalf of its Participants, who in turn act on behalf of persons who hold interests through Participants, the ability of a person having an interest in Securities represented by a Global Note to pledge or transfer such interest to persons or entities that do not participate in the Depository's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

Neither the Company, the Trustee, the principal paying agent nor any Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of Securities by the Depository, or for maintaining, supervising or reviewing any records of the Depository relating to the Securities.

The Bank of New York will act as the Company's principal paying agent with respect to the Securities through its offices presently located at 4 New York Plaza, New York, New York 10004. The Company may at any time rescind the designation of a paying agent, appoint a successor paying agent, or approve a change in the office through which any paying agent acts. Payments of interest and principal may be made by wire-transfer in immediately available funds for Securities held in book-entry form or, at the Company's option in the event the Securities are not represented by Global Notes, by check mailed to the address of the person entitled to the payment as it appears in the Security register. Payment of principal will be made upon the surrender of the relevant Securities at the offices of the principal paying agent.

Notices to the holders of registered Securities will be mailed to them at their respective addresses in the register of the Securities and will be deemed to have been given on the fourth weekday (being a day other than Saturday or Sunday) after the date of mailing. The Indenture contains provisions setting forth certain conditions to the institution of proceedings by the holders of Securities with respect to the Indenture or for any remedy under the Indenture.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

— end of page —  
*[signatures appear on following page]*



IN WITNESS WHEREOF, PNC Funding Corp has caused this Note to be signed in its name by its Chairman of the Board, President or any Executive or Senior Vice President, and by its Secretary or an Assistant Secretary, or by facsimiles of any of their signatures, and its corporate seal, or a facsimile thereof, to be hereto affixed.

Dated: February 8, 2007

PNC FUNDING CORP

By /s/ Lisa M. Kovac

Name: Lisa M. Kovac

Title: Vice President

Attest:

/s/ George P. Long, III

Name: George P. Long, III

Title: Corporate Secretary

[SEAL]

---

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK  
as Trustee

By \_\_\_\_\_  
Authorized officer



The PNC Financial Services Group, Inc

Keefe, Bruyette & Woods  
Large Cap Bank Conference

Kohler, WI  
August 13, 2007



# Cautionary Statement Regarding Forward-Looking Information and Adjusted 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, which is included in the presentation handouts and in the version of the presentation materials posted on our corporate website at [www.pnc.com/investor](http://www.pnc.com/investor) events. We provide greater detail regarding these factors in our 2006 Form 10-K, including in the Risk Factors and Risk Management sections, and in our first and second quarter 2007 Form 10-Qs and other SEC reports (accessible on the SEC's website at [www.sec.gov](http://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.

In this presentation, we will sometimes refer to adjusted results to help illustrate (1) the impact of BlackRock deconsolidation near the end of third quarter 2006 and the application of the equity method of accounting for our equity investment in BlackRock and (2) the impact of certain specified items, including 2006 BlackRock/MLIM transaction gain, 2006 cost of securities and mortgage portfolio repositionings, 2006 and 2007 BlackRock/MLIM transaction and Mercantile Bankshares acquisition integration costs, and 2006 and 2007 gains/losses related to our BlackRock LTIP shares obligation. We have provided these adjusted amounts and reconciliations so that investors, analysts, regulators and others will be better able to evaluate the impact of these items on our results for the periods presented, in addition to providing a basis of comparability for the impact of the BlackRock deconsolidation given the magnitude of the impact of deconsolidation on various components of our income statement. We believe that information as adjusted for the impact of the specified items may be useful due to the extent to which these items are not indicative of our ongoing operations as the result of our management activities on those operations. While we have not provided other adjustments for the periods discussed, this is not intended to imply that there could not have been other similar types of adjustments, but any such adjustments would not have been similar in magnitude to those shown. In certain discussions, we also provide revenue information on a taxable-equivalent basis by increasing the interest income earned on tax-exempt assets to make it fully equivalent to interest income earned on taxable investments. We believe this adjustment may be useful when comparing yields and margins for all earning assets.

This presentation may also include a discussion of other 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](http://www.pnc.com) under "About PNC – Investor Relations."



# Industry Concerns

## PNC's Differentiated Position

- ▶ High quality home equity portfolio
  - Relationship based
  - 92% in footprint
  - Performing well to date
  - Reflects our disciplined approach to credit
  
- ▶ Well-balanced commercial portfolio
  - Risk is diversified and granular
  - Proportionally less commercial real estate exposure than peers
  - Relatively higher concentration of asset-based lending
  - No "hung" syndications
  
- ▶ Well-positioned to perform in this environment



# PNC is differentiated by...

- ▶ A history of execution
- ▶ A diversified business mix with clear strategies for growth
- ▶ A strong risk management process
- ▶ A disciplined capital deployment strategy

# Building a Great Company by Delivering on Our Promises



# Strong First Half Performance

- ▶ Reported earnings of \$2.67 per diluted share
- ▶ First half 2007 net income up 20% versus first half 2006
- ▶ Primary businesses met or exceeded expectations
- ▶ Created positive operating leverage on an adjusted basis\*
- ▶ Maintained excellent asset quality
- ▶ Mercantile acquisition closed and integration process well underway
- ▶ Announced pending acquisitions of Yardville and Sterling and closed ARCS acquisition

\*Adjusted numbers are reconciled to GAAP in the Appendix

## Financial Highlights

Assets	\$126 billion
Total revenue	\$3.3 billion
Net income	\$882 million
Noninterest income to total revenue	59%
Net interest margin	3.00%
Nonperforming loans to total loans	0.34%
Tangible common equity	5.5%

At or for the six months ended June 30, 2007





# PNC is differentiated by ...

- ▶ A history of execution
- ▶ A diversified business mix with clear strategies for growth
- ▶ A strong risk management process
- ▶ A disciplined capital deployment strategy

# A Diversified Business Mix

## Business Leadership

Winning in the Payments Space

### ▶ Retail Banking

- A leading community bank in PNC major markets
- One of the nation's largest bank wealth management firms

A Premier Middle-market Franchise

### ▶ Corporate & Institutional Banking

- Top 10 Treasury Management business
- The nation's fourth largest lead arranger of asset-based loan syndications
- Harris Williams - one of the nation's largest M&A advisory firms for middle-market companies

World Class Asset Manager

### ▶ BlackRock

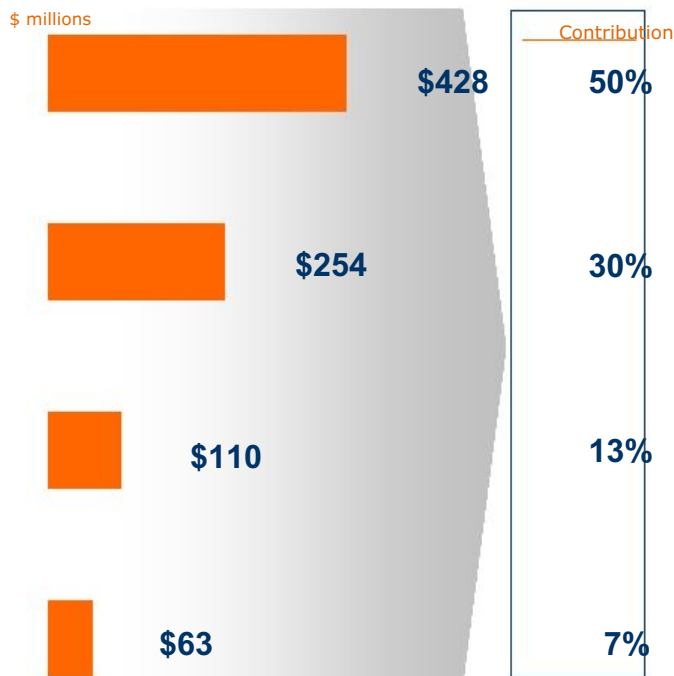
- A global asset management company with over \$1.2 trillion in assets under management

A Leading Global Servicing Platform

### ▶ PFPC

- Among the largest providers of mutual fund transfer agency and accounting and administration services in the U.S.

