Citi 2013 US Financial Services Conference

KeyCorp

Focused Forward

Beth E. Mooney
Chairman and
Chief Executive Officer

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: continued strain on the global financial markets as a result of economic slowdowns and concerns; the slow progress of the U.S. economic recovery; changes in trade, monetary and fiscal policies of various governmental bodies and central banks in the economies in which we operate; 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; changes in local, regional and international business, economic or political conditions in the regions where we operate or have significant assets; current regulatory initiatives in the U.S., including the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended, subjecting us to a variety of new and more stringent legal and regulatory requirements and increased scrutiny from our regulators; the deterioration of unemployment or real estate asset values or their failure to recover for an extended period of time; adverse changes in credit quality trends; our ability to determine accurate values of certain assets and liabilities; adverse behaviors in securities, public debt, and capital markets, including changes in market liquidity and volatility; 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; the soundness of other financial institutions; our ability to satisfy new capital and liquidity standards such as those imposed by the Dodd-Frank Act and those adopted by the Basel Committee; our ability to receive dividends from our subsidiary, KeyBank; reductions of the credit ratings assigned to KeyCorp and KeyBank; unexpected or prolonged changes in the level or cost of liquidity; our ability to secure alternative funding sources under stressed liquidity conditions; our ability to timely and effectively implement our strategic initiatives; operational or risk management failures; breaches of security or failures of our technology systems due to technological, cybersecurity threats or other factors; the occurrence of natural or man-made disasters or conflicts or terrorist attacks disrupting the economy or our ability to operate; the adequacy of our risk management programs; adverse judicial proceedings; increased competitive pressure due to consolidation; our ability to attract and/or retain talented executives and employees; our ability to effectively sell additional products or services to new or existing customers; our ability to manage our reputational risks; unanticipated adverse effects of acquisitions and dispositions of assets, business units or affiliates.

We provide greater detail regarding some of these factors in our 2012 Form 10-K, including in the section "Supervision and Regulation" in Item 1. Business, 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.

Delivering Results, Focused Forward

	2010	2011	2012	2013
	Strengthening Company and Developing Strategy	Implementing Strategy and Growing the Business	Enhancing Growth Trajectory and Managing Capital Position	Continued Focus on Strategic Priorities
Focus	Risk Profile	Loan Growth	Revenue & NIM	Operating & Capital Efficiency
Key Actions	▪ Addressed risk profile and credit quality ▪ Became core-funded ▪ Targeted client segments ▪ Identified industry verticals	▪ New CEO ▪ Reached inflection point in loan growth ▪ Repaid TARP ▪ Continued credit improvement ▪ Reduced exit portfolio	▪ Grew revenue and increased fees ▪ Strong C&I loan growth ▪ Improved funding cost ▪ Achieved targeted range for NCOs ▪ Launched efficiency initiative ▪ Acquired credit card portfolio and branches in Western New York ▪ Increased dividend and repurchased shares	▪ Achieve efficiency target by 1Q14 ▪ Continue revenue momentum ▪ Execute on relationship strategy – Acquire clients and expand – Leverage distinctive capabilities ▪ Disciplined capital management

Balanced, Diverse Franchise

Our footprint provides growth opportunities throughout our franchise — it also balances our risk over the course of the economic cycle

Business model features local leaders owning their markets to build enduring client relationships across all business segments

Western Markets

Growing, attractive population demographics [(a)]

- Median age: 35
- Population growth: 6% by 2016 [(b)]
- Investable assets within 20-mile radius of a Key Private Bank office: $0.9 trillion

Industry opportunities

- Consumer/retail; healthcare; construction; information/technology

Corporate Bank

- Attractive opportunities
- Growing and penetrating markets

Community Bank

- Expanding presence in high growth market
- Branch investment: 70 denovos or relocations since 2009
- 45% of loan balances; 34% of deposit balances [(c)]

Eastern Markets

Older population with established wealth [(a)]

- Median age: 39
- Population growth: 1% by 2016 [(b)]
- Investable assets within 20-mile radius of a Key Private Bank office: $3.5 trillion

Industry opportunities

- Industrial; education; healthcare
- Emergence of unconventional oil & gas shale plays creates opportunities across Key

