First Quarter 2011 Review

April 18, 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, which has been filed with the Securities and Exchange Commission and is 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.

Capital Actions – First Quarter 2011

- **Repurchased TARP Capital (CPP Preferred): $2.5 billion**
  - Eliminates $125 million of annual preferred dividends
- **Successful completion of capital issuance**
  - $625 million common equity (25% of CPP Preferred)
  - $1.0 billion senior unsecured debt offering
- **Notified U.S. Treasury of intent to repurchase warrants**
- **Dividend increase to be considered by Board of Directors at May meeting**

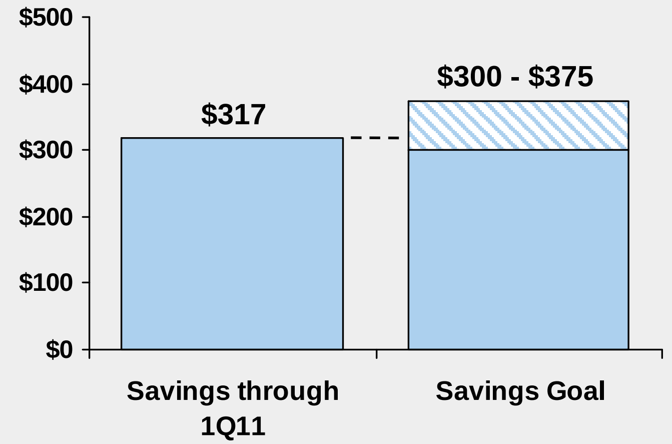
Significant Progress on Keyvolution

Highlights

- Keyvolution focused on business simplification, process improvement & demand management
- From 4Q08 to 1Q11, $317 million in annual run rate savings were achieved
  - Personnel costs were reduced by $205 million related to headcount reductions of over 2,300
  - Non-personnel expense declined by $112 million, including occupancy, communications & travel
- Continued focus on disciplined expense management will drive further cost saves

Keyvolution Cost Savings (a)

$ in millions



(a) Before one-time costs and investments.

Investor Highlights – First Quarter 2011

Financial performance	▪ 1Q11 EPS (continuing operations): $.21 ▪ Lower expense levels through Keyvolution and other cost initiatives
Risk management	▪ Improved credit quality (1Q11 vs. 4Q10) – NPLs down $183 million (1.82% of period-end loans) – NPAs down $249 million (61% decrease from peak level in 3Q09) – NCOs declined to $193 million (decreased 5 consecutive quarters) ▪ Asset sales continue near Key's carrying values
Strong balance sheet	▪ Capital remains strong -Tier 1 common equity: 10.70% ▪ Superior reserve coverage: 2.83% allowance to period-end loans ▪ Core funded institution: Loan to deposit ratio of 91%
Delivering on growth initiatives	▪ Refocused business model – stronger alignment between Community Bank and Corporate Bank ▪ Momentum in the business – new client acquisition and growth ▪ Leveraging strong balance sheet – continuing to invest in businesses

Key remains focused on what it does best:
Serving customers and small/midsize businesses through its relationship-based banking model

Financial Summary – First Quarter 2011

	Metrics	1Q11	4Q10	1Q10
Financial Performance [a]	Income (loss) from continuing operations attributable to Key common shareholders	$.21	$.33	$(.11)
	Net interest margin (TE)	3.25%	3.31%	3.19%
	Return on average total assets	1.32	1.53	(.26)
Capital [b]	Tier 1 common equity [c]	10.70%	9.34%	7.51%
	Tier 1 risk-based capital [c]	13.44	15.16	12.92
	Tangible common equity to tangible assets	9.16	8.19	7.37
	Book value per common share	$9.58	$9.52	$9.01
Asset Quality [a]	Net loan charge-offs to average loans	1.59%	2.00%	3.67%
	NPLs to EOP portfolio loans	1.82	2.13	3.69
	NPAs to EOP portfolio loans + OREO + Other NPAs	2.23	2.66	4.31
	Allowance for loan losses to period-end loans	2.83	3.20	4.34
	Allowance for loan losses to NPLs	155.03	150.19	117.43

TE = Taxable equivalent, EOP = End of Period

(a) From continuing operations.

(b) From consolidated operations.

(c) 3-31-11 ratios are estimated.

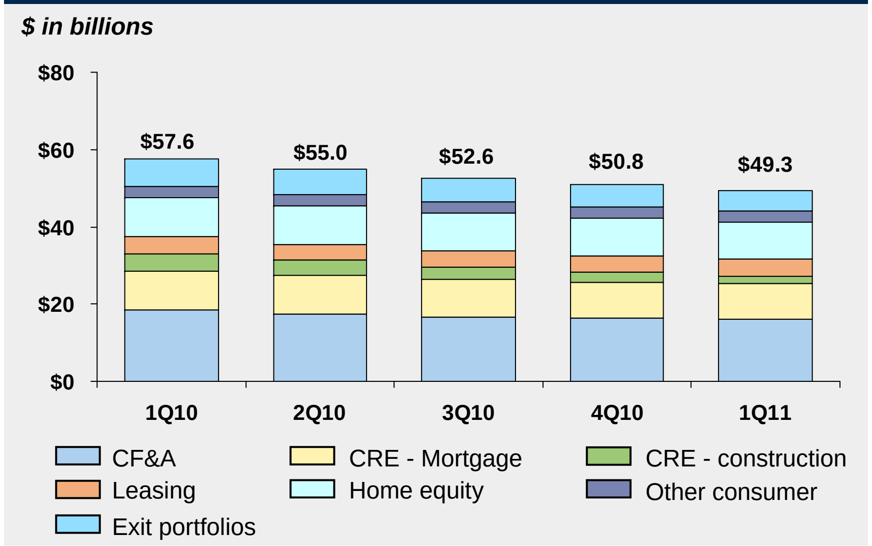
Key's Targets for Success [a]

KEY Business Model	KEY Metrics	KEY 1Q11	Targets	Action Plans
Core funded	Loan to deposit ratio [b] [c]	91%	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	1.59%	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	3.25%	>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	43%	>40%	
Creating positive operating leverage	Keyvolution cost savings	$317 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	1.32%	1.00-1.25%	▪ Execute our client insight-driven relationship model ▪ Lower credit costs ▪ Improved funding mix with lower cost core deposits ▪ Keyvolution savings

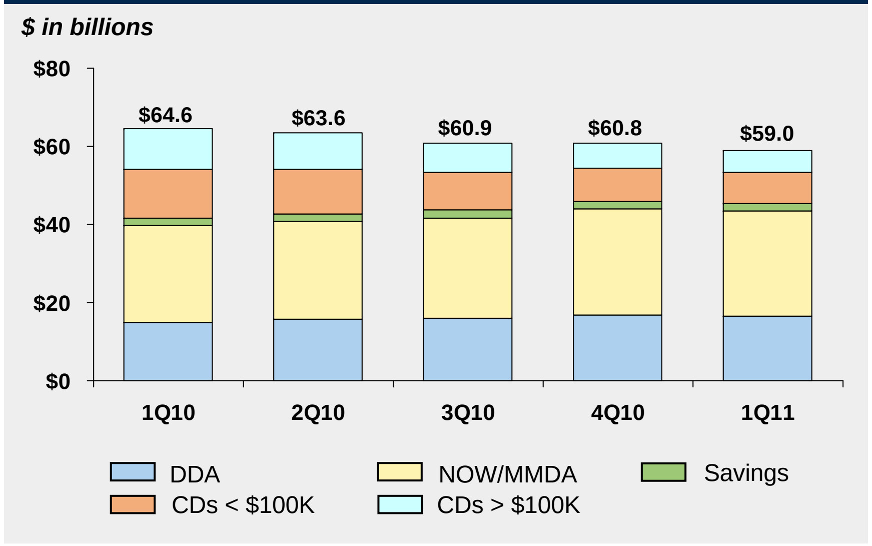
(a) Continuing operations, unless otherwise noted.
(b) Ending balances; loans & loans held for sale (excluding education loans in the securitization trusts) to deposits (excluding deposits in foreign office).
(c) Consolidated operations.

