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People's United Financial, Inc. to acquire First Connecticut Bancorp, Inc.

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Bridgeport, CT People's United Financial, Inc., the holding company for People's United Bank, N.A., completed an agreement to acquire First Connecticut Bancorp, Inc., of Farmington, the holding company for Farmington Bank, in a 100% stock transaction valued at \$544 million. Completion of the transaction is subject to customary closing conditions, including receipt of regulatory approvals and the approval of First Connecticut Bancorp, Inc. shareholders.

"We are excited to welcome Farmington Bank to People's United," said Jack Barnes, CEO, People's United Financial. "They have a long-standing relationship-based approach to serving their customers and complementary commercial and retail capabilities. This, coupled with their experienced team and similar culture, will strengthen our well-established presence in the region."

"People's United Bank is a premier brand with a rich 176-year history in the state of Connecticut," said John Patrick, chairman, president and CEO, Farmington Bank. "Our customers will benefit from their broader array of products, enhanced access to technology and digital capabilities, as well as the bank's seven-day-a-week Stop & Shop branch locations."

Established in 1851, Farmington Bank is a community bank with 28 branches throughout Central Connecticut and Western Massachusetts. With \$3.1 billion in assets, the bank has built a strong balance sheet by focusing on commercial and retail banking.

Barnes added, "As with the People's United Community Foundation, Farmington Bank has a strong commitment to community giving. With our shared focus, we will continue to positively impact the lives of individuals, families and businesses throughout Hartford County."

People's United expects the transaction to be \$0.05 accretive to earnings per common share based on fully phased-in cost savings, with a tangible book value earn-back of approximately 3.5 years and an IRR of approximately 18%. The transaction is expected to close during the fourth quarter of 2018.

Under the terms of the agreement, which has been approved by both companies' boards of directors, First Connecticut Bancorp, Inc. shareholders will receive 1.725 shares of People's United Financial stock for each First Connecticut Bancorp, Inc. share. The transaction is valued at \$32.33 per First Connecticut Bancorp, Inc. share, based on the closing price of People's United's common stock on June 18, 2018.

Keefe, Bruyette & Woods, Inc. served as financial advisor to People's United and Simpson Thacher & Bartlett LLP served as legal counsel to People's United.

Piper Jaffray & Co. served as financial advisor to First Connecticut Bancorp, Inc. and Hinckley Allen & Snyder LLP served as legal counsel to First Connecticut Bancorp, Inc.

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