

FIRST BANCORP. ANNOUNCES EARNINGS FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2025

SAN JUAN, Puerto Rico – January 27, 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 \$87.1 million, or \$0.55 per diluted share, for the fourth quarter of 2025, compared to \$100.5 million, or \$0.63 per diluted share, for the third quarter of 2025, and \$75.7 million, or \$0.46 per diluted share, for the fourth quarter of 2024. For the year ended December 31, 2025, the Corporation reported a net income of \$344.9 million, or \$2.15 per diluted share, compared to \$298.7 million, or \$1.81 per diluted share, for the year ended December 31, 2024.

Aurelio Alemán, President and Chief Executive Officer of First BanCorp, commented:
“Our fourth quarter results marked a strong finish to a record year for the franchise underscored by record revenues, positive operating leverage, and stable credit performance. Our results continue to demonstrate the resiliency of our well diversified business model and our ability to deliver consistent service to our clients and strong financial performance for our shareholders.”

By virtually all measures, 2025 was an exceptional year for the organization. We crossed \$1.0 billion in total revenues, generated record net income of \$345 million, grew earnings per share by 19%, and posted a strong 1.8% return on average assets, all while reaching an all-time low level of non-performing assets. Total loans grew by 3%, slightly below our original expectations for the year, largely in part to elevated commercial loan payoffs and a deceleration in consumer loan production. Core customer deposits were stable, and more importantly, we achieved this stability while proactively continuing to reduce total deposit costs.

Throughout 2025, we navigated a dynamic operating environment with focus and agility. We continued to reposition our balance sheet towards higher yielding investment securities, strengthened our liquidity and capital levels, and advanced key strategic technology initiatives across our operating regions. These efforts contributed meaningfully to our performance this year and position us well for the future. Looking ahead, the economic backdrop going into 2026 is broadly constructive. We remain committed to our capital deployment priorities and 2026 targets as these measures will continue to drive sustainable franchise growth and industry-leading returns. We are grateful to our dedicated employees for their commitment and to our customers and shareholders for their continued trust in First BanCorp.”

	Q4 '25	Q3 '25	Q4 '24	FY 2025	FY 2024
Financial Highlights					
Net interest income	\$222,768	\$217,916	\$209,267	\$868,940	\$807,479
Provision for credit losses	22,971	17,593	20,904	85,961	59,921
Non-interest income	34,400	30,794	32,199	131,878	130,722
Non-interest expenses	126,870	124,894	124,533	498,123	487,073
Income before income taxes	107,327	106,223	96,029	416,734	391,207
Income tax expense	20,226	5,697	20,328	71,868	92,483
Net income	\$87,101	\$100,526	\$75,701	\$344,866	\$298,724
Selected Financial Data					
Net interest margin	4.68%	4.57%	4.33%	4.58%	4.25%
Efficiency ratio	49.33%	50.22%	51.57%	49.77%	51.92%
Diluted earnings per share	\$0.55	\$0.63	\$0.46	\$2.15	\$1.81
Book value per share	\$12.56	\$12.05	\$10.19	\$12.56	\$10.19
Tangible book value per	\$12.29	\$11.79	\$9.91	\$12.29	\$9.91
Return on average equity ⁽²⁾	17.84%	21.36%	17.77%	18.74%	19.09%
Return on average assets ⁽²⁾	1.81%	2.10%	1.56%	1.81%	1.58%

Results for the Fourth Quarter of 2025 compared to the Third Quarter of 2025

Profitability	<p>Net income – \$87.1 million, or \$0.55 per diluted share compared to \$100.5 million, or \$0.63 per diluted share. Net income for the fourth quarter of 2025 included a reversal of \$1.1 million (\$0.7 million after-tax) related to the estimated Federal Deposit Insurance Corporation (“FDIC”) special assessment, and for the third quarter of 2025 included a \$2.3 million (an increase of \$0.02 per diluted share) tax-exempt benefit in payroll taxes related to the Employee Retention Credit (“ERC”) and a one-time reversal of approximately \$16.6 million (an increase of \$0.10 per diluted share) in valuation allowance related to deferred tax assets primarily associated with net operating loss (“NOL”) carryforwards at the holding company level.</p> <p>Income before income taxes – \$107.3 million compared to \$106.2 million.</p> <p>Adjusted pre-tax, pre-provision income (Non-GAAP)⁽¹⁾ – \$129.2 million compared to \$121.5 million.</p> <p>Net interest income – \$222.8 million compared to \$217.9 million. The net interest income for the fourth quarter of 2025 includes \$0.8 million in interest income recognized as a result of the payoff of a \$12.0 million nonaccrual commercial mortgage loan and a \$0.5 million prepayment penalty associated with the payoff of a \$23.8 million construction loan, both in the Florida region. Net interest margin increased to 4.68%, compared to 4.57%, mostly driven by the deployment of cash flows from lower-yielding investment securities to higher-yielding interest-earning assets and a decrease in the cost of interest-bearing non-maturity government deposits.</p> <p>Provision for credit losses – \$23.0 million compared to \$17.6 million. The increase in provision was mainly related to loan growth in the commercial and construction loan portfolio and the effect during the third quarter of 2025 of a \$2.2 million net benefit in the residential mortgage loan portfolio driven by updates in historical loss experience.</p> <p>Non-interest income – \$34.4 million compared to \$30.8 million.</p> <p>Non-interest expenses – \$126.9 million compared to \$124.9 million. The increase in non-interest expenses includes a \$2.1 million increase in business promotion expenses. The efficiency ratio for the fourth quarter of 2025 was 49.33%, compared to 50.22% for the previous quarter.</p> <p>Income tax expense – \$20.2 million compared to \$5.7 million. Income tax expense for the third quarter of 2025 includes the aforementioned one-time reversal during the third quarter of 2025 of approximately \$16.6 million in valuation allowance, partially offset by a \$0.5 million valuation allowance release during the fourth quarter of 2025 associated to higher utilization of the NOL carryforwards.</p>
	<p>Total loans – increased by \$80.8 million to \$13.1 billion, driven by growth in the commercial and industrial (“C&I”) loan portfolio in the Puerto Rico region.</p> <p>Core deposits (other than brokered and government deposits) – increased by \$266.5 million to \$13.1 billion, mainly in non-interest-bearing deposits in the Puerto Rico region.</p> <p>Government deposits (fully collateralized) – decreased by \$422.6 million to \$3.0 billion, mainly in the Puerto Rico region.</p> <p>Brokered certificates of deposits (“CDs”) – decreased by \$34.8 million to \$593.6 million.</p>
	<p>Allowance for credit losses (“ACL”) coverage ratio – amounted to 1.90%, compared to 1.89%.</p> <p>Annualized net charge-offs to average loans ratio increased to 0.63%, compared to 0.62%.</p> <p>Non-performing assets – decreased by \$5.3 million to \$114.1 million, driven by a \$12.0 million payoff of a well-collateralized commercial mortgage loan in the Florida region in the hospitality industry that carried no ACL, partially offset by the inflow of a \$10.0 million C&I loan in the Puerto Rico region in the telecommunications industry.</p>
	<p>Liquidity – Cash and cash equivalents amounted to \$658.6 million, compared to \$899.6 million. When adding \$1.9 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 19.39% of total assets, compared to 18.10%.</p> <p>Capital – Repurchased \$50.0 million in common stock and declared \$28.3 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 18.01%, 16.76%, 16.76%, and 11.58%, respectively, as of December 31, 2025. On a non-GAAP basis, the tangible common equity ratio⁽¹⁾ increased to 10.08%, when compared to 9.73%, and includes, among other things, a \$38.3 million increase in the fair value of available-for-sale debt securities due to changes in market interest rates.</p>
Balance Sheet	
Asset Quality	
Liquidity and Capital	

(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.

(2) For the third quarter of 2025 and year ended December 31, 2025, the ERC and the one-time reversal in valuation allowance related to deferred tax assets increased the return on average equity ratio by 400 basis points and 98 basis points, respectively, and the return on average assets ratio by 40 basis points and 10 basis points, respectively.

