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**City National Corp. Reports First-Quarter 2008
Net Income of \$44 Million, or \$0.91 Per Share**

Revenue up 7 percent from first quarter of 2007

Loans and noninterest income grow at double-digit rates

LOS ANGELES – City National Corporation (NYSE: CYN), the parent company of wholly owned City National Bank, today reported first-quarter 2008 net income of \$44.0 million, or \$0.91 per share. In the first quarter of 2007, the company earned \$1.15 per share on net income of \$56.5 million.

FIRST-QUARTER 2008 HIGHLIGHTS

- City National's first-quarter revenue grew to \$228 million, up 7 percent from \$213 million in the first quarter of 2007.
- Fully taxable-equivalent net interest income amounted to \$152.3 million, up 1 percent from the first quarter of 2007. The company's net interest margin averaged 4.26 percent in the first quarter of 2008, compared to 4.42 percent in the fourth quarter of 2007.
- Average deposit balances were \$11.5 billion, down 3 percent from \$11.9 billion in the first quarter of 2007. Average core deposits grew 1 percent over the year-earlier period.
- Average loans reached \$11.7 billion, up 11 percent from the same period last year, due primarily to organic growth.

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- Noninterest income totaled \$79.8 million, up 21 percent from the first quarter of 2007. Noninterest income accounts for 35 percent of City National's total revenue.
- Assets under direct management amounted to \$35.9 billion, a 33 percent increase from the first quarter of 2007. Assets under management or administration grew 15 percent to \$55.9 billion.
- City National's first-quarter return on average equity was 10.46 percent, and its return on average assets was 1.13 percent.
- First-quarter 2008 net income reflects a \$17 million provision for credit losses. (The company made no provision in the first quarter of 2007.) Net charge-offs in the first quarter of this year totaled \$12.1 million, or 42 basis points of total loans. The company's allowance for loan and lease losses amounted to \$168.3 million, or 1.43 percent of total loans.
- The company remained well capitalized. Its period-end ratio of equity-to-total-assets at March 31, 2008 was 10.56 percent, compared to 10.42 percent at both March 31 and December 31 of last year.

"City National's first-quarter earnings in this economy were reduced by the sharp drop in interest rates and additions to our credit reserves, due primarily to the for-sale housing market," said President and Chief Executive Officer Russell Goldsmith. "Nonetheless, the quarter was quite profitable and we remain a well-capitalized, growing company with a strong balance sheet, an exceptional deposit base and solid credit reserves.

"Not only does City National have no subprime mortgages or CDOs, or SIVs on its balance sheet, looking forward we have no auto loans, consumer credit card or home equity loans to be concerned about. Our company is well-positioned not only to weather the current economic challenges, but also to take advantage of prudent growth opportunities as competitive and economic conditions improve."

<i>Dollars in millions, except per share</i>	<i>For the three months ended</i>			<i>For the three months ended</i>		
	<i>March 31,</i>		<i>%</i>	<i>December 31, 2007</i>	<i>%</i>	
	<i>2008</i>	<i>2007</i>	<i>Change</i>		<i>Change</i>	
<i>Earnings Per Share</i>	\$ 0.91	\$ 1.15	(21)	\$ 0.96	(5)	
<i>Net Income</i>	44.0	56.5	(22)	46.9	(6)	
<i>Average Assets</i>	15,723.5	14,836.3	6	15,588.6	1	
<i>Return on Average Assets</i>	1.13 %	1.55 %	(27)	1.19 %	(5)	
<i>Return on Average Equity</i>	10.46	15.10	(31)	11.28	(7)	

ASSETS

Total assets at March 31, 2008 were \$15.9 billion, up 4 percent from the first quarter of 2007.

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REVENUE

Revenue grew to \$228.0 million, up 7 percent from the first quarter of 2007, due principally to organic growth as well as the company's May 1, 2007 acquisition of Convergent Wealth Advisors.

NET INTEREST INCOME

Fully taxable-equivalent net interest income was \$152.3 million in the first quarter, up \$1.0 million from the same period last year.

