

**FEDERAL DEPOSIT INSURANCE CORPORATION**  
Washington, D.C. 20429

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): July 21, 2015

**FIRST REPUBLIC BANK**

(Exact name of registrant as specified in its charter)

**California**  
(State or other jurisdiction  
of incorporation)

**80-0513856**  
(I.R.S. Employer  
Identification No.)

**111 Pine Street, 2nd Floor**  
**San Francisco, CA 94111**  
(Address, including zip code, of principal executive office)

**Registrant's telephone number, including area code: (415) 392-1400**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

**Item 7.01 Regulation FD Disclosure**

Pursuant to Regulation FD, First Republic Bank (“the Bank”) hereby furnishes to the Federal Deposit Insurance Corporation slides that the Bank will present to analysts and investors on or after July 21, 2015. The slides are attached hereto as Exhibit 99.1. These slides will be available on the Bank’s website at [www.firstrepublic.com](http://www.firstrepublic.com).

The information furnished by the Bank pursuant to this item, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

**Item 9.01 Financial Statements and Exhibits**

**(d) Exhibits**

99.1 Slides presented by First Republic Bank to analysts and investors on or after July 21, 2015.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 21, 2015.

First Republic Bank

By: /s/ Michael J. Roffler

Name: Michael J. Roffler

Title: Executive Vice President and  
Chief Financial Officer

## EXHIBIT INDEX

<b><u>Exhibit Number</u></b>	<b><u>Description</u></b>
Exhibit 99.1	Slides presented by First Republic Bank to analysts and investors on or after July 21, 2015.

**Exhibit 99.1**



FIRST REPUBLIC BANK  
It's a privilege to serve you®

# FIRST REPUBLIC BANK

*July 2015*

# 2<sup>ND</sup> QUARTER HIGHLIGHTS

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- Deposits +4.9%
- Loans +5.0%
- Wealth management assets +2.1%
- Loan originations \$5.8 billion, our highest quarter
- Core revenue growth +12% year-over-year
- Tier 1 capital +16.5% year-over-year<sup>(1)</sup>
- Book value per share +12.0% year-over-year

(1) Represents Tier 1 capital under Basel III on a fully phased-in basis. See page A4 in Appendix for additional information on Basel III capital ratios.

# WHY FIRST REPUBLIC?

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- **Simple structure** – no holding company / only 4 subsidiaries
- **Focused business model** – single point-of-contact
- **Culture** – intense, client service-focused and team-based
- **Strong brand** – continuously expanding market recognition
- **Superior credit** – no migration in underwriting standards
- **Outperforming markets** – urban, coastal, knowledge-based
- **Attractive client base** – urban professionals
- **Well-capitalized**
- **Consistent, broad-based leadership team**

# WHAT IS FIRST REPUBLIC TODAY?

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- Profitable for 30 consecutive years (since inception)
- Total Bank Assets **\$53.1** billion – almost entirely organic growth
- Nonperforming Assets only 11 bps
- Tier 1 Leverage ratio of 9.76% <sup>(1)</sup>
- 68 Banking Offices in 7 Bi-coastal, urban markets
- Wealth Management Assets **\$57.6** billion

(1) Represents the ratio under Basel III on a fully phased-in basis. See page A4 in Appendix.



# SIMPLE, CONSISTENT, PROVEN BUSINESS MODEL

- Single point-of-contact approach
- Jumbo home loan lead for client acquisition
- Culture focused on providing extraordinary service
- Incentive structure focused on relationship building and strong credits
- 50% + of yearly growth from existing clients <sup>(1)</sup>
- Organic growth through satisfied clients' word-of-mouth referrals

## Relationship-Based, Open Architecture Business Model



**8** Products Per New Loan Client <sup>(2)</sup>

(1) See slide 7.

(2) First Republic's product per client (PPC) data reflects the number of products sold to each client with a loan originated in 2014.

# KEY DRIVERS OF ORGANIC GROWTH

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## Urban Coastal Markets

- Targeted urban, coastal markets = **outperform the U.S. economy**

## Extraordinary Service / Existing Clients

- Existing clients = strong financial growth rates, higher retention rates, increasingly complex needs = **expanding existing relationships**
- Satisfied clients referring friends = **new relationships**

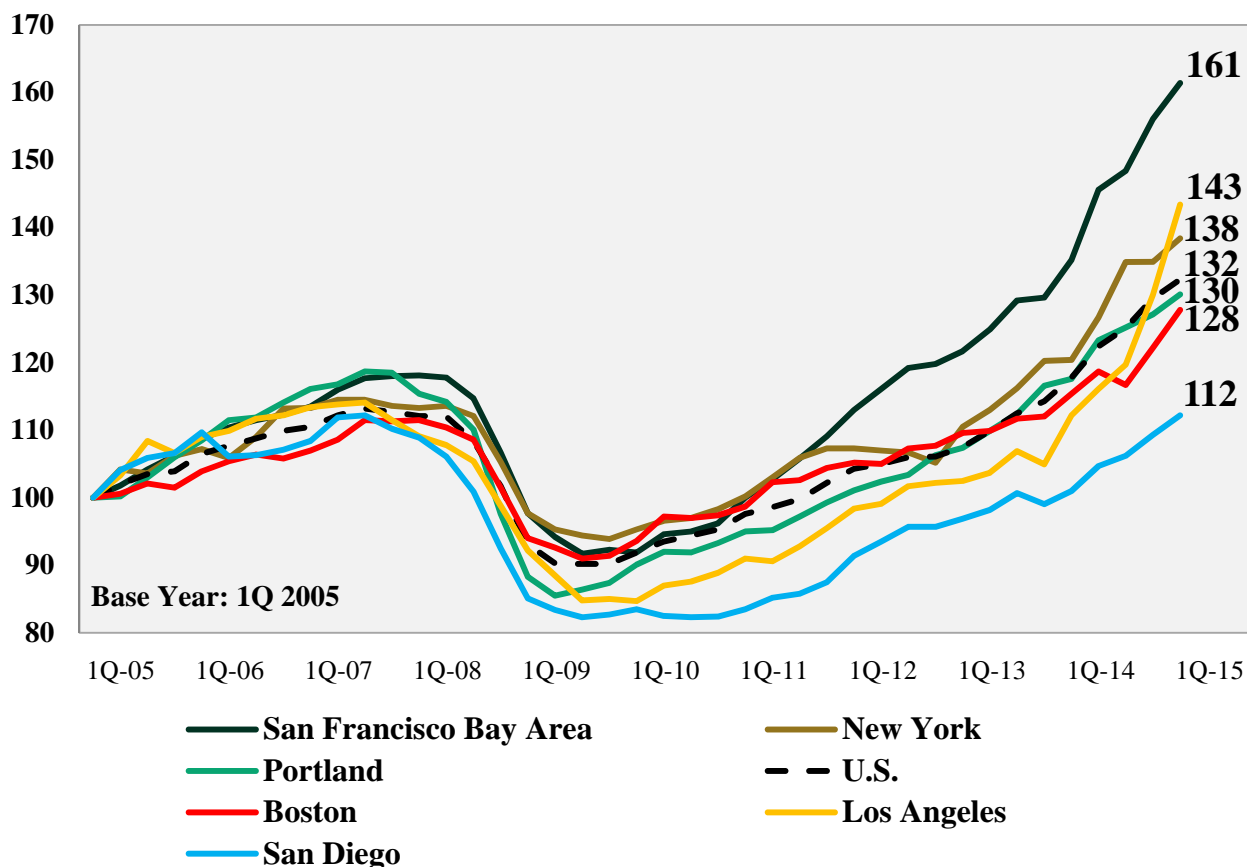


## Other New Client Sources

- Hire new, experienced relationship managers / investment professionals
- Very focused marketing

# OUTPERFORMING MARKETS / CLIENT OPPORTUNITIES

## First Republic Markets Economic Indexes™ (1)



FRC Key Markets (2) contain 21% of all U.S. households, and **56%** of all U.S. high net worth households (“HNW HHs” (3))

FRC has increased overall HNW HH market share in its Key Markets (2) from 3.04% in 2003 to **3.84%** in 2013

(1) The First Republic Markets Economic Index™ is a proprietary index, produced in conjunction with Rosen Consulting Group and designed to indicate aggregate economic performance of FRC’s markets utilizing publicly regularly available regional economic data.

(2) Source: FRC / Capgemini Consulting study (2013). FRC Key Markets include San Francisco, Los Angeles, San Diego, Portland, New York, Boston, Newport Beach and Palm Beach.

(3) Consisting of those households with at least \$1 million of investable assets.

# MAJORITY OF GROWTH FROM EXISTING CLIENTS AND REFERRALS

## Sources of Checking Deposit Growth <sup>(1)</sup>

Six-Year Period (Q4 2007 to Q1 2014)

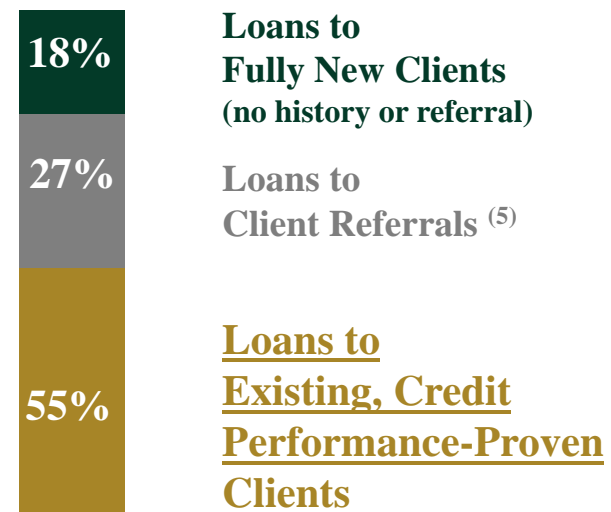
Annual Checking Deposit Growth of **33%**

**2% Attrition**  
**Significantly Lower than 10% Attrition for U.S. Banks <sup>(3)</sup>**



## Sources of New Loan Originations <sup>(4)</sup>

Loans Originated (Q1 2014 to Q3 2014)



Source: "FRC Client Growth Study" (Oliver Wyman Study; September 2014)

(1) Checking defined as all business and consumer checking, excluding money market checking.

(2) Referrals as identified by FRC bankers.

(3) Attrition rates based on Oliver Wyman Study; September 2014.

Source: First Republic Bank

(4) Based on principal balance, for loans originated during the nine months ending September 30, 2014, excluding loans sold and held for sale.

(5) Referrals as identified by FRC bankers.

# CLIENT LOYALTY: A SERVICE ORGANIZATION

## 2014 Top Service-Focused Brands <sup>(1)</sup>

	<b>77%</b>	<b>First Republic - Lead Bank</b> <i>(+3 pts from 74% in 2013)</i>
	72%	Apple
	64%	Amazon
	<b>62%</b>	<b>First Republic - Overall</b> <i>(+7 pts from 55% in 2013)</i>
	48%	Virgin America
	<b>34%</b>	<b>U.S. Banking Industry <sup>(1)</sup></b>

- Net Promoter Score (“NPS”) measures client satisfaction, loyalty and likelihood to recommend
- Confirms source of unusually low client attrition rates
- Represents a key driver of growth: word-of-mouth referrals

	PERSONAL BANKING		WEALTH MANAGEMENT		BUSINESS BANKING	
	First Republic	U.S. Banking Industry <sup>(2)</sup>	First Republic	U.S. Brokerage / Investment Industry <sup>(3)</sup>	First Republic	U.S. Top 10 Banks Mean <sup>(4)</sup>
<b>2014</b>	<b>59%</b> <i>77% when Lead Bank</i>	<b>34%</b>	<b>72%</b> <i>73% when Lead Bank</i>	<b>47%</b>	<b>68%</b> <i>72% when Lead Bank</i>	<b>43%</b>
<b>2013</b>	<b>53%</b> <i>75% when Lead Bank</i>	<b>18%</b>	<b>61%</b> <i>76% when Lead Bank</i>	<b>40%</b>	<b>67%</b> <i>73% when Lead Bank</i>	<b>28%</b>

(1) Satmetrix NPS. Please note: The brands listed under ‘Benchmark: 2014 Top Service-Focused Brands’ are luxury brands selected for comparison purposes.

(2) Personal Banking Source: SATMETRIX Net Promoter U.S. Consumer Benchmarks 2012 / 2014.

(3) Wealth Management Source: SATMETRIX NPS: Benchmarks 2012 and 2014 U.S. Brokerage / Investments.

(4) Business Banking Source: Greenwich Associates NPS Competitive Dynamics 2011/12 and 2013/14 U.S. Business Banking.

# OUR CLIENTS SAY IT BEST



“I’ve been banking with First Republic for several years now and they keep getting better.”

