Financial Results
1Q 2023

Forward Looking Statements

This presentation contains “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, 2022 and the following, could cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements: the impacts of rising interest rates and inflation on the Corporation, including a decrease in demand for new loan originations and refinancings, increased competition for borrowers, attrition in deposits and an increase in non-interest expenses; the long-term effects of the COVID-19 pandemic and their impact on the Corporation’s business, operations and financial condition; adverse changes in general 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, housing absorption rates, real estate markets and U.S. capital markets; general competitive factors, as well as the implementation of strategic growth opportunities and ability to continue to invest in capital projects; uncertainty as to the ultimate outcome of the debt restructuring plan of Puerto Rico and 2022 Fiscal Plan for Puerto Rico as certified by the Financial Oversight and Management Board for Puerto Rico, or any revisions to it, on our clients and loan portfolios, and any potential impacts of future economic or political developments in Puerto Rico; the impact of government financial assistance for hurricane recovery and other disaster relief on economic activity in Puerto Rico; the timing of sales of properties from our other real estate owned (“OREO”) portfolio; any adverse change in the Corporation’s ability to attract and retain clients and gain acceptance from current and prospective customers for new products and services, including those related to the offering of digital banking and financial services; the impacts of applicable legislative, tax or regulatory changes on the Corporation’s financial condition or performance; the effect of changes in the fiscal and monetary policies and regulations of the U.S. federal government and the Puerto Rico and other governments. The Corporation does not undertake, 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.

Non-GAAP Financial Measures

In addition to the Corporation’s financial information presented in accordance with GAAP, management uses certain “non-GAAP” financial measures” within the meaning of Regulation G promulgated by the SEC, to clarify and enhance understanding of past performance and prospects for the future. Please refer to pages 17-18 for a reconciliation of GAAP to non-GAAP measures and calculations.

AGENDA

1First BanCorp

1Q 2023 Quarter Highlights

Aurelio Alemán, President and Chief Executive Officer

1Q 2023 Results of Operations

Orlando Berges, Executive Vice President and Chief Financial Officer

Questions and Answers

First BanCorp

Profitability

- Net income of $70.7 million ($0.39 per diluted share), compared to $73.2 million ($0.40 per diluted share) in 4Q 2022
- Return on average assets (“ROAA”) remains strong at 1.55%
- On a non-GAAP basis, pre-tax, pre-provision income of $118.1 million, compared to $122.2 million in 4Q 2022
- Net interest income of $200.9 million, compared to $205.6 million in 4Q 2022; margin decreased by 3 bps to 4.34%
- Provision for credit losses of $15.5 million, relatively flat compared to $15.7 million registered in 4Q 2022

Asset Quality

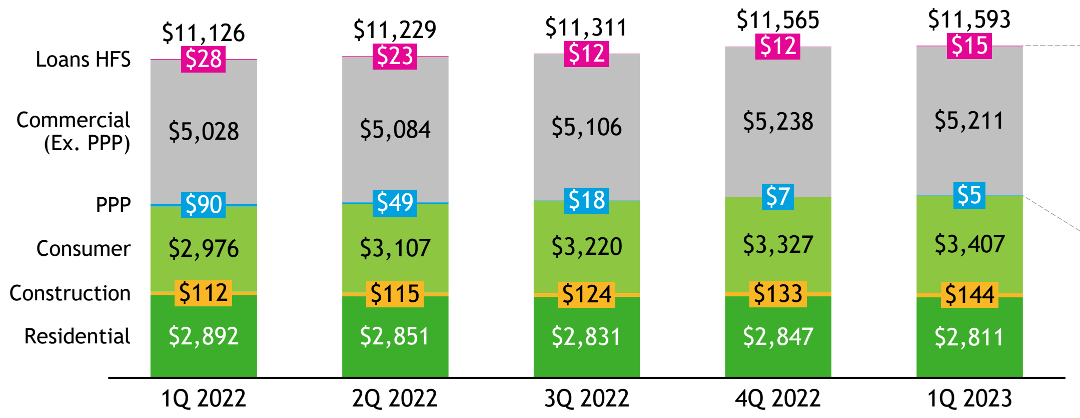
- Non-performing assets ("NPA”) decreased to $129.0 million, slightly below $129.2 million registered in 4Q 2022; NPAs stand at 0.68% of total assets
- The ratio of the ACL for loans and finance leases to total loans held for investment was 2.29% as of 1Q 2023 compared to 2.25% as of 4Q 2022

