

People's United Financial, Inc.

FINANCIAL HIGHLIGHTS

(dollars in millions, except per common share data)	As of and for the Three Months Ended				
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020
Earnings Data:					
Net interest income (fully taxable equivalent)	\$ 388.7	\$ 393.5	\$ 390.2	\$ 398.7	\$ 413.0
Net interest income	380.9	385.9	382.8	391.4	405.6
Provision for credit losses	(40.8)	(13.6)	14.7	26.8	80.8
Non-interest income (1)	99.0	94.6	178.2	101.1	89.6
Non-interest expense (1)	305.0	311.9	646.4	293.6	304.0
Income (loss) before income tax expense	215.7	182.2	(100.1)	172.1	110.4
Net income (loss)	170.8	144.5	(145.3)	144.6	89.9
Net income (loss) available to common shareholders (1)	167.3	141.0	(148.8)	141.1	86.4
Selected Statistical Data:					
Net interest margin (2)	2.70 %	2.74 %	2.84 %	2.97 %	3.05 %
Return on average assets (1), (2)	1.07	0.90	(0.93)	0.94	0.58
Return on average common equity (2)	9.1	7.7	(7.8)	7.5	4.6
Return on average tangible common equity (1), (2)	14.7	12.5	(13.4)	13.1	8.1
Efficiency ratio (1)	57.4	56.6	55.5	53.8	53.5
Common Share Data:					
Earnings (loss) per common share:					
Basic	\$ 0.40	\$ 0.34	\$ (0.36)	\$ 0.34	\$ 0.21
Diluted (1)	0.39	0.33	(0.35)	0.34	0.21
Dividends paid per common share	0.1825	0.1800	0.1800	0.1800	0.1800
Common dividend payout ratio (1)	46.2 %	53.7 %	(50.8) %	53.6 %	87.4 %
Book value per common share	\$ 17.77	\$ 17.42	\$ 17.56	\$ 18.11	\$ 17.95
Tangible book value per common share (1)	11.08	10.70	10.77	10.37	10.18
Stock price:					
High	19.62	19.40	13.58	12.36	13.99
Low	16.75	12.66	9.98	9.74	9.37
Close	17.14	17.90	12.93	10.31	11.57
Common shares outstanding (in millions) (1)	427.77	427.22	424.68	424.67	424.59
Weighted average diluted common shares (in millions)	425.08	422.58	420.39	420.29	420.15

(1) See Non-GAAP Financial Measures and Reconciliation to GAAP beginning on page 16.

(2) Annualized.

People's United Financial, Inc.**FINANCIAL HIGHLIGHTS**

	As of and for the Six Months Ended June 30,	
(dollars in millions, except per common share data)	2021	2020
Earnings Data:		
Net interest income (fully taxable equivalent)	\$ 782.2	\$ 816.7
Net interest income	766.8	801.6
Provision for credit losses	(54.4)	114.3
Non-interest income	193.6	213.4
Non-interest expense (1)	616.9	624.1
Income before income tax expense	397.9	276.6
Net income	315.3	220.3
Net income available to common shareholders (1)	308.3	213.3
Selected Statistical Data:		
Net interest margin (2)	2.72 %	3.08 %
Return on average assets (1), (2)	0.99	0.73
Return on average common equity (2)	8.4	5.7
Return on average tangible common equity (1), (2)	13.6	10.0
Efficiency ratio (1)	57.0	53.7
Common Share Data:		
Earnings per common share:		
Basic	\$ 0.73	\$ 0.50
Diluted (1)	0.73	0.50
Dividends paid per common share	0.3625	0.3575
Common dividend payout ratio (1)	49.6 %	71.7 %
Book value per common share	\$ 17.77	\$ 17.95
Tangible book value per common share (1)	11.08	10.18
Stock price:		
High	19.62	17.00
Low	12.66	9.37
Close	17.14	11.57
Common shares outstanding (in millions) (1)	427.77	424.59
Weighted average diluted common shares (in millions)	423.91	424.82

(1) See Non-GAAP Financial Measures and Reconciliation to GAAP beginning on page 16.

(2) Annualized.

People's United Financial, Inc.

