

POWERED TO DO MORE



2007
ANNUAL
REPORT



First Niagara
Financial Group

ABOUT FIRST NIAGARA

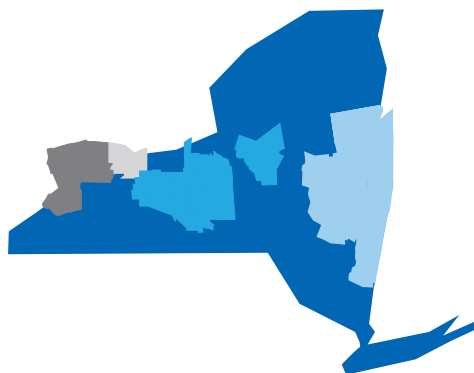
First Niagara Financial Group (NASDAQ: FNFG), the holding company for First Niagara Bank, is a leading provider of financial services to consumers and businesses across 23 counties in Upstate New York. We provide a full range of deposit, loan, insurance and investment products through the Bank and our financial services subsidiaries. At year-end 2007, First Niagara had over 441,000 customers, \$8.1 billion in assets and 110 branches.

MARKET INFORMATION

	Deposit Market*	First Niagara Deposits **	Branches
■ WESTERN NY	\$35.6 billion	\$1.6 billion	29
■ ROCHESTER	\$10.6 billion	\$0.3 billion	12
■ CENTRAL NY	\$14.4 billion	\$0.7 billion	18
■ EASTERN NY	\$26.8 billion	\$2.4 billion	51

*FDIC data at June 30, 2007

**First Niagara data at December 31, 2007, excludes municipal deposits



SELECTED FINANCIAL DATA

As of or for the year ended December 31, 2007

	2007	2006	2005	2004	2003
BALANCE SHEET DATA (Dollars in billions except per share data)					
Assets	\$8.1	\$7.9	\$8.1	\$5.1	\$3.6
Loans	5.7	5.6	5.2	3.2	2.3
Deposits	5.5	5.7	5.5	3.3	2.4
Stockholders' equity	1.4	1.4	1.4	0.9	0.7
Book value per share	13.41	12.99	12.65	11.86	10.98
INCOME STATEMENT DATA (Dollars in millions except per share data)					
Net interest income	\$224.2	\$246.5	\$250.2	\$156.1	\$107.4
Provision for credit losses	8.5	6.5	7.3	8.4	7.9
Noninterest income	131.8	111.2	90.7	51.9	43.4
Noninterest expense	222.5	211.9	188.2	120.9	88.3
Net income	84.1	91.9	92.9	51.8	36.1
Earnings per diluted share	0.81	0.85	0.84	0.65	0.53
CAPITAL RATIOS					
Tier 1 risk-based capital	10.10%	10.91%	11.01%	16.40%	17.94%
Equity to assets	16.71	17.46	17.04	18.28	20.29
Tangible equity to tangible assets	8.21	8.88	8.40	12.31	17.65
ASSET QUALITY RATIOS					
Total nonperforming assets to total assets	0.35%	0.20%	0.28%	0.25%	0.36%
Total nonperforming loans to total loans	0.49	0.27	0.41	0.37	0.54
Net charge-offs to average loans	0.18	0.12	0.14	0.23	0.24
Allowance for credit losses to total loans	1.23	1.27	1.37	1.27	1.11
Allowance for credit losses to nonperforming loans	250.40	463.12	329.87	344.38	206.58



(left to right)

John R. Koelmel, President and CEO

G. Thomas Bowers, Chairman

Dear Fellow Shareholders:

First Niagara performed well in 2007, the most challenging operating environment our industry has faced in more than a decade. Net income of \$84.1 million was notable in a year where many banks reported large net losses due to deteriorating credit quality. A flat to inverted yield curve and fierce pricing competition for deposits also added to the pressure on revenue growth.

First Niagara avoided credit quality problems not by accident, not by good luck, but by strong balance sheet management, by not wavering from our traditional credit standards and by operating in the stable and conservative markets of Upstate New York. While we did not escape the industry-wide pressure on net interest income, we did reduce its impact by growing commercial and municipal deposits, and business loans and services.

