
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): August 8, 2007

THE COLONIAL BANCGROUP, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

1-13508
(Commission File Number)

63-0661573
(I.R.S. Employer Identification No.)

**100 Colonial Bank Blvd.
Montgomery, Alabama 36117**
(Address of principal executive offices)

(334) 676-5000
(Registrant's telephone number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 7.01 Regulation FD Disclosure.

The Colonial BancGroup, Inc. (BancGroup) is furnishing this Current Report on Form 8-K in connection with management's presentation to various analysts at meetings August 8-9, 2007.

Item 9.01 Financial Statements and Exhibits.

The following exhibits are furnished as Regulation FD Disclosure to this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Presentation materials to be used by BancGroup's management at meetings with various analysts August 8-9, 2007.

This report includes “forward-looking statements” within the meaning of the federal securities laws. Words such as “believes,” “estimates,” “plans,” “expects,” “should,” “may,” “might,” “outlook,” and “anticipates,” and similar expressions, as they relate to BancGroup (including its subsidiaries or its management), are intended to identify forward-looking statements. The forward-looking statements in this report are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by the statements. In addition to factors mentioned elsewhere in this report or previously disclosed in BancGroup’s SEC reports (accessible on the SEC’s website at www.sec.gov or on BancGroup’s website at www.colonialbank.com), the following factors among others, could cause actual results to differ materially from forward-looking statements, and future results could differ materially from historical performance. These factors are not exclusive:

- deposit attrition, customer loss, or revenue loss in the ordinary course of business;*
- increases in competitive pressure in the banking industry;*
- costs or difficulties related to the integration of the businesses of BancGroup and institutions it acquires are greater than expected;*
- the inability of BancGroup to realize elements of its strategic plans for 2007 and beyond;*
- changes in the interest rate environment which expand or reduce margins or adversely affect critical estimates as applied and projected returns on investments;*
- economic conditions affecting real estate values and transactions in BancGroup’s market and/or general economic conditions, either nationally or regionally, that are less favorable than expected;*
- natural disasters in BancGroup’s primary market areas result in prolonged business disruption or materially impair the value of collateral securing loans;*
- management’s assumptions and estimates underlying critical accounting policies prove to be inadequate or materially incorrect or are not borne out by subsequent events;*
- strategies to manage interest rate risk may yield results other than those anticipated;*
- changes which may occur in the regulatory environment;*
- a significant rate of inflation (deflation);*
- unanticipated litigation or claims;*
- acts of terrorism or war; and*
- changes in the securities markets.*

Many of these factors are beyond BancGroup’s control. The reader is cautioned not to place undue reliance on any forward looking statements made by or on behalf of BancGroup. Any such statement speaks only as of the date the statement was made or as of such date that may be referenced within the statement. BancGroup does not undertake any obligation to update or revise any forward-looking statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE COLONIAL BANCGROUP, INC

By /s/ T. BRENT HICKS
 T. Brent Hicks
 Chief Accounting Officer

Date: August 8, 2007

CELEBRATING 25 YEARS

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Forward Looking Statements



The following should be read in conjunction with the financial statements, notes and other information contained in Colonial's 2006 Annual Report on Form 10-K, and Current Reports on Form 8-K. All 2007 interim amounts have not been audited, and the results of operations for the interim period herein are not necessarily indicative of the results of operations to be expected for the full year.

This presentation includes "forward-looking statements" within the meaning of the federal securities laws. Words such as "believes," "estimates," "plans," "expects," "should," "may," "might," "outlook," "potential" and "anticipates," the negative of these terms and similar expressions, as they relate to BancGroup (including its subsidiaries or its management), are intended to identify forward-looking statements. The forward-looking statements in this presentation are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. In addition to factors mentioned elsewhere in this presentation or previously disclosed in BancGroup's SEC reports (accessible on the SEC's website at www.sec.gov or on BancGroup's website at www.colonialbank.com), the following factors, among others, could cause actual results to differ materially from forward-looking statements and future results could differ materially from historical performance. These factors are not exclusive:

- deposit attrition, customer loss, or revenue loss in the ordinary course of business;
- increases in competitive pressure in the banking industry and from non-banks;
- costs or difficulties related to the integration of the businesses of BancGroup and institutions it acquires are greater than expected;
- the inability of BancGroup to realize elements of its strategic plans for 2007 and beyond;
- changes in the interest rate environment which expand or reduce margins or adversely affect critical estimates as applied and projected returns on investments;
- economic conditions affecting real estate values and transactions in BancGroup's market and/or general economic conditions, either nationally or regionally, that are less favorable than expected;
- natural disasters in BancGroup's primary market areas which result in prolonged business disruption or materially impair the value of collateral securing loans;
- management's assumptions and estimates underlying critical accounting policies prove to be inadequate or materially incorrect or are not borne out by subsequent events;
- the impact of recent and future federal and state regulatory changes;
- current or future litigation, regulatory investigations, proceedings or inquiries;
- strategies to manage interest rate risk may yield results other than those anticipated;
- changes which may occur in the regulatory environment;
- a significant rate of inflation (deflation);
- unanticipated litigation or claims;
- acts of terrorism or war; and
- changes in the securities markets.

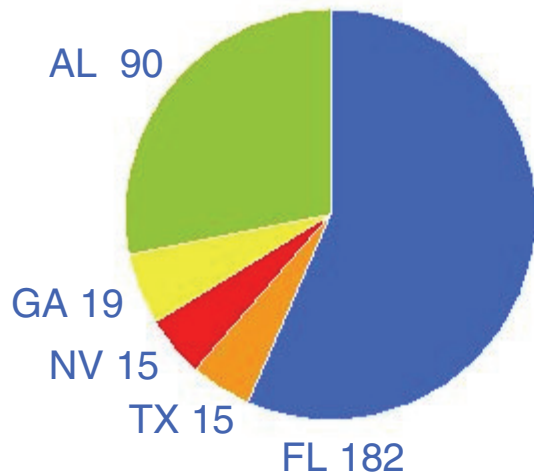
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- **\$23.8 Billion in assets with 321 Branches at 6/30/2007**
- **Top 30* U.S. Commercial Bank**
- **Proven Community Banking Philosophy with Regional Bank Management and Local Boards of Directors**
- **Top 5* Market Share in 84% of Deposit Franchise**
- **Consistent Earnings Per Share Growth – 5 year CAGR 10%**
- ***Forbes* Platinum 400 List of Best Large Companies in America**

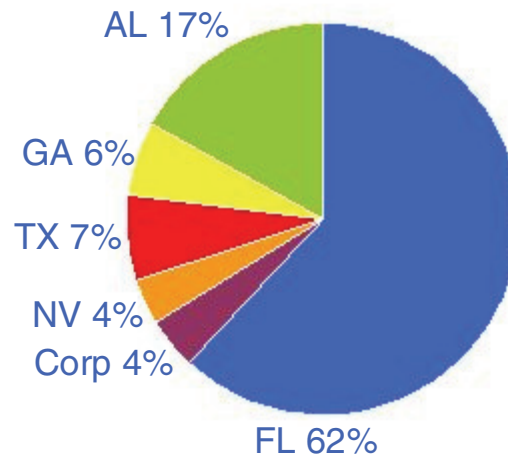
*Source: SNL Financial

- 73%¹ of Colonial's Deposits are in four states where the population is expected to grow twice as fast as the rest of the U.S.* - Florida, Georgia, Nevada and Texas
- Branches, Assets and Deposits by State at 6/30/07 are as follows:

