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**City National Corp. Reports 2008 Net Income for Common Shareholders
Of \$102.5 Million, or \$2.11 per Share**

Company Records Its 16th Consecutive Year of Profitability

Total Loans and Assets Reach Record Highs

LOS ANGELES – City National Corporation (NYSE: CYN), the parent company of wholly owned City National Bank, today reported 2008 net income available to common shareholders of \$102.5 million, or \$2.11 per share. In 2007, the company earned \$4.52 per share on net income of \$222.7 million.

Net income available to common shareholders reflects net income less the dividend paid on preferred stock related to City National's participation late last year in the United States Treasury Department's Capital Purchase Program.

Net income available to common shareholders in the fourth quarter of 2008 amounted to \$6.5 million, or \$0.13 per share. Excluding after-tax charges of \$15.6 million, or \$0.32 per share, for securities and intangible asset impairments, as well as \$2.4 million, or \$0.05 per share, for the dividends on preferred stock related to the Capital Purchase Program, fourth-quarter net income amounted to \$24.5 million, or \$0.50 per share. In the fourth quarter of 2007, the company earned \$0.96 per share on net income of \$46.9 million.

City National also announced today that its Board of Directors has approved a quarterly common stock cash dividend of \$0.25 per share, as compared with \$0.48 per share previously paid. The company's dividend, which is determined on the basis of the previous year's earnings, will be payable on February 18, 2009 to stockholders of record on February 4, 2009.

2008 HIGHLIGHTS

- City National's average loan balances grew to \$12.1 billion, up 9 percent from 2007.
- In the fourth quarter alone, City National renewed approximately \$1 billion of loans and made approximately \$340 million of new loans to new and existing clients, including consumers, homeowners, entrepreneurs, and small and mid-size businesses.
- Average deposits totaled \$11.9 billion, down 3 percent from 2007. However, average core deposits were up 2 percent from the prior year to \$10.6 billion, representing 89 percent of the company's total average deposits.
- Fully taxable-equivalent net interest income amounted to \$616.4 million, down 1 percent from 2007. The company's net interest margin averaged 4.20 percent in 2008, compared with 4.45 percent the prior year.
- Noninterest income amounted to \$267.0 million, or 31 percent of City National's total revenue last year. In 2007, the company generated \$303.2 million of noninterest income. Excluding pretax charges of \$51.2 million for securities impairment, 2008 noninterest income was \$318.2 million, up 5 percent from the previous year.
- City National recorded a \$40 million provision for credit losses in the fourth quarter of 2008, bringing the total provision for the year to \$127 million. The company's reserve amounts to 1.80 percent of total loans and leases, compared with 1.45 percent at the end of 2007.
- City National is very well capitalized. At December 31, 2008, its ratio of shareholders' equity to total assets was 12.4 percent, compared to 10.4 percent at the same time in 2007. This increase reflects the U.S. Treasury Department's \$400 million Capital Purchase Program investment.

"Even in this extremely challenging economy, and with interest rates dropping to record lows, City National completed its 16th consecutive year of profitability with assets and loans at record levels, and deposits strong," said Russell Goldsmith, President and Chief Executive Officer of City National Corporation. "It's particularly noteworthy that City National added approximately \$1 billion in average loan balances last year, and a significant portion of that came in the fourth quarter.

"We expect the economy to remain very challenging in 2009. Nonetheless, with a stronger level of capital, robust loan loss reserves, a rigorous cost-control program and no subprime or brokered mortgages and no credit card, consumer or auto debt to be concerned about, City National is well-positioned to remain profitable this year, and we fully expect its fundamental earning power to become even more apparent again in the years ahead."

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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>2008</i>	<i>2007</i>	
<i>Earnings Per Share</i>	\$ 2.11	\$ 4.52	(53)
<i>Net Income</i>	\$ 104.9	\$ 222.7	(53)
<i>Less: Dividend on Preferred Stock</i>	2.4	-	NM
<i>Net Income Available to Common Shareholders</i>	<u>\$ 102.5</u>	<u>\$ 222.7</u>	(54)
<i>Average Assets</i>	16,028.8	15,370.8	4
<i>Return on Average Assets</i>	0.65 %	1.45 %	(55)
<i>Return on Average Common Equity</i>	6.09 %	13.92 %	(56)

ASSETS

Total assets at December 31, 2008 were \$16.5 billion, up 4 percent from 2007, due to strong loan growth that was partly offset by a decline in the securities portfolio.

REVENUE

Revenue was \$866.9 million in 2008, compared with \$911.5 million for the previous year. The year-over-year difference is due principally to securities impairment charges.

NET INTEREST INCOME

Fully taxable-equivalent net interest income was \$616.4 million in 2008, compared with \$625.0 million for the previous year.

Average loan balances reached \$12.1 billion, up 9 percent from 2007. Commercial loans increased 9 percent from the previous year. Construction and commercial real estate loans also grew 9 percent, as did average single-family residential mortgage loans, which are made primarily to City National's private banking clients.

Average securities for 2008 totaled \$2.4 billion, down \$435 million from the previous year. The average duration of total available-for-sale securities at December 31, 2008 was 2.7 years, compared with 3.4 years at the end of 2007.

City National's net interest margin averaged 4.20 percent in 2008, compared with 4.45 percent in the previous year. The decline was primarily due to a substantial reduction in interest rates in 2008, particularly in the fourth quarter of the year.

At December 31, 2008, City National's prime lending rate was 3.25 percent, down from 7.25 percent on December 31, 2007 and 5.00 percent on September 30, 2008.

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<i>Dollars in millions</i>	<i>For the 12 months ended</i>		<i>%</i>
	<i>December 31,</i>		<i>Change</i>
	<i>2008</i>	<i>2007</i>	
<i>Average Loans</i>	\$ 12,088.7	\$ 11,057.4	9
<i>Average Total Securities</i>	2,398.3	2,833.5	(15)
<i>Average Earning Assets</i>	14,670.2	14,054.1	4
<i>Average Deposits</i>	11,899.6	12,236.4	(3)
<i>Average Core Deposits</i>	10,600.2	10,360.2	2
<i>Fully Taxable-Equivalent</i>			
<i>Net Interest Income</i>	616.4	625.0	(1)
<i>Net Interest Margin</i>	4.20 %	4.45 %	(6)

Average deposits for the year totaled \$11.9 billion, down 3 percent from 2007, as the company was able to reduce its holdings of higher-cost time deposits. Average core deposits grew 2 percent from 2007 and now equal 89 percent of the company's average deposit balances, compared with 85 percent in 2007.

