



NewAlliance Bancshares

Company Overview

**Presented at KBW Regional
Bank Conference
February 27, 2008**

Discussion Topics

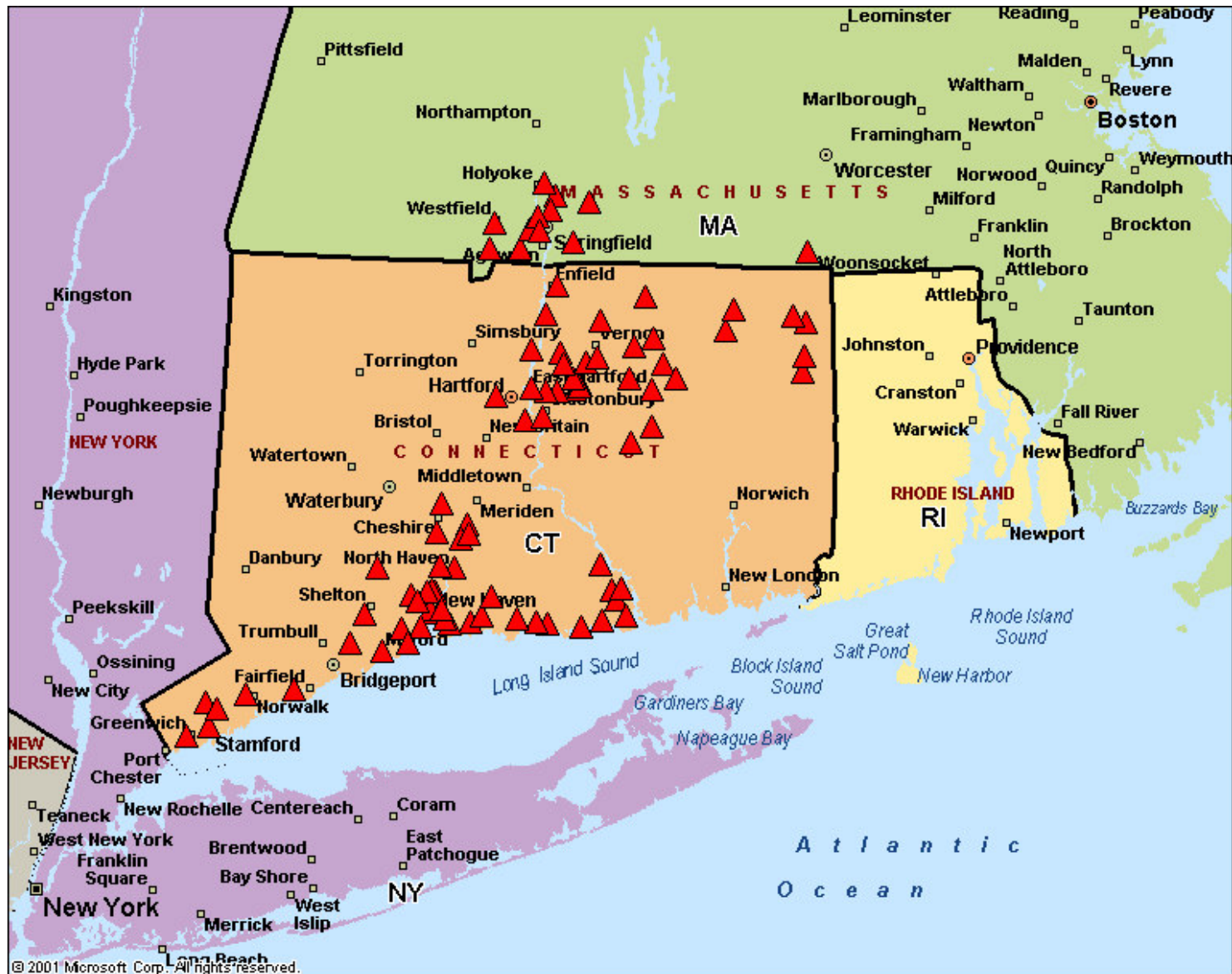
- **Company Profile and Business Focus**
- **Highlights of 2007**
- **Balance Sheet Composition and Credit Quality**
- **Key 2008 Business Priorities**

Company Profile

NewAlliance is a regional community bank with a significant southern New England presence:

- **Approximately \$8.2 billion in assets and \$4.4 billion in deposits;**
- **88 branches in Connecticut and Massachusetts;**
- **3rd largest bank headquartered in Connecticut; 4th largest in New England;**
- **Dominant market share in its core markets;**
- **Balance sheet growth driven by strong sales culture and acquisitions;**
- **Strong capital - - Tier 1 leverage of approximately 11%.**

Building the NewAlliance Franchise



Executive Management Team

Name	Title	Years in Industry	Prior Experience
Peyton R. Patterson	Chairman, President & Chief Executive Officer	25	Dime Bancorp (NY) Chemical Bank/Chase Manhattan (NY) CoreStates Financial Corp. (PA)
Merrill B. Blanksteen	Executive Vice President, Chief Financial Officer & Treasurer	32	New Haven Savings Bank (CT) American Savings Bank (FL) AmeriFirst Bank (FL)
Gail E.D. Brathwaite	Executive Vice President & Chief Operating Officer	29	Dime Bancorp (NY)
Donald T. Chaffee	Executive Vice President & Chief Credit Officer	36	Dime Bancorp (NY) Chase Manhattan Bank (NY)
Diane L. Wishnafski	Executive Vice President, Retail & Business Banking Product Development	33	New Haven Savings Bank (CT) Dime Savings Bank of Wallingford (CT) First Bank (CT) Connecticut Bank & Trust Co. (CT)
Koon Ping Chan	Executive Vice President Chief Risk Officer	30	Dime Bancorp (NY) Chase Manhattan Bank (NY)
J. Edward Diamond	Executive Vice President, Asset Management	35	Dime Bancorp (NY) First Gibraltar Bank (TX)
Brian S. Arsenault	Executive Vice President, Corporate Communications and Investor Relations	18	Banknorth Group (ME)
Paul A. McCraven	Senior Vice President Community Development Banking	11	New Haven Savings Bank (CT)

Business Model

Retail Banking

- ❖ Free/Regular Checking/Savings
- ❖ Money Market Accounts
- ❖ CDs & IRA's
- ❖ VISA Debit Card
- ❖ Res. Mortgage
- ❖ Home Equity Loans & Lines
- ❖ Consumer Loans & Lines
- ❖ Safe Deposit
- ❖ On-line Banking