FINANCIAL HIGHLIGHTS - Continued

(dollars in millions)	As of and for the Three Months Ended				
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020
Financial Condition Data:					
Total assets	\$ 63,341	\$ 64,172	\$ 63,092	\$ 60,871	\$ 61,510
Loans	41,366	42,770	43,870	45,231	45,452
Securities	10,597	10,445	9,191	8,270	8,233
Short-term investments	5,249	4,992	3,766	439	987
Allowance for credit losses on loans	348	399	425	424	414
Goodwill and other acquisition-related intangible assets	2,826	2,835	2,846	3,244	3,254
Deposits	52,581	53,475	52,138	49,637	49,934
Borrowings	952	1,156	1,148	1,237	1,782
Notes and debentures	1,002	1,003	1,010	1,012	1,015
Stockholders' equity	7,750	7,592	7,603	7,831	7,763
Total risk-weighted assets (1):					
People's United Financial, Inc.	43,656	43,833	45,075	45,756	45,657
People's United Bank, N.A.	43,625	43,812	45,016	45,685	45,615
Non-accrual loans	328	353	329	306	296
Net loan charge-offs	10.3	12.4	13.4	17.3	8.5
Average Balances:					
Loans	\$ 41,683	\$ 42,854	\$ 44,061	\$ 44,853	\$ 45,153
Securities (2)	10,418	9,561	8,390	7,922	8,240
Short-term investments	5,469	5,000	2,582	842	774
Total earning assets	57,570	57,415	55,034	53,617	54,168
Total assets	63,930	64,057	62,396	61,293	61,841
Deposits	53,041	52,876	50,674	49,542	48,447
Borrowings	1,012	1,143	1,233	1,283	2,911
Notes and debentures	1,003	1,008	1,011	1,014	1,014
Total funding liabilities	55,056	55,027	52,918	51,839	52,372
Stockholders' equity	7,634	7,606	7,884	7,801	7,757
Ratios:					
Net loan charge-offs to average total loans (annualized)	0.10 %	0.12 %	0.12 %	0.15 %	0.08 %
Non-performing assets to total loans, real estate owned and repossessed assets	0.82	0.85	0.78	0.71	0.69
Allowance for credit losses on loans to:					
Total loans	0.84	0.93	0.97	0.94	0.91
Non-accrual loans	106.1	113.0	129.1	138.4	139.8
Average stockholders' equity to average total assets	11.9	11.9	12.6	12.7	12.5
Stockholders' equity to total assets	12.2	11.8	12.1	12.9	12.6
Tangible common equity to tangible assets (3)	7.7	7.4	7.5	7.5	7.3
Total risk-based capital (1):					
People's United Financial, Inc.	13.1	12.9	12.4	11.8	11.8
People's United Bank, N.A.	13.5	13.5	12.8	12.3	12.3

(1) June 30, 2021 amounts and ratios are preliminary.

(2) Average balances for securities are based on amortized cost.

(3) See Non-GAAP Financial Measures and Reconciliation to GAAP beginning on page 16.

People's United Financial, Inc.
CONSOLIDATED STATEMENTS OF CONDITION

(in millions)	June 30, 2021	March 31, 2021	Dec. 31, 2020	June 30, 2020
Assets				
Cash and due from banks	\$ 516.3	\$ 464.2	\$ 477.3	\$ 491.9
Short-term investments	5,249.4	4,992.1	3,766.0	987.4
Securities:				
Debt securities available-for-sale, at fair value	6,328.6	6,160.6	4,925.5	4,080.3
Debt securities held-to-maturity, at amortized cost	4,003.1	4,016.8	3,993.8	3,848.6
Federal Reserve Bank and Federal Home Loan Bank stock, at cost	264.9	266.2	266.6	298.3
Equity securities, at fair value	-	1.5	5.3	5.8
Total securities	10,596.6	10,445.1	9,191.2	8,233.0
Loans held-for-sale	5.4	10.1	26.5	12.2
Loans:				
Commercial and industrial (1)	13,627.4	14,288.2	14,982.3	13,999.5
Commercial real estate (1)	13,243.2	13,520.1	13,336.9	14,593.9
Equipment financing	4,990.9	4,927.2	4,930.0	4,880.1
Total Commercial Portfolio	31,861.5	32,735.5	33,249.2	33,473.5
Residential mortgage	7,626.2	8,067.2	8,518.9	9,623.7
Home equity and other consumer	1,877.9	1,967.0	2,101.4	2,354.3
Total Retail Portfolio	9,504.1	10,034.2	10,620.3	11,978.0
Total loans	41,365.6	42,769.7	43,869.5	45,451.5
Less allowance for credit losses on loans	(348.1)	(399.1)	(425.1)	(414.0)
Total loans, net	41,017.5	42,370.6	43,444.4	45,037.5
Goodwill and other acquisition-related intangible assets	2,825.8	2,834.6	2,845.9	3,253.7
Bank-owned life insurance	713.7	713.1	711.6	708.1
Premises and equipment, net	261.8	269.5	276.7	285.7
Other assets	2,154.2	2,073.2	2,352.2	2,500.2
Total assets	\$ 63,340.7	\$ 64,172.5	\$ 63,091.8	\$ 61,509.7
Liabilities				
Deposits:				
Non-interest-bearing	\$ 16,722.8	\$ 16,266.5	\$ 15,881.7	\$ 13,656.9
Savings	6,710.2	6,517.7	6,029.7	5,759.4
Interest-bearing checking and money market	24,705.9	25,782.8	24,567.5	22,943.6
Time	4,442.3	4,908.3	5,658.8	7,574.4
Total deposits	52,581.2	53,475.3	52,137.7	49,934.3
Borrowings:				
Federal Home Loan Bank advances	569.7	569.7	569.7	1,289.7
Customer repurchase agreements	382.5	436.2	452.9	342.1
Federal funds purchased	-	150.0	125.0	150.0
Total borrowings	952.2	1,155.9	1,147.6	1,781.8
Notes and debentures	1,001.6	1,003.3	1,009.6	1,014.5
Other liabilities	1,056.1	945.8	1,194.1	1,016.1
Total liabilities	55,591.1	56,580.3	55,489.0	53,746.7
Stockholders' Equity				
Preferred stock	244.1	244.1	244.1	244.1
Common stock	5.4	5.4	5.3	5.3
Additional paid-in capital	7,709.4	7,693.9	7,663.6	7,651.2
Retained earnings	1,516.5	1,426.9	1,363.6	1,524.6
Unallocated common stock of ESOP, at cost	(112.0)	(113.8)	(115.6)	(119.3)
Accumulated other comprehensive loss	(144.8)	(195.3)	(89.2)	(73.9)
Treasury stock, at cost	(1,469.0)	(1,469.0)	(1,469.0)	(1,469.0)
Total stockholders' equity	7,749.6	7,592.2	7,602.8	7,763.0
Total liabilities and stockholders' equity	\$ 63,340.7	\$ 64,172.5	\$ 63,091.8	\$ 61,509.7

