

People's United Financial, Inc.  
Form 10-Q  
May 10, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF**  
**THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2012

Commission File Number 001-33326

**PEOPLE S UNITED FINANCIAL, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of

20-8447891  
(I.R.S. Employer

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incorporation or organization)

Identification No.)

850 Main Street, Bridgeport, Connecticut  
(Address of principal executive offices)

06604  
(Zip Code)

(203) 338-7171

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of April 30, 2012, there were 355,916,031 shares of the registrant's common stock outstanding.

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## Item 1 - Financial Statements

People's United Financial, Inc.

Consolidated Statements of Condition - (Unaudited)

(in millions)	March 31, 2012	December 31, 2011
<b>Assets</b>		
Cash and due from banks	\$ 341.1	\$ 370.2
Short-term investments (note 3)	767.4	410.7
<b>Total cash and cash equivalents</b>	<b>1,108.5</b>	<b>780.9</b>
<b>Securities (note 3):</b>		
Trading account securities, at fair value	22.6	71.8
Securities available for sale, at fair value	2,742.3	2,725.5
Securities held to maturity, at amortized cost (fair value of \$62.2 million and \$62.5 million)	56.4	56.4
Federal Home Loan Bank stock, at cost	73.7	77.7
<b>Total securities</b>	<b>2,895.0</b>	<b>2,931.4</b>
<b>Loans held for sale</b>	<b>56.7</b>	<b>101.9</b>
<b>Loans (note 4):</b>		
Commercial	7,491.0	7,382.0
Commercial real estate	7,063.1	7,172.2
Residential mortgage	3,755.1	3,628.4
Consumer	2,180.3	2,217.4
<b>Total loans</b>	<b>20,489.5</b>	<b>20,400.0</b>
Less allowance for loan losses	(183.2)	(182.9)
<b>Total loans, net</b>	<b>20,306.3</b>	<b>20,217.1</b>
Goodwill (notes 2 and 7)	1,953.0	1,951.4
Other acquisition-related intangibles (note 7)	216.2	222.8
Premises and equipment	330.4	339.6
Bank-owned life insurance	334.1	332.7
Other assets (notes 4 and 12)	607.7	690.1
<b>Total assets</b>	<b>\$ 27,807.9</b>	<b>\$ 27,567.9</b>
<b>Liabilities</b>		
<b>Deposits:</b>		
Non-interest-bearing	\$ 4,636.9	\$ 4,506.2
Savings, interest-bearing checking and money market	11,477.9	10,970.4
Time	5,152.7	5,339.2
<b>Total deposits</b>	<b>21,267.5</b>	<b>20,815.8</b>
<b>Borrowings:</b>		
Retail repurchase agreements	452.8	497.2

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Federal Home Loan Bank advances	331.4	332.4
Federal funds purchased and other borrowings	26.8	27.1
Total borrowings	811.0	856.7
Subordinated notes and debentures	159.9	159.6
Other liabilities (note 12)	388.9	510.8
Total liabilities	22,627.3	22,342.9
Commitments and contingencies (note 9)		
<b>Stockholders Equity</b>		
Common stock (\$0.01 par value; 1.95 billion shares authorized; 395.8 million shares and 395.4 million shares issued)	3.9	3.9
Additional paid-in capital	5,252.3	5,247.0
Retained earnings	745.5	744.1
Treasury stock, at cost (42.5 million shares and 38.0 million shares) (note 5)	(549.1)	(493.5)
Accumulated other comprehensive loss (note 5)	(93.1)	(95.8)
Unallocated common stock of Employee Stock Ownership Plan, at cost (8.6 million shares and 8.7 million shares) (note 8)	(178.9)	(180.7)
Total stockholders equity	5,180.6	5,225.0
Total liabilities and stockholders equity	\$ 27,807.9	\$ 27,567.9

See accompanying notes to consolidated financial statements.

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People's United Financial, Inc.

Consolidated Statements of Income - (Unaudited)

(in millions, except per share data)	Three Months Ended March 31,	
	2012	2011
<b>Interest and dividend income:</b>		
Commercial	\$ 94.7	\$ 78.6
Commercial real estate	91.7	101.6
Residential mortgage	36.2	29.3
Consumer	20.7	20.9
Total interest on loans	243.3	230.4
Securities	18.0	21.0
Loans held for sale	0.5	0.7
Short-term investments	0.3	0.7
Total interest and dividend income	262.1	252.8
<b>Interest expense:</b>		
Deposits	23.1	26.6
Borrowings	1.7	2.5
Subordinated notes and debentures	2.2	3.4
Total interest expense	27.0	32.5
Net interest income	235.1	220.3
Provision for loan losses (note 4)	11.5	14.6
Net interest income after provision for loan losses	223.6	205.7
<b>Non-interest income:</b>		
Bank service charges	30.3	31.0
Investment management fees	8.6	8.2
Insurance revenue	8.4	7.9
Brokerage commissions	3.1	3.2
Net gains on sales of residential mortgage loans	3.6	3.1
Net gains on sales of acquired loans		5.5
Net security gains		0.1
Other non-interest income	18.4	15.6
Total non-interest income	72.4	74.6
<b>Non-interest expense:</b>		
Compensation and benefits	110.3	105.4
Occupancy and equipment	33.4	33.1
Professional and outside service fees	15.3	15.9
Merger-related expenses		3.1
Other non-interest expense (note 7)	49.6	45.3
Total non-interest expense	208.6	202.8

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Income before income tax expense	87.4	77.5
Income tax expense	28.8	25.8
Net income	\$ 58.6	\$ 51.7
<b>Earnings per common share (note 6):</b>		
Basic	\$ 0.17	\$ 0.15
Diluted	0.17	0.15

See accompanying notes to consolidated financial statements.

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People's United Financial, Inc.

Consolidated Statements of Comprehensive Income - (Unaudited)

(in millions)	Three Months Ended	
	2012	2011
<b>Net income</b>	\$ 58.6	\$ 51.7
<b>Other comprehensive income, net of tax:</b>		
Net actuarial loss, prior service cost and transition obligation related to pension and other postretirement benefit plans	1.7	2.0
Net unrealized gains and losses on securities available for sale	1.5	(0.9)
Net unrealized gains and losses on derivatives accounted for as cash flow hedges	(0.5)	(0.5)
Total other comprehensive income, net of tax	2.7	0.6