Business Banking

- ❖ C&I
- ❖ CRE
- ❖ Full array of business checking products
- ❖ Remote deposit
- ❖ Cash Management
- ❖ Merchant Services
- ❖ SBA Preferred Lender

Wealth Management

- ❖ Trust Services (Trust Company of Connecticut)
- ❖ Investments (NewAlliance Broker-Dealer)
- ❖ Insurance & Annuities
- ❖ Investment Advisory Services

Highlights of 2007

Initiative

- **Sustain Strong Loan Growth**
- **Increase Core Deposits**
- **Raise Non-Interest Income**
- **Reduce Operating Expenses**

Achievement

- **Loans increased 24%, half from Westbank;**
- **Average core deposits up 6.7%; checking balances up 9%;**
- **Up 13% to \$6.2 million – representing 24.5% of operating revenue - a historic high;**
- **Operating expenses decreased 2% without Westbank; realized targeted cost saves of 30% from Westbank.**

Highlights of 2007 (continued)

Initiative

- **Maintain Strong Asset Quality**

Achievement

Asset Quality remains outstanding:

- **Total delinquencies only 63 b.p.**
- **Non-performing loans at 35 b.p.**
- **Net charge-offs of 5 b.p.**
- **Adequate reserve coverage at 93 b.p.**



NewAlliance Bancshares

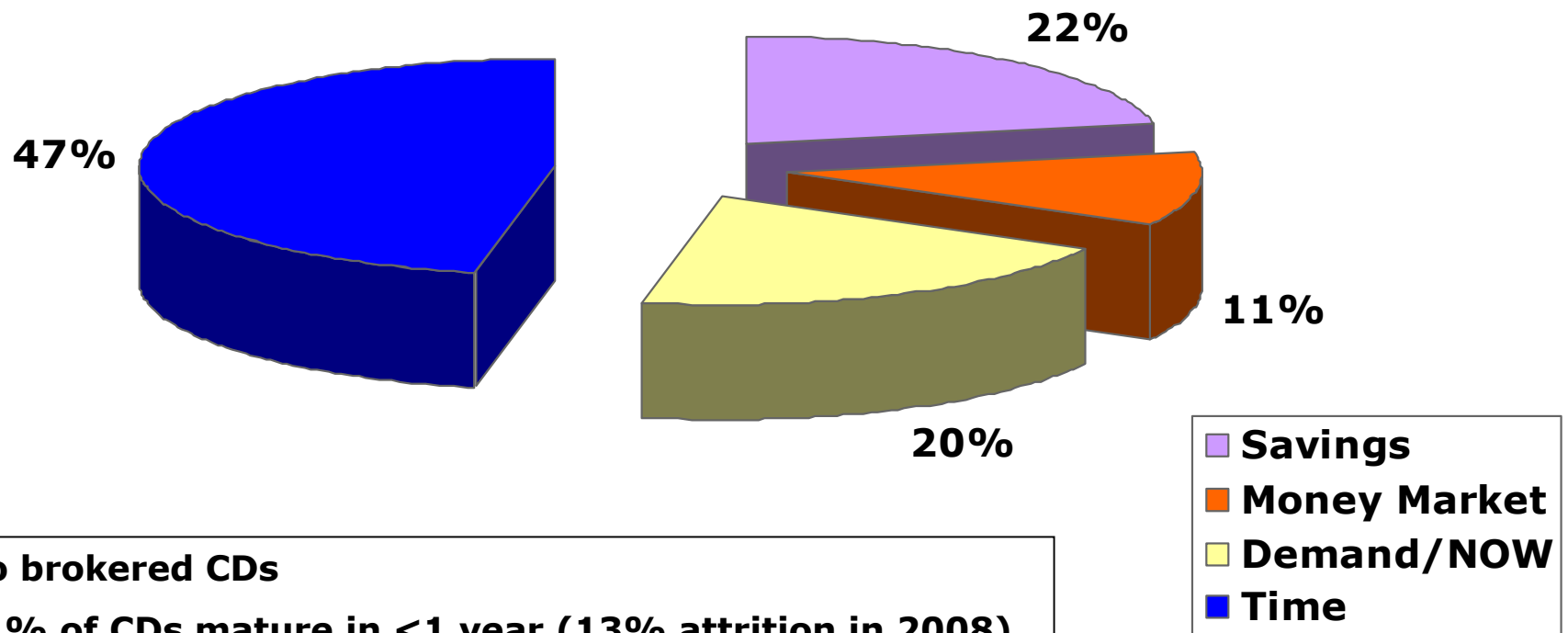
Balance Sheet Composition and Credit Quality

