Investor Meetings: February 2013

KeyCorp

Strong, Focused, Building Momentum

FORWARD-LOOKING STATEMENTS AND ADDITIONAL INFORMATION DISCLOSURE

This presentation contains and we may, from time to time, make 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, capital levels 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. Forward-looking statements usually can be identified by the use of words such as "goal," "objective," "plan," "expect," "anticipate," "intend," "project," "believe," "estimate" or other words of similar meaning.

Our forward-looking statements are subject to the following principal risks and uncertainties: the economic recovery may face challenges causing its momentum to falter or a further recession; the Dodd-Frank Wall Street Reform and Consumer Protection Act and other reforms will subject us to a variety of new and more stringent legal and regulatory requirements, including increased scrutiny from our regulators; changes in local, regional and international business, economic or political conditions in the regions where we operate or have significant assets; changes in trade, monetary and fiscal policies of various governmental bodies and central banks could affect the economic environment in which we operate; our ability to effectively deal with an economic slowdown or other economic or market difficulty; adverse changes in credit quality trends; our ability to determine accurate values of certain assets and liabilities; adverse behaviors in foreign exchange rates, securities, public debt, and capital markets, including changes in market liquidity and volatility; our ability to anticipate interest rate changes correctly and manage interest rate risk presented through unanticipated changes in our interest rate risk position and/or short- and long-term interest rates; unanticipated changes in our liquidity position, including but not limited to our ability to enter the financial markets to manage and respond to any changes to our liquidity position; adequacy of our risk management program; reduction of the credit ratings assigned to KeyCorp and KeyBank; increased competitive pressure due to industry consolidation; unanticipated adverse affects of acquisitions and dispositions of assets, business units or affiliates; and operational or risk management failures due to technological, cybersecurity threats or other factors.

We provide greater detail regarding some of these factors in our 2011 Form 10-K, including in Item 1A. Risk Factors and in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation under the heading "Risk Management," as well as in our subsequent SEC filings, all of which are accessible on our website at www.key.com/ir and on the SEC's website at www.sec.gov.

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. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance.

This presentation also includes certain Non-GAAP financial measures related to "tangible common equity, "Tier 1 common equity," "pre-provision net revenue," and "cash efficiency ratio." Management believes these ratios may assist investors, analysts and regulators in analyzing Key's financials. Although Key has procedures in place to ensure that these measures are calculated using the appropriate GAAP or regulatory components, they have limitations as analytical tools and should not be considered in isolation, or as a substitute for analysis of results under GAAP. For more information on these calculations and to view the reconciliations to the most comparable GAAP measures, please refer to the Appendix to this presentation or our most recent earnings press release, which is accessible at www.key.com/ir.

Web addresses referenced in this slide are inactive textual references only. Information on these websites is not part of this document.

2012 Investor Highlights

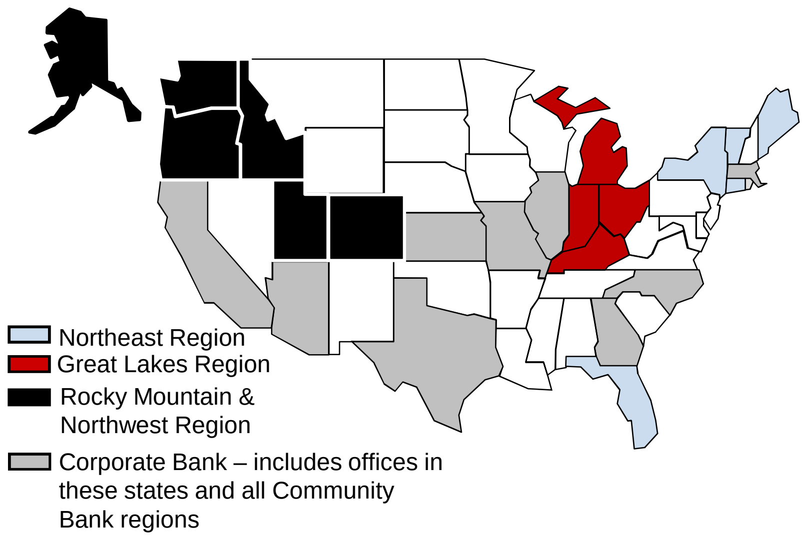
Optimize and Grow Revenue	▪ Increased revenue 4% from 2011 ▪ Improved net interest margin, up 24 bps in 4Q12 compared to the prior year ▪ Grew average C&I loans by 21% in 2012 ▪ Invested in growth opportunities: payments, healthcare and technology
Improve Efficiency	▪ Continued progress on efficiency initiatives; targeted savings of $150 million to $200 million by December 2013 ▪ Initiated next phase of branch positioning; 19 closures in 2012 ▪ Pursued opportunities to variablize cost base
Effectively Manage Capital	▪ Leveraged strong capital position for branch and credit card acquisitions ▪ Repurchased $256 million in common shares ▪ Increased quarterly dividend from $.03 to $.05 per common share ▪ Positioned for Basel III

Execution of strategy and differentiated business model driving results

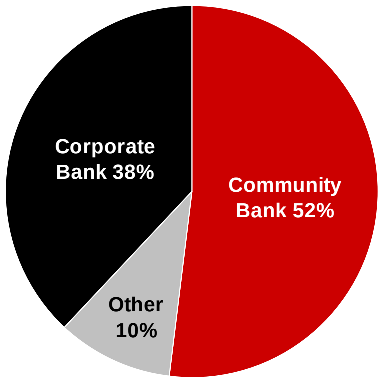
Key – An Overview

Key is a strong company that is well-positioned to leverage its distinctive capabilities

- **15th largest U.S. bank-based financial services company**
- **Assets: $89 billion**
- **Deposits: $66 billion**
- **Market capitalization: $8 billion**
- **Strong footprint with 1,088 branches, over 1,600 ATMs**
- **Approximately 2 million customers**
- **15,589 employees**



2012 Revenue (TE)



Data as of December 31, 2012
Ranking based on asset size
TE = Taxable equivalent

Distinctive, Relationship-Based Business Model

Combines local knowledge and decision making with deep industry expertise and advisory skills

