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): January 14, 2016

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 2.02 Results of Operations and Financial Condition

Attached as Exhibit 99.1 and incorporated into this item by reference is a press release issued by First Republic Bank (the "Bank") on January 14, 2016, regarding its financial results for the quarter and year ended December 31, 2015. The information furnished by the Bank pursuant to this item 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, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 99.1	Press Release issued by the Bank, dated January 14, 2016, with respect to the Bank's financial results for the quarter and year ended December 31, 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: January 14, 2016.

First Republic Bank

By: /s/ Michael J. Roffler
Name: Michael J. Roffler
Title: Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
Exhibit 99.1	Press Release issued by the Bank, dated January 14, 2016, with respect to the Bank’s financial results for the quarter and year ended December 31, 2015.

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

PRESS RELEASE

FOR IMMEDIATE RELEASE

FIRST REPUBLIC REPORTS RECORD QUARTERLY AND ANNUAL RESULTS

Core Annual Revenues Up 15.2%

Wealth Management Revenues Up 20.5% for the Year

San Francisco, California, January 14, 2016 – First Republic Bank (NYSE: FRC) today announced financial results for the quarter and year ended December 31, 2015.

"First Republic reported record revenue and net income for both the quarter and the year," said CEO Jim Herbert. "Our asset quality and capital continue to be very strong."

<u>Full Year Highlights</u>

Financial Results

- Core revenues were up 15.2%. [(1)]
- Net income was $522.1 million.
- Diluted earnings per share ("EPS") of $3.18.
- Core net income was $498.8 million, up 13.4%. [(1)]
- Core diluted EPS of $3.02, up 10.2%. [(1)]
- Loan originations totaled a record $19.7 billion for the year, up 16.0% over last year.
- Loans sold totaled $2.4 billion.
- Core net interest margin was 3.09%, compared to 3.14% for the prior year. [(1)]
- Core efficiency ratio was 60.5%. [(1)]

Continued Financial and Credit Strength

- Tier 1 leverage ratio was 9.21%.
- Common Equity Tier 1 ratio was 10.76%.
- Tangible book value per share was $30.16, up 13.6% from a year ago.
- Nonperforming assets were low at 12 basis points of total assets.
- Credit quality remains very strong, with net charge-offs of only $1.7 million for the year, less than 1 basis point.

Franchise Development

- Loans outstanding, excluding loans held for sale, totaled $44.1 billion, up 16.4% from a year ago.
- Deposits were $47.9 billion, up 29.0% from a year ago.
- Checking balances represented 63.2% of total deposits.
- Wealth management assets were $72.3 billion, up 35.4% from a year ago.
- Wealth management revenues were $231.7 million, up 20.5% from a year ago. [(2)]

(1) "Core" measures are non-GAAP financial measures that exclude the positive impact of purchase accounting. In addition, core measures also exclude other positive, but one-time, impacts from the special FHLB dividend in the second quarter of 2015, and the gain from repositioning of investment portfolio in the third quarter of 2014. See non-GAAP reconciliation under section "Use of Non-GAAP Financial Measures."

(2) Wealth management revenues include investment advisory, brokerage and investment, trust, and foreign exchange fee income.

Quarterly Highlights

- Compared to last year's fourth quarter:
  - Core revenues were $484.9 million, up 20.8%. (1)
  - Core net income was $136.0 million, up 25.1%. (1)
  - Core diluted EPS of $0.82, up 22.4%. (1)
- Net income was $140.0 million.
- Diluted EPS of $0.84.
- Loan originations totaled $4.7 billion.
- Loans sold totaled $367.6 million.
- Core net interest margin was 3.02%, compared to 3.09% for the prior quarter. (1)
- Core efficiency ratio was 61.4%. (1)
- Wealth management assets were $72.3 billion, up 22.9% from the prior quarter.

"Wealth management had a terrific quarter and year," said Vice Chair Katherine August-deWilde. "For the year, wealth management revenues were up over 20% and now represent 13% of core revenues. During the quarter, in addition to closing Constellation Wealth Advisors, we were pleased to welcome several wealth management teams to First Republic."

Quarterly Cash Dividend Declared

The Bank declared a cash dividend for the fourth quarter of $0.15 per share of common stock, which is payable on February 11, 2016 to shareholders of record as of January 28, 2016.

Strong Asset Quality

Credit quality remains very strong. Nonperforming assets were 12 basis points of total assets at December 31, 2015.

The Bank had net charge-offs for the quarter of $1.4 million, while adding $12.0 million to its allowance for loan losses due to continued loan growth. Net charge-offs for the year were $1.7 million, less than 1 basis point of average loans. A total of $55.4 million was added to the Bank's allowance for loan losses during the year.

Continued Capital Strength

During the fourth quarter, the Bank issued 3.5 million shares of common stock, which added approximately $226 million to common equity.

The Bank's Tier 1 leverage ratio was 9.21% and Common Equity Tier 1 ratio was 10.76% at December 31, 2015.

Tangible Book Value Growth

Tangible book value per common share was $30.16 at December 31, 2015, up 13.6% from a year ago. Since repurchasing the Bank five and a half years ago, tangible book value per common share has grown 16% per year.