Deposits

December 31, 2007

TOTAL DEPOSITS: \$4.4 billion

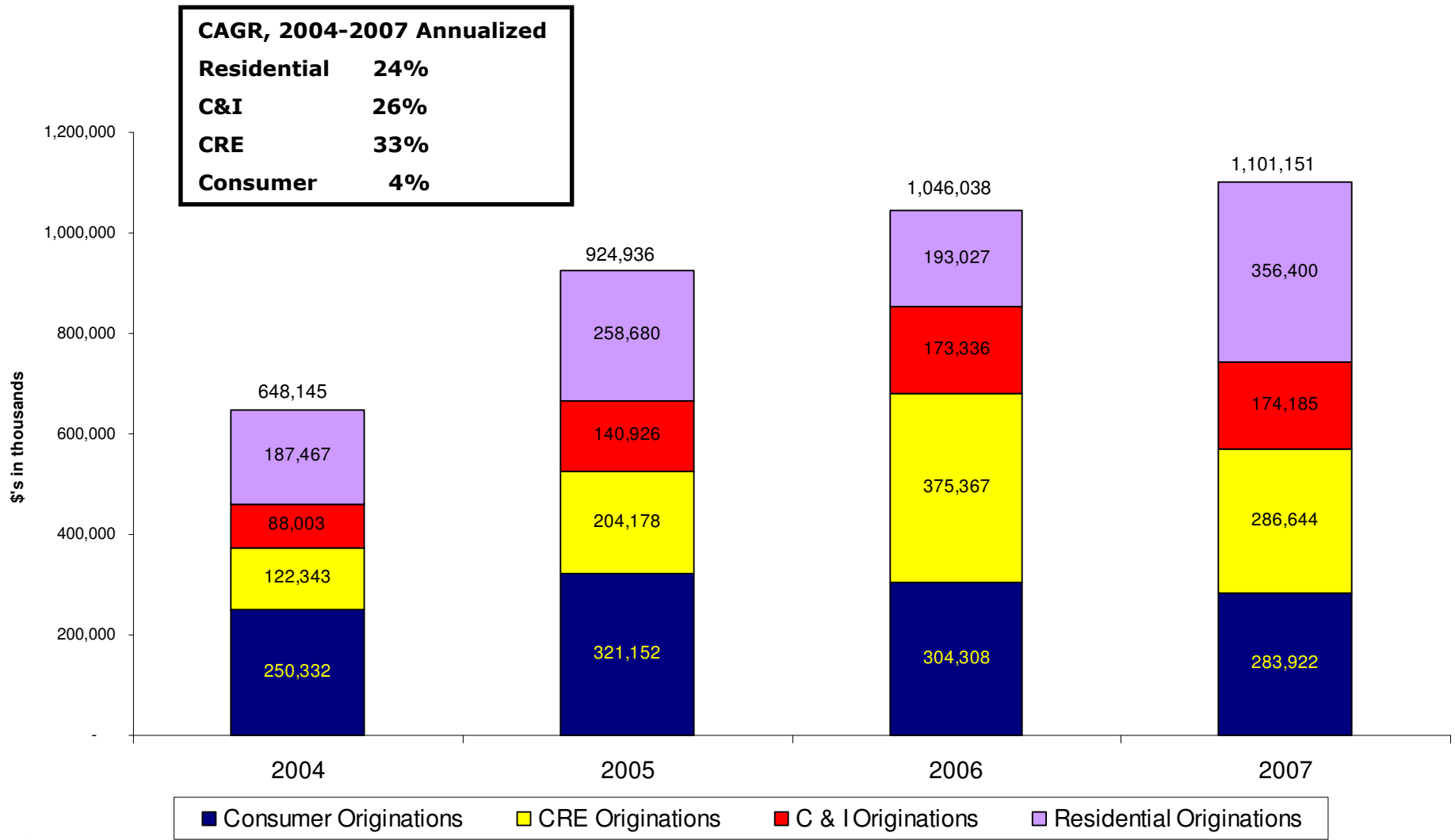
Total Core = 53%



Deposit Pricing Trends

	Pricing 12/31/07	Pricing 1/31/08
Premium Checking	1.73%	.99%
Premium Money Market	4.17%	3.25%
6 mo. Relationship CD	4.17%	2.47%
Weighted cost of deposits	3.08%	3.01%

