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**Conference Call:**

Today 2:00 p.m. PST  
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**City National Corp. Reports 2007 Net Income  
Of \$222.7 Million, or \$4.52 Per Share**

*Revenue Grows 7 Percent to Record \$911.5 Million*

*Company Announces 4 Percent Dividend Increase*

*Board of Directors Authorizes Repurchase of Additional 1 Million Shares*

**LOS ANGELES** – City National Corporation (NYSE: CYN), the parent company of wholly owned City National Bank, today reported 2007 net income of \$222.7 million, or \$4.52 per share. In 2006, the company earned \$4.66 per share on net income of \$233.5 million.

Net income in the fourth quarter of 2007 amounted to \$46.9 million, or \$0.96 per share, compared with \$58.6 million, or \$1.19 per share, in the fourth quarter of 2006. Fourth-quarter 2007 net income reflects a \$20.0 million provision to enhance the company's loan-loss allowance. After tax, it amounts to \$11.6 million, or \$0.24 per share. Net charge-offs totaled \$3.9 million, or 13 basis points of total loans. The company's allowance for loan losses amounted to \$168.5 million, or 1.45 percent of total loans, up from \$152.0 million at the end of the third quarter.

City National today announced that its board of directors has increased the company's annual common stock cash dividend to \$1.92 per share, up 4 percent from the \$1.84 previously paid. A dividend of \$0.48 per share will be payable on February 20, 2008 to stockholders of record on February 6, 2008. This is the 15<sup>th</sup> consecutive year in which City National Corporation has increased its dividend.

The board also authorized the company to repurchase an additional 1 million shares of stock.

**2007 HIGHLIGHTS**

- Full-year revenue grew to a record \$911.5 million, up 7 percent from 2006.
- City National's average loan balances grew to \$11.1 billion, up 11 percent from 2006.
- Average deposits totaled \$12.2 billion, a 3 percent increase from 2006. Average core deposits were \$10.4 billion, up 2 percent from the year earlier.
- Noninterest income reached \$303.2 million, up 25 percent from 2006, and now accounts for one-third of City National's total revenue.
- Assets under direct management amounted to \$37.8 billion, a 37 percent increase from 2006. Assets under management or administration grew 22 percent to \$59.0 billion.
- The company recorded a \$20.0 million provision for loan losses and remained adequately reserved at 1.45 percent of total loans.
- City National remains very well capitalized. At December 31, 2007, its ratio of shareholders' equity to total assets was 10.42 percent, compared to 10.02 percent at the same time in 2006.
- City National's return on average equity in 2007 was 13.92 percent, compared with 15.99 percent in 2006. The year-over-year change was partly due to a substantial increase in capital. The company's return on average assets in 2007 was 1.45 percent, compared with 1.59 percent for the previous year.

“Given the challenging economic environment, 2007 was a solid year for City National,” said President and Chief Executive Officer Russell Goldsmith. “Our company grew assets, revenue, loans, deposits, fee income and assets under management. We also made two important acquisitions and added more offices and talent to our organization.”

“After almost four years of no loan loss provisions and in light of current economic conditions and their impact on a small number of our loans, we made a 2007 provision for potential loan losses. It is worth emphasizing that City National has no subprime loans, no subprime CDOs and no concerns with credit card debt, home equity loans or its money market funds. In fact, City National has a strong balance sheet and loan loss allowance, backed by substantial capital, profitability, liquidity and diversified revenue.”

## City National Corp. Reports Net Income for 2007

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<i>Dollars in millions, except per share</i>	<i>For the 12 months ended</i>		<i>% Change</i>
	<i>December 31,</i>		
	<i>2007</i>	<i>2006</i>	
<i>Earnings Per Share</i>	\$ 4.52	\$ 4.66	(3)
<i>Net Income</i>	222.7	233.5	(5)
<i>Average Assets</i>	15,370.8	14,715.4	4
<i>Return on Average Assets</i>	1.45 %	1.59 %	(9)
<i>Return on Average Equity</i>	13.92	15.99	(13)

### ASSETS

Total assets at December 31, 2007 were \$15.9 billion, up 7 percent from the previous year, primarily due to City National's loan growth as well as the first-quarter acquisition of Business Bank of Nevada.

### REVENUE

Revenue grew to \$911.5 million, up 7 percent from 2006, due principally to organic growth as well as the Business Bank of Nevada acquisition and the company's second-quarter acquisition of Convergent Wealth Advisors.

### NET INTEREST INCOME

Fully taxable-equivalent net interest income reached \$625.0 million in 2007, compared with \$621.4 million for the previous year.

Average loan balances grew 11 percent in 2007 to \$11.1 billion, led by a 14 percent increase in commercial loans. Commercial real estate and construction loans together were up 10 percent from 2006, while average single-family residential mortgage lending to City National's private banking clients rose 9 percent. (City National does not make subprime or option adjustable rate mortgage loans.)

Average securities for 2007 totaled \$2.8 billion, down \$655 million from the previous year. Proceeds from the sale of securities were used to fund loan growth. The average duration of total available-for-sale securities at December 31, 2007 was 3.4 years, compared with 3.3 years at the end of 2006.

At December 31, 2007, City National's prime lending rate was 7.25 percent, down 100 basis points and 50 basis points from December 31, 2006 and September 30, 2007, respectively.

## City National Corp. Reports Net Income for 2007

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<i>Dollars in millions</i>	<i>2007</i>	<i>2006</i>	<i>% Change</i>
<i>Average Loans</i>	\$ 11,057.4	\$ 9,948.4	11
<i>Average Total Securities</i>	2,833.5	3,488.0	(19)
<i>Average Earning Assets</i>	14,054.1	13,568.3	4
<i>Average Deposits</i>	12,236.4	11,869.9	3
<i>Average Core Deposits Fully Taxable-Equivalent</i>	10,360.2	10,148.6	2
<i>Net Interest Income</i>	625.0	621.4	1
<i>Net Interest Margin</i>	4.45 %	4.58 %	(3)

City National's net interest margin averaged 4.45 percent in 2007, compared with 4.58 percent in the previous year. This decline was attributable primarily to loan growth, a decline in average demand deposits and pressure on deposit pricing.

Average deposits for the year totaled \$12.2 billion, a 3 percent increase from 2006 due in large measure to the acquisition of Business Bank of Nevada as well as the growth of interest-bearing and time deposits. Average noninterest-bearing deposits fell 3.5 percent from 2006, as some of City National's clients shifted funds from core deposit accounts to higher-yielding instruments, and title and escrow balances declined.

With the nationwide slowdown in housing sales and refinancings, title and escrow deposit balances averaged \$1.19 billion in 2007, compared with \$1.26 billion in 2006.

### **NONINTEREST INCOME**

Noninterest income reached \$303.2 million in 2007, a 25 percent increase from the previous year. Excluding the acquisition of Convergent Wealth Advisors and the previously disclosed disposition of another investment affiliate in the fourth quarter of 2006, noninterest income grew 18 percent from 2006.

