

FIRST BANCORP. ANNOUNCES EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2026

SAN JUAN, Puerto Rico – October 22, 2026 – First BanCorp. (the “Corporation” or “First BanCorp.”) (NYSE: FBP), the bank holding company for FirstBank Puerto Rico (“FirstBank” or “the Bank”), today reported a net income of \$96.1 million, or \$0.63 per diluted share, for the third quarter of 2026, compared to \$96.1 million, or \$0.62 per diluted share, for the second quarter of 2026, and \$100.5 million, or \$0.63 per diluted share, for the third quarter of 2025.

Aurelio Alemán, President and Chief Executive Officer of First BanCorp, commented:

“We delivered another quarter of strong core performance, highlighted by a return on average assets of 1.98%, a return on average equity of 19.5%, stable credit metrics, and healthy balance sheet trends against the backdrop of an increasingly volatile rate environment. These results demonstrate consistent execution against our strategic priorities, the resilience of our business model, and our commitment to soundness, profitability, and responsible growth.”

Total loans grew 3.3% annualized on a linked-quarter basis, with growth across all our operating markets, particularly in the commercial segment, despite higher than prior quarter commercial repayments. Core deposits, excluding brokered and government deposits, increased by \$120 million, while non-performing assets remained relatively flat compared with the prior quarter.

We continued advancing our multichannel strategy by combining our expanded Puerto Rico branch network with digital tools that provide clients a faster, more convenient, and seamless service experience. This commitment to innovation and client-centric digital solutions was recognized this quarter by Global Finance, which named us the “Best Digital User Experience in Latin America and Puerto Rico” and the “Best Digital Banking App in Puerto Rico.” We are very proud of this recognition, which reflects our associates’ hard work and dedication to delivering the best digital banking experience for our clients.

Finally, we remain focused on allocating capital where it can generate the highest long-term returns for shareholders. We were also pleased to announce that our Board of Directors approved a new \$350 million stock repurchase program and a 25% increase in our common stock dividend. We remain committed to thoughtful excess capital deployment while preserving flexibility to support organic growth and other franchise-enhancing opportunities.”

Q3 '26 Q2 '26 Q3 '25 YTD '26 YTD '25

(In thousands)	Financial Highlights				
Net interest income	\$ 227,527	\$ 229,131	\$ 217,916	\$ 677,614	\$ 646,172
Provision for credit losses	14,633	17,333	17,593	49,239	62,990
Non-interest income	32,590	35,732	30,794	106,007	97,478
Non-interest expenses	130,222	127,324	124,894	384,651	371,253
Income before income taxes	115,262	120,206	106,223	349,731	309,407
Income tax expense	19,147	24,052	5,697	68,684	51,642
Net income	\$ 96,115	\$ 96,154	\$ 100,526	\$ 281,047	\$ 257,765

Selected Financial Data

Net interest margin	4.73%	4.87%	4.57%	4.78%	4.55%
Efficiency ratio	50.06%	48.07%	50.22%	49.09%	49.92%
Diluted earnings per share	\$ 0.63	\$ 0.62	\$ 0.63	\$ 1.82	\$ 1.59
Book value per share	\$ 12.43	\$ 12.95	\$ 12.05	\$ 12.43	\$ 12.05
Tangible book value per share ⁽¹⁾	\$ 12.15	\$ 12.68	\$ 11.79	\$ 12.15	\$ 11.79
Return on average equity	19.46%	19.49%	21.36%	18.96%	19.07%
Return on average assets	1.98%	2.02%	2.10%	1.96%	1.81%

Results for the Third Quarter of 2026 compared to the Second Quarter of 2026

Net income – \$96.1 million, or \$0.63 per diluted share compared to \$96.1 million, or \$0.62 per diluted share.

Income before income taxes – \$115.3 million compared to \$120.2 million.

Pre-tax, pre-provision income (Non-GAAP)⁽¹⁾ – \$129.9 million compared to \$137.5 million.

Net interest income – \$227.5 million compared to \$229.1 million. The decrease was mostly related to \$3.4 million in interest income recognized during the second quarter of 2026 from purchase discount and deferred fees accelerations, which accounted for approximately 7 basis points of the decrease in net interest margin, and an increase of \$4.8 million in deposit costs. These variances were partially offset by higher commercial and construction loan balances, reinvestment of maturing debt securities in higher-yielding assets, and \$1.3 million related to an additional day in the quarter. Net interest margin decreased to 4.73% compared to 4.87% driven by the aforementioned \$3.4 million in interest income recognized in the second quarter of 2026 and an increase of 8 basis points in the cost of funds.

Provision for credit losses – \$14.6 million compared to \$17.3 million. The decrease in provision expense was mainly due to a reduction of \$3.2 million in the provision for residential mortgage loans, mostly driven by updated historical loss experience resulting in a downward revision of estimated loss severities.

Non-interest income – \$32.6 million compared to \$35.7 million. The decrease mainly reflected \$1.9 million in lower realized gains on purchased income tax credits and a \$0.6 million gain from the sale of a fixed asset in the Florida region in the previous quarter.

Non-interest expenses – \$130.2 million compared to \$127.3 million, including an additional \$2.8 million contingency reserve involving a commercial other real estate owned (“OREO”) property.

Income tax expense – \$19.2 million compared to \$24.1 million, mainly due to a lower estimated annual effective tax rate.

Total loans – increased by \$108.3 million to \$13.4 billion, driven by commercial and industrial (“C&I”) loan growth. Total loan originations of \$1.5 billion, down \$238.5 million, mainly in commercial and construction loans, driven by \$270.6 million in certain refinancings during the second quarter of 2026.

Core deposits (other than brokered and government deposits) – increased by \$120.4 million to \$13.4 billion, mainly in the Puerto Rico region, driven by a \$253.0 million increase in time deposits, partially offset by a \$132.6 million decrease in non-maturity deposits.

Government deposits (fully collateralized) – decreased by \$76.7 million to \$3.0 billion, of which \$57.2 million was in the Puerto Rico region and \$34.6 million was in the Virgin Islands region.

Allowance for credit losses (“ACL”) coverage ratio – amounted to 1.81% compared to 1.85%.

Annualized net charge-offs to average loans ratio – increased to 0.55% compared to 0.49%, primarily reflecting a \$2.0 million increase in consumer loans and finance leases net charge-offs, mainly in the auto loan portfolio.

Non-performing assets – increased by \$0.2 million to \$114.1 million, driven by a \$1.6 million increase in nonaccrual loans, primarily in auto loans, partially offset by a \$1.3 million decrease in the OREO portfolio balance.

Loans in early delinquency (30-89 days past due) – increased by \$12.1 million to \$155.5 million, which included an \$8.3 million matured construction loan that was fully repaid after September 30, 2026 and a \$6.8 million increase in consumer loans and finance leases, mainly auto loans.

Liquidity – Cash and cash equivalents amounted to \$462.7 million compared to \$561.3 million. When adding \$2.1 billion of free high-quality liquid securities that could be liquidated or pledged within one day and \$1.1 billion in available lending capacity at the Federal Home Loan Bank (“FHLB”), available liquidity amounted to 19.15% of total assets compared to 19.60%.

Capital – Repurchased \$50.0 million in common stock and declared \$30.4 million in common stock dividends. Capital ratios exceeded required regulatory levels. The Corporation’s estimated total capital, common equity tier 1 (“CET1”) capital, tier 1 capital, and leverage ratios were 18.16%, 16.91%, 16.91%, and 11.71%, respectively, as of September 30, 2026. On a non-GAAP basis, the tangible common equity ratio⁽¹⁾ decreased to 9.55% compared to 10.08%, mainly due to a decrease in the fair value of available-for-sale debt securities.

⁽¹⁾ Represents non-GAAP financial measures. Refer to *Non-GAAP Disclosures - Non-GAAP Financial Measures* for the definition of and additional information about these non-GAAP financial measures.

Profitability

Balance Sheet

Asset Quality

Liquidity and Capital

NET INTEREST INCOME

The following table sets forth information concerning net interest income for the last five quarters:

	Quarter Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
(Dollars in thousands)					
Net Interest Income					
Interest income	\$ 290,845	\$ 287,710	\$ 279,849	\$ 285,158	\$ 282,743
Interest expense	63,318	58,579	58,893	62,390	64,827
Net interest income	<u>\$ 227,527</u>	<u>\$ 229,131</u>	<u>\$ 220,956</u>	<u>\$ 222,768</u>	<u>\$ 217,916</u>
Average Balances					
Loans and leases	\$ 13,264,096	\$ 13,077,087	\$ 13,068,874	\$ 13,032,081	\$ 12,876,239
Total securities, other short-term investments and interest-bearing cash balances	5,826,830	5,797,465	5,776,844	5,871,091	6,037,726
Average interest-earning assets	<u>\$ 19,090,926</u>	<u>\$ 18,874,552</u>	<u>\$ 18,845,718</u>	<u>\$ 18,903,172</u>	<u>\$ 18,913,965</u>
Average interest-bearing liabilities	<u>\$ 11,660,901</u>	<u>\$ 11,371,881</u>	<u>\$ 11,409,037</u>	<u>\$ 11,531,091</u>	<u>\$ 11,669,135</u>
Average Yield/Rate					
Average yield on interest-earning assets	6.04%	6.11%	6.02%	5.98%	5.93%
Average rate on interest-bearing liabilities	2.15%	2.07%	2.09%	2.15%	2.20%
Net interest spread	<u>3.89%</u>	<u>4.04%</u>	<u>3.93%</u>	<u>3.83%</u>	<u>3.73%</u>
Net interest margin	<u>4.73%</u>	<u>4.87%</u>	<u>4.75%</u>	<u>4.68%</u>	<u>4.57%</u>

Net interest income amounted to \$227.5 million for the third quarter of 2026, a decrease of \$1.6 million, compared to \$229.1 million for the second quarter of 2026. The third quarter of 2026 included an increase of approximately \$1.3 million associated with the effect of an additional day in the quarter. The decrease in net interest income reflects the following:

- A \$4.8 million increase in interest expense on interest-bearing deposits, primarily reflecting higher average balances of non-brokered time deposits and brokered certificates of deposit (“CDs”), which increased \$195.1 million and \$98.1 million, respectively, as well as higher rates paid on interest-bearing checking and saving accounts, mainly government deposits. The average cost of interest-bearing checking and saving accounts increased 7 basis points to 1.33%, while the cost excluding government deposits increased 3 basis points to 0.69%.