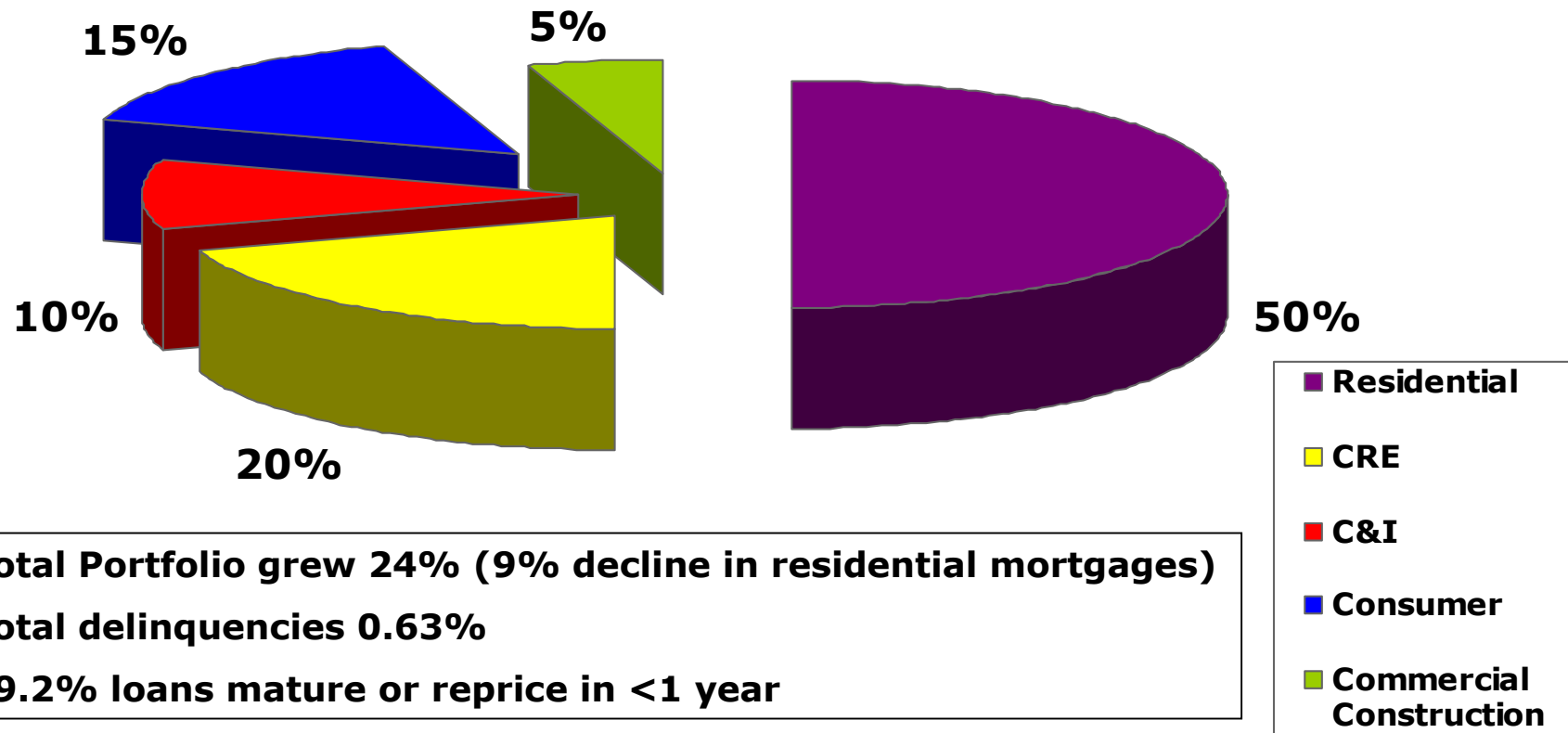
Loan Originations



NewAlliance Loan Portfolio

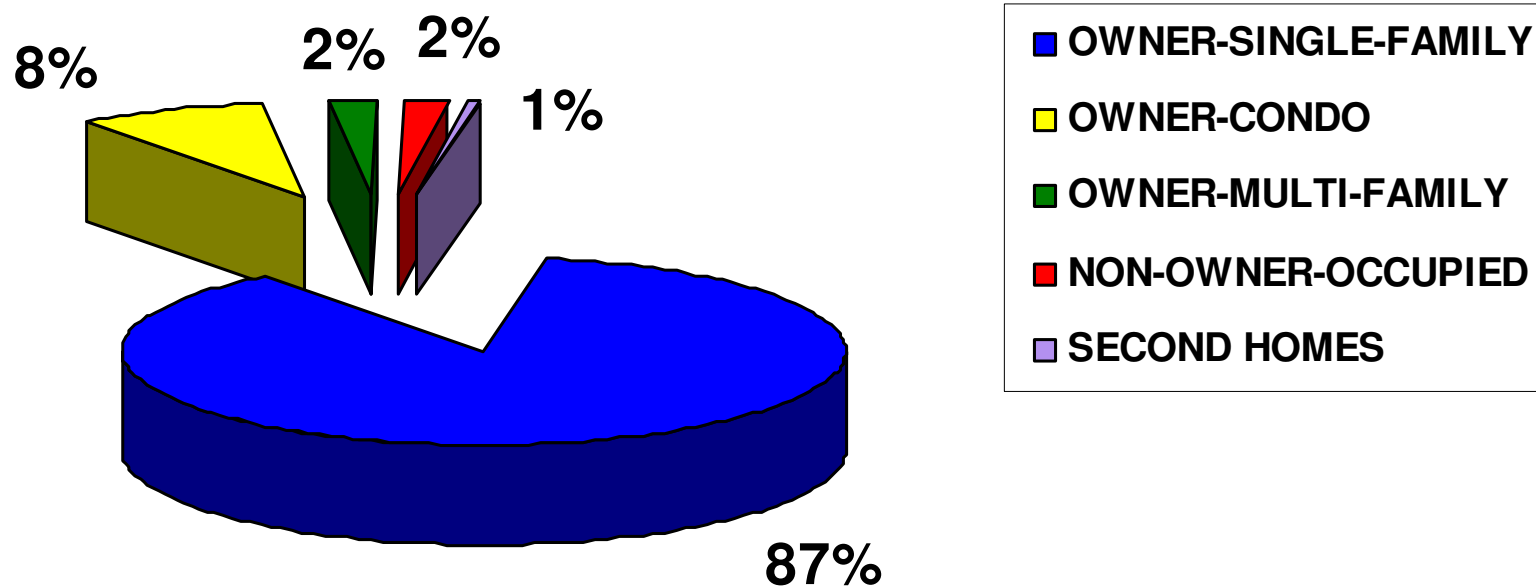
December 31, 2007

TOTAL LOANS: \$4.7 billion



Residential Portfolio Snapshot

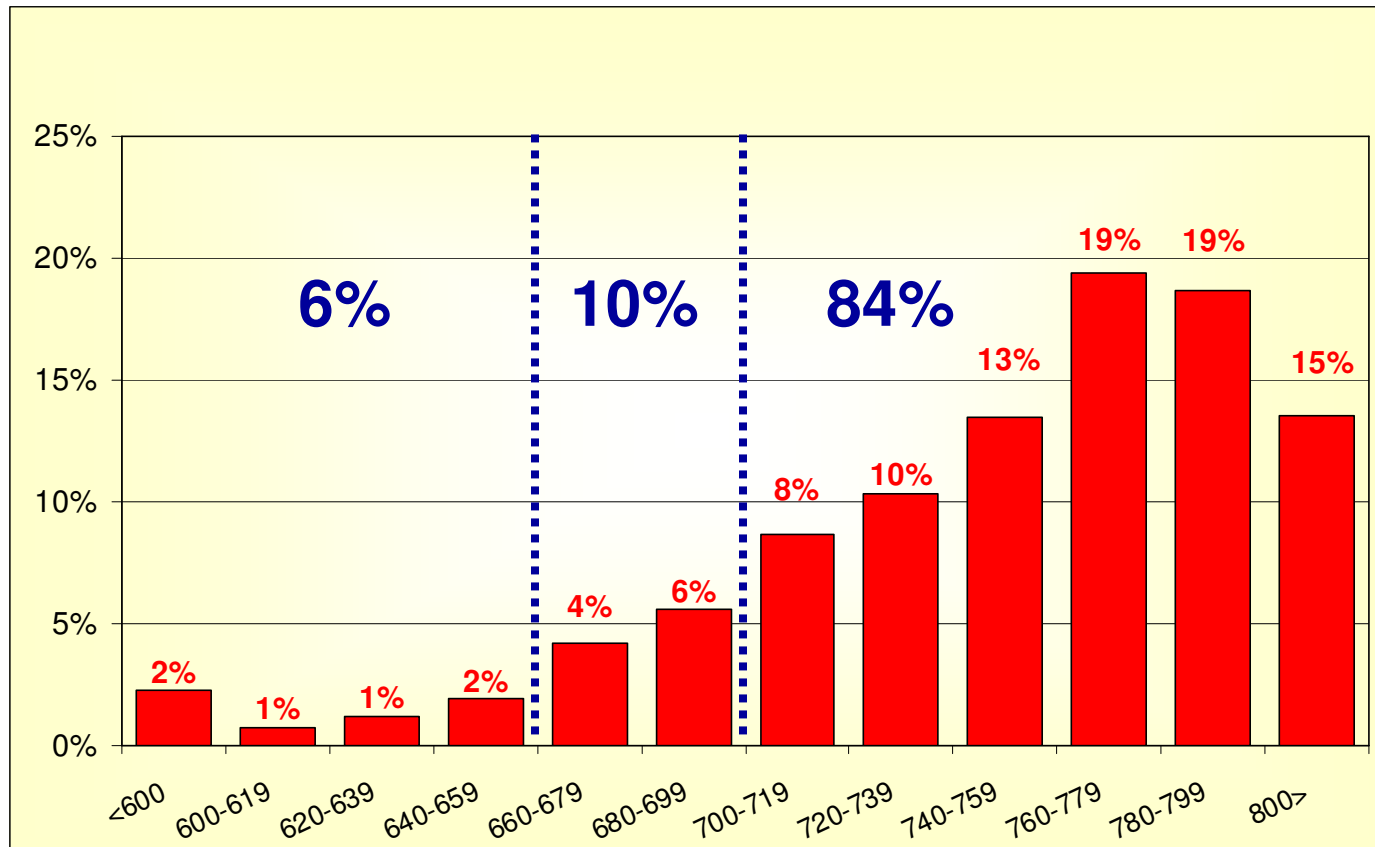
December 2007 Month-End



- Residential Portfolio \$2.4 billion
- Total delinquencies 0.49%
- Average FICO 746
- Average LTV 49%

