OFGBancorp

# OFG Bancorp Reports 3Q25 Results

SAN JUAN, Puerto Rico, October 22, 2025 – OFG Bancorp (NYSE: OFG), the financial holding company for Oriental Bank, today reported results for the third quarter ended September 30, 2025. EPS diluted of $1.16 compared to $1.15 in 2Q25 and $1.00 in 3Q24. Total core revenues of $184.0 million compared to $182.2 million in 2Q25 and $174.1 million in 3Q24.

## CEO Comment

José Rafael Fernández, Chief Executive Officer, said: “Third quarter EPS grew 16% year-over-year on a 5.6% increase in total core revenues. Loan and core deposit balances increased year-over-year with important growth in commercial loans as we began to see the long-anticipated moderation in auto loan originations. Performance and credit metrics remained strong, and we repurchased $20.4 million of common shares.”

"Our Digital First strategy is making significant strides, expanding our positioning as leaders in banking innovation in Puerto Rico. The broad acceptance of our flagship mass-market Libre and mass affluent Elite accounts has driven customer acquisition and retention. Building on this success, we are enhancing our efforts with AI-driven predictive customer insights. Customers now receive tailored insights based on cash flows and payment habits, helping them monitor their budgets and access value-added tools to improve their finances directly from their mobile phones or online. This quarter, we have also launched internal initiatives to apply AI to boost efficiency across all banking operations.”

“Puerto Rico’s economy continued to perform well during the third quarter with a summer tourism surge, solid consumer and business liquidity, and new multi-million dollar on-shoring investments, confirming the island’s position as a world leader of manufacturing medical devices and pharmaceutical products. All these are exciting developments that reinforce our confidence in the island’s future.”

## 3Q25 Highlights

**Performance Metrics:** Net interest margin of 5.24%, return on average assets of 1.69%, return on average tangible common stockholders’ equity of 16.39%, and efficiency ratio of 52.48%.

**Total Interest Income** of $200.1 million compared to $194.3 million in 2Q25 and $189.0 million in 3Q24. Compared to 2Q25, 3Q25 increased $5.8 million, reflecting higher average balances of loans and investments and $1.6 million from one additional business day.

**Total Interest Expense** of $45.4 million compared to $42.4 million in 2Q25 and $41.2 million in 3Q24. Compared to 2Q25, 3Q25 increased $3.0 million, reflecting higher average balances of core deposits and wholesale funding, higher cost of deposits, and $0.5 million from one additional business day.

**Total Banking & Financial Service Revenues** of $29.3 million compared to $30.2 million in 2Q25 and $26.3 million in 3Q24. Compared to 2Q25, 3Q25 reflected a sequential decline in mortgage banking revenues due to a change in MSR valuation.

**Pre-Provision Net Revenues** of $89.6 million compared to $87.6 million in 2Q25 and $83.1 million in 3Q24.

**Other Income** of $2.2 million included gains from OFG Ventures investments in fintech-focused funds.

**Total Provision for Credit Losses** of $28.3 million compared to $21.7 million in 2Q25 and $21.4 million in 3Q24. 3Q25 primarily reflected $13.5 million for increased loan volume, $5.6 million in specific reserves on two commercial loans, $4.3 million for updated prepayment assumptions in commercial loan and residential mortgage portfolios, $2.9 million for macroeconomic factors, and $1.3 million due to qualitative adjustment.

**Credit Quality:** Net charge-offs of $20.2 million (1.00% of average loans) compared to $12.8 million (0.64%) in 2Q25 and $17.1 million (0.90%) in 3Q24. 3Q25 early and total delinquency rates were 2.84% and 4.06%, respectively, in line with ranges seen over the past year. The nonperforming loan rate was 1.22% compared to 1.19% in 2Q25 and 1.03% in 3Q24.

**Total Non-Interest Expense** of $96.5 million compared to $94.8 million in 2Q25 and $91.6 million in 3Q24. Compared to 2Q25, 3Q25 reflected strategic investments of $1.1 million in technology, people and process improvement; $1.1 million due to higher business activity and marketing; and a $0.8 million reduction in foreclosed real estate costs.