Title and escrow deposit balances averaged \$941 million, down \$246 million from 2007, due to a decline in residential and commercial real estate activity.

City National is participating in the FDIC's Temporary Liquidity Guarantee Program, which temporarily increases basic FDIC deposit insurance coverage to \$250,000 and provides additional unlimited insurance coverage for funds in certain types of accounts. The company also is taking part in the U.S. Treasury's Temporary Money Market Fund Guarantee Program, which temporarily insures the holdings of any publicly offered eligible money market mutual fund – both retail and institutional – that participates in the program.

NONINTEREST INCOME

Noninterest income was \$267.0 million in 2008, down 12 percent from the previous year. The decline was due to the following pretax charges against the company's \$2.4 billion securities portfolio. These charges reflect unprecedented disruption in the financial markets:

- Previously disclosed impairment charges of \$21.9 million for Fannie Mae and Freddie Mac preferred securities;
- An \$18.1 million charge, including \$10.9 million in the fourth quarter, for other-than-temporary impairment of bank income notes; and
- An \$11.2 million charge, including \$7.9 million in the fourth quarter, for other-than-temporary impairment of equity securities.

The company now holds \$11.7 million of income notes and \$39.7 million of equity securities. Together, they equal 2 percent of the company's securities portfolio.

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Wealth Management

City National's assets under management totaled \$30.8 billion as of December 31, 2008, down 17 percent from the prior year. City National's money-market funds and managed fixed-income accounts grew as the result of a flight to safety by investors during a time of market volatility. However, this growth was offset by significantly lower equity market valuations as well as an anticipated shift of funds by the former owner of a City National institutional asset management affiliate to its own in-house manager.

As a result of lower valuations and asset mix changes, trust and investment fees fell 6 percent from 2007. Brokerage and mutual fund fees rose 22 percent from the previous year.

<i>Dollars in millions</i>	<i>At or for the 12 months ended December 31,</i>		<i>% Change</i>
	<i>2008</i>	<i>2007</i>	
<i>Trust and Investment Fee Revenue</i>	\$ 132.2	\$ 140.8	(6)
<i>Brokerage and Mutual Fund Fees</i>	73.4	60.3	22
<i>Assets Under Management (1)</i>	30,781.9	37,268.5	(17)
<i>Assets Under Management or Administration (1)</i>	47,519.8	58,506.3	(19)

(1) Excludes \$4.7 billion and \$12.4 billion of assets under management for an asset manager in which City National held a minority ownership interest as of December 31, 2008 and December 31, 2007 respectively.

Other Noninterest Income

Income from cash management and deposit transaction fees rose to \$48.3 million, up 37 percent from 2007 due to the impact of declining interest rates on compensating deposit balances and the sale of additional cash management services. Fee income from foreign exchange services and letters of credit grew to \$32.4 million, up 7 percent from the previous year.

Other service charges and fees were \$29 million in 2008, down slightly from the previous year.

NONINTEREST EXPENSE

Noninterest expense amounted to \$587.5 million, up 9 percent from 2007. The increase was due largely to a \$7.9 million impairment of a contract intangible asset associated with an investment management affiliate, \$4.7 million of additional expense for FDIC premiums, and a \$1.6 million legal settlement. In addition, during 2007 City National made two acquisitions (Business Bank of Nevada and Convergent Wealth Advisors) that affected the comparability of results. Excluding all of these items, City National's 2008 noninterest expense grew 4 percent from 2007.

CREDIT QUALITY

City National recorded \$127 million in provisions for credit losses in 2008. After net charge-offs, the provisions added \$58.5 million to the company's allowance for loan and lease losses. At December 31, 2008, the allowance for loan and lease losses was \$224.0 million, or 1.80 percent of total loans and leases. Consistent with its methodology, the bank maintains an additional \$22.7 million in reserves for off-balance-sheet credit commitments.

The provisions reflect management's continuing assessment of the credit quality of the company's loan portfolio, which is affected by various economic trends, including continuing weakness in the housing sector. Additional factors affecting the provision include net loan charge-offs, nonaccrual loans, risk-rating migration and growth in the portfolio.

Nonaccrual loans of \$211.1 million and other-real-estate-owned (OREO) assets of \$11.4 million at December 31, 2008 totaled \$222.5 million, or 1.79 percent of total loans and OREO. That compares with \$75.6 million, or 0.65 percent, at the end of 2007 and \$153.2 million, or 1.25 percent, at September 30, 2008.

Net loan charge-offs were \$68.5 million, or 0.57 percent of average total loans and leases, up from \$8.5 million, or 0.08 percent of average total loans and leases, in 2007. Loans to homebuilders for residential land acquisition, development and construction accounted for 46 percent of the 2008 net charge-offs.

<i>Period-end Loans (in millions)</i>	<i>As of December 31, 2008</i>		<i>As of December 31, 2007</i>	
	<i>Total</i>	<i>Nonaccrual</i>	<i>Total</i>	<i>Nonaccrual</i>
<i>Commercial Loans</i>	\$ 4,783.6	\$ 46.2	\$ 4,459.3	\$ 17.1
<i>Commercial R.E. Loans</i>	2,184.7	8.9	1,954.5	1.6
<i>Real Estate Construction Loans</i>	1,252.0	149.5	1,429.8	55.6
<i>Residential Mortgages</i>	3,414.9	3.2	3,176.3	0.4
<i>Equity Lines of Credit</i>	635.3	1.9	432.5	0.7
<i>Other Loans</i>	173.8	1.4	178.2	0.1
<i>Total Loans</i>	<u>\$ 12,444.3</u>	<u>\$ 211.1</u>	<u>\$ 11,630.6</u>	<u>\$ 75.5</u>
<i>Other Real Estate Owned</i>	\$ 11.4		\$ -	

Loans to homebuilders amounted to \$453 million, or 3.6 percent of City National's \$12.4 billion loan portfolio, at December 31, 2008. The bank continues to actively manage each homebuilder loan and to take appropriate steps to mitigate risk and minimize loss exposure.

