

## Financial Highlights

dollars in millions, except per share amounts

	2010	2009
<b>YEAR ENDED DECEMBER 31,</b>		
Total revenue	\$ 4,465	\$ 4,415
Noninterest expense	3,034	3,554
Provision for loan losses	638	3,159
Income (loss) from continuing operations attributable to Key before cumulative effect of accounting change	577	(1,287)
Income (loss) from discontinued operations, net of taxes	(23)	(48)
Net income (loss) attributable to Key	554	(1,335)
Income (loss) from continuing operations attributable to Key common shareholders	413	(1,581)
Net income (loss) attributable to Key common shareholders	390	(1,629)

### PER COMMON SHARE

Income (loss) from continuing operations attributable to Key common shareholders	\$ .47	\$(2.27)
Income (loss) from discontinued operations, net of taxes	(.03)	(.07)
Net income (loss) attributable to Key common shareholders	.45	(2.34)
Income (loss) from continuing operations attributable to Key common shareholders—assuming dilution	.47	(2.27)
Income (loss) from discontinued operations, net of taxes—assuming dilution	(.03)	(.07)
Net income (loss) attributable to Key common shareholders—assuming dilution	.44	(2.34)
Cash dividends paid	.04	.0925
Book value at year-end	9.52	9.04
Tangible book value at year-end	8.45	7.94
Market price at year-end	8.85	5.55
Weighted-average common shares outstanding (000)	874,748	697,155
Weighted-average common shares and potential common shares outstanding (000)	878,153	697,155

### AT DECEMBER 31,

Loans	\$50,107	\$ 58,770
Earning assets	76,211	80,318
Total assets	91,843	93,287
Deposits	60,610	65,571
Key shareholders' equity	11,117	10,663
Common shares outstanding (000)	880,608	878,535

### PERFORMANCE RATIOS

From continuing operations:		
Return on average total assets	.66%	(1.35)%
Return on average common equity	5.06	(19.00)
Net interest margin (taxable equivalent)	3.26	2.83
From consolidated operations:		
Return on average total assets	.59%	(1.34)%
Return on average common equity	4.78	(19.62)
Net interest margin (taxable equivalent)	3.16	2.81

### CAPITAL RATIOS

Key shareholders' equity to assets	12.10%	11.43%
Tangible common equity to tangible assets	8.19	7.56
Tier 1 risk-based capital	15.16	12.75
Tier 1 common equity	9.34	7.50
Total risk-based capital	19.12	16.95

## Overview

Cleveland-based KeyCorp (NYSE: KEY) is one of the nation's largest bank-based financial services companies, with assets of approximately \$90 billion. Key companies provide investment management, retail and commercial banking, consumer finance, and investment banking products and services to individuals and companies throughout the United States and, for certain businesses, internationally.

KeyCorp, whose roots date to 1825, is a fusion of many banking and financial companies. In 1994, two of its most prominent predecessors—Albany, New York-based KeyCorp and Cleveland-based Society Corporation—merged and established headquarters in Cleveland. Since then, Key has continued to grow through numerous acquisitions, adding clients, locations and expertise.

#### Our purpose:

KeyBank helps our clients and communities thrive.

#### Our strategy:

Key builds enduring relationships through client-focused solutions and extraordinary service.

#### Our promise:

You will always have a champion in KeyBank, because at Key we strive—every day—for your personal and business success.

#### Our values:

**Teamwork.** We work together to achieve shared objectives.

**Respect.** We value the unique talents, skills and experience that diversity provides.

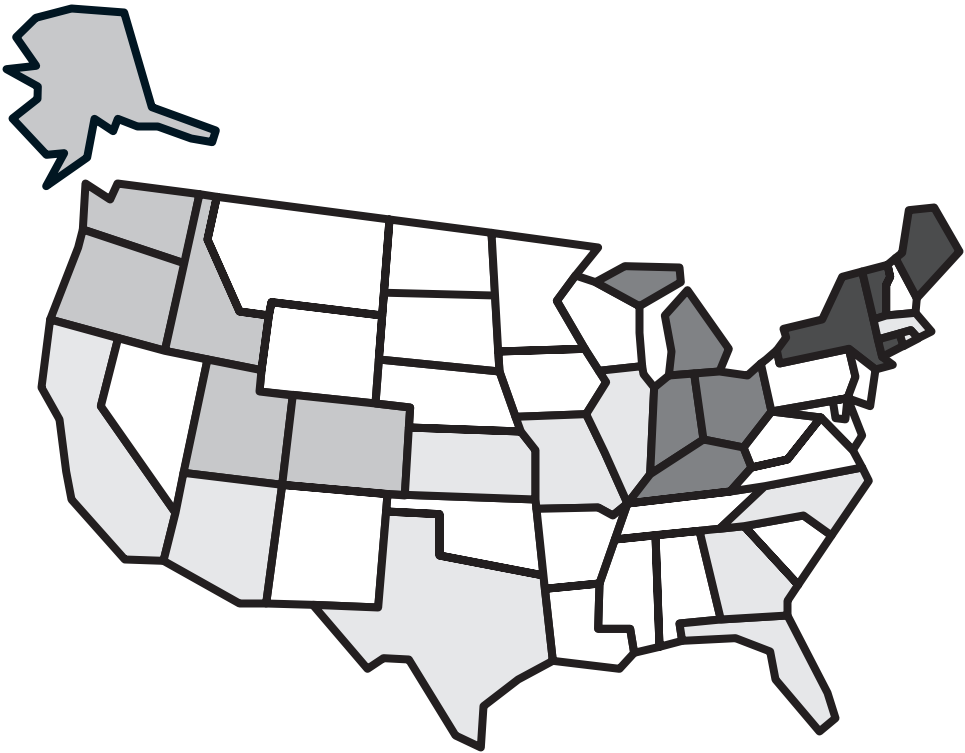
**Accountability.** We deliver on what we promise.