Liquidity and Capital

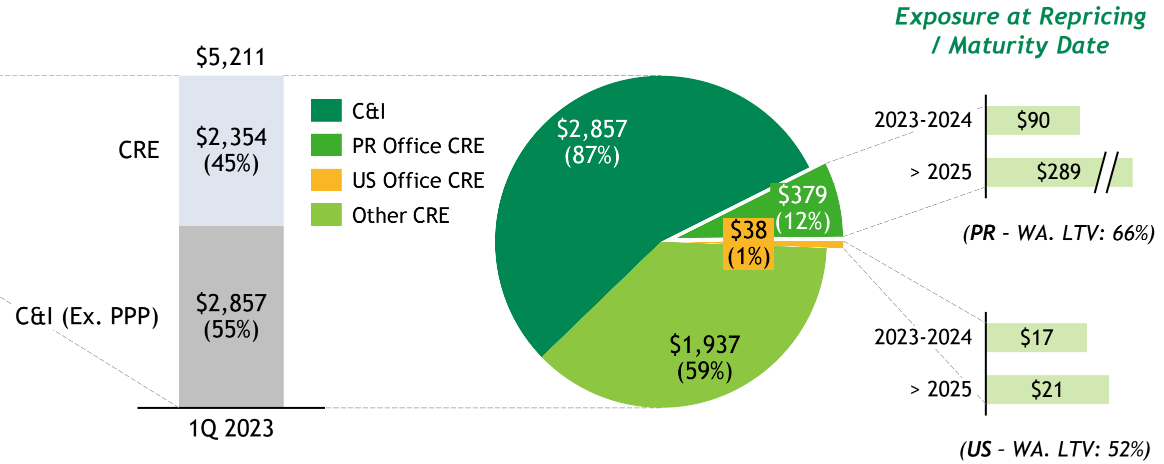
- Total unused available liquidity of approximately $5.5 billion or 1.14x of uninsured deposits as of 1Q 2023
    - Basic liquidity ratio (which includes cash, free high-quality liquid securities, and available secured lines of credit with the Federal Home Loan Bank) was approximately 21.4% of total assets
- Deployed capital to repurchase $50 million in shares of common stock during 1Q 2023 and increased common stock dividend by 17% to $0.14 per share
    - Temporary pause to share buybacks during 2Q 2023 given recent market events; expect to resume buybacks during second half of 2023
- Strong capital position with a Common Equity Tier-1 ratio of 16.3% in 1Q 2023

FIRST QUARTER 2023
BALANCE SHEET METRICS – LOAN PORTFOLIO

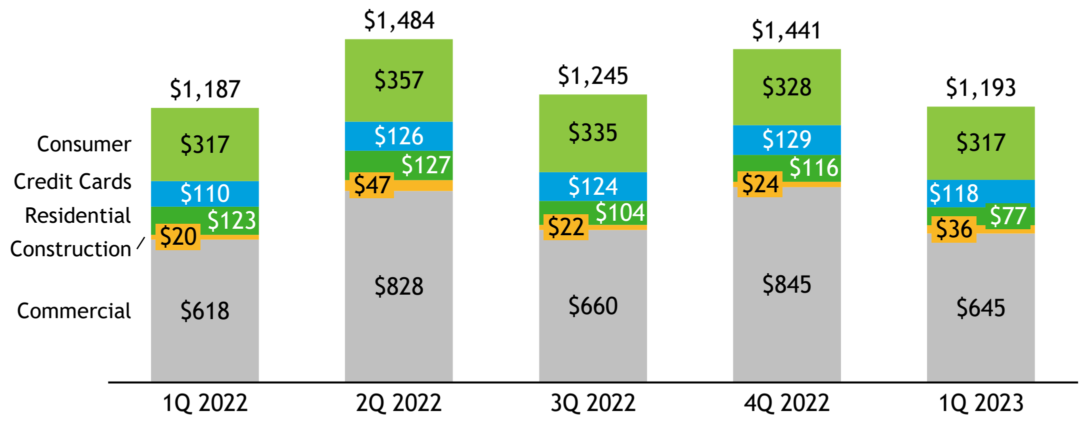
Loan Portfolio - $MM



Commercial Loan Portfolio Distribution - $MM



Loan Originations - $MM[1]

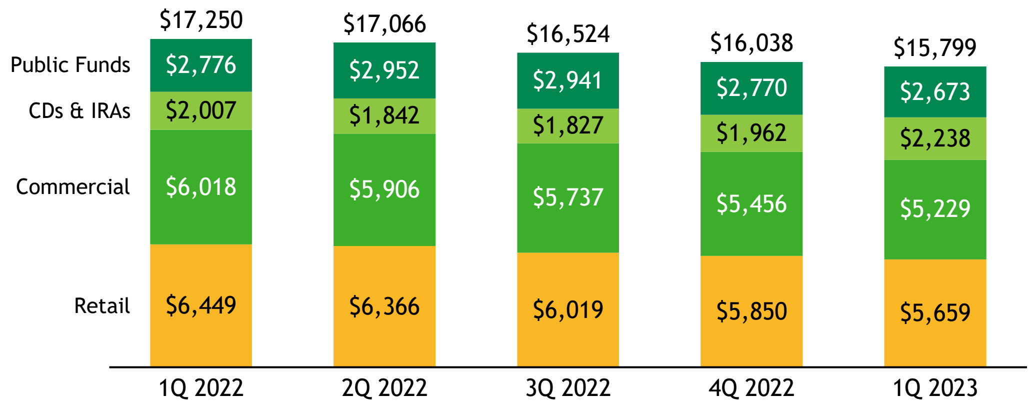


(1) *Loan Originations include refinancing and renewals, as well as credit card utilization activity*