Partially offset by:

- A \$3.0 million net increase in interest income on loans, driven by a \$2.6 million increase in interest income on commercial and construction loans, reflecting \$3.1 million associated with a \$178.9 million increase in the average balance and \$1.1 million from an additional day in the third quarter of 2026, partially offset by \$1.6 million resulting from the acceleration of net deferred fees associated with the refinancing of a C&I loan in the Puerto Rico region during the second quarter of 2026.
- A \$0.1 million net increase in interest income on investment securities and interest-earning cash balances, reflecting higher yields from reinvesting maturities of debt securities in higher-yielding debt securities, partially offset by \$1.8 million resulting from the acceleration of the unamortized purchase discount on a municipal bond refinanced during the second quarter of 2026 into a shorter-term commercial loan structure.

Net interest margin for the third quarter of 2026 was 4.73% compared to 4.87% for the previous quarter. The decrease mainly reflected a shift in the mix of interest-bearing deposits toward higher-yielding options, such as time deposits, and a 7 basis points reduction from prior quarter purchase discount and deferred fee accelerations while higher rates paid on interest-bearing government non-maturity deposits were offset by higher yields from the reinvestment of maturing debt securities.

NON-INTEREST INCOME

The following table sets forth information concerning non-interest income for the last five quarters:

	Quarter Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
(In thousands)					
Service charges and fees on deposit accounts	\$ 9,839	\$ 9,885	\$ 9,932	\$ 9,861	\$ 9,811
Mortgage banking activities	3,694	3,727	4,043	4,219	3,309
Insurance commission income	2,884	3,114	5,944	2,265	2,618
Card and processing income	12,540	12,512	11,758	12,353	11,682
Other non-interest income	3,633	6,494	6,008	5,702	3,374
Non-interest income	<u>\$ 32,590</u>	<u>\$ 35,732</u>	<u>\$ 37,685</u>	<u>\$ 34,400</u>	<u>\$ 30,794</u>

Non-interest income decreased by \$3.1 million to \$32.6 million for the third quarter of 2026, compared to \$35.7 million for the second quarter of 2026, mainly due to a \$1.9 million decrease in realized gains from purchased income tax credits and a \$0.6 million gain recognized during the second quarter of 2026 from the sale of a fixed asset in the Florida region, both reported as part of other non-interest income.

NON-INTEREST EXPENSES

The following table sets forth information concerning non-interest expenses for the last five quarters:

	Quarter Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
(In thousands)					
Employees' compensation and benefits	\$ 64,286	\$ 63,439	\$ 65,299	\$ 63,196	\$ 59,761
Occupancy and equipment	22,299	22,108	22,063	21,797	22,185
Business promotion	4,254	4,435	3,555	5,944	3,884
Professional service fees:					
Collections, appraisals and other credit-related fees	913	1,229	734	1,007	856
Outsourcing technology services	8,063	8,352	8,585	8,433	8,107
Other professional fees	2,459	3,535	3,593	3,671	2,940
Taxes, other than income taxes	6,233	6,071	6,184	6,272	6,092
Federal Deposit Insurance Corporation ("FDIC") deposit insurance	2,156	2,167	2,058	961	2,236
Other insurance and supervisory fees	1,118	1,182	1,206	1,327	1,344
Net (gain) loss on OREO operations	(766)	(842)	(937)	(838)	1,033
Credit and debit card processing expenses	9,457	8,514	7,327	7,728	7,889
Communications	2,274	2,234	2,288	2,284	2,294
Other non-interest expenses	7,476	4,900	5,150	5,088	6,273
Total non-interest expenses	\$ 130,222	\$ 127,324	\$ 127,105	\$ 126,870	\$ 124,894

Non-interest expenses amounted to \$130.2 million in the third quarter of 2026, an increase of \$2.9 million, from \$127.3 million in the second quarter of 2026. Non-interest expenses for the third quarter of 2026 reflect the following significant variances:

- A \$2.6 million increase in other non-interest expenses, primarily reflecting an additional \$2.8 million contingency reserve in connection with an adverse court ruling involving a commercial OREO property in the U.S. Virgin Islands, recorded as part of other non-interest expenses.
- A \$0.9 million increase in credit and debit card processing expenses, mainly due to credit and debit card expense reimbursements recognized during the second quarter of 2026.
- A \$0.8 million increase in employees' compensation and benefits expenses, mainly associated with the effect of annual salary merit increases and an additional working day in the third quarter of 2026.

Partially offset by:

- A \$1.7 million decrease in professional service fees, mostly driven by lower legal fees recorded as part of other professional fees, as well as lower collections, appraisals and other credit-related expenses and outsourcing fees, partially offset by higher consulting fees.

INCOME TAXES

The Corporation recorded an income tax expense of \$19.2 million for the third quarter of 2026, compared to \$24.1 million for the second quarter of 2026. The decrease in income tax expense was driven by a lower estimated annual effective tax rate mostly related to higher than previously forecasted business activities with preferential tax treatment under the Puerto Rico tax code.

For the year, the Corporation's annual effective tax rate was estimated at 20.5% for the third quarter of 2026, compared to 21.5% for the second quarter of 2026. As of September 30, 2026, the Corporation had a net deferred tax asset of \$135.0 million, net of a valuation allowance of \$88.3 million, compared to a net deferred tax asset of \$142.0 million, net of a valuation allowance of \$75.6 million as of June 30, 2026.

CREDIT QUALITY

Non-Performing Assets

The following table sets forth information concerning non-performing assets for the last five quarters:

(Dollars in thousands)	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Nonaccrual loans held for investment:					
Residential mortgage	\$ 23,944	\$ 23,410	\$ 28,071	\$ 29,169	\$ 28,866
Construction	5,460	5,463	5,414	5,536	5,591
Commercial mortgage	8,428	7,067	7,442	8,382	21,437
C&I	39,777	41,053	27,100	28,042	19,650
Consumer and finance leases	18,590	17,572	19,717	21,434	20,717
Total nonaccrual loans held for investment	\$ 96,199	\$ 94,565	\$ 87,744	\$ 92,563	\$ 96,261
OREO	5,629	6,939	6,344	7,522	9,343
Other repossessed property	10,733	10,803	13,124	12,389	12,234
Other assets ⁽¹⁾	1,579	1,610	1,609	1,620	1,579
Total non-performing assets ⁽²⁾	\$ 114,140	\$ 113,917	\$ 108,821	\$ 114,094	\$ 119,417
Past due loans 90 days and still accruing ⁽³⁾	\$ 24,331	\$ 24,736	\$ 28,949	\$ 31,913	\$ 28,891
Nonaccrual loans held for investment to total loans held for investment	0.72%	0.71%	0.67%	0.71%	0.74%
Nonaccrual loans to total loans	0.72%	0.71%	0.67%	0.70%	0.74%
Non-performing assets to total assets	0.59%	0.59%	0.57%	0.60%	0.62%

(1) Residential pass-through mortgage-backed securities ("MBS") issued by the Puerto Rico Housing Finance Authority ("PRHFA") held as part of the available-for-sale debt securities portfolio.

(2) Excludes purchased-credit deteriorated ("PCD") loans previously accounted for under Accounting Standards Codification ("ASC") Subtopic 310-30 for which the Corporation made the accounting policy election of maintaining pools of loans as "units of account" both at the time of adoption of current expected credit losses ("CECL") on January 1, 2020 and on an ongoing basis for credit loss measurement. These loans will continue to be excluded from nonaccrual loan statistics as long as the Corporation can reasonably estimate the timing and amount of cash flows expected to be collected on the loan pools. The portion of such loans contractually past due 90 days or more amounted to \$3.0 million as of September 30, 2026 (June 30, 2026 - \$3.6 million; March 31, 2026 - \$4.2 million; December 31, 2025 - \$4.8 million; September 30, 2025 - \$5.0 million).

(3) These include rebuked loans, which were previously pooled into Government National Mortgage Association ("GNMA") securities, amounting to \$5.2 million as of September 30, 2026 (June 30, 2026 - \$4.6 million; March 31, 2026 - \$6.7 million; December 31, 2025 - \$6.7 million; September 30, 2025 - \$3.8 million). Under the GNMA program, the Corporation has the option but not the obligation to repurchase loans that meet GNMA's specified delinquency criteria. For accounting purposes, the loans subject to the repurchase option are required to be reflected on the financial statements with an offsetting liability.

