TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: PNC Financial Services Group | **Submission date: 3/30/2009** | **Person to be contacted about this report: Quantitative-Ronald Lewis; Qualitative-Shaheen Dil**

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions $)	2008 DEC	2009 JAN	2009 FEB	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	$8,475	$21,801	$21,516		**With regard to all the data included in this quantitative section, it should be noted that PNC acquired National City Bank ("NCB") after close of business on 12/31/08. Loans Held for Sale are excluded from all categories, except as noted.**
b. Total Originations	$3	$2,323	$2,359	First Mortgage originations in the table represent PNC purchases of loans originated by PNC Mortgage, LLC, a 49.9% PNC owned joint venture with Wells Fargo. Originations (including loans held for sale) by National City Mortgage were added effective in January.	
(1) Refinancings	$0	$2,017	$1,979	PNC Mortgage, LLC, which is not consolidated by PNC, had total new loan originations of $130 million in December, $180 million in January and $308 million in February.	
(2) New Home Purchases	$3	$306	$380		
2. Home Equity					
a. Average Total Loan Balance	$14,991	$38,317	$38,051	PNC Legacy loans are concentrated in PNC's primary geographic markets. The National City portfolio that was added in January is concentrated in National City's heritage footprint.	
b. Originations (New Lines+Line Increases)	$258	$335	$402	Home Equity loan originations include new installment loans as well as new and increased lines of credit. These originations are concentrated in PNC's primary geographic markets.	
c. Total Used and Unused Commitments	$16,582	$52,688	$52,408	Home Equity total used and unused commitments include remaining unpaid principal on installments loans as well as total commitments on lines of credit.	
3. US Card - Managed					
a. Average Total Loan Balance - Managed	$321	$6,361	$6,312	Card data includes consumer and business revolving balances. National City data is included effective in January.	**New account volume was up significantly with growth in the branch, and direct mail channels. Total credit lines granted for the new accounts was higher in February due to the increase in new account volume and a higher line assignment per account due to higher quality applicants.**
b. New Account Originations (Initial Line Amt)	$57	$156	$202		
c. Total Used and Unused Commitments	$1,807	$25,174	$25,257		
4. Other Consumer					
a. Average Total Loan Balance	$6,511	$12,473	$12,640	PNC and NCB (effective in January) Other Consumer originations includes indirect and direct auto, education loans and other direct unsecured installment loans.	
b. Originations	$229	$575	$274	Originations include new loans and a small amount of new direct unsecured installment lines.	

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SCHEDULE B: COMMERCIAL LENDING (Millions $)	**DEC**	**JAN**	**FEB**	**Key**	**Comments**
1. C & I					
a. Average Total Loan and Lease Balance	$35,429	$72,812	$72,160	PNC's C&I loan portfolio includes loans to the following types of entities: Retail/Wholesale, Manufacturing, Other service providers, Real estate related (customers in the real estate and construction industries but not secured by real estate), Financial services, Health care, Dealer floor plan and Other.	**Renewals in February are lower than the fourth quarter due to seasonality of the portfolio's renewal schedule, and clients locking in maturities over the past months. New commitments are lower in February as is typical of the first quarter, due to a slower sales compared to the year-end and due to the holidays.**
b. Renewal of Existing Accounts	$4,153	$2,692	$2,444	The portfolio includes loans to small businesses, middle market and large corporate customers.	
c. New Commitments	$2,255	$1,486	$1,134	New commitments include both new loans and new unfunded commitments.	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	$9,596	$25,502	$25,734	PNC's loans included real estate projects and mortgages held in the loan portfolio and exclude loans held for sale (including CMBS).	
b. Renewal of Existing Accounts	$510	$432	$631		
c. New Commitments	$611	$171	$545	New commitments include loans originated and booked in both held for sale and portfolio loans, as well as new unused commitments.	
SCHEDULE C: OTHER INTERMEDIATION ACTIVITIES (Millions $)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	$109	$1,291	$586	Trade date was used to determine the month in which the purchase occurred. The Mortgage Backed Securities include MBS, CMBS, CMO's (both agency and non-agency). Also, the Net Purchased amount consists of Purchases less Sells for the month.	
b. Asset Backed Securities	$88	$72	$0		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo)[1]	N/A	N/A	N/A		
b. Average Total Debit Balances[2]	N/A	N/A	N/A		
3. Underwriting					
a. Total Equity Underwriting	N/A	N/A	N/A		**Loan Syndications also arranged six transactions ($348 million) for middle market customers on a best efforts basis.**
b. Total Debt Underwriting	$225	$426	$292	Data includes PNC's share of Loan Syndications and Taxable Bond and Public Finance Underwritings.	

