



COMMONWEALTH OF
PUERTO RICO

Government Development Bank
for Puerto Rico



COMMONWEALTH OF
PUERTO RICO

Treasury Department



GDB Contact: *Betsy Nazario* (787) 415-1231 / Treasury Contact: *María E. Quintero* (787) 398-0486
Betsy.Nazario@bgfpr.com Maru.Quintero@hacienda.gobierno.pr

March 14, 2014

RESPONSE TO RECENT MARKET SPECULATION

San Juan – In response to market speculation regarding Senate Bill 993, filed yesterday in the Puerto Rico Senate, which seeks to establish a legal mechanism to restructure the public debt of the Commonwealth's public corporations, the Government Development Bank for Puerto Rico (GDB) and the Treasury Department wish to clarify that neither the GDB nor the Executive Branch proposed, reviewed, authorized or were in any way involved in the drafting or formulation of this legislation. The Commonwealth remains focused on its plan of creating jobs, balancing the budget and making public corporations self-sufficient. The recent successful bond deal was a meaningful step forward in executing the Commonwealth's fiscal plan. The GDB, as fiscal agent to the Commonwealth and its instrumentalities, is evaluating the financial condition of the public corporations to assist in formulating plans to ensure public corporations become self-sufficient. No specific contingency plan, including a debt restructuring, has been adopted in the event the financial condition of the Commonwealth's public corporations does not improve.

* * *

Forward-Looking Statements

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.