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People's United Bank to acquire United Financial

August 09, 2019 - Financial Digest

Bridgeport, CT People's United Bank, N.A. a subsidiary of People's United Financial, Inc., has entered an agreement to acquire United Financial Bancorp, Inc., the holding company for United Bank, in a 100% stock transaction valued at \$759 million. Completion of the transaction is subject to customary closing conditions, including receipt of regulatory approvals and the approval of United Financial Bancorp, Inc. shareholders.

"We are excited to welcome United Bank to People's United," said Jack Barnes, chairman and CEO, People's United Financial. "With the fourth largest deposit market share in the combined Hartford and Springfield market, a complementary array of commercial and retail capabilities and a shared legacy of community giving, United will solidify our presence in the Central Connecticut market and strengthen our franchise in Western Massachusetts."

"People's United Bank has long-been a premier brand in Connecticut that is committed to building meaningful relationships with its customers and communities," said William H.W. Crawford, President and CEO, United Financial Bancorp, Inc. "We are confident their broad array of products and services, in-market knowledge and the size and strength of their balance sheet will deliver enhanced value to our stakeholders."

Established in 1858 and headquartered in Hartford CT, United Bank is a full service community financial services firm with \$7.3 billion in assets. The Bank has nearly 60 branch locations concentrated in Central Connecticut and Western Massachusetts, offering customers commercial, small business, wealth management and consumer banking products and services.

Barnes added, "We look forward to welcoming their well-established customer base and delivering to them our enhanced technology and digital capabilities, combined with our network of expert bankers."

People's United expects the transaction to be \$0.07 accretive to earnings per common share based on fully phased-in cost savings, with a tangible book value earn-back of approximately 2.3 years and an IRR of approximately 18%. The transaction is expected to close during the fourth quarter of 2019.

Under the terms of the agreement, which has been approved by both companies' boards of directors, United Financial Bancorp, Inc. shareholders will receive 0.875 shares of People's United Financial stock for each United Financial Bancorp, Inc. share. The transaction is valued at \$14.74

per United Financial Bancorp, Inc. share, based on the closing price of People's United's common stock on July 12, 2019.

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.

Sandler O'Neill & Partners served as financial advisor to United Financial Bancorp, Inc. and Sullivan & Cromwell LLP served as legal counsel to United Financial Bancorp, Inc.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540