In Eastern New York, where we have our largest presence, we completed plans to move our regional headquarters to Albany and co-locate our commercial banking and insurance teams for more effective team selling. In Western New York, we agreed to acquire Great Lakes Bancorp to bolster our deposit share and branch base in Erie County—a market

that holds the most deposits of any upstate county, but a market where First Niagara has not had a strong presence.

Our accomplishments and actions in 2007 powered First Niagara to be better positioned to do more for all our stakeholders going forward: more for our customers, more for our employees, more for the communities we serve, and more for our shareholders. We took the right steps last year to ensure future revenue growth. We were rigorously disciplined in managing costs, redeploying resources to drive long-term customer and franchise value. We became a leaner, more focused company. We reduced staff by 5%. We sold nine non-strategic branches. We consolidated five overlapping branches. We also invested in building our commercial bank brand, launching the largest rebranding campaign in our history.

First Niagara believes that it is very important to give back to and be involved in the communities we call home. By contributing \$2 million in 2007 to charitable organizations throughout the markets we serve, we recognized our shared responsibility to make these communities a better place to live, work and prosper.

Looking ahead, Upstate New York is a stable market with unrecognized economic promise. A recent Siena Research survey of over 400 business leaders shows a solid majority of upstate business CEOs expect stable to increasing profits in 2008. We believe that First Niagara fills an important competitive gap between larger banks who are focused on geographies outside Upstate New York and small banks who lack our breadth of products and specialized expertise. There are nearly \$90 billion in total deposits in our markets, which provides significant opportunity for First Niagara to continue gaining market share throughout Upstate New York.

RESULTS

Taking a closer look at our financial results in 2007, the combination of commercial loan and deposit growth, a high level of noninterest income, disciplined management of resources and solid credit quality softened the impact of market pressures on net interest income growth.

- Reported 2007 net income of \$84.1 million, or \$0.81 per diluted share, compares with 2006 net income of \$91.9 million, or \$0.85 per diluted share. Operating net income in 2007, excluding the effects of unusual gains and charges, was \$0.80 per diluted share. In the current industry environment, the relative strength of our results attests to the effectiveness of our business strategy and balance sheet management.
- Average commercial loan balances increased 10% to \$2.9 billion, indicative of our continued focus on growing commercial services—an area of competitive strength for First Niagara. Average commercial real estate loans rose 7% to \$2.1 billion, while average business loans increased 23% to \$640 million. Average business deposits increased 12% in 2007 reflecting our success in growing business checking relationships.
- Municipal deposits, an attractive alternative funding source to consumer deposits, increased 33% to \$503 million as we continued to expand our relationships with local governments and school districts.

- First Niagara's 2007 tax equivalent net interest margin was 3.33%, 28 basis points below 2006. Aggressive deposit pricing by competitors with credit and liquidity problems kept deposit market rates high in 2007 and drove net interest income lower. Our focus has been – and continues to be – on responsible commercial deposit and loan growth, and on prudent management of our funding mix.
- Operating noninterest income increased 7% primarily due to the strength of our commercial services and wealth management operations. Including branch sale gains and other non-recurring items, noninterest income rose 19%.
- Operating expense rose 2%, reflecting disciplined cost control while we made significant investments in the future of our business.
- On the balance sheet, in 2007 average loans increased by 4% and average deposits increased by 2%. Nonperforming loans were 0.49% of total loans and charge-offs were 0.18% of total loans, up slightly from 2006 but well in line from a historical perspective. Our regulatory capital ratios exceeded the requirements for well-capitalized institutions, a very strong position in an uncertain economic environment.

STRATEGY AND ACTIONS

We are pleased that First Niagara achieved favorable financial and business results last year in a difficult environment. We accomplished much of what we set out to do. Following is an overview of our major strategies and the actions taken to power First Niagara for even better future results.

FOCUSED ON CORE STRENGTHS

- **Commercial Services** The strength of our commercial services offering and our people have established First Niagara as the go-to bank for small to mid-sized businesses in our Upstate New York markets. We continue to redeploy resources to this unit and to step up cross-sell activity to drive further growth in our most profitable business.