STEPHEN ROSS

EXECUTIVE CHAIRMAN AND FOUNDER, RELATED COMPANIES

# CROSSING \$50 BILLION IN TOTAL BANKING ASSETS ORGANICALLY

**Multiple work streams to enhance infrastructure and processes to meet heightened regulatory standards and expectations, including those that become applicable at \$50 Billion.**

✓ **Capital Stress Testing**

✓ **Liquidity Stress Testing**

✓ **Enterprise Risk Management**

✓ **Increased Emphasis on Bank Secrecy Act/  
Anti-Money Laundering (BSA/AML)**

✓ **Enhanced Compliance Infrastructure**

✓ **Enhanced Internal Audit**

✓ **Increasing High Quality Liquid Assets (HQLA)  
portfolio**

✓ **Volcker Rule Enhanced Compliance Program**

✓ **Resolution Plan or “Living Will”**

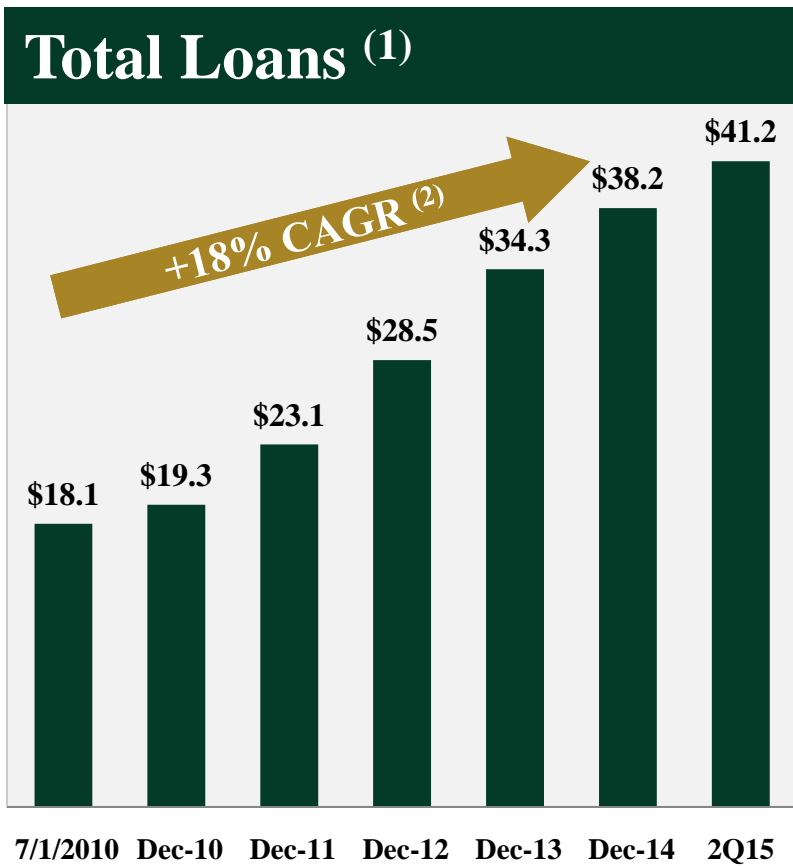
✓ **Dodd-Frank Mortgage Lending Regulation**

✓ **Enhanced Data Governance supporting these  
initiatives**

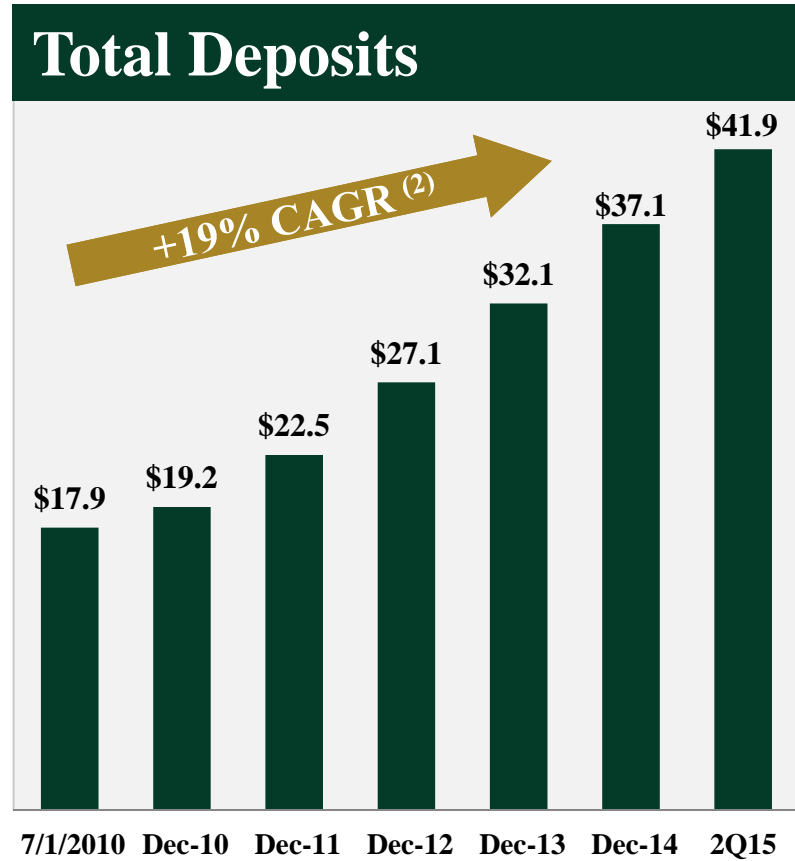
**First Republic continues to invest substantially in increased technology capabilities,  
permanent staff additions and consultants.**

# GROWTH SINCE DIVESTITURE

\$ in Billions



\$ in Billions



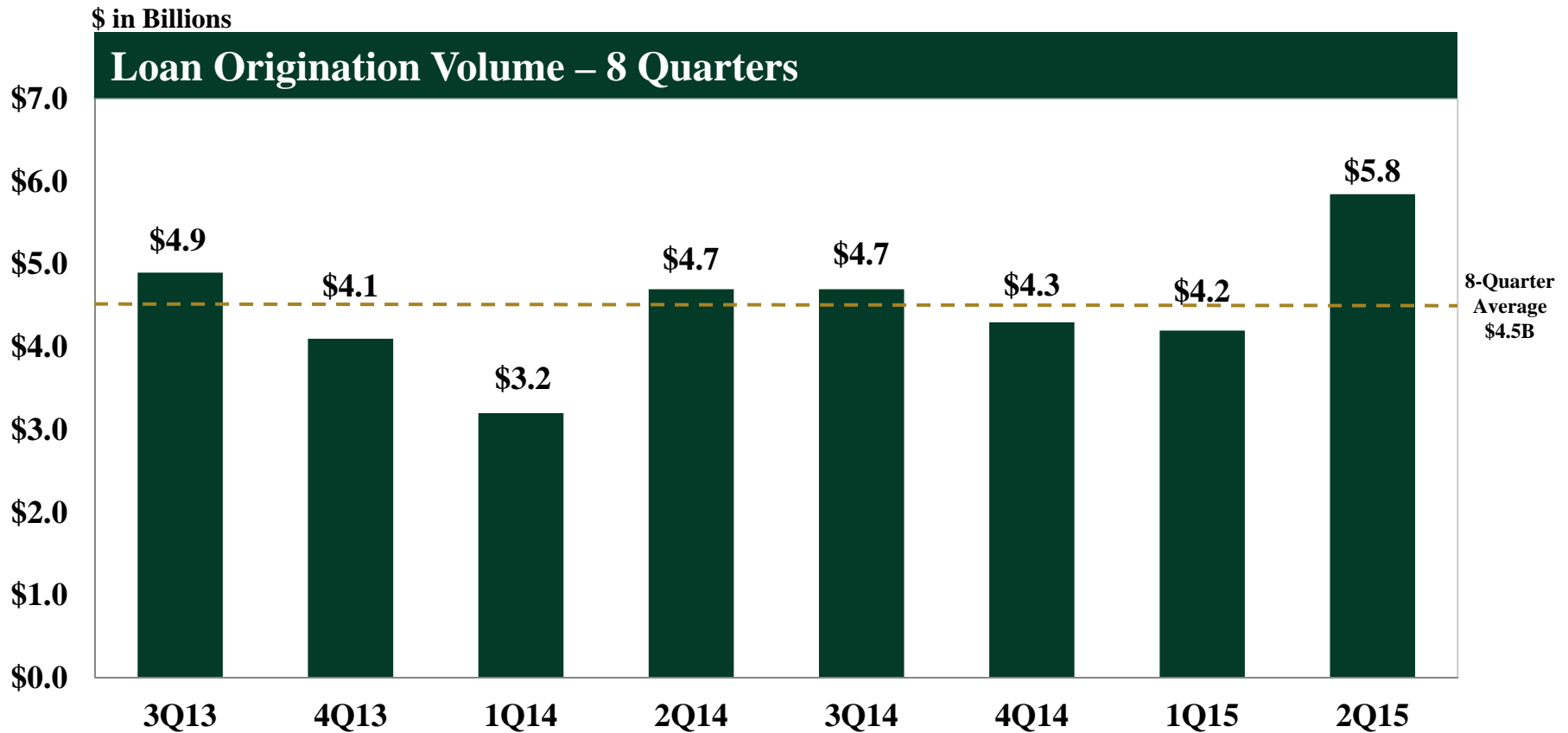
(1) Represents unpaid principal balance of loans including loans held for sale.

(2) 5-year CAGR from July 1, 2010 through June 30, 2015.





# LOAN ORIGINATION VOLUME



*Whether FRC holds a loan or sells it, the transaction creates an opportunity to satisfy an existing client or acquire a new one, and allows FRC to cross-sell other banking and wealth management products.*

# ACTIVE SECONDARY MARKET PARTICIPANT

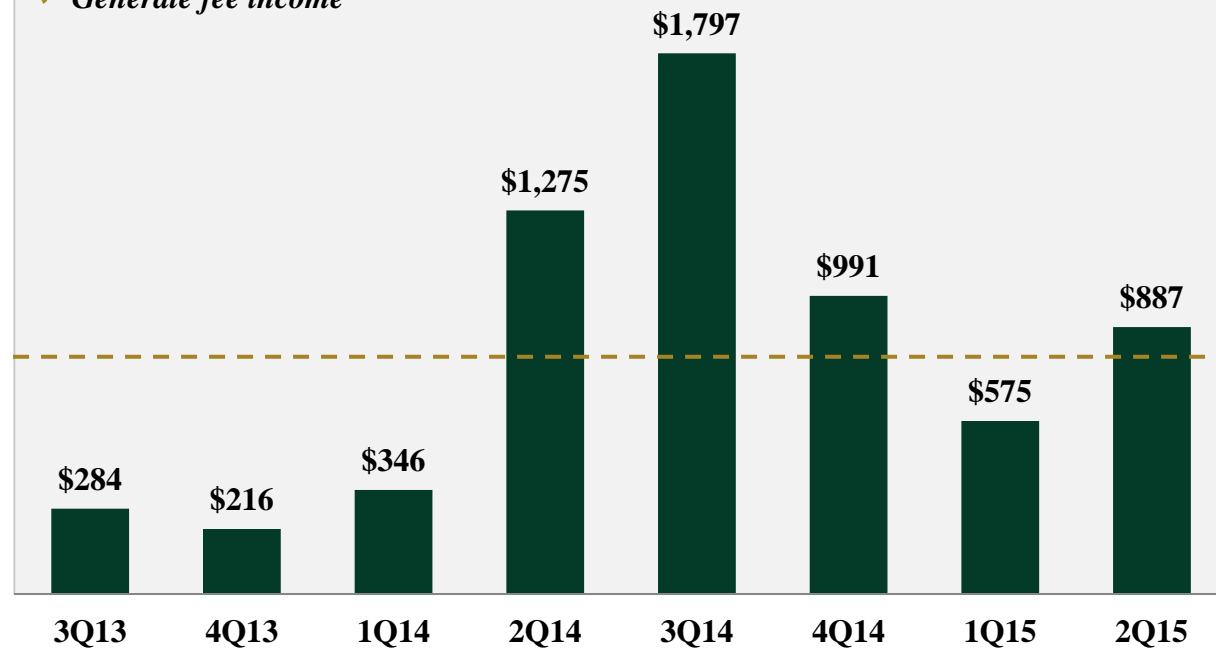
\$ in Millions

## Loan Sales

Active in the secondary market since 1985 to:

- ✓ Provide full range of choices
- ✓ Manage interest rate risk
- ✓ Generate fee income

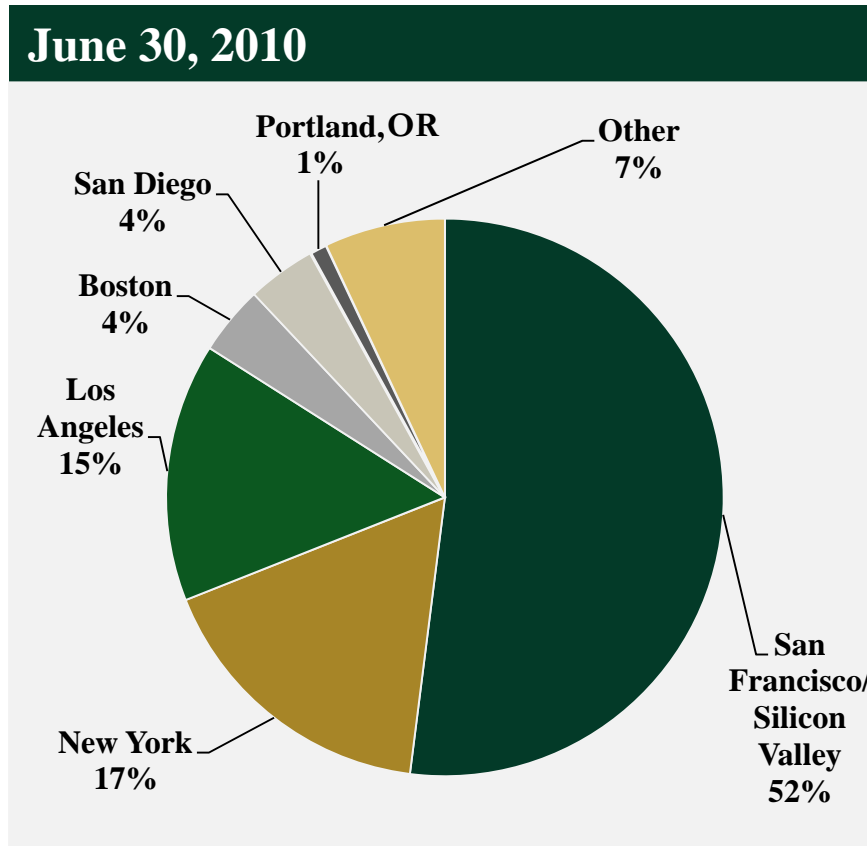
----- 8-quarter average  
loan sales of \$796M