## First Half 2007 Business Earnings Contribution\*

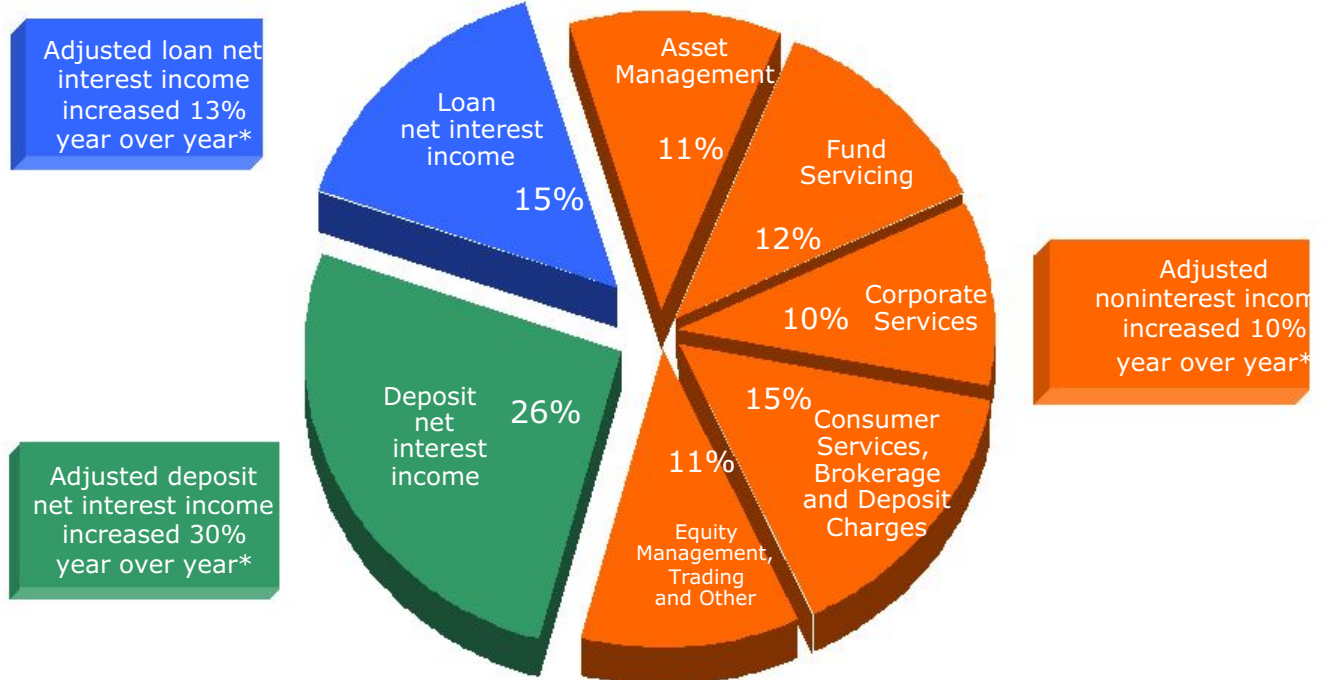


\*Business earnings reconciled to GAAP net income of \$882 million in the Appendix. BlackRock segment earnings exclude our pretax share of BlackRock/MLIM integration costs totaling \$3 million.



# Growing Our Diverse Revenue Streams

Contribution to Total Revenue – For the Six Months Ended June 30, 2007



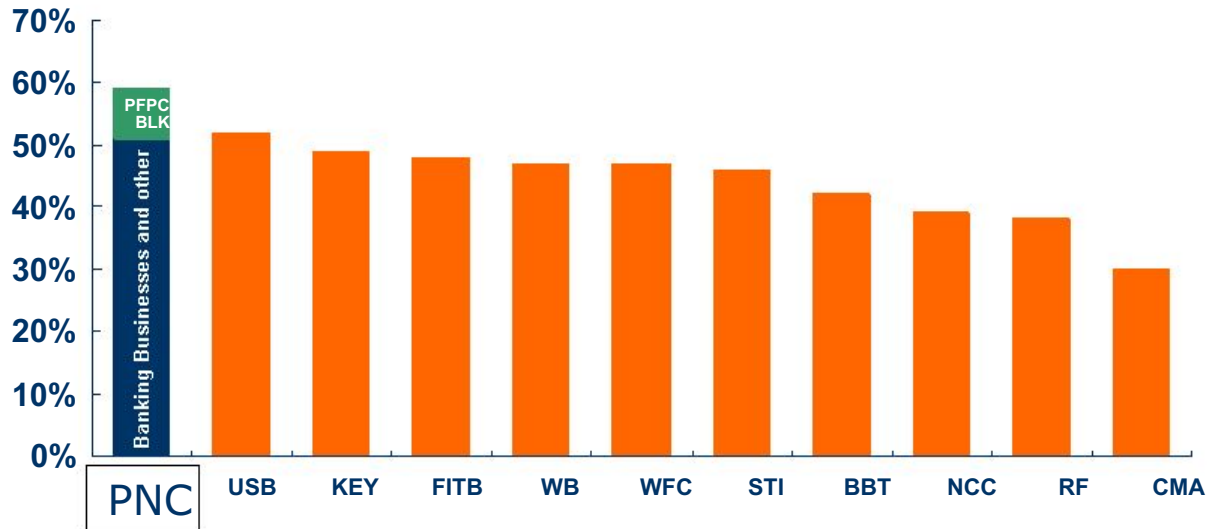
\*Adjusted noninterest income, deposit net interest income, loan net interest income and growth percentages are reconciled to GAAP in the Appendix. Unadjusted growth: noninterest income (19%), deposit net interest income 30%, and loan net interest income 11%.