Continued Franchise Development

Loan Originations

Loan originations totaled $4.7 billion for the quarter, compared to $4.3 billion for the fourth quarter a year ago. For 2015, loan originations totaled $19.7 billion, compared to $17.0 billion for the prior year, up 16.0%.

Loans outstanding, excluding loans held for sale, totaled $44.1 billion at December 31, 2015, up 16.4% compared to a year ago.

Deposit Growth

Total deposits increased to $47.9 billion, up 8.0% for the quarter and up 29.0% compared to a year ago. At December 31, 2015, checking accounts totaled 63.2% of deposits. The Bank is almost entirely deposit-funded, with deposits representing 90% of total liabilities at December 31, 2015.

The average rate paid on all deposits was 0.14% for both the fourth quarter and the prior quarter.

Investments

Total investments at December 31, 2015 were $10.5 billion, up 28.1% for the quarter and 57.4% compared to a year ago.

High-quality liquid assets, from a regulatory perspective, totaled $5.8 billion at December 31, 2015, up 22.6% from $4.7 billion at September 30, 2015. Such assets were up 80.4% for the year.

Mortgage Banking Activity

During the fourth quarter, the Bank sold $367.6 million of loans and recorded a gain on sale of $1.5 million, compared to loan sales of $991.3 million and a gain on sale of $4.1 million during the fourth quarter of last year.

For the year ended December 31, 2015, the Bank sold $2.4 billion of loans, compared to $4.4 billion for the prior year. Gain on sale of loans for the year ended December 31, 2015 was $9.7 million, compared to $35.5 million for the prior year.

Loans serviced for investors at year-end totaled $10.5 billion, up 9.8% from a year ago. Net loan servicing fees for the year were $13.0 million, up 34.4% from $9.7 million for the prior year.

Continued Expansion of Wealth Management

Wealth management revenues totaled $67.1 million for the quarter, up 26.4% compared to last year's fourth quarter. For the year ended December 31, 2015, wealth management revenues were $231.7 million, an increase of 20.5% compared to the prior year.

Total wealth management assets were $72.3 billion at December 31, 2015, up 22.9% for the quarter and up 35.4% compared to a year ago. The increase in wealth management assets includes assets under management from the Constellation acquisition on October 1, 2015.

In addition, the growth in wealth management assets was due to net new assets from both existing and new clients. Wealth management assets include investment management assets of $35.2 billion, brokerage assets and money market mutual funds of $30.2 billion, and trust and custody assets of $6.8 billion.

Income Statement and Key Ratios

Highlights

Strong Core Revenue Growth

Total revenues were $494.9 million for the quarter and $1.8 billion for 2015.

Core revenues were $484.9 million for the fourth quarter and $1.8 billion for 2015, up 20.8% compared to last year's fourth quarter and up 15.2% compared to 2014. (1)

Continued Core Net Interest Income Growth

Net interest income was $404.7 million for the quarter and $1.5 billion for 2015.

Core net interest income was $394.7 million for the fourth quarter, a 21.3% increase from the fourth quarter of last year. Core net interest income was $1.5 billion for all of 2015, a 16.2% increase from the prior year, resulting primarily from growth in average earning assets. (1)

Core Net Interest Margin

The Bank's net interest margin was 3.10% for the fourth quarter and 3.21% for 2015.

For 2015, the core net interest margin was 3.09%, compared to 3.14% for the prior year. For the fourth quarter, the core net interest margin was 3.02%, compared to 3.09% for the prior quarter. The decrease from the prior quarter was entirely the result of higher average cash balances due to strong deposit activity during the fourth quarter. (1)

Noninterest Income

Noninterest income was $90.2 million for the quarter, an 18.9% increase compared to the fourth quarter a year ago. Noninterest income was $325.1 million for 2015, up 2.1% compared to the prior year.

Core noninterest income was $90.2 million for the quarter, up 18.9% compared to the fourth quarter a year ago, which was primarily from increased wealth management revenues. Core noninterest income was $325.1 million for 2015, up 10.9% compared to the prior year. (1)

Core Efficiency Ratio

For 2015, noninterest expense was $1.1 billion, up 18.7% from the prior year. Noninterest expense for the fourth quarter was $300.9 million, a 23.3% increase from the fourth quarter of last year.

The Bank's GAAP efficiency ratio was 60.8% for the quarter. For all of 2015, the GAAP efficiency ratio was 59.5%.

The Bank's core efficiency ratio was 61.4% for the quarter, compared to 59.4% for the prior quarter and 59.9% for the fourth quarter a year ago. The increase from the prior quarter was substantially driven by investments in the wealth management business. (1)

For all of 2015, the core efficiency ratio was 60.5%, compared to 58.5% for 2014. (1)

Income Tax Rate

The Bank's effective tax rate for 2015 was 24.4%, compared to 27.3% for 2014. The decrease in the effective tax rate results from the steady increase in tax credit investments, tax-exempt securities, tax-advantaged loans and bank-owned life insurance. The effective tax rate for the fourth quarter was 23.0%, compared to 24.3% for the prior quarter. The decrease during the fourth quarter was due to an increase in tax benefits from tax credit investments.

