Welcome to

The Webster First Quarter

2012 Financial Review

April 17, 2012

Webster Financial Corporation

First Quarter 2012

- Pre-tax earnings of $55.5 million; net income available to common shareholders of $38.3 million
  - Pre-tax, pre provision earnings of $60.6 million compared to $58.5 million in 4Q11 and $55.7 million in 1Q11
- Combined growth of $81 million in commercial non-mortgage and commercial real estate loans from December 31 and $478 million from a year ago
- Continued growth in transaction deposit accounts, now 38% of total deposits compared to 37% in the fourth quarter and 32% a year ago
- Net interest margin at 3.36% compared to 3.39% in the fourth quarter
- Noninterest expense before one time costs of $126.6 million compared to $125.3 million in the fourth quarter
  - Positive operating leverage compared to 4Q11 and 1Q11 as revenue growth exceeds expense growth in each period
- Continued improvement in key asset quality metrics
  - 4.6% reduction in level of nonperforming assets
  - 9.5% reduction in commercial classified loans

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Strategies to Maximize Economic Profits Over Time

Strategic shift from account acquisition to relationship development, from physical to electronic infrastructure, and from predominantly consumer to business client development

- Commercial
  - Continue investment in Middle Market
  - Cash Management enhancements and penetration expansion
  - Additional investment in Commercial Real Estate and Equipment Finance business development officers
- Retail
  - High value customer and prospect segmentation
  - Small Business cash management cross-sell expansion
  - Fee initiatives
- Consumer Finance
  - Mortgage sales business development officer expansion
  - New credit card provider
  - Realtor/broker alliance
- HSA Bank
  - Increased penetration into mid-sized group employer segment
  - Deployment of differentiating value-added services
- Private Banking
  - Expansion of regional coverage
  - Enhanced product set

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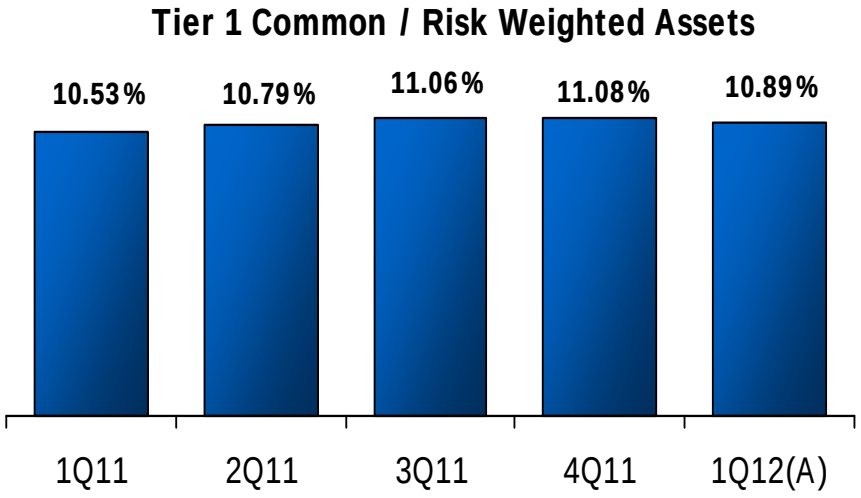
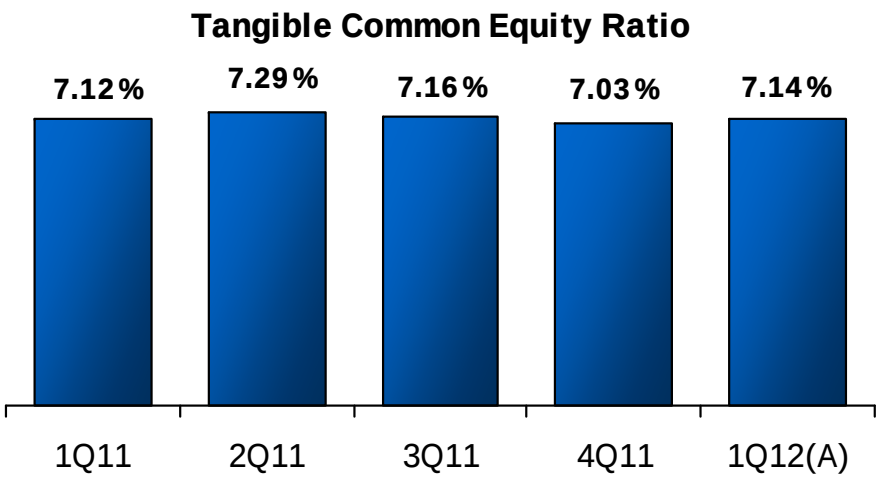
Key Capital Ratio Trends



- Capital levels are well in excess of regulatory requirements and internal targets
  - Already fully compliant with Basel III, including conservation buffers



- Excess over Well Capitalized at 03/31/12:
  - Leverage ratio - $703 million
  - Tier 1 risk-based - $859 million
  - Total risk based - $512 million

(A) Projected

Loans and Originations

End of period balances Full quarter originations ($ in millions)	1Q12		4Q11		1Q11	
	Balance	**Originations**	**Balance**	**Originations**	**Balance**	**Originations**
Commercial Non-Mortgage	**$ 1,972**	**$ 245**	$ 1,932	$ 275	$ 1,705	$ 175
Equipment Finance	**447**	**36**	475	24	643	19
Asset Based Lending	**470**	**63**	453	40	483	47
Total Commercial	**$ 2,889**	**$ 344**	$ 2,860	$ 339	$ 2,831	$ 241
Investor & Owner-occupied CRE	**$ 2,389**	**$ 151**	$ 2,345	$ 294	2,159	55
Residential Development	**37**	**1**	40	2	56	-
Total Commercial Real Estate	**$ 2,426**	**$ 152**	$ 2,385	$ 296	$ 2,215	$ 55
Residential Mortgages	**$ 3,270**	**$ 169**	$ 3,220	$ 205	$ 3,150	$ 135
Consumer	**$ 2,727**	**$ 126**	$ 2,760	$ 132	$ 2,812	$ 118
Total	**$ 11,312**	**$ 791**	$ 11,225	$ 972	$ 11,008	$ 549

- In addition to the originations in the table above, $131.4 million of residential loans were originated for sale in 1Q12 compared to $100 million in 4Q11 and $75 million in 1Q11

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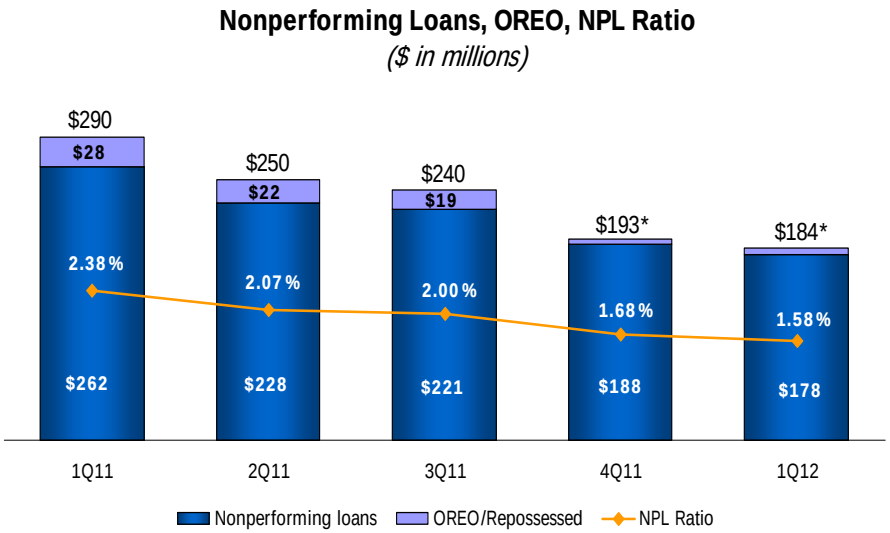
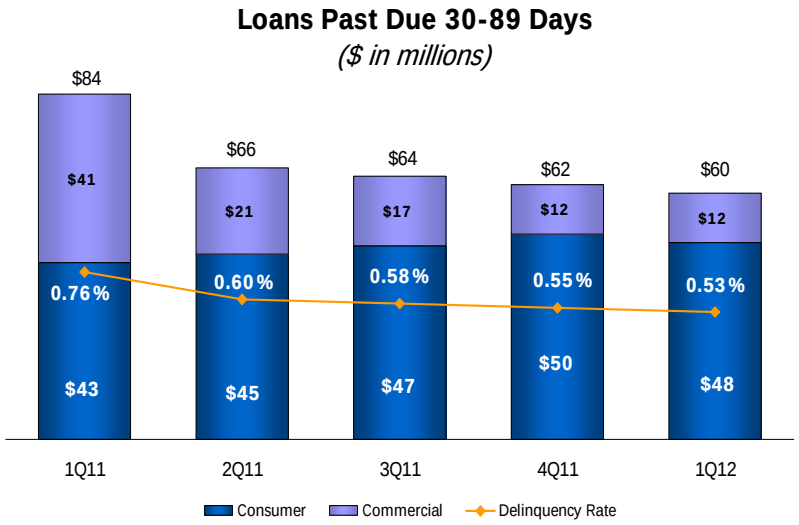
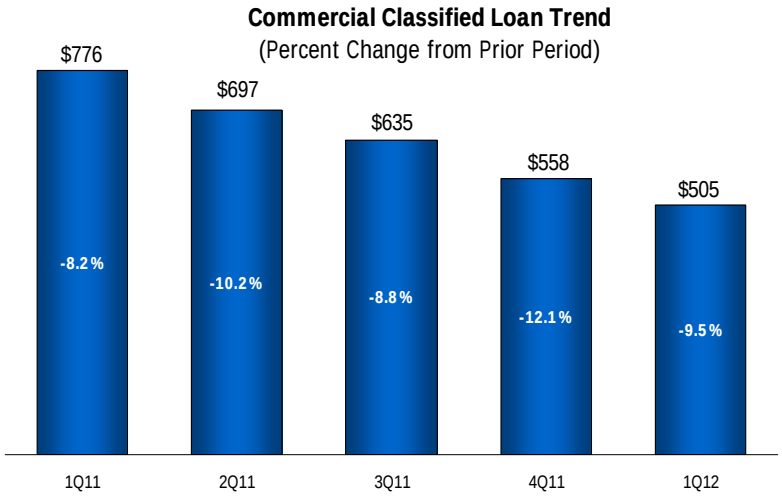
Key Asset Quality Progressions