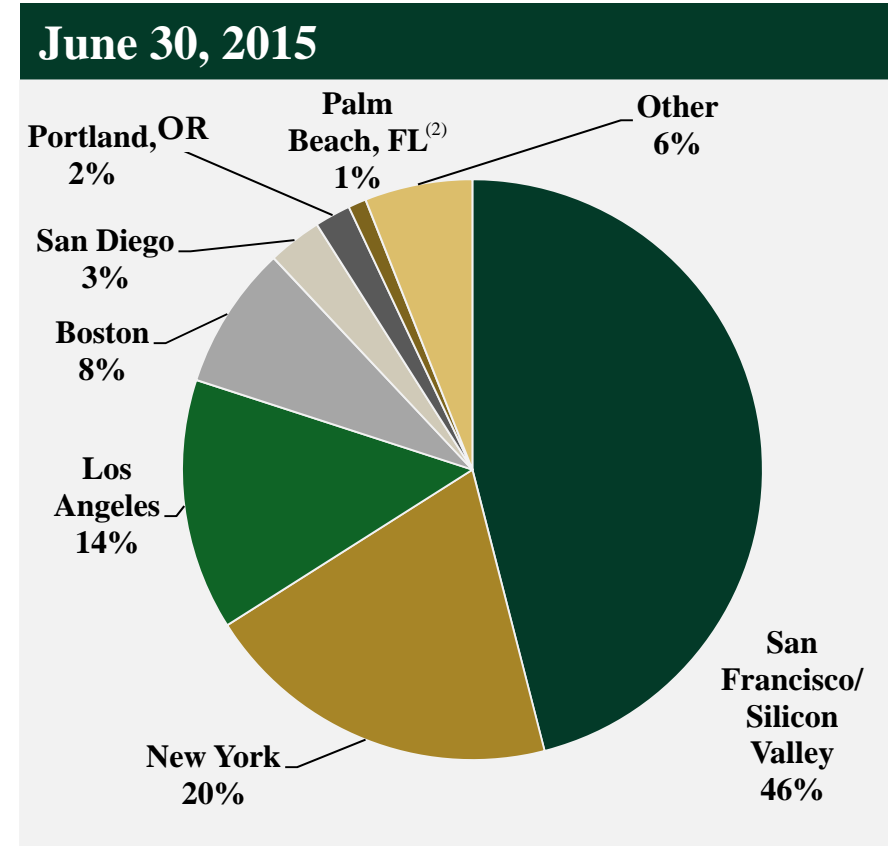
Gain on Sales Margin	0.4%	0.1%	0.8%	1.2%	0.7%	0.4%	0.3%	0.4%
Diluted Core EPS Contribution	1¢	<1¢	1¢	6¢	5¢	2¢	1¢	1¢

# CONSISTENCY IN LENDING – GEOGRAPHIES

- Consistent origination – same urban markets – no change in risk
- Over 88% of all real estate loans are located within 20 miles of an FRB office<sup>(1)</sup>



SF/NYC/LA = 84%



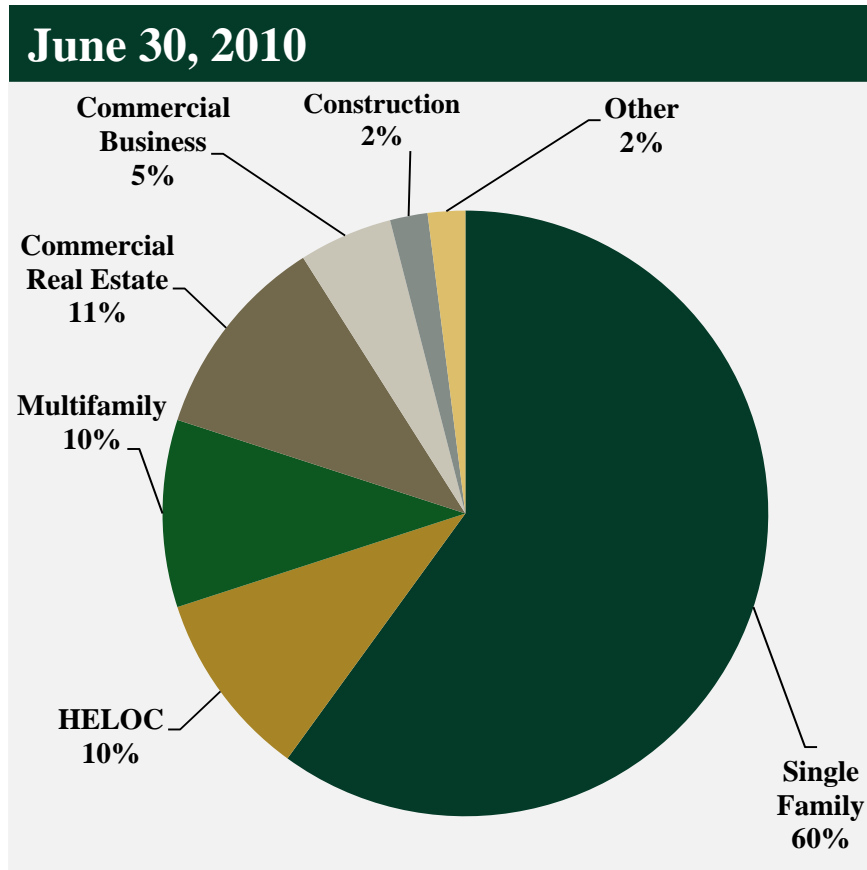
SF/NYC/LA = 80%

(1) As of 6/30/2015.

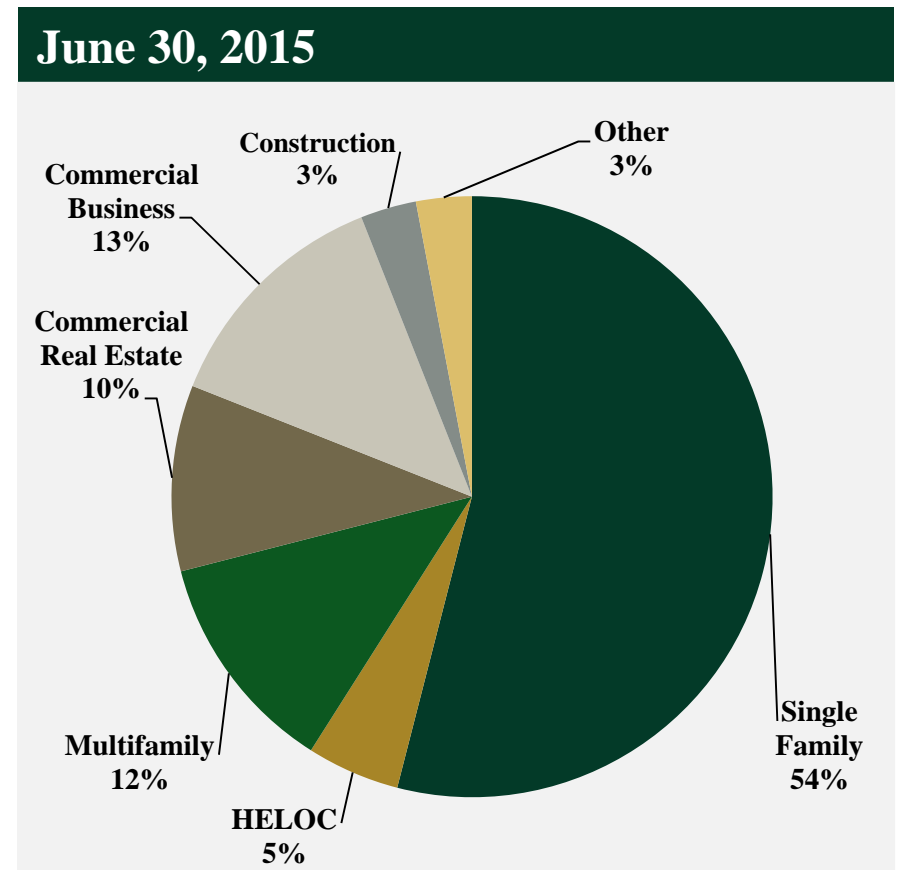
(2) Entered Palm Beach, FL, following NYC and Boston clients, in 2013.

# CONSISTENCY IN LENDING – TYPES AND MIX

- Essentially same loan types and mix



**SFR = 70% / Multi = 10% / CRE = 11%**

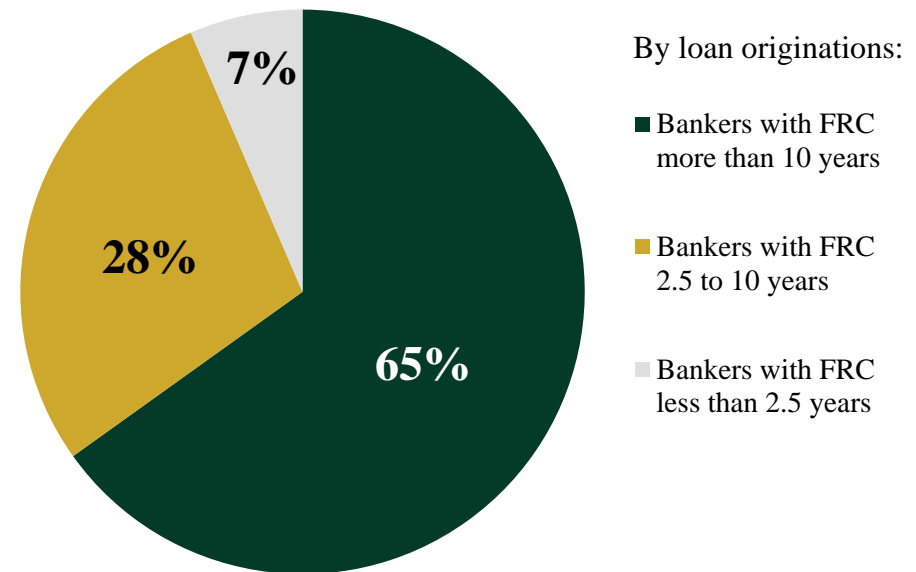


**SFR = 59% / Multi = 12% / CRE = 10%**

# BANKER STABILITY / STRONG CREDIT

- Stability of people is integral to our high-touch, relationship banking model.
- First Republic's culture results in a higher workforce retention rate, a key to client service excellence and superior credit quality.
- Credit quality is a key cultural cornerstone, reinforced throughout the enterprise with a credit clawback provision and a weekly, all-company loan meeting, both in place since 1986.
- Since 1985, First Republic has originated \$134.7 billion in loans, with cumulative charge-offs of only 24 bps.<sup>(1)</sup>

**90% of all loans, since 1985, were originated by bankers still with First Republic**



(1) Includes loss experience on loans retained by Bank of America. See slide 18 and A3.

# LOAN AND BORROWER CHARACTERISTICS

## Single Family Home (“SFR”) Loan Characteristics <sup>(1)</sup>

	<u>Median</u>
<b>Loan Size</b>	<b>\$750,000</b>
<b>Loan-to-Value (“LTV”) <sup>(2)</sup></b>	<b>60%</b>

- SFR borrowers have a median credit score of 773
- All loans are fully underwritten and fully documented <sup>(4)</sup>

## Multifamily (“MF”) Real Estate Loan Characteristics <sup>(1), (3)</sup>

	<u>Median</u>
<b>Loan / Commitment Size</b>	<b>\$1.4M</b>
<b>LTV <sup>(2)</sup></b>	<b>56%</b>

- Debt-service-coverage ratios for both MF and CRE are very strong

## Commercial Real Estate (“CRE”) Loan Characteristics <sup>(1), (3)</sup>

	<u>Median</u>
<b>Loan / Commitment Size</b>	<b>\$1.8M</b>
<b>LTV <sup>(2)</sup></b>	<b>52%</b>

(1) Originated 3Q 2013 to 2Q 2015.

(2) LTV at origination.

(3) For term loans, balances are based on original loan amount. For lines of credit, amounts are based on total commitment.

(4) Includes all originations even if sold / servicing retained.

# SUPERIOR CREDIT QUALITY

## Historical Losses by Loan Type – 30 Years – All Originated Loans

*Includes loss experience on loans retained by Bank of America at divestiture <sup>(1)</sup>*

\$ in Millions

	Years of Origination	Total Originations (\$)	30 Years Cumulative Net Losses (\$) <sup>(5)</sup>	30 Years Cumulative Net Losses (%) <sup>(5)</sup>
<b>Single Family Residential <sup>(2)</sup></b>	<b>1985 – 2Q15</b>	<b>\$84,010</b>	<b>\$63.8</b>	<b>0.08%</b> ←
Construction	1990 – 2Q15	6,152	26.8	0.44
Commercial Real Estate	1989 – 2Q15	9,760	66.6	0.68
Multi-Family Residential <sup>(3)</sup>	1989 – 2Q15	10,047	68.6	0.68
Commercial Business Loans <sup>(4)</sup>	2000 – 2Q15	18,328	83.7	0.46
Unsecured Loans	2000 – 2Q15	3,096	7.3	0.23
Other Secured Loans	2000 – 2Q15	3,260	3.7	0.11
<b>Cumulative</b>	<b>1985 – 2Q15</b>	<b>\$134,653</b>	<b>\$320.5</b>	<b>0.24%</b> ←

(1) First Republic Bank was sold to Merrill Lynch in September 2007; through the acquisition of Merrill Lynch it became part of Bank of America in January 2009; then it became independent again through a management led buyback in July 2010.

