

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 10, 2003



(Exact name of registrant as specified in its charter)

Ohio	0-850	34-6542451
(State or other jurisdiction of incorporation or organization)	Commission File Number	(I.R.S. Employer Identification No.)
127 Public Square, Cleveland, Ohio		44114-1306
(Address of principal executive offices)		(Zip Code)

Registrant’s telephone number, including area code: (216) 689-6300

Item 9. Regulation FD Disclosure

On September 10, 2003, Henry L. Meyer III, Chairman and Chief Executive Officer, and Jeffrey B. Weeden, Chief Financial Officer, presented at the Lehman Brothers Financial Services Conference. The presentation addressed the Registrant’s corporate strategy. While not the focus of the presentation, the Registrant also provided updated earnings guidance at the Conference. The slide presentation reviewed by the Registrant in the Conference follows as Annex A to this Item 9. In his spoken remarks at the Conference, Mr. Weeden reported that, as a result of higher levels of prepayments in certain investment and loan portfolios and weak loan demand, management expects: (i) the Registrant’s net interest margin to decline to approximately 3.70% for the second half of 2003 and (ii) the Registrant’s earnings per share to be approximately \$2.10 for the full fiscal year 2003.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 11, 2003

KEYCORP	
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(Registrant)	
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/s/ Daniel R. Stolzer	
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By:	Daniel R. Stolzer Vice President

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

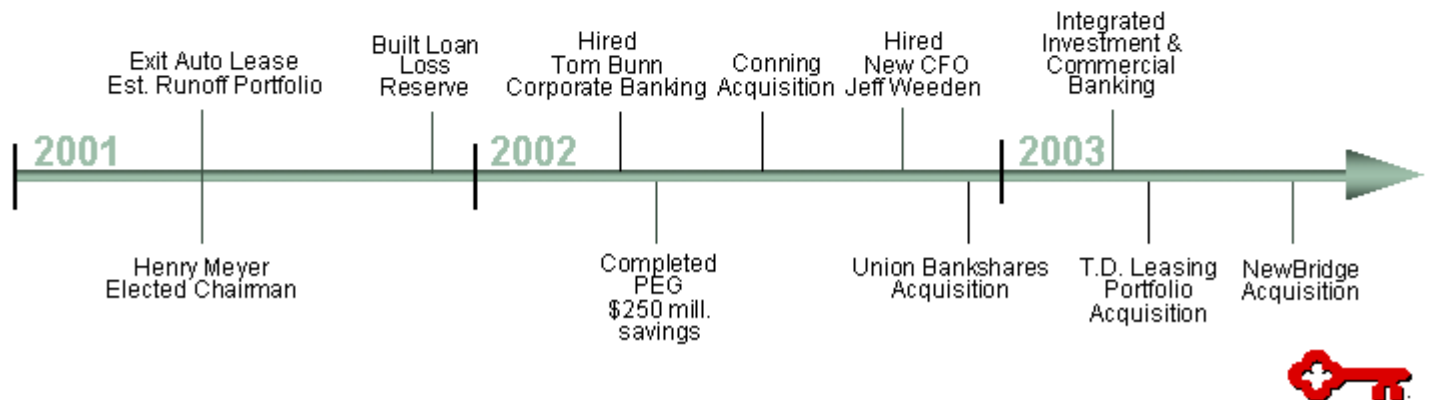
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The presentation and discussion, including related questions and answers, and presentation materials, contain forward-looking statements about issues like anticipated third quarter and full-year 2003 earnings, anticipated level of net loan charge-offs and nonperforming assets and anticipated improvement in profitability and competitiveness. Forward-looking statements by their nature are subject to assumptions, risks and uncertainties. Actual results could differ materially from those contained in or implied by such forward-looking statements for a variety of factors including: changes in interest rates; continued weakness in the economy, which could materially impact credit quality trends and the ability to generate loans; failure of the capital markets to function consistent with customary levels; delay in or inability to execute strategic initiatives designed to grow revenues and/or manage expenses; consummation of significant business combinations or divestitures; new legal obligations or restrictions or unfavorable resolution of litigation; further disruption in the economy or the general business climate as a result of terrorist activities or military actions; and changes in accounting, tax or regulatory practices or requirements.



Reshaping Key: A Different Company

Focused on product	→	Focused on deepening relationships
Higher credit risk tolerance	→	Re-established conservative credit culture
Unfocused expense culture	→	PEG expense culture
Inconsistent financial measures	→	Economic Profit Added (EPA)



Strategic Priorities

- Profitably grow revenue
 - Focus on relationship businesses
 - Increase deposits
 - Improve cross-sell
- Improve credit quality
- Maintain expense discipline
- Improve shareholder value (EPA)



Net Income by Line of Business

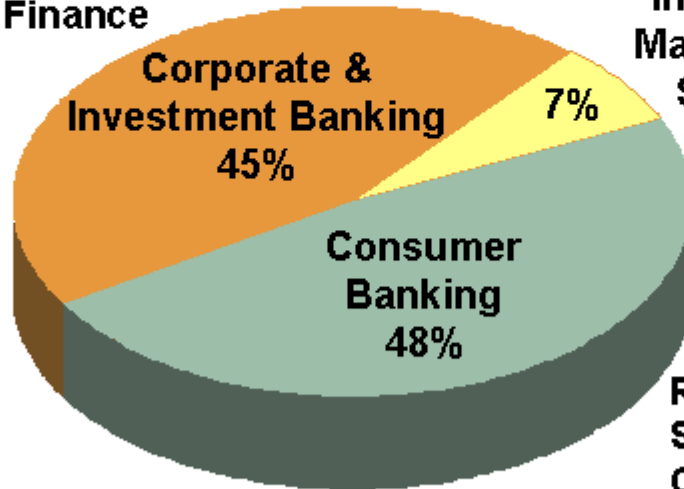
Net Income - 2Q03

Corporate Banking

KeyBank Real Estate Capital

Key Equipment Finance

Investment
Management
Services



Retail Banking
Small Business
Consumer Finance



Consumer Banking

Business Scale

903 KeyCenters – 2,200 ATMs

On-line Clients: 666,000 (35% Penetration)