* OREO/Repossessed balance was $6.0 million and $5.0 million at 1Q12 and 4Q11, respectively





NPL Reconciliation

($ in millions)	**1Q12**	4Q11	3Q11	2Q11	1Q11
NPLs, beginning of period	**$ 188.1**	$ 221.0	$ 228.2	$ 261.9	$ 273.6
- New nonaccruals	**75.2**	58.9	71.2	49.7	68.9
- Cures/exits	**(49.0)**	(61.3)	(45.4)	(56.3)	(47.3)
- Gross charge-offs	**(33.4)**	(29.4)	(32.1)	(24.1)	(28.3)
- Other/transfer to OREO	**(2.6)**	(1.1)	(0.9)	(3.0)	(5.0)
NPLs, end of period	**$ 178.3**	$ 188.1	$ 221.0	$ 228.2	$ 261.9

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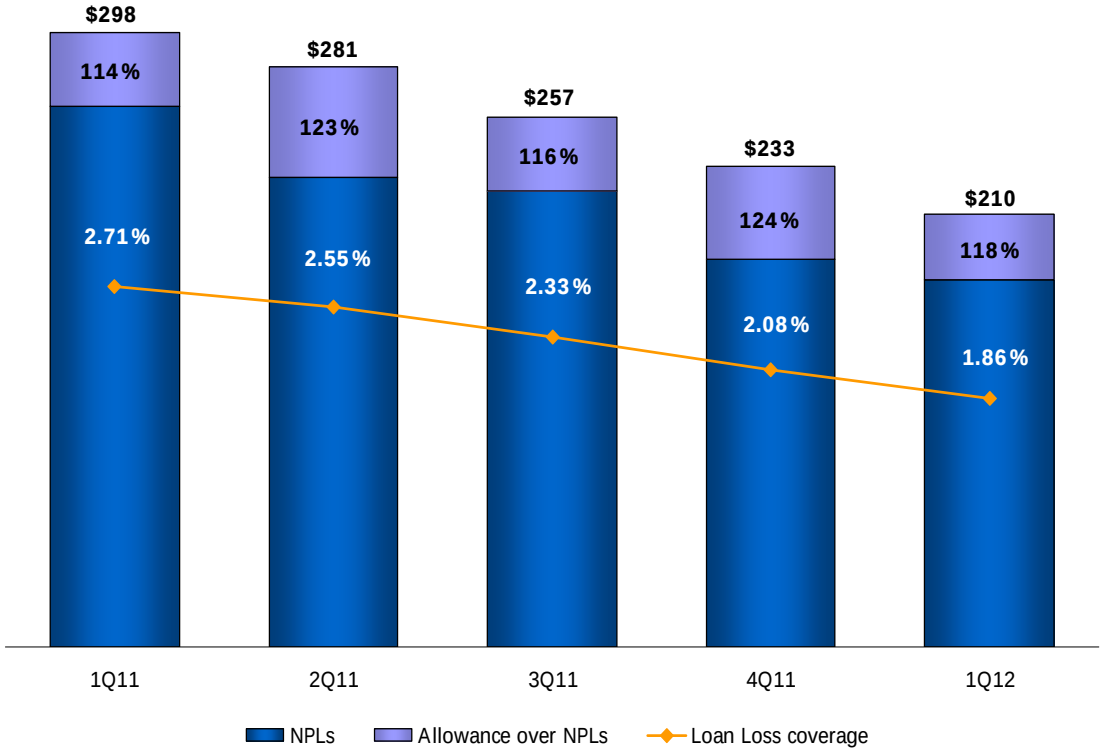
Allowance for Loan Losses

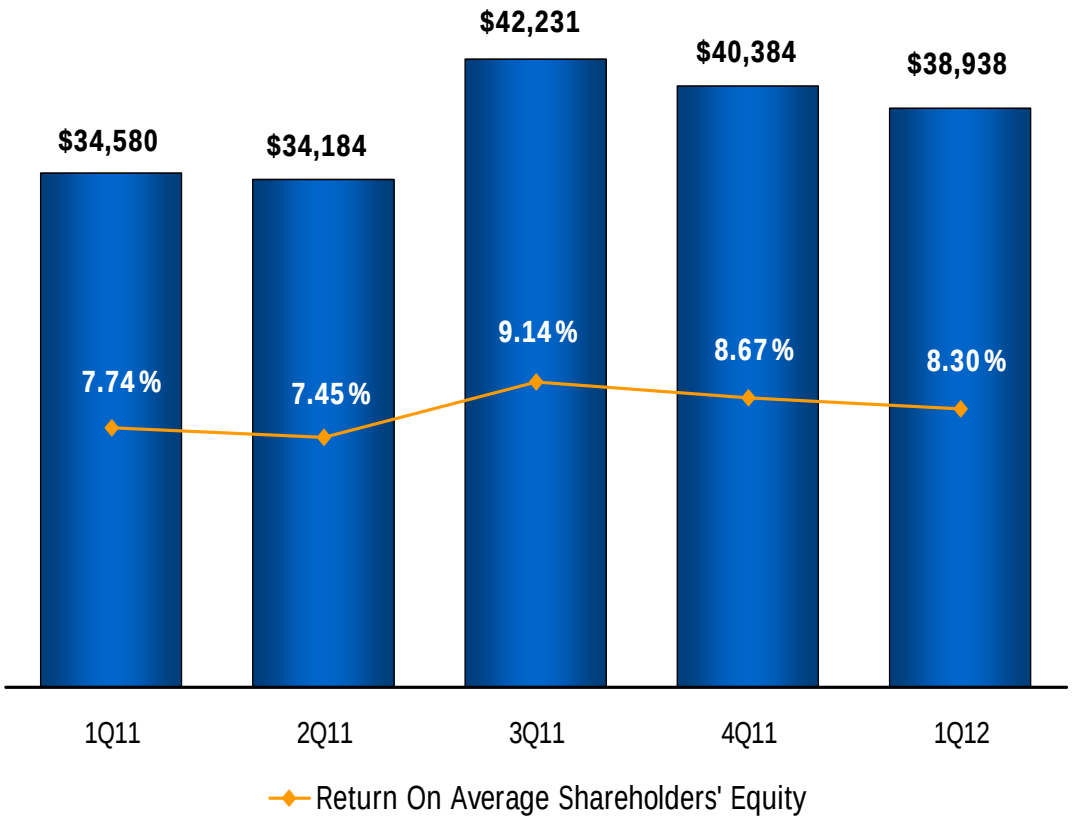
($ in millions and as a percent of nonperforming loans)



- The allowance for loan losses continues to significantly exceed nonperforming loans
- The provision for loan losses was $4.0 million for the quarter compared to $27.2 million in net charge offs, resulting in a decline in the Allowance for Loan Losses of $23.2 million

Quarterly Net Income

($ in thousands)



- $38.9 million quarterly earnings, down 3.6% linked quarter and up 12.6% year-over-year
- $0.42 per diluted share, down 2.3% linked quarter and up 16.7% year-over-year
- ROA = 82 basis points
- ROE = 8.30%

Note: Net income before preferred dividend

Core Earnings Drivers

($ in millions)	1Q12	4Q11	3Q11	2Q11	1Q11
Avg. interest-earning assets	**$ 17,509.4**	$ 17,025.9	$ 16,627.4	$ 16,607.1	$ 16,703.6
Net interest margin	**3.36%**	3.39%	3.49%	3.48%	3.46%
Net interest income	**$ 143.4**	$ 141.0	$ 141.7	$ 140.9	$ 140.2
Noninterest income [1]	**44.0**	42.2	44.7	44.5	43.5
- *Total revenue*	**$ 187.4**	$ 183.2	$ 186.4	$ 185.4	$ 183.7
Noninterest expense [1]	**(126.8)**	(124.7)	(119.7)	(124.5)	(128.0)
Pre-tax, pre-provision earnings	**$ 60.6**	$ 58.5	$ 66.7	$ 60.9	$ 55.7
Reported pre-tax income	**$ 55.5**	$ 54.2	$ 58.2	$ 50.0	$ 45.0

[1] Noninterest income and noninterest expense exclude securities gains, net foreclosed asset gains/losses and other non-core items, see 1Q12 Earnings Release *Five Quarter Consolidated Statements of Operations*

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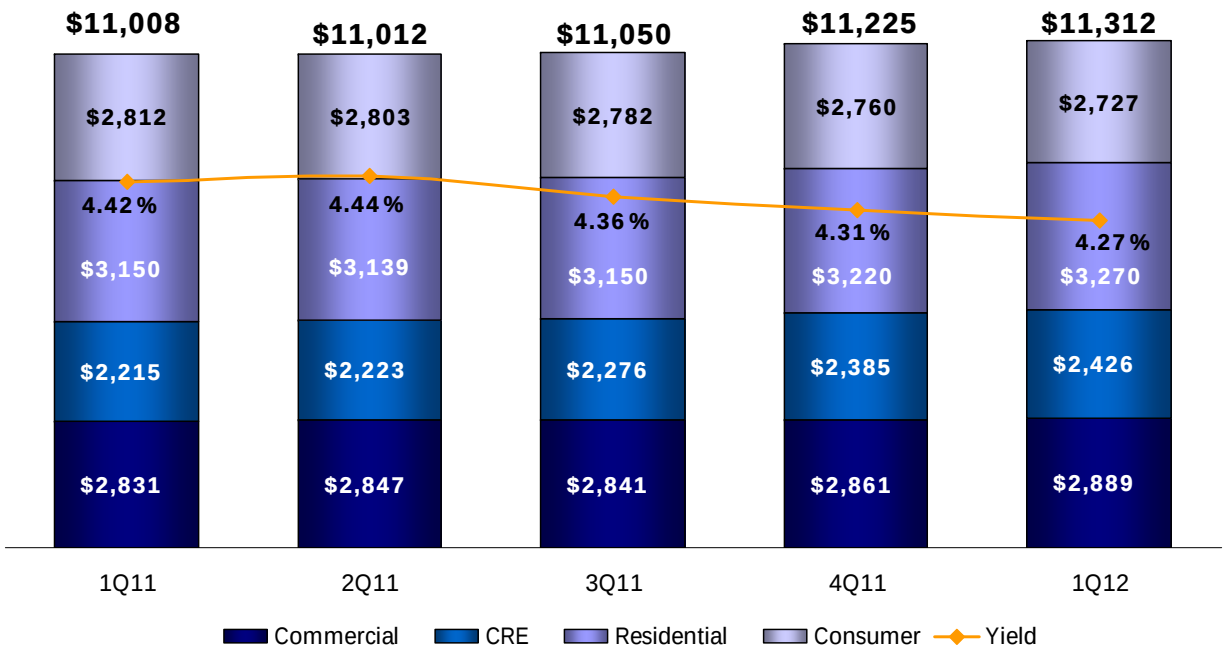
Loan Mix and Yield