# Differentiated Fee-Based Businesses

## Noninterest Income to Total Revenue

For the six months ended June 30, 2007



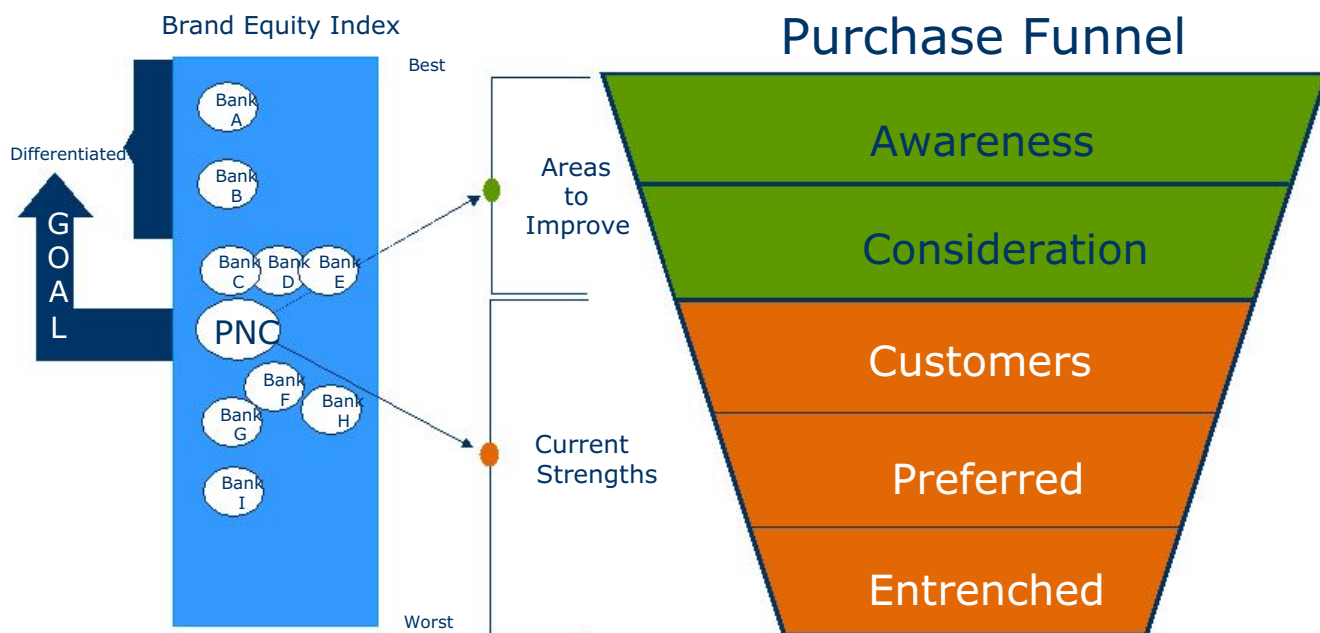
Source: SNL DataSource, PNC as reported



# Strategies for Growth

- ▶ Build brand awareness to acquire, retain, and deepen customer relationships
- ▶ Redeploy capital to high return, high growth products and markets

# Opportunity to Enhance Brand Recognition



Source: 2006 PNC Brand and Advertising Performance Research

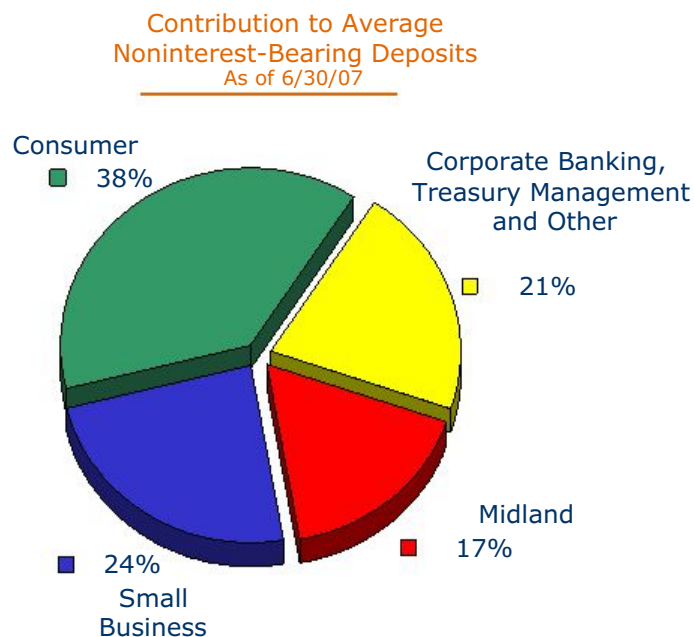


# Executing on Our Strategy to Gather Low Cost Deposits

PNC Has Been Focused on Growing Noninterest-Bearing Deposits...

Through Multiple Channels

Average Balances	2Q07 vs. 2Q06	
	PNC	Peers
Interest-bearing deposits	24%	12%
Noninterest-bearing deposits	28%	3%
Total deposits	25%	10%



Source: SNL DataSource, PNC as reported. Peers reflects average of the super-regional banks identified in the Appendix other than PNC



# Differentiated Deposit Strategy

## Providing a Funding Advantage...

Average Noninterest-Bearing  
Deposits to Average Earning Assets

	<u>2Q07</u>
CMA	21 %
WFC	21
PNC	18
KEY	17
RF	16
FITB	15
USB	15
STI	14
NCC	14
BBT	12
WB	10

## With a Low Cost of Deposits

Interest Cost of Total Average Deposits

	<u>2Q07</u>
USB	2.23 %
WFC	2.44
PNC	2.72
CMA	2.73
RF	2.83
FITB	2.93
KEY	2.96
STI	3.06
BBT	3.12
WB	3.12
NCC	3.23

For the three months ended June 30, 2007  
Source: SNL DataSource, PNC as reported





# Relationship Strategy Drives Fee Growth

## Leveraging the Payments Business

	<u>1H07</u>	<u>Growth<sup>1</sup></u>
<b>Small Business</b>		
Small Business debit card revenue (\$ millions)	\$6.8	+17%
Small Business online banking users	49%	+11% <sup>2</sup>
<b>Consumer</b>		
Consumer debit card revenue (\$ millions)	\$54.8	+12%
Consumer online banking users	55%	+9% <sup>2</sup>
Consumer online bill-pay users	29%	+66% <sup>2</sup>

(1) Growth is for 1H07 vs. 1H06, not including Mercantile  
 (2) Reflects growth in users, not including Mercantile

## A Leader in Cross-sell Penetration of Middle Market Customers in Footprint

- ▶ PNC has highest percentage of lead bank relationships in our footprint – 63%\*

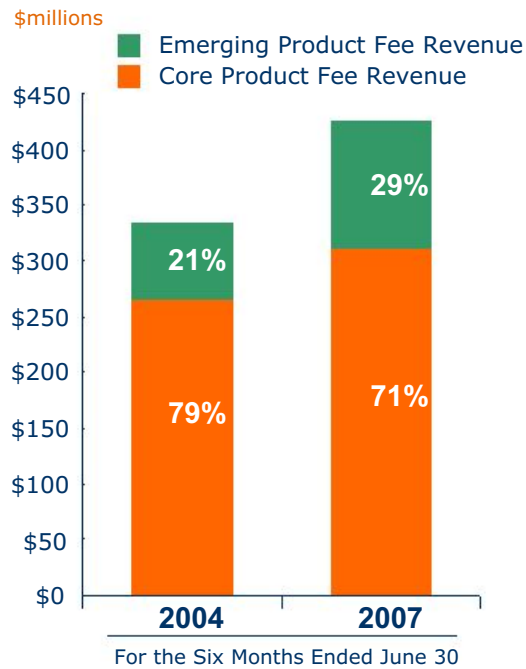
	<b>PNC Footprint Penetration*</b>	
	<u>2006</u>	<u>Rank</u>
Treasury management	74%	1 <sup>st</sup>
Business checking accounts	69%	1 <sup>st</sup>
Capital markets	26%	1 <sup>st</sup>
Equipment leasing	17%	1 <sup>st</sup>

\* Based on third party survey of companies with annualized revenues of \$30-\$500 million