- **Insurance** Our insurance business, First Niagara Risk Management (FNRM), is another area of competitive strength. Despite a difficult operating environment for insurance agencies, we continue to invest in this business that uniquely positions us in all of our markets. As the largest insurance agency in Upstate New York, we offer both consumer and commercial insurance products, as well as risk management assessment and consulting services for business owners. This powerful product platform enables FNRM to team with our commercial banking business to provide greater value to business customers.
- **Cross-selling** Across our entire business, we grew and developed customer relationships. We successfully drove commercial insurance cross-sell activity to record levels, producing growth in commercial loans and deposits, as well as in revenue from our fee businesses, particularly risk and wealth management. On the consumer side, we continue to increase relationships per households, notably those households with four or more products or services with First Niagara, a favorable indicator of the strong loyalty we have earned across a significant portion of our personal customer base.
- **People** We take a proactive approach to leadership and talent management. Our brand urges our leadership team and employees to work with passion, creativity and expertise. To ensure our employees are best equipped to make a true difference in our customers' experience, we remain very focused on developing our people. Our objective is to give our employees the tools, resources and support necessary to offer best-in-class service and advice to our customers.
- **Customer Value** Our product breadth and sophistication, our expertise, and our team's energy, drive and commitment to exceptional personal service all provide high value to our customers in achieving their financial goals. In 2007, we made significant investments in marketing to support new business growth, increase our visibility across Upstate New York and demonstrate the value of First Niagara's brand.

WESTERN NEW YORK

Market *Force*

The February 2008 acquisition of Great Lakes Bancorp, the holding company for Greater Buffalo Savings Bank, moves First Niagara from fifth to fourth in deposit share in Erie County, the largest deposit market in Upstate New York. First Niagara also continues to build our presence in Rochester, a strong Western New York business market and the third largest deposit market in Upstate New York.

EASTERN NEW YORK

Upstate's *Strongest* Economy

First Niagara has the third largest deposit market share in the 10-county Capital Region, which economically is also the strongest and fastest growing market in Upstate New York. In 2007, First Niagara was recognized as one of the Best Places to Work in the Capital Region, ranking in the top 30 of 150 companies evaluated by the Business Review, this market's weekly business publication.

MAINTAINED DISCIPLINE

- **Capital** In 2007, First Niagara remained an intelligent manager of capital through repurchasing shares, increasing dividends and profitably growing our business. Last year, our discipline in deploying capital to build our business was again demonstrated by growth that adhered to our conservative and balanced risk-reward standards.
- **Credit** Our credit discipline is indicated by meaningful loan growth without compromising First Niagara's tradition of solid asset quality. We did not relax our credit standards, and this is reflected in our having no exposure to subprime or Alt A residential mortgages.
- **Deposit Pricing** Our discipline is further reflected in prudently managing our deposit mix in a very competitive market. We did not chase certificate of deposit (CD) volume at the expense of margin. We supported loan growth through increases in lower cost business deposits, municipal deposits and wholesale borrowings.
- **Expenses** In 2007, we became a leaner, flatter organization better focused on effective execution and our best and most profitable opportunities. Our performance improvement initiative, a comprehensive program aimed at optimizing First Niagara's expense structure, resulted in meaningful progress on several fronts. This program reduced staffing levels, prepared excess real estate for sale and reconfigured our retail delivery system for greater profitability and efficiency.

ENHANCED RETAIL FRANCHISE

- **Great Lakes Bancorp Acquisition** In September 2007, we agreed to acquire Greater Buffalo Savings Bank, a 16-branch Western New York bank with approximately \$900 million in assets. This accretive transaction, which was completed in February 2008, made First Niagara the fourth largest bank in Western New York (Erie and Niagara Counties), closing in on the number three position.

- **Retail Delivery Network Reconfiguration** We took decisive action to optimize the efficiency and profitability of our retail distribution network. We sold nine branches outside our core footprint in Central and Eastern New York, generating a \$21.6 million gain to redeploy in other areas of our business that offer more profitable growth opportunities. We consolidated five overlapping branches. We also invested in our retail network continuing our de novo branch program with the opening of five branches in the important Buffalo and Rochester markets.

2007 BOARD CHANGES

In October 2007, Robert Weber, First Niagara's Chairman since 2003 retired from the Board upon reaching the mandatory retirement age of 70. Bob did an outstanding job as Chairman and as a Director during his 11 years on the Board, contributing greatly to First Niagara's extraordinary and successful growth. We wish Bob a happy and healthy retirement.