At December 31, 2007, noninterest income accounted for 33 percent of City National's total revenue, up from 29 percent at December 31, 2006.

### *Wealth Management*

City National's assets under management grew 37 percent to \$37.8 billion in 2007. As a result, trust and investment fees increased 31 percent over the previous year. Brokerage and mutual fund fees grew 20 percent from 2006.

## City National Corp. Reports Net Income for 2007

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<i>Dollars in millions</i>	<i>At or for the 12 months ended December 31,</i>		<i>%</i>
	<i>2007</i>	<i>2006</i>	<i>Change</i>
<i>Trust and Investment Fee Revenue</i>	\$ 140.8	\$ 107.5	31
<i>Brokerage and Mutual Fund Fees</i>	60.3	50.4	20
<i>Assets Under Management (1)</i>	37,793.5	27,634.5	37
<i>Assets Under Management or Administration (1)</i>	59,032.3	48,459.0	22

*(1) Excludes \$12.4 billion and \$9.1 billion of assets under management for an asset manager in which City National held a minority ownership interest as of December 31, 2007 and December 31, 2006, respectively.*

### *Other Noninterest Income*

Fee income from foreign exchange services and letters of credit grew 16 percent in 2007. Income from cash management and deposit transaction fees rose 11 percent from the previous year.

Other service charges and fees were \$29.2 million in 2007, up \$3.7 million from the previous year.

The gain on sale of other assets was due largely to a third-quarter gain of \$5.1 million from the recovery of an investment in liquidation, which was partly offset by a \$2.5 million loss on the sale of securities in the third quarter and approximately \$0.7 million in additional income tax expense related to the expected resolution of two pending federal income tax matters.

### **NONINTEREST EXPENSE**

Noninterest expense amounted to \$538.1 million, up 12 percent from 2006. Excluding minority interest expense and the acquisitions of Convergent Wealth Advisors and Business Bank of Nevada, noninterest expense grew 5 percent from the previous year.

Fourth-quarter 2007 noninterest expense included \$0.8 million, or \$0.5 million after tax, to record City National's share of the exposure that VISA member-banks have to indemnify the credit card association against certain litigation. The exposure stems from judgment-sharing agreements that member-banks signed in connection with the restructuring of VISA under a single holding company. VISA intends to issue and sell a majority of its shares to the public in an initial public offering. City National expects that the proceeds from the initial public offering related to its ownership interest in VISA will more than offset its recorded VISA litigation liability.

City National's 2007 efficiency ratio was 58.21 percent, compared with 55.97 percent in 2006. The year-over-year increase was due primarily to higher core deposit pricing and the continued expansion of City National's fee-based businesses, including the addition of Convergent Wealth Advisors.

## **CREDIT QUALITY**

Nonaccrual loans at December 31, 2007 totaled \$75.6 million, or 65 basis points of its \$11.6 billion in total loans, compared with \$20.9 million, or 20 basis points of total loans at the end of 2006. Net loan charge-offs were \$8.5 million in 2007, compared with net recoveries of \$2.8 million in 2006. The increase in nonaccruals and net charge-offs occurred primarily in the company's for-sale housing construction portfolio.

Continued upheaval in the credit markets has negatively affected the nation's economy with significant impact on the residential and for-sale housing construction sectors and related industries.

City National's for-sale housing loans represented about 5 percent of its \$11.6 billion loan portfolio at December 31, 2007. The performance of some projects within the portfolio reflects the continuing difficult residential market conditions in California.

City National's \$3.2 billion residential mortgage and \$433 million home equity portfolios continue to exhibit strong performance. At origination, these portfolios have average loan-to-value ratios of 51 percent and 55 percent, respectively. City National has not originated or purchased subprime or option adjustable rate mortgages.

In the fourth quarter of 2007, City National added \$20.0 million to its allowance for loan losses. This provision reflects management's ongoing assessment of the credit quality of the company's portfolio, which is affected by various economic trends, including weakness in the housing sector. Additional factors affecting the provision include net loan charge-offs, nonaccrual loans, risk rating migration and substantial growth in the portfolio.

At December 31, 2007, the allowance for loan and lease losses was \$168.5 million, or 1.45 percent of total loans.

## **INCOME TAXES**

The company's effective tax rate was 37.0 percent for the year, slightly higher than the 36.4 percent rate in 2006, due to a decrease in tax benefits from investments in affordable housing partnerships and a nonrecurring income tax expense related to the expected resolution of two pending federal income tax matters.

## **FOURTH-QUARTER 2007 HIGHLIGHTS**

- Fourth-quarter revenue grew to \$237 million, up 10 percent from the fourth quarter of 2006.
- Fully taxable-equivalent net interest income amounted to \$158 million, up 3 percent from the fourth quarter of 2006. The company's net interest margin averaged 4.42 percent in the fourth quarter of 2007, unchanged from the previous quarter.

## City National Corp. Reports Net Income for 2007

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- Average loans reached an all-time high of \$11.5 billion, up 12 percent from the same period of 2006 and 2 percent from the third quarter of 2007. Excluding the company's acquisition of Business Bank of Nevada, loans were up 8 percent from the same period of 2006.
- Average deposits amounted to \$12.0 billion in the fourth quarter, virtually unchanged from the same period of 2006. Average balances decreased 3 percent from the third quarter of 2007. Title and escrow deposit balances averaged \$1.11 billion in the fourth quarter of 2007, compared with \$1.18 billion in the third quarter of 2007.
- Noninterest income totaled \$82.3 million, up 28 percent from the same period in 2006. Excluding the acquisition of Convergent Wealth Advisors, noninterest income was up 17 percent from the fourth quarter of 2006.
- The company made a \$20.0 million provision for loan losses in the fourth quarter of 2007. It did not record a provision in any of the three preceding quarters.
- Noninterest expense increased 14 percent from the fourth quarter of 2006 and 5 percent from the third quarter of 2007. Excluding the acquisitions of Business Bank of Nevada and Convergent Wealth Advisors, fourth-quarter 2007 noninterest expense increased 5 percent from the same period of 2006.
- The fourth-quarter effective tax rate was 35.2 percent, compared with 38.4 percent in the third quarter of 2007. The decrease was due primarily to lower pretax income and a disproportionate decrease to permanent tax benefits. The third-quarter effective tax rate also reflects a nonrecurring income tax expense related to the expected resolution of two pending federal income tax matters.

### 2008 OUTLOOK

Based upon its current assessment of economic conditions, City National's management expects earnings per share to be 7 percent to 12 percent lower in 2008 than in 2007. Management's outlook is based upon its current view that the economy will grow at a nominal rate this year and that certain sectors, such as housing, will continue to put downward pressure on economic conditions. A material change in economic conditions would affect the company's earnings expectations for 2008.

In this economic environment, management anticipates moderate growth in loans and deposits this year as well as strong growth in noninterest income. Loan loss provisions are expected to be higher than in 2007, returning to more normal levels. Growth in net interest income will be somewhat constrained due to lower interest rates, some increase in nonperforming loans, and a moderate decline in commercial real estate loans. Noninterest expense is expected to grow at a lower rate than it did in 2007, despite significantly higher FDIC premiums, additional personnel costs and the impact of acquisitions made last year.