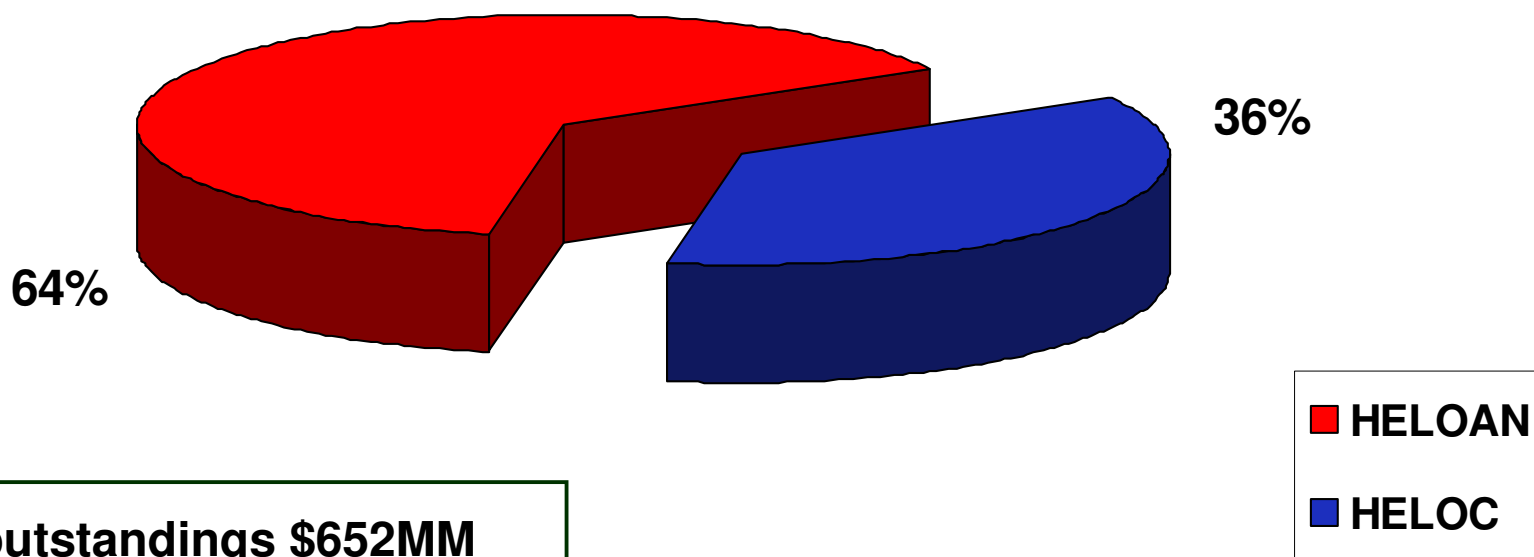
Residential Portfolio Score Distribution

December 2007 Month End



Home Equity Portfolio Snapshot

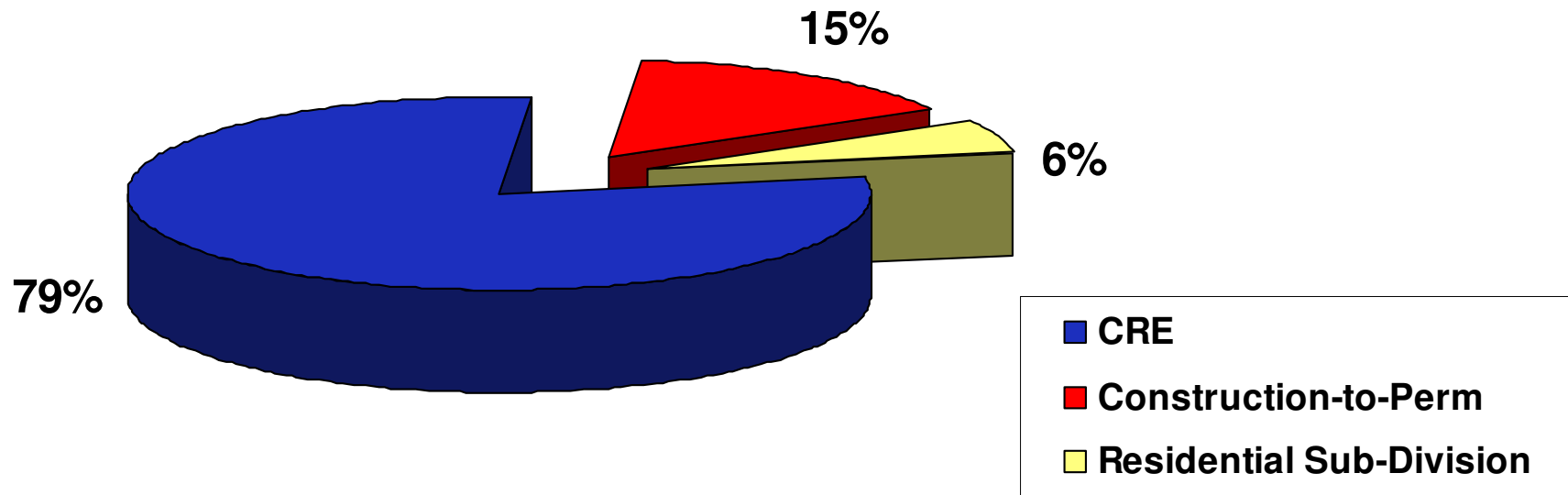
December 2007 Month-End



- Total outstandings \$652MM
- Total delinquencies 0.42%
- Net credit losses 0.00%
- Average CLTV 45%

