

---

---

**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**

**November 7, 2013  
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)

**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 November 7, 2013, Robert Q Reilly, Executive Vice President and Chief Financial Officer and Michael P. Lyons, Executive Vice President and Head of Corporate & Institutional Banking of The PNC Financial Services Group, Inc. (the "Corporation") discussed business performance and strategy at the BancAnalysts Association of Boston Conference. 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.**

(d) 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: November 7, 2013

By: /s/ Gregory Kozich  
Gregory H. Kozich  
*Senior Vice President and Controller*

---

**EXHIBIT INDEX**

<u>Number</u>	<u>Description</u>	<u>Method of Filing</u>
99.1	Electronic presentation slides and related material for the BancAnalysts Association of Boston Conference on November 7, 2013.	Furnished herewith

The PNC Financial Services Group, Inc.

BancAnalysts Association of Boston

November 7, 2013



# Cautionary Statement Regarding Forward-Looking Information and Adjusted Information

This presentation includes “snapshot” information about PNC used by way of illustration. It is not intended as a full business or financial review and should be viewed in the context of all of the information made available by PNC in its SEC filings. The presentation also contains forward-looking statements regarding our outlook for earnings, revenues, expenses, capital levels and ratios, liquidity levels, asset levels, asset quality, financial position, and other matters regarding or affecting PNC and its future business and operations. 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 version of the presentation materials posted on our corporate website at [www.pnc.com/investorevents](http://www.pnc.com/investorevents), and in our SEC filings. We provide greater detail regarding these as well as other factors in our 2012 Form 10-K and our 2013 Form 10-Qs, including in the Risk Factors and Risk Management sections and in the Legal Proceedings and Commitments and Guarantees Notes of the Notes To Consolidated Financial Statements in those reports, and in our subsequent SEC filings. Our forward-looking statements may also be subject to other risks and uncertainties, including those we may discuss in this presentation or in SEC filings, accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov) and on PNC’s corporate website at [www.pnc.com/secfilings](http://www.pnc.com/secfilings). We have included web addresses in this presentation as inactive textual references only. Information on those websites is not part of this presentation. Future events or circumstances may change our outlook and may also affect the nature of the assumptions, risks and uncertainties to which our forward-looking statements are subject. 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. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance.

In this presentation, we may sometimes refer to adjusted results to help illustrate the impact of certain types of items. This information supplements our results as reported in accordance with GAAP and should not be viewed in isolation from, or as a substitute for, our GAAP results. We believe that this additional information and the reconciliations we provide may be useful to investors, analysts, regulators and others to help evaluate the impact of these respective items on our operations. We may also provide information on return on tangible capital as well as return on capital to help illustrate the impact of goodwill on that ratio and on tangible book value per share (calculated as book value per share less total intangible assets, other than servicing rights, per share). Where applicable, we provide GAAP reconciliations for such additional information, including in the slides, the Appendix and/or other slides and materials on our corporate website at [www.pnc.com/investorevents](http://www.pnc.com/investorevents) and in our SEC filings. We may also use annualized, proforma, estimated or third party numbers for illustrative or comparative purposes only. These may not reflect actual results.

This presentation may also include 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.”

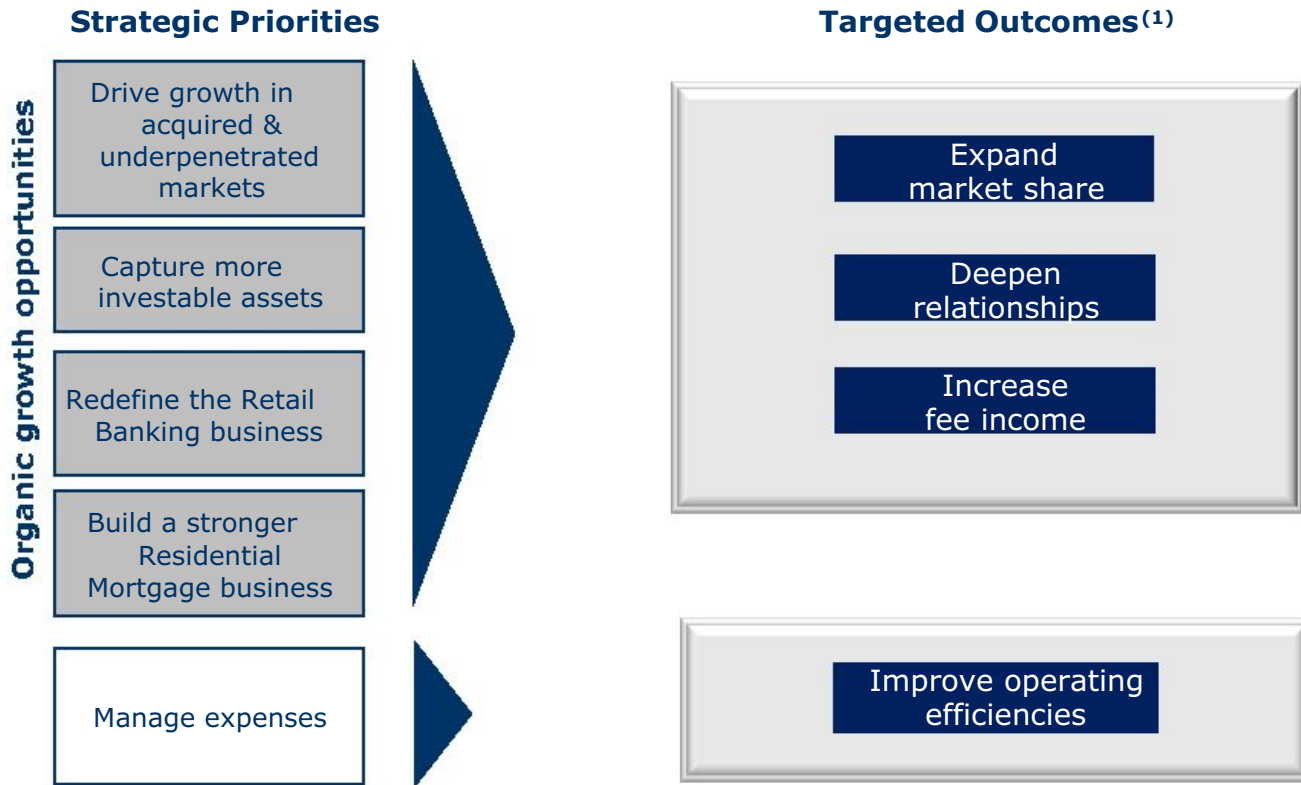
# YTD13 Performance Summary

## Highlights

- ▶ Grew loans and fee income
- ▶ Maintained expense discipline
- ▶ Continued improvement in overall credit quality
- ▶ Demonstrated progress on strategic priorities
- ▶ Strengthened capital position

YTD13 financial summary	Net income	Diluted EPS from net income	Return on average assets
	\$3.2 billion	\$5.55	1.40%

# Well-Positioned to Deliver Long-Term Value



(1) Refer to Cautionary Statement in the Appendix, including economic and other assumptions. Does not take into account impact of potential legal and regulatory contingencies.