Variances in credit quality metrics:

- Total non-performing assets increased by \$0.2 million to \$114.1 million as of September 30, 2026, driven by a \$1.6 million increase in nonaccrual loans, primarily in auto loans, partially offset by a \$1.3 million decrease in the OREO portfolio balance, mainly attributable to the sale of a \$0.9 million residential property in the Florida region. In addition, the increase in nonaccrual loans included the migration of a \$1.8 million commercial mortgage loan in the Florida region to nonaccrual status during the third quarter of 2026, partially offset by \$1.3 million in repayments on a nonaccrual C&I loan in the Puerto Rico region in the food retail industry.
- Inflows to nonaccrual loans held for investment were \$34.5 million in the third quarter of 2026, down \$6.2 million from \$40.7 million in the second quarter of 2026. Inflows to nonaccrual commercial and construction loans decreased \$12.8 million to \$2.3 million, reflecting the impact of a \$14.8 million C&I relationship in the Florida region that migrated to nonaccrual status in the second quarter of 2026, partially offset by the aforementioned \$1.8 million commercial mortgage loan inflow in the third quarter. Inflows to nonaccrual consumer loans increased \$5.6 million to \$28.4 million, while nonaccrual residential mortgage loan inflows increased \$1.0 million to \$3.8 million. See *Early Delinquency* below for additional information.
- Adversely classified commercial and construction loans increased by \$15.8 million to \$103.0 million as of September 30, 2026, compared to \$87.2 million as of June 30, 2026, driven by the downgrade of a \$13.1 million participated C&I loan in the Florida region that is part of the Shared National Credit program.

Early Delinquency

Total loans held for investment in early delinquency (i.e., 30-89 days past due accruing loans, as defined in regulatory reporting instructions) amounted to \$155.5 million as of September 30, 2026, an increase of \$12.1 million, compared to \$143.4 million as of June 30, 2026, driven by a \$6.8 million increase in consumer loans and finance leases, primarily in the auto loan portfolio, and a \$4.6 million increase in the commercial and construction loan portfolios. The increase in commercial and construction loans was primarily driven by the aforementioned \$8.3 million matured construction loan for which the Corporation received full repayment after September 30, 2026, and a \$1.2 million matured commercial mortgage relationship in the process of renewal for which the Corporation continues to receive payments from the borrower. These increases were partially offset by the renewal of two matured commercial mortgage loans totaling \$3.1 million and the aforementioned \$1.8 million commercial mortgage loan that migrated to nonaccrual status.

Allowance for Credit Losses

The following table summarizes the activity of the ACL for on-balance sheet and off-balance sheet exposures during the third and second quarters of 2026:

Quarter Ended September 30, 2026								
(Dollars in thousands)	Loans and Finance Leases				Unfunded Loans Commitments	Debt Securities		Total ACL
	Residential Mortgage Loans	Commercial and Construction Loans	Consumer Loans and Finance Leases	Total Loans and Finance Leases		Held-to- Maturity	Available- for-Sale	
Allowance for Credit Losses								
Allowance for credit losses, beginning balance	\$ 42,758	\$ 68,794	\$ 133,487	\$ 245,039	\$ 4,599	\$ 479	\$ 885	\$ 251,002
Provision for credit losses - (benefit) expense	(1,900)	456	16,321	14,877	(120)	(123)	(1)	14,633
Net charge-offs	(160)	(294)	(17,789)	(18,243)	-	-	(12)	(18,255)
Allowance for credit losses, end of period	\$ 40,698	\$ 68,956	\$ 132,019	\$ 241,673	\$ 4,479	\$ 356	\$ 872	\$ 247,380
Amortized cost of loans and finance leases	\$ 2,943,944	\$ 6,782,080	\$ 3,638,476	\$ 13,364,500				
Allowance for credit losses on loans to amortized cost	1.38%	1.02%	3.63%	1.81%				

Quarter Ended June 30, 2026								
(Dollars in thousands)	Loans and Finance Leases				Unfunded Loans Commitments	Debt Securities		Total ACL
	Residential Mortgage Loans	Commercial and Construction Loans	Consumer Loans and Finance Leases	Total Loans and Finance Leases		Held-to- Maturity	Available- for-Sale	
Allowance for Credit Losses								
Allowance for credit losses, beginning balance	\$ 41,534	\$ 69,118	\$ 134,408	\$ 245,060	\$ 3,120	\$ 641	\$ 839	\$ 249,660
Provision for credit losses - expense (benefit)	1,303	(233)	14,888	15,958	1,479	(162)	58	17,333
Net charge-offs	(79)	(91)	(15,809)	(15,979)	-	-	(12)	(15,991)
Allowance for credit losses, end of period	\$ 42,758	\$ 68,794	\$ 133,487	\$ 245,039	\$ 4,599	\$ 479	\$ 885	\$ 251,002
Amortized cost of loans and finance leases	\$ 2,927,167	\$ 6,668,570	\$ 3,661,486	\$ 13,257,223				
Allowance for credit losses on loans to amortized cost	1.46%	1.03%	3.65%	1.85%				

Allowance for Credit Losses for Loans and Finance Leases

As of September 30, 2026, the ACL for loans and finance leases was \$241.7 million, or 1.81% of total loans held for investment, compared to \$245.0 million, or 1.85% of total loans held for investment, as of June 30, 2026.

The decrease was mainly related to the ACL for residential mortgage loans, which decreased by \$2.1 million, driven by updated historical loss experience used for determining the ACL resulting in a downward revision of estimated loss severities and lower reserve levels, as well as improvements in the projection of the unemployment rate and the House Price Index, partially offset by loan growth. In addition, the ACL for consumer loans decreased by \$1.4 million, mainly reflecting lower delinquency levels in credit cards and finance leases, partially offset by higher reserves in the auto loan portfolio due to updated loss expectations based on recent portfolio performance. Meanwhile, the ACL for commercial and construction loans increased by \$0.2 million, mainly due to changes in the financial information of certain borrowers and loan growth, partially offset by an improvement in the projection of certain macroeconomic variables.

Provision for credit losses on loans and finance leases was \$14.9 million for the third quarter of 2026, compared to \$16.0 million in the second quarter of 2026. The decrease was mainly driven by a \$3.2 million reduction in the provision for residential mortgage loans, partially offset by a \$1.4 million increase in the provision for consumer loans and finance leases and a \$0.7 million increase in the provision for commercial and construction loans. These changes reflected the ACL factors discussed above, as well as a \$2.0 million increase in consumer loans and finance leases net charge-offs, mainly in the auto loan portfolio.

Net Charge-Offs

The following table presents ratios of net charge-offs (recoveries) to average loans held-in-portfolio for the last five quarters:

	Quarter Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Residential mortgage	0.02%	0.01%	-0.03%	-0.02%	-0.00%
Construction	-0.11%	-0.03%	-0.02%	-0.02%	-0.50%
Commercial mortgage	0.02%	-0.02%	0.08%	0.01%	-0.02%
C&I	0.02%	0.03%	0.03%	0.00%	0.01%
Consumer loans and finance leases	1.95%	1.73%	2.23%	2.20%	2.16%
Total loans	0.55%	0.49%	0.65%	0.63%	0.62%

The ratios above are based on annualized net charge-offs and are not necessarily indicative of the results expected in subsequent periods.

Net charge-offs were \$18.2 million for the third quarter of 2026, or an annualized 0.55% of average loans, compared to \$16.1 million, or an annualized 0.49% of average loans, in the second quarter of 2026. The \$2.1 million increase in net charge-offs was driven by a \$2.0 million increase in consumer loans and finance leases net charge-offs, mainly in the auto loan portfolio.

Allowance for Credit Losses for Unfunded Loan Commitments

As of September 30, 2026, the ACL for off-balance sheet credit exposures decreased to \$4.5 million, compared to \$4.6 million as of June 30, 2026.

Allowance for Credit Losses for Debt Securities

As of September 30, 2026, the ACL for debt securities was \$1.2 million, of which \$0.3 million was related to Puerto Rico municipal bonds classified as held-to-maturity, compared to \$1.4 million and \$0.5 million, respectively, as of June 30, 2026.

STATEMENT OF FINANCIAL CONDITION

Total assets were approximately \$19.3 billion as of September 30, 2026, up \$9.1 million from June 30, 2026. The following variances within the main components of total assets are noted:

- A \$108.3 million increase in total loans, primarily reflecting a \$118.4 million increase in C&I loans, including \$90.5 million in the Florida region driven by new loan participations and \$21.3 million in the Virgin Islands region driven by disbursements of a government line of credit.

Total loan originations, including refinancings, renewals, and draws from existing commitments, amounted to \$1.5 billion in the third quarter of 2026, a decrease of \$238.5 million compared to the second quarter of 2026. In the Puerto Rico region, originations decreased \$315.6 million to \$1.0 billion, driven by the aforementioned \$270.6 million in refinancings during the second quarter of 2026 of a participated C&I loan related to a public-private partnership and a participated municipal loan, as well as lower utilization of C&I lines of credit. Meanwhile, in the Florida region, originations increased \$69.2 million to \$402.2 million, mainly reflecting a \$71.7 million increase in commercial and construction loans, including \$49.0 million in C&I loan originations and \$23.1 million in commercial mortgage loan originations. In addition, in the Virgin Islands region, originations increased \$7.9 million to \$34.0 million.

- A \$21.5 million increase in investment securities, driven by \$492.1 million in debt securities purchased during the third quarter of 2026, of which \$422.4 million were U.S. agencies' MBS at an average yield of 5.44%. These purchases were partially offset by repayments of \$227.6 million, including \$39.9 million of matured securities, and a \$119.4 million decrease in the fair value of available-for-sale debt securities attributable to changes in market interest rates. Meanwhile, U.S. Treasury bill activity resulted in a net decrease of \$128.4 million, reflecting \$375.0 million of maturities at an average yield of 3.69%, partially offset by \$246.6 million of purchases at an average yield of 3.87%.

Partially offset by:

- A \$98.6 million decrease in cash and cash equivalents, mainly related to net cash outflows from lending and investing activities and capital deployment actions, partially offset by deposit growth and a new \$23.8 million short-term repurchase agreement.

Total liabilities were approximately \$17.4 billion as of September 30, 2026, an increase of \$110.4 million from June 30, 2026. The following variances within the main components of total liabilities are noted:

- Total deposits increased by \$49.1 million, driven by:
 - A \$253.0 million increase in non-government time deposits, excluding brokered CDs, primarily in the Puerto Rico region.

