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 15, 2019

FIRST REPUBLIC BANK
(Exact name of registrant as specified in its charter)

California	**80-0513856**
(State or other jurisdiction of incorporation)	**(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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 15, 2019, regarding its financial results for the quarter and year ended December 31, 2018. 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 15, 2019, with respect to the Bank’s financial results for the quarter and year ended December 31, 2018.

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 15, 2019.

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 15, 2019, with respect to the Bank's financial results for the quarter and year ended December 31, 2018.

First Republic Bank
It's a privilege to serve you®

Exhibit 99.1

PRESS RELEASE

FOR IMMEDIATE RELEASE

FIRST REPUBLIC REPORTS STRONG 2018 RESULTS

Total Revenues Increased 17% for the Year
Wealth Management Revenues Increased 22% for the Year

San Francisco, California, January 15, 2019 – First Republic Bank (NYSE: FRC) today announced financial results for the quarter and year ended December 31, 2018.

"Results for 2018 were excellent," said Jim Herbert, Chairman and CEO. "Organic growth continues to be strong across the franchise. Our client-focused business model is driving our growth and delivering consistent results in all types of economic conditions."

Full Year Highlights

Financial Results

- Revenues were $3.0 billion, up 16.6%.
- Net income was $853.8 million, up 12.7%.
- Diluted earnings per share of $4.81, up 11.6%.
- Loan originations totaled $32.1 billion, our best year ever.
- Tangible book value per share was $45.26, up 11.9%.
- Efficiency ratio was 63.0%, compared to 62.8% last year.

Continued Capital and Credit Strength

- Common Equity Tier 1 ratio was 10.38%, compared to 10.63% a year ago.
- Nonperforming assets remained very low at 5 basis points of total assets.
- Net charge-offs were only $3.0 million, or less than 1 basis point of average loans.

Continued Franchise Development

- Loans, excluding loans held for sale, totaled $75.9 billion, up 20.7%.
- Deposits were $79.1 billion, up 14.7%.
- Wealth management assets were $126.2 billion, up 18.0%.
- Wealth management revenues were $433.7 million, up 21.7%.

Quarterly Highlights

- Compared to last year's fourth quarter:
  - Revenues were $810.8 million, up 16.0%.
  - Net interest income was $667.2 million, up 17.3%.
  - Net income was $231.4 million, up 19.1%.
  - Diluted EPS of $1.29, up 17.3%.
- Loan originations were $8.4 billion, our best fourth quarter ever.
- Loans sold totaled $263.7 million for the quarter.
- Net charge-offs were $1.9 million.
- Net interest margin was 2.98%, compared to 2.94% for the prior quarter. The fourth quarter's net interest margin included a 2 basis point positive impact from an FHLB special dividend.
- Efficiency ratio was 61.5%, compared to 63.0% for the prior quarter (includes 0.4% positive impact from an FHLB special dividend).
- Wealth management assets were $126.2 billion, down 3.6% from the prior quarter due to market declines.

"First Republic's differentiated business model continues to perform very well," said Mike Roffler, Chief Financial Officer. "Loans, deposits and wealth management assets all grew nicely, and client acquisition remains strong. We're very pleased with revenue growth of 17% and net interest income growth of 16% for the full year 2018. Capital and credit quality remain consistently strong."

Quarterly Cash Dividend Declared

The Bank declared a cash dividend for the fourth quarter of $0.18 per share of common stock, which is payable on February 14, 2019 to shareholders of record as of January 31, 2019.

Very Strong Asset Quality

Credit quality remains very strong. Nonperforming assets were only 5 basis points of total assets at December 31, 2018.

The Bank had net charge-offs for the quarter of $1.9 million, while adding $25.1 million to its allowance for loan losses due to continued loan growth. During the full year, the Bank had net charge-offs of only $3.0 million, while adding $76.1 million to its allowance for loan losses.

Continued Capital Strength and Access to Capital Markets

The Bank's Common Equity Tier 1 ratio was 10.38% at December 31, 2018, compared to 10.63% a year ago.

On December 28, 2018, the Bank redeemed all of the outstanding shares of its 7.00% Noncumulative Perpetual Series E Preferred Stock, which totaled $200.0 million.

On December 31, 2018, the Bank traded 2,000,000 new shares of common stock as part of an "at-the-market" equity offering program, in conjunction with the addition of our common stock in the S&P 500 Index prior to the market opening on January 2, 2019. This offering settled on January 3, 2019 and added approximately $170 million to common equity in the first quarter of 2019.

Tangible Book Value Growth

Tangible book value per common share at December 31, 2018 was $45.26, up 11.9% from a year ago.