Small Business: 10th largest in loan balances



Retail Banking
Small Business
Consumer
Finance

Business Initiatives

- Deposit growth
- Increase cross-sell
- New client acquisition
 - Adding new KeyCenters and RMs
- Consumer Finance: reposition and improve cross-sell
- Business Banking: focus on business development



Progress on Revenue Initiatives

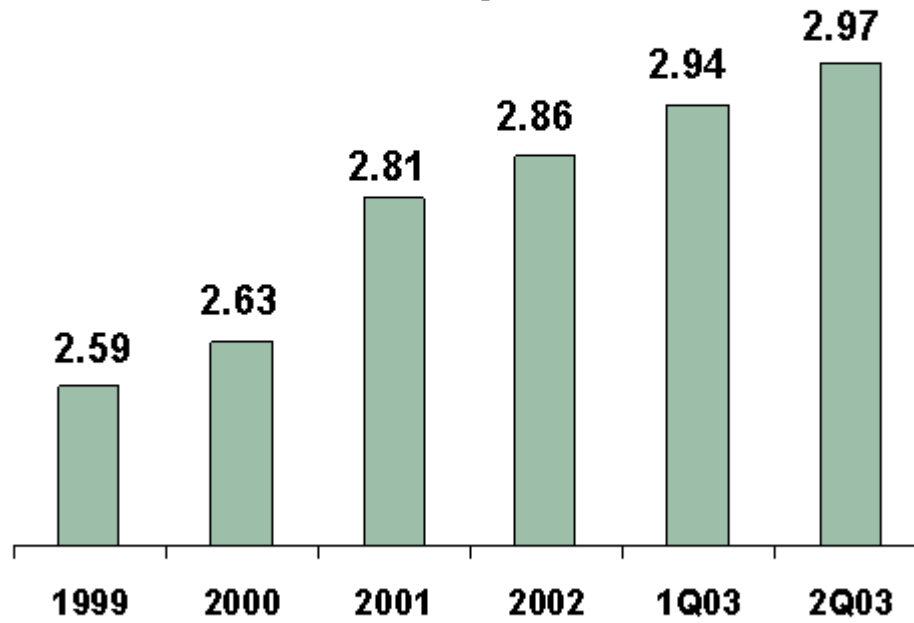
Consumer Banking

- New DDA accounts opened up 34% YTD
- Small Business deposit balances up 18%YTD
- Hired 140 new RMs (60 Small Business / 80 Retail)
- Opening 15 KeyCenters in 2003 / 15–20 in 2004
- Appointed Retail national sales manager



Retail – Focus on Cross-sell

Retail Services per Household



Corporate & Investment Banking

Business Scale

5 Equipment Leasing

5 Commercial Real Estate Lender



Corporate Banking
KeyBank R/E Capital
Key Equipment Finance

Business Initiatives

- Revenue Growth
 - Align commercial & investment banking
 - “Lead with Leasing”
- Deposit Growth
 - Cross-sell loans and deposits
 - Focus on client specific segments
- Improve asset quality
- Maximize Key-led transactions



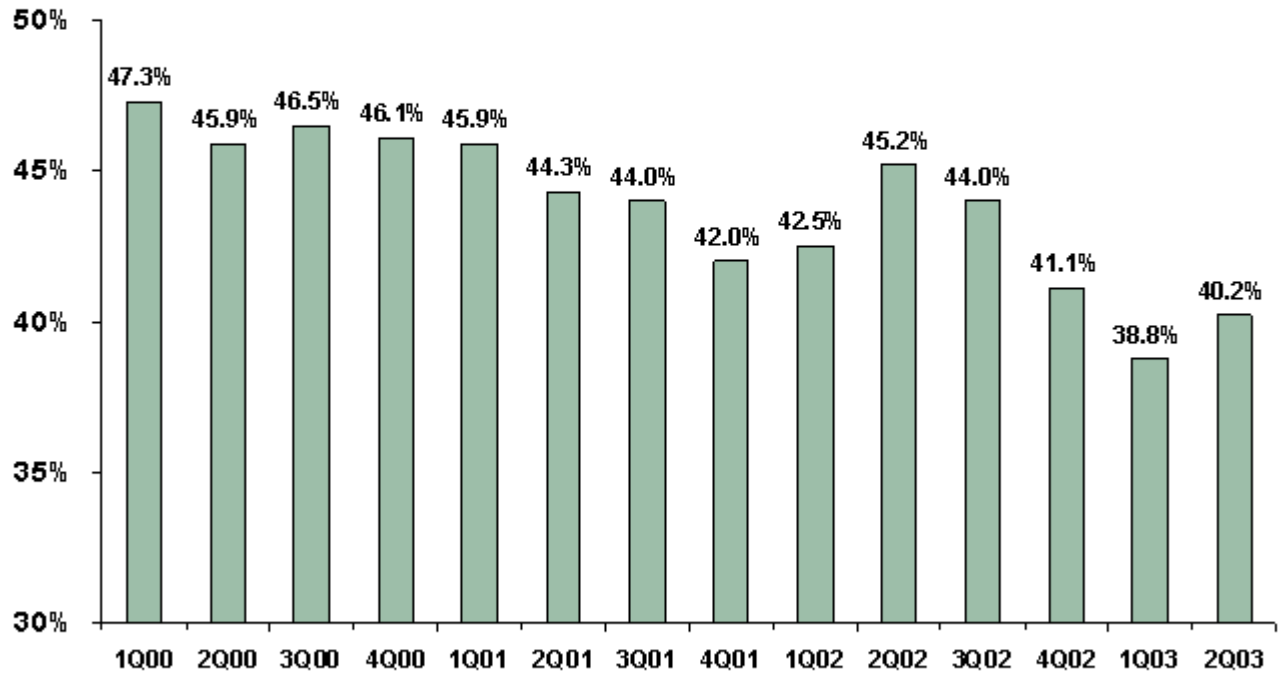
Progress on Revenue Initiatives

Corporate and Investment Banking

- Key represented OfficeMax in sale to Boise Cascade
- “Lead with Leasing” campaign generated \$700 million in new business opportunities YTD
- Reduced credit-only clients since 12/01
- Acquired TD Lease Portfolio: \$382 million



Commercial Portfolio – Utilization Rate



* Excludes Real Estate, Leasing and Commercial Run-off portfolios



Investment Management Services



Victory Capital Mgmt
McDonald Financial
Group (MFG)

Business Scale

Managed & Non-Managed Assets: \$125 Bill.