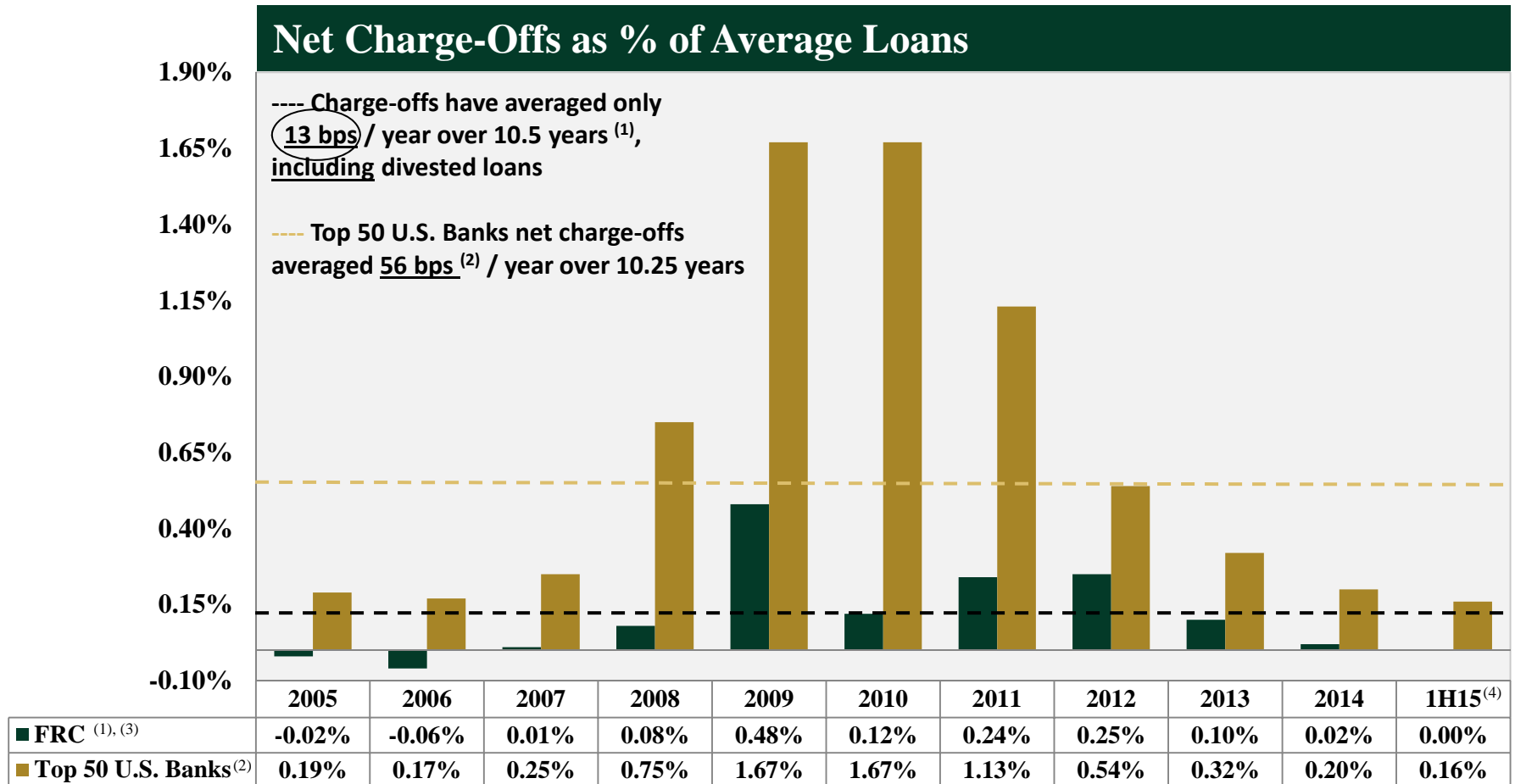
(2) Originations include Single Family Mortgages, Home Equity Lines of Credit, Single Family Owner Occupied Construction Loans, as well as all SFR loans sold in Secondary Market. Includes a \$7.4MM loss in 2006/07 related to a Business Loan fraud in NY.

(3) Losses were concentrated in lower-end, brick apartment buildings in Los Angeles in the mid-1990s.

(4) Includes a business loan loss of \$40 million involving fraud.

(5) Includes estimated charge-offs on divested loans for period from July 1, 2010 to September 30, 2014. See page A3 in Appendix.

# CHARGE-OFF EXPERIENCE – INCLUDING DIVESTED LOANS



(1) Includes estimated charge-offs on divested loans for period from July 1, 2010 to September 30, 2014. See page A3 in Appendix.

(2) Comprised of the median for the top 50 U.S. banks by asset size as of December 31 of each corresponding year, and March 31, 2015.

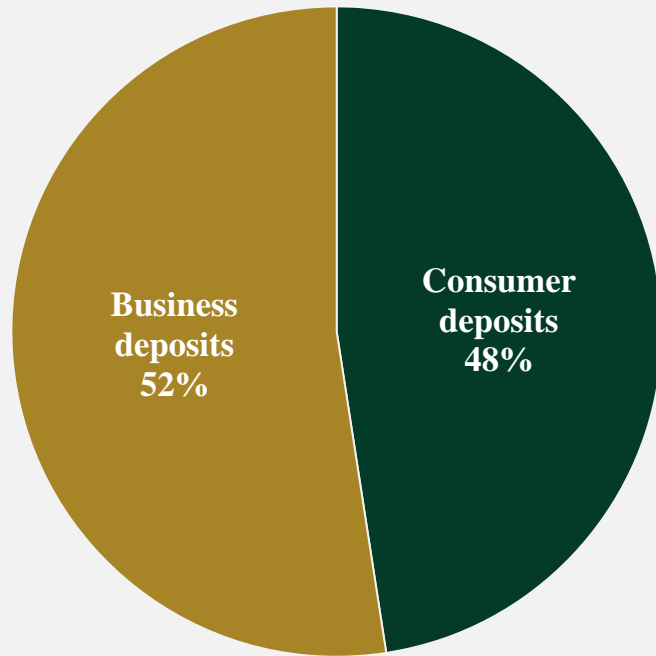
(3) Beginning in 2009, net charge-offs include charge-offs against unaccreted loan discounts, if any.

(4) Calculated on an annualized basis.

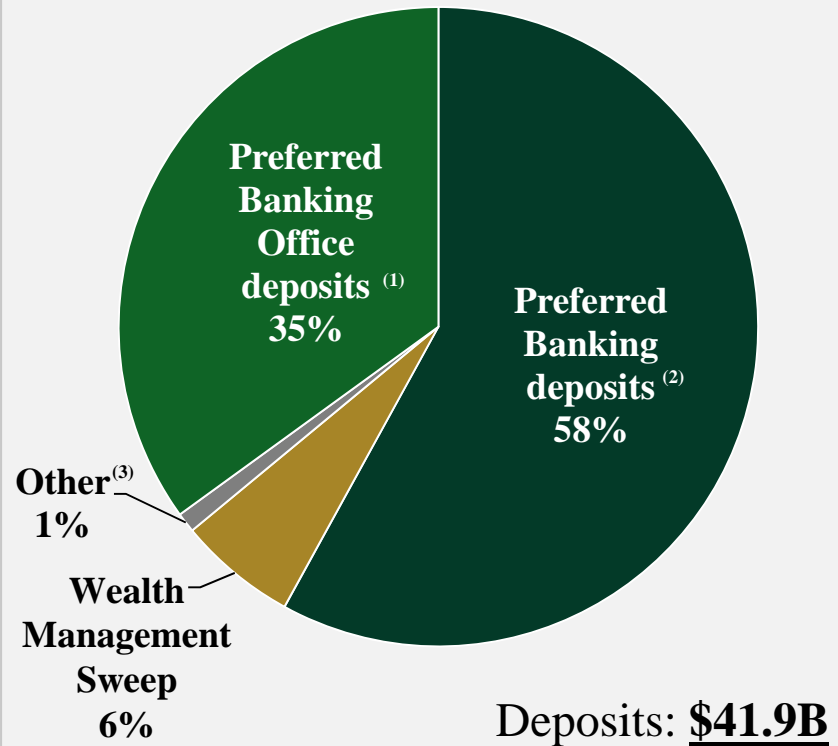


# DEPOSIT BASE – DIVERSIFIED SOURCES

**By Client Type as of 6/30/15**



**By Channel as of 6/30/15**



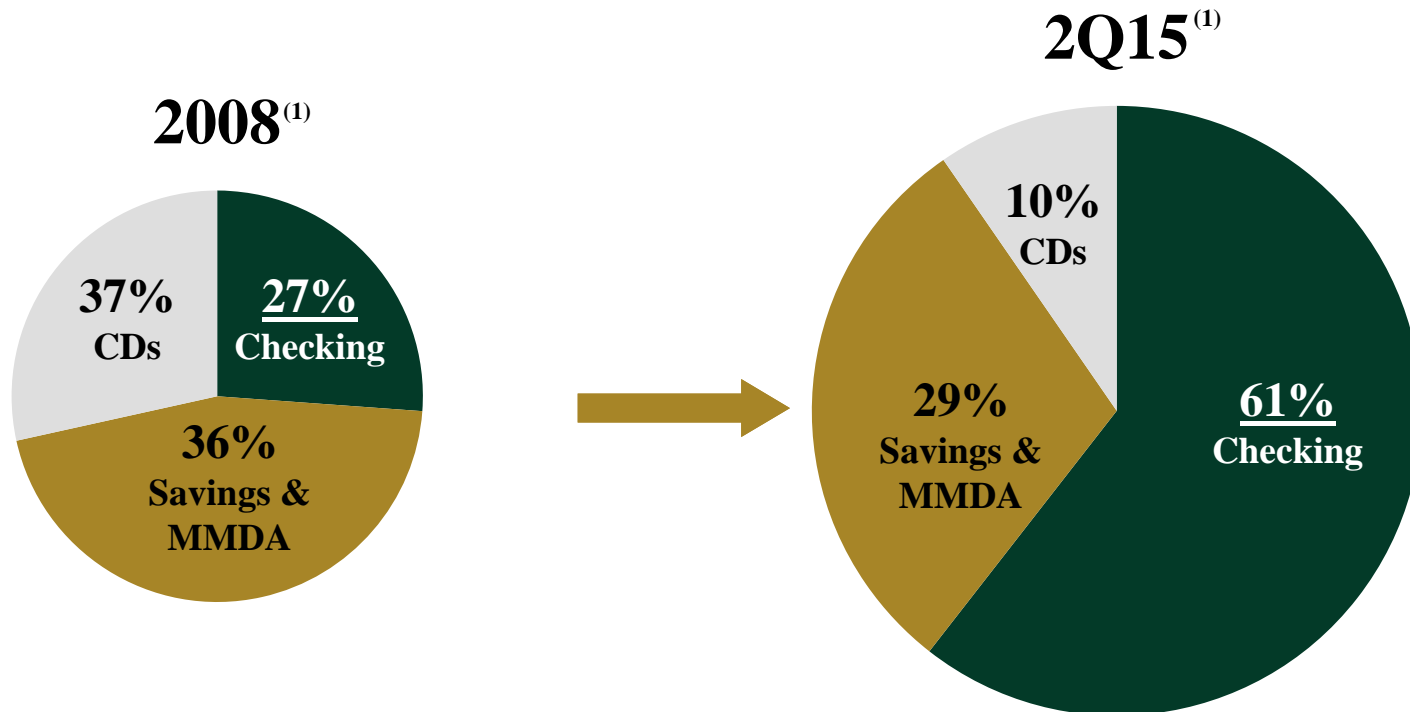
(1) Preferred Banking Office deposits refers to our retail locations that gather deposits.

(2) Preferred Banking deposits are sourced from relationship managers, business bankers, preferred bankers or wealth management professional clients.

(3) Other deposits consist primarily of institutional and operational deposits not attributable to any specific deposit location.

# DEPOSIT MIX OVER TIME

**Deposit Mix Improvement Over Time, from  
Checking of \$3.3 billion (27%) in 2008 to \$25.4 billion (61%) in 2Q15**



(1) Based on balance at period-end.