(1) In the first quarter of 2021, the Company completed a portfolio review to ensure consistent classification of certain commercial loans across the Company's franchise and conformity to industry practice for such loans. As a result, approximately \$350 million of loans secured by non-owner-occupied commercial properties were prospectively reclassified, in March 2021, from commercial and industrial loans to commercial real estate loans. Prior period balances were not restated to conform to the current presentation.

People's United Financial, Inc.
CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per common share data)	Three Months Ended				
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020
Interest and dividend income:					
Commercial and industrial	\$ 107.9	\$ 116.1	\$ 111.3	\$ 110.7	\$ 112.4
Commercial real estate	101.6	98.8	106.1	110.5	122.4
Equipment financing	62.5	62.8	62.1	65.4	67.6
Residential mortgage	64.4	69.9	74.9	82.1	84.8
Home equity and other consumer	16.2	16.5	18.7	19.9	20.1
Total interest on loans	352.6	364.1	373.1	388.6	407.3
Securities	52.4	51.4	47.2	47.5	49.8
Short-term investments	1.3	1.2	0.8	0.4	0.2
Loans held-for-sale	-	0.3	0.4	0.3	0.3
Total interest and dividend income	406.3	417.0	421.5	436.8	457.6
Interest expense:					
Deposits	17.1	22.7	30.1	36.5	41.7
Borrowings	1.1	1.2	1.3	1.5	2.0
Notes and debentures	7.2	7.2	7.3	7.4	8.3
Total interest expense	25.4	31.1	38.7	45.4	52.0
Net interest income	380.9	385.9	382.8	391.4	405.6
Provision for credit losses on loans	(40.7)	(13.6)	14.7	27.1	80.8
Provision for credit losses on securities	(0.1)	-	-	(0.3)	-
Net interest income after provision for credit losses	421.7	399.5	368.1	364.6	324.8
Non-interest income:					
Bank service charges	24.9	23.5	24.7	24.5	20.3
Investment management fees	21.5	19.9	18.9	18.8	17.4
Commercial banking lending fees	14.1	13.6	15.5	12.7	10.6
Operating lease income	11.2	11.3	12.9	12.4	11.8
Cash management fees	9.6	9.2	9.1	8.8	8.1
Customer interest rate swap income, net	2.4	0.1	2.2	1.2	2.7
Gain on sale of business, net of expenses (1)	-	-	75.9	-	-
Other non-interest income	15.3	17.0	19.0	22.7	18.7
Total non-interest income	99.0	94.6	178.2	101.1	89.6
Non-interest expense:					
Compensation and benefits	177.6	172.8	166.6	166.5	167.8
Occupancy and equipment	50.0	49.1	50.9	49.1	48.0
Professional and outside services	30.0	33.6	24.9	24.1	25.7
Amortization of other acquisition-related intangible assets	8.8	11.0	9.7	10.2	10.2
Regulatory assessments	7.8	8.1	6.9	8.4	8.7
Operating lease expense	7.6	7.8	8.5	9.3	8.8
Goodwill impairment	-	-	353.0	-	-
Other non-interest expense	23.2	29.5	25.9	26.0	34.8
Total non-interest expense (1)	305.0	311.9	646.4	293.6	304.0
Income (loss) before income tax expense	215.7	182.2	(100.1)	172.1	110.4
Income tax expense	44.9	37.7	45.2	27.5	20.5
Net income (loss)	170.8	144.5	(145.3)	144.6	89.9
Preferred stock dividend	3.5	3.5	3.5	3.5	3.5
Net income (loss) available to common shareholders	\$ 167.3	\$ 141.0	\$ (148.8)	\$ 141.1	\$ 86.4
Earnings (loss) per common share:					
Basic	\$ 0.40	\$ 0.34	\$ (0.36)	\$ 0.34	\$ 0.21
Diluted	0.39	0.33	(0.35)	0.34	0.21

(1) The gain on sale of business, net of expenses, is considered non-operating income. Total non-interest expense includes \$11.2 million, \$19.6 million, \$357.9 million, \$4.6 million and \$18.5 million of non-operating expenses for the three months ended June 30, 2021, March 31, 2021, December 31, 2020, September 30, 2020 and June 30, 2020, respectively. See Non-GAAP Financial Measures and Reconciliation to GAAP beginning on page 16.