Upon Bob's retirement, Tom Bowers, the former Chairman and CEO of Finger Lakes Bancorp and a Director since our 2003 acquisition of Finger Lakes, was named First Niagara's Chairman. At that time, David Zebro, a Director since 2002, was named Vice Chairman of the Board.

In May 2007, Thomas Baker, the former President of the John R. Oishei Foundation and a former Managing Partner of the Buffalo office of Price Waterhouse, was named a Director and upon Bob Weber's retirement assumed the role of financial expert on the Audit Committee. George Philip, the Interim President of the State University of New York at Albany and the retired Executive Director of the New York State Teachers' Retirement System, also became a Director of First Niagara in May 2007. As a business and community leader in the Capital Region, George brings further representation to the Board in our largest market.

POWERED TO DO MORE

Management and the Board remain very committed to building value for First Niagara shareholders. In this environment, we believe the best course of action is to focus on doing the right things to build the business to create long-term value while not taking undue risks. The soundness of this approach is reflected in First Niagara's total return exceeding the returns of indices of comparable financial institutions by 13% over the last three years and by 5% in 2007.

In all of our markets, we are focused on making First Niagara a great company for our customers. Strategy, products and marketing are contributing to our steady progress in this effort, but it is the people of First Niagara that have and will continue to make the largest contribution to our success.

2007 was a productive year that powered First Niagara to do more in the years ahead. While 2008 is shaping up to be another challenging year for financial services companies, First Niagara's business model, capital strength and risk profile position us better than many financial institutions in the current environment and for the long term. At the same time, we are not satisfied and are pushing harder to enhance our top and bottom line results. To take our performance to the next level, we will continue investing in our best opportunities to profitably grow our business while maintaining the discipline that sets us apart.

We have never been more confident in the power of First Niagara to do more for all of our stakeholders and look forward to the future with great commitment and excitement.



John R. Koelmel, President and Chief Executive Officer



G. Thomas Bowers, Chairman

CENTRAL NEW YORK

Stable *Markets*

Central New York is typical of First Niagara's markets: a stable economy not prone to boom or bust cycles which contributes to our solid asset quality.

UPSTATE NEW YORK

Statewide *Franchise*

First Niagara's banking and financial services franchise extends across Upstate New York from Buffalo-Niagara to the Capital Region. First Niagara is among the top four banks in deposit market share in 13 of the 23 counties where we operate.



Future *focus*

First Niagara is focusing on best opportunities to more profitably build our business for the future.

POWERED TO DO MORE

BEST OPPORTUNITIES

In 2007, First Niagara focused on our best opportunities to more profitably grow top-line revenue for the long term. By reconfiguring our distribution network and reducing non-priority consumer loan portfolios, we reallocated resources to our best growth opportunities.

Commercial services, where we have a unique product offering and significant competitive strength, is First Niagara's best and most profitable growth opportunity. In addition to a strong track record and capabilities in commercial mortgage and business lending, First Niagara has a very robust business banking and services platform. Our comprehensive offerings include risk management and insurance, benefits consulting, cash management, equipment financing and a municipal bank, as well as wealth management services to support the personal financial needs of business owners. Our insurance business, First Niagara Risk Management (FNRM), is the largest insurance agency in Upstate New York, giving us a leadership position while setting us apart from our banking competitors. The industry has also taken notice of FNRM's accomplishments as this unit was designated a "Best Practices Agency" by the Independent Insurance Agents and Brokers of America.

First Niagara's integrated product offering for businesses significantly increased cross-sell activity in 2007 contributing to double-digit gains in commercial loans and deposits, as well as 7% growth in noninterest income. It also uniquely fits the needs of our target business customer: small to mid-sized businesses. These businesses are a very significant category in Upstate New York markets that we believe are underserved by larger banks that focus on large customers and other markets, and by smaller banks with more limited product sets. From a geographic perspective, First Niagara sees the strongest growth opportunities within our core market footprint, particularly in Buffalo-Niagara and the Capital Region, where we have a strong and leading market presence.