Partially offset by:

- A \$132.6 million decrease in non-government non-maturity deposits, mainly in the Puerto Rico region. The decrease in such deposits includes a \$116.6 million decrease in non-interest-bearing deposits, of which \$84.2 million was in the Puerto Rico region.
- A \$76.7 million decrease in government deposits, consisting of decreases of \$57.2 million in the Puerto Rico region and \$34.6 million in the Virgin Islands region, partially offset by a \$15.1 million increase in the Florida region.
- A \$23.8 million increase in borrowings related to the aforementioned new short-term repurchase agreement.

Total stockholders' equity amounted to \$1.9 billion as of September 30, 2026, a decrease of \$101.3 million from June 30, 2026, driven by a \$119.4 million decrease in the fair value of available-for-sale debt securities due to changes in market interest rates recognized as part of accumulated other comprehensive loss, \$50.0 million in common stock repurchases at an average price of \$28.67, and \$30.4 million in common stock dividends declared in the third quarter of 2026, partially offset by the net income generated in the third quarter of 2026.

As of September 30, 2026, capital ratios exceeded the required regulatory levels for bank holding companies and well-capitalized banks. The Corporation's estimated CET1 capital, tier 1 capital, total capital and leverage ratios under the Basel III rules were 16.91%, 16.91%, 18.16%, and 11.71%, respectively, as of September 30, 2026, compared to CET1 capital, tier 1 capital, total capital, and leverage ratios of 16.96%, 16.96%, 18.21%, and 11.72%, respectively, as of June 30, 2026.

Meanwhile, estimated CET1 capital, tier 1 capital, total capital and leverage ratios of our banking subsidiary, FirstBank, were 15.92%, 16.65%, 17.91%, and 11.53%, respectively, as of September 30, 2026, compared to CET1 capital, tier 1 capital, total capital and leverage ratios of 15.96%, 16.71%, 17.97%, and 11.54%, respectively, as of June 30, 2026.

Liquidity

Cash and cash equivalents decreased by \$98.6 million to \$462.7 million as of September 30, 2026. When adding \$2.1 billion of free high-quality liquid securities that could be liquidated or pledged within one day, total core liquidity amounted to \$2.6 billion as of September 30, 2026, or 13.40% of total assets, compared to \$2.7 billion, or 13.73% of total assets, as of June 30, 2026. In addition, as of September 30, 2026, the Corporation had \$1.1 billion available for credit with the FHLB based on the value of the collateral pledged with the FHLB. As such, the basic liquidity ratio (which includes cash, free high-quality liquid assets such as U.S. government and government-sponsored enterprises' obligations that could be liquidated or pledged within one day, and available secured lines of credit with the FHLB to total assets) was approximately 19.15% as of September 30, 2026, compared to 19.60% as of June 30, 2026.

In addition to the aforementioned available credit from the FHLB, the Corporation also maintains borrowing capacity at the U.S. Federal Reserve ("FED") Discount Window Program. The Corporation had approximately \$2.5 billion available for funding under the FED's Borrower-In-Custody Program as of September 30, 2026. In the aggregate, as of September 30, 2026, the Corporation had \$6.2 billion available to meet liquidity needs, or 128% of estimated uninsured deposits (excluding fully collateralized government deposits).

The Corporation's total deposits, excluding brokered CDs, amounted to \$16.3 billion as of each of September 30, 2026 and June 30, 2026, which included \$3.0 billion in government deposits that are fully collateralized as of each of those periods. Excluding fully collateralized government deposits and FDIC-insured deposits as of September 30, 2026, the estimated amount of uninsured deposits was \$4.8 billion, which represents 29.59% of total deposits, compared to \$4.7 billion, or 29.15% of total deposits, as of June 30, 2026. Refer to Table 10 in the accompanying tables (Exhibit A) for additional information about the deposits composition.

Tangible Common Equity (Non-GAAP)

On a non-GAAP basis, the Corporation's tangible common equity ratio decreased to 9.55% as of September 30, 2026, compared to 10.08% as of June 30, 2026, mainly due to a decrease in the fair value of available-for-sale debt securities. Refer to *Non-GAAP Disclosures- Non-GAAP Financial Measures* for the definition of and additional information about this non-GAAP financial measure.

The following table presents a reconciliation of the Corporation's tangible common equity and tangible assets to the most comparable GAAP items as of the indicated dates:

	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
(In thousands, except ratios and per share information)					
Tangible Equity:					
Total common equity - GAAP	\$ 1,875,484	\$ 1,976,833	\$ 1,967,239	\$ 1,966,865	\$ 1,918,045
Goodwill	(38,611)	(38,611)	(38,611)	(38,611)	(38,611)
Other intangible assets	(2,804)	(3,022)	(3,240)	(3,458)	(3,676)
Tangible common equity - non-GAAP	\$ 1,834,069	\$ 1,935,200	\$ 1,925,388	\$ 1,924,796	\$ 1,875,758
Tangible Assets:					
Total assets - GAAP	\$ 19,250,334	\$ 19,241,235	\$ 19,086,105	\$ 19,132,892	\$ 19,321,335
Goodwill	(38,611)	(38,611)	(38,611)	(38,611)	(38,611)
Other intangible assets	(2,804)	(3,022)	(3,240)	(3,458)	(3,676)
Tangible assets - non-GAAP	\$ 19,208,919	\$ 19,199,602	\$ 19,044,254	\$ 19,090,823	\$ 19,279,048
Common shares outstanding	150,921	152,674	154,694	156,619	159,135
Tangible common equity ratio - non-GAAP	9.55%	10.08%	10.11%	10.08%	9.73%
Tangible book value per common share - non-GAAP	\$ 12.15	\$ 12.68	\$ 12.45	\$ 12.29	\$ 11.79

Exposure to Puerto Rico Government

Direct Exposure

As of September 30, 2026, the Corporation had \$355.5 million of direct exposure to the Puerto Rico government, its municipalities, and public corporations, a decrease of \$23.9 million from \$379.4 million as of June 30, 2026, mainly due to repayments. The exposure consisted primarily of \$272.4 million in municipal loans and obligations supported by assigned property tax revenues, generally backed by the municipalities' good faith, credit, and unlimited taxing power, and \$27.1 million supported by one or more specific sources of municipal revenues. The remaining exposure included \$8.5 million in a loan to an affiliate of the Puerto Rico Electric Power Authority, \$44.9 million in loans to a Puerto Rico public corporation, and a PRHFA residential pass-through MBS with an amortized cost of \$2.6 million.

The aforementioned exposure to municipalities in Puerto Rico included \$60.7 million of financing arrangements issued in bond form but underwritten as loans with features that are typically found in commercial loans. These bonds are accounted for as held-to-maturity debt securities.

Indirect Exposure

As of both September 30, 2026 and June 30, 2026, the Corporation had \$2.6 billion of public sector deposits in Puerto Rico. Approximately 22% of the public sector deposits as of September 30, 2026 were from municipalities and municipal agencies in Puerto Rico, and 78% were from public corporations, the Puerto Rico central government and agencies, and U.S. federal government agencies in Puerto Rico.

Additionally, as of September 30, 2026, construction loans funded through conduit financing structures supporting Low-Income Housing Tax Credit and other federal affordable housing programs amounted to \$78.4 million, compared with \$75.0 million as of June 30, 2026. Under these arrangements, PRHFA serves as conduit issuer and lender of record, while the Corporation serves as the ultimate lender. The total amount of unfunded loan commitments related to these loans as of September 30, 2026 was \$27.7 million.

NON-GAAP DISCLOSURES

This press release contains GAAP financial measures and non-GAAP financial measures. Non-GAAP financial measures are used when management believes that the presentation of these non-GAAP financial measures enhances the ability of analysts and investors to analyze trends in the Corporation's business and understand the performance of the Corporation. The Corporation may utilize these non-GAAP financial measures as guides in its budgeting and long-term planning process. Where non-GAAP financial measures are used, the most comparable GAAP financial measure, as well as the reconciliation of the non-GAAP financial measure to the most comparable GAAP financial measure, can be found in the text or in the tables in or attached to this press release. Any analysis of these non-GAAP financial measures should be used only in conjunction with results presented in accordance with GAAP.

Certain non-GAAP financial measures, such as adjusted non-interest expenses, adjusted income tax expense, adjusted net income, adjusted earnings per share, and adjusted pre-tax, pre-provision income, exclude the effect of items that management believes are not reflective of core operating performance (the "Special Items"). Other non-GAAP financial measures include net interest income, interest rate spread, and net interest margin each presented on a tax-equivalent basis; tangible common equity; tangible book value per common share; and certain capital ratios. These measures should be read in conjunction with the accompanying tables (Exhibit A), which are an integral part of this press release, and the Corporation's other financial information that is presented in accordance with GAAP.

Special Items

The financial results for the nine-month period ended September 30, 2026 and for the quarter and nine-month periods ended September 30, 2025 included the following Special Items:

Nine-Month Period Ended September 30, 2026

FDIC Special Assessment Reversal

- A benefit of \$0.1 million (\$57 thousand after-tax, calculated based on the statutory tax rate of 37.5%) was recorded during the first quarter of 2026 following receipt of the FDIC assessment invoice, paid on March 30, 2026, which reduced the quarterly special assessment rate for the eighth and final collection period from 3.36 bps to 2.97 bps. Any future offsets or one-time final shortfall special assessment collection, if any, will be communicated by the FDIC through future invoices. The FDIC deposit special assessment is reflected in the consolidated statements of income as part of "FDIC deposit insurance" expenses.