People's United Financial, Inc.
CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per common share data)	Six Months Ended	
	June 30,	
	2021	2020
Interest and dividend income:		
Commercial and industrial	\$ 224.0	\$ 218.8
Commercial real estate	200.4	272.0
Equipment financing	125.3	135.8
Residential mortgage	134.3	175.2
Home equity and other consumer	32.7	48.1
Total interest on loans	716.7	849.9
Securities	103.8	101.0
Short-term investments	2.5	2.2
Loans held-for-sale	0.3	3.6
Total interest and dividend income	823.3	956.7
Interest expense:		
Deposits	39.8	120.6
Borrowings	2.3	17.4
Notes and debentures	14.4	17.1
Total interest expense	56.5	155.1
Net interest income	766.8	801.6
Provision for credit losses on loans	(54.3)	114.3
Provision for credit losses on securities	(0.1)	-
Net interest income after provision for credit losses	821.2	687.3
Non-interest income:		
Bank service charges	48.4	48.3
Investment management fees	41.4	35.5
Commercial banking lending fees	27.7	22.7
Operating lease income	22.5	24.4
Cash management fees	18.8	15.5
Customer interest rate swap income, net	2.5	11.5
Other non-interest income	32.3	55.5
Total non-interest income	193.6	213.4
Non-interest expense:		
Compensation and benefits	350.4	341.7
Occupancy and equipment	99.1	99.0
Professional and outside services	63.6	64.2
Amortization of other acquisition-related intangible assets	19.8	20.9
Regulatory assessments	15.9	17.4
Operating lease expense	15.4	18.6
Other non-interest expense	52.7	62.3
Total non-interest expense (1)	616.9	624.1
Income before income tax expense	397.9	276.6
Income tax expense	82.6	56.3
Net income	315.3	220.3
Preferred stock dividend	7.0	7.0
Net income available to common shareholders	\$ 308.3	\$ 213.3
Earnings per common share:		
Basic	\$ 0.73	\$ 0.50
Diluted	0.73	0.50

(1) Total non-interest expense includes \$30.8 million and \$36.4 million of non-operating expenses for the six months ended June 30, 2021 and 2020, respectively. See Non-GAAP Financial Measures and Reconciliation to GAAP beginning on page 16.

People's United Financial, Inc.
AVERAGE BALANCE SHEET, INTEREST AND YIELD/RATE ANALYSIS (1)

Three months ended (dollars in millions)	June 30, 2021			March 31, 2021			June 30, 2020		
	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate
Assets:									
Short-term investments	\$ 5,468.5	\$ 1.3	0.09%	\$ 5,000.0	\$ 1.2	0.10%	\$ 774.0	\$ 0.2	0.14%
Securities (2)	10,418.3	57.6	2.21	9,560.6	56.7	2.37	8,240.4	54.8	2.66
Loans:									
Commercial real estate	13,434.9	101.6	3.02	13,281.3	98.8	2.98	14,095.2	122.4	3.48
Commercial and industrial	13,570.0	110.5	3.26	14,319.6	118.4	3.31	13,895.6	114.8	3.30
Equipment financing	4,933.7	62.5	5.07	4,887.7	62.8	5.13	4,933.8	67.6	5.48
Residential mortgage	7,828.0	64.4	3.29	8,328.3	70.2	3.37	9,821.4	85.1	3.46
Home equity and other consumer	1,916.2	16.2	3.39	2,037.1	16.5	3.23	2,407.1	20.1	3.34
Total loans	41,682.8	355.2	3.41	42,854.0	366.7	3.42	45,153.1	410.0	3.63
Total earning assets	57,569.6	\$ 414.1	2.88%	57,414.6	\$ 424.6	2.96%	54,167.5	\$ 465.0	3.43%
Other assets	6,360.5			6,642.1			7,673.9		
Total assets	\$ 63,930.1			\$ 64,056.7			\$ 61,841.4		
Liabilities and stockholders' equity:									
Deposits:									
Non-interest-bearing	\$ 16,324.6	\$ -	- %	\$ 15,820.0	\$ -	- %	\$ 12,852.8	\$ -	- %
Savings, interest-bearing checking and money market	32,088.4	10.1	0.13	31,820.1	12.8	0.16	27,402.5	17.0	0.25
Time	4,627.6	7.0	0.61	5,236.4	9.9	0.75	8,191.4	24.7	1.21
Total deposits	53,040.6	17.1	0.13	52,876.5	22.7	0.17	48,446.7	41.7	0.34
Borrowings:									
Federal Home Loan Bank advances	569.7	1.0	0.70	569.7	1.0	0.72	1,858.8	1.5	0.32
Customer repurchase agreements	379.6	-	0.11	422.8	0.2	0.13	357.2	0.2	0.24
Federal funds purchased	62.6	0.1	0.09	150.6	-	0.09	695.5	0.3	0.15
Total borrowings	1,011.9	1.1	0.44	1,143.1	1.2	0.42	2,911.5	2.0	0.27
Notes and debentures	1,003.6	7.2	2.89	1,007.8	7.2	2.87	1,013.8	8.3	3.29
Total funding liabilities	55,056.1	\$ 25.4	0.19%	55,027.4	\$ 31.1	0.23%	52,372.0	\$ 52.0	0.40%
Other liabilities	1,239.8			1,423.4			1,712.6		
Total liabilities	56,295.9			56,450.8			54,084.6		
Stockholders' equity	7,634.2			7,605.9			7,756.8		
Total liabilities and stockholders' equity	\$ 63,930.1			\$ 64,056.7			\$ 61,841.4		
Net interest income/spread (3)		\$ 388.7	2.69%		\$ 393.5	2.73%		\$ 413.0	3.03%
Net interest margin			2.70%			2.74%			3.05%

(1) Average yields earned and rates paid are annualized.