Core Funded and Focused on Relationship Businesses

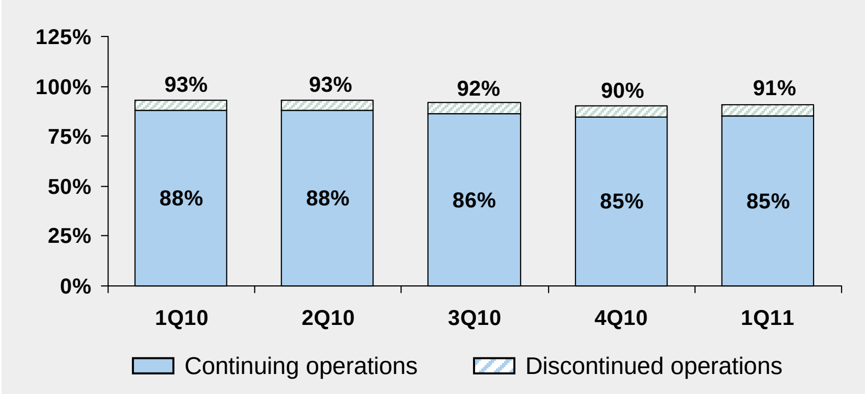
Average Loans



Average Deposits



Loan to Deposit Ratio [a]



(a) Ending balances; loans & loans held for sale (excluding education loans in the securitization trusts) to deposits (excluding deposits in foreign office).

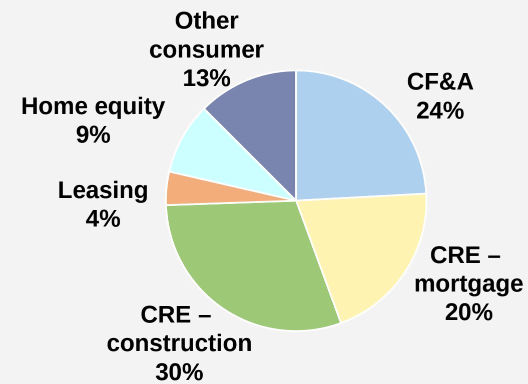
Substantial Reduction in Net Charge-offs

Net Charge-offs by Loan Type

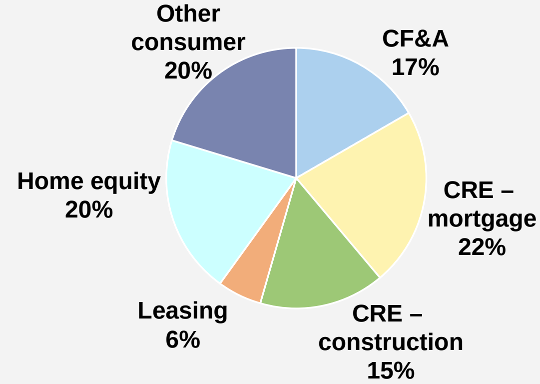
$ in millions

	1Q11	4Q10	1Q10	$ Change 4Q10	$ Change 1Q10
CF&A	$32	$80	$126	$(48)	$(94)
CRE - mortgage	43	52	106	(9)	(63)
CRE - construction	30	28	157	2	(127)
Leasing	11	12	21	(1)	(10)
Total commercial	116	172	410	(56)	(294)
Home equity	38	39	47	(1)	(9)
Other consumer	39	45	65	(6)	(26)
Total consumer	77	84	112	(7)	(35)
Total	$193	$256	$522	$(63)	$(329)
NCOs to avg. loans	1.59%	2.00%	3.67%		
Exit portfolio [(a)]	$41	$81	$153	$(40)	$(112)
Exit portfolio NCOs as a % of total NCOs	21.2%	31.6%	29.3%		

Net Charge-offs 1Q10 = $522 million



Net Charge-offs 1Q11 = $193 million

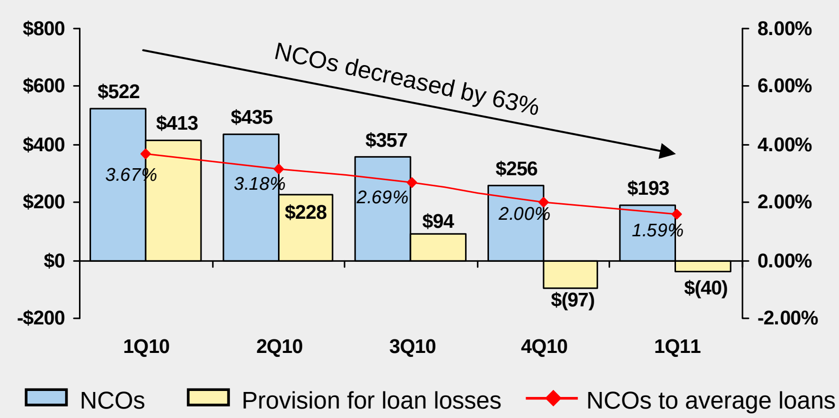


(a) Exit portfolio NCOs are included in the individual loan types listed above

Significant Improvement in Asset Quality

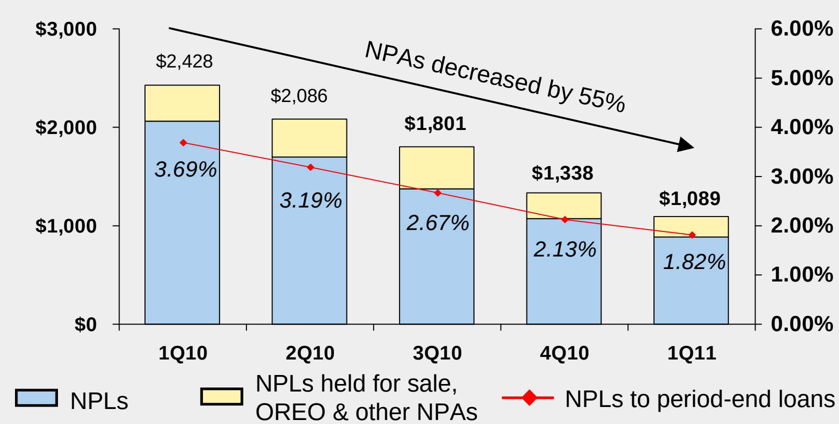
Net Charge-offs & Provision for Loan Losses

