



CITY NATIONAL BANK REPORTS RECORD EARNINGS FUELED BY STRONG BUSINESS LENDING AND STRENGTHENING ECONOMY

MIAMI, FL – (January 29, 2015) – City National Bank of Florida (CNB) announced record-setting financial results for 2014 as its earnings, assets, loans and deposits soared on strong business lending and a strengthening economy.

Core earnings for 2014 were \$73.9 million, a 24% increase over 2013 core earnings of \$59.38 million. Core earnings for the fourth quarter were \$19.5 million compared to \$17.3 million for the same period in 2013.

Net income for 2014 was \$43 million compared to a loss of \$63 million in 2013, due to a goodwill impairment related to the acquisition of the bank by Banco de Credito e Inversiones of Chile. Without the non-cash accounting charge, the bank would have had a net profit of \$37.8 million for 2013. Net income for the fourth quarter of 2014 was \$10.1 million, up from \$8.1 million the previous year.

In 2014, CNB also surpassed the \$5 billion asset mark. At the end of 2014, City National Bank had assets of \$5.4 billion, an increase of more than \$530 million or 11% since 2013.

“This was a pivotal year for City National Bank as we deployed the next phase of our strategic growth plan focused on business lending just as the economy began to gain momentum,” CNB President & CEO Jorge Gonzalez said. “The loyalty of our clients and the dedication of our team have been key ingredients in the bank’s continued strong performance.”

Loans grew 20% to \$3.4 billion in 2014 from \$2.8 billion the previous year. The bank closed \$1.4 billion in new loan commitments and funded \$1.06 billion in new loans in 2014, up from \$1.05 billion in loan commitments and \$813 million in loan fundings the previous year.

“Our robust loan growth was driven primarily by business and real estate lending,” Gonzalez said. “Business owners of all sizes have been seeking to grow and expand as the economy strengthens and our unique model based on local-decision making and personal relationships continues to be well received by the marketplace.”

City National Bank’s Business Banking Division, which was launched three years ago as part of the bank’s diversification strategy, posted 112% growth in its lending in 2014. CNB’s Business Banking caters to companies with revenue of \$5 million to \$20 million in annual revenue. Overall, commercial lending grew by 38% and commercial mortgages expanded by 16% across the bank’s entire platform, including the Corporate Banking and Commercial Real Estate divisions.

“We will continue focusing on the business segment by adding products, services and bankers to service this sector,” Gonzalez said. “Our value proposition has been very well received by business owners and executives that value a partnership with their bank and we are committed to being a partner in our clients’ success. It’s a relationship that few banks, if any, are able to commit to with their clients.”

Last year, CNB expanded its small business lending offerings with the addition of Small Business Administration loan products. These new offerings allow CNB to serve the needs of companies of all sizes and types.

The bank’s robust loan growth was accompanied by strong deposit growth. CNB expanded deposits by 13% to \$4.16 billion in 2014. Demand deposits, which account for almost half of the bank’s deposits, grew by 14%.

CNB’s performance has also been helped by continued investment in people and technology. The bank remains an employer of choice in the Florida marketplace, attracting top talent as it continues its strategic expansion. CNB has added bankers across all of its business lines and is particularly focused on expanding in Broward and Palm Beach counties.

“Banking is a people business and we continue to recruit the best talent in the marketplace. Our success has been fueled by CNB’s strong brand awareness and the vast array of honors and recognitions our team has been able to garner,” Gonzalez said. “Talent is key to delivering on our value proposition based on personal relationships and local decision-making and a superior client experience.”

The bank has received a host of recognition from media, analysts and the community. For the third consecutive year, the readers of the *Daily Business Review* voted City National Bank as a top bank in South Florida. In 2014, CNB was named Best Community Bank, Best Business Bank, Best Bank for Jumbo Loans, Best Private Bank and Best Bank for Commercial Real Estate Lending.

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 possible - - from BauerFinancial, the leading bank ratings firm. This was the bank’s tenth consecutive quarter receiving this coveted rating.

In addition, Bci’s acquisition of City National Bank received multiple approvals in 2014, putting the deal on course to close in 2015. The transaction has received the approval of Spanish regulators and more recently the Superintendency of Banks and the Central Bank in Chile, paving the way for consideration by U.S. regulators, which is in its final phases.

“We are excited about what lies ahead for City National Bank in 2015,” Gonzalez said. “With our continued focus on investing in people, technology and expansion we are taking the steps to maintain CNB on a strong growth curve in the coming years.”

Financial Highlights

- Core earnings increased 24% to \$73.9 million in 2014
- Assets increased 11% in 2014 to \$5.4 billion, up from \$4.8 billion in 2013.
- Loans increased 20% to \$3.4 billion in 2014, up from \$2.8 billion in 2013.
- Deposits increased 13% by \$479 million during the previous 12 months. Deposits totaled \$4.2 billion at the end of the fourth quarter, compared to \$3.7 billion at the end of the fourth quarter of last year.
- Net interest income increased by 15 percent in 2014 to \$150 million, up from \$130 million in 2013.

Financial Performance

	<u>4Q 2013</u>	<u>4Q2014</u>	<u>2013</u>	<u>2014</u>
• Net Income:	\$8.1 million	\$10.1 million	\$(63.1) million	\$42.9 million
• Pre-tax Income:	\$14 million	\$16.0 million	\$(102.7) million	\$70.3 million
• Core Earnings	\$17.2 million	\$19.5million	\$59.4 million	\$73.9 million

Capital

City National Bank's strong capital position also continued to improve. Tier 1 capital grew to \$630 million.

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| • Tier 1 Leverage Capital | 12.85% | 5% is considered well capitalized |
| • Tier 1 Risk Based Capital Ratio | 17.14% | 6% is considered well capitalized |
| • Total Risk Based Capital Ratio | 18.39% | 10% is considered well capitalized |

Asset Quality

The bank's already superior asset quality further strengthened in 2014, with non-accrual loans dropping to \$12.5 million, down from \$15.7 million in December 2013.

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| • Allowance to Total Loans | 1.42% | Among the highest in the state |
| • Allowance to Non-Accrual Loans | 383% | One of the highest in the industry |
| • Non-accrual loans to total loans declined to 0.37%, down from .56% in December 2013. | | |
| • Non-performing loans to capital declined to 1.83% | | |

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.