Quarter and Nine-Month Period Ended September 30, 2025

Enactment of Act 65-2025

- On July 17, 2025, the Government of Puerto Rico enacted Act 65-2025 which, among other things, allows domestic limited liability companies owned by legal entities to elect to be treated as disregarded entities for tax purposes. As a result of this change, during the third quarter of 2025, the Corporation reversed approximately \$16.6 million in valuation allowance related to deferred tax assets primarily associated with NOL carryforwards at the holding company level.

Employee Retention Credit ("ERC")

- During the third quarter of 2025, the Corporation recognized a \$2.3 million ERC, net of \$0.3 million in related commissions. This amount is reflected in the condensed consolidated statements of income as part of "employees' compensation and benefits" expenses. This credit was established under the Coronavirus Aid, Relief, and Economic Security ("CARES") Act to support businesses that retained employees during the COVID-19 pandemic. The credit recorded during the third quarter of 2025 is tax exempt for Puerto Rico tax purposes.

Non-GAAP Financial Measures

Tangible Common Equity Ratio and Tangible Book Value per Common Share

The tangible common equity ratio and tangible book value per common share are non-GAAP financial measures that management believes are generally used by the financial community to evaluate capital adequacy. Tangible common equity is total common equity less goodwill and other intangible assets. Tangible assets are total assets less goodwill and other intangible assets. Tangible common equity ratio is tangible common equity divided by tangible assets. Tangible book value per common share is tangible assets divided by common shares outstanding. Refer to *Statement of Financial Condition – Tangible Common Equity (Non-GAAP)* for a reconciliation of the Corporation's total stockholders' equity and total assets in accordance with GAAP to the non-GAAP financial measures of tangible common equity and tangible assets, respectively. Management uses and believes that many stock analysts use the tangible common equity ratio and tangible book value per common share in conjunction with other more traditional bank capital ratios to compare the capital adequacy of banking organizations with significant amounts of goodwill or other intangible assets, typically stemming from the use of the purchase method of accounting for mergers and acquisitions. Accordingly, the Corporation believes that disclosure of these financial measures may be useful to investors. Neither tangible common equity nor tangible assets, or the related measures, should be considered in isolation or as a substitute for stockholders' equity, total assets, or any other measure calculated in accordance with GAAP. Moreover, the manner in which the Corporation calculates its tangible common equity, tangible assets, and any other related measures may differ from that of other companies reporting measures with similar names.

Adjusted Net Income, Adjusted Non-Interest Expenses, Adjusted Income Tax Expense, and Adjusted Earnings Per Share

To supplement the Corporation's financial statements presented in accordance with GAAP, the Corporation uses, and believes that investors benefit from disclosure of, non-GAAP financial measures that reflect adjustments to net income, non-interest expenses, income tax expense, and adjusted earnings per share to exclude Special Items.

Adjusted Pre-Tax, Pre-Provision Income

Adjusted pre-tax, pre-provision income is a non-GAAP performance metric that management uses and believes that investors may find useful in analyzing underlying performance trends, particularly in times of economic stress, including as a result of natural catastrophes or health epidemics. Adjusted pre-tax, pre-provision income, as defined by management, represents income before income taxes adjusted to exclude the provisions for credit losses on loans, unfunded loan commitments and debt securities. In addition, from time to time, earnings are also adjusted for certain items that management believes are not reflective of core operating performance, which are regarded as Special Items.

Net Interest Income, Interest Rate Spread, and Net Interest Margin on a Tax-Equivalent Basis

Net interest income, interest rate spread, and net interest margin are reported on a tax-equivalent basis in order to provide to investors additional information about the Corporation's net interest income that management uses and believes should facilitate comparability and analysis of the periods presented. The tax-equivalent adjustment to net interest income recognizes the income tax savings when comparing taxable and tax-exempt assets and assumes a marginal income tax rate. Income from tax-exempt earning assets is increased by an amount equivalent to the taxes that would have been paid if this income had been taxable at statutory rates. Refer to Tables 4 and 5 in the accompanying tables (Exhibit A) for a reconciliation of the Corporation's net interest income on a tax-equivalent basis. Management believes that it is a standard practice in the banking industry to present net interest income, interest rate spread, and net interest margin on a fully tax-equivalent basis. This adjustment puts all earning assets, most notably tax-exempt securities and tax-exempt loans, on a common basis that management believes facilitates comparison of results to the results of peers.

NET INCOME AND RECONCILIATION TO ADJUSTED NET INCOME (NON-GAAP)

The following table shows, for the third and second quarters of 2026, net income and earnings per diluted share, and reconciles, for the third quarter of 2025 and nine-month periods ended September 30, 2026 and 2025, net income to adjusted net income and adjusted earnings per diluted share, which are non-GAAP financial measures that exclude the significant Special Items discussed in the *Non-GAAP Disclosures – Special Items* section.

	Quarter Ended			Nine-Month Period Ended	
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
(In thousands, except per share information)					
Net income, as reported (GAAP)	\$ 96,115	\$ 96,154	\$ 100,526	\$ 281,047	\$ 257,765
Adjustments:					
Employee retention credit	-	-	(2,358)	-	(2,358)
FDIC special assessment reversal	-	-	-	(92)	-
Income tax impact related to the enactment of Act 65-2025	-	-	(16,553)	-	(16,553)
Income tax impact of adjustment ⁽¹⁾	-	-	-	35	-
Adjusted net income attributable to common stockholders (non-GAAP)	\$ 96,115	\$ 96,154	\$ 81,615	\$ 280,990	\$ 238,854
Weighted-average diluted shares outstanding	151,950	154,162	160,087	154,056	161,770
Earnings per share - diluted (GAAP)	\$ 0.63	\$ 0.62	\$ 0.63	\$ 1.82	\$ 1.59
Adjusted earnings per share - diluted (non-GAAP)	\$ 0.63	\$ 0.62	\$ 0.51	\$ 1.82	\$ 1.48

(1) See *Non-GAAP Disclosures – Special Items* above for a discussion of the individual tax impact related to the above adjustment.

INCOME BEFORE INCOME TAXES AND RECONCILIATION TO ADJUSTED PRE-TAX, PRE-PROVISION INCOME (NON-GAAP)

The following table reconciles income before income taxes to adjusted pre-tax, pre-provision income for the last five quarters and for the nine-month periods ended September 30, 2026 and 2025:

	Quarter Ended					Nine-Month Period Ended	
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	September 30, 2026	September 30, 2025
(Dollars in thousands)							
Income before income taxes	\$ 115,262	\$ 120,206	\$ 114,263	\$ 107,327	\$ 106,223	\$ 349,731	\$ 309,407
Add: Provision for credit losses expense	14,633	17,333	17,273	22,971	17,593	49,239	62,990
Less: FDIC special assessment reversal	-	-	(92)	(1,099)	-	(92)	-
Less: Employee retention credit	-	-	-	-	(2,358)	-	(2,358)
Adjusted pre-tax, pre-provision income ⁽¹⁾	\$ 129,895	\$ 137,539	\$ 131,444	\$ 129,199	\$ 121,458	\$ 398,878	\$ 370,039
Change from most recent prior period (amount)	\$ (7,644)	\$ 6,095	\$ 2,245	\$ 7,741	\$ (2,014)	\$ 28,839	\$ 34,745
Change from most recent prior period (percentage)	-5.6%	4.6%	1.7%	6.4%	-1.6%	7.8%	10.4%

(1) Non-GAAP financial measure. See *Non-GAAP Disclosures* above for the definition and additional information about this non-GAAP financial measure.

Conference Call / Webcast Information

First BanCorp.'s senior management will host an earnings conference call and live webcast on Thursday, October 22, 2026, at 10:00 a.m. (Eastern Time). The call may be accessed via a live Internet webcast through the Corporation's investor relations website, fbpinvestor.com, or through a dial-in telephone number at (833) 461-5787 or (585) 542-9983. The participant access code is 928134866. The Corporation recommends that listeners go to the web site at least 15 minutes prior to the call to download and install any necessary software. Following the webcast presentation, a question and answer session will be made available to research analysts and institutional investors. A replay of the webcast will be archived in the Corporation's investor relations website, fbpinvestor.com, until October 22, 2027. A telephone replay will be available one hour after the end of the conference call through November 20, 2026, at (833) 309-1852. The replay access code is 928134866.

Safe Harbor

This press release may contain "forward-looking statements" that involve risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements. These include statements concerning the Corporation's future economic, operational, and financial performance, which may constitute forward-looking statements and are subject to the risk that the actual impact may differ, possibly materially, from what is currently expected. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see the Corporation's Securities and Exchange Commission filings, including, but not limited to, those risks and uncertainties included under the captions "Risk Factors" and "Forward-Looking Statements" set forth in these filings and any updates to such risks and uncertainties contained in subsequent reports on Form 10-K, Form 10-Q or Form 8-K. Undue reliance should not be placed on the forward-looking statements in this press release, which are based upon information available to the Corporation on the date hereof. The Corporation undertakes no duty to update this information unless required by law.

About First BanCorp.

First BanCorp. is the parent corporation of FirstBank Puerto Rico, a state-chartered commercial bank with operations in Puerto Rico, the U.S., and the British Virgin Islands and Florida, and of FirstBank Insurance Agency. First BanCorp.'s shares of common stock trade on the New York Stock Exchange under the symbol FBP. Additional information about First BanCorp. may be found at www.1firstbank.com.

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First BanCorp.