NET INTEREST INCOME

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

(Dollars in thousands)	Quarter Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Net Interest Income					
Interest income	\$ 285,158	\$ 282,743	\$ 278,190	\$ 277,065	\$ 279,728
Interest expense	62,390	64,827	62,331	64,668	70,461
Net interest income	<u>\$ 222,768</u>	<u>\$ 217,916</u>	<u>\$ 215,859</u>	<u>\$ 212,397</u>	<u>\$ 209,267</u>
Average Balances					
Loans and leases	\$ 13,032,081	\$ 12,876,239	\$ 12,742,809	\$ 12,632,501	\$ 12,584,143
Total securities, other short-term investments and interest-bearing cash balances	5,871,091	6,037,726	6,245,844	6,444,016	6,592,411
Average interest-earning assets	<u>\$ 18,903,172</u>	<u>\$ 18,913,965</u>	<u>\$ 18,988,653</u>	<u>\$ 19,076,517</u>	<u>\$ 19,176,554</u>
Average interest-bearing liabilities	<u>\$ 11,531,091</u>	<u>\$ 11,669,135</u>	<u>\$ 11,670,411</u>	<u>\$ 11,749,011</u>	<u>\$ 11,911,904</u>
Average Yield/Rate					
Average yield on interest-earning assets	5.98%	5.93%	5.88%	5.89%	5.79%
Average rate on interest-bearing liabilities	2.15%	2.20%	2.14%	2.23%	2.35%
Net interest spread	<u>3.83%</u>	<u>3.73%</u>	<u>3.74%</u>	<u>3.66%</u>	<u>3.44%</u>
Net interest margin	<u>4.68%</u>	<u>4.57%</u>	<u>4.56%</u>	<u>4.52%</u>	<u>4.33%</u>

Net interest income amounted to \$222.8 million for the fourth quarter of 2025, an increase of \$4.9 million, compared to \$217.9 million for the third quarter of 2025. The increase in net interest income reflects the following:

- A \$2.5 million decrease in interest expense on interest-bearing liabilities, as further explained below.
 - A \$2.2 million decrease in interest expense on interest-bearing deposits, consisting of:
 - A \$4.0 million decrease in interest expense on interest-bearing checking and savings accounts, mainly due to a decrease of approximately \$2.6 million associated with lower interest rates paid in the fourth quarter of 2025 and a \$1.4 million decrease associated with a \$321.4 million reduction in the average balance. The average cost of interest-bearing checking and savings accounts in the fourth quarter of 2025 decreased 16 basis points to 1.25% when compared to the previous quarter, mostly driven by a 31 basis points decrease in the cost of government deposits. Excluding government deposits, the average cost of interest-bearing checking and savings accounts in the fourth quarter of 2025 was 0.68%, compared to 0.72% for the previous quarter.

Partially offset by:

- A \$1.6 million increase in interest expense on time deposits, excluding brokered CDs, mainly due to a \$172.1 million increase in the average balance. The average cost of time deposits, excluding brokered CDs and public sector deposits, remained stable at 3.39% during the fourth quarter of 2025, when compared to the previous quarter.
- A \$0.2 million increase in interest expense on brokered CDs, mainly due to a \$35.3 million increase in the average balance. The average cost of brokered CDs decreased 10 basis points during the fourth quarter of 2025.
- A \$0.3 million decrease in interest expense on borrowings, primarily due to the full quarter effect of a \$30.0 million FHLB advance that matured and was repaid in September 2025.
- A \$1.6 million increase in interest income on investment securities and interest-bearing cash balances, a net effect of:
 - A \$4.0 million increase in interest income on debt securities, mainly due to purchases of higher-yielding available-for-sale debt securities replacing maturities of lower-yielding debt securities, resulting in a 33 basis points improvement in yield.

Partially offset by:

- A \$2.4 million decrease in interest income from interest-bearing cash balances, due to a \$1.5 million decrease associated with a \$144.3 million decrease in the average balances, which consisted primarily of deposits maintained at the Federal Reserve Bank (the “FED”), and a \$0.9 million decrease associated with the reduction of the federal funds rate.
- A \$0.8 million increase in interest income on loans, consisting of:
 - A \$0.8 million increase in interest income on residential mortgage loans, due to a \$0.5 million increase related to a \$31.2 million increase in the average balance and a \$0.3 million increase associated with higher collections on nonaccrual loans.
 - A \$0.7 million increase in interest income on commercial and construction loans, driven by a \$2.3 million increase associated with a \$141.4 million increase in the average balance, partially offset by a \$1.6 million net decrease due to the effect of lower market interest rates on the downward repricing of variable-rate loans, which was compensated in part by \$0.8 million in interest income recognized as a result of the payoff of a \$12.0 million nonaccrual commercial mortgage loan and a \$0.5 million prepayment penalty associated with the payoff of a \$23.8 million construction loan, both in the Florida region, during the fourth quarter of 2025.

As of December 31, 2025, the interest rate on approximately 50% of the Corporation’s commercial and construction loans was tied to variable rates, with 32% based upon SOFR of 3 months or less, 10% based upon the Prime rate index, and 8% based on other indexes. For the quarter ended December 31, 2025, the average one-month SOFR decreased 38 basis points, the average three-month SOFR decreased 38 basis points, and the average Prime rate decreased 44 basis points, when compared to the third quarter of 2025.

Partially offset by:

- A \$0.7 million decrease in interest income on consumer loans and finance leases, mainly associated with a \$16.7 million decrease in the average balance.

Net interest margin for the fourth quarter of 2025 was 4.68%, an 11 basis points increase when compared to the third quarter of 2025, mostly reflecting the deployment of cash flows from lower-yielding investment securities to fund loan growth and purchases of higher-yielding investment securities and the decrease in the cost of interest-bearing non-maturity deposits, primarily public sector deposits. These factors were partially offset by the downward repricing of variable-rate commercial loans. The results for the fourth quarter of 2025 also include an increase of 3 basis points associated with interest income collected on the aforementioned nonaccrual commercial loan and prepayment penalty.

NON-INTEREST INCOME

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

	Quarter Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
(In thousands)					
Service charges and fees on deposit accounts	\$ 9,861	\$ 9,811	\$ 9,756	\$ 9,640	\$ 9,748
Mortgage banking activities	4,219	3,309	3,401	3,177	3,183
Insurance commission income	2,265	2,618	2,538	5,805	2,274
Card and processing income	12,353	11,682	11,880	11,475	12,155
Other non-interest income	5,702	3,374	3,375	5,637	4,839
Non-interest income	<u>\$ 34,400</u>	<u>\$ 30,794</u>	<u>\$ 30,950</u>	<u>\$ 35,734</u>	<u>\$ 32,199</u>

Non-interest income increased by \$3.6 million to \$34.4 million for the fourth quarter of 2025, compared to \$30.8 million for the third quarter of 2025, mainly due to:

- A \$2.3 million increase in other non-interest income, primarily driven by \$1.8 million in realized gains from purchased income tax credits recognized during the fourth quarter of 2025.
- A \$0.9 million increase in revenues from mortgage banking activities, mainly driven by an increase in the net realized gain on sales of residential mortgage loans in the secondary market due to a higher volume of sales and higher margins. During the fourth and third quarters of 2025, net realized gains of \$2.4 million and \$1.6 million, respectively, were recognized as a result of Government National Mortgage Association (“GNMA”) securitization transactions and whole loan sales to U.S. government-sponsored enterprises amounting to \$44.0 million and \$36.0 million, respectively.
- A \$0.7 million increase in debit and credit card processing income, mainly due to higher transactional fee income from point-of-sale terminals during the fourth quarter of 2025.

NON-INTEREST EXPENSES

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

	Quarter Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
(In thousands)					
Employees' compensation and benefits	\$ 63,196	\$ 59,761	\$ 60,058	\$ 62,137	\$ 59,652
Occupancy and equipment	21,797	22,185	22,297	22,630	22,771
Business promotion	5,944	3,884	3,495	3,278	5,328
Professional service fees:					
Collections, appraisals and other credit-related fees	1,007	856	634	598	956
Outsourcing technology services	8,433	8,107	8,324	7,921	7,499
Other professional fees	3,671	2,940	2,651	2,967	3,355
Taxes, other than income taxes	6,272	6,092	5,712	5,878	5,994
FDIC deposit insurance	961	2,236	2,235	2,236	2,236
Other insurance and supervisory fees	1,327	1,344	1,566	1,551	1,967
Net (gain) loss on other real estate owned ("OREO") operations	(838)	1,033	(591)	(1,129)	(1,074)
Credit and debit card processing expenses	7,728	7,889	7,747	5,110	7,147
Communications	2,284	2,294	2,208	2,245	2,251
Other non-interest expenses	5,088	6,273	7,001	7,600	6,451
Total non-interest expenses	\$ 126,870	\$ 124,894	\$ 123,337	\$ 123,022	\$ 124,533

Non-interest expenses amounted to \$126.9 million in the fourth quarter of 2025, an increase of \$2.0 million, from \$124.9 million in the third quarter of 2025. Non-interest expenses for the fourth quarter of 2025 include the following:

- A \$3.4 million increase in employees' compensation and benefits expenses, of which \$2.3 million was attributable to the ERC recognized during the third quarter of 2025.
- A \$2.1 million increase in business promotion expenses as a result of certain marketing efforts during the fourth quarter of 2025.
- A \$1.2 million increase in professional services fees, of which \$0.7 million was in consulting fees driven by technology projects.

Partially offset by:

- A \$1.9 million favorable variance in net (gain) loss on OREO operations mainly due to the \$2.8 million valuation adjustment, which was recorded during the third quarter of 2025 in connection with an ongoing litigation which could result in a potential loss of title of a commercial OREO property in the Virgin Islands region, partially offset by lower net realized gains from the sale of OREO properties in the Puerto Rico region.
- A \$1.3 million decrease in the FDIC deposit insurance expense driven by the reversal of \$1.1 million related to the estimated FDIC special assessment.
- A \$1.2 million decrease in other non-interest expenses, mainly due to a \$0.6 million decrease in the amortization of intangible assets attributable to core deposit intangible assets related to non-interest-bearing checking accounts from the Banco Santander Puerto Rico acquisition and a \$0.5 million decrease in charges for operational and fraud losses.

On a non-GAAP basis, excluding the impact of the ERC and the reversal of the estimated FDIC special assessment (as detailed in the *Non-GAAP Disclosures – Special Items* section), adjusted non-interest expenses increased by \$0.8 million.