Continued Franchise Development

Loan Originations

Loan originations were $8.4 billion for the quarter, compared to $7.4 billion for the same quarter a year ago, up 12.2%. For 2018, loan originations totaled $32.1 billion, up 16.0% compared to the prior year. The increases for the quarter and year ended December 31, 2018 were primarily due to increases in multifamily and business lending, partially offset by a decline in single family refinance volume.

Loans, excluding loans held for sale, totaled $75.9 billion at December 31, 2018, up 20.7% compared to a year ago, primarily due to increases in single family, business and multifamily loans.

Deposit Growth

Total deposits increased to $79.1 billion, up 14.7% compared to a year ago.

At December 31, 2018, checking accounts totaled 59.6% of deposits.

Investments

Total investment securities at December 31, 2018 were $16.2 billion, a slight decrease for the quarter and a 12.6% decrease compared to a year ago.

High-quality liquid assets totaled $14.8 billion at December 31, 2018, and represented 15.4% of average total assets.

Mortgage Banking Activity

During the fourth quarter, the Bank sold $263.7 million of loans and recorded a gain on sale of $579,000, compared to loan sales of $969.2 million and a gain of $3.1 million during the fourth quarter of last year. Loan sales for the quarter and year ended December 31, 2018 included $251.9 million of multifamily loans sold through a securitization. For 2018, the Bank sold $1.2 billion of loans and recorded a gain on sale of $5.6 million.

Loans serviced for investors at year-end totaled $11.6 billion, down 7.4% from a year ago.

Continued Expansion of Wealth Management

Wealth management revenues totaled $119.6 million for the quarter, up 15.4% compared to last year's fourth quarter. For all of 2018, wealth management revenues were $433.7 million, an increase of 21.7% compared to the prior year. Such revenues represented 14.8% of the Bank's total revenues for the quarter and 14.2% of the Bank's total revenues for the year, up from 13.6% for 2017.

Total wealth management assets were $126.2 billion at December 31, 2018, down 3.6% for the quarter, but up 18.0% compared to a year ago. The decline in wealth management assets for the quarter was due to market depreciation, partially offset by net new assets from both existing and new clients. The growth in wealth management assets for the year was due to net new assets from both existing and new clients, partially offset by market depreciation.

Wealth management assets included investment management assets of $60.6 billion, brokerage assets and money market mutual funds of $55.4 billion, and trust and custody assets of $10.2 billion.

Income Statement and Key Ratios

Strong Revenue Growth

Total revenues were $810.8 million for the quarter, up 16.0% compared to the fourth quarter a year ago and were $3.0 billion for 2018, up 16.6% compared to the prior year.

Strong Net Interest Income Growth

Net interest income was $667.2 million for the quarter, up 17.3% compared to the fourth quarter a year ago, and was $2.5 billion for 2018, up 16.3% compared to the prior year. The increases in net interest income resulted primarily from growth in average earning assets.

Net Interest Margin

The net interest margin was 2.98% for the fourth quarter, compared to 2.94% for the prior quarter. For 2018, the Bank's net interest margin was 2.96%, compared to 3.13% for the prior year. The decline in net interest margin compared to the prior year was primarily the result of lower tax-equivalent yields on tax-advantaged investments and tax-exempt loans from the reduction of the federal tax rate for corporations from 35% to 21%.

Noninterest Income

Noninterest income was $143.5 million for the quarter, up 10.2% compared to the fourth quarter a year ago, and was $543.4 million for 2018, up 18.0% compared to the prior year. The increases were primarily from growth in wealth management revenues.

Noninterest Expense and Efficiency Ratio

Noninterest expense was $498.6 million for the quarter, up 11.9% compared to the fourth quarter a year ago. The increase for the quarter was primarily due to increased salaries and benefits, information systems and other expenses, partially offset by an $8.5 million decrease in FDIC assessments due to the elimination of an FDIC surcharge as of October 1, 2018. For 2018, noninterest expense was $1.9 billion, up 16.9% from the prior year, due to increased salaries and benefits, information systems and other expenses from the continued investments in the expansion of the franchise.

The efficiency ratio was 61.5% for the quarter, compared to 63.7% for the fourth quarter a year ago. For 2018, the efficiency ratio was 63.0%, compared to 62.8% for 2017.

Income Taxes

Beginning in 2018, federal tax reform legislation reduced the federal tax rate for corporations from 35% to 21% and changed or limited certain tax deductions.

The Bank's effective tax rate for the fourth quarter of 2018 was 19.4%, compared to 19.8% for the third quarter of 2018.

