



**First Quarter 2008
Earnings Review**

Conference Call

Certain comments made in the course of People's United Financial's review of its financial results are forward-looking in nature. These include all statements about People's United Financial's operating results or financial position for periods ending or on dates occurring after March 31, 2008 and usually use words such as "expect", "anticipate", "believe", and similar expressions. These comments represent management's current beliefs, based upon information available to it at the time the statements are made, with regard to the matters addressed.

All forward-looking statements are subject to risks and uncertainties that could cause People's United Financial's actual results or financial condition to differ materially from those expressed in or implied by such statements. Factors of particular importance to People's United Financial include, but are not limited to: (1) changes in general, national or regional economic conditions; (2) changes in interest rates; (3) changes in loan default and charge-off rates; (4) changes in deposit levels; (5) changes in levels of income and expense in non-interest income and expense related activities; (6) residential mortgage and secondary market activity; (7) changes in accounting and regulatory guidance applicable to banks; (8) price levels and conditions in the public securities markets generally; (9) competition and its effect on pricing, spending, third-party relationships and revenues; and (10) the successful integration of Chittenden Corporation. People's United Financial does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

In addition to evaluating People's United Financial's results of operations in accordance with generally accepted accounting principles ("GAAP"), management routinely supplements this evaluation with an analysis of certain non-GAAP financial measures, such as the efficiency ratio. Management believes this non-GAAP financial measure provides information useful to investors in understanding People's United Financial's underlying operating performance and trends, and facilitates comparisons with the performance of other banks and thrifts.

The efficiency ratio, which represents an approximate measure of the cost required by People's United Financial to generate a dollar of revenue, is the ratio of total non-interest expense (excluding goodwill impairment charges, amortization of acquisition-related intangibles, losses on real estate assets and nonrecurring expenses) to net interest income plus total non-interest income (including the fully taxable equivalent adjustment on bank-owned life insurance income, and excluding gains and losses on sales of assets, other than residential mortgage loans, and nonrecurring income). People's United Financial generally considers an income or expense to be nonrecurring if it is not similar to an income or expense of a type incurred within the last two years and is not similar to an income or expense of a type reasonably expected to be incurred within the following two years. Management considers the efficiency ratio to be more representative of People's United Financial's ongoing operating efficiency, as the excluded items are generally related to external market conditions and non-routine transactions.

First Quarter Results

- ◆ Net income of \$15.1 million or 5 cents per share
- ◆ Operating net income of \$48.3 million or 15 cents per share ⁽¹⁾
- ◆ Operating ROTA of 1.00%
- ◆ Net interest margin of 3.68%
- ◆ Net loan charge-offs of 0.08% of average loans
- ◆ Quarter end excess capital of \$2.5 billion

(1) See slide 6

First Quarter Developments

- ◆ Completed Chittenden acquisition
- ◆ Announced annualized expense reductions of \$57 million
- ◆ Approved 12.5% dividend increase
- ◆ Authorized 5% share repurchase

Reconciliation of GAAP and Operating Income

\$'s in millions except EPS

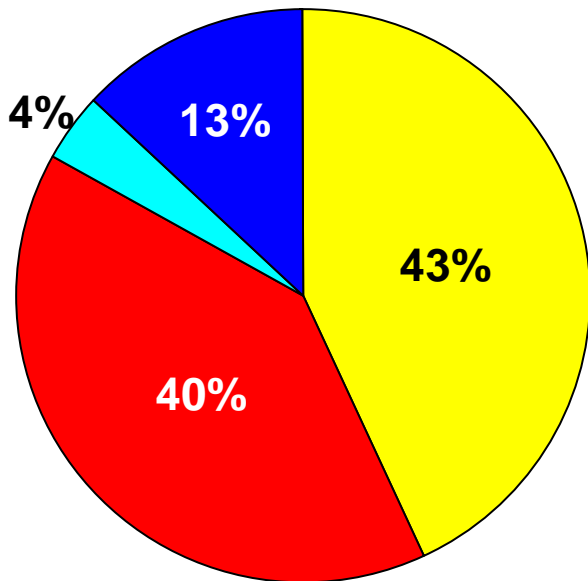
		<u>Net Income</u>	<u>EPS</u>
Reported net income and EPS		\$15.1	\$0.05
<u>Less: One time items</u>	<u>Pretax</u>		
Merger related expenses	\$ (41.0)		
Other charges	(14.8)		
Visa IPO gain	6.9		
Total one time items	<u>\$ (48.9)</u>	<u>\$33.2</u>	<u>\$0.10</u>
Operating net income and EPS		<u>\$48.3</u>	<u>\$0.15</u>