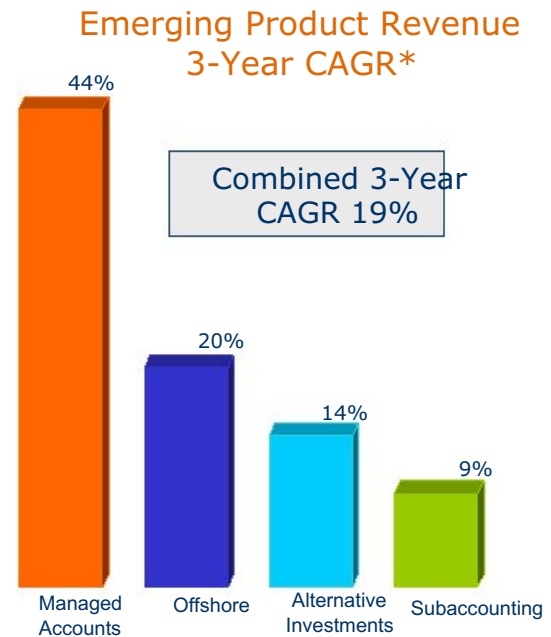


# Redeploying Capital to High Return, High Growth Products - PFPC

## Driving Fee Revenue Growth



## Emerging Product Growth Focus

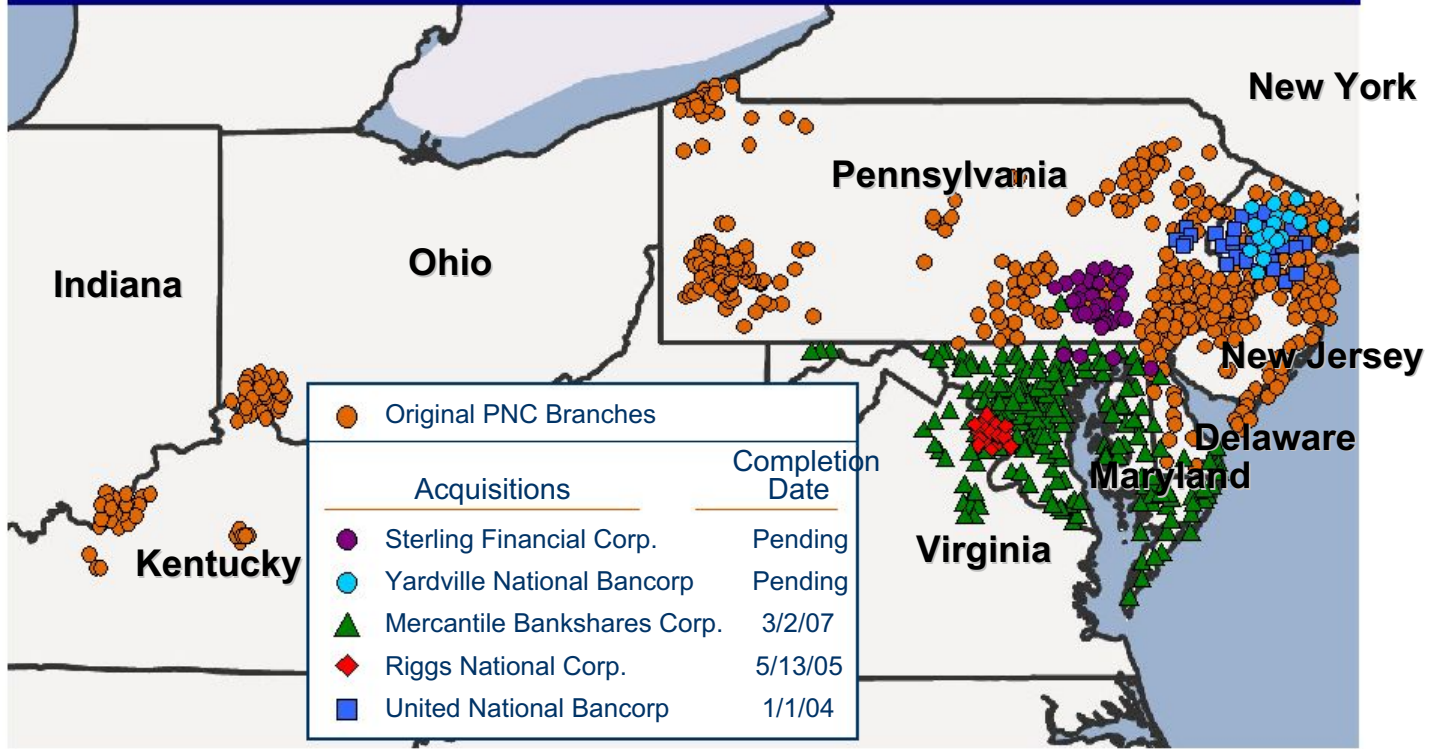


\* CAGR reflects compound annual growth for 1H07 vs 1H04



# Investing in Fast Growing and Affluent Mid-Atlantic Region

76% of PNC Pro Forma Branches Located Between the Hudson and Potomac Rivers

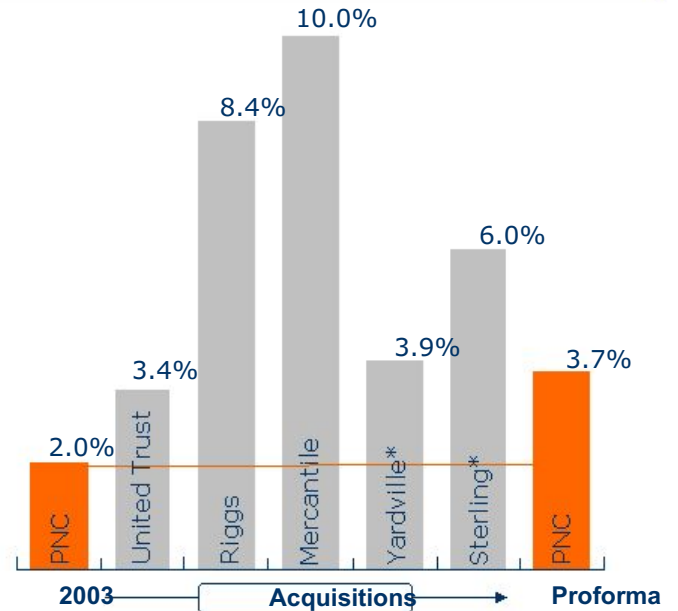


# PNC Demographics Continue to Improve

## Median Household Income



## Projected 5-Year Population Growth



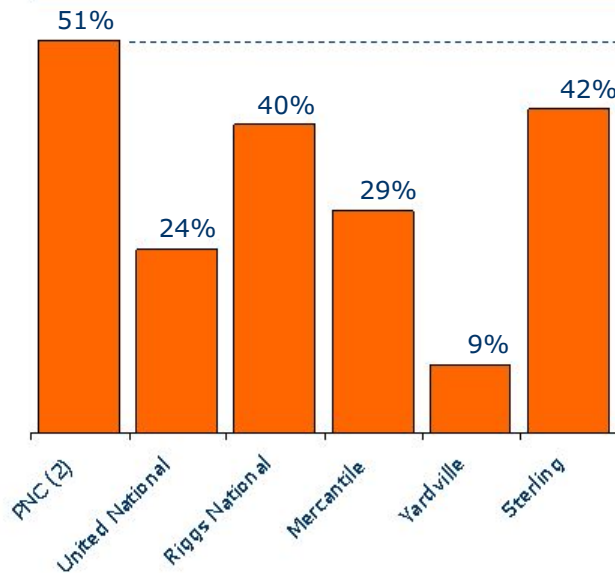
Amounts based on data at time of acquisition announcement. United Trust data reflects demographics of footprint counties weighted by households. Mercantile, Yardville and Sterling data reflect demographics of footprint counties of that company, or by MSA in the case of Riggs, weighted by deposits. PNC 2003 and PNC Proforma amounts reflect demographics, weighted by deposits, of PNC's 68 county footprint and 105 county footprint, respectively, including the impact of PNC's ongoing branch optimization process. PNC and Mercantile headquarter offices excluded for purposes of deposit weighting. Source: SNL DataSource. \*Pending.



