

FIRST REPUBLIC BANK

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Strengthening our Presence in the
San Francisco Bay Area

May 22, 2006

Note on Forward-Looking Information

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include, but are not limited to, statements about our plans, objectives, expectations and intentions and other statements contained in this document that are not historical facts. The words “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” or words of similar meaning, or future or conditional verbs, such as “will,” “would,” “should,” “could,” or “may,” are generally intended to identify forward-looking statements. These forward-looking statements reflect our current views and assumptions and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. Actual results may differ materially from the results discussed in these forward-looking statements for the reasons, among others, discussed under the heading “Risk Factors” in the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K of First Republic Bank and BWC Financial Corporation and under the heading “Information Regarding Forward-Looking Statements.” These factors include: credit, market, operational, liquidity, interest rate, inflation and other risks; changes in general business and economic conditions in the United States and in the local economies in which we operate; changes in government fiscal and monetary policies that may significantly affect our earnings, including interest rate policies; business and legal risks that may be uninsured or inadequately insured; the risk that volatility in our mortgage banking business could adversely affect our earnings; the geographic concentration of our loan portfolio that could adversely affect our financial condition; competition from other financial services companies in our markets that could adversely affect our ability to achieve our financial goals; changes in the regulation and supervision of financial institutions that could adversely affect our businesses; the risk of deposit attrition, customer loss and business disruption following the merger may be greater than expected; the failure of the BWC Financial Corporation shareholders to approve the merger; the ability to obtain the governmental and regulatory approvals of the merger on the proposed terms and schedule; the risk that the businesses of First Republic Bank and BWC Financial Corporation will not be integrated successfully or such integration may be more difficult or time-consuming or costly than expected. Given these factors, you should not place undue reliance on the forward-looking statements. Forward-looking statements speak only as of the date they are made and may not be updated to reflect changes that may occur after the date they are made.



Transaction Overview

Purchase Price Per Share:	\$41.95 per BWCF share ⁽¹⁾
Fixed Exchange Ratio:	0.97x FRC shares for each BWCF share (no collars or walkaway)
Aggregate Purchase Price:	\$177MM ⁽¹⁾
Consideration for Basic Shares:	100% stock, tax free exchange
Consideration for Options:	Cashed out
Board Representation:	BWCF's current Board of Directors will be asked to join an East Bay advisory board for FRC
Termination Fee:	\$7MM plus expenses
Due Diligence:	Completed
Estimated Closing:	4Q'06
Approvals:	BWCF: Shareholder Approval FRC: Regulatory Approval
Status of Mortgage Company:	Majority interest in BWC Mortgage Services has been sold

(1) Based on First Republic stock price of \$43.25 as of 5/19/06



Summary of Rationale

- 1. The San Francisco-East Bay market is an attractive, logical extension of FRC's current franchise**
 - FRC currently has no offices in the East Bay
 - Alameda and Contra Costa Counties are among the largest and fastest growing counties in the San Francisco Bay Area
 - BWC franchise includes cities of above-average and growing wealth such as: Orinda, Danville, San Ramon, Pleasanton

- 2. Bank of Walnut Creek makes good sense as an acquisition partner for FRC**
 - East Bay locations complement FRC's existing locations in San Francisco, North Bay and Peninsula
 - A similar commitment to high touch, personal client service
 - Strong credit quality and excellent asset quality – zero non-performing assets at 3/31/06
 - Exceptional deposit franchise – checking balances approx. 44% of total deposits at 3/31/06
 - Cost of deposits 1.56% during 1Q'06

- 3. Transaction is financially attractive to FRC shareholders**
 - Currently expected to be accretive to GAAP EPS in 2007 (first full year of combined operations)
 - Cost saves presumed are achievable
 - Revenue enhancements not included in analysis
 - Low execution risk – similar high touch service cultures, and FRC understands the San Francisco Bay Area well

- 4. Considerable opportunities to cross sell FRC products and services to an affluent customer base**
 - BWC currently does not offer single family permanent home lending, a core competency of FRC
 - Private banking opportunities
 - Wealth management – investment advisors, trust and brokerage



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A Logical Extension of our San Francisco Bay Area Franchise

- **First Republic has a strong market position in the San Francisco Bay Area**
 - **Particularly in San Francisco and the Peninsula**
 - **Current office locations in San Francisco, North Bay and the Peninsula**
- **First Republic currently has no offices in the East Bay, a wealthy, rapidly growing, and densely populated market**
 - **Alameda and Contra Costa Counties are the second and third largest counties by population and third and fourth by total deposits ***
 - **Each has an expected median household income growth rate of approximately 20% over the next five years ***
- **First Republic already has a significant number of clients who live in the East Bay**
 - **First Republic was in the process of expanding in the East Bay de novo**
- **Both First Republic and BWC have strong records of CRA compliance, and First Republic expects to continue to meet the needs of all segments of BWC's East Bay markets**