Average Earning Assets

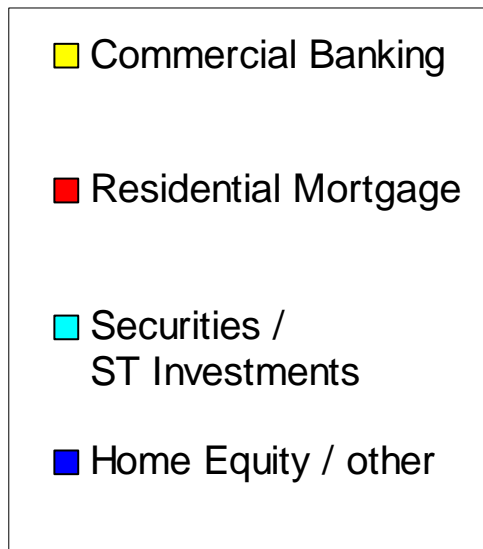
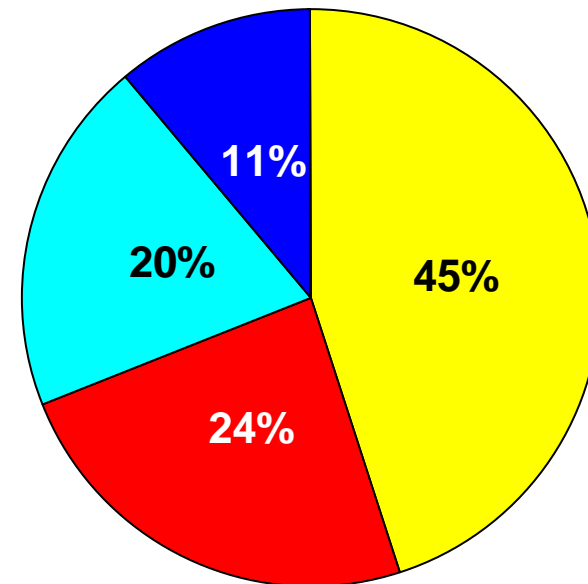
(\$'s in millions)	Q1 2008	Q4 2007	Q1 2007	vs. Q1 2007	
				Inc/(Dec)	%
Commercial banking	\$ 8,245	\$ 4,342	\$ 4,172	\$ 4,073	98
Residential mortgage	4,299	3,279	3,828	471	12
Home equity and other loans	1,993	1,248	1,305	688	53
Total loans	14,537	8,869	9,305	5,232	56
Securities	1,020	64	74	946	NM
Short-term investments	2,666	3,551	305	2,361	NM
Total investments	3,686	3,615	379	3,307	NM
Total earning assets	\$ 18,223	\$ 12,484	\$ 9,684	\$ 8,539	88