# Bringing the Power of PNC to New Clients

## Expanding Distribution of Fee-based Products

### Noninterest income to total revenue



### Opportunities

- ▶ **Wealth Management**
- ▶ **Brokerage**
- ▶ **Credit Card**
- ▶ **On-line banking**
- ▶ **Treasury Management**
- ▶ **Small Business**
- ▶ **M&A Advisory Services**
- ▶ **Capital Markets**

(1) United, Riggs, and Mercantile based on the most recent reporting quarter prior to closing. Yardville and Sterling based on most recent reporting quarter, and in the case of Sterling, excludes its Equipment Finance, LLC unit. Source: SNL DataSource

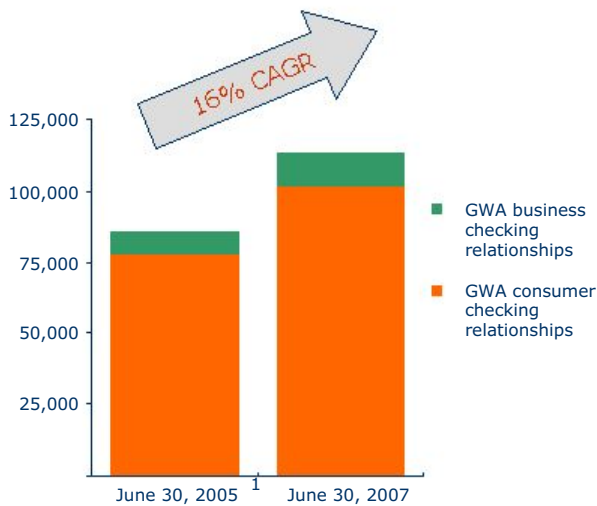
(2) For the six months ended June 30, 2007, not including PFPC and BlackRock. Reconciled to noninterest income to total revenue on a GAAP basis of 59% in the Appendix.



# Executing on Product Depth and Sales Capabilities in Expanded Markets

Growing Noninterest Income and Deepening Relationships in the Greater Washington Area ("GWA") Region Post Riggs Acquisition\*

PNC - GWA Retail Relationships



GWA noninterest income to total revenue



(1) Riggs transaction completed May 2005

(2) For the three months ended March 31, 2006 compared to the six months ended June 30, 2007

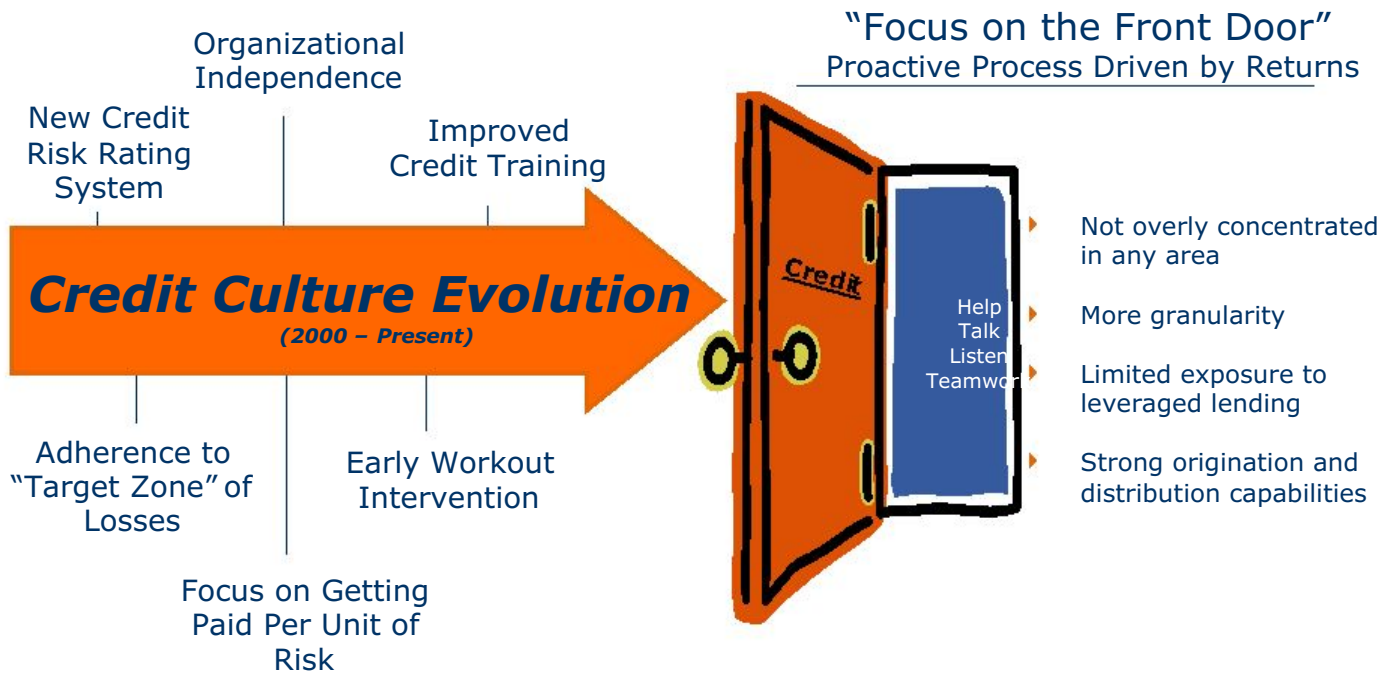
\*Does not include Mercantile



# PNC is differentiated by...

- ▶ A history of execution
- ▶ A diversified business mix with clear strategies for growth
- ▶ A strong risk management process
- ▶ A disciplined capital deployment strategy

# PNC's Credit Culture Evolution

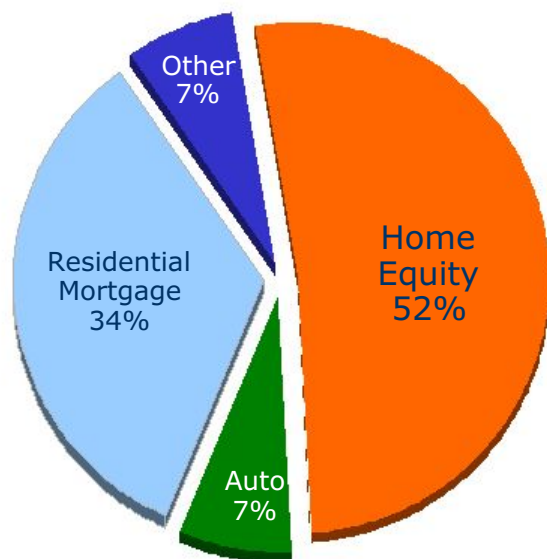




# High Quality Consumer Loan Portfolio

## Composition of Consumer Loan and Residential Mortgage Portfolio

As of June 30, 2007



### Home Equity Portfolio Credit Statistics<sup>1</sup>

June 30, 2007

<b>First lien positions</b>	<b>42%</b>
<b>In-footprint exposure</b>	<b>92%</b>
<b>Weighted average:</b>	
<b>Loan to value</b>	<b>70%</b>
<b>FICO scores</b>	<b>727</b>
<b>Net charge-offs</b>	<b>0.18%</b>
<b>90 days past due</b>	<b>0.26%</b>