Corporate Bank

- More mature capabilities and penetration

Community Bank

- Best density; established presence
- 63% of Key's branches; market share strengthened by recent acquisition in Western New York
- 55% of loan balances; 66% of deposit balances [(c)]

(a) Source: Census Bureau, SNL and IXI; Western and Eastern market data aggregated by states represented on map
(b) 2016 projected population compared to 2011 actual population
(c) Excludes loans and deposits not assigned to a particular market

Significant Commercial Capabilities

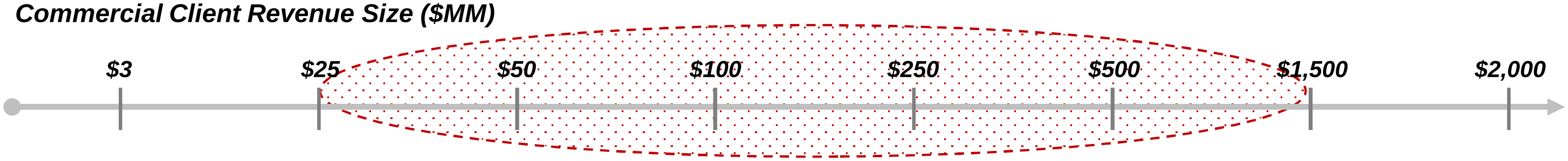
Key has broad and deep commercial capabilities that serve targeted middle market clients across our franchise

- **Delivered through local Relationship Managers in Key Community Bank and national industry specialists in Key Corporate Bank**
- **300+ capital markets bankers provide product capability to enhance our client coverage and deepen relationships -- Key delivers 'big bank' capabilities to middle market clients**

Traditional Bank Products		Capital Markets Capabilities			
Loans	*Deposits & treasury management*	*Commercial mortgage banking*	*Derivatives & foreign exchange*	*Equity capital markets*	*Equity research*
Equipment finance	*Wealth management & private banking*	*M&A / financial sponsors / leveraged finance*	*Investment grade & high-yield debt*	*Loan syndications*	*Public finance*

Key's Competitive Advantage

Commercial Client Revenue Size ($MM)



Key's Competitive Advantage: The Client Experience

Local leadership & community presence

- Relationship with Key's District President
- Key invests significant charitable dollars in all of our communities
- Community outreach and involvement

Brand awareness

- In market presence and advertising

Industry expertise

- 6 targeted industry segments supported by value-added research

Strategic advice & insights

- Proprietary idea flow regarding strategic growth opportunities
- Discuss actionable M&A opportunities
- Review financial sponsor activity in the sector

Key Community Bank | **Targeted Middle Market Client** | **Key Corporate Bank**

Convenience

- Branches + ATMs within their community
- Convenient online/ mobile presence
- Workplace banking services provided to employees

Local capabilities

- Private bankers
- Business bankers
- Commercial bankers

Seamless delivery

- Unified team with broad product capabilities

Financial market expertise

- Financing market updates across debt and equity -- public and private markets, including:
  - Syndicated finance and debt capital markets
  - Public and private equity capital

Positioning to Win

We are investing in senior relationship managers with expertise and existing relationships who can help us add clients to better leverage our platform