GROWING PRIORITY LOANS AND DEPOSITS

- 10% increase in average commercial loans
- 23% increase in average business loans
- Commercial loans 55% of portfolio at year-end 2007
- 12% increase in average business deposits
- 33% increase in average municipal deposits

GROWING BUSINESS SERVICES

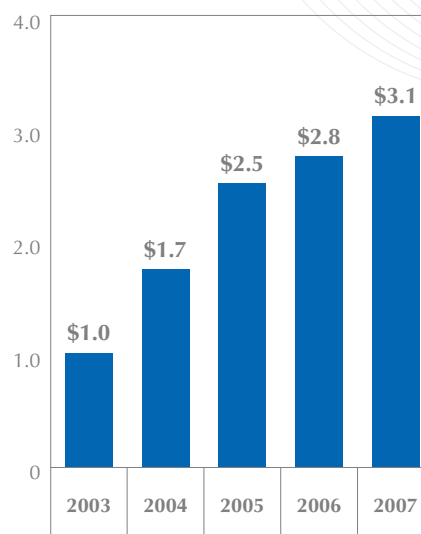
- 6% increase in risk management income
- 20% increase in wealth management income
- 23% increase in commercial business fees

RECONFIGURED DISTRIBUTION NETWORK

- Sold nine branches – 3% of total deposits – outside core market footprint
- Consolidated five branches
- Opened five de novo branches

TOTAL YEAR-END COMMERCIAL LENDING PORTFOLIO

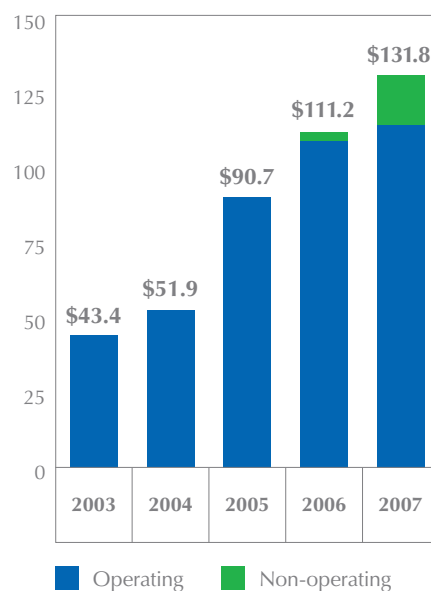
(\$ in billions)



First Niagara has grown our commercial lending portfolio by 10% or more in each of the last five years.

NONINTEREST INCOME

(\$ in millions)



■ Operating ■ Non-operating

At over 30% of total revenue, First Niagara's noninterest income reflects the strength of our risk management and other financial services businesses.



Customer *performance*

*First Niagara's commitment to
creating value for customers
builds strong customer loyalty
and relationships.*

POWERED TO DO MORE

AN EXCEPTIONAL CUSTOMER EXPERIENCE

Creating value for our customers is at the core of delivering an exceptional customer experience. First Niagara is using a multi-faceted approach to take the experience we provide our customers from excellent to exceptional.

Our track record of providing high quality customer service is a core strength of our organization. We are also adding value for customers by providing outstanding employee expertise and flexibility in developing solutions that enable the financial success of our customers. We also offer a unique set of products and services to serve the financial needs of both our consumer and business customers. To create greater awareness of the value First Niagara provides our customers, in 2007 we launched the largest branding and marketing campaign in our history.

The progress we are making in creating an exceptional experience for our customers is reflected in the 2007 growth in our loyalty scores, retention statistics and relationships per household. At 89%, First Niagara's loyalty score is that of a high-performing, service-driven organization. Over 31% of households have four or more products from First Niagara. These measures all indicate that we are adding value to the experience we provide our customers, which ultimately creates stronger financial results and shareholder value.

HIGH QUALITY CUSTOMER CARE

- 2007 customer loyalty scores increased to 89% from 86% in 2006
- 2007 relationship retention ratio grew to 89% from 87% in 2006
- 92% of customers surveyed rated First Niagara as very good or excellent

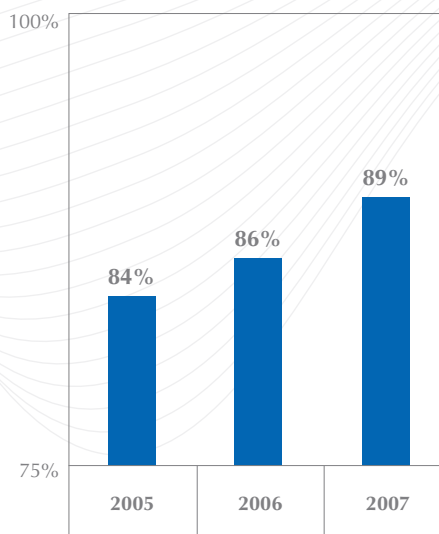
ACTIVE COMMUNITY INVOLVEMENT

- Contributed \$2 million to charitable organizations throughout Upstate New York
- First Niagara Volunteer Corps of 1,700 employee volunteers are involved in charitable and community work throughout Upstate New York
- First Niagara officers and directors serve on the boards of over 335 not-for-profit organizations

