



**Fourth Quarter 2007
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 December 31, 2007 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 core deposits, purchased funds and the efficiency ratio. Management believes such non-GAAP financial measures provide 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.

Core deposits is a measure of stable funding sources and is defined as total deposits, other than brokered certificates of deposit (acquired in the wholesale market), municipal deposits (which are seasonally variable by nature) and escrow funds from People's United Financial's recently completed stock offering. Purchased funds include borrowings, brokered certificates of deposit and municipal deposits.

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.

Fourth Quarter Highlights

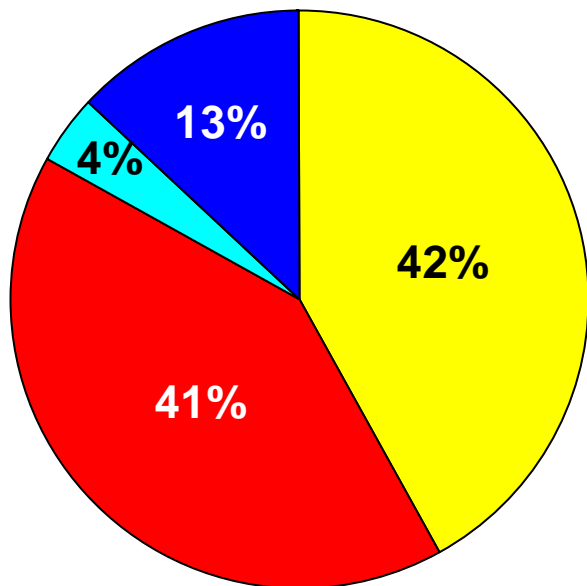
- ◆ Net income of \$46.0 million or \$0.16 per share
- ◆ ROA of 1.37%
- ◆ Average earning assets up \$2.9 billion from 4Q06
- ◆ Net interest margin of 4.01%
- ◆ Net loan charge-offs of \$3.7 million or 0.17% of average loans
- ◆ Efficiency ratio of 57.4%

Average Earning Assets

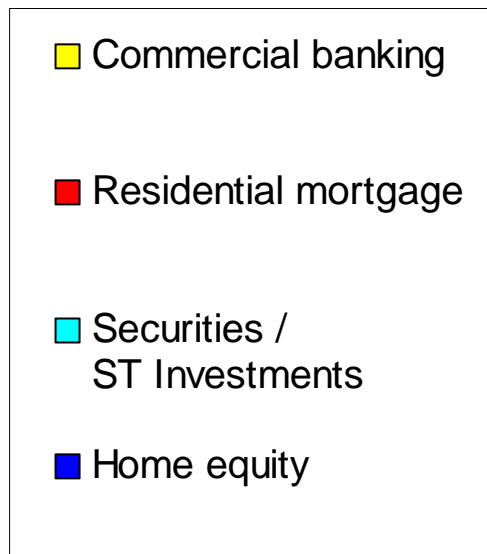
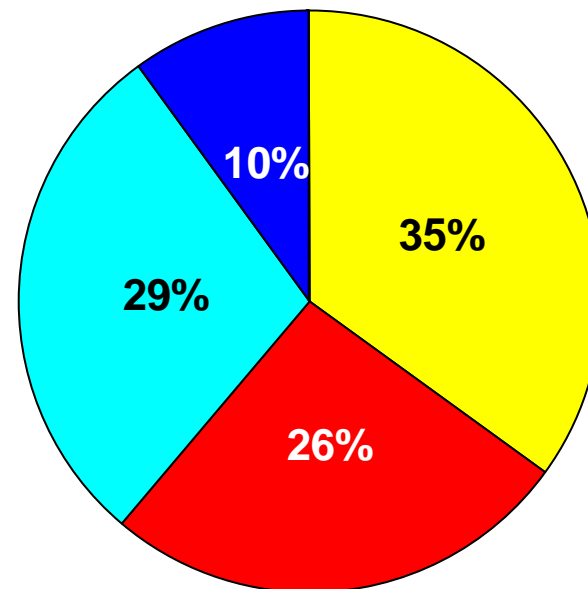
(\$'s in millions)	Q4 2007	Q3 2007	Q4 2006	vs. Q4 2006	
				Inc/(Dec)	%
Commercial banking	\$ 4,342	\$ 4,248	\$ 4,021	\$ 321	8
Residential mortgage	3,279	3,435	3,909	(630)	(16)
Home equity and other loans	1,248	1,252	1,317	(69)	(5)
Total loans	8,869	8,935	9,247	(378)	(4)
Securities	64	69	166	(102)	(61)
Short-term investments	3,551	3,536	173	3,378	NM
Total investments	3,615	3,605	339	3,276	966
Total earning assets	\$ 12,484	\$ 12,540	\$ 9,586	\$ 2,898	30

