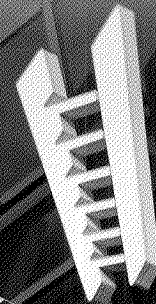




12026735

CITY NATIONAL BANK



# City National Corporation

2011 SUMMARY ANNUAL REPORT

# Highlights

Dollars in thousands, except per share amounts	2011	2010	Percentage Change
<b>FOR THE YEAR</b>			
Total revenue	\$ 1,114,857	\$ 1,091,700	2%
Net income attributable to City National Corporation	172,421	131,177	31
Net income available to common shareholders	172,421	125,475	37
Net income per common share, basic	3.24	2.38	36
Net income per common share, diluted	3.21	2.36	36
Dividends per common share	0.80	0.40	100
<b>AT YEAR END</b>			
Assets	\$ 23,666,291	\$ 21,353,118	11%
Securities	8,101,556	5,976,072	36
Loans and leases, excluding covered loans <sup>(1)</sup>	12,309,385	11,386,628	8
Covered loans <sup>(1)</sup>	1,481,854	1,857,522	(20)
Deposits	20,387,582	18,176,862	12
Common shareholders' equity	2,144,849	1,959,579	9
Total equity	2,144,849	1,984,718	8
Book value per common share	40.86	37.51	9
<b>AVERAGE BALANCES</b>			
Assets	\$ 22,527,750	\$ 21,156,661	6%
Securities	6,634,547	4,677,306	42
Loans and leases, excluding covered loans <sup>(1)</sup>	11,698,388	11,576,380	1
Covered loans <sup>(1)</sup>	1,699,182	1,940,316	(12)
Deposits	19,305,703	17,868,392	8
Common shareholders' equity	2,058,269	1,902,846	8
Total equity	2,076,721	1,961,109	6
<b>SELECTED RATIOS</b>			
Return on average assets	0.77%	0.62%	24%
Return on average common shareholders' equity	8.38	6.59	27
Tier 1 leverage ratio	6.77	6.74	0
Tier 1 risk-based capital ratio	10.26	10.52	(2)
Total risk-based capital ratio	12.83	13.28	(3)
Period-end common shareholders' equity to period-end assets	9.06	9.18	(1)
Period-end equity to period-end assets	9.06	9.29	(2)
Dividend payout ratio, per common share	24.64	16.75	47
Net interest margin	3.79	3.86	(2)
Expense-to-revenue ratio	65.53	62.45	5
<b>AT YEAR END</b>			
Assets under management <sup>(2)</sup>	\$ 31,326,318	\$ 36,753,673	(15)%
Assets under management or administration <sup>(2)</sup>	54,492,355	58,470,832	(7)

<sup>(1)</sup> Covered loans represent acquired loans that are covered under loss-sharing agreements with the FDIC.

<sup>(2)</sup> Excludes \$16.0 billion and \$21.3 billion of assets under management for asset managers in which City National held a noncontrolling ownership interest as of December 31, 2011 and December 31, 2010, respectively.

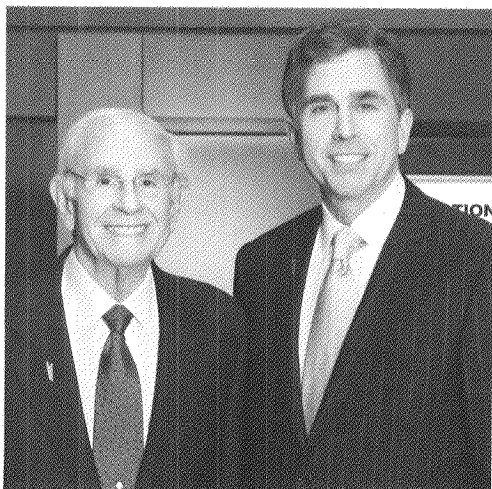
## To Our Shareholders

2011 was another profitable and productive year at City National, with an improving performance culminating in the company's 19th consecutive year of profitability.

### 2011 Highlights

Despite extremely low interest rates, tepid loan demand, continuing margin pressure and a sluggish economy, City National delivered a number of noteworthy achievements in 2011.