Notes:
1. Not applicable if matched book activity does not exceed $50 billion.
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.

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PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

The PNC Financial Services Group, Inc. (www.pnc.com) is one of the nation's largest diversified financial services organizations providing retail and business banking; residential mortgage banking; specialized services for corporations and government entities, including corporate banking, real estate and asset-based lending; wealth management; asset management and global fund services. We closed the acquisition of National City on December 31, 2008, thereby making PNC the fifth largest deposit taking institution in the country. The quantitative snapshot provides average numbers for consolidated PNC for February and January 2009; and for legacy PNC for December 2008.

PNC is committed to supporting the objectives of the Emergency Economic Stabilization Act. To that end, PNC is continuing to make credit available to qualified borrowers including enhanced calling efforts on small businesses and corporations, promotions offered with special financing rates and responding to increased loan demand for first mortgages. PNC has reaffirmed and renewed loans and lines of credit, focused on early identification of loan modification candidates and is working closely where appropriate with customers who are experiencing financial hardship to set up new repayment schedules, loan modifications and forbearance programs. In February 2009 PNC approved new and renewed commercial loans of approximately $3.2 billion, up from $2.4 billion in January. PNC originated approximately $8 billion in loans and commitments to lend in February, in line with January levels.

First Mortgage

New mortgage applications dropped close to normal seasonal levels in February but origination volumes continued at a strong pace reflective of the unseasonably high new application activity in December and January. Refinancings continued to drive the strong results accounting for 84% of total production. Conventional loans originated for sale to Fannie Mae and Freddie Mac increased to 74% of the total, up from 65% in January. Fixed rate mortgages accounted for 98% of total originations, consistent with January levels. Purchase money mortgages increased to $368 million, an increase of 18% from January, however still very low. The overall housing market remains weak and home sales and property values continue to be soft. There continues to be no active and viable secondary market to support lending to borrowers who are in need of prime credit quality jumbo loan financing.

Consumer Lending

New Consumer lending credit application volumes increased by 1.7% in February over January levels, and were effectively flat compared to February 2008. New consumer booked account volume rose approximately 7.5% in February over January levels. Increased activity levels in February were driven almost entirely by the Home Equity product segment. Reduced market interest rates are providing many home owners an opportunity to refinance mortgage debt at favorable pricing, creating a noticeable increase in real estate secured refinance activity. The same trend is holding up in March as

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application activity, credit risk quality of borrowers, approval and booked rates continue to demonstrate improvement over prior month.

On February 17, 2009, PNC announced a moratorium on new and pending mortgage foreclosures owned and serviced by PNC and National City Mortgage in anticipation of the March 4, 2009 announcement releasing details associated with the Home Affordability and Stability Plan (HASP). With the announcement of HASP, PNC's foreclosure moratorium has expired. Consistent with HASP-related directives issued by Freddie Mac and Fannie Mae, PNC will actively solicit eligible borrowers currently undergoing foreclosure for Home Affordable Modification Plan (HMP) modifications before completing foreclosure. Solicitation efforts will follow guidelines provided to servicers by Freddie Mac and Fannie Mae.

At legacy PNC's loss mitigation site, we continue to train more associates to identify and assist qualified loan modification candidates. In February, 203 additional homeowners were pre-approved for loan modification remedies of which 101 have already been completed. A similar training has begun in legacy NCC's loan modification site as well.

PNC executive management continues to fully support loss mitigation activities with the recent approval to hire an additional 100 new associates. The recruiting and training of these resources has already begun in earnest. Overall, PNC and NCC consumer sites have combined to complete $65 million in loan modifications as of March 1, 2009, with another $185 million in the pipeline.