Conference Call Details

First Republic Bank's fourth quarter and full year 2015 earnings conference call is scheduled for January 14, 2016 at 7:00 a.m. PT / 10:00 a.m. ET. To listen to the live call by telephone, please dial (855) 224-3902 approximately 10 minutes prior to the start time (to allow time for registration) and use conference ID #15929141. International callers should dial (734) 823-3244 and enter the same conference ID number. The call will also be broadcast live over the Internet and can be accessed in the Investor Relations section of First Republic's website at www.firstrepublic.com. To listen to the live webcast, please visit the site at least 10 minutes prior to the start of the call to register, download and install any necessary audio software. A replay of the call will also be available for 90 days on the website. For those unable to participate in the live presentation, a replay will be available beginning January 14, 2016, at 10:00 a.m. PT / 1:00 p.m. ET, through January 21, 2016, at 8:59 p.m. PT / 11:59 p.m. ET. To access the replay, dial (855) 859-2056 (U.S.) and use conference ID #15929141. International callers should dial (404) 537-3406 and enter the same conference ID number. The Bank's press releases are available after release on the Bank's website at www.firstrepublic.com.

About First Republic Bank

Founded in 1985, First Republic and its subsidiaries offer private banking, private business banking and private wealth management, including investment, trust and brokerage services. First Republic specializes in delivering exceptional, relationship-based service, with a solid commitment to responsiveness and action. Services are offered through preferred banking or wealth management offices primarily in San Francisco, Palo Alto, Los Angeles, Santa Barbara, Newport Beach, San Diego, Portland, Boston, Palm Beach, Greenwich and New York City. First Republic offers a complete line of banking products for individuals and businesses, including deposit services, as well as residential, commercial and personal loans. For more information, visit www.firstrepublic.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements in this press release that are not historical facts are hereby identified as "forward-looking statements" for the purpose of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended. Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "anticipates," "believes," "can," "could," "may," "predicts," "potential," "should," "will," "estimates," "plans," "projects," "continuing," "ongoing," "expects," "intends" and similar words or phrases and include statements about economic performance in our markets, growth in our loan originations and wealth management assets, our progress in preparing for, and our compliance with, any enhanced regulatory requirements, and our projected tax rate. Accordingly, these statements 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. Factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to: our ability to deal with significant competition for banking and wealth management customers; our projections for certain financial items, expectations concerning the bank and wealth management industries; earthquakes and other natural disasters in our markets; interest rate or credit risk; our plans or objectives for future operations, products or services; our ability to maintain and follow high underwriting standards; economic conditions generally and in our markets; our geographic concentration; our opportunities for growth; our future provisions for loan losses; our regulatory compliance and future regulatory requirements, including any requirements that have become applicable to us as a bank with a four-quarter average of total consolidated assets of at least $50 billion; any increased compliance costs; the phase-in of the Basel III Capital Rules; and new accounting standards. For a discussion of these and other risks and uncertainties, see First Republic's FDIC filings, including, but not limited to, the risk factors in First Republic's Annual Report on Form 10-K. These filings are available in the Investor Relations section of our website. All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.

CONSOLIDATED STATEMENT OF INCOME

(in thousands, except per share amounts)	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
Interest income:					
Loans	$ 357,446	$ 322,177	$ 348,367	$ 1,361,654	$ 1,271,562
Investments	81,030	55,652	75,970	296,146	207,736
Cash and cash equivalents	2,730	1,170	1,691	6,292	3,711
Total interest income	441,206	378,999	426,028	1,664,092	1,483,009
Interest expense:					
Deposits	16,638	14,470	15,903	61,072	60,454
Borrowings	19,869	23,674	21,244	86,357	91,795
Total interest expense	36,507	38,144	37,147	147,429	152,249
Net interest income	404,699	340,855	388,881	1,516,663	1,330,760
Provision for loan losses	12,045	14,076	14,502	55,439	56,486
Net interest income after provision for loan losses	392,654	326,779	374,379	1,461,224	1,274,274
Noninterest income:					
Investment advisory fees	49,814	39,892	44,211	178,738	147,840
Brokerage and investment fees	7,654	4,341	3,899	19,659	14,404
Trust fees	3,259	2,600	2,600	10,745	10,483
Foreign exchange fee income	6,413	6,265	5,933	22,517	19,552
Deposit fees	4,914	4,634	4,898	19,311	18,468
Gain on sale of loans	1,480	4,107	2,957	9,725	35,515
Loan servicing fees, net	3,752	3,174	3,135	13,040	9,701
Loan and related fees	3,161	2,465	3,083	12,393	8,658
Income from investments in life insurance	9,289	8,389	8,555	35,474	29,558
Gain (loss) on investment securities, net	(515)	(567)	(76)	821	21,837
Other income	930	534	552	2,630	2,339
Total noninterest income	90,151	75,834	79,747	325,053	318,355
Noninterest expense:					
Salaries and employee benefits	168,424	129,980	149,463	596,593	490,341
Occupancy	27,220	26,082	26,531	106,856	98,466
Information systems	33,416	26,360	31,564	119,114	95,387
Professional fees	16,487	17,042	16,974	73,022	53,429
FDIC assessments	9,500	8,300	8,700	35,250	31,294
Advertising and marketing	7,617	5,484	6,167	25,562	25,703
Amortization of intangibles	6,933	5,368	4,731	21,760	22,744
Other expenses	31,327	25,534	31,767	117,452	105,382
Total noninterest expense	300,924	244,150	275,897	1,095,609	922,746
Income before provision for income taxes	181,881	158,463	178,229	690,668	669,883
Provision for income taxes	41,835	43,004	43,387	168,523	182,877
Net income	140,046	115,459	134,842	522,145	487,006
Dividends on preferred stock	15,314	13,889	15,314	58,928	55,556
Net income available to common shareholders	$ 124,732	$ 101,570	$ 119,528	$ 463,217	$ 431,450
Basic earnings per common share	$ 0.87	$ 0.74	$ 0.84	$ 3.27	$ 3.16
Diluted earnings per common share	$ 0.84	$ 0.72	$ 0.82	$ 3.18	$ 3.07
Dividends per common share	$ 0.15	$ 0.14	$ 0.15	$ 0.59	$ 0.54
Weighted average shares—basic	144,006	137,794	142,152	141,689	136,420
Weighted average shares—diluted	147,814	141,753	145,890	145,510	140,497