- Net income increased 37 percent from 2010 to \$172.4 million.
- Revenue reached an all-time high of \$1.1 billion.
- Assets grew 11 percent to a record \$23.7 billion.
- Average core deposits increased 10 percent to a record \$18.5 billion.
- Average loans, excluding FDIC-covered loans, grew to \$11.7 billion. Average commercial loans were up 10 percent, in spite of low levels of line utilization.
- Credit quality continued to improve by nearly every measure, and the company recorded provisions totaling just \$12.5 million, a dramatic 88 percent decline from 2010.
- City National's wealth management business now oversees nearly \$54.5 billion in client assets.
- The company's capital levels remain strong. At year end, City National had more than \$2.1 billion in total equity (over \$40 per share) and a Tier 1 common ratio of 10.2 percent.
- In January 2012, the Board of Directors increased the quarterly dividend 25 percent, to \$0.25 a share, or \$1 per year, which is in line with the corporation's long-standing policy of paying 30 percent to 35 percent of trailing-year earnings to shareholders.



**Russell Goldsmith** (Right)  
President and CEO, City National Corporation  
Chairman and CEO, City National Bank

**Bram Goldsmith**  
Chairman, City National Corporation

## Stronger Now Than Ever

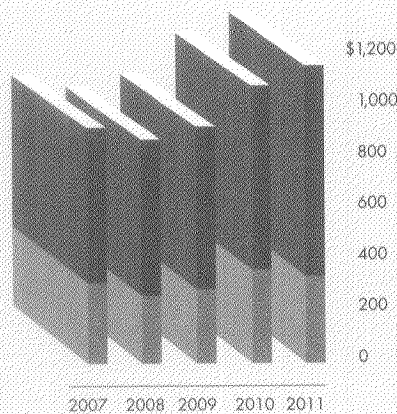
Looking back not only at 2011, but also the challenges presented by the economic crises of the past three years, remarkably, City National has emerged from this period as the 26th largest American bank – bigger and better, safer and stronger than ever – with improved capabilities, an enhanced reputation and an unwavering commitment to exceed client expectations and become the most recommended financial services provider in the communities it serves.

While some financial institutions continued to struggle with credit issues, layoffs, excessive cost cutting, foreclosure-related legal challenges and other difficulties and distractions that this company does not have, City National continued to selectively add talented colleagues, state-of-the-art products and technology, and new strategic office locations. Today, City National is better positioned than ever to meet the financial needs and objectives of its valued clients and to fulfill its value proposition as a premier private and business bank.

Since the financial crisis began in 2008, City National has added 17 banking offices and grown deposits by \$7.7 billion, an increase of more than 60 percent. Average core deposits have grown to a remarkable 96 percent of total balances.

During the last three years, City National has grown its talented team 9 percent with the addition of 267 colleagues, attracted thousands of new clients and enhanced its capital. The company has purchased four banks in California and Nevada from the FDIC, strengthened its banking and wealth management businesses across the full spectrum of the company, and grown its physical and digital platforms substantially.

City National has grown its average earning assets more than 40 percent to \$20.8 billion and taken nearly all of the construction risk out of its loan portfolio over the past three years. It also has strengthened its balance sheet, enhanced its reputation, increased its market share and continued to make the substantial investments needed to best serve its clients, colleagues, communities and shareholders.



### Revenue (\$ in millions)

City National turned in another strong performance in 2011. Revenue exceeded \$1.1 billion for the first time.

■ Net Interest Income   ■ Noninterest Income

# 2011 was City National's 19th consecutive year of profitability.

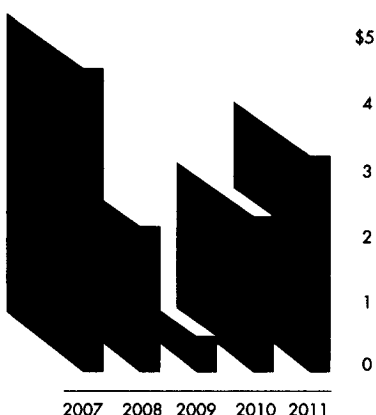
## Proven Business Model

A client-centered value proposition, an ever-expanding array of financial products, services and expertise, and the exceptional service and relationships provided by 3,300 colleagues distinguish City National every day from other financial institutions. This was corroborated in 2011, when Greenwich Associates again recognized City National with seven excellence awards for business banking, and *Barron's* magazine ranked City National among the nation's top wealth managers – for the 11th consecutive year.