INCOME TAXES

The Corporation recorded an income tax expense of \$20.2 million for the fourth quarter of 2025, compared to \$5.7 million for the third quarter of 2025. The income tax expense for the fourth and third quarters of 2025 includes \$0.5 million and \$16.6 million, respectively, in valuation allowance releases. The reversal for the third quarter of 2025 follows the enactment of Act 65-2025, which allows domestic limited liability companies owned by legal entities to elect to be treated as disregarded entities for tax purposes. For further details on the implications of Act 65-2025, refer to the *Non-GAAP Disclosures – Special Items* section.

The Corporation's annual effective tax rate, excluding discrete items, decreased to 21.6% for the fourth quarter of 2025, compared to 22.2% for the third quarter of 2025. The decrease in the annual effective tax rate was primarily related to a higher proportion of exempt to taxable income. As of December 31, 2025, the Corporation had a net deferred tax asset of \$149.0 million, net of a valuation allowance of \$75.0 million, compared to a net deferred tax asset of \$146.9 million, net of a valuation allowance of \$80.8 million as of September 30, 2025.

CREDIT QUALITY

Non-Performing Assets

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

(Dollars in thousands)	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Nonaccrual loans held for investment:					
Residential mortgage	\$ 29,169	\$ 28,866	\$ 30,790	\$ 30,793	\$ 31,949
Construction	5,536	5,591	5,718	1,356	1,365
Commercial mortgage	8,382	21,437	22,905	23,155	10,851
C&I	28,042	19,650	20,349	20,344	20,514
Consumer and finance leases	21,434	20,717	20,336	22,813	22,788
Total nonaccrual loans held for investment	\$ 92,563	\$ 96,261	\$ 100,098	\$ 98,461	\$ 87,467
OREO	7,522	9,343	14,449	15,880	17,306
Other repossessed property	12,389	12,234	11,868	13,444	11,859
Other assets ⁽¹⁾	1,620	1,579	1,576	1,599	1,620
Total non-performing assets ⁽²⁾	\$ 114,094	\$ 119,417	\$ 127,991	\$ 129,384	\$ 118,252
Past due loans 90 days and still accruing ⁽³⁾	\$ 31,913	\$ 28,891	\$ 29,535	\$ 37,117	\$ 42,390
Nonaccrual loans held for investment to total loans held for investment	0.71%	0.74%	0.78%	0.78%	0.69%
Nonaccrual loans to total loans	0.70%	0.74%	0.78%	0.78%	0.69%
Non-performing assets to total assets	0.60%	0.62%	0.68%	0.68%	0.61%

(1) Residential pass-through 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 \$4.8 million as of December 31, 2025 (September 30, 2025 - \$5.0 million; June 30, 2025 - \$4.9 million; March 31, 2025 - \$5.7 million; December 31, 2024 - \$6.2 million).

(3) These include rebooked loans, which were previously pooled into GNMA securities, amounting to \$6.7 million as of December 31, 2025 (September 30, 2025 - \$3.8 million; June 30, 2025 - \$5.5 million; March 31, 2025 - \$6.4 million; December 31, 2024 - \$5.7 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.

Variances in credit quality metrics:

- Total non-performing assets decreased by \$5.3 million to \$114.1 million as of December 31, 2025, driven by a \$12.0 million payoff of a commercial mortgage loan in the Florida region in the hospitality industry; a \$3.1 million payoff of a C&I loan in the Puerto Rico region in the food retail industry; and a \$1.8 million decrease in the OREO portfolio balance, mainly attributable to the sale of residential properties in the Puerto Rico region; partially offset by the inflows of a \$10.0 million C&I loan in the Puerto Rico region in the telecommunications industry and a \$1.9 million C&I loan in the Puerto Rico region in the dairy farm industry.
- Inflows to nonaccrual loans held for investment were \$46.2 million in the fourth quarter of 2025, an increase of \$14.0 million, compared to inflows of \$32.2 million in the third quarter of 2025. Inflows to nonaccrual commercial and construction loans were \$12.4 million in the fourth quarter of 2025, an increase of \$12.1 million, compared to inflows of \$0.3 million in the third quarter of 2025, driven by the aforementioned inflows of two C&I loans in the Puerto Rico region. Inflows to nonaccrual residential mortgage loans were \$4.3 million in the fourth quarter of 2025, an increase of \$1.2 million, compared to inflows of \$3.1 million in the third quarter of 2025. Inflows to nonaccrual consumer loans were \$29.5 million in the fourth quarter of 2025, an increase of \$0.7 million, compared to inflows of \$28.8 million in the third quarter of 2025. See *Early Delinquency* below for additional information.
- Adversely classified commercial loans decreased by \$19.8 million to \$81.4 million as of December 31, 2025, compared to \$101.2 million as of September 30, 2025, driven by the aforementioned payoffs of a \$12.0 million commercial mortgage loan in the Florida region and a \$3.1 million C&I loan in the Puerto Rico region, partially offset by the aforementioned inflow to nonaccrual status of a \$1.9 million C&I loan in the Puerto Rico region.

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 \$145.0 million as of December 31, 2025, an increase of \$2.1 million, compared to \$142.9 million as of September 30, 2025, driven by a \$7.0 million increase in consumer loans, mainly in the auto loans portfolio, partially offset by a \$5.9 million decrease in commercial and construction loans, primarily due to a \$6.0 million C&I loan in the Florida region that has been restored to current 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 fourth and third quarters of 2025:

Quarter Ended December 31, 2025								
(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	\$ 40,272	\$ 68,580	\$ 138,138	\$ 246,990	\$ 2,611	\$ 698	\$ 658	\$ 250,957
Provision for credit losses - expense	644	2,393	19,381	22,418	402	35	116	22,971
Net recoveries (charge-offs)	155	(53)	(20,473)	(20,371)	-	-	(11)	(20,382)
Allowance for credit losses, end of period	\$ 41,071	\$ 70,920	\$ 137,046	\$ 249,037	\$ 3,013	\$ 733	\$ 763	\$ 253,546
Amortized cost of loans and finance leases	\$ 2,908,302	\$ 6,508,178	\$ 3,708,876	\$ 13,125,356				
Allowance for credit losses on loans to amortized cost	1.41%	1.09%	3.70%	1.90%				

Quarter Ended September 30, 2025								
(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	\$ 42,448	\$ 66,656	\$ 139,474	\$ 248,578	\$ 3,367	\$ 765	\$ 513	\$ 253,223
Provision for credit losses - (benefit) expense	(2,208)	1,602	18,876	18,270	(756)	(67)	146	17,593
Net recoveries (charge-offs)	32	322	(20,212)	(19,858)	-	-	(1)	(19,859)
Allowance for credit losses, end of period	\$ 40,272	\$ 68,580	\$ 138,138	\$ 246,990	\$ 2,611	\$ 698	\$ 658	\$ 250,957
Amortized cost of loans and finance leases	\$ 2,889,081	\$ 6,423,479	\$ 3,736,124	\$ 13,048,684				
Allowance for credit losses on loans to amortized cost	1.39%	1.07%	3.70%	1.89%				

Allowance for Credit Losses for Loans and Finance Leases

As of December 31, 2025, the ACL for loans and finance leases was \$249.0 million, an increase of \$2.0 million, from \$247.0 million as of September 30, 2025. The ratio of the ACL for loans and finance leases to total loans held for investment was 1.90% as of December 31, 2025, compared to 1.89% as of September 30, 2025.

The increase was mainly related to the ACL for commercial and construction loans, which increased by \$2.3 million, mainly due to C&I loan portfolio growth, partially offset by improved financial performance of certain commercial borrowers. Also, the ACL for residential mortgage loans increased by \$0.8 million driven by loan growth, partially offset by improvements in the projection of the unemployment rate. Meanwhile, the ACL for consumer loans decreased by \$1.1 million, driven by improvements in macroeconomic variables, mainly in the projection of the unemployment rate.

The provision for credit losses on loans and finance leases was \$22.4 million for the fourth quarter of 2025, compared to \$18.3 million in the third quarter of 2025, as detailed below:

- Provision for credit losses for the residential mortgage loan portfolio was an expense of \$0.6 million for the fourth quarter of 2025, compared to a net benefit of \$2.2 million for the third quarter of 2025. The net benefit recorded during the third quarter of 2025 was driven by updates in historical loss experience that resulted in lower estimated loss severities and reduced reserve requirements.
- Provision for credit losses for the commercial and construction loan portfolios was an expense of \$2.4 million for the fourth quarter of 2025, compared to an expense of \$1.6 million for the third quarter of 2025. The \$0.8 million increase in provision expense was driven by loan growth, partially offset by improved financial performance of certain commercial borrowers.
- Provision for credit losses for the consumer loan and finance lease portfolios was an expense of \$19.4 million for the fourth quarter of 2025, compared to an expense of \$18.9 million for the third quarter of 2025. The \$0.5 million increase in provision expense was driven by a lower favorable impact from updated macroeconomic variables, mainly in the projection of the unemployment rate, partially offset by the prior quarter's provision related to updates in historical loss experience used to estimate the ACL for the unsecured loan portfolio.

Net Charge-Offs

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

	Quarter Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Residential mortgage	-0.02%	-0.00%	-0.00%	0.00%	0.04%
Construction	-0.02%	-0.50%	-0.02%	-0.02%	-0.17%
Commercial mortgage	0.01%	-0.02%	-0.01%	-0.01%	-0.01%
C&I	0.00%	0.01%	-0.09%	-0.01%	0.02%
Consumer loans and finance leases	2.20%	2.16%	2.12%	2.31% ⁽¹⁾	2.59%
Total loans	0.63%	0.62%	0.60%	0.68% ⁽¹⁾	0.78%

(1) The net charge-offs for the quarter ended March 31, 2025 included \$2.4 million in recoveries associated with the bulk sale of fully charged-off consumer loans and finance leases. These recoveries reduced the ratios of consumer loans and finance leases and total net charge-offs to related average loans for the quarter ended March 31, 2025 by 25 basis points and 8 basis points, respectively.