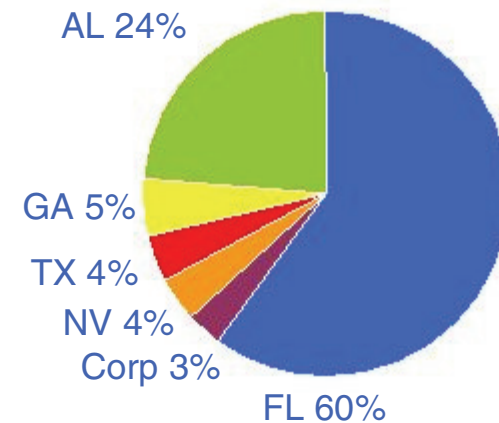
321 Branches



\$23.8 Billion in Assets



\$17.1 Billion in Deposits



¹At 6/30/07

*Projected Population change from 2006-2011

Source: US Census Bureau

Superior Projected Population Growth



2006 - 2011 Population Growth

Colonial BancGroup	11.92 %
---------------------------	----------------

SunTrust Banks	10.50
South Financial Group	9.90
Compass Bancshares	9.88
Synovus Financial Corp.	8.99
Wachovia Corporation	8.61
BB&T Corporation	7.94
Whitney Holding Corporation	7.38
Bank of America Corporation	6.79
Regions Financial Corporation	6.69
Trustmark Corporation	5.21
BancorpSouth	4.80
First Horizon National Corporation	4.42
Fifth Third Bancorp	4.30

Median	7.66 %
Low	4.30
High	11.92
Total U.S.	6.66

Source: SNL Financial
Deposit data as of 6/30/06
Population growth deposit weighted by county

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- **Florida, the 4th most populous state in the U.S. with 18 million people, is projected to pass New York in total population by 2011***
- **5th* largest commercial bank in Florida**
 - Integrated Commercial Bank acquisition in June, marking the Company's 22nd acquisition in Florida
 - Agreed to acquire Citrus & Chemical Bancorporation¹
- **Florida at 6/30/07 and Pro Forma with Citrus & Chemical¹ :**

	Branches		Assets		Deposits	
Colonial	182	57%	\$15 B	62%	\$10 B	60%
Colonial/Citrus & Chemical	192	58%	\$16 B	64%	\$11 B	62%

- **Aggressive De Novo Branching Strategy**
 - Plan to open 15-25 branches over the next two years

*Source: SNL Financial

¹On July 18, 2007, Colonial signed a definitive agreement to acquire Citrus & Chemical Bancorporation, Inc.

Deposit Market Share - Florida

(June 2006 FDIC balances)



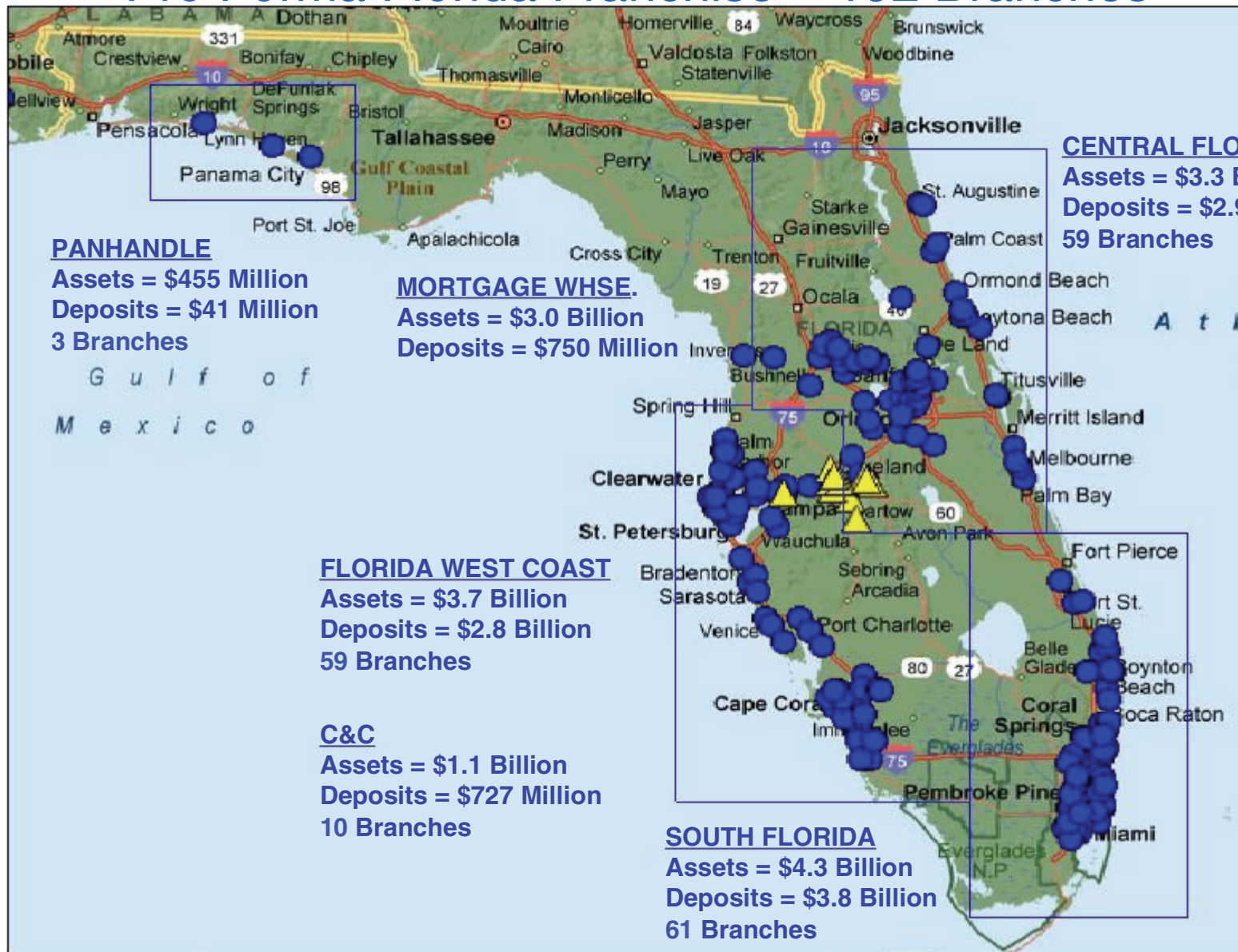
	Market Share	Rank #	% Change from 6/30/05
Wachovia	19.93%	1	-3.35%
B of A	19.09%	2	-7.75%
SunTrust	9.74%	3	-2.70%
Regions	5.07%	4	-2.50%
Colonial/C&C¹	3.12%	5	
Colonial	2.92%	5	10.74%
C&C	0.20%	39	

¹On July 18, 2007, Colonial signed a definitive agreement to acquire Citrus & Chemical Bancorporation, Inc.

