

KEYCORP /NEW/  
Form S-3  
December 22, 2004

As filed with the Securities and Exchange Commission on December 22, 2004

Registration No. 333-

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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM S-3**  
**REGISTRATION STATEMENT**  
Under  
**THE SECURITIES ACT OF 1933**

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**KeyCorp**

(Exact name of Registrant as specified in its charter)

Ohio  
(State or other jurisdiction of incorporation or organization)

34-6542451  
(I.R.S. Employer Identification Number)

127 Public Square

Cleveland, Ohio 44114-1306  
(216) 689-6300

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

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DANIEL R. STOLZER, ESQ.,  
Vice President and  
Deputy General Counsel  
KeyCorp  
127 Public Square  
Cleveland, Ohio 44114-1306  
(216) 689-6300

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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*Copies to:*  
STUART K. FLEISCHMANN, ESQ.  
Shearman & Sterling LLP  
599 Lexington Avenue  
New York, New York 10022  
(212) 848-4000

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**Approximate date of commencement of proposed sale of securities to the public:**

From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the Securities Act), other than securities offered only in connection with dividend or interest reinvestment

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plans, check the following box.  x

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.  o

If this form is a post-effective amendment filed pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.  o

If delivery of the prospectus is expected to be made pursuant to Form 434, please check the following box.  o

*(continued on next page)*

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## CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered(1)(2)	Amount to be registered(3)	Proposed maximum offering price per unit(4)	Proposed maximum aggregate offering price(5)	Amount of registration fee
Debt securities				
Debt warrants				
Preferred stock, with a par value of \$1 each				
Depository shares(6)				
Preferred stock warrants	\$2,500,000,000		\$2,500,000,000	\$294,250(8)
Depository share warrants				
Common shares, with a par value of \$1 each(7)				
Common share warrants				
Capital securities(5)				
Units				

- (1) This registration statement also covers contracts that may be issued by the registrant under which the counterparty may be required to purchase debt securities, preferred stock or depository shares. Such contracts would be issued with the debt securities, preferred stock, depository shares and/or warrants covered hereby.
- (2) This registration statement also serves to register such indeterminate amount of securities that are to be offered and sold in connection with market-making activities of affiliates of the registrant, including McDonald Investments Inc.
- (3) In no event will the aggregate initial offering price of the debt securities, debt warrants, preferred stock, depository shares, preferred stock warrants, depository share warrants, common shares, common share warrants, capital securities and units issued under this registration statement and not previously registered under the Securities Act, and in the case of warrants for which separate consideration is payable upon issuance of underlying securities, securities issued upon exercise of warrants, exceed \$2,500,000,000 or the equivalent thereof in one or more foreign currencies or composite currencies, including the euro. The aggregate amount of common shares registered hereunder is further limited to that which is permissible under Rule 415(a)(4) under the Securities Act. If any securities are issued at an original issue discount, then additional securities may be issued so long as the aggregate initial offering price of all such securities, together with the initial offering price of all other securities registered hereunder does not exceed \$2,500,000,000.
- (4) The proposed maximum offering price per unit will be determined from time to time by the registrant in connection with, and at the time of, the issuance by the registrant of the securities registered hereunder or previously registered under the Securities Act.
- (5)

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No separate consideration will be received for (i) common shares or other capital securities (which may consist of common shares or preferred stock) that are issued upon conversion at the option of a holder of debt securities, preferred stock or depositary shares or (ii) capital securities or other debt securities that are issued upon conversion at the option of the registrant of debt securities, preferred stock or depositary shares. The proposed maximum aggregate offering price has been estimated solely for the purpose of computing the registration fee pursuant to Rule 457 of the Securities Act.

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- (6) Such indeterminate number of depositary shares to be evidenced by depositary receipts issued pursuant to a deposit agreement. In the event the registrant elects to offer to the public whole or fractional interests in shares of the preferred stock registered hereunder, depositary receipts will be distributed to those persons purchasing such interests and such shares will be issued to the depositary under the deposit agreement.
- (7) Includes associated rights to purchase common shares. Until the occurrence of certain prescribed events, none of which has occurred, the rights are not exercisable, are evidenced by the certificates representing the common shares and will be transferred along with and only with the common shares.
- (8) Pursuant to Rule 429 of the Rules and Regulations under the Securities Act, the prospectus included herein is a combined prospectus which also relates to \$428,500,000 of debt securities initially registered on Registration Statement on Form S-3 (No. 333-73380) previously filed by the registrant and declared effective on November 27, 2001 and as to which a filing fee of \$500,000 was paid. This registration statement constitutes Post-Effective Amendment No. 1 to the registrant's Registration Statement on Form S-3 (No. 333-73380). Such post-effective amendment shall hereafter become effective concurrently with the effectiveness of this registration statement and in accordance with Section 8(c) of the Securities Act. The aggregate amount of securities covered by this registration statement and the other registration statement referred to above to which the prospectus contained herein relates shall not exceed \$2,928,500,000.