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 \$20.4 million for the fourth quarter of 2025, or an annualized 0.63% of average loans, compared to \$19.9 million, or an annualized 0.62% of average loans, in the third quarter of 2025. The \$0.5 million increase in net charge-offs was driven by a \$0.3 million increase in consumer loans and finance leases net charge-offs, mainly in the unsecured loan portfolio, and a \$0.3 million recovery associated with a construction loan in the Florida region during the third quarter of 2025.

Allowance for Credit Losses for Unfunded Loan Commitments

As of December 31, 2025, the ACL for off-balance sheet credit exposures increased to \$3.0 million, compared to \$2.6 million as of September 30, 2025.

Allowance for Credit Losses for Debt Securities

As of December 31, 2025, the ACL for debt securities was \$1.5 million, of which \$0.7 million was related to Puerto Rico municipal bonds classified as held-to-maturity, compared to \$1.4 million and \$0.7 million, respectively, as of September 30, 2025.

STATEMENT OF FINANCIAL CONDITION

Total assets were approximately \$19.1 billion as of December 31, 2025, down \$188.4 million from September 30, 2025.

The following variances within the main components of total assets are noted:

- A \$241.0 million decrease in cash and cash equivalents, mainly related to the overall decrease in deposits, loan growth, and capital deployment actions.
- A \$52.0 million decrease in investment securities, driven by repayments of \$660.3 billion of U.S. agencies' MBS and debentures, of which \$464.3 million was associated with matured securities, partially offset by purchases during the fourth quarter of 2025 of \$572.9 million in U.S. agencies' MBS and debentures at an average yield of 4.42%, and a \$38.3 million increase in the fair value of available-for-sale debt securities attributable to changes in market interest rates. In addition, during the fourth quarter of 2025, \$375.0 million in matured U.S. Treasury bills were replaced with \$370.4 million in U.S. Treasury bills at an average yield of 3.80%.
- An \$80.8 million increase in total loans. On a portfolio basis, the variance consisted of increases of \$84.7 million in commercial and construction loans and \$23.4 million in residential mortgage loans, partially offset by a \$27.3 million decrease in consumer loans. In terms of geography, the growth was mainly related to a \$71.8 million increase in the Puerto Rico region. The increase in commercial and construction loans was driven by an \$81.6 million increase in the Puerto Rico region, of which \$55.3 million was in C&I loans. The fourth quarter of 2025 includes repayments of certain commercial and construction loans, each in excess of \$10 million, of which \$74.3 million was in the Florida region and \$49.3 million was in the Puerto Rico region.

Total loan originations, including refinancings, renewals, and draws from existing commitments (excluding credit card utilization activity), amounted to \$1.3 billion in the fourth quarter of 2025, an increase of \$20.8 million compared to the third quarter of 2025, mainly in commercial and construction loans in the Puerto Rico region.

Total liabilities were approximately \$17.2 billion as of December 31, 2025, a decrease of \$237.2 million from September 30, 2025.

The following variances within the main components of total liabilities are noted:

- Total deposits decreased by \$190.9 million consisting of:
 - A \$422.6 million decrease in government deposits, consisting of decreases of \$366.1 million in the Puerto Rico region and \$56.5 million in the Virgin Islands region.
 - A \$34.8 million decrease in brokered CDs in the Florida region. The decrease consisted of maturing brokered CDs amounting to \$105.3 million with an all-in cost of 4.56% that were paid off during the fourth quarter of 2025, partially offset by \$70.5 million of new issuances with average maturities of approximately 1.3 years and an all-in cost of 3.77%.

Partially offset by:

- A \$266.5 million increase in deposits, excluding brokered CDs and government deposits, driven by increases of \$249.7 million in the Puerto Rico region and \$22.7 million in the Virgin Islands region. The increase in such deposits includes a \$210.3 million increase in non-interest-bearing deposits, of which \$178.8 million was in the Puerto Rico region.
- A \$46.3 million decrease in other liabilities, in part due to a \$72.8 million decrease in unsettled investment trades related to purchases of U.S. agencies MBS during the third quarter of 2025, which were settled in the fourth quarter of 2025.

Total stockholders' equity amounted to \$2.0 billion as of December 31, 2025, an increase of \$48.8 million from September 30, 2025, driven by the net income generated in the fourth quarter of 2025 and a \$38.3 million increase 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, partially offset by \$50.0 million in common stock repurchases at an average price of \$19.88 and \$28.3 million in common stock dividends declared in the fourth quarter of 2025.

As of December 31, 2025, 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 16.76%, 16.76%, 18.01%, and 11.58%, respectively, as of December 31, 2025, compared to CET1 capital, tier 1 capital, total capital, and leverage ratios of 16.67%, 16.67%, 17.93%, and 11.52%, respectively, as of September 30, 2025.

Meanwhile, estimated CET1 capital, tier 1 capital, total capital and leverage ratios of our banking subsidiary, FirstBank, were 15.60%, 16.35%, 17.61%, and 11.30%, respectively, as of December 31, 2025, compared to CET1 capital, tier 1 capital, total capital and leverage ratios of 15.48%, 16.23%, 17.48%, and 11.20%, respectively, as of September 30, 2025.

Liquidity

Cash and cash equivalents decreased by \$241.0 million to \$658.6 million as of December 31, 2025. When adding \$1.9 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 December 31, 2025, or 13.54% of total assets, compared to \$2.4 billion, or 12.64% of total assets as of September 30, 2025. In addition, as of December 31, 2025, 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 19.39% as of December 31, 2025, compared to 18.10% as of September 30, 2025.

In addition to the aforementioned available credit from the FHLB, the Corporation also maintains borrowing capacity at the FED Discount Window Program. The Corporation had approximately \$2.6 billion available for funding under the FED's Borrower-In-Custody Program as of December 31, 2025. In the aggregate, as of December 31, 2025, the Corporation had \$6.3 billion available to meet liquidity needs, or 132% of estimated uninsured deposits (excluding fully collateralized government deposits).

The Corporation's total deposits, excluding brokered CDs, amounted to \$16.1 billion as of December 31, 2025, compared to \$16.2 billion as of September 30, 2025, which includes \$3.0 billion and \$3.4 billion, respectively, in government deposits that are fully collateralized. Excluding fully collateralized government deposits and FDIC-insured deposits as of December 31, 2025, the estimated amount of uninsured deposits was \$4.8 billion, which represents 29.79% of total deposits, compared to \$4.6 billion, or 28.36% of total deposits, as of September 30, 2025. 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 increased to 10.08% as of December 31, 2025, compared to 9.73% as of September 30, 2025, driven by quarterly earnings less dividends and repurchases of common stock, the \$38.3 million increase in the fair value of available-for-sale debt securities, and the decrease in tangible assets. 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:

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
(In thousands, except ratios and per share information)					
Tangible Equity:					
Total common equity - GAAP	\$ 1,966,865	\$ 1,918,045	\$ 1,845,455	\$ 1,779,342	\$ 1,669,236
Goodwill	(38,611)	(38,611)	(38,611)	(38,611)	(38,611)
Other intangible assets	(3,458)	(3,676)	(4,535)	(5,715)	(6,967)
Tangible common equity - non-GAAP	\$ 1,924,796	\$ 1,875,758	\$ 1,802,309	\$ 1,735,016	\$ 1,623,658
Tangible Assets:					
Total assets - GAAP	\$ 19,132,892	\$ 19,321,335	\$ 18,897,529	\$ 19,106,983	\$ 19,292,921
Goodwill	(38,611)	(38,611)	(38,611)	(38,611)	(38,611)
Other intangible assets	(3,458)	(3,676)	(4,535)	(5,715)	(6,967)
Tangible assets - non-GAAP	\$ 19,090,823	\$ 19,279,048	\$ 18,854,383	\$ 19,062,657	\$ 19,247,343
Common shares outstanding	156,619	159,135	161,508	163,104	163,869
Tangible common equity ratio - non-GAAP	10.08%	9.73%	9.56%	9.10%	8.44%
Tangible book value per common share - non-GAAP	\$ 12.29	\$ 11.79	\$ 11.16	\$ 10.64	\$ 9.91

Exposure to Puerto Rico Government

Direct Exposure

As of December 31, 2025, the Corporation had \$297.8 million of direct exposure to the Puerto Rico government, its municipalities, and public corporations, an increase of \$2.0 million compared to \$295.8 million as of September 30, 2025. As of December 31, 2025, approximately \$211.3 million of the exposure consisted of loans and obligations of municipalities in Puerto Rico that are supported by assigned property tax revenues and for which, in most cases, the good faith, credit, and unlimited taxing power of the applicable municipality have been pledged to their repayment, and \$42.2 million consisted of loans and obligations which are supported by one or more specific sources of municipal revenues. The Corporation's total direct exposure to the Puerto Rico government also included \$8.7 million in a loan extended to an affiliate of the Puerto Rico Electric Power Authority and \$32.9 million in loans to public corporations of Puerto Rico. In addition, the total direct exposure included an obligation of the Puerto Rico government, specifically a residential pass-through MBS issued by the PRHFA, at an amortized cost of \$2.7 million (fair value of \$1.6 million as of December 31, 2025), included as part of the Corporation's available-for-sale debt securities portfolio. This residential pass-through MBS issued by the PRHFA is collateralized by certain second mortgages and had an unrealized loss of \$1.1 million as of December 31, 2025, of which \$0.3 million is due to credit deterioration.