First-quarter average loan balances reached \$11.7 billion, up 11 percent from the first quarter of 2007 and 2 percent from the fourth quarter of last year. Commercial loans increased 1 percent from the fourth quarter, while commercial real estate and construction loans together were up 3 percent. Average single-family residential mortgage lending to City National's private banking clients rose 1 percent.

Average securities for the first quarter of 2008 totaled \$2.5 billion, down 15 percent from the same period last year. The average duration of total available-for-sale securities at March 31, 2008 was 3.5 years, compared with 3.4 years at the end of the first quarter of 2007.

At March 31, 2008, City National's prime lending rate was 5.25 percent, down 200 basis points from December 31, 2007.

<i>Dollars in millions</i>	<i>For the three months ended</i>			<i>For the three months ended</i>		
	<i>March 31,</i>		<i>%</i>	<i>December 31, 2007</i>		<i>%</i>
	<i>2008</i>	<i>2007</i>	<i>Change</i>			<i>Change</i>
<i>Average Loans</i>	\$ 11,689.4	\$ 10,554.9	11	\$ 11,461.3		2
<i>Average Total Securities</i>	2,524.3	2,970.3	(15)	2,593.5		(3)
<i>Average Earning Assets</i>	14,371.3	13,659.5	5	14,222.5		1
<i>Average Deposits</i>	11,521.1	11,916.3	(3)	12,013.8		(4)
<i>Average Core Deposits</i>	10,192.6	10,044.8	1	10,499.2		(3)
<i>Fully Taxable-Equivalent</i>						
<i>Net Interest Income</i>	152.3	151.3	1	158.5		(4)
<i>Net Interest Margin</i>	4.26 %	4.49 %	(5)	4.42 %		(4)

City National's net interest margin in the first quarter of 2008 averaged 4.26 percent, compared with 4.42 percent in the fourth quarter of last year. This decline was attributable primarily to short-term interest rate reductions, average loan growth and lower average demand deposits.

First quarter average deposits totaled \$11.5 billion, down 3 percent from the same period of 2007 due to a runoff of time deposits and 4 percent from the fourth quarter due to seasonal variations. Average core deposits grew 1 percent over the first quarter of last year. Average noninterest-bearing deposits fell 2 percent from the first quarter of 2007 and 4 percent from the fourth quarter.

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Even with the nationwide slowdown in housing sales and refinancings, title and escrow deposit balances averaged \$1.0 billion, compared to \$1.2 billion in the first quarter of 2007 and \$1.1 billion in the fourth quarter of last year.

NONINTEREST INCOME

Noninterest income reached \$79.8 million in the first quarter of 2008, a 21 percent increase from the previous year, due to fee revenue generated by wealth management, international banking and cash management. Excluding City National's acquisition of Convergent Wealth Advisors, noninterest income grew 8 percent.

At March 31, 2008, noninterest income accounted for 35 percent of City National's total revenue, up from 31 percent at March 31, 2007.

Wealth Management

City National's assets under management grew 33 percent to \$35.9 billion in the first quarter of 2008, due primarily to the acquisition of Convergent Wealth Advisors and the strong performance of City National Asset Management (CNAM), the company's internal wealth management arm. As a result, trust and investment fees increased 20 percent over the first quarter of 2007. Brokerage and mutual fund fees grew 26 percent.

<i>Dollars in millions</i>	<i>At or for the three months ended</i>			<i>At or for the three months ended</i>		
	<i>March 31,</i>		<i>% Change</i>	<i>ended</i>		<i>% Change</i>
	<i>2008</i>	<i>2007</i>		<i>December 31, 2007</i>		
<i>Trust and Investment Fee Revenue</i>	\$ 36.3	\$ 30.3	20	\$ 38.2		(5)
<i>Brokerage and Mutual Fund Fees</i>	17.4	13.8	26	17.0		2
<i>Assets Under Management (1)</i>	35,884.8	27,074.4	33	37,268.5		(4)
<i>Assets Under Management or Administration (1)</i>	55,854.7	48,432.6	15	58,506.3		(5)

(1) Excludes \$10.1 billion, \$9.3 billion, and \$12.4 billion of assets under management for an asset manager in which City National held a minority ownership interest as of March 31, 2008, March 31, 2007, and December 31, 2007, respectively.