Business Initiatives

Victory Capital

- Leverage external distribution
- Continue to penetrate the franchise
- Fill out product menu – NewBridge

MFG

- Rationalize cost structure
- Align teams around high net worth clients



Progress on Revenue Initiatives

Investment Management Services

- Acquired NewBridge in 7/03: \$1.8 billion AUM
- AUM grew by \$2.5 billion in 2Q03
- Appointed national sales leader for Victory
- Licensed 178 RMs to sell investment products





Financial Review

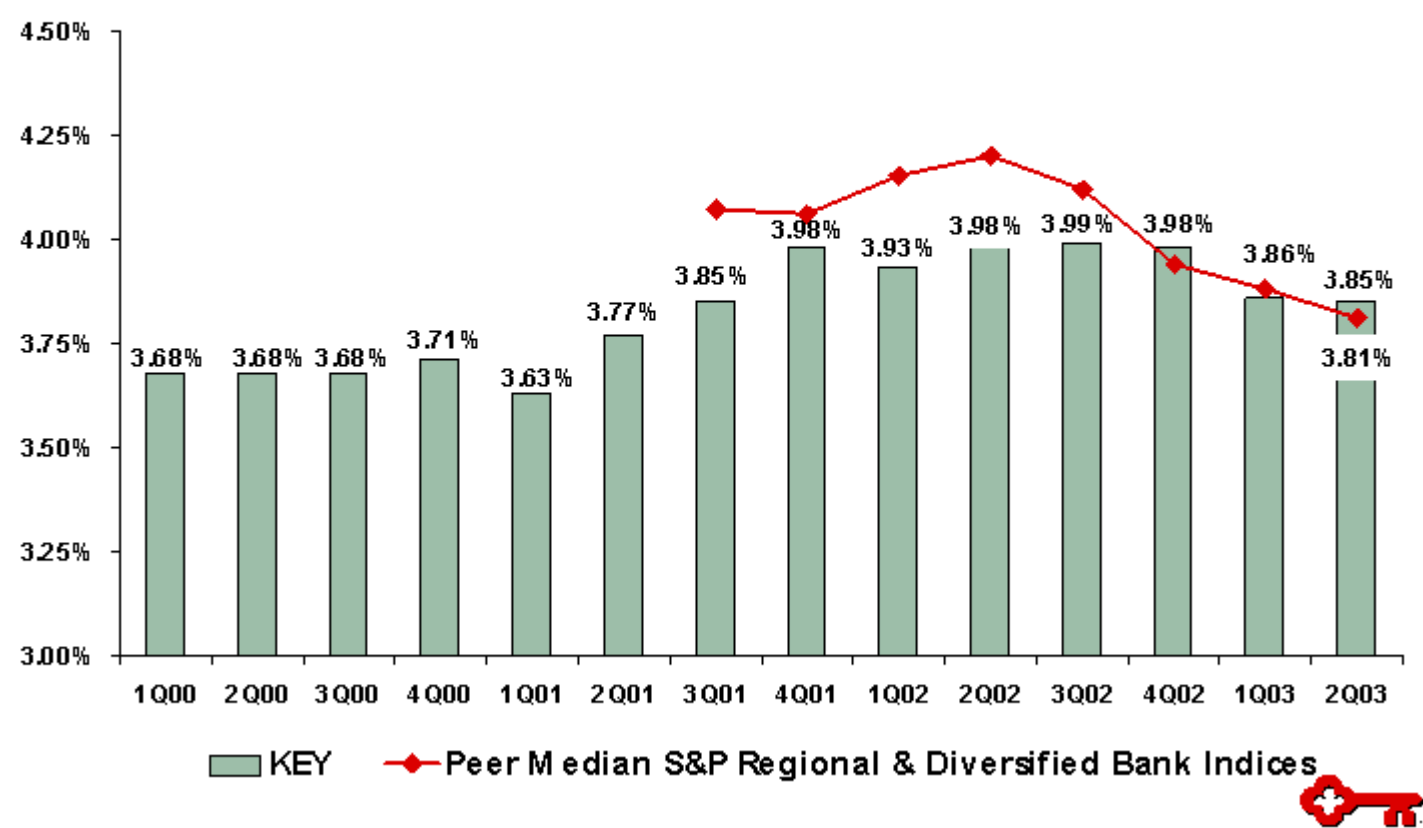


Financial Objectives

- Increase shareholder returns
 - Long Term Targets
 - ROE: 16 – 18%
 - EPS Growth: 7 – 8%
- Continue expense discipline
- Improve asset quality
- Maintain strong capital position



Net Interest Margin (TE)



