

FIRST BANCORP /PR/  
Form 8-K  
October 23, 2013

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**Form 8-K**

**Current Report  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): October 23, 2013**

**FIRST BANCORP.  
(Exact Name of Registrant as Specified in its Charter)**

|                                     |                     |                       |
|-------------------------------------|---------------------|-----------------------|
| <b>Puerto Rico</b>                  | <b>001-14793</b>    | <b>66-0561882</b>     |
| <b>(State or Other Jurisdiction</b> |                     | <b>(I.R.S.</b>        |
| <b>of Incorporation)</b>            |                     | <b>Employer</b>       |
|                                     | <b>(Commission</b>  | <b>Identification</b> |
|                                     | <b>File Number)</b> | <b>No.)</b>           |

**1519 Ponce de Leon Ave.**

**P.O. Box 9146** **00908-0146**

**San Juan, Puerto Rico**  
**(Address of Principal Executive Offices) (Zip Code)**

**(787) 729 8200**  
**(Registrant's Telephone Number, including Area Code)**

**Not applicable**  
**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

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Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02 Results of Operations and Financial Condition.**

On October 23, 2013, First BanCorp. (the “Corporation”), the bank holding company for FirstBank Puerto Rico (“FirstBank” or “the Bank”), issued a press release announcing its unaudited results of operations for the third quarter ended September 30, 2013. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

A copy of the presentation that the Corporation will use at its conference call to discuss its financial results for the third quarter ended September 30, 2013 is attached hereto as Exhibit 99.2 and is incorporated herein by reference. As announced in a press release dated October 18, 2013, the call may be accessed via a live Internet webcast at 11:00 a.m. Eastern time on Wednesday, October 23, 2013 through the investor relations section of the Corporation’s website: [www.firstbankpr.com](http://www.firstbankpr.com) or through the dial-in telephone number (888) 317-6016 or (412) 317-6016 for international callers. The conference number is 10035905.

The Corporation has included in this release the following financial measures that are not recognized under generally accepted accounting principles, which are referred to as non-GAAP financial measures: (i) the calculation of net interest income, interest rate spread and net interest margin rate on a tax-equivalent basis and excluding changes in the fair value of derivative instruments and certain financial liabilities; (ii) the calculation of the tangible common equity ratio and the tangible book value per common share; (iii) the Tier 1 common equity to risk-weighted assets ratio; (iv) the adjusted pre-tax, pre-provision income, and (v) certain other financial measures adjusted to exclude the effect of costs related to the secondary offering of the Corporation’s common stock by certain of the existing stockholders and the credit card processing platform conversion, both completed in the third quarter of 2013, the bulk sales of assets and the transfer of loans to held for sale in the first and second quarters of 2013 and the effect of the write-off of the collateral pledged to Lehman Brothers, Inc. Investors should be aware that non-GAAP financial measures have inherent limitations and should be read only in conjunction with the Corporation’s consolidated financial data prepared in accordance with GAAP.

To supplement the Corporation’s financial statements presented in accordance with GAAP, the Corporation provides additional measures of net income (loss), net income (loss) per diluted share, provision for loan and lease losses, provision for loan and lease losses to net charge-offs, net charge-offs, net charge-offs to average loans, non-interest expenses, and non-interest income to exclude the impact of the secondary offering costs and the credit card processing platform conversion costs in the third quarter of 2013, the bulk sales of assets and the transfer of non-performing loans to held for sale in the first and second quarters of 2013 and the write-off of the collateral pledged to Lehman Brothers, Inc, recorded in the second quarter of 2013. Management believes that these non-GAAP measures enhance the ability of analysts and investors to analyze trends in the Corporation’s business and to better understand the performance of the Corporation. In addition, the Corporation may utilize these non-GAAP financial measures as a guide in its budgeting and long-term planning process. Any analysis of these non-GAAP financial measures should be used only in conjunction with results presented in accordance with GAAP.

The release includes a reconciliation of these non-GAAP financial measures to the GAAP financial measures, except for the reconciliation with respect to the calculation of the non-GAAP financial measure “provision for loan and lease losses to net charge-offs ratio, excluding the impact of the bulk sales of assets and loans transferred to held for sale” with provision for loan losses to net charge-offs ratio calculated and presented in accordance with GAAP which is included below:

|   | <b>Provision for loan and lease losses to Net Charge-Offs (Non-GAAP to GAAP reconciliation)</b> |                        |
|---|---|------------------------|
|   | <b>Quarter Ended June 30, 2013</b>  |                        |
| (In thousands)  | <b>Provision for Loan and Lease Losses</b>  | <b>Net Charge-Offs</b> |
| Provision for loan and lease losses and net charge-offs, excluding special items (Non-GAAP) | \$ 19,574   | \$ 30,976              |
| <i>Special items:</i>   |   |                        |
| Bulk sale of non-performing residential assets and loans transferred to held for sale       | 67,890  | 97,972                 |
| Provision for loan and lease losses and net charge-offs (GAAP)                              | \$ 87,464   | \$ 128,948             |
| Provision for loan and lease losses to net charge-offs, excluding special items (Non-GAAP)  | 63.19   | %                      |
| Provision for loan and lease losses to net charge-offs (GAAP)                               | 67.83   | %                      |

|   | <b>Provision for loan and lease losses to Net Charge-Offs (Non-GAAP to GAAP reconciliation)</b> |                        |
|---|---|------------------------|
|   | <b>Nine-Month Period Ended on September 30, 2013</b>  |                        |
| (In thousands)  | <b>Provision for Loan and Lease Losses</b>  | <b>Net Charge-Offs</b> |
| Provision for loan and lease losses and net charge-offs, excluding special items (Non-GAAP) | \$ 88,780   | \$ 134,373             |
| <i>Special items:</i>   |   |                        |

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|  |            |            |
|--|------------|------------|
| Bulk sale of non-performing residential assets and loans transferred to held for sale      | 132,002    | 232,444    |
| Provision for loan and lease losses and net charge-offs (GAAP)                             | \$ 220,782 | \$ 366,817 |
| Provision for loan and lease losses to net charge-offs, excluding special items (Non-GAAP) | 66.07      | %          |
| Provision for loan and lease losses to net charge-offs (GAAP)                              | 60.19      | %          |

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

| Exhibit | Description of Exhibit   |
|---------|--|
| 99.1    | Press Release dated October 23, 2013 - First BanCorp Announces Earnings for the Quarter Ended September 30, 2013 |
| 99.2    | First BanCorp Conference Call Presentation – Financial Results for the Third Quarter Ended September 30, 2013    |

Exhibits 99.1 and 99.2 referenced therein, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall Exhibits 99.1 and 99.2 be deemed incorporated by reference in any filings under the Securities Act of 1933, as amended.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 23, 2013 **First BanCorp.**

By: /s/ Orlando Berges

Name: Orlando Berges

Title: EVP and Chief Financial Officer

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**Exhibit Index**

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