Other Noninterest Income

Fee income from foreign exchange services and letters of credit grew 19 percent from the first quarter of 2007. Income from cash management and deposit transaction fees rose 31 percent from the same period of last year, due to the impact of declining interest rates on the value of compensating deposit balances and the sale of additional cash management services.

Other service charges and fees were \$5.9 million in the first quarter of 2008, down slightly from the year-ago period.

First-quarter securities gains of \$0.7 million relate principally to the partial redemption of VISA Class B Common Stock.

NONINTEREST EXPENSE

First-quarter noninterest expense amounted to \$143.1 million, up 16 percent from the first quarter of 2007. Excluding minority interest expense and the acquisition of both Business Bank of Nevada and Convergent Wealth Advisors, noninterest expense grew 8 percent from the same period a year ago.

City National's first-quarter efficiency ratio was 62 percent, compared with 57 percent in the first quarter of 2007. The year-over-year increase was due primarily to pressure on the company's net interest margin and the continued expansion of City National's fee-based businesses, including the addition of Convergent Wealth Advisors.

CREDIT QUALITY

Nonaccrual loans of \$113.6 million and other real estate owned (OREO) assets of \$3.8 million at March 31, 2008 totaled \$117.4 million, or 1 percent of total loans and other nonperforming assets, compared with \$75.6 million, or 65 basis points, last quarter and \$23.4 million, or 22 basis points, at the same period last year.

Net loan charge-offs for the quarter were \$12.1 million, compared with net charge-offs of \$3.9 million last quarter and net recoveries of \$1.2 million in the first quarter of 2007. The increase in nonaccrual loans and net charge-offs occurred primarily in the residential homebuilder portfolio. Over 80 percent of first-quarter charge-offs and loans on nonaccrual are related to residential construction projects.

The national housing market is under significant duress. New home sales recently fell to 13-year lows, and the S&P Home Price Index declined further than at any time since its inception in 1987.

City National's secured and unsecured homebuilder loans amount to \$583 million, or 5 percent of the company's \$11.8 billion loan portfolio at March 31, 2008. These loans generally have a guarantor or other credit enhancement support. The bank is actively managing each homebuilder loan to ensure that appropriate steps are taken to mitigate risks and loss exposure.

Excluding loans to homebuilders, City National's construction and commercial real estate portfolio continues to perform satisfactorily. While commercial real estate property values are likely to soften as a result of the slowing economy and reduced liquidity, this portfolio is diverse in terms of geography and product type, and it consists primarily of recourse loans to well-established real estate developers in resilient markets. These developers are clients with whom the bank has strong long-term relationships.

City National's residential mortgage loans and home-equity loans continue to perform well. Their average loan-to-value ratios at origination are 50 percent and 54 percent, respectively. None of the loans have been originated through brokers or third-parties. City National has not originated or purchased subprime or option adjustable rate mortgages.

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In the first quarter of 2008, City National recorded a \$17 million provision for credit 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 growth in the portfolio.

At March 31, 2008, the allowance for loan and lease losses was \$168.3 million, or 1.43 percent of total loans. The bank maintains an additional \$24.9 million in reserves for off-balance sheet credit commitments.

INCOME TAXES

The company's effective tax rate for the first quarter of 2008 was 35.2 percent, compared to 36.8 percent in the year-ago period. The lower tax rate for the first quarter of this year is attributable to a one-time tax benefit related to refunds for research and development credits claimed. The effective rate was unchanged from the fourth quarter of last year.

2008 OUTLOOK

The U.S. economy continued to worsen and interest rates declined sharply in the first quarter of this year. The economy is now stagnant and may even be in a mild recession, which affects all financial institutions, including City National.