Average Earning Asset Mix

4Q06



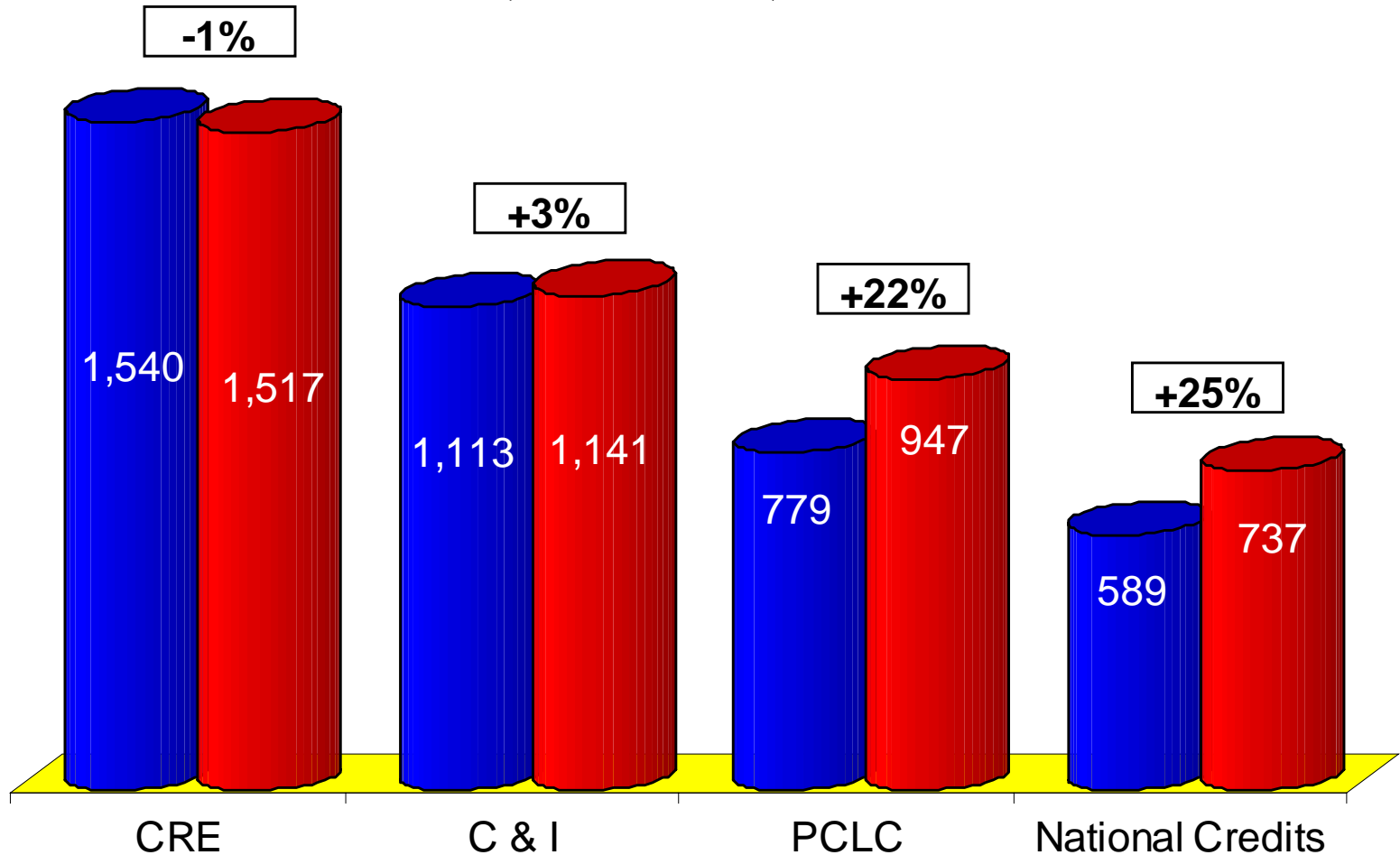
4Q07



Commercial Banking Loans

Dollars in millions – Average Balances

■ Q4 2006 ■ Q4 2007

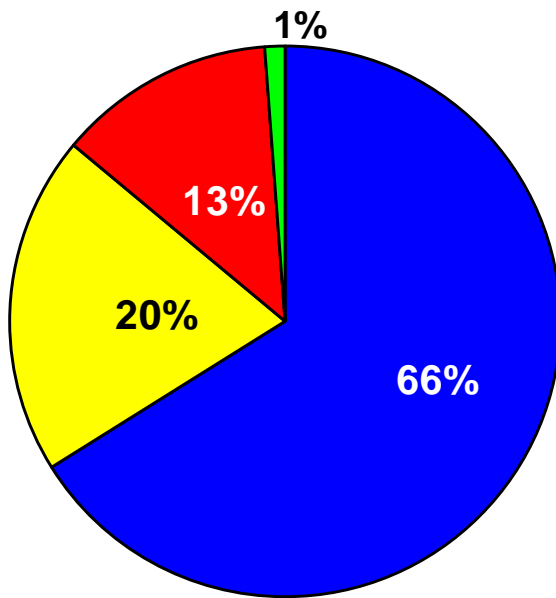


Average Funding

(\$'s in millions)	Q4 2007	Q3 2007	Q4 2006	vs. Q4 2006	
				Inc/(Dec)	%
Core deposits:					
Non-interest-bearing	\$ 2,051	\$ 2,098	\$ 2,113	\$ (62)	(3)
Interest-bearing	6,681	6,666	6,796	(115)	(2)
