Second Quarter 2011 Review

July 19, 2011

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KeyCorp

PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 FORWARD-LOOKING STATEMENT DISCLOSURE

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about Key's financial condition, results of operations, earnings outlook, asset quality trends and profitability. Forward-looking statements are not historical facts but instead represent only management's current expectations and forecasts regarding future events, many of which, by their nature, are inherently uncertain and outside of Key's control. Key's actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Factors that could cause Key's actual results to differ materially from those described in the forward-looking statements can be found in KeyCorp's Annual Report on Form 10-K for the year ended December 31, 2010, and its Quarterly Report on Form 10-Q for the period ended March 31, 2011, which have been filed with the Securities and Exchange Commission and are available on Key's website (www.key.com/ir) and on the Securities and Exchange Commission's website (www.sec.gov). Forward-looking statements are not guarantees of future performance and should not be relied upon as representing management's views as of any subsequent date. Key does not undertake any obligation to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.

Investor Highlights – Second Quarter 2011

Execution of Business Plan	▪ Leadership team in place ▪ Continued improvement in credit quality ▪ Well controlled expenses - driving to create positive operating leverage
Growing the Franchise	▪ Momentum in the business – new client acquisition and growth ▪ Leveraging strong balance sheet; growth in C&I loans ▪ Investing in the business
Disciplined Capital Management	▪ Increased quarterly dividend to $.03 per common share ▪ Repurchased warrant issued to U.S. Treasury under TARP ▪ Positioned to meet Basel III requirements

Strategic statement: Key grows by building enduring relationships through client-focused solutions and extraordinary service

Executing Business Plan: Progress on Targets for Success

KEY Business Model	KEY Metrics [a]	KEY 2Q11	Targets	Action Plans
Core funded	Loan to deposit ratio [b]	86%	90-100%	▪ Improve risk profile of loan portfolio and grow relationships ▪ Improve deposit mix and grow deposit base
Returning to a moderate risk profile	NCOs to average loans	1.11%	40-50 bps	▪ Focus on relationship clients ▪ Exit noncore portfolios ▪ Limit concentrations ▪ Focus on risk-adjusted returns
Growing high quality, diverse revenue streams	Net interest margin	3.19%	>3.50%	▪ Improve funding mix ▪ Focus on risk-adjusted returns ▪ Grow client relationships ▪ Leverage Key's total client solutions and cross-selling capabilities
	Noninterest income to total revenue	44%	>40%	
Creating positive operating leverage	Keyvolution cost savings	$320 million implemented	$300-$375 million	▪ Improve efficiency and effectiveness ▪ Leverage technology ▪ Change cost base to more variable from fixed
Executing our strategies	Return on average assets	1.23%	1.00-1.25%	▪ Execute our client insight-driven relationship model ▪ Lower credit costs ▪ Improved funding mix with lower cost core deposits ▪ Keyvolution savings

(a) Continuing operations, unless otherwise noted

(b) Represents period-end consolidated total loans and loans held for sale (excluding education loans in the securitization trusts) divided by period-end consolidated total deposits (excluding deposits in foreign office)

Financial Summary – Second Quarter 2011

	Metrics	2Q11	1Q11	2Q10
Financial Performance [a]	Income from continuing operations attributable to Key common shareholders	$.26	$.21	$.06
	Net interest margin (TE)	3.19%	3.25%	3.17%
	Return on average total assets	1.23	1.32	.44
Capital [b]	Tier 1 common equity [c]	11.01%	10.74%	8.07%
	Tier 1 risk-based capital [c]	13.76	13.48	13.62
	Tangible common equity to tangible assets	9.67	9.16	7.65
	Book value per common share	$9.88	$9.58	$9.19
Asset Quality [a]	Net loan charge-offs to average loans	1.11%	1.59%	3.18%
	NPLs to EOP portfolio loans	1.76	1.82	3.19
	NPAs to EOP portfolio loans + OREO + Other NPAs	1.98	2.23	3.88
	Allowance for loan losses to period-end loans	2.57	2.83	4.16
	Allowance for loan losses to NPLs	146.08	155.03	130.30

TE = Taxable equivalent, EOP = End of Period

(a) From continuing operations

(b) From consolidated operations

(c) 6-30-11 ratios are estimated

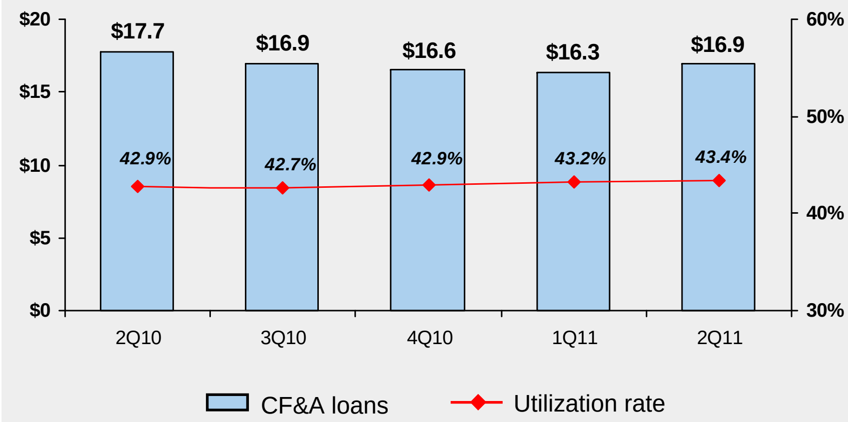
Stabilizing Loan Portfolio

Highlights

- Commercial, Financial and Agricultural loans increased by 3.7% in 2Q11 compared to 1Q11
  - Modest growth in Commercial Banking and industrial vertical of Corporate Bank
- Commercial Real Estate loans continued to decline, but at a slower pace
- Slower run-off in exit portfolio and focus on targeted segments positions Key for future loan growth