Management now expects to record a somewhat higher provision for credit losses in 2008 than previously anticipated, due to the continuing and historic decline of conditions in the residential construction business, which have raised the level of nonperforming loans in that sector. Management also expects the recent sharp decline in short-term interest rates to place additional pressure on net interest income. In addition, declining values in the equity markets have lowered the company's expectations for wealth management fee income.

The company has revised its 2008 earnings forecast and, based upon its current assessment of economic conditions, now expects net income per share to be 17 percent to 22 percent lower this year than it was in 2007.

City National's credit reserves and capital position are strong, and the company's outlook for continuing profitability assumes that they will be even stronger by year-end. While expenses for 2008 are expected to come in lower than initially anticipated, the company also continues to invest in a number of longer-term growth initiatives.

CAPITAL LEVELS

City National remains well capitalized. Total risk-based capital and Tier 1 risk-based capital ratios at March 31, 2008 were 11.46 percent and 9.51 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 March 31, 2008 was 8.06 percent, well above the regulatory minimum ratio of 5 percent.

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Total risk-based capital, Tier 1 risk-based capital and the Tier 1 leverage ratios at December 31, 2007 were 11.27 percent, 9.31 percent and 7.97 percent, respectively.

The period-end ratio of shareholders' equity to total assets at March 31, 2008 was 10.56 percent, compared to 10.42 percent at both March 31, 2007 and December 31, 2007.

STOCK REPURCHASE

In the first quarter of 2008, City National repurchased 191,500 of its outstanding shares at an average cost per share of \$54.24. The company expects to repurchase additional stock this year. It is currently authorized to buy back an additional 1,370,400 shares, subject to market conditions.

CONFERENCE CALL

City National Corporation will host a conference call this afternoon to discuss first-quarter 2008 financial results. The call will begin at 2:00 p.m. PDT. Analysts and investors may dial in and participate in the question/answer session. To access the call, please dial (800) 599-9829 and enter passcode 91988445. 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. The company and its eight majority-owned investment affiliates manage or administer nearly \$56 billion in client assets, including \$35.9 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) changes in general business and economic conditions, either

nationally, regionally or locally in areas where the company conducts its business, (2) greater than expected volatility in equity, fixed income and other market valuations, (3) protracted labor disputes in the company's markets, (4) changes in interest rates and interest-rate relationships, (5) significant changes in banking laws or regulations, (6) increased competition in the company's markets and demand for the company's products and services, (7) higher-than-expected credit losses due to business losses, real estate cycles, capital market disruptions, changes in commercial real estate development and real estate prices or other economic factors, (8) 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, (9) changes in the financial performance and/or condition of the company's borrowers, (10) 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, (11) earthquake, fire or other natural disasters affecting the condition of real estate collateral, (12) the effect of acquisitions and integration of acquired businesses and de novo branching efforts, (13) the impact of changes in regulatory, judicial or legislative tax treatment of business transactions, (14) changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies, and (15) 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

March 31, 2008

(unaudited)

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CITY NATIONAL CORPORATION
FINANCIAL HIGHLIGHTS
(unaudited)