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City National's commercial real estate construction portfolio has shown signs of weakness as sales and lease absorption rates have slowed, and prices and lease rates have declined due to the economic slowdown, while the commercial real estate mortgage portfolio continues to perform better, with low levels of nonaccrual loans and virtually no charge-offs.

As expected, the company's \$4.8 billion commercial loan portfolio has experienced some deterioration due to the weakening economy. Nonaccrual loans totaled \$46.2 million at December 31, 2008, compared to \$17.1 million a year earlier. Net charge-offs were \$23.9 million, up from \$2.5 million the previous year. The increases were largely related to conditions in the real estate development and construction industries.

City National's residential mortgage loans and home-equity loans continued to perform well in 2008. For both portfolios, the average loan-to-value ratios at origination are 50 percent and 54 percent, respectively. City National does not originate or purchase subprime or option adjustable rate mortgages, and none of its loans has been originated through brokers or third parties.

INCOME TAXES

The company's effective tax rate was 31.1 percent for the year, compared to 37.0 percent in 2007. The lower tax rate for 2008 is attributable to lower pretax income.

FOURTH-QUARTER 2008 HIGHLIGHTS

- Fourth-quarter revenue was \$204.4 million, down 14 percent from the fourth quarter of 2007 and up 1 percent from the third quarter of last year.
- Fully taxable-equivalent net interest income amounted to \$152.6 million, down 4.0 percent from the fourth quarter of 2007 and 2.5 percent from the third quarter of 2008. The company's net interest margin averaged 4.09 percent in the fourth quarter of 2008, compared with 4.23 percent in the third quarter of the year.
- Average loans reached a record \$12.4 billion, up 8 percent from the same period of 2007 and 1 percent from the third quarter of 2008.
- Average deposits grew to \$12.6 billion in the fourth quarter, up 5 percent from the same period of 2007 and 8 percent from the third quarter of 2008. Average core deposits were \$11.1 billion, up 6 percent from both the fourth quarter of 2007 and the third quarter of 2008. Average title and escrow deposits totaled \$810 million, down 27 percent from the fourth quarter of 2007 and 16 percent from the third quarter of last year.
- Noninterest income totaled \$55.6 million, down 32 percent from the same period in 2007 but up 11 percent from the third quarter of 2008. Excluding securities impairment charges, noninterest income was down 10 percent from the fourth quarter of 2007.

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- Noninterest expense increased 9 percent from the fourth quarter of 2007 and 8 percent from the third quarter of 2008. Excluding a \$7.9 million impairment of a contract intangible asset associated with an investment management affiliate, as well as \$1.5 million of additional expense for FDIC premiums, fourth-quarter 2008 noninterest expense increased 2 percent from the same period of 2007.
- The company realized a tax benefit in the fourth quarter, compared to an effective tax rate of 25.2 percent in the third quarter of 2008. The benefit was due primarily to lower pretax income.

2009 OUTLOOK

City National remains well-capitalized, well-reserved and profitable. The company has significant liquidity and is well-positioned to profitably weather current economic conditions and return to increased profitability when conditions improve. In the short-term, however, net income available to common shareholders and earnings per share will continue to be significantly affected by a weak economy, low revenue growth, historically low interest rates, somewhat higher credit costs, declining equity values, higher FDIC premiums and the additional costs of participating in the U.S. Treasury Department's Capital Purchase Program. Excluding the higher FDIC premiums, which all banks are bearing in 2009, noninterest expense will show virtually no growth this year.

In spite of today's challenging business climate, management expects the company to remain profitable in 2009, though earnings this year are anticipated to be lower than they were in 2008.

CAPITAL LEVELS

On November 21, 2008, the U.S. Treasury Department invested \$400 million in City National Corporation's preferred stock and warrants through its Capital Purchase Program. As previously announced, the terms of the investment are consistent with those established by the Treasury for the program.

In addition to expanding the company's lending capacity, this investment bolstered its already strong capital position. Total risk-based capital and Tier 1 risk-based capital ratios at December 31, 2008 were 13.4 percent and 11.7 percent, respectively, compared with the minimum regulatory standards of 10.0 percent and 6.0 percent for "well-capitalized" institutions. City National's Tier 1 leverage ratio at December 31, 2008 was 10.4 percent, well above the regulatory minimum ratio of 5.0 percent.

Total risk-based capital, Tier 1 risk-based capital and the Tier 1 leverage ratios at September 30, 2008 were 11.0 percent, 9.1 percent and 8.0 percent, respectively.

The period-end ratio of shareholders' equity to total assets at December 31, 2008 was 12.4 percent, compared to 10.4 percent at December 31, 2007 and 10.2 percent at September 30, 2008.

STOCK REPURCHASE

In the first half of 2008, City National repurchased 421,500 of its outstanding shares at an average cost per share of \$48.41. No shares were purchased in the second half of the year. In light of its participation in the U.S. Treasury's Capital Purchase Program, the company does not expect to repurchase stock this year.

CONFERENCE CALL

City National Corporation will host a conference call this afternoon to discuss 2008 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) 393-6804 and enter Conference ID 77831534. 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. 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. City National and its eight majority-owned investment affiliates manage or administer \$47.5 billion in client assets, including more than \$30.8 billion under direct management.

For more information about City National, visit the company's Website at 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.

