

**CITY NATIONAL CORPORATION**

**CONSOLIDATED BALANCE SHEET (unaudited) (Dollars in thousands, except per share amount)**

	June 30,			March 31,
	2004	2003	% Change	2004
<b>Assets</b>				
Cash and due from banks	\$ 485,208	\$ 451,291	8	\$ 472,541
Federal funds sold	595,000	650,000	(8)	519,000
Due from banks - interest bearing	76,890	30,402	153	34,570
Securities	3,547,650	3,050,319	16	3,651,722
Loans (net of allowance for credit losses of \$165,117; \$170,927 and \$165,072)	7,960,379	7,419,299	7	7,802,567
Other assets	808,773	753,522	7	740,124
Total assets	<u>\$ 13,473,900</u>	<u>\$ 12,354,833</u>	9	<u>\$ 13,220,524</u>
<b>Liabilities and Shareholders' Equity</b>				
Noninterest-bearing deposits	\$ 5,809,241	\$ 4,916,678	18	\$ 5,525,627
Interest-bearing deposits	5,645,678	5,250,128	8	5,609,050
Total deposits	11,454,919	10,166,806	13	11,134,677
Federal funds purchased and securities sold under repurchase agreements	94,898	167,084	(43)	88,063
Other short-term borrowed funds	50,125	115,125	(56)	50,125
Subordinated debt	286,896	318,282	(10)	300,758
Other long-term debt	224,488	283,954	(21)	239,804
Other liabilities / minority interest	134,781	158,892	(15)	167,167
Total liabilities	12,246,107	11,210,143	9	11,980,594
Shareholders' equity				
Common stock, paid-in capital, retained earnings, treasury shares and deferred equity compensation	1,266,211	1,104,909	15	1,207,693
Accumulated other comprehensive income (loss)	(38,418)	39,781	N/M	32,237
Total shareholders' equity	1,227,793	1,144,690	7	1,239,930
Total liabilities and shareholders' equity	<u>\$ 14,701,693</u>	<u>\$ 13,499,523</u>	9	<u>\$ 13,220,524</u>
Book value per share	\$ 25.05	\$ 23.77	5	\$ 25.54
Number of shares at period end	49,013,117	48,156,797	2	48,553,409

**CONSOLIDATED STATEMENT OF INCOME (unaudited) (Dollars in thousands, except per share amount)**

	For the three months ended			For the six months ended		
	June 30,			June 30,		
	2004	2003	% Change	2004	2003	% Change
Interest income	\$ 145,178	\$ 144,333	1	\$ 288,975	\$ 290,009	-
Interest expense	(12,903)	(17,209)	(25)	(25,728)	(34,668)	(26)
Net interest income	132,275	127,124	4	263,247	255,341	3
Provision for credit losses	-	(11,500)	(100)	-	(29,000)	(100)
Net interest income after provision for credit losses	132,275	115,624	14	263,247	226,341	16
Noninterest income	48,266	45,052	7	94,836	84,028	13
Noninterest expense	(95,655)	(91,316)	5	(190,186)	(176,728)	8
Minority interest	(1,306)	(1,065)	23	(2,906)	(1,540)	89
Income before taxes	83,580	68,295	22	164,991	132,101	25
Income taxes	(31,380)	(22,214)	41	(61,893)	(42,365)	46
Net income	<u>\$ 52,200</u>	<u>\$ 46,081</u>	13	<u>\$ 103,098</u>	<u>\$ 89,736</u>	15
Net income per share, basic	<u>\$ 1.07</u>	<u>\$ 0.95</u>	13	<u>\$ 2.11</u>	<u>\$ 1.85</u>	14
Net income per share, diluted	<u>\$ 1.03</u>	<u>\$ 0.93</u>	11	<u>\$ 2.03</u>	<u>\$ 1.80</u>	13
Dividends paid per share	<u>\$ 0.320</u>	<u>\$ 0.205</u>	56	<u>\$ 0.640</u>	<u>\$ 0.410</u>	56
Shares used to compute per share net income, basic	48,795,332	48,307,675		48,763,428	48,543,331	
Shares used to compute per share net income, diluted	50,923,915	49,524,367		50,863,491	49,824,223	