For The Period Ended March 31,	Three Months		
	2008	2007	% Change
Per Common Share			
Net Income			
Basic.....	\$ 0.92	\$ 1.18	(22)
Diluted.....	0.91	1.15	(21)
Dividends.....	0.48	0.46	4
Book value.....	35.14	32.72	7
Results of Operations: (In millions)			
Interest income.....	\$ 208	\$ 214	(3)
Interest expense.....	60	67	(11)
Net interest income.....	148	147	1
Net interest income (Fully taxable-equivalent).....	152	151	1
Total revenue.....	228	213	7
Provision for credit losses.....	17	-	NM
Net income.....	44	57	(22)
Financial Ratios:			
Performance Ratios:			
Return on average assets	1.13 %	1.55 %	
Return on average shareholders' equity.....	10.46	15.10	
Period-end shareholders' equity to period-end assets..	10.56	10.42	
Net interest margin.....	4.26	4.49	
Efficiency ratio.....	61.95	57.18	
Capital Adequacy Ratios (Period-end):			
Tier 1 leverage.....	8.06	8.59	
Tier 1 risk-based capital.....	9.51	10.62	
Total risk-based capital.....	11.46	13.12	
Asset Quality Ratios:			
Allowance for loan and lease losses to:			
Total loans and leases.....	1.43 %	1.51 %	
Nonaccrual loans.....	148.10	687.55	
Nonperforming assets to:			
Total loans and leases and nonperforming assets.....	1.00	0.22	
Total assets.....	0.74	0.15	
Net (charge-offs)/recoveries to			
Average total loans and leases (annualized).....	(0.42) %	0.05 %	
Average Balances: (In millions)			
Loans and leases.....	\$ 11,689	\$ 10,555	11
Interest-earning assets.....	14,371	13,660	5
Assets.....	15,724	14,836	6
Core deposits.....	10,192	10,045	1
Deposits.....	11,521	11,916	(3)
Interest-bearing liabilities.....	8,377	7,609	10
Shareholders' equity.....	1,691	1,519	11
Period-End Balances : (In millions)			
Loans and leases.....	\$ 11,755	\$ 10,650	10
Assets.....	15,934	15,264	4
Core deposits.....	10,567	10,673	(1)
Deposits.....	11,792	12,606	(6)
Shareholders' equity.....	1,682	1,590	6
Wealth Management: (In millions) (1)			
Assets under management.....	\$ 35,885	\$ 27,074	33
Assets under management or administration.....	55,855	48,433	15

(1) Excludes \$10.1 billion and \$9.3 billion of assets under management for an asset manager in which City National held a minority ownership interest as of March 31, 2008 and March 31, 2007, respectively.

CITY NATIONAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

(unaudited)

(Dollars in thousands except per share data)	Three Months Ended March 31,		
	2008	2007	% Change
Interest income	\$ 207,752	\$ 214,241	(3)
Interest expense	59,587	66,972	(11)
Net Interest Income	148,165	147,269	1
Provision for Credit Losses	17,000	-	NM
Noninterest Income			
Trust and investment fees	36,349	30,254	20
Brokerage and mutual fund fees	17,422	13,780	26
Cash management and deposit transaction fees	11,124	8,471	31
International services	7,687	6,463	19
Bank-owned life insurance	655	624	5
Other service charges and fees	5,869	6,133	(4)
Gain (loss) on sale of other assets	-	(46)	(100)
Gain on sale of securities	710	269	164
Total noninterest income	79,816	65,948	21
Noninterest Expense			
Salaries and employee benefits	90,179	77,984	16
Net occupancy of premises	11,512	9,458	22
Legal and professional fees	8,560	8,721	(2)
Information services	6,206	5,551	12
Depreciation and amortization	5,502	5,000	10
Amortization of intangibles	2,431	1,630	49
Marketing and advertising	5,595	3,998	40
Office services	2,986	2,747	9
Equipment	913	718	27
Minority interest expense	3,306	2,076	59
Other	5,957	5,906	1
Total noninterest expense	143,147	123,789	16
Income Before Taxes	67,834	89,428	(24)
Applicable Income Taxes	23,847	32,883	(27)
Net Income	\$ 43,987	\$ 56,545	(22)
Other Data:			
Earnings per common share - basic	\$ 0.92	\$ 1.18	(22)
Earnings per common share - diluted	\$ 0.91	\$ 1.15	(21)
Dividends paid per common share	\$ 0.48	\$ 0.46	4
Dividend payout ratio	52.75 %	39.11 %	35
Return on average assets	1.13 %	1.55 %	(27)
Return on average shareholders' equity	10.46 %	15.10 %	(31)
Net interest margin (Fully taxable-equivalent)	4.26 %	4.49 %	(5)
Full-time equivalent employees	2,959	2,800	

CITY NATIONAL CORPORATION
CONSOLIDATED QUARTERLY STATEMENTS OF INCOME
(unaudited)