Commercial Client RM Coverage

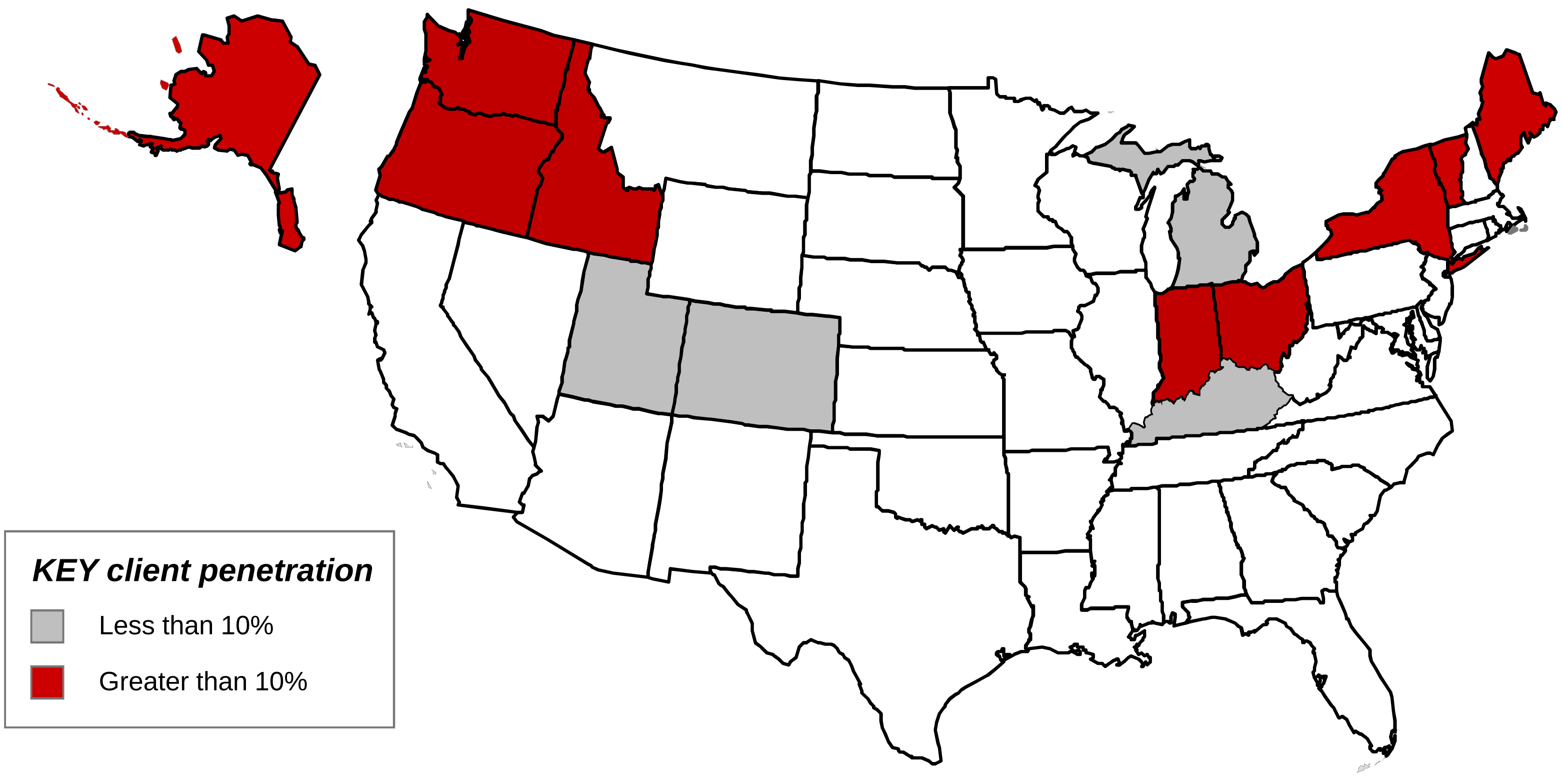
Key Community Bank Generalists		Key Corporate Bank Industry Specialists					
Business Banking	*Commercial Banking*	*Consumer*	*Energy*	*Healthcare*	*Industrial*	*Public sector*	*Real estate*

- *86 senior bankers hired in Key Corporate Bank since 1Q10*
- *$240 million in revenue and more than $1 billion in loans from newly hired relationship managers*
- *Supporting existing relationship manager staff with enhanced tools & training*

Sizing the Opportunity

Committed to realizing the significant opportunity presented by leveraging our platform for meaningful, profitable growth

Our footprint contains more than 10,000 targets in our focus industry segments with revenue between $25 million and $1.5 billion — less than 2,000 are clients