Average Earning Asset Mix

1Q07

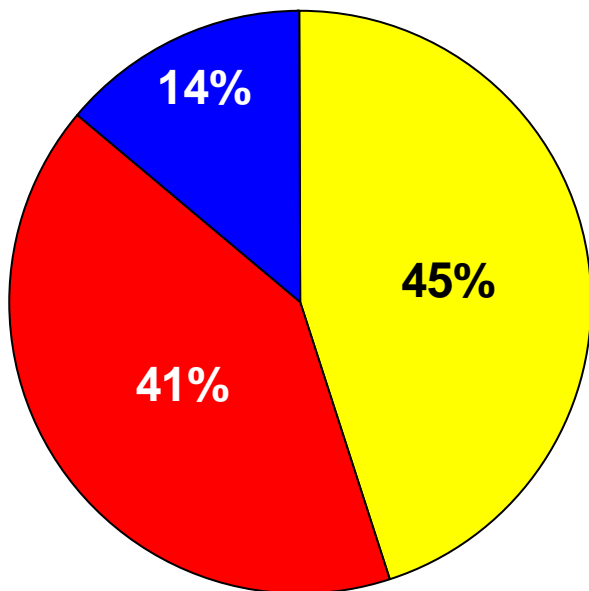


1Q08

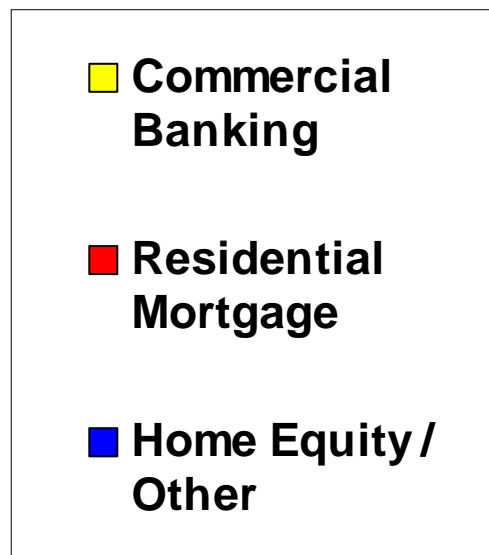
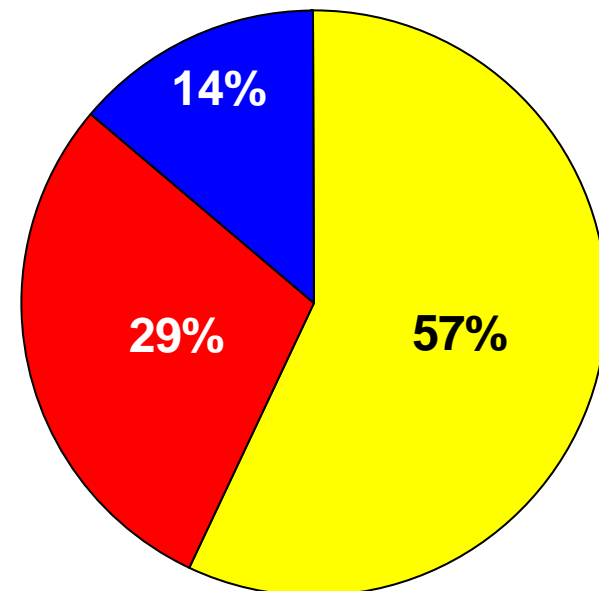