* Source: SNL



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Building a Premier San Francisco Bay Area Franchise



	<u>BWC</u>	<u>FRC</u>
Existing Bay Area Offices	7	18
Bay Area Cities Served (No Overlap)	7	10
Target Deposits in Cities Served	\$27 Bn	\$111 Bn
Med. HH Income of Cities Served ⁽¹⁾	\$89,000	\$75,000
Expected Growth of HH Income of Cities Served*	22%	25%

* For period 2005 through 2010.

Source: SNL

(1) 2005 Median HH Income of California is \$56,000



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BWCF Provides Entrance to Attractive Bay Area Markets

- Pro forma the Company will have a presence in 17 Bay Area cities and all 8 Bay Area counties
- BWCF's markets have attractive demographics consistent with FRC's markets
 - BWCF operates in 4 of the 25 wealthiest cities in the SF Bay Area *
 - BWCF cities' average population growth range from 5% to 13% and are among the highest growth markets in the SF Bay Area *
- Combination improves First Republic's already very attractive customer base in the Bay Area

Combined First Republic / BWCF Bay Area Cities by Household Income Level

Rank	City	'05-'10 Pop. Growth (%) *	Med. HH Inc. (\$000) *
1	Los Altos	4.4%	153
2	Orinda	8.4%	142
3	Danville	9.6%	138
4	San Ramon	11.1%	115
5	Palo Alto	4.4%	112
6	Menlo Park	1.3%	108
7	Pleasanton	5.4%	107
8	Burlingame	0.7%	87
9	Livermore	5.9%	87
10	San Jose	5.2%	84
11	Redwood City	1.5%	83
12	San Mateo	1.0%	80
13	Walnut Creek	9.0%	79
14	San Rafael	1.6%	76
15	Saint Helena	10.3%	72
16	San Francisco	0.2%	70
17	Santa Rosa	3.7%	59

 Denotes BWCF cities

 Denotes FRC cities



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* Source: SNL

Bank of Walnut Creek – Key Statistics

\$ in thousands (except share amounts)

	<u>At or Quarter ending</u>	<u>At or Year ending</u>
	<u>3/31/2006</u>	<u>12/31/2005</u>
Total Assets	564,000	542,000
Checking Balances	191,000	196,000
Total Deposits	431,000	421,000
Net Income	2,076	8,646
Diluted EPS	0.50	2.04
Net Interest Margin	5.90%	5.67%
Return on Equity	16.2%	17.7%
Leverage Ratio	9.94%	9.23%
Efficiency Ratio (Bank only)	58%	55%

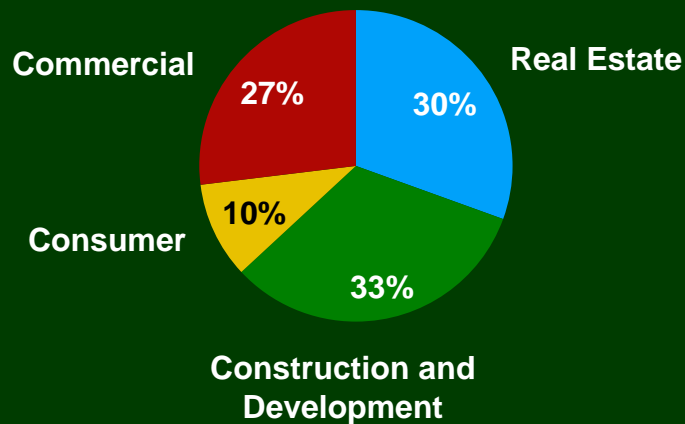


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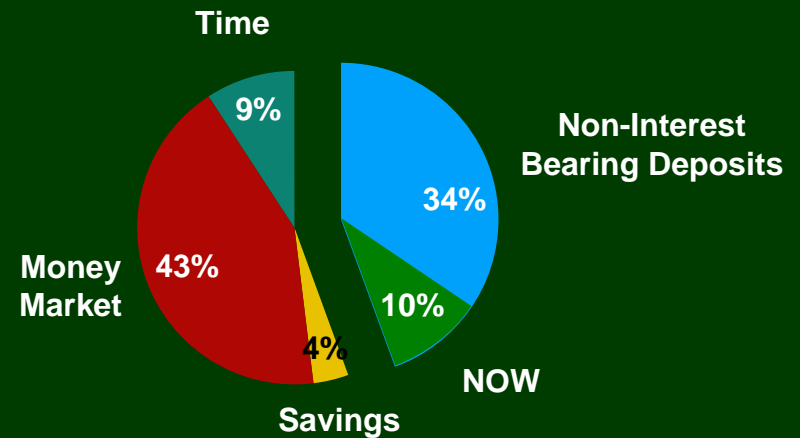
Attractive Business Mix – BWCF at 3/31/06