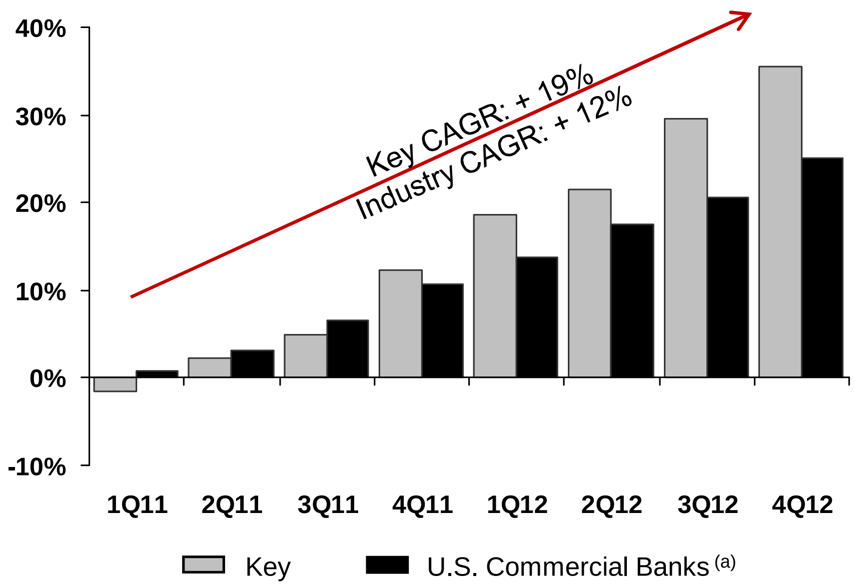
Source: *Dun & Bradstreet, Capital IQ, Thomson Reuters*

Measuring Our Progress

Gaining commercial client share and providing more value to our clients

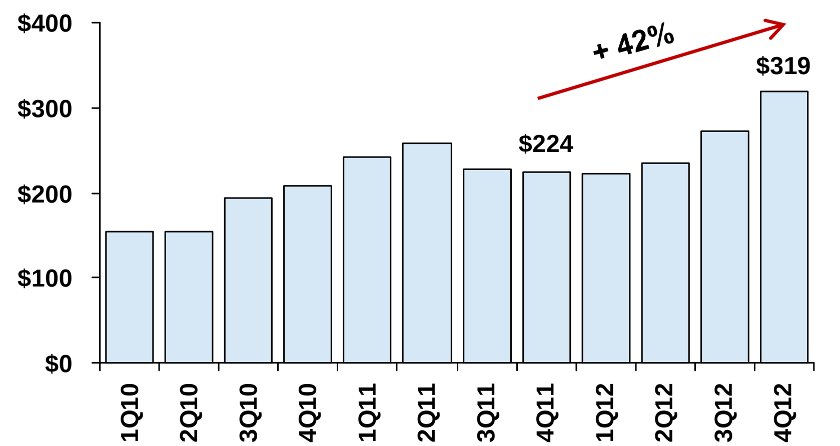
Commercial & Industrial Loans

Ending Balance; Cumulative % Change from 4Q10



Investment Banking & Debt Placement Fees

Trailing Twelve Months ($MM)



(a) Source: Federal Reserve H8; industry data are not seasonally adjusted

Actively Managing Businesses for Growth

Aligning core businesses with core competencies

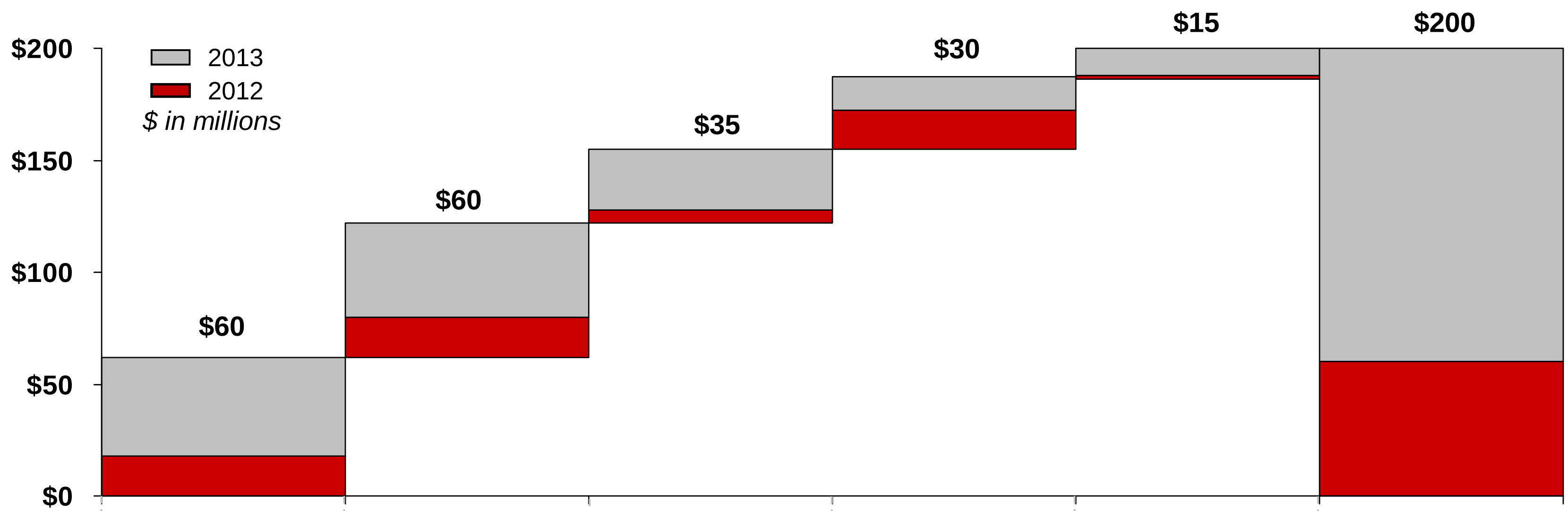
Invest and Develop	New
Consumer and Commercial Payments Online and Mobile Channels	Credit Card Western NY Branch Acquisition