## DEPOSIT FRANCHISE – PERSPECTIVE ON OPERATIONAL SIZE

	# of Deposit Accounts
<b>First Republic Bank</b>	<b>306,000</b>
	vs.
<b>U.S. Industry Average Banks with total assets of \$35-65 billion</b>	<b>1,217,000</b>

- First Republic has 1/4 the number of accounts of U.S. banks with total assets of \$35-65 billion
- Less accounts translates to:
  - A greater ability for oversight per account, and
  - A greater ability to provide extraordinary service per relationship

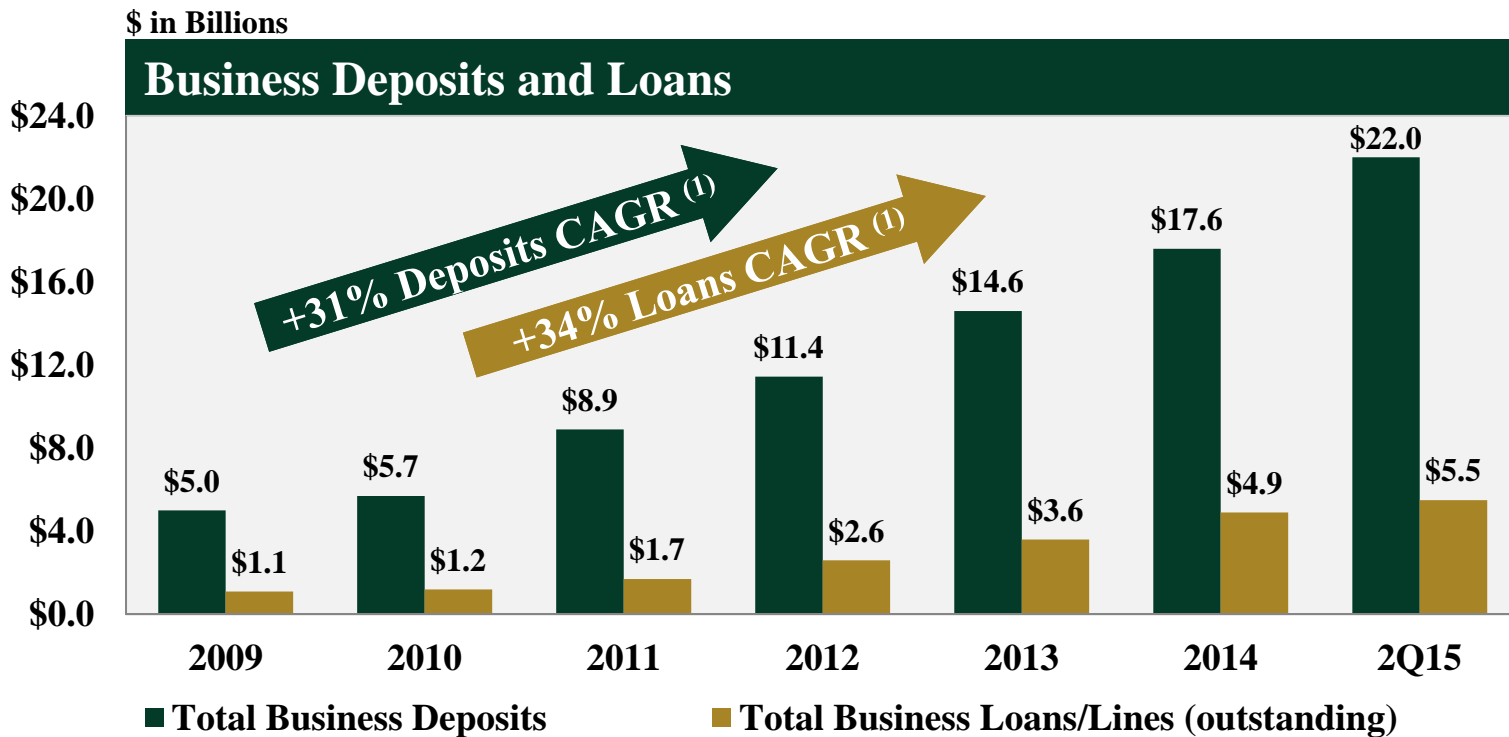
Source: SNL Financial and Company Analysis; data as of March 31, 2015.

# BUSINESS BANKING

A substantial portion of Business Banking is the direct result of very satisfied personal banking clients leading us to their businesses or non-profits

As of 6/30/15:

- Average business loan: **\$2.4M**
- Average business deposit: **\$310K**
- **4.0 to 1** deposits/loans outstanding
- Business deposits cost 2Q15 = **2** bps



(1) 5.5-year CAGR from December 31, 2009 through June 30, 2015.

# BUSINESS BANKING LOAN PORTFOLIO

Loan Type <sup>(1)</sup>	%
Schools / Non-Profit Organizations	40%
Private Equity / Venture Capital Funds	24%
Entertainment Industry	6%
Investment Firms	6%
Real Estate Related Entities	5%
Aviation / Marine	5%
Professional Service Firms	4%
Clubs and Membership Organizations	3%
Vineyards / Wine	2%
Other	<u>5%</u>
<b>Total</b>	<b>100%</b>

- Business loans represent 13% of total loan portfolio <sup>(2)</sup>
- Focused on targeted verticals with substantial lending expertise and experience

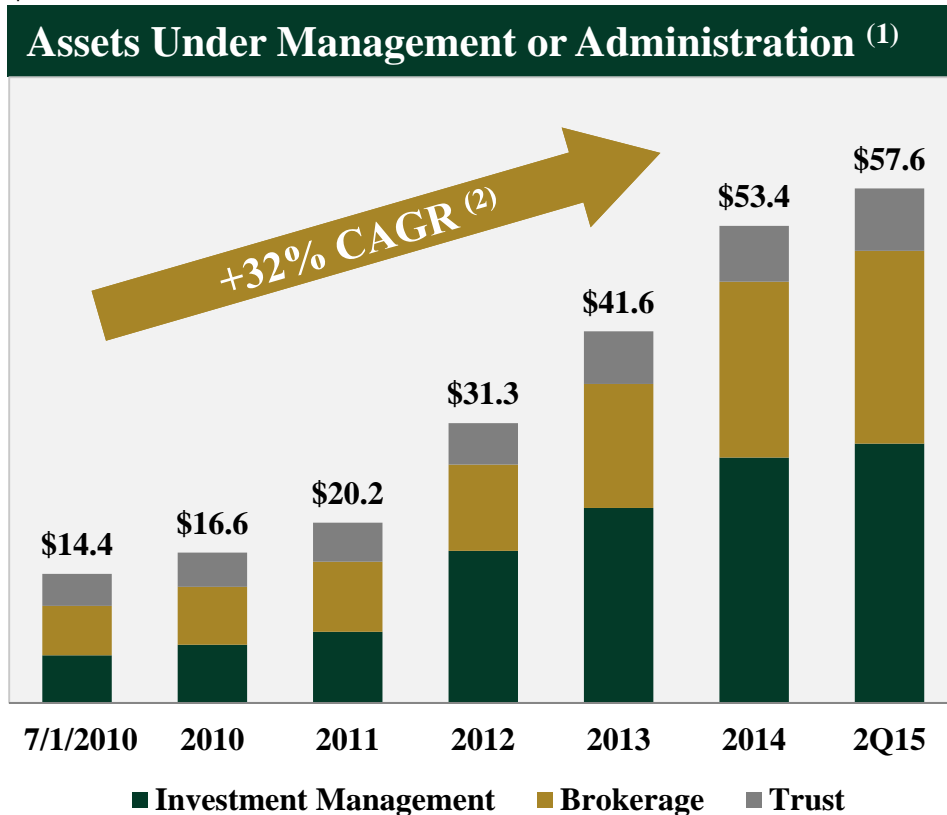
(1) As of June 30, 2015. Breakdown by loan type based on unpaid principal balance before reserves and discounts.

(2) Unpaid principal balance before reserves or discounts.

# PRIVATE WEALTH MANAGEMENT

- Existing wealth management professionals are adding client assets – AUM up 2.1% for the quarter

\$ in Billions



## Investment Management, Brokerage and Trust

- Integrated model / One brand
- Open architecture / Unbiased perspective
- Financial Planning

(1) Excluding account balances that are swept into Bank deposits and safekeeping assets from the Bank's private equity and venture capital clients.

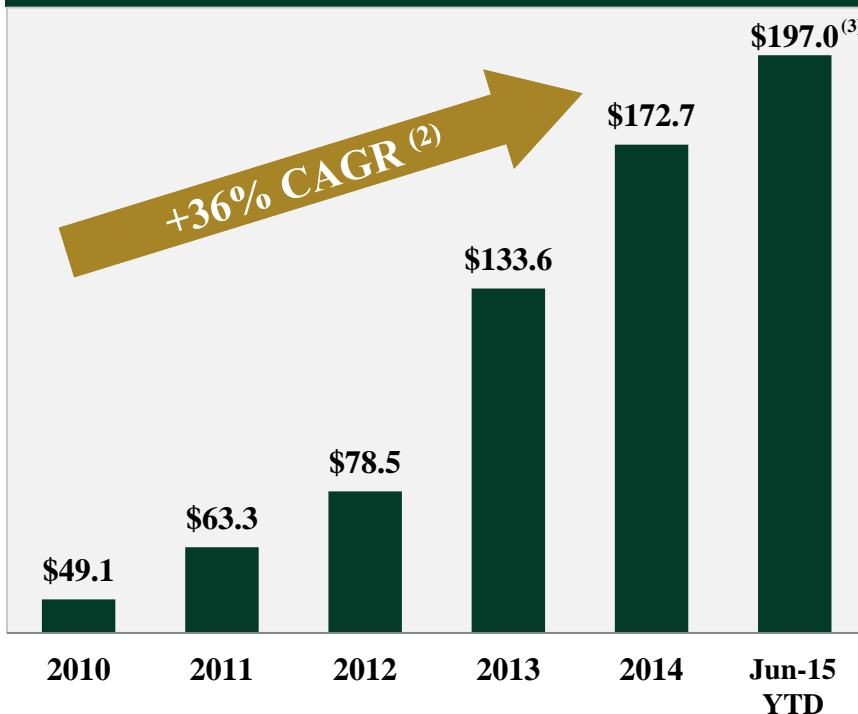
(2) 5-year CAGR from July 1, 2010 through June 30, 2015.

# PRIVATE WEALTH MANAGEMENT

- Growth in professionals, improved cross-sell and new AUMs driving increase in fee income

\$ in Millions

Fee Income <sup>(1)</sup>



## Consistently Growing Franchise

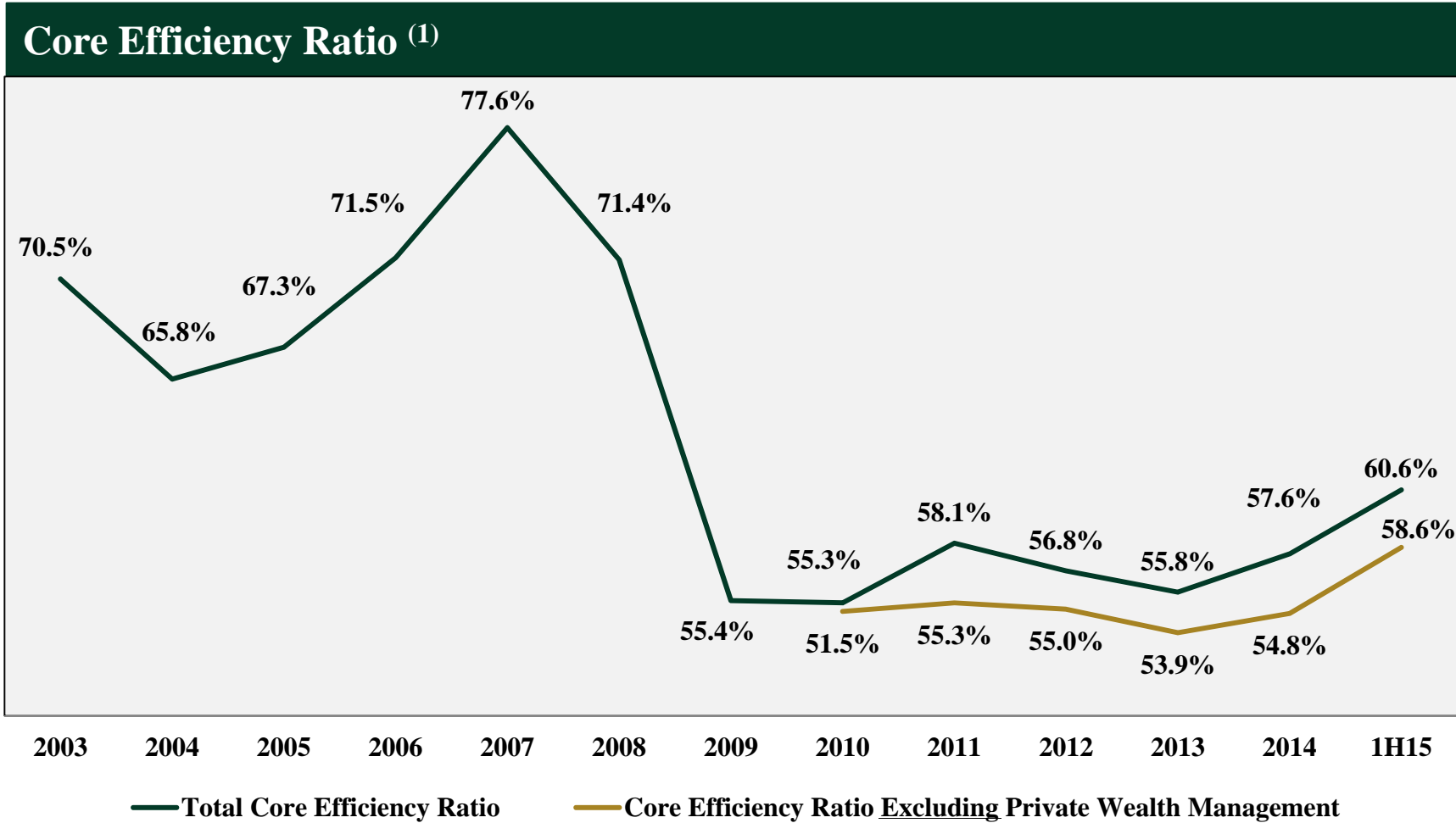
- Strong referrals and cross-selling to bank clients
- A fully integrated, team-based approach to delivering the entire platform of both private wealth management and banking services to clients
- Ability to attract exceptional investment management talent
- Announced acquisition of Constellation Wealth Advisors, with an expected closing date in third quarter 2015

(1) Private Wealth Management fee income includes investment advisory fees, brokerage and investment fees, and trust fees.

(2) 4.5-year CAGR for the period ended December 31, 2010 through June 30, 2015.

(3) Calculated on an annualized basis.