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) difficult and adverse conditions in the global and domestic capital and credit markets, (2) continued volatility and further deterioration of the capital and credit markets, (3) significant changes in banking laws or regulations, including, without limitation, as a result of the Emergency Economic Stabilization Act and the creation of and possible amendments to the Troubled Asset Relief Program (TARP), including the Capital Purchase Program and related executive compensation requirements, (4) continued uncertainty about the impact of TARP and other recent federal programs on the financial markets including levels of volatility and credit availability, (5) a more adverse than expected decline or continued weakness in general business and economic conditions, either nationally, regionally or locally in areas where the company conducts its business,

which may affect, among other things, the level of nonperforming assets, charge-offs and provision expense, (6) unprecedented volatility in equity, fixed income and other market valuations, (7) changes in market rates and prices which may adversely impact the value of financial products including securities, loans, deposits, debt and derivative financial instruments, and other similar financial instruments, (8) changes in the interest rate environment and market liquidity which may reduce interest margins and impact funding sources, (9) increased competition in the company's markets, (10) changes in the financial performance and/or condition of the company's borrowers, (11) 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, (12) soundness of other financial institutions which could adversely affect the company, (13) increases in Federal Deposit Insurance Corporation premiums due to market developments and regulatory changes, (14) protracted labor disputes in the company's markets, (15) earthquake, fire or other natural disasters affecting the condition of real estate collateral, (16) the effect of acquisitions and integration of acquired businesses and de novo branching efforts, (17) the impact of changes in regulatory, judicial or legislative tax treatment of business transactions, (18) changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies, and (19) 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, 2007 and particularly Part I, Item 1A, titled "Risk Factors."

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CITY NATIONAL CORPORATION



Selected Financial Information December 31, 2008

(unaudited)

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CITY NATIONAL CORPORATION
FINANCIAL HIGHLIGHTS
(unaudited)

For The Period Ended December 31,	Three Months			Twelve Months		
	2008	2007	% Change	2008	2007	% Change
Per Common Share						
Net Income available to common shareholders						
Basic.....	\$ 0.13	\$ 0.98	(87)	\$ 2.14	\$ 4.62	(54)
Diluted.....	0.13	0.96	(86)	2.11	4.52	(53)
Dividends.....	0.48	0.46	4	1.92	1.84	4
Book value.....				34.33	34.61	(1)
Results of Operations: (In millions)						
Interest income.....	\$ 188	\$ 224	(16)	\$ 785	\$ 894	(12)
Interest expense.....	39	70	(44)	185	286	(35)
Net interest income.....	149	154	(4)	600	608	(1)
Net interest income (Fully taxable-equivalent).....	153	158	(4)	616	625	(1)
Total revenue.....	204	237	(14)	867	911	(5)
Provision for credit losses.....	40	20	100	127	20	535
Net income.....	9	47	(81)	105	223	(53)
Net income available to common shareholders.....	6	47	(86)	103	223	(54)
Impact of Regulation G Non-GAAP Disclosures on Net Income per Share						
Net income available to common shareholders						
per share.....	\$ 0.13			\$ 2.11		
Add: Impairment on debt and equity securities.....	0.23			0.62		
Impairment on intangible assets.....	0.09			0.09		
Total impact of impairment charges.....	0.32			0.71		
Add: Dividend on preferred stock.....	0.05			0.05		
Net income per share, excluding impairment charges						
and dividend on preferred stock.....	\$ 0.50			\$ 2.87		
Financial Ratios:						
Performance Ratios:						
Return on average assets.....	0.22 %	1.19 %		0.65 %	1.45 %	
Return on average common equity.....	1.55	11.28		6.09	13.92	
Period-end shareholders' equity to period-end assets.....				12.42	10.42	
Net interest margin.....	4.09	4.42		4.20	4.45	
Efficiency ratio.....	75.72	60.18		66.77	58.21	
Capital Adequacy Ratios (Period-end):						
Tier 1 leverage.....				10.44	7.97	
Tier 1 risk-based capital.....				11.71	9.31	
Total risk-based capital.....				13.40	11.27	
Asset Quality Ratios:						
Allowance for loan and lease losses to:						
Total loans and leases.....				1.80 %	1.45 %	
Nonaccrual loans.....				106.11	223.03	
Nonperforming assets to:						
Total loans and leases and other real estate owned.....				1.79	0.65	
Total assets.....				1.35	0.48	
Net (charge-offs)/recoveries to						
Average total loans and leases (annualized).....	(0.79) %	(0.13) %		(0.57) %	(0.08) %	
Average Balances: (In millions)						
Loans and leases.....	\$ 12,371	\$ 11,461	8	\$ 12,089	\$ 11,058	9
Interest-earning assets.....	14,844	14,223	4	14,670	14,054	4
Assets.....	16,191	15,589	4	16,029	15,371	4
Core deposits.....	11,137	10,500	6	10,600	10,360	2
Deposits.....	12,639	12,014	5	11,900	12,236	(3)
Interest-bearing liabilities.....	8,171	8,065	1	8,436	8,011	5
Shareholders' equity.....	1,837	1,651	11	1,727	1,599	8
Common shareholders' equity.....	1,662	1,651	1	1,683	1,599	5
Period-End Balances : (In millions)						
Loans and leases.....	\$ 12,444	\$ 11,631	7	\$ 12,444	\$ 11,631	7
Assets.....	16,456	15,889	4	16,456	15,889	4
Core deposits.....	11,212	10,516	7	11,212	10,516	7
Deposits.....	12,652	11,823	7	12,652	11,823	7
Shareholders' equity.....	2,044	1,656	23	2,044	1,656	23
Wealth Management: (In millions) (1)						
Assets under management.....	\$ 30,782	\$ 37,269	(17)	\$ 30,782	\$ 37,269	(17)
Assets under management or administration.....	47,520	58,506	(19)	47,520	58,506	(19)

