

CITY NATIONAL BANK POSTS SOLID GROWTH IN SECOND QUARTER

Second quarter earnings expand to \$15.7 million

MIAMI, FL – (July 28, 2016) – City National Bank (CNB), Florida’s premier private and commercial bank, announced financial results for the second quarter and first six months of 2016, reporting a substantial increase in profit, lending and assets.

Net income for the first six months of the year increased more than 20 percent to \$29 million, \$5 million more than the same period last year, after a one-time tax expense of \$2.4 million. Second quarter net income rose 18 percent to \$15.7 million in net income, compared to \$13.3 million a year ago.

“The strength of City National Bank’s performance signals several things: How well the marketplace continues to embrace our value proposition based on personal relationships and local decision-making; the continued loyalty of our clients, and the dedication of our people to delivering an exceptional client experience,” CNB President and CEO Jorge Gonzalez said.

Financial Highlights:

- City National Bank has grown by \$1.2 billion over the last twelve months to \$7.3 billion in assets, a 19 percent increase from 2015.
- Net interest income for the quarter increased to \$50.8 million, a 19 percent increase compared to the same period last year.
- The loan portfolio grew by \$873 million, or more than 22 percent, during the last 12 months.
- The bank originated more than \$1.3 billion in new loan commitments during the first half of 2016.
- Tier 1 Capital increased by more than \$112 million to \$866 million in the second quarter.
- Excess liquid assets remain high at more than \$1.2 billion.

At the end of the second quarter, deposits were up to \$4.8 billion, an increase of \$200 million from the second quarter of 2015. DDA accounts for 41 percent of all deposits.

The bank has grown loans by \$873 million, or 22.4 percent, in the last twelve months to \$4.8 billion in loans outstanding, compared to \$3.9 billion at the same time last year. Commercial lending is up 29 percent over 2015 and commercial mortgages have increased 29 percent as well.

“We continue to see strong loan demand, especially from the commercial sector,” Gonzalez said. “Companies of all sizes are embracing our relationship-based model. Executives and entrepreneurs increasingly see the value of having a partner not just a bank.”

Earlier this year, CNB launched a new commercial initiative in its banking centers as the bank added regional Business Market Leaders and Small Business Bankers to better serve the needs of small and mid-sized companies throughout its footprint.

The bank also continued to invest in people, adding both frontline and support personnel. The second quarter saw a significant increase in hiring, including corporate bankers, business bankers and private bankers. During the first six months of 2016, the bank has hired 31 new team members, bringing the total employee count to 513.

“Our people are our greatest asset,” Gonzalez said. “We are careful to select team members who aren’t just capable, but who also fit with our culture and values and understand our focus on the client experience.”

Some of the key additions include Juan Esterripa, Executive Vice President and Corporate Banking Executive, who joined CNB along with a team of veteran corporate bankers. Christopher Damian joined the bank as Executive Vice President and Private Banking and Wealth Management Executive. Isabel Lacambra recently joined the bank as Director of Residential Lending.

During the second quarter, CNB also entered the Tampa market. The new Tampa office is headed by Corporate Banking Market Manager William Lutes. Along with CNB’s Orlando presence, the Tampa office will help solidify the bank’s presence in the Central Florida/I-4 Corridor. The bank also added two new credit risk officers in Central Florida to improve the client experience there and bolster local decision-making in that marketplace. In addition to corporate banking, plans call for the bank to provide commercial real estate, private banking and business banking services in Tampa.

“Tampa has long been a market that we have eyed, and with the backing of our parent company Bci, we felt it was a natural progression in the bank’s growth and diversification,” Gonzalez said. “We look forward to serving our clients throughout Central Florida and know that William is the right person to lead the charge in Tampa.”

City National Bank continued its streak of accolades and recognition in 2016, receiving the coveted five-star “Superior” rating – the highest possible – from BauerFinancial, the leading bank ratings firm, for the 16th consecutive quarter. BauerFinancial has been reporting on and analyzing the performance of U.S. banks and credit unions since 1983.

Financials and other key metrics

	Second Quarter 2016	First Quarter 2016	Second Quarter 2015
Net interest income	\$50.8 million	\$48.8 million	\$42.7 million
Net income	\$15.7 million	\$13.3 million	\$12.8 million
Total Loans	\$4.8 billion	\$4.3 billion	\$3.9 billion
Total Deposits	\$4.8 billion	\$4.8 billion	\$4.6 billion

Capital

City National Bank's strong capital position also continued to improve. Tier 1 capital grew to \$866.3 million, an increase of \$30.8 million over March 2016.

- Tier 1 Leverage Capital 12.37% 5% is considered well capitalized
- Tier 1 Risk Based Capital Ratio 16.11% 8% is considered well capitalized

CNB continues to be one of the most liquid banks in Florida with excess liquidity of nearly \$1.2 billion.

Asset Quality

- Non-accrual loans to total loans remain at a very low 0.33%
- Non-performing loans to capital remain at a very low 1.81%

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About City National Bank

Headquartered in Miami, City National Bank (CNB) is the financial institution to which Floridians have turned for 70 years. With more than \$7 billion in assets, CNB is one of the largest financial institutions based in the state. In September of 2015, Banco de Credito e Inversiones (Bci) completed the acquisition of CNB, representing the largest single investment ever by a Chilean company in the United States. The bank remains a South Florida-based community bank with local decision making. 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, Best Private Bank and Best Foreign National Mortgage Lender by the readers of the Daily Business Review for the past four years. 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.