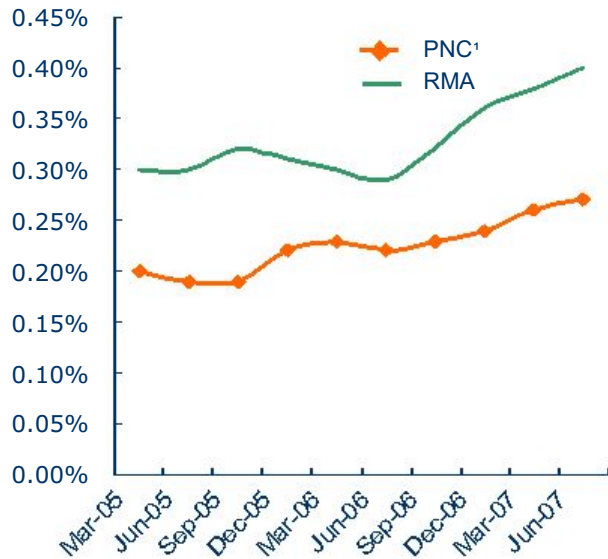
(1) Not including Mercantile



# Home Equity Credit Trends

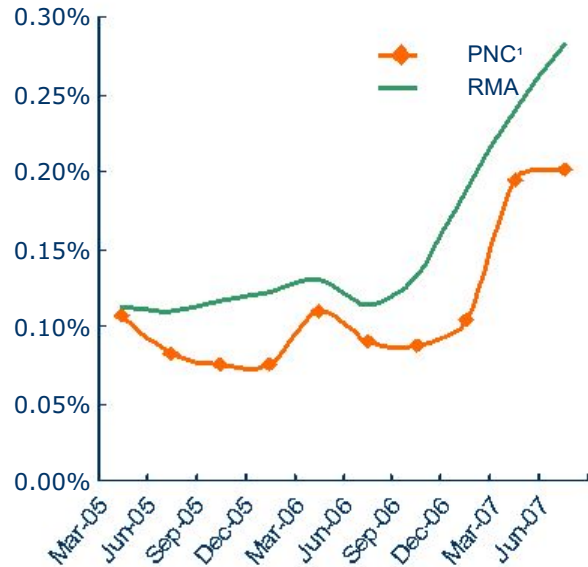
## Delinquency Ratio 90+ Days

% of outstandings



## Net Charge-Offs

% of average outstandings



(1) Not including Mercantile

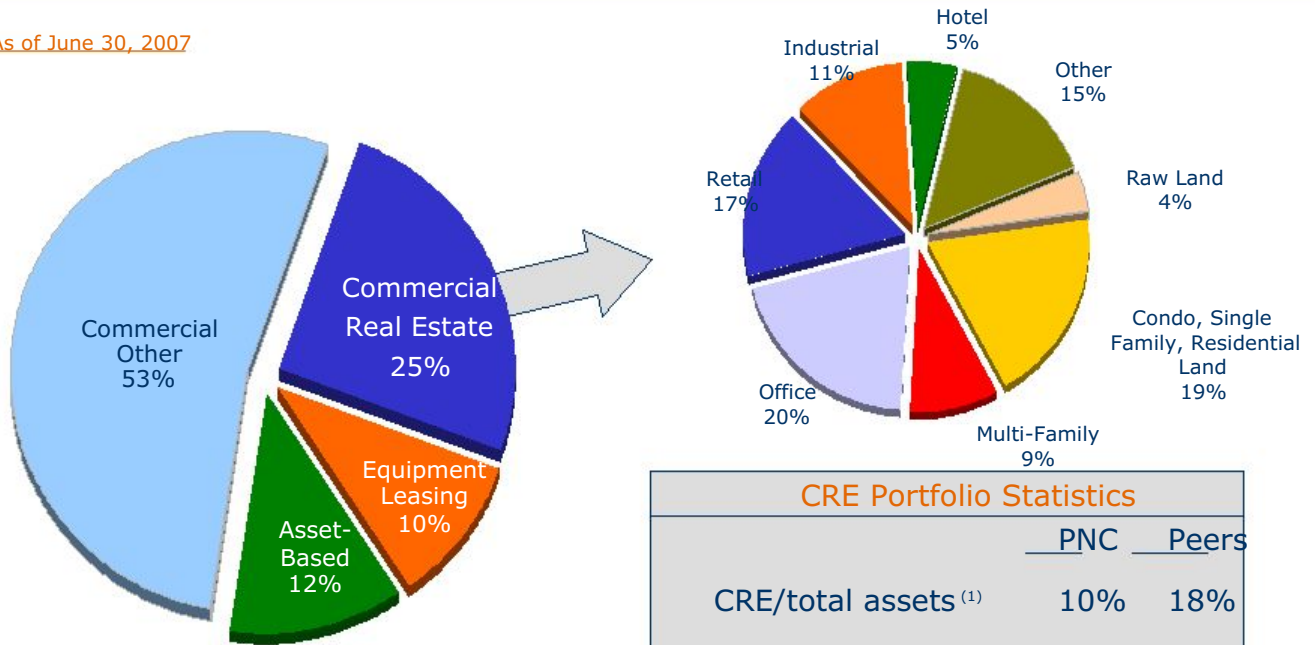
Source: The Risk Management Association ("RMA") Consumer Loan Studies, Home Equity



# Well-balanced Commercial Portfolio

## Composition of Commercial Portfolio

As of June 30, 2007



(1) As of March 31, 2007

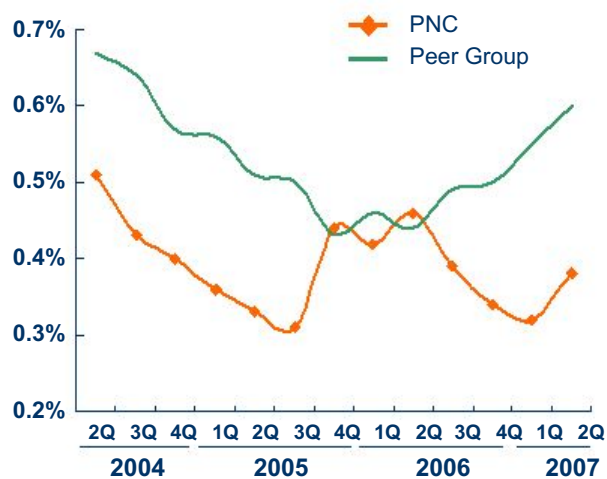
Peers reflects average of the super-regional banks identified in the Appendix other than PNC



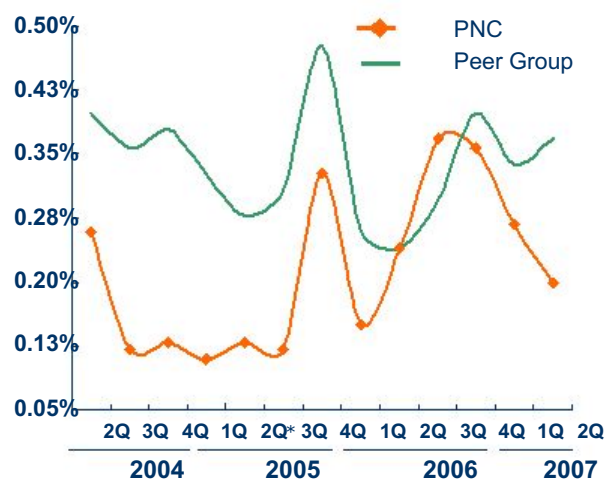
# Disciplined Approach Leads to Excellent Asset Quality

## Asset Quality Compared to Peers

**Nonperforming Assets to Loans, Loans Held for Sale and Foreclosed Assets**



**Net Charge-offs to Average Loans**



Source: SNL DataSource, PNC as reported  
 \*PNC 2Q05 net charge-off ratio excludes \$53 million loan recovery. The ratio was (0.32%) including the recovery.  
 Peer group reflects average of super-regional banks identified in the Appendix excluding PNC



## Interest Rate Risk – Well-Positioned for this Environment

- ▶ Net interest margin expected to remain stable for the second half of 2007
- ▶ Duration of equity of approximately 3.2 years for second quarter 2007
- ▶ Less net interest income dependent due to high fee revenue contribution
- ▶ Low cost deposit franchise provides funding advantage