**CITY NATIONAL CORPORATION**

**SELECTED FINANCIAL INFORMATION (unaudited) (Dollars in thousands)**

Period end	June 30,			March 31, 2004
	2004	2003	% Change	
<b>Loans</b>				
Commercial	\$ 3,077,689	\$ 3,232,780	(5)	\$ 3,163,312
Residential first mortgage	2,114,335	1,736,442	22	1,977,952
Commercial real estate mortgage	2,057,489	1,895,964	9	2,004,860
Real estate construction	782,435	653,063	20	741,637
Installment	93,548	71,977	30	79,878
Total loans	<u>\$ 8,125,496</u>	<u>\$ 7,590,226</u>	7	<u>\$ 7,967,639</u>
<b>Deposits</b>				
Noninterest-bearing	\$ 5,809,241	\$ 4,916,678	18	\$ 5,525,627
Interest-bearing, core	4,854,545	4,251,204	14	4,760,018
Total core deposits	10,663,786	9,167,882	16	10,285,645
Time deposits - \$100,000 and over	791,133	998,924	(21)	849,032
Total deposits	<u>\$ 11,454,919</u>	<u>\$ 10,166,806</u>	13	<u>\$ 11,134,677</u>
<b>Credit Quality</b>				
Nonaccrual loans and ORE				
Nonaccrual loans	\$ 41,833	\$ 69,377	(40)	\$ 42,733
ORE	-	173	(100)	-
Total nonaccrual loans and ORE	<u>\$ 41,833</u>	<u>\$ 69,550</u>	(40)	<u>\$ 42,733</u>
Total nonaccrual loans and ORE to total loans and ORE				
	0.51	0.92	(45)	0.54
Loans past due 90 days or more on accrual status				
	<u>\$ 153</u>	<u>\$ 5,853</u>	(97)	<u>\$ 5,057</u>

Allowance for Credit Losses	For the three months ended June 30,			For the six months ended June 30,		
	2004	2003	% Change	2004	2003	% Change
Beginning balance	\$ 165,072	\$ 169,480	(3)	\$ 165,986	\$ 164,502	1
Provision for credit losses	-	11,500	(100)	-	29,000	(100)
Charge-offs	(9,600)	(14,211)	(32)	(13,949)	(29,093)	(52)
Recoveries	9,645	4,158	132	13,080	6,518	101
Net (charge-offs) / recoveries	45	(10,053)	(100)	(869)	(22,575)	(96)
Ending Balance	<u>\$ 165,117</u>	<u>\$ 170,927</u>	(3)	<u>\$ 165,117</u>	<u>\$ 170,927</u>	(3)
Total net charge-offs to average loans (annualized)	0.00	(0.52)	(100)	(0.02)	(0.58)	(97)
Allowance for credit losses to total loans				2.03	2.25	(10)
Allowance for credit losses to nonaccrual loans				394.71	246.37	60

Yields and Rates for the Period	For the three months ended June 30,			For the six months ended June 30,		
	2004	2003	% Change	2004	2003	% Change
Loans	5.37 %	5.80 %	(7)	5.42 %	5.89 %	(8)
Securities	4.44	4.82	(8)	4.51	5.03	(10)
Interest-earning assets	4.92	5.42	(9)	5.01	5.58	(10)
Interest-bearing deposits	0.70	0.96	(27)	0.70	1.01	(31)
Other borrowings	1.91	2.40	(20)	1.94	2.31	(16)
Total interest bearing liabilities	0.81	1.13	(28)	0.82	1.16	(29)
Net interest margin	4.49	4.79	(6)	4.57	4.93	(7)