Average Loan Mix

1Q07



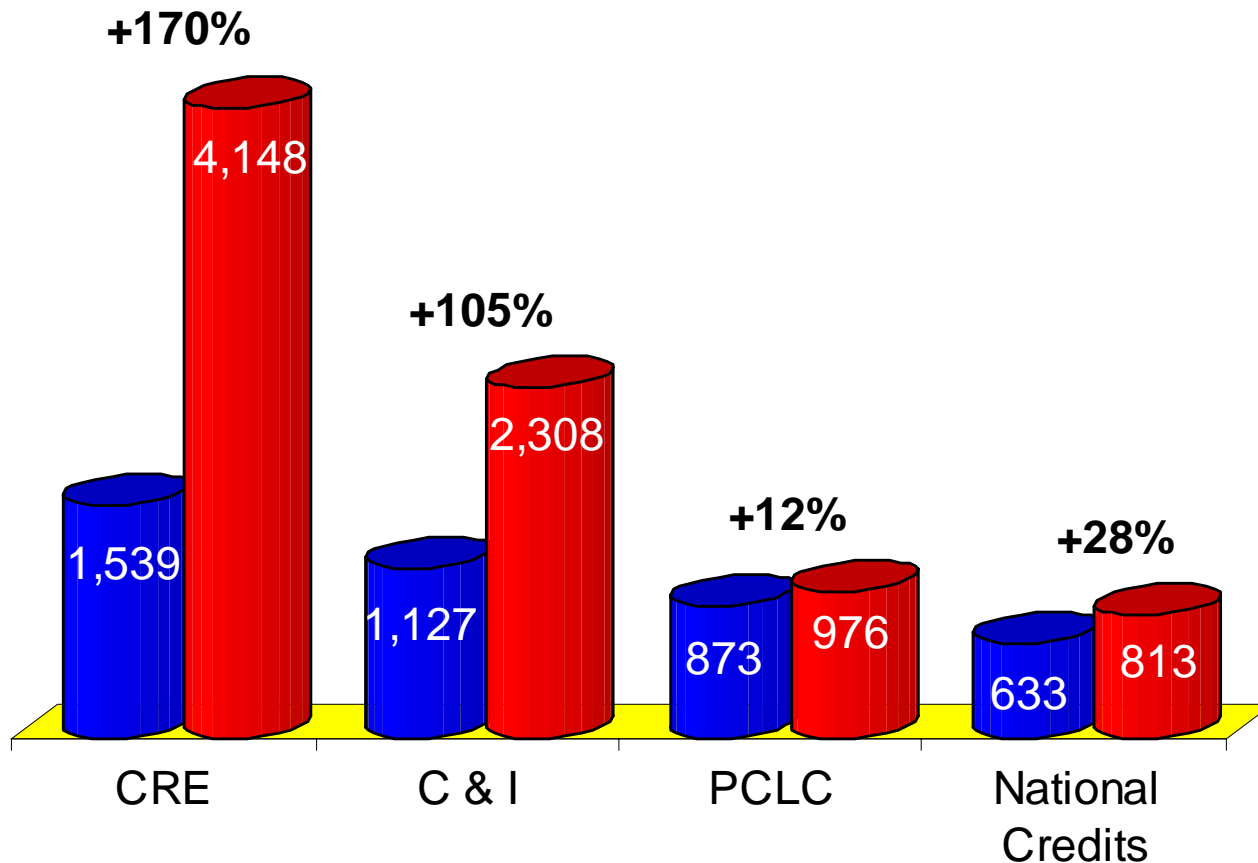
1Q08



Commercial Banking Loans

Dollars in millions – Average Balances

■ Q1 2007 ■ Q1 2008

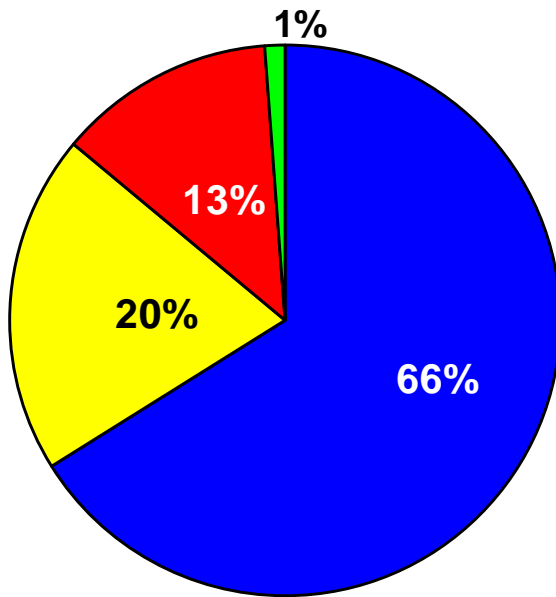


Average Funding

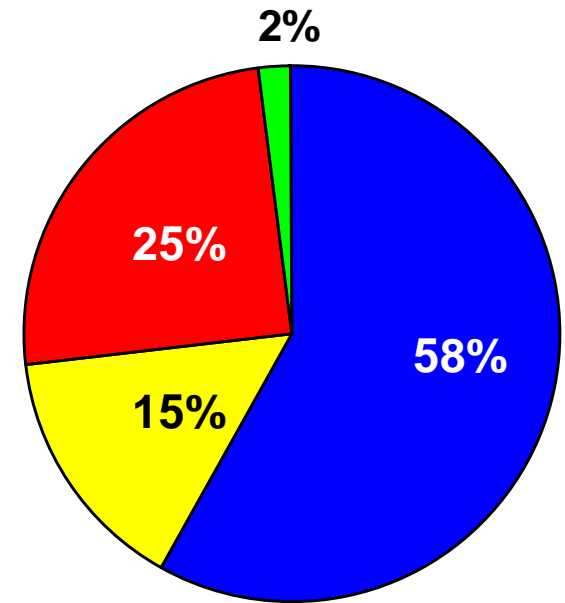
(\$'s in millions)	Q1 2008	Q4 2007	Q1 2007	vs. Q1 2007	
				Inc/(Dec)	%
Deposits:					
Non-interest-bearing	\$ 3,146	\$ 2,051	\$ 2,125	\$ 1,021	48
Interest-bearing	11,806	6,702	6,897	4,909	71
Total deposits	14,952	8,753	9,022	5,930	66
Sub-debt / Other borrowings	344	65	72	272	378
Total funding liabilities	15,296	8,818	9,094	6,202	68
Stockholders' equity	5,214	4,439	1,338	3,876	290
Total Funding	\$ 20,510	\$ 13,257	\$ 10,432	\$ 10,078	97