## **City National Corp. Reports Net Income for 2007**

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### **CAPITAL LEVELS**

City National remains well capitalized. Total risk-based capital and Tier 1 risk-based capital ratios at December 31, 2007 were 11.27 percent and 9.31 percent, respectively, compared with the minimum regulatory standards of 10 percent and 6 percent for “well-capitalized” institutions. City National’s Tier 1 leverage ratio at December 31, 2007 was 7.97 percent, well above the regulatory minimum ratio of 5 percent.

Total risk-based capital, Tier 1 risk-based capital and the Tier 1 leverage ratios at September 30, 2007 were 12.01 percent, 9.57 percent and 7.80 percent, respectively.

The period-end ratio of shareholders’ equity to total assets at December 31, 2007 was 10.42 percent, compared to 10.02 percent at the same time in 2006, and 10.51 percent at September 30, 2007.

### **STOCK REPURCHASE**

In 2007, City National repurchased 1,495,800 of its outstanding shares at an average cost per share of \$69.47. With today’s announcement of an additional buyback authorization, the company can now buy back as many as 1,561,900 shares.

### **CONFERENCE CALL**

*City National Corporation will host a conference call this afternoon to discuss 2007 financial results. The call will begin at 2:00 p.m. PST. Analysts and investors may dial in and participate in the question/answer session. To access the call, please dial (866) 271-5140 and enter passcode 32345020. A listen-only live broadcast of the call also will be available on the investor relations page of the company’s Website at [www.cnb.com](http://www.cnb.com). There, it will be archived and available for 12 months.*

### **ABOUT CITY NATIONAL**

City National Corporation’s wholly owned subsidiary, City National Bank, provides banking, investment and trust services through 62 offices, including 15 full-service regional centers, in Southern California, the San Francisco Bay Area, Nevada and New York City. The company and its nine majority-owned investment affiliates manage or administer \$59 billion in client assets, including \$37.8 billion under direct management.

For more information about City National, visit the company’s Website at [www.cnb.com](http://www.cnb.com).

### **SAFE-HARBOR LANGUAGE**

This news release contains forward-looking statements about the company, for which the company claims the protection of the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995.

## **City National Corp. Reports Net Income for 2007**

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Forward-looking statements are based on management's knowledge and belief as of today and include information concerning the company's possible or assumed future financial condition, and its results of operations, business and earnings outlook. These forward-looking statements are subject to risks and uncertainties. A number of factors, some of which are beyond the company's ability to control or predict, could cause future results to differ materially from those contemplated by such forward-looking statements. These factors include (1) changes in general business and economic conditions, either nationally, regionally or locally in areas where the company conducts its business, (2) changes in interest rates and interest-rate relationships, (3) significant changes in banking laws or regulations, (4) increased competition in the company's markets and demand for the company's products and services, (5) higher-than-expected credit losses due to business losses, real estate cycles, credit markets, changes in commercial real estate development and real estate prices or other economic factors, (6) changes in the level of nonperforming assets and charge-offs and changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements, (7) changes in the financial performance and/or condition of the company's borrowers, (8) a substantial and permanent loss of either client accounts and/or assets under management at the company's investment advisory affiliates or its wealth management division, (9) earthquake, fire or other natural disasters affecting the condition of real estate collateral, (10) the effect of acquisitions and integration of acquired businesses and de novo branching efforts, (11) the impact of changes in regulatory, judicial or legislative tax treatment of business transactions, (12) changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies, and (13) the success of the company at managing the risks involved in the foregoing.

Forward-looking statements speak only as of the date they are made, and the company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the statements are made, or to update earnings guidance, including the factors that influence earnings.

For a more complete discussion of these risks and uncertainties, see the company's Annual Report on Form 10-K for the year ended December 31, 2006 and particularly Part I, Item 1A, titled "Risk Factors."

###

# CITY NATIONAL CORPORATION



## Selected Financial Information December 31, 2007

(unaudited)

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**CITY NATIONAL CORPORATION**  
**FINANCIAL HIGHLIGHTS**  
(unaudited)

For The Period Ended December 31,	Three Months			Twelve Months		
	2007	2006	% Change	2007	2006	% Change
<b>Per Common Share</b>						
Net Income						
Basic.....	\$ 0.98	\$ 1.23	(20)	\$ 4.62	\$ 4.82	(4)
Diluted.....	0.96	1.19	(19)	4.52	4.66	(3)
Dividends.....	0.46	0.41	12	1.84	1.64	12
Book value.....				34.61	31.39	10
<b>Results of Operations: (In millions)</b>						
Interest income.....	\$ 224	\$ 214	5	\$ 894	\$ 826	8
Interest expense.....	70	63	11	286	220	30
Net interest income.....	154	151	2	608	606	-
Net interest income (Fully taxable-equivalent).....	158	155	3	625	621	1
Total revenue.....	237	215	10	911	848	7
Provision for credit losses.....	20	-	NM	20	(1)	NM
Net income.....	47	59	(20)	223	234	(5)
<b>Financial Ratios:</b>						
Performance Ratios:						
Return on average assets.....	1.19 %	1.58 %		1.45 %	1.59 %	
Return on average shareholders' equity.....	11.28	15.77		13.92	15.99	
Period-end shareholders' equity to period-end assets.....				10.42	10.02	
Net interest margin.....	4.42	4.51		4.45	4.58	
Efficiency ratio.....	60.18	58.20		58.21	55.97	
Capital Adequacy Ratios (Period-end):						
Tier 1 leverage.....				7.97	8.81	
Tier 1 risk-based capital.....				9.31	11.09	
Total risk-based capital.....				11.27	13.60	
<b>Asset Quality Ratios:</b>						
Allowance for loan and lease losses to:						
Total loans and leases.....				1.45 %	1.50 %	
Nonaccrual loans.....				223.03	743.88	
Nonperforming assets to:						
Total loans and leases and nonperforming assets.....				0.65	0.20	
Total assets.....				0.48	0.14	
Net (charge-offs)/recoveries to						
Average total loans and leases (annualized).....	(0.13) %	(0.11) %		(0.08) %	0.03 %	
<b>Average Balances: (In millions)</b>						
Loans and leases.....	\$ 11,461	\$ 10,245	12	\$ 11,058	\$ 9,948	11
Interest-earning assets.....	14,223	13,584	5	14,054	13,568	4
Assets.....	15,589	14,712	6	15,371	14,716	4
Core deposits.....	10,500	10,081	4	10,360	10,149	2
Deposits.....	12,014	12,051	-	12,236	11,870	3
Interest-bearing liabilities.....	8,065	7,310	10	8,011	7,305	10
Shareholders' equity.....	1,651	1,473	12	1,599	1,461	9
<b>Period-End Balances : (In millions)</b>						
Loans and leases.....				\$ 11,631	\$ 10,386	12
Assets.....				15,889	14,884	7
Core deposits.....				10,516	10,326	2
Deposits.....				11,823	12,173	(3)
Shareholders' equity.....				1,656	1,491	11
<b>Wealth Management: (In millions) (1)</b>						
Assets under management.....				\$ 37,794	\$ 27,634	37
Assets under management or administration.....				59,032	48,459	22

(1) Excludes \$12.4 billion and \$9.1 billion of assets under management for an asset manager in which City National held a minority ownership interest as of December 31, 2007 and December 31, 2006, respectively.