**CITY NATIONAL CORPORATION****SELECTED FINANCIAL INFORMATION (unaudited) (Dollars in thousands)**

	For the three months ended			For the six months ended		
	June 30,			June 30,		
	2004	2003	% Change	2004	2003	% Change
<b>Average Balances</b>						
<b>Loans</b>						
Commercial	\$ 3,130,129	\$ 3,402,342	(8)	\$ 3,151,138	\$ 3,480,938	(9)
Residential first mortgage	2,036,426	1,733,015	18	1,994,365	1,744,861	14
Commercial real estate mortgage	2,016,773	1,906,995	6	2,009,253	1,907,770	5
Real estate construction	779,349	679,541	15	728,914	671,791	9
Installment	91,239	71,970	27	86,453	73,267	18
Total loans	<u>\$ 8,053,916</u>	<u>\$ 7,793,863</u>	3	<u>\$ 7,970,123</u>	<u>\$ 7,878,627</u>	1
Securities	\$ 3,600,997	\$ 2,873,831	25	\$ 3,531,772	\$ 2,645,670	33
Due from banks - interest bearing	42,961	26,954	59	60,655	26,891	126
Interest-earning assets	12,137,276	10,941,207	11	11,869,575	10,741,276	11
Assets	13,211,551	11,914,869	11	12,909,151	11,698,948	10
Core deposits	10,310,711	8,763,055	18	9,965,935	8,545,977	17
Deposits	11,121,541	9,774,905	14	10,827,508	9,575,481	13
Shareholders' equity	1,230,167	1,131,682	9	1,226,092	1,124,667	9
<b>Noninterest income</b>						
Trust and investment fees	\$ 16,664	\$ 12,192	37	\$ 32,252	\$ 18,730	72
Brokerage and mutual fund fees	9,367	9,313	1	\$ 18,093	\$ 18,255	(1)
Cash management and deposit transaction fees	10,942	10,876	1	22,040	21,983	-
International services	5,042	5,019	-	10,168	9,347	9
Bank owned life insurance	715	731	(2)	1,546	1,445	7
Other	4,665	5,649	(17)	9,237	11,664	(21)
Subtotal - core	47,395	43,780	8	93,336	81,424	15
Gain on sale of loans and assets/debt repurchase	-	-	NM	-	102	(100)
Gain on sale of securities	871	1,272	(32)	1,500	2,502	(40)
Total	<u>\$ 48,266</u>	<u>\$ 45,052</u>	7	<u>\$ 94,836</u>	<u>\$ 84,028</u>	13
<b>Total revenue</b>	<u>\$ 180,541</u>	<u>\$ 172,176</u>	5	<u>\$ 358,083</u>	<u>\$ 339,369</u>	6
<b>Noninterest expense</b>						
Salaries and employee benefits	\$ 59,306	\$ 54,516	9	\$ 118,982	\$ 106,321	12
<b>All Other</b>						
Net occupancy of premises	7,649	7,862	(3)	14,957	14,831	1
Professional	6,730	6,769	(1)	12,836	13,205	(3)
Information services	4,588	4,302	7	9,110	8,555	6
Depreciation	3,274	3,019	8	6,502	6,138	6
Marketing and advertising	3,812	3,553	7	7,319	6,665	10
Office services	2,487	2,398	4	4,906	4,968	(1)
Amortization of intangibles	1,760	2,227	(21)	3,519	4,203	(16)
Equipment	636	638	-	1,401	1,304	7
Other operating	5,413	6,032	(10)	10,654	10,538	1
Total all other	36,349	36,800	(1)	71,204	70,407	1
Total	<u>\$ 95,655</u>	<u>\$ 91,316</u>	5	<u>\$ 190,186</u>	<u>\$ 176,728</u>	8
<b>Selected Ratios</b>						
<b>For the Period</b>						
Return on average assets	1.59 %	1.55 %	3	1.61 %	1.55 %	4
Return on average shareholders' equity	17.07	16.33	5	16.91	16.09	5
Efficiency ratio (1)	52.72	52.53	-	53.05	51.42	3
Dividend payout ratio	30.06	21.51	40	30.38	22.19	37
<b>Period End</b>						
Tier 1 risk-based capital ratio				11.11	10.21	9
Total risk-based capital ratio				14.81	14.45	2
Tier 1 leverage ratio				7.69	7.17	7

(1) The efficiency ratio is defined as noninterest expense excluding ORE expense divided by total revenue (net interest income on a tax-equivalent basis and noninterest income).

(Released to Business Wire this date)