

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

Filing Date: **1994-01-26** | Period of Report: **1994-01-19**  
SEC Accession No. **0000950128-94-000002**

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### FILER

#### **PNC BANK CORP**

CIK: **713676** | IRS No.: **251435979** | State of Incorpor.: **PA** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-09718** | Film No.: **94502710**  
SIC: **6021** National commercial banks

Business Address  
*ONE PNC PLAZA  
FIFTH AVE & WOOD ST  
PITTSBURGH PA 15265  
4127622666*

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

Date of Report (Date of earliest event reported)  
January 19, 1994

PNC BANK CORP.  
(Exact name of registrant as specified in its charter)

<TABLE>

<p>&lt;S&gt; PENNSYLVANIA (State or other jurisdiction of incorporation)</p>	<p>&lt;C&gt; 1-9718 (Commission File Number)</p>	<p>&lt;C&gt; 25-1435979 (IRS Employer Identification No.)</p>
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</TABLE>

ONE PNC PLAZA  
FIFTH AVENUE AND WOOD STREET  
PITTSBURGH, PENNSYLVANIA 15265  
(Address of principal executive offices) (Zip Code)

(412) 762-2666  
(Registrant's telephone number, including area code)

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

ITEM 5. OTHER EVENTS

1993 Financial Results

On January 19, 1994, PNC Bank Corp. ("Corporation") reported results of operations for the three months and twelve months ended December 31, 1993. Excerpts from the earnings press release issued by the Corporation are attached as Exhibit 28.1 and incorporated herein by reference.

United Federal Bancorp, Inc. ("United") Acquisition

On January 21, 1994, the Corporation completed the previously reported acquisition of United and merged United's subsidiary, United Federal Savings Bank, into PNC Bank, National Association, a wholly-owned subsidiary of the Corporation. Additional information regarding the transaction is included in the press release attached as Exhibit 28.2 and incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

The exhibits listed on the Exhibit Index on page 4 of this Form 8-K are filed herewith.

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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 thereunto duly authorized.

PNC BANK CORP.  
(Registrant)

Date: January 26, 1994

/s/ Robert L. Haunschild  
By \_\_\_\_\_  
Robert L. Haunschild  
Senior Vice President,  
Planning/Finance

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## EXHIBIT INDEX

- 28.1 Excerpts from the earnings press release issued by the Corporation on January 19, 1994, with respect to earnings for the three months and twelve months ended December 31, 1993, filed herewith.
- 28.2 Press release issued by the Corporation on January 21, 1994, with respect to the consummation of the United acquisition, filed herewith.

## PNC BANK CORP. AND SUBSIDIARIES

## Financial Highlights

(In thousands, except ratios and per share data)

&lt;TABLE&gt;

&lt;CAPTION&gt;

	Three Months Ended December 31		Twelve Months Ended December 31	
	1993	1992	1993	1992
<S>	<C>	<C>	<C>	<C>
FINANCIAL PERFORMANCE				
Net interest income (taxable-equivalent basis)	\$470,955	\$464,039	\$1,868,535	\$1,700,065
Income before cumulative effect of changes in accounting principles	171,434	143,542	745,263	529,440
Net income	171,434	143,542	725,870	426,939
Earnings per common share				
Before cumulative effect of changes in accounting principles				
Primary	.72	.61	3.14	2.36
Fully diluted	.72	.61	3.13	2.34
Net income				
Primary	.72	.61	3.06	1.90
Fully diluted	.72	.61	3.04	1.89
Cash dividends declared per common share	.32	.285	1.175	1.08
Average common shares outstanding				
Primary	236,427	233,905	236,386	224,023
Fully diluted	238,360	236,504	238,421	227,125
Net interest margin	3.77 %	4.07 %	3.95 %	4.03 %
Returns before cumulative effect of changes in accounting principles				
Return on average total assets	1.28	1.18	1.48	1.18
Return on average common shareholders' equity	16.52	15.74	18.89	15.03
Returns based on net income				
Return on average total assets	1.28	1.18	1.44	.95
Return on average common shareholders' equity	16.52	15.74	18.40	12.47
Average shareholders' equity to average total assets	7.79	7.52	7.86	7.68
Net charge-offs to average loans	.60	1.23	.66	1.15
Provision for credit losses to net charge-offs	92.12	81.18	118.57	115.11
Overhead ratio	55.46	58.62	51.66	55.76