**CITY NATIONAL CORPORATION**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(unaudited)

(Dollars in thousands except per share data)	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2007	2006	% Change	2007	2006	% Change
Interest income	\$ 223,969	\$ 213,524	5	\$ 894,101	\$ 826,315	8
Interest expense	69,596	62,788	11	285,829	220,405	30
Net Interest Income	154,373	150,736	2	608,272	605,910	0
Provision for Credit Losses	20,000	-	NM	20,000	(610)	NM
Noninterest Income						
Trust and investment fees	38,188	30,777	24	140,753	107,462	31
Brokerage and mutual fund fees	16,995	13,309	28	60,279	50,358	20
Cash management and deposit transaction fees	9,517	7,909	20	35,261	31,631	11
International services	8,379	6,486	29	30,399	26,174	16
Bank-owned life insurance	660	700	(6)	2,690	2,996	(10)
Other service charges and fees	8,575	6,693	28	29,205	25,499	15
Gain on sale of other assets	12	2,482	(100)	5,989	2,750	118
Gain (loss) on sale of securities	7	(4,130)	(100)	(1,374)	(4,500)	(69)
Total noninterest income	82,333	64,226	28	303,202	242,370	25
Noninterest Expense						
Salaries and employee benefits	88,146	74,499	18	331,091	295,151	12
Net occupancy of premises	11,881	11,562	3	43,538	40,241	8
Legal and professional fees	10,050	9,327	8	35,975	34,998	3
Information services	6,039	5,836	3	23,364	21,830	7
Depreciation and amortization	5,535	4,908	13	20,932	19,062	10
Amortization of intangibles	1,749	1,456	20	8,854	5,284	68
Marketing and advertising	6,977	5,153	35	21,837	18,654	17
Office services	3,323	2,888	15	12,295	10,751	14
Equipment	867	1,043	(17)	3,249	2,812	16
Minority interest expense	2,244	1,709	31	8,856	5,958	49
Other	7,464	8,573	(13)	28,110	27,263	3
Total noninterest expense	144,275	126,954	14	538,101	482,004	12
Income Before Taxes	72,431	88,008	(18)	353,373	366,886	(4)
Applicable Income Taxes	25,509	29,452	(13)	130,660	133,363	(2)
Net Income	\$ 46,922	\$ 58,556	(20)	\$ 222,713	\$ 233,523	(5)
Other Data:						
Earnings per common share - basic	\$ 0.98	\$ 1.23	(20)	\$ 4.62	\$ 4.82	(4)
Earnings per common share - diluted	\$ 0.96	\$ 1.19	(19)	\$ 4.52	\$ 4.66	(3)
Dividends paid per common share	\$ 0.46	\$ 0.41	12	\$ 1.84	\$ 1.64	12
Dividend payout ratio	47.44 %	33.55 %	41	40.13 %	34.31 %	17
Return on average assets	1.19 %	1.58 %	(24)	1.45 %	1.59 %	(9)
Return on average shareholders' equity	11.28 %	15.77 %	(29)	13.92 %	15.99 %	(13)
Net interest margin (Fully taxable-equivalent)	4.42 %	4.51 %	(2)	4.45 %	4.58 %	(3)
Full-time equivalent employees	2,914	2,670	9			

**CITY NATIONAL CORPORATION**  
**CONSOLIDATED QUARTERLY STATEMENTS OF INCOME**

(unaudited)

(Dollars in thousands except per share data)	2007				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year to Date
Interest Income	\$ 223,969	\$ 230,066	\$ 225,825	\$ 214,241	\$ 894,101
Interest Expense	69,596	76,340	72,921	66,972	285,829
Net Interest Income	154,373	153,726	152,904	147,269	608,272
Provision for Credit Losses	20,000	-	-	-	20,000
Noninterest Income					
Trust and investment fees	38,188	37,488	34,823	30,254	140,753
Brokerage and mutual fund fees	16,995	15,546	13,958	13,780	60,279
Cash management and deposit transaction fees	9,517	8,801	8,472	8,471	35,261
International services	8,379	7,995	7,562	6,463	30,399
Bank-owned life insurance	660	645	761	624	2,690
Other service charges and fees	8,575	7,251	7,246	6,133	29,205
Gain (loss) on sale of other assets	12	6,023	-	(46)	5,989
Gain (loss) on sale of securities	7	(2,516)	866	269	(1,374)
Total noninterest income	82,333	81,233	73,688	65,948	303,202
Noninterest Expense					
Salaries and employee benefits	88,146	84,057	80,904	77,984	331,091
Net occupancy of premises	11,881	11,837	10,362	9,458	43,538
Legal and professional fees	10,050	8,614	8,590	8,721	35,975
Information services	6,039	6,024	5,750	5,551	23,364
Depreciation and amortization	5,535	5,275	5,122	5,000	20,932
Amortization of intangibles	1,749	2,852	2,623	1,630	8,854
Marketing and advertising	6,977	5,079	5,783	3,998	21,837
Office services	3,323	3,287	2,938	2,747	12,295
Equipment	867	867	797	718	3,249
Minority interest expense	2,244	2,211	2,325	2,076	8,856
Other	7,464	7,294	7,446	5,906	28,110
Total noninterest expense	144,275	137,397	132,640	123,789	538,101
Income Before Taxes	72,431	97,562	93,952	89,428	353,373
Applicable Income Taxes	25,509	37,469	34,799	32,883	130,660
Net Income	\$ 46,922	\$ 60,093	\$ 59,153	\$ 56,545	\$ 222,713
Other Data:					
Earnings per common share - basic	\$ 0.98	\$ 1.24	\$ 1.22	\$ 1.18	\$ 4.62
Earnings per common share - diluted	\$ 0.96	\$ 1.22	\$ 1.19	\$ 1.15	\$ 4.52
Dividends paid per common share	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 1.84
Dividend payout ratio	47.44 %	37.26 %	38.22 %	39.11 %	40.13
Return on average assets	1.19 %	1.53 %	1.54 %	1.55 %	1.45
Return on average shareholders' equity	11.28 %	14.69 %	14.79 %	15.10 %	13.92
Net interest margin (Fully taxable-equivalent)	4.42 %	4.42 %	4.46 %	4.49 %	4.45
Full-time equivalent employees	2,914	2,878	2,903	2,800	

**CITY NATIONAL CORPORATION**  
**CONSOLIDATED QUARTERLY STATEMENTS OF INCOME**

(unaudited)