The effective tax rate for 2018 was 18.8%, compared to 16.9% for 2017. The increase in 2018 was primarily the result of lower tax benefits from a decrease in both stock option exercises and vesting of stock awards in 2018, partially offset by a one-time revaluation of deferred tax assets in 2017 and the decrease in the corporate federal tax rate in 2018. During 2017, the volume of stock option exercises by Bank employees and directors was elevated in response to tax reform legislation.

Conference Call Details

First Republic Bank's fourth quarter and full year 2018 earnings conference call is scheduled for January 15, 2019 at 7:00 a.m. PT / 10:00 a.m. ET. To access the event by telephone, please dial (877) 407-0792 approximately 10 minutes prior to the start time (to allow time for registration). International callers should dial +1 (201) 689-8263.

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 firstrepublic.com. To listen to the live webcast, please visit the site at least 10 minutes prior to the start time to register, download and install any necessary audio software.

For those unable to join the live presentation, a replay of the call will be available beginning January 15, 2019, at 10:00 a.m. PT / 1:00 p.m. ET, through January 22, 2019, at 8:59 p.m. PT / 11:59 p.m. ET. To access the replay, dial (844) 512-2921 and use conference ID #13685747. International callers should dial +1 (412) 317-6671 and enter the same conference ID number. A replay of the webcast also will be available for 90 days following, accessible in the Investor Relations section of First Republic Bank's website at firstrepublic.com.

The Bank's press releases are available after release in the Investor Relations section of First Republic Bank's website at 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 and offers a complete line of products, including residential, commercial and personal loans, deposit services, and wealth management. Services are offered through preferred banking or wealth management offices primarily in San Francisco, Palo Alto, Los Angeles, Santa Barbara, Newport Beach and San Diego, California; Portland, Oregon; Boston, Massachusetts; Palm Beach, Florida; Greenwich, Connecticut; New York, New York; and Jackson Hole, Wyoming. First Republic is a constituent of the S&P 500 Index and KBW Nasdaq Bank Index. For more information, visit 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. 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 from those discussed in the forward-looking statements include, but are not limited to: significant competition to attract and retain banking and wealth management customers, from both traditional and non-traditional financial services and technology companies; our ability to recruit and retain key managers, employees and board members; the possibility of earthquakes, fires and other natural disasters affecting the markets in which we operate; interest rate risk and credit risk; our ability to maintain and follow high underwriting standards; economic and market conditions, including those affecting the valuation of our investment securities portfolio, which could result in other-than-temporary impairment if the general economy deteriorates, credit ratings decline, the financial condition of issuers deteriorates, interest rates increase or the liquidity for securities is limited; real estate prices generally and in our markets; our geographic and product concentrations; demand for our products and services; the regulatory environment in which we operate, our regulatory compliance and future regulatory requirements; the impact of tax reform legislation; the phase-in of capital requirements under the Basel III framework, and any future changes to regulatory capital requirements; legislative and regulatory actions affecting us and the financial services industry, such as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), including increased compliance costs, limitations on activities and requirements to hold additional capital, as well as changes to the Dodd-Frank Act pursuant to the Economic Growth, Regulatory Relief, and Consumer Protection Act; our ability to avoid litigation and its associated costs and liabilities; the impact of new accounting standards; future Federal Deposit Insurance Corporation ("FDIC") special assessments or changes to regular assessments; fraud, cybersecurity and privacy risks; and custom technology preferences of our customers and our ability to successfully execute on initiatives relating to enhancements of our technology infrastructure, including client-facing systems and applications. 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 and any subsequent reports filed by First Republic with the FDIC. 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. Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout our public filings. 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 STATEMENTS OF INCOME