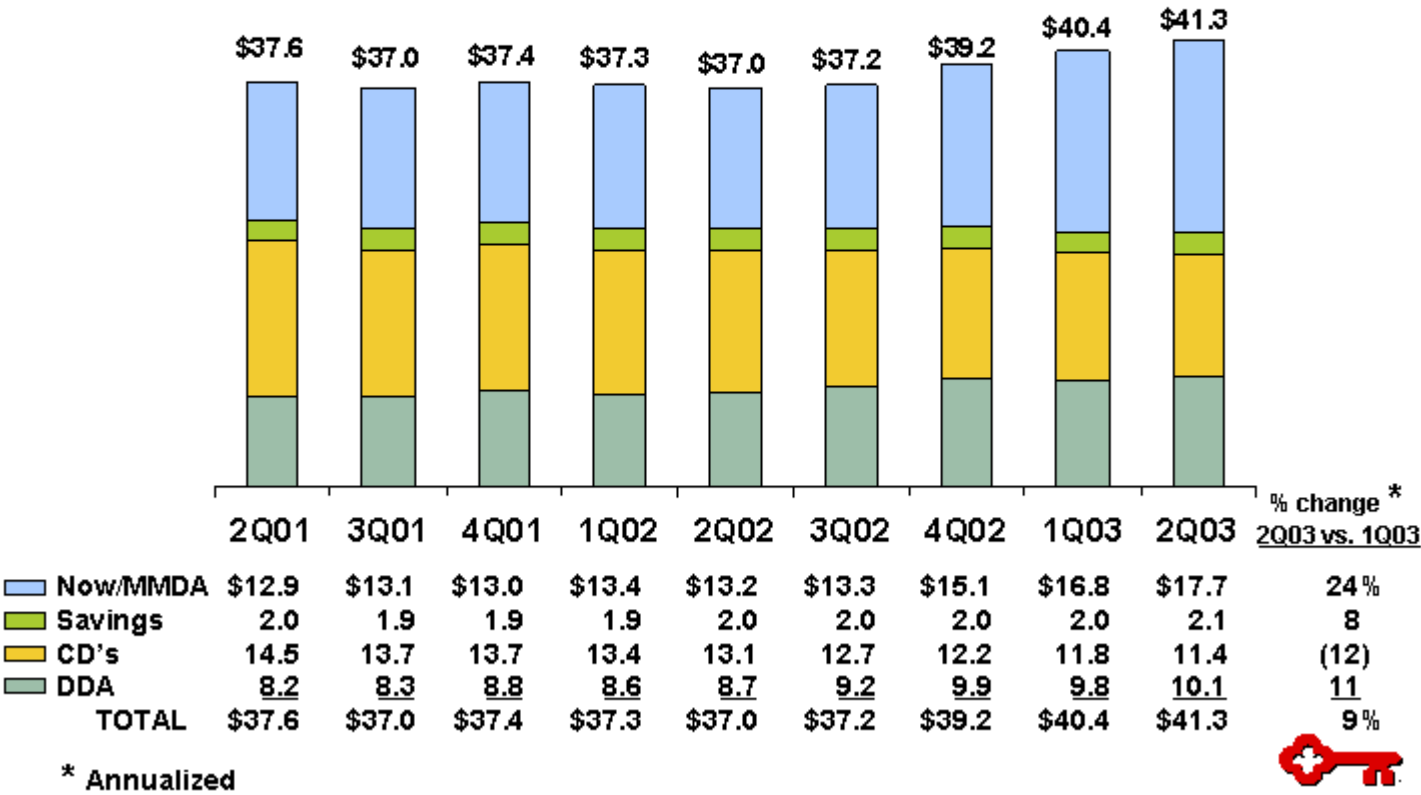
Average Loans

in billions

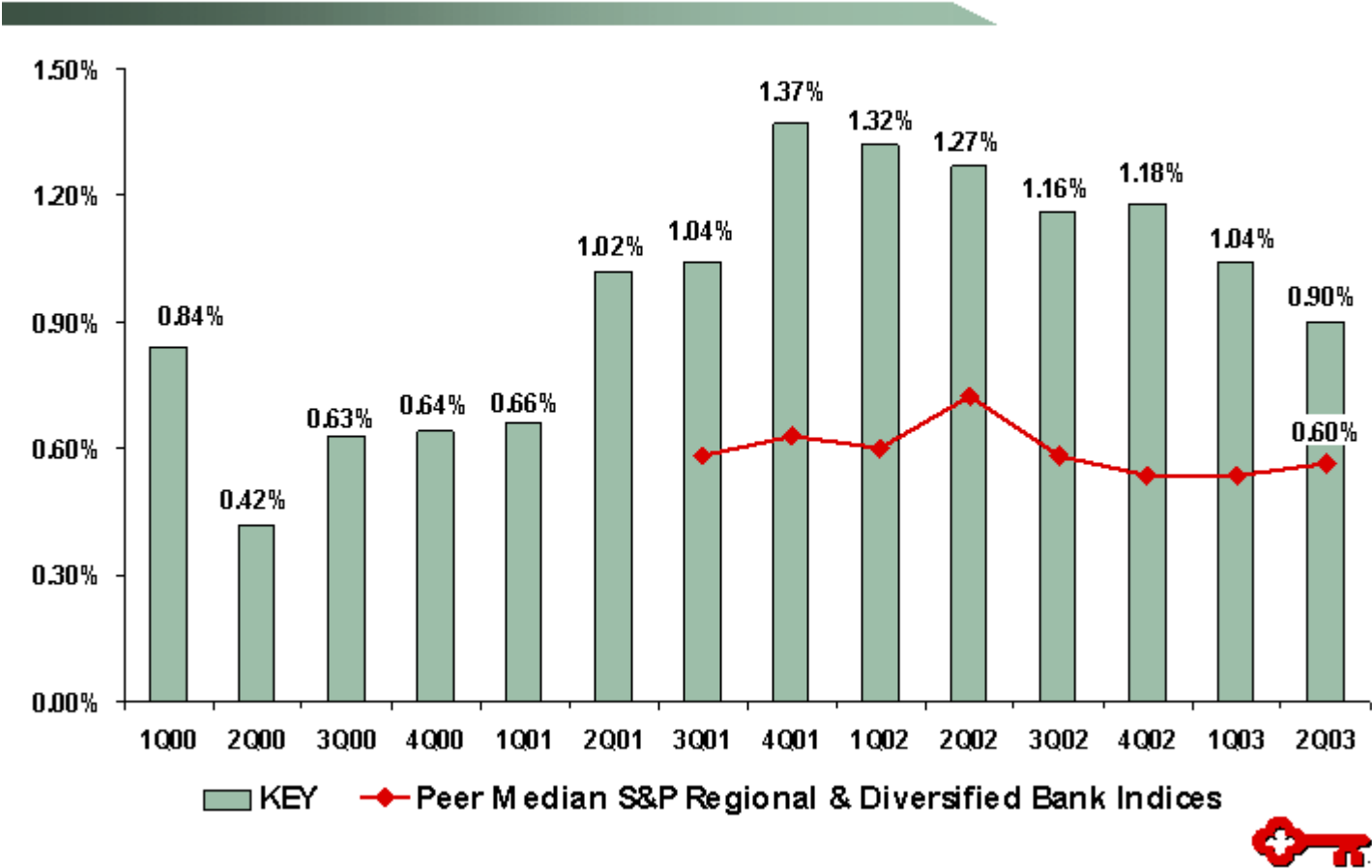


Average Core Deposit Growth

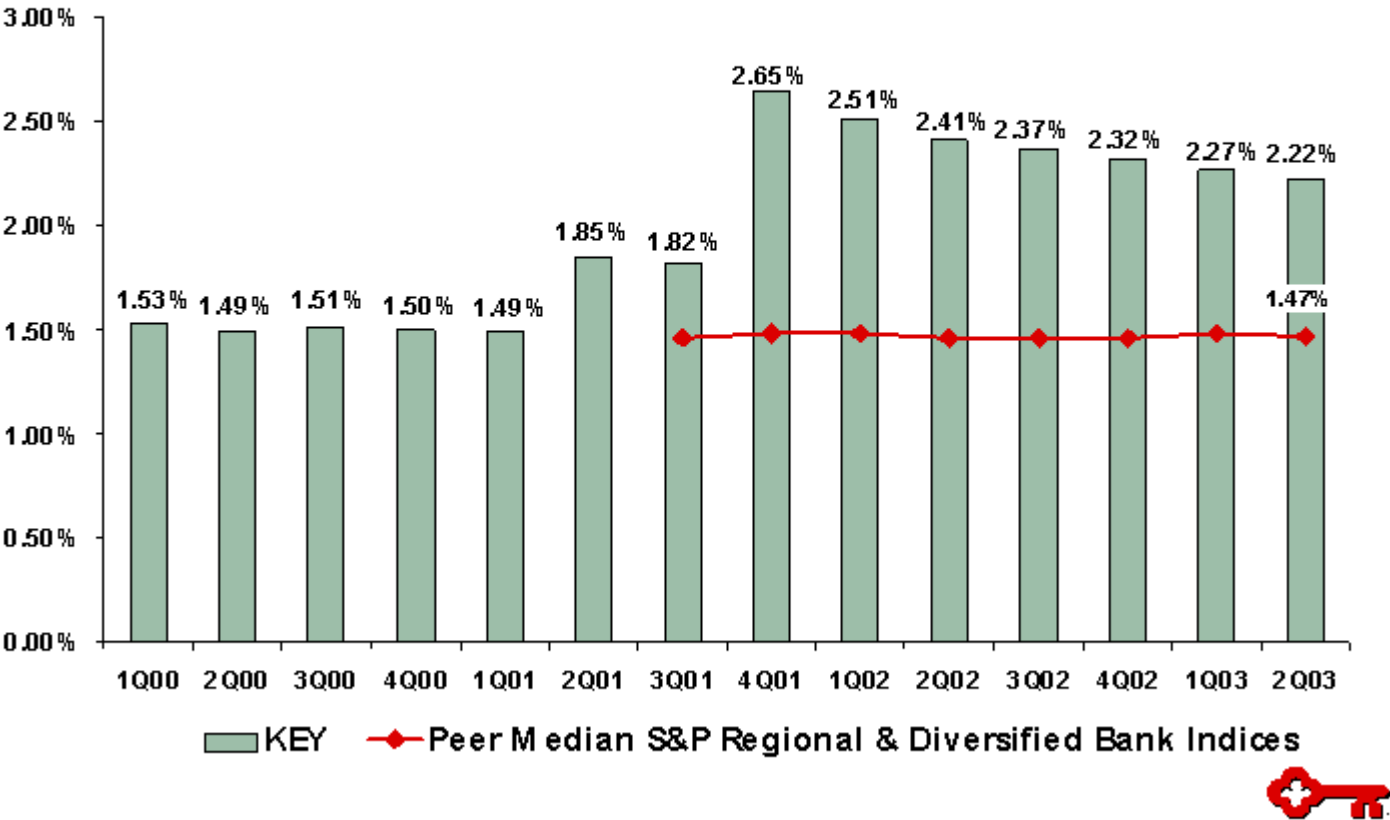
in billions



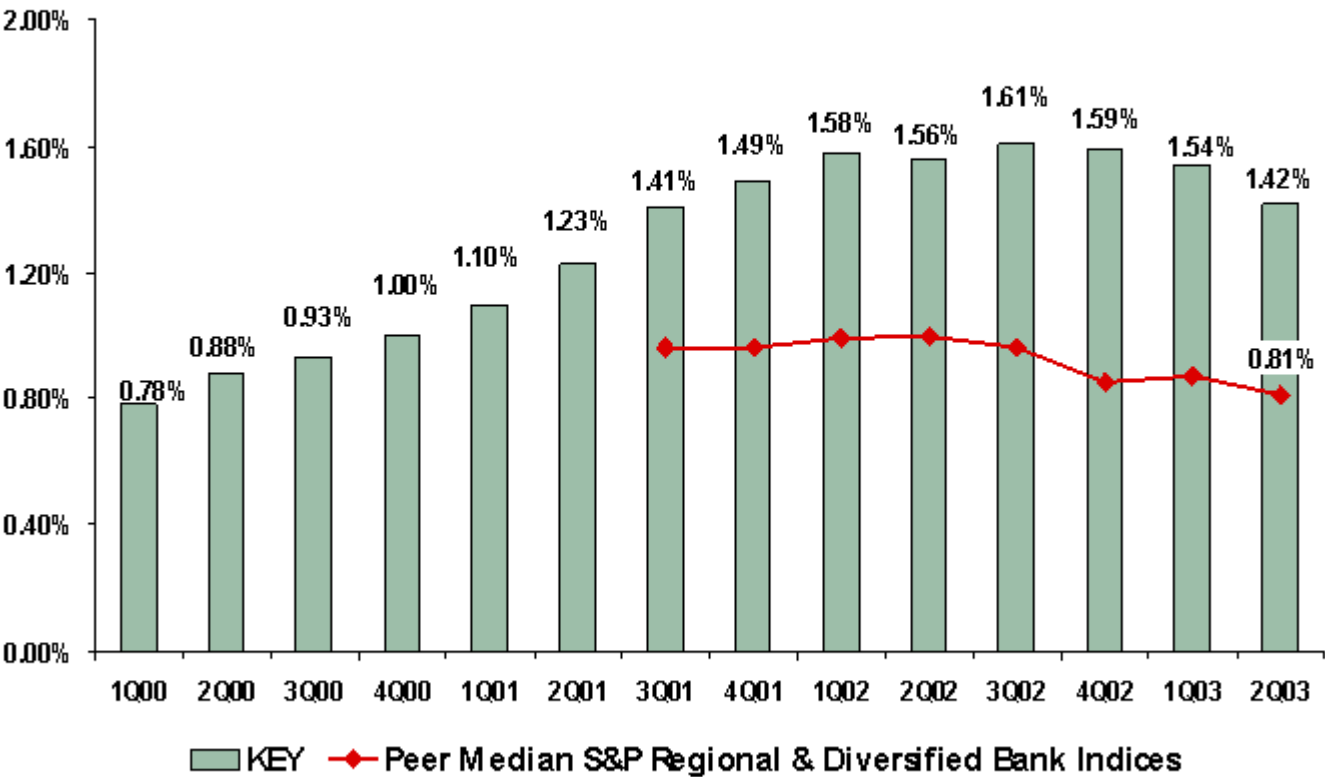
Net Charge-Offs to Average Loans