Total core deposits	8,732	8,764	8,909	(177)	(2)
Wholesale funds / other	86	82	121	(35)	(29)
Total funding liabilities	8,818	8,846	9,030	(212)	(2)
Stockholders' equity	4,439	4,507	1,355	3,084	228
Total Funding	\$ 13,257	\$ 13,353	\$ 10,385	\$ 2,872	28

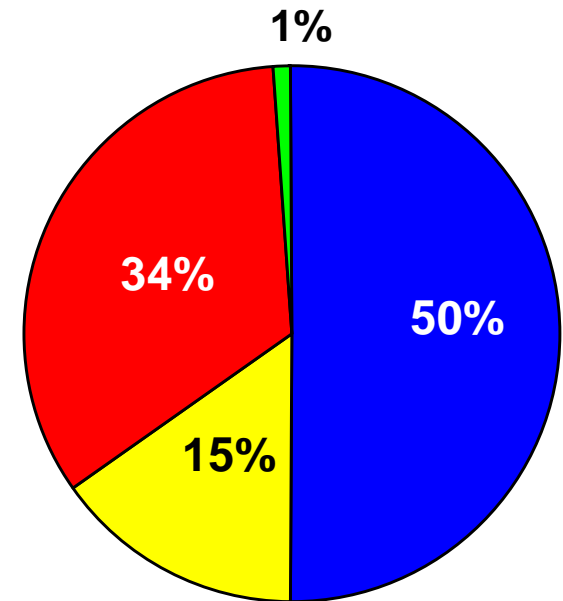
Average Funding Mix

4Q06



- Interest-bearing deposits
- Non-int-bearing deposits
- Stockholders' equity
- Wholesale funds / other