(1) Excludes \$4.7 billion and \$12.4 billion of assets under management for an asset manager in which City National held a minority ownership interest as of December 31, 2008 and December 31, 2007, 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,		
	2008	2007	% Change	2008	2007	% Change
Interest income	\$ 187,623	\$ 223,969	(16)	\$ 784,688	\$ 894,101	(12)
Interest expense	38,864	69,596	(44)	184,792	285,829	(35)
Net Interest Income	148,759	154,373	(4)	599,896	608,272	(1)
Provision for Credit Losses	40,000	20,000	100	127,000	20,000	535
Noninterest Income						
Trust and investment fees	28,221	38,188	(26)	132,214	140,753	(6)
Brokerage and mutual fund fees	17,845	16,995	5	73,446	60,279	22
Cash management and deposit transaction fees	12,595	9,517	32	48,307	35,261	37
International services	8,384	8,379	0	32,449	30,399	7
Bank-owned life insurance	645	660	(2)	2,752	2,690	2
Other service charges and fees	6,770	8,575	(21)	28,960	29,205	(1)
Impairment loss on securities	(17,344)	-	NM	(49,280)	-	NM
Gain (loss) on sale of other assets	37	12	208	(353)	5,989	(106)
Gain on sale of securities	(1,527)	7	(21,914)	(1,511)	(1,374)	10
Total noninterest income	55,626	82,333	(32)	266,984	303,202	(12)
Noninterest Expense						
Salaries and employee benefits	89,943	88,146	2	357,015	331,091	8
Net occupancy of premises	12,821	11,881	8	49,514	43,538	14
Legal and professional fees	8,419	10,050	(16)	32,842	35,975	(9)
Information services	7,799	6,039	29	26,969	23,364	15
Depreciation and amortization	5,737	5,535	4	22,201	20,932	6
Amortization of intangibles	11,541	1,749	560	17,738	8,854	100
Marketing and advertising	6,289	6,977	(10)	22,897	21,837	5
Office services	3,352	3,323	1	12,404	12,295	1
Equipment	728	867	(16)	3,144	3,249	(3)
Minority interest (income) expense	(1,350)	2,244	(160)	5,378	8,856	(39)
Other	11,818	7,464	58	37,417	28,110	33
Total noninterest expense	157,097	144,275	9	587,519	538,101	9
Income Before Taxes	7,288	72,431	(90)	152,361	353,373	(57)
Applicable Income Taxes	(1,646)	25,509	(106)	47,405	130,660	(64)
Net Income	\$ 8,934	\$ 46,922	(81)	\$ 104,956	\$ 222,713	(53)
Less: Dividends on preferred stock	2,445	-	NM	2,445	-	NM
Net income available to common shareholders	\$ 6,489	\$ 46,922	(86)	\$ 102,511	\$ 222,713	(54)
Other Data:						
Earnings per common share - basic	\$ 0.13	\$ 0.98	(87)	\$ 2.14	\$ 4.62	(54)
Earnings per common share - diluted	\$ 0.13	\$ 0.96	(86)	\$ 2.11	\$ 4.52	(53)
Dividends paid per common share	\$ 0.48	\$ 0.46	4	\$ 1.92	\$ 1.84	4
Common dividend payout ratio	260.42 %	47.44 %	449	88.50 %	40.13 %	121
Return on average assets	0.22 %	1.19 %	(82)	0.65 %	1.45 %	(55)
Return on average common equity	1.55 %	11.28 %	(86)	6.09 %	13.92 %	(56)
Net interest margin (Fully taxable-equivalent)	4.09 %	4.42 %	(7)	4.20 %	4.45 %	(6)
Full-time equivalent employees	2,989	2,914	3			

CITY NATIONAL CORPORATION
CONSOLIDATED QUARTERLY STATEMENTS OF INCOME

(unaudited)

(Dollars in thousands except per share data)	2008				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year to Date
Interest Income	\$ 187,623	\$ 195,606	\$ 193,707	\$ 207,752	\$ 784,688
Interest Expense	38,864	42,802	43,539	59,587	184,792
Net Interest Income	148,759	152,804	150,168	148,165	599,896
Provision for Credit Losses	40,000	35,000	35,000	17,000	127,000
Noninterest Income					
Trust and investment fees	28,221	33,457	34,187	36,349	132,214
Brokerage and mutual fund fees	17,845	19,470	18,709	17,422	73,446
Cash management and deposit transaction fees	12,595	12,392	12,196	11,124	48,307
International services	8,384	8,202	8,176	7,687	32,449
Bank-owned life insurance	645	824	628	655	2,752
Other service charges and fees	6,770	8,403	8,177	5,610	28,960
Impairment loss on securities	(17,344)	(31,936)	-	-	(49,280)
Gain (loss) on sale of other assets	37	(198)	(192)	-	(353)
Gain (loss) on sale of securities	(1,527)	(536)	(417)	969	(1,511)
Total noninterest income	55,626	50,078	81,464	79,816	266,984
Noninterest Expense					
Salaries and employee benefits	89,943	89,373	87,520	90,179	357,015
Net occupancy of premises	12,821	12,719	12,462	11,512	49,514
Legal and professional fees	8,419	8,332	7,531	8,560	32,842
Information services	7,799	6,576	6,388	6,206	26,969
Depreciation and amortization	5,737	5,502	5,460	5,502	22,201
Amortization of intangibles	11,541	2,238	1,528	2,431	17,738
Marketing and advertising	6,289	5,653	5,360	5,595	22,897
Office services	3,352	2,926	3,140	2,986	12,404
Equipment	728	757	746	913	3,144
Minority interest (income) expense	(1,350)	1,160	2,262	3,306	5,378
Other	11,818	10,521	9,121	5,957	37,417
Total noninterest expense	157,097	145,757	141,518	143,147	587,519
Income Before Taxes	7,288	22,125	55,114	67,834	152,361
Applicable Income Taxes	(1,646)	5,574	19,630	23,847	47,405
Net Income	\$ 8,934	\$ 16,551	\$ 35,484	\$ 43,987	\$ 104,956
Less: Dividends on preferred stock	2,445	-	-	-	2,445
Net income available to common shareholders	\$ 6,489	\$ 16,551	\$ 35,484	\$ 43,987	\$ 102,511
Other Data:					
Earnings per common share - basic	\$ 0.13	\$ 0.35	\$ 0.74	\$ 0.92	\$ 2.14
Earnings per common share - diluted	\$ 0.13	\$ 0.34	\$ 0.73	\$ 0.91	\$ 2.11
Dividends paid per common share	\$ 0.48	\$ 0.48	\$ 0.48	\$ 0.48	\$ 1.92
Common dividend payout ratio	260.42 %	140.24 %	65.40 %	52.75 %	88.50 %
Return on average assets	0.22 %	0.41 %	0.89 %	1.13 %	0.65 %
Return on average common equity	1.55 %	3.91 %	8.42 %	10.46 %	6.09 %
Net interest margin (Fully taxable-equivalent)	4.09 %	4.23 %	4.23 %	4.26 %	4.20 %
Full-time equivalent employees	2,989	3,027	3,013	2,959	

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
Impairment loss on securities	-	-	-	-	-
Gain 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
Common 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 common 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 PERIOD END BALANCE SHEET