Loans



Total Loans: \$424MM
Q1'2006 Loan Yield: 8.60%

Deposits



Total Deposits: \$431MM
Q1'2006 Deposit Cost: 1.56%

Loans / Deposits: 98%
Q1'2006 Net Interest Margin: 5.90% (Taxable Equivalent)



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Transaction Multiples in line with Precedents

	<u>First Republic / BWC Financial</u>	<u>Comparable California Transactions ⁽¹⁾</u>
1-Day Market Premium	10.4%	16.3%
Price / LTM EPS	19.5x	20.5x
Price / Tangible Book	3.3x	3.2x
Premium to Core Deposits	30.1%	28.7%

(1) Based on California Bank Deals between \$100-\$500MM, since 2003; source: SNL

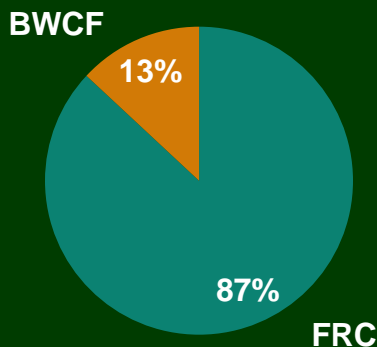


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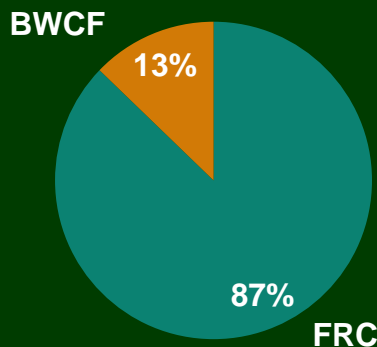
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Contribution Analysis (1)

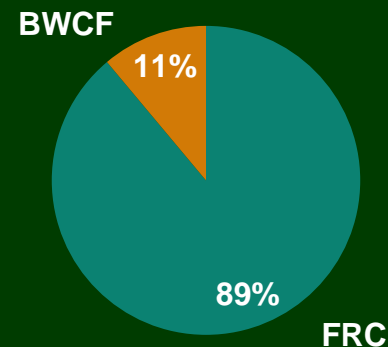
Pro Forma Ownership



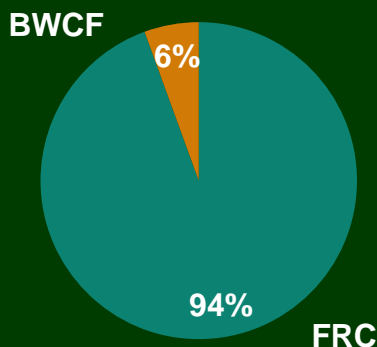
2005 Net Income (2)



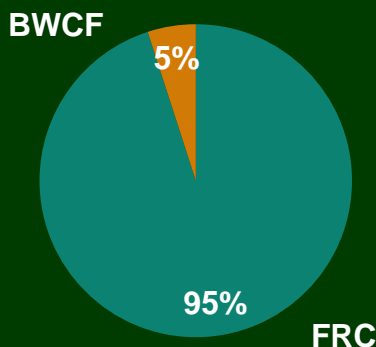
Tang. Common Equity



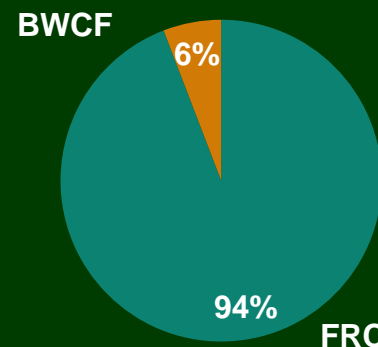
Assets



Deposits



Loans (3)



(1) Based on 3/31/06 figures, no purchase accounting adjustments
 (2) Excludes income from BWC Mortgage Services
 (3) Does not include FRC Loans Held For Sale at 12/31/05