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EXHIBIT A

Table 1 – Condensed Consolidated Statements of Financial Condition

	As of		
	September 30, 2026	June 30, 2026	December 31, 2025
(In thousands, except for share information)			
ASSETS			
Cash and due from banks	\$ 461,014	\$ 559,626	657,149
Money market investments:			
Time deposit with another financial institution	1,000	1,000	750
Other short-term investments	700	700	700
Total money market investments	1,700	1,700	1,450
Available-for-sale debt securities, at fair value (ACL of \$872 as of September 30, 2026, \$885 as of June 30, 2026; and \$763 as of December 31, 2025)	4,718,684	4,681,588	4,554,032
Held-to-maturity debt securities, at amortized cost, net of ACL of \$356 as of September 30, 2026 and \$479 as of June 30, 2026; and \$733 as of December 31, 2025 (fair value of \$207,866 as of September 30, 2026; \$228,667 as of June 30, 2026 and \$262,055 as of December 31, 2025)	217,392	233,645	264,563
Total debt securities	4,936,076	4,915,233	4,818,595
Equity securities	44,232	43,552	44,753
Total investment securities	4,980,308	4,958,785	4,863,348
Loans held for investment, net of ACL of \$241,673 as of September 30, 2026; \$245,039 as of June 30, 2026; and \$249,037 as of December 31, 2025	13,122,827	13,012,184	12,876,319
Mortgage loans held for sale, at lower of cost or market	16,545	15,474	16,697
Total loans, net	13,139,372	13,027,658	12,893,016
Accrued interest receivable on loans and investments	75,871	70,663	71,351
Premises and equipment, net	128,402	128,680	126,920
OREO	5,629	6,939	7,522
Deferred tax asset, net	135,043	142,041	149,012
Goodwill	38,611	38,611	38,611
Other intangible assets	2,804	3,022	3,458
Other assets	281,580	303,510	321,055
Total assets	\$ 19,250,334	\$ 19,241,235	\$ 19,132,892
LIABILITIES			
Deposits:			
Non-interest-bearing deposits	\$ 5,465,908	\$ 5,548,697	\$ 5,549,416
Interest-bearing deposits	11,452,728	11,320,832	11,120,727
Total deposits	16,918,636	16,869,529	16,670,143
Securities sold under agreements to repurchase	23,805	-	-
Advances from the FHLB	200,000	200,000	290,000
Accounts payable and other liabilities	232,409	194,873	205,884
Total liabilities	17,374,850	17,264,402	17,166,027
STOCKHOLDERS' EQUITY			
Common stock, \$0.10 par value, 223,663,116 shares issued (September 30, 2026 - 150,920,937 shares outstanding; June 30, 2026 - 152,674,406 shares outstanding; and December 31, 2025 - 156,618,996 shares outstanding)	22,366	22,366	22,366
Additional paid-in capital	957,920	955,527	963,543
Retained earnings	2,456,119	2,390,394	2,268,011
Treasury stock, at cost (September 30, 2026 - 72,742,179 shares; June 30, 2026 - 70,988,710 shares; and December 31, 2025 - 67,044,120 shares)	(1,073,097)	(1,023,005)	(932,505)
Accumulated other comprehensive loss	(487,824)	(368,449)	(354,550)
Total stockholders' equity	1,875,484	1,976,833	1,966,865
Total liabilities and stockholders' equity	\$ 19,250,334	\$ 19,241,235	\$ 19,132,892

Table 2 – Condensed Consolidated Statements of Income

	Quarter Ended			Nine-Month Period Ended	
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
(In thousands, except per share information)					
Net interest income:					
Interest income	\$ 290,845	\$ 287,710	\$ 282,743	\$ 858,404	\$ 837,998
Interest expense	63,318	58,579	64,827	180,790	191,826
Net interest income	227,527	229,131	217,916	677,614	646,172
Provision for credit losses - expense (benefit):					
Loans	14,877	15,958	18,270	48,005	63,488
Unfunded loan commitments	(120)	1,479	(756)	1,466	(532)
Debt securities	(124)	(104)	79	(232)	34
Provision for credit losses - expense	14,633	17,333	17,593	49,239	62,990
Net interest income after provision for credit losses	212,894	211,798	200,323	628,375	583,182
Non-interest income:					
Service charges and fees on deposit accounts	9,839	9,885	9,811	29,656	29,207
Mortgage banking activities	3,694	3,727	3,309	11,464	9,887
Card and processing income	12,540	12,512	11,682	36,810	35,037
Other non-interest income	6,517	9,608	5,992	28,077	23,347
Total non-interest income	32,590	35,732	30,794	106,007	97,478
Non-interest expenses:					
Employees' compensation and benefits	64,286	63,439	59,761	193,024	181,956
Occupancy and equipment	22,299	22,108	22,185	66,470	67,112
Business promotion	4,254	4,435	3,884	12,244	10,657
Professional service fees	11,435	13,116	11,903	37,463	34,998
Taxes, other than income taxes	6,233	6,071	6,092	18,488	17,682
FDIC deposit insurance	2,156	2,167	2,236	6,381	6,707
Net (gain) loss on OREO operations	(766)	(842)	1,033	(2,545)	(687)
Credit and debit card processing expenses	9,457	8,514	7,889	25,298	20,746
Other non-interest expenses	10,868	8,316	9,911	27,828	32,082
Total non-interest expenses	130,222	127,324	124,894	384,651	371,253
Income before income taxes	115,262	120,206	106,223	349,731	309,407
Income tax expense	19,147	24,052	5,697	68,684	51,642
Net income	\$ 96,115	\$ 96,154	\$ 100,526	\$ 281,047	\$ 257,765
Net income attributable to common stockholders	\$ 96,115	\$ 96,154	\$ 100,526	\$ 281,047	\$ 257,765
Earnings per common share:					
Basic	\$ 0.64	\$ 0.63	\$ 0.63	\$ 1.83	\$ 1.60
Diluted	\$ 0.63	\$ 0.62	\$ 0.63	\$ 1.82	\$ 1.59

Table 3 – Selected Financial Data

	Quarter Ended			Nine-Month Period Ended	
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
(Shares in thousands)					
Per Common Share Results:					
Net earnings per share - basic	\$ 0.64	\$ 0.63	\$ 0.63	\$ 1.83	\$ 1.60
Net earnings per share - diluted	\$ 0.63	\$ 0.62	\$ 0.63	\$ 1.82	\$ 1.59
Cash dividends declared	\$ 0.20	\$ 0.20	\$ 0.18	\$ 0.60	\$ 0.54
Average shares outstanding	151,096	153,466	159,291	153,259	161,023
Average shares outstanding diluted	151,950	154,162	160,087	154,056	161,770
Book value per common share	\$ 12.43	\$ 12.95	\$ 12.05	\$ 12.43	\$ 12.05
Tangible book value per common share ⁽¹⁾	\$ 12.15	\$ 12.68	\$ 11.79	\$ 12.15	\$ 11.79
Common stock price: end of period	\$ 26.34	\$ 26.07	\$ 22.05	\$ 26.34	\$ 22.05
Selected Financial Ratios (In Percent):					
Profitability:					
Average yield on loans and leases	7.42	7.51	7.62	7.47	7.67
Average yield on investment securities, other short-term investments and interest-earning cash balances	2.92	2.96	2.33	2.86	2.29
Average yield on interest-earning assets	6.04	6.11	5.93	6.06	5.90
Average rate on interest-bearing liabilities	2.15	2.07	2.20	2.11	2.19
Average cost of funds	1.47	1.39	1.51	1.43	1.50
Interest rate spread	3.89	4.04	3.73	3.95	3.71
Interest rate spread - non-GAAP ⁽²⁾	4.19	4.36	3.90	4.24	3.86
Net interest margin	4.73	4.87	4.57	4.78	4.55
Net interest margin - non-GAAP ⁽²⁾	5.03	5.18	4.74	5.07	4.70
Return on average assets	1.98	2.02	2.10	1.96	1.81
Return on average equity	19.46	19.49	21.36	18.96	19.07
Efficiency ratio ⁽³⁾	50.06	48.07	50.22	49.09	49.92
Capital and Other:					
Average total equity to average total assets	10.17	10.35	9.81	10.35	9.48
Total capital	18.16	18.21	17.93	18.16	17.93
Common equity Tier 1 capital	16.91	16.96	16.67	16.91	16.67
Tier 1 capital	16.91	16.96	16.67	16.91	16.67
Leverage	11.71	11.72	11.52	11.71	11.52
Tangible common equity ratio ⁽¹⁾	9.55	10.08	9.73	9.55	9.73
Dividend payout ratio	31.44	31.92	28.52	32.72	33.73
Basic liquidity ratio ⁽⁴⁾	19.15	19.60	18.10	19.15	18.10
Core liquidity ratio ⁽⁵⁾	13.40	13.73	12.64	13.40	12.64
Loan to deposit ratio	79.09	78.68	77.46	79.09	77.46
Uninsured deposits, excluding fully collateralized deposits, to total deposits ⁽⁶⁾	29.59	29.15	28.36	29.59	28.36
Average Balances (In thousands):					
Loans and leases	\$ 13,264,096	\$ 13,077,087	\$ 12,876,239	\$ 13,137,365	\$ 12,751,409
Investment securities, other short-term investments and interest-earning cash balances	5,826,830	5,797,465	6,037,726	5,800,564	6,241,039
Interest-earning assets	\$ 19,090,926	\$ 18,874,552	\$ 18,913,965	\$ 18,937,929	\$ 18,992,448
Total assets	\$ 19,275,569	\$ 19,112,408	\$ 19,028,792	\$ 19,153,161	\$ 19,058,747
Interest-bearing liabilities	\$ 11,660,901	\$ 11,371,881	\$ 11,669,135	\$ 11,481,529	\$ 11,695,894
Non-interest-bearing deposits	5,427,409	5,550,768	5,309,212	5,473,156	5,378,807
Total funding sources	\$ 17,088,310	\$ 16,922,649	\$ 16,978,347	\$ 16,954,685	\$ 17,074,701
Total stockholders' equity	\$ 1,959,928	\$ 1,978,553	\$ 1,866,839	\$ 1,982,359	\$ 1,807,108
Asset Quality:					
Allowance for credit losses for loans and finance leases to total loans held for investment	1.81	1.85	1.89	1.81	1.89
Net charge-offs (annualized) to average loans outstanding	0.55	0.49	0.62	0.56	0.63
Provision for credit losses for loans and finance leases to net charge-offs	81.55	99.87	92.00	86.70	105.04
Non-performing assets to total assets	0.59	0.59	0.62	0.59	0.62
Nonaccrual loans held for investment to total loans held for investment	0.72	0.71	0.74	0.72	0.74
Allowance for credit losses for loans and finance leases to total nonaccrual loans held for investment	251.22	259.12	256.58	251.22	256.58
Allowance for credit losses for loans and finance leases to total nonaccrual loans held for investment, excluding residential estate loans	334.47	344.37	366.48	334.47	366.48

(1) Non-GAAP financial measures. Refer to *Non-GAAP Disclosures and Statement of Financial Condition — Tangible Common Equity (Non-GAAP)* above for additional information about the components and a reconciliation of these measures.