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Pro Forma Florida Franchise - 192 Branches



● Colonial Bank

▲ Citrus & Chemical Bank

Retail Banking

2007 Retail Growth Initiatives

Non-time Deposit Growth



10% increase in noninterest bearing checking accounts

Key Initiatives:

- **New Products**
 - Remote Deposit Capture
 - Title Company Checking
 - Enhance Free Checking offering with bundled product approach and innovative rewards program
- **Advanced Sales Culture**
 - Quarterly campaigns focus on low-cost deposit growth and lines of business referrals
 - Additional emphasis of commercial and business banking compensation on low-cost deposits
 - Launching new corporate sales training program

Non-interest Income Growth



25% of revenue from fee-based services

Key Initiatives:

- **Retail Service Charges**
 - Focus on household checking account growth
 - Increase debit card penetration in consumer and business banking households
- **Financial Planning**
 - Aligned reporting structure with Treasury Management, Business Banking and Mortgage
 - Unified sales approach with Retail sales teams
 - Additional resources for sales management/leadership
- **Mortgage Banking**
 - Continue production shift to secondary markets (42% in 2005, 52% in 2006, 65% in 2007)
 - Mortgage staffing rationalization

Adding Value to the Franchise

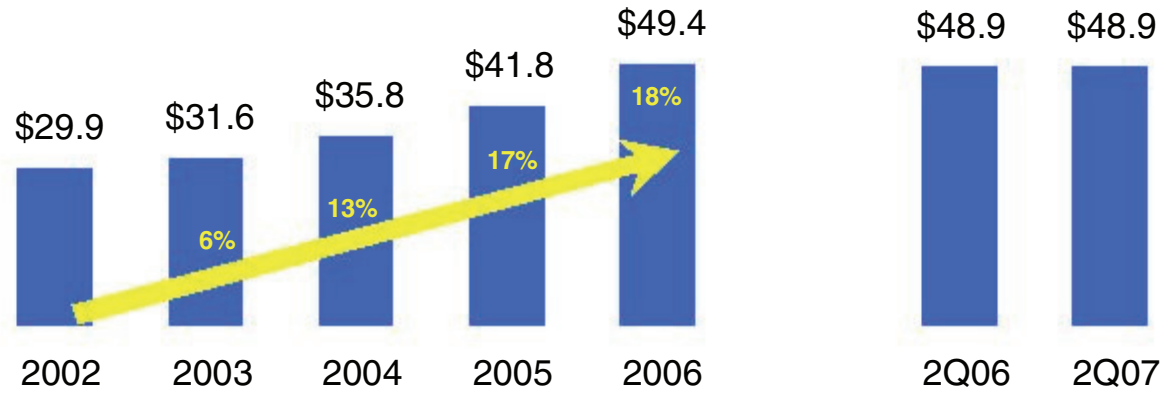
- **Aligned our products/services, sales tracking and compensation plans with measurable results that deliver growth in low-cost deposits**
- **Continue positive momentum toward achieving 25% of total revenue in fee-based services through**
 - Growth in consumer and business banking households
 - Shared synergies in sales approach between regional executives and line of business executives
- **Unite the Colonial franchise in all markets under one consistent brand message, encompassing all lines of business, and maximizing the marketing and advertising investment across the diverse markets**
- **Continue to maximize strategic multi-channel marketing initiatives to expand cross-sell opportunities and increase products and services per household**

Retail Banking

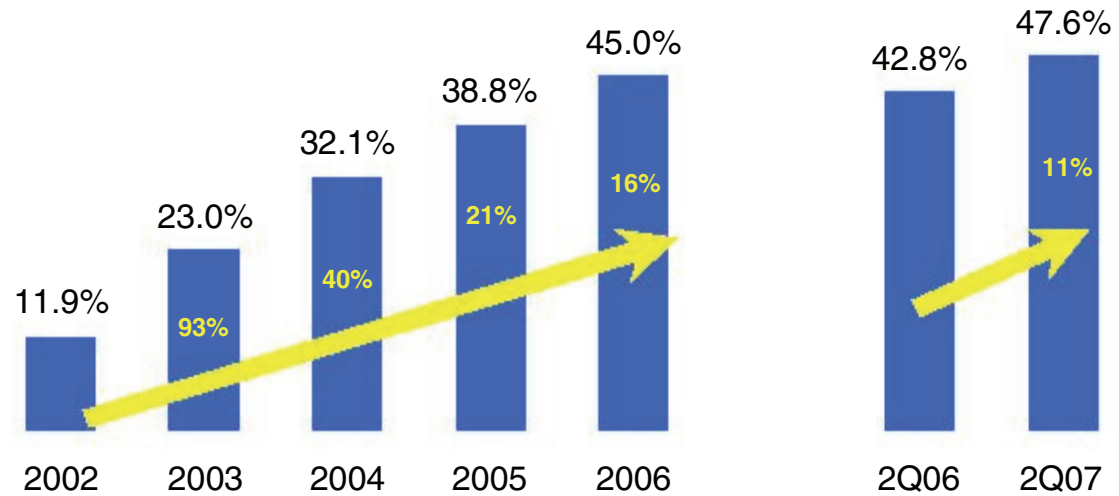


Average Deposits/ Branch

(\$ in millions)



Online Banking Penetration



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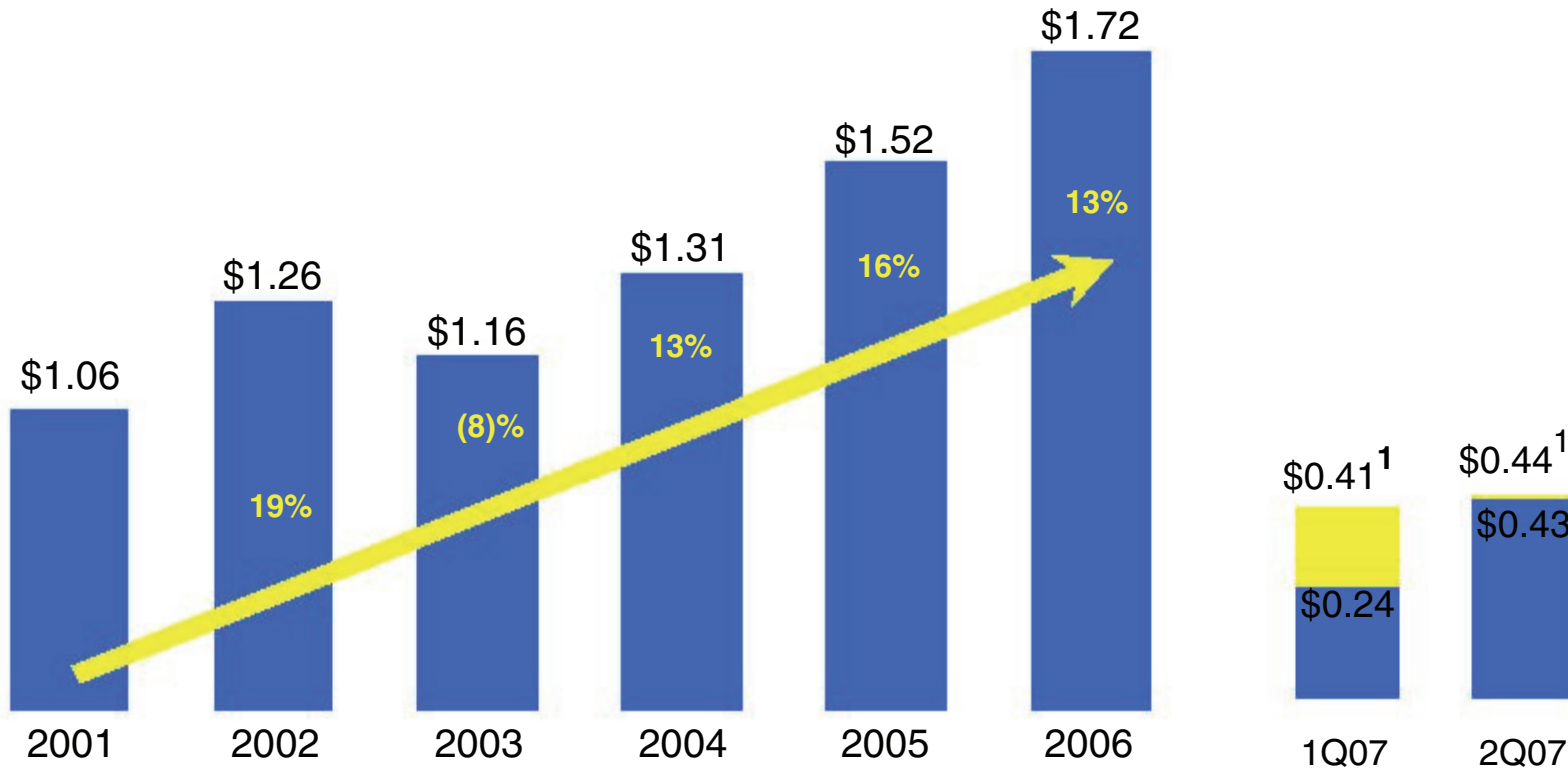
Financial Highlights