(in thousands, except per share amounts)	Quarter Ended December 31, 2018	Quarter Ended December 31, 2017	Quarter Ended September 30, 2018	Year Ended December 31, 2018	Year Ended December 31, 2017
Interest income:					
Loans	$ 677,450	$ 514,700	$ 633,794	$ 2,442,469	$ 1,903,070
Investments	134,380	140,396	134,111	540,753	521,837
Other	10,122	4,842	5,237	25,187	14,861
Cash and cash equivalents	6,703	2,863	6,896	23,197	11,850
Total interest income	828,655	662,801	780,038	3,031,606	2,451,618
Interest expense:					
Deposits	96,188	46,120	81,438	290,040	134,786
Borrowings	65,264	47,820	64,146	240,458	165,369
Total interest expense	161,452	93,940	145,584	530,498	300,155
Net interest income	667,203	568,861	634,454	2,501,108	2,151,463
Provision for loan losses	25,089	17,042	18,633	76,092	60,181
Net interest income after provision for loan losses	642,114	551,819	615,821	2,425,016	2,091,282
Noninterest income:					
Investment management fees	91,937	82,358	88,560	341,539	282,868
Brokerage and investment fees	8,097	6,832	7,207	31,867	26,666
Insurance fees	5,444	2,542	1,851	10,090	5,555
Trust fees	3,939	3,762	3,599	14,633	13,658
Foreign exchange fee income	10,223	8,198	8,439	35,606	27,691
Deposit fees	6,484	5,870	6,225	24,974	22,633
Loan and related fees	3,871	3,101	4,091	15,713	13,012
Loan servicing fees, net	3,446	3,932	3,151	13,302	13,800
Gain on sale of loans	579	3,065	303	5,616	9,233
Gain (loss) on investment securities, net	(1,313)	—	(1,655)	5,202	(833)
Income from investments in life insurance	9,973	9,836	11,608	40,670	37,874
Other income	867	801	996	4,233	8,304
Total noninterest income	143,547	130,297	134,375	543,445	460,461
Noninterest expense:					
Salaries and employee benefits	281,021	250,076	279,248	1,109,228	930,908
Information systems	63,999	58,139	59,259	241,752	208,625
Occupancy	40,078	35,620	38,792	152,258	136,746
Professional fees	15,338	15,976	15,718	60,058	56,950
Advertising and marketing	19,888	17,173	13,527	60,463	48,398
FDIC assessments	8,847	14,844	17,679	58,122	55,792
Other expenses	69,411	53,715	59,776	234,838	202,122
Total noninterest expense	498,582	445,543	483,999	1,916,719	1,639,541
Income before provision for income taxes	287,079	236,573	266,197	1,051,742	912,202
Provision for income taxes	55,661	42,296	52,651	197,914	154,542
Net income	231,418	194,277	213,546	853,828	757,660
Dividends on preferred stock	16,228	14,272	17,112	57,725	58,040
Net income available to common shareholders	$ 215,190	$ 180,005	$ 196,434	$ 796,103	$ 699,620
Basic earnings per common share	$ 1.31	$ 1.12	$ 1.20	$ 4.89	$ 4.44
Diluted earnings per common share	$ 1.29	$ 1.10	$ 1.19	$ 4.81	$ 4.31
Weighted average shares—basic	164,804	160,371	163,048	162,948	157,624
Weighted average shares—diluted	167,100	164,197	165,498	165,612	162,340

CONSOLIDATED BALANCE SHEETS

($ in thousands)	As of December 31, 2018	September 30, 2018	December 31, 2017
ASSETS			
Cash and cash equivalents	$ 2,811,159	$ 3,013,645	$ 2,297,021
Investment securities available-for-sale	1,779,116	2,000,271	2,418,088
Investment securities held-to-maturity	14,436,973	14,294,769	16,157,945
Equity securities (fair value)	18,719	19,121	—
Loans:			
Single family (1-4 units)	37,955,252	36,213,714	31,508,468
Home equity lines of credit	2,542,713	2,543,652	2,735,612
Multifamily (5+ units)	10,357,839	9,779,693	8,640,233
Commercial real estate	6,677,440	6,459,654	6,083,152
Single family construction	645,924	654,643	591,066
Multifamily/commercial construction	1,576,582	1,422,746	1,116,855
Business	10,998,503	10,382,050	8,295,224
Stock secured	1,432,911	1,371,546	1,083,553
Other secured	1,105,751	1,101,721	1,015,039
Unsecured	2,572,367	2,399,078	1,771,013
Total loans	75,865,282	72,328,497	62,840,215
Allowance for loan losses	(439,048)	(415,825)	(365,932)
Loans, net	75,426,234	71,912,672	62,474,283
Loans held for sale	98,985	274,181	87,695
Investments in life insurance	1,376,579	1,361,473	1,330,652
Tax credit investments	1,057,541	1,074,834	1,107,546
Prepaid expenses and other assets	1,538,971	1,483,892	1,254,720
Premises, equipment and leasehold improvements, net	332,483	324,052	296,197
Goodwill and other intangible assets	273,974	277,625	290,221
Mortgage servicing rights	54,470	57,687	66,139
Total Assets	$ 99,205,204	$ 96,094,222	$ 87,780,507
LIABILITIES AND EQUITY			
Liabilities:			
Deposits:			
Noninterest-bearing checking	$ 30,033,658	$ 29,317,754	$ 26,355,331
Interest-bearing checking	17,089,520	15,517,614	17,324,683
Money market checking	10,317,436	9,708,305	9,251,504
Money market savings and passbooks	10,245,107	8,961,311	8,752,396
Certificates of deposit	11,377,515	11,254,268	7,234,794
Total Deposits	79,063,236	74,759,252	68,918,708
Short-term borrowings	100,000	100,000	100,000
Long-term FHLB advances	8,700,000	9,600,000	8,300,000
Senior notes	896,432	896,001	894,723
Subordinated notes	777,475	777,376	777,084
Other liabilities	990,284	1,294,906	971,691
Total Liabilities	90,527,427	87,427,535	79,962,206
Shareholders' Equity:			
Preferred stock	940,000	1,140,000	990,000
Common stock	1,649	1,648	1,617
Additional paid-in capital	4,024,306	4,000,146	3,778,913
Retained earnings	3,731,205	3,546,298	3,051,611
Accumulated other comprehensive loss	(19,383)	(21,405)	(3,840)
Total Shareholders' Equity	8,677,777	8,666,687	7,818,301
Total Liabilities and Shareholders' Equity	$ 99,205,204	$ 96,094,222	$ 87,780,507