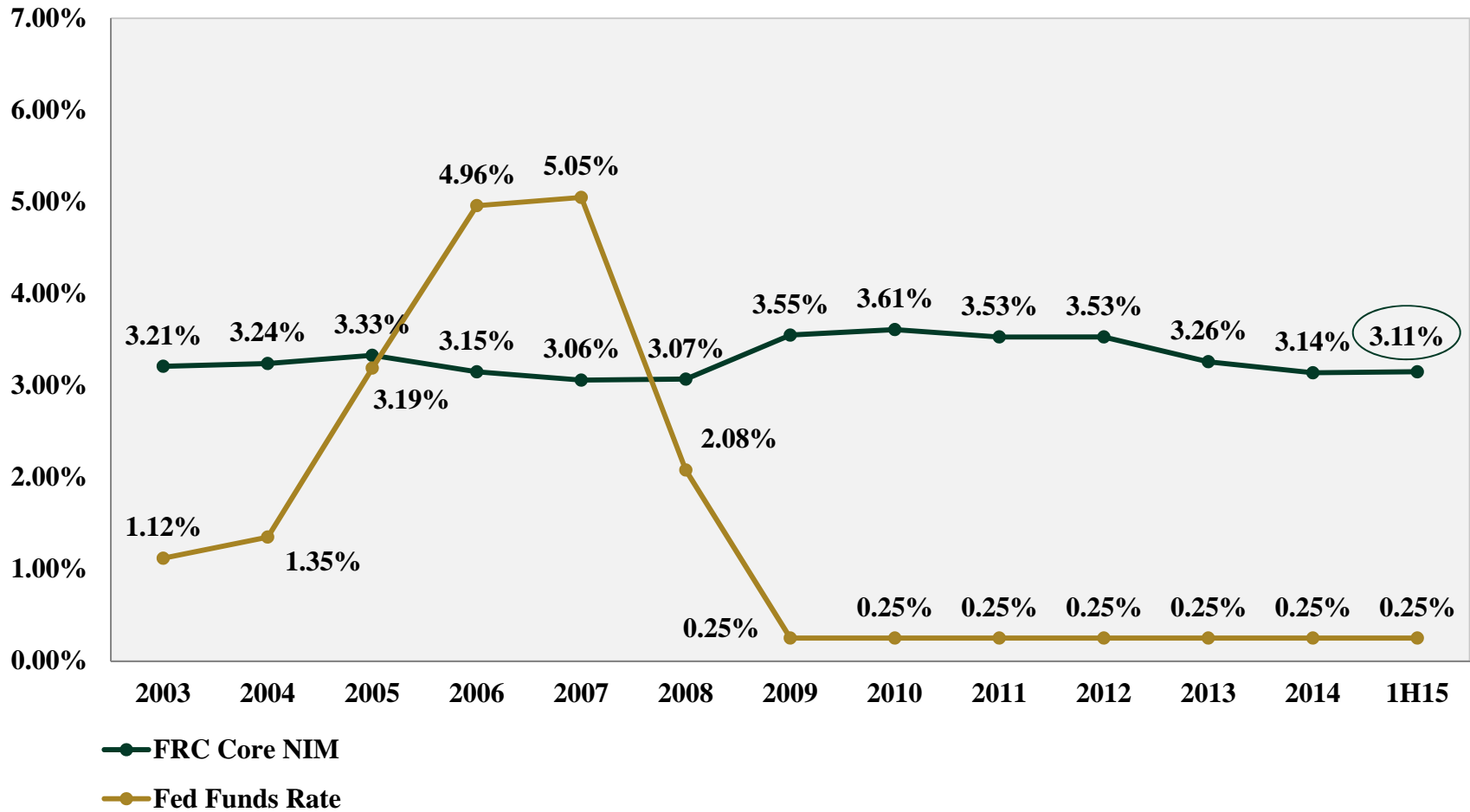
# CORE EFFICIENCY RATIO



(1) Efficiency Ratio is calculated by dividing noninterest expense by the sum of net interest income and noninterest income. Core Efficiency Ratio is a non-GAAP financial measure that excludes the effect of purchase accounting entries beginning in 2007. The efficiency ratio also excludes merger-related costs and other one-time items in 2007, divestiture-related and IPO costs in 2010, and a one-time special dividend from the FHLB in 2015.



# STABLE CORE NET INTEREST MARGIN

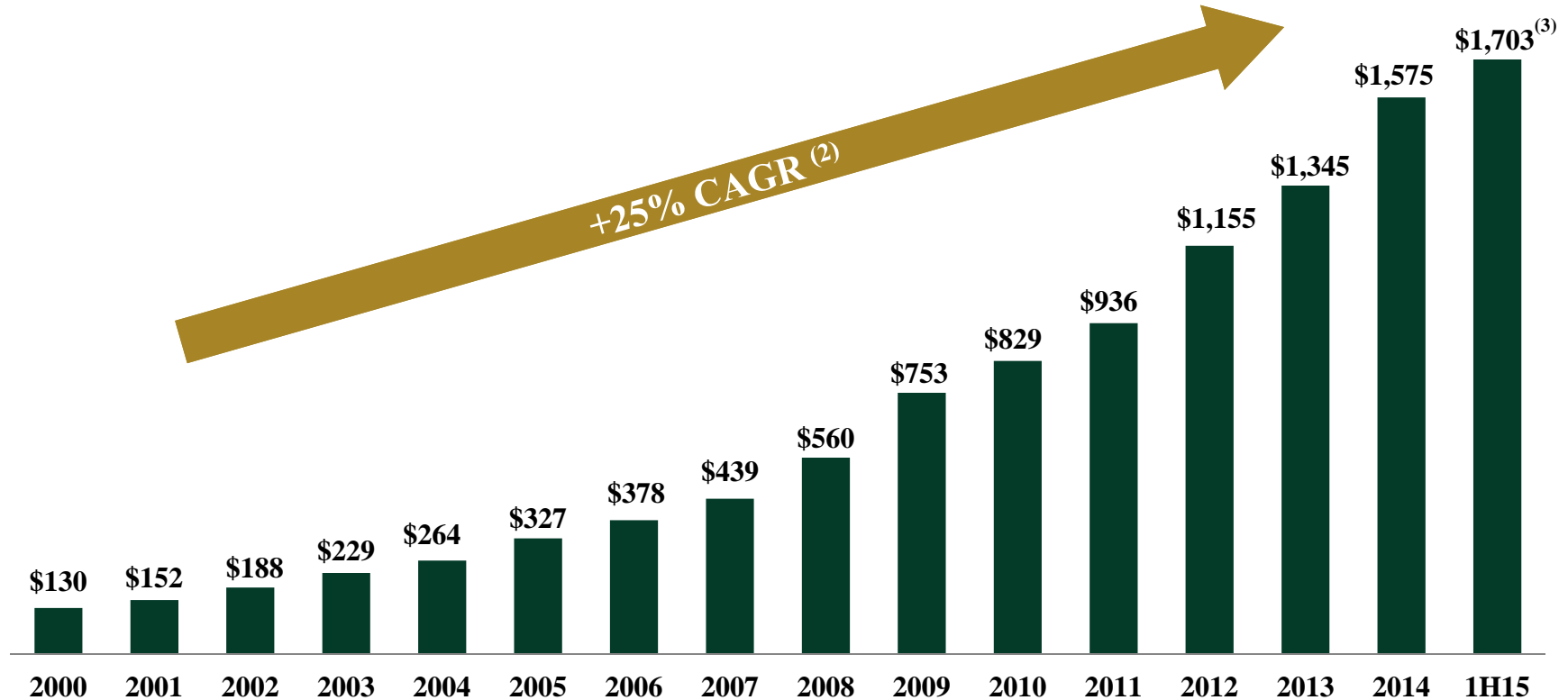


Note: Core NIM is a non-GAAP financial measure that excludes the effect of purchase accounting entries beginning in 2007. Also excludes a one-time special dividend from the FHLB in 2015. For 1H 2015 the reported NIM, based on GAAP, was 3.26%.

# CORE REVENUE GROWTH

\$ in Millions

## Core Revenue <sup>(1)</sup>



(1) Core revenue is a non-GAAP financial measure that excludes the positive impact of purchase accounting entries beginning in 2007. Also excludes a one-time special dividend from the FHLB in 2015.

(2) 14.5-year CAGR for the period ended December 31, 2000 through June 30, 2015.

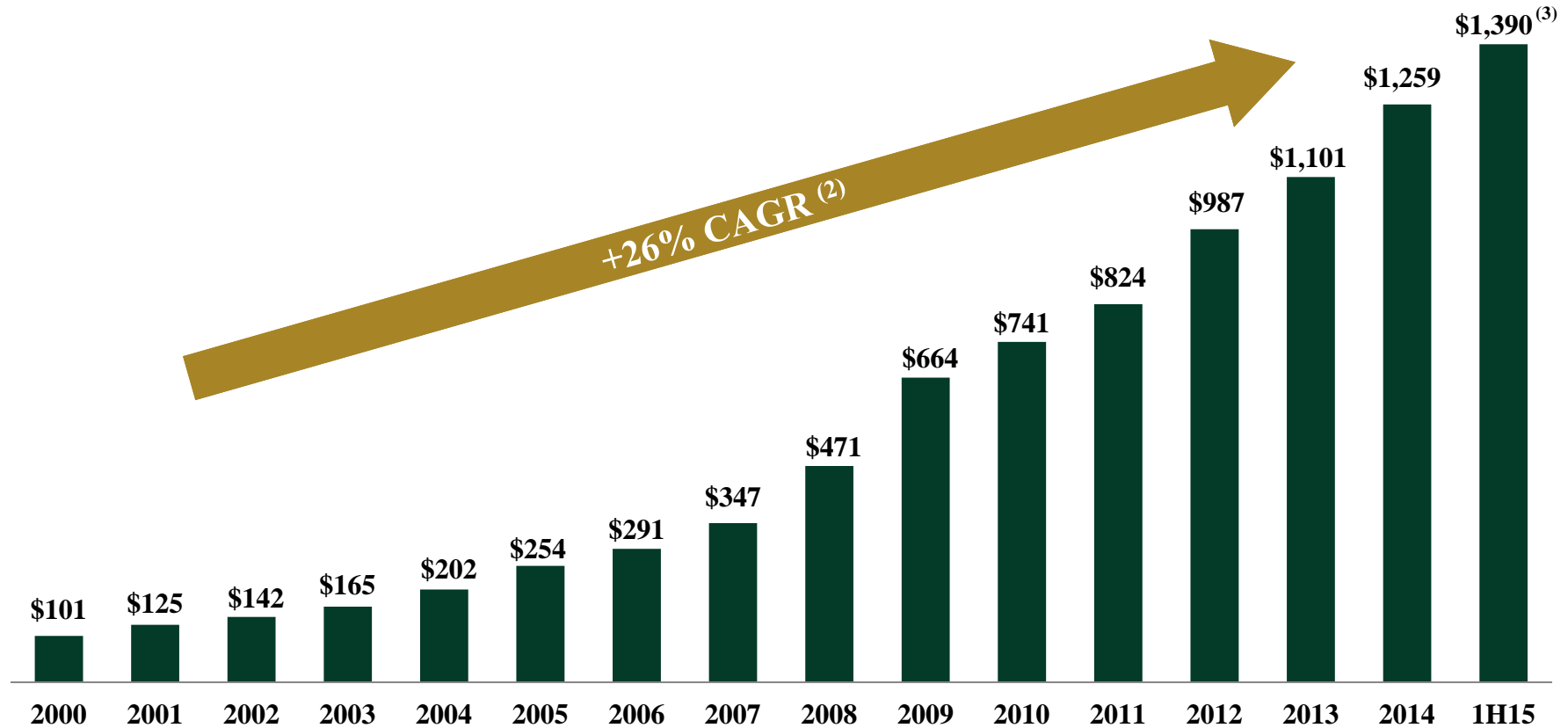
(3) Calculated on an annualized basis.



# CORE NET INTEREST INCOME GROWTH

\$ in Millions

## Core Net Interest Income <sup>(1)</sup>

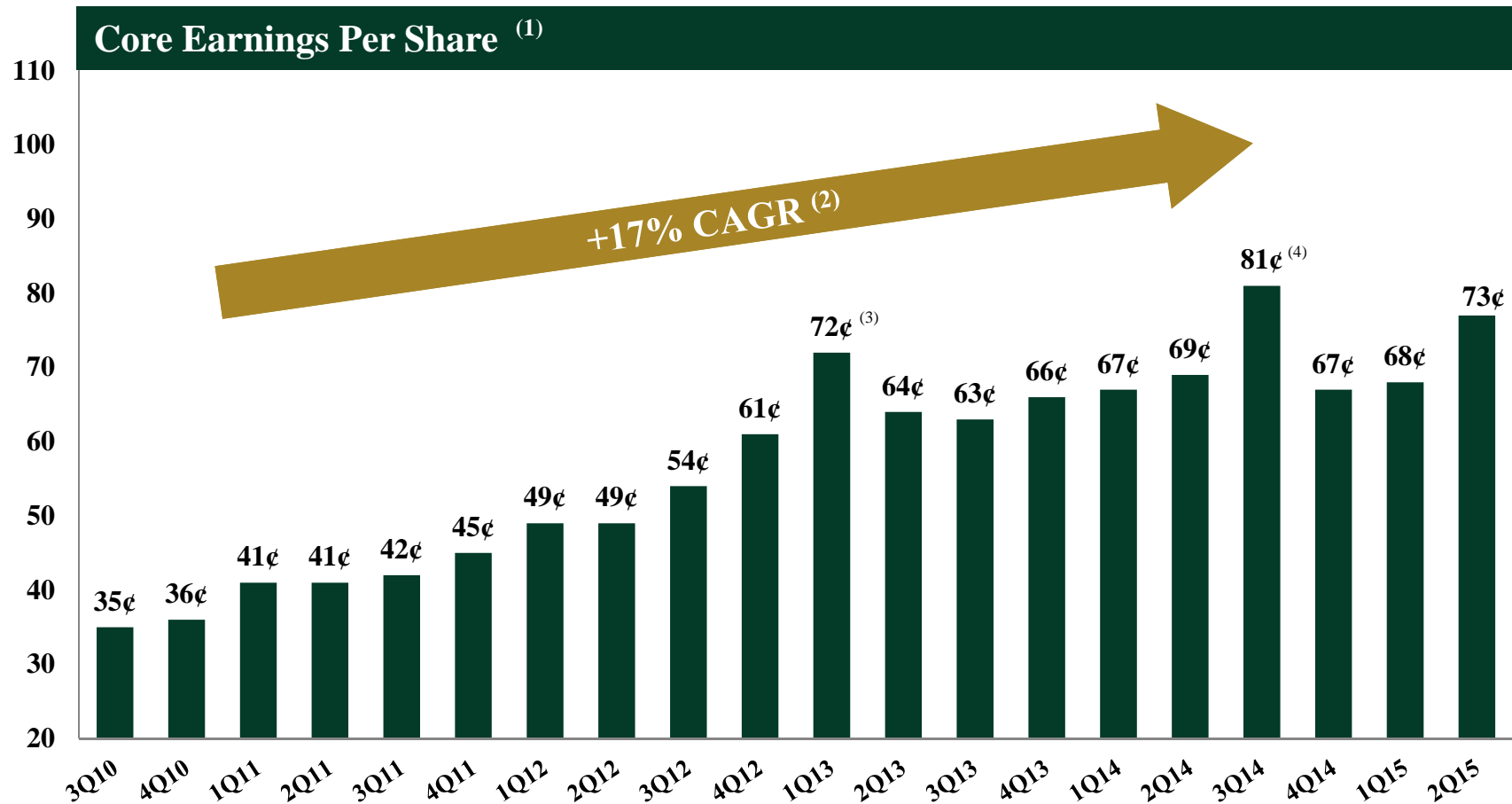


(1) Core net interest income is a non-GAAP financial measure that excludes the positive impact of purchase accounting entries beginning in 2007. Also excludes a one-time special dividend from the FHLB in 2015.