(Dollars in thousands except per share data)	2008	2007
	First Quarter	Fourth Quarter
Interest Income	\$ 207,752	\$ 223,969
Interest Expense	59,587	69,596
Net Interest Income	148,165	154,373
Provision for Credit Losses	17,000	20,000
Noninterest Income		
Trust and investment fees	36,349	38,188
Brokerage and mutual fund fees	17,422	16,995
Cash management and deposit transaction fees	11,124	9,517
International services	7,687	8,379
Bank-owned life insurance	655	660
Other service charges and fees	5,869	8,575
Gain (loss) on sale of other assets	-	12
Gain on sale of securities	710	7
Total noninterest income	79,816	82,333
Noninterest Expense		
Salaries and employee benefits	90,179	88,146
Net occupancy of premises	11,512	11,881
Legal and professional fees	8,560	10,050
Information services	6,206	6,039
Depreciation and amortization	5,502	5,535
Amortization of intangibles	2,431	1,749
Marketing and advertising	5,595	6,977
Office services	2,986	3,323
Equipment	913	867
Minority interest expense	3,306	2,244
Other	5,957	7,464
Total noninterest expense	143,147	144,275
Income Before Taxes	67,834	72,431
Applicable Income Taxes	23,847	25,509
Net Income	\$ 43,987	\$ 46,922
Other Data:		
Earnings per common share - basic	\$ 0.92	\$ 0.98
Earnings per common share - diluted	\$ 0.91	\$ 0.96
Dividends paid per common share	\$ 0.48	\$ 0.46
Dividend payout ratio	52.75 %	47.44 %
Return on average assets	1.13 %	1.19 %
Return on average shareholders' equity	10.46 %	11.28 %
Net interest margin (Fully taxable-equivalent)	4.26 %	4.42 %
Full-time equivalent employees	2,959	2,914

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	Full Year
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 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	<u>\$ 46,922</u>	<u>\$ 60,093</u>	<u>\$ 59,153</u>	<u>\$ 56,545</u>	<u>\$ 222,713</u>
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 PERIOD END BALANCE SHEET

(unaudited)

(In thousands)	2008 First Quarter
Assets	
Cash and due from banks	\$ 514,878
Federal funds sold	1,000
Due from banks - interest-bearing	77,567
Securities-available-for-sale	2,389,459
Trading account securities	121,152
Loans and leases:	
Commercial	4,442,448
Commercial real estate mortgages	2,011,221
Residential mortgages	3,215,871
Real estate construction	1,462,641
Equity lines of credit	449,177
Installment	173,507
Total loans and leases	11,754,865
Allowance for loan and lease losses	(168,278)
Net loans and leases	11,586,587
Premises and equipment, net	119,243
Goodwill and other intangibles	514,811
Other assets	609,335
Total assets	\$ 15,934,032
Liabilities:	
Deposits:	
Noninterest-bearing	\$ 5,680,845
Interest-bearing	6,111,524
Total deposits	11,792,369
Federal funds purchased and securities	
sold under repurchase agreements	1,118,478
Other short-term borrowed funds	720,992
Subordinated debt	162,813
Other long-term debt	243,439
Minority interest	32,199
Other liabilities	181,414
Total liabilities	14,251,704
Shareholders' Equity	
Common stock	50,982
Additional paid-in capital	419,044
Retained earnings	1,390,781
Accumulated other	
comprehensive loss	(3,431)
Treasury shares	(175,048)
Total shareholders' equity	1,682,328
Total liabilities and shareholders' equity	\$ 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
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
Shareholders' Equity				
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
CREDIT LOSS EXPERIENCE
(unaudited)