Average Balances, Yields and Rates	Quarter Ended December 31, 2018 Average Balance	Interest Income/ Expense (1)	Yields/ Rates (2)	2017 Average Balance	Interest Income/ Expense (1)	Yields/ Rates (2)	Quarter Ended September 30, 2018 Average Balance	Interest Income/ Expense (1)	Yields/ Rates (2)
($ in thousands)									
Assets:									
Cash and cash equivalents	$ 1,275,293	$ 6,702	2.09%	$ 983,289	$ 2,863	1.16%	$ 1,490,468	$ 6,896	1.84%
Investment securities:									
U.S. Treasury and other U.S. Government agency securities	—	—	—%	73,041	140	0.77%	—	—	—%
U.S. Government-sponsored agency securities	1,044,914	7,772	2.98%	1,321,938	9,225	2.79%	1,044,897	7,776	2.98%
Mortgage-backed securities:									
Agency residential and commercial MBS	7,098,381	50,849	2.87%	7,882,793	49,908	2.53%	7,355,930	51,705	2.81%
Other residential and commercial MBS	4,611	44	3.78%	6,933	51	2.94%	4,690	37	3.16%
Municipal securities (3)	8,087,947	94,909	4.69%	8,845,376	125,387	5.66%	7,989,269	93,425	4.68%
Other investment securities (4)	18,955	120	2.54%	20,387	116	2.29%	19,669	115	2.34%
Total investment securities	16,254,808	153,694	3.78%	18,150,468	184,827	4.07%	16,414,455	153,058	3.73%
Loans:									
Residential real estate	39,587,922	325,318	3.28%	33,550,612	254,200	3.03%	37,929,270	306,521	3.23%
Multifamily	10,243,384	97,696	3.73%	8,334,092	75,117	3.53%	9,907,089	94,352	3.73%
Commercial real estate	6,612,822	70,319	4.16%	5,938,936	61,489	4.05%	6,369,984	67,360	4.14%
Construction	2,145,727	26,464	4.83%	1,654,987	19,527	4.62%	1,996,313	24,286	4.76%
Business (3)	10,694,770	121,711	4.45%	8,039,073	88,884	4.32%	9,828,856	108,350	4.31%
Other	4,943,880	42,791	3.39%	3,645,782	28,010	3.01%	4,744,162	39,593	3.27%
Total loans	74,228,505	684,299	3.64%	61,163,482	527,227	3.41%	70,775,674	640,462	3.58%
FHLB stock (5)	293,331	10,122	13.69%	282,150	4,842	6.81%	298,880	5,237	6.95%
Total interest-earning assets	92,051,937	854,817	3.68%	80,579,389	719,759	3.54%	88,979,477	805,653	3.59%
Noninterest-earning cash	344,749			341,903			353,753		
Goodwill and other intangibles	275,645			292,505			279,523		
Other assets	3,572,767			3,380,998			3,518,736		
Total noninterest-earning assets	4,193,161			4,015,406			4,152,012		
Total Assets	$96,245,098			$84,594,795			$93,131,489		
Liabilities and Equity:									
Deposits:									
Checking	$45,218,239	5,720	0.05%	$40,653,195	4,672	0.05%	$44,102,853	5,186	0.05%
Money market checking and savings	18,960,266	37,051	0.78%	17,699,117	17,577	0.39%	18,095,858	31,313	0.69%
CDs	10,720,940	53,417	1.98%	7,062,947	23,871	1.34%	9,770,083	44,939	1.82%
Total deposits	74,899,445	96,188	0.51%	65,415,259	46,120	0.28%	71,968,794	81,438	0.45%
Borrowings:									
Short-term borrowings	650,543	3,868	2.36%	471,304	1,416	1.19%	423,383	2,248	2.11%
Long-term FHLB advances	9,201,630	46,365	2.00%	8,159,783	31,390	1.53%	9,681,793	46,872	1.92%
Senior notes (6)	896,223	5,931	2.65%	894,519	5,919	2.65%	895,791	5,928	2.65%
Subordinated notes (6)	777,427	9,099	4.68%	777,038	9,095	4.68%	777,328	9,098	4.68%
Total borrowings	11,525,823	65,263	2.25%	10,302,644	47,820	1.85%	11,778,295	64,146	2.16%
Total interest-bearing liabilities	86,425,268	161,451	0.74%	75,717,903	93,940	0.49%	83,747,089	145,584	0.69%
Noninterest-bearing liabilities	982,269			1,103,473			894,573		
Preferred equity	1,129,130			990,000			1,140,000		
Common equity	7,708,431			6,783,419			7,349,827		
Total Liabilities and Equity	$96,245,098			$84,594,795			$93,131,489		
Net interest spread (7)			2.94%			3.05%			2.90%
Net interest income (fully taxable-equivalent basis) and net interest margin (3), (8)		$ 693,366	2.98%		$ 625,819	3.08%		$ 660,069	2.94%
Reconciliation of tax-equivalent net interest income to reported net interest income:									
Tax-equivalent adjustment (3)		(26,163)			(56,958)			(25,615)	
Net interest income, as reported		$ 667,203			$ 568,861			$ 634,454	