(2) Average balances and yields for securities are based on amortized cost.

(3) The fully taxable equivalent adjustment was \$7.8 million, \$7.6 million and \$7.4 million for the three months ended June 30, 2021, March 31, 2021 and June 30, 2020, respectively.

People's United Financial, Inc.

AVERAGE BALANCE SHEET, INTEREST AND YIELD/RATE ANALYSIS (1)

Six months ended (dollars in millions)	June 30, 2021			June 30, 2020		
	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate
Assets:						
Short-term investments	\$ 5,235.5	\$ 2.5	0.10%	\$ 531.9	\$ 2.2	0.84%
Securities (2)	9,991.9	114.3	2.29	8,131.1	110.8	2.73
Loans:						
Commercial real estate	13,358.6	200.4	3.00	14,405.2	272.0	3.78
Commercial and industrial	13,942.7	228.9	3.28	12,381.1	224.6	3.63
Equipment financing	4,910.8	125.3	5.10	4,924.7	135.8	5.51
Residential mortgage	8,076.8	134.6	3.33	10,028.9	175.6	3.50
Home equity and other consumer	1,976.3	32.7	3.31	2,566.6	50.8	3.96
Total loans	42,265.2	721.9	3.42	44,306.5	858.8	3.88
Total earning assets	57,492.6	\$ 838.7	2.92%	52,969.5	\$ 971.8	3.67%
Other assets	6,500.5			7,253.0		
Total assets	\$ 63,993.1			\$ 60,222.5		
Liabilities and stockholders' equity:						
Deposits:						
Non-interest-bearing	\$ 16,073.7	\$ -	- %	\$ 11,465.3	\$ -	- %
Savings, interest-bearing checking and money market	31,955.0	22.9	0.14	26,171.6	61.1	0.47
Time	4,930.3	16.9	0.69	8,668.0	59.5	1.37
Total deposits	52,959.0	39.8	0.15	46,304.9	120.6	0.52
Borrowings:						
Federal Home Loan Bank advances	569.7	2.0	0.71	2,144.7	11.3	1.05
Customer repurchase agreements	401.0	0.2	0.12	342.6	0.7	0.44
Federal funds purchased	106.4	0.1	0.09	1,144.7	5.4	0.93
Total borrowings	1,077.1	2.3	0.43	3,632.0	17.4	0.96
Notes and debentures	1,005.7	14.4	2.88	1,006.7	17.1	3.40
Total funding liabilities	55,041.8	\$ 56.5	0.21%	50,943.6	\$ 155.1	0.61%
Other liabilities	1,331.1			1,498.4		
Total liabilities	56,372.9			52,442.0		
Stockholders' equity	7,620.2			7,780.5		
Total liabilities and stockholders' equity	\$ 63,993.1			\$ 60,222.5		
Net interest income/spread (3)		\$ 782.2	2.71%		\$ 816.7	3.06%
Net interest margin			2.72%			3.08%

(1) Average yields earned and rates paid are annualized.

(2) Average balances and yields for securities are based on amortized cost.

(3) The fully taxable equivalent adjustment was \$15.4 million and \$15.1 million for the six months ended June 30, 2021 and 2020, respectively.

People's United Financial, Inc.

NON-PERFORMING ASSETS

(dollars in millions)	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020
Non-accrual loans:					
Commercial:					
Commercial real estate	\$ 96.1	\$ 90.2	\$ 60.4	\$ 85.3	\$ 73.6
Commercial and industrial	57.0	69.2	76.4	86.7	88.8
Equipment financing	107.2	118.1	109.3	49.0	48.6
Total Commercial	260.3	277.5	246.1	221.0	211.0
Retail:					
Residential mortgage	49.5	56.9	62.3	62.9	62.6
Home equity	18.1	18.7	20.5	22.1	22.5
Other consumer	0.1	0.2	0.2	0.2	0.1
Total Retail	67.7	75.8	83.0	85.2	85.2
Total non-accrual loans (1)	328.0	353.3	329.1	306.2	296.2
Real estate owned:					
Commercial	3.5	3.5	3.6	3.6	7.3
Residential	1.6	1.5	3.2	1.9	4.9
Total real estate owned	5.1	5.0	6.8	5.5	12.2
Repossessed assets	5.6	5.4	5.7	9.7	6.2
Total non-performing assets	\$ 338.7	\$ 363.7	\$ 341.6	\$ 321.4	\$ 314.6
Non-accrual loans as a percentage of total loans	0.79 %	0.83 %	0.75 %	0.68 %	0.65 %
Non-performing assets as a percentage of:					
Total loans, real estate owned and repossessed assets	0.82	0.85	0.78	0.71	0.69
Tangible stockholders' equity and allowance for credit losses	6.43	7.05	6.59	6.41	6.39

(1) Reported net of government guarantees totaling \$1.2 million at June 30, 2021, \$2.5 million at March 31, 2021, \$2.5 million at December 31, 2020, \$2.4 million at September 30, 2020 and \$2.9 million at June 30, 2020.