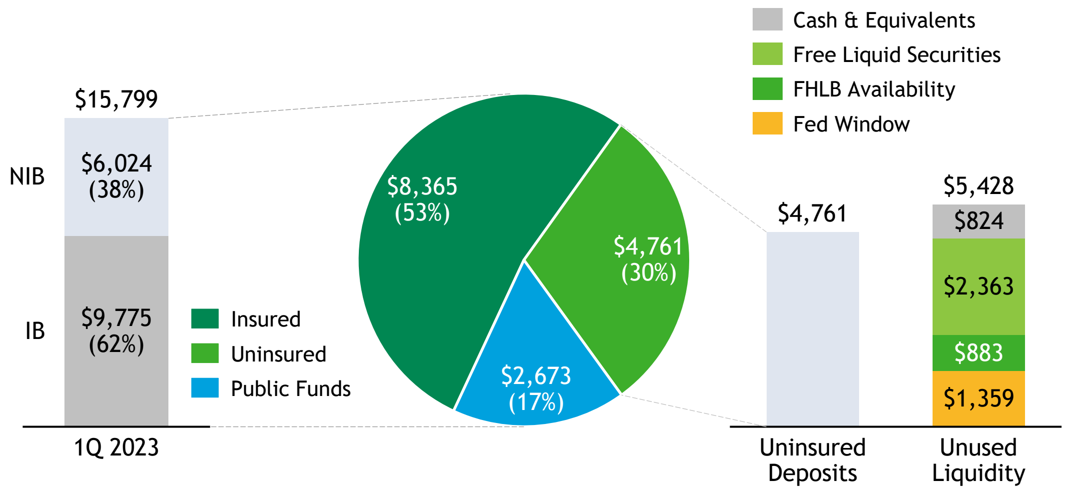
Loan Portfolio Highlights

- Total loan portfolio grew by $28.0 million to $11.6 billion driven by a $79.5 million increase in consumer loans, offset by a reduction of $18.6 million in commercial loans and $32.9 million in residential mortgage loans
- Total loan portfolio grew by $141.5 million in Puerto Rico, up 1.6% linked quarter, offset by a $108.6 million reduction in Florida, and a $4.8 million reduction in the Virgin Islands
- Loan originations (other than credit card utilization activity) amounted to $1.1 billion, in line with 1Q 2022 originations and $237.8 million below 4Q 2022 partially due to normal seasonal trends
- Well diversified commercial loan portfolio across multiple industries with manageable exposure to “Office” commercial real estate in the US and minimal refinancing risk over the next two (2) years

Total Deposits (excluding Brokered CDs) - $MM



Composition of Deposit Portfolio vs. Unused Liquidity - $MM[2]



Deposit Portfolio Highlights

- Core deposits[1], excluding brokered CDs and government deposits, decreased by $142.7 million to $13.1 billion, mainly reflecting a:
  - $139.4 million reduction in the Florida region,
  - $14.6 million reduction in the Virgin Islands,
  - Partially offset by an increase of $11.3 million in the Puerto Rico region
- Government deposits, which are fully collateralized, amounted to $2.7 billion in 1Q 2023, a $95.9 million reduction when compared to 4Q 2022

Liquidity Highlights

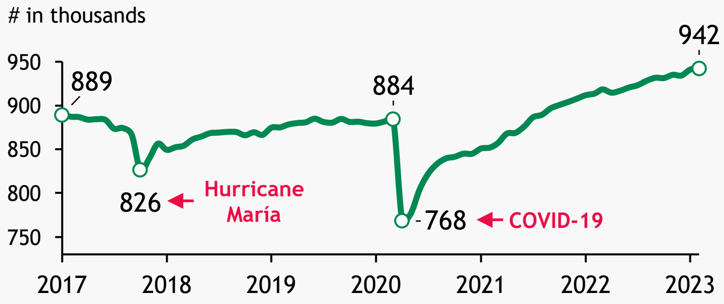
- Strength of deposit franchise evidenced by composition of deposit base:
  - Approximately 70% of deposit portfolio insured (including fully collateralized public funds)
  - Attractive mix of commercial and retail accounts; average deposit balance per account of $25.5K
  - Strong non-interest-bearing (NIB) ratio of 38% as of end of quarter
- Unused liquidity of approximately $5.5 billion or 114% of uninsured deposits as of 1Q 2023

(1) Core Deposits exclude brokered CDs and government deposits
(2) Uninsured deposits exclude public funds which are fully collateralized

Uncertain global macro mitigated by strong tailwinds in Puerto Rico

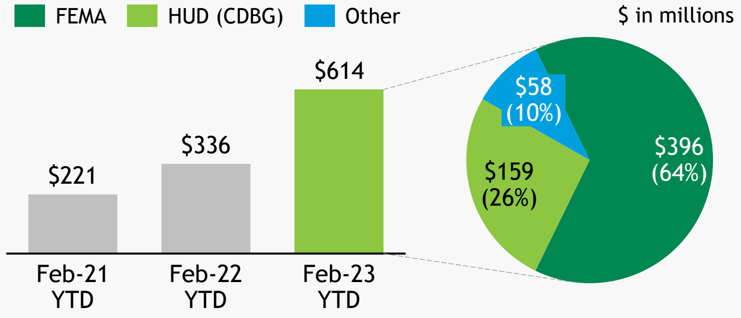
- Steady improvement in labor market dynamics

Total Nonfarm Payroll Employment[1]



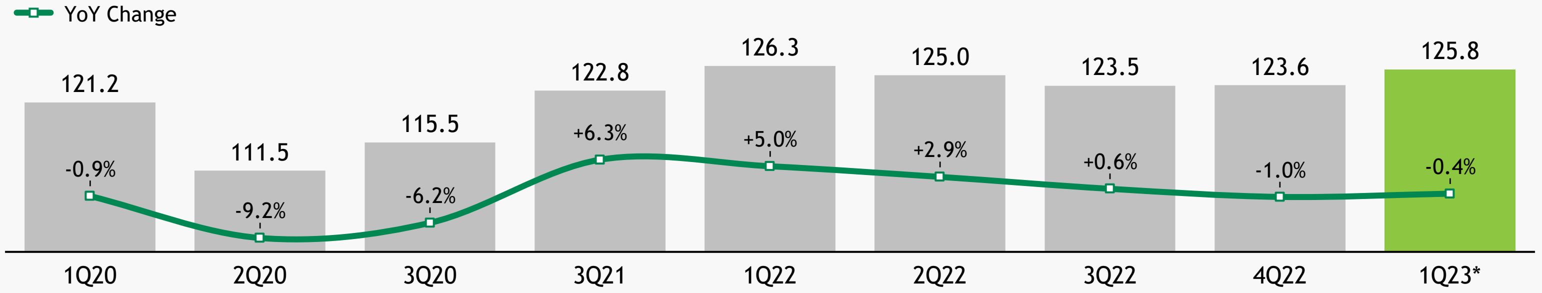
- Over $600 million in disaster relief funds have been disbursed in 2023 (83% above the same period in 2022)

