



COMMONWEALTH OF
PUERTO RICO

Government Development Bank
for Puerto Rico

PRESS RELEASE

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GOVERNOR GARCIA PADILLA AND GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO RELEASE ANALYSIS OF THE COMMONWEALTH'S FISCAL CONDITION

San Juan, P.R. – Governor García Padilla and the Government Development Bank for Puerto Rico (“GDB”) today released a report by former World Bank Chief Economist and former Deputy Director of the International Monetary Fund Dr. Anne Krueger and economists Dr. Ranjit Teja and Dr. Andrew Wolfe which analyzes the full extent of Commonwealth’s fiscal condition including revenues, expenditures, deficits, and current and future obligations. It also discusses certain recommendations for a five-year fiscal adjustment plan.

Governor García Padilla said, “It is no secret that the Commonwealth has faced fiscal issues over the last decade. However, the report from Dr. Krueger and her team – commissioned at the request of the Commonwealth – for the first time acknowledges the true extent of the problem. We must make difficult decisions to meet the challenges we now know are ahead, and I intend to do everything in my power to lead us through this time.”

Governor García Padilla will address the public this afternoon at 5 p.m. EST, which will be available via live stream at fortaleza.pr.gov/envivo.

Over the next week, leaders of the Commonwealth will host meetings and briefings with interested parties and will continue to communicate to the public the steps the Commonwealth is taking to address these issues.

The full report is available at: <http://www.gdbpr.com/documents/PuertoRicoAWayForward.pdf>.

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The information included in this statement contains certain forward-looking statements. These forward looking statements may relate to the fiscal and economic condition, economic performance, plans and objectives of the Commonwealth of Puerto Rico or its agencies or instrumentalities. All statements contained herein that are not clearly historical in nature are forward looking.

This statement is not a guarantee of future performance and involves certain risks, uncertainties, estimates, and assumptions by the Commonwealth and/or its agencies or instrumentalities that are difficult to predict. The economic and financial condition of the Commonwealth and its agencies or instrumentalities is affected by various financial, social, economic, environmental, and political factors. These factors can be very complex, may vary from one fiscal year to the next, and are frequently the result of actions taken or not taken, not only by the Commonwealth and/or its agencies or instrumentalities, but also by entities such as the government of the United States of America or other nations that are not under the control of the Commonwealth. Because of the uncertainty and unpredictability of these factors, their impact cannot, as a practical matter, be included in the assumptions underlying the Commonwealth's or its agencies or instrumentalities' projections.