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Average Balances, Yields and Rates	2018 Average Balance	2018 Interest Income/ Expense [(1)]	2018 Yields/ Rates	2017 Average Balance	2017 Interest Income/ Expense [(1)]	2017 Yields/ Rates
($ in thousands)						
Assets:						
Cash and cash equivalents	$ 1,325,174	$ 23,197	1.75%	$ 1,217,293	$ 11,850	0.97%
Investment securities:						
U.S. Treasury and other U.S. Government agency securities	4,694	87	1.85%	101,164	742	0.73%
U.S. Government-sponsored agency securities	1,072,391	31,761	2.96%	1,181,353	32,527	2.75%
Mortgage-backed securities:						
Agency residential and commercial MBS	7,370,501	203,505	2.76%	7,431,780	186,725	2.51%
Other residential and commercial MBS	5,027	265	5.28%	8,072	231	2.86%
Municipal securities [(3)]	8,126,173	382,662	4.71%	8,097,134	466,302	5.76%
Other investment securities [(4)]	19,617	480	2.44%	8,787	174	1.99%
Total investment securities	16,598,403	618,760	3.73%	16,828,290	686,701	4.08%
Loans:						
Residential real estate	37,184,625	1,185,240	3.19%	31,784,581	952,949	3.00%
Multifamily	9,602,522	357,780	3.67%	7,498,125	268,141	3.58%
Commercial real estate	6,352,419	265,664	4.12%	5,761,123	237,035	4.11%
Construction	1,954,078	93,613	4.73%	1,529,192	71,645	4.69%
Business [(3)]	9,579,793	417,636	4.30%	7,493,820	325,148	4.34%
Other	4,520,492	148,873	3.25%	3,202,979	95,586	2.98%
Total loans	69,193,929	2,468,806	3.54%	57,269,820	1,950,504	3.41%
FHLB stock [(5)]	293,359	25,187	8.59%	235,259	14,861	6.32%
Total interest-earning assets	87,410,865	3,135,950	3.57%	75,550,662	2,663,916	3.53%
Noninterest-earning cash	347,639			324,696		
Goodwill and other intangibles	281,633			303,498		
Other assets	3,501,575			3,272,772		
Total noninterest-earning assets	4,130,847			3,900,966		
Total Assets	$ 91,541,712			$ 79,451,628		
Liabilities and Equity:						
Deposits:						
Checking	$ 43,793,120	21,892	0.05%	$ 38,792,204	10,818	0.03%
Money market checking and savings	17,774,302	108,290	0.61%	16,999,755	45,852	0.27%
CDs	9,220,835	159,858	1.73%	6,133,143	78,116	1.27%
Total deposits	70,788,257	290,040	0.41%	61,925,102	134,786	0.22%
Borrowings:						
Short-term borrowings	793,606	15,277	1.93%	670,919	7,601	1.13%
Long-term FHLB advances	9,039,658	165,081	1.83%	7,019,452	105,272	1.50%
Senior notes [(6)]	895,584	23,709	2.65%	682,216	17,883	2.62%
Subordinated notes [(6)]	777,280	36,391	4.68%	731,018	34,197	4.68%
Other borrowings	—	—	—%	17,722	416	2.35%
Total borrowings	11,506,128	240,458	2.09%	9,121,327	165,369	1.81%
Total interest-bearing liabilities	82,294,385	530,498	0.64%	71,046,429	300,155	0.42%
Noninterest-bearing liabilities	939,028			1,052,700		
Preferred equity	1,004,110			987,633		
Common equity	7,304,189			6,364,866		
Total Liabilities and Equity	$ 91,541,712			$ 79,451,628		
Net interest spread [(7)]			2.92%			3.11%
Net interest income (fully taxable-equivalent basis) and net interest margin [(3), (8)]		$ 2,605,452	2.96%		$ 2,363,761	3.13%
Reconciliation of tax-equivalent net interest income to reported net interest income:						
Tax-equivalent adjustment [(3)]		(104,344)			(212,298)	
Net interest income, as reported		$ 2,501,108			$ 2,151,463	