The aforementioned exposure to municipalities in Puerto Rico included \$79.6 million of financing arrangements with Puerto Rico municipalities that were 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 December 31, 2025 and September 30, 2025, the Corporation had \$2.5 billion and \$2.9 billion, respectively, of public sector deposits in Puerto Rico. Approximately 23% of the public sector deposits as of December 31, 2025 were from municipalities and municipal agencies in Puerto Rico, and 77% were from public corporations, the Puerto Rico central government and agencies, and U.S. federal government agencies in Puerto Rico.

Additionally, as of December 31, 2025, the outstanding balance of construction loans funded through conduit financing structures to support the federal programs of Low-Income Housing Tax Credit combined with other federal programs amounted to \$92.4 million, compared to \$78.3 million as of September 30, 2025. The main objective of these programs is to spur development in new or rehabilitated and affordable rental housing. PRHFA, as program subrecipient and conduit issuer, issues tax-exempt obligations which are acquired by private financial institutions and are required to co-underwrite with PRHFA a mirror construction loan agreement for the specific project loan to which the Corporation will serve as ultimate lender but where the PRHFA will be the lender of record. The total amount of unfunded loan commitments related to these loans as of December 31, 2025 was \$60.9 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, 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 quarters ended December 31, 2025 and September 30, 2025 and years ended December 31, 2025 and 2024 included the following Special Items:

Quarter Ended December 31, 2025 and Years Ended December 31, 2025 and 2024

FDIC Special Assessment Expense

- A benefit of \$1.1 million (\$0.7 million after-tax, calculated based on the statutory tax rate of 37.5%) was recorded for the quarter and year ended December 31, 2025, related to amendments to the FDIC special assessment collection terms. On December 16, 2025, the FDIC issued an interim final rule amending the collection terms of the special assessment, including reducing the collection rate in the eighth collection quarter from 3.36 basis points to 2.97 basis points, eliminating the extended assessment period provisions, and providing offsets to regular quarterly deposit insurance assessments if aggregate collections exceed actual losses. As a result of these changes, the Corporation recorded a reversal of the charges of \$1.1 million (\$0.7 million after-tax) that were recorded for the year ended December 31, 2024 in connection with the FDIC special assessment imposed to cover expected losses incurred by the Deposit Insurance Fund following the failures of certain financial institutions in the first half of 2023. The FDIC deposit special assessment is reflected in the condensed consolidated statements of income as part of "FDIC deposit insurance" expenses.
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Quarter Ended September 30, 2025 and Year Ended December 31, 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. This reversal reflects the Corporation's expectation of realizing these tax benefits under the new election established by the Act.

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 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, and Adjusted Income Tax Expense

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, and income tax expense 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 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 reconciles, for the fourth and third quarters of 2025 and years ended December 31, 2025 and 2024, net income to adjusted net income, which is a non-GAAP financial measure that excludes the significant Special Items discussed in the *Non-GAAP Disclosures – Special Items* section, and shows net income, for the quarter ended December 31, 2024.

	Quarter Ended			Year Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(In thousands, except per share information)					
Net income, as reported (GAAP)	\$ 87,101	\$ 100,526	\$ 75,701	\$ 344,866	\$ 298,724
Adjustments:					
Employee retention credit	-	(2,358)	-	(2,358)	-
FDIC special assessment (reversal) expense	(1,099)	-	-	(1,099)	1,099
Income tax impact related to the enactment of Act 65-2025	-	(16,553)	-	(16,553)	-
Income tax impact of adjustments ⁽¹⁾	412	-	-	412	(412)
Adjusted net income (Non-GAAP)	<u>\$ 86,414</u>	<u>\$ 81,615</u>	<u>\$ 75,701</u>	<u>\$ 325,268</u>	<u>\$ 299,411</u>

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

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 years ended December 31, 2025 and 2024:

	Quarter Ended					Year Ended	
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Dollars in thousands)							
Income before income taxes	\$ 107,327	\$ 106,223	\$ 102,885	\$ 100,299	\$ 96,029	\$ 416,734	\$ 391,207
Add: Provision for credit losses expense	22,971	17,593	20,587	24,810	20,904	85,961	59,921
Add: FDIC special assessment (reversal) expense	(1,099)	-	-	-	-	(1,099)	1,099
Less: Employee retention credit	-	(2,358)	-	-	-	(2,358)	-
Adjusted pre-tax, pre-provision income ⁽¹⁾	<u>\$ 129,199</u>	<u>\$ 121,458</u>	<u>\$ 123,472</u>	<u>\$ 125,109</u>	<u>\$ 116,933</u>	<u>\$ 499,238</u>	<u>\$ 452,227</u>
Change from most recent prior period (amount)	\$ 7,741	\$ (2,014)	\$ (1,637)	\$ 8,176	\$ 5,302	\$ 47,011	\$ (7,255)
Change from most recent prior period (percentage)	6.4%	-1.6%	-1.3%	7.0%	4.7%	10.4%	-1.6%

(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 Tuesday, January 27, 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) 470-1428 or (646) 844-6383. The participant access code is 822609. 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 January 27, 2027. A telephone replay will be available one hour after the end of the conference call through February 26, 2026, at (866) 813-9403. The replay access code is 830837.

Safe Harbor

This press release may contain “forward-looking statements” concerning the Corporation’s future economic, operational, and financial performance. The words or phrases “expect,” “anticipate,” “intend,” “should,” “would,” “will,” “plans,” “forecast,” “believe,” and similar expressions are meant to identify “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created by such sections. The Corporation cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date hereof, and advises readers that any such forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties, estimates, and assumptions by us that are difficult to predict. Various factors, some of which are beyond our control, including, but not limited to, the uncertainties more fully discussed in Part I, Item 1A, “Risk Factors” of the Corporation’s Annual Report on Form 10-K for the year ended December 31, 2024, and the following, could cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements: the effect of changes in the interest rate environment and inflation levels on the level, composition and performance of the Corporation’s assets and liabilities, and corresponding effects on the Corporation’s net interest income, net interest margin, loan originations, deposit attrition, overall results of operations, and liquidity position; volatility in the financial services industry, which could result in, among other things, bank deposit runoffs, liquidity constraints, and increased regulatory requirements and costs; the effect of continued changes in the fiscal, monetary and trade policies and regulations of the U.S. federal government, the Puerto Rico government and other governments, including those determined by the Federal Reserve Board, the Federal Reserve Bank of New York, the FDIC, government-sponsored housing agencies and regulators in Puerto Rico, the U.S., and the U.S. and British Virgin Islands, that may affect the future results of the Corporation; uncertainty as to the ability of FirstBank to retain its core deposits and generate sufficient cash flow through its wholesale funding sources, such as securities sold under agreements to repurchase, FHLB advances, and brokered CDs, which may require us to sell investment securities at a loss; adverse changes in general political and economic conditions in Puerto Rico, the U.S., and the U.S. and British Virgin Islands, including in the interest rate environment, unemployment rates, market liquidity and volatility, trade policies, housing absorption rates, real estate markets, and U.S. capital markets, which may affect funding sources, loan portfolio performance and credit quality, market prices of investment securities, and demand for the Corporation’s products and services, and which may reduce the Corporation’s revenues and earnings and the value of the Corporation’s assets; the impact of litigation or the threat of litigation, including any settlements or judgments against the Corporation, and the potential resulting adverse publicity or other reputational harm; the impact of government financial assistance for hurricane recovery and other disaster relief on economic activity in Puerto Rico, and the timing and pace of disbursements of funds earmarked for disaster relief; the ability of the Corporation, FirstBank, and third-party service providers to identify and prevent cyber-security incidents, such as data security breaches, ransomware, malware, “denial of service” attacks, “hacking,” identity theft, and state-sponsored cyberthreats, and the occurrence of and response to any incidents that occur, which may result in misuse or misappropriation of confidential or proprietary information, disruption, or damage to our systems or those of third-party service providers on which we rely, increased costs and losses and/or adverse effects to our reputation; general competitive factors and other market risks as well as the implementation of existing or planned strategic growth opportunities, including risks, uncertainties, and other factors or events related to any business acquisitions, dispositions, strategic partnerships, strategic operational investments, including systems conversions, and any anticipated efficiencies or other expected results related thereto; uncertainty regarding the implementation of Puerto Rico’s debt restructuring plan and the revised fiscal plan for Puerto Rico, as certified on June 6, 2025, by the oversight board established by the Puerto Rico Oversight, Management, and Economic Stability Act, or any revisions to it, on our clients and loan portfolios, and any potential impact of future economic or political developments and tax regulations in Puerto Rico; the impact of changes in accounting standards, or determinations and assumptions in applying those standards, and of forecasts of economic variables considered for the determination of the ACL; the ability of FirstBank to realize the benefits of its net deferred tax assets; the ability of FirstBank to generate sufficient cash flow to pay dividends to the Corporation; environmental, social, and governance (“ESG”) matters, including our climate-related initiatives and commitments, as well as the impact and potential cost to us of any policies, legislation, or initiatives in opposition to our ESG policies; the impacts of natural or man-made disasters, widespread health emergencies, geopolitical conflicts (including sanctions, war or armed conflict, such as the ongoing conflict in Ukraine, the conflict in the Middle East, the possible expansion of such conflicts in surrounding areas and potential geopolitical consequences, and the threat of conflict from neighboring countries in our region), terrorist attacks, or other catastrophic external events, including impacts of such events on general economic conditions and on the Corporation’s assumptions regarding forecasts of economic variables; the risk that additional portions of the unrealized losses in the Corporation’s debt securities portfolio are determined to be credit-related, resulting in additional charges to the provision for credit losses on the Corporation’s debt securities portfolio, and the potential for additional credit losses that could emerge from further downgrades of the U.S.’s Long-Term Foreign-Currency Issuer Default Rating and negative ratings outlooks; the impacts of applicable legislative, tax, or regulatory changes or changes in legislative, tax, or regulatory priorities, including as a result of the One Big Beautiful Bill Act, signed into law on July 4, 2025, the reduction in staffing at U.S. governmental agencies, the effects of U.S. federal government shutdowns and political impasses, and uncertainties regarding the U.S. debt ceiling and federal budget, on the Corporation’s financial condition or performance; the risk of possible failure or circumvention of the Corporation’s internal controls and procedures and the risk that the Corporation’s risk management policies may not be adequate; the risk that the FDIC may further increase the deposit insurance premium and/or require further special assessments, causing an additional increase in the Corporation’s non-interest expenses; any need to recognize impairments on the Corporation’s financial instruments, goodwill, and other intangible assets; the risk that the impact of the occurrence of any of these uncertainties on the Corporation’s capital would preclude further growth of FirstBank and preclude the Corporation’s Board of Directors from declaring dividends; and uncertainty as to whether

