



press release

PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY

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Fitch Ratings recognizes Government of Puerto Rico's progress in fiscal recovery

Credit rating agency issues public comment highlighting the Government's advances in publishing audited financial reports, as well as improvements in the reliability, timeliness and accessibility of data

[San Juan, Puerto Rico] - The credit rating agency Fitch Ratings issued a commentary today, Wednesday, highlighting the importance of the publication of the Government of Puerto Rico's audited financial statements for fiscal year 2021 and emphasizing the improvement in reliability, timeliness and access to relevant information for the markets.

In its commentary, Fitch maintains that the government's ability to sustain the demonstrated improvement in budgetary practices, as well as financial and economic reporting, are key to the agency's investigative process of re-forming a credit opinion on Puerto Rico.

"This comment from Fitch shows the fruits of Governor Pierluisi's commitment to bring the government up to date in the publication of financial statements," said Omar J. Marrero, executive director of the Puerto Rico Financial Advisory Authority and Fiscal Agency (AAFAF), who added that Fitch's comment "speaks volumes" about the efforts of the Treasury Department and AAFAF to improve the reliability, timeliness and accessibility of the government's financial and economic information.

"There are many financial and fiscal achievements under the Governor's leadership, including the implementation of the debt adjustment plans for the Central Government and the Highway and Transportation Authority (ACT) in March and December 2022, respectively, ending the Government's and ACT's

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bankruptcy under Title III of PROMESA, the publication of audited financial statements of the Government for fiscal years 2019, 2020 and 2021, liquidity and budget reports, and the celebration of two forums in Puerto Rico and New York to share progress status with participants of the capital markets," added the Secretary of State.

For his part, Treasury Secretary Francisco Parés said he was pleased with Fitch's recognition and acknowledged his team's commitment to bringing Puerto Rico back into compliance with the financial disclosure requirements within the timetable established by the agreements with the capital markets.

"Last week we issued the fifth Audited Financial Statements report under our leadership. The work has been arduous, but we are very satisfied with the work done by our team, which is very committed to the goal of updating the financial statements, an important step to get out of PROMESA and achieve the financial transparency that our island deserves and needs," said the Treasury Secretary.

Meanwhile, Marrero acknowledged that there is still work to be done, starting with the publication of the government's financial statements for fiscal year 2022 and being on time with the publication of the fiscal year 2023 statements, as well as finishing the pending restructuring processes, such as that of the Electric Power Authority, but stressed the importance of validating the progress made to date.

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