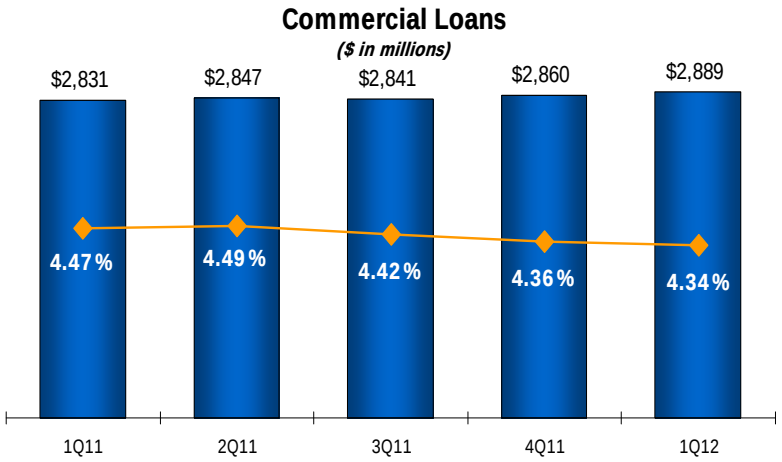
(End of period balances, full quarter yields; $ in millions)

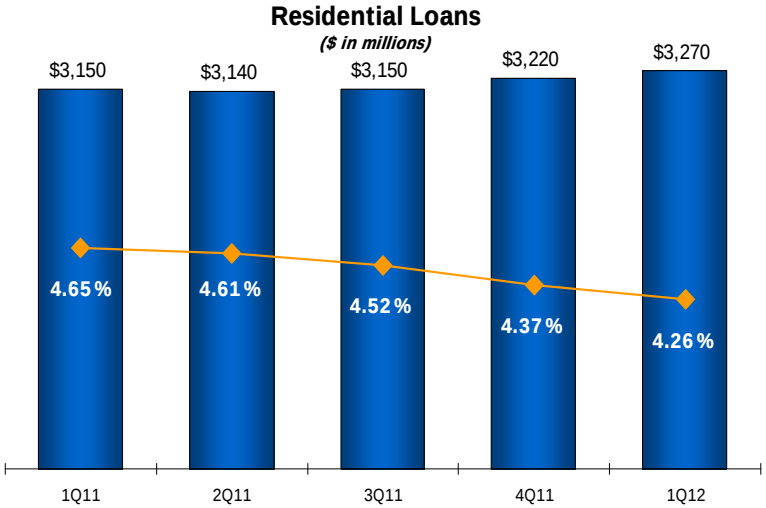


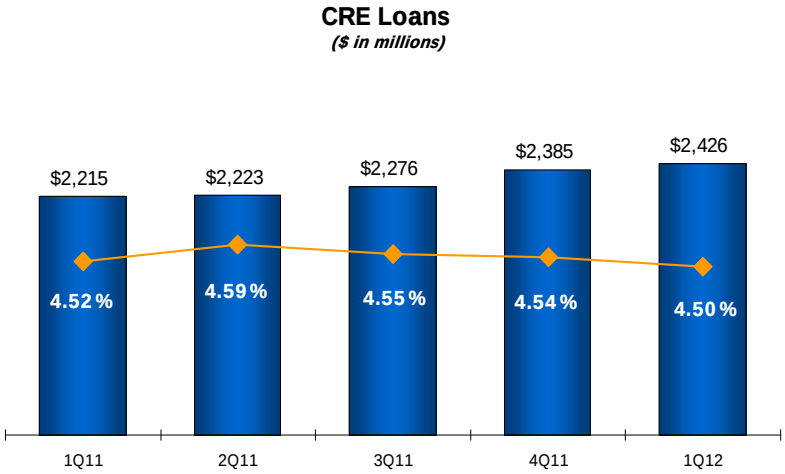
- Overall loan growth of $304 million, or +2.8% year-over-year
  - Combined growth in Commercial and CRE of $269 million, or 5.3%
  - Residential of $120 million, or 3.8%
  - Consumer decline of $85 million, or 3.1%

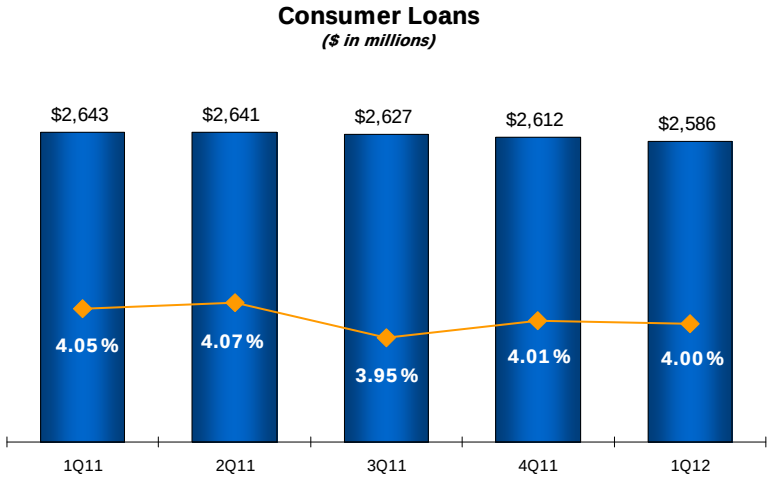
Loan Trends and Yields

(End of period balances, full quarter yields)