**Income Tax Expense** of $9.5 million compared to $14.1 million in 2Q25 and $14.8 million in 3Q24. 3Q25 ETR was 15.53%, reflecting a benefit of $2.3 million in discrete items during the quarter and an anticipated rate of 23.06% for the year.

**Loans Held for Investment (EOP)** of $8.12 billion compared to $8.18 billion in 2Q25 and $7.75 billion in 3Q24. 3Q25 loans decreased 0.8% sequentially primarily due to repayment of commercial lines of credit funded in 2Q25. Loans increased 4.73% year-over-year, reflecting increases in Puerto Rico and U.S. commercial, consumer, and auto, partially offset by a decrease in residential mortgage.

**New Loan Production** of $623.9 million compared to $783.7 million in 2Q25 and $572.2 million in 3Q24. Compared to 2Q25, 3Q25 reflected in part the moderation in auto. Year-over-year new loan production was up 9.0%.

**Total Investments (EOP)** of $2.94 billion compared to $2.78 billion in 2Q25 and $2.61 billion in 3Q24. Compared to 2Q25, 3Q25 primarily reflected purchases of $200 million of mortgage-backed securities yielding 5.32%, partially offset by repayments.

**Customer Deposits (EOP)** of $9.82 billion decreased $76.2 million from $9.90 billion in 2Q25 and increased $286.5 million from $9.53 billion in 3Q24. Compared to 2Q25, 3Q25 reflected lower demand and time deposit balances, partially offset by higher savings deposit balances.

**Total Borrowings & Brokered Deposits (EOP)** of $746.4 million compared to $732.3 million in 2Q25 and $346.5 million in 3Q24. Compared to 2Q25, 3Q25 reflected increased borrowings and decreased brokered deposits.

**Cash & Cash Equivalents (EOP)** of $740.3 million compared to $851.8 million in 2Q25 and $680.6 million in 3Q24. During 3Q25, cash was used to purchase the above-mentioned mortgage-backed securities.

**Capital:** CET1 ratio was 14.13% compared to 13.99% in 2Q25 and 14.37% in 3Q24. Tangible Common Equity ratio was 10.55% compared to 10.20% in 2Q25 and 10.72% in 3Q24. Tangible Book Value per share was $28.92 compared to $27.67 in 2Q25 and $26.15 in 3Q24. 3Q25 included repurchases of 477,600 common shares for $20.4 million.

## Conference Call, Financial Supplement & Presentation

A conference call to discuss 3Q25 results, outlook and related matters will be held today at 10:00 AM ET. Phone (800) 579-2543 or (785) 424-1789. Conference ID: OFGQ325. The call can also be accessed live on www.ofgbancorp.com with webcast replay shortly thereafter. OFG's Financial Supplement, with full financial tables for the quarter ended September 30, 2025, and the 3Q25 Conference Call Presentation, can be found on the Quarterly Results page on OFG's Investor Relations website at www.ofgbancorp.com.

## Non-GAAP Financial Measures

In addition to our financial information presented in accordance with GAAP, management uses certain "non-GAAP financial measures" within the meaning of SEC Regulation G, to clarify and enhance understanding of past performance and prospects for the future. Please refer to Tables 8-1 and 8-2 in OFG's above-mentioned Financial Supplement for a reconciliation of GAAP to non-GAAP measures and calculations.

## Forward Looking Statements



## About OFG Bancorp

Now in its 61st year in business, OFG Bancorp is a diversified financial holding company that operates under U.S., Puerto Rico and U.S. Virgin Islands banking laws and regulations. Its three principal subsidiaries, Oriental Bank, Oriental Financial Services, and Oriental Insurance, provide a wide range of retail and commercial banking, lending and wealth management products, services, and technology, primarily in Puerto Rico and U.S. Virgin Islands. Our mission is to make progress possible for our customers, employees, shareholders, and the communities we serve. Visit us at www.ofgbancorp.com.

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