(Dollars in thousands)	2008		2007				
	First Quarter	Year To Date	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
Allowance for Loan and Lease Losses							
Balance at beginning of period	\$ 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	(1,573)	(1,573)	(900)	(632)	(2,218)	1,247	(2,503)
Commercial real estate mortgages	12	12	9	(295)	-	-	(286)
Residential mortgages	8	8	-	-	-	-	-
Real estate construction	(10,217)	(10,217)	(2,872)	(2,654)	17	18	(5,491)
Equity lines of credit	(239)	(239)	(50)	-	-	-	(50)
Installment	(78)	(78)	(50)	(10)	(61)	(26)	(147)
Total net (charge-offs)/recoveries	(12,087)	(12,087)	(3,863)	(3,591)	(2,262)	1,239	(8,477)
Provision for credit losses	17,000	17,000	20,000	-	-	-	20,000
Transfers from(to) reserve for off-balance sheet credit commitments	(5,158)	(5,158)	368	(2,240)	(894)	(89)	(2,855)
Balance at end of period	<u>\$ 168,278</u>	<u>\$ 168,278</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	(0.14) %	(0.14) %	(0.08) %	(0.06) %	(0.21) %	0.12 %	(0.06) %
Commercial real estate mortgages	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 %
Real estate construction	(2.81) %	(2.81) %	(0.81) %	(0.78) %	0.01 %	0.01 %	(0.43) %
Equity lines of credit	(0.22) %	(0.22) %	(0.05) %	0.00 %	0.00 %	0.00 %	(0.01) %
Installment	(0.18) %	(0.18) %	(0.12) %	(0.02) %	(0.13) %	(0.06) %	(0.08) %
Total loans and leases	(0.42) %	(0.42) %	(0.13) %	(0.13) %	(0.08) %	0.05 %	(0.08) %

Reserve for Off-Balance Sheet Credit Commitments

Balance at beginning of period	\$ 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	5,158	5,158	(368)	2,240	894	89	2,855
Balance at end of period	<u>\$ 24,862</u>	<u>\$ 24,862</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			
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Nonaccrual Loans					
Commercial	\$ 16,293	\$ 17,103	\$ 7,673	\$ 3,998	\$ 7,024
Commercial real estate mortgages	1,841	1,621	1,970	4,732	4,783
Residential mortgages	706	387	394	378	-
Real estate construction	93,296	55,632	15,513	12,566	11,199
Equity lines of credit	1,422	679	502	452	362
Installment	64	139	175	182	49
Total nonaccrual loans	113,622	75,561	26,227	22,308	23,417
Other Nonperforming Assets	3,812	-	-	-	-
Total nonperforming assets	<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	-	1	-	-	199
Allowance for loan and lease losses as a percentage of:					
Nonaccrual loans	148.10 %	223.03 %	579.63 %	707.58 %	687.55 %
Total nonperforming assets	143.30 %	223.03 %	579.63 %	707.58 %	687.55 %
Total loans and leases	1.43 %	1.45 %	1.36 %	1.43 %	1.51 %
Nonaccrual loans as a percentage of total loans	0.97 %	0.65 %	0.23 %	0.20 %	0.22 %
Nonperforming assets as a percentage of:					
Total loans and other nonperforming assets	1.00 %	0.65 %	0.23 %	0.20 %	0.22 %
Total assets	0.74 %	0.48 %	0.17 %	0.14 %	0.15 %

CITY NATIONAL CORPORATION
AVERAGE BALANCES AND RATES
(unaudited)