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	December 31 1993	September 30 1993	December 31 1992
<S>	<C>	<C>	<C>
PERIOD-END RATIOS			
Capital			
Leverage	7.85 %	8.10 %	7.62 %
Common shareholders' equity to total assets	6.93	7.84	7.23
Asset quality			
Nonperforming loans to total loans	1.15	1.53	2.14
Nonperforming assets to total loans and foreclosed assets	1.65	2.25	3.14
Nonperforming assets to total assets	.89	1.19	1.60
Allowance for credit losses to total loans	2.92	3.43	3.47
Allowance for credit losses to nonperforming loans	253.12	223.87	162.08
BOOK VALUE PER COMMON SHARE	\$18.34	\$17.50	\$15.96

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PNC BANK CORP. AND SUBSIDIARIES  
Consolidated Condensed Statement of Income

(In thousands)

<TABLE>  
<CAPTION>

	Three Months Ended December 31		Twelve Months Ended December 31	
	1993	1992	1993	1992
<S>	<C>	<C>	<C>	<C>
<b>INTEREST INCOME</b>				
Loans and fees on loans	\$517,005	\$486,077	\$1,950,937	\$1,964,248
Securities	279,858	324,965	1,203,151	1,203,643
Other	18,338	10,858	47,032	51,080
Total interest income	815,201	821,900	3,201,120	3,218,971
<b>INTEREST EXPENSE</b>				
Deposits	180,564	220,413	742,772	1,063,422
Borrowed funds	118,427	127,089	473,116	417,336
Notes and debentures	54,496	20,233	156,199	80,921
Total interest expense	353,487	367,735	1,372,087	1,561,679
Net interest income	461,714	454,165	1,829,033	1,657,292
Provision for credit losses	38,692	63,060	203,944	323,531
Net interest income less provision for credit losses	423,022	391,105	1,625,089	1,333,761
<b>NONINTEREST INCOME</b>				
Investment management and trust	70,269	63,656	273,849	260,113
Service charges, fees and commissions	117,195	94,818	403,013	360,559
Trading account profits (losses)	(663)	579	6,785	1,717
Net securities gains	3,404	49,187	187,694	193,503
Other	16,125	14,716	73,908	70,884
Total noninterest income	206,330	222,956	945,249	886,776
<b>NONINTEREST EXPENSES</b>				
Compensation and benefits	173,379	176,626	685,388	668,403
Net occupancy and equipment	60,486	51,239	229,308	206,560
Other	141,784	174,820	539,030	567,452
Total noninterest expenses	375,649	402,685	1,453,726	1,442,415
Income before income taxes and cumulative effect of changes in accounting principles	253,703	211,376	1,116,612	778,122
Applicable income taxes	82,269	67,834	371,349	248,682
Income before cumulative effect of changes in accounting principles	171,434	143,542	745,263	529,440
Cumulative effect of changes in accounting principles, net of tax benefits of \$5,343 and \$52,804			(19,393)	(102,501)

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PNC BANK CORP. AND SUBSIDIARIES  
 Consolidated Condensed Balance Sheet  
 (Dollars in millions)

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<TABLE>  
 <CAPTION>

	December 31 1993	December 31 1992
<S>	<C>	<C>
<b>ASSETS</b>		
Cash and due from banks	\$1,817	\$2,117
Short-term investments	856	1,165
Loans held for sale	1,392	220
Securities available for sale	11,388	7,414
Investment securities, market value of \$11,716 and \$13,430	11,672	13,327
Loans, net of unearned income	33,308	25,817
Allowance for credit losses	(972)	(897)
Net loans	32,336	24,920
Other	2,619	2,217
<b>Total assets</b>	<b>\$62,080</b>	<b>\$51,380</b>
<b>LIABILITIES</b>		
<b>Deposits</b>		
Noninterest-bearing	\$7,057	\$5,890
Interest-bearing	26,058	23,580
<b>Total deposits</b>	<b>33,115</b>	<b>29,470</b>
<b>Borrowed funds</b>		
Notes and debentures	16,062	14,736
Other	5,185	1,372
<b>Total liabilities</b>	<b>57,755</b>	<b>47,634</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>4,325</b>	<b>3,746</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$62,080</b>	<b>\$51,380</b>
<b>COMMON SHAREHOLDERS' EQUITY</b>	<b>\$4,305</b>	<b>\$3,713</b>
<b>COMMON SHARES OUTSTANDING</b>	<b>234,705,237</b>	<b>232,573,253</b>

</TABLE>

Effective December 31, 1993, PNC Bank Corp. adopted Statement of Financial Accounting Standards No. 115 related to accounting for and reporting of securities. As a result, shareholders' equity at December 31, 1993 includes \$88 million of after-tax unrealized net securities gains.