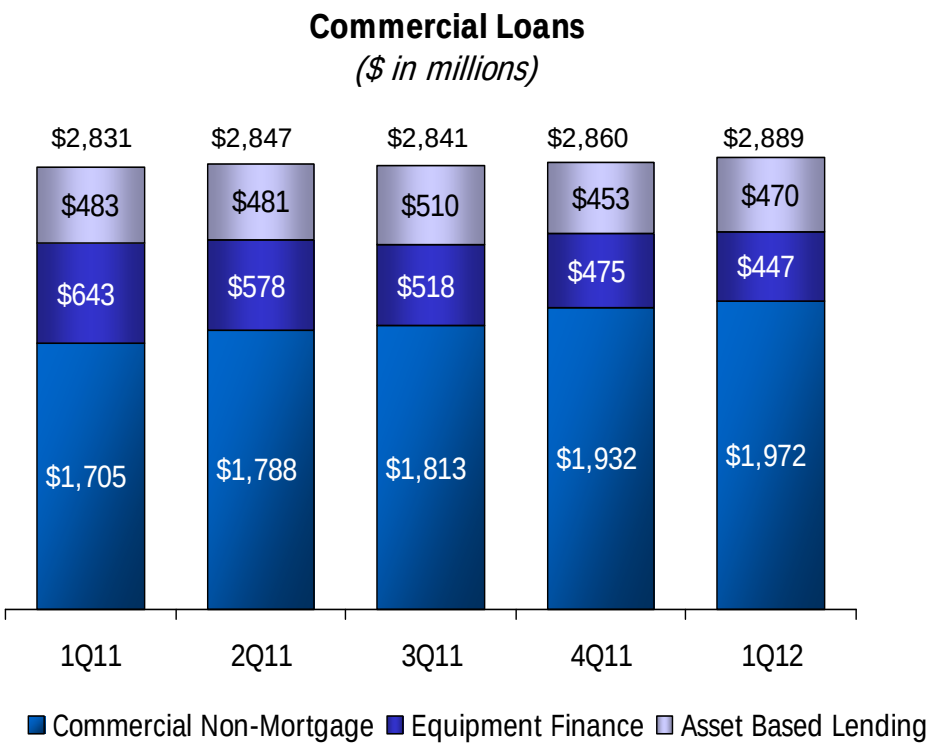






Note: excludes the Liquidating portfolio

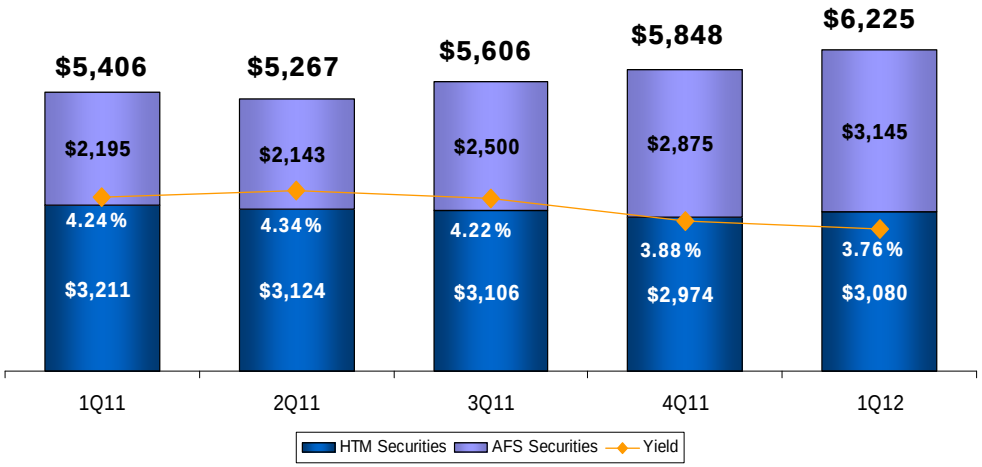
Commercial Loan Trends

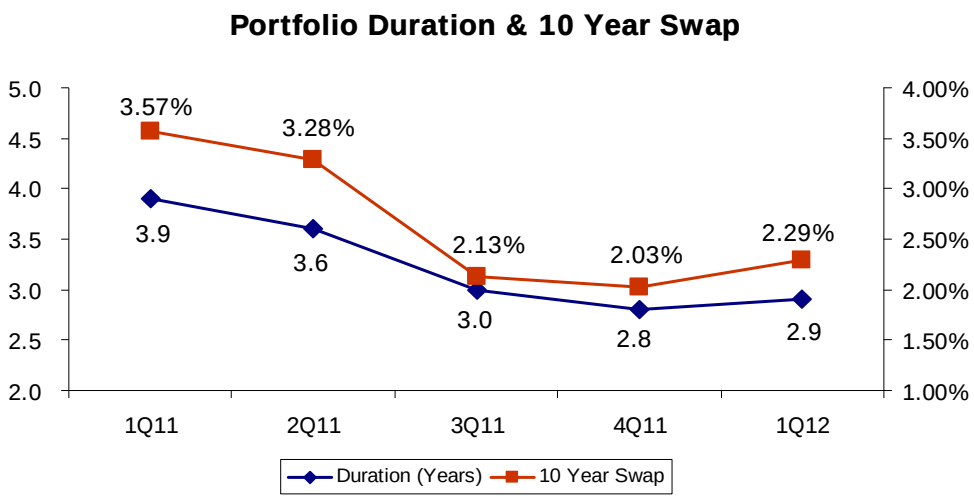


- Commercial Non-Mortgage growth of $267 million, or 15.7%
- Strategic reduction in non-footprint lending
  - $197 million decline in Equipment Finance versus prior year; stabilization nearly complete
  - $13 million decline in Asset Based Lending versus prior year though $17 million increase from year-end reflects new regional emphasis
- Combined 1Q12 originations of $344 million
  - $339 million in 4Q11
  - $241 million in 1Q11

Investment Portfolio

($ in millions)





- Total securities of $6.2 billion at 03/31/12
- Duration of 2.9 years
- Available for Sale portfolio includes $43.4 million of net unrealized gains at 03/31/12 compared to $25.3 million at 12/31/11
- Held to maturity portfolio excludes $154.9 million of net unrealized gains at 03/31/12 compared to $156.8 million at 12/31/11

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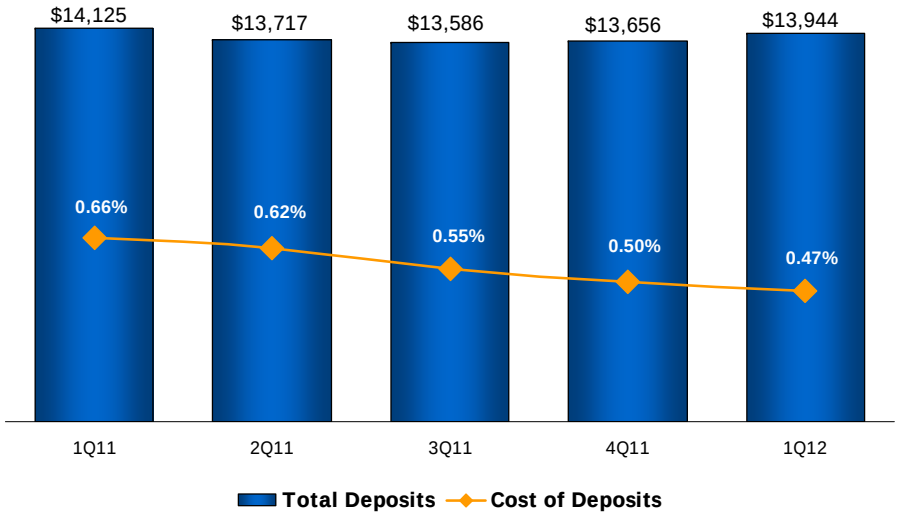
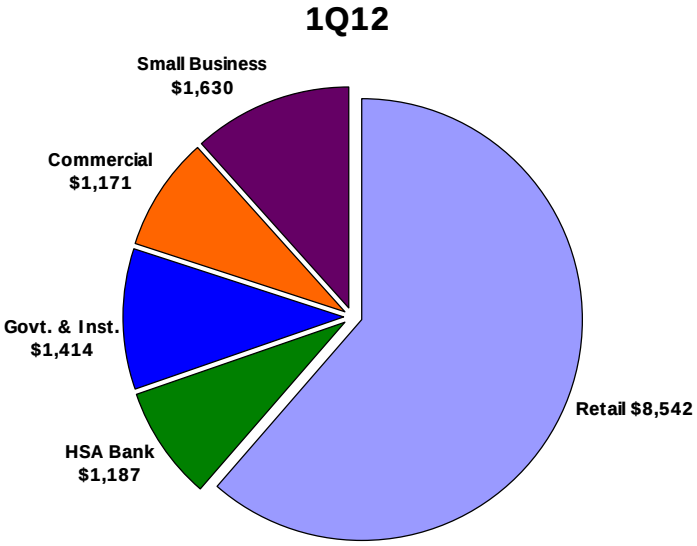
Total Deposit and Transaction Account Trends

($ in millions)

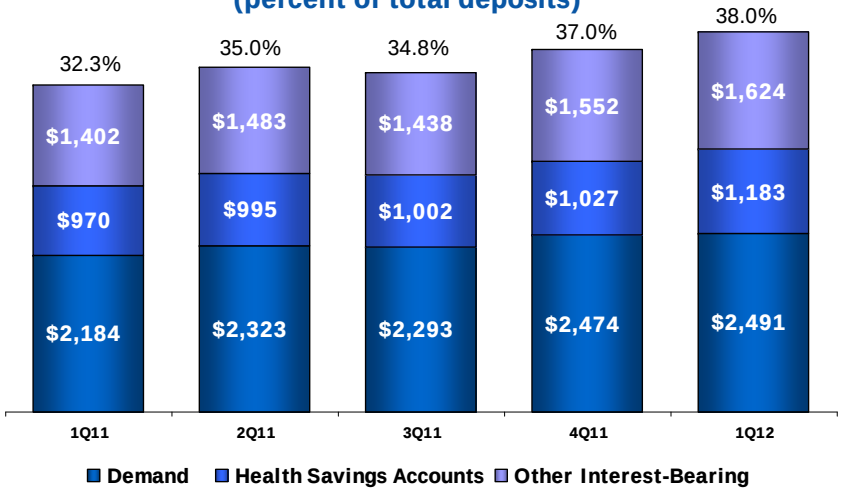


Deposit Mix by Line of Business



Transaction Accounts

(percent of total deposits)



- Pricing discipline contributes to thirteen consecutive quarterly declines in cost of deposits
- Favorable mix shift as a result of relationship focus
- Transaction account balances now 38% of total deposits compared to 32% a year ago

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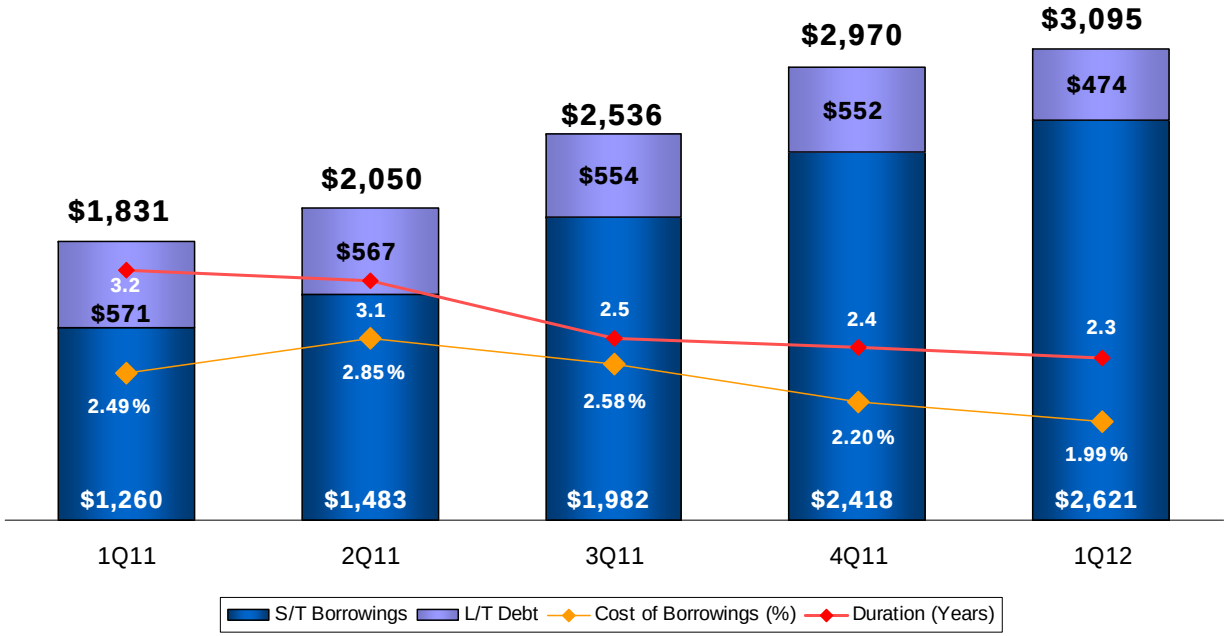
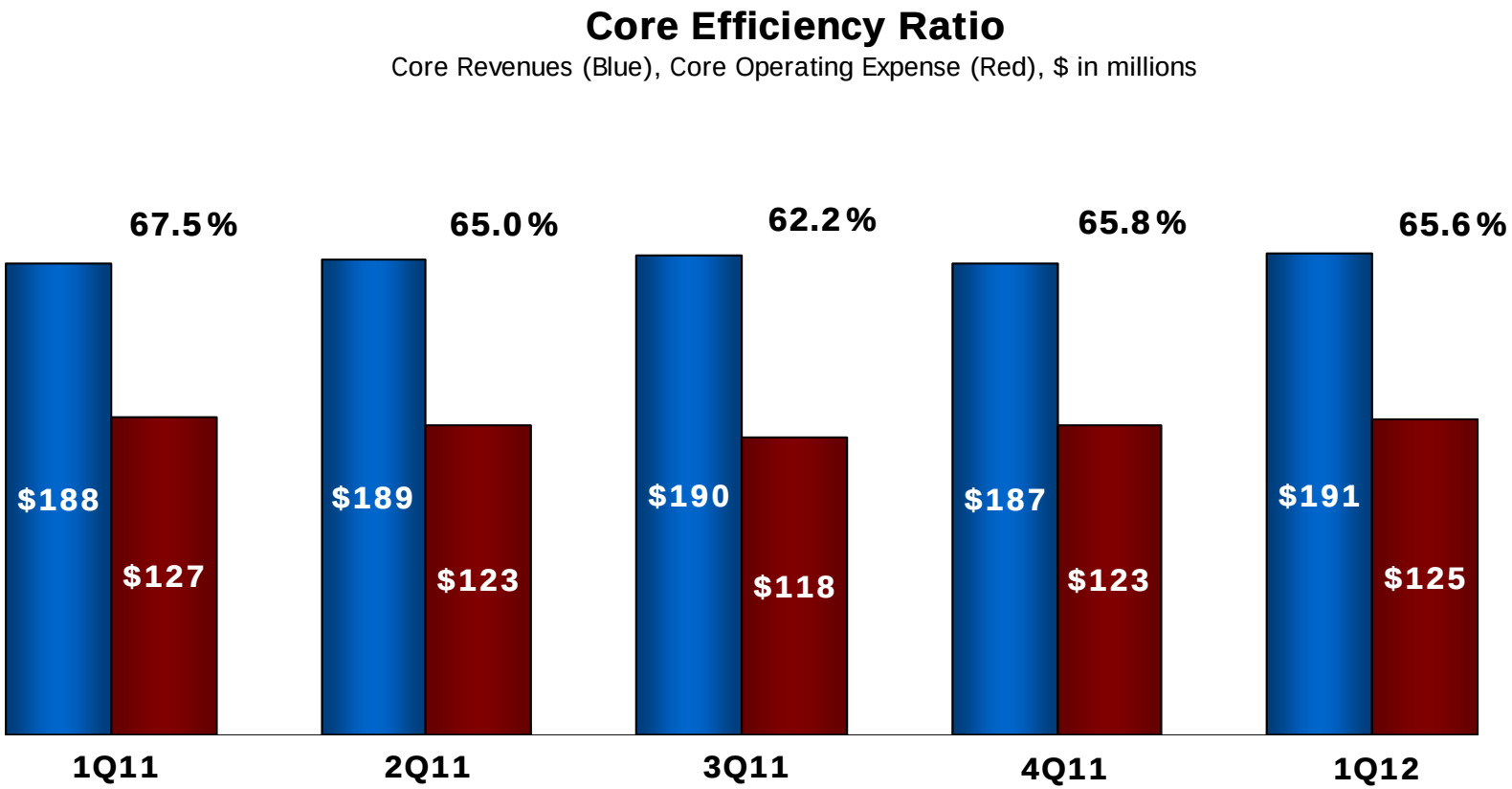
Borrowing Trends