Exit	Reinvent
Victory Capital Management Education Lending Indirect Lending	Commercial Real Estate / Berkadia Key Merchant Services Branch Optimization

Key evaluates all of its businesses to maximize long-term value

Addressing the Cost Structure

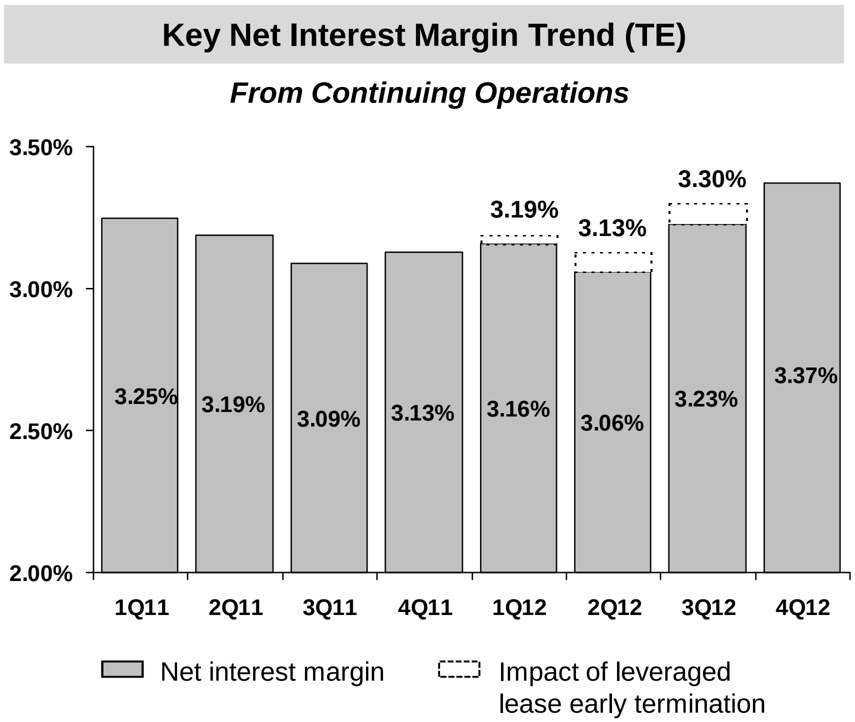
Key achieved $60 million in annualized expense savings in 2012 and is well on its way to realizing the goal of $200 million in annualized savings by December 2013