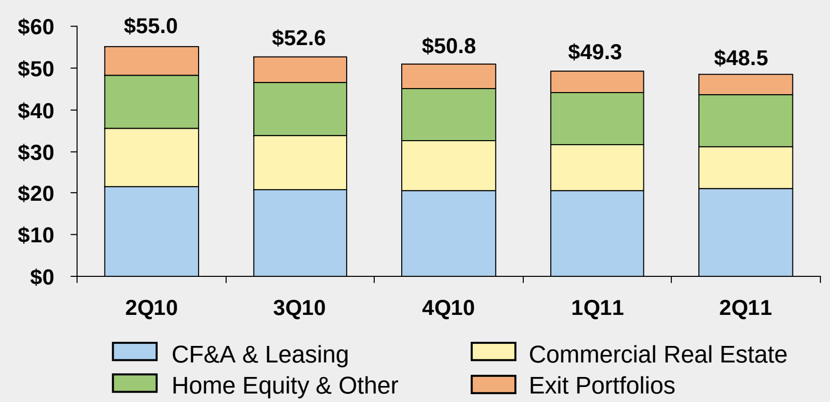
Average Commercial, Financial & Agricultural Loans

$ in billions

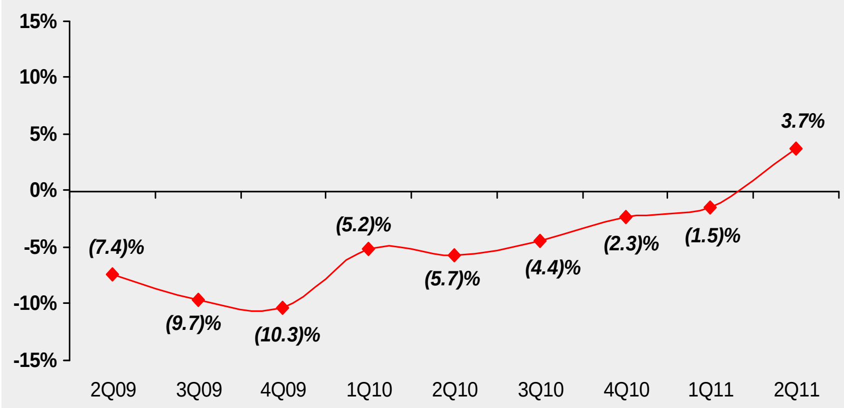


Average Loans

$ in billions



Quarterly % Change in Average CF&A Loans

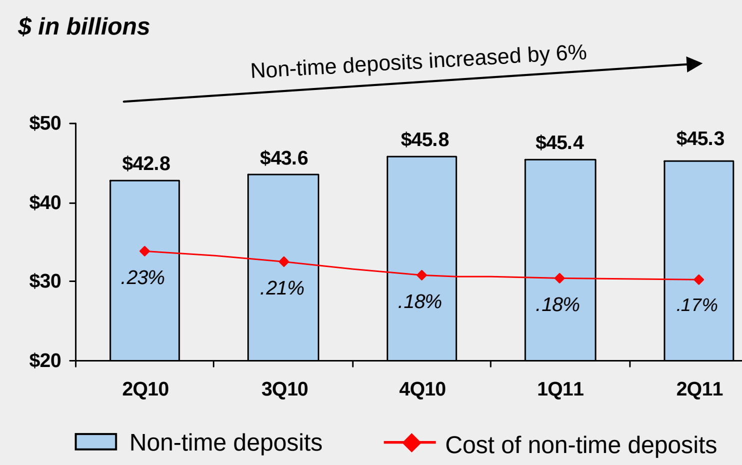


Improving Deposit Mix

Highlights

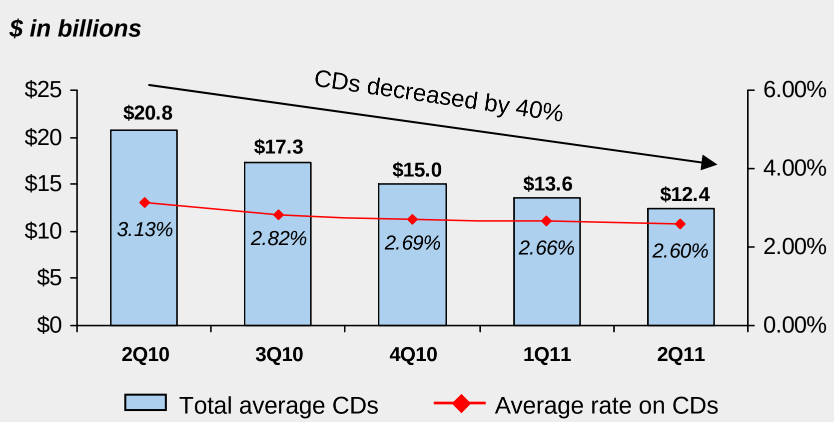
- Higher cost CDs continue to decline, while lower cost deposits have remained strong
- Improved funding mix has reduced the cost of deposits
- Total CD maturities and average cost
  - 2011: $4.3 billion at 1.51%
  - 2012: $5.1 billion at 2.69%
  - 2013 & beyond: $2.7 billion at 4.08%

Average Non-time Deposits (a)



Loan to Deposit Ratio (b)