As it has for almost 60 years, City National focuses on real relationships with entrepreneurs and their businesses, professionals and their firms, investors, and the families of all these clients, who are the heart of the economy in the communities City National serves. The bank's combination of sophisticated business and private banking plus wealth management is highly complementary and constructive for its clients and, at the same time, provides a diverse mix of fee and interest income. It also yields a diverse loan portfolio, a low-cost deposit base and strong asset quality.

## Expanding in Strategic Locations

In 2011, City National added a net total of five branches, bringing its count to 79. The company added two locations in Los Angeles, opened second offices in New York City and San Jose, and expanded into Nashville and Atlanta, primarily to serve their vibrant entertainment industries. City National now serves clients in five states, focusing on economically dynamic and densely populated urban areas.



## Earnings Per Diluted Share (\$)

City National posted earnings per diluted share of \$3.21 in 2011, up 36 percent from the prior year. Despite the challenges of low interest rates and a slow-growing economy, the company's outlook for continuing growth is good.

### Strong Balance Sheet

Improving credit quality contributed significantly to City National's substantial earnings growth in 2011. Net charge-offs fell 96 percent from a year earlier, nonperforming assets went down 42 percent and classified loans continued their steady decline. The company's allowance for loan and lease losses was a healthy 2.13 percent of total loans, excluding FDIC-covered loans.

City National remained well-capitalized, providing both a comfortable margin of safety for clients, investors and shareholders and the capacity for future corporate growth. At the same time, it enables the company to provide an increased and reasonable return on capital to its shareholders through its dividend.

### Conservative Risk Profile

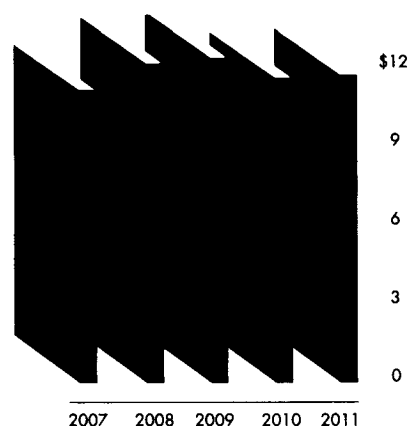
City National deliberately avoided the types of high-risk lending, including subprime mortgages, mortgage securitizations and proprietary trading activities that have created significant problems for some banks and their clients. Instead, the company has stayed true to its roots and maintained a highly disciplined approach to lending and credit quality.

City National's \$12.3 billion loan portfolio, excluding FDIC-covered loans (which now total \$1.5 billion), is well-diversified and balanced. Commercial loan balances represent about 43 percent of total loan balances, while one-third of the portfolio consists of very high-quality residential mortgage loans to our private banking clients. As a result, in 2011, the company recorded only five foreclosures in its single-family mortgage portfolio of \$3.8 billion.

Loans on finished commercial properties, which have fared well during the crisis, account for another 17 percent of the total loan portfolio, while construction lending, where most of the credit issues in the past three years have been focused, now accounts for less than 3 percent of the total City National loan portfolio.

### The Impact of Financial Reform

Like many mid-sized regional banks that maintained disciplined lending standards and avoided the problems and questionable practices of some of the biggest banks, City National is less affected by the



### Average Loans<sup>1</sup> (\$ in billions)

Average loans, excluding loans covered by loss-sharing agreements with the FDIC, grew to \$11.7 billion in 2011, as demand picked up in the second half of the year. City National expects loan growth to continue in 2012.

Commercial
  Equity Lines of Credit  
 Construction and Commercial Real Estate
  Other  
 Residential Mortgage

<sup>1</sup> Excludes FDIC-covered loans

## City National continued to invest in its future with the addition of new people, products, offices and technologies.

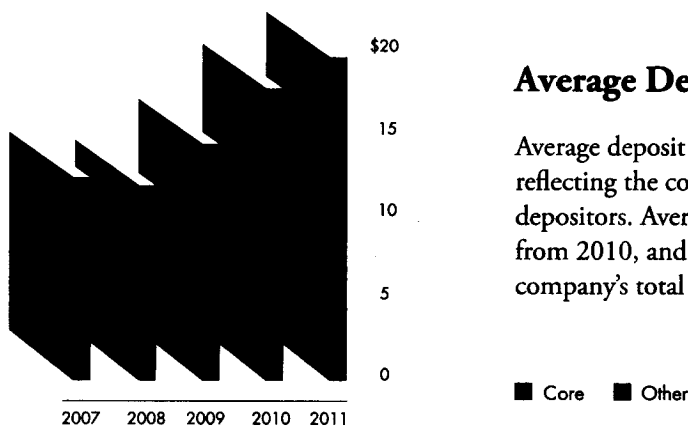
massive Dodd-Frank legislation than much larger institutions. Although the new rules have added to the cost and complexity of doing business at all banks, including City National, and many new rules and regulatory practices have yet to be determined, we believe their collective impact upon City National will be manageable.