(Dollars in millions)	2008		2007	
	First Quarter		Fourth Quarter	
	Average Balance	Average Rate	Average Balance	Average Rate
Assets				
Interest-earning assets				
Loans and leases				
Commercial	\$ 4,456	6.28 %	\$ 4,391	7.02 %
Commercial real estate mortgages	1,975	6.84	1,925	7.01
Residential mortgages	3,179	5.61	3,155	5.61
Real estate construction	1,464	6.47	1,405	8.07
Equity lines of credit	438	5.65	414	6.95
Installment	177	6.49	171	7.11
Total loans and leases	11,689	6.20	11,461	6.75
Due from banks - interest-bearing	78	2.69	95	3.05
Federal funds sold and securities purchased under resale agreements	8	3.33	4	4.61
Securities available-for-sale	2,446	4.81	2,500	4.84
Trading account securities	78	3.11	94	4.57
Other interest-earning assets	72	5.75	69	6.08
Total interest-earning assets	14,371	5.93	14,223	6.36
Allowance for loan and lease losses	(165)		(151)	
Cash and due from banks	379		393	
Other non-earning assets	1,139		1,124	
Total assets	<u>\$ 15,724</u>		<u>\$ 15,589</u>	
Liabilities and Shareholders' Equity				
Interest-bearing deposits				
Interest checking accounts	\$ 823	0.69 %	\$ 805	0.69 %
Money market accounts	3,610	2.47	3,726	2.99
Savings deposits	135	0.36	142	0.49
Time deposits - under \$100,000	220	3.54	224	3.93
Time deposits - \$100,000 and over	1,329	3.99	1,514	4.38
Total interest-bearing deposits	6,117	2.55	6,411	3.01
Federal funds purchased and securities sold under repurchase agreements	1,141	3.39	908	4.50
Other borrowings	1,119	4.00	746	5.67
Total interest-bearing liabilities	8,377	2.86	8,065	3.42
Noninterest-bearing deposits	5,404		5,603	
Other liabilities	252		270	
Shareholders' equity	1,691		1,651	
Total liabilities and shareholders' equity	<u>\$ 15,724</u>		<u>\$ 15,589</u>	
Net interest spread		<u>3.07 %</u>		<u>2.94 %</u>
Net interest margin		<u>4.26 %</u>		<u>4.42 %</u>
Average prime rate		<u>6.22 %</u>		<u>7.52 %</u>

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	<u>\$ 15,589</u>		<u>\$ 15,595</u>		<u>\$ 15,452</u>		<u>\$ 14,836</u>		<u>\$ 15,371</u>	
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	<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
CAPITAL AND CREDIT RATING DATA
(unaudited)

	2008			2007		
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
<u>Per Common Share:</u>						
Shares Outstanding (in thousands):						
Average - Basic	47,829	47,947	48,345	48,675	47,968	48,234
Average - Diluted	48,517	48,869	49,408	49,838	49,087	49,290
Period-End	47,871	47,830	48,064	48,831	48,602	
Book Value	\$ 35.14	\$ 34.61	\$ 33.99	\$ 33.20	\$ 32.72	
Closing price:						
High	\$ 60.00	\$ 72.97	\$ 78.00	\$ 78.39	\$ 75.39	\$ 78.39
Low	48.57	59.10	69.00	72.30	68.00	59.10
Period-end	49.46	59.55	69.51	76.09	73.60	

Capital Ratios (Dollars in millions):

Risk-based capital						
Risk-adjusted assets	\$ 12,852	\$ 12,886	\$ 12,234	\$ 12,067	\$ 11,618	
Tier I capital	\$ 1,222	\$ 1,199	\$ 1,171	\$ 1,185	\$ 1,234	
Percentage of risk adjusted assets	9.51 %	9.31 %	9.57 %	9.82 %	10.62 %	
Total capital	\$ 1,473	\$ 1,453	\$ 1,470	\$ 1,481	\$ 1,524	
Percentage of risk adjusted assets	11.46 %	11.27 %	12.01 %	12.28 %	13.12 %	
Tier I leverage ratio	8.06 %	7.97 %	7.80 %	7.97 %	8.59 %	
Period-end shareholders' equity						
to total period-end assets	10.56 %	10.42 %	10.51 %	10.26 %	10.42 %	
Period-end tangible shareholders' equity						
to total period-end tangible assets	7.57 %	7.39 %	7.43 %	7.22 %	7.88 %	
Average shareholders' equity						
to total average assets	10.75 %	10.59 %	10.41 %	10.38 %	10.24 %	10.41 %
Average tangible shareholders' equity						
to total average tangible assets	7.71 %	7.52 %	7.33 %	7.67 %	8.18 %	7.67 %

Senior Debt Credit Ratings

For The Period Ended March 31, 2008

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