STRONGER CUSTOMER RELATIONSHIPS

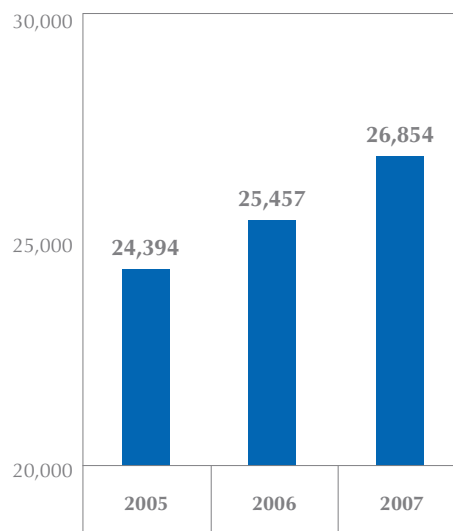
- Launched largest brand campaign in company history in June 2007; over 18,000 new customers added since campaign launch
- 31% of households have 4 or more products
- Products per household increased from 3.22 in 2006 to 3.26

CUSTOMER LOYALTY SCORES



First Niagara's 2007 loyalty score of 89% is at the level of high-performing, service-driven organizations. It is a composite of three measures: future recommendations to others, continued use and future use for additional services.

BUSINESS CUSTOMER GROWTH



Over the last two years, First Niagara increased our number of business customers by 10%, almost all through internal growth.



Credit *champion*

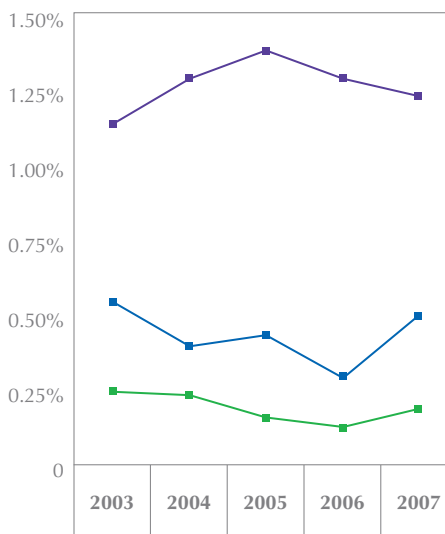
Prudent lending practices and solid credit quality are the foundation of First Niagara's winning loan portfolio.

POWERED TO DO MORE

BALANCE SHEET STRENGTH

By any measure, First Niagara maintains a very strong balance sheet, the result of conservative but active management, prudent credit policies and capital strength. On the asset side of the balance sheet, we have a diverse and well-balanced loan mix, characterized by low loan losses and a high ratio of secured loans. First Niagara also has no exposure to subprime or Alt A loans in our loan portfolio. In the fourth quarter, we completed a repositioning of our securities portfolio, a move that will immediately increase net interest income. Our funding mix was helped by adherence to our pricing discipline reflected in the use of lower cost borrowings instead of higher priced CDs. From a capital perspective, First Niagara also stands out as a very well-capitalized institution with a tangible equity-to-assets ratio of 8.21% and regulatory capital ratios that are well above requirements.

CREDIT QUALITY



- Allowance/Total Loans
- NPA/Total Loans
- Net Charge-Offs/Avg. Loans

First Niagara's record of solid asset quality is reflected in historically low loan losses and nonperforming assets over the last five years, along with strong reserve coverage.

