

FIRST BANCORP /PR/
Form 8-K
May 03, 2013

**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): May 3, 2013

**First BanCorp.
(Exact Name of Registrant as Specified in its Charter)**

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

| | |
|-------------------------------------------------|-------------------|
| 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)

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))

Item 2.02 Results of Operations and Financial Condition.

On May 3, 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 first quarter ended March 31, 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 first quarter ended March 31, 2013 is attached hereto as Exhibit 99.2 and is incorporated herein by reference. As announced in a press release dated April 26, 2013, the call may be accessed via a live Internet webcast at 10:00 a.m. Eastern time on Friday, May 3, 2013 through the investor relations section of the Corporation’s website: www.firstbankpr.com or through the dial-in telephone number (888) 317-6016 or (412) 317-6016 for international callers. The conference number is 10028420.

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 (iv) certain other financial measures adjusted to exclude the effect of a bulk sale of assets completed during the first quarter of 2013 and of valuation adjustments to certain loans transferred to held for sale. 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 loss, net loss per diluted share, provision for loan and lease losses, provision for loan and lease losses to net charge-offs, net charge-offs, and net charge-offs to average loans to exclude the impact of the bulk sale of adversely classified loans and OREO properties with a book value of \$217.7 million, and the transfer of \$181.6 million of non-performing loans to held for sale. In connection with the bulk sale and the transfer of loans to held for sale, the Corporation recorded charge-offs of \$134.5 million, an additional provision for loan and lease losses of \$64.1 million, and \$3.9 million of professional fees specifically related to the bulk sale. 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 sale 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:

| | Provision for loan and lease losses to Net Charge-Offs (Non-GAAP to GAAP reconciliation) | |
|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------|
| | Quarter Ended March 31, 2013 | |
| (In thousands) | Provision for Loan and Lease Losses | Net Charge-Offs |
| Provision for loan and lease losses and net charge-offs, excluding special items (Non-GAAP) | \$ 47,011 | \$ 69,534 |
| <i>Special items:</i> | | |
| Bulk sale of loans and loans transferred to held for sale | 64,112 | 134,472 |
| Provision for loan and lease losses and net charge-offs (GAAP) | \$ 111,123 | \$ 204,006 |
| Provision for loan and lease losses to net charge-offs, excluding special items (Non-GAAP) | 67.61 | % |
| Provision for loan and lease losses to net charge-offs (GAAP) | 54.47 | % |

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Description of Exhibit

99.1 Press Release dated May 3, 2013 - First BanCorp Announces Results for the Quarter Ended March 31, 2013

99.2 First BanCorp Conference Call Presentation – Financial Results for the First Quarter Ended March 31, 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: May 3, 2013 FIRST BANCORP

By: /s/ Orlando Berges
Name: Orlando Berges
Title: EVP and Chief Financial Officer

Exhibit Index

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