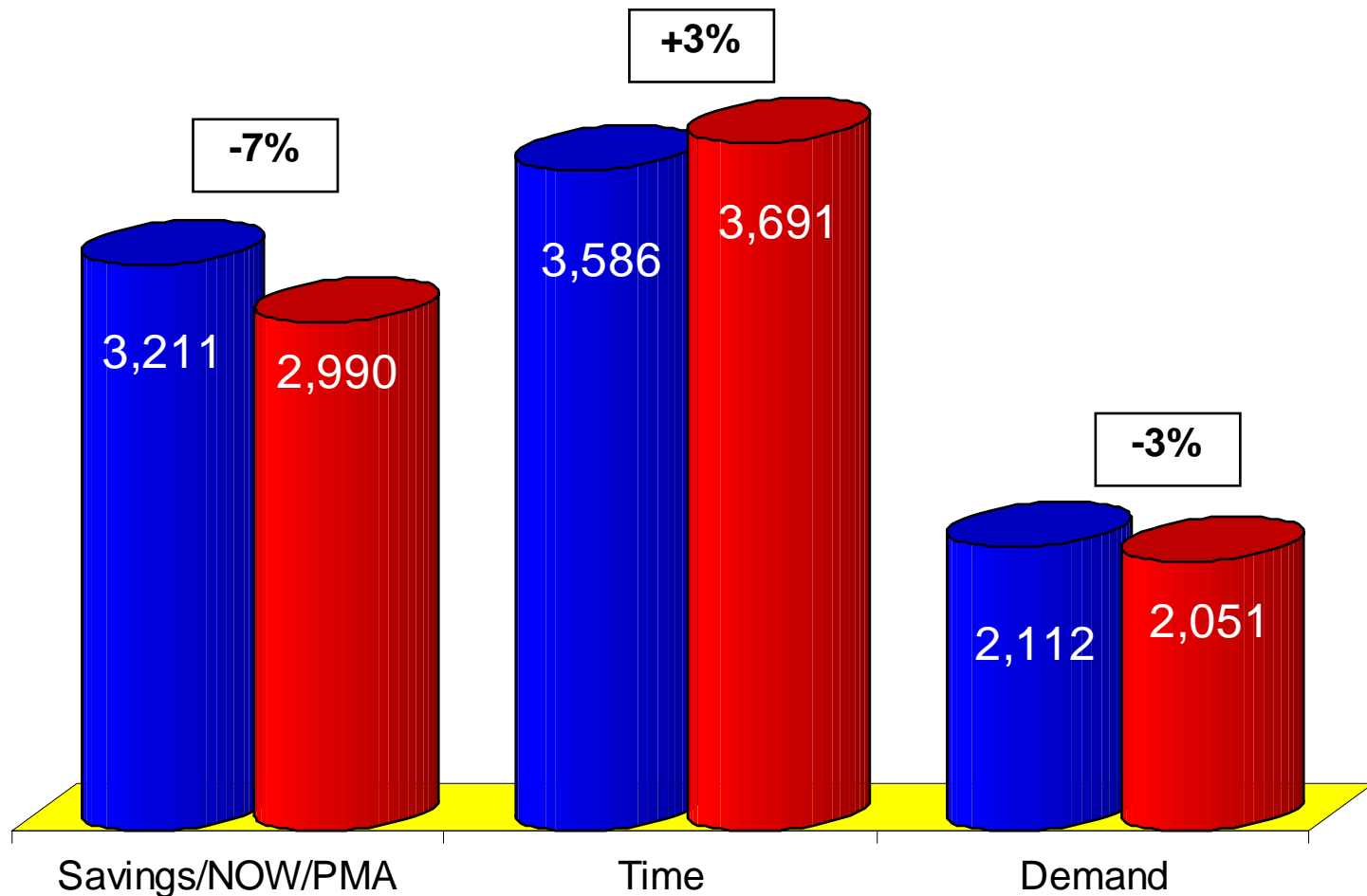
4Q07



Average Core Deposits

Dollars in millions – Average Balances

■ Q4 2006 ■ Q4 2007

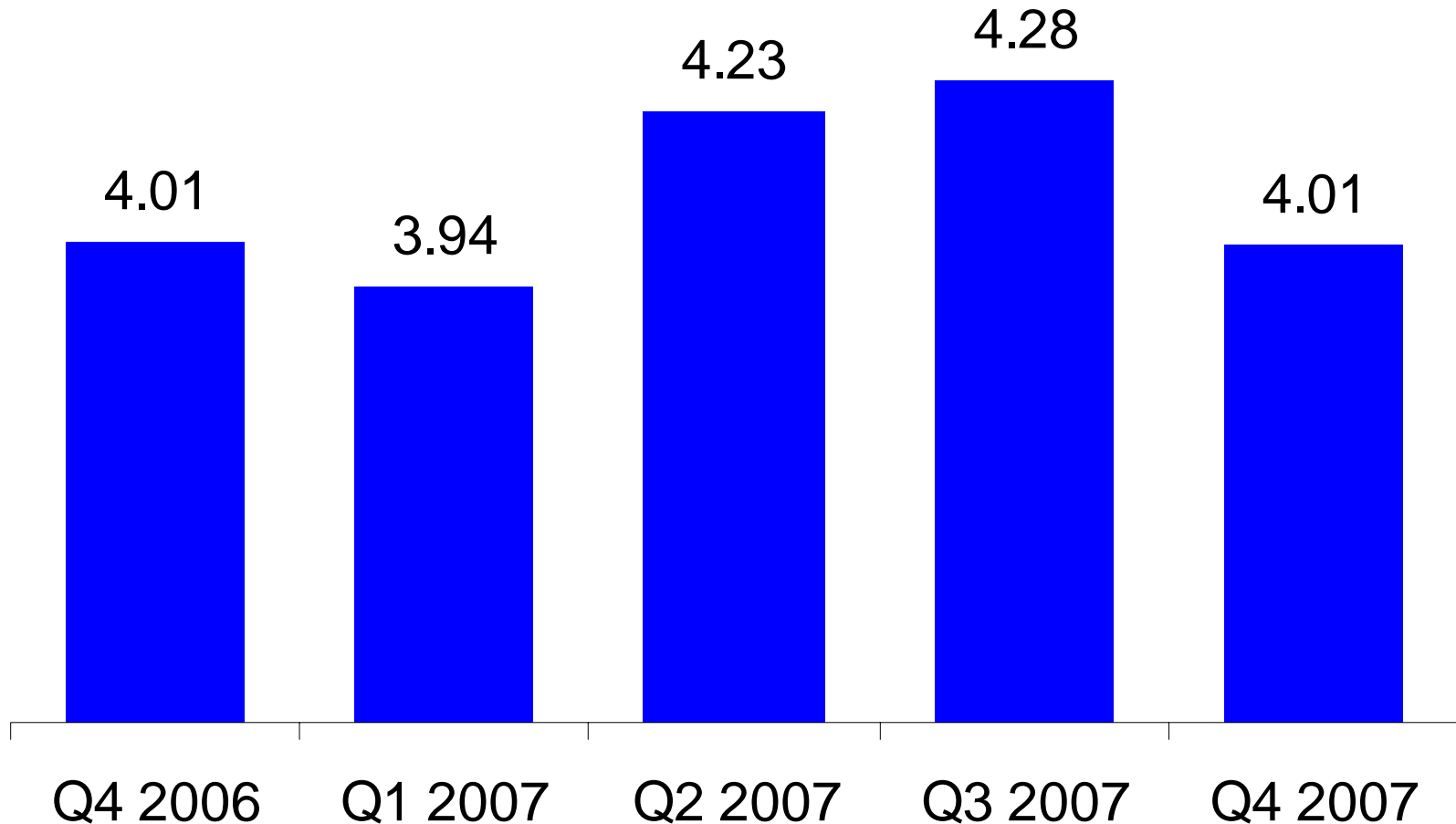


Quarterly Income Statement

(\$'s in millions, except EPS)	Q4 2007	Q3 2007	Q4 2006	vs. Q4 2006	
				Fav(Unf)	% Inc/(Dec)
Net Interest Income	\$ 125.0	\$ 134.3	\$ 96.1	\$ 28.9	30
Provision for Loan Losses	2.9	2.5	1.4	(1.5)	(107)
Non-Interest Income	46.1	50.2	45.3	0.8	2
Non-Interest Expense	100.0	95.5	85.6	(14.4)	17
Income From Continuing Ops	45.7	57.3	38.7	7.0	18
Income From Discontinued Ops	0.3	0.3	0.6	(0.3)	(50)
Net Income	\$ 46.0	\$ 57.6	\$ 39.3	\$ 6.7	17
Earnings Per Share	\$ 0.16	\$ 0.20	\$ 0.13	\$ 0.03	23