(Dollars in thousands except per share data)	2006				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
Interest Income	\$ 213,524	\$ 208,395	\$ 206,228	\$ 198,168	\$ 826,315
Interest Expense	62,788	59,625	52,206	45,786	220,405
Net Interest Income	150,736	148,770	154,022	152,382	605,910
Provision for Credit Losses	-	-	(610)	-	(610)
Noninterest Income					
Trust and investment fees	30,777	30,002	24,909	21,774	107,462
Brokerage and mutual fund fees	13,309	13,096	12,269	11,684	50,358
Cash management and deposit transaction fees	7,909	7,967	7,691	8,064	31,631
International services	6,486	6,829	6,870	5,989	26,174
Bank-owned life insurance	700	685	677	934	2,996
Other service charges and fees	6,693	6,218	6,843	5,745	25,499
Gain on sale of other assets	2,482	268	-	-	2,750
Gain (loss) on sale of securities	(4,130)	(362)	(716)	708	(4,500)
Total noninterest income	64,226	64,703	58,543	54,898	242,370
Noninterest Expense					
Salaries and employee benefits	74,499	75,318	73,718	71,616	295,151
Net occupancy of premises	11,562	10,207	9,460	9,012	40,241
Legal and professional fees	9,327	8,416	8,481	8,774	34,998
Information services	5,836	5,636	5,259	5,099	21,830
Depreciation and amortization	4,908	4,832	4,662	4,660	19,062
Amortization of intangibles	1,456	(37)	1,974	1,891	5,284
Marketing and advertising	5,153	4,495	4,990	4,016	18,654
Office services	2,888	2,623	2,549	2,691	10,751
Equipment	1,043	514	623	632	2,812
Minority interest expense	1,709	1,808	1,213	1,228	5,958
Other	8,573	6,820	6,222	5,648	27,263
Total noninterest expense	126,954	120,632	119,151	115,267	482,004
Income Before Taxes	88,008	92,841	94,024	92,013	366,886
Applicable Income Taxes	29,452	33,847	35,283	34,781	133,363
Net Income	\$ 58,556	\$ 58,994	\$ 58,741	\$ 57,232	\$ 233,523
Other Data:					
Earnings per common share - basic	\$ 1.23	\$ 1.23	\$ 1.20	\$ 1.16	\$ 4.82
Earnings per common share - diluted	\$ 1.19	\$ 1.20	\$ 1.16	\$ 1.12	\$ 4.66
Dividends paid per common share	\$ 0.41	\$ 0.41	\$ 0.41	\$ 0.41	\$ 1.64
Dividend payout ratio	33.55 %	33.64 %	34.43 %	35.65 %	34.31 %
Return on average assets	1.58 %	1.61 %	1.59 %	1.57 %	1.59 %
Return on average shareholders' equity	15.77 %	16.30 %	16.20 %	15.68 %	15.99 %
Net interest margin (Fully taxable-equivalent)	4.51 %	4.53 %	4.65 %	4.62 %	4.58 %
Full-time equivalent employees	2,670	2,672	2,648	2,570	

**CITY NATIONAL CORPORATION**  
**CONSOLIDATED PERIOD END BALANCE SHEET**

(unaudited)

(In thousands)	2007			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
<b>Assets</b>				
Cash and due from banks	\$ 365,918	\$ 462,151	\$ 513,463	\$ 494,231
Federal funds sold	-	-	170,000	210,000
Due from banks - interest-bearing	88,151	95,047	139,539	77,214
Securities-available-for-sale	2,462,655	2,563,983	2,797,366	2,902,385
Trading account securities	293,355	192,162	117,456	35,981
Loans and leases:				
Commercial	4,459,308	4,216,048	4,158,131	4,030,601
Commercial real estate mortgages	1,954,539	1,894,753	1,947,218	1,877,695
Residential mortgages	3,176,322	3,114,335	3,009,546	2,895,516
Real estate construction	1,429,761	1,391,034	1,309,322	1,263,059
Equity lines of credit	432,513	404,869	409,505	388,279
Installment	178,195	169,041	185,112	194,448
Total loans and leases	11,630,638	11,190,080	11,018,834	10,649,598
Allowance for loan and lease losses	(168,523)	(152,018)	(157,849)	(161,005)
Net loans and leases	11,462,115	11,038,062	10,860,985	10,488,593
Premises and equipment, net	118,067	110,779	106,672	103,259
Goodwill and other intangibles	520,127	517,396	518,918	420,197
Other assets	578,902	567,817	571,597	532,093
Total assets	<u>\$ 15,889,290</u>	<u>\$ 15,547,397</u>	<u>\$ 15,795,996</u>	<u>\$ 15,263,953</u>
<b>Liabilities:</b>				
Deposits:				
Noninterest-bearing	\$ 5,858,497	\$ 5,538,107	\$ 5,926,048	\$ 5,690,413
Interest-bearing	5,964,008	6,642,407	7,204,357	6,915,968
Total deposits	11,822,505	12,180,514	13,130,405	12,606,381
Federal funds purchased and securities sold under repurchase agreements				
	1,544,411	664,970	269,938	310,738
Other short-term borrowed funds	100,000	326,041	72,818	50,667
Subordinated debt	273,559	270,066	266,962	270,174
Other long-term debt	233,465	225,598	219,282	224,079
Minority interest	31,676	29,148	29,029	28,285
Other liabilities	228,067	217,301	186,212	183,185
Total liabilities	14,233,683	13,913,638	14,174,646	13,673,509
<b>Shareholders' Equity</b>				
Common stock	50,824	50,813	50,825	50,803
Additional paid-in capital	420,168	421,754	419,277	421,990
Retained earnings	1,369,999	1,345,337	1,307,638	1,271,092
Accumulated other comprehensive loss	(9,349)	(22,788)	(50,709)	(31,034)
Treasury shares	(176,035)	(161,357)	(105,681)	(122,407)
Total shareholders' equity	1,655,607	1,633,759	1,621,350	1,590,444
Total liabilities and shareholders' equity	<u>\$ 15,889,290</u>	<u>\$ 15,547,397</u>	<u>\$ 15,795,996</u>	<u>\$ 15,263,953</u>

**CITY NATIONAL CORPORATION**  
**CONSOLIDATED PERIOD END BALANCE SHEET**

(unaudited)