People's United Financial, Inc.

PROVISION AND ALLOWANCE FOR CREDIT LOSSES ON LOANS

(dollars in millions)	Three Months Ended				
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept 30, 2020	June 30, 2020
Allowance for credit losses on loans:					
Balance at beginning of period	\$ 399.1	\$ 425.1	\$ 423.8	\$ 414.0	\$ 341.7
Charge-offs	(13.9)	(17.8)	(16.7)	(19.3)	(10.3)
Recoveries	3.6	5.4	3.3	2.0	1.8
Net loan charge-offs	(10.3)	(12.4)	(13.4)	(17.3)	(8.5)
Provision for credit losses on loans	(40.7)	(13.6)	14.7	27.1	80.8
Balance at end of period	\$ 348.1	\$ 399.1	\$ 425.1	\$ 423.8	\$ 414.0
Allowance for credit losses on loans as a percentage of:					
Total loans	0.84 %	0.93 %	0.97 %	0.94 %	0.91 %
Non-accrual loans	106.1	113.0	129.1	138.4	139.8

NET LOAN CHARGE-OFFS (RECOVERIES)

(dollars in millions)	Three Months Ended				
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020
Commercial:					
Commercial real estate	\$ 0.8	\$ 5.8	\$ 0.1	\$ 4.1	\$ 1.8
Commercial and industrial	3.0	(0.5)	6.6	6.9	-
Equipment financing	6.9	7.2	6.8	6.2	5.2
Total	10.7	12.5	13.5	17.2	7.0
Retail:					
Residential mortgage	(0.4)	(0.3)	(0.3)	(0.2)	-
Home equity	(0.2)	(0.2)	-	-	0.6
Other consumer	0.2	0.4	0.2	0.3	0.9
Total	(0.4)	(0.1)	(0.1)	0.1	1.5
Total net loan charge-offs	\$ 10.3	\$ 12.4	\$ 13.4	\$ 17.3	\$ 8.5
Net loan charge-offs to average total loans (annualized)					
	0.10 %	0.12 %	0.12 %	0.15 %	0.08 %

NON-GAAP FINANCIAL MEASURES AND RECONCILIATION TO GAAP

In addition to evaluating People's United Financial Inc. ("People's United") results of operations in accordance with U.S. generally accepted accounting principles ("GAAP"), management routinely supplements its evaluation with an analysis of certain non-GAAP financial measures, such as the efficiency and tangible common equity ratios, tangible book value per common share and operating earnings metrics. Management believes these non-GAAP financial measures provide information useful to investors in understanding People's United's underlying operating performance and trends, and facilitates comparisons with the performance of other financial institutions. Further, the efficiency ratio and operating earnings metrics are used by management in its assessment of financial performance, including non-interest expense control, while the tangible common equity ratio and tangible book value per common share are used to analyze the relative strength of People's United's capital position.

The efficiency ratio, which represents an approximate measure of the cost required by People's United to generate a dollar of revenue, is the ratio of (i) total non-interest expense (excluding operating lease expense, goodwill impairment charges, amortization of other acquisition-related intangible assets, losses on real estate assets and non-recurring expenses) (the numerator) to (ii) net interest income on a fully taxable equivalent ("FTE") basis plus total non-interest income (including the FTE adjustment on bank-owned life insurance ("BOLI") income, the netting of operating lease expense and excluding gains and losses on sales of assets other than residential mortgage loans and acquired loans, and non-recurring income) (the denominator). People's United generally considers an item of income or expense to be non-recurring if it is not similar to an item of income or expense of a type incurred within the last two years and is not similar to an item of income or expense of a type reasonably expected to be incurred within the following two years.

Operating earnings exclude from net income available to common shareholders those items that management considers to be of such a non-recurring or infrequent nature that, by excluding such items (net of income taxes), People's United's results can be measured and assessed on a more consistent basis from period to period. Items excluded from operating earnings, which include, but are not limited to: (i) non-recurring gains/losses; (ii) merger-related expenses, including acquisition integration and other costs; (iii) writedowns of banking house assets and related lease termination costs; (iv) severance-related costs; and (v) charges related to executive-level management separation costs, are generally also excluded when calculating the efficiency ratio. Operating earnings per common share ("EPS") is derived by determining the per common share impact of the respective adjustments to arrive at operating earnings and adding (subtracting) such amounts to (from) diluted EPS, as reported. Operating return on average assets is calculated by dividing operating earnings (annualized) by average total assets. Operating return on average tangible common equity is calculated by dividing operating earnings (annualized) by average tangible common equity. The operating common dividend payout ratio is calculated by dividing common dividends paid by operating earnings for the respective period.

Pre-provision net revenue is a useful financial measure as it enables an assessment of the Company's ability to generate earnings to cover credit losses through a credit cycle as well as providing an additional basis for comparing the Company's results of operation between periods by isolating the impact of the provision for credit losses, which can vary significantly between periods.