Average Funding Mix

1Q07



1Q08

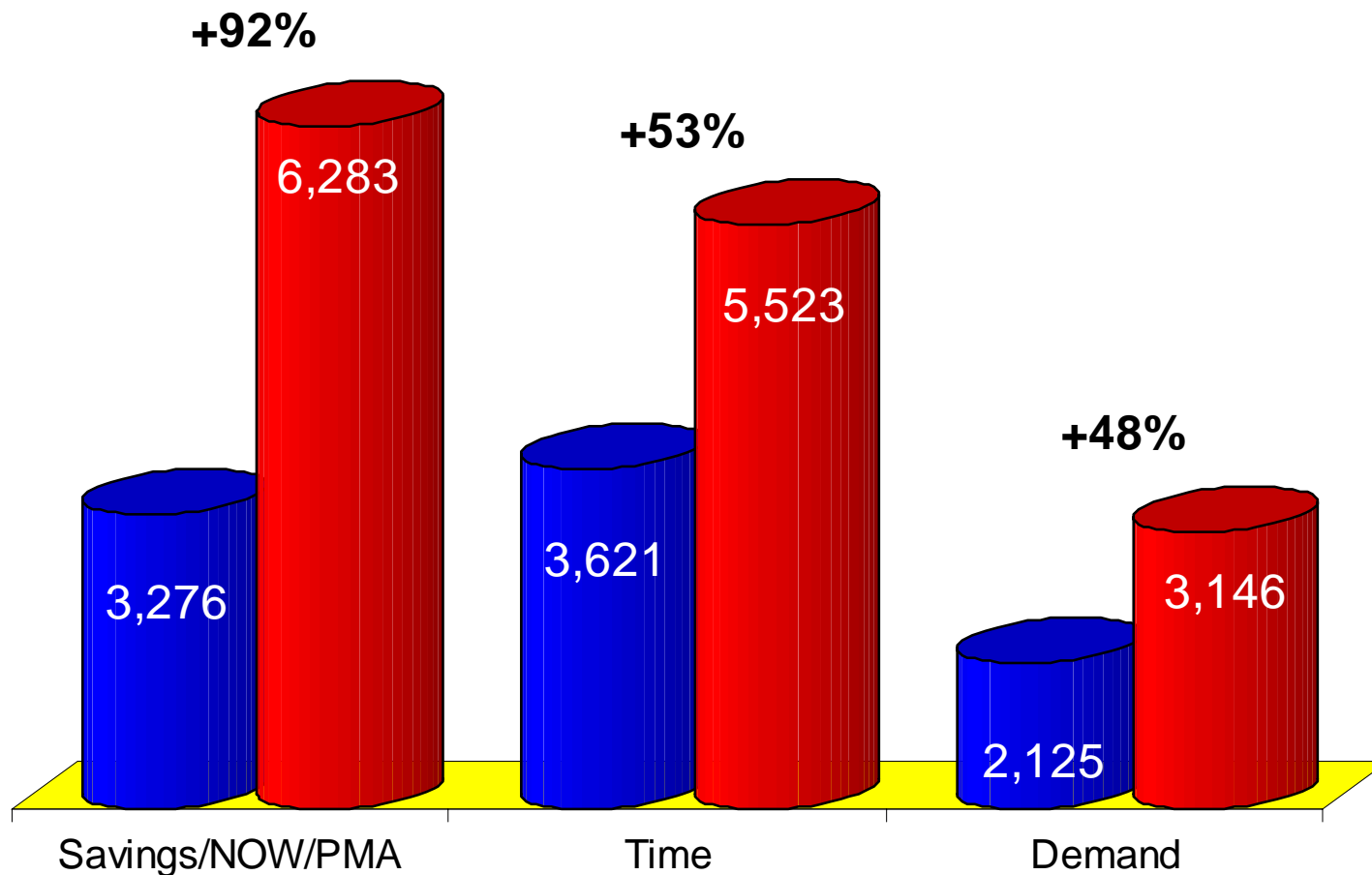


- Interest-bearing deposits
- Non-int-bearing deposits
- Stockholders' equity
- Sub-debt / Other borrowings