(2) Non-GAAP financial measures reported on a tax-equivalent basis. Refer to *Non-GAAP Disclosures* and Tables 4 and 5 below for additional information and reconciliation of this measure.

(3) Non-interest expenses divided by the sum of net interest income and non-interest income.

(4) Defined as the sum of cash and cash equivalents, free high-quality liquid assets that could be liquidated within one day, and available secured lines of credit with the FHLB to total assets.

(5) Defined as the sum of cash and cash equivalents and free high-quality liquid assets that could be liquidated within one day to total assets.

(6) Exclude insured deposits not covered by federal deposit insurance.

Table 4 – Quarterly Statement of Average Interest-Earning Assets and Average Interest-Bearing Liabilities (On a Tax-Equivalent Basis, with GAAP reconciliation)

Quarter Ended	Average Volume			Interest Income ⁽¹⁾ / Expense			Average Rate ⁽¹⁾		
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	June 30, 2026	September 30, 2025
(Dollars in thousands)									
Interest-earning assets:									
Money market and other short-term investments	\$ 522,173	\$ 539,882	\$ 871,290	\$ 4,904	\$ 4,969	\$ 9,695	3.73%	3.69%	4.41%
Government obligations ⁽²⁾	1,316,809	1,382,832	1,838,314	11,880	14,976	9,779	3.58%	4.34%	2.11%
MBS	3,943,328	3,829,853	3,281,983	33,800	31,011	18,801	3.40%	3.25%	2.27%
FHLB stock	21,322	22,452	25,777	374	447	495	6.96%	7.99%	7.62%
Other investments	23,198	22,446	20,362	143	137	123	2.45%	2.45%	2.40%
Total investments ⁽³⁾	5,826,830	5,797,465	6,037,726	51,101	51,540	38,893	3.48%	3.57%	2.56%
Residential mortgage loans	2,941,226	2,924,680	2,873,549	43,403	43,696	42,203	5.85%	5.99%	5.83%
Construction loans	210,168	191,228	250,280	5,295	4,779	6,058	10.00%	10.02%	9.60%
C&I and commercial mortgage loans	6,464,509	6,304,576	6,014,997	108,758	106,430	104,631	6.67%	6.77%	6.90%
Consumer loans and finance leases	3,648,193	3,656,603	3,737,413	96,659	95,946	99,202	10.51%	10.52%	10.53%
Total loans ⁽⁴⁾⁽⁵⁾	13,264,096	13,077,087	12,876,239	254,115	250,851	252,094	7.60%	7.69%	7.77%
Total interest-earning assets	\$ 19,090,926	\$ 18,874,552	\$ 18,913,965	\$ 305,216	\$ 302,391	\$ 290,987	6.34%	6.43%	6.10%
Tax-equivalent adjustment				(14,371)	(14,681)	(8,244)			
Interest income - GAAP				\$ 290,845	\$ 287,710	\$ 282,743	6.04%	6.11%	5.93%
Interest-bearing liabilities:									
Time deposits	\$ 3,692,961	\$ 3,497,812	\$ 3,352,163	\$ 30,622	\$ 28,420	\$ 28,590	3.29%	3.26%	3.38%
Brokered CDs	626,673	528,544	581,946	6,422	5,414	6,414	4.07%	4.11%	4.37%
Other interest-bearing deposits	7,126,862	7,119,151	7,421,017	23,972	22,359	26,341	1.33%	1.26%	1.41%
Advances from the FHLB	200,000	226,374	313,152	2,155	2,386	3,472	4.27%	4.23%	4.40%
Other borrowings	14,405	-	857	147	-	10	4.05%	0.00%	4.63%
Total interest-bearing liabilities	\$ 11,660,901	\$ 11,371,881	\$ 11,669,135	\$ 63,318	\$ 58,579	\$ 64,827	2.15%	2.07%	2.20%
Net interest income / margin - non-GAAP ⁽¹⁾				\$ 241,898	\$ 243,812	\$ 226,160	5.03%	5.18%	4.74%
Net interest income / margin - GAAP				\$ 227,527	\$ 229,131	\$ 217,916	4.73%	4.87%	4.57%
Net interest spread - non-GAAP ⁽¹⁾							4.19%	4.36%	3.90%
Net interest spread - GAAP							3.89%	4.04%	3.73%

(1) Non-GAAP financial measures reported on a tax-equivalent basis. The tax-equivalent yield was estimated by dividing the interest rate spread on exempt assets by 1 less the Puerto Rico statutory tax rate of 37.5% and adding to it the cost of interest-bearing liabilities. When adjusted to a tax-equivalent basis, yields on taxable and exempt assets are comparable. Refer to *Non-GAAP Disclosures - Non-GAAP Financial Measures* for additional information.

(2) Government obligations include debt issued by government-sponsored agencies.

(3) Unrealized gains and losses on available-for-sale debt securities are excluded from the average volumes.

(4) Average loan balances include the average of non-performing loans.

(5) Interest income on loans includes \$3.9 million, \$3.7 million, and \$3.8 million, for the quarters ended September 30, 2026, June 30, 2026, and September 30, 2025, respectively, of income from prepayment penalties and late fees related to the Corporation's loan portfolio.

Table 5 – Year-to-Date Statement of Average Interest-Earning Assets and Average Interest-Bearing Liabilities (On a Tax-Equivalent Basis, with GAAP reconciliation)

Nine-Month Period Ended (Dollars in thousands)	Average Volume		Interest Income ⁽¹⁾ / Expense		Average Rate ⁽¹⁾	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Interest-earning assets:						
Money market and other short-term investments	\$ 559,790	\$ 1,016,762	\$ 15,503	\$ 33,797	3.70%	4.44%
Government obligations ⁽²⁾	1,388,552	1,882,541	38,282	24,268	3.69%	1.72%
MBS	3,807,384	3,293,288	91,625	54,277	3.22%	2.20%
FHLB stock	22,631	28,159	1,295	1,930	7.65%	9.16%
Other investments	22,207	20,289	419	544	2.52%	3.58%
Total investments ⁽³⁾	5,800,564	6,241,039	147,124	114,816	3.39%	2.46%
Residential mortgage loans	2,925,951	2,856,813	130,348	125,361	5.96%	5.87%
Construction loans	216,134	242,893	15,865	17,493	9.81%	9.63%
C&I and commercial mortgage loans	6,332,261	5,905,687	317,108	305,145	6.70%	6.91%
Consumer loans and finance leases	3,663,019	3,746,016	288,476	296,803	10.53%	10.59%
Total loans ⁽⁴⁾⁽⁵⁾	13,137,365	12,751,409	751,797	744,802	7.65%	7.81%
Total interest-earning assets	\$ 18,937,929	\$ 18,992,448	\$ 898,921	\$ 859,618	6.35%	6.05%
Tax-equivalent adjustment			(40,517)	(21,620)		
Interest income - GAAP			\$ 858,404	\$ 837,998	6.06%	5.90%
Interest-bearing liabilities:						
Time deposits	\$ 3,578,461	\$ 3,198,226	\$ 88,279	\$ 80,805	3.30%	3.38%
Brokered CDs	570,644	518,195	17,595	17,366	4.12%	4.48%
Other interest-bearing deposits	7,093,393	7,591,571	67,266	80,309	1.27%	1.41%
Advances from the FHLB	234,176	366,703	7,503	12,180	4.28%	4.44%
Other borrowings	4,855	21,199	147	1,166	4.05%	7.35%
Total interest-bearing liabilities	\$ 11,481,529	\$ 11,695,894	\$ 180,790	\$ 191,826	2.11%	2.19%
Net interest income / margin - non-GAAP ⁽¹⁾			\$ 718,131	\$ 667,792	5.07%	4.70%
Net interest income / margin - GAAP			\$ 677,614	\$ 646,172	4.78%	4.55%
Net interest spread - non-GAAP ⁽¹⁾					4.24%	3.86%
Net interest spread - GAAP					3.95%	3.71%

(1) Non-GAAP financial measures reported on a tax-equivalent basis. The tax-equivalent yield was estimated by dividing the interest rate spread on exempt assets by 1 less the Puerto Rico statutory tax rate of 37.5% and adding to it the cost of interest-bearing liabilities. When adjusted to a tax-equivalent basis, yields on taxable and exempt assets are comparable. Refer to *Non-GAAP Disclosures - Non-GAAP Financial Measures* for additional information.

(2) Government obligations include debt issued by government-sponsored agencies.

(3) Unrealized gains and losses on available-for-sale debt securities are excluded from the average volumes.

(4) Average loan balances include the average of non-performing loans.

(5) Interest income on loans includes \$11.6 million and \$12.9 million for the nine-month periods ended September 30, 2026 and 2025, respectively, of income from prepayment penalties and late fees related to the Corporation's loan portfolio. The results for the nine-month period ended September 30, 2025 include a prepayment penalties associated with the payoff of a \$73.8 million commercial mortgage loan and higher income from late fees in the consumer loans and finance leases portfolios.