($ in millions)



- Cost of borrowings decline of 21 basis points from 4Q11 reflects relatively higher average balance of lower costing short-term funding in 1Q12
- Borrowing duration of 2.3 years

"Pathway to 60%" Initiative



- Core efficiency of 65.6% for 1Q12
  - Includes seasonality of 401K match, unemployment taxes, and payroll taxes
  - Positive operating leverage compared to 4Q11 and 1Q11
  - Committed to achieve 60% efficiency ratio by 4Q12

** Efficiency Ratio based on SNL Methodology – See Appendix*

Concluding Comments

- Executing key initiatives to maximize economic profit
- Asset quality metrics continue positive trend
- Capital strength augmented by earnings; very well capitalized measured by regulatory capital ratios that already meet fully phased in Basel III requirements
- Positive operating leverage supports commitment to achieve 60% efficiency ratio by 4Q12
- Continued progress toward goal to be a top performing regional bank

Webster Financial Corporation
First Quarter 2012 Earnings
Supplemental Information

- Pages 19 to 20 – Investment Securities
- Pages 21 to 22 – Deposit Statistics
- Page 23 – Borrowings
- Pages 24 to 33 – Loan Portfolio Detail/Asset Quality Statistics
- Page 34 – Capital Ratios
- Page 35 – Efficiency Ratio

Investment Securities

End of period balances Full quarter yields ($ in millions)	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011
Available for Sale	**$ 3,144.9**	$ 2,874.8	$ 2,500.2	$ 2,143.1	$ 2,195.1
Duration (years)	**2.8**	2.7	2.7	3.1	3.3
Yield	**3.00%**	3.09%	3.56%	3.80%	3.58%
Held to Maturity	**$ 3,079.7**	$ 2,973.7	$ 3,106.0	$ 3,123.5	$ 3,211.0
Duration (years)	**3.1**	3.1	3.2	4.0	4.3
Yield	**4.52%**	4.55%	4.70%	4.70%	4.73%
Total Investment Securities	**$ 6,224.6**	$ 5,848.5	$ 5,606.2	$ 5,266.6	$ 5,406.1
Duration (years)	**2.9**	2.8	3.0	3.6	3.9
Yield	**3.76%**	3.88%	4.22%	4.34%	4.24%

- Available for Sale portfolio includes $43.4 million of net unrealized gains at March 31, 2012 compared to $25.3 million at December 31, 2011
- Held to Maturity portfolio excludes $154.9 million of net unrealized gains at March 31, 2012 compared to $156.8 million at December 31, 2011

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Investment Securities

($ in millions)	March 31, 2012	December 31, 2011	Increase/ (Decrease)
Available for Sale:			
MBS - GSE	**$ 781.0**	$ 527.3	$ 253.7
CMBS	**362.2**	330.4	31.8
Agency CMOs - GSE	**1,807.4**	1,940.2	(132.8)
Corporate Debt	**114.3**	-	114.3
Pooled Trust Preferred Securities	**29.8**	29.0	0.8
Single-issuer Trust Preferred	**41.0**	38.2	2.8
Equity Securities	**9.0**	9.5	(0.5)
U.S. Treasury Bills	**0.2**	0.2	-
Total Available for Sale	**$ 3,144.9**	$ 2,874.8	$ 270.1
Held to Maturity:			
MBS - GSE	**$ 1,572.8**	$ 1,411.0	$ 161.8
MBS - Other	**21.4**	24.0	(2.6)
CMBS	**158.2**	158.4	(0.2)
Agency CMOs - GSE	**683.6**	733.9	(50.3)
Municipal Bonds and Notes	**643.7**	646.4	(2.7)
Total Held to Maturity	**$ 3,079.7**	$ 2,973.7	$ 106.0

- Par value for pooled trust preferred securities is $64.6 million; par value for three single-issuer trust preferred securities (BAC, JPM, and STT) is $56.9 million

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Deposit Mix and Cost *by Product*

End of period balances Full quarter costs ($ in millions)	1Q12		4Q11		3Q11		2Q11		1Q11	
	Bal.	Cost	Bal.	Cost	Bal.	Cost	Bal.	Cost	Bal.	Cost
Demand	$ 2,491	-	$ 2,474	-	$ 2,293	-	$ 2,323	-	$ 2,184	-
Health savings accounts	1,183	0.61%	1,027	0.65%	1,002	0.78%	995	0.92%	970	0.99%
Interest-bearing checking	1,624	0.07%	1,552	0.09%	1,438	0.10%	1,483	0.14%	1,402	0.15%
Money Market	2,045	0.23%	2,021	0.25%	2,226	0.28%	2,082	0.35%	2,696	0.43%
Savings	3,836	0.27%	3,748	0.31%	3,689	0.36%	3,773	0.49%	3,721	0.55%
- Core deposits	*$ 11,179*	*0.21%*	*$ 10,822*	*0.23%*	*$ 10,648*	*0.27%*	*$ 10,656*	*0.35%*	*$ 10,973*	*0.40%*
Time deposits	2,765	1.47%	2,834	1.50%	2,938	1.54%	3,061	1.58%	3,152	1.59%
Total	**$ 13,944**	**0.47%**	$ 13,656	0.50%	$ 13,586	0.55%	$ 13,717	0.62%	$ 14,125	0.66%
- Core/total	*80%*		*79%*		*78%*		*78%*		*78%*	
- Loans/deposits	*81%*		*82%*		*81%*		*80%*		*78%*	

- Cost of deposits have declined for twelve consecutive quarters, reflective of continued pricing discipline

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Deposit Mix and Cost *by Line of Business*

End of period balances Full quarter costs ($ in millions)	1Q12		4Q11		3Q11		2Q11		1Q11	
	Bal.	Cost	Bal.	Cost	Bal.	Cost	Bal.	Cost	Bal.	Cost
Retail	$ 8,542	0.58%	$ 8,480	0.63%	$ 8,449	0.67%	$ 8,703	0.73%	$ 8,683	0.80%
Govt. & Inst.	1,414	0.19%	1,460	0.19%	1,588	0.19%	1,446	0.22%	2,050	0.32%
HSA Bank	1,187	0.61%	1,042	0.65%	1,002	0.78%	995	0.92%	972	0.99%
Small Business	1,630	0.11%	1,530	0.14%	1,535	0.17%	1,538	0.21%	1,443	0.26%
Commercial	1,171	0.34%	1,144	0.27%	1,012	0.43%	1,035	0.35%	977	0.50%
Total	**$ 13,944**	**0.47%**	$ 13,656	0.50%	$ 13,586	0.55%	$ 13,717	0.62%	$ 14,125	0.66%

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Borrowing Mix and Cost

End of period balances Full quarter costs ($ in millions)	1Q12		4Q11		3Q11		2Q11		1Q11	
	Bal.	Cost	Bal.	Cost	Bal.	Cost	Bal.	Cost	Bal.	Cost
Fed Funds & Other	$ 224	0.14%	$ 223	0.13%	$ 227	0.09%	$ 122	0.00%	$ 11	0.17%
Repos	1,045	1.81%	942	1.74%	994	1.73%	958	1.70%	846	1.68%
FHLB advances	1,352	1.43%	1,253	1.90%	761	2.99%	403	3.23%	403	2.42%
- S/T borrowings	*$ 2,621*	1.50%	*$ 2,418*	1.63%	*$ 1,982*	1.97%	*$ 1,483*	2.16%	*$ 1,260*	1.79%
Long-term debt	474	4.48%	552	4.32%	554	4.31%	567	4.41%	571	4.38%
Total borrowings	**$ 3,095**	1.99%	$ 2,970	2.20%	$ 2,536	2.58%	$ 2,050	2.85%	$ 1,831	2.49%
- Borrowings/assets	**16%**		16%		14%		12%		10%	