### Excellent Prospects for Long-Term Growth

In 2012, the company will continue to invest in its future by selectively opening several new offices in New York City and Northern California, expanding its considerable capabilities and introducing new products.

City National is also taking significant steps to improve its online services capabilities and digital delivery system. The addition of a dedicated digital channels manager last year and an expanding digital channels team this year reflects the fact that a growing number of City National clients and prospective clients are now choosing to bank more often through their computers, smart phones and personal tablets – or they will be in the future. We believe City National has real opportunities to excel in the digital space. The success of Datafaction, which we acquired just over one year ago, and the recent relaunch of the company's Website (cnb.com) demonstrate this.

In addition, the company continues to expand its array of product and service capabilities. Recent examples include Platinum Checking, which offers the convenience of using ATMs around the world *without* paying access fees, and the company's new Personal Remote Deposit Capture service, which makes it easier for clients to deposit checks from their homes. For business clients, there are improved



#### Average Deposits (\$ in billions)

Average deposit balances grew to \$19.3 billion in 2011, reflecting the continuing confidence of City National's depositors. Average core deposits were up 10 percent from 2010, and they now equal 96 percent of the company's total deposit balances.

online business services, additional fraud protection offerings and expanded online international capabilities.

More new products and technology are on the way for our clients in 2012: mobile banking for individuals and businesses, enhanced personal online banking and a chip-based credit card that can be used worldwide.

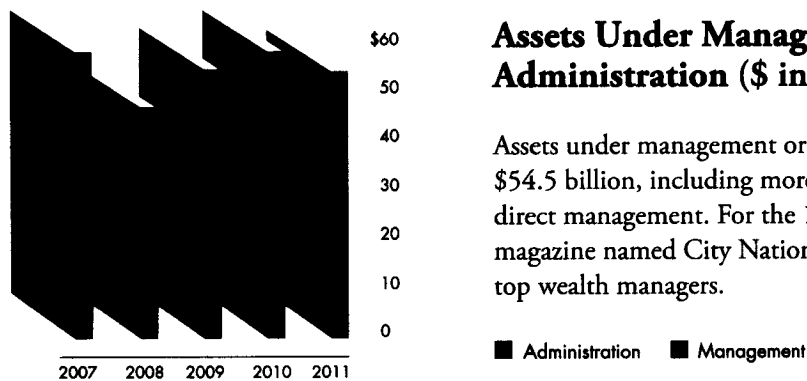
For years, City National has developed specific expertise, specialized lending and deposits, and products and services, as well as certain colleagues, to focus upon particular industries – like entertainment, legal services and real estate. That approach has worked quite well and is successfully expanding to healthcare, franchise finance and more.

Building upon its experience and expertise with both corporate lending and asset-based lending, last year City National opportunistically purchased a \$170 million portfolio of asset-based loans to larger corporations. The company also added several talented colleagues to manage and grow this portfolio.

Since California and Nevada alone are home to nearly 1 million small businesses, City National has recently realigned its branch banking sales force to take better advantage of its expanded physical footprint and the growing opportunities for small business financial services as the economy continues to improve. Already, SBA lending at City National has expanded meaningfully.

City National also has strengthened its international trade services, including its export letters of credit and foreign exchange. Global trade is expected to grow significantly over the next few years, and California is uniquely positioned to benefit. In fact, the ports of Los Angeles and Long Beach together are the largest port complex in the United States, and the Port of Oakland is the nation's fourth busiest container port.