**Integrity.** We are open and honest in everything we do.

**Leadership.** We anticipate the need to act and inspire others to follow.



# Key at a Glance



## Facilities and Financial Data by Region

Key Community Bank				Key Corporate Bank
	Rocky Mountains and Northwest	Great Lakes	Northeast	Includes offices in these states and all Community Banking regions
Branches	385	346	302	
ATMs	554	544	433	
Loans & Leases	\$10.3	\$6.6	\$5.6	
Deposits	\$15.9	\$16.1	\$14.8	

Loan and deposit figures are average balances, in billions, for the year ended December 31, 2010.

### KeyCorp Honors

- Key has earned seven consecutive “Outstanding” ratings from the federal government for investing in its communities, especially underserved neighborhoods, and for providing unique solutions to underserved individuals.
- Recipient of LEED (Leadership in Energy and Environmental Design) gold certification from the U.S. Green Building Council for rigorous environmental design and energy efficiency for the Higbee Building and Cleveland technology campus.
- Key is ranked fourth nationally in *DiversityInc* magazine’s Top Ten Companies for Supplier Diversity for the company’s 19 percent spend in 2010 with women- and minority-owned suppliers – more than twice the national average for corporations.

# Key Community Bank



**Key's Community Bank includes the consumer and business banking organizations associated with the company's 14-state branch network. The branch network is organized into three geographic regions: Rocky Mountains and Northwest, Great Lakes, and Northeast.**

- **KeyBank Regional Banking** provides individuals with branch-based deposit and investment products, personal finance services and loans, including residential mortgages, home equity and various types of installment loans. These business groups also provide small businesses with deposit, investment and credit products, and business advisory services. Regional Banking also offers financial, estate and retirement planning, and asset management services to assist high-net-worth clients with their banking, trust and portfolio management, insurance, charitable giving and related needs. Business units include: Retail Banking, Business Banking, Private Banking, Key Investment Services, and

KeyBank Mortgage. Clients enjoy access to services through a network of 1,033 branches, 1,531 ATMs, state-of-the-art call centers and an award-winning Internet site, key.com.

- **KeyBank Commercial Banking** relationship managers and specialists advise midsize businesses. Products and services include commercial lending, cash management, equipment leasing, asset-based lending, commercial auto dealer finance, investment and employee benefits programs, succession planning, access to capital markets, derivatives and foreign exchange.

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**NOTEWORTHY** • Corporate Insight 2010 Monitor Awards ranked Key's website, key.com, second among the nation's largest banks for online account application access and navigation, features and options • One of the nation's top providers, by total loan balance, of small business loans

## Key Corporate Bank

**Key's Corporate Bank includes those business units that operate from offices within and outside of Key's 14-state branch network. Its reach extends across the U.S. and to more than 30 countries. Corporate Banking includes: KeyBank Real Estate Capital and Corporate Banking Services, KeyBanc Capital Markets, Key Equipment Finance, and Victory Capital Management.**

- **KeyBank Real Estate Capital** consists of two business units. KeyBank Real Estate Capital is a leading provider of commercial real estate finance. Its professionals, located in select markets across the country, provide construction and interim finance, permanent mortgages, commercial real estate loan servicing, investment banking and cash management services for virtually all property types. As a Fannie Mae Delegated Underwriter and Servicer, Freddie Mac Program Plus Seller/Servicer and FHA-approved mortgagee, KeyBank Real Estate Capital offers a variety of agency financing solutions for multi-family properties, including seniors housing and student housing. KeyBank Real Estate Capital is also one of the nation's largest and highest rated commercial mortgage servicers.

- **Corporate Banking Services** provides cash management, interest rate derivatives, and foreign exchange products and services to clients throughout KeyBank. Corporate Banking Services also provides a full array of commercial banking products and services to government, not-for-profit entities and to community banks through its Public Sector and Financial Institutions groups.

- **KeyBanc Capital Markets**, provides a complete suite of corporate and investment banking services to clients. Investment banking services include mergers and acquisition advisory, equity and debt underwriting, trading, and research and syndicated finance products. KeyBanc Capital Markets focuses primarily

on emerging and middle-market companies in the Industrial, Consumer, Real Estate, Energy, Technology and Healthcare sectors. Clients benefit from the group's focused industry expertise and consistent, integrated team approach that creates product-neutral financing solutions and unique strategic opportunities to help clients achieve their strategic objectives.