- FHLB advances increased to fund loan growth and the investment portfolio

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Loan Mix and Yield

End of period balances Full quarter yields ($ in millions)	1Q12		4Q11		3Q11		2Q11		1Q11	
	Bal.	Yield	Bal.	Yield	Bal.	Yield	Bal.	Yield	Bal.	Yield
Commercial	$ 2,889	4.34%	$ 2,860	4.36%	$ 2,841	4.42%	$ 2,847	4.49%	$ 2,831	4.47%
CRE	2,426	4.50%	2,385	4.54%	2,276	4.55%	2,223	4.59%	2,215	4.52%
Residential	3,270	4.26%	3,220	4.37%	3,150	4.52%	3,140	4.61%	3,150	4.65%
Consumer	2,727	4.00%	2,760	4.01%	2,783	3.95%	2,803	4.07%	2,812	4.05%
Total	$ 11,312	4.27%	$ 11,225	4.31%	$ 11,050	4.36%	$ 11,013	4.44%	$ 11,008	4.42%

- Total loan increase of $87 million over 4Q11 primarily reflects increases of $50 million in residential mortgages, $41 million in CRE, $40 million in commercial non-mortgage, and $17 million in asset based lending partially offset by decreases of $33 million in consumer loans and $28 million in equipment financing

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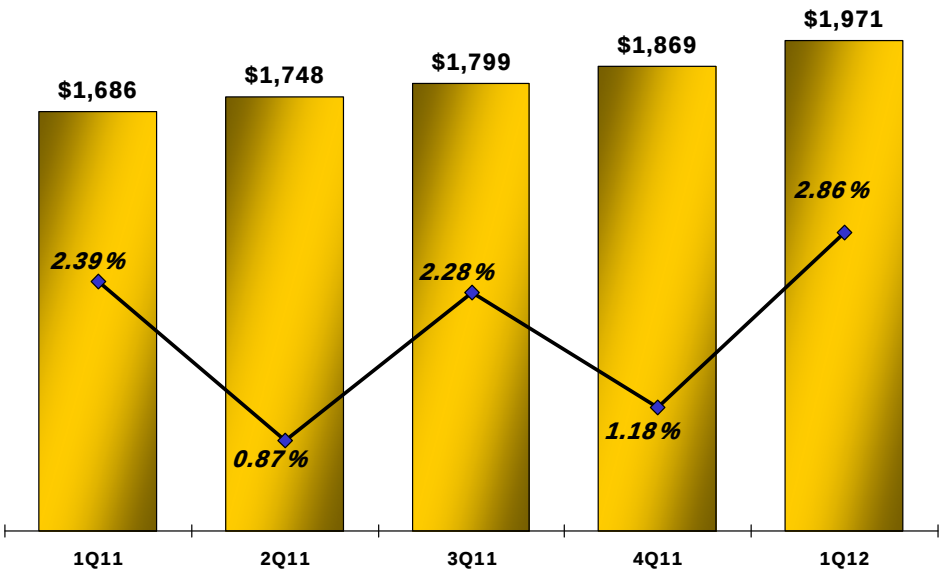
Commercial Non-Mortgage

Average Loans ($m) and Net Charge-off Rate (annualized)



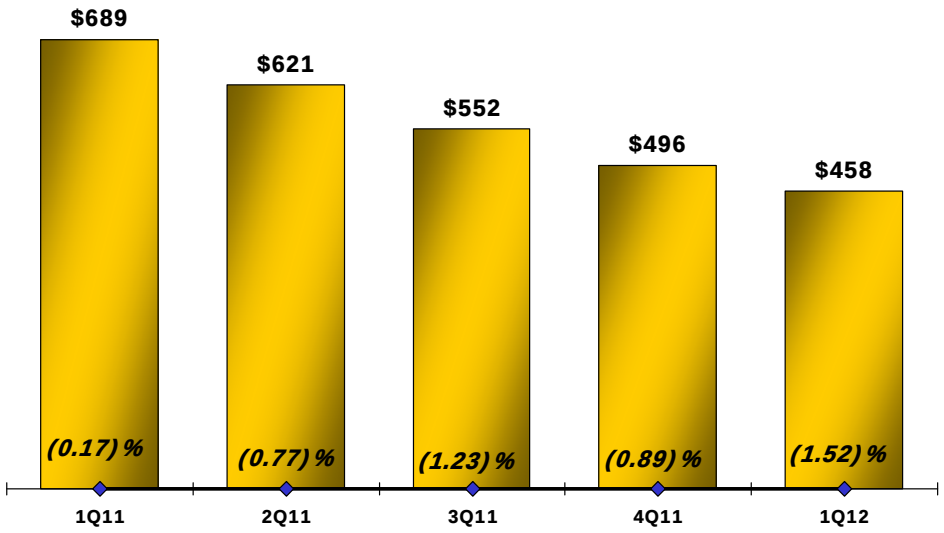
Portfolio Statistics

($ in millions)	1Q12	4Q11	1Q11
Ending Balance	**$ 1,972**	$ 1,932	$ 1,705
Originations	**$ 245**	$ 275	$ 175
Net Charge-offs	**$ 14.1**	$ 5.5	$ 10.1
30 - 89 Day Past Due Rate	**0.34 %**	0.25 %	0.50 %
Nonperforming Loan Rate	**1.60 %**	1.44 %	2.37 %
NPLs	**$ 31.5**	$ 27.9	$ 40.5
Portion of NPLs paying	***$ 2.1***	*$ 5.5*	*$ 12.1*
New Nonaccruals	**$ 24.3**	$ 3.1	$ 16.0

- Higher ending balance reflects continued emphasis on growing core franchise business banking
- Unfunded commitments were $1.15 billion in 1Q12 compared to $1.15 billion in 4Q11
- Increase in net charge-offs and new nonaccruals are the result of one commercial credit

Equipment Finance

Average Loans ($m) and Net Charge-off Rate (annualized)



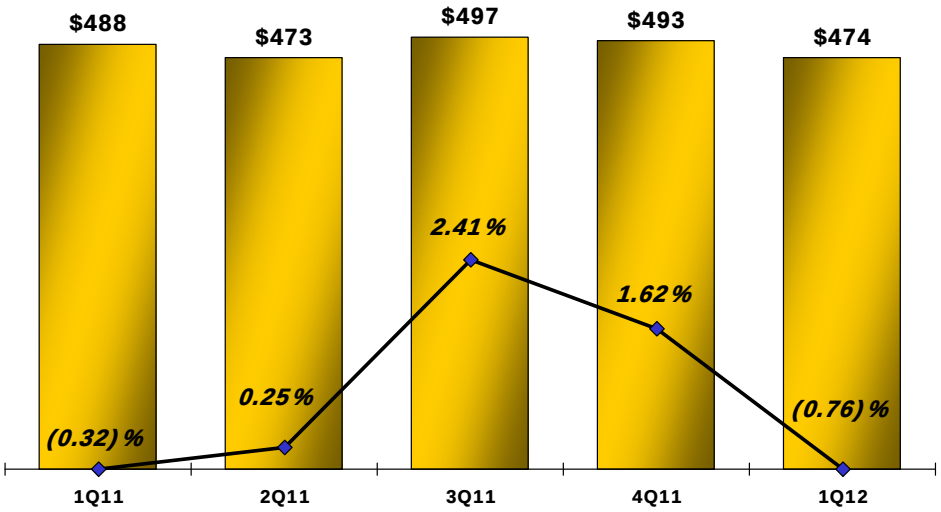
Portfolio Statistics

($ in millions)	1Q12	4Q11	1Q11
Ending Balance	**$ 447**	$ 475	$ 643
Originations	**$ 36**	$ 24	$ 19
Net Charge-offs/(Recoveries)	**$ (1.7)**	$ (1.1)	$ (0.3)
30 - 89 Day Past Due Rate	**0.92 %**	1.05 %	1.64 %
Nonperforming Loan Rate	**1.10 %**	1.47 %	2.58 %
NPLs	**$ 4.9**	$ 7.1	$ 16.6
Portion of NPLs paying	**$ 1.0**	$ 2.7	*$ 5.9*
New Nonaccruals	**$ 2.0**	$ 1.3	$ 1.1

- Primarily consists of Construction, Transportation, Environmental, and Manufacturing
- $28 million decline in loan balance at March 31 from December 31 primarily reflects paydowns and payoffs in non-core regions

Asset Based Lending

Average Loans ($m) and Net Charge-off Rate (annualized)



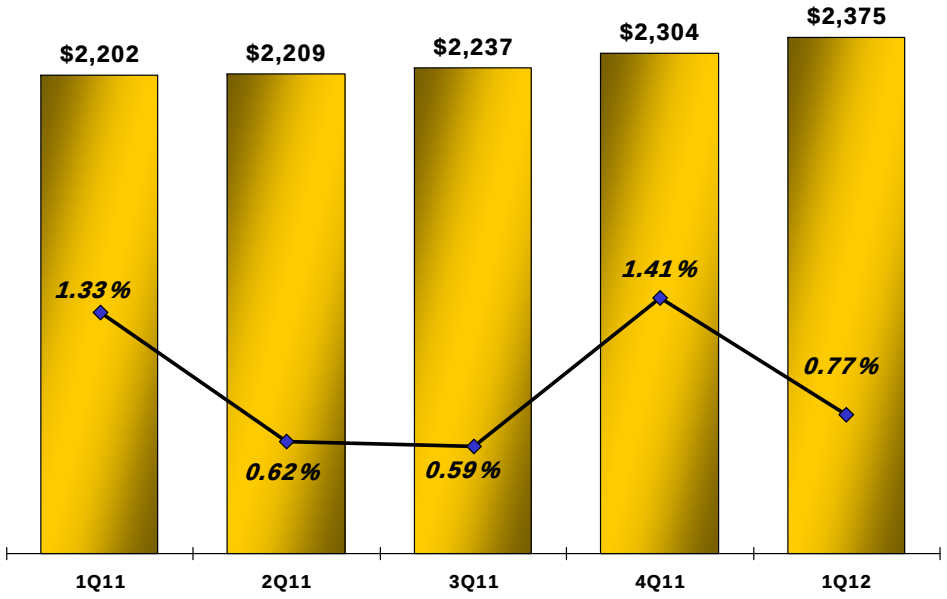
Portfolio Statistics

($ in millions)	1Q12	4Q11	1Q11
Ending Balance	**$ 470**	$ 453	$ 483
Originations	**$ 63**	$ 40	$ 47
Net Charge-offs/(Recoveries)	**$ (0.9)**	$ 2.0	$ (0.4)
30 - 89 Day Past Due Rate	**0.00 %**	0.00 %	0.00 %
Nonperforming Loan Rate	**0.32 %**	0.42 %	1.05 %
NPLs	**$ 1.5**	$ 1.9	$ 5.1
Portion of NPLs paying	***$ 0.0***	*$ 0.1*	*$ 1.3*
New Nonaccruals	**$ 0.0**	$ 0.0	$ 0.0