Retail Banking

Private Banking

Investments

Commercial Banking

Community Bank

One Bank
One Team
One Key

Loans & Leases

Deposits

Treasury Management

Corporate Bank

Industry Expertise

Financial Advisory

Capital Markets

Investment Banking

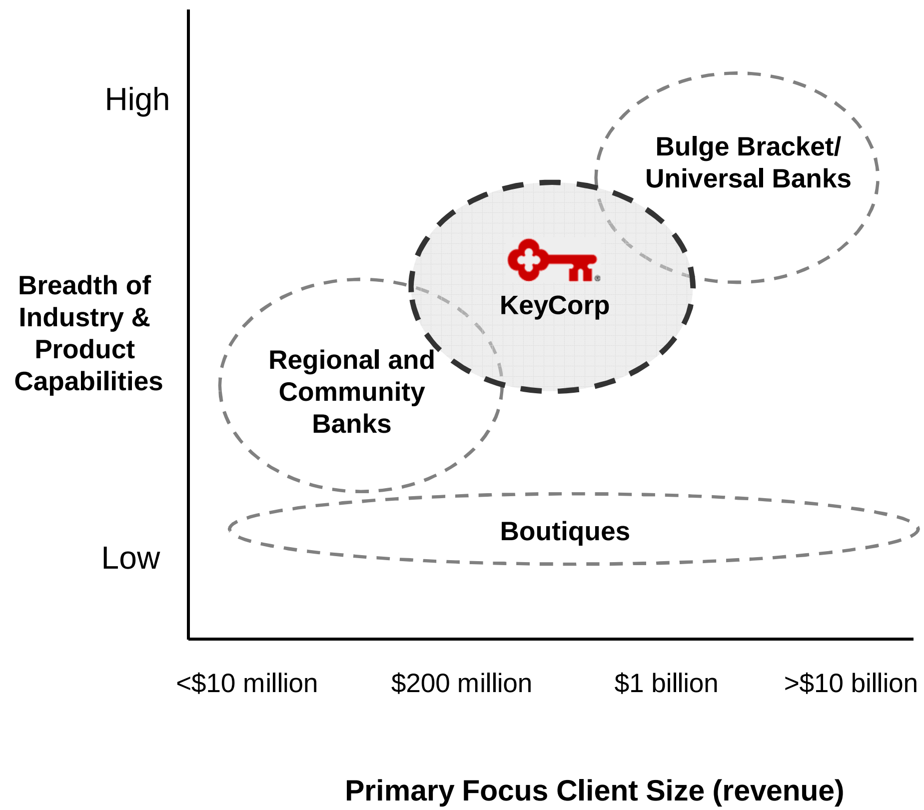
Targeted Industries

Industrial	Healthcare	Energy	Consumer	Real Estate	Public Sector

Competitive Advantage

Community and Corporate Bank Business Continuum

- Combining local knowledge and service with specialized expertise and industry knowledge
- Distinctive capabilities in the middle market and targeted industries
- Unique go-to-market alignment of Community and Corporate Bank
- Broadest range of products and expertise delivered with local authority



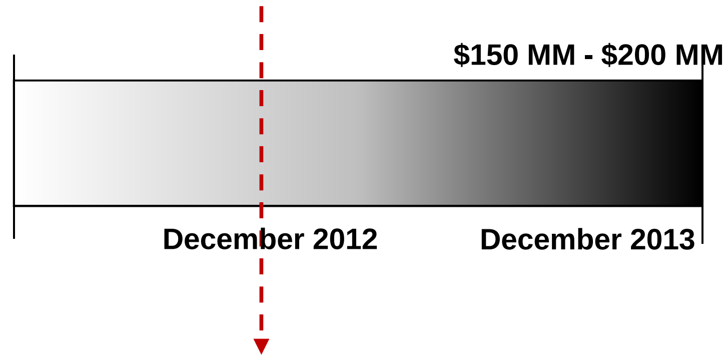
Progress with Efficiency Initiatives

Progress	Goal

Progress

- Distribution efficiencies
  - Branch rationalization
  - District consolidation
  - Streamlining sales and support
- Back office re-engineering
  - Strategic sourcing
  - Shared services reorganization
  - Platform efficiencies
  - Process re-design
- Spend management
  - Vendor consolidation and management
  - Demand management

Goal



- Achieved $60 million in annualized expense savings in 2012, exceeding the original goal set for the year
- Full benefit of $150 million to $200 million in reductions to be realized in 2014

Fulfilling client needs and delivering solutions in the most efficient way

Investing for Growth

Identifying specific growth opportunities across our franchise

	Payments	Franchise	Technology
Opportunity	• Provide bundled solutions that create value across business segments • Leverage strong service culture to expand existing and drive new client relationships	• Optimize network and channels to maximize client, franchise and shareholder value • Enhance and leverage business alignment	• Drive technology enhancements that promote efficiency and effectiveness • Advance technological capabilities in support of business and compliance needs
Strategic Actions	• Acquired Key-branded credit card portfolio • Beginning self-issuance of cards • Executing new merchant services arrangement • Enhancing client information and reporting	• Acquired western NY branches • Rationalizing branch network • Selectively investing in priority markets and industry segments • Coordinating Healthcare focus across Key to expand presence with facilities-based providers	• Investing in online and mobile capabilities • Enhancing sales and service tools • Maintaining image-enabled infrastructure to support efficiency and client preferences • Developing efficient solutions to comply with new regulations

Leveraging Strong Capital

Disciplined capital management drives shareholder value

Organic Growth
Investing in our franchise

Dividends
Maintained quarterly cash dividend of $.05 per common share

Share Repurchases
Repurchased $256 million in common shares in 2012

Opportunistic Growth
Acquisition of 37 branches in western NY
Acquired credit card portfolio; began self-issuance

Maximizing Shareholder Value

Financial Review

Financial Summary – Fourth Quarter 2012

	Metrics	4Q12	3Q12	4Q11
Financial Performance (a)	Income from continuing operations attributable to Key common shareholders	$.21	$.23	$.21
	Net interest margin (TE)	3.37%	3.23%	3.13%
	Return on average total assets	.97	1.08	1.01
Capital (b)	Tier 1 common equity (c), (d)	11.2%	11.3%	11.3%
	Tier 1 risk-based capital (c)	11.9	12.1	13.0
	Tangible common equity to tangible assets (d)	10.2	10.4	9.9
	Book value per common share	$10.78	$10.64	$10.09
Asset Quality (a)	Net loan charge-offs to average loans	.44%	.86%	.86%
	NPLs to EOP portfolio loans	1.28	1.27	1.47
	NPAs to EOP portfolio loans + OREO + Other NPAs	1.39	1.39	1.73
	Allowance for loan losses to period-end loans	1.68	1.73	2.03
	Allowance for loan losses to NPLs	131.8	136.0	138.1

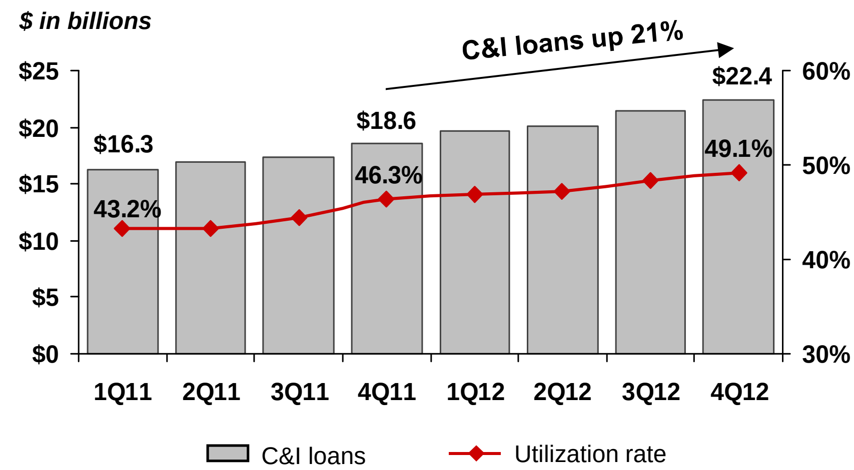
TE = Taxable equivalent, EOP = End of Period
(a) From continuing operations
(b) From consolidated operations
(c) 12-31-12 ratios are estimated
(d) Non-GAAP measure: see Appendix for reconciliation