(2) 14.5-year CAGR for the period ended December 31, 2000 through June 30, 2015.

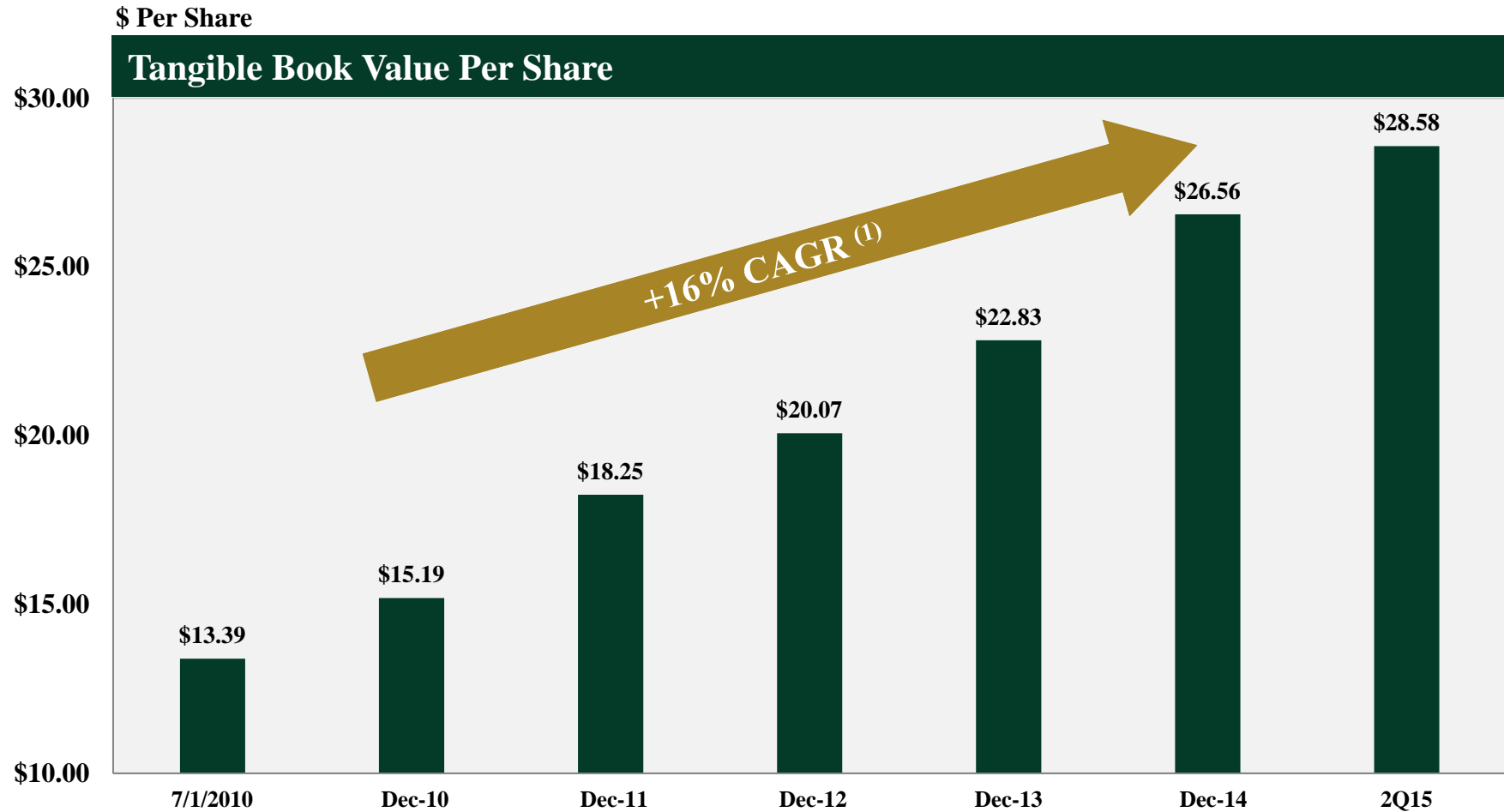
(3) Calculated on an annualized basis.

# CORE EPS GROWTH



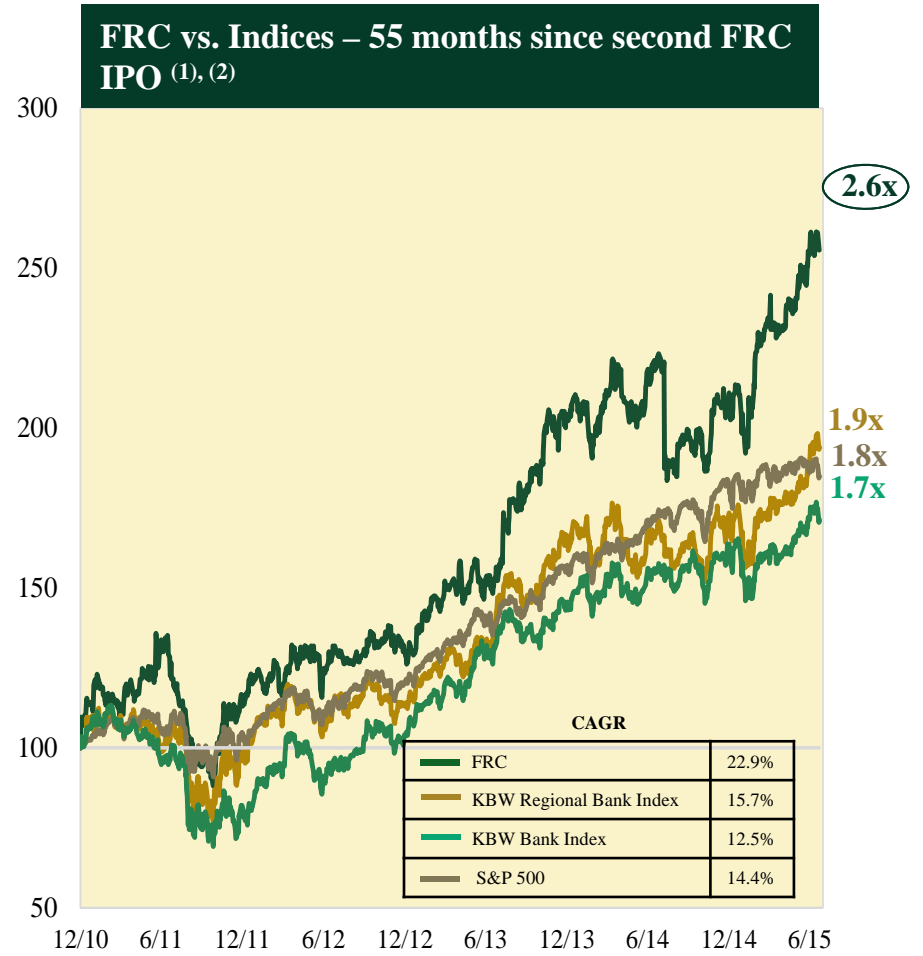
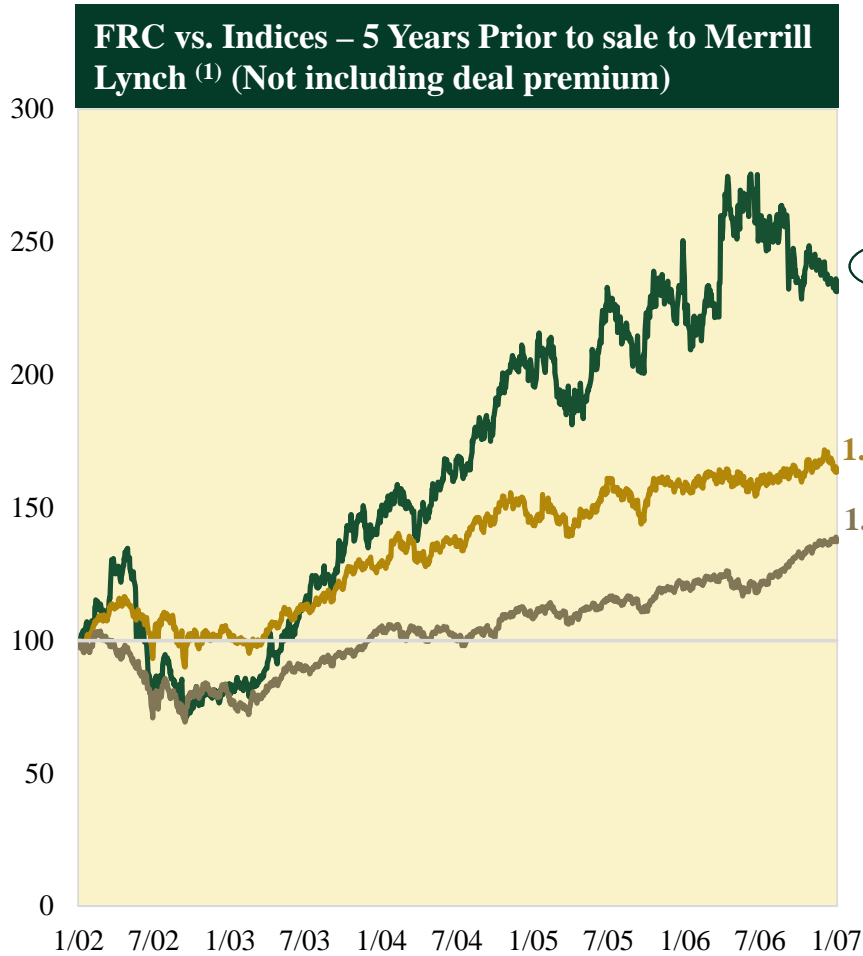
- (1) Core EPS is a non-GAAP financial measure that reduces reported GAAP EPS by excluding the positive impact of purchase accounting from the Bank's re-establishment as an independent institution. Also excludes one-time divestiture-related and IPO costs in 2010 and a one-time special dividend from the FHLB in 2Q15.
- (2) 4.75-year CAGR from third quarter 2010 through second quarter 2015.
- (3) The higher level of core EPS was primarily driven by a significantly higher than average gain on sale of loans.
- (4) Includes a one-time gain on investment securities of \$0.10 per share in core EPS.

# TANGIBLE BOOK VALUE PER SHARE



(1) 5-year CAGR from July 1, 2010 through June 30, 2015.

# FRC PERFORMANCE VERSUS INDICES



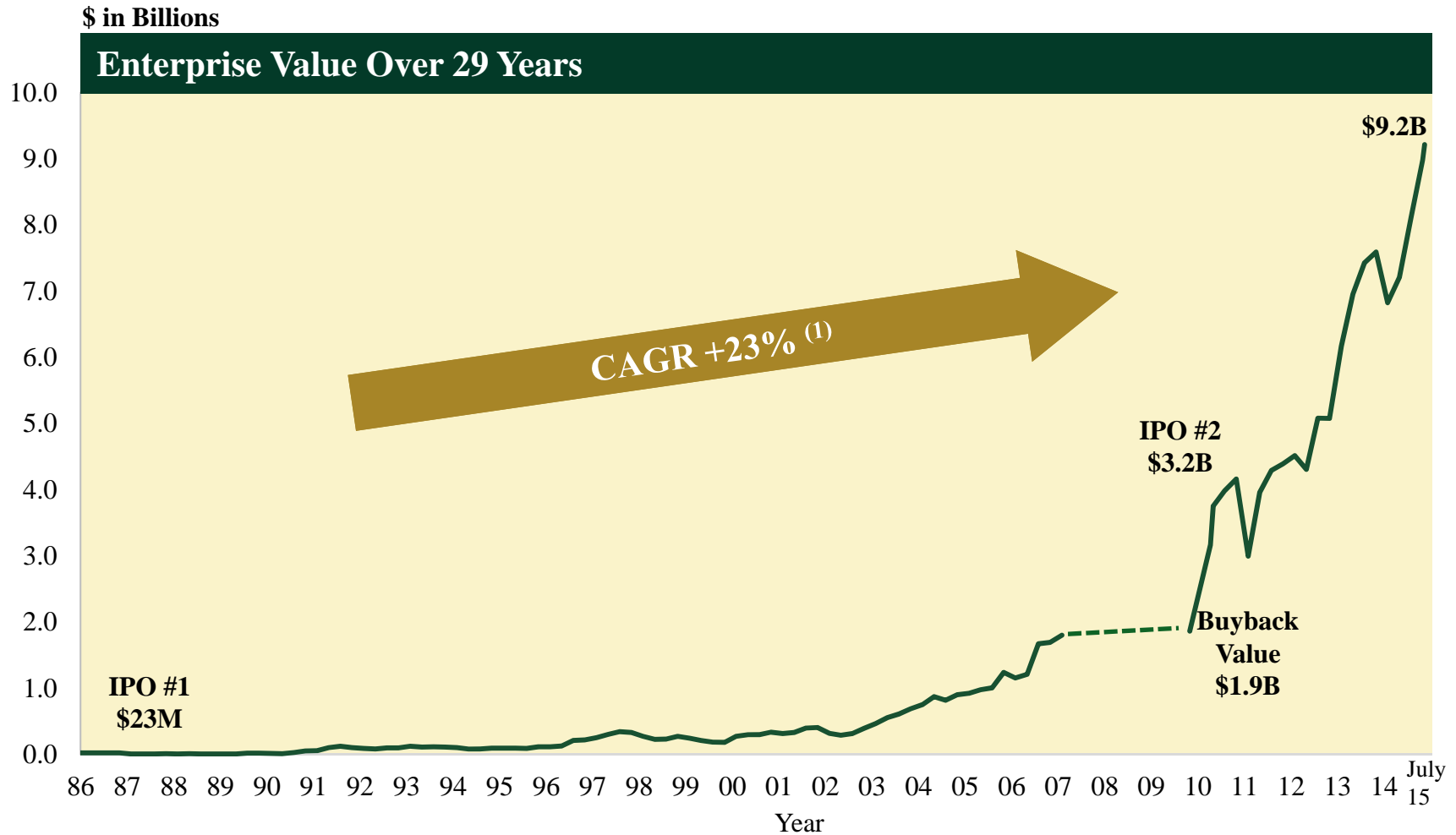
(1) All calculations include reinvestment of dividends into the same stock (FRC) or index (S&P 500, KBW Regional Bank Index and after second IPO, also includes KBW Bank Index).