(In thousands)	2006			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
<b>Assets</b>				
Cash and due from banks	\$ 423,114	\$ 457,396	\$ 467,076	\$ 457,156
Federal funds sold	127,000	3,300	1,900	-
Due from banks - interest-bearing	60,940	65,323	50,416	48,890
Securities-available-for-sale	2,953,247	3,174,086	3,210,455	3,849,061
Trading account securities	147,907	116,870	123,418	57,353
Loans and leases:				
Commercial	3,831,212	3,568,082	3,496,656	3,668,872
Commercial real estate mortgages	1,681,476	1,943,142	1,998,925	1,750,139
Residential mortgages	2,869,775	2,830,761	2,769,340	2,700,966
Real estate construction	1,397,760	1,095,672	999,048	919,816
Equity lines of credit	404,657	384,830	364,312	339,348
Installment	201,125	197,871	193,474	188,262
Total loans and leases	10,386,005	10,020,358	9,821,755	9,567,403
Allowance for loan and lease losses	(155,342)	(159,063)	(157,580)	(156,482)
Net loans and leases	10,230,663	9,861,295	9,664,175	9,410,921
Premises and equipment, net	94,745	88,582	84,802	84,884
Goodwill and other intangibles	287,561	298,471	298,004	283,642
Other assets	559,132	550,212	575,604	546,275
Total assets	<u>\$ 14,884,309</u>	<u>\$ 14,615,535</u>	<u>\$ 14,475,850</u>	<u>\$ 14,738,182</u>
<b>Liabilities:</b>				
Deposits:				
Noninterest-bearing	\$ 6,002,068	\$ 5,639,811	\$ 5,880,630	\$ 5,945,485
Interest-bearing	6,170,748	6,252,206	6,098,200	5,963,044
Total deposits	12,172,816	11,892,017	11,978,830	11,908,529
Federal funds purchased and securities				
sold under repurchase agreements	422,903	506,962	234,995	526,920
Other short-term borrowed funds	97,525	72,426	143,724	151,522
Subordinated debt	269,848	270,522	266,675	269,785
Other long-term debt	217,569	217,323	209,864	213,819
Minority interest	28,425	28,578	27,985	25,225
Other liabilities	184,380	179,746	215,965	173,056
Total liabilities	13,393,466	13,167,574	13,078,038	13,268,856
<b>Shareholders' Equity</b>				
Common stock	50,719	50,729	50,735	50,693
Additional paid-in capital	412,249	404,163	402,476	399,975
Retained earnings	1,264,697	1,225,784	1,186,637	1,148,116
Accumulated other				
comprehensive loss	(41,459)	(46,484)	(87,009)	(73,313)
Treasury shares	(195,363)	(186,231)	(155,027)	(56,145)
Total shareholders' equity	1,490,843	1,447,961	1,397,812	1,469,326
Total liabilities and shareholders' equity	<u>\$ 14,884,309</u>	<u>\$ 14,615,535</u>	<u>\$ 14,475,850</u>	<u>\$ 14,738,182</u>

**CITY NATIONAL CORPORATION**  
**CREDIT LOSS EXPERIENCE**  
(unaudited)

(Dollars in thousands)	2007					2006				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year To Date	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
<b>Allowance for Loan and Lease Losses</b>										
Balance at beginning of period	\$ 152,018	\$ 157,849	\$ 161,005	\$ 155,342	\$ 155,342	\$ 159,063	\$ 157,580	\$ 156,482	\$ 153,983	\$ 153,983
Allowance of acquired institution	-	-	-	4,513	4,513	-	-	-	-	-
Net (charge-offs)/recoveries:										
Commercial	(900)	(632)	(2,218)	1,247	(2,503)	(2,665)	1,912	1,122	1,792	2,161
Commercial real estate mortgages	9	(295)	-	-	(286)	356	-	11	844	1,211
Residential mortgages	-	-	-	-	-	-	-	-	-	-
Real estate construction	(2,872)	(2,654)	17	18	(5,491)	(666)	18	17	16	(615)
Equity lines of credit	(50)	-	-	-	(50)	-	(11)	-	-	(11)
Installment	(50)	(10)	(61)	(26)	(147)	26	10	11	4	51
Total net (charge-offs)/recoveries	(3,863)	(3,591)	(2,262)	1,239	(8,477)	(2,949)	1,929	1,161	2,656	2,797
Provision for credit losses	20,000	-	-	-	20,000	-	-	(610)	-	(610)
Transfers from(to) reserve for off-balance sheet credit commitments	368	(2,240)	(894)	(89)	(2,855)	(772)	(446)	547	(157)	(828)
Balance at end of period	<u>\$ 168,523</u>	<u>\$ 152,018</u>	<u>\$ 157,849</u>	<u>\$ 161,005</u>	<u>\$ 168,523</u>	<u>\$ 155,342</u>	<u>\$ 159,063</u>	<u>\$ 157,580</u>	<u>\$ 156,482</u>	<u>\$ 155,342</u>

**Net (Charge-Offs)/Recoveries to Average Total Loans and Leases: (annualized)**

Commercial	(0.08) %	(0.06) %	(0.21) %	0.12 %	(0.06) %	(0.28) %	0.21 %	0.12 %	0.19 %	0.06 %
Commercial real estate mortgages	0.00 %	(0.06) %	0.00 %	0.00 %	(0.02) %	0.07 %	0.00 %	0.00 %	0.20 %	0.07 %
Residential mortgage	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Real estate construction	(0.81) %	(0.78) %	0.01 %	0.01 %	(0.43) %	(0.24) %	0.01 %	0.01 %	0.01 %	(0.06) %
Equity lines of credit	(0.05) %	0.00 %	0.00 %	0.00 %	(0.01) %	0.00 %	(0.01) %	0.00 %	0.00 %	(0.00) %
Installment	(0.12) %	(0.02) %	(0.13) %	(0.06) %	(0.08) %	0.05 %	0.02 %	0.02 %	0.01 %	0.03 %
Total loans and leases	(0.13) %	(0.13) %	(0.08) %	0.05 %	(0.08) %	(0.11) %	0.08 %	0.05 %	0.11 %	0.03 %

**Reserve for Off-Balance Sheet Credit Commitments**

Balance at beginning of period	\$ 20,072	\$ 17,832	\$ 17,005	\$ 16,424	\$ 16,424	\$ 15,652	\$ 15,206	\$ 15,753	\$ 15,596	\$ 15,596
Recovery of prior charge-off	-	-	(67)	-	(67)	-	-	-	-	-
Reserve of acquired institution	-	-	-	492	492	-	-	-	-	-
Transfers to(from) allowance	(368)	2,240	894	89	2,855	772	446	(547)	157	828
Balance at end of period	<u>\$ 19,704</u>	<u>\$ 20,072</u>	<u>\$ 17,832</u>	<u>\$ 17,005</u>	<u>\$ 19,704</u>	<u>\$ 16,424</u>	<u>\$ 15,652</u>	<u>\$ 15,206</u>	<u>\$ 15,753</u>	<u>\$ 16,424</u>