Disaster Relief Funds Disbursed Per Year[1][2]



- Economic Activity Index continues to show a recovery trend since Hurricane Fiona (Sep. 2022)

PR Economic Activity Index (EAI)[1]



1Q23 data is based on preliminary results for January and February (average)

Franchise Highlights

- Well-diversified and ***granular deposit franchise***
- ***Strong earnings generation capacity*** and strong expense management culture with ***lowest efficiency ratio*** among peers
- Selected to ***S&P Global Market Intelligence's 2022 Top 50 Public Banks***
- ***Robust capital position*** allowing for the repurchase of $50 million in shares of common stock during 1Q 2023 and an increased common stock dividend
- ***Over 55% customer penetration*** across all digital platforms
  - ***Reached over 400K registered users in Retail Digital Banking application***, up 3.5% during the quarter and 15.2% year-over year
  - Continue to capture over ***40% of all deposit transactions through digital and self-service channels***
  - Continued investment in digital capabilities and strengthening of overall IT infrastructure
- Finalized branch rationalization plan during the quarter with one additional branch consolidation

[1] Sources: U.S. Bureau of Labor Statistics; Puerto Rico Economic Development Bank (EDB); Recovery Support Function Leadership Group (RSFLG) - https://recovery.fema.gov/rsflg-monthly-data
[2] Data presented for February 2023 (YTD) includes $120.7 million related to Hurricane Fiona

Results of Operations

First Quarter 2023 Highlights
Discussion of Results

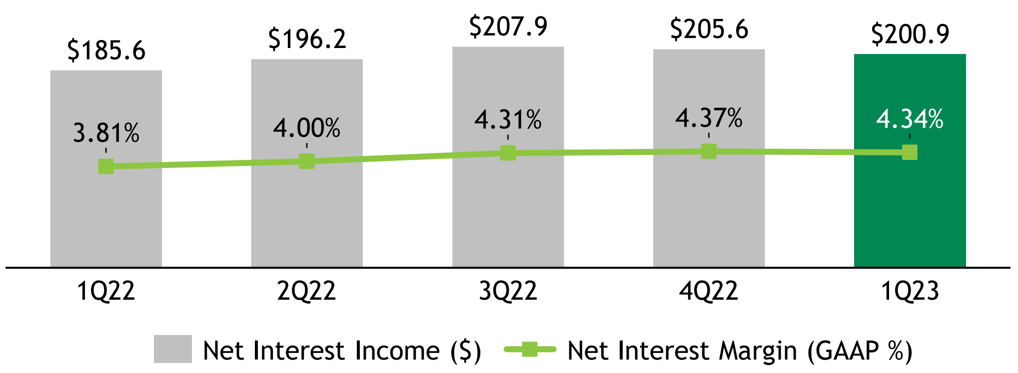
Income Statement

($ in thousands)	1Q 2023	4Q 2022	Variance	1Q 2022
Interest income	$242,396	$233,452	$ 8,944	$197,854
Interest expense	41,511	27,879	13,632	12,230
Net interest income	**200,885**	**205,573**	**(4,688)**	**185,624**
Provision for credit losses (benefit)	**15,502**	**15,712**	**(210)**	**(13,802)**
Total non-interest income	**32,518**	**29,600**	**2,918**	**32,858**
Personnel expense	56,422	52,241	4,181	49,554
Occupancy and equipment expense	21,186	21,843	(657)	22,386
Insurance and supervisory fees	4,501	3,973	528	3,908
Net gain of OREO operations	(1,996)	(2,557)	561	(720)
Other non-interest expenses	35,155	37,431	(2,276)	31,531
Total non-interest expense	**115,268**	**112,931**	**2,337**	**106,659**
Pre-tax income	102,633	106,530	(3,897)	125,625
Income tax expense	31,935	33,356	(1,421)	43,025
Net income	**$ 70,698**	**$ 73,174**	**$ (2,476)**	**$ 82,600**

