

CONSOLIDATED BALANCE SHEETS

December 31,
dollars in millions

	2003	2002
ASSETS		
Cash and due from banks	\$ 2,712	\$ 3,364
Short-term investments	1,604	1,632
Securities available for sale	7,638	8,507
Investment securities (fair value: \$104 and \$129)	98	120
Other investments	1,092	919
Loans, net of unearned income of \$1,958 and \$1,776	62,711	62,457
Less: Allowance for loan losses	1,406	1,452
Net loans	61,305	61,005
Premises and equipment	606	644
Goodwill	1,150	1,142
Other intangible assets	37	35
Corporate-owned life insurance	2,512	2,414
Accrued income and other assets	5,733	5,420
Total assets	<u>\$84,487</u>	<u>\$85,202</u>
LIABILITIES		
Deposits in domestic offices:		
NOW and money market deposit accounts	\$18,947	\$16,249
Savings deposits	2,083	2,029
Certificates of deposit (\$100,000 or more)	4,891	4,749
Other time deposits	11,008	11,946
Total interest-bearing	36,929	34,973
Noninterest-bearing	11,175	10,630
Deposits in foreign office — interest-bearing	2,754	3,743
Total deposits	50,858	49,346
Federal funds purchased and securities sold under repurchase agreements	2,667	3,862
Bank notes and other short-term borrowings	2,947	2,823
Accrued expense and other liabilities	5,752	5,471
Long-term debt	15,294	15,605
Corporation-obligated mandatorily redeemable preferred capital securities of subsidiary trusts holding solely subordinated debentures of KeyCorp (see Note 13)	—	1,260
Total liabilities	77,518	78,367
SHAREHOLDERS' EQUITY		
Preferred stock, \$1 par value; authorized 25,000,000 shares, none issued	—	—
Common shares, \$1 par value; authorized 1,400,000,000 shares; issued 491,888,780 shares	492	492
Capital surplus	1,448	1,449
Retained earnings	6,838	6,448
Treasury stock, at cost (75,394,536 and 67,945,135 shares)	(1,801)	(1,593)
Accumulated other comprehensive income (loss)	(8)	39
Total shareholders' equity	6,969	6,835
Total liabilities and shareholders' equity	<u>\$84,487</u>	<u>\$85,202</u>

See Notes to Consolidated Financial Statements.