# Executing Our Expense Objectives

## Noninterest Expense Trend



## Highlights

- ▶ We continue to focus on expense savings initiatives through PNC's Continuous Improvement Program
  - YTD expenses down 6% for the first time since 2010
- ▶ Over 650 ideas are delivering value in 2013
- ▶ Process improvement efforts begun in 2013 or beginning in 2014 should continue to be a driver of future expense reductions
- ▶ Expense savings support investment in our businesses and infrastructure

---

# Corporate & Institutional Banking (C&IB)

Michael P. Lyons

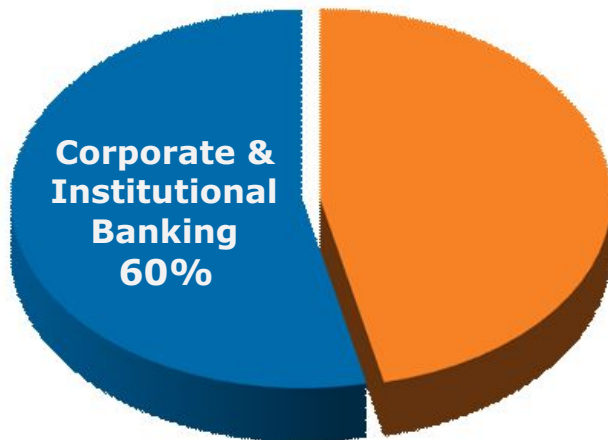
EVP, Head of Corporate & Institutional Banking



# C&IB Overview

C&IB serves large corporations, middle-market businesses, governments, and not-for-profit institutions with annual revenues of \$10 million and above

## Contribution to PNC Earnings of \$3.9B<sup>(1)</sup>



## Financial Highlights<sup>(1)</sup>

Net income	\$2.3B
Return on average allocated capital <sup>(2)</sup>	24%
Efficiency ratio <sup>(3)</sup>	36%
Loans	\$99.3B
Deposits	\$69.9B
NPAs to loans	.96%
Headcount	4,716

(1) As of or for the trailing twelve month period ended 9/30/13. (2) Allocated capital refers to capital which is allocated to our business segments using our risk-based economic capital model, including consideration of the goodwill at those business segments as well as the diversification of risk among the business segments. (3) Efficiency ratio calculated as noninterest expense divided by total revenue.



# Strategy and Go-to-Market Approach

## Strategy

- ▶ To be the leading relationship-based provider of credit and related products and services through the cycles

## Approach

- ▶ Go to market locally and nationally as one organization
- ▶ Leverage Regional President structure
- ▶ Deliver superior customer service
- ▶ Minimize turnover in client-facing personnel

## Products

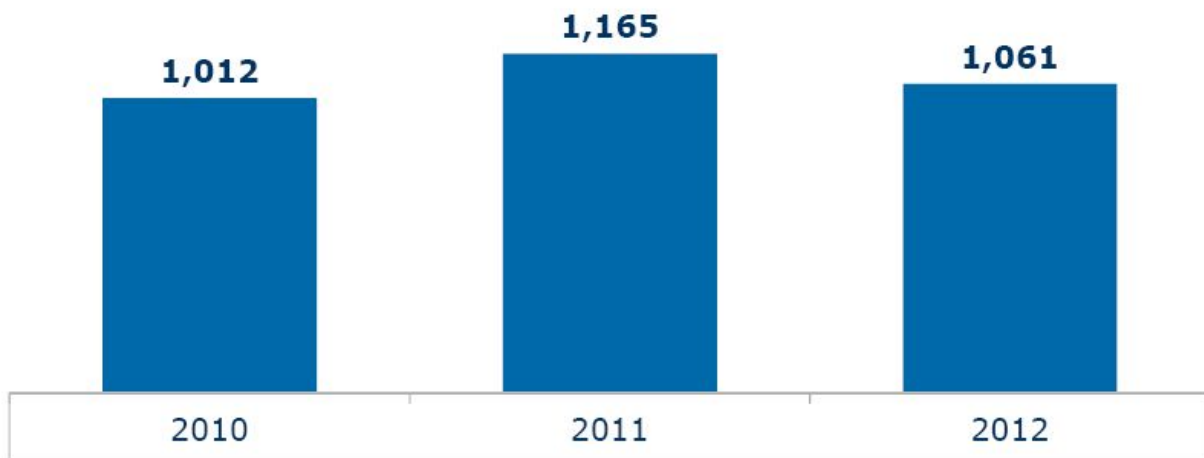
- ▶ Full complement of traditional banking products and services
- ▶ Outsized capabilities in treasury management, asset-based lending, commercial loan servicing, middle-market syndications, middle-market M&A advisory services
- ▶ Intentional product gaps

## Well-Positioned into the Financial Crisis



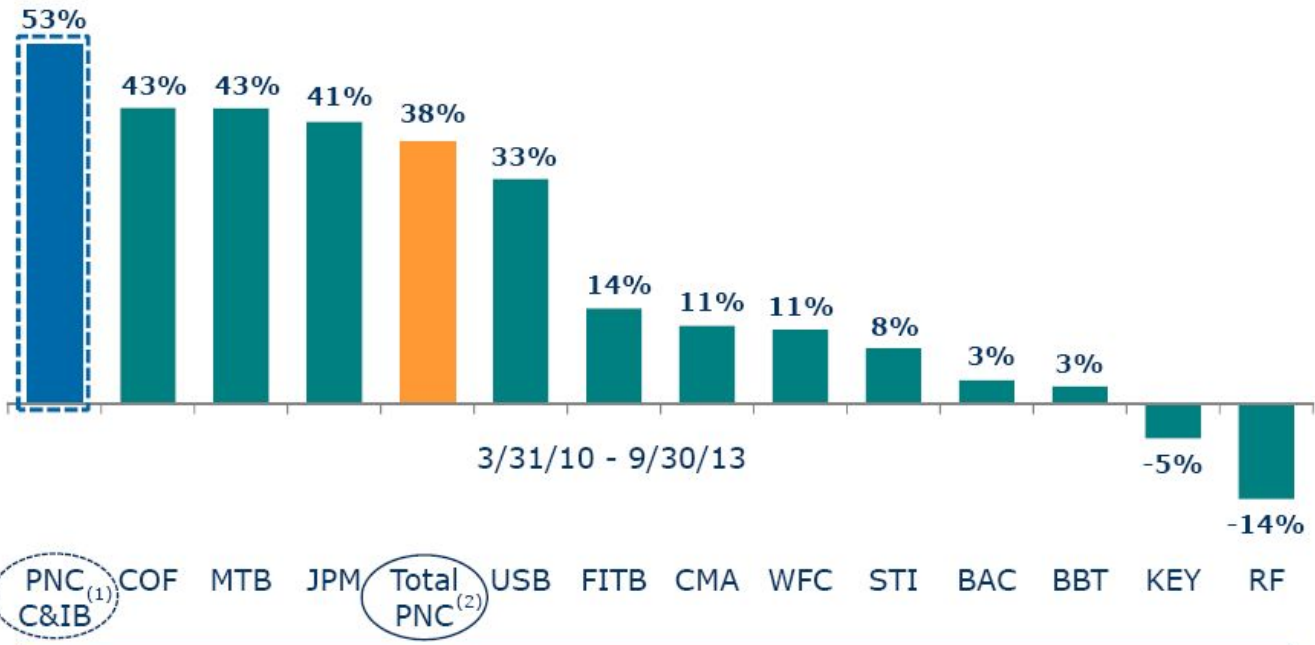
# Significant New Primary Clients

## New Corporate Banking Primary Clients<sup>(1)</sup> Won



(1) A Corporate Banking primary client is defined as a corporate banking relationship with annual revenue generation of \$50,000 or more or, within Corporate Banking, a Commercial Banking client relationship with annual revenue generation of \$10,000 or more.