Consistent Earnings Per Share Growth

(diluted)



5 Year CAGR = 10%
2001 - 2006



¹Excluding restructuring charges

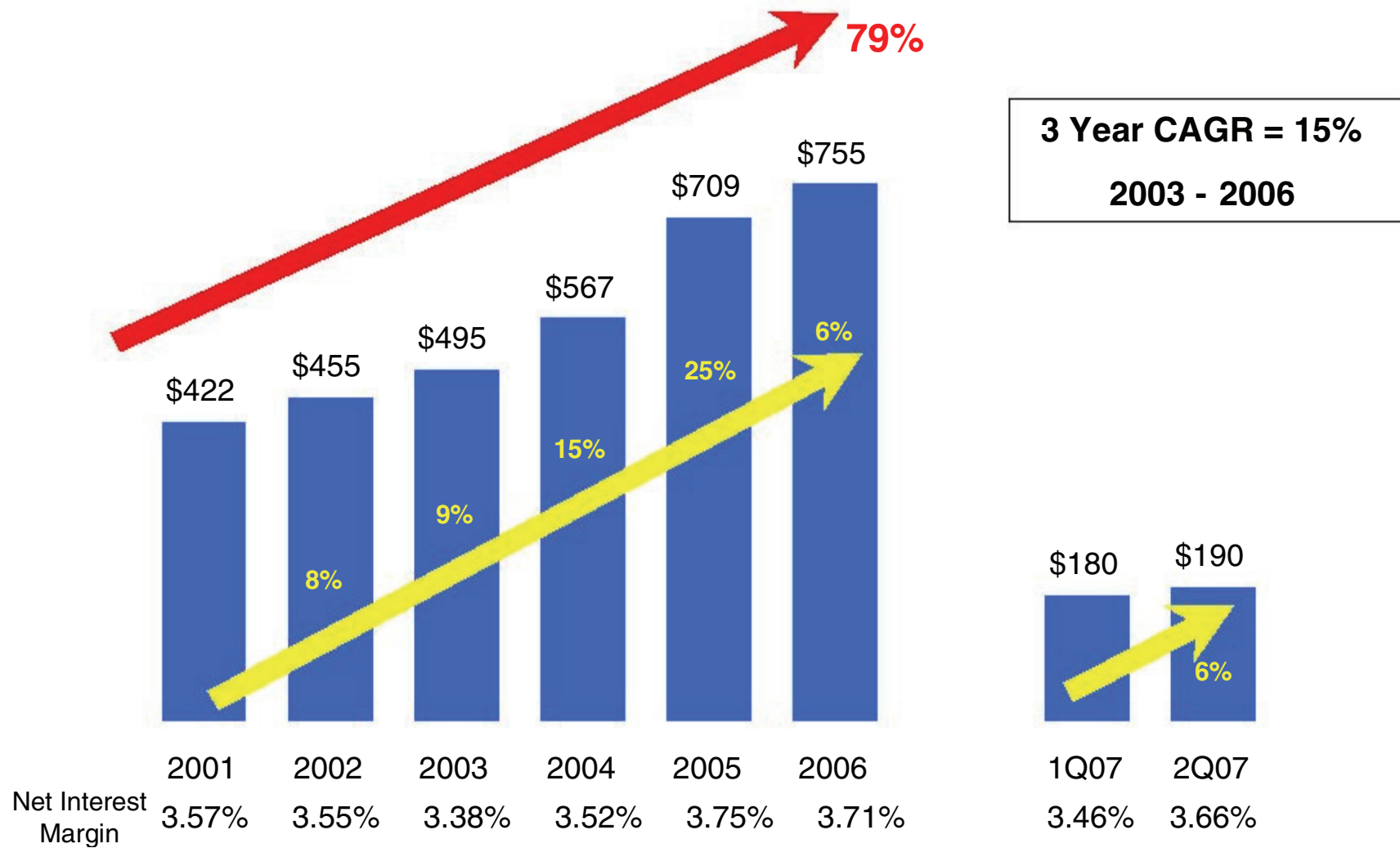
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- **EPS of \$0.43**
- **Net interest margin expanded 20 basis points to 3.66% from the first quarter of 2007**
- **Core noninterest income increased 18% over the same quarter of the prior year**
- **Continued excellent credit quality**
- **Improved efficiency ratio of 56.20%**
- **Successful acquisition and integration of Commercial Bankshares, Inc.; Florida deposits now exceed \$10 billion**

Net Interest Income

(\$ in millions)



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- **Sold approximately 1/3 of investment securities at the beginning of the quarter and reduced borrowings**
 - The tax equivalent yield improved 35 basis points to 5.62%
 - Average investment securities represented approximately 11% of average assets and 12% of average earning assets in the second quarter
- **Sold 1-4 family residential real estate loans at the end of 1Q07**
- **Prepaid \$70 million of trust preferreds in the first quarter – 8.92%, and \$100 million of trust preferreds in the second – 8.32%**
- **Average deposits grew 6%¹ annualized over the first quarter yet the cost of deposits increased only 1 basis point**
 - Reduced rates on promotional deposit products
- **Strong growth in mortgage warehouse assets**
- **Interest rate risk position has been managed to a neutral position**
- **Net Interest Margin for 2007 is expected to approximate 3.60%**

¹Excluding the acquisition

Net Interest Income and Margin

(\$ in millions)

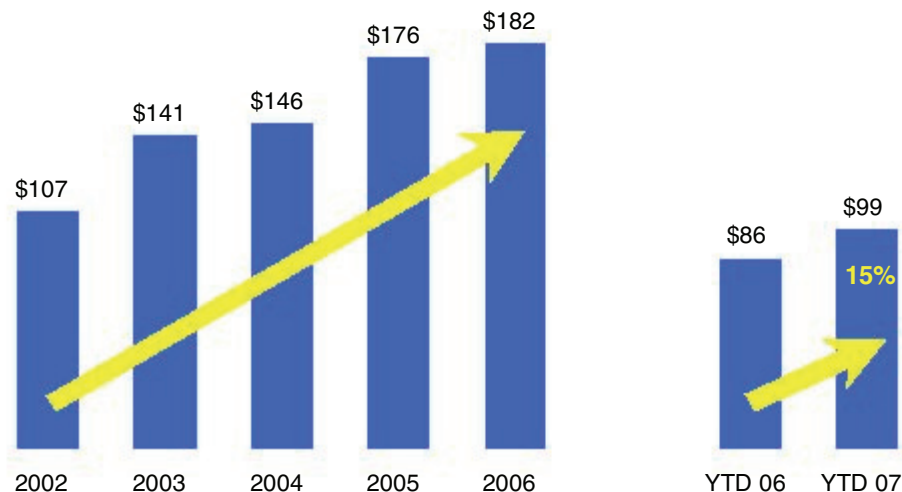


	Tax Equivalent NII	NIM
	\$	%
1Q07	180.7	3.46%
Sale of Investment Securities and 1-4 Real Estate Loans	0.6	0.30%
Growth in Earning Assets, excluding MWL	4.3	-
Growth in Mortgage Warehouse Assets	2.8	-0.08%
Commercial Bank of Florida	2.8	-0.01%
Deposit Mix Change	(0.7)	-0.01%
Day Count	1.1	-
2Q07	191.6	3.66%