Net Interest Margin

Percent



Non-Interest Income

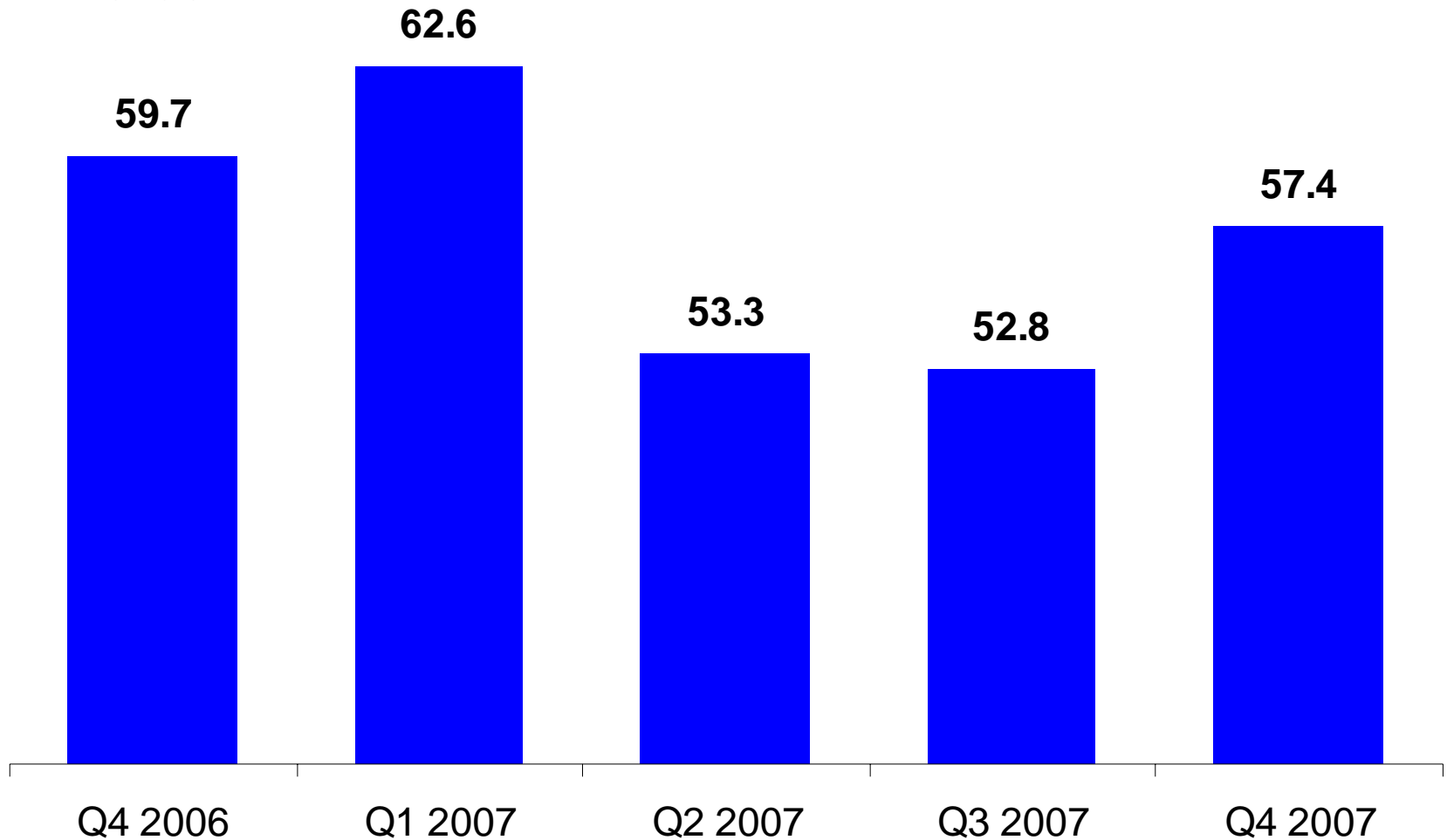
(\$'s in millions)	Q4 2007	Q3 2007	Q4 2006	vs. Q4 2006	
				Fav(Unf)	% Inc/(Dec)
Service charges on deposits	\$ 19.4	\$ 19.4	\$ 19.4	\$ -	-
Insurance revenue	6.2	7.1	7.1	(0.9)	(13)
Brokerage commissions	3.4	3.2	3.0	0.4	13
Other fee-based revenue	10.4	9.0	10.0	0.4	4
Total fee-based revenue	39.4	38.7	39.5	(0.1)	(0)
Net security gains	-	5.5	-	-	-
Gains on residential mortgages	0.6	0.8	0.5	0.1	20
Bank-owned life insurance	3.1	2.3	2.8	0.3	11
Other non-interest income	3.0	2.9	2.5	0.5	20
Total non-interest income	\$ 46.1	\$ 50.2	\$ 45.3	\$ 0.8	2