STRONG ASSET QUALITY

- No subprime, Alt-A or high-risk alternative mortgages
- Diverse commercial loan portfolio is 82% secured
- 100% of consumer mortgage and home equity portfolio originated in FNFG's Upstate New York footprint
- 96% of all commercial mortgages originated in Upstate New York
- Conservative mortgage securities portfolio backed by prime, conforming loans

SOLID CREDIT QUALITY

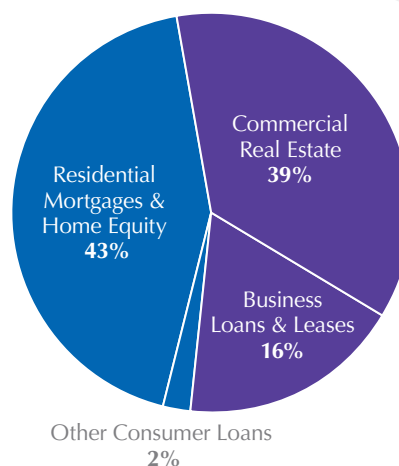
- 2007 loan losses 0.18% of average loans
- Nonperforming assets to total loans of 0.49%
- 1.23% allowance to total loans coverage, nearly 7 times 2007 loan losses
- Stable credit trends and no systemic weakness in loan portfolios going into 2008

INTELLIGENT CAPITAL MANAGEMENT

- Capital ratios for well-capitalized institutions exceed all regulatory requirements
- Repurchased 7% of shares outstanding in 2007
- 17% dividend increase in 2007; 17 dividend increases since 1998 IPO
- Great Lakes Bancorp acquisition: strategic and opportune transaction

LOAN PORTFOLIO MIX

December 31, 2007

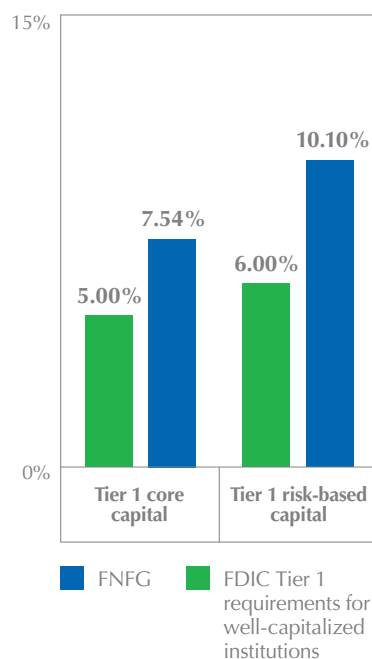


Commercial: 55% of loans
Consumer: 45% of loans

First Niagara's loan portfolio is becoming more bank-like with 2007 year-end commercial loans at 55% of total loans, up from 42% at year-end 2003.

REGULATORY CAPITAL RATIOS

December 31, 2007



First Niagara substantially exceeds the FDIC Tier 1 requirements for well-capitalized institutions.

DIRECTORS AND EXECUTIVE MANAGEMENT

BOARD OF DIRECTORS

G. Thomas Bowers, *Chairman*

Retired Chairman, President & CEO of
Finger Lakes Bancorp

David M. Zebro, *Vice Chairman*

Principal of Strategic Investments & Holdings, Inc.

Thomas E. Baker

Retired President and current Director of
The John R. Oishei Foundation

Daniel J. Hogarty, Jr.

Retired Chairman, President & CEO of
Troy Financial Corporation

William H. (Tony) Jones

President of Roe Jan Publishing Company, Inc.

Daniel W. Judge

President of NetPlus Alliance Inc.

John R. Koelmel

President & CEO of
First Niagara Financial Group, Inc.

George M. Philip

Interim President of the State University
of New York at Albany

Sharon D. Randaccio

President of Performance Management Partners, Inc.

Louise Woerner

Chairman & CEO of Home Care of Rochester

EXECUTIVE MANAGEMENT

John R. Koelmel

President and Chief Executive Officer

Elizabeth A. Bauman

Senior Vice President, Human Resources

Daniel E. Cantara

Executive Vice President, Commercial Business
Regional President, Western New York

Michael W. Harrington

Chief Financial Officer

J. Lanier Little

Executive Vice President, Consumer Banking

John Mineo

Senior Vice President, Corporate Risk Management,
General Counsel and Corporate Secretary

Kevin M. O'Bryan

Senior Vice President, Credit Risk Management

Frank J. Polino

Executive Vice President, Operations

Thomas L. Amell

Senior Vice President, Eastern New York Consumer Banking
Regional President, Eastern New York

G. Gary Berner

Executive Vice President, Commercial Real Estate

Patrick C. Burke

Senior Vice President, Benefits Consulting
Regional President, Rochester

Peter K. Cosgrove

Senior Vice President, Corporate Banking

Daniel A. Dintino, Jr.

