
**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): June 2, 2008

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. is furnishing additional information for public dissemination and use by the Company's shareholders.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.

Exhibit

99.1

Capital and liquidity presentation.

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,” “potential” and “anticipates,” the negative of these terms and similar expressions, as they relate to The Colonial BancGroup, Inc. (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 such 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:

- losses to our loan portfolio are greater than estimated or expected;*
- an inability to raise additional capital on terms and conditions that are satisfactory;*
- the impact of current economic conditions on our ability to borrow additional funds to meet our liquidity needs;*
- 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;*
- changes in the interest rate environment which expand or reduce margins or adversely affect critical estimates as applied and projected returns on investments;*
- 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 2008 and beyond;*
- 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;*
- the impact of recent and future federal and state regulatory changes;*
- current and 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);*
- 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
Senior Vice President
and Chief Accounting Officer

Date: June 2, 2008

Colonial BancGroup

June 2008



Forward Looking Statements



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 The Colonial BancGroup, Inc. (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:

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- *unanticipated litigation or claims;*
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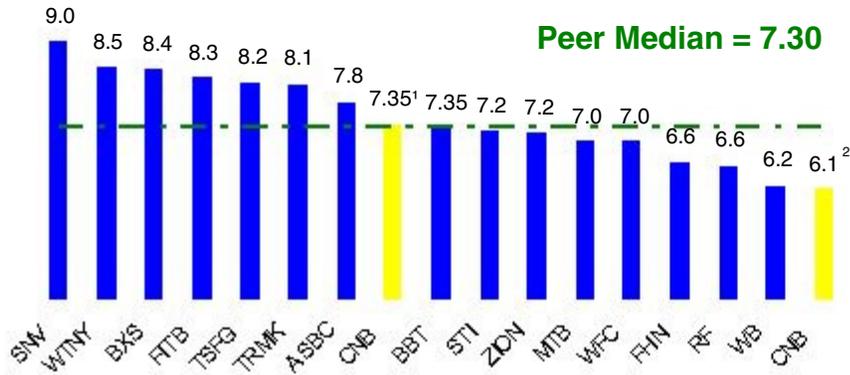
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Equity Issuance Improved Capital to Peer Median Levels or Above