Average CD Balances

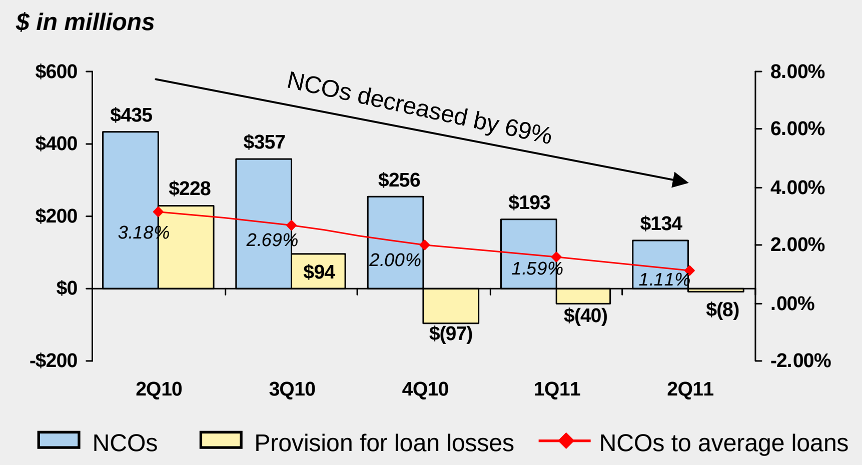


(a) Excludes time deposits and deposits in foreign office

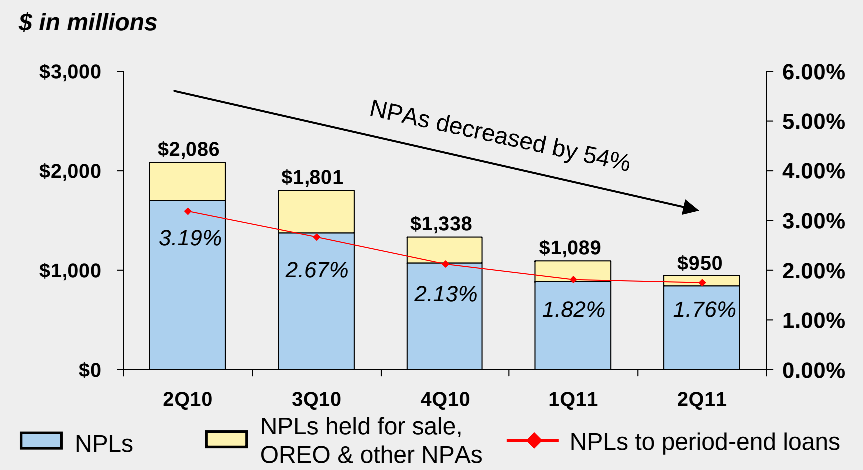
(b) Represents period-end consolidated total loans and loans held for sale (excluding education loans in the securitization trusts) divided by period-end consolidated total deposits (excluding deposits in foreign office)

Continued Improvement in Asset Quality

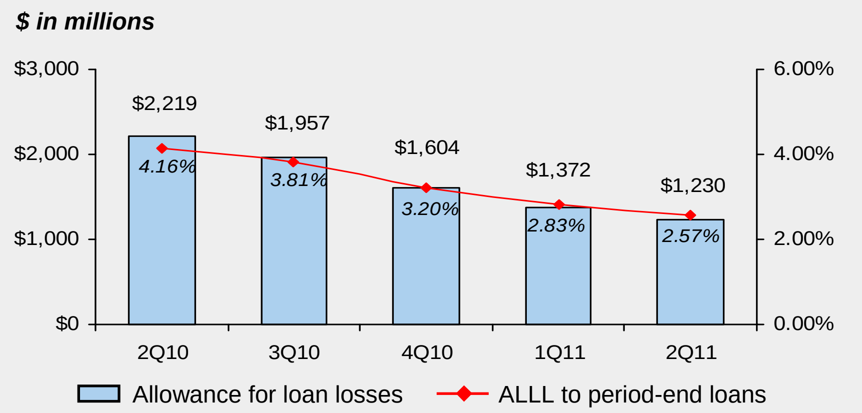
Net Charge-offs & Provision for Loan Losses



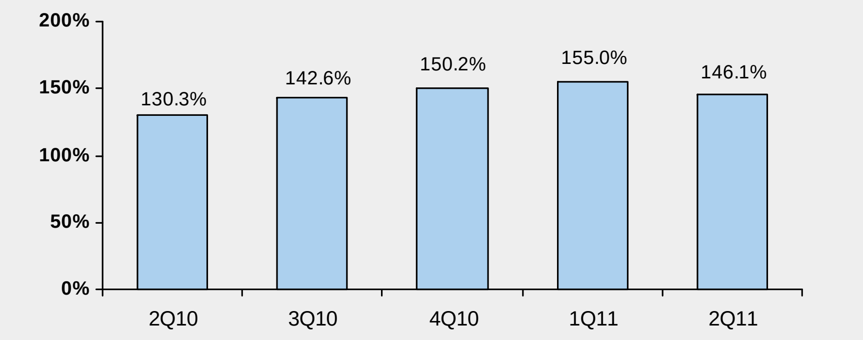
Nonperforming Assets



Allowance for Loan Losses



Allowance to Nonperforming Loans



Key expects NCOs and NPAs to continue to decline in 2011

Total Revenue

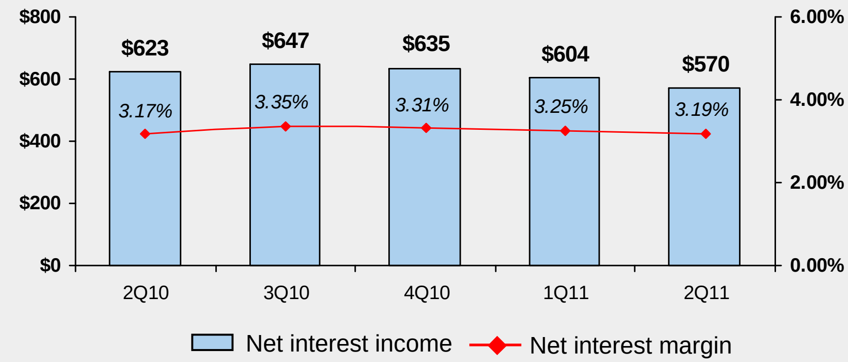
Highlights

- Net interest income and NIM impacted by:
  - Decline in earnings assets related to TARP
  - Movement of escrow deposits
  - Hedge maturities
- Excess liquidity and low-rate environment pressuring net interest margin
- New client acquisition and execution of relationship-based model provide opportunities to grow noninterest income