$ in millions



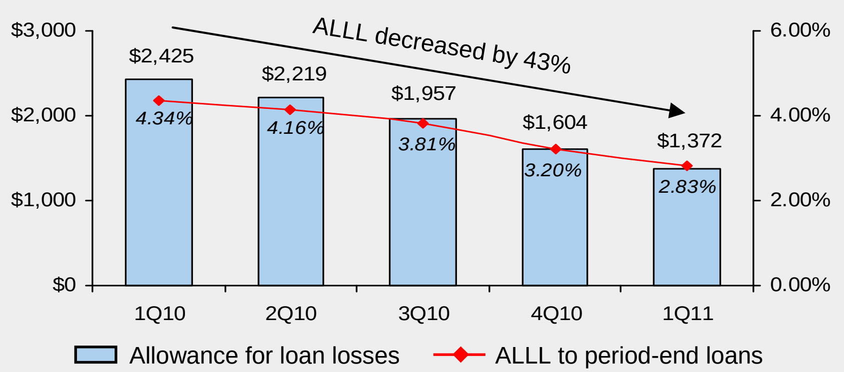
Nonperforming Assets

$ in millions

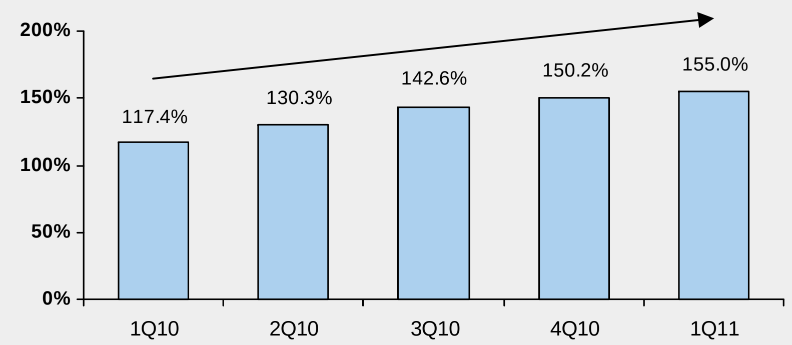


Allowance for Loan Losses

$ in millions



Allowance to Nonperforming Loans



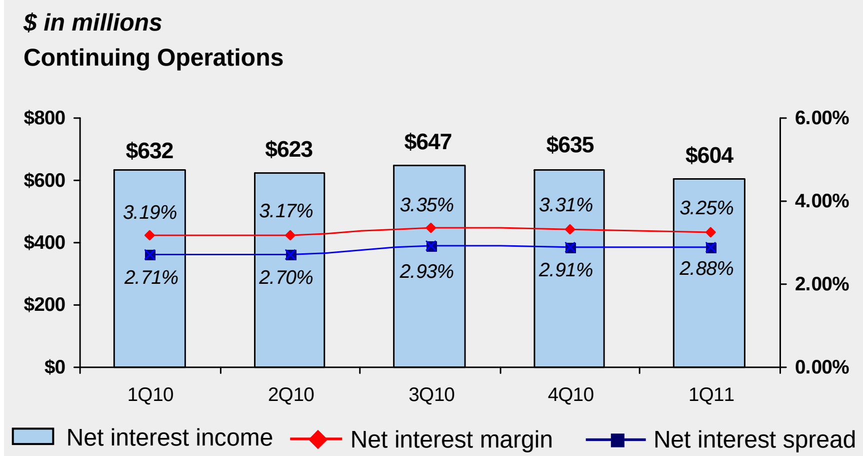
Key expects NCOs and NPAs to continue to decline in 2011

Net Interest Margin (TE)

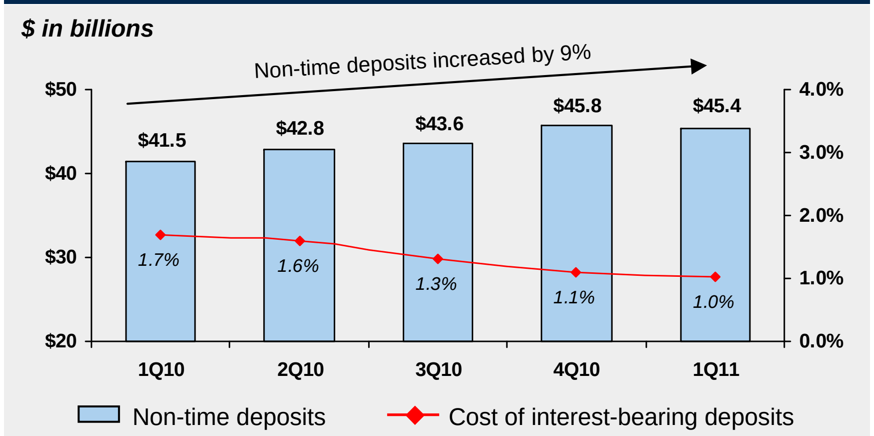
Highlights

- Net interest margin up 6 bps compared to 1Q10
- Improved funding mix has reduced cost of deposits
- Positioned to benefit from rising rates
  - Approximately 3.4% increase in net interest income from a 200 bps increase in rates

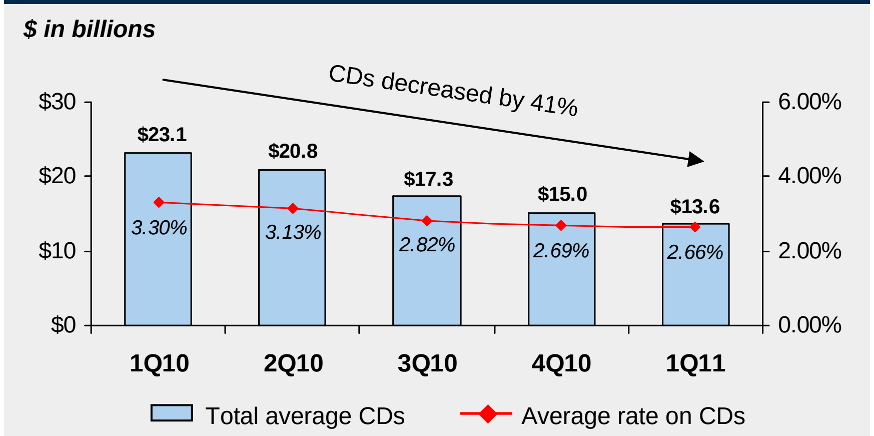
Net Interest Margin (TE) Trend



Non-time Deposits (a) & Cost of Interest-bearing Deposits



Average CD Balances and Cost



TE = Taxable equivalent

(a) Average balances, excludes time deposits and deposits in foreign office.