Loan Growth

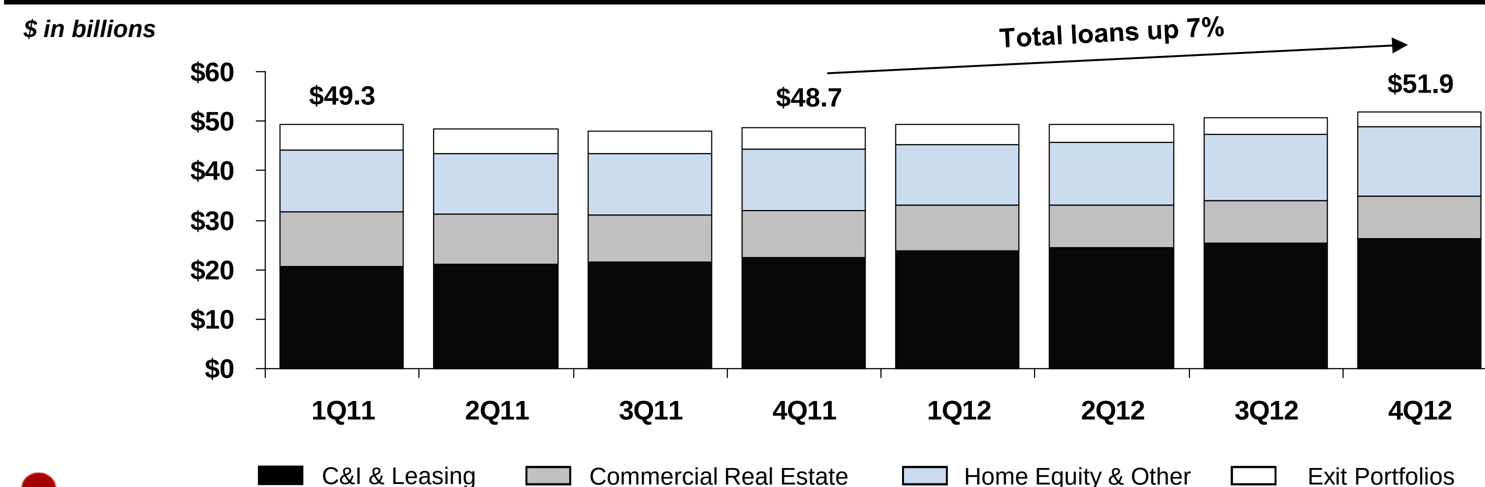
Highlights

- **Average loan growth driven by C&I, while the exit portfolio continues to run-off**
- **Branch and credit card portfolio acquisitions contributed $1 billion to 4Q12 average loans**
- **Originated $10.2 billion in new or renewed lending commitments during 4Q12 and $37.8 billion for 2012**
- **C&I commitment utilization increased to 49.1%**

Average Commercial & Industrial Loans



Average Loans

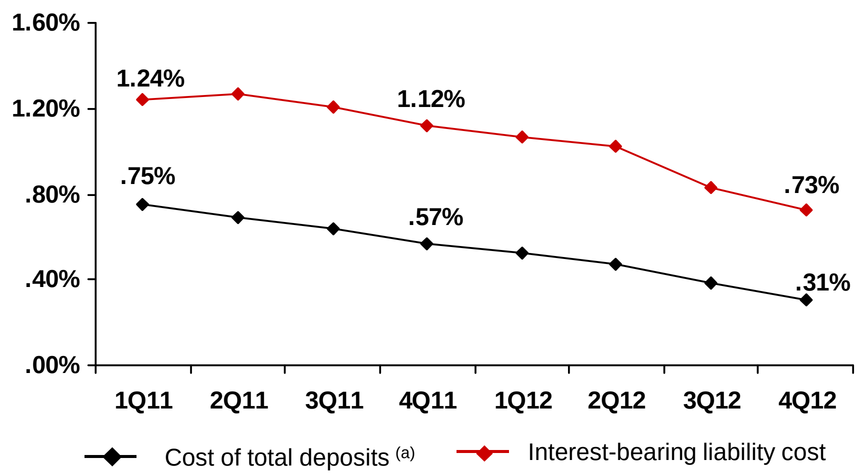


Improving Deposit Mix

Highlights

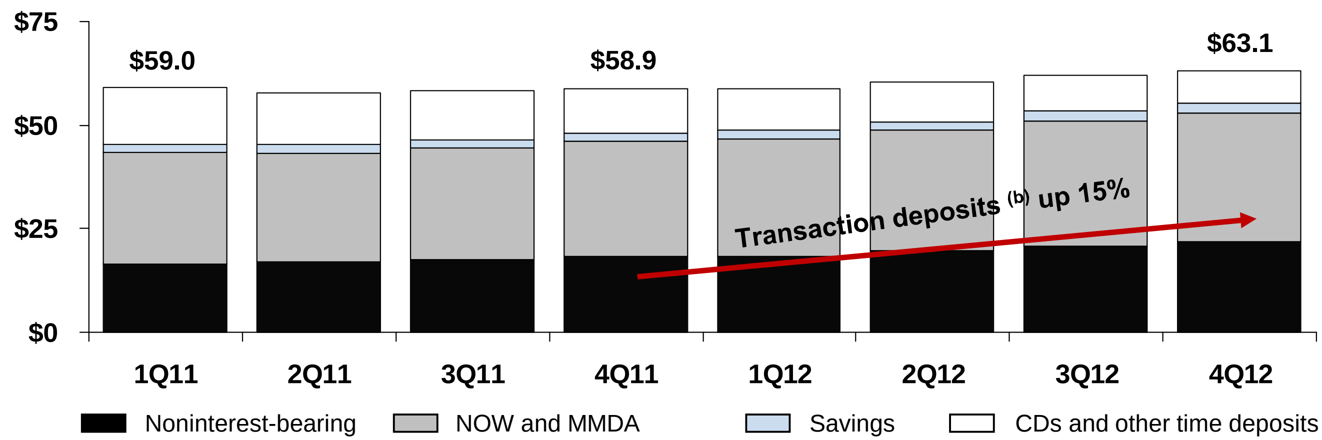
- Overall funding cost continues to improve, with total deposit cost declining to 31 bps
- Branch acquisition contributed $2 billion to 4Q12 average deposit balances
- Total CD maturities and average cost
  - 2013: $5.0 billion at 1.20%
  - 2014: $1.6 billion at 2.63%
  - 2015 & beyond: $.9 billion at 3.06%

Funding Cost



Average Deposits (a)

$ in billions



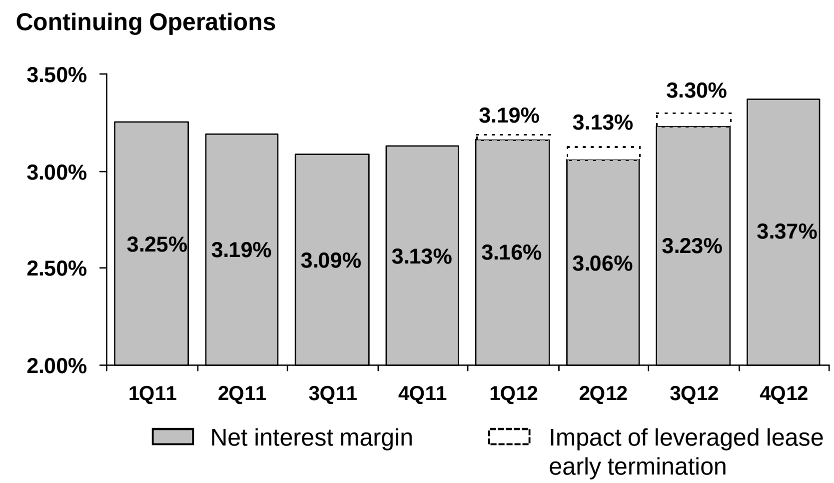
(a) Excludes deposits in foreign office
(b) Transaction deposits include noninterest-bearing, NOW, and MMDA