(1) Interest income is presented on a fully taxable-equivalent basis.
(2) Yields/rates are annualized.
(3) Beginning in 2018, tax equivalent adjustments to interest income and yields reflect the corporate federal tax rate of 21%.
(4) Includes mutual funds and marketable equity securities.
(5) Yield for the quarter and year ended December 31, 2018 includes an FHLB special dividend of $4.8 million.
(6) Average balances include unamortized issuance discounts and costs. Interest expense includes amortization of issuance discounts and costs.
(7) Net interest spread represents the average yield on interest-earning assets less the average rate on interest-bearing liabilities.
(8) Net interest margin represents net interest income on a fully taxable-equivalent basis divided by total average interest-earning assets.

Operating Information	Quarter Ended December 31, 2018	Quarter Ended December 31, 2017	Quarter Ended September 30, 2018	Year Ended December 31, 2018	Year Ended December 31, 2017
($ in thousands, except per share amounts)					
Net income to average assets [1]	0.95%	0.91%	0.91%	0.93%	0.95%
Net income available to common shareholders to average common equity [1]	11.08%	10.53%	10.60%	10.90%	10.99%
Net income available to common shareholders to average tangible common equity [1]	11.49%	11.00%	11.02%	11.34%	11.54%
Dividends per common share	$ 0.18	$ 0.17	$ 0.18	$ 0.71	$ 0.67
Dividend payout ratio	14.0%	15.5%	15.2%	14.8%	15.5%
Efficiency ratio [2]	61.5%	63.7%	63.0%	63.0%	62.8%
Net loan charge-offs (recoveries)	$ 1,866	$ (1,125)	$ 185	$ 2,976	$ 647
Net loan charge-offs (recoveries) to average total loans [1]	0.01%	(0.01%)	0.00%	0.00%	0.00%
Allowance for loan losses to:					
Total loans	0.58%	0.58 %	0.57%	0.58%	0.58%
Nonaccrual loans	944.9%	971.8 %	976.6%	944.9%	971.8%

(1) For periods less than a year, ratios are annualized.

(2) Efficiency ratio is the ratio of noninterest expense to the sum of net interest income and noninterest income.

Effective Tax Rate	Quarter Ended December 31, 2018	Quarter Ended December 31, 2017	Quarter Ended September 30, 2018	Year Ended December 31, 2018	Year Ended December 31, 2017
Effective tax rate, prior to excess tax benefits and deferred tax assets valuation adjustment	20.7%	22.4%	20.8%	21.0%	22.9%
Excess tax benefits—stock options	(1.2)%	(21.1)%	(0.9)%	(1.3)%	(8.3)%
Excess tax benefits—other stock awards	(0.1)%	(0.2)%	(0.1)%	(0.9)%	(2.1)%
Total excess tax benefits	(1.3)%	(21.3)%	(1.0)%	(2.2)%	(10.4)%
Deferred tax assets valuation adjustment [1]	—%	16.8%	—%	—%	4.4%
Effective tax rate	19.4%	17.9%	19.8%	18.8%	16.9%

(1) For the quarter and year ended December 31, 2017, as a result of tax reform legislation, the Bank recorded a one-time revaluation adjustment of $39.7 million to reduce its deferred tax assets, which increased the provision for income taxes.

Mortgage Loan Sales	Quarter Ended December 31, 2018	Quarter Ended December 31, 2017	Quarter Ended September 30, 2018	Year Ended December 31, 2018	Year Ended December 31, 2017
($ in thousands)					
Loans sold:					
Flow sales:					
Agency	$ 4,945	$ 20,967	$ 15,365	$ 42,081	$ 131,111
Non-agency	6,785	91,916	76,772	172,077	309,482
Total flow sales	11,730	112,883	92,137	214,158	440,593
Bulk sales:					
Non-agency	—	856,359	—	773,041	2,436,584
Securitizations	251,931	—	—	251,931	—
Total loans sold	$ 263,661	$ 969,242	$ 92,137	$ 1,239,130	$ 2,877,177
Gain on sale of loans:					
Amount	$ 579	$ 3,065	$ 303	$ 5,616	$ 9,233
Gain as a percentage of loans sold	0.22%	0.32%	0.33%	0.45%	0.32%