- Unfunded commitments were $299.9 million for 1Q12 compared to $366.8 million for 4Q11

Commercial Real Estate

Average Loans ($m) and Net Charge-off Rate (annualized)



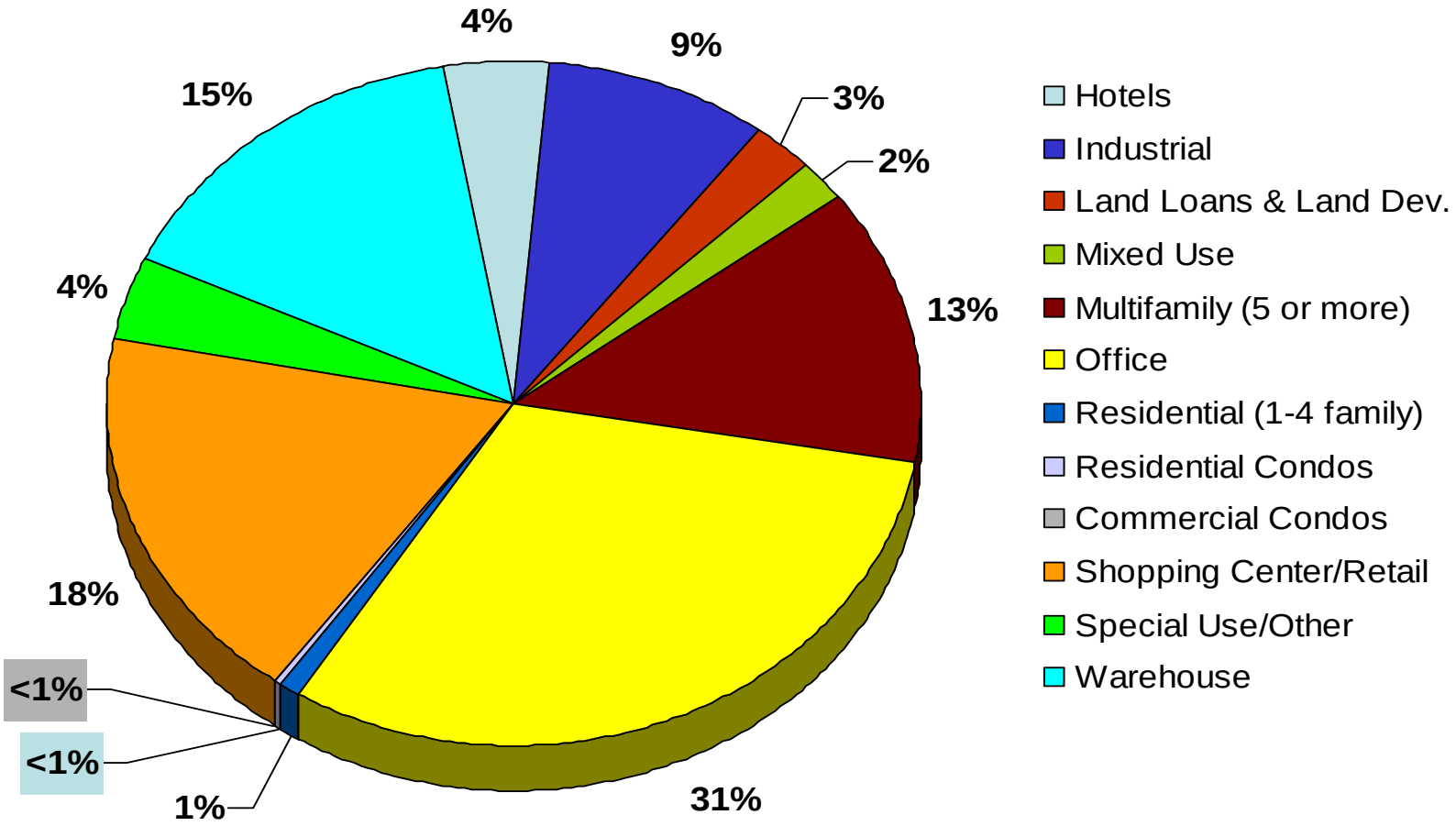
Portfolio Statistics

($ in millions)	1Q12	4Q11	1Q11
Ending Balance	**$ 2,426**	$ 2,385	$ 2,215
Originations	**$ 152**	$ 296	$ 55
Net Charge-offs	**$ 4.7**	$ 8.1	$ 7.3
30 - 89 Day Past Due Rate	**0.05 %**	0.07 %	1.00 %
Nonperforming Loan Rate	**1.32 %**	1.69 %	2.92 %
NPLs	**$ 31.3**	$ 39.0	$ 64.4
Portion of NPLs paying	***$ 3.3***	*$ 11.3*	*$ 3.7*
New Nonaccruals	**$ 14.2**	$ 12.8	$ 19.8

- Diversified by product, geography, and property type; in-construction balance of $109.2 million; over 67.4% of the portfolio is in the Northeast region
  - Loans outside of the Northeast region are primarily related to sponsors located within Webster's target market
- Unfunded commitments were $173.6 million for 1Q12 compared to $173.5 million for 4Q11

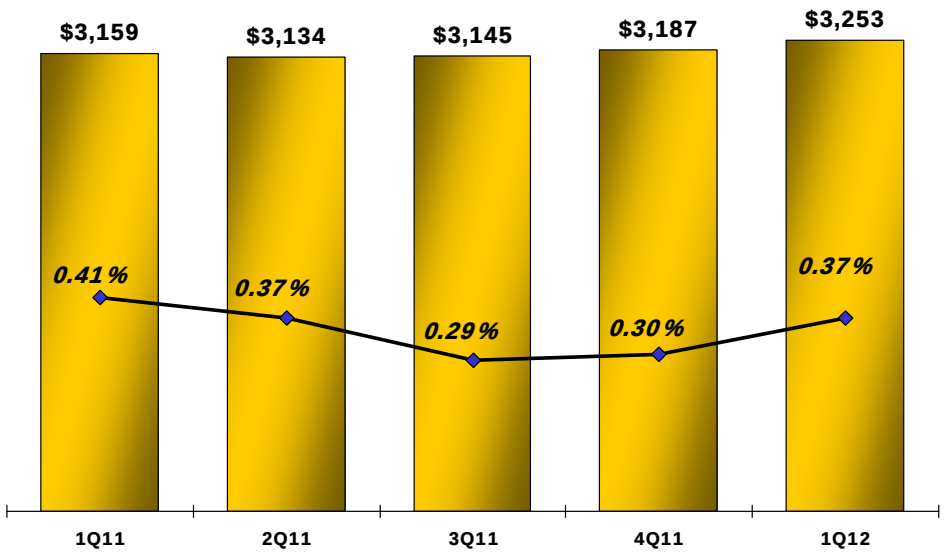
Collateral Type Distribution of Investor CRE – 1Q12

Well diversified portfolio by collateral type.



Residential Mortgages

Average Loans ($m) and Net Charge-off Rate (annualized)



Portfolio Statistics

($ in millions)	1Q12	4Q11	1Q11
Ending Balance	**$ 3,270**	$ 3,220	$ 3,150
Originations	**$ 169**	$ 205	$ 135
Net Charge-offs	**$ 3.0**	$ 2.4	$ 3.2
30 - 89 Day Past Due Rate	**0.70 %**	0.76 %	0.61 %
Nonperforming Loan Rate	**2.42 %**	2.55 %	3.04 %
NPLs	**$ 79.1**	$ 82.0	$ 95.8
Portion of NPLs paying	***$ 9.5***	*$ 10.5*	*$ 42.2*
New Nonaccruals	**$ 17.7**	$ 23.7	$ 16.6

- 90.3% of the portfolio is in footprint (CT, MA, RI, NY)
- Portfolio updated weighted average FICO of 735
- Portfolio updated weighted average LTV of 62%
- 39% Jumbo, 60% Conforming; Minimal Alt-A ($17.1 million)
- Permanent NCLC declined to $20.9 million at 3/31/12, down from $21.3 million at 12/31/11

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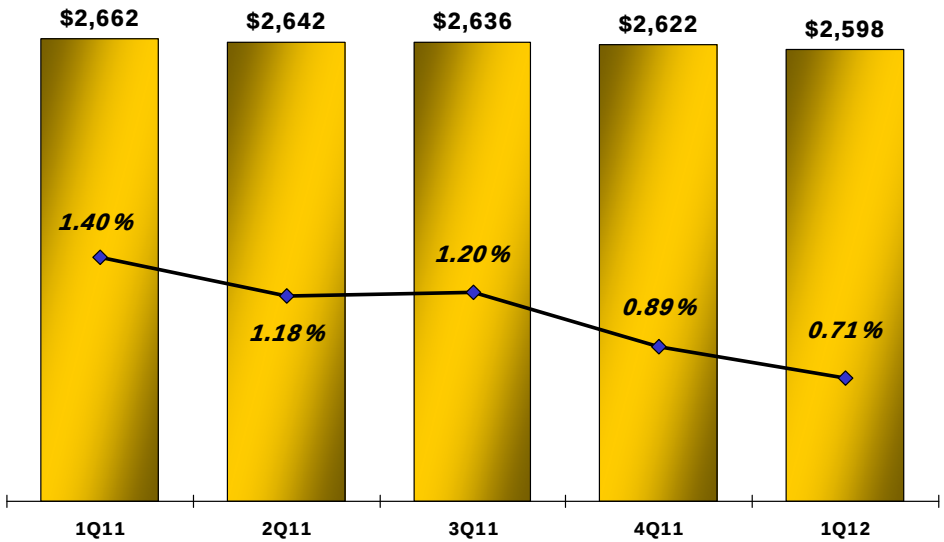
Consumer