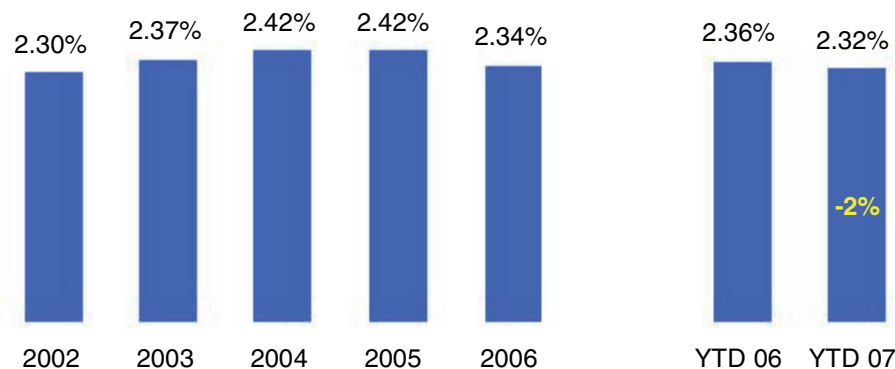
Strong Growth in Noninterest Income and Controlled Expenses



Core Noninterest Income¹ Growth



Core Noninterest Expense² to Average Assets



¹Excluded from noninterest income are securities and derivatives gains (losses), securities restructuring charges, gain on sale of Goldleaf, merchant services, branches and mortgage loans and changes in fair value of swap derivatives

²Excluded from noninterest expense are net losses related to the early extinguishment of debt, severance expense and merger related expenses

Credit

- **Credit quality remains excellent**
- **No sub-prime products**
- **Year to date annualized net charge-off ratio was 0.13% of average loans**
- **The allowance for loan losses was 1.15% of total loans, compared to 1.13% at 12/31/06**
- **The allowance was 391% of nonperforming assets**

Summary of Loan Loss Experience

2003 – 2Q07



	2Q07	2006	2005	2004	2003
Reserve Ratio to Net Loans	1.15%	1.13%	1.15%	1.16%	1.20%
Reserve (\$ in 000's)	\$178,274	\$174,850	\$171,051	\$148,802	\$138,549
Coverage of Nonperforming Assets	391%	695%	536%	402%	184%
YTD Net Charge-off Ratio to Average Loans	0.13%¹	0.12%	0.14%	0.19%	0.31%
YTD Net Charge-offs (\$ in 000's)	\$9,775	\$18,343	\$19,211	\$23,598	\$35,471
Years of Net Charge-offs in Reserve	9.12²	9.53	8.90	6.31	3.91
Nonperforming Assets	\$45,552	\$25,149	\$31,931	\$37,039	\$75,440
Ratio of Nonperforming Assets to Net Loans	0.29%	0.16%	0.21%	0.29%	0.65%

¹Annualized

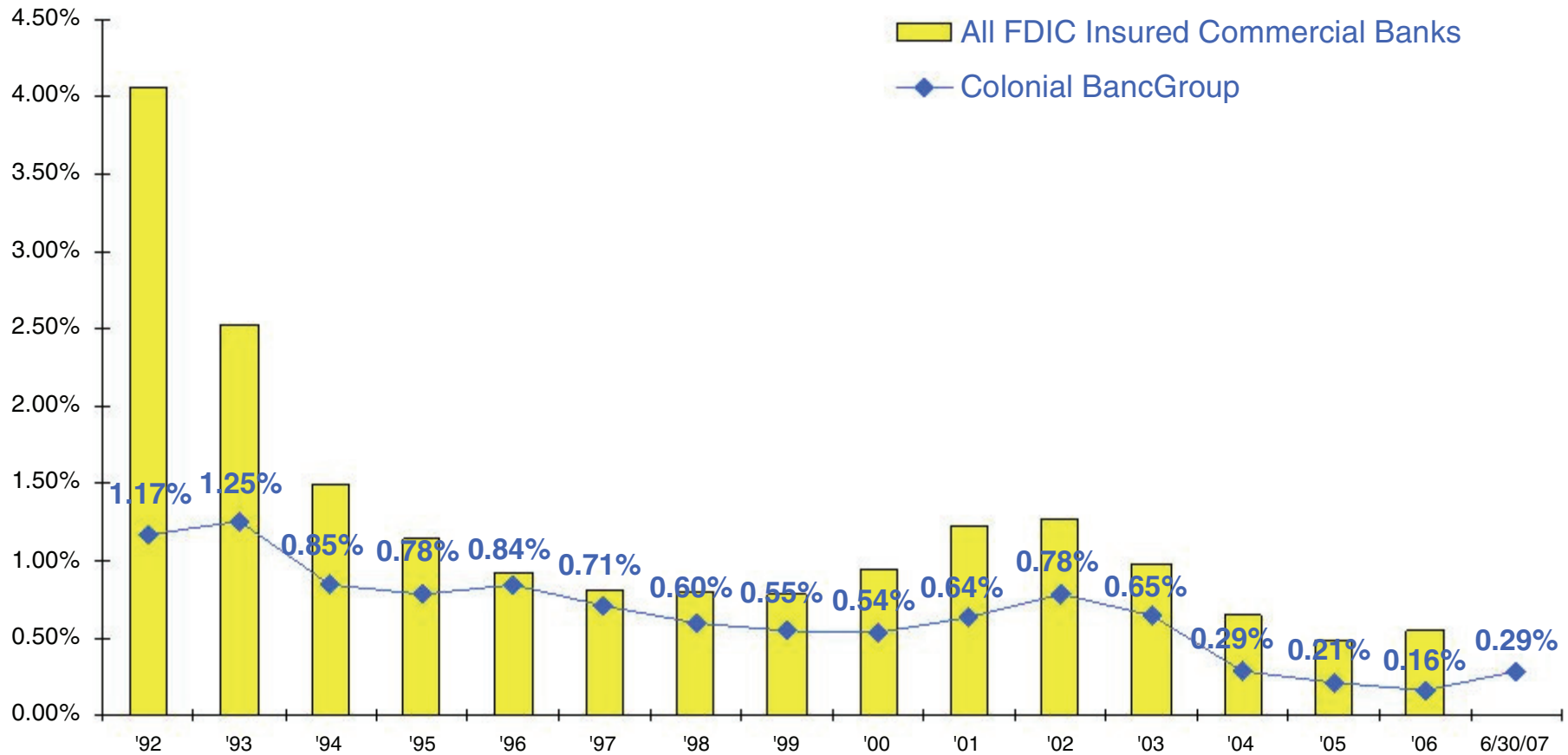
²Reserve/YTD Net Charge-offs Annualized

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NPAs Consistently Below Industry

(as originally reported)