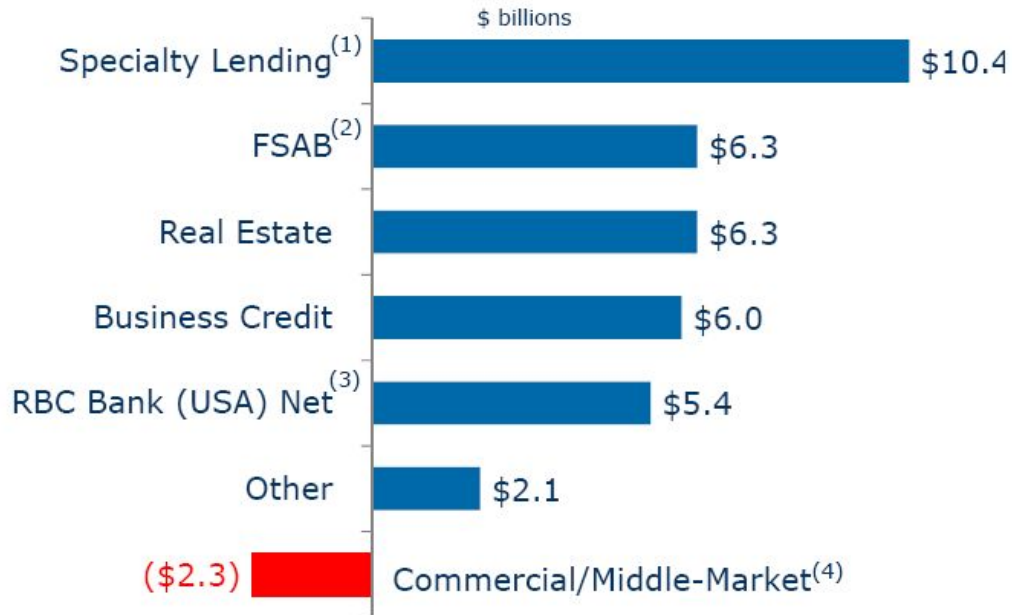
# Strong Commercial Loan Growth



(1) C&IB commercial loan balances include commercial, commercial real estate and equipment lease financing within the C&IB segment. Balances for certain PNC commercial loan customers are reflected in PNC business segments other than C&IB; in particular, small business customer loans are reflected in the Retail Banking segment. Excluding Southeast markets loan balances, C&IB commercial loan growth for 9/30/13 compared to 3/31/10 was 44%. See Appendix for reconciliation. (2) PNC's consolidated commercial loan balances include commercial, commercial real estate and equipment lease financing across all segments. Peer Source: SNL Datasource except BBT, BAC, COF and JPM, which are from company reports. JPM and COF loan growth reflect commercial banking segment reported in company reports. BAC loan growth reflects U.S. commercial loan balances only, as reported in its company reports. BBT reflects total commercial loans from company reports.

# Loan Growth Driven by Specialty Areas

## Change in C&IB Loans Outstanding 3/31/10- 9/30/13



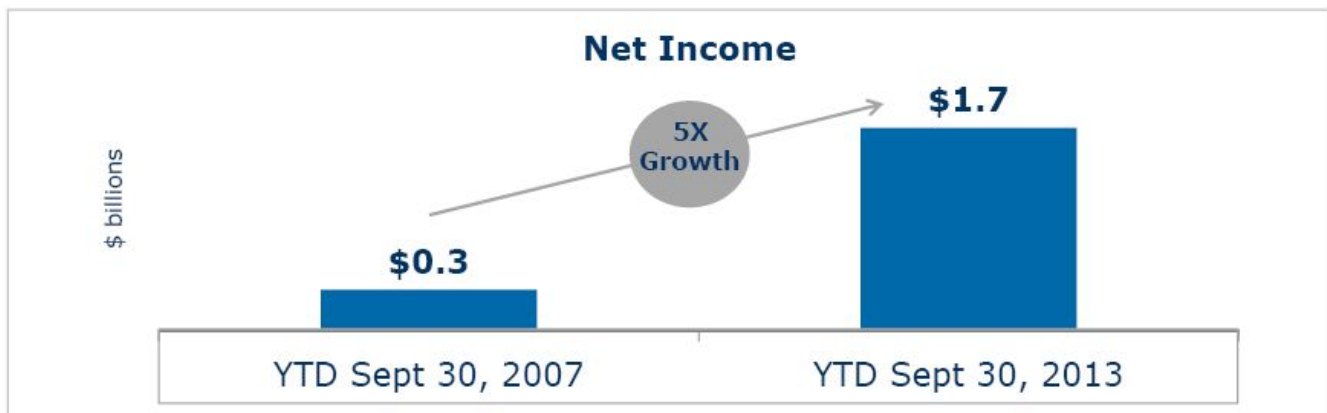
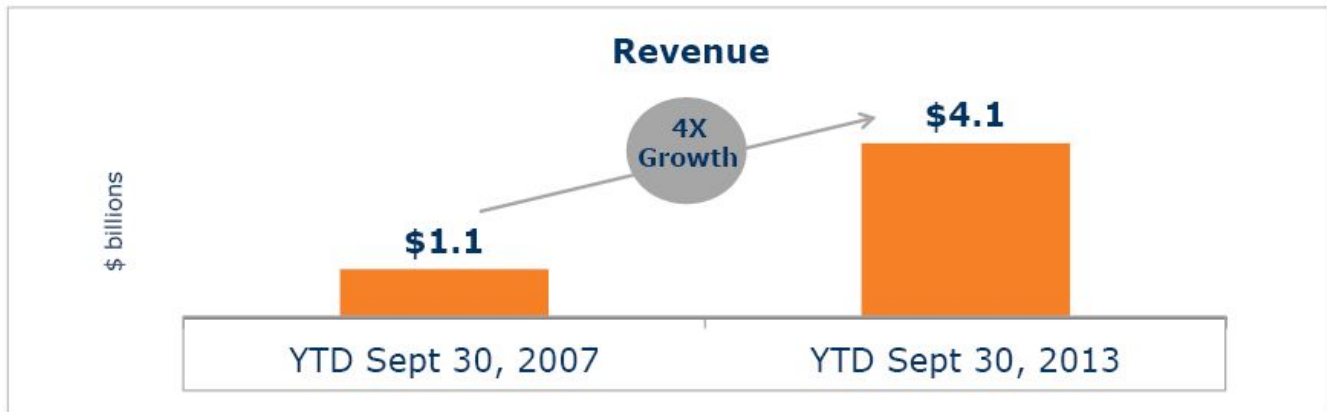
**Total Change in C&IB Loans: \$34.2B or 53%**

(1) Specialty Lending includes Healthcare, Public Finance, Large Corporate and Diversified Industries Group. (2) FSAB refers to Financial Services Advisory & Banking. (3) Loans acquired in RBC Bank (USA) transaction, net of run-off. (4) Commercial/Middle-Market includes companies within the Retail Banking footprint with annual sales between \$10 million and \$500 million.





# Strong Performance Through the Crisis



# Franchise is Well-Positioned Today

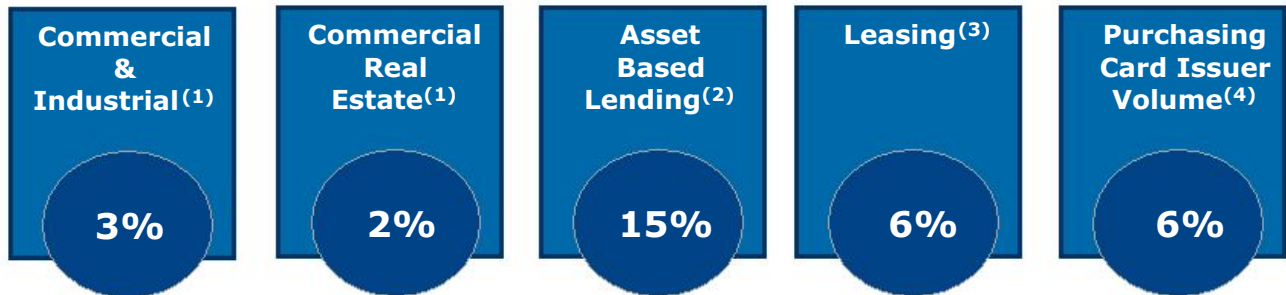
Scale	
Top 3	▶ Asset-based Lender <sup>(1)</sup>
#2	▶ Servicer of Commercial and Multifamily loans <sup>(2)</sup>
#3	▶ Wholesale lockbox volume processor <sup>(3)</sup>
#4	▶ Bank-affiliated leasing company <sup>(4)</sup>
#5	▶ Commercial & Industrial lender <sup>(5)</sup>
#5	▶ Middle Market Loan Syndications Bookrunner <sup>(6)</sup>
#6	▶ Purchasing Card issuer <sup>(7)</sup>
#7	▶ Commercial Real Estate/Multifamily lender <sup>(8)</sup>

