



## **CITY NATIONAL BANK REPORTS SECOND QUARTER 2013 EARNINGS AS IT APPROACHES \$5 BILLION IN ASSETS**

MIAMI, FL – (July 30, 2013) – City National Bank of Florida (CNB) announced strong financial results for the second quarter of 2013, powered by increased deposit growth and robust lending.

For the quarter ending June 30, 2013, pre-tax income was \$16 million, compared to \$15.5 million in the first quarter of 2013. The bank reported net income of \$9.8 million, up from \$9.5 million for the first quarter of 2013. Core earnings for the first half of the year were \$27.4 million.

“City National Bank’s excellent financial performance is the result of our ongoing growth and diversification strategy that continues to drive robust loan and deposit growth,” CNB President and CEO Jorge Gonzalez said.

As part of its diversification efforts, the bank will soon launch additional small business lending products to continue expanding its commercial offerings and support this vital segment of the Florida business community. The bank has also made key additions to its Business Banking unit and Private Client Group, as it continues to invest in people and talent to expand.

CNB has grown assets by \$629 million in the last twelve months to \$4.9 billion, positioning the bank to eclipse the \$5 billion asset mark.

The bank closed more than \$375 million in new loan commitments this year.

CNB’s loan portfolio has grown \$516 million since June 2012, representing a 25% increase. Commercial loans increased 62%, commercial mortgages grew 22.1% and residential mortgages showed a 22.7% gain.

Deposits increased by \$633 million during the previous 12 months. Deposits totaled \$3.7 billion at the end of the second quarter, compared to \$3.1 billion at the end of the second quarter last year, representing 20% growth.

City National Bank’s superior asset quality continued to improve as non-accrual loans dropped and the bank’s allowances remained among the highest in the industry.

“Our strong financial performance is a direct result of the continued dedication of our exceptional banking team to provide best-in-class service to our clients,” Gonzalez said.

CNB’s capital levels continued to strengthen as the bank added about \$100 million in capital during the last 12 months for a 22.7 percent increase. As of June 30, Total Risk Based Capital stood at \$536.8 million and total Tier 1 Capital was \$502.3 million. CNB continues to be one of the most liquid banks in Florida with excess liquidity of more than \$1.3 billion.

City National Bank announced in May that Banco de Credito e Inversiones (Bci) has agreed to acquire the Miami-based bank for \$882.8 million. Bci, the third-largest private bank in Chile, has one of the region’s best credit ratings. It becomes the first bank from Chile to purchase a U.S. bank. The acquisition, which requires regulatory approval, also represents the largest investment by a Chilean company in the United States.

City National Bank continues to be recognized for its strong financial performance, dedication to client service and innovation. In June, CNB received another five-star “Superior” rating, the highest rating possible, from BauerFinancial, the leading bank ratings firm. This was the bank’s fifth consecutive quarter receiving this coveted rating.

Last month City National CEO Jorge Gonzalez was honored by the *South Florida Business Journal* as an “Ultimate CEO,” for his successful efforts to grow the bank through the recession. The Journal also named City National Bank as “Business of the Year” in May.

**Financial Highlights**

- Assets increased by \$629 million in the last twelve months
- Closed new loan commitments for 2013 are \$375 million
- Non-interest income was \$2 million higher than last year

**City National Bank’s key performance metrics include:**

	<u>Second Quarter 2013</u>	<u>First Quarter 2013</u>
○ Pre-tax income.....	\$16 million	\$15.5 million
○ Net Income.....	\$9.8 million	\$9.5 million
	<u>Second Quarter 2013</u>	<u>Second Quarter 2012</u>
○ Net Loans .....	\$2.54 billion	\$2.02 billion
○ Total Deposits .....	\$3.71 billion	\$3.07 billion

**Capital Ratios**

CNB’s capital position continued to strengthen in the second quarter of 2013, with Tier 1 capital of \$502.3 million, compared to \$488.1 million in the first quarter of 2013.

- |                                   |        |                                    |
|-----------------------------------|--------|------------------------------------|
| ○ Tier 1 Leverage Capital         | 11.81% | 5% is considered well capitalized  |
| ○ Tier 1 Risk Based Capital Ratio | 18.37% | 6% is considered well capitalized  |
| ○ Total Risk Based Capital Ratio  | 19.63% | 10% is considered well capitalized |

### **Asset Quality**

The bank's superior asset quality continued to improve in the second quarter of 2013 with non-accrual loans dropping to \$19.1 million, down from \$28.6 million in June 2012.

Allowance to total loans	2.34%	Among the highest in the state
Allowance to Non-Accrual Loans	298%	One of the highest in the industry

Other key indicators of asset quality:

- Non-accrual loans to total loans declined to 0.74%, down from 1.37% in June 2012
- Non-performing loans to capital declined to 3.63%

### **Loan Growth**

The bank has continued its exceptional loan growth in 2013, with more than \$375 million in new loan commitments. CNB's loan portfolio has grown by \$505 million in the last twelve months. Compared to June of 2012, commercial loans expanded by 62 percent, residential lending increased 22.1 percent and commercial real estate lending expanded by 22.7 percent.

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### **About City National Bank of Florida**

Headquartered in Miami, City National Bank (CNB) is the financial institution to which Floridians have turned for more than 65 years. The fifth-largest financial institution in the state, City National Bank is one of the most liquid and best capitalized banks in Florida and is rated 5 stars "Superior" by BauerFinancial. CNB was named Business of the Year by the South Florida Business Journal, and voted the Best Business Bank by the readers of the Daily Business Review. The bank was also named the South Florida Business Journal's Local/Community Bank of the Year in 2011. CNB offers a diversified portfolio of financial products and services at 26 convenient banking centers from Miami-Dade County to the greater Orlando area.