The company is particularly well-positioned to take advantage of the growing market for wealth management services through its extensive offering of sophisticated solutions in investment management, brokerage, trust, financial planning and retirement services – which are all fully integrated with personal banking and credit solutions. While continuing to enhance our proprietary investment capabilities, City National has acquired independent investment firms and opened the investment platform to include money managers from around the globe. This means clients have access





City National is especially grateful for the privilege of serving so many remarkable clients. We thank them for their business, their confidence and their referrals. City National remains committed to meeting all of their financial needs on *The way up*.®

We also want to express our appreciation to the communities we serve. City National's commitment to building better communities has always been integral to its success, its reputation and its purpose. Since 2001, the bank has donated nearly \$36 million to nonprofit organizations that serve our communities. Through our *Reading is The way up*® literacy program, City National and its colleagues have also donated more than 115,000 new books to school libraries in four states and made literacy grants of almost \$500,000 to teachers at elementary, middle and high schools. In addition, during the past two years the bank has donated more than 45,000 school supplies to at-risk schools in the communities we serve. At City National, our colleagues not only give money, but also give of themselves. In 2011, our colleagues logged more than 25,000 hours of volunteer service, and in the past five years colleagues have donated more than 78,000 hours of community service with the support of the bank. City National and its colleagues are helping both our clients and our communities on *The way up*.

Lastly, we want to thank you – our shareholders – for the enormous confidence and trust you have placed in City National. Along with our entire organization, we are determined to continue to build value for the shareholders of City National.

## Conclusion

The selective and strategic investments that City National has made, and continues to make, in its people, products, technology, services, new offices and marketing have enhanced the company's capabilities and its performance, and positioned it well for future growth opportunities.

Even in the current economic environment, City National has more opportunities than challenges. The bank will continue to expand, lend funds, add clients, hire selectively and invest in its future, even as the company delivers greater productivity, in order to provide maximum value to its clients, its colleagues, its shareholders and the communities it serves.

Thank you for your support of City National.



Russell Goldsmith  
President and CEO, City National Corporation  
Chairman and CEO, City National Bank



Bram Goldsmith  
Chairman, City National Corporation

**Condensed Consolidated Statements of Income**

For the year ended December 31,

<i>Dollars in thousands, except per share data<sup>(1)</sup></i>	2011	2010	2009
Interest income	\$ 843,090	\$ 830,196	\$ 709,077
Interest expense	70,100	99,871	85,024
Net interest income	772,990	730,325	624,053
Provision for credit losses on loans and leases, excluding covered loans	12,500	103,000	285,000
Provision for losses on covered loans	43,646	76,218	-
Net interest income after provision	716,844	551,107	339,053
Noninterest income	341,867	361,375	292,197
Noninterest expense	805,095	751,330	581,087
Income before income taxes	253,616	161,152	50,163
Income taxes	77,561	26,055	(1,886)
Net income	\$ 176,055	\$ 135,097	\$ 52,049
Less: Net income attributable to noncontrolling interest	3,634	3,920	710
Net income attributable to City National Corporation	\$ 172,421	\$ 131,177	\$ 51,339
Less: Dividends and accretion on preferred stock	-	5,702	25,903
Net income available to common shareholders	\$ 172,421	\$ 125,475	\$ 25,436
Net income per common share, basic	\$ 3.24	\$ 2.38	\$ 0.50
Net income per common share, diluted	\$ 3.21	\$ 2.36	\$ 0.50
Shares used to compute net income per common share, basic	52,439	51,992	50,272
Shares used to compute net income per common share, diluted	52,849	52,455	50,421
Dividends per common share	\$ 0.80	\$ 0.40	\$ 0.55

<sup>(1)</sup> Certain prior period balances have been reclassified to conform to the current period presentation.

**Condensed Consolidated Balance Sheets**

For the year ended December 31,

<i>Dollars in thousands</i>	2011	2010
<b>Assets</b>		
Cash and cash equivalents	\$ 244,814	\$ 434,689
Securities	8,101,556	5,976,072
Loans, net <sup>(1)</sup>	13,464,117	12,919,754
Other assets	1,855,804	2,022,603
Total assets	\$ 23,666,291	\$ 21,353,118
<b>Liabilities and Equity</b>		
Deposits	\$ 20,387,582	\$ 18,176,862
Borrowings	747,778	858,415
Other liabilities and redeemable noncontrolling interest	386,082	333,123
Total liabilities and redeemable noncontrolling interest	21,521,442	19,368,400
Shareholders' equity	2,144,849	1,959,579
Noncontrolling interest	-	25,139
Total equity	2,144,849	1,984,718
Total liabilities and equity	\$ 23,666,291	\$ 21,353,118

<sup>(1)</sup> Includes \$1.4 billion and \$1.8 billion of loans covered by loss-sharing agreements with the FDIC at December 31, 2011 and December 31, 2010, respectively.

