



## **CITY NATIONAL BANK REPORTS RECORD EARNINGS FOR 2013 FUELED BY STRONG LOAN AND DEPOSIT GROWTH AND SUPERIOR CREDIT QUALITY**

MIAMI, FL – (January 29, 2014) – City National Bank of Florida (CNB) announced its financial results for the fourth quarter and full-year 2013, with solid increases in earnings, loans and deposits.

Pre-tax, pre-amortization income for 2013 was \$75.7 million, setting a new record for the bank and eclipsing the \$69.9 million high mark posted in 2012.

“The marketplace has clearly realized the value of a community bank like ours that delivers personal service and local decision-making, and has the scale to deliver a broad range of services to meet the needs of individuals and businesses,” CNB President and CEO Jorge Gonzalez said. “There are very few banks in Florida that are positioned like CNB to deliver on our value proposition.”

Core earnings were \$59.4 million in 2013, up from \$57.8 million, an increase of \$1.6 million. Core earnings for the fourth quarter of 2013 were \$17.3 million, up from \$17.2 million in the fourth quarter of 2012.

“City National Bank has experienced three consecutive years of increased earnings, strong loan growth and superior asset quality, a clear indication that our strategy is working,” Gonzalez said. “This success is driven by the dedicated CNB team and by our loyal clients. We will continue to focus on taking care of our people and our clients.”

Improvements in the economy have also helped the bank’s financial performance as businesses began to seek financing for growth and expansion opportunities. The bank’s growth has been fueled by several segments, including business lending, residential mortgages, construction lending and commercial real estate lending.

“As the economy strengthens, City National Bank is well positioned to continue helping clients with their renewed lending needs, from purchasing new homes, to expanding businesses or launching new endeavors,” Gonzalez said.

City National Bank also launched new small business lending products in the fourth quarter, increasing the bank’s array of business offerings.

“City National Bank can now cater to the needs of Florida businesses of all sizes from firms with a handful of employees to the largest corporations,” Gonzalez said. “This opens new opportunities for the bank’s continued growth and with small businesses making up the

backbone of our state's economy, it also provides an avenue for CNB to continue to have a positive impact in our community."

City National Bank has continued to attract top talent as it continues to grow organically. "We work hard every day to be the employer of choice in the marketplace, so we can continue to attract the best bankers to CNB," Gonzalez said. "This is a people-centered business, and if you are able to attract and keep the best people you will succeed."

City National Bank also opened a new banking center in Boca Raton in January 2014. The Boca del Mar Banking Center will help raise CNB's profile in Palm Beach County and offers expanded services, including business banking and private banking offerings. The banking center is located in the newly named City National Bank Office Building at the corner of Powerline and Palmetto Park Road.

The bank received a host of recognitions in 2013. The readers of the Daily Business Review voted CNB as the "Best Community Bank" and "Best Business Bank" for the second year in a row, among other honors. CNB has also been recognized for its positive impact on the Florida economy. It was named "Community Bank of the Year" and "Business of the Year" by the South Florida Business Journal.

The bank's strength and financial performance continues to be recognized by rating agencies. In December, CNB received another five-star "Superior" rating, the highest rating possible, from BauerFinancial, the leading bank ratings firm. This was the bank's seventh consecutive quarter receiving this coveted rating.

City National Bank announced in May that Banco de Credito e Inversiones (Bci) has agreed to acquire the Miami-based bank. Bci, the third-largest 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 also represents the largest investment by a Chilean company in the United States. The purchase is expected to close in early 2014.

### **Financial Highlights**

- City National Bank closed more than \$1 billion in new loan commitments in 2013, while loans grew by more than \$339 million to \$2.8 billion, a 14 percent increase over 2012.
- Commercial loans increased 22 percent in 2013, while commercial mortgages grew 15.4 percent and residential mortgages showed 8 percent growth.
- Deposits increased by more than \$145 million to \$3.9 billion at the end of 2013.

- Net interest income increased by 7 percent in 2013 to \$130.3 million, up from \$121.9 million in 2012.
- CNB continues to be one of the most liquid and best capitalized banks in Florida with excess liquidity of almost \$1.2 billion and Tier 1 capital of \$536 million.

## Financials

	<u>4Q 2012</u>	<u>4Q2013</u>	<u>Year-end 2012</u>	<u>Year-end 2013</u>
• Core Earnings:	\$17.2 million	\$17.3 million	\$57.8million	\$59.4 million
• Pre-tax Income:	\$22.4 million	\$14.0 million	\$54.6 million	\$62.4 million

## Capital

City National Bank's strong capital position also continued to improve. Tier 1 capital grew by \$66 million to almost \$536 million. Tier 2 capital grew by \$70 million to more than \$573 million.

"CNB's strong capital position and capital that will continue to be created organically will allow us more than sufficient room to drive continued loan growth and accelerate the implementation of our strategic growth plan in the coming year," Gonzalez said.

• Tier 1 Leverage Capital	12.12%	5% is considered well capitalized
• Tier 1 Risk Based Capital Ratio	17.93%	6% is considered well capitalized
• Total Risk Based Capital Ratio	19.19%	10% is considered well capitalized

## Asset Quality

The bank's superior asset quality continued to improve in the fourth quarter of 2013 with non-accrual loans dropping to \$15.7 million, down from \$23.6 million in December 2012.

- Allowance to Total Loans 1.98% Among the highest in the state
- Allowance to Non-Accrual Loans 352% One of the highest in the industry
- Non-accrual loans to total loans declined to 0.56%, down from .96% in December 2012.
- Non-performing loans to capital declined to 2.68%

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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 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 named Business of the Year by the South Florida Business Journal, and voted the Best Community Bank, Best Business Bank, Best Bank for Jumbo Loans and Best Bank for Commercial Real Estate 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 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.