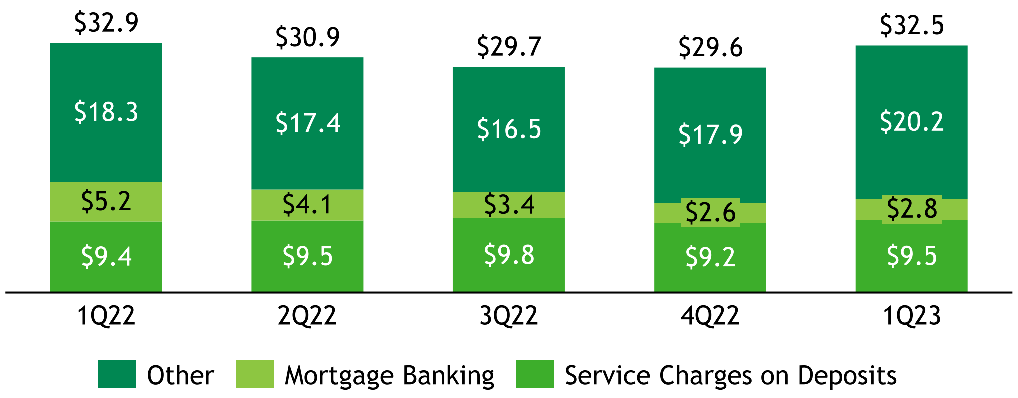
Selected Financial Data

($ in thousands, except per share data and financial ratios)	1Q 2023	4Q 2022	Variance	1Q 2022
Adjusted pre-tax, pre-provision income	118,135	122,242	(4,107)	111,823
Fully diluted EPS (GAAP)	0.39	0.40	(0.01)	0.41
Cash dividend declared	0.14	0.12	0.02	0.10
Book value per share	7.82	7.25	0.57	8.96
Tangible book value per share	7.50	6.93	0.57	8.63
Common stock price as of end of quarter	11.42	12.72	(1.30)	13.12
Net Interest Margin (GAAP)	4.34%	4.37%	-0.03%	3.81%
Efficiency ratio	49.39%	48.02%	1.37%	48.82%

Net Interest Income ($MM)



Non-Interest Income ($MM)



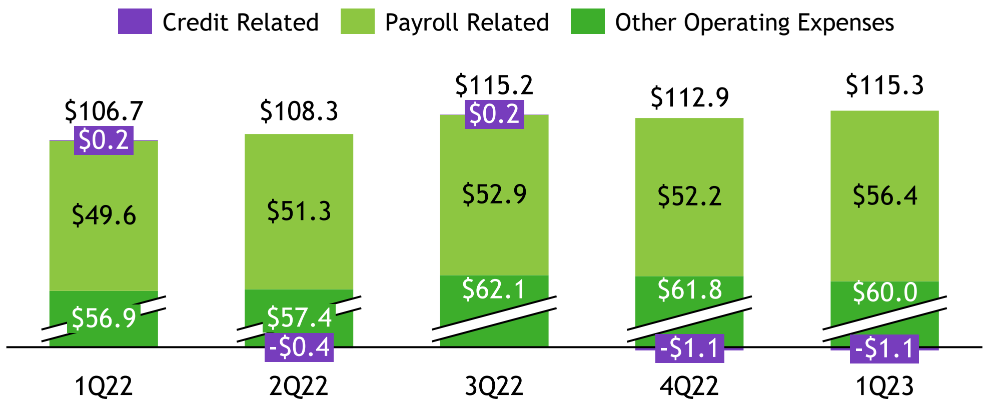
Key Highlights

- Net interest income of $200.9 million, a decrease of $4.7 million during the quarter including a reduction of $2.5 million associated to the effect of two fewer days
  - $8.8 million increase in interest expense on interest-bearing deposits
  - $4.7 million increase in interest expense on FHLB advances associated with increased borrowings during the quarter
  - Partially offset by a $4.8 million increase in interest income on commercial loans repricing of variable-rate loans and new loan originations, and a $2.1 million increase in interest income on consumer loans due to higher balances
- Net interest margin contracted slightly by 3 bps to 4.34% resulting from increase of 38 bps increase in the average cost of interest-bearing deposits, and increase in borrowings, partially offset by commercial loan repricing and higher yielding loans

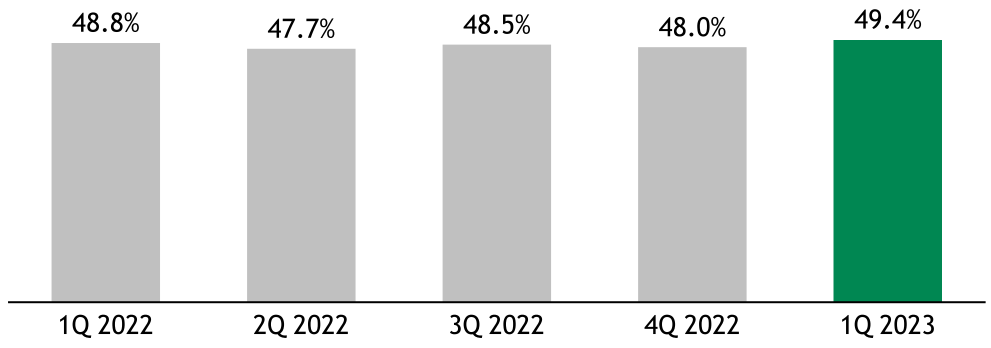
Key Highlights

- Non-interest income of $32.5 million, a $2.9 million increase vs. 4Q 2022 related to:
  - $2.0 million increase in insurance commission income related to seasonal contingent commissions recorded in the first quarter of 2023 based on prior year's production of insurance policies
  - $0.4 million increase in service charges on deposits due to a 4Q 2022 adjustment to reverse previously recognized fees on non-sufficient funds as part of changes in the fees structure
  - $0.3 million increase in card and processing income mainly related to merchant-related referral fees received during 1Q 2023
  - A net increase of $0.2 million in mortgage banking revenues due to a decrease in mark-to-market losses associated with TBA MBS forward contracts

Non-Interest Expenses ($MM)



Efficiency Ratio (%)



