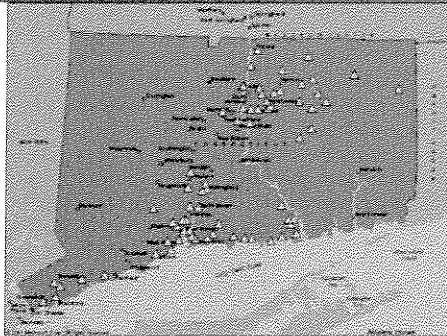


### Nicely Aligned Along I-95 and I-91 Corridors including Fairfield County



NewAlliance Bank Branches

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### First Quarter Highlights

- GAAP EPS 11 cents; 12 cents exclusive of M&A costs; met Street expectations;
- Loan balances up 8% over year-end;
  - ◊ Originations & Purchases up 38%
- Deposits up 3.4%; focused on managing profitability;
- Stable margin;
- Credit Quality continues to be pristine.

NewAlliance Bank Branches

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### Managing Our Capital

- Repurchased 1.2 million shares in Q1
  - ◊ Board has authorized another 10 million shares
- Declared eight consecutive quarterly dividends since IPO on April 1, 2004
  - ◊ 40% of earnings or more each quarter
  - ◊ Increased to 6 cents per share for 1<sup>st</sup> Quarter
- Completed acquisition of Cornerstone Bank at start of 2006 to enter Fairfield County
- Strengthened wealth management business with purchase of Trust Company of Connecticut

NewAlliance Bank Branches

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### "Best Practices" Corporate Governance

**NewAlliance Corporate Governance outperforms most companies:**

**Institutional Shareholder Services (ISS) states:**

- ◊ NewAlliance outperforms 94.7% of Russell 3000 companies;
- ◊ NewAlliance outperforms 95.5% of the "Bank Group".

NewAlliance Bank Branches

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## Priorities in 2006

<b>Manage Revenue Growth</b>	Increase earning assets Manage interest rate risk Focus on fee income
<b>Balance Sheet Growth</b>	Emphasize checking deposits C&I loans
<b>Contain Expenses</b>	Deliver on acquisition cost saves Accelerate process improvements
<b>Maintain Credit Quality</b>	Intensify loan review Underwrite prudently Conduct portfolio stress testing

NewAlliance Bank

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## Priorities in 2006 (continued)

<b>Deploy capital strategically</b>	Pursue sound acquisitions Conduct opportunistic share repurchases Maintain competitive dividend
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NewAlliance Bank

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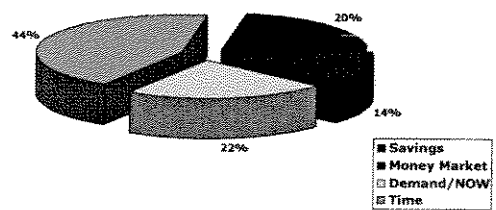
## Financials



**NewAlliance Bank**  
Capital Ideas. Human values.

## Deposits 3/31/06

**TOTAL DEPOSITS: \$3.9 billion**

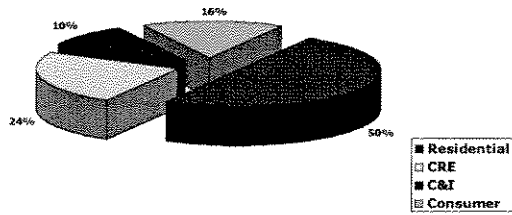


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## Loans 3/31/06

TOTAL LOANS: \$3.5 billion



FinancialSource Real Estate

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## Residential Loan Portfolio

Fixed >15 years	17.2%
15 year Fixed	28.1%
10 year Fixed	2.4%
Adjustable	52.3%

FinancialSource Real Estate

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## Residential Portfolio Balances

Originated by NAL	82%
Purchased by NAL	17%

FinancialSource Real Estate

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## Purchased Mortgages


Loans by State	Average FICO score 739
NY 16%	Average LTV 66%
NJ 17%	Underwrite 100% of loans
CT 16%	
MA 14%	
OH 7%	
PA 7%	
Others 23%	

FinancialSource Real Estate

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### CRE Loan Portfolio

- 18.4% Fixed > 10 years
- 5.9% Fixed 10 years or less
- 60.6% Adjustable
- 15.1% Construction

 PNC Financial Services Group, Inc.

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### Consumer Loan Portfolio

- 47.1% Home Equity loans
- 48.7% Home Equity lines
- 4.2% Other Consumer

 PNC Financial Services Group, Inc.

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### Investments


- 96% Agency or AAA
- 33.6% Adjustable MBS
- 0.4% 30 year Fixed MBS
- 7.2% 15 year Fixed MBS
- 20.2% CMOs
- 8.8% 5 year + 7 year balloons
- 6.8% Agencies

 PNC Financial Services Group, Inc.

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### Durations

- |                 |           |
|-----------------|-----------|
| ▪ Loans         | 2.3 years |
| ▪ Investments   | 2.3 years |
| ▪ FHLB Advances | 2.5 years |

 PNC Financial Services Group, Inc.

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Interest Rate Risk Position	
1 year Gap	-3.52%
NIM sensitivity +100 BP	+0.79%
NIM sensitivity -100 BP	-0.91%

NewAlliance Bancshares

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In Summary
<ul style="list-style-type: none"> <li>▪ Anticipate EPS growth in 10% range, exclusive of options expensing and conversion and merger related charges;</li> <li>▪ Comfortable with Street consensus of 52 cents;</li> <li>▪ Loan growth subject to strong underwriting standards;</li> <li>▪ Continue rigorous capital deployment.</li> </ul>

NewAlliance Bancshares

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