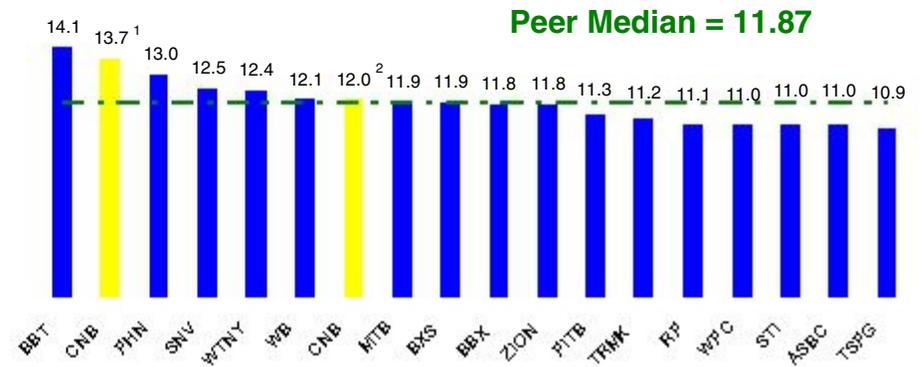


Regulatory Capital Position as of 3/31/08

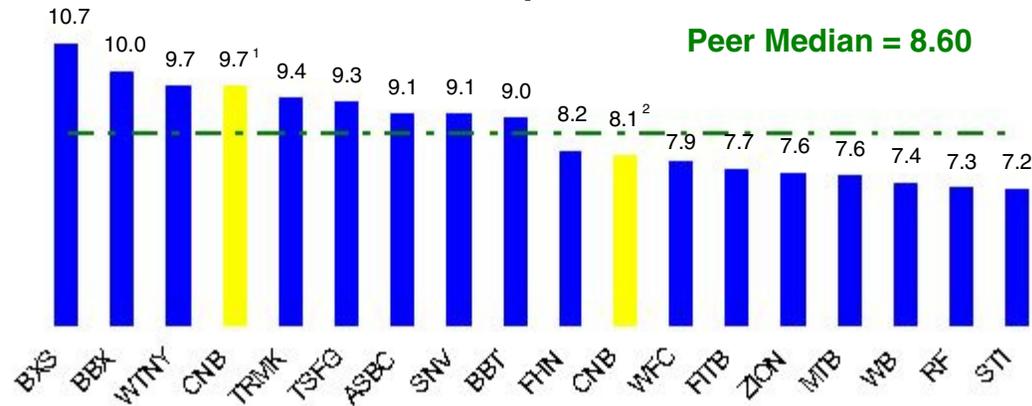
Tier 1 Leverage Ratio



Total Risk Based Capital Ratio



Tier 1 Capital Ratio



Source: SNL Financial

¹ 3/31/08 proforma with \$350mm in common stock issuance, \$333mm net

² As reported

Note: Some institutions have issued capital since 3/31/08, however the data is not readily available



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Significant Capital Cushion

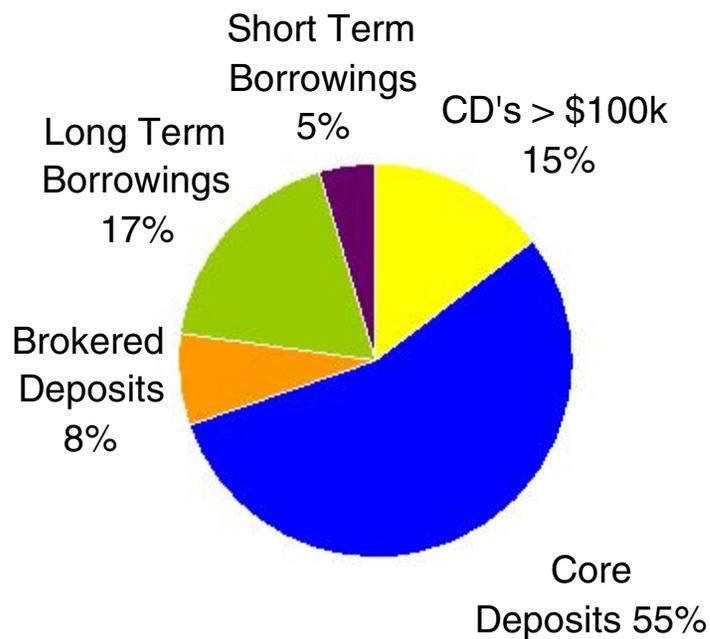


	Reported 1Q08 3/31/08	Proforma after \$333 million Capital Raise 3/31/08	Capital in Excess of Well Capitalized Minimums (in 000's)		Well Capitalized Ratios
			After Tax	PreTax	
Tier 1 Leverage	6.10%	7.35%	\$ 626,000	\$ 948,000	5.00%
Tier 1 Capital	8.05%	9.70%	746,000	1,131,000	6.00%
Total Risk Based Capital	12.00%	13.66%	737,000	1,116,000	10.00%