(unaudited)

(In thousands)	2008			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Assets				
Cash and due from banks	\$ 279,921	\$ 428,557	\$ 513,736	\$ 514,878
Federal funds sold	-	-	-	1,000
Due from banks - interest-bearing	144,344	95,993	88,149	77,567
Securities-available-for-sale	2,144,870	2,159,918	2,302,982	2,389,459
Trading account securities	295,598	310,251	204,825	121,152
Loans and leases:				
Commercial	4,783,565	4,746,035	4,703,307	4,442,448
Commercial real estate mortgages	2,184,688	2,159,101	2,016,090	2,011,221
Residential mortgages	3,414,868	3,364,332	3,319,741	3,215,871
Real estate construction	1,252,034	1,313,735	1,483,193	1,462,641
Equity lines of credit	635,325	540,937	495,334	449,177
Installment	173,779	154,377	160,665	173,507
Total loans and leases	12,444,259	12,278,517	12,178,330	11,754,865
Allowance for loan and lease losses	(224,046)	(208,046)	(185,070)	(168,278)
Net loans and leases	12,220,213	12,070,471	11,993,260	11,586,587
Premises and equipment, net	131,294	127,361	122,959	119,243
Goodwill and other intangibles	500,037	512,297	514,584	514,811
Other assets	739,238	626,020	598,763	609,335
Total assets	\$ 16,455,515	\$ 16,330,868	\$ 16,339,258	\$ 15,934,032
Liabilities:				
Deposits:				
Noninterest-bearing	\$ 6,140,619	\$ 5,744,863	\$ 5,861,823	\$ 5,680,845
Interest-bearing	6,511,505	6,422,797	6,034,514	6,111,524
Total deposits	12,652,124	12,167,660	11,896,337	11,792,369
Federal funds purchased and securities sold under repurchase agreements	908,157	1,272,359	1,221,428	1,118,478
Other short-term borrowed funds	179,343	630,673	955,000	720,992
Subordinated debt	161,595	157,769	157,080	162,813
Other long-term debt	246,554	231,321	237,867	243,439
Other liabilities	232,497	170,686	171,598	181,414
Total liabilities	14,380,270	14,630,468	14,639,310	14,219,505
Minority interest	31,231	33,950	32,300	32,199
Shareholders' Equity				
Preferred stock	390,089	-	-	-
Common stock	50,961	50,966	50,972	50,982
Additional paid-in capital	428,098	415,348	421,689	419,044
Retained earnings	1,379,624	1,396,400	1,403,062	1,390,781
Accumulated other comprehensive loss	(48,022)	(38,071)	(24,853)	(3,431)
Treasury shares	(156,736)	(158,193)	(183,222)	(175,048)
Total common equity	1,653,925	1,666,450	1,667,648	1,682,328
Total shareholders' equity	2,044,014	1,666,450	1,667,648	1,682,328
Total liabilities and shareholders' equity	\$ 16,455,515	\$ 16,330,868	\$ 16,339,258	\$ 15,934,032

CITY NATIONAL CORPORATION
CONSOLIDATED PERIOD END BALANCE SHEET

(unaudited)

(In thousands)	2007			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Assets				
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>
Liabilities:				
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
Other liabilities	228,067	217,301	186,212	183,185
Total liabilities	14,202,007	13,884,490	14,145,617	13,645,224
Minority interest	31,676	29,148	29,029	28,285
Shareholders' Equity				
Preferred stock	-	-	-	-
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 common equity	1,655,607	1,633,759	1,621,350	1,590,444
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
CREDIT LOSS EXPERIENCE
(unaudited)

(Dollars in thousands)	2008					2007				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year To Date	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year To Date
Allowance for Loan and Lease Losses										
Balance at beginning of period	\$ 208,046	\$ 185,070	\$ 168,278	\$ 168,523	\$ 168,523	\$ 152,018	\$ 157,849	\$ 161,005	\$ 155,342	\$ 155,342
Allowance of acquired institution	-	-	-	-	-	-	-	-	4,513	4,513
Net (charge-offs)/recoveries:										
Commercial	(12,204)	(4,357)	(5,734)	(1,573)	(23,868)	(900)	(632)	(2,218)	1,247	(2,503)
Commercial real estate mortgages	(40)	-	-	12	(28)	9	(295)	-	-	(286)
Residential mortgages	37	8	10	8	63	-	-	-	-	-
Real estate construction	(12,346)	(8,415)	(13,196)	(10,217)	(44,174)	(2,872)	(2,654)	17	18	(5,491)
Equity lines of credit	-	-	-	(239)	(239)	(50)	-	-	-	(50)
Installment	(128)	(30)	4	(78)	(232)	(50)	(10)	(61)	(26)	(147)
Total net (charge-offs)/recoveries	(24,681)	(12,794)	(18,916)	(12,087)	(68,478)	(3,863)	(3,591)	(2,262)	1,239	(8,477)
Provision for credit losses	40,000	35,000	35,000	17,000	127,000	20,000	-	-	-	20,000
Transfers from(to) reserve for off-balance sheet credit commitments	681	770	708	(5,158)	(2,999)	368	(2,240)	(894)	(89)	(2,855)
Balance at end of period	<u>\$ 224,046</u>	<u>\$ 208,046</u>	<u>\$ 185,070</u>	<u>\$ 168,278</u>	<u>\$ 224,046</u>	<u>\$ 168,523</u>	<u>\$ 152,018</u>	<u>\$ 157,849</u>	<u>\$ 161,005</u>	<u>\$ 168,523</u>

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

Commercial	(1.01) %	(0.37) %	(0.49) %	(0.14) %	(0.51) %	(0.08) %	(0.06) %	(0.21) %	0.12 %	(0.06) %
Commercial real estate mortgages	(0.01) %	0.00 %	0.00 %	0.00 %	(0.00) %	0.00 %	(0.06) %	0.00 %	0.00 %	(0.02) %
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	(3.81) %	(2.38) %	(3.61) %	(2.81) %	(3.14) %	(0.81) %	(0.78) %	0.01 %	0.01 %	(0.43) %
Equity lines of credit	0.00 %	0.00 %	0.00 %	(0.22) %	(0.05) %	(0.05) %	0.00 %	0.00 %	0.00 %	(0.01) %
Installment	(0.31) %	(0.08) %	0.01 %	(0.18) %	(0.14) %	(0.12) %	(0.02) %	(0.13) %	(0.06) %	(0.08) %
Total loans and leases	(0.79) %	(0.42) %	(0.63) %	(0.42) %	(0.57) %	(0.13) %	(0.13) %	(0.08) %	0.05 %	(0.08) %