**The registrant hereby amends this registration statement on such date as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**THIS INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE NOTES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS IS NOT AN OFFER TO SELL THESE NOTES AND THEY ARE NOT SOLICITING ANY OFFER TO BUY THESE NOTES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.**

Subject To Completion, Dated December 22, 2004

**PROSPECTUS SUPPLEMENT**

(To Prospectus dated December , 2004)

**\$1,928,500,000**  
**KeyCorp**

**Senior Medium-Term Notes, Series H**

**Subordinated Medium-Term Notes, Series G**  
**Due 9 Months or More from Date of Issue**

We may use this prospectus supplement to offer our medium-term notes from time to time. The following terms may apply to the notes:

Ranking as our senior or subordinated indebtedness

Stated maturities of 9 months or more from date of issue

Redemption and/or repayment provisions, whether mandatory, at our option, at the option of the holders or none at all

Payments in U.S. dollars or one or more foreign currencies

Book-entry (through The Depository Trust Company) or certificated form

Interest payments on fixed rate notes on each June 15 and December 15

Interest payments on floating rate notes on a monthly, quarterly, semiannual or annual basis

Interest at fixed or floating rates, or no interest at all. We may base the floating interest rate on one or more of the following indices plus or minus a spread and/or multiplied by a spread multiplier:

CD rate	CMT rate
Commercial paper rate	Eleventh District Cost
EURIBOR	of Funds rate
LIBOR	Federal Funds rate
Treasury rate	Prime rate

Such other interest basis or interest rate formula as we may specify in the applicable pricing supplement

The Medium-Term Notes covered by this prospectus supplement include Medium-Term Notes available for sale under the previous prospectus supplement. We will specify the final terms for each note in the applicable pricing supplement, which may be different from the terms described in this prospectus supplement.

We may sell the notes to the Agents as principals for resale at varying or fixed offering prices or through the Agents as agents using their reasonable best efforts on our behalf. If we sell all of the notes, we expect to receive proceeds of between \$1,914,036,250 and \$1,926,089,375, after paying the Agents discounts and commissions of between \$2,410,625 and \$14,463,750 and before deducting expenses payable by us. We

may also sell the notes without the assistance of the Agents (whether acting as principal or as agent).

**Investing in the notes involves certain risks. See Risk Factors beginning on page S-3.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement, the accompanying prospectus or any pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

These notes are our obligations and will not be savings accounts or other obligations of our bank or nonbank subsidiaries. These notes are not insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund, the Bank Insurance Fund or any other governmental agency.

**Bear, Stearns & Co. Inc.**

**Credit Suisse First Boston**

**Goldman, Sachs & Co.**

**JPMorgan**

**Merrill Lynch & Co.**

**Citigroup**

**Deutsche Bank Securities**

**HSBC**

**KeyBanc Capital Markets**

**Morgan Stanley**

**UBS Investment Bank**

December , 2004.

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any pricing supplement. We have not, and the Agents have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the Agents are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any pricing supplement is accurate as of its date only. Our business, financial condition, results of operations and prospects may have changed since that date.

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## RISK FACTORS

*Your investment in the notes is subject to certain risks, especially if the notes involve in some way a foreign currency. This prospectus supplement does not describe all of the risks of an investment in the notes, including, among others, risks arising because the notes are denominated in a currency other than U.S. dollars or because the return on the notes is linked to one or more interest rate or currency indices or formulas. You should consult your own financial and legal advisors about the risks entailed by an investment in the notes and the suitability of your investment in the notes in light of your particular circumstances. The notes are not an appropriate investment for investors who are unsophisticated with respect to foreign currency transactions or transactions involving the type of index or formula used to determine amounts payable. Before investing in the notes, you should consider carefully, among other factors, the matters described below.*

*The information set forth in this prospectus supplement is directed to prospective purchasers of the notes who are United States residents. We disclaim any responsibility to advise prospective purchasers who are residents of countries other than the United States regarding any matters that may affect the purchase or holding of, or receipt of payments of principal, premium or interest on, the notes. Such persons should consult their advisors with regard to these matters. Any pricing supplement relating to the notes having a specified currency other than U.S. dollars will contain a description of any material exchange controls affecting such currency and any other required information concerning such currency.*

### **Changes in Exchange Rates and Exchange Controls Could Result in a Substantial Loss to You**

If you invest in foreign currency notes and currency indexed notes, your investment will be subject to significant risks not associated with investments in debt instruments denominated in U.S. dollars or U.S. dollar-based indices.