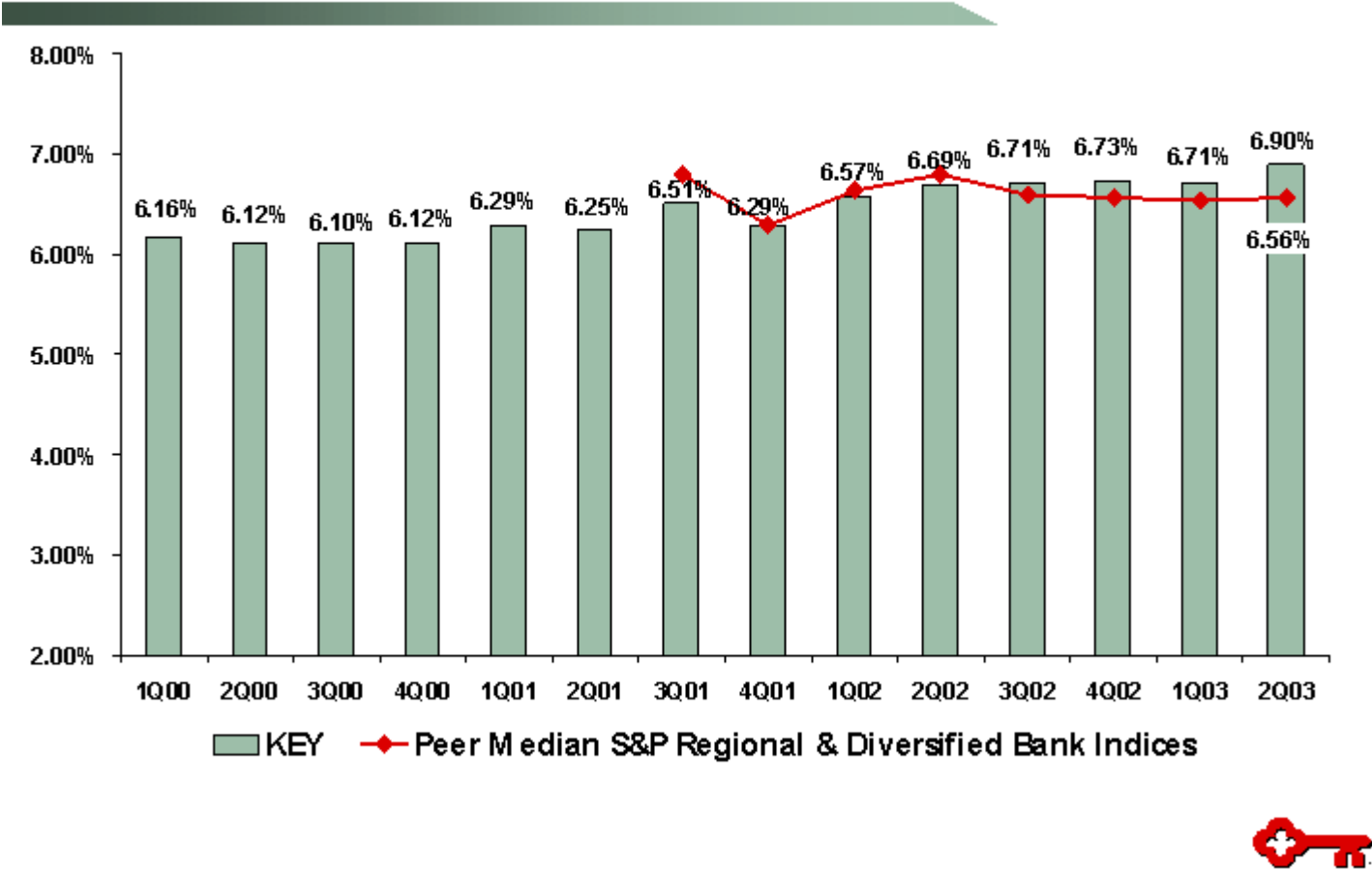
Allowance to Total Loans



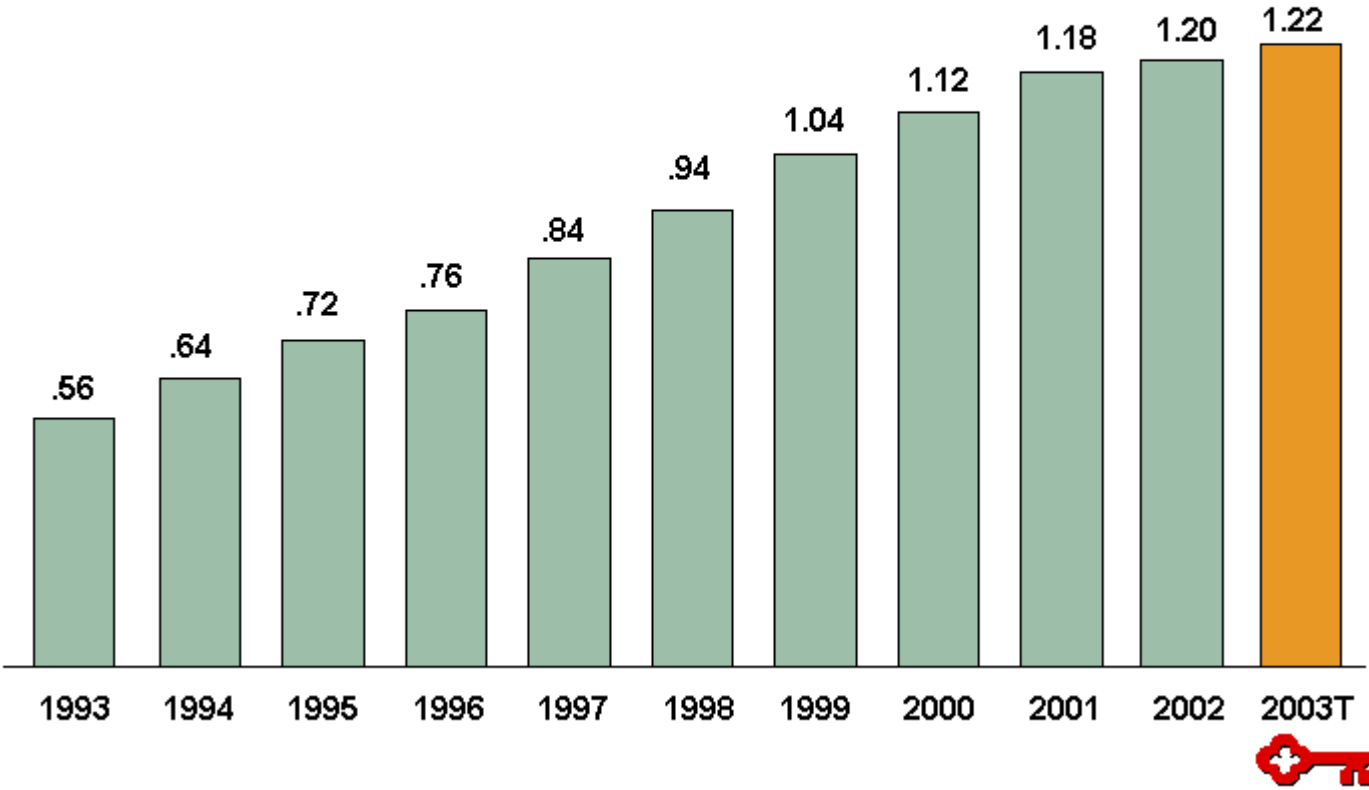
NPAs to Loans and OREO



Tangible Equity to Tangible Assets



Strong Dividend Record



Thinking Like An Owner

- **Total insider ownership: 7%**