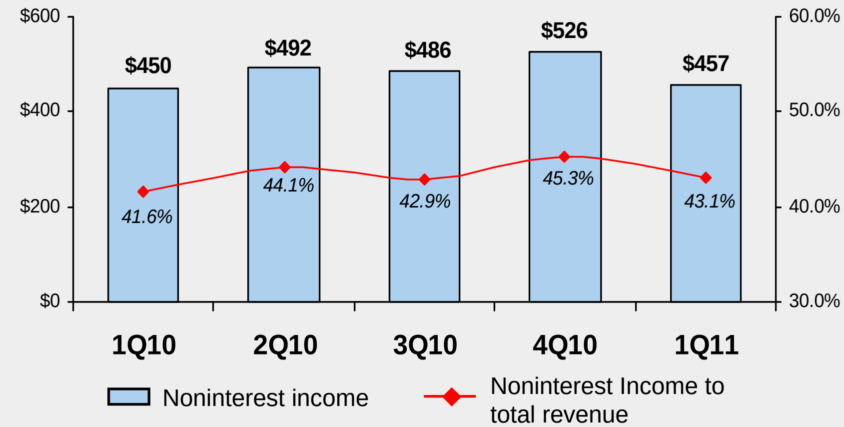
Enhancing Noninterest Income

Areas of Focus

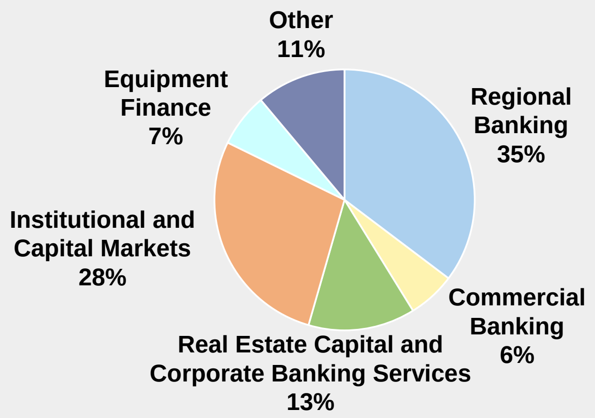
- Targeting specific high-opportunity client segments in our Corporate Bank – using the balance sheet strategically
- Leveraging investment banking and capital markets opportunities
- Continuing to build out Private Banking platform and Key Investment Services
- Improving alignment of products and services across organization – business decisions based on highest value to clients and Key
- Evaluating response to Dodd-Frank for potential offsets to lost revenue

Noninterest Income and % of Total Revenue

$ in millions



Diverse Noninterest Income – 1Q11



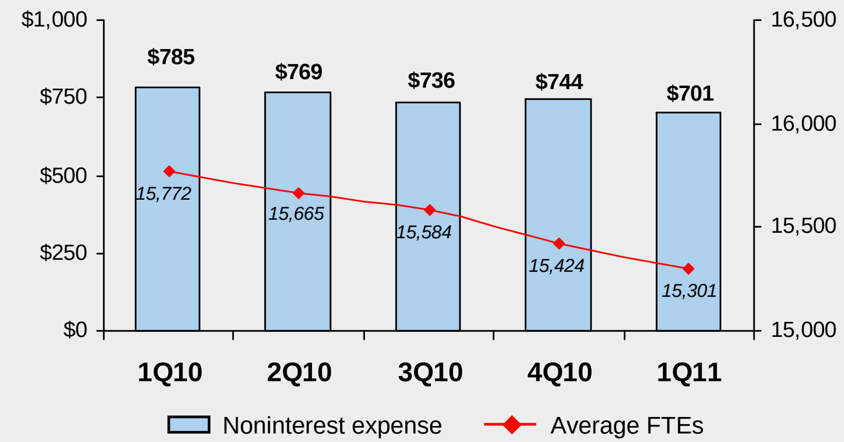
Focused Expense Management

Highlights

- Implemented $317 million run rate of Keyvolution cost savings through 1Q11
- FDIC assessment expense expected to decline by $30 - $60 million in 2011
- Key expects quarterly noninterest expense to be in the range $700 - $725 in 2011

Noninterest Expense and Average FTEs

$ in millions



Lowering Noninterest Expense Base

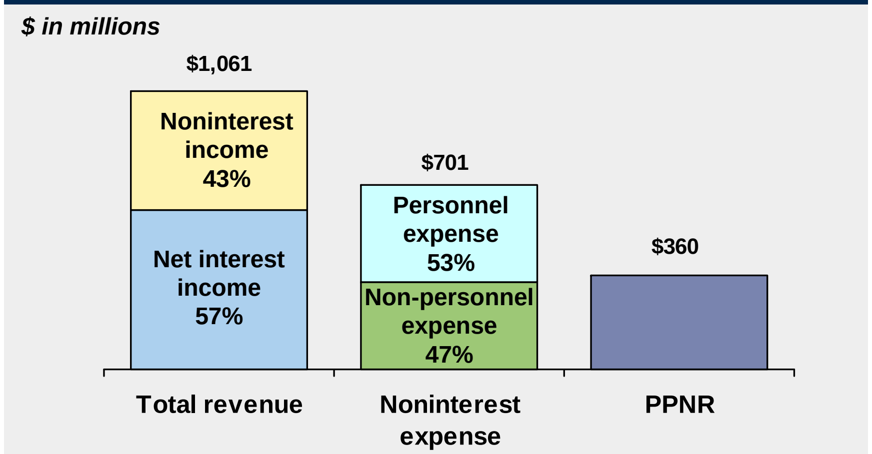
$ in millions

	Full-year noninterest expense [a]	Qtr. Average noninterest expense
2009	$3,246	$812
2010	3,082	771
2011	2,800 - 2,900	700 - 725

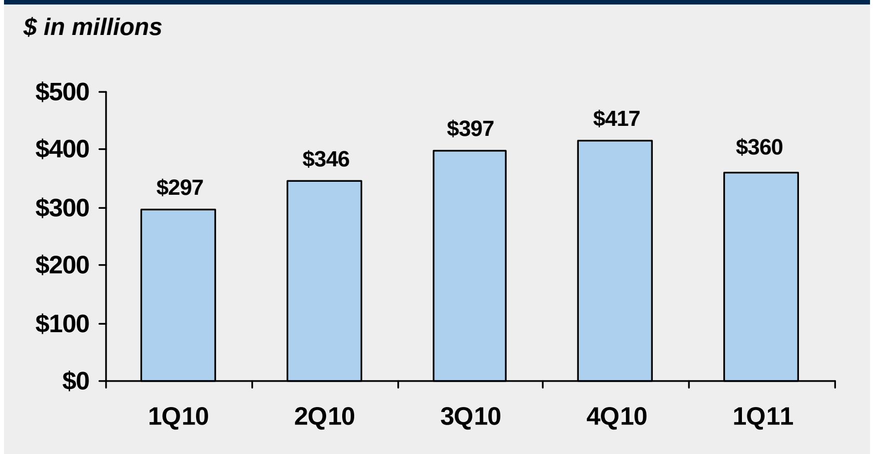
(a) Noninterest expense excludes provision (credit) for losses on lending-related commitments and intangible asset impairment.