Such risks include, but are not limited to:

the possibility of significant market changes in rates of exchange between the U.S. dollar and your payment currency;

the possibility of significant changes in rates of exchange between U.S. dollars and the specified currency resulting from official redenomination relating to your payment currency; and

the possibility of the imposition or modification of foreign exchange controls by either the United States or foreign governments.

Such risks generally depend on factors over which KeyCorp has no control and which cannot be readily foreseen such as:

economic events;

political events; and

the supply for, and demand for, the relevant currencies.

In recent years, rates of exchange between the U.S. dollar and certain foreign currencies have been volatile. This volatility may continue in the future. Past fluctuations in any particular exchange rate are not necessarily indicative, however, of fluctuations that may occur in the rate during the term of the note. Fluctuations in exchange rates against the U.S. dollar could result in a decrease in the U.S. dollar-equivalent value of the principal or any premium payable at maturity of your notes and, generally, in the U.S. dollar-equivalent market value of your notes. The currency risks with respect to your foreign currency notes or currency indexed notes may be further described in the applicable pricing supplement.

Foreign exchange rates can either float or be fixed by sovereign governments. Governments, however, often do not voluntarily allow their currencies to float freely in response to economic forces. Instead, governments use a variety of techniques, such as intervention by that country's central bank, or the imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Governments also

may issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by the devaluation or revaluation of a currency. Thus, an important risk in purchasing foreign currency notes or currency indexed notes for U.S. dollar-based investors is that their U.S. dollar-equivalent yields could be affected by governmental actions that could change or interfere with currency valuation that was previously freely determined, fluctuations in response to other market forces and the movement of currencies across borders. We will make no adjustment or change in the terms of the foreign currency notes or currency indexed notes if exchange rates become fixed, or if any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes occur, or other developments, affecting the U.S. dollar or any applicable currency occur.

The exchange rate agent will make all calculations relating to your foreign currency notes or currency indexed notes. All such determinations will, in the absence of clear error, be binding on holders of the notes.

For notes with a specified currency other than U.S. dollars, we may include in the applicable pricing supplement information concerning historical exchange rates for that currency against the U.S. dollar and a brief description of any relevant exchange controls.

**The Unavailability of Currencies Could Result in a Substantial Loss to You**

Except as set forth below, if payment on a note is required to be made in a specified currency other than U.S. dollars and such currency is:

unavailable due to the imposition of exchange controls or other circumstances beyond our control;

no longer used by the government of the country issuing such currency; or

no longer used for the settlement of transactions by public institutions of the international banking community

then all payments on such note shall be made in U.S. dollars until such currency is again available or so used. The amounts so payable on any date in such currency shall be converted into U.S. dollars on the basis of the most recently available market exchange rate for such currency or as otherwise indicated in the applicable pricing supplement. Any payment on such note made under such circumstances in U.S. dollars will not constitute an event of default under the applicable indenture.

If the specified currency of a note is officially redenominated, other than as a result of the European Monetary Union, such as by an official redenomination of any such specified currency that is a composite currency, then our payment obligations on such note will be the amount of redenominated currency that represents the amount of our obligations immediately before the redenomination. The notes will not provide for any adjustment to any amount payable under such notes as a result of:

any change in the value of the specified currency of such notes relative to any other currency due solely to fluctuations in exchange rates; or

any redenomination of any component currency, unless such composite currency is itself officially redenominated.

Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies, and vice versa. In addition, banks do not generally offer non-U.S. dollar-denominated checking or savings account facilities in the United States. Accordingly, payments on notes in a currency other than U.S. dollars will be made from an account at a bank located outside the United States, unless otherwise specified in the applicable pricing supplement.

**Judgments in a Foreign Currency Could Result in a Substantial Loss to You**

The indentures and the notes, except to the extent specified otherwise in a pricing supplement, will be governed by, and construed in accordance with, the laws of the State of New York. As a holder of notes, you may bring an action based upon an obligation payable in a currency other than U.S. dollars in courts

in the United States. However, courts in the United States have not customarily rendered judgments for money damages denominated in any currency other than U.S. dollars. In addition, it is not clear whether in granting such judgment, the rate of conversion would be determined with reference to the date of default, the date judgment is rendered or any other date. The Judiciary Law of the State of New York provides, however, that an action based upon an obligation payable in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation and converted to U.S. dollars at an exchange rate prevailing on the date the judgment or decree is entered. In these cases, holders of foreign currency notes would bear the risk of exchange rate fluctuations between the time the dollar amount of this judgment is calculated and the time U.S. dollars were paid to the holders.