Reserve for Off-Balance Sheet Credit Commitments

Balance at beginning of period	\$ 23,384	\$ 24,154	\$ 24,862	\$ 19,704	\$ 19,704	\$ 20,072	\$ 17,832	\$ 17,005	\$ 16,424	\$ 16,424
Recovery of prior charge-off	-	-	-	-	-	-	-	(67)	-	(67)
Reserve of acquired institution	-	-	-	-	-	-	-	-	492	492
Transfers (to)/from allowance	(681)	(770)	(708)	5,158	2,999	(368)	2,240	894	89	2,855
Balance at end of period	<u>\$ 22,703</u>	<u>\$ 23,384</u>	<u>\$ 24,154</u>	<u>\$ 24,862</u>	<u>\$ 22,703</u>	<u>\$ 19,704</u>	<u>\$ 20,072</u>	<u>\$ 17,832</u>	<u>\$ 17,005</u>	<u>\$ 19,704</u>

CITY NATIONAL CORPORATION
NONPERFORMING ASSETS
(unaudited)

(Dollars in thousands)	2008				2007			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Nonaccrual Loans								
Commercial	\$ 46,238	\$ 26,184	\$ 16,444	\$ 16,293	\$ 17,103	\$ 7,673	\$ 3,998	\$ 7,024
Commercial real estate mortgages	8,924	5,878	5,903	1,841	1,621	1,970	4,732	4,783
Residential mortgages	3,171	266	549	706	387	394	378	-
Real estate construction	149,536	113,288	81,120	93,296	55,632	15,513	12,566	11,199
Equity lines of credit	1,921	1,380	1,398	1,422	679	502	452	362
Installment	1,352	3,890	763	64	139	175	182	49
Total nonaccrual loans	<u>211,142</u>	<u>150,886</u>	<u>106,177</u>	<u>113,622</u>	<u>75,561</u>	<u>26,227</u>	<u>22,308</u>	<u>23,417</u>
Other Real Estate Owned	<u>11,388</u>	<u>2,279</u>	<u>9,113</u>	<u>3,812</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total nonperforming assets	<u>\$ 222,530</u>	<u>\$ 153,165</u>	<u>\$ 115,290</u>	<u>\$ 117,434</u>	<u>\$ 75,561</u>	<u>\$ 26,227</u>	<u>\$ 22,308</u>	<u>\$ 23,417</u>
Loans 90 Days or More Past Due on Accrual Status	\$ 663	\$ 4,930	\$ 2	\$ -	\$ 1	\$ -	\$ -	\$ 199
Allowance for loan and lease losses as a percentage of:								
Nonaccrual loans	106.11 %	137.88 %	174.30 %	148.10 %	223.03 %	579.63 %	707.58 %	687.55 %
Total nonperforming assets	100.68 %	135.83 %	160.53 %	143.30 %	223.03 %	579.63 %	707.58 %	687.55 %
Total loans and leases	1.80 %	1.69 %	1.52 %	1.43 %	1.45 %	1.36 %	1.43 %	1.51 %
Nonaccrual loans as a percentage of total loans	1.70 %	1.23 %	0.87 %	0.97 %	0.65 %	0.23 %	0.20 %	0.22 %
Nonperforming assets as a percentage of:								
Total loans and other real estate owned	1.79 %	1.25 %	0.95 %	1.00 %	0.65 %	0.23 %	0.20 %	0.22 %
Total assets	1.35 %	0.94 %	0.71 %	0.74 %	0.48 %	0.17 %	0.14 %	0.15 %

CITY NATIONAL CORPORATION
AVERAGE BALANCES AND RATES
(unaudited)

(Dollars in millions)	2008									
	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
Assets										
Interest-earning assets										
Loans and leases										
Commercial	\$ 4,790	4.89 %	\$ 4,727	5.30 %	\$ 4,675	5.30 %	\$ 4,456	6.28 %	\$ 4,663	5.42 %
Commercial real estate mortgages	2,149	6.31	2,095	6.52	2,009	6.50	1,975	6.84	2,058	6.54
Residential mortgages	3,386	5.65	3,335	5.62	3,271	5.57	3,179	5.61	3,293	5.61
Real estate construction	1,288	4.57	1,404	5.05	1,470	5.43	1,464	6.47	1,406	5.41
Equity lines of credit	591	3.62	513	4.34	470	4.45	438	5.65	503	4.44
Installment	167	5.45	157	5.89	164	5.88	177	6.49	166	5.93
Total loans and leases	12,371	5.25	12,231	5.53	12,059	5.57	11,689	6.20	12,089	5.63
Due from banks - interest-bearing	120	1.34	94	1.85	95	2.24	78	2.69	97	1.96
Federal funds sold and securities purchased under resale agreements	18	0.33	5	1.88	9	2.54	8	3.33	10	1.61
Securities available-for-sale	2,136	4.96	2,241	4.97	2,351	4.89	2,446	4.81	2,293	4.90
Trading account securities	123	1.06	118	1.94	102	1.65	78	3.11	105	1.83
Other interest-earning assets	76	5.64	79	5.92	79	5.24	72	5.75	76	5.63
Total interest-earning assets	14,844	5.13	14,768	5.39	14,695	5.42	14,371	5.93	14,670	5.46
Allowance for loan and lease losses	(204)		(182)		(163)		(165)		(179)	
Cash and due from banks	341		375		386		379		371	
Other non-earning assets	1,210		1,160		1,159		1,139		1,167	
Total assets	\$ 16,191		\$ 16,121		\$ 16,077		\$ 15,724		\$ 16,029	
Liabilities and Shareholders' Equity										
Interest-bearing deposits										
Interest checking accounts	\$ 888	0.57 %	\$ 826	0.72 %	\$ 867	0.70 %	\$ 823	0.69 %	\$ 851	0.67 %
Money market accounts	3,911	1.85	3,781	1.68	3,738	1.70	3,610	2.47	3,761	1.92
Savings deposits	146	0.52	138	0.44	133	0.28	135	0.36	138	0.40
Time deposits - under \$100,000	240	2.85	213	2.89	208	2.89	220	3.54	220	3.04
Time deposits - \$100,000 and over	1,502	2.32	1,222	2.45	1,143	2.94	1,329	3.99	1,299	2.91
Total interest-bearing deposits	6,687	1.80	6,180	1.72	6,089	1.80	6,117	2.55	6,269	1.96
Federal funds purchased and securities sold under repurchase agreements	636	1.62	1,357	2.28	1,262	2.42	1,141	3.39	1,099	2.51
Other borrowings	848	2.86	1,116	2.97	1,193	2.91	1,119	4.00	1,068	3.20
Total interest-bearing liabilities	8,171	1.89	8,654	1.97	8,544	2.05	8,377	2.86	8,436	2.19
Noninterest-bearing deposits	5,952		5,557		5,606		5,404		5,631	
Other liabilities	231		226		232		252		235	
Shareholders' equity	1,837		1,685		1,695		1,691		1,727	
Total liabilities and shareholders' equity	\$ 16,191		\$ 16,121		\$ 16,077		\$ 15,724		\$ 16,029	
Net interest spread		3.24 %		3.42 %		3.37 %		3.07 %		3.27 %
Net interest margin		4.09 %		4.23 %		4.23 %		4.26 %		4.20 %
Average prime rate		4.06 %		5.00 %		5.08 %		6.22 %		5.09 %