**CITY NATIONAL CORPORATION**  
**NONPERFORMING ASSETS**  
(unaudited)

(Dollars in thousands)	2007				2006			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Nonaccrual Loans								
Commercial	\$ 17,103	\$ 7,673	\$ 3,998	\$ 7,024	\$ 2,977	\$ 10,416	\$ 6,691	\$ 5,642
Commercial real estate mortgages	1,621	1,970	4,732	4,783	4,849	8,094	3,644	923
Residential mortgages	387	394	378	-	-	-	-	-
Real estate construction	55,632	15,513	12,566	11,199	12,678	-	4,617	7,492
Equity lines of credit	679	502	452	362	-	-	-	-
Installment	139	175	182	49	379	269	49	498
Total nonaccrual loans	<u>75,561</u>	<u>26,227</u>	<u>22,308</u>	<u>23,417</u>	<u>20,883</u>	<u>18,779</u>	<u>15,001</u>	<u>14,555</u>
Other Nonperforming Assets	-	-	-	-	-	-	-	-
Total nonperforming assets	<u>\$ 75,561</u>	<u>\$ 26,227</u>	<u>\$ 22,308</u>	<u>\$ 23,417</u>	<u>\$ 20,883</u>	<u>\$ 18,779</u>	<u>\$ 15,001</u>	<u>\$ 14,555</u>
Loans 90 Days or More Past Due on Accrual Status	\$ 1	\$ -	\$ -	\$ 199	\$ 337	\$ 27	\$ 18	\$ -
Allowance for loan and lease losses as a percentage of:								
Nonaccrual loans	223.03 %	579.63 %	707.58 %	687.55 %	743.88 %	847.03 %	1,050.47 %	1,075.11 %
Total nonperforming assets	223.03 %	579.63 %	707.58 %	687.55 %	743.88 %	847.03 %	1,050.47 %	1,075.11 %
Total loans and leases	1.45 %	1.36 %	1.43 %	1.51 %	1.50 %	1.59 %	1.60 %	1.64 %
Nonaccrual loans as a percentage of total loans	0.65 %	0.23 %	0.20 %	0.22 %	0.20 %	0.19 %	0.15 %	0.15 %
Nonperforming assets as a percentage of:								
Total loans and other nonperforming assets	0.65 %	0.23 %	0.20 %	0.22 %	0.20 %	0.19 %	0.15 %	0.15 %
Total assets	0.48 %	0.17 %	0.14 %	0.15 %	0.14 %	0.13 %	0.10 %	0.10 %

**CITY NATIONAL CORPORATION**  
**AVERAGE BALANCES AND RATES**  
(unaudited)

(Dollars in millions)	2007									
	Fourth Quarter		Third Quarter		Second Quarter		First Quarter		Year to Date	
	Average Balance	Average Rate	Average Balance	Average Rate	Average Balance	Average Rate	Average Balance	Average Rate	Average Balance	Average Rate
<b>Assets</b>										
Interest-earning assets										
Loans and leases										
Commercial	\$ 4,391	7.02 %	\$ 4,303	7.42 %	\$ 4,275	7.37 %	\$ 4,146	7.25 %	\$ 4,280	7.26 %
Commercial real estate mortgages	1,925	7.01	1,897	7.31	1,932	7.36	1,758	7.39	1,879	7.26
Residential mortgages	3,155	5.61	3,063	5.59	2,975	5.49	2,885	5.40	3,020	5.52
Real estate construction	1,405	8.07	1,344	8.61	1,234	8.88	1,181	8.73	1,292	8.55
Equity lines of credit	414	6.95	406	7.63	404	7.71	394	7.86	404	7.53
Installment	171	7.11	178	7.35	191	7.51	191	7.64	183	7.41
Total loans and leases	11,461	6.75	11,191	7.04	11,011	7.05	10,555	6.99	11,058	6.95
Due from banks - interest-bearing	95	2.58	98	2.96	89	1.71	73	2.00	89	2.35
Federal funds sold and securities										
purchased under resale agreements	4	4.61	10	5.33	24	5.27	14	5.36	13	5.25
Securities available-for-sale	2,500	4.86	2,746	4.79	2,872	4.74	2,916	4.72	2,757	4.78
Trading account securities	94	4.62	84	5.23	72	5.23	54	6.09	76	5.20
Other interest-earning assets	69	6.08	69	6.15	60	6.36	48	5.96	61	6.14
Total interest-earning assets	14,223	6.36	14,198	6.55	14,128	6.53	13,660	6.48	14,054	6.48
Allowance for loan and lease losses	(151)		(157)		(162)		(157)		(157)	
Cash and due from banks	393		434		445		422		424	
Other non-earning assets	1,124		1,120		1,041		911		1,050	
Total assets	<u>\$ 15,589</u>		<u>\$ 15,595</u>		<u>\$ 15,452</u>		<u>\$ 14,836</u>		<u>\$ 15,371</u>	
<b>Liabilities and Shareholders' Equity</b>										
Interest-bearing deposits										
Interest checking accounts	\$ 805	0.69 %	\$ 778	0.68 %	\$ 804	0.56 %	\$ 749	0.48 %	\$ 784	0.60 %
Money market accounts	3,726	2.99	3,748	3.16	3,721	3.10	3,419	2.98	3,655	3.06
Savings deposits	142	0.49	146	0.49	149	0.48	155	0.47	148	0.48
Time deposits - under \$100,000	224	3.93	232	4.05	274	3.79	232	4.10	240	3.96
Time deposits - \$100,000 and over	1,514	4.38	2,054	4.75	2,066	4.81	1,872	4.72	1,876	4.68
Total interest-bearing deposits	6,411	3.01	6,958	3.32	7,014	3.28	6,427	3.18	6,703	3.20
Federal funds purchased and securities										
sold under repurchase agreements	908	4.50	672	4.99	486	5.11	582	5.27	663	4.90
Other borrowings	746	5.67	620	6.14	612	6.09	599	6.15	645	6.00
Total interest-bearing liabilities	8,065	3.42	8,250	3.67	8,112	3.61	7,608	3.57	8,011	3.57
Noninterest-bearing deposits	5,603		5,484		5,556		5,489		5,533	
Other liabilities	270		238		180		220		228	
Shareholders' equity	1,651		1,623		1,604		1,519		1,599	
Total liabilities and shareholders' equity	<u>\$ 15,589</u>		<u>\$ 15,595</u>		<u>\$ 15,452</u>		<u>\$ 14,836</u>		<u>\$ 15,371</u>	
Net interest spread		<u>2.94 %</u>		<u>2.88 %</u>		<u>2.92 %</u>		<u>2.91 %</u>		<u>2.91 %</u>
Net interest margin		<u>4.42 %</u>		<u>4.42 %</u>		<u>4.46 %</u>		<u>4.49 %</u>		<u>4.45 %</u>
Average prime rate		<u>7.52 %</u>		<u>8.18 %</u>		<u>8.25 %</u>		<u>8.25 %</u>		<u>8.05 %</u>

