PFPC Expands Private Equity Fund Servicing; Specialized Accounting and Partnership Allocation Technology

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To meet the complex servicing needs of its rapidly growing number of private equity clients, PFPC Inc., a member of The PNC Financial Services Group, Inc. (NYSE: PNC) and the nation's largest full-service mutual fund transfer agent and second largest provider of mutual fund accounting services, announced today that it has expanded its alternative investment services offering to include a specialized accounting and partnership allocation system that automatically accommodates certain highly sophisticated private investment structures.

PFPC has integrated Investran™, a state-of-the-art accounting and allocation system developed by Financial Technologies, Inc., into PFPC's alternative investment servicing business. The system will provide PFPC's clients with customized servicing designed to reduce their risk and gain a cost edge in the burgeoning global private equity market.

Driven by demand from high net worth investors and pension funds seeking higher portfolio returns as well as the liberalization of rules governing alternative investments, private equity has grown from a cottage industry to a mainstream institutional asset class that is expected to reach $1 trillion by 2006. Previously difficult to access, the private equity markets are now being tapped by investors through a variety of vehicles including closed-end funds, fund of funds and through private banks. Because of their complex nature, however, costly and error-prone manual recordkeeping and accounting can prohibit many financial services companies from taking part in this lucrative arena.

"Our specialized alternative investment offering is specifically designed to handle financial reporting, calculation and analysis for complex fund structures," said Neal J. Andrews, senior vice president and head of PFPC's accounting and administration business. "It offers the advantage of performing private equity work much more efficiently through the automation of many calculations, thereby eliminating the need for manual processing."

By adding Investran to its alternative investment servicing business, PFPC now gives banks, brokerage firms, fund managers and other institutional clients specialized features that include:

-- Flexible reporting at fund, underlying fund, portfolio and investor levels
-- Customizable, built-in general ledger
-- Calculation of complex allocations
-- Transaction and partner information
-- Tracking of the internal rate of return (IRR) and other measures at the fund, deal and investor levels
-- Tracking of capital commitments and subscriptions
-- Calculation of management fees, incentive fees and maintenance of waterfall calculations
-- Microsoft SQL platform-based and smooth integration with most environments.

"The private equity industry has evolved from cottage industry to institutional," said Jose Sinai, president of FTI. "Information technology tools to support this growth have evolved as well. The Investran system offers sophisticated investment accounting and partnership accounting; fund and investor management; asset management; and reporting (both desktop and browser). Investran empowers the private equity industry with the necessary tools for growth."

About Financial Technologies, Inc.

Financial Technologies, Inc., is a financial software consulting and development firm established in Miami, Florida, in 1985. In 1996, FTI created Investran, an accounting and portfolio software system for alternative assets. Investran is heralded as the best-of-breed software in the field, especially in the areas of fund accounting, partnership accounting as well as ad-hoc analysis and reporting. Since its introduction, FTI has continued to dedicate resources to develop and enhance the Investran product. Today, Investran is the market leader in private equity software, with well over 100 clients. To learn more about FTI, please visit http://www.investran.com/.

About PFPC Inc.

Providing a wide range of global fund services to the investment management industry, PFPC is a member of The PNC Financial Services Group, Inc. As well as offering transfer agency and fund accounting services, PFPC is also a leading provider of subaccounting and shareholder services, print mail services, retirement services, custody, securities lending, integrated banking transaction services and alternative investments services. PFPC clients comprise some of the world's most successful financial services companies, including brokerage firms, pension and investment managers, insurance companies and banks. PFPC's affiliate, PFPC International Ltd., with offices in Dublin and County Wexford, Ireland and Luxembourg, has served the international funds community since 1993. For more information, please visit http://www.pfpc.com/.

About The PNC Financial Services Group

The PNC Financial Services Group, Inc. headquartered in Pittsburgh, is one of the nation's largest diversified financial services organizations, providing regional community banking, corporate banking, real estate finance, asset-based lending, wealth management, asset management and global fund services.

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to PFPC's business. Forward-looking statements are often identified by future or conditional verbs such as "will," "plan," "expect" or "anticipate" or by variations of such words or by similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, all of which may change over time. These forward-looking statements speak only as of the date of this press release, and PNC assumes no duty to update forward- looking statements.

The following factors, among others, could cause actual results to differ materially from those anticipated in the forward-looking statements or historical performance: the inability to continue the development and implementation of the products and services described above; the introduction, withdrawal, success and timing of business initiatives and strategies; changes in political, economic or industry conditions, the interest rate environment or financial and capital markets; continued increases in competitive pressure in the markets in which these products or services will be offered; customer acceptance of the products and services described above; the impact, extent, timing, and cost of technological changes; risks associated with commercial use of the Internet generally; undetected software bugs; possible product liability claims; possible inability to protect proprietary technology; possible infringement claims; and the impact, extent and timing of legislative and regulatory reforms, and regulatory, supervisory or enforcement actions of government agencies.

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