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Filings Services

OCT 18

SNL Financial, LC
1-800-969-4121

1 First BanCorp

2006 Annual Report

Financial Highlights

In thousands, except per share and financial ratios results

Year Ended December 31,	2006	2005	2004	2003	2002
Condensed Income Statements					
Total interest income	\$ 1,288,813	\$ 1,067,590	\$ 690,334	\$ 549,466	\$ 550,107
Total interest expense ⁽¹⁾	845,119	635,271	292,853	297,528	235,575
Net interest income	443,694	432,319	397,481	251,938	314,532
Provision for loan and lease losses	74,991	50,644	52,800	55,915	62,302
Non-interest income	31,336	63,077	59,624	106,798	48,785
Non-interest expenses	287,963	315,132	180,480	164,630	132,811
Income before income tax provision	112,076	129,620	223,825	138,191	168,204
Income tax provision	27,442	15,016	46,500	18,297	35,342
Net income	84,634	114,604	177,325	119,894	132,862
Per Common Share Results⁽²⁾					
Net income per common share diluted	\$ 0.53	\$ 0.90	\$ 1.65	\$ 1.09	\$ 1.32
Net income per common share basic	\$ 0.54	\$ 0.92	\$ 1.70	\$ 1.12	\$ 1.34
Cash dividends declared	\$ 0.28	\$ 0.28	\$ 0.24	\$ 0.22	\$ 0.20
Average shares outstanding	82,835	80,847	80,419	79,988	79,802
Average shares outstanding diluted	83,138	82,771	83,010	81,966	81,106
Balance Sheet Data					
Loans and loans held for sale	\$11,263,980	\$12,685,929	\$ 9,697,994	\$ 7,041,055	\$5,635,023
Allowance for loan and lease losses	158,296	147,999	141,036	126,378	111,911
Investments	5,544,183	6,653,924	5,699,201	5,368,123	3,728,669
Total assets	17,390,256	19,917,651	15,637,045	12,679,042	9,625,110
Deposits	11,004,287	12,463,752	7,912,322	6,771,869	5,445,714
Borrowings	4,662,271	5,750,197	6,300,573	4,634,237	3,238,369
Total common equity	679,453	647,741	654,233	523,722	455,522
Total equity	1,229,553	1,197,841	1,204,333	1,073,822	816,022
Book value per common share	8.16	8.01	8.10	6.54	5.70
Selected Financial Ratios					
Net income to average total assets	0.44%	0.64%	1.30%	1.15%	1.51%
Net income to average total equity	7.06%	8.98%	15.73%	13.31%	18.63%
Net income to average common equity	6.85%	10.23%	23.75%	18.21%	29.49%
Average total equity to average total assets	6.25%	7.09%	8.28%	8.64%	8.11%
Dividend payout ratio	52.50%	30.46%	14.10%	19.66%	15.00%
Efficiency ratio ⁽³⁾	60.62%	63.61%	39.48%	45.89%	36.56%
Common Stock Price	\$ 9.53	\$ 12.41	\$ 31.76	\$ 19.78	\$ 11.30
Number of full service branches	71	68	57	54	54

(1) Includes the changes in fair value of interest rate swaps that hedge brokered certificates of deposit.

(2) Amounts presented were recalculated, when applicable, to retroactively consider the effect of the June 30, 2005 two-for-one common stock split.

(3) Non-interest expense to the sum of net interest income and non-interest income.

Board of Directors

Luis M. Beauchamp

Chairman of the Board, President
and Chief Executive Officer

Aurelio Alemán

Senior Executive Vice President
and Chief Operating Officer

José Menéndez-Cortada, Esq.

Lead Independent Director

Jorge L. Díaz-Irizarry

José Luis Ferrer-Canals

Frank Kolodziej-Castro*

Héctor M. Nevares-La Costa, Esq.*

Richard Reiss-Huyke, CPA

Fernando Rodríguez-Amaro, CPA

José Teixidor-Méndez

Sharee Ann Umpierre-Catinchi

* Director since July 31, 2007

Executive Officers

Luis M. Beauchamp

Chairman of the Board, President
and Chief Executive Officer

Aurelio Alemán

Senior Executive Vice President
and Chief Operating Officer

Fernando Scherrer, CPA

Executive Vice President and
Chief Financial Officer

Emilio Martínó

Executive Vice President and
Chief Lending Officer

Lawrence Odell, Esq.

Executive Vice President,
General Counsel and Secretary
of the Board of Directors

Cassan A. Pancham

Executive Vice President,
Eastern Caribbean Region Executive

Dacio A. Pasarell

Executive Vice President,
Banking Operations Executive

Randolfo Rivera

Executive Vice President,
Wholesale Banking Executive

Corporate Headquarters

First BanCorp

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San Juan, PR 00908-0146
Tel (787) 729-8200

Common Stock

The Company's common stock
trades on the New York Stock
Exchange under the symbol FBP.

Investor Relations

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Senior Vice President
Marketing and Public Relations
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Transfer Agent and Registrar

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Tel (800) 524-4458

General Counsel

Lawrence Odell, Esq.

Executive Vice President
and General Counsel
First BanCorp

**Independent Registered
Public Accounting Firm**

PricewaterhouseCoopers, LLP

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