US Credit Cards

Total outstandings for the combined PNC and NCC card portfolio dropped about 2% from January to February. This is consistent with normal post holiday paydown activity. New account volume was up significantly (an increase of 28% from January) with NCC experiencing growth in the branch and direct mail to customers. PNC's growth was primarily in the direct mail to customer channel. Total credit line granted for the new accounts was higher in February owing to increase in new account volume and higher line assignment per account (due to higher quality applicants). Total credit available is roughly $23.8 billion and has grown half a percent since the January report.

Business Banking

In February, Business Banking generated $162 million in new loan volume, including $13 million in SBA loans. The retail distribution system (branches) booked over 900 new loans averaging $108,000 per loan, 487 of which were for loans less than $100,000 (average loan size of $31,000) – evidence that money is getting to the smallest borrowers.

While PNC stands ready to lend to qualifying businesses, demand to borrow is down due to economic conditions. Application volume from our retail distribution system in February was 3,439 units, down 31% in the PNC Legacy footprint and down 63% in the NCC Legacy footprint from the same period one year earlier; however, February applications were up 19% from December in the PNC Legacy Footprint

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evidencing some improvement. In addition to new loan activity, PNC Business Banking continued to make funds available to small businesses by reaffirming and renewing 2,245 loans and lines of credit in February totaling more than $171 million.

To stimulate demand, PNC has rolled out promotions for new borrowers in our new footprint. Rates are discounted below market rates on lines of credit and term loans for equipment, expansion and commercial owner-occupied real estate. Additionally, PNC offers special financing rates on 'Green' purpose loans, loans to businesses in Low- or Moderate-Income areas, and where new branches have been opened. PNC has partnered with several local government authorities to create special borrowing programs aimed at growing jobs and the economy.

PNC is currently formulating strategies, processes and delivery capabilities to execute on the changes related to the new SBA guidelines released in mid-March.

C&I

Despite the continued slowdown affecting almost all aspects of the US economy, PNC's commercial banking businesses continue to actively call in all of our target markets and have set 2009 sales goals that meet and, in many cases, exceed 2008 sales goals. We remain keenly focused on providing credit to credit-worthy companies and actively syndicate middle market loan transactions.

In National City's legacy markets, our primary objective for 2009 is client retention while we proceed through integration and conversion processes. Our current focus in these markets is to continue actively calling on clients and reassuring them that PNC is "open for business". We have recovered more than $1 billion of corporate deposits that were lost in 2008. In PNC's legacy markets, which are not significantly impacted by the acquisition, we remain highly focused in 2009 on generating new sales across our entire product and service set.

In our calling efforts, we continue to hear from many C&I clients and prospects that they are being very cautious in their own planning, choosing to protect their existing capital and to maintain existing credit facilities in order to avoid the new realities of today's market pricing and structure requirements.

We have seen a significant increase in utilization by our large corporate clients who have been impacted by declines in the commercial paper and other public debt markets (although recent signs suggest utilization rates are now leveling off), and a strong increase in asset-based lending opportunities with companies whose financial performance may have declined but who remain viable and have asset values that support secured lending structures. Some of this opportunity will be offset by a drop in loan balances associated with lower inventory and receivables levels, both of which are related to lower sales levels and the declining value of many commodity assets. We should also recognize that loan growth may be impacted in 2009 by the need to reduce credit exposure to some companies where PNC and

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National City have historically both provided credit and where the combined loan levels are now in excess of established risk tolerance limits.

Commercial Real Estate

PNC remains very active in real estate lending to multifamily owners and operators with whom we are leveraging our strong relationships with agency lenders such as Fannie Mae and Freddie Mac. While most of these programs do not result in loans on our balance sheet, many do require substantial use of capital to support loss sharing arrangements. In most other areas of real estate, the slowdown in the overall market, coupled with the substantial combined exposure of PNC and National City, suggests that aggregate loan balances will be flat at best for some time. Also, as loans made in prior periods mature but can't be paid off due to lack of a viable refinancing market, PNC continues to work with borrowers to restructure and modify their loans. In many cases, this results in loans remaining on our books and consuming capital that would have otherwise become available to make new loans.

PNC also remains active in underwriting Economic Development Bonds, many of which require letters of credit provided by PNC. These transactions support investments in buildings and equipment and stimulate manufacturing employment. PNC also continues to purchase Low Income Housing Tax Credits that provide equity for the construction of low income housing projects. Once again, neither of these activities results in loans on our balance sheet. However, they do inject growth capital into the economy and they do require substantial use of our own capital base.