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

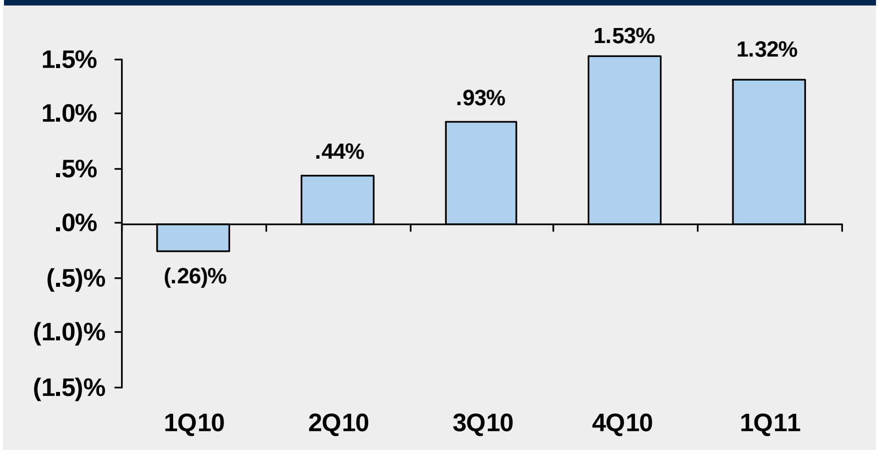
1Q11 Pre-Provision Net Revenue



Pre-Provision Net Revenue Trend



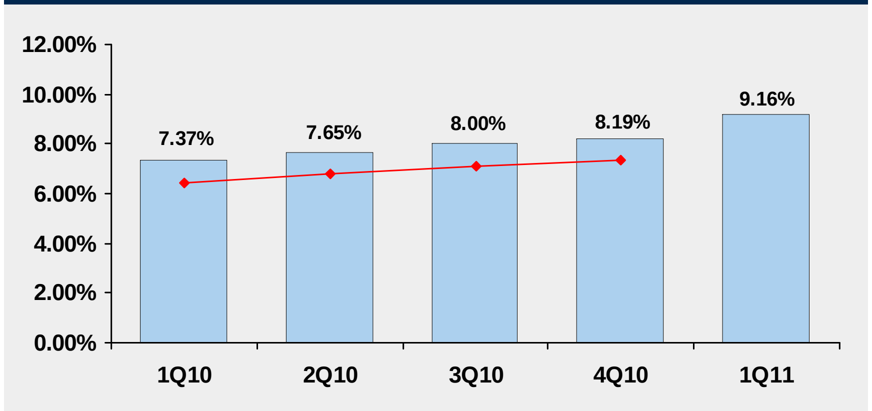
Return on Average Assets



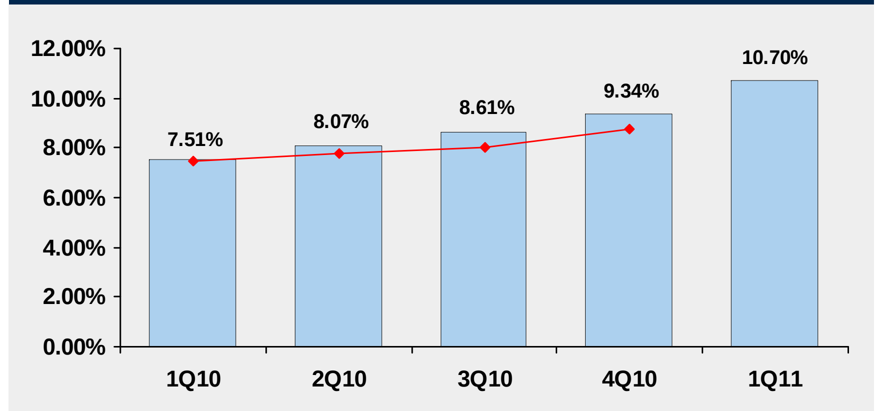
(a) Net interest income plus taxable-equivalent adjustment and noninterest income less noninterest expense.
(b) From continuing operations.

Strong Capital Ratios

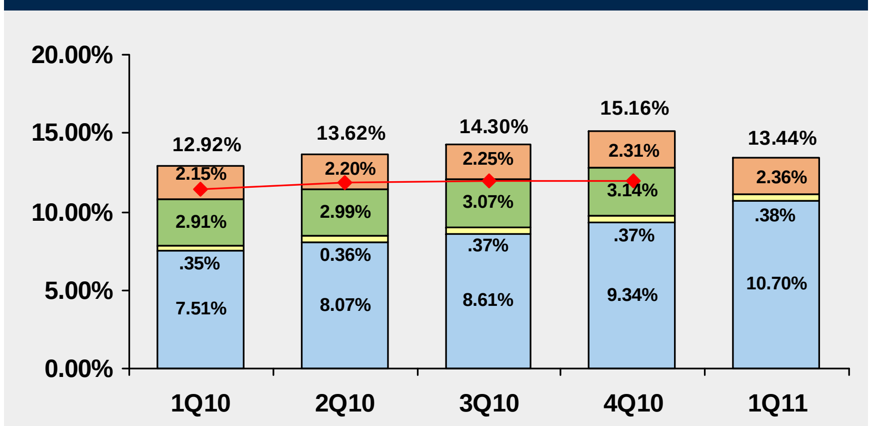
Tangible Common Equity to Tangible Assets



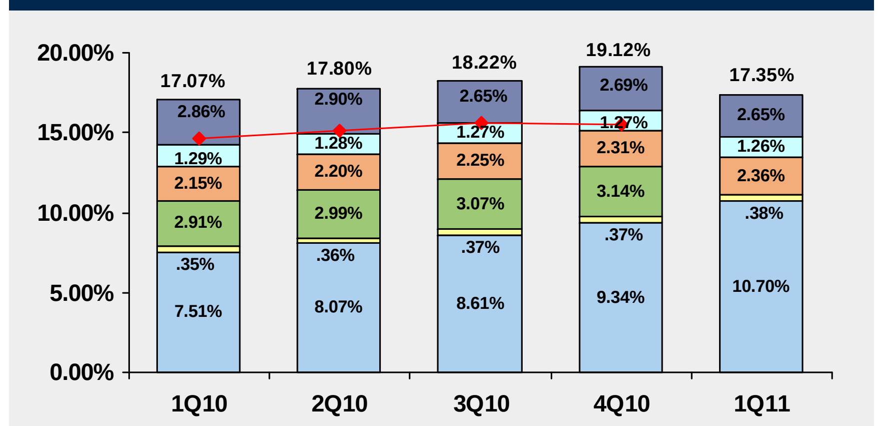
Tier 1 Common Equity (a)



Tier 1 Risk-Based Capital (a)



Total Risk-Based Capital (a)



Qualifying common
Capital securities
Convertible preferred
Qualifying ALLL/unfunded comm.
Capital purchase program
Qualifying LTD
Peer Median

(a) 3-31-11 ratio is estimated.