Quality	
	▶ TNS National Choice Award Winner for Commercial and Business Banking <sup>(9)</sup>
	▶ Middle Market Investment Bank of the year <sup>(10)</sup>
	▶ National Award Winner for Middle-Market Treasury Management in Overall Satisfaction, Product Capabilities and Accuracy of Operation <sup>(11)</sup>
	▶ Midland Loan Services: highest primary, master and special servicer ratings from Fitch, S&P and Morningstar

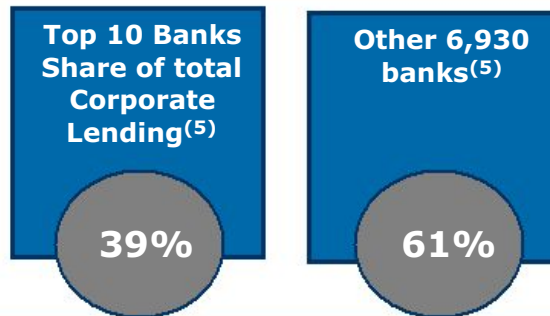
See Source Notes (1) through (11) in Appendix for details.

# Fragmented Industry

## PNC Market Share



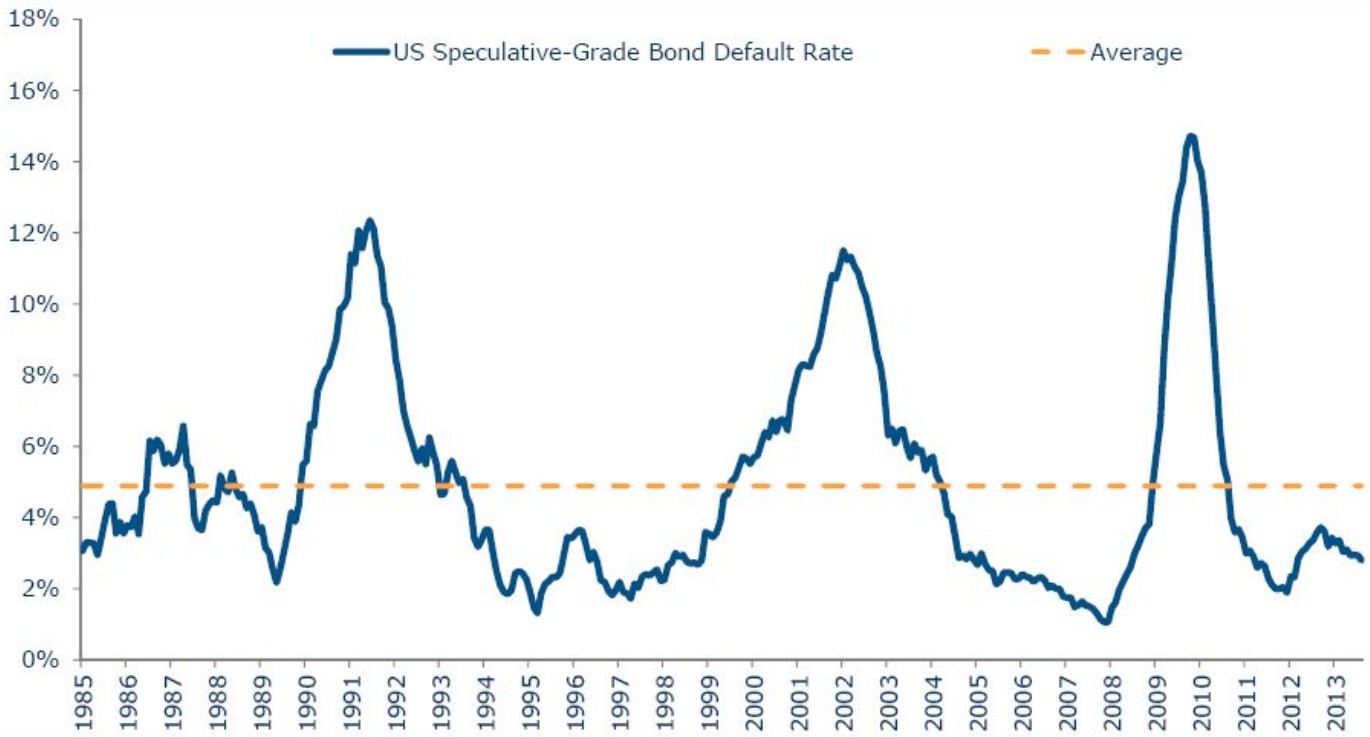
## Industry Market Share



(1) Source: FDIC, June 30, 2013. (2) Source: Commercial Finance Association, September 30, 2013. (3) Source: Monitor, 2012. (4) Purchasing Card market share based on Purchase volume. Source: Nilson Report, July 2013. (5) Represents market share of the top 10 banks by assets in total Corporate lending and other banks, respectively. Source: FDIC, June 30, 2013.

# Highly Cyclical Business

## Corporate Credit Losses – Moody's Speculative-Grade Bond Default Rate

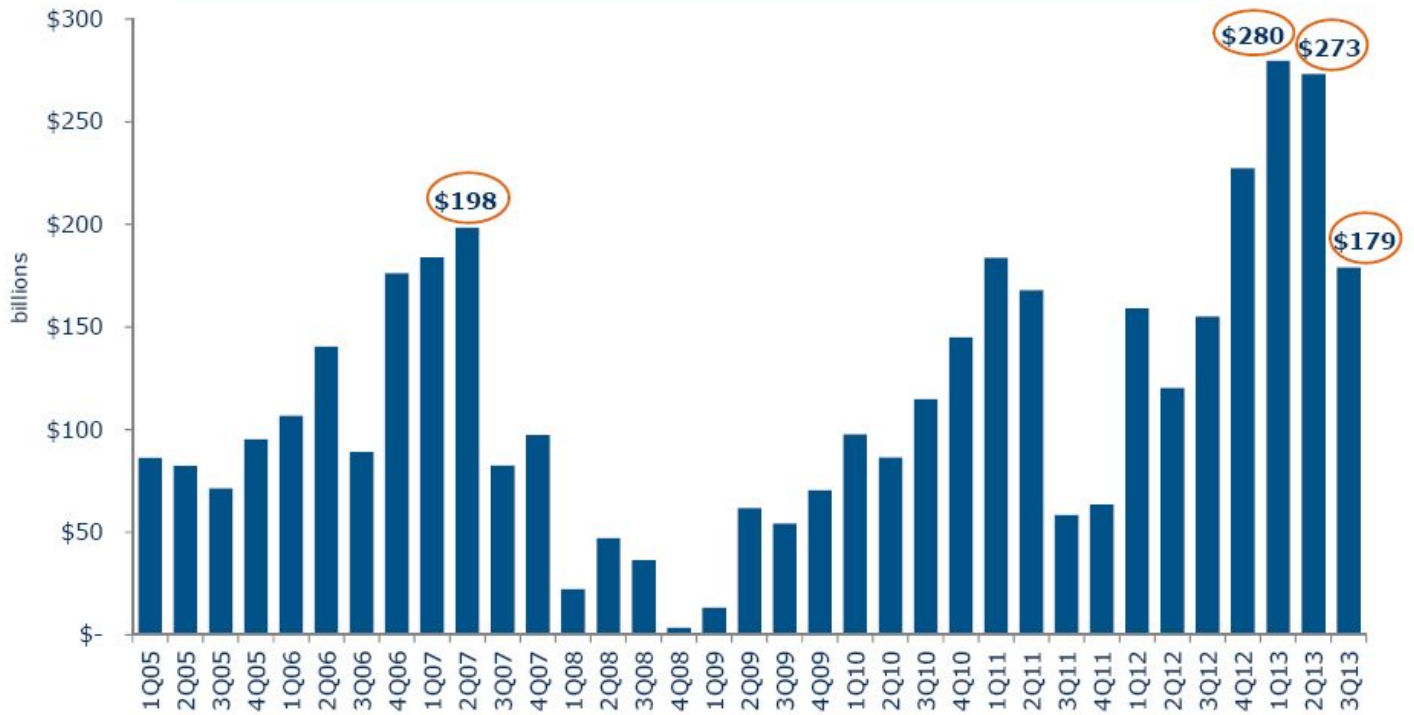


## Current External Market Conditions

- ▶ Clients in great financial shape, but cautious
- ▶ Revolver utilization low; client cash balances high
- ▶ Credit losses near cyclical lows
- ▶ Banks, nonbanks and capital markets aggressively seeking commercial assets
- ▶ Pricing compressed, tenor up, terms looser
- ▶ Difficult to generate required returns on loan-only deals