CONSOLIDATED BALANCE SHEET

($ in thousands)	As of December 31, 2015	As of September 30, 2015	As of December 31, 2014
ASSETS			
Cash and cash equivalents	$ 1,131,110	$ 1,795,780	$ 817,150
Securities purchased under agreements to resell	100	100	100
Investment securities available-for-sale	2,910,801	1,584,142	1,393,357
Investment securities held-to-maturity	7,540,678	6,572,289	5,244,707
Loans:			
Single family (1-4 units)	23,092,346	22,273,533	20,494,402
Home equity lines of credit	2,370,188	2,316,120	2,211,621
Multifamily (5+ units)	5,371,484	5,211,200	4,689,692
Commercial real estate	4,462,834	4,353,000	3,824,835
Single family construction	436,774	465,549	428,358
Multifamily/commercial construction	693,364	645,230	453,732
Commercial business	6,232,378	5,836,330	4,873,580
Other secured	541,637	546,407	436,918
Stock secured	521,005	421,084	285,240
Unsecured loans and lines of credit	423,795	361,351	231,552
Total unpaid principal balance	44,145,805	42,429,804	37,929,930
Net unaccreted discount	(108,499)	(118,567)	(152,764)
Net deferred fees and costs	46,263	40,308	31,203
Allowance for loan losses	(261,058)	(250,408)	(207,342)
Loans, net	43,822,511	42,101,137	37,601,027
Loans held for sale	48,681	250,494	271,448
Investments in life insurance	1,168,596	1,059,237	1,014,734
Tax credit investments	1,006,836	890,430	828,640
Prepaid expenses and other assets	817,410	702,125	747,763
Premises, equipment and leasehold improvements, net	172,008	161,634	165,703
Goodwill and other intangible assets	309,016	201,723	216,550
Mortgage servicing rights	53,538	53,588	49,023
Other real estate owned	—	2,541	—
Total Assets	$ 58,981,285	$ 55,375,220	$ 48,350,202
LIABILITIES AND EQUITY			
Liabilities:			
Deposits:			
Noninterest-bearing checking	$ 18,252,007	$ 17,546,255	$ 12,542,881
Interest-bearing checking	12,027,363	9,472,995	8,809,590
Money market checking	5,756,821	5,892,419	5,216,253
Money market savings and passbooks	7,270,396	7,167,514	6,795,189
Certificates of deposit	4,586,878	4,263,761	3,767,016
Total Deposits	47,893,465	44,342,944	37,130,929
Securities sold under agreements to repurchase	100,000	100,000	—
Long-term FHLB advances	4,000,000	4,350,000	5,275,000
Senior notes	397,159	396,964	396,384
Debt related to variable interest entities	29,643	30,716	36,039
Other liabilities	855,335	770,422	733,383
Total Liabilities	53,275,602	49,991,046	43,571,735
Shareholders' Equity:			
Preferred stock	989,525	989,525	889,525
Common stock	1,461	1,425	1,383
Additional paid-in capital	2,770,265	2,533,713	2,313,592
Retained earnings	1,949,652	1,846,604	1,570,871
Accumulated other comprehensive income (loss)	(5,220)	12,907	3,096
Total Shareholders' Equity	5,705,683	5,384,174	4,778,467
Total Liabilities and Shareholders' Equity	$ 58,981,285	$ 55,375,220	$ 48,350,202