Senior Vice President, Residential and Specialized Lending

Gregory L. Gilroy

Senior Vice President, Commercial Real Estate
Regional President, Central New York

Michael Mackay

Senior Vice President, IT and Operations

Joseph R. Teresi

Executive Vice President, First Niagara Risk Management

Gerald J. Wenzke

Chief Executive Officer, First Niagara Risk Management

INVESTOR INFORMATION

COMMON STOCK

First Niagara Financial Group, Inc. common stock trades on the Nasdaq Global Select Market under the symbol FNFG.

The common shares of First Niagara Financial Group are included in the following stock indices:

S&P MidCap 400 Index	SNL Thrift Index
NASDAQ Bank Index	Russell 3000 Index
NASDAQ Financial 100 Index	Russell 2000 Index
NASDAQ Composite Index	America's Community Bankers
SNL Bank & Thrift Index	NASDAQ Index
Dow Jones U.S. Financials Index	

TRANSFER AGENT AND REGISTRAR

American Stock Transfer & Trust Company
Operations Center
6201 15th Avenue
Brooklyn, NY 11219
1-877-785-9670

As a First Niagara Financial Group shareholder, you are invited to take advantage of our convenient shareholder services or request more information about the Company. American Stock Transfer and Trust Company, our transfer agent, maintains the records for our registered shareholders and can help you with a variety of shareholder related services at no charge including:

- Change of name or address
- Consolidation of accounts
- Duplicate mailings
- Dividend reinvestment enrollment
- Lost stock certificates
- Transfer of stock to another person
- Additional administrative services

Access your investor statements online 24 hours a day, 7 days a week with AST Shareholder Services. For more information, go to www.amstock.com

ANNUAL MEETING OF SHAREHOLDERS

The Annual Shareholders Meeting will be held on Tuesday, April 29, 2008 at 10:00 a.m. at:

Adam's Mark Hotel
120 Church Street
Buffalo, NY 14202

INVESTOR RELATIONS CONTACT

Investor and shareholder information on First Niagara Financial Group, Inc., including all filings with the Securities and Exchange Commission, are available through the Company's web site www.fnfg.com. Copies may also be obtained without charge upon request by writing to:

Linda Mussen
Senior Executive Assistant
First Niagara Financial Group, Inc.
6950 South Transit Road
PO Box 514
Lockport, NY 14095-0514
(716) 625-7573

INDEPENDENT AUDITORS

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Buffalo, NY 14202

2007 ANALYST COVERAGE

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Joseph Fenech Sandler-O'Neill & Partners, L.P.	212-466-7938
Jared Shaw Keefe, Bruyette & Woods, Inc.	860-722-5903
Matthew Kelley Sterne Agee, Inc.	212-763-8217
Richard Weiss Janney Montgomery Scott LLC	215-665-6224
Albert Savastano Fox-Pitt Kelton Cochran Caronia Waller	212-857-6146

QUARTERLY STOCK PRICES

QUARTER	HIGH	LOW	CLOSE
Q4 2007	\$15.13	\$11.15	\$12.04
Q3 2007	\$14.60	\$11.49	\$14.15
Q2 2007	\$14.28	\$12.88	\$13.10
Q1 2007	\$15.07	\$13.53	\$13.91
Q4 2006	\$15.43	\$13.89	\$14.86
Q3 2006	\$15.20	\$13.54	\$14.62
Q2 2006	\$14.74	\$13.44	\$14.02
Q1 2006	\$15.16	\$13.38	\$14.66

Forward-Looking Statements – This annual report contains forward-looking statements with respect to the financial condition and results of operations of First Niagara Financial Group, Inc. including, without limitations, statements relating to the earnings outlook of the Company. These forward-looking statements involve certain risks and uncertainties. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following possibilities: (1) changes in the interest rate environment; (2) competitive pressure among financial services companies; (3) general economic conditions including an increase in non-performing loans that could result from an economic downturn; (4) changes in legislation or regulatory requirements; (5) difficulties in continuing to improve operating efficiencies; (6) difficulties in the integration of acquired businesses; and (7) increased risk associated with an increase in commercial real estate and business loans and non-performing loans.

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www.fnfg.com



First Niagara
Financial Group