# Capital Markets Near Record Highs

## Institutional Term Loans + High Yield Bond Issuance

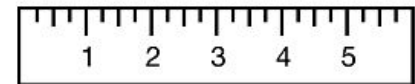


Source: Thomson Reuters LPC.



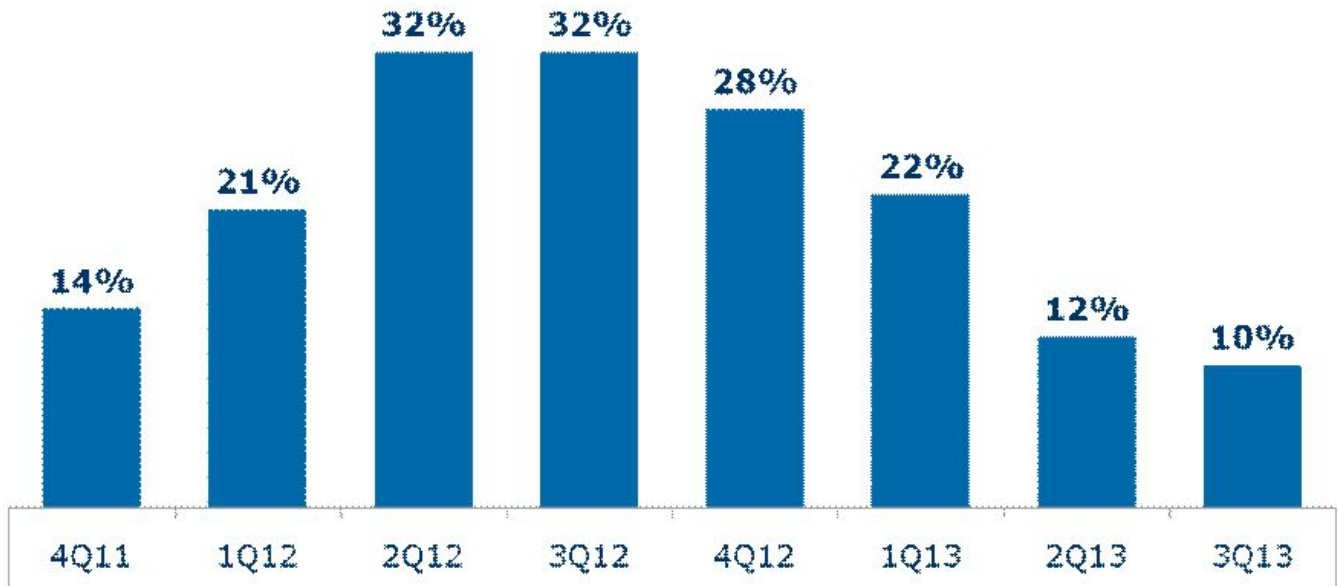
# No Change in Risk Appetite

## C&IB Risk Appetite Box



# So Our Growth is Slowing

## C&IB Year-Over-Year Growth in Average Loans




C&IB average loan balance was \$62.7 billion for the three months ended December 31, 2010.



# Not the First Time We Have Navigated this Environment

## Slides from Bill Demchak's November 2006 BAAB Presentation



The PNC Financial Services Group, Inc.

*Corporate & Institutional Banking*

BancAnalysts Association of Boston  
25<sup>th</sup> Annual Conference

November 3, 2006

### Key Takeaways

- We've built a unique middle market franchise
- Which positions us well in an environment where it is difficult to generate appropriate risk-adjusted returns from lending-only relationships
- Our strategy is differentiated by a broad array of product solutions, execution and cross-sell


### Others Are Lending At Below Breakeven Returns...

Cost Spread vs. Historical Loan Results

Bank Rating	Current Spread (%)	Historical Spread/Component of Return (%)	Break-even Spread (%)
AAA	1.25%	Cost of Funds	1.25%
AA	1.50%	Cost of Funds	1.50%
A	1.75%	Cost of Funds	1.75%


### The Market is Flooded with New Competitors...


Total Speculative Loan Volume



### And Default Rates are at a Low Point

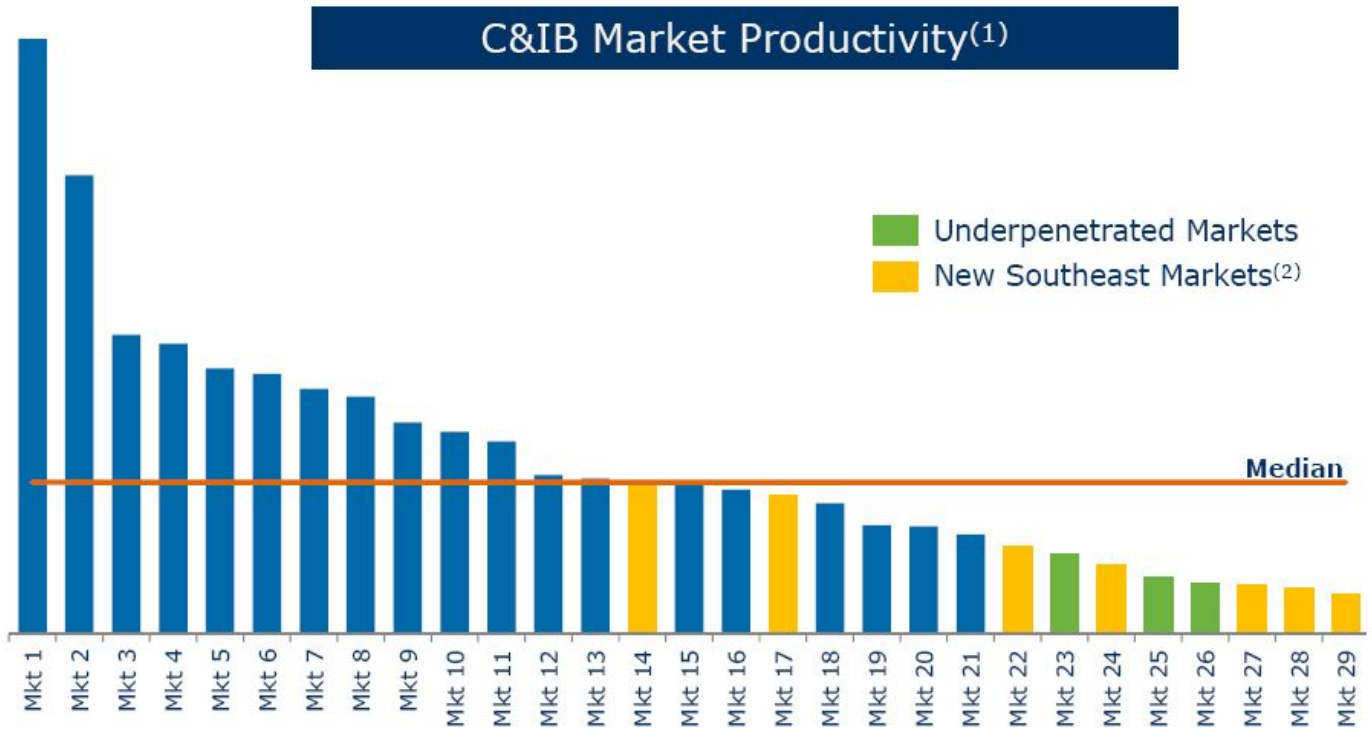
U.S. Speculative Grade Bond Default Rate