Operating Information and Yields/Rates	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Operating Information					
Net income to average assets [3]	0.93%	0.94%	0.96%	0.96%	1.06%
Net income available to common shareholders to average common equity [3]	10.74%	10.37%	10.84%	10.72%	11.72%
Dividend payout ratio	17.8%	19.5%	18.3%	18.5%	17.6%
Efficiency ratio [4]	60.8%	58.6%	58.9%	59.5%	56.0%
Core efficiency ratio (non-GAAP) [1], [4]	61.4%	59.9%	59.4%	60.5%	58.5%
Net loan charge-offs (recoveries)	$ 1,395	$ 1,783	$ (38)	$ 1,723	$ 2,149
Net loan charge-offs to average total loans [3]	0.01%	0.02%	0.00%	0.00%	0.01%
Yields/Rates [3]					
Cash and cash equivalents	0.28%	0.25%	0.25%	0.26%	0.25%
Investment securities [5], [6], [7]	4.48%	4.81%	4.96%	4.80%	5.06%
Loans [5], [8]	3.39%	3.48%	3.36%	3.42%	3.59%
Total interest-earning assets	3.36%	3.54%	3.45%	3.49%	3.67%
Checking	0.01%	0.01%	0.00%	0.00%	0.01%
Money market checking and savings	0.07%	0.08%	0.07%	0.07%	0.13%
CDs [8]	1.24%	1.21%	1.27%	1.24%	1.13%
Total deposits	0.14%	0.15%	0.14%	0.14%	0.17%
Long-term FHLB advances	1.55%	1.58%	1.55%	1.57%	1.56%
Senior notes [9]	2.59%	2.59%	2.59%	2.59%	2.57%
Other borrowings	1.39%	1.67%	1.35%	0.92%	1.70%
Total borrowings	1.63%	1.65%	1.63%	1.62%	1.60%
Total interest-bearing liabilities	0.27%	0.35%	0.30%	0.31%	0.37%
Net interest spread	3.09%	3.19%	3.15%	3.18%	3.30%
Net interest margin	3.10%	3.21%	3.17%	3.21%	3.32%
Core net interest margin (non-GAAP) [1]	3.02%	3.06%	3.09%	3.09%	3.14%

[3] For periods less than a year, ratios are annualized.

[4] Efficiency ratio is the ratio of noninterest expense to the sum of net interest income and noninterest income.

[5] Yield is calculated on a tax-equivalent basis.

[6] Includes FHLB stock and securities purchased under agreements to resell.

[7] Yield on investment securities for the year ended December 31, 2015 includes a $9.1 million one-time special FHLB dividend received in the second quarter of 2015, which resulted in an 11 basis point positive impact to the investment yield for this period.

[8] Yield/rate includes accretion/amortization of purchase accounting discounts/premiums.

[9] Rate includes amortization of issuance discounts and costs.

Mortgage Loan Sales	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Loans sold:					
Agency	$ 73,244	$ 29,319	$ 71,923	$ 273,128	$ 135,681
Non-agency	294,359	961,965	527,814	2,156,132	4,273,851
Total loans sold	$ 367,603	$ 991,284	$ 599,737	$ 2,429,260	$ 4,409,532
Gain on sale of loans:					
Amount	$ 1,480	$ 4,107	$ 2,957	$ 9,725	$ 35,515
Gain as a percentage of loans sold [10]	0.40%	0.41%	0.49%	0.40%	0.81%

[10] For the year ended December 31, 2014, gain on sale of loans includes discounts established in purchase accounting, which increase gain on sale of loans. Excluding the impact of purchase accounting, the gain as a percentage of loans sold for 2014 would be 0.77%.

Loan Servicing Portfolio	As of December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
($ in millions)					
Loans serviced for investors	$ 10,531	$ 10,550	$ 10,305	$ 9,840	$ 9,590

Loan Originations	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Single family (1-4 units)	$ 1,635,350	$ 1,885,418	$ 1,863,396	$ 7,633,653	$ 7,932,174
Home equity lines of credit	398,267	339,001	452,048	1,575,262	1,458,448
Multifamily (5+ units)	302,435	339,505	371,266	1,461,123	1,443,357
Commercial real estate	292,369	272,211	321,578	1,344,072	998,700
Construction	305,085	210,312	434,155	1,291,902	894,786
Commercial business	1,343,953	1,044,474	1,127,386	5,138,716	3,445,664
Other loans	432,012	197,654	295,589	1,227,234	779,072
Total loans originated	$ 4,709,471	$ 4,288,575	$ 4,865,418	$ 19,671,962	$ 16,952,201

Composition of Loan Portfolio	As of December 31, 2015 Loans acquired on July 1, 2010	Loans originated since July 1, 2010	Total Loans
($ in thousands)			
Single family (1-4 units)	$ 2,358,231	$ 20,734,115	$ 23,092,346
Home equity lines of credit	443,075	1,927,113	2,370,188
Multifamily (5+ units)	269,758	5,101,726	5,371,484
Commercial real estate	412,213	4,050,621	4,462,834
Single family construction	4,012	432,762	436,774
Multifamily/commercial construction	1,226	692,138	693,364
Commercial business	299,834	5,932,544	6,232,378
Other secured	12,979	528,658	541,637
Stock secured	4,286	516,719	521,005
Unsecured loans and lines of credit	28,707	395,088	423,795
Total unpaid principal balance	3,834,321	40,311,484	44,145,805
Net unaccreted discount	(108,235)	(264)	(108,499)
Net deferred fees and costs	(3,765)	50,028	46,263
Allowance for loan losses	(6,115)	(254,943)	(261,058)
Loans, net	$ 3,716,206	$ 40,106,305	$ 43,822,511