Net Interest Margin (TE) Trend

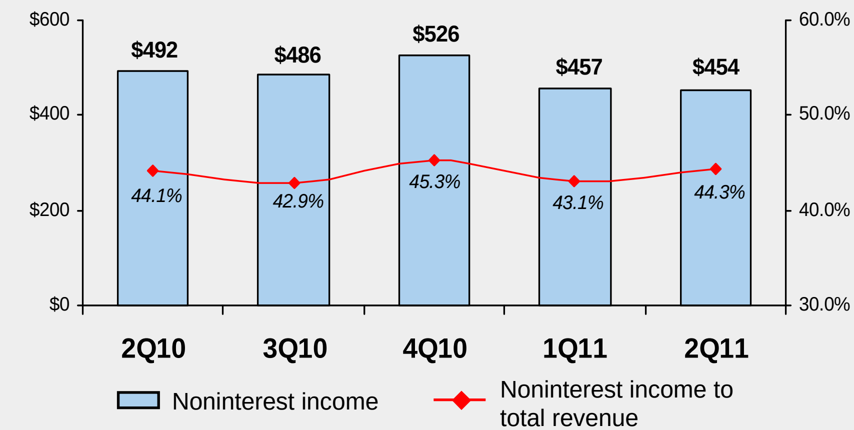
$ in millions

Continuing Operations



Noninterest Income and % of Total Revenue

$ in millions



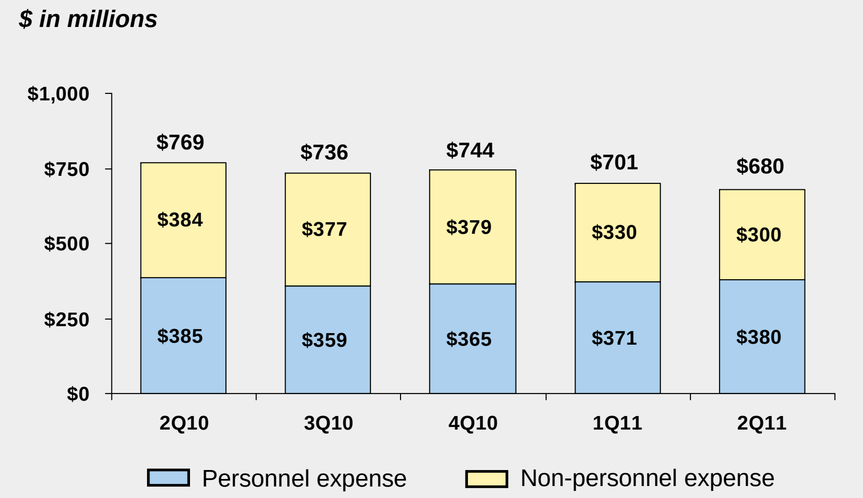
TE = Taxable equivalent

Focused Expense Management

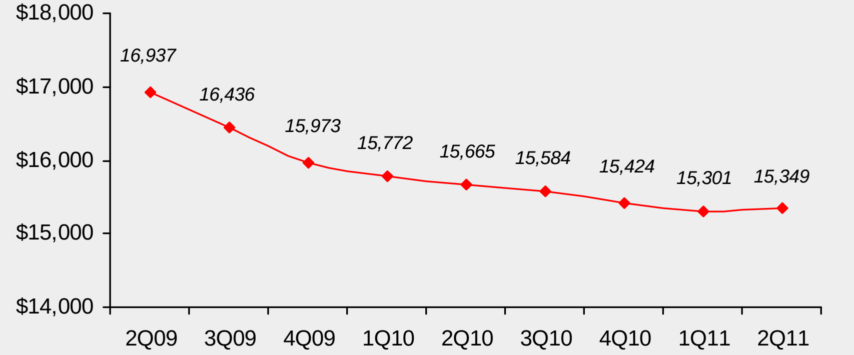
Highlights

- Noninterest expense declined by $21 million compared to 1Q11
  - Sales of OREO properties resulted in net gains
  - Reduction in FDIC assessment expense
- Continuing to seek additional cost savings, having achieved Keyvolution target

Noninterest Expense



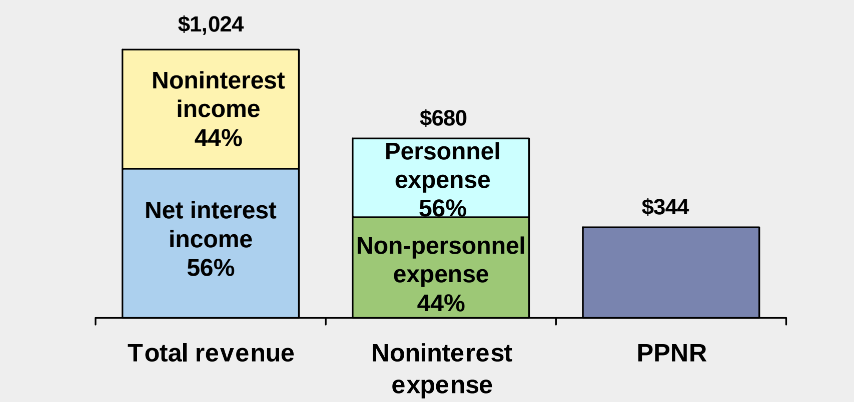
Average FTEs



Pre-Provision Net Revenue (a) and ROAA (b)