21

# Significant Revenue Upside from Bringing All Markets to Potential

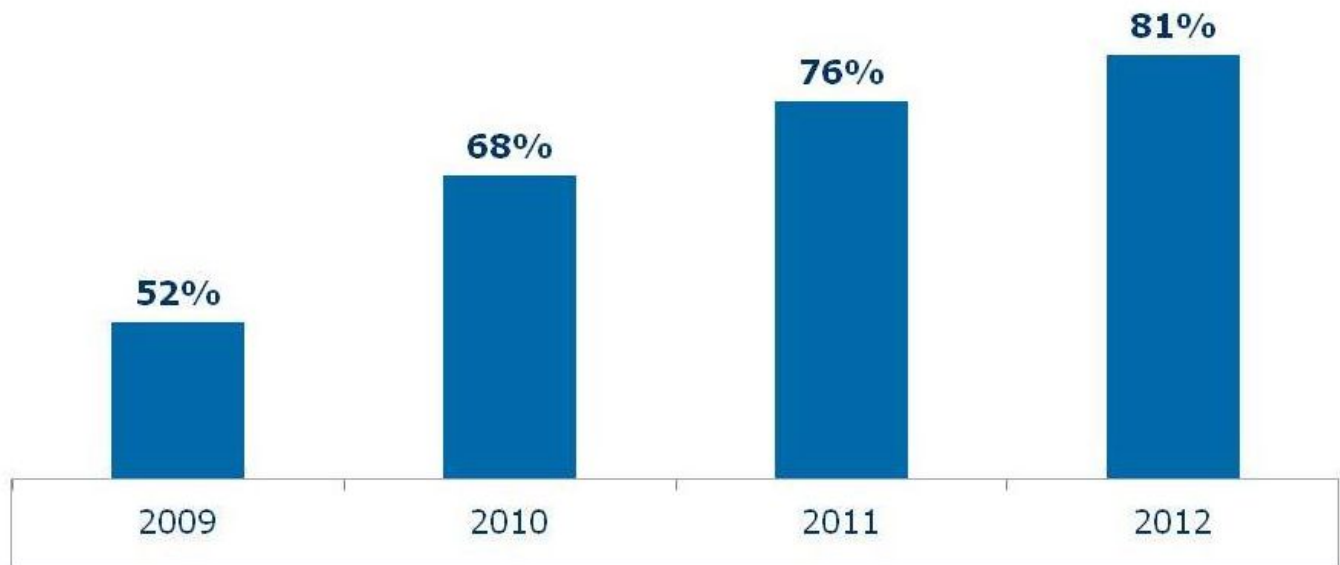


(1) Productivity calculated as YTD September 30, 2013 pre-provision profits divided by MSA population. (2) Southeast markets are in the states of Alabama, Georgia, North Carolina, South Carolina and Florida.



# Proven Success in Increasing Cross-Sell

Sales Per Corporate Banking Relationship Manager  
Western Markets as a % of Eastern Markets<sup>(1)</sup>



(1) Western markets primarily NCC and Eastern markets primarily PNC.

# Southeast Markets Update

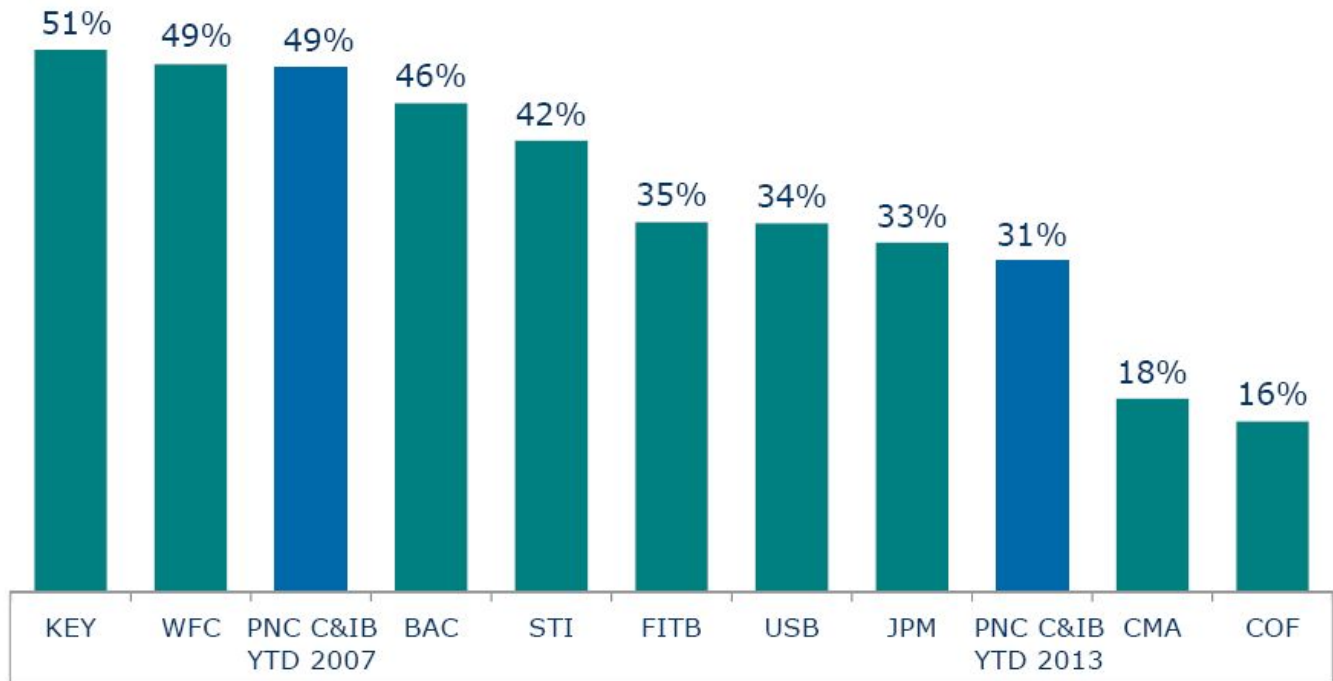
## C&IB Highlights

- ▶ Strategic rationale confirmed
- ▶ Hiring completed / top-tier team
- ▶ Early results ahead of plan
- ▶ Strong receptivity to PNC name
  
- ▶ Primary clients added YTD'13 +30% Y/Y
- ▶ Avg loans of \$6B + 11% 3Q13 Y/Y
- ▶ Brand recognition increased to 52%<sup>(1)</sup>
- ▶ Led or joint led 22 loan syndications
  
- ▶ Markets less than 1/2 as productive as legacy markets<sup>(2)</sup>



(1) PNC brand awareness was 29% at March 2012 and 52% at June 2013, a 79% increase. Source: TNS Consumer Brand & Advertising Performance Research. (2) See Slide 22, including Notes.