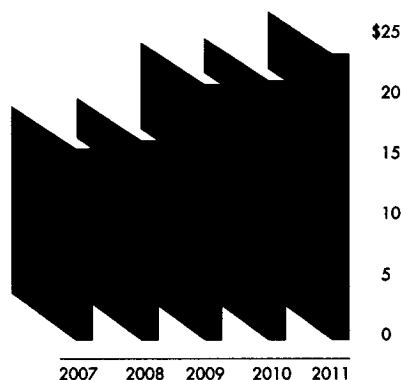
# The company's \$54 billion wealth management business provides clients with objective advice and a full array of global investment capabilities.

to a full array of global investment capabilities and investment talent, including City National Asset Management, City National Securities, Convergent Wealth Advisors, Lee Munder Capital and more.

Through these firms, City National Wealth Management continues to grow in size, breadth of services and depth of capability. At year end, City National managed or administered investment assets of more than \$54 billion, more than any other bank our size, and that does not include our meaningful minority ownership interest in Matthews International, an outstanding \$15.3 billion leader for Asian equities.

The company's investment advisory approach provides clients with objective advice and flexibility, and City National continues to enhance its capabilities to help clients protect and grow their investments. For example, in addition to introducing its multi-manager open architecture, City National Asset Management also recently launched its proprietary High Dividend Equity Strategy. Both strategic initiatives are performing well.

The ability to provide its banking clients with investment services is one of City National's distinguishing characteristics and is centered in the bank's Private Client Services and Entertainment divisions. However, in 2008, the company expanded those capabilities into its branch network by introducing its Preferred Banking program for clients with investable assets of at least \$250,000. This program combines tailored investment strategies and products with the personal service of dedicated bankers and financial advisors. In just over four years, it has brought to the bank more than \$1 billion in new loans, deposits and investments. One-third of this growth has come from new relationships.



## Total Corporate Assets (\$ in billions)

City National ranks as the nation's 26th largest bank, with \$23.7 billion in total assets. The company today is bigger and better, safer and stronger than ever.

## **City National's commitment to building better communities has always been integral to its success, its reputation and its purpose.**

In 2012, City National will again balance the need to grow with disciplined expense management and productivity improvements.

### **Looking Ahead in 2012**

The economy picked up in the second half of 2011, and in 2012 we expect to see continued modest GDP growth in the range of 2 percent to 2.5 percent.

Of course, that assumes no major negative economic events elsewhere in the world. There are, however, headwinds and wild cards that could change and diminish the economic outlook. The high levels of unemployment, the continuing weaknesses in housing and the impact of globalization all dampen economic growth in the U.S. The continuing uncertainty over U.S. fiscal policy, high federal deficits and tax policy has a negative effect on the economy. The prospect of a prolonged recession in Europe also presents uncertainty and jeopardizes global growth. Iran also presents many uncertainties, particularly with regard to energy prices and its supply of oil to the global marketplace.

Despite extremely low interest rates that appear certain to continue through 2012, and the other economic factors just outlined, City National anticipates continuing net income growth in 2012. Loans, deposits and capital ratios are expected to increase, and credit quality will likely continue to improve, though rising loan balances typically require appropriately higher loan-loss provisions.

The company is naturally asset-sensitive, with a large portfolio of variable rate loans that are funded by low-cost, core deposits. So City National stands to benefit significantly when interest rates ultimately increase to more normal levels in future years.

### **In Appreciation**

The success City National has achieved is the work of a remarkable team. We extend our sincere gratitude to City National's outstanding Board of Directors for their guidance and support during these challenging times.

We also thank City National's Executive Committee and all 3,300 of our colleagues. Their hard work, effectiveness and dedication are critical to the company's achievements and reputation. This diverse team of men and women consistently delivers superb results for our clients, communities and shareholders.