- **Key Equipment Finance** is one of the largest bank-based equipment finance providers in the U.S. The group provides tailored equipment lease and finance solutions for small-to-large commercial and government clients of Key's Community and Corporate Banks. Through its vendor services unit, equipment finance programs are developed for manufacturers, distributors and resellers in the U.S., Canada and Europe. The unit specializes in the technology, healthcare, renewable energy and aviation markets as well as other capital assets. Additionally, Equipment Finance utilizes a specialized syndication unit to assist in optimizing risk and revenue.

- **Victory Capital Management** is an investment advisory firm that manages or advises approximately \$36 billion in investment portfolios for both institutional and retail clients. Victory's institutional client base is derived from four primary channels: public plans, Taft-Hartley plans, corporations, and endowments and foundations. The firm also manages more than 20 proprietary mutual funds for both the retirement and retail channels, which are distributed through external wirehouses and broker-dealers.

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**NOTEWORTHY** • Nation's fifth largest servicer of commercial mortgage loans • One of the nation's largest capital providers to the multi-family housing sector including FHA, Fannie Mae and Freddie Mac programs and permanent debt to the seniors housing industry • Nation's fourth largest bank-held equipment financing company (net assets)

## Key in the community

The most significant investment we make is in our communities. Our commitment takes many forms, including philanthropic investments, volunteerism and civic leadership. We focus our philanthropic investments on supporting workforce development and financial education programs that promote economic self-sufficiency. Our objective is to improve the quality of life and economic vibrancy of the places where our clients, employees and shareholders live and work.

## Fostering inclusion in a diverse world

Diversity means understanding and valuing differences, while drawing on similarities to achieve a common goal. At Key, we are developing a workforce and way of doing business that reflects the diversity of our clients and communities. We do this by recruiting and developing top talent that blends participation of minorities and women into the management of our business.

Economic inclusion also is a part of Key's overall diversity strategy. It means we're expanding mutually beneficial business relationships with minority- and women-owned suppliers. In 2010, Key's spend with minority- and women-owned business enterprises (M/WBEs) was 19 percent of our national procurement spend, more than twice the national corporate average. Since 2001, Key's aggregate spend with M/WBEs has reached \$735 million. This enables Key to deliver exceptional products and services to our clients. It also builds the economic wealth of the communities we serve by providing open opportunities and fair competition. "Inclusion is a bridge between our workplace and our marketplace. It helps our business grow. Expanding the diversity of our workforce expands the depth of our talent and that increases our ability to perform. And, a collaborative working environment creates a more stable workforce, which helps us work more productively," says Key CEO Beth Mooney.

## Working at Key

We encourage the highest achievements. Making a personal difference.

If these beliefs are important to your professional satisfaction, you will be in good company at Key. Every day throughout our organization, our employees exhibit the highest level of initiative, which has made us one of America's most recognized names in bank-based financial services. Our success is achieved through our greatest asset—our people. People dedicated to our core values. As such, Key seeks individuals who share our core values.



## How to reach Key

### Corporate Headquarters

216-689-3000

[key.com](http://key.com)

Hearing Impaired—800-539-8336

### Client Information

#### Consumers

800-KEY2YOU®

#### Corporate and Institutional Banking

800-821-2829

#### Equipment Finance

888-301-6238

[KEFonline.com](http://KEFonline.com)

#### Business Banking

888-KEY4BIZ®

[key.com/smallbiz](http://key.com/smallbiz)

[key.com/women](http://key.com/women)

#### Victory Capital Management

800-523-7248

[VictoryConnect.com](http://VictoryConnect.com)

## Key Corporate Information

### Employment

[key.com/careers](http://key.com/careers)

### Government Relations

216-689-4486

### Investor Relations

216-689-4221

[key.com/IR](http://key.com/IR)

### KeyBank Foundation

216-828-7397

[keybank\\_foundation@keybank.com](mailto:keybank_foundation@keybank.com)

### News Media Relations

216-471-2885

[key.com/newsroom](http://key.com/newsroom)

## KeyCorp Management Committee

### Beth E. Mooney

*Chairman and Chief Executive Officer*

### Michael P. Barnum

*Executive Vice President*

*Key Enterprise Operations*

### Johnni C. Beckel

*Executive Vice President*

*Chief Human Resources Officer*

### Alvin B. Coppolo

*Executive Vice President*

*Key Enterprise Technology*

### Christopher M. Gorman

*President*

*Key Corporate Bank*

### Karen R. Haefling

*Executive Vice President*

*Chief Marketing and*

*Communications Officer*

### Paul N. Harris

*Executive Vice President*

*Secretary and General Counsel*

### Charles S. Hyle

*Senior Executive Vice President*

*Chief Risk Officer*

### William R. Koehler

*President*

*Key Community Bank*

### Thomas C. Stevens

*Vice Chair*

*Chief Administrative Officer*

### Jeffrey B. Weeden

*Senior Executive Vice President*

*Chief Financial Officer*