FirstBank will be able to continue to satisfy its regulators regarding, among other things, its asset quality, liquidity plans, maintenance of capital levels, and compliance with applicable laws, regulations and related requirements. The Corporation does not undertake to, and specifically disclaims any obligation to update any “forward-looking statements” to reflect occurrences or unanticipated events or circumstances after the date of such statements, except as required by the federal securities laws.

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.

Ramon Rodriguez

Senior Vice President

Corporate Strategy and Investor Relations

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EXHIBIT A

Table 1 – Condensed Consolidated Statements of Financial Condition

	As of		
	December 31, 2025	September 30, 2025	December 31, 2024
(In thousands, except for share information)			
ASSETS			
Cash and due from banks	\$ 657,149	\$ 897,877	\$ 1,158,215
Money market investments:			
Time deposit with another financial institution	750	750	500
Other short-term investments	700	943	700
Total money market investments	1,450	1,693	1,200
Available-for-sale debt securities, at fair value (ACL of \$763 as of December 31, 2025, \$658 as of September 30, 2025; and \$521 as of December 31, 2024)	4,554,032	4,598,303	4,565,302
Held-to-maturity debt securities, at amortized cost, net of ACL of \$733 as of December 31, 2025; \$698 as of September 30, 2025; and \$802 as of December 31, 2024 (fair value of \$262,055 as of December 31, 2025; \$269,253 as of September 30, 2025 and \$308,040 as of December 31, 2024)	264,563	272,665	316,984
Total debt securities	4,818,595	4,870,968	4,882,286
Equity securities	44,753	44,390	52,018
Total investment securities	4,863,348	4,915,358	4,934,304
Loans held for investment, net of ACL of \$249,037 as of December 31, 2025; \$246,990 as of September 30, 2025; and \$243,942 as of December 31, 2024	12,876,319	12,801,694	12,502,614
Mortgage loans held for sale, at lower of cost or market	16,697	12,546	15,276
Total loans, net	12,893,016	12,814,240	12,517,890
Accrued interest receivable on loans and investments	71,351	66,109	71,881
Premises and equipment, net	126,920	126,968	133,437
OREO	7,522	9,343	17,306
Deferred tax asset, net	149,012	146,926	136,356
Goodwill	38,611	38,611	38,611
Other intangible assets	3,458	3,676	6,967
Other assets	321,055	300,534	276,754
Total assets	\$ 19,132,892	\$ 19,321,335	\$ 19,292,921
LIABILITIES			
Deposits:			
Non-interest-bearing deposits	\$ 5,549,416	\$ 5,374,894	\$ 5,547,538
Interest-bearing deposits	11,120,727	11,486,153	11,323,760
Total deposits	16,670,143	16,861,047	16,871,298
Advances from the FHLB	290,000	290,000	500,000
Other borrowings	-	-	61,700
Accounts payable and other liabilities	205,884	252,243	190,687
Total liabilities	17,166,027	17,403,290	17,623,685
STOCKHOLDERS' EQUITY			
Common stock, \$0.10 par value, 223,663,116 shares issued (December 31, 2025 - 156,618,996 shares outstanding; September 30, 2025 - 159,134,896 shares outstanding; and December 31, 2024 - 163,868,877 shares outstanding)	22,366	22,366	22,366
Additional paid-in capital	963,543	961,441	964,964
Retained earnings	2,268,011	2,209,198	2,038,812
Treasury stock, at cost (December 31, 2025 - 67,044,120 shares; September 30, 2025 - 64,528,220 shares; and December 31, 2024 - 59,794,239 shares)	(932,505)	(882,504)	(790,350)
Accumulated other comprehensive loss	(354,550)	(392,456)	(566,556)
Total stockholders' equity	1,966,865	1,918,045	1,669,236
Total liabilities and stockholders' equity	\$ 19,132,892	\$ 19,321,335	\$ 19,292,921

Table 2 – Condensed Consolidated Statements of Income

	Quarter Ended			Year Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(In thousands, except per share information)					
Net interest income:					
Interest income	\$ 285,158	\$ 282,743	\$ 279,728	\$ 1,123,156	\$ 1,095,153
Interest expense	62,390	64,827	70,461	254,216	287,674
Net interest income	222,768	217,916	209,267	868,940	807,479
Provision for credit losses - expense (benefit):					
Loans	22,418	18,270	21,544	85,906	62,861
Unfunded loan commitments	402	(756)	(318)	(130)	(1,495)
Debt securities	151	79	(322)	185	(1,445)
Provision for credit losses - expense	22,971	17,593	20,904	85,961	59,921
Net interest income after provision for credit losses	199,797	200,323	188,363	782,979	747,558
Non-interest income:					
Service charges and fees on deposit accounts	9,861	9,811	9,748	39,068	38,819
Mortgage banking activities	4,219	3,309	3,183	14,106	12,683
Card and processing income	12,353	11,682	12,155	47,390	46,758
Other non-interest income	7,967	5,992	7,113	31,314	32,462
Total non-interest income	34,400	30,794	32,199	131,878	130,722
Non-interest expenses:					
Employees' compensation and benefits	63,196	59,761	59,652	245,152	235,695
Occupancy and equipment	21,797	22,185	22,771	88,909	88,427
Business promotion	5,944	3,884	5,328	16,601	17,645
Professional service fees	13,111	11,903	11,810	48,109	49,455
Taxes, other than income taxes	6,272	6,092	5,994	23,954	22,196
FDIC deposit insurance	961	2,236	2,236	7,668	9,818
Net (gain) loss on OREO operations	(838)	1,033	(1,074)	(1,525)	(7,474)
Credit and debit card processing expenses	7,728	7,889	7,147	28,474	27,600
Other non-interest expenses	8,699	9,911	10,669	40,781	43,711
Total non-interest expenses	126,870	124,894	124,533	498,123	487,073
Income before income taxes	107,327	106,223	96,029	416,734	391,207
Income tax expense	20,226	5,697	20,328	71,868	92,483
Net income	\$ 87,101	\$ 100,526	\$ 75,701	\$ 344,866	\$ 298,724
Net income attributable to common stockholders	\$ 87,101	\$ 100,526	\$ 75,701	\$ 344,866	\$ 298,724
Earnings per common share:					
Basic	\$ 0.56	\$ 0.63	\$ 0.46	\$ 2.16	\$ 1.82
Diluted	\$ 0.55	\$ 0.63	\$ 0.46	\$ 2.15	\$ 1.81