Key Highlights

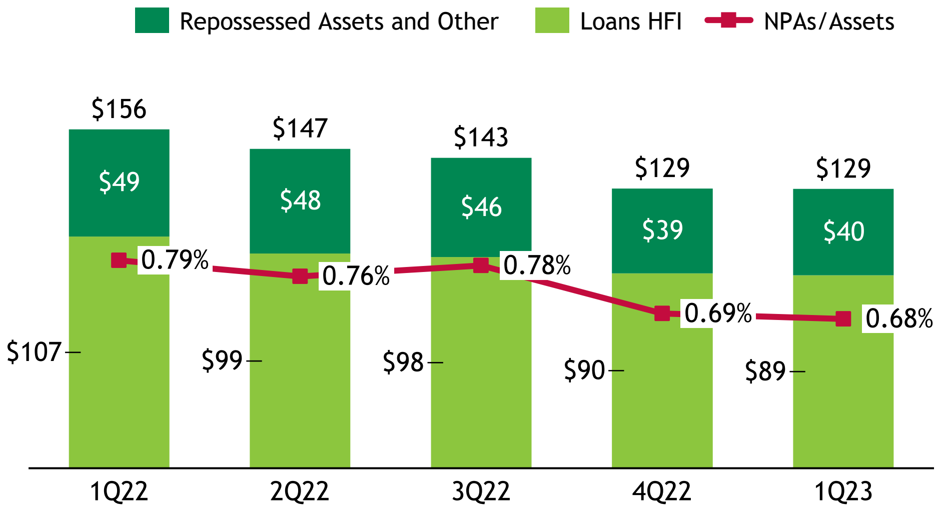
- Non-interest expenses of $115.3 million, an increase of $2.4 million vs. 4Q 2022 reflecting among other things:
  - $4.2 million increase in payroll related expenses driven by seasonal increase in payroll taxes, bonuses, and stock-based compensation expense
  - $0.6 million increase in FDIC deposit insurance cost, driven by the 2 basis points increase on the initial base deposit insurance assessment rate that came into effect on 1Q 2023
  - Partially offset by a $1.6 million decrease in business promotion expenses, a $1.1 million decrease in credit and debit card processing expenses, mainly as a result of incentives received during the 1Q 2023, and a $0.7 million decrease in professional service fees

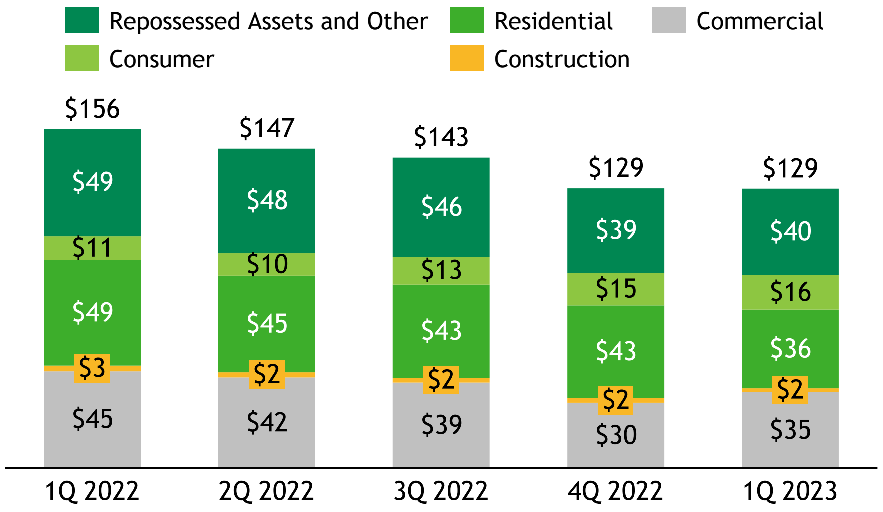
Key Highlights

- Efficiency ratio increased during the quarter to 49.4% from 48.0% in 4Q 2022
- We expect our efficiency ratio to gradually increase during the year as we continue with the execution of our technology and facilities capital projects, conduct our normal annual compensation adjustments, and register a normalization of OREO disposition trends; not exceeding our operating target of 52%