\$500 Million Change in Assets 100% Risk Weighted

Tier 1 Leverage	± 0.14%
Tier 1 Capital	± 0.25%
Total Risk Based Capital	± 0.35%

3/31/08 Funding Position Total \$25 Billion

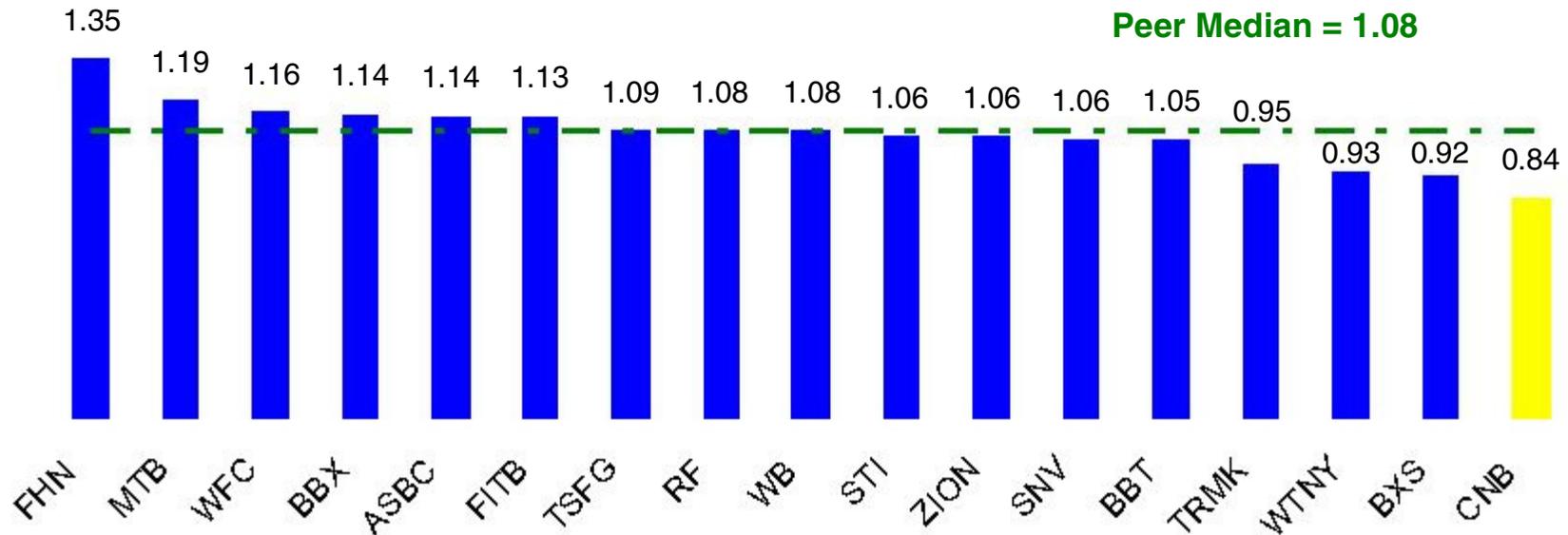


- **Available sources of funding are estimated to be \$5.3 billion**
Sources include: Fed funds, FHLB availability, brokered deposits and available collateral
- **Retail franchise provides the most important source of funding**
 - Deposits comprise 78% of total funding and funds 70% of total assets
- **Loan to Deposit Ratio of 83.5%**
- **No corporate debt maturities in 2008 – no rollover risk to institutional market**

Superior Liquidity Position Driven by Valuable Franchise



3/31/08 Loan to Deposit Ratio¹



Source: SNL Financial
¹ Period end balances

CNB
LISTED
NYSE

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Valuable Franchise – Not Factored Into Share Price



	3/31/08 Deposits (in 000's)	Median Deposit Premium for Acquisitions Since 1/1/07 ¹	Implied Value of Deposits (in 000's)
Alabama	\$ 4,198,142	19.5 %	\$ 819,000
Florida	10,962,668	22.8	2,499,000
Texas	758,171	18.6	141,000
Nevada	667,697	17.8	119,000
Georgia	743,497	22.2	165,000
Branch Deposits	17,330,175		3,743,000
Corporate Treasury/Other	1,941,153	-	-
	\$ 19,271,328		\$ 3,743,000

Implied Value of Deposits - Per Share

\$18.62

¹ Source: SNL Financial



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- **Colonial's capital is significantly above well-capitalized levels**
- **We believe our capital is more than adequate to weather the current credit cycle**
- **Raised capital proactively to ensure that the Company could withstand unexpected credit losses**
 - \$300 million REIT Preferred Issued in May 2007
 - \$250 million subordinated debt issued in March 2008
 - \$350 million of common stock issued in April 2008
- **Liquidity is strong – low loan to deposit ratio**
- **No off-balance sheet items**
- **Significant insider buying of CNB**
 - Insiders bought over 3.7 million shares or approximately 2% of outstanding shares over the past 12 months