Non-Interest Expense

(\$'s in millions)	Q4 2007	Q3 2007	Q4 2006	vs. Q4 2006	
				Fav(Unf)	% Inc/(Dec)
Compensation and benefits	\$ 56.3	\$ 53.1	\$ 49.4	\$ (6.9)	14
Occupancy and equipment	17.1	17.3	15.4	(1.7)	11
Professional/outside service fees	8.5	7.4	6.5	(2.0)	31
Advertising and promotion	3.0	3.1	2.3	(0.7)	30
Other non-interest expense	15.1	14.6	12.0	(3.1)	26
Total non-interest expense	\$ 100.0	\$ 95.5	\$ 85.6	\$ (14.4)	17

Efficiency Ratio

Percent



Asset Quality

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

As of and for the quarters ended	Q4 2007	Q3 2007	Q4 2006
NPA's	\$ 26.1	\$ 26.2	\$ 22.7
Allowance for Loan Losses	72.7	73.5	74.0
NPA's / Total Loans, REO & Repossessed assets	0.29%	0.29%	0.24%
Allowance / Total Loans	0.81	0.82	0.79
Allowance / NPL's	358	318	328
Net Loan Charge-Offs / Avg Loans	0.17	0.07	0.06

People's United and Chittenden 4Q07 Results

(\$'s in millions)	People's	Chittenden
Net interest income	\$ 125.0	\$ 70.7
Provision for loan losses	2.9	2.0
Non-interest income	46.1	21.5
Non-interest expense (1)	100.0	60.3
Income from continuing operations	45.7	30.0
Income from discontinued operations	0.3	-
Net income	\$ 46.0	\$ 21.2

<u>Selected Statistical Data:</u>		
Net interest margin	4.01%	4.33%
Return on average assets	1.37%	1.17%
Return on average stockholders' equity	4.10%	10.65%
Efficiency ratio	57.4%	57.3%

(1) Chittenden non-interest expense includes \$4.6mm merger costs for Community Bank & Trust acquisition

People's United and Chittenden Financial Condition

As of 12/31/2007

(\$'s in millions)	People's	Chittenden
Total assets	\$ 13,555	\$ 7,435
Loans	8,950	5,659
Allowance for loan losses	73	74
Securities, net	61	924
Short-term investments	3,516	-
Deposits	8,881	6,233
Borrowings	-	144
Subordinated notes	65	125
Stockholders' equity	4,445	847

People's United and Chittenden Asset Quality

As of 12/31/2007

(\$'s in millions)	People's	Chittenden
Non-performing loans	\$ 20.3	\$ 34.1
REO and repossessed assets	5.8	1.8
Total non-performing assets	\$ 26.1	\$ 35.9
Net loan charge-offs (Q4 07)	\$ 3.7	\$ 1.9
Net loan charge-offs (YTD 07)	\$ 9.3	\$ 5.6
Net loan charge-offs / avg loans (Q4 07)	0.17%	0.14%
Net loan charge-offs / avg loans (YTD 07)	0.10%	0.11%
NPA's / Total Loans, REO & Repossessed assets	0.29%	0.64%
Allowance / NPL's	358%	216%
Allowance / Total Loans	0.81%	1.30%

4Q07 Earnings Review

Conference Call

If you have any questions, please contact Paul D'Ostilio
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