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## AVERAGE BALANCE SHEET

<TABLE>  
<CAPTION>

In millions	Three Months Ended December 31		Twelve Months Ended December 31	
	1993	1992	1993	1992
<S>	<C>	<C>	<C>	<C>
<b>ASSETS</b>				
Loans, net of unearned income				
Commercial	\$11,096	\$10,405	\$10,877	\$10,432
Real estate project	1,770	1,976	1,845	2,001
Real estate mortgage	5,813	3,946	4,390	3,621
Consumer	8,279	7,799	7,974	7,531
Other	925	922	873	935
Total loans	27,883	25,048	25,959	24,520
Securities	20,430	19,595	20,403	16,653
Other earning assets	1,527	1,017	978	1,019
Total earning assets	49,840	45,660	47,340	42,192
Other	3,170	2,776	2,981	2,552
Total assets	\$53,010	\$48,436	\$50,321	\$44,744
<b>LIABILITIES</b>				
Deposits				
Interest-bearing	\$23,981	\$23,326	\$23,072	\$23,696
Noninterest-bearing	5,781	5,230	5,370	4,780
Total deposits	29,762	28,556	28,442	28,476
Borrowed funds	13,010	13,901	13,405	10,674
Notes and debentures	4,991	1,377	3,454	1,341
Other	1,119	958	1,063	817
Total liabilities	48,882	44,792	46,364	41,308
SHAREHOLDERS' EQUITY	4,128	3,644	3,957	3,436
Total liabilities and shareholders	\$53,010	\$48,436	\$50,321	\$44,744
COMMON SHAREHOLDERS' EQUITY	\$4,107	\$3,610	\$3,935	\$3,401

&lt;/TABLE&gt;

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## NONPERFORMING ASSETS

&lt;TABLE&gt;



<CAPTION>

	December 31	September 30	December 31
In millions	1993	1993	1992
<S>	<C>	<C>	<C>
NONACCRUAL LOANS			
Commercial	\$181	\$219	\$316
Real estate	175	193	213
Total nonaccrual loans	356	412	529
RESTRUCTURED LOANS			
Commercial	6	6	11
Real estate	22	2	14
Total restructured loans	28	8	25
Total nonperforming loans	384	420	554
FORECLOSED ASSETS			
Commercial	20	34	36
Real estate	150	167	230
Total foreclosed assets	170	201	266
Total nonperforming assets	\$554	\$621	\$820

</TABLE>

ALLOWANCE FOR CREDIT LOSSES

<TABLE>  
<CAPTION>

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
In millions	1993	1992	1993	1992
<S>	<C>	<C>	<C>	<C>
Beginning balance	\$940	\$870	\$897	\$797
Charge-offs	(63)	(95)	(246)	(343)
Recoveries	21	17	74	62
Net charge-offs	(42)	(78)	(172)	(281)
Provision for credit losses	39	63	204	324
Acquisitions	35	42	43	57
Ending balance	\$972	\$897	\$972	\$897

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## CONTACTS:

## MEDIA:

Jonathan Williams  
(412) 762-4550 (o)  
(412) 257-3257 (h)

## INVESTORS:

William H. Callihan  
(412) 762-8257

## PNC BANK COMPLETES ACQUISITION OF UNITED FEDERAL BANCORP, INC.

PITTSBURGH, Jan. 21, 1994--PNC Bank Corp. (NYSE: PNC) announced that its acquisition of United Federal Bancorp, Inc. (NASDAQ: UFBK), headquartered in State College, Pa., will be completed at the close of business today. Under terms of the transaction, United Federal shareholders will receive \$32.50 cash per share.

United Federal has 18 branch offices in seven central Pennsylvania counties and brings approximately \$900 million in new assets to PNC Bank.

The core of United Federal Savings Bank's branches will form a new market for PNC Bank known as PNC Bank, Central PA. It will be headed by Charles C. Pearson Jr., formerly president and chief executive officer of United Federal.

"This acquisition allows us to become a market leader in fast-growing central Pennsylvania where PNC Bank previously had no presence," said Thomas H. O'Brien, chairman and chief executive officer of PNC Bank.

Pearson said, "Our customers will continue to be served at all of our branches by the same helpful personnel as before, but, as a part of PNC Bank, we can now offer our customers a wider array of services and products."

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Pearson pointed to Investment Management and Trust services, expanded Corporate Banking services, and an array of retail, corporate and public finance services available through PNC Securities Corp. as examples of financial services previously unavailable through United Federal.

Pearson said customers can continue to use their existing supply of checks and other materials and will be notified in advance of any future changes that may affect their accounts. In the near future, United Federal customers will be able to perform banking transactions in any of PNC Bank's Pennsylvania branches.

PNC Bank Corp., headquartered in Pittsburgh, is one of the largest banking organizations in the United States. It operates more than 550 community banking offices throughout Pennsylvania, Delaware, Ohio, Kentucky and Indiana. PNC Bank's major lines of business include retail banking; corporate banking; investment management and trust; and investment banking.

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