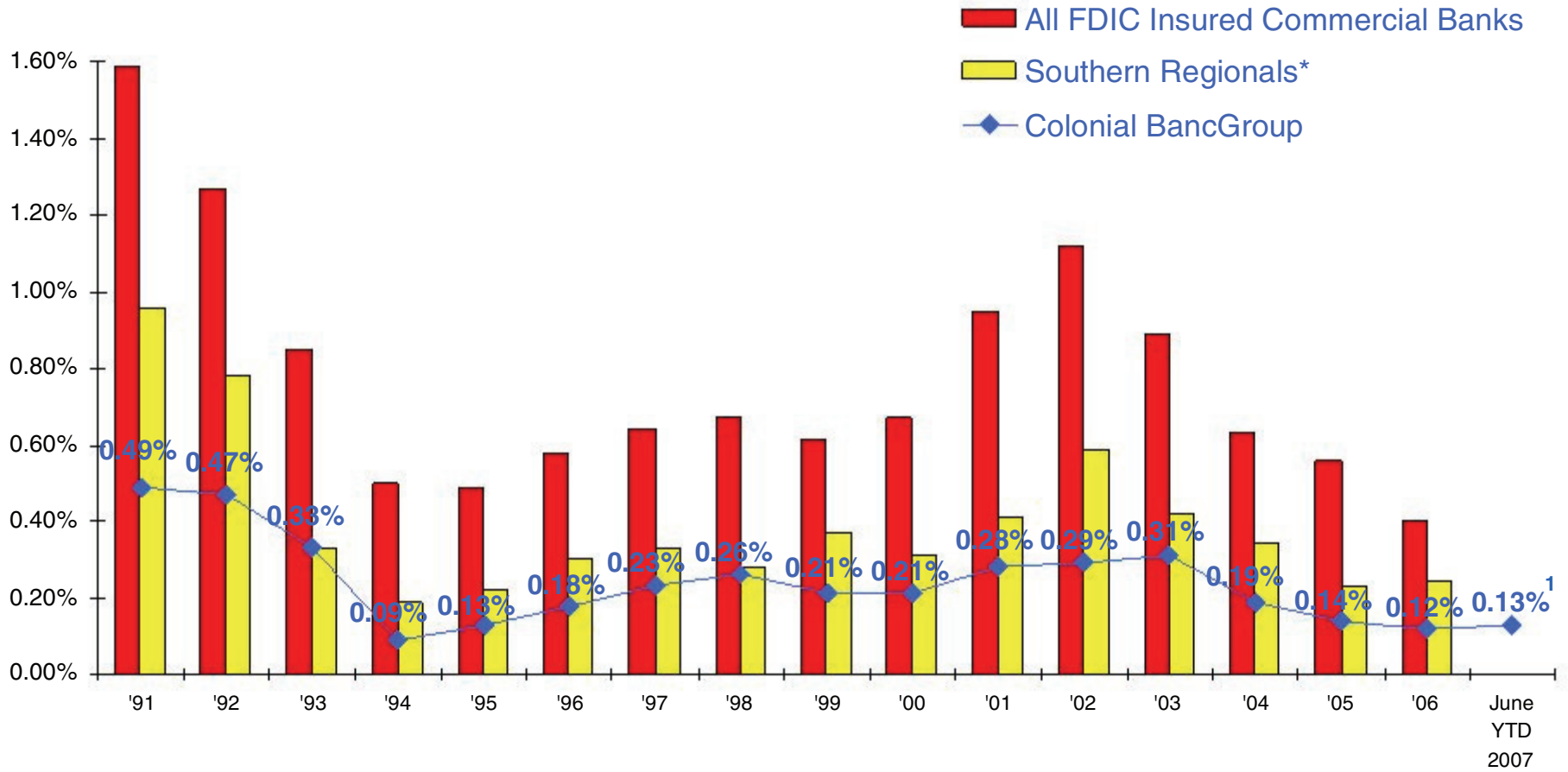


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Net Charge-Offs/Average Loans

(as originally reported)



¹Annualized
*Source: KBW

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Why Invest in Colonial BancGroup?



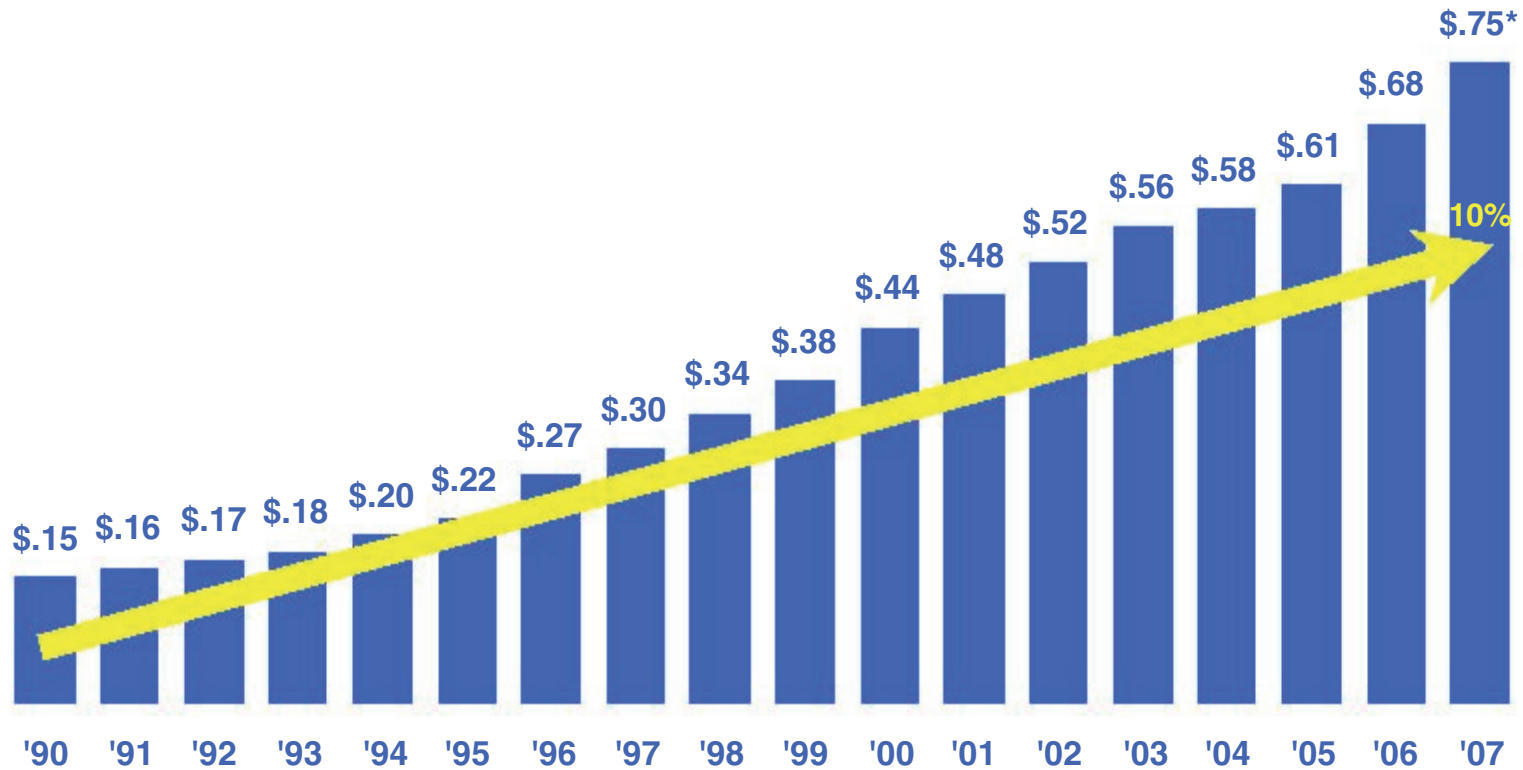
- **In the Right Locations for Continued Success**
- **Conservative Lending Philosophy**
 - Excellent credit quality
- **Opportunity to Improve**
 - Our goal is to have 25% of our revenue from fee based services
- **Experienced and Strong Management Team**
 - Delivered strong shareholder returns

