



## **CITY NATIONAL BANK REPORTS STRONG FIRST QUARTER 2015 EARNINGS**

MIAMI, FL – (April 29, 2015) – City National Bank of Florida (CNB) announced strong first quarter earnings, driven by strong loan growth and increased deposits.

For the quarter ending March 31, 2015, core earnings were \$20.7 million, compared to \$17.9 million in the first quarter of last year. The bank reported net income of \$11.3 million in the first quarter of 2015 compared to \$11.6 million in 2014. The small reduction in net income was the result of the bank releasing \$4.5 million in provisions during the first quarter of last year compared to just \$500,000 in the first quarter of 2015.

“The first quarter of 2015 saw continued steady growth driven primarily by business lending,” CNB President and CEO Jorge Gonzalez said. “We are grateful to our loyal clients and to the marketplace for embracing our unique value proposition built on personal relationships and local decision-making.”

The bank has grown by \$559 million over the last 12 months to \$5.6 billion in assets, an 11% increase from March 2014.

The continued growth of Florida’s economy has helped fuel an increase in the bank’s commercial loans. “We will continue our focus on serving businesses of all types and sizes, with a particular emphasis on small and mid-sized companies that are the main drivers of the Florida economy,” Gonzalez said. “Our approach to banking is particularly attractive to these companies and their principals, who prefer to bank with people and have a true financial partner on their side.”

Loan growth overall at CNB has been robust, increasing by \$634 million, or 22%, in the last 12 months to \$3.56 billion. The bank closed \$416 million in new loan commitments in the first three months of 2015.

“These increases have been accomplished while maintaining the strictest credit discipline and industry-leading asset quality,” Gonzalez said. “We will continue to have a long-term view to this business focused on controlled and stable growth.”

City National Bank’s asset quality continued to improve in the first quarter, with non-accrual loans dropping to \$11.5 million and representing just 0.32% of total loans. The bank also remains one of the best capitalized banks in the region and exceeds all regulatory benchmarks to be considered well-capitalized.

At the end of the first quarter, deposits totaled \$4.3 billion, compared to \$3.9 billion the previous year. Demand deposit accounts have also increased and account for 44% of the bank’s total deposits.

“The success we’ve had is primarily the result of the dedication of our team to delivering an unparalleled service experience to our clients,” Gonzalez said. “We will continue to invest in our people and technology to better serve our clients.”

City National Bank continues to recruit top talent and remains an employer of choice in the Florida marketplace. In the first quarter, CNB hired three corporate bankers, one each in Miami-Dade, Broward and Palm Beach counties. The bank has also hired five business bankers since the first quarter of last year.

“Banking is 99% a people business and we continue to focus on attracting and retaining the best talent in the marketplace. Our people are the key to delivering on our brand promises and further strengthening our reputation in the communities we serve,” Gonzalez said.

CNB celebrated five years in the Central Florida market in early 2015, coinciding with readers of The Winter Park Observer recognizing the bank for its superior client experience and commitment to the community, voting CNB as the area’s *Best Bank*. The bank has garnered a host of recognitions, including being voted Best Business Bank and the Best Community Bank by the readers of the Daily Business Review.

The bank’s dedication to the community remains one of the key focuses of its business. In the first quarter, CNB announced its support of a new program hosted by the Patricia and Phillip Frost Museum of Science in Miami that will bring more than 1,000 underprivileged local students enrolled in Head Start programs – and their parents or caregivers – to the Museum. The bank also launched its Small Business Academy in partnership with the Miami Beach Chamber of Commerce. The program is aimed at providing practical advice and tools to help entrepreneurs grow their businesses. The bank continued its presenting sponsorship of the United Way’s wine and food festival, VeritageMiami, which has raised more than \$12 million .

The bank’s strength and financial performance continues to be recognized by rating agencies. CNB received another five-star “Superior” rating -- the highest possible -- from BauerFinancial, the leading bank ratings firm. This was the bank’s 11<sup>th</sup> consecutive quarter receiving this coveted rating.

“We are excited about the coming year and continuing to deploy the next phases of our strategic plan to keep CNB on a strong and stable growth trajectory,” Gonzalez said.

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

	<u>First Quarter 2015</u>	<u>First Quarter 2014</u>
Core earnings.....	\$20.7 million	\$17.9 million
Gross Loans .....	\$3.56 billion	\$2.93 billion
Total Deposits .....	\$4.3 billion	\$3.9 billion

## Capital Ratios and Liquidity

CNB's Tier 1 capital position continued to strengthen in the first quarter of 2015 to \$738.3 million, compared to \$559.5 million in the first quarter of 2014.

Tier 1 Leverage Capital Ratio	14.33%	5% is considered well capitalized
Common Equity Tier 1 Capital Ratio	19.21%	6.5% is considered well capitalized
Tier 1 Risk Based Capital Ratio	19.21%	8% is considered well capitalized
Total Risk Based Capital Ratio	20.47%	10% is considered well capitalized

CNB continues to be one of the most liquid banks in Florida with excess liquidity of nearly \$1.3 billion.

## Asset Quality

The bank's superior asset quality continued to improve in the first quarter of 2015 with non-accrual loans dropping to \$11.5 million, down from \$14.0 million in March 2014.

Allowance to total loans	1.34%	More than adequate based on asset quality.
Allowance to Non-Accrual Loans	414%	One of the highest in the industry

Other key indicators of asset quality:

- Non-accrual loans to total loans declined to a very low 0.32%
- Non-performing loans to capital declined to only 1.64%

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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. With more than \$5 billion in assets, CNB is one of the largest financial institutions based 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 voted Best Community Bank, Best Business Bank, Best Bank for Commercial Real Estate, Best Bank for Jumbo Loans and Best Private Bank by the readers of the Daily Business

Review. The South Florida Business Journal named it Business of the Year in 2013 and Community Bank of the Year in 2013 and 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.