Total Revenue

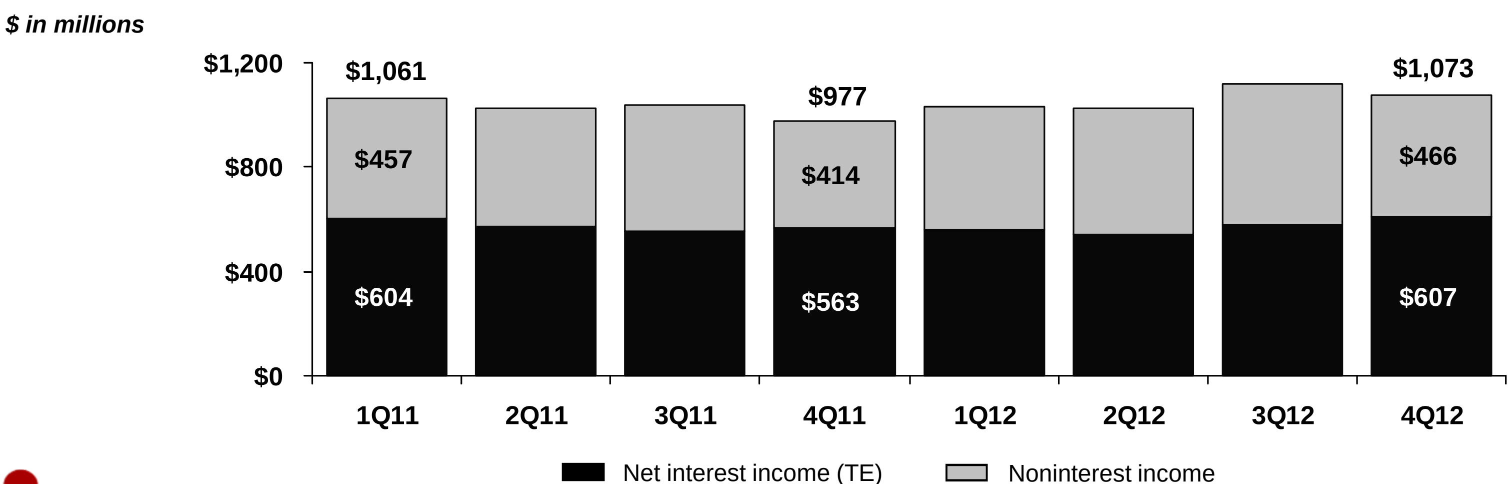
Highlights

- Net interest income increased
  - Net interest margin up 14 bps from 3Q12 and up 24 bps from 4Q11
  - Benefit from improved funding mix and loan growth
- Strong noninterest income
  - Up $52 million, 12.6%, from 4Q11
  - Down from prior quarter due to 3Q12 gains
  - Gains from loan sales reflect higher CRE mortgage banking activity

Net Interest Margin (TE) Trend



Total Revenue Mix



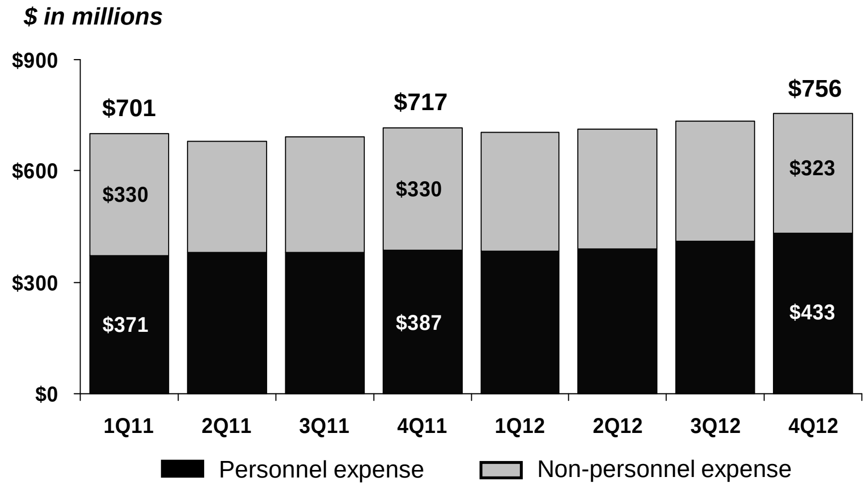
TE = Taxable equivalent

Focused Expense Management

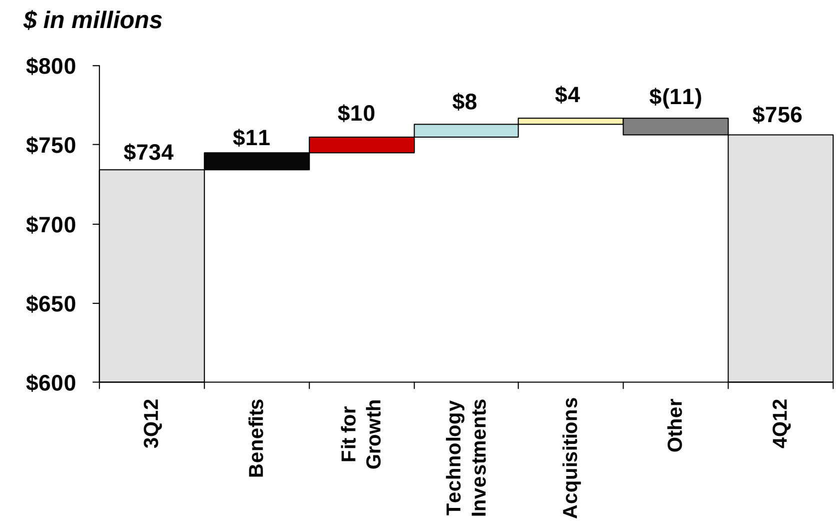
Highlights

- **Expenses elevated from prior year, driven by:**
  - Acquisitions
  - Technology investments
  - Efficiency initiatives (Fit for Growth)
  - Employee benefits
- **Acquisition of branches and the credit card portfolio contributed $30 million to 4Q12 expense**
- **Fit for Growth initiatives contributed $16 million to 4Q12 expense**
- **Approximately $60 million in annualized expense run rate savings realized in 2012**
- **On target for $150 million to $200 million in expense reductions by December 2013, with full-year impact expected in 2014**

Noninterest Expense



Q-o-Q Change in Noninterest Expense (a)