Table 3 – Selected Financial Data

	Quarter Ended			Year Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Shares in thousands)					
Per Common Share Results:					
Net earnings per share - basic	\$ 0.56	\$ 0.63	\$ 0.46	\$ 2.16	\$ 1.82
Net earnings per share - diluted	\$ 0.55	\$ 0.63	\$ 0.46	\$ 2.15	\$ 1.81
Cash dividends declared	\$ 0.18	\$ 0.18	\$ 0.16	\$ 0.72	\$ 0.64
Average shares outstanding	156,792	159,291	163,084	159,956	164,549
Average shares outstanding diluted	157,675	160,087	163,893	160,739	165,268
Book value per common share	\$ 12.56	\$ 12.05	\$ 10.19	\$ 12.56	\$ 10.19
Tangible book value per common share ⁽¹⁾	\$ 12.29	\$ 11.79	\$ 9.91	\$ 12.29	\$ 9.91
Common stock price: end of period	\$ 20.73	\$ 22.05	\$ 18.59	\$ 20.73	\$ 18.59
Selected Financial Ratios (In Percent):					
Profitability:					
Average yield on loans and leases	7.55	7.62	7.71	7.64	7.81
Average yield on securities, other short-term investments and interest-earning cash balances	2.51	2.33	2.11	2.34	1.96
Average yield on interest-earning assets	5.98	5.93	5.79	5.92	5.77
Average rate on interest-bearing liabilities	2.15	2.20	2.35	2.18	2.43
Average cost of funds	1.46	1.51	1.61	1.49	1.67
Interest rate spread	3.83	3.73	3.44	3.74	3.34
Interest rate spread - non-GAAP ⁽²⁾	4.04	3.90	3.55	3.91	3.44
Net interest margin	4.68	4.57	4.33	4.58	4.25
Net interest margin - non-GAAP ⁽²⁾	4.88	4.74	4.44	4.75	4.36
Return on average assets	1.81	2.10	1.56	1.81	1.58
Return on average equity	17.84	21.36	17.77	18.74	19.09
Efficiency ratio ⁽³⁾	49.33	50.22	51.57	49.77	51.92
Capital and Other:					
Average total equity to average total assets	10.15	9.81	8.80	9.65	8.25
Total capital	18.01	17.93	18.02	18.01	18.02
Common equity Tier 1 capital	16.76	16.67	16.32	16.76	16.32
Tier 1 capital	16.76	16.67	16.32	16.76	16.32
Leverage	11.58	11.52	11.07	11.58	11.07
Tangible common equity ratio ⁽¹⁾	10.08	9.73	8.44	10.08	8.44
Dividend payout ratio	32.40	28.52	34.47	33.40	35.25
Basic liquidity ratio ⁽⁴⁾	19.39	18.10	17.27	19.39	17.27
Core liquidity ratio ⁽⁵⁾	13.54	12.64	12.54	13.54	12.54
Loan to deposit ratio	78.84	77.46	75.64	78.84	75.64
Uninsured deposits, excluding fully collateralized deposits, to total deposits ⁽⁶⁾	29.79	28.36	29.36	29.79	29.36
Average Balances (In thousands):					
Loan and leases	\$ 13,032,081	\$ 12,876,239	\$ 12,584,143	\$ 12,822,153	\$ 12,355,496
Securities, other short-term investments and interest-earning cash balances	5,871,091	6,037,726	6,592,411	6,147,794	6,629,868
Interest-earning assets	<u>\$ 18,903,172</u>	<u>\$ 18,913,965</u>	<u>\$ 19,176,554</u>	<u>\$ 18,969,947</u>	<u>\$ 18,985,364</u>
Total assets	<u>\$ 19,081,259</u>	<u>\$ 19,028,792</u>	<u>\$ 19,217,363</u>	<u>\$ 19,064,421</u>	<u>\$ 18,961,356</u>
Interest-bearing liabilities	\$ 11,531,091	\$ 11,669,135	\$ 11,911,904	\$ 11,654,354	\$ 11,840,390
Non-interest-bearing deposits	5,419,990	5,309,212	5,402,606	5,389,187	5,351,124
Total funding sources	<u>\$ 16,951,081</u>	<u>\$ 16,978,347</u>	<u>\$ 17,314,510</u>	<u>\$ 17,043,541</u>	<u>\$ 17,191,514</u>
Total equity	<u>\$ 1,936,808</u>	<u>\$ 1,866,839</u>	<u>\$ 1,690,377</u>	<u>\$ 1,839,800</u>	<u>\$ 1,564,543</u>
Asset Quality:					
Allowance for credit losses for loans and finance leases to total loans held for investment	1.90	1.89	1.91	1.90	1.91
Net charge-offs (annualized) to average loans outstanding	0.63	0.62	0.78	0.63	0.65
Provision for credit losses for loans and finance leases to net charge-offs	110.05	92.00	87.58	106.30	77.83
Non-performing assets to total assets	0.60	0.62	0.61	0.60	0.61
Nonaccrual loans held for investment to total loans held for investment	0.71	0.74	0.69	0.71	0.69
Allowance for credit losses for loans and finance leases to total nonaccrual loans held for investment	269.05	256.58	278.90	269.05	278.90
Allowance for credit losses for loans and finance leases to total nonaccrual loans held for investment, excluding residential estate loans	392.84	366.48	439.39	392.84	439.39

- (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 to 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⁾		
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	September 30, 2025	December 31, 2024
(Dollars in thousands)									
Interest-earning assets:									
Money market and other short-term investments	\$ 727,018	\$ 871,290	\$ 994,674	\$ 7,300	\$ 9,695	\$ 11,986	3.98%	4.41%	4.78%
Government obligations ⁽²⁾	1,595,962	1,838,314	2,248,155	11,211	9,779	7,681	2.79%	2.11%	1.36%
MBS	3,502,688	3,281,983	3,295,492	22,891	18,801	15,685	2.59%	2.27%	1.89%
FHLB stock	24,735	25,777	33,995	493	495	790	7.91%	7.62%	9.22%
Other investments	20,688	20,362	20,095	83	123	160	1.59%	2.40%	3.16%
Total investments ⁽³⁾	5,871,091	6,037,726	6,592,411	41,978	38,893	36,302	2.84%	2.56%	2.18%
Residential mortgage loans	2,904,714	2,873,549	2,832,473	42,960	42,203	41,574	5.87%	5.83%	5.82%
Construction loans	250,338	250,280	228,438	6,398	6,058	5,351	10.14%	9.60%	9.29%
C&I and commercial mortgage loans	6,156,312	6,014,997	5,775,301	105,174	104,631	102,723	6.78%	6.90%	7.06%
Finance leases	894,143	897,982	894,116	17,217	17,403	17,546	7.64%	7.69%	7.79%
Consumer loans	2,826,574	2,839,431	2,853,815	81,325	81,799	81,458	11.41%	11.43%	11.32%
Total loans ⁽⁴⁾⁽⁵⁾	13,032,081	12,876,239	12,584,143	253,074	252,094	248,652	7.70%	7.77%	7.84%
Total interest-earning assets - non-GAAP ⁽¹⁾	\$ 18,903,172	\$ 18,913,965	\$ 19,176,554	\$ 295,052	\$ 290,987	\$ 284,954	6.19%	6.10%	5.90%
Tax-equivalent adjustment				(9,894)	(8,244)	(5,226)			
Interest income - GAAP				\$ 285,158	\$ 282,743	\$ 279,728	5.98%	5.93%	5.79%
Interest-bearing liabilities:									
Time deposits	\$ 3,524,261	\$ 3,352,163	\$ 3,042,752	\$ 30,169	\$ 28,590	\$ 26,946	3.40%	3.38%	3.51%
Brokered CDs	617,217	581,946	485,176	6,644	6,414	5,907	4.27%	4.37%	4.83%
Other interest-bearing deposits	7,099,613	7,421,017	7,777,387	22,390	26,341	29,854	1.25%	1.41%	1.52%
Advances from the FHLB	290,000	313,152	500,217	3,187	3,472	5,674	4.36%	4.40%	4.50%
Other borrowings	-	857	106,372	-	10	2,080	0.00%	4.63%	7.76%
Total interest-bearing liabilities - GAAP	\$ 11,531,091	\$ 11,669,135	\$ 11,911,904	\$ 62,390	\$ 64,827	\$ 70,461	2.15%	2.20%	2.35%
Net interest income / margin- non-GAAP ⁽¹⁾				\$ 232,662	\$ 226,160	\$ 214,493	4.88%	4.74%	4.44%
Net interest income / margin - GAAP				\$ 222,768	\$ 217,916	\$ 209,267	4.68%	4.57%	4.33%
Net interest spread - non-GAAP ⁽¹⁾							4.04%	3.90%	3.55%
Net interest spread - GAAP							3.83%	3.73%	3.44%

(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 \$4.4 million, \$3.8 million, and \$3.9 million, for the quarters ended December 31, 2025, September 30, 2025, and December 31, 2024, 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)

Year Ended	Average Volume		Interest Income ⁽¹⁾ / Expense		Average Rate ⁽¹⁾	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Dollars in thousands)						
Interest-earning assets:						
Money market and other short-term investments	\$ 943,731	\$ 710,945	\$ 41,097	\$ 37,082	4.35%	5.22%
Government obligations ⁽²⁾	1,810,308	2,517,327	35,479	34,139	1.96%	1.36%
MBS	3,346,069	3,348,925	77,168	59,092	2.31%	1.76%
FHLB stock	27,296	34,161	2,423	3,266	8.88%	9.56%
Other investments	20,390	18,510	627	543	3.08%	2.93%
Total investments ⁽³⁾	6,147,794	6,629,868	156,794	134,122	2.55%	2.02%
Residential mortgage loans	2,868,887	2,816,732	168,321	164,238	5.87%	5.83%
Construction loans	244,769	221,822	23,891	19,260	9.76%	8.68%
C&I and commercial mortgage loans	5,968,858	5,606,827	410,319	405,481	6.87%	7.23%
Finance leases	899,270	879,437	70,167	69,218	7.80%	7.87%
Consumer loans	2,840,369	2,830,678	325,178	322,267	11.45%	11.38%
Total loans ⁽⁴⁾⁽⁵⁾	12,822,153	12,355,496	997,876	980,464	7.78%	7.94%
Total interest-earning assets - non-GAAP ⁽¹⁾	\$ 18,969,947	\$ 18,985,364	\$ 1,154,670	\$ 1,114,586	6.09%	5.87%
Tax-equivalent adjustment			(31,514)	(19,433)		
Interest income - GAAP			\$ 1,123,156	\$ 1,095,153	5.92%	5.77%
Interest-bearing liabilities:						
Time deposits	\$ 3,280,404	\$ 2,999,078	\$ 110,974	\$ 105,712	3.38%	3.52%
Brokered CDs	543,154	627,454	24,010	31,833	4.42%	5.07%
Other interest-bearing deposits	7,467,571	7,567,514	102,699	115,562	1.38%	1.53%
Advances from the FHLB	347,370	500,055	15,367	22,566	4.42%	4.51%
Other borrowings	15,855	146,289	1,166	12,001	7.35%	8.20%
Total interest-bearing liabilities - GAAP	\$ 11,654,354	\$ 11,840,390	\$ 254,216	\$ 287,674	2.18%	2.43%
Net interest income / margin - non-GAAP ⁽¹⁾			\$ 900,454	\$ 826,912	4.75%	4.36%
Net interest income / margin - GAAP			\$ 868,940	\$ 807,479	4.58%	4.25%
Net interest spread - non-GAAP ⁽¹⁾					3.91%	3.44%
Net interest spread - GAAP					3.74%	3.34%