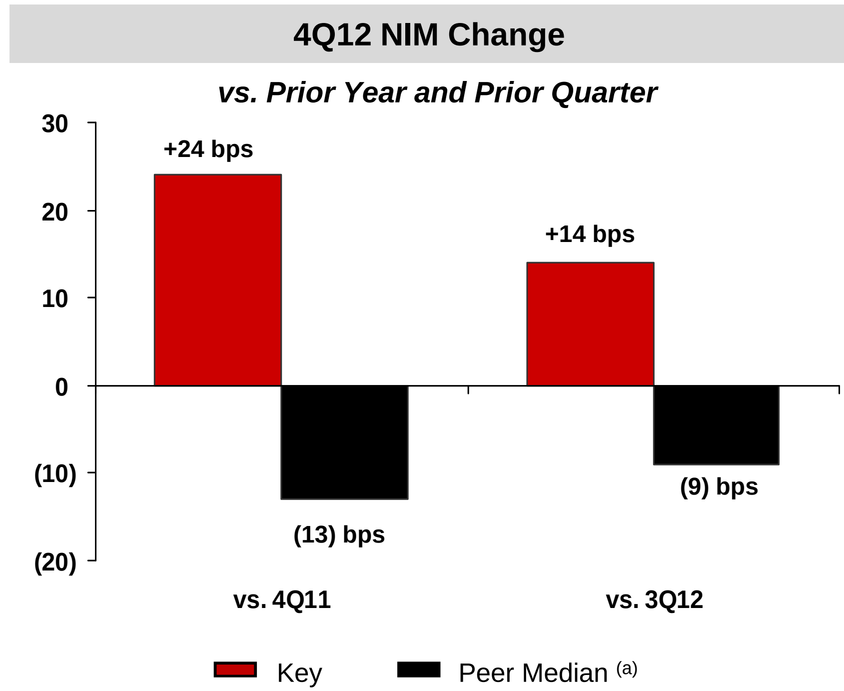


	Vendor and Spend Management	**Support Alignment and Process Improvement**	**Branch Rationalization**	**Sales Management and Structure**	**Marketing and Insights**	**Total Annualized Expense Savings**
Actions:	Contract renegotiation (e.g., consumer payment platform) Redirect discretionary spend Improved vendor and demand management	Strategic sourcing (e.g., Berkadia and call center) Spans and layers Workforce efficiency and optimization Centralization of services	Branch closures • 19 in 2012 • 50+ in 2013 ATM rationalization Staffing models	District consolidation Streamline sales and service delivery Salesforce and compensation restructuring	Consolidate and restructure team Refocus data effort and align spend	

Net Interest Margin Defensibility

Key's NIM is uniquely positioned to show relative strength against the continued pressures of the operating environment

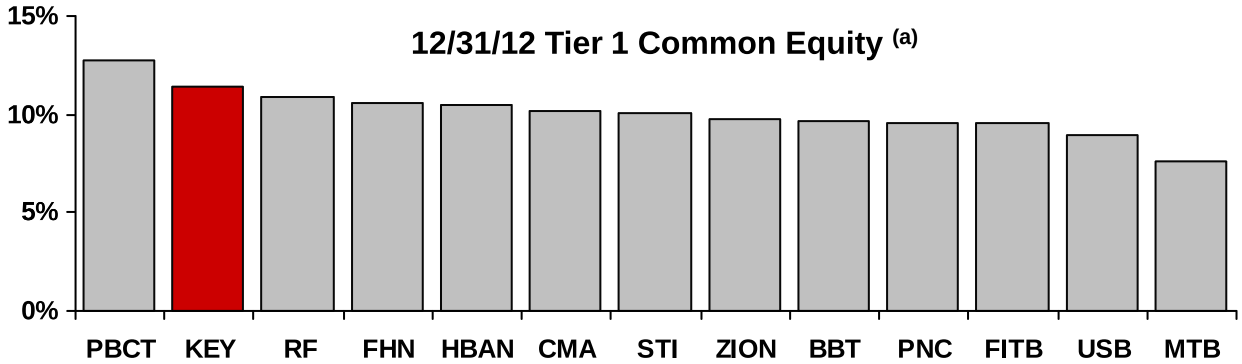




(a) Source: SNL; represents the change in the peer median NIM for each period; peers include: BBT, CMA, FHN, FITB, HBAN, MTB, PBCT, PNC, RF, STI, USB and ZION

Disciplined Capital Management

Disciplined capital management allows Key to execute on its strategic priorities and maximize shareholder value



Capital Priorities

1. Organic Growth	2. Dividends
3. Share Repurchases	4. Opportunistic Growth

(a) Peer group data source: SNL

Delivering Shareholder Value

Optimize and Grow Revenue

Improve Efficiency

Effectively Manage Capital

Efficient Balance Sheet

Moderate Risk Profile

High Quality, Diverse Revenue

Positive Operating Leverage

Strategy Execution

Achieve Targets for Success

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%	▪ Use 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 ▪ Capitalize on 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%	▪ Achieve efficiency target by 1Q14 ▪ Improve efficiency and effectiveness ▪ Better utilize technology ▪ Change cost base to more variable
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