## Condensed Consolidated Statements of Changes in Equity and Comprehensive Income

For the year ended December 31,

Dollars in thousands

	2011	2010
Beginning balance	\$ 1,984,718	\$ 2,012,764
Net income <sup>(1)</sup>	174,099	133,318
Other comprehensive income, net of tax	35,519	39,902
Dividends and distributions to noncontrolling interest	(1,678)	(2,141)
Issuance of shares under share-based compensation plans	3,046	22,334
Redemption of preferred stock	-	(200,000)
Repurchase of common stock warrant	-	(18,500)
Dividends on preferred and common stock	(42,489)	(22,827)
Other, net	(8,366)	19,868
Ending balance	\$ 2,144,849	\$ 1,984,718

<sup>(1)</sup> Net income excludes net income attributable to redeemable noncontrolling interest of \$2.0 million and \$1.8 million for the year ended December 31, 2011 and December 31, 2010, respectively.

## Condensed Consolidated Statements of Cash Flows

For the year ended December 31,

Dollars in thousands<sup>(1)</sup>

	2011	2010	2009
<b>Cash Flows from Operating Activities</b>			
Net income	\$ 176,055	\$ 135,097	\$ 52,049
Adjustments to net income	431,966	444,912	223,822
Net cash provided by operating activities	608,021	580,009	275,871
<b>Cash Flows from Investing Activities</b>			
Purchases and sales or maturities of securities, net	(2,275,435)	(1,356,872)	(1,790,017)
Loan originations, net of principal collections	(547,887)	831,857	35,504
Net cash acquired in acquisitions	28,066	88,795	453,719
Other, net	79,938	52,290	(18,259)
Net cash used in investing activities	(2,715,318)	(383,930)	(1,319,053)
<b>Cash Flows from Financing Activities</b>			
Net increase in deposits	2,083,925	255,915	2,614,128
Net decrease in borrowings	(102,292)	(609,991)	(1,051,100)
Redemption of preferred stock	-	(200,000)	(200,000)
Issuance of common stock	-	-	119,929
Repurchase of common stock warrant	-	(18,500)	-
Cash dividends paid	(42,489)	(24,012)	(48,338)
Other, net	(21,722)	22,272	(2,776)
Net cash provided by (used in) financing activities	1,917,422	(574,316)	1,431,843
Net (decrease) increase in cash and cash equivalents	(189,875)	(378,237)	388,661
Cash and cash equivalents at beginning of year	434,689	812,926	424,265
Cash and cash equivalents at end of year	\$ 244,814	\$ 434,689	\$ 812,926

<sup>(1)</sup> Certain prior period balances have been reclassified to conform to the current period presentation.

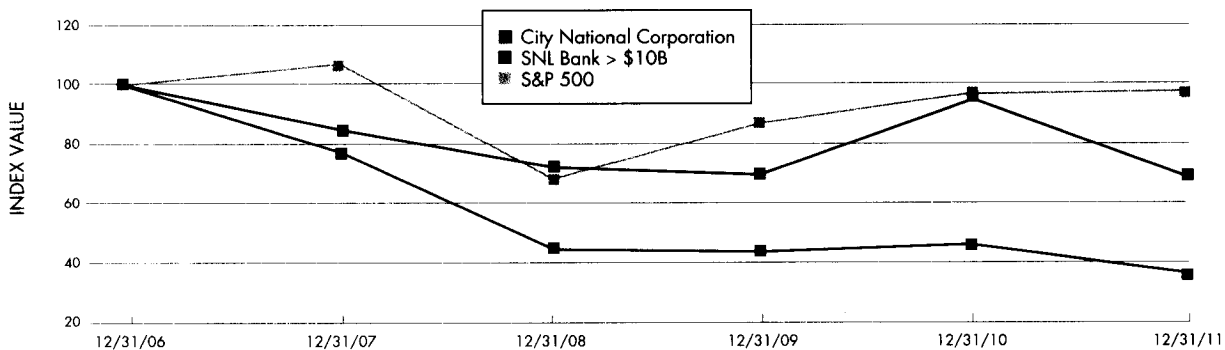
## Data on Common Stock

The principal market for the corporation's common stock, where it is listed and trades under the symbol "CYN," is the New York Stock Exchange. Information concerning the range of high and low sales prices for the corporation's common stock, and the dividends declared, for each quarterly period within the past two fiscal years, is set forth below.