Total CRE Portfolio Snapshot

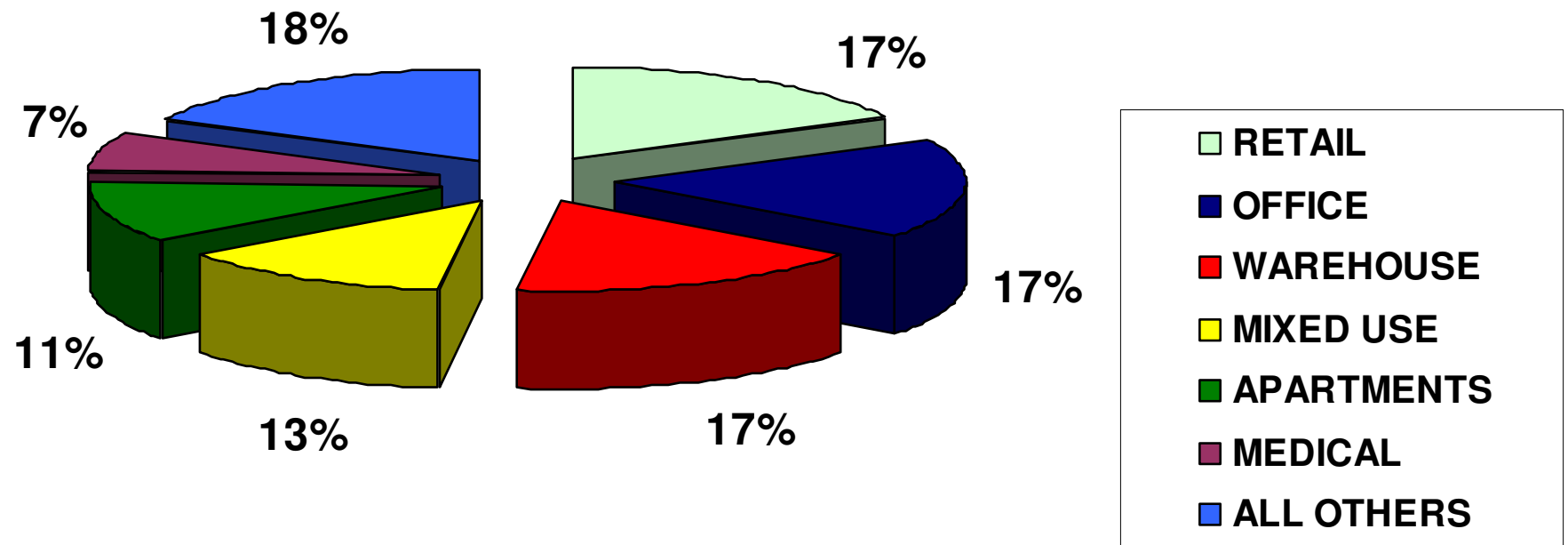
December 2007 Month-End



- Total outstandings \$1.2 billion
- Total delinquencies 0.61%
- Net credit losses 0.06%

