

***P* R E S S R E L E A S E**

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JORGE IRIZARRY NAMED ACTING PRESIDENT OF THE GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO

Alfredo Salazar Steps Down, But Remains as Chairman of the Board

SAN JUAN, PUERTO RICO, August 29, 2007 -- The Board of Directors of the Government Development Bank for Puerto Rico (GDB) announced today that it has named GDB's Financing Executive Vice President Jorge Irizarry as Acting President of the Commonwealth's fiscal agent and financial advisor. Mr. Irizarry succeeds Alfredo Salazar, who resigned the position effective yesterday, August 28, 2007. Mr. Salazar will remain as GDB Board Chairman until the current agenda of scheduled bond issues is completed, the Board said, while also noting its regretful acceptance of his decision to vacate the Acting President's position.

"Having served as Acting President of this prestigious institution in such crucial times for Puerto Rico and our having achieved credit stability brings me pride and great satisfaction," Mr. Salazar said. He expressed his gratitude for the confidence and collaboration of all those who contributed to the success of the transactions the GDB has accomplished during his tenure.

Mr. Irizarry has served as GDB Financing Executive Vice President since April 2005. During these two years at the Bank he has been responsible for important

transactions in the capital markets, as well as for the implementation of innovative financial structures for the benefit of Puerto Rico's public corporations and the central government.

Mr. Salazar has served as GDB Acting President since August 2005.

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