Appendix

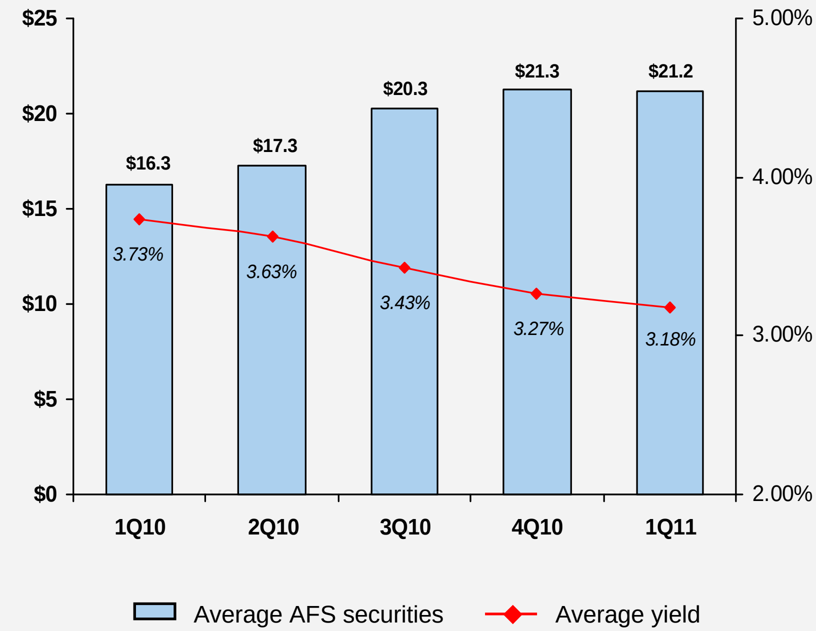
High Quality Investment Portfolio

Highlights

- Portfolio composed of Agency or GSE backed: GNMA, Fannie & Freddie
  - – No private label MBS or financial paper
- Average portfolio maturity at March 31, 2011: 3.2 years
- Unrealized net gain of $366 million on available-for-sale securities portfolio at 3/31/11
- March CMO sale of $1.5 billion in connection with loss of CRE escrow deposits (brings quarter-end total down to $19.4 billion)

Available for Sale Securities

$ in billions



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	Allowance / NPLs
	3/31/11	1Q11	1Q11	4Q10	1Q11	4Q10	3/31/11	12/31/10	3/31/11	3/31/11	3/31/11
Commercial, financial and agricultural	$16,440	$16,311	$32	$80	*.80 %*	*1.92 %*	$221	$242	$419	*2.55 %*	*189.59 %*
Commercial real estate:											
Commercial mortgage	8,806	9,238	43	52	*1.89*	*2.17*	245	255	386	*4.38*	*157.55*
Construction	1,845	2,031	30	28	*5.99*	*4.39*	146	241	117	*6.34*	*80.14*
Commercial lease financing	6,207	6,335	11	12	*.70*	*.73*	42	64	132	*2.13*	*314.29*
Real estate - residential mortgage	1,803	1,810	9	11	*2.02*	*2.38*	84	98	40	*2.22*	*47.62*
Home equity:											
Community Bank	9,421	9,453	24	26	*1.03*	*1.08*	99	102	111	*1.18*	*112.12*
Exit	627	647	14	13	*8.78*	*7.52*	13	18	45	*7.18*	*346.15*
Consumer — Community Bank	1,141	1,157	10	14	*3.51*	*4.75*	3	4	50	*4.38*	*N/M*
Consumer other:											
Marine	2,112	2,174	19	17	*3.54*	*2.94*	31	42	68	*3.22*	*219.35*
Other	150	156	1	3	*2.60*	*7.13*	1	2	4	*2.67*	*400.00*
Continuing total	**$48,552**	**$49,312**	**$193**	**$256**	***1.59 %***	***2.00 %***	**$885**	**$1,068**	**$1,372**	***2.83 %***	***155.03 %***
Discontinued operations - education lending business	6,304	6,377	35	32	*4.33*	*3.78*	22	40	111	*3.43*	*N/M*
Consolidated total	**$54,856**	**$55,689**	**$228**	**$288**	***1.76 %***	***2.11 %***	**$907**	**$1,108**	**$1,483**	***2.86 %***	***163.51 %***

N/M = Not Meaningful

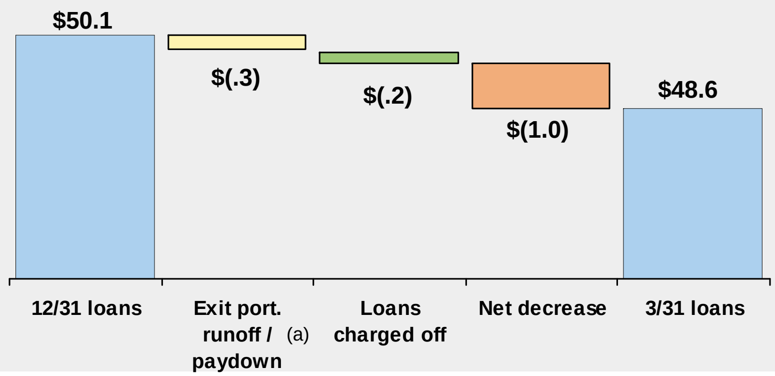
(a) Net charge-off amounts are annualized in calculation. NCO ratios for discontinued operations and consolidated Key exclude education loans in the securitization trusts since valued at fair-market value.

(b) 3-31-11 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.

1Q11 Loan Activity

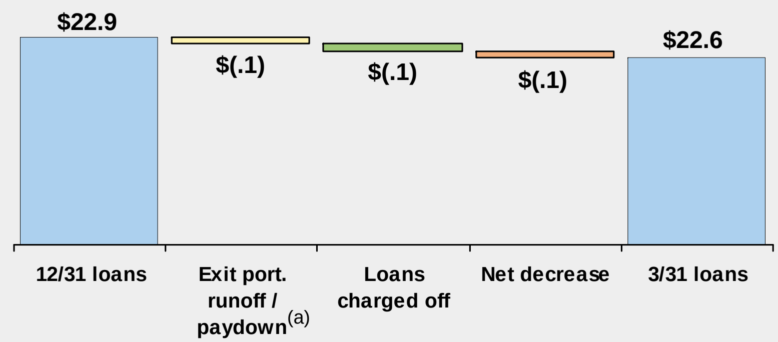
Total Loans

$ in billions



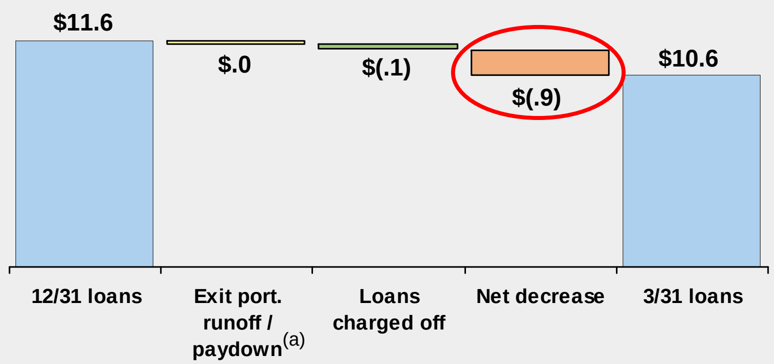
CF&A and Leasing

$ in billions



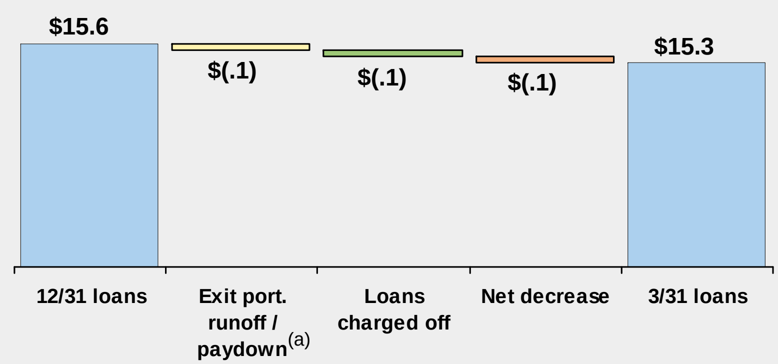
Total Commercial Real Estate

$ in billions



Total Consumer

$ in billions



Decline in loan balances primarily due to reducing Commercial Real Estate exposure

Numbers may not cross foot due to rounding.