CRE Portfolio Snapshot

December 2007 Month-End

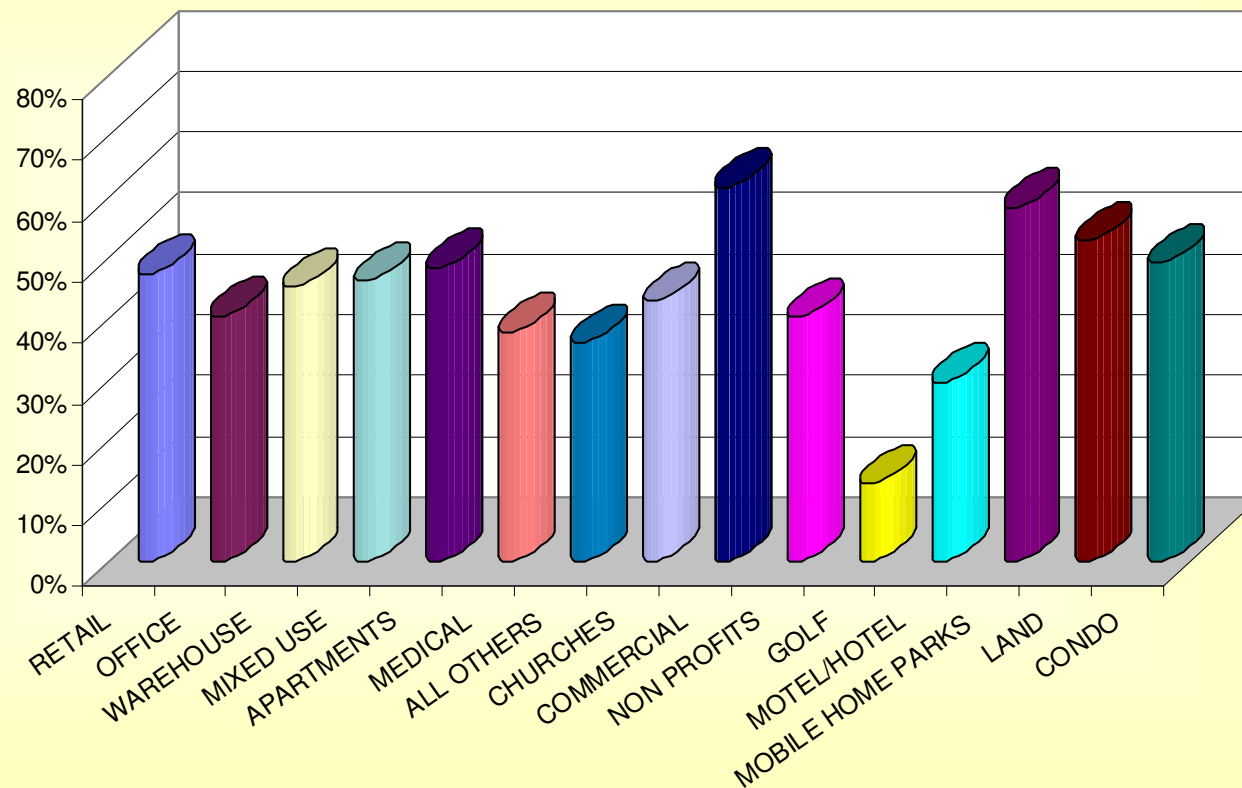


- **Balanced distribution of risk**

CRE Portfolio Snapshot

December 2007 Month-End

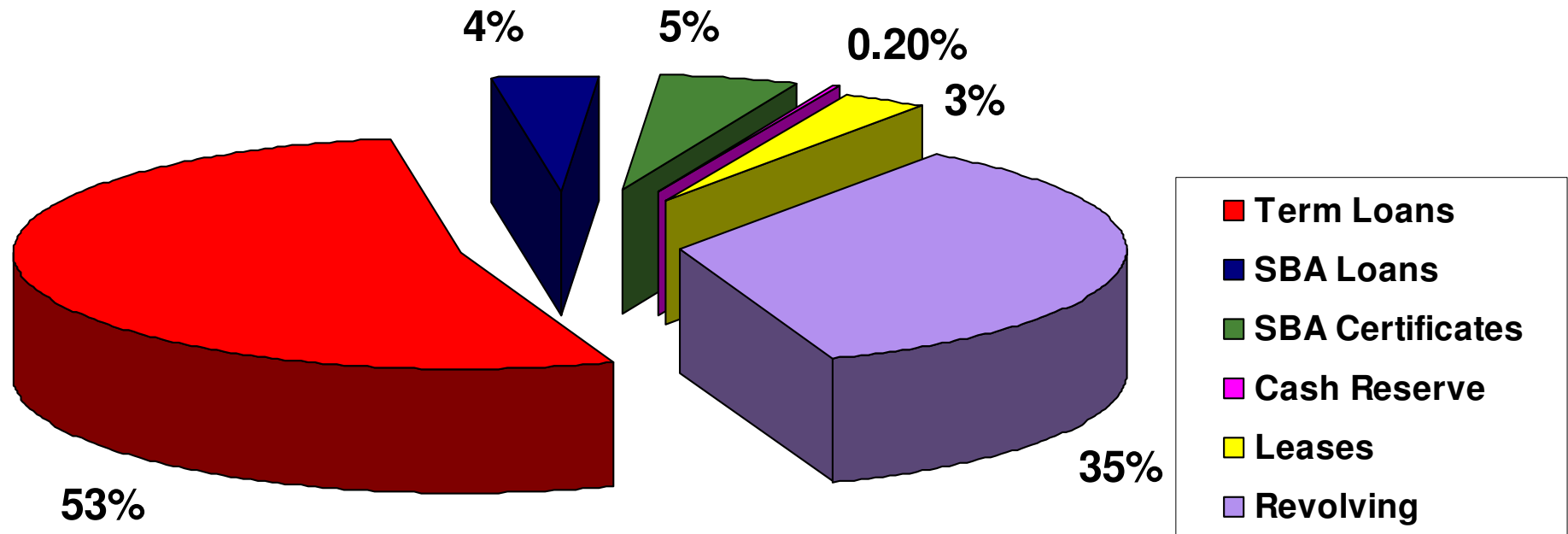
Average LTV with Original Appraisal and Current Balance



- Portfolio LTV approximately 50%

C&I Portfolio Snapshot

December 2007 Month-End

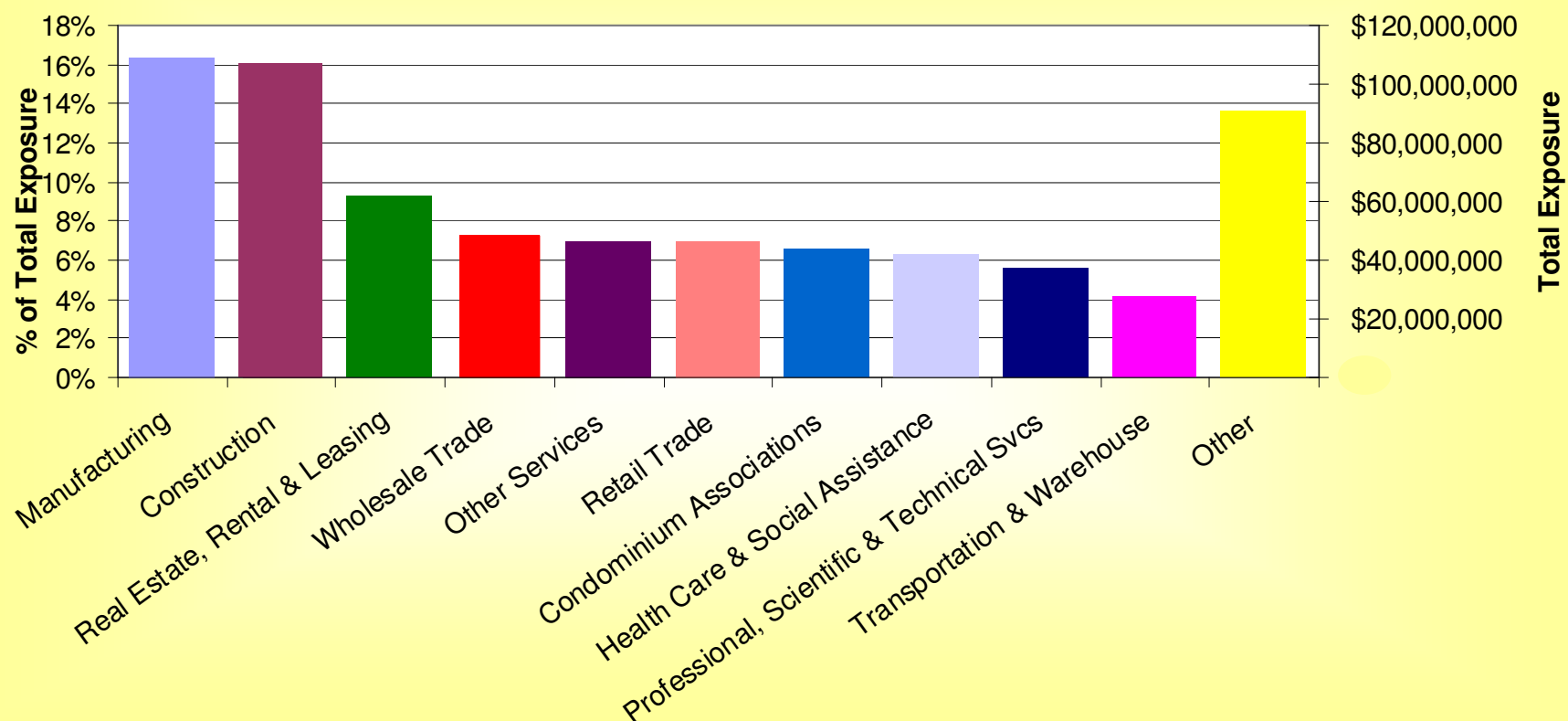


- Total outstanding balance \$456MM
- Total delinquencies 1.40%
- Net credit losses 0.28%