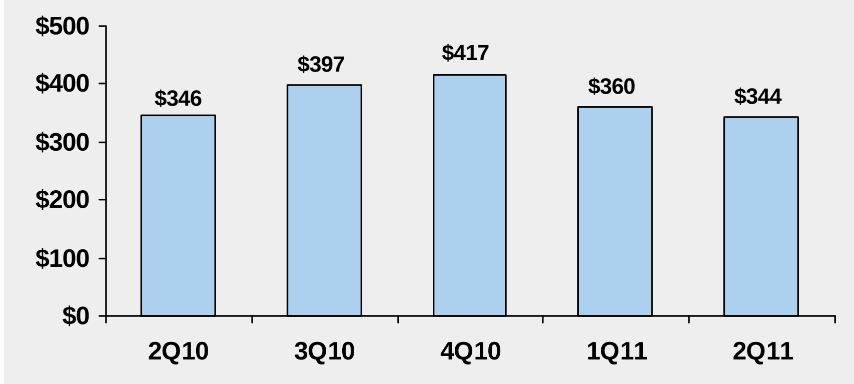
2Q11 Pre-Provision Net Revenue

$ in millions

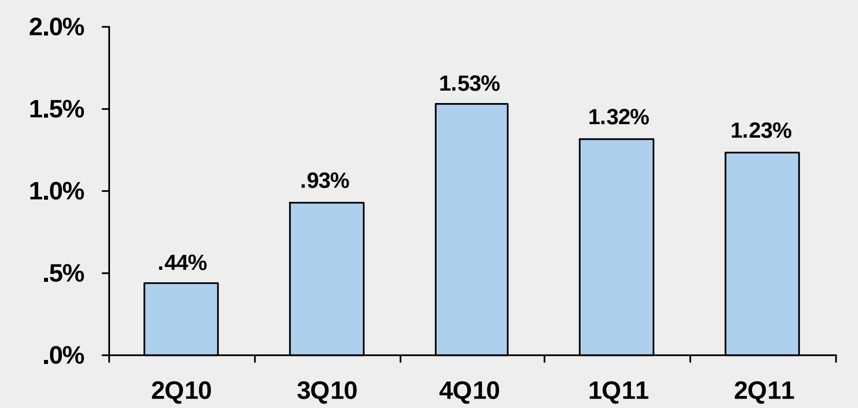


Pre-Provision Net Revenue Trend

$ in millions



Return on Average Assets



(a) Net interest income plus taxable-equivalent adjustment and noninterest income less noninterest expense

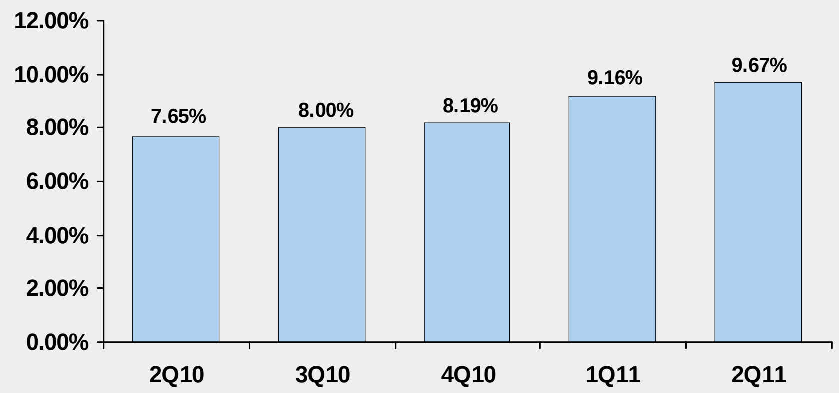
(b) From continuing operations

Strong Capital Ratios

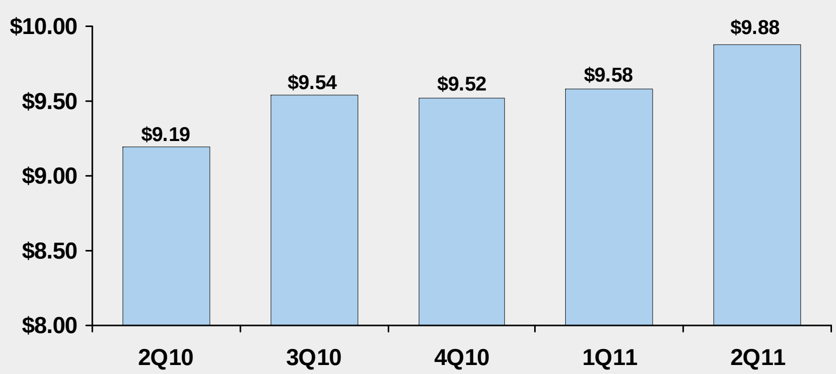
Highlights

- Peer leading capital position supports growth
- Positioned for successful transition to Basel III
- Continued capital generation through execution of strategy
- Increased quarterly common stock dividend

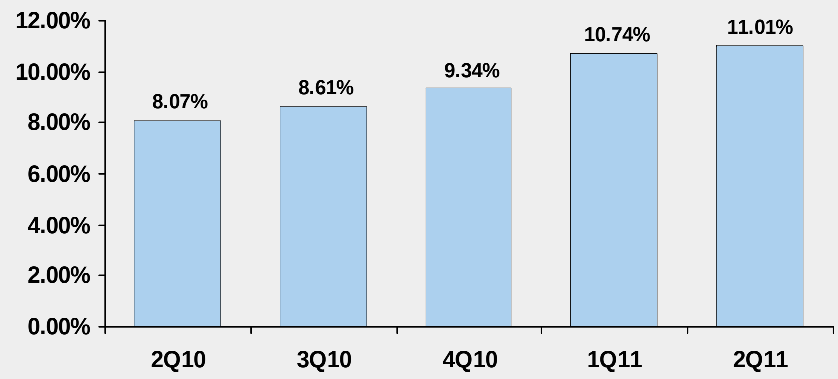
Tangible Common Equity to Tangible Assets