Average Deposits

Dollars in millions – Average Balances

■ Q1 2007 ■ Q1 2008

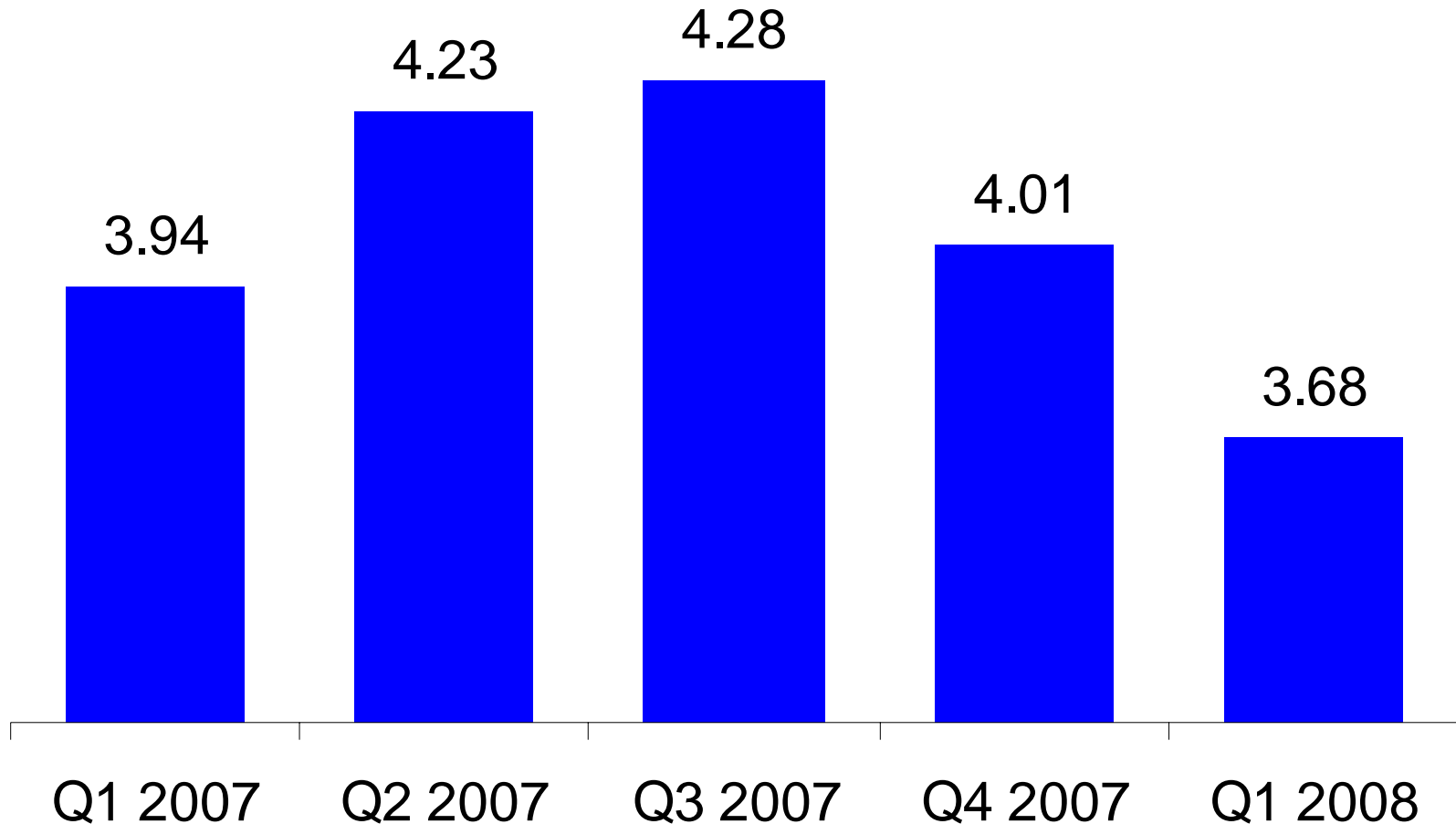


Quarterly Income Statement

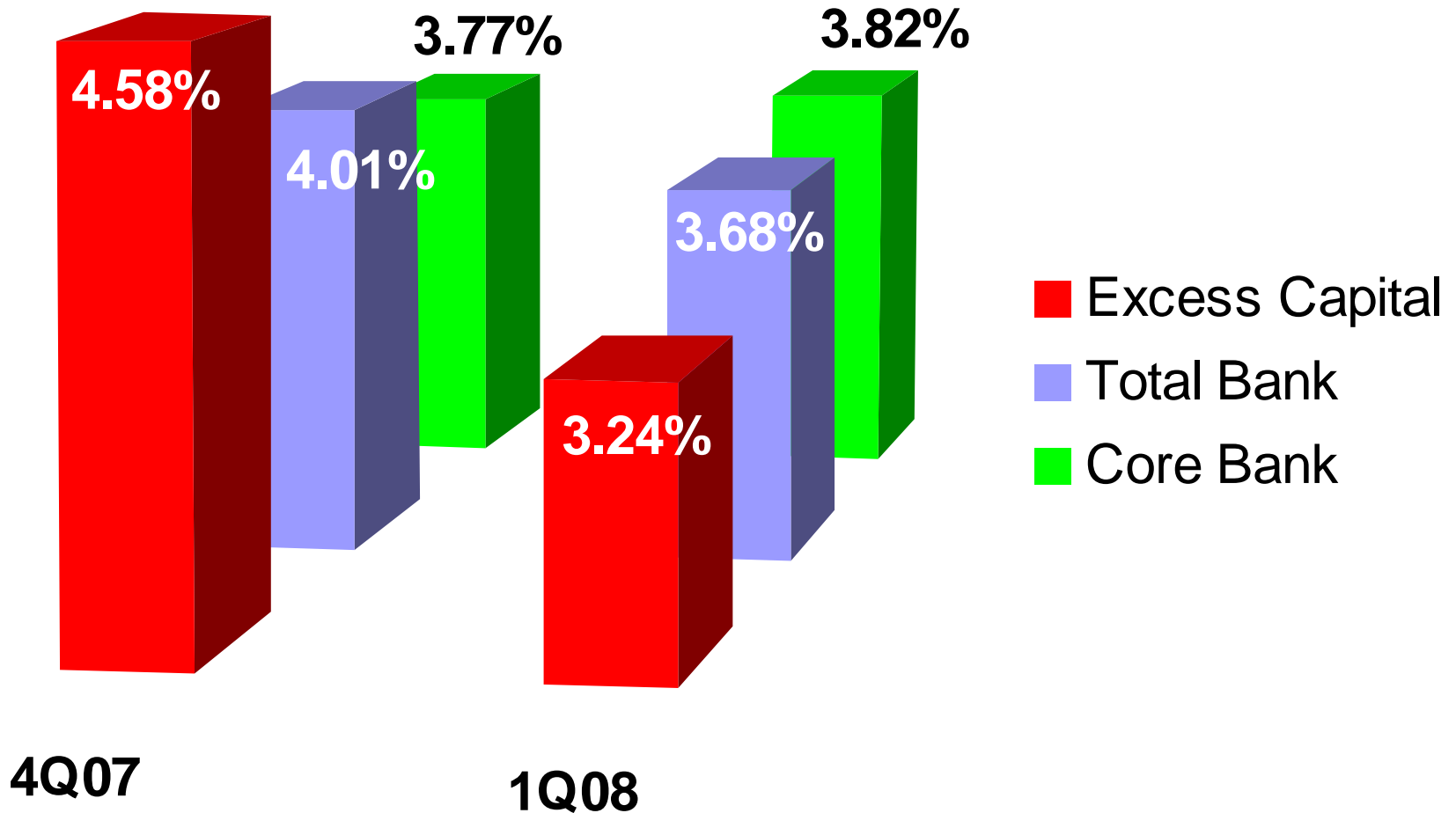
(\$'s in millions, except EPS)	Q1 2008	Q1 2008 Operating Income	Q4 2007	Q1 2007	Q1 08 Adj. vs. Q1 2007	
					Fav(Unf)	% Inc/(Dec)
Net Interest Income	\$ 166.7	\$ 166.7	\$ 125.0	\$ 95.3	\$ 71.4	75
Provision for Loan Losses	8.3	3.8	2.9	0.8	(3.0)	375
Non-Interest Income	81.9	75.0	46.1	43.6	31.4	72
Non-Interest Expense	219.2	167.9	100.0	88.1	(79.8)	91
Net Income	15.1	48.3	46.0	33.6	14.7	44
Earnings Per Share	0.05	0.15	0.16	0.11	0.04	36