Loan Originations	Quarter Ended December 31, 2018	Quarter Ended December 31, 2017	Quarter Ended September 30, 2018	Year Ended December 31, 2018	Year Ended December 31, 2017
($ in thousands)					
Single family (1-4 units)	$ 2,709,197	$ 3,011,145	$ 2,623,429	$ 10,784,654	$ 11,568,111
Home equity lines of credit	380,710	433,733	399,606	1,542,747	1,731,988
Multifamily (5+ units)	856,577	842,329	781,450	3,321,334	2,703,242
Commercial real estate	355,137	334,557	263,292	1,235,819	1,263,776
Construction	471,904	331,501	373,842	1,694,788	1,480,957
Business	2,871,533	1,766,978	1,978,596	10,004,639	6,252,983
Stock and other secured	365,374	332,245	321,020	2,101,390	1,587,393
Unsecured	348,235	397,325	287,748	1,382,552	1,044,769
Total loans originated	$ 8,358,667	$ 7,449,813	$ 7,028,983	$ 32,067,923	$ 27,633,219

Loan Servicing Portfolio	As of December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
($ in millions)					
Loans serviced for investors	$ 11,573	$ 11,733	$ 12,374	$ 12,192	$ 12,495

Asset Quality Information	As of December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
($ in thousands)					
Nonperforming assets:					
Nonaccrual loans	$ 46,465	$ 42,578	$ 50,920	$ 48,895	$ 37,656
Other real estate owned	—	—	—	—	—
Total nonperforming assets	$ 46,465	$ 42,578	$ 50,920	$ 48,895	$ 37,656
Nonperforming assets to total assets	0.05%	0.04%	0.05%	0.05%	0.04%
Accruing loans 90 days or more past due	$ —	$ —	$ —	$ —	$ —
Restructured accruing loans	$ 11,514	$ 11,830	$ 11,568	$ 11,853	$ 12,605

Book Value Ratios	As of December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
(in thousands, except per share amounts)					
Number of shares of common stock outstanding	164,902	164,761	162,638	161,863	161,696
Book value per common share	$ 46.92	$ 45.68	$ 43.88	$ 43.23	$ 42.23
Tangible book value per common share	$ 45.26	$ 44.00	$ 42.15	$ 41.46	$ 40.43

Capital Ratios	As of December 31, 2018 (1)	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
Tier 1 leverage ratio (Tier 1 capital to average assets)	8.68%	8.94%	8.83%	8.64%	8.85%
Common Equity Tier 1 capital to risk-weighted assets	10.38%	10.47%	10.18%	10.47%	10.63%
Tier 1 capital to risk-weighted assets	11.70%	12.14%	11.90%	11.80%	12.22%
Total capital to risk-weighted assets	13.43%	13.90%	13.68%	13.65%	14.11%
Regulatory Capital (2)					
($ in thousands)					
Common Equity Tier 1 capital	$ 7,379,997	$ 7,158,043	$ 6,766,573	$ 6,624,101	$ 6,488,618
Tier 1 capital	$ 8,319,997	$ 8,298,043	$ 7,906,573	$ 7,464,101	$ 7,457,944
Total capital	$ 9,549,738	$ 9,505,044	$ 9,095,028	$ 8,633,859	$ 8,615,389
Assets (2)					
($ in thousands)					
Average assets	$ 95,905,266	$ 92,771,143	$ 89,560,555	$ 86,378,664	$ 84,238,404
Risk-weighted assets	$ 71,116,468	$ 68,370,630	$ 66,461,529	$ 63,239,135	$ 61,054,077

(1) Ratios and amounts as of December 31, 2018 are preliminary.

(2) As defined by regulatory capital rules.

Wealth Management Assets	As of December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
($ in millions)					
First Republic Investment Management	$ 60,591	$ 62,506	$ 59,329	$ 55,104	$ 52,712
Brokerage and investment:					
Brokerage	53,046	54,823	50,356	46,150	43,015
Money market mutual funds	2,358	3,149	1,575	2,104	1,671
Total brokerage and investment	55,404	57,972	51,931	48,254	44,686
Trust Company:					
Trust	5,350	5,406	5,125	4,694	4,678
Custody	4,868	5,105	4,739	4,938	4,885
Total Trust Company	10,218	10,511	9,864	9,632	9,563
Total Wealth Management Assets	$ 126,213	$ 130,989	$ 121,124	$ 112,990	$ 106,961

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