Book Value per Share



Tier 1 Common Equity



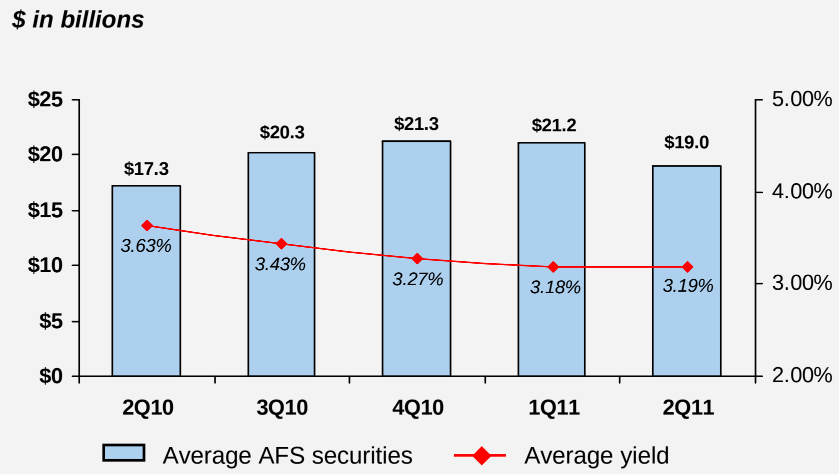
Appendix

High Quality Investment Portfolio

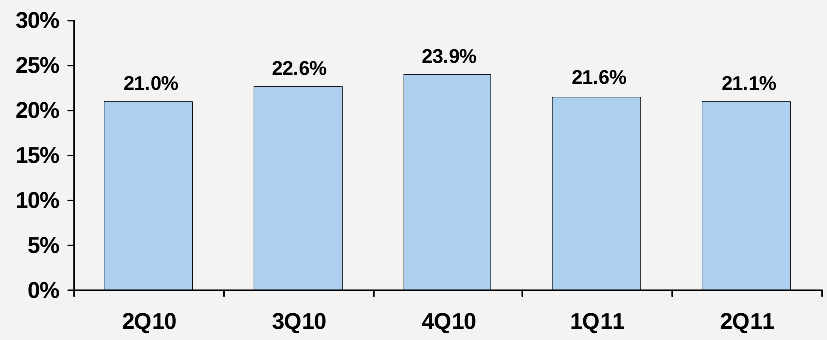
Highlights

- Portfolio composed of Agency or GSE backed: GNMA, Fannie & Freddie
  - No private label MBS or financial paper
- Average portfolio maturity at June 30, 2011: 3.0 years
- Unrealized net gain of $563 million on available-for-sale securities portfolio at 6/30/11
- Mortgage paydowns in 2Q11 were $942 million vs. $1,462 million in 1Q11

Available for Sale Securities



Securities to Total Assets [a]



(a) Includes end of period held-to-maturity and available-for-sale securities

Credit Quality

Credit Quality by Portfolio

$ in millions

	Period-end loans	Average loans	Net loan charge-offs		Net loan charge-offs [(a)] / average loans		Nonperforming loans		Ending allowance [(b)]	Allowance / period-end loans [(b)]	Allowance / NPLs
	6/30/11	2Q11	2Q11	1Q11	2Q11	1Q11	6/30/11	3/31/11	6/30/11	6/30/11	6/30/11
Commercial, financial and agricultural	$16,883	$16,922	$36	$32	*.85 %*	*.80 %*	$213	$221	$395	*2.34 %*	*185.45 %*
Commercial real estate:											
Commercial mortgage	8,069	8,460	12	43	*.57*	*1.89*	230	245	343	*4.25*	*149.13*
Construction	1,631	1,760	24	30	*5.47*	*5.99*	131	146	106	*6.50*	*80.92*
Commercial lease financing	6,105	6,094	4	11	*.26*	*.70*	41	42	107	*1.75*	*260.98*
Real estate - residential mortgage	1,838	1,818	6	9	*1.32*	*2.02*	79	84	41	*2.23*	*51.90*
Home equity:											
Key Community Bank	9,431	9,441	27	24	*1.15*	*1.03*	101	99	99	*1.05*	*98.02*
Other	595	611	10	14	*6.56*	*8.78*	11	13	37	*6.22*	*336.36*
Consumer — Key Community Bank	1,157	1,151	9	10	*3.14*	*3.51*	3	3	47	*4.06*	*N/M*
Consumer other:											
Marine	1,989	2,051	4	19	*.78*	*3.54*	32	31	52	*2.61*	*162.50*
Other	142	146	2	1	*5.49*	*2.60*	1	1	3	*2.11*	*300.00*
Continuing total	**$47,840**	**$48,454**	**$134**	**$193**	***1.11 %***	***1.59 %***	**$842**	**$885**	**$1,230**	***2.57 %***	***146.08 %***
Discontinued operations - education lending business	6,261	6,240	32	35	*4.02*	*4.33*	21	22	109	*3.45*	*N/M*
Consolidated total	**$54,101**	**$54,694**	**$166**	**$228**	***1.29 %***	***1.76 %***	**$863**	**$907**	**$1,339**	***2.63 %***	***155.16 %***

N/M = Not Meaningful

(a) Net charge-off amounts are annualized in calculation. NCO ratios for discontinued operations and consolidated Key exclude education loans in the securitization trusts since valued at fair-market value