C&I Portfolio Snapshot

December 2007 Month-End

C & I by Industry Code



• No excessive concentrations

Asset Quality Key Indicators

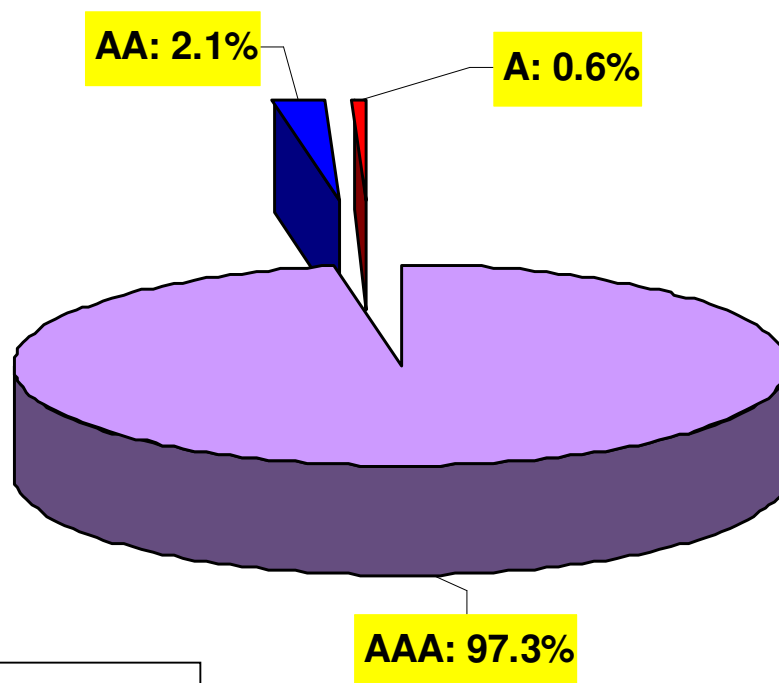
At or for the 12 Months Ending 12/31/07

- **Non-performing loans to total loans** **0.35%**
- **Allowance for losses to total loans** **0.93%**
- **Allowance for losses to non-accrual loans** **267.38%**
- **Net charge-offs to total loans** **0.05%**
- **Total delinquencies/ loans (30+)** **0.63%**
- **Loan loss provision** **\$4.9MM**

Investment Portfolio by Ratings

December 31, 2007

Total Portfolio \$2.5 billion



- **Agency Securities 86.0%**
- **No Sub Prime**

2008 Business Priorities

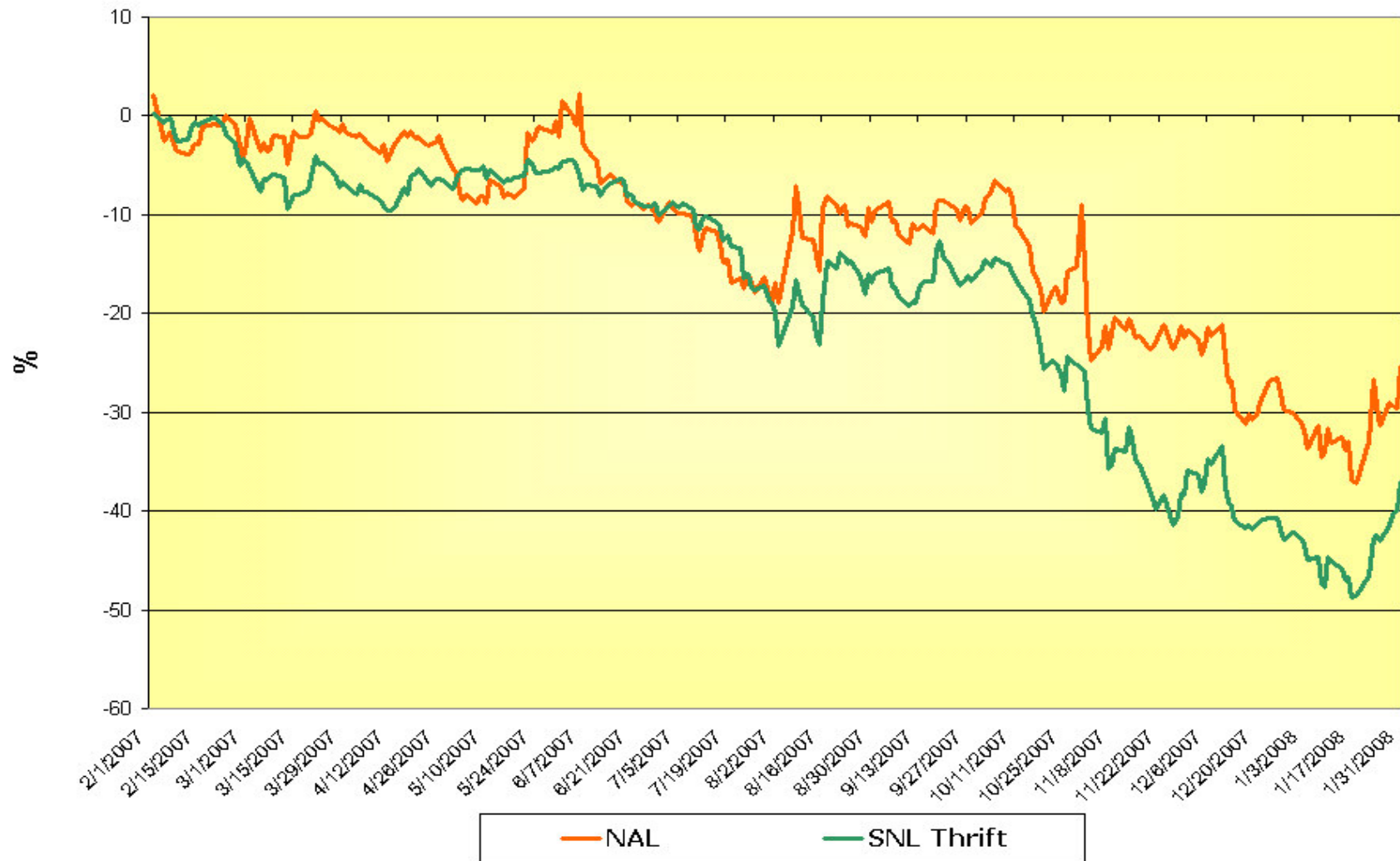
- PRIORITY Strengthen balance sheet profitability;**
- PRIORITY Accelerate non-interest income generation;**
- PRIORITY Maintain vigilant risk management focus;**
- PRIORITY Exercise rigorous expense control;**
- PRIORITY Deploy capital opportunistically.**

Organizational Strengths

- **Strong Sales Culture**
- **Management Depth**
- **Risk Management**
- **Regulatory Compliance**
- **Disciplined Acquirer and Integrator**
- **Capital Management**

Stock Price Comparison

NAL vs. SNL Thrift Index on 1/31/08



Disclaimer & Forward-Looking Statements

This presentation contains forward-looking statements which involve risks and uncertainties. The Company's actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, changes in market interest rates, loan prepayment rates, general economic conditions, legislation and regulation; changes in the monetary and fiscal policies of the U.S. Government including policies of the U.S. Treasury and the Federal Reserve Board; changes in the quality or composition of the loan or investment portfolios; changes in deposit flows, competition and demand for financial services; changes in accounting principles and guidelines; the ability of the Company to successfully complete and integrate acquisitions; the pace of growth and profitability of possible de novo branches; the impact of additional equity awards yet to be determined; war or terrorist activities; and other economic, competitive, governmental, regulatory, geopolitical, and technological factors affecting the Company's operations, pricing and services.



NewAlliance Bancshares

Capital ideas. Human values.