(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 \$17.3 million and \$13.4 million for the years ended December 31, 2025 and 2024, respectively, of income from prepayment penalties and late fees related to the Corporation's loan portfolio.

Table 6 – Loan Portfolio by Geography

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
Finance leases	892,039	-	-	892,039
Consumer loans	2,744,033	66,947	5,857	2,816,837
Loans held for investment	10,151,041	476,151	2,498,164	13,125,356
Mortgage loans held for sale	16,697	-	-	16,697
Total loans	\$ 10,167,738	\$ 476,151	\$ 2,498,164	\$ 13,142,053
As of September 30, 2025				
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
Residential mortgage loans	\$ 2,214,658	\$ 152,360	\$ 522,063	\$ 2,889,081
Commercial loans:				
Construction loans	221,146	14,167	24,550	259,863
Commercial mortgage loans	1,692,248	72,933	784,194	2,549,375
C&I loans	2,292,945	158,471	1,162,825	3,614,241
Commercial loans	4,206,339	245,571	1,971,569	6,423,479
Finance leases	899,668	-	-	899,668
Consumer loans	2,762,719	67,900	5,837	2,836,456
Loans held for investment	10,083,384	465,831	2,499,469	13,048,684
Mortgage loans held for sale	12,546	-	-	12,546
Total loans	\$ 10,095,930	\$ 465,831	\$ 2,499,469	\$ 13,061,230
As of December 31, 2024				
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
Residential mortgage loans	\$ 2,166,980	\$ 156,225	\$ 505,226	\$ 2,828,431
Commercial loans:				
Construction loans	181,607	2,820	43,969	228,396
Commercial mortgage loans	1,800,445	67,449	698,090	2,565,984
C&I loans	2,192,468	133,407	1,040,163	3,366,038
Commercial loans	4,174,520	203,676	1,782,222	6,160,418
Finance leases	899,446	-	-	899,446
Consumer loans	2,781,182	69,577	7,502	2,858,261
Loans held for investment	10,022,128	429,478	2,294,950	12,746,556
Loans held for sale	14,558	434	284	15,276
Total loans	\$ 10,036,686	\$ 429,912	\$ 2,295,234	\$ 12,761,832

Table 7 – Non-Performing Assets by Geography

	As of December 31, 2025			
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
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

	As of September 30, 2025			
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
Nonaccrual loans held for investment:				
Residential mortgage	\$ 12,088	\$ 6,529	\$ 10,249	\$ 28,866
Construction	4,635	956	-	5,591
Commercial mortgage	1,984	7,228	12,225	21,437
C&I	18,822	632	196	19,650
Consumer and finance leases	20,008	694	15	20,717
Total nonaccrual loans held for investment	57,537	16,039	22,685	96,261
OREO	8,460	883	-	9,343
Other repossessed property	12,160	74	-	12,234
Other assets ⁽¹⁾	1,579	-	-	1,579
Total non-performing assets ⁽²⁾	\$ 79,736	\$ 16,996	\$ 22,685	\$ 119,417
Past due loans 90 days and still accruing ⁽³⁾	\$ 27,900	\$ 855	\$ 136	\$ 28,891

	As of December 31, 2024			
	Puerto Rico	Virgin Islands	United States	Total
(In thousands)				
Nonaccrual loans held for investment:				
Residential mortgage	\$ 16,854	\$ 6,555	\$ 8,540	\$ 31,949
Construction	403	962	-	1,365
Commercial mortgage	2,716	8,135	-	10,851
C&I	19,595	919	-	20,514
Consumer and finance leases	22,538	205	45	22,788
Total nonaccrual loans held for investment	62,106	16,776	8,585	87,467
OREO	13,691	3,615	-	17,306
Other repossessed property	11,637	219	3	11,859
Other assets ⁽¹⁾	1,620	-	-	1,620
Total non-performing assets ⁽²⁾	\$ 89,054	\$ 20,610	\$ 8,588	\$ 118,252
Past due loans 90 days and still accruing ⁽³⁾	\$ 39,307	\$ 3,083	\$ -	\$ 42,390

(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 \$4.8 million as of December 31, 2025 (September 30, 2025 - \$5.0 million; December 31, 2024 - \$6.2 million).

(3) These include rebooked loans, which were previously pooled into GNMA securities, amounting to \$6.7 million as of December 31, 2025 (September 30, 2025 - \$3.8 million; December 31, 2024 - \$5.7 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			Year Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Dollars in thousands)					
Allowance for credit losses on loans and finance leases, beginning of period	\$ 246,990	\$ 248,578	\$ 246,996	\$ 243,942	\$ 261,843
Provision for credit losses on loans and finance leases expense	22,418	18,270	21,544	85,906	62,861
Net recoveries (charge-offs) of loans and finance leases:					
Residential mortgage	155	32	(305)	184	(518)
Construction	14	313	96	354	131
Commercial mortgage	(53)	117	59	155	533
C&I	(14)	(108)	(187)	715	3,787
Consumer loans and finance leases ⁽¹⁾	(20,473)	(20,212)	(24,261)	(82,219) ⁽¹⁾	(84,695) ⁽¹⁾
Net charge-offs ⁽¹⁾	(20,371)	(19,858)	(24,598)	(80,811) ⁽¹⁾	(80,762) ⁽¹⁾
Allowance for credit losses on loans and finance leases, end of period	<u>\$ 249,037</u>	<u>\$ 246,990</u>	<u>\$ 243,942</u>	<u>\$ 249,037</u>	<u>\$ 243,942</u>
Allowance for credit losses on loans and finance leases to period end total loans held for investment	1.90%	1.89%	1.91%	1.90%	1.91%
Net charge-offs (annualized) to average loans outstanding during the period	0.63%	0.62%	0.78%	0.63%	0.65%
Provision for credit losses on loans and finance leases to net charge-offs during the period	1.10x	0.92x	0.88x	1.06x	0.78x

(1) For the year ended December 31, 2025, includes recoveries totaling \$2.4 million associated with the bulk sale of fully charged-off consumer loans and finance leases, compared to recoveries of \$10.0 million associated with the bulk sale of fully charged-off consumer loans and finance leases for the year ended December 31, 2024.

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

	Quarter Ended			Year Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Residential mortgage	-0.02%	-0.00%	0.04%	-0.01%	0.02%
Construction	-0.02%	-0.50%	-0.17%	-0.14%	-0.06%
Commercial mortgage	0.01%	-0.02%	-0.01%	-0.01%	-0.02%
C&I	0.00%	0.01%	0.02%	-0.02%	-0.12%
Consumer loans and finance leases	2.20%	2.16%	2.59%	2.20% ⁽¹⁾	2.28% ⁽¹⁾
Total loans	0.63%	0.62%	0.78%	0.63% ⁽¹⁾	0.65% ⁽¹⁾

(1) The aforementioned recoveries associated with the bulk sales of fully charged-off consumer loans and finance leases reduced the ratios of consumer loans and finance leases and total net charge-offs to related average loans by 6 basis points and 2 basis points, respectively, for the year ended December 31, 2025; and by 27 basis points and 9 basis points, respectively, for the year ended December 31, 2024.

Table 10 – Deposits

	As of		
	December 31, 2025	September 30, 2025	December 31, 2024
(In thousands)			
Time deposits	\$ 3,562,331	\$ 3,495,256	\$ 3,007,144
Interest-bearing saving and checking accounts	6,964,841	7,362,588	7,838,498
Non-interest-bearing deposits	5,549,416	5,374,894	5,547,538
Total deposits, excluding brokered CDs ⁽¹⁾	16,076,588	16,232,738	16,393,180
Brokered CDs	593,555	628,309	478,118
Total deposits	<u>\$ 16,670,143</u>	<u>\$ 16,861,047</u>	<u>\$ 16,871,298</u>
Total deposits, excluding brokered CDs and government deposits	<u>\$ 13,061,068</u>	<u>\$ 12,794,558</u>	<u>\$ 12,867,789</u>

(1) As of December 31, 2025, September 30, 2025, and December 31, 2024, government deposits amounted to \$3.0 billion, \$3.4 billion, and \$3.5 billion, respectively.