# PNC is differentiated by...

- ▶ A history of execution
- ▶ A diversified business mix with clear strategies for growth
- ▶ A strong risk management process
- ▶ A disciplined capital deployment strategy

# Disciplined Capital Deployment

## Sources

- ▶ Earnings Growth
- ▶ Exiting under-performing assets
- ▶ Maintaining a moderate risk profile

Capital Flexibility

## Uses

- ▶ Investing in and growing our businesses
  - Enhancing the brand
  - Improving the customer experience
  - High return, high growth products
  - Technology and innovation
- ▶ Making Disciplined Acquisitions
  - Strategy driven
  - Value-added financial objectives
  - Appropriate risk evaluation
- ▶ Returning capital to shareholders
  - Repurchased \$395 million of common stock in first half 2007
  - Increased dividend 15% in 2Q07

# Summary

## Well Positioned to Create Value

- ▶ A history of execution
- ▶ Clear strategies for growth
- ▶ Sound risk management processes
- ▶ Disciplined capital deployment philosophy



# 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. Because forward-looking statements are subject to assumptions and uncertainties, 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 some of these factors in our Form 10-K for the year ended December 31, 2006, including in the Risk Factors and Risk Management sections of that report, and in our first quarter 2007 Form 10-Q and other SEC reports. 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](http://www.sec.gov) and on or through our corporate website at [www.pnc.com](http://www.pnc.com) under "About PNC – Investor Relations – Financial Information."

- 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' and counterparties' financial performance, as well as changes in customer preferences and behavior, including as a result of changing business and economic conditions.
- The value of our assets and liabilities, as well as our overall financial performance, is also 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.
- Our operating results are affected by our liability to provide shares of BlackRock common stock to help fund BlackRock long-term incentive plan ("LTIP") programs, as our LTIP liability is adjusted quarterly ("marked-to-market") based on changes in BlackRock's common stock price and the number of remaining committed shares, and we recognize gain or loss on such shares at such times as shares are transferred for payouts under the LTIP programs.
- 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 business initiatives and strategies could affect our financial performance over the next several years.
- 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 unfavorable 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, education lending, 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.



# Cautionary Statement Regarding Forward-Looking Information (continued)

- The adequacy of our intellectual property protection, and the extent of any costs associated with obtaining rights in intellectual property claimed by others, can impact our business and operating results.
- Our business and operating results can also 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 equity interest in BlackRock, Inc. are discussed in more detail in BlackRock's 2006 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](http://www.blackrock.com).

We grow our business from time to time by acquiring other financial services companies, including the pending Sterling Financial Corporation ("Sterling") and Yardville National Bancorp ("Yardville") acquisitions. Acquisitions in general present us with risks other than those presented by the nature of the business acquired. In particular, acquisitions may be substantially more expensive to complete (including as a result of costs incurred in connection with the integration of the acquired company) and the anticipated benefits (including anticipated cost savings and strategic gains) may be significantly harder or take longer to achieve than expected. In some cases, acquisitions involve our entry into new businesses or new geographic or other markets, and these situations also present risks resulting from our inexperience in these new areas. As a regulated financial institution, our pursuit of attractive acquisition opportunities could be negatively impacted due to regulatory delays or other regulatory issues. Regulatory and/or legal issues related to the pre-acquisition operations of an acquired business may cause reputational harm to PNC following the acquisition and integration of the acquired business into ours and may result in additional future costs arising as a result of those issues. Post-closing acquisition risk continues to apply to Mercantile Bankshares Corporation as we complete the integration.

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, Yardville's, Sterling's or other company's actual or anticipated results.



# Additional Information About The PNC/Sterling Financial Corporation Transaction

The PNC Financial Services Group, Inc. and Sterling Financial Corporation will be filing a proxy statement/prospectus and other relevant documents concerning the merger with the United States Securities and Exchange Commission (the "SEC"). WE URGE INVESTORS TO READ THE PROXY STATEMENT/PROSPECTUS AND ANY OTHER DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE MERGER OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT/PROSPECTUS BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

Investors will be able to obtain these documents free of charge at the SEC's web site ([www.sec.gov](http://www.sec.gov)). In addition, documents filed with the SEC by The PNC Financial Services Group, Inc. will be available free of charge from Shareholder Relations at (800) 843-2206. Documents filed with the SEC by Sterling Financial Corporation will be available free of charge from Sterling Financial Corporation by contacting Shareholder Relations at (877) 248-6420.

The directors, executive officers, and certain other members of management and employees of Sterling Financial Corporation are participants in the solicitation of proxies in favor of the merger from the shareholders of Sterling Financial Corporation. Information about the directors and executive officers of Sterling Financial Corporation is included in the proxy statement for its May 8, 2007 annual meeting of shareholders, which was filed with the SEC on April 2, 2007. Additional information regarding the interests of such participants will be included in the proxy statement/prospectus and the other relevant documents filed with the SEC when they become available.



# Additional Information About The PNC/Yardville National Bancorp Transaction

The PNC Financial Services Group, Inc. ("PNC") and Yardville National Bancorp ("Yardville") have filed with the United States Securities and Exchange Commission (the "SEC") a Registration Statement on Form S-4 that includes a preliminary version of a proxy statement of Yardville that also constitutes a preliminary prospectus of PNC. The S-4 has not yet become effective. The parties will file other relevant documents concerning the proposed transaction with the SEC. Following the S-4 being declared effective by the SEC, Yardville intends to mail the final proxy statement to its shareholders. Such final documents, however, are not currently available. **WE URGE INVESTORS TO READ THE FINAL PROXY STATEMENT/PROSPECTUS AND ANY OTHER DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE MERGER OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT/PROSPECTUS, IF AND WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.**

Investors may obtain these documents, if and when they become available, free of charge at the SEC's web site ([www.sec.gov](http://www.sec.gov)). In addition, documents filed with the SEC by PNC will be available free of charge from Shareholder Relations at (800) 843-2206. Documents filed with the SEC by Yardville will be available free of charge from Yardville by contacting Howard N. Hall, Assistant Treasurer's Office, 2465 Kuser Road, Hamilton, NJ 08690 or by calling (609) 631-6223.

The directors, executive officers, and certain other members of management and employees of Yardville are participants in the solicitation of proxies in favor of the merger from the shareholders of Yardville. Information about the directors and executive officers of Yardville is set forth in its Annual Report on Form 10-K filed on March 30, 2007 for the year ended December 31, 2006, as amended by the Form 10-K/A filed on May 10, 2007. Additional information regarding the interests of such participants will be included in the proxy statement/prospectus and the other relevant documents filed with the SEC if and when they become available.



# Non-GAAP to GAAP Reconciliation

## Appendix

### Earnings Summary

THREE MONTHS ENDED <i>In millions, except per share data</i>	June 30, 2007			March 31, 2007			June 30, 2006		
	Pretax Adjustments	Net Income	Diluted EPS Impact	Pretax Adjustments	Net Income	Diluted EPS Impact	Pretax Adjustments	Net Income	Diluted EPS Impact
Net income, as reported		\$423	\$1.22		\$459	\$1.46		\$381	\$1.28
Adjustments:									
BlackRock LTIP (a)	\$1			\$(52)	(33)	(.11)			
Integration costs (b)	16	11	.03	13	8	.03	\$13	5	.02
Net income, as adjusted		\$434	\$1.25		\$434	\$1.38		\$386	\$1.30
SIX MONTHS ENDED <i>In millions, except per share data</i>	June 30, 2007			June 30, 2006					
	Pretax Adjustments	Net Income	Diluted EPS Impact	Pretax Adjustments	Net Income	Diluted EPS Impact			
Net income, as reported		\$882	\$2.67		\$735	\$2.47			
Adjustments:									
BlackRock LTIP (a)	\$(51)	(33)	(.11)						
Integration costs (b)	29	19	.07	\$19	8	.03			
Net income, as adjusted		\$868	\$2.63		\$743	\$2.50			

(a) Includes the impact of the gain recognized in connection with PNC's transfer of BlackRock shares to satisfy a portion of our 2002 LTIP shares obligation and the net mark-to-market adjustment on our remaining BlackRock LTIP shares obligation, as applicable.