	<u>Total</u>	<u>Annualized</u>
1 Year	11%	11%
2 Year	28%	13%
3 Year	62%	17%
5 Year	115%	17%

- **17 Years of Increased Dividends: \$0.75* for 2007, a 10% increase over 2006**

*Estimated

17 YEARS OF INCREASED DIVIDENDS



*Estimated

Supplemental Information

- **\$4.4 billion in assets under management at 6/30/07; \$1.5 billion sold to third-party commercial paper conduits**
- **Provides funding to mortgage companies which is secured by mortgages made to individuals with FICO scores averaging over 700**
- **Investors such as Fannie Mae, Freddie Mac, Ginnie Mae and money center financial institutions have committed to purchase the mortgages collateralizing the MW assets**
 - The mortgages are delivered to investors in less than 30 days on average
- **Colonial controls the collateral files which include the underlying mortgage legal documents for over 98% of the outstanding mortgage warehouse assets**
- **Investor requests to our customers to repurchase loans have not trended up**
- **Colonial closely monitors the aging of the fundings**
- **No credit or other loss from this line of business since the initiation of the unit in 1998**

EPS Reconciliation



	<u>2Q07</u>	<u>1Q07</u>	<u>2Q06</u>	<u>% Change</u>	
				<u>1Q07</u>	<u>2Q06</u>
Diluted earnings per share - GAAP	\$ 0.43	\$ 0.24	\$ 0.43	79%	0%
<u>Impact of restructuring charges:</u>					
Loss on securities portfolio	-	0.23	-		
Loss on extinguishment of debt	0.02	0.03	-		
	0.02	0.26	-		
Income tax benefit	(0.01)	(0.09)	-		
After tax restructuring charge	0.01	0.17	-		
Diluted earnings per share, excluding restructuring charges	<u>\$ 0.44</u>	<u>\$ 0.41</u>	<u>\$ 0.43</u>	7%	2%

Average Balance Sheet



(\$ in millions)

	2Q07	1Q07	2Q06	% Change	
				1Q07	2Q06
Earning Assets	\$ 20,969	\$ 21,058	\$ 20,220	-	4%
Loans, excluding MWL	14,946	15,153	15,004	-1%	-
MWL Assets¹	2,812	2,084	2,150	35%	31%
MWL Managed Assets ²	4,416	4,079	3,650	8%	21%
Securities	2,596	3,266	2,949	-21%	-12%
Total Assets	23,097	23,054	21,990	-	5%
Assets Under Management	24,701	25,049	23,490	-1%	5%
Total Deposits	16,464	15,967	15,714	3%	5%
Noninterest Bearing Deposits	2,936	2,780	3,033	6%	-3%
Interest Bearing Transaction Accounts	6,375	6,314	6,106	1%	4%
Time Deposits	7,153	6,873	6,575	4%	9%
Shareholders' Equity	2,166	2,068	1,965	5%	10%

¹Includes loans, loans held for sale and securities purchased under agreements to resell

²Includes MWL assets and assets securitized

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Noninterest Income



(\$ in millions)

	2Q07	1Q07	2Q06	% Change	
				1Q07	2Q06
Service charges on deposit accounts	\$ 18.7	\$ 17.7	\$ 15.3	6%	22%
Electronic banking	4.6	4.4	4.3	5%	7%
Other retail banking fees	3.3	3.6	3.8	-8%	-13%
Retail Banking Fees	26.6	25.7	23.4	4%	14%
Financial planning services	4.3	3.8	3.7	13%	16%
Mortgage banking origination and sales	3.7	3.2	3.8	16%	-3%
Mortgage warehouse fees	6.3	6.9	6.0	-9%	5%
Bank-owned life insurance	5.0	4.9	4.0	2%	25%
Other income	6.9	1.8	4.0	283%	73%
Core Noninterest Income	52.8	46.3	44.9	14%	18%
Securities and derivatives gains, net	1.1	1.0	-	NM	NM
Securities restructuring charges	-	(36.0)	-	NM	NM
Gain on sale of mortgage loans	-	3.9	-	NM	NM
Gain on sale of merchant services	4.9	-	-	NM	NM
Total Noninterest Income	\$ 58.8	\$ 15.2	\$ 44.9	286%	31%
Annualized Noninterest Income to Average Assets ¹	0.92%	0.82%	0.82%		
Noninterest Income to Total Revenue ¹	21.7%	20.5%	18.9%		

¹Core noninterest income was used in the calculation

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Noninterest Expense

(\$ in millions)

