The selected financial data are based on internal accounting policies designed to compile results on a consistent basis and in a manner that reflects the underlying economics of the businesses. As such:

- Net interest income is determined by assigning a standard cost for funds used to assets or a standard credit for funds provided to equity and to liabilities based on their assumed maturity, prepayment and/or repricing characteristics. The net effect of this funds transfer pricing is included in the "Other Segments" columns.
- Indirect expenses, such as computer servicing costs and corporate overhead, are allocated based on assumptions of the extent to which each line actually uses the services.
- Key's consolidated provision for loan losses is allocated among the lines of business based primarily on their actual net charge-offs, adjusted periodically for loan growth and changes in risk profile. The level of the consolidated provision is based on the methodology that management uses to estimate Key's consolidated allowance for loan losses. This methodology is described in Note 1 ("Summary of Significant Accounting Policies") under the heading "Allowance for Loan Losses" on page 51.
- Income taxes are allocated based on the statutory federal income tax rate of 35% (adjusted for tax-exempt interest income, income from corporate-owned life insurance and tax credits associated with investments in low-income housing projects) and a blended state income tax rate (net of the federal income tax benefit) of 2.5%.
- Capital is assigned based on management's assessment of economic risk factors (primarily credit, operating and market risk).

Developing and applying the methodologies that management uses to allocate items among Key's lines of business is a dynamic process. Accordingly, financial results may be revised periodically to reflect accounting enhancements, changes in the risk profile of a particular business or changes in Key's organization structure. The financial data reported for all periods presented in the tables reflect a number of changes that occurred during 2003:

- Key reorganized and renamed some of its business groups and lines of business. Key's Capital Markets line of business moved from the Investment Management Services group (formerly Key Capital Partners) to the Corporate Banking line within the Corporate and Investment Banking group (formerly Key Corporate Finance). Also within Corporate and Investment Banking, Key changed the name of its National Commercial Real Estate line of business to KeyBank Real Estate Capital, and changed the name of its National Equipment Finance line of business to Key Equipment Finance. In addition, Key consolidated the reporting of its National Home Equity and Indirect Lending lines of business into one line of business named Consumer Finance.
- Methodologies used to allocate certain overhead and funding costs were refined.

SUPPLEMENTARY INFORMATION (CONSUMER BANKING LINES OF BUSINESS)

Year ended December 31,	Retail Banking			Small Business			Consumer Finance		
dollars in millions	**2003**	2002	2001	**2003**	2002	2001	**2003**	2002	2001
Total revenue (taxable equivalent)	**$ 1,337**	$ 1,317	$ 1,335	**$ 397**	$ 382	$ 380	**$ 617**	$ 580	$ 595
Provision for loan losses	**60**	67	58	**67**	59	44	**153**	174	200
Noninterest expense	**835**	817	858	**190**	181	186	**366**	344	341
Net income	**276**	271	254	**88**	89	92	**61**	39	5
Average loans	**9,973**	8,784	7,675	**4,403**	4,349	4,487	**14,529**	14,749	15,589
Average deposits	**30,014**	29,887	31,480	**4,396**	3,723	3,549	**363**	330	181
Net loan charge-offs	**60**	67	60	**67**	59	44	**153**	173	246
Return on average allocated equity	**43.33%**	47.63%	43.34%	**21.52%**	23.80%	26.59%	**5.16%**	3.40%	.39%
Average full-time equivalent employees	**6,134**	6,124	6,378	**397**	326	320	**1,914**	1,993	1,970

SUPPLEMENTARY INFORMATION (CORPORATE AND INVESTMENT BANKING LINES OF BUSINESS)

Year ended December 31,	Corporate Banking			KeyBank Real Estate Capital			Key Equipment Finance		
dollars in millions	**2003**	2002	2001	**2003**	2002	2001	**2003**	2002	2001
Total revenue (taxable equivalent)	**$ 889**	$ 944	$ 1,015	**$ 383**	$ 381	$ 373	**$ 282**	$ 234	$ 202
Provision for loan losses	**167**	169	96	**7**	7	10	**30**	62	33
Noninterest expense	**474**	465	498	**144**	134	122	**101**	88	95
Net income	**155**	193	259	**145**	150	150	**94**	53	43
Average loans	**13,732**	15,626	17,880	**7,337**	7,775	7,930	**6,802**	5,878	5,299
Average deposits	**3,605**	2,787	2,584	**796**	599	525	**13**	9	7
Net loan charge-offs	**212**	397	238	**7**	7	10	**30**	62	57
Return on average allocated equity	**7.86%**	9.31%	13.03%	**16.63%**	19.56%	20.03%	**18.61%**	12.13%	10.19%
Average full-time equivalent employees	**1,191**	1,267	1,355	**655**	561	488	**613**	618	707