The tangible common equity ratio is the ratio of (i) tangible common equity (total stockholders' equity less preferred stock, goodwill and other acquisition-related intangible assets) (the numerator) to (ii) tangible assets (total assets less goodwill and other acquisition-related intangible assets) (the denominator). Tangible book value per common share is calculated by dividing tangible common equity by common shares (total common shares issued, less common shares classified as treasury shares and unallocated Employee Stock Ownership Plan ("ESOP") common shares).

In light of diversity in presentation among financial institutions, the methodologies used by People's United for determining the non-GAAP financial measures discussed above may differ from those used by other financial institutions.

People's United Financial, Inc.

NON-GAAP FINANCIAL MEASURES AND RECONCILIATION TO GAAP - Continued

OPERATING NON-INTEREST EXPENSE AND EFFICIENCY RATIO

(dollars in millions)	Three Months Ended				Six Months Ended		
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	June 30, 2021	June 30, 2020
Total non-interest expense	\$ 305.0	\$ 311.9	\$ 646.4	\$ 293.6	\$ 304.0	\$ 616.9	\$ 624.1
Adjustments to arrive at operating non-interest expense:							
Merger-related expenses	(9.2)	(7.5)	(4.9)	(4.6)	(18.5)	(16.7)	(36.4)
Stop & Shop contract termination costs	(2.0)	(12.1)	-	-	-	(14.1)	-
Goodwill impairment charge	-	-	(353.0)	-	-	-	-
Total	(11.2)	(19.6)	(357.9)	(4.6)	(18.5)	(30.8)	(36.4)
Operating non-interest expense	293.8	292.3	288.5	289.0	285.5	586.1	587.7
Adjustments:							
Amortization of other acquisition-related intangible assets	(8.8)	(11.0)	(9.7)	(10.2)	(10.2)	(19.8)	(20.9)
Operating lease expense	(7.6)	(7.8)	(8.5)	(9.3)	(8.8)	(15.4)	(18.6)
Other (1)	(1.3)	(1.7)	(1.3)	(5.1)	(1.9)	(3.0)	(3.8)
Total non-interest expense for efficiency ratio	\$ 276.1	\$ 271.8	\$ 269.0	\$ 264.4	\$ 264.6	\$ 547.9	\$ 544.4
Net interest income (FTE basis)	\$ 388.7	\$ 393.5	\$ 390.2	\$ 398.7	\$ 413.0	\$ 782.2	\$ 816.7
Total non-interest income	99.0	94.6	178.2	101.1	89.6	193.6	213.4
Total revenues	487.7	488.1	568.4	499.8	502.6	975.8	1,030.1
Adjustments:							
Operating lease expense	(7.6)	(7.8)	(8.5)	(9.3)	(8.8)	(15.4)	(18.6)
BOLI FTE adjustment	0.7	0.6	0.9	0.8	1.0	1.3	1.8
Gain on sale of business, net of expenses	-	-	(75.9)	-	-	-	-
Other (2)	-	(1.1)	-	(0.1)	-	(1.1)	(0.3)
Total revenues for efficiency ratio	\$ 480.8	\$ 479.8	\$ 484.9	\$ 491.2	\$ 494.8	\$ 960.6	\$ 1,013.0
Efficiency ratio	57.4%	56.6%	55.5%	53.8%	53.5%	57.0%	53.7%

(1) Items classified as "other" and deducted from non-interest expense for purposes of calculating the efficiency ratio include certain franchise taxes and real estate owned expenses.

(2) Items classified as "other" and deducted from total revenues for purposes of calculating the efficiency ratio include, as applicable, asset write-offs and gains/losses associated with the sale of branch locations.

PRE-PROVISION NET REVENUE

(in millions)	Three Months Ended				Six Months Ended		
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	June 30, 2021	June 30, 2020
Net interest income	\$ 380.9	\$ 385.9	\$ 382.8	\$ 391.4	\$ 405.6	\$ 766.8	\$ 801.6
Non-interest income	99.0	94.6	178.2	101.1	89.6	193.6	213.4
Non-interest expense	(305.0)	(311.9)	(646.4)	(293.6)	(304.0)	(616.9)	(624.1)
Pre-provision net revenue	174.9	168.6	(85.4)	198.9	191.2	343.5	390.9
Non-operating income	-	-	(75.9)	-	-	-	-
Non-operating expense	11.2	19.6	357.9	4.6	18.5	30.8	36.4
Operating pre-provision net revenue	\$ 186.1	\$ 188.2	\$ 196.6	\$ 203.5	\$ 209.7	\$ 374.3	\$ 427.3

People's United Financial, Inc.