Asset Quality Information	As of December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
($ in thousands)					
Nonperforming assets:					
Nonaccrual loans	$ 73,545	$ 51,987	$ 55,872	$ 49,830	$ 45,962
Other real estate owned	—	2,541	—	—	—
Total nonperforming assets	$ 73,545	$ 54,528	$ 55,872	$ 49,830	$ 45,962
Nonperforming assets to total assets	0.12%	0.10%	0.11%	0.10%	0.10%
Accruing loans 90 days or more past due	$ 4,199	$ 698	$ 2,118	$ 202	$ 4,380
Restructured accruing loans	$ 14,043	$ 14,539	$ 15,624	$ 14,855	$ 16,252

Book Value Ratios	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
	As of				
(in thousands, except per share amounts)					
Number of shares of common stock outstanding	146,110	142,477	142,389	142,105	138,269
Book value per common share	$ 32.28	$ 30.84	$ 30.03	$ 29.45	$ 28.13
Tangible book value per common share	$ 30.16	$ 29.43	$ 28.58	$ 27.97	$ 26.56

Capital Ratios	As of					
	2015					2014
	December 31, (11)		September 30,	June 30,	March 31,	December 31,
	Actual (12)	Fully Phased-in (13)	Actual (12)			Actual (12)
Tier 1 leverage ratio	9.21%	9.09%	9.38%	9.86%	9.90%	9.43%
Common Equity Tier 1 ratio (14)	10.76%	10.56%	10.71%	10.87%	11.25%	n/a
Tier 1 common equity ratio (14)	n/a	n/a	n/a	n/a	n/a	10.90%
Tier 1 risk-based capital ratio	13.12%	12.93%	13.21%	13.47%	13.73%	13.55%
Total risk-based capital ratio	13.78%	13.58%	13.87%	14.13%	14.37%	14.20%

(11) Ratios as of December 31, 2015 are preliminary.

(12) Ratios for 2015 periods reflect the adoption of the Basel III Capital Rules in effect beginning January 1, 2015. Ratios as of December 31, 2014 represent the previous capital rules under Basel I.

(13) Certain adjustments required under the Basel III Capital Rules will be phased in through the end of 2018. The ratios shown in this column are calculated assuming a fully phased-in basis of all such adjustments as if they were effective as of December 31, 2015.

(14) Beginning in 2015, the Common Equity Tier 1 ratio is a new ratio requirement under the Basel III Capital Rules and represents common equity, less goodwill and intangible assets net of any associated deferred tax liabilities, divided by risk-weighted assets (subject to phase-in adjustments as indicated in footnote 13 above). As of December 31, 2014, the Tier 1 common equity ratio represents common equity, less goodwill and intangible assets, divided by risk-weighted assets.

Wealth Management Assets	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
	As of				
($ in millions)					
First Republic Investment Management	$ 35,230	$ 28,969	$ 28,998	$ 28,530	$ 27,453
Brokerage and investment:					
Brokerage	26,059	19,746	19,852	18,973	17,653
Money market mutual funds	4,155	3,012	1,732	2,100	2,025
Total brokerage and investment	30,214	22,758	21,584	21,073	19,678
Trust Company:					
Trust	3,375	3,618	3,370	3,149	3,057
Custody	3,474	3,477	3,613	3,617	3,189
Total Trust Company	6,849	7,095	6,983	6,766	6,246
Total Wealth Management Assets	$ 72,293	$ 58,822	$ 57,565	$ 56,369	$ 53,377

Average Balance Sheet	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Assets:					
Cash and cash equivalents	$ 3,921,839	$ 1,845,498	$ 2,682,142	$ 2,425,747	$ 1,468,877
Investment securities [15]	9,581,952	6,304,984	8,190,959	8,155,136	5,697,744
Loans [16]	43,042,968	37,573,433	42,143,922	40,889,434	36,271,956
Total interest-earning assets	56,546,759	45,723,915	53,017,023	51,470,317	43,438,577
Noninterest-earning cash	287,695	263,915	257,826	263,627	239,345
Goodwill and other intangibles	312,665	219,140	204,021	235,044	227,516
Other assets	2,694,402	2,350,513	2,467,187	2,504,807	2,127,302
Total noninterest-earning assets	3,294,762	2,833,568	2,929,034	3,003,478	2,594,163
Total Assets	$ 59,841,521	$ 48,557,483	$ 55,946,057	$ 54,473,795	$ 46,032,740
Liabilities and Equity:					
Checking	$ 30,189,409	$ 20,694,274	$ 27,208,451	$ 25,993,413	$ 18,572,545
Money market checking and savings	13,607,852	12,661,395	13,226,282	12,905,039	12,737,635
CDs [16]	4,485,104	3,772,544	4,162,188	4,086,327	3,687,912
Total deposits	48,282,365	37,128,213	44,596,921	42,984,779	34,998,092
Long-term FHLB advances	4,302,174	5,275,000	4,657,337	4,772,192	5,474,726
Senior notes	397,064	396,291	396,869	396,774	214,966
Other borrowings	130,211	37,617	131,168	152,356	40,073
Total borrowings	4,829,449	5,708,908	5,185,374	5,321,322	5,729,765
Total interest-bearing liabilities	53,111,814	42,837,121	49,782,295	48,306,101	40,727,857
Noninterest-bearing liabilities	1,133,650	943,984	797,627	899,116	733,347
Preferred equity	989,525	889,525	989,525	949,525	889,525
Common equity	4,606,532	3,886,853	4,376,610	4,319,053	3,682,011
Total Liabilities and Equity	$ 59,841,521	$ 48,557,483	$ 55,946,057	$ 54,473,795	$ 46,032,740

[15] Includes FHLB stock and securities purchased under agreements to resell.