Net Interest Margin

Percent



Net Interest Margin: 1Q08 vs. 4Q07



Non-Interest Income

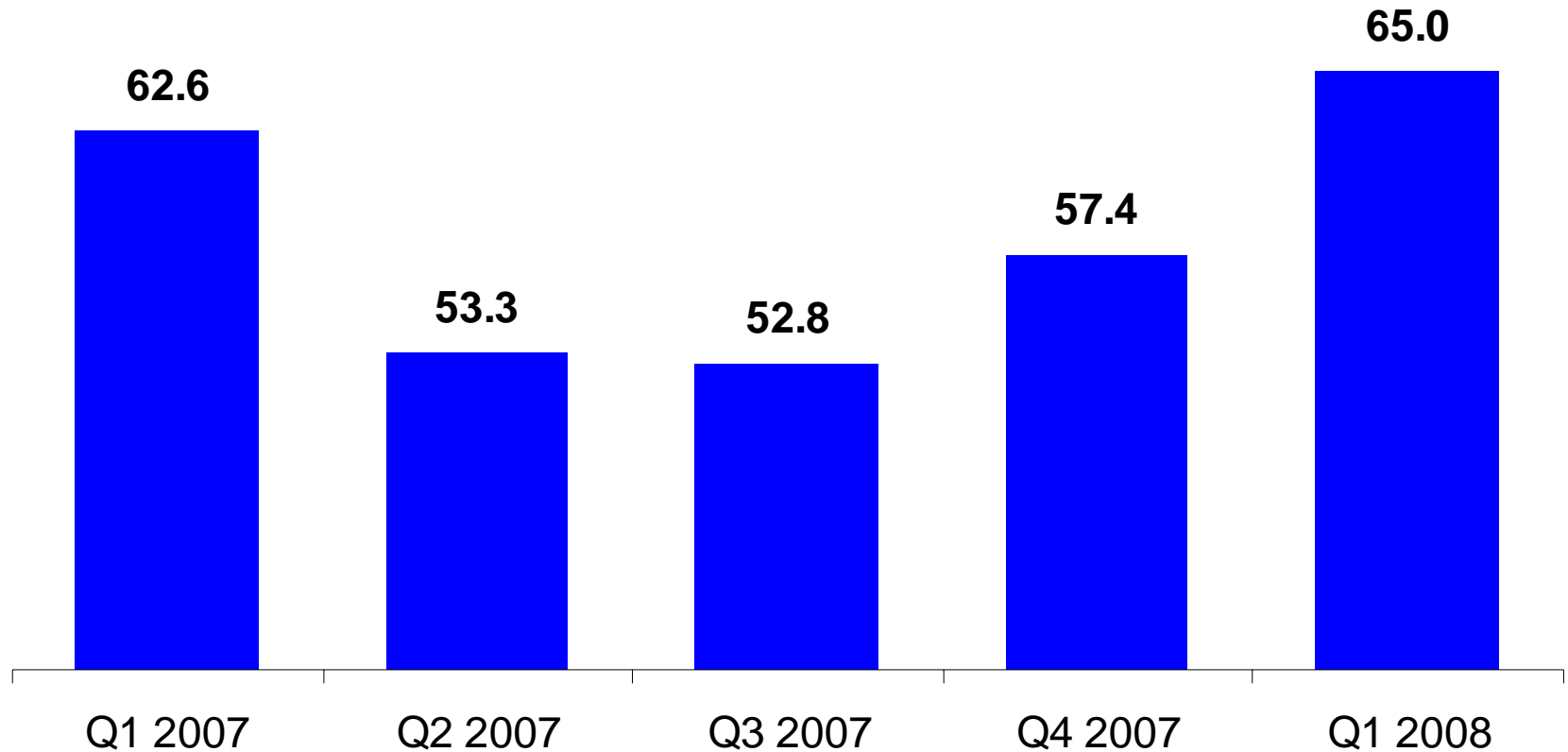
(\$'s in millions)	Q1 2008	Q4 2007	Q1 2007	vs. Q1 2007	
				\$ Inc	% Inc
Service charges on deposits	\$ 23.1	\$ 19.4	\$ 18.0	\$ 5.1	28
Insurance revenue	9.1	6.2	7.3	1.8	25
Trust Fees	8.8	3.1	2.9	5.9	203
Brokerage Commissions	4.5	3.4	3.4	1.1	32
Other fee-based revenue	12.7	7.3	6.2	6.5	105
Total fee-based revenue	58.2	39.4	37.8	20.4	54
Net security gains	8.5	-	-	8.5	NM
Gains on residential mortgages	2.0	0.6	0.7	1.3	186
Merchant Interchange Fees	6.4	-	-	6.4	NM
Bank-owned life insurance	3.0	3.1	2.4	0.6	25
Other non-interest income	3.8	3.0	2.7	1.1	41
Total non-interest income	81.9	46.1	43.6	38.3	88
Less: Visa IPO gain	6.9	-	-	6.9	NM
Adjusted non-interest income	\$ 75.0	\$ 46.1	\$ 43.6	\$ 31.4	72