1 First BanCorp

Non-Performing Assets - $MM

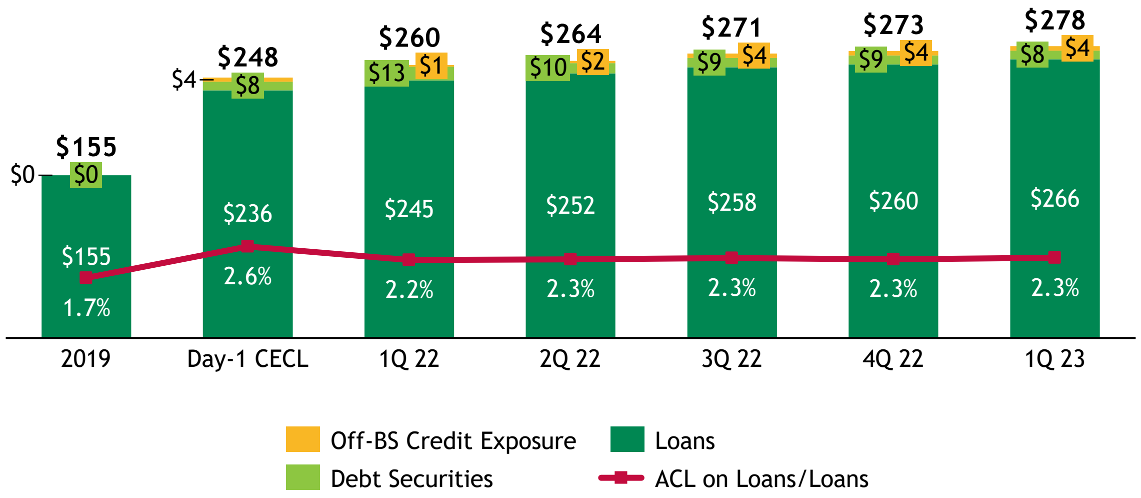




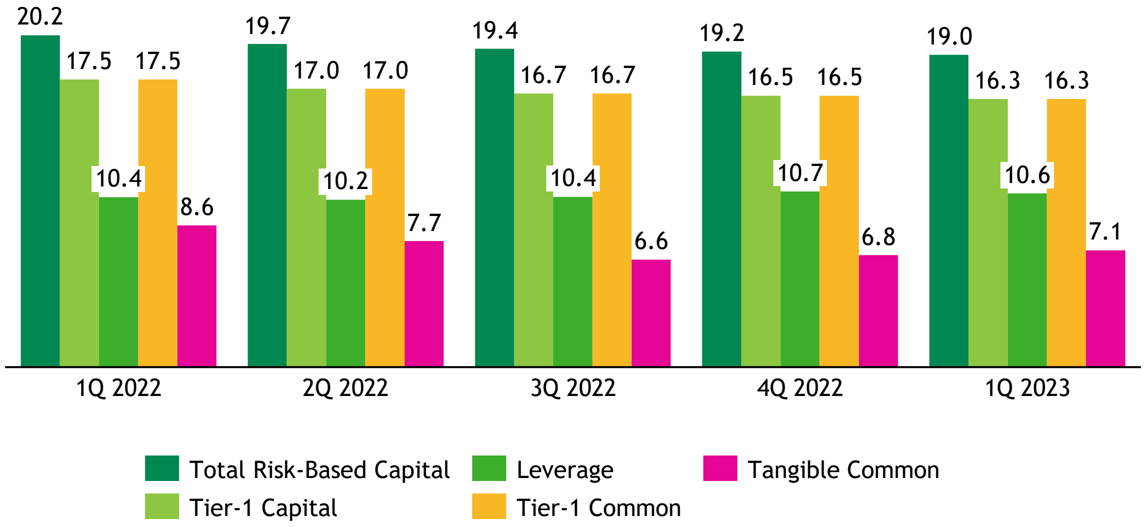
Total non-performing assets decreased by $0.2 million to $129 million as of 1Q 2023 or 0.68% of total assets

- Decrease in non-performing assets (NPAs) primarily driven by a $6.3 million decrease in nonaccrual residential mortgage loans, mainly related to $3.9 million of loans restored to accrual status, $2.7 million of loans transferred to OREO, and $1.6 million of collections, partially offset by inflows of $2.1 million
- Partially offset by a $4.4 million increase in nonaccrual commercial and construction loans, mainly related to the inflow of a $7.1 million commercial and industrial loan participation in the Florida region in the power generation industry, partially offset by $2.3 million of collections, including the payoff of a $1.0 million commercial and industrial loan in the Puerto Rico region; a $1.2 million increase in OREO balances; and a $1.1 million increase in nonaccrual consumer loans mainly auto loans and finance leases
- Inflows to nonaccrual loans held for investment were $29.7 million in 1Q 2023, an increase of $5.6 million when compared to inflows of $24.1 million in 4Q 2022

Evolution of ACL ($ in Millions) and ACL on Loans to Total Loans (%)



Capital Ratios (%)



Key Highlights

- The allowance for credit losses (ACL) on loans and leases increased by $5.1 million during 1Q 2023 to $265.6 million
- The ratio of the ACL for loans and finance leases to total loans held for investment was 2.29% as of 1Q 2023, compared to 2.25% as of 4Q 2022

Key Highlights

- Total stockholders' equity increased by $80.1 million to $1.4 billion as of 1Q 2023 driven by the $87.2 million increase in the fair value of available-for-sale debt securities due to changes in market rates recognized as part of accumulated other comprehensive loss and the earnings generated during 1Q 2023
  - Partially offset by the repurchase of 3.6 million shares of common stock for a total purchase price of $50 million, the payment of $25.4 million in quarterly dividends declared to common stockholders, and the $1.3 million decrease related to the adoption of ASU-2022-02

EXHIBITS

Government Loans

Government Unit	Source of Repayment		Total Outstanding
PR Securities			$ 3.3
Municipalities:			$ 296.5
Securities	Property Tax Revenues	165.8	
Loans		130.7	
Public Corporations:			$ 40.2
2 Loans	CRE - Operating Revenues	36.9	
1 Loan	Low Income Housing Programs	3.3	
Total Direct Government Exposure			**$ 340.0**

Government Deposits

Government Unit	Time Deposits	Transaction Accounts	Total
Municipalities	$ 64.2	$ 485.9	$ 550.1
Municipal Agency	-	-	-
Public Agencies	68.2	846.1	914.3
Public Corporations	28.3	660.4	688.7
U.S. Federal Government	1.2	45.6	46.8
Total Deposits	**$ 161.9**	**$ 2,038.0**	**$ 2,199.9**

Key Highlights

- As of 1Q 2022, the Corporation had $340.0 million of direct exposure to the Puerto Rico government, its municipalities and public corporations, compared to $338.9 million as of 4Q 2022
  - 87% of direct government exposure is to municipalities in Puerto Rico, which are supported by assigned property tax revenues or by one or more specific sources of municipal revenues