 - 77% of employees own Key shares
 - 69% of employees have stock options
- **Stock ownership guidelines**
 - CEO: 6 x salary
 - CEO direct reports: 4 x salary
 - Executive Council: 2 x salary



Summary

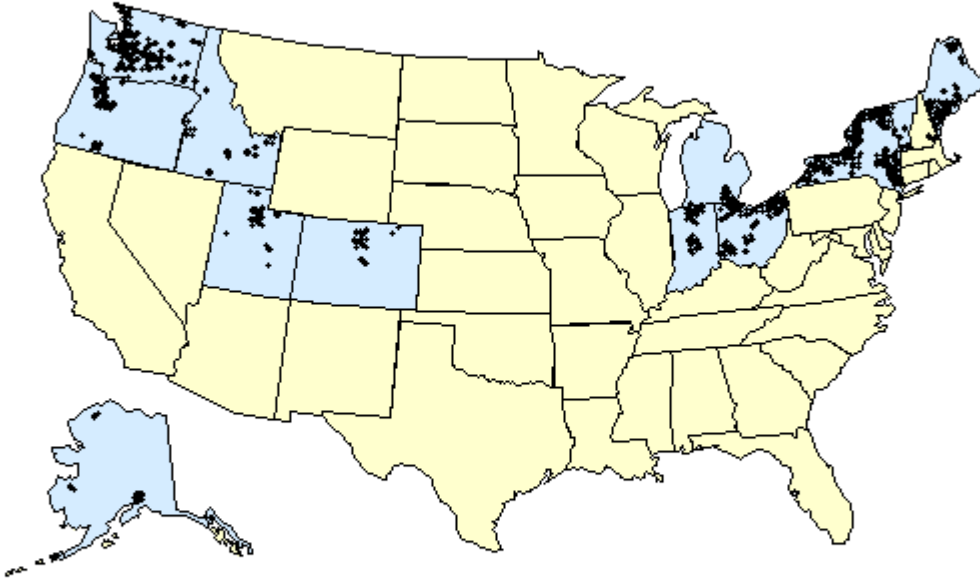
- **New management team focused on improving performance:**
 - Profitably grow revenue
 - Focus on relationship businesses
 - Increase deposits
 - Improve asset quality
 - Manage expenses
- **Alignment of management and shareholder interests**
- **Strong dividend record**