(b) Amounts for 2007 include both Mercantile acquisition and BlackRock/MLIM transaction integration costs. BlackRock/MLIM transaction integration costs recognized by PNC in 2007 were included in noninterest income as a negative component of the "Asset management" line item, which includes the impact of our equity earnings from our investment in BlackRock. The second quarter of 2006 BlackRock/MLIM transaction integration costs were included in noninterest expense.



# Non-GAAP to GAAP Reconciliation

## Appendix

### Income Statement Summary – For the Six Months Ended June 30

SIX MONTHS ENDED In millions	June 30, 2007			June 30, 2006			% Change As Adjusted	% Change As Reported
	As Reported	Adjustments	As Adjusted (a)	As Reported	Adjustments	As Adjusted (b)		
Net interest income	\$1,361		\$1,361	\$1,112	\$(7)	\$1,105		
Taxable-equivalent adjustment	14		14	13		13		
Net interest income, taxable-equivalent basis	1,375		1,375	1,125	(7)	1,118		
Net interest income:								
Loans	526		526	472	(7)	465	13%	11%
Deposits	849		849	653		653	30%	30%
Noninterest income	1,966	(48)	1,918	2,415	(666)	1,749	10%	(19%)
Total revenue, taxable equivalent basis	3,341	(48)	3,293	3,540	(673)	2,867	15%	(6%)
Loan net interest income as a % of total revenue, TE			16.0%			16.2%		
Deposit net interest income as a % of total revenue, TE			25.8%			22.8%		
Noninterest income as a % of total revenue, TE			58.2%			61.0%		
Provision for credit losses	62		62	66		66		
Noninterest income	1,966	\$(48)	1,918	2,415	(666)	1,749		
Noninterest expense	1,984	(26)	1,958	2,307	(561)	1,746	12%	
Income before minority interest and income taxes	1,281	(22)	1,259	1,154	(112)	1,042		
Minority interest in income of BlackRock				41	(41)			
Income taxes	399	(8)	391	378	(79)	299		
Net income	\$882	\$(14)	\$868	\$735	\$8	\$743	17%	

(a) Amounts adjusted to exclude the impact of the following pretax items: (1) the net mark-to-market adjustment charge totaling \$1 million for the second quarter and a net effect of \$51 million (consisting of the gain recognized in connection with our first quarter shares transfer net of the mark-to-market adjustment charge for both quarters) for the first six months of 2007 on our BlackRockLTIP shares obligation, and (2) Mercantile acquisition and BlackRock/MLIM transaction integration costs totaling \$16 million for the second quarter and \$29 million for the first six months of 2007.

(b) Amounts adjusted as if we had recorded our investment in BlackRock on the equity method and to exclude PNC's portion of BlackRock/MLIM transaction integration costs of \$13 million and \$19 million before taxes for the second quarter and first six months of 2006, respectively.

SIX MONTHS ENDED	June 30, 2007			June 30, 2006			% Change As Adjusted	% Change As Reported
	As Reported	Adjustments	As Adjusted (a)	As Reported	Adjustments	As Adjusted (b)		
Noninterest expense	1,984	(26)	1,958	2,307	(561)	1,746	12%	(14%)
Noninterest expense, excluding Mercantile expense of \$156 million	1,828	(26)	1,802	2,307	(561)	1,746	3%	



# Non-GAAP to GAAP Reconciliation

Appendix

## Business Segment Earnings and Operating Leverage

<i>Dollars in millions</i>	Six Months Ending June 30	
	Earnings (Loss)	
	2007	% of Segments
Retail Banking	\$428	50%
Corporate & Institutional Banking	254	30%
BlackRock (a)	110	13%
PFPC	63	7%
Total business segment earnings	855	
Other (a)	27	
Total consolidated net income	\$882	

(a) For our segment reporting presentation in management's discussion and analysis, our share of pretax BlackRock/MLIM transaction integration costs totaling \$3 million for the six months ended June 30, 2007 have been reclassified from BlackRock to "Other." "Other" for the first six months of 2007 also includes \$26 million of pretax Mercantile acquisition integration costs.

OPERATING LEVERAGE						
SIX MONTHS ENDED						
<i>Dollars in millions</i>	June 30, 2007		June 30, 2006		Change	
	As Reported	As Adjusted (b)	As Reported	As Adjusted (c)	As Reported	As Adjusted
Net interest income	\$1,361	\$1,361	\$1,112	\$1,105		
Noninterest income						
Asset management	355	358	890	257		
Other	1,611	1,560	1,525	1,492		
Total revenue	\$3,327	\$3,279	\$3,527	\$2,854	(6%)	15%
Noninterest expense	\$1,984	\$1,958	\$2,307	\$1,746	(14%)	12%
Operating leverage					8%	3%

(b) See note (a) on previous slide.

(c) See note (b) on previous slide.



# Non-GAAP to GAAP Reconciliation

## Appendix

### Average Balance Sheet and Noninterest Income

<i>\$ millions</i>	Average Balance Sheet for the three months ended:					
	June 30, 2007			June 30, 2006		
	PNC Excluding Mercantile	Mercantile (a)	PNC As Reported	PNC	% Change Excluding Mercantile	% Change Including Mercantile
<u>Average loans, net of unearned income</u>						
Commercial	\$20,919	\$3,733	\$24,652	\$20,348	3%	21%
Commercial real estate	3,456	6,057	9,513	3,071	13%	210%
Consumer	16,257	1,629	17,886	16,049	1%	11%
Residential mortgages	7,437	1,090	8,527	7,353	1%	16%
Other, including total unearned income (b)	2,969	8	2,977	3,115	(5%)	(4%)
Total average loans, net of unearned income	\$51,038	\$12,517	\$63,555	\$49,936	2%	27%
<u>Average deposits</u>						
Interest-bearing	\$51,111	\$9,293	\$60,404	\$48,710	5%	24%
Noninterest-bearing	14,707	3,117	17,824	13,926	6%	28%
Total average deposits	\$65,818	\$12,410	\$78,228	\$62,636	5%	25%

(a) Mercantile activity is from the closing on March 2, 2007 through March 31, 2007.

(b) Includes lease financing.

<i>Dollars in millions</i>	Six Months Ending June 30, 2007						
	Retail Banking	Corporate & Institutional Banking	Other	Banking and Other	BlackRock	PFPC	Total
Net interest income (expense)	\$984	\$371	\$15	\$1,370		(\$9)	\$1,361
Noninterest income	830	374	205	1,409	\$140	417	1,966
Total Revenue	\$1,814	\$745	\$220	\$2,779	\$140	\$408	\$3,327
Noninterest income as a % of total revenue	46%	50%	93%	51%	100%	102%	59%





# Peer Group of Super-Regional Banks

Appendix

## Ticker

The PNC Financial Services Group, Inc.	PNC
BB&T Corporation	BBT
Comerica	CMA
Fifth Third Bancorp	FITB
KeyCorp	KEY
National City Corporation	NCC
Regions Financial	RF
SunTrust Banks, Inc.	STI
U.S. Bancorp	USB
Wachovia Corporation	WB
Wells Fargo & Company	WFC

