

Binomial (n, p) is re-written as following:

$$\begin{aligned} P\{X = i\} &= \binom{n}{i} p^i (1-p)^{n-i} \\ &= \left(\frac{n(n-1)(n-2)\dots(n-i+1)}{i!} \right) \left(\frac{\lambda}{n} \right)^i \left(1 - \frac{\lambda}{n} \right)^{n-i} \\ &= \binom{n}{i} \left(\frac{n-1}{n} \right) \left(\frac{n-2}{n} \right) \dots \left(\frac{n-i+1}{n} \right) \left(\frac{\lambda^i}{i!} \right) \left(1 - \frac{\lambda}{n} \right)^n \left(1 - \frac{\lambda}{n} \right)^{-i} \quad i = 0, 1, \dots, n. \end{aligned}$$

For very large n and moderate λ we can approximate

$$\left(1 - \frac{\lambda}{n} \right)^n \approx e^{-\lambda}; \quad \frac{n-1}{n} = \frac{n-2}{n} = \frac{n-3}{n} \dots = \frac{n-i+1}{n} \approx 1; \quad \left(1 - \frac{\lambda}{n} \right)^i \approx 1$$

Hence,

$$P\{X = i\} = e^{-\lambda} \frac{\lambda^i}{i!}$$

which is Poisson's distribution.