Table 6 – Loan Portfolio by Geography

	As of September 30, 2026			
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
Residential mortgage loans	\$ 2,260,645	\$ 143,100	\$ 540,199	\$ 2,943,944
Commercial loans:				
Construction loans	202,593	11,970	3,124	217,687
Commercial mortgage loans	1,751,933	71,026	796,434	2,619,393
C&I loans	2,427,411	203,165	1,314,424	3,945,000
Commercial loans	4,381,937	286,161	2,113,982	6,782,080
Consumer loans and finance leases	3,569,862	62,427	6,187	3,638,476
Loans held for investment	10,212,444	491,688	2,660,368	13,364,500
Mortgage loans held for sale	16,545	-	-	16,545
Total loans	\$ 10,228,989	\$ 491,688	\$ 2,660,368	\$ 13,381,045
	As of June 30, 2026			
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
Residential mortgage loans	\$ 2,247,503	\$ 144,769	\$ 534,895	\$ 2,927,167
Commercial loans:				
Construction loans	189,736	11,975	2,919	204,630
Commercial mortgage loans	1,747,380	72,059	817,913	2,637,352
C&I loans	2,420,749	181,905	1,223,934	3,826,588
Commercial loans	4,357,865	265,939	2,044,766	6,668,570
Consumer loans and finance leases	3,591,388	63,763	6,335	3,661,486
Loans held for investment	10,196,756	474,471	2,585,996	13,257,223
Mortgage loans held for sale	15,056	418	-	15,474
Total loans	\$ 10,211,812	\$ 474,889	\$ 2,585,996	\$ 13,272,697
	As of December 31, 2025			
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
Residential mortgage loans	\$ 2,227,053	\$ 150,551	\$ 530,698	\$ 2,908,302
Commercial loans:				
Construction loans	249,466	14,174	1,928	265,568
Commercial mortgage loans	1,690,176	73,751	790,325	2,554,252
C&I loans	2,348,274	170,728	1,169,356	3,688,358
Commercial loans	4,287,916	258,653	1,961,609	6,508,178
Consumer loans and finance leases	3,636,072	66,947	5,857	3,708,876
Loans held for investment	10,151,041	476,151	2,498,164	13,125,356
Loans held for sale	16,697	-	-	16,697
Total loans	\$ 10,167,738	\$ 476,151	\$ 2,498,164	\$ 13,142,053

Table 7 – Non-Performing Assets by Geography

(In thousands)	As of September 30, 2026			
	Puerto Rico	Virgin Islands	United States	Total
Nonaccrual loans held for investment:				
Residential mortgage	\$ 12,376	\$ 4,867	\$ 6,701	\$ 23,944
Construction	4,439	1,021	-	5,460
Commercial mortgage	1,208	5,418	1,802	8,428
C&I	23,678	728	15,371	39,777
Consumer and finance leases	18,148	289	153	18,590
Total nonaccrual loans held for investment	59,849	12,323	24,027	96,199
OREO	5,552	77	-	5,629
Other repossessed property	10,587	146	-	10,733
Other assets ⁽¹⁾	1,579	-	-	1,579
Total non-performing assets ⁽²⁾	\$ 77,567	\$ 12,546	\$ 24,027	\$ 114,140
Past due loans 90 days and still accruing ⁽³⁾	\$ 23,394	\$ 791	\$ 146	\$ 24,331

(In thousands)	As of June 30, 2026			
	Puerto Rico	Virgin Islands	United States	Total
Nonaccrual loans held for investment:				
Residential mortgage	\$ 12,462	\$ 4,592	\$ 6,356	\$ 23,410
Construction	4,441	1,022	-	5,463
Commercial mortgage	1,248	5,819	-	7,067
C&I	25,131	601	15,321	41,053
Consumer and finance leases	17,284	275	13	17,572
Total nonaccrual loans held for investment	60,566	12,309	21,690	94,565
OREO	5,401	659	879	6,939
Other repossessed property	10,699	104	-	10,803
Other assets ⁽¹⁾	1,610	-	-	1,610
Total non-performing assets ⁽²⁾	\$ 78,276	\$ 13,072	\$ 22,569	\$ 113,917
Past due loans 90 days and still accruing ⁽³⁾	\$ 23,700	\$ 890	\$ 146	\$ 24,736

(In thousands)	As of December 31, 2025			
	Puerto Rico	Virgin Islands	United States	Total
Nonaccrual loans held for investment:				
Residential mortgage	\$ 12,637	\$ 5,407	\$ 11,125	\$ 29,169
Construction	4,581	955	-	5,536
Commercial mortgage	1,913	6,469	-	8,382
C&I	27,211	644	187	28,042
Consumer and finance leases	20,891	529	14	21,434
Total nonaccrual loans held for investment	67,233	14,004	11,326	92,563
OREO	6,661	861	-	7,522
Other repossessed property	12,216	173	-	12,389
Other assets ⁽¹⁾	1,620	-	-	1,620
Total non-performing assets ⁽²⁾	\$ 87,730	\$ 15,038	\$ 11,326	\$ 114,094
Past due loans 90 days and still accruing ⁽³⁾	\$ 30,643	\$ 1,270	\$ -	\$ 31,913

(1) Residential pass-through MBS issued by the PRHFA held as part of the available-for-sale debt securities portfolio.

(2) Excludes PCD loans previously accounted for under ASC Subtopic 310-30 for which the Corporation made the accounting policy election of maintaining pools of loans as “units of account” both at the time of adoption of CECL on January 1, 2020 and on an ongoing basis for credit loss measurement. These loans will continue to be excluded from nonaccrual loan statistics as long as the Corporation can reasonably estimate the timing and amount of cash flows expected to be collected on the loan pools. The portion of such loans contractually past due 90 days or more amounted to \$3.0 million as of September 30, 2026 (June 30, 2026 - \$3.6 million; December 31, 2025 - \$4.8 million).

(3) These include rebuked loans, which were previously pooled into GNMA securities, amounting to \$5.2 million as of September 30, 2026 (June 30, 2026 - \$4.6 million; December 31, 2025 - \$6.7 million). Under the GNMA program, the Corporation has the option but not the obligation to repurchase loans that meet GNMA's specified delinquency criteria. For accounting purposes, the loans subject to the repurchase option are required to be reflected on the financial statements with an offsetting liability.

Table 8 – Allowance for Credit Losses on Loans and Finance Leases

	Quarter Ended			Nine-Month Period Ended	
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
(Dollars in thousands)					
Allowance for credit losses on loans and finance leases, beginning of period	\$ 245,039	\$ 245,060	\$ 248,578	\$ 249,037	\$ 243,942
Provision for credit losses on loans and finance leases expense	14,877	15,958	18,270	48,005	63,488
Net (charge-offs) recoveries of loans and finance leases:					
Residential mortgage	(160)	(79)	32	(15)	29
Construction	58	13	313	84	340
Commercial mortgage	(158)	155	117	(525)	208
C&I	(194)	(259)	(108)	(762)	729
Consumer loans and finance leases	(17,789)	(15,809)	(20,212)	(54,151)	(61,746) ⁽¹⁾
Net charge-offs	(18,243)	(15,979)	(19,858)	(55,369)	(60,440) ⁽¹⁾
Allowance for credit losses on loans and finance leases, end of period	\$ 241,673	\$ 245,039	\$ 246,990	\$ 241,673	\$ 246,990
Allowance for credit losses on loans and finance leases to period end total loans held for investment	1.81%	1.85%	1.89%	1.81%	1.89%
Net charge-offs (annualized) to average loans outstanding during the period	0.55%	0.49%	0.62%	0.56%	0.63%
Provision for credit losses on loans and finance leases to net charge-offs during the period	0.82x	1.00x	0.92x	0.87x	1.05x

(1) Includes recoveries totaling \$2.4 million associated with the bulk sale of fully charged-off consumer loans and finance leases.

Table 9 – Annualized Net Charge-Offs (Recoveries) to Average Loans

	Quarter Ended			Nine-Month Period Ended	
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Residential mortgage	0.02%	0.01%	-0.00%	0.00%	-0.00%
Construction	-0.11%	-0.03%	-0.50%	-0.05%	-0.19%
Commercial mortgage	0.02%	-0.02%	-0.02%	0.03%	-0.01%
C&I	0.02%	0.03%	0.01%	0.03%	-0.03%
Consumer loans and finance leases	1.95%	1.73%	2.16%	1.97%	2.20% ⁽¹⁾
Total loans	0.55%	0.49%	0.62%	0.56%	0.63% ⁽¹⁾

(1) The recoveries associated with the aforementioned bulk sale reduced the ratios of consumer loans and finance leases and total net charge-offs to related average loans by 8 basis points and 3 basis points, respectively.

Table 10 – Deposits

	As of		
	September 30, 2026	June 30, 2026	December 31, 2025
(In thousands)			
Time deposits	\$ 3,787,656	\$ 3,535,375	\$ 3,562,331
Interest-bearing saving and checking accounts	7,064,868	7,190,703	6,964,841
Non-interest-bearing deposits	5,465,908	5,548,697	5,549,416
Total deposits, excluding brokered CDs ⁽¹⁾	16,318,432	16,274,775	16,076,588
Brokered CDs	600,204	594,754	593,555
Total deposits	\$ 16,918,636	\$ 16,869,529	\$ 16,670,143
Total deposits, excluding brokered CDs and government deposits	\$ 13,358,314	\$ 13,237,929	\$ 13,061,068

(1) As of each of September 30, 2026, June 30, 2026, and December 31, 2025, government deposits amounted to \$3.0 billion.