[16] Average balances are presented net of purchase accounting discounts or premiums.

Purchase Accounting Accretion and Amortization [17]	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Accretion/amortization to net interest income:					
Loans	$ 9,974	$ 14,086	$ 9,663	$ 43,467	$ 65,647
Deposits	—	1,313	—	1,006	6,352
Total	$ 9,974	$ 15,399	$ 9,663	$ 44,473	$ 71,999
Noninterest income:					
Discounts recognized in gain on sale of loans	$ —	$ —	$ —	$ —	$ 1,679
Amortization to noninterest expense:					
Intangible assets	$ 3,007	$ 3,649	$ 3,170	$ 12,993	$ 15,552

[17] Related to the Bank's re-establishment as an independent institution.

Use of Non-GAAP Financial Measures

Our accounting and reporting policies conform to generally accepted accounting principles in the United States ("GAAP") and the prevailing practices in the banking industry. However, due to the application of purchase accounting from the Bank's re-establishment as an independent institution, management uses certain non-GAAP measures and ratios that exclude the impact of these items to evaluate our performance, including net income, earnings per share, yield on average loans, cost of average deposits, net interest margin and the efficiency ratio.

Our net income, earnings per share, yield on average loans, cost of average deposits, net interest margin and efficiency ratio were significantly impacted by accretion and amortization of the fair value adjustments recorded in purchase accounting from the Bank's re-establishment as an independent institution. The accretion and amortization affect our net income, earnings per share and certain operating ratios as we accrete loan discounts to interest income; recognize discounts established in purchase accounting on the sale of loans, which increase gain on sale of loans; amortize premiums on CDs to interest expense; and amortize intangible assets to noninterest expense.

The Bank's non-GAAP measures also exclude the positive impact of certain nonrecurring items. In the second quarter of 2015, the Bank received a one-time special dividend of $9.1 million from the FHLB, which is excluded from non-GAAP net income, earnings per share, net interest income, net interest margin and efficiency ratio. In addition, in the third quarter of 2014, as a result of the restructuring of its investment securities portfolio, the Bank had a gain on sale of investments of $23.6 million, which is excluded from non-GAAP net income, earnings per share, noninterest income, revenue and efficiency ratio.

We believe these non-GAAP measures and ratios, when taken together with the corresponding GAAP measures and ratios, provide meaningful supplemental information regarding our performance. Our management uses, and believes that investors benefit from referring to, these non-GAAP measures and ratios in assessing our operating results and related trends. However, these non-GAAP measures and ratios should be considered in addition to, and not as a substitute for or preferable to, ratios prepared in accordance with GAAP. In the tables below, we have provided a reconciliation of, where applicable, the most comparable GAAP financial measures and ratios to the non-GAAP financial measures and ratios, or a reconciliation of the non-GAAP calculation of the financial measure:

	Quarter Ended December 31,		Quarter Ended September 30,	Year Ended December 31,	
Non-GAAP Earnings	2015	2014	2015	2015	2014
(in thousands, except per share amounts)					
Net income	$ 140,046	$ 115,459	$ 134,842	$ 522,145	$ 487,006
Accretion/amortization added to net interest income	(9,974)	(15,399)	(9,663)	(44,473)	(71,999)
One-time special FHLB dividend	—	—	—	(9,134)	—
Discounts recognized in gain on sale of loans	—	—	—	—	(1,679)
One-time gain on sale of investments	—	—	—	—	(23,580)
Amortization of intangible assets	3,007	3,649	3,170	12,993	15,552
Add back tax impact of the above items	2,961	4,994	2,759	17,261	34,726
Core net income (non-GAAP)	136,040	108,703	131,108	498,792	440,026
Dividends on preferred stock	(15,314)	(13,889)	(15,314)	(58,928)	(55,556)
Core net income available to common shareholders (non-GAAP)	$ 120,726	$ 94,814	$ 115,794	$ 439,864	$ 384,470
GAAP earnings per common share—diluted	$ 0.84	$ 0.72	$ 0.82	$ 3.18	$ 3.07
Impact of purchase accounting, net of tax	(0.02)	(0.05)	(0.03)	(0.12)	(0.23)
Impact of one-time special FHLB dividend, net of tax	—	—	—	(0.04)	—
Impact of one-time gain on sale of investments, net of tax	—	—	—	—	(0.10)
Core earnings per common share—diluted (non-GAAP)	$ 0.82	$ 0.67	$ 0.79	$ 3.02	$ 2.74
Weighted average diluted common shares outstanding	147,814	141,753	145,890	145,510	140,497