Appendix



Retail Banking Markets

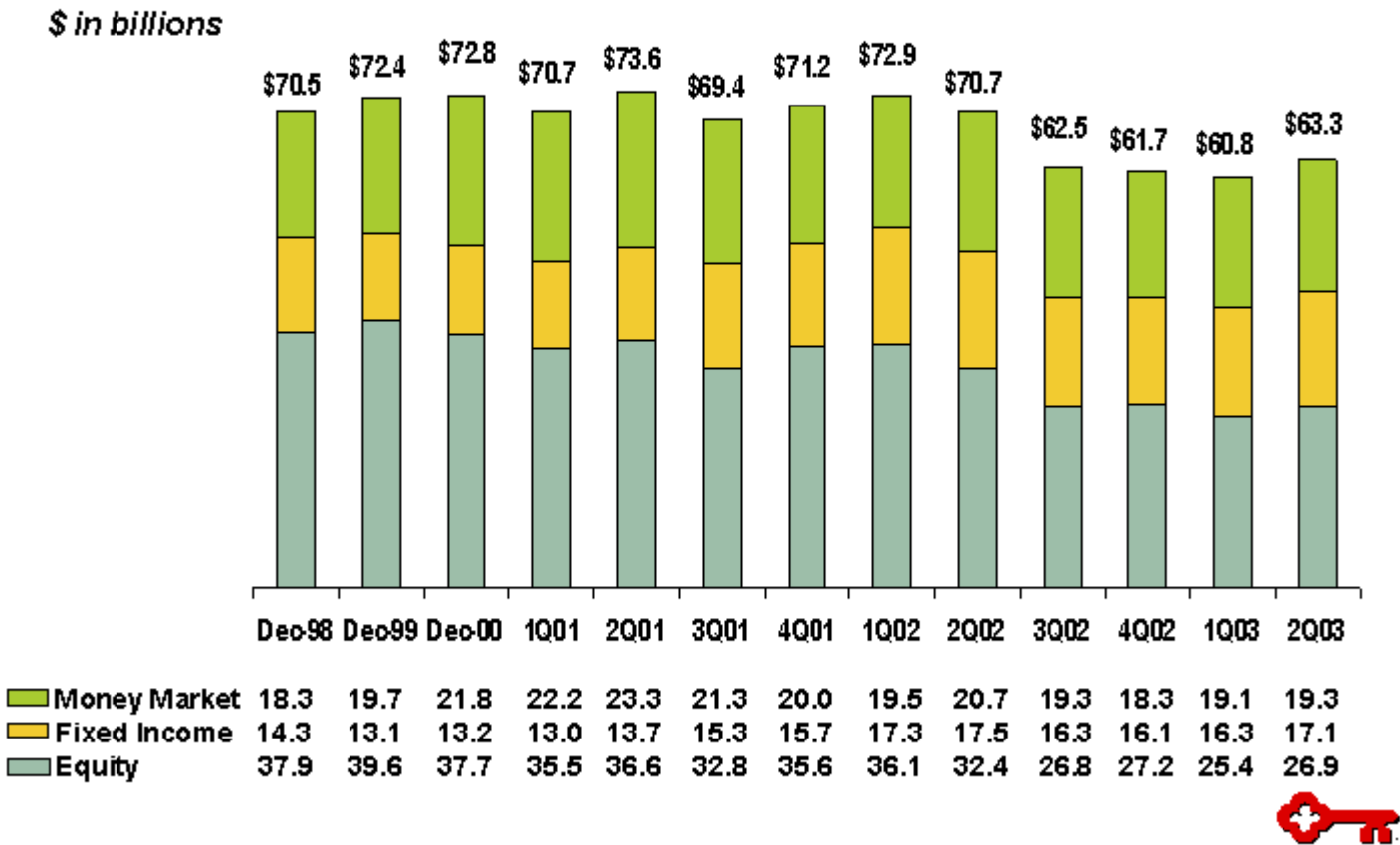


12 State Footprint
2.2 Million Clients
6,100+ Employees
\$1.3+ Billion Revenues

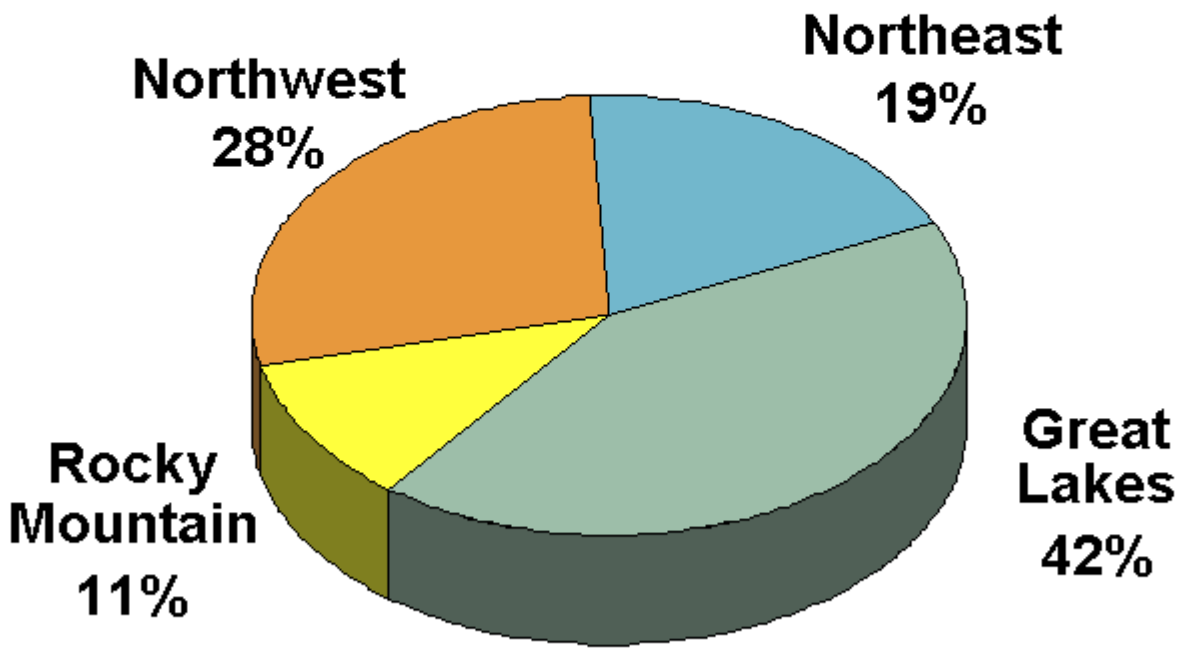
903 KeyCenters
2,200 ATMs
1-800-KEY-2-YOU
Key.com



Assets Under Management



Commercial Portfolio – Geography



2003 Outlook

- **Challenging revenue environment**
 - Net interest margin pressure
 - Flat to very modest loan growth
 - Improving climate for fee-based businesses
- **Continued focus on expenses**
- **Asset Quality – stable to improving**