(b) 6-30-11 allowance by portfolio is estimated. Allowance/period loans ratios for discontinued operations and consolidated Key exclude education loans in the securitization trusts since valued at fair-market value

Commercial Real Estate Loans – 6/30/11

Commercial Real Estate by Property Type and Geography

$ in millions

	Geographic Region							% of	Commercial	
	West	**Southwest**	**Central**	**Midwest**	**Southeast**	**Northeast**	**Total**	**Total CRE**	**Mortgage**	**Construction**
Nonowner-occupied:										
Retail properties	$330	$169	$215	$241	$393	$230	$1,578	16.3 %	$1,262	$316
Multifamily properties	146	143	263	220	289	260	1,321	13.6	950	371
Health facilities	194	6	149	217	202	199	967	10.0	916	51
Office buildings	142	74	109	115	51	265	756	7.8	617	139
Warehouses	229	-	43	78	74	87	511	5.3	483	28
Residential properties	85	20	56	80	67	80	388	4.0	104	284
Hotels/motels	59	-	24	5	146	33	267	2.8	225	42
Land and development (a)	21	13	36	7	54	67	198	2.0	14	184
Manufacturing facilities	2	-	5	8	-	6	21	.2	20	1
Other	68	2	12	45	86	101	314	3.2	300	14
Total nonowner-occupied	1,276	427	912	1,016	1,362	1,328	6,321	65.2	4,891	1,430
Owner-occupied	1,398	37	315	732	139	758	3,379	34.8	3,178	201
Total	$2,674	$464	$1,227	$1,748	$1,501	$2,086	$9,700	100.0 %	$8,069	$1,631
Nonowner-occupied: June 30, 2011										
Nonperforming loans	$53	$56	$6	$50	$51	$54	$270	N/M	$149	$121
90+ days past due	22	-	-	2	-	12	36	N/M	8	28
30-89 days past due	15	4	1	16	36	26	98	N/M	65	33
Nonowner-occupied: March 31, 2011										
Nonperforming loans	$68	$27	$49	$40	$64	$54	$302	N/M	$166	$136
90+ days past due	6	-	10	2	-	29	47	N/M	24	23
30-89 days past due	30	-	28	9	18	11	96	N/M	53	43

(a) Nonresidential land and development loans

N/M = Not Meaningful

Commercial Real Estate

Commercial Real Estate Credit Quality

$ in millions

	Period-end loans		Nonperforming loans		Net loan charge-offs	
	6-30-11	3-31-11	6-30-11	3-31-11	2Q11	1Q11
Retail properties	$1,578	$1,907	$66	$69	$6	$24
Multifamily properties	1,321	1,518	47	21	(1)	11
Health facilities	967	1,056	11	35	3	-
Office builldings	756	865	25	30	4	8
Warehouses	511	498	10	12	-	-
Residential properties	388	425	69	100	9	14
Hotels/motels	267	307	5	1	-	-
Land and development [(a)]	198	209	18	12	6	10
Other CRE	335	355	19	22	4	4
Total nonowner-occupied	6,321	7,140	270	302	31	71
Owner-occupied	3,379	3,511	91	89	5	2
Total	$9,700	$10,651	$361	$391	$36	$73

(a) Nonresidential land and development loans

Home Equity Loans – 6/30/11

Community Bank – Home Equity

$ in millions, except average loan size	Loan Balances	Average Loan Size ($)	Average FICO	Average LTV (a)	% of Loans LTV>90%	Vintage (% of Loans) 2010 and 2011	2009	2008	2007	2006 and prior
Home equity loans and lines										
First lien	$ 4,968	$ 58,019	751	66 %	.6 %	17 %	11 %	11 %	8 %	53 %
Second lien	4,463	44,671	750	75	3.4	13	8	18	17	44
Total home equity loans and lines	$ 9,431	$ 50,831	750	70	1.9	15	9	15	12	49
Nonaccrual loans										
First lien	$ 56	$ 72,987	716	73 %	.6 %	1 %	3 %	6 %	15 %	75 %
Second lien	46	55,757	706	77	3.3	-	4	11	26	59
Total home equity nonaccrual loans	$ 102	$ 64,053	712	75	1.7	1	4	8	19	68
Second quarter net charge-offs	$ 27					-	1 %	23 %	28 %	48 %
Net loan charge-offs to average loans	1.15 %									

Exit Portfolio – Home Equity

$ in millions, except average loan size	Loan Balances	Average Loan Size ($)	Average FICO	Average LTV (a)	% of Loans LTV>90%	Vintage (% of Loans) 2010 and 2011	2009	2008	2007	2006 and prior
Home equity loans										
First lien	$ 26	$ 23,056	747	32 %	.4 %	-	-	1 %	24 %	75 %
Second lien	569	25,404	731	82	32.6	-	-	2	40	58
Total home equity loans	$ 595	$ 25,292	731	80	31.2	-	-	1	40	59
Nonaccrual loans										
First lien	$ 1	$ 20,612	724	31 %	-	-	-	-	9 %	91 %
Second lien	10	28,655	705	83	33.2 %	-	-	2 %	36	62
Total home equity nonaccrual loans	$ 11	$ 27,969	706	81	31.1	-	-	2	34	64
Second quarter net charge-offs	$ 10					-	-	1 %	50 %	49 %
Net loan charge-offs to average loans	6.56 %									

(a) Average LTVs are at origination. Current average LTVs for Community Bank total home equity loans and lines is approximately 79%, which compares to 79% at the end of the first quarter of 2011