Non-Interest Expense

(\$'s in millions)	Q1 2008	Q1 2008	Q4 2007	Q1 2007	Q1 2008 Adj. vs. Q1 2007	
		Adjusted			\$ Inc	%
Compensation and benefits	\$ 89.1	\$ 89.1	\$ 56.3	\$ 51.3	\$ 37.8	74
Occupancy and equipment	31.6	28.3	17.1	16.5	11.8	72
Professional/outside service fees	11.5	11.5	8.5	6.2	5.3	85
Advertising and promotion	3.8	3.8	3.0	2.4	1.4	58
Merger / One time expenses	48.0	-	-	-	-	NM
Other non-interest expense	35.2	35.2	15.1	11.7	23.5	201
Total non-interest expense	\$ 219.2	\$ 167.9	\$ 100.0	\$ 88.1	\$ 79.8	91

Efficiency Ratio

Percent



Asset Quality

Percent except NPA's and Allowance for Loan Losses (\$ in millions)

As of and for the quarters ended	Q1 2008	Q4 2007	Q1 2007
NPA's	\$ 72.0	\$ 26.1	\$ 19.4
Allowance for Loan Losses	151.7	72.7	74.4
NPA's / Total Loans, REO & Repossessed assets	0.50%	0.29%	0.21%
Allowance / Total Loans	1.05%	0.81%	0.80%
Allowance / NPL's	226	358	389
Net Loan Charge-Offs / Avg Loans	0.08	0.17	0.01

2008 Net Interest Margin Outlook:

Core Bank vs. Excess Capital Position

Dollars in millions

	EXCESS CAPITAL		CORE BANK		TOTAL	
Annual Average Fed Funds %	Net Interest Income	Net Interest Margin	Net Interest Income	Net Interest Margin	Net Interest Income	Net Interest Margin
1.50%	\$37.5	1.50%	\$542.5	3.44%	\$580.0	3.18%
2.00%	\$50.0	2.00%	\$555.0	3.52%	\$605.0	3.32%
(1) 2.50%	\$62.5	2.50%	\$567.5	3.60%	\$630.0	3.45%
3.00%	\$75.0	3.00%	\$580.0	3.68%	\$655.0	3.59%
3.50%	\$87.5	3.50%	\$592.5	3.76%	\$680.0	3.73%

Annual Average Earning Assets	
Excess Capital Position	\$2,500
Core Earning Assets	\$15,750
TOTAL Earning Assets	\$18,250

Notes:

(1) Annual 2008 fed funds average if rate remains at 2.25%

2008 Outlook ⁽¹⁾

- ◆ Average earning assets up approximately 2% by year end 2008
 - Average loans decrease 2%
 - Residential and National Credits down almost 15%
 - Commercial excluding National Credits up 6%
 - Increase in short-term investments

- ◆ Deposit increase of 2%

- ◆ Net interest margin of 3.45% at current rates

- ◆ Non-interest income stable

- ◆ Quarterly non-interest expense declines 8% to 12%

- ◆ Strong asset quality to continue

(1) All variances are from 1Q08 operating levels

1Q08 Earnings Review Conference Call

If you have any questions, please contact Jared Shaw
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