(a) Includes ongoing, onetime and amortization expenses

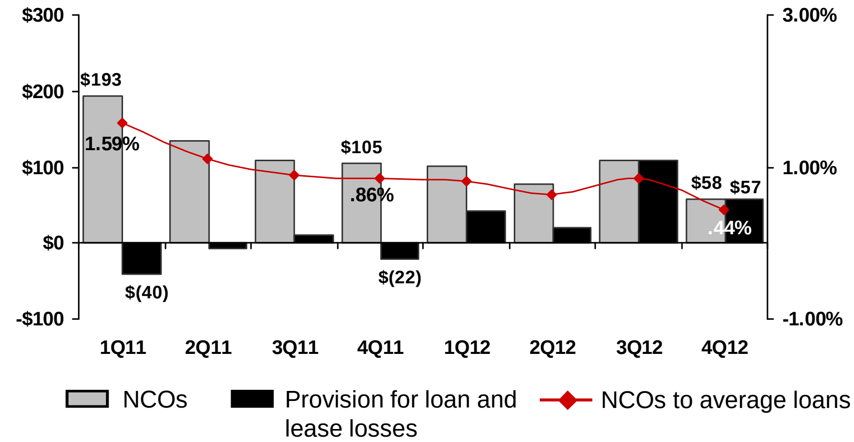
Continued Improvement in Asset Quality

Highlights

- Net loan charge-offs decreased $51 million from elevated 3Q12
- Net charge-offs to average loans of 44 bps, within targeted range of 40 bps – 60 bps
- Asset quality reaching normalized levels, with net charge-offs expected to remain within targeted range

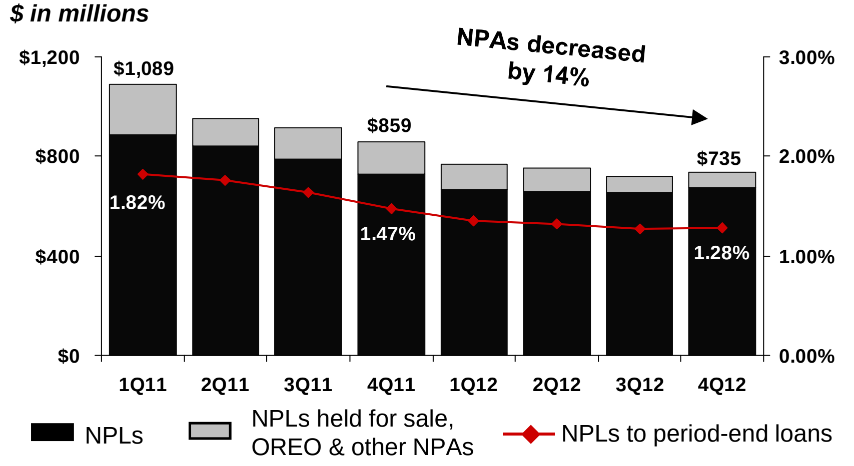
Net Charge-offs & Provision for Loan and Lease Losses

$ in millions



Nonperforming Assets

$ in millions

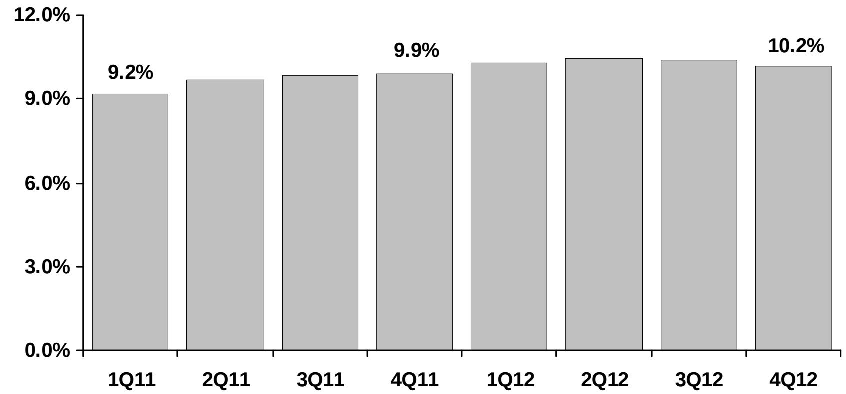


Strong Capital Ratios

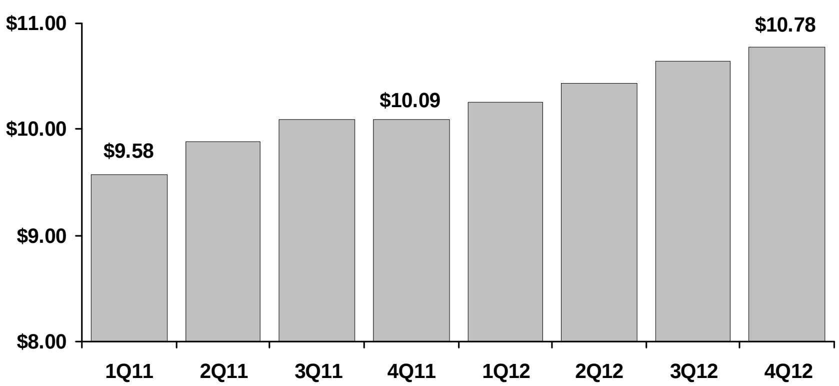
Highlights

- Strong capital position supports growth
- Disciplined capital management process
  - Repurchased $89 million in common shares during 4Q12; $256 million YTD
  - Remaining repurchase authority of up to $88 million
- Estimated Basel III tier 1 common equity ratio of 10.2%(a), (b)

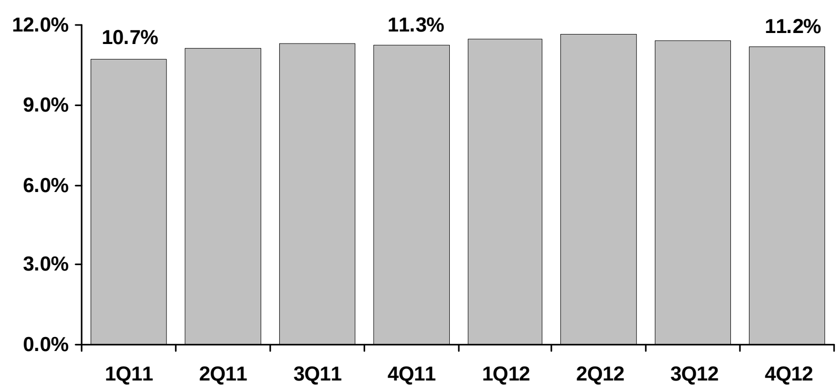
Tangible Common Equity to Tangible Assets (b)



Book Value per Share



Tier 1 Common Equity (b), (c)



(a) Based upon December 31, 2012 pro forma analysis; see Appendix for further detail
(b) Non-GAAP measure: see Appendix for reconciliations
(c) 12-31-12 ratio is estimated

Appendix

Progress on Targets for Success

KEY Business Model	KEY Metrics [a]	KEY 4Q12	KEY 2012	Targets	Action Plans
Core funded	Loan to deposit ratio [b]	86%	86%	90-100%	▪ Leverage integrated model to grow relationships and loans ▪ Improve deposit mix
Returning to a moderate risk profile	NCOs to average loans	.44%	.69%	40-60 bps	▪ Focus on relationship clients ▪ Exit noncore portfolios ▪ Limit concentrations ▪ Focus on risk-adjusted returns
	Provision to average loans	.44%	.45 %		
Growing high quality, diverse revenue streams	Net interest margin	3.37%	3.21%	>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%	46%	>40%	
Creating positive operating leverage	Cash efficiency ratio [c]	69%	68%	60-65%	▪ Improve efficiency and effectiveness ▪ Leverage technology ▪ Change cost base to more variable from fixed
Executing our strategies	Return on average assets	.97%	1.05%	1.00-1.25%	▪ Execute our client insight-driven relationship model ▪ Focus on operating leverage ▪ Improved funding mix with lower cost core deposits