Exit Loan Portfolio

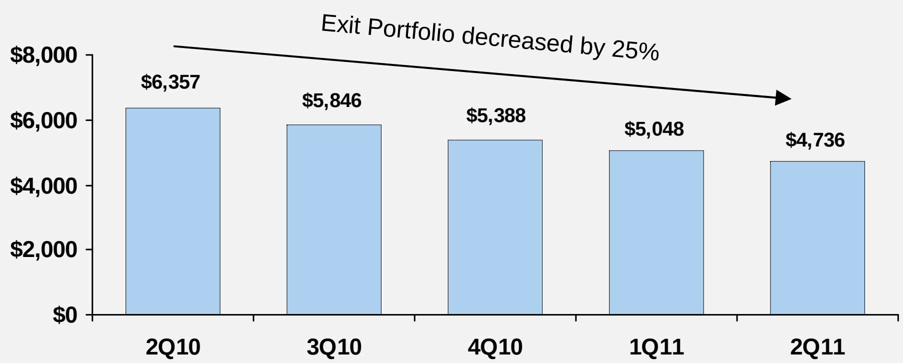
Exit Loan Portfolio

$ in millions

	Balance Outstanding		Change 6-30-11 vs.	Net Loan Charge-offs		Balance on Nonperforming Status	
	6-30-11	3-31-11	3-31-11	2Q11	1Q11	6-30-11	3-31-11
Residential properties – homebuilder	$62	$87	$(25)	$1	$2	$33	$44
Marine and RV floor plan	122	150	(28)	1	3	31	35
Commercial lease financing [a]	1,826	1,922	(96)	7	2	19	21
Total commercial loans	2,010	2,159	(149)	9	7	83	100
Home equity – Other	595	627	(32)	10	14	11	13
Marine	1,989	2,112	(123)	4	19	32	31
RV and other consumer	142	150	(8)	2	1	-	1
Total consumer loans	2,726	2,889	(163)	16	34	43	45
Total exit loans in loan portfolio	$4,736	$5,048	$(312)	$25	$41	$126	$145
Discontinued operations - education lending business (not included in exit loans above) [b]	$6,261	$6,318	$(57)	$32	$35	$21	$22

Exit Loan Portfolio Trend (Excluding Discontinued Operations)

$ in millions

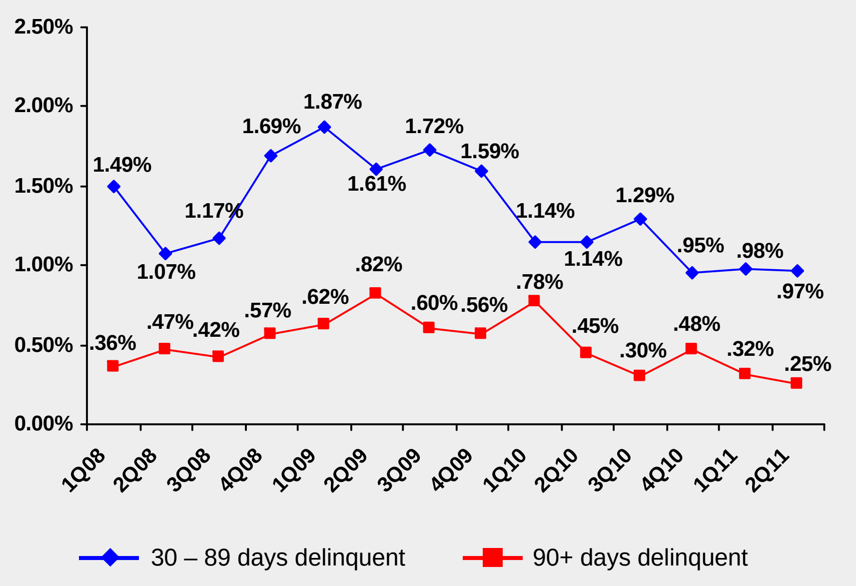


(a) Includes the business aviation, commercial vehicle, office products, construction and industrial leases, Canadian lease financing portfolios; and all remaining balances related to lease in, lease out; sale in, sale out; service contract leases; and qualified technological equipment leases

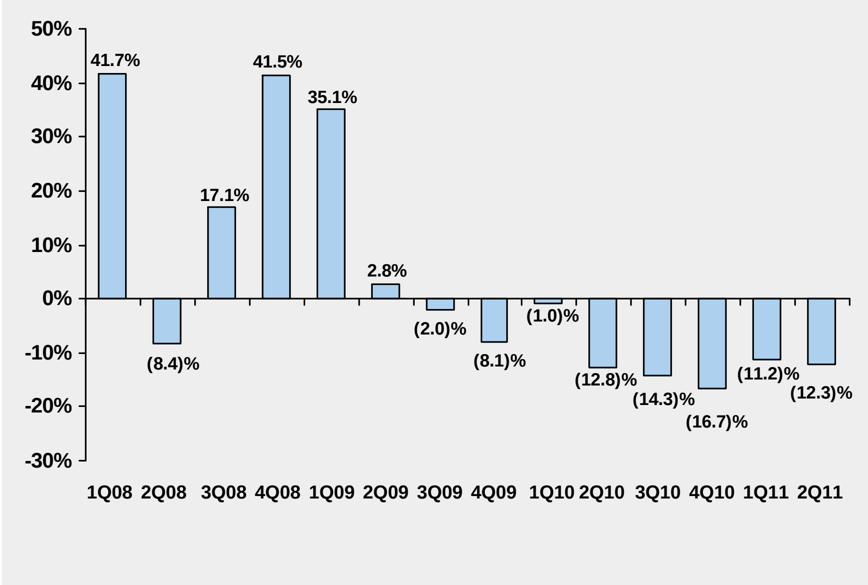
(b) Includes loans in Key's consolidated education loan securitization trusts

Credit Quality Trends

Delinquencies to Period-end Total Loans



Quarterly Change in Criticized Outstandings [(a)]



(a) Loans and leases outstanding