# Fee Income Levels



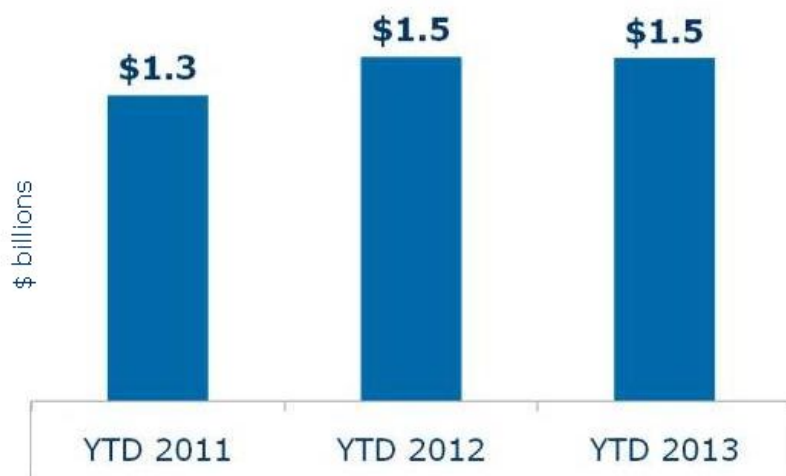
YTD September 30, 2013

Ratios in chart above were calculated by dividing noninterest income by total revenue. Peers selected based on business segments comparable to PNC's C&IB business. MTB and RF disclose their respective C&IB business segment in their 10-Qs which were not yet available for 3Q13 when this chart was prepared. BBT does not have a comparable business segment to PNC's C&IB business segment. Peer data for YTD September 30, 2013, from company reports. PNC data provided for YTD September 30, 2007 and YTD September 30, 2013.



# Be More Efficient

## C&IB Noninterest Expense



## Highlights

- ▶ Significant opportunity for us to do things more efficiently
- ▶ Focus on core processes
- ▶ Currently in midst of significant review of our commercial credit process
- ▶ Not curtailing investments

# Key Takeaways

## Traditional and resilient business model

- ▶ Grew C&IB earnings 5x through the crisis and gained significant share
- ▶ Well-positioned today

## Corporate Banking business is highly cyclical

- ▶ Current environment challenging...reminiscent of 2006-07
- ▶ Our post-crisis growth is slowing

## Attractive near-term and long-term growth opportunities

- ▶ Consistent business model and risk appetite
- ▶ Bring underpenetrated markets to full potential
- ▶ Build a leading Southeast franchise
- ▶ Cross-sell
- ▶ Capitalize on the cycles
- ▶ Low market shares



# Cautionary Statement Regarding Forward-Looking Information

Appendix

This presentation includes “snapshot” information about PNC used by way of illustration and is not intended as a full business or financial review. It should not be viewed in isolation but rather in the context of all of the information made available by PNC in its SEC filings.

We also make statements in this presentation, and we may from time to time make other statements, regarding our outlook for earnings, revenues, expenses, capital levels and ratios, liquidity levels, asset levels, asset quality, financial position, and other matters regarding or affecting PNC and its future business and operations 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,” “plan,” “expect,” “anticipate,” “see,” “look,” “intend,” “outlook,” “project,” “forecast,” “estimate,” “goal,” “will,” “should” 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 made. We do not assume any duty and do not undertake to update forward-looking statements. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance.

Our forward-looking statements are subject to the following principal risks and uncertainties.

•Our businesses, financial results and balance sheet values are affected by business and economic conditions, including the following:

- Changes in interest rates and valuations in debt, equity and other financial markets.
- Disruptions in the liquidity and other functioning of U.S. and global financial markets.
- The impact on financial markets and the economy of any changes in the credit ratings of U.S. Treasury obligations and other U.S. government-backed debt, as well as issues surrounding the level of U.S. and European government debt and concerns regarding the creditworthiness of certain sovereign governments, supranationals and financial institutions in Europe.
- Actions by the Federal Reserve, U.S. Treasury and other government agencies, including those that impact money supply and market interest rates.
- Changes in customers’, suppliers’ and other counterparties’ performance and creditworthiness.
- Slowing or reversal of the current moderate U.S. economic expansion.
- Continued effects of aftermath of recessionary conditions and uneven spread of positive impacts of recovery on the economy and our counterparties, including adverse impacts on levels of unemployment, loan utilization rates, delinquencies, defaults and counterparty ability to meet credit and other obligations.
- Changes in customer preferences and behavior, whether due to changing business and economic conditions, legislative and regulatory initiatives, or other factors.

•Our forward-looking financial statements are subject to the risk that economic and financial market conditions will be substantially different than we are currently expecting. These statements are based on our current view that the moderate U.S. economic expansion will persist, despite drags from Federal fiscal restraint, the partial Federal government shutdown will not be repeated, and short-term interest rates will remain very low but bond yields will remain elevated in the last quarter of 2013. These forward-looking statements also do not, unless otherwise indicated, take into account the impact of potential legal and regulatory contingencies or the potential impacts of the Congress failing to timely address the authorized level of Federal borrowing.



# Cautionary Statement Regarding Forward-Looking Information (continued)

Appendix

•PNC's ability to take certain capital actions, including paying dividends and any plans to increase common stock dividends, repurchase common stock under current or future programs, or issue or redeem preferred stock or other regulatory capital instruments, is subject to the review of such proposed actions by the Federal Reserve as part of PNC's comprehensive capital plan for the applicable period in connection with the regulators' Comprehensive Capital Analysis and Review (CCAR) process and to the acceptance of such capital plan and non-objection to such capital actions by the Federal Reserve

•PNC's regulatory capital ratios in the future will depend on, among other things, the company's financial performance, the scope and terms of final capital regulations then in effect (particularly those implementing the Basel Capital Accords), and management actions affecting the composition of PNC's balance sheet. In addition, PNC's ability to determine, evaluate and forecast regulatory capital ratios, and to take actions (such as capital distributions) based on actual or forecasted capital ratios, will be dependent on the ongoing development, validation and regulatory approval of related models.

•Legal and regulatory developments could have an impact on our ability to operate our businesses, financial condition, results of operations, competitive position, reputation, or pursuit of attractive acquisition opportunities. Reputational impacts could affect matters such as business generation and retention, liquidity, funding, and ability to attract and retain management. These developments could include:

- Changes resulting from legislative and regulatory reforms, including major reform of the regulatory oversight structure of the financial services industry and changes to laws and regulations involving tax, pension, bankruptcy, consumer protection, and other industry aspects, and changes in accounting policies and principles. We will be impacted by extensive reforms provided for in the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and otherwise growing out of the recent financial crisis, the precise nature, extent and timing of which, and their impact on us, remains uncertain.

- Changes to regulations governing bank capital and liquidity standards, including due to the Dodd-Frank Act and to Basel-related initiatives.

- Unfavorable resolution of legal proceedings or other claims and regulatory and other governmental investigations or other inquiries. In addition to matters relating to PNC's business and activities, such matters may include proceedings, claims, investigations, or inquiries relating to pre-acquisition business and activities of acquired companies, such as National City. These matters may result in monetary judgments or settlements or other remedies, including fines, penalties, restitution or alterations in our business practices, and in additional expenses and collateral costs, and may cause reputational harm to PNC.

- Results of the regulatory examination and supervision process, including our failure to satisfy requirements of agreements with governmental agencies.

- Impact on business and operating results of any costs associated with obtaining rights in intellectual property claimed by others and of adequacy of our intellectual property protection in general.

# Cautionary Statement Regarding Forward-Looking Information (continued)

Appendix

- Business and operating results are affected by our ability to identify and effectively manage risks inherent in our businesses, including, where appropriate, through effective use of third-party insurance, derivatives, and capital management techniques, and to meet evolving regulatory capital standards. In particular, our results currently depend on our ability to manage elevated levels of impaired assets.

- Business and operating results also include impacts relating to our equity interest in BlackRock, Inc. and rely to a significant extent on information provided to us by BlackRock. Risks and uncertainties that could affect BlackRock are discussed in more detail by BlackRock in its SEC filings.

- We grow our business in part by acquiring from time to time other financial services companies, financial services assets and related deposits and other liabilities. Acquisition risks and uncertainties include those presented by the nature of the business acquired, including in some cases those associated with our entry into new businesses or new geographic or other markets and risks resulting from our inexperience in those new areas, as well as risks and uncertainties related to the acquisition transactions themselves, regulatory issues, and the integration of the acquired businesses into PNC after closing.