(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)
(c) Excludes intangible asset amortization; Non-GAAP measure: see Appendix for reconciliation

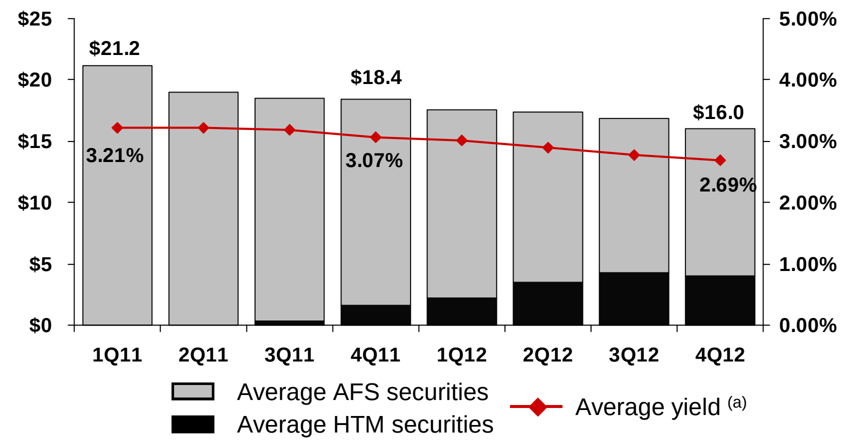
High Quality Investment Portfolio

Highlights

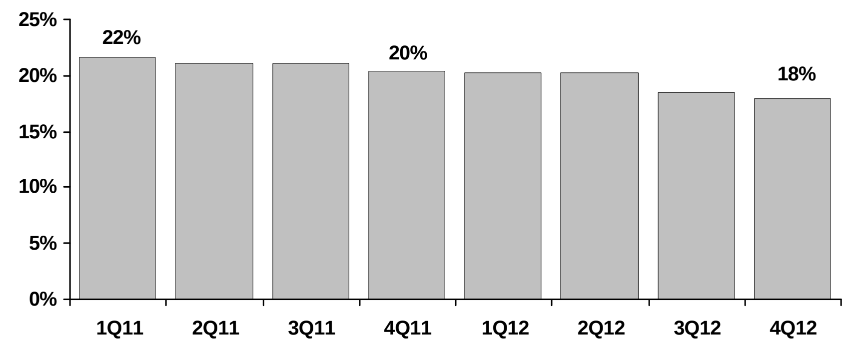
- Portfolio composed of Agency or GSE backed: GNMA, Fannie & Freddie
  - No private label MBS or financial paper
- Average portfolio life at 12/31/12: 2.4 years
- Unrealized net gain of $366 million on available-for-sale securities portfolio at 12/31/12
- Mortgage cash flows of $1.6 billion in 4Q12 and 3Q12
- Investment securities declined as cash flows funded loan growth and acquired assets

Average Total Investment Securities

$ in billions



Securities to Total Assets (b)



(a) Yield is calculated on the basis of amortized cost
(b) 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 [b] / average loans		Nonperforming loans [c]		Ending allowance [d]	Allowance / period-end loans [d]	Allowance / NPLs
	12/31/12	4Q12	4Q12	3Q12	4Q12	3Q12	12/31/12	9/30/12	12/31/12	12/31/12	12/31/12
Commercial, financial and agricultural [a]	$23,242	$22,436	$(8)	$7	*(.14) %*	*.13 %*	$99	$132	$327	*1.41 %*	*330.30 %*
Commercial real estate:											
Commercial mortgage	7,720	7,555	28	21	*1.47*	*1.12*	120	134	198	*2.56*	*165.00*
Construction	1,003	1,070	3	2	*1.12*	*.71*	56	53	41	*4.09*	*73.21*
Commercial lease financing	4,915	4,869	3	(8)	*.25*	*(.63)*	16	18	55	*1.12*	*343.75*
Real estate - residential mortgage [e]	2,174	2,164	7	6	*1.29*	*1.14*	103	83	29	*1.33*	*28.16*
Home equity:											
Key Community Bank [e]	9,816	9,807	(18)	62	*(.73)*	*2.53*	210	171	105	*1.07*	*50.00*
Other [e]	423	411	11	5	*10.65*	*4.25*	21	18	25	*5.91*	*119.05*
Consumer other— Key Community Bank	1,349	1,339	8	7	*2.38*	*2.15*	2	3	38	*2.82*	*N/M*
Credit cards	729	714	9	2	*5.01*	*1.84*	11	8	27	*3.70*	*245.45*
Consumer other:											
Marine [e]	1,358	1,403	14	6	*3.97*	*1.60*	34	31	39	*2.87*	*114.71*
Other [e]	93	91	1	(1)	*4.37*	*(3.94)*	2	2	4	*4.30*	*200.00*
Continuing total [f]	**$52,822**	**$51,859**	**$58**	**$109**	***.44 %***	***.86 %***	**$674**	**$653**	**$888**	***1.68 %***	***131.75 %***
Discontinued operations - education lending business	5,201	5,263	15	12	*2.12*	*1.67*	20	22	55	*1.06*	*275.00*
Consolidated total	**$58,023**	**$57,122**	**$73**	**$121**	***.53 %***	***.90 %***	**$694**	**$675**	**$943**	***1.63 %***	***135.88 %***

N/M = Not Meaningful

(a) Ending and average loans for fourth quarter 2012 include commercial credit card balances of $90 million each

(b) Net loan 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

(c) 12-31-12 and 9-30-12 NPL amounts exclude $23 million and $25 million respectively of purchased credit impaired loans acquired in July 2012.

(d) 12-31-12 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

(e) Further review of the loans subject to updated regulatory guidance in the third quarter of 2012 was performed during the fourth quarter of 2012. This review resulted in a partial home equity loan charge-off reversal and reallocation of the updated charge-off amounts to other consumer loan portfolios. Home equity — Key Community Bank charge-offs were $18 million prior to adjustments made from this review. Prior to reallocation, Real estate — residential mortgage, Home equity — Other, Consumer other — Marine, and Consumer other — Other charge-offs were $3 million, $6 million, $11 million, and $1 million, respectively

(f) 12-31-12 ending loans include purchased loans of $217 million of which $23 million were purchased credit impaired.