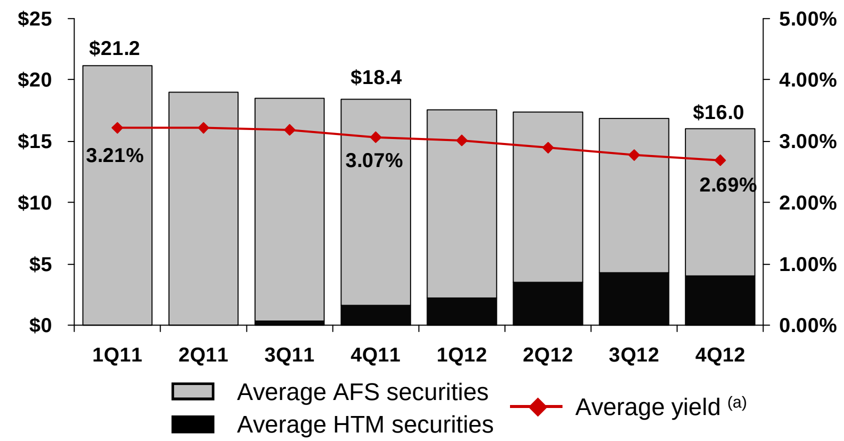
High Quality Investment Portfolio

Highlights

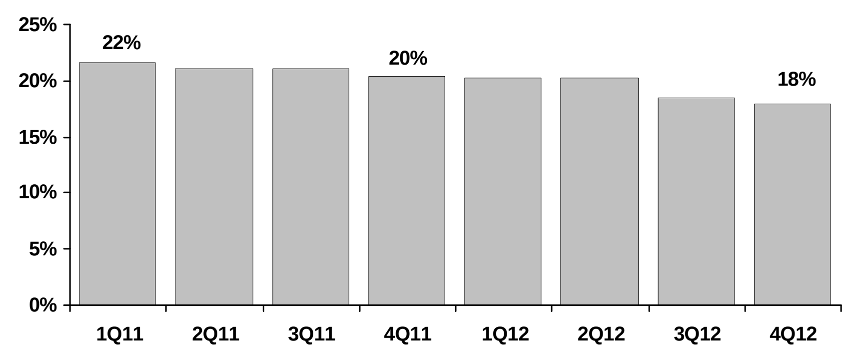
- Portfolio composed of Agency or GSE backed: GNMA, Fannie & Freddie
  - No private label MBS or financial paper
- Average portfolio life at 12/31/12: 2.4 years
- Unrealized net gain of $366 million on available-for-sale securities portfolio at 12/31/12
- Mortgage cash flows of $1.6 billion in 4Q12 and 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	30	*1.38*	*29.13*
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	26	*3.57*	*236.36*
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