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
Assets										
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	3.05	98	3.48	89	2.40	73	2.70	89	2.93
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	4.84	2,746	4.78	2,872	4.72	2,916	4.70	2,757	4.76
Trading account securities	94	4.57	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	\$ 15,589		\$ 15,595		\$ 15,452		\$ 14,836		\$ 15,371	
Liabilities and Shareholders' Equity										
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	\$ 15,589		\$ 15,595		\$ 15,452		\$ 14,836		\$ 15,371	
Net interest spread		2.94 %		2.88 %		2.92 %		2.91 %		2.91 %
Net interest margin		4.42 %		4.42 %		4.46 %		4.49 %		4.45 %
Average prime rate		7.52 %		8.18 %		8.25 %		8.25 %		8.05 %

CITY NATIONAL CORPORATION
CAPITAL AND CREDIT RATING DATA
(unaudited)

	2008					2007				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year To Date	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Year To Date
Per Common Share:										
Shares Outstanding (in thousands):										
Average - Basic	48,105	47,934	47,849	47,829	47,930	47,947	48,345	48,675	47,968	48,234
Average - Diluted	48,609	48,630	48,524	48,517	48,570	48,869	49,408	49,838	49,087	49,290
Period-End	48,180	48,155	47,777	47,871		47,830	48,064	48,831	48,602	
Book value for common shareholders	\$ 34.33	\$ 34.61	\$ 34.90	\$ 35.14		\$ 34.61	\$ 33.99	\$ 33.20	\$ 32.72	
Closing price:										
High	\$ 57.56	\$ 65.35	\$ 51.75	\$ 60.00	\$ 65.35	\$ 72.97	\$ 78.00	\$ 78.39	\$ 75.39	\$ 78.39
Low	34.97	37.60	40.98	48.57	34.97	59.10	69.00	72.30	68.00	59.10
Period-end	48.70	54.30	42.07	49.46		59.55	69.51	76.09	73.60	

Capital Ratios (Dollars in millions):

Risk-based capital										
Risk-adjusted assets	\$ 13,943	\$ 13,653	\$ 13,546	\$ 13,160		\$ 12,886	\$ 12,234	\$ 12,067	\$ 11,618	
Tier I capital	\$ 1,633	\$ 1,246	\$ 1,224	\$ 1,222		\$ 1,199	\$ 1,171	\$ 1,185	\$ 1,234	
Percentage of risk adjusted assets	11.71 %	9.13 %	9.03 %	9.29 %		9.31 %	9.57 %	9.82 %	10.62 %	
Total capital	\$ 1,868	\$ 1,507	\$ 1,483	\$ 1,477		\$ 1,453	\$ 1,470	\$ 1,481	\$ 1,524	
Percentage of risk adjusted assets	13.40 %	11.04 %	10.95 %	11.22 %		11.27 %	12.01 %	12.28 %	13.12 %	
Tier I leverage ratio	10.44 %	8.01 %	7.89 %	8.06 %		7.97 %	7.80 %	7.97 %	8.59 %	
Period-end shareholders' equity to total period-end assets	12.42 %	10.20 %	10.21 %	10.56 %		10.42 %	10.51 %	10.26 %	10.42 %	
Period-end common equity to total period-end assets	10.05 %	10.20 %	10.21 %	10.56 %		10.42 %	10.51 %	10.26 %	10.42 %	
Period-end tangible shareholders' equity to total period-end tangible assets	9.68 %	7.30 %	7.29 %	7.57 %		7.39 %	7.43 %	7.22 %	7.88 %	
Period-end tangible common equity to total period-end tangible assets	7.23 %	7.30 %	7.29 %	7.57 %		7.39 %	7.43 %	7.22 %	7.88 %	
Average shareholders' equity to total average assets	11.35 %	10.45 %	10.54 %	10.75 %	10.77 %	10.59 %	10.41 %	10.38 %	10.24 %	10.41 %
Average common equity to total average assets	10.27 %	10.45 %	10.54 %	10.75 %	10.50 %	10.59 %	10.41 %	10.38 %	10.24 %	10.41 %
Average tangible shareholders' equity to total average tangible assets	8.46 %	7.50 %	7.59 %	7.71 %	7.82 %	7.52 %	7.33 %	7.67 %	8.18 %	7.67 %
Average tangible common equity to total average tangible assets	7.35 %	7.50 %	7.59 %	7.71 %	7.53 %	7.52 %	7.33 %	7.67 %	8.18 %	7.67 %

Senior Debt Credit Ratings

For The Period Ended December 31, 2008

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