Key Highlights

- As of 1Q 2023, the Corporation had $2.2 billion of public sector deposits in Puerto Rico, compared to $2.3 billion as of 4Q 2022
  - Approximately 25% were from municipalities and municipal agencies in Puerto Rico and 75% were from public corporations, the Puerto Rico central government and agencies, and U.S. federal government agencies in Puerto Rico

NPL MIGRATION

1First BanCorp

	March 31, 2023					
	Residential Mortgage	Commercial Mortgage	Commercial & Industrial	Construction	Consumer	Total
Beginning balance	**$ 42,772**	**$ 22,319**	**$ 7,830**	**$ 2,208**	**$ 14,806**	**$ 89,935**
Plus:						
Additions to non-performing	2,081	544	7,470	127	19,524	29,746
Less:						
Non-performing loans transferred to OREO	(2,710)	(162)	(183)	(332)	(2,410)	(5,797)
Non-performing loans charged-off	(178)	(18)	(118)	(42)	(9,573)	(9,929)
Loans returned to accrual status / collections / paid-offs	(5,549)	(1,091)	(1,595)	(167)	(6,411)	(14,813)
Reclassification	(6)	6	-	-	-	-
Ending balance	**$ 36,410**	**$ 21,598**	**$ 13,404**	**$ 1,794**	**$ 15,936**	**$ 89,142**

	December 31, 2022					
	Residential Mortgage	Commercial Mortgage	Commercial & Industrial	Construction	Consumer	Total
Beginning balance	**$ 43,036**	**$ 23,741**	**$ 15,715**	**$ 2,237**	**$ 12,787**	**$ 97,516**
Plus:						
Additions to non-performing	5,807	-	412	-	17,935	24,154
Less:						
Non-performing loans transferred to OREO	(1,278)	-	-	-	(2,666)	(3,944)
Non-performing loans charged-off	(288)	(42)	(50)	-	(7,780)	(8,160)
Loans returned to accrual status / collections / paid-offs	(4,505)	(1,380)	(8,247)	(29)	(5,470)	(19,631)
Ending balance	**$ 42,772**	**$ 22,319**	**$ 7,830**	**$ 2,208**	**$ 14,806**	**$ 89,935**

Basis of Presentation

Use of Non-GAAP Financial Measures

This presentation contains 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. 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 attached tables to this earnings presentation. Any analysis of these non-GAAP financial measures should be used only in conjunction with results presented in accordance with GAAP.

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 intangibles. Tangible assets are total assets less goodwill and other intangibles. Management and many stock analysts use the tangible common equity ratio and tangible book value per common share in conjunction with 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 way 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.

	March 31,2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31,2022
(In thousands, except ratios and per share information)					
Tangible Equity:					
Total equity - GAAP	$ 1,405,593	$ 1,325,540	$ 1,265,333	$ 1,557,916	$ 1,781,102
Goodwill	(38,611)	(38,611)	(38,611)	(38,611)	(38,611)
Purchased credit card relationship intangible	(86)	(205)	(376)	(599)	(873)
Core deposit intangible	(18,987)	(20,900)	(22,818)	(24,736)	(26,648)
Insurance customer relationship intangible	-	(13)	(51)	(89)	(127)
Tangible common equity	**$ 1,347,909**	**$ 1,265,811**	**$ 1,203,477**	**$ 1,493,881**	**$ 1,714,843**
Tangible Assets:					
Total assets - GAAP	$ 18,977,114	$ 18,634,484	$ 18,442,034	$ 19,531,635	$ 19,929,037
Goodwill	(38,611)	(38,611)	(38,611)	(38,611)	(38,611)
Purchased credit card relationship intangible	(86)	(205)	(376)	(599)	(873)
Core deposit intangible	(18,987)	(20,900)	(22,818)	(24,736)	(26,648)
Insurance customer relationship intangible	-	(13)	(51)	(89)	(127)
Tangible assets	**$ 18,919,430**	**$ 18,574,755**	**$ 18,380,178**	**$ 19,467,600**	**$ 19,862,778**
Common shares outstanding	**179,789**	**182,709**	**186,258**	**191,626**	**198,701**
Tangible common equity ratio	**7.12%**	**6.81%**	**6.55%**	**7.67%**	**8.63%**
Tangible book value per common share	**$ 7.50**	**$ 6.93**	**$ 6.46**	**$ 7.80**	**$ 8.63**

Non-GAAP Disclosures

Use of Non-GAAP Financial Measures

This presentation contains 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. 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 attached tables to this earnings presentation. Any analysis of these non-GAAP financial measures should be used only in conjunction with results presented in accordance with GAAP.

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 the provision for credit losses expense (benefit), as well as certain items that management believes are not reflective of core operating performance.

	Quarter Ended				
(Dollars in thousands)	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Income before income taxes	$ 102,633	$ 106,530	$ 106,631	$ 108,798	$ 125,625
Add/Less: Provision for credit losses expense (benefit)	15,502	15,712	15,783	10,003	(13,802)
Adjusted pre-tax, pre-provision income (1)	$ 118,135	$ 122,242	$ 122,414	$ 118,801	$ 111,823
Change from most recent prior quarter (amount)	$ (4,107)	$ (172)	$ 3,613	$ 6,978	$ 6,915
Change from most recent prior quarter (percentage)	-3.4%	-0.1%	3.0%	6.2%	6.6%

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

Financial Results
1Q 2023