(2) From second IPO date of December 8, 2010 through June 30, 2015.

Note: From September 2007 to June 30, 2010, First Republic Bank was a division of Merrill Lynch Bank & Trust Company, F.S.B. and subsequently Bank of America, N.A. No trading data is available on FRC during this time as the stock was not listed on any exchange.

Source: Bloomberg

# GROWTH IN ENTERPRISE VALUE



(1) 28.89-year CAGR of total market value of common equity from August 31, 1986 (first IPO) through July 15, 2015.

Note: From September 2007 to June 30, 2010, First Republic Bank was a division of Merrill Lynch Bank & Trust Company, F.S.B. and subsequently Bank of America, N.A. No trading data is available on FRC during this time as the stock was not independently traded.

Source: Bloomberg



FIRST REPUBLIC BANK

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# APPENDIX – EARNINGS RECONCILIATION

in 000's, except per share amounts	Three Months Ended				Year Ended	
	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015	June 30, 2015	December 31, 2014
<b>Non-GAAP earnings</b>						
Net income	\$ 120,832	\$ 136,011	\$ 115,459	\$ 115,912	\$ 131,345	\$ 487,006
Accretion/amortization added to net interest income	(21,262)	(15,800)	(15,399)	(12,850)	(11,986)	(71,999)
One-time special FHLB dividend	-	-	-	-	(9,134)	-
Discounts recognized in gain on sale of loans	-	(1,679)	-	-	-	(1,679)
Amortization of intangible assets	3,968	3,808	3,649	3,489	3,327	15,552
Add back tax impact of the above items	7,350	5,810	4,994	3,978	7,563	24,704
<b>Core net income (non-GAAP)</b>	<b>\$ 110,888</b>	<b>\$ 128,150</b>	<b>\$ 108,703</b>	<b>\$ 110,529</b>	<b>\$ 121,115</b>	<b>\$ 453,584</b>
Dividends on preferred stock	(13,889)	(13,889)	(13,889)	(13,889)	(14,411)	(55,556)
<b>Core net income available to common shareholders (non-GAAP)</b>	<b>\$ 96,999</b>	<b>\$ 114,261</b>	<b>\$ 94,814</b>	<b>\$ 96,640</b>	<b>\$ 106,704</b>	<b>\$ 398,028</b>
GAAP earnings per common share - diluted	\$ 0.76	\$ 0.86	\$ 0.72	\$ 0.71	\$ 0.80	\$ 3.07
Impact of purchase accounting, net of tax	(0.07)	(0.05)	(0.05)	(0.03)	(0.03)	(0.24)
Impact of one-time special FHLB dividend, net of tax	-	-	-	-	(0.04)	-
<b>Core earnings per common share - diluted (non-GAAP)</b>	<b>\$ 0.69</b>	<b>\$ 0.81</b>	<b>\$ 0.67</b>	<b>\$ 0.68</b>	<b>\$ 0.73</b>	<b>\$ 2.83</b>
Weighted average diluted common shares outstanding	141,473	141,548	141,753	142,791	145,713	140,497
<b>Net interest margin</b>						
Net interest income	\$ 333,213	\$ 335,989	\$ 340,855	\$ 348,019	\$ 375,064	\$ 1,330,760
Add: Tax-equivalent adjustment	26,994	27,710	28,766	29,658	32,148	109,323
Net interest income (tax-equivalent basis)	\$ 360,207	\$ 363,699	\$ 369,621	\$ 377,677	\$ 407,212	\$ 1,440,083
Less: Accretion/amortization	(21,262)	(15,800)	(15,399)	(12,850)	(11,986)	(71,999)
Less: One-time special FHLB dividend	-	-	-	-	(9,134)	-
<b>Core net interest income (tax-equivalent basis) (non-GAAP)</b>	<b>\$ 338,945</b>	<b>\$ 347,899</b>	<b>\$ 354,222</b>	<b>\$ 364,827</b>	<b>\$ 386,092</b>	<b>\$ 1,368,084</b>
Average interest-earning assets	\$ 42,478,833	\$ 44,479,559	\$ 45,723,915	\$ 47,029,233	\$ 49,166,670	\$ 43,438,577
Add: Average unaccreted loan discounts	196,082	177,380	161,556	148,595	136,533	187,097
<b>Average interest-earning assets (non-GAAP)</b>	<b>\$ 42,674,915</b>	<b>\$ 44,656,939</b>	<b>\$ 45,885,471</b>	<b>\$ 47,177,828</b>	<b>\$ 49,303,203</b>	<b>\$ 43,625,674</b>
Net interest margin - reported	3.38%	3.25%	3.21%	3.21%	3.30%	3.32%
Core net interest margin (non-GAAP)	3.16%	3.09%	3.06%	3.09%	3.12%	3.14%

# APPENDIX – EFFICIENCY RATIO RECONCILIATION

\$ in 000's	Three Months Ended					Year Ended
	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015	June 30, 2015	December 31, 2014
<b>Efficiency ratio</b>						
Net interest income	\$ 333,213	\$ 335,989	\$ 340,855	\$ 348,019	\$ 375,064	\$ 1,330,760
Less: Accretion/amortization	(21,262)	(15,800)	(15,399)	(12,850)	(11,986)	(71,999)
Less: One-time special FHLB dividend	-	-	-	-	(9,134)	-
<b>Core net interest income (non-GAAP)</b>	<b>\$ 311,951</b>	<b>\$ 320,189</b>	<b>\$ 325,456</b>	<b>\$ 335,169</b>	<b>\$ 353,944</b>	<b>\$ 1,258,761</b>
Noninterest income	\$ 76,838	\$ 104,671	\$ 75,834	\$ 74,919	\$ 80,236	\$ 318,355
Less: Discounts recognized in gain on sale of loans	-	(1,679)	-	-	-	(1,679)
<b>Core noninterest income (non-GAAP)</b>	<b>\$ 76,838</b>	<b>\$ 102,992</b>	<b>\$ 75,834</b>	<b>\$ 74,919</b>	<b>\$ 80,236</b>	<b>\$ 316,676</b>
Total revenue	\$ 410,051	\$ 440,660	\$ 416,689	\$ 422,938	\$ 455,300	\$ 1,649,115
Total core revenue (non-GAAP)	\$ 388,789	\$ 423,181	\$ 401,290	\$ 410,088	\$ 434,180	\$ 1,575,437
Noninterest expense	\$ 222,728	\$ 238,377	\$ 244,150	\$ 255,673	\$ 263,115	\$ 922,746
Less: Intangible amortization	(3,968)	(3,808)	(3,649)	(3,489)	(3,327)	(15,552)
<b>Core noninterest expense (non-GAAP)</b>	<b>\$ 218,760</b>	<b>\$ 234,569</b>	<b>\$ 240,501</b>	<b>\$ 252,184</b>	<b>\$ 259,788</b>	<b>\$ 907,194</b>
Efficiency ratio	54.3%	54.1%	58.6%	60.5%	57.8%	56.0%
Core efficiency ratio (non-GAAP)	56.3%	55.4%	59.9%	61.5%	59.8%	57.6%

# APPENDIX – CREDIT RECORD OF LOANS DIVESTED

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- When First Republic became independent on 7/1/10, the seller agreed to retain a portion of the Bank’s loan portfolio (“divested loans”)
- Characteristics of the loans divested at 7/1/10:
  - 1,500 loans totaling \$2.03 billion
  - 19% (\$381 million) nonperforming
  - 90% real estate secured
- The loss experience on the divested portfolio has been thoroughly researched by the Bank and validated by an independent third party: <sup>(1)</sup>
  - 85% are either paid off with no loss or are performing
  - 15% resulted in losses of approximately \$141 million
- If all divested loans had been retained by First Republic, the cumulative net income less funding and all operating costs through September 30, 2014 would have been approximately \$61 million higher

(1) As of September 30, 2014.

# APPENDIX – STRONG CAPITAL RATIOS

	<b>First Republic 6/30/15</b>	<b>“Well-Capitalized” Minimums</b>
	<b>Under Basel III Capital Rules <sup>(1), (2)</sup></b>	
<b>Tier 1 Leverage Ratio</b>	<b>9.76%</b>	<b>5.00%</b>
<b>Common Equity Tier 1 Ratio</b>	<b>10.71%</b>	<b>6.50%</b>
<b>Tier 1 Risk-Based Capital Ratio</b>	<b>13.31%</b>	<b>8.00%</b>
<b>Total Risk-Based Capital Ratio</b>	<b>13.96%</b>	<b>10.00%</b>

As a condition of being a newly-chartered institution, First Republic is required to maintain a minimum Tier 1 Leverage Ratio of 8.0% until June 30, 2017.

(1) Ratios as of June 30, 2015 are preliminary and reflect the adoption of the Basel III Capital Rules in effect beginning January 1, 2015.

(2) Certain adjustments required under the Basel III Capital Rules will be phased-in through the end of 2018. The ratios shown are calculated assuming a fully phased-in basis of all such adjustments as if they were effective as of June 30, 2015.

# APPENDIX – BUSINESS ACTIVITIES NOT UNDERTAKEN

First Republic's simple, focused business model and structure allow for 1) **better risk oversight and mitigation**, along with 2) **easier implementation and maintenance of the systems and procedures needed** in an enhanced regulatory environment.

This list includes activities in which we do not currently intend to engage based on our current strategy and capabilities. As the Bank evolves, we will maintain and reevaluate this list periodically to ensure it reflects our evolving strategy and capabilities.

- No proprietary trading
- No complex, highly transactional or structured products
- No market making in equities
- No proprietary open-end mutual funds, unit investment trusts or closed-end funds
- No trading assets or liabilities
- No cross-currency swaps
- No clearing services
- No underwriting transactions in debt and equity market
- No underwriting of IPO's
- No credit derivatives
- No junk bond investments <sup>(1)</sup>
- No foreign sovereign debt investments
- No securities lending or borrowing to or from financial institutions
- No insurance underwriting
- No depository institution, foreign bank, and credit union debt positions
- No loans to foreign governments
- No credit cards, corporate cards, auto loans originations
- No no-doc or low-doc, sub-prime loans
- No negative amortization loans (minimal amount in run-off)
- No reverse mortgages
- No loans denominated in foreign currency
- No deposits in foreign offices
- No factoring
- No sale of loan servicing on originated loans <sup>(2)</sup>
- No trade letters of credit
- No conduit securities lending transactions
- No cross-jurisdictional claims or liabilities
- No domestic or foreign holding company and no holding company subsidiaries

(1) Does not include unrated securities.

(2) Except for Bank of America retained loans.

# COMMITMENT TO THE COMMUNITY

Serving our communities is a keystone of First Republic's philosophy

## LENDING

Loans to schools and non-profit organizations represent **40%** of the Business Banking loan portfolio <sup>(1)</sup>

Approximately **1/4** of small business loans made by First Republic were in low- to moderate-income areas, including approximately \$643 million in community development loans <sup>(2)</sup>

**21%** of all residential loans (SFR and MF) reportable under the Home Mortgage Disclosure Act ("HMDA"), or over \$1 billion originated, were in low- to moderate-income areas <sup>(2)</sup>

## SERVICE

First Republic employees volunteer over **3,200** hours annually <sup>(3)</sup> in community service, emphasizing financial literacy within underserved communities

(1) As of June 30, 2015. Breakdown by loan type based on unpaid principal balance before reserves and discounts.

(2) For loans originated in 2013, the most recent reportable time period; calculated by number of loans.

(3) During 2013, the most recent reportable time period.

# NOTICE

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This presentation may contain forward-looking statements. You are cautioned not to place undue reliance on such statements, which speak only as of the date on which they are made and which are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. For a discussion of these and other risks and uncertainties, see First Republic's FDIC filings, including First Republic's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. These filings are available in the Investor Relations section of our website, [www.firstrepublic.com](http://www.firstrepublic.com).

The information provided herein may include certain non-GAAP financial measures. The reconciliation of such measures to the comparable GAAP figures are included in First Republic's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