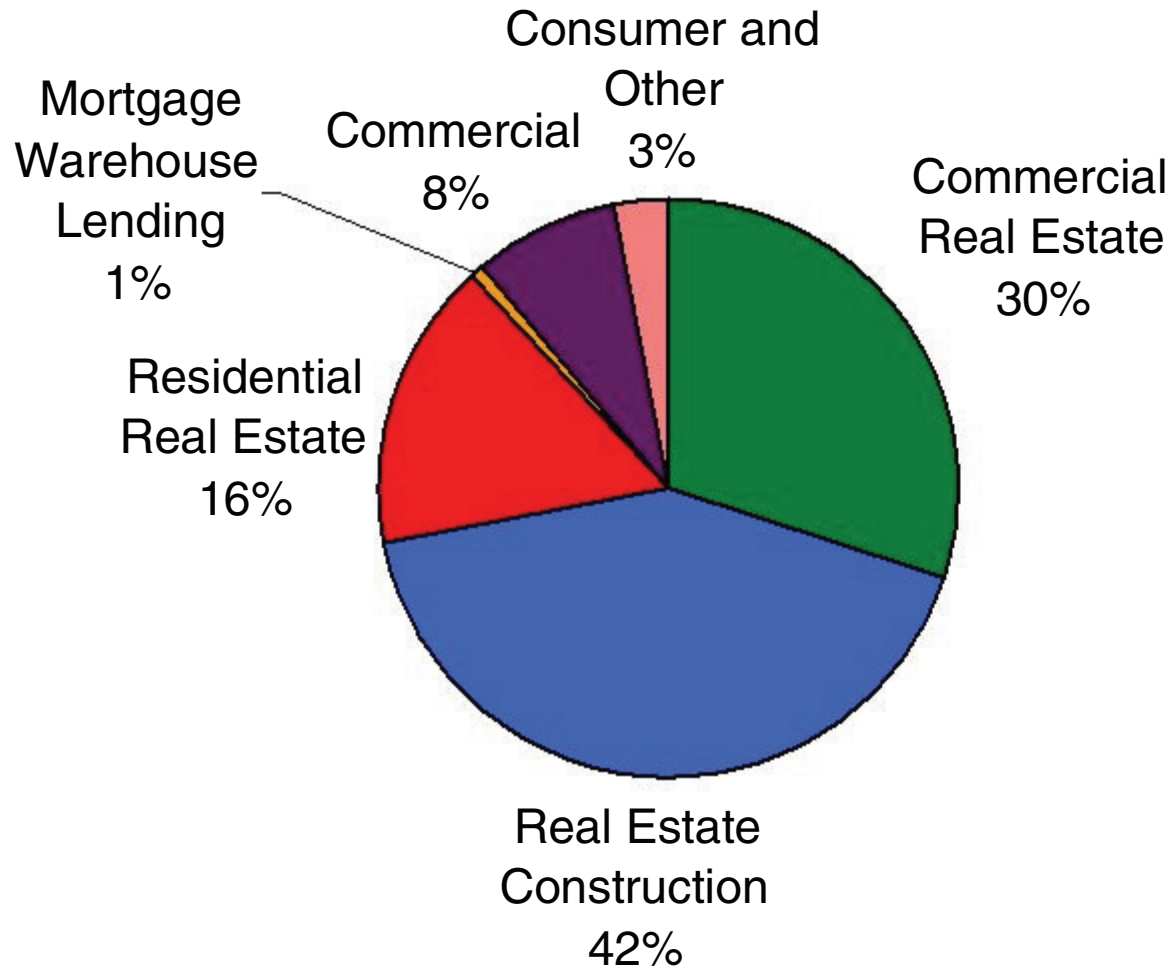


	2Q07	1Q07	2Q06	% Change	
				1Q07	2Q06
Salaries and employee benefits	\$ 70.3	\$ 69.6	\$ 70.9	1%	-1%
Occupancy expense of bank premises, net	18.7	18.5	16.4	1%	14%
Furniture and equipment expense	13.4	13.1	11.9	2%	13%
Professional services	4.6	4.1	4.9	12%	-6%
Electronic banking and other retail banking expenses	5.5	4.2	3.1	31%	77%
Advertising	3.7	2.2	3.1	68%	19%
Amortization of intangible assets	3.2	3.1	3.1	3%	3%
Communications	2.9	3.0	2.5	-3%	16%
Postage and courier	2.7	2.6	2.7	4%	-
Travel	2.0	1.7	2.1	18%	-5%
Other expense	10.4	8.2	10.5	27%	-1%
Core Noninterest Expense	137.4	130.3	131.2	5%	5%
Severance expense	0.5	3.0	-	NM	NM
Merger related expenses	1.1	0.4	-	NM	NM
Net losses related to the early extinguishment of debt	2.5	4.4	-	NM	NM
Total Noninterest Expense	\$ 141.5	\$ 138.1	\$ 131.2	2%	8%
Minority Interest/REIT Preferred Dividends	\$ 2,312	\$ -	\$ -	NM	NM
Efficiency Ratio ¹	56.20%	57.38%	55.31%		
Annualized Noninterest Expense to Average Assets ¹	2.38%	2.26%	2.39%		

¹Core noninterest income and core noninterest expense are used in the calculation

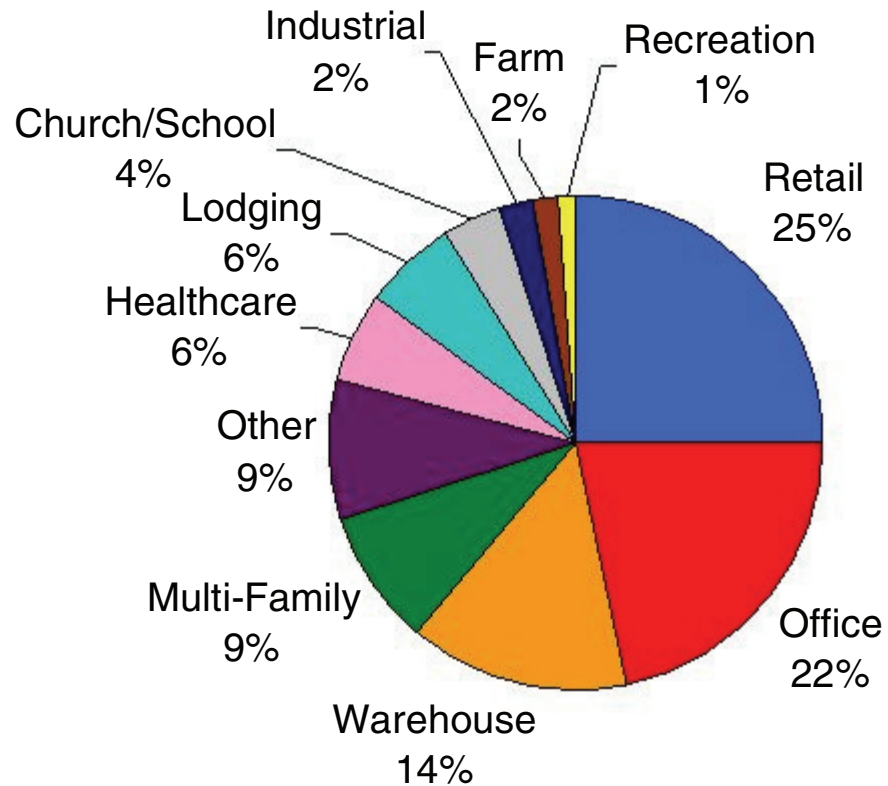
Loan Portfolio Distribution

(as of June 30, 2007)



Loan Portfolio Distribution

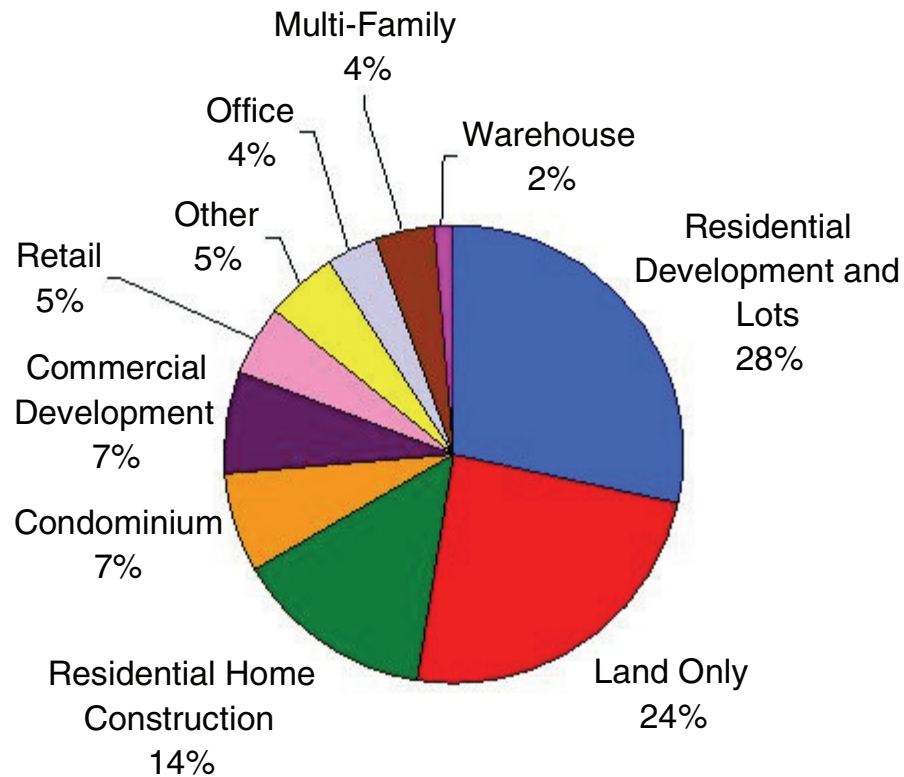
(as of June 30, 2007)



- 33% Owner Occupied
- Average loan size = \$673 thousand
- Characteristics of 75 largest loans:
 - Total \$699 million and represent 15.1% of CRE portfolio
 - Average loan to value ratio is 67.8%
 - Average debt coverage ratio = 1.43x

Construction Loan Portfolio Distribution

(as of June 30, 2007)



- Average loan size = \$909 thousand
- Characteristics of 75 largest loans:
 - Total \$1.4 billion and represent 21.7% of construction portfolio
 - Average loan to value ratio is 63.8%