Home Equity Loans – 12/31/12

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) 2011 and later	2010	2009	2008	2007 and prior
Home equity loans and lines										
First lien	$ 5,364	$ 63,796	758	66 %	.6 %	33 %	5 %	6 %	9 %	47 %
Second lien	4,452	47,201	756	75	2.9	23	5	5	15	52
Total home equity loans and lines	$ 9,816	$ 55,022	757	70	1.8	28	5	6	12	49
Nonaccrual loans										
First lien	$ 105	$ 60,837	713	73 %	1.0 %	3 %	4 %	5 %	4 %	84 %
Second lien	105	47,854	713	78	3.0	1	2	3	15	79
Total home equity nonaccrual loans	$ 210	$ 53,579	713	75	1.8	2	2	4	10	82
Community Bank - Home Equity										
Fourth quarter net charge-offs	$ (18)					-	-	4 %	16 %	80 %
Net loan charge-offs to average loans	(.73) %									

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) 2011 and later	2010	2009	2008	2007 and prior
Home equity loans and lines										
First lien	$ 19	$ 22,803	745	34 %	.3 %	-	-	2 %	1 %	97 %
Second lien	404	23,817	730	82	32.2	-	-	-	2	98
Total home equity loans and lines	$ 423	$ 23,769	730	80	30.7	-	-	-	2	98
Nonaccrual loans										
First lien	$ 1	$ 25,840	716	41 %	- %	-	-	-	-	100 %
Second lien	20	25,676	707	83	35.1	-	-	-	2 %	98
Total home equity nonaccrual loans	$ 21	$ 25,684	707	81	33.5	-	-	-	2	98
Exit Portfolio - Home Equity										
Fourth quarter net charge-offs	$ 11					-	-	-	2 %	98 %
Net loan charge-offs to average loans	10.65 %									

(a) Average LTVs are at origination. Current average LTVs for Community Bank total home equity loans and lines is approximately 77%, which compares to 79% at the end of the third quarter 2012.

Exit Loan Portfolio

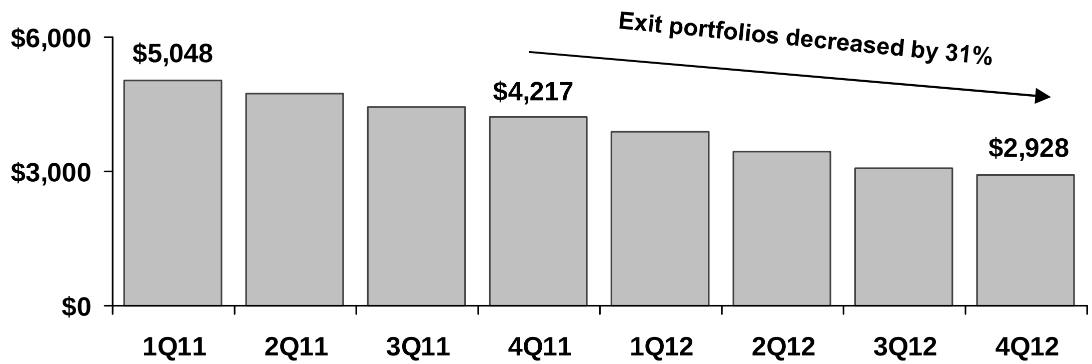
Exit Loan Portfolio

$ in millions

	Balance Outstanding		Change 12-31-12 vs.	Net Loan Charge-offs		Balance on Nonperforming Status	
	12-31-12	9-30-12	9-30-12	4Q12	3Q12[c]	12-31-12	9-30-12
Residential properties – homebuilder	$24	$31	$(7)	$1	-	$10	$6
Marine and RV floor plan	33	35	(2)	-	$(1)	10	12
Commercial lease financing [a]	997	1,035	(38)	-	(3)	6	8
Total commercial loans	1,054	1,101	(47)	1	(4)	26	26
Home equity – Other	423	409[d]	14	11	5	21	18
Marine	1,358	1,448	(90)	14	6	34	31
RV and other consumer	93	98	(5)	1	(1)	2	2
Total consumer loans	1,874	1,955	(81)	26	10	57	51
Total exit loans in loan portfolio	$2,928	$3,056	$(128)	$27	$6	$83	$77
Discontinued operations - education lending business (not included in exit loans above) [b]	$5,201	$5,328	$(127)	$15	$12	$20	$22

Exit Loan Portfolio Trend (Excluding Discontinued Operations)

$ in millions



(a) Includes (1) the business aviation, commercial vehicle, office products, construction and industrial leases; (2) Canadian lease financing portfolios; and (3) all remaining balances related to lease in, lease out; sale in, lease out; service contract leases; and qualified technological equipment leases

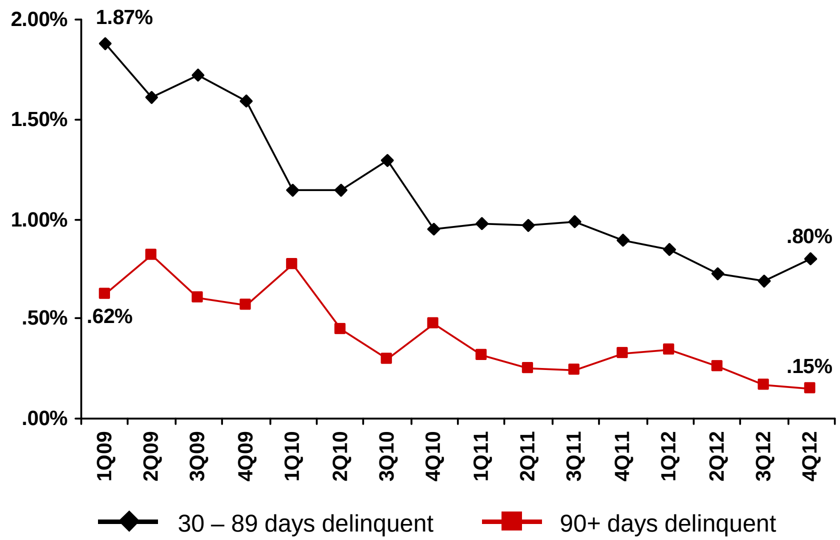
(b) Includes loans in Key's consolidated education loan securitization trusts

(c) Credit amounts indicate recoveries exceeded charge-offs

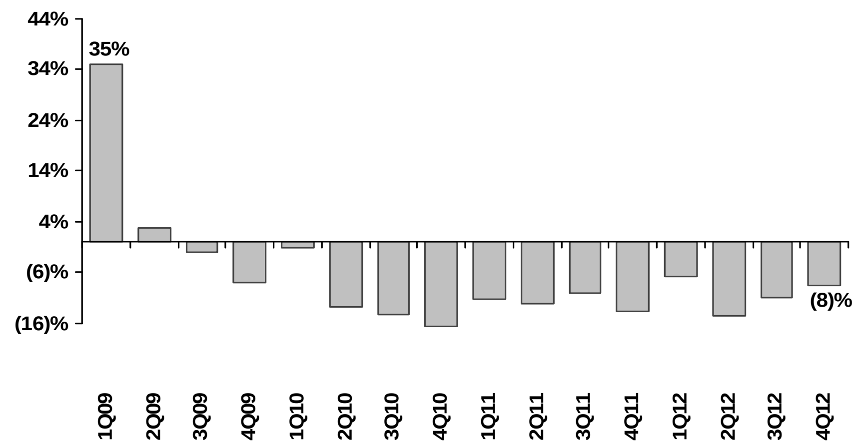
(d) This loan category was impacted by the $45 million in net loan charge-offs taken in the third quarter of 2012 related to the updated regulatory guidance. During the fourth quarter of 2012, updated charge-off amounts were reallocated to other loan categories. This amount would have been $454 million exclusive of the above-referenced net loan charge-offs at September 30, 2012

Credit Quality Trends

Delinquencies to Period-end Total Loans



Quarterly Change in Criticized Outstandings (a)