Average Loans ($m) and Net Charge-off Rate (annualized)



Portfolio Statistics

($ in millions)	1Q12	4Q11	1Q11
Ending Balance	**$ 2,586**	$ 2,612	$ 2,643
Originations	**$ 126**	$ 132	$ 118
Net Charge-offs	**$ 4.6**	$ 5.8	$ 9.3
30 - 89 Day Past Due Rate	**0.78 %**	0.80 %	0.88 %
Nonperforming Loan Rate	**0.95 %**	0.95 %	1.49 %
NPLs	**$ 26.1**	$ 25.1	$ 31.7
Portion of NPLs paying	***$ 2.2***	*$ 1.9*	*$ 9.6*
New Nonaccruals	**$ 14.4**	$ 14.5	$ 11.9

- 98.6% home equity (29.3% loans; 70.7% lines); line utilization of 54.6%
- 87.9% of the portfolio is in footprint (CT, MA, RI, NY)
- 27.7% of Home Equity is in 1st lien position
- Portfolio updated weighted average FICO of 765; portfolio weighted average CLTV of 66%
- $2.0 billion retail originated portfolio has 0.51% annualized net charge-off rate in 1Q12
- Unfunded commitments were $1.65 billion in 1Q12 compared to $1.68 billion in 4Q11

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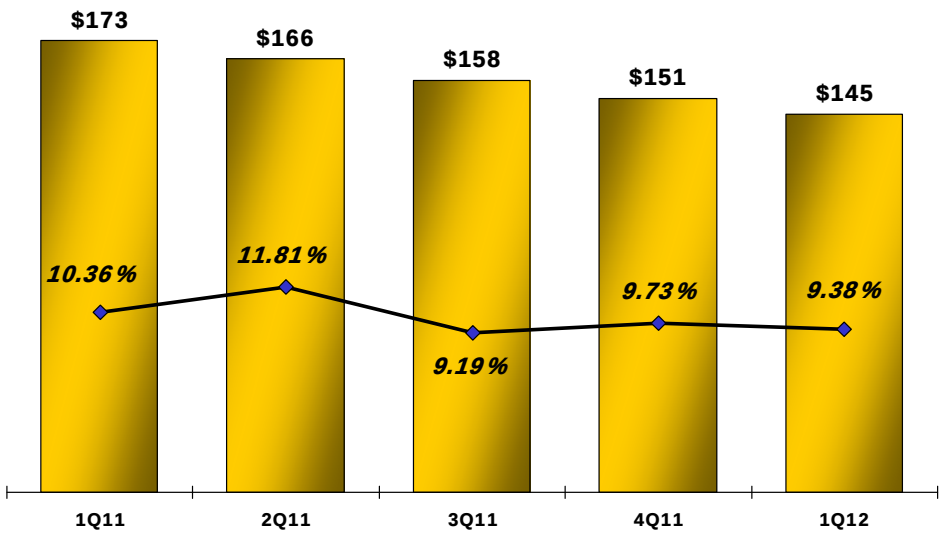
Liquidating

Average Loans ($m) and Net Charge-off Rate (annualized)



Portfolio Statistics

($ in millions)	1Q12	4Q11	1Q11
Ending Balance	**$ 141**	$ 148	$ 169
Net Charge-offs	**$ 3.4**	$ 3.7	$ 4.5
30 - 89 Day Past Due Rate	**3.76 %**	3.04 %	3.45 %
Nonperforming Loan Rate	**2.77 %**	3.44 %	4.62 %
NPLs	**$ 3.9**	$ 5.1	$ 7.8
Portion of NPLs paying	***$ 0.0***	*$ 0.4*	*$ 2.1*
New Nonaccruals	**$ 2.6**	$ 3.5	$ 3.5

- Consists of home equity loans and lines
- $6.1 million decline in 1Q12 includes $3.8 million in net payoff / paydown activity

Troubled Debt Restructures (TDRs)

($ in thousands)	Accrual				Nonaccrual		
	Balance of Loans *	Coupon Rate Before	Coupon Rate After	Modified Greater than One Year	Balance of Loans *	Coupon Rate Before	Coupon Rate After
As of March 31, 2012							
Consumer Finance	**$ 107,229**	**6.1%**	**4.5%**	**$ 93,629**	**$ 41,247**	**5.9%**	**4.4%**
Commercial	**60,231**	**6.5%**	**6.5%**	**45,718**	**22,686**	**6.0%**	**6.1%**
Commercial Real Estate	**131,666**	**3.9%**	**3.9%**	**116,705**	**13,309**	**6.0%**	**6.0%**
Total	**$ 299,126**	**5.3%**	**4.7%**	**$ 256,052**	**$ 77,242**	**6.0%**	**5.2%**
As of December 31, 2011							
Consumer Finance	$ 104,097	6.1%	4.5%	$ 84,794	$ 42,169	6.0%	4.4%
Commercial	73,169	5.9%	5.9%	47,012	17,405	6.8%	7.0%
Commercial Real Estate	152,950	4.1%	4.1%	121,652	7,546	5.7%	5.7%
Total	$ 330,216	5.2%	4.6%	$ 253,458	$ 67,120	6.2%	5.2%

* Net of related valuation allowance

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Webster Financial Corporation Capital Ratios

	At March 31, 2012*	At December 31, 2011	At March 31, 2011	Well Capitalized
Tier 1 Common/RWA [(a)]	**10.89%**	11.08%	10.53%	na
Tangible Common Equity	**7.14%**	7.03%	7.12%	na
Tangible Equity	**7.29%**	7.18%	7.28%	na
Leverage [(a)]	**8.83%**	8.85%	8.41%	5.0%
Tier 1 Risk-Based [(a)]	**12.78%**	13.05%	12.64%	6.0%
Total Risk-Based [(a)]	**14.04%**	14.61%	14.22%	10.0%

($ in millions)	Capital	Excess Over Well Capitalized
Leverage	**$ 1,620**	**$ 703**
Tier 1 Risk-Based	**$ 1,620**	**$ 859**
Total Risk-Based	**$ 1,780**	**$ 512**

- Tangible book value per common share of $15.10 at March 31, 2012 compared to $14.57 at December 31, 2011 and $14.17 a year ago
- Quarterly cash dividend of $0.05 per common share, consistent with the prior quarter

* Preliminary ratios

(a) Prior period ratios are actual, subject to revision to reflect the correction of certain commercial loan fee deferments

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Efficiency Ratio (based on SNL methodology)

($ in thousands)	Three months ended 3/31/2012	12/31/2011	9/30/2011	6/30/2011	3/31/2011
Efficiency ratio					
Noninterest Expense	**$127,813**	$126,572	$123,218	$132,061	$129,125
Less: Foreclosed Property Expense	**467**	730	726	710	884
Amortization of Intangibles	**1,397**	1,397	1,397	1,397	1,397
Other Charges	**551**	1,169	2,762	6,894	250
Noninterest Expense (net of above)	**$125,398**	$123,276	$118,333	$123,060	$126,594
Net Interest Income before provision	**$143,368**	$141,009	$141,685	$140,913	$140,161
FTE Adjustment	**3,718**	4,011	3,798	3,823	3,865
Noninterest Income	**43,986**	42,246	44,691	46,189	43,916
Less: Gain on Securities	**-**	-	-	1,647	377
Total Revenue (net of above)	**$191,072**	$187,266	$190,174	$189,278	$187,565
Efficiency Ratio	**65.63%**	65.83%	62.22%	65.02%	67.49%

- Improvement in the efficiency ratio is planned for future periods via a combination of incremental revenue growth and expense reductions and optimization as part of our “Pathway to 60%” initiative

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Forward-looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Act”). Forward-looking statements can be identified by words such as “believes,” “anticipates,” “expects,” “intends,” “targeted,” “continue,” “remain,” “will,” “should,” “may,” “plans,” “estimates,” and similar references to future periods; however, such words are not the exclusive means of identifying such statements. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, expenses, income or loss, earnings or loss per share, and other financial items; (ii) statements of plans, objectives, and expectations of Webster or its management or Board of Directors; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Forward-looking statements are based on Webster’s current expectations and assumptions regarding its business, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. Webster’s actual results may differ materially from those contemplated by the forward-looking statements, which are neither statements of historical fact nor guarantees or assurances of future performance. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to: (1) local, regional, national, and international economic conditions and the impact they may have on us and our customers and our assessment of that impact; (2) volatility and disruption in national and international financial markets; (3) government intervention in the U.S. financial system; (4) changes in the level of non-performing assets and charge-offs; (5) changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements; (6) adverse conditions in the securities markets that lead to impairment in the value of securities in our investment portfolio; (7) inflation, interest rate, securities market, and monetary fluctuations; (8) the timely development and acceptance of new products and services and perceived overall value of these products and services by customers; (9) changes in consumer spending, borrowings, and savings habits; (10) technological changes; (11) the ability to increase market share and control expenses; (12) changes in the competitive environment among banks, financial holding companies, and other financial service providers; (13) the effect of changes in laws and regulations (including laws and regulations concerning taxes, banking, securities, and insurance) with which we and our subsidiaries must comply, including those under the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III update to the Basel Accords that is under development; (14) the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board, and other accounting standard setters; (15) the costs and effects of legal and regulatory developments including the resolution of legal proceedings or regulatory or other governmental inquiries and the results of regulatory examinations or reviews; and (16) our success at managing the risks involved in the foregoing items; and (17) the other factors that are described in the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading “Risk Factors.” Any forward-looking statement made by the Company in this release speaks only as of the date on which it is made. Factors or events that could cause the Company’s actual results to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as may be required by law.