- Competition can have an impact on customer acquisition, growth and retention and on credit spreads and product pricing, which can affect market share, deposits and revenues. Industry restructuring in the current environment could also impact our business and financial performance through changes in counterparty creditworthiness and performance and in the competitive and regulatory landscape. Our ability to anticipate and respond to technological changes can also impact our ability to respond to customer needs and meet competitive demands.

- Business and operating results can also be affected by widespread natural and other disasters, dislocations, terrorist activities, cyberattacks or international hostilities through impacts on the economy and financial markets generally or on us or our counterparties specifically.

We provide greater detail regarding these as well as other factors in our 2012 Form 10-K and our 2013 Form 10-Qs, including in the Risk Factors and Risk Management sections and the Legal Proceedings and Commitments and Guarantees Notes of the Notes To Consolidated Financial Statements in those reports, and in our subsequent SEC filings. Our forward-looking statements may also be subject to other risks and uncertainties, including those we may discuss elsewhere in this presentation or in SEC filings, accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and on our corporate website at [www.pnc.com/secfilings](http://www.pnc.com/secfilings). We have included these web addresses as inactive textual references only. Information on these websites is not part of this document.

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 or other company's actual or anticipated results.

## Source Notes For Slide 14

- (1) Commercial Finance Association, September 30, 2013.
- (2) Mortgage Bankers Association, 2012.
- (3) Ernst & Young 2012 Cash Management Services Survey.
- (4) *Monitor*, 2012.
- (5) FDIC based on outstandings as of June 30, 2013.
- (6) Loan Pricing Corporation. Trailing nine months from September 30, 2013.
- (7) Nilson Report, July 2013.
- (8) FDIC based on outstandings as of June 30, 2013.
- (9) Awarded April 10, 2013. Commercial is for companies with revenues up to \$50 million.
- (10) *Mergers and Acquisitions Journal*, 2012.
- (11) Greenwich Survey National category 2012.

# Estimated Pro forma Basel III Tier I Common Capital

Appendix

We provide information below regarding PNC's pro forma fully phased-in Basel III Tier 1 common capital ratio and how it differs from the Basel I Tier 1 common capital ratio. This Basel III ratio, which is calculated using PNC's estimated risk-weighted assets under the Basel III advanced approaches, will replace the current Basel I ratio for this regulatory metric when PNC exits the parallel run qualification phase. The Federal Reserve Board announced final rules implementing Basel III on July 2, 2013. Our estimate of Basel III capital information set forth below is based on our current understanding of the final Basel III rules.

## Basel I Tier 1 Common Capital Ratio

<i>Dollars in millions</i>	Sept. 30, 2013	June 30, 2013	December 31, 2012	Sept. 30, 2012
Basel I Tier 1 common capital	\$27,540	\$26,668	\$24,951	\$24,382
Basel I risk-weighted assets	266,698	264,750	260,847	257,297
Basel I Tier 1 common capital ratio	10.3%	10.1%	9.6%	9.5%

Tier 1 common capital as defined under the Basel III rules differs materially from Basel I. For example, under Basel III, significant common stock investments in unconsolidated financial institutions, mortgage servicing rights and deferred tax assets must be deducted from capital to the extent they individually exceed 10%, or in the aggregate exceed 15%, of the institution's adjusted Tier 1 common capital. Also, Basel I regulatory capital excludes certain other comprehensive income related to both available for sale securities and pension and other postretirement plans, whereas under Basel III these items are a component of PNC's capital. Basel III risk-weighted assets were estimated under the advanced approaches included in the Basel III rules and application of Basel II.5, and reflect credit, market and operational risk.

PNC utilizes this capital ratio estimate to assess its Basel III capital position (without the benefit of phase-ins), including comparison to similar estimates made by other financial institutions. This Basel III capital estimate is likely to be impacted by any additional regulatory guidance, continued analysis by PNC as to the application of the rules to PNC, and the ongoing evolution, validation and regulatory approval of PNC's models integral to the calculation of advanced approaches risk-weighted assets.

## Estimated Pro forma Basel III Tier 1 Common Capital Ratio (b)

<i>Dollars in millions</i>	Sept. 30, 2013	June 30, 2013	December 31, 2012
Basel I Tier 1 common capital	\$27,540	\$26,668	\$24,951
Less regulatory capital adjustments:			
Basel III quantitative limits	(2,011)	(2,224)	(2,330)
Accumulated other comprehensive income (a)	(231)	(241)	275
All other adjustments	(49)	(283)	(396)
Estimated Basel III Tier 1 common capital	\$25,249	\$23,920	\$22,501
Estimated Basel III risk-weighted assets	289,063	290,838	301,006
Pro forma Basel III Tier 1 common capital ratio	8.7%	8.2%	7.5%

(a) Represents net adjustments related to accumulated other comprehensive income for available for sale securities and pension and other postretirement benefit plans.

(b) Pro forma Basel III Tier 1 common capital ratio estimate not provided in 3Q12.

# Non-GAAP to GAAP Reconciliation

Appendix

For the three months ended

<i>\$ in millions</i>	Trailing 12 Months - Actual	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012
C&IB reported net income	\$2,344	\$542	\$612	\$541	\$649
Annualized net income	\$2,344	\$2,151	\$2,453	\$2,195	\$2,581
C&IB average allocated capital (1)	\$9,590	\$9,489	\$9,495	\$9,588	\$9,787
Return on average allocated capital	24%	23%	26%	23%	26%
C&IB average allocated capital (1)	\$9,590	\$9,489	\$9,495	\$9,588	\$9,787
C&IB average goodwill	<u>\$3,215</u>	<u>\$3,215</u>	<u>\$3,215</u>	<u>\$3,214</u>	<u>\$3,214</u>
Total average tangible capital	\$6,375	\$6,274	\$6,280	\$6,374	\$6,573
Return on average tangible capital	37%	34%	39%	34%	39%

(1) Allocated capital refers to capital which is allocated to our business segments using our risk-based economic capital model, including consideration of the goodwill at those business segments as well as the diversification of risk among the business segments.

PNC believes that return on average tangible capital, a non-GAAP measure, is useful as a tool to help better evaluate the growth of a business apart from the amount of goodwill considered in the allocation of capital which is used in the calculation of return on average allocated capital.

# Non-GAAP to GAAP Reconciliation

Appendix

<i>In millions except per share data</i>	As of		
	Dec. 31, 2007	Dec. 31, 2012	% Change
Common shareholders' equity	\$14,847	\$35,413	
Common shares outstanding	341	528	
Book value per common share	\$43.60	\$67.05	54%
Goodwill and other intangible assets, other than servicing rights (1)	\$8,850	\$9,798	
Common shareholders' equity less intangible assets	\$5,997	\$25,615	
Common shares outstanding	341	528	
Tangible book value per common share	\$17.59	\$48.51	176%

(1) Servicing rights were \$701 million and \$1,071 at December 31, 2007 and December 31, 2012, respectively.

PNC believes that tangible book value per common share, a non-GAAP measure, is useful as a tool to help evaluate the amount, on a per share basis, of goodwill and other intangible assets included in book value per common share.

<i>In millions</i>	As of		
	Sept. 30, 2013	March 31, 2010	% Change
C&IB loan balance, as reported	\$99,337	\$65,137	53%
Southeast <sup>(1)</sup> markets loan balance	\$6,055	\$208	
C&IB loan balance, excluding Southeast <sup>(1)</sup> markets	\$93,282	\$64,929	44%

(1) AL, FL, NC, SC and GA.

The PNC Financial Services Group, Inc.	PNC
BB&T Corporation	BBT
Bank of America Corporation	BAC
Capital One Financial, Inc.	COF
Comerica Inc.	CMA
Fifth Third Bancorp	FITB
JPMorgan Chase	JPM
KeyCorp	KEY
M&T Bank	MTB
Regions Financial Corporation	RF
SunTrust Banks, Inc.	STI
U.S. Bancorp	USB
Wells Fargo & Co.	WFC