

## CITY NATIONAL BANK SURPASSES \$10 BILLION ASSET MARK

### *Strong results fueled by significant gains in deposits and loans, new business units and continued diversification*

MIAMI, FL – (January 31, 2018) – City National Bank (CNB), Florida’s premier private and commercial bank, announced its financial results for 2017 as it surged past \$10 billion in assets.

Net income before taxes for 2017 was \$90.8 million compared to \$70 million in 2016, an increase of 29 percent. Along with many financial institutions across the country, CNB had to take a non-cash charge due to the enactment of the Tax Cuts and Jobs Act (Tax Reform). As a result of the one-time, \$38.5 million charge, CNB’s net income for 2017 was adjusted to \$52.3 million. The charge is the result of a reduction in the valuation of certain deferred tax assets because of the lowered corporate tax rate.

“This was another stellar year for CNB, as we continued a strong and steady growth trajectory, invested in people and continued our commitment to a superior client experience,” CNB President and CEO Jorge Gonzalez said. “Tax reform will be a long-term benefit to the bank and allow us to accelerate hiring and make additional investments.”

In the fourth quarter of 2017 CNB achieved a new asset milestone, reaching \$10.17 billion in assets, a \$1.92 billion increase over the fourth quarter of the previous year.

“This organic growth is driven by the dedication of our team and the loyalty of our clients,” Gonzalez said. “We’ve made many strategic investments over the last couple years and the success of those is showing in the bank’s performance, including launching a new specialty finance company, expansion of our corporate banking teams and entering new markets, such as Tampa.”

City National Bank closed more than \$3.2 billion in new loan and lease commitments in 2017. The bank has grown loans and leases by more than \$1.7 billion, or 33 percent, in the last twelve months to \$7.06 billion in loans and leases outstanding.

Deposits increased by \$2.24 billion during 2017 to \$7.8 billion, compared to \$5.6 billion at the end of the fourth quarter of 2016.

“In the last two years we have expanded our commercial banking platform to support businesses throughout our footprint and that has been a major driver of our loan and deposit growth,” Gonzalez said. “Executives and entrepreneurs understand how different our value proposition is from other financial institutions and realize the benefit

of having a partnership with their bank based on lasting personal relationships and local decision-making.”

In November of 2017 City National Bank signed an agreement to purchase TotalBank, a leading South Florida community bank. Once the acquisition is complete, City National Bank will have about \$13 billion in assets, creating the third largest bank in Florida and placing CNB in the top two percent of the 5,300 banks nationwide.

“We are extremely excited about the upcoming acquisition of TotalBank,” Gonzalez said. “This acquisition will further cement CNB’s status as the big bank alternative in Florida -- being large enough to respond to our clients’ needs with a full range of products and services, but still small enough to provide an exceptional client experience.”

Throughout 2017, City National Bank continued its diversification and growth plan through the addition of new product offerings and locations. In the first quarter of 2017, the bank launched a new equipment and specialty finance division, City National Capital Finance (CNCF), to serve the financing needs of large and mid-sized companies. Last year, the bank also launched its Government, Institutional & Non-Profit Banking (GIN) division, dedicated to assisting Florida’s government and non-profits. The bank also opened a loan production office in Tampa and a mortgage office in Sarasota.

“We are focused on strategic growth, investing in people and technology and adding new products and services, all with an eye toward better serving the needs of our clients,” Gonzalez said. “We expect to continue this trajectory in 2018 as we move toward our vision of building the iconic Florida bank.”

City National Bank was named “Best Bank To Work For” in 2017, the second year in a row the bank has received the recognition from *American Banker* magazine. The program identifies, recognizes and honors the best banks to work for in the nation. City National was the largest bank in Florida to make the list and the third-largest bank nationwide.

City National Bank continued its streak of accolades and recognition in the second quarter 2017, receiving the coveted five-star “Superior” rating – the highest possible ranking – from BauerFinancial, the leading bank ratings firm, for the 22<sup>st</sup> consecutive quarter. BauerFinancial has been reporting on and analyzing the performance of U.S. banks and credit unions since 1983.

## Financials

	<u>Q4 2017</u>	<u>Q4 2016</u>
Net interest income.....	\$68.9 million	\$58.6 million
Net income before taxes.....	\$33.7 million	\$36.1 million
Net income (before tax charge)...	\$24.8 million	\$23.9 million
Total Loans and Leases (Net).....	\$7.06 billion	\$5.32 billion
Total Deposits .....	\$7.82 billion	\$5.6 billion

## Capital

City National Bank's strong capital position also continued to improve. Tier 1 capital grew to \$986.6 million, an increase of about \$25.7 million over December 2016.

- Tier 1 Leverage Capital 10.10% 5% is considered well capitalized
- Tier 1 Risk Based Capital Ratio 12.24% 8% is considered well capitalized

CNB continues to be one of the most liquid banks in Florida with excess liquidity of nearly \$3 billion.

## Asset Quality

- Non-accrual loans to total loans remain at a very low 0.30%
- Non-performing loans to capital remain at a very low 2.14%

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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 70 years. With more than \$10 billion in assets, CNB is one of the largest financial institutions based in the state. City National Bank is a subsidiary of Chilean bank, Banco de Credito e Inversiones (Bci), and 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. CNB offers a diversified portfolio of financial products and services at 26 convenient banking centers from Miami-Dade County to Central Florida.