(a) Exit portfolio runoff / paydown excludes net charge-offs.

Commercial Real Estate Loans – 3/31/11

Commercial Real Estate by Property Type and Geography

$ in millions

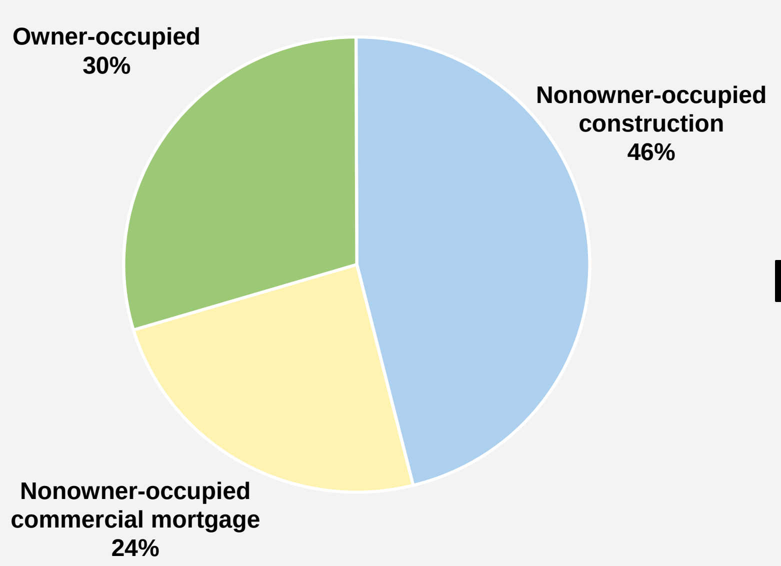
	Geographic Region							% of	Commercial	
	West	**Southwest**	**Central**	**Midwest**	**Southeast**	**Northeast**	**Total**	**Total CRE**	**Mortgage**	**Construction**
Nonowner-occupied:										
Retail properties	$360	$193	$238	$362	$536	$218	$1,907	17.9 %	$1,557	$350
Multifamily properties	178	179	365	196	391	209	1,518	14.2	1,054	464
Health facilities	300	-	145	219	217	175	1,056	9.9	993	63
Office buildings	142	74	132	134	72	311	865	8.1	714	151
Warehouses	208	-	49	79	74	88	498	4.7	480	18
Residential properties	96	26	76	75	77	75	425	4.0	112	313
Hotels/motels	75	-	43	5	147	37	307	2.9	247	60
Land and development [(a)]	21	17	41	9	50	71	209	2.0	67	142
Manufacturing facilities	2	-	5	8	-	11	26	.2	24	2
Other	83	2	13	51	82	98	329	3.1	311	18
Total nonowner-occupied	$1,465	$491	1,107	1,138	1,646	1,293	7,140	67.0	5,559	1,581
Owner-occupied	1,408	60	334	762	150	797	3,511	33.0	3,247	264
Total	$2,873	$551	$1,441	$1,900	$1,796	$2,090	$10,651	100.0 %	$8,806	$1,845
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
Nonowner-occupied: December 31, 2010										
Nonperforming loans	$99	$47	$58	$44	$115	$45	$408	N/M	$182	$226
90+ days past due	3	21	11	20	16	3	74	N/M	37	37
30-89 days past due	11	23	10	4	-	14	62	N/M	32	30

(a) Nonresidential land and development loans.

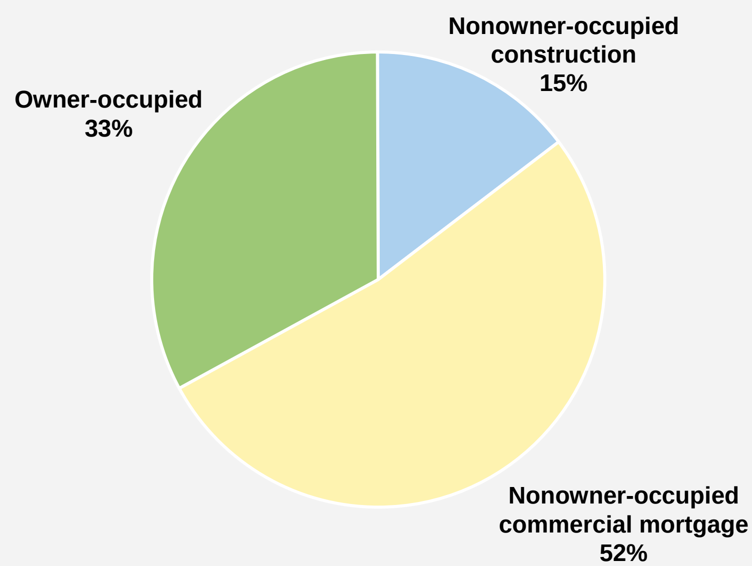
N/M = Not Meaningful

Commercial Real Estate Transformation

Total Outstanding Balances at 12/31/07 = $17.7 billion



Total Outstanding Balances at 3/31/11 = $10.7 billion



Commercial Real Estate loan balances decreased by 40% since 2007

Commercial Real Estate

Commercial Real Estate Credit Quality

$ in millions

	Period-end loans		Nonperforming loans		Net loan charge-offs	
	3-31-11	12-31-10	3-31-11	12-31-10	1Q11	4Q10
Retail properties	$1,907	$2,117	$69	$112	$24	$9
Multifamily properties	1,518	1,695	21	7	11	(9)
Health facilities	1,056	1,097	35	36	-	22
Office builldings	865	990	30	50	8	5
Warehouses	498	507	12	19	-	7
Residential properties	425	525	100	135	14	18
Hotels/motels	307	308	1	1	-	-
Land and development [(a)]	209	262	12	25	10	13
Other CRE	355	374	22	23	4	5
Total nonowner-occupied	7,140	7,875	302	408	71	70
Owner-occupied	3,511	3,733	89	88	2	10
Total	$10,651	$11,608	$391	$496	$73	$80

(a) Nonresidential land and development loans.