Yield on Average Loans	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Interest income on loans	$ 357,446	$ 322,177	$ 348,367	$ 1,361,654	$ 1,271,562
Add: Tax-equivalent adjustment on loans	10,571	8,520	10,045	38,657	29,859
Interest income on loans (tax-equivalent basis)	368,017	330,697	358,412	1,400,311	1,301,421
Less: Accretion	(9,974)	(14,086)	(9,663)	(43,467)	(65,647)
Core interest income on loans (tax-equivalent basis) (non-GAAP)	$ 358,043	$ 316,611	$ 348,749	$ 1,356,844	$ 1,235,774
Average loans	$ 43,042,968	$ 37,573,433	$ 42,143,922	$ 40,889,434	$ 36,271,956
Add: Average unaccreted loan discounts	114,338	161,556	125,315	131,111	187,097
Average loans (non-GAAP)	$ 43,157,306	$ 37,734,989	$ 42,269,237	$ 41,020,545	$ 36,459,053
Yield on average loans—reported [5]	3.39%	3.48%	3.36%	3.42%	3.59%
Contractual yield on average loans (non-GAAP) [5]	3.28%	3.32%	3.26%	3.31%	3.39%

Cost of Average Deposits	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Interest expense on deposits	$ 16,638	$ 14,470	$ 15,903	$ 61,072	$ 60,454
Add: Amortization of CD premiums	—	1,313	—	1,006	6,352
Core interest expense on deposits (non-GAAP)	$ 16,638	$ 15,783	$ 15,903	$ 62,078	$ 66,806
Average deposits	$ 48,282,365	$ 37,128,213	$ 44,596,921	$ 42,984,779	$ 34,998,092
Less: Average unamortized CD premiums	—	(1,607)	—	(159)	(3,876)
Average deposits (non-GAAP)	$ 48,282,365	$ 37,126,606	$ 44,596,921	$ 42,984,620	$ 34,994,216
Cost of average deposits—reported	0.14%	0.15%	0.14%	0.14%	0.17%
Contractual cost of average deposits (non-GAAP)	0.14%	0.17%	0.14%	0.14%	0.19%

Net Interest Margin	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Net interest income	$ 404,699	$ 340,855	$ 388,881	$ 1,516,663	$ 1,330,760
Add: Tax-equivalent adjustment	36,927	28,766	35,619	134,352	109,323
Net interest income (tax-equivalent basis)	441,626	369,621	424,500	1,651,015	1,440,083
Less: Accretion/amortization	(9,974)	(15,399)	(9,663)	(44,473)	(71,999)
Less: One-time special FHLB dividend	—	—	—	(9,134)	—
Core net interest income (tax-equivalent basis) (non-GAAP)	$ 431,652	$ 354,222	$ 414,837	$ 1,597,408	$ 1,368,084
Average interest-earning assets	$ 56,546,759	$ 45,723,915	$ 53,017,023	$ 51,470,317	$ 43,438,577
Add: Average unaccreted loan discounts	114,338	161,556	125,315	131,111	187,097
Average interest-earning assets (non-GAAP)	$ 56,661,097	$ 45,885,471	$ 53,142,338	$ 51,601,428	$ 43,625,674
Net interest margin—reported	3.10%	3.21%	3.17%	3.21%	3.32%
Core net interest margin (non-GAAP)	3.02%	3.06%	3.09%	3.09%	3.14%

Efficiency Ratio	Quarter Ended December 31, 2015	Quarter Ended December 31, 2014	Quarter Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014
($ in thousands)					
Net interest income	$ 404,699	$ 340,855	$ 388,881	$ 1,516,663	$ 1,330,760
Less: Accretion/amortization	(9,974)	(15,399)	(9,663)	(44,473)	(71,999)
Less: One-time special FHLB dividend	—	—	—	(9,134)	—
Core net interest income (non-GAAP)	$ 394,725	$ 325,456	$ 379,218	$ 1,463,056	$ 1,258,761
Noninterest income	$ 90,151	$ 75,834	$ 79,747	$ 325,053	$ 318,355
Less: Discounts recognized in gain on sale of loans	—	—	—	—	(1,679)
Less: One-time gain on sale of investments	—	—	—	—	(23,580)
Core noninterest income (non-GAAP)	$ 90,151	$ 75,834	$ 79,747	$ 325,053	$ 293,096
Total revenue	$ 494,850	$ 416,689	$ 468,628	$ 1,841,716	$ 1,649,115
Total core revenue (non-GAAP)	$ 484,876	$ 401,290	$ 458,965	$ 1,788,109	$ 1,551,857
Noninterest expense	$ 300,924	$ 244,150	$ 275,897	$ 1,095,609	$ 922,746
Less: Intangible amortization	(3,007)	(3,649)	(3,170)	(12,993)	(15,552)
Core noninterest expense (non-GAAP)	$ 297,917	$ 240,501	$ 272,727	$ 1,082,616	$ 907,194
Efficiency ratio	60.8%	58.6%	58.9%	59.5%	56.0%
Core efficiency ratio (non-GAAP)	61.4%	59.9%	59.4%	60.5%	58.5%

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