

PRESS RELEASE

**NOTICE OF INTENT OF GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO TO
SUBMIT AUCTION BIDS**

**Commonwealth of Puerto Rico Public Improvement Refunding Bonds
Series 2007A-9, maturing July 1, 2034 (CUSIP No. 74514LNS2, auction April 15, 2008)**

NOTICE IS HEREBY GIVEN that Government Development Bank for Puerto Rico, fiscal agent for the Commonwealth of Puerto Rico (“GDB”), intends to submit bids during the auctions listed above in respect of the above auction rate bonds (the “Bonds”) on the following terms: (a) GDB seeks to purchase all of the Bonds in each of said auctions and (b) it will submit its bid in an auction at one or more interest rates no lower than 2.75% or, if higher, the municipal swap index published by SIFMA on or immediately preceding the day of the particular auction to help avoid an auction result of a below market interest rate. Should GDB obtain any Bonds through its bid, it will seek to purchase the remaining Bonds that are the subject of the auction by tendering for or otherwise seeking to purchase them at a purchase price of par, plus accrued interest to the date of purchase. If GDB is unsuccessful in bidding for all of the Bonds in the applicable auction or in purchasing the Bonds between such auction and the next as described above, it will submit a bid in the following auction on the same terms as set forth above.

Set forth below is summary information of statistics for the Bonds for the immediately preceding auction, including the size of the prior auction, number of unaffiliated bidders, bids by participating dealers, bids (including dealer bids) on the Commonwealth’s behalf, clearing bids and the low, high and median bids (keeping in mind that the median will not, except by chance, equal the clearing bid).

**CUSIP 74514LNS2
\$50,000,000 Principal Amount Public Improvement Refunding Bond, Series 2007A
Sub-Series 2007A-9, Final Maturity July 1, 2034**

| Date | Auction Size | Number of Unaffiliated Bidders | Aggregate Amount of Bids | Bids by GDB | | | Bids by Participating Dealers | Clearing Bid | Low Bid | High Bid | Median Bid |
|----------|--------------|--------------------------------------|--------------------------------|--------------------------------|-------------------|---------------------|-------------------------------------|-----------------|---------|----------|------------|
| | | | | Aggregate Amount of Bids | Number of Bids | Interest Rate(s) | | | | | |
| 4/8/2008 | \$35,600,000 | 12 | \$110,950,000 | \$50,000,000 | 1 | 2.750% | 0 | 2.750% | 2.750% | 9.450% | 5.990% |

GDB will post on its web site, www.gdbpr.com, a link to www.DACBond.com in order to make copies of this notice further available to investors. This link will enable investors to obtain similar detail of the results of each auction in which GDB will submit bids as set forth in the first paragraph of this notice, and GDB will file, or cause to be filed, these results with each nationally recognized municipal securities information repository and each broker-dealer for the above Bonds and make them or cause them to be made available to the financial press.

GDB will retain for not more than 180 days from their respective dates of purchase Bonds purchased as described above by submitting “hold” bids for such Bonds in subsequent auctions until such time as the Bonds are redeemed or the Bonds’ interest rate mode is converted to a non-auction mode, or until it chooses to sell the Bonds in a future auction. GDB will provide notice to the market in the same manner as described above at least two business days prior to any auction in which it submits a “sell” order for Bonds it has purchased. If the Bonds are redeemed or converted to another interest rate mode, notice to the marketplace will be provided in the manner set forth in the legal documents for the Bonds. Information on the results of additional auctions for the above Bonds will be similarly made available through a link to www.DACBond.com posted promptly on GDB’s website, www.gdbpr.com.

Holders of any of the above Bonds who wish to sell them to GDB between auctions at a price of par plus accrued interest to the applicable purchase date should contact Mr. Rene Van Noort, Acting Treasurer of GDB, at 787-722-8030.

It should be noted that the interests of GDB are different from, and, in fact, may be contrary to, the interests of an investor because GDB is seeking to establish the lowest interest rate on the Bonds, while an investor generally would seek the highest interest rate on the Bonds.

GOVERNMENT DEVELOPMENT BANK
FOR PUERTO RICO