(a) Loan and Lease Outstandings

GAAP to Non-GAAP Reconciliation

$ in millions

	Three months ended		
	12-31-12	**9-30-12**	**12-31-11**
Tangible common equity to tangible assets at period end			
Key shareholders' equity (GAAP)	**$ 10,271**	$ 10,251	$ 9,905
Less: Intangible assets [(a)]	**1,027**	1,031	934
Preferred Stock, Series A	**291**	291	291
Tangible common equity (non-GAAP)	**$ 8,953**	$ 8,929	$ 8,680
Total assets (GAAP)	**$ 89,236**	$ 86,950	$ 88,785
Less: Intangible assets [(a)]	**1,027**	1,031	934
Tangible assets (non-GAAP)	**$ 88,209**	$ 85,919	$ 87,851
Tangible common equity to tangible assets ratio (non-GAAP)	**10.15 %**	10.39 %	9.88 %
Tier 1 common equity at period end			
Key shareholders' equity (GAAP)	**$ 10,271**	$ 10,251	$ 9,905
Qualifying capital securities	**339**	339	1,046
Less: Goodwill	**979**	979	917
Accumulated other comprehensive income (loss) [(b)]	**(172)**	(109)	(72)
Other assets [(c)]	**117**	121	72
Total Tier 1 capital (regulatory)	**9,686**	9,599	10,034
Less: Qualifying capital securities	**339**	339	1,046
Preferred Stock, Series A	**291**	291	291
Total Tier 1 common equity (non-GAAP)	**$ 9,056**	$ 8,969	$ 8,697
Net risk-weighted assets (regulatory) [(c), (d)]	**$ 81,150**	$ 79,363	$ 77,214
Tier 1 common equity ratio (non-GAAP) [(d)]	**11.16 %**	11.30 %	11.26 %
Pre-provision net revenue			
Net interest income (GAAP)	**$ 601**	$ 572	$ 557
Plus: Taxable-equivalent adjustment	**6**	6	6
Noninterest income	**466**	544	414
Less: Noninterest expense	**756**	734	717
Pre-provision net revenue from continuing operations (non-GAAP)	**$ 317**	$ 388	$ 260

(a) Three months ended December 31, 2012 and September 30, 2012 exclude $123 million and $130 million, respectively, of period end purchased credit card receivable intangible assets. Three months ended December 31, 2012 and September 30, 2012 exclude $126 million and $86 million, respectively, of average ending purchased credit card receivable intangible assets

(b) Includes net unrealized gains or losses on securities available for sale (except for net unrealized losses on marketable equity securities), net gains or losses on cash flow hedges, and amounts resulting from the application of the applicable accounting guidance for defined benefit and other postretirement plans

(c) Other assets deducted from Tier 1 capital and net risk-weighted assets consist of disallowed intangible assets (excluding goodwill) and deductible portions of nonfinancial equity investments. There were no disallowed deferred tax assets at December 31, 2012, September 30, 2012, and December 31, 2011

(d) 12-31-12 amount is estimated

GAAP to Non-GAAP Reconciliation (continued)

$ in millions

	Three months ended 12-31-12	9-30-12	12-31-11
Average tangible common equity			
Average Key shareholders' equity (GAAP)	**$ 10,261**	$ 10,222	$ 9,943
Less: Intangible assets (average) (a)	**1,030**	1,026	934
Preferred Stock, Series A (average)	**291**	291	291
Average tangible common equity (non-GAAP)	**$ 8,940**	$ 8,905	$ 8,718
Return on average tangible common equity from continuing operations			
Net income (loss) from continuing operations attributable to Key common shareholders (GAAP)	**$ 193**	$ 214	$ 201
Average tangible common equity (non-GAAP)	**8,940**	8,905	8,718
Return on average tangible common equity from continuing operations (non-GAAP)	**8.59 %**	9.56 %	9.15 %
Return on average tangible common equity consolidated			
Net income (loss) attributable to Key common shareholders (GAAP)	**$ 197**	$ 214	$ 194
Average tangible common equity (non-GAAP)	**8,940**	8,905	8,718
Return on average tangible common equity consolidated (non-GAAP)	**8.77 %**	9.56 %	8.83 %
Cash efficiency ratio			
Noninterest expense (GAAP)	**$ 756**	$ 734	$ 717
Less: Intangible asset amortization on credit cards	**8**	6	—
Other intangible asset amortization	**4**	3	1
Adjusted noninterest expense (non-GAAP)	**$ 744**	$ 725	$ 716
Net interest income (GAAP)	**$ 601**	$ 572	$ 557
Plus: Taxable-equivalent adjustment	**6**	6	6
Noninterest income	**466**	544	414
Total taxable-equivalent revenue (non-GAAP)	**$ 1,073**	$ 1,122	$ 977
Cash efficiency ratio (non-GAAP)	**69.34 %**	64.62 %	73.29 %

Cash efficiency ratio	**Year ended 12-31-12**
Noninterest expense (GAAP)	**$ 2,907**
Less: Intangible asset amortization on credit cards	**14**
Other intangible asset amortization	**9**
Adjusted noninterest expense (non-GAAP)	**$ 2,884**
Net interest income (GAAP)	**$ 2,264**
Plus: Taxable-equivalent adjustment	**24**
Noninterest income	**1,967**
Total taxable-equivalent revenue (non-GAAP)	**$ 4,255**
Cash efficiency ratio (non-GAAP)	**67.78 %**

(a) Three months ended December 31, 2012 and September 30, 2012 exclude $123 million and $130 million, respectively, of period end purchased credit card receivable intangible assets. Three months ended December 31, 2012 and September 30, 2012 exclude $126 million and $86 million, respectively, of average ending purchased credit card receivable intangible assets

Tier 1 Common Equity under Basel III (estimated)

KeyCorp & Subsidiaries

TIER 1 COMMON EQUITY UNDER BASEL III (ESTIMATES) [a]

$ in billions	Quarter ended Dec 31, 2012
Tier 1 Common Equity under Basel I	$9.1
Adjustments from Basel I to Basel III:	
Cumulative Other Comprehensive Income [b]	(0.2)
Deferred Tax Assets [c]	(0.1)
Tier 1 common equity anticipated under Basel III [d]	$8.8
Total risk-weighted assets under Basel I	$81.1
Adjustments from Basel I to Basel III:	
Market Risk Impact	1.2
Loan Commitments < 1 Year	1.0
Residential Mortgage Loans & Home Equity	1.9
Other	1.2
Total risk-weighted assets under Basel III	$86.4
Tier 1 common equity to total risk-weighted assets anticipated under Basel III	10.17%

(a) Tier 1 common equity is a non-generally accepted accounting principle (GAAP) financial measure that is used by investors, analysis and bank regulatory agencies to assess the capital position of financial services companies. Management reviews Tier 1 common equity along with other measures of capital as part of its financial analyses

(b) Includes AFS mark-to-market, cash flow hedges on items recognized at fair value on the balance sheet, and defined benefit pension liability

(c) Deferred tax asset subject to future taxable income for realization, primarily tax credit carryforwards

(d) The amount of regulatory capital and risk-weighted assets estimated under Basel III (as fully phased-in on January 1, 2019) is based upon the federal banking agencies' notices of proposed rulemaking, which implement Basel III and the Standardized Approach