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last month said the litigation would not threaten the bank's financial security. Neither he nor Donald F. Holt, Keystone's executive vice president and chief financial officer, returned calls yesterday.

The bank, in a release, said the Devon settlement, restructuring costs and disruptions associated with Year 2000 preparations "all heavily impacted 1999 performance."

Keystone's net income for the year was \$37 million, or 76 cents a share, compared with \$99.7 million, or \$1.94 a share, in 1998. With the exclusion of special charges associated with the Devon litigation and unification of Keystone's seven banks under one charter, net income for 1999 was \$83.6 million.

Shares in Keystone closed up 12 1/2 cents yesterday at \$19. The stock is down 49 percent from its 52-week high of \$37.50 last January. It reached a 52-week low of \$18.31 a week ago.

---- INDEX REFERENCES ----

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