

ALLIANCE FINANCIAL CORPORATION

	CPP Disbursement Date 12/19/2008	RSSD (Holding Company) 1140510	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$1,360	\$1,410	3.7%	
Loans	\$912	\$915	0.4%	
<i>Construction & development</i>	\$9	\$6	-26.8%	
<i>Closed-end 1-4 family residential</i>	\$332	\$375	12.9%	
<i>Home equity</i>	\$60	\$65	7.8%	
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$198	\$198	-0.2%	
<i>Commercial & Industrial</i>	\$88	\$83	-5.9%	
<i>Commercial real estate</i>	\$93	\$90	-3.7%	
Unused commitments	\$162	\$169	4.7%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$169	\$275	62.5%	
Asset-backed securities	\$0	\$0		
Other securities	\$128	\$85	-33.5%	
Cash & balances due	\$21	\$27	26.1%	
Residential mortgage originations				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$3	\$12	362.7%	
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$2	\$12	564.8%	
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
Liabilities	\$1,201	\$1,269	5.6%	
Deposits	\$943	\$1,078	14.3%	
Total other borrowings	\$239	\$173	-27.7%	
FHLB advances	\$141	\$130	-7.8%	
Equity				
Equity capital at quarter end	\$159	\$141	-11.1%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$22	-\$24	NA	
Performance Ratios				
Tier 1 leverage ratio	9.0%	7.1%	--	
Tier 1 risk based capital ratio	13.2%	11.5%	--	
Total risk based capital ratio	14.2%	12.6%	--	
Return on equity ¹	7.1%	10.6%	--	
Return on assets ¹	0.8%	1.0%	--	
Net interest margin ¹	3.4%	3.6%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	204.6%	109.7%	--	
Loss provision to net charge-offs (qtr)	116.9%	70.6%	--	
Net charge-offs to average loans and leases ¹	0.7%	0.9%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
<i>Construction & development</i>	0.0%	0.0%	0.0%	0.0%
<i>Closed-end 1-4 family residential</i>	0.5%	0.8%	0.1%	0.0%
<i>Home equity</i>	0.2%	0.2%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.1%	0.1%	0.2%	0.2%
<i>Commercial & Industrial</i>	0.6%	2.6%	0.2%	1.3%
<i>Commercial real estate</i>	1.7%	2.1%	0.0%	0.1%
<i>Total loans</i>	0.5%	0.9%	0.2%	0.2%