**The Risk of Loss to You as a Result of Linking Principal or Interest on Payments on Indexed Notes to an Index Can Be Substantial**

If you invest in indexed notes, your investment will be subject to significant risks that are not associated with an investment in a conventional fixed rate debt security. Indexation of the interest rate of a note may result in lower (or no) interest compared to a conventional fixed rate debt security issued at the same time. Indexation of the principal of and/or premium on a note may result in the payment of a lower amount of principal and/or premium (or no principal and/or premium) compared to the original purchase price of the note. The value of an index can fluctuate based on a number of interrelated factors. The risks associated with a particular indexed note generally depend on factors over which we have no control and which cannot readily be foreseen. These risks include:

economic events;

political events; and

the supply of, and demand for, the assets underlying the index.

Additionally, if the formula specified to determine the amount of principal, premium and/or interest payable with respect to indexed notes contains a multiple or leverage factor, that feature may magnify the effect of any change in the index. You should not view the historical experience of an index as an indication of its future performance. The risk of loss as a result of linking principal or interest payments on indexed notes to an index can be substantial. You should consult your own financial and legal advisors as to the risks of an investment in indexed notes.

**Changes in Credit Ratings Could Result in a Substantial Loss to You**

The credit ratings on our Medium-Term Note Program may not reflect the potential impact of all risks related to structure and other factors on the value of the notes. In addition, real or anticipated changes in our credit ratings generally will affect the market value of the notes.

## SELECTED CONSOLIDATED FINANCIAL DATA

The following table presents summary consolidated financial data which has been derived from, and should be read in conjunction with, the consolidated financial statements, the notes thereto and the other financial information pertaining to KeyCorp incorporated by reference into the accompanying prospectus. This summary is qualified in its entirety by the detailed information and financial statements included in the documents incorporated by reference under "Where You Can Find More Information" in the accompanying prospectus. The data presented for the years ended December 31, 2003, 2002, 2001, 2000, and 1999 is derived from our audited consolidated financial statements. The data presented for the nine-month periods ended September 30, 2004 and 2003 has been derived from our unaudited consolidated financial statements and is not necessarily indicative of the data for the entire year. These interim financial statements include, in the opinion of management, all adjustments of a normal recurring nature and disclosures which are necessary to present fairly the data for such interim periods. The comparability of the data presented is affected by certain acquisitions and divestitures that we and our subsidiaries have completed in the time periods presented. Some previously reported results have been reclassified to conform to the current presentation.

	Nine months ended September 30,		Year ended December 31,				
	2004	2003	2003	2002	2001	2000	1999
	(Unaudited)		(Audited)				
	(dollars in millions, except per share amounts)						
<b>For the period</b>							
Interest income	\$ 2,803	\$ 3,014	\$ 3,970	\$ 4,366	\$ 5,627	\$ 6,277	\$ 5,695
Interest expense	848	960	1,245	1,617	2,802	3,547	2,908
Net interest income	1,955	2,054	2,725	2,749	2,825	2,730	2,787
Provision for loan losses	206	378	501	553	1,350	490	348
Noninterest income	1,313	1,294	1,760	1,769	1,725	2,194	2,315
Noninterest expense	2,028	2,044	2,742	2,653	2,941	2,917	3,070
Income before income taxes and cumulative effect of accounting changes	1,034	926	1,242	1,312	259	1,517	1,684
Income before cumulative effect of accounting changes	741	669	903	976	157	1,002	1,107
Net income	741	669	903	976	132	1,002	1,107
<b>Per common share</b>							
Income before cumulative effect of accounting changes	\$ 1.80	\$ 1.58	\$ 2.13	\$ 2.29	\$ .37	\$ 2.32	\$ 2.47
Income before cumulative effect of accounting changes assuming dilution	1.78	1.57	2.12	2.27	.37	2.30	2.45
Net income	1.80	1.58	2.13	2.29	.31	2.32	2.47
Net income assuming dilution	1.78	1.57	2.12	2.27	.31	2.30	2.45
Cash dividends paid	.93	.915	1.22	1.20	1.18	1.12	1.04
Book value at period end	17.12	16.64	16.73	16.12	14.52	15.65	14.41
Market price:							
High	33.23	27.88	29.41	29.40	28.15	28.50	38.13
Low	28.23	22.31	22.31	20.96	20.49	15.56	21.00
Close	31.60	25.57	29.32	25.14	24.34	28.00	22.13
Weighted average common shares(000)	411,371	423,697	422,776	425,451	424,275	432,617	448,168
Weighted average common shares and potential common shares(000)	416,002	426,968	426,157	430,703	429,573	435,573	452,363

	Nine months ended September 30,		Year ended December 31,				
	2004	2003	2003	2002	2001	2000	1999
	(Unaudited)		(Audited) (dollars in millions)				
<b>At period end</b>							
Loans	\$64,981	\$62,723	\$62,711	\$62,457	\$63,309	\$66,905	\$64,222
Earning assets	76,335	73,258	73,143	73,635	71,672	77,316	73,733
Total assets	88,455	84,460	84,487	85,202	80,938		