**CITY NATIONAL CORPORATION**  
**AVERAGE BALANCES AND RATES**  
(unaudited)

(Dollars in millions)	2006									
	Fourth Quarter		Third Quarter		Second Quarter		First Quarter		Year to Date	
	Average Balance	Average Rate	Average Balance	Average Rate	Average Balance	Average Rate	Average Balance	Average Rate	Average Balance	Average Rate
<b>Assets</b>										
Interest-earning assets										
Loans and leases										
Commercial	\$ 3,718	7.06 %	\$ 3,637	7.01 %	\$ 3,868	6.83 %	\$ 3,789	6.62 %	\$ 3,753	6.88 %
Commercial real estate mortgages	1,962	7.56	1,935	7.45	1,794	7.58	1,743	7.35	1,859	7.49
Residential mortgages	2,852	5.40	2,801	5.38	2,737	5.31	2,664	5.27	2,763	5.34
Real estate construction	1,121	8.89	1,071	8.95	957	8.82	898	8.36	1,013	8.77
Equity lines of credit	397	7.86	375	7.91	352	7.63	334	7.17	365	7.66
Installment	195	7.56	194	7.58	195	7.72	197	7.41	195	7.57
Total loans and leases	10,245	6.92	10,013	6.88	9,903	6.79	9,625	6.60	9,948	6.80
Due from banks - interest-bearing	68	1.69	61	1.57	46	1.48	44	0.87	55	1.45
Federal funds sold and securities										
purchased under resale agreements	54	5.28	3	7.13	51	4.77	13	4.32	30	5.01
Securities available-for-sale	3,121	4.65	3,189	4.65	3,528	4.56	3,925	4.48	3,438	4.58
Trading account securities	49	5.32	54	5.22	52	6.61	44	5.26	50	5.61
Other interest-earning assets	47	5.64	46	5.45	46	5.40	47	5.23	47	5.43
Total interest-earning assets	13,584	6.35	13,366	6.30	13,626	6.19	13,698	5.98	13,568	6.20
Allowance for loan and lease losses	(159)		(158)		(157)		(155)		(157)	
Cash and due from banks	407		428		443		439		429	
Other non-earning assets	880		909		870		844		876	
Total assets	<u>\$ 14,712</u>		<u>\$ 14,545</u>		<u>\$ 14,782</u>		<u>\$ 14,826</u>		<u>\$ 14,716</u>	
<b>Liabilities and Shareholders' Equity</b>										
Interest-bearing deposits										
Interest checking accounts	\$ 762	0.43 %	\$ 706	0.36 %	\$ 757	0.27 %	\$ 808	0.23 %	\$ 758	0.32 %
Money market accounts	3,252	2.75	3,224	2.57	3,352	2.13	3,388	1.81	3,304	2.31
Savings deposits	160	0.48	163	0.41	174	0.37	179	0.37	169	0.41
Time deposits - under \$100,000	197	4.07	184	3.73	176	3.16	180	2.77	184	3.45
Time deposits - \$100,000 and over	1,969	4.65	1,999	4.56	1,652	4.05	1,254	3.40	1,721	4.26
Total interest-bearing deposits	6,340	3.04	6,276	2.93	6,111	2.40	5,809	1.92	6,136	2.59
Federal funds purchased and securities										
sold under repurchase agreements	416	5.24	401	5.26	546	4.93	809	4.48	542	4.89
Other borrowings	554	6.19	558	5.63	652	5.51	749	5.09	627	5.57
Total interest-bearing liabilities	7,310	3.41	7,235	3.27	7,309	2.86	7,367	2.52	7,305	3.02
Noninterest-bearing deposits	5,711		5,629		5,820		5,779		5,734	
Other liabilities	218		245		199		200		216	
Shareholders' equity	1,473		1,436		1,454		1,480		1,461	
Total liabilities and shareholders' equity	<u>\$ 14,712</u>		<u>\$ 14,545</u>		<u>\$ 14,782</u>		<u>\$ 14,826</u>		<u>\$ 14,716</u>	
Net interest spread		<u>2.94 %</u>		<u>3.03 %</u>		<u>3.33 %</u>		<u>3.46 %</u>		<u>3.18 %</u>
Net interest margin		<u>4.51 %</u>		<u>4.53 %</u>		<u>4.65 %</u>		<u>4.62 %</u>		<u>4.58 %</u>
Average prime rate		<u>8.25 %</u>		<u>8.25 %</u>		<u>7.90 %</u>		<u>7.43 %</u>		<u>7.96 %</u>

**CITY NATIONAL CORPORATION**  
**CAPITAL AND CREDIT RATING DATA**  
(unaudited)

	2007					2006				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year To Date	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
<b>Per Common Share:</b>										
Shares Outstanding (in thousands):										
Average - Basic	47,947	48,345	48,675	47,968	48,234	47,573	47,919	48,957	49,484	48,477
Average - Diluted	48,869	49,408	49,838	49,087	49,290	49,012	49,318	50,654	51,309	50,063
Period-End	47,830	48,064	48,831	48,602		47,492	47,639	48,115	49,535	
Book Value	\$ 34.61	\$ 33.99	\$ 33.20	\$ 32.72		\$ 31.39	\$ 30.39	\$ 29.05	\$ 29.66	
Price:										
High	\$ 72.97	\$ 78.00	\$ 78.39	\$ 75.39	\$ 78.39	\$ 71.29	\$ 68.41	\$ 78.25	\$ 78.25	\$ 78.25
Low	59.10	69.00	72.30	68.00	59.10	65.34	63.69	60.02	71.95	60.02
Period-end	59.55	69.51	76.09	73.60		71.20	67.06	65.09	76.79	
<b>Capital Ratios (Dollars in millions):</b>										
Risk-based capital										
Risk-adjusted assets	\$ 12,886	\$ 12,234	\$ 12,067	\$ 11,618		\$ 11,411	\$ 10,999	\$ 10,811	\$ 10,473	
Tier I capital	\$ 1,199	\$ 1,171	\$ 1,185	\$ 1,234		\$ 1,256	\$ 1,219	\$ 1,211	\$ 1,284	
Percentage of risk adjusted assets	9.31	9.57 %	9.82 %	10.62 %		11.09 %	11.09 %	11.20 %	12.26 %	
Total capital	\$ 1,453	\$ 1,470	\$ 1,481	\$ 1,524		\$ 1,544	\$ 1,554	\$ 1,542	\$ 1,614	
Percentage of risk adjusted assets	11.27	12.01 %	12.28 %	13.12 %		13.60 %	14.12 %	14.26 %	15.41 %	
Tier I leverage ratio	7.97 %	7.80 %	7.97 %	8.59 %		8.81 %	8.58 %	8.38 %	8.85 %	
Period-end shareholders' equity to total period-end assets	10.42	10.51 %	10.26 %	10.42 %		10.02 %	9.91 %	9.66 %	9.97 %	
Period-end tangible shareholders' equity to total period-end tangible assets	7.39 %	7.43 %	7.22 %	7.88 %		8.24 %	8.03 %	7.76 %	8.20 %	
Average shareholders' equity to total average assets	10.59	10.41 %	10.38 %	10.24 %	10.41 %	10.01 %	9.87 %	9.84 %	9.99 %	9.93 %
Average tangible shareholders' equity to total average tangible assets	7.52 %	7.33 %	7.67 %	8.18 %	7.67 %	8.15 %	7.99 %	8.04 %	8.22 %	8.10 %

**Senior Debt Credit Ratings**

For The Period Ended December 31, 2007

	Moody's	Fitch	Standard & Poor's	DBRS
City National Bank	Aa3	A-	A	A (high)
City National Corporation	A1	A-	A-	A