NON-GAAP FINANCIAL MEASURES AND RECONCILIATION TO GAAP - Continued

OPERATING EARNINGS

(dollars in millions, except per common share data)	Three Months Ended				Six Months Ended		
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	June 30, 2021 (1)	June 30, 2020
Net income (loss) available to common shareholders	\$ 167.3	\$ 141.0	\$ (148.8)	\$ 141.1	\$ 86.4	\$ 308.3	\$ 213.3
Adjustments to arrive at operating earnings:							
Merger-related expenses	9.2	7.5	4.9	4.6	18.5	16.7	36.4
Stop & Shop contract termination costs	2.0	12.1	-	-	-	14.1	-
Goodwill impairment charge (2)	-	-	353.0	-	-	-	-
Gain on sale of business, net of expenses	-	-	(75.9)	-	-	-	-
Total pre-tax adjustments	11.2	19.6	282.0	4.6	18.5	30.8	36.4
Tax effect (2)	(2.4)	(4.1)	14.5	(1.0)	(3.9)	(6.5)	(7.7)
Total adjustments, net of tax	8.8	15.5	296.5	3.6	14.6	24.3	28.7
Operating earnings	\$ 176.1	\$ 156.5	\$ 147.7	\$ 144.7	\$ 101.0	\$ 332.6	\$ 242.0
Diluted EPS, as reported	\$ 0.39	\$ 0.33	\$ (0.35)	\$ 0.34	\$ 0.21	\$ 0.73	\$ 0.50
Adjustments to arrive at operating EPS:							
Merger-related expenses	0.02	0.02	0.01	-	0.03	0.04	0.07
Stop & Shop contract termination costs	-	0.02	-	-	-	0.02	-
Goodwill impairment charge (2)	-	-	0.83	-	-	-	-
Gain on sale of business, net of expenses	-	-	(0.14)	-	-	-	-
Total adjustments per common share	0.02	0.04	0.70	-	0.03	0.06	0.07
Operating EPS	\$ 0.41	\$ 0.37	\$ 0.35	\$ 0.34	\$ 0.24	\$ 0.79	\$ 0.57
Average total assets	\$63,930	\$64,057	\$62,396	\$61,293	\$61,841	\$63,993	\$60,223
Operating return on average assets (annualized)	1.10%	0.98%	0.95%	0.94%	0.65%	1.04%	0.80%

(1) The sum of the quarterly amounts for certain line items may not equal the six months amounts due to rounding.

(2) The goodwill impairment charge for the three months ended December 31, 2020 is non-tax-deductible.

OPERATING RETURN ON AVERAGE TANGIBLE COMMON EQUITY

(dollars in millions)	Three Months Ended				Six Months Ended		
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	June 30, 2021	June 30, 2020
Operating earnings	\$ 176.1	\$ 156.5	\$ 147.7	\$ 144.7	\$ 101.0	\$ 332.6	\$ 242.0
Average stockholders' equity	\$ 7,634	\$ 7,606	\$ 7,884	\$ 7,801	\$ 7,757	\$ 7,620	\$ 7,781
Less: Average preferred stock	244	244	244	244	244	244	244
Average common equity	7,390	7,362	7,640	7,557	7,513	7,376	7,537
Less: Average goodwill and average other acquisition-related intangible assets	2,831	2,842	3,213	3,249	3,259	2,836	3,264
Average tangible common equity	\$ 4,559	\$ 4,520	\$ 4,427	\$ 4,308	\$ 4,254	\$ 4,540	\$ 4,273
Operating return on average tangible common equity (annualized)	15.4%	13.8%	13.3%	13.4%	9.5%	14.7%	11.3%

People's United Financial, Inc.

NON-GAAP FINANCIAL MEASURES AND RECONCILIATION TO GAAP - Continued

OPERATING COMMON DIVIDEND PAYOUT RATIO

(dollars in millions)	Three Months Ended				Six Months Ended		
	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	June 30, 2020	
Common dividends paid	\$ 77.3	\$ 75.7	\$ 75.6	\$ 75.7	\$ 75.5	\$ 153.0	\$ 152.8
Operating earnings	\$ 176.1	\$ 156.5	\$ 147.7	\$ 144.7	\$ 101.0	\$ 332.6	\$ 242.0
Operating common dividend payout ratio	43.9%	48.4%	51.2%	52.3%	74.8%	46.0%	63.1%

TANGIBLE COMMON EQUITY RATIO

(dollars in millions)	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020
Total stockholders' equity	\$ 7,750	\$ 7,592	\$ 7,603	\$ 7,831	\$ 7,763
Less: Preferred stock	244	244	244	244	244
Common equity	7,506	7,348	7,359	7,587	7,519
Less: Goodwill and other acquisition-related intangible assets	2,826	2,835	2,846	3,244	3,254
Tangible common equity	\$ 4,680	\$ 4,513	\$ 4,513	\$ 4,343	\$ 4,265
Total assets	\$ 63,341	\$ 64,172	\$ 63,092	\$ 60,871	\$ 61,510
Less: Goodwill and other acquisition-related intangible assets	2,826	2,835	2,846	3,244	3,254
Tangible assets	\$ 60,515	\$ 61,337	\$ 60,246	\$ 57,627	\$ 58,256
Tangible common equity ratio	7.7%	7.4%	7.5%	7.5%	7.3%

TANGIBLE BOOK VALUE PER COMMON SHARE

(in millions, except per common share data)	June 30, 2021	March 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020
Tangible common equity	\$ 4,680	\$ 4,513	\$ 4,513	\$ 4,343	\$ 4,265
Common shares issued	536.75	536.20	533.68	533.67	533.59
Less: Shares classified as treasury shares	108.98	108.98	109.00	109.00	109.00
Common shares outstanding	427.77	427.22	424.68	424.67	424.59
Less: Unallocated ESOP shares	5.40	5.49	5.57	5.66	5.75
Common shares	422.37	421.73	419.11	419.01	418.84
Tangible book value per common share	\$ 11.08	\$ 10.70	\$ 10.77	\$ 10.18	\$ 10.07