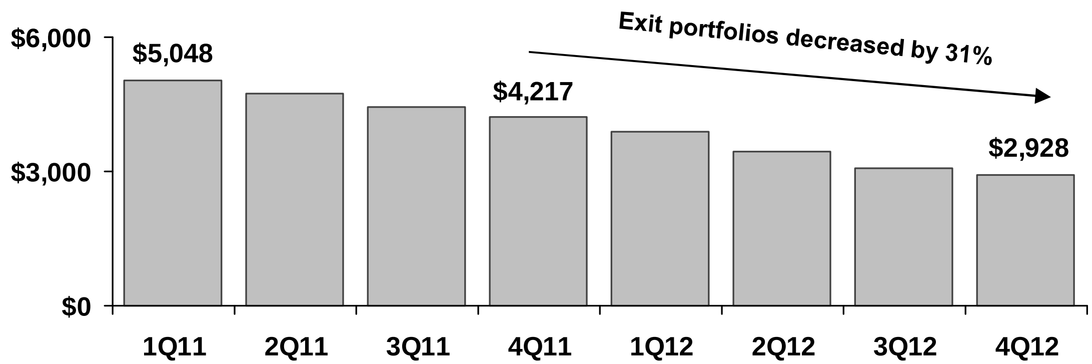
Exit Loan Portfolio

$ 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

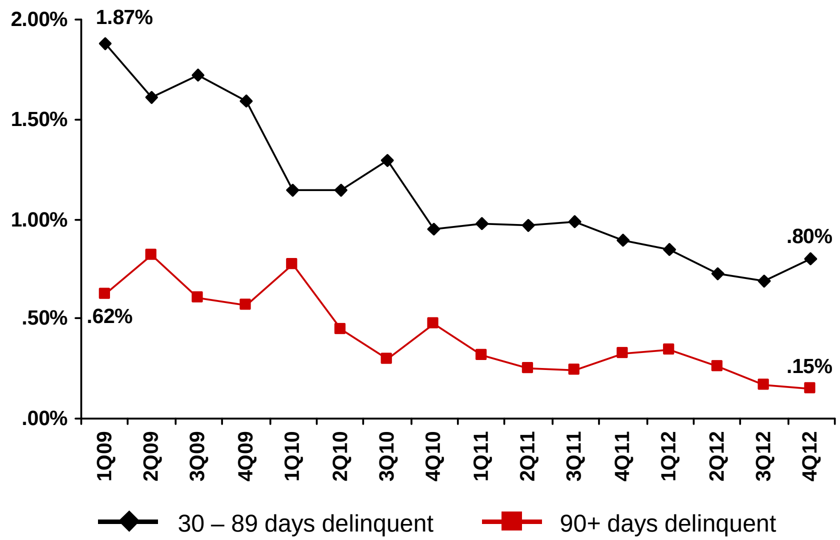
(b) Includes loans in Key's consolidated education loan securitization trusts

(c) Credit amounts indicate recoveries exceeded charge-offs

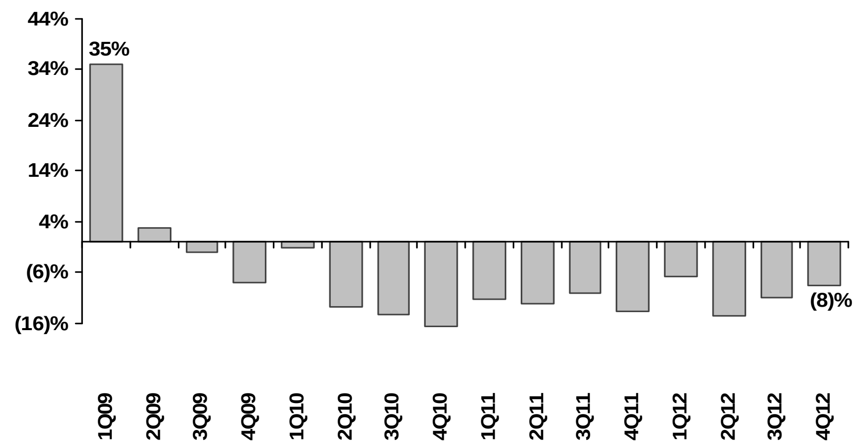
(d) This loan category was impacted by the $45 million in net loan charge-offs taken in the third quarter of 2012 related to the updated regulatory guidance. During the fourth quarter of 2012, updated charge-off amounts were reallocated to other loan categories. This amount would have been $454 million 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)]	**114**	121	72
Total Tier 1 capital (regulatory)	**9,689**	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)	**$ 9,059**	$ 8,969	$ 8,697
Net risk-weighted assets (regulatory) [(c)]	**$ 79,734**	$ 79,363	$ 77,214
Tier 1 common equity ratio (non-GAAP)	**11.36 %**	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

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 %

	Year ended
Cash efficiency ratio	**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	$79.7
Adjustments from Basel I to Basel III:	
Market Risk Impact	1.0
Loan Commitments < 1 Year	1.0
Residential Mortgage Loans & Home Equity	1.9
Other	1.1
Total risk-weighted assets under Basel III	$84.6
Tier 1 common equity to total risk-weighted assets anticipated under Basel III	10.4%

(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 (when fully phased-in) is based upon the federal banking agencies' June 7,2012 notices of proposed rulemaking, which addresses Basel III capital methodology. KeyCorp applies the Standardized Approach for calculation of risk-weighted assets.