Home Equity Loans – 3/31/11

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	$ 4,969	$ 57,717	750	66 %	.5 %	14 %	11 %	12 %	8 %	55 %
Second lien	4,452	44,240	748	75	3.6	10	9	19	17	45
Total home equity loans and lines	$ 9,421	$ 50,452	749	70	1.9	12	10	15	13	50
Nonaccrual loans										
First lien	$ 53	$ 70,888	709	73 %	.4 %	1 %	3 %	4 %	13 %	79 %
Second lien	46	54,738	707	79	5.0	-	2	15	23	60
Total home equity nonaccrual loans	$ 99	$ 62,381	708	75	2.4	-	3	9	18	70
First quarter net charge-offs	$ 24					-	1 %	16 %	31 %	52 %
Net loan charge-offs to average loans	1.03 %									

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	$ 27	$ 22,946	748	32 %	.5 %	-	-	1 %	24 %	75 %
Second lien	600	25,657	731	82	32.8	-	-	2	40	58
Total home equity loans	$ 627	$ 25,527	731	80	31.4	-	-	1	40	59
Nonaccrual loans										
First lien	$ 1	$ 19,002	692	39 %	-	-	-	-	7 %	93 %
Second lien	12	28,648	702	84	35.6 %	-	-	2 %	39	59
Total home equity nonaccrual loans	$ 13	$ 28,039	701	83	34.1	-	-	2	37	61
First quarter net charge-offs	$ 14					-	-	-	49 %	51 %
Net loan charge-offs to average loans	8.78 %									

(a) Average LTVs are at origination. Current average LTVs for Community Bank total home equity loans and lines is approximately 79%, which compares to 76% at the end of the fourth quarter of 2010.

Exit Loan Portfolio

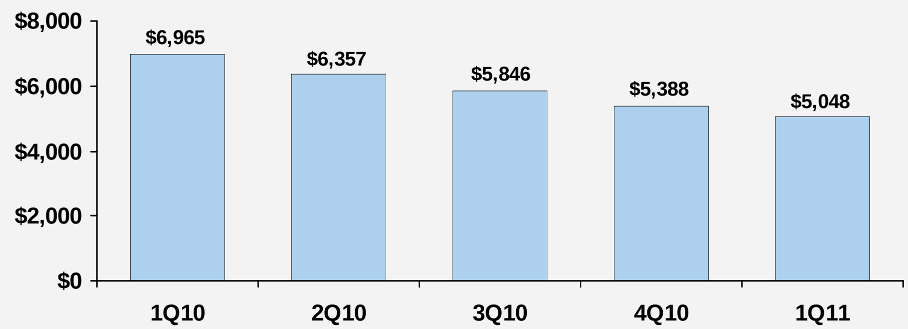
Exit Loan Portfolio

$ in millions

	Balance Outstanding		Change 3-31-11 vs.	Net Loan Charge-offs		Balance on Nonperforming Status	
	3-31-11	12-31-10	12-31-10	1Q11	4Q10	3-31-11	12-31-10
Residential properties – homebuilder	$87	$113	$(26)	$2	$16	$44	$66
Marine and RV floor plan	150	166	(16)	3	12	35	37
Commercial lease financing [a]	1,922	2,047	(125)	2	20	21	46
Total commercial loans	2,159	2,326	(167)	7	48	100	149
Home equity – Other	627	666	(39)	14	13	13	18
Marine	2,112	2,234	(122)	19	17	31	42
RV and other consumer	150	162	(12)	1	3	1	1
Total consumer loans	2,889	3,062	(173)	34	33	45	61
Total exit loans in loan portfolio	$5,048	$5,388	$(340)	$41	$81	$145	$210
Discontinued operations - education lending business (not included in exit loans above) [b]	$6,318	$6,466	$(148)	$35	$32	$22	$39

Exit Loan Portfolio Trend (Excluding Discontinued Operations)

$ in millions

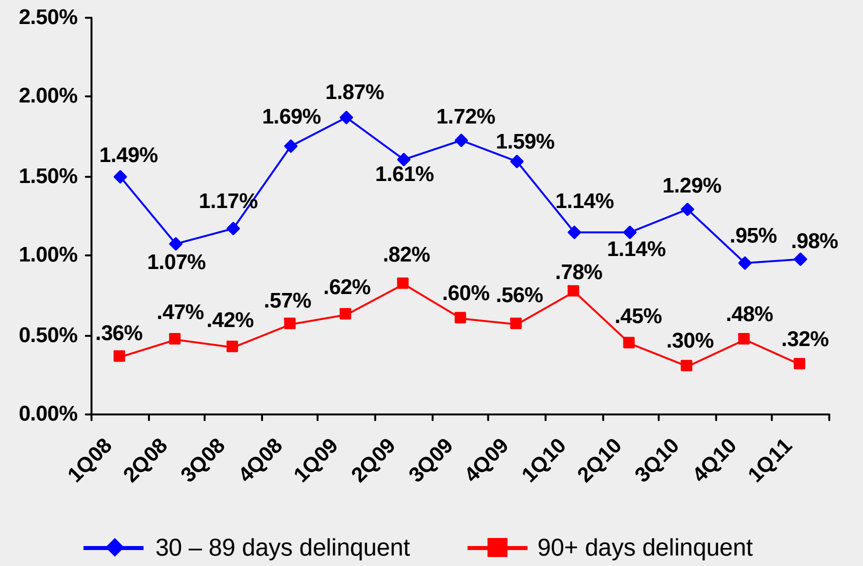


(a) Includes the business aviation, commercial vehicle, office products, construction and industrial leases, Canadian lease financing portfolios; and all remaining balances related to lease in, lease out; sale in, sale out; service contract leases; and qualified technological equipment leases.

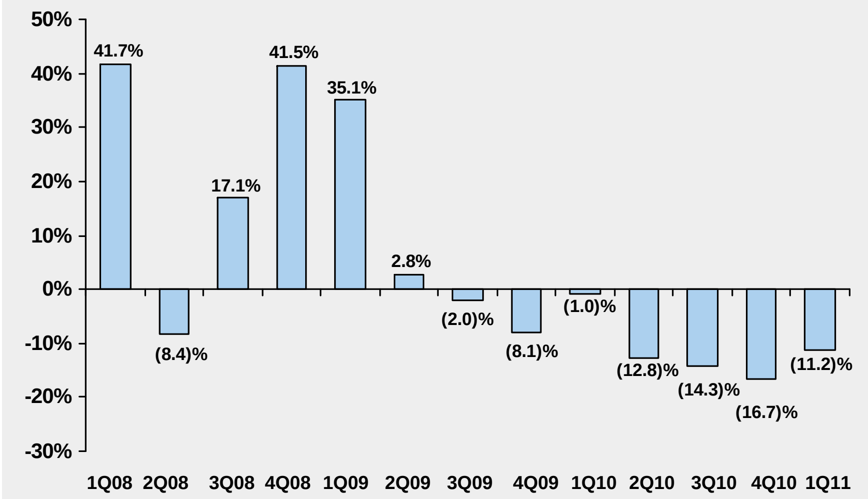
(b) Includes loans in Key's consolidated education loan securitization trusts.

Credit Quality Trends

Delinquencies to Period-end Total Loans



Quarterly Change in Criticized Outstandings [(a)]



(a) Loans and leases outstanding