Quarter Ended	High	Low	Dividends Declared
<b>2011</b>			
March 31	\$ 62.90	\$ 55.65	\$ 0.20
June 30	58.75	52.02	0.20
September 30	55.54	37.76	0.20
December 31	45.10	36.01	0.20
<b>2010</b>			
March 31	\$ 54.86	\$ 45.81	\$ 0.10
June 30	64.13	51.23	0.10
September 30	58.00	47.91	0.10
December 31	62.91	51.57	0.10

## Stockholder Return Graph

### City National Corporation Total Return Performance



Index	Period Ending					
	12/31/06	12/31/07	12/31/08	12/31/09	12/31/10	12/31/11
City National Corporation	100.00	85.85	72.83	69.21	93.83	68.60
SNL Bank > \$10B	100.00	77.83	42.86	42.80	47.99	36.53
S&P 500	100.00	105.49	66.46	84.05	96.71	98.76

Source: SNL Financial LC, Charlottesville, VA ©2012; Standard & Poor's Website. Used with permission from standardandpoors.com

The stockholder return graph compares the total cumulative stockholder return on the corporation's common stock to the total cumulative returns of the SNL Bank > \$10B Index and the Standard & Poor's 500 Index. Each line on the stockholder return graph assumes that \$100 was invested in the corporation's common stock and the respective indices on December 31, 2006, and assumes quarterly reinvestment of all dividends. The total cumulative returns shown on the stockholder return graph reflect historical results only and are not necessarily indicative of future results.

## **Report of Independent Registered Public Accounting Firm**

The Board of Directors and Shareholders of City National Corporation:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of City National Corporation and subsidiaries as of December 31, 2011, and the related consolidated statements of income, changes in equity and comprehensive income, and cash flows for the year then ended (not presented herein); and in our report dated February 28, 2012, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

**KPMG LLP**

Los Angeles, California

February 28, 2012

## **Form 10-K**

Shareholders also receive the corporation's Annual Report on Form 10-K for the year ended December 31, 2011, which is filed with the Securities and Exchange Commission and includes our financial statements. If you request, we will send a copy to you without charge. The Annual Report on Form 10-K includes a list of exhibits filed with the Securities and Exchange Commission, but does not include the exhibits. If you wish to receive copies of the exhibits, we will send them to you upon payment of our expenses for doing so. Please write to: Investor Relations, City National Bank, 555 S. Flower Street, 9th Floor, Los Angeles, CA 90071. You also may send your request by facsimile to (213) 673-7646 or by e-mail to [investor\\_relations@cnb.com](mailto:investor_relations@cnb.com).

City National has provided in its Form 10-K for the year ended December 31, 2011 (a) a report of management on the company's internal control over financial reporting containing management's assessment that as of December 31, 2011, City National's internal control over financial reporting is effective based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and (b) KPMG's Report of Independent Registered Public Accounting Firm expressing an unqualified opinion on the effectiveness of internal control over financial reporting.

**Board of Directors**

Bram Goldsmith  
*Chairman of the Board*  
*City National Corporation*

Russell Goldsmith  
*Chairman of the Board and*  
*Chief Executive Officer*  
*City National Bank*

*President and*  
*Chief Executive Officer*  
*City National Corporation*

Christopher J. Warmuth  
*President*  
*City National Bank*

*Executive Vice President*  
*City National Corporation*

Richard L. Bloch  
*Partner*  
*CLB Partners*

Kenneth L. Coleman  
*Chairman*  
*MIPS Technologies*

Ashok Israni  
*President and Chairman*  
*Pacifica Companies*

Ronald L. Olson  
*Partner*  
*Munger, Tolles & Olson LLP*

Bruce Rosenblum  
*President*  
*Warner Bros. Television Group*

Peter M. Thomas  
*Managing Partner*  
*Thomas & Mack Co. LLC*

Robert H. Tuttle  
*Co-Managing Partner*  
*Tuttle-Click Automotive Group*

Kenneth Ziffren  
*Partner*  
*Ziffren Brittenham LLP*

**Executive Committee**

Russell Goldsmith  
*Chairman of the Board and*  
*Chief Executive Officer*  
*City National Bank*

*President and*  
*Chief Executive Officer*  
*City National Corporation*

Bram Goldsmith  
*Chairman of the Board*  
*City National Corporation*

Christopher J. Warmuth  
*President*  
*City National Bank*

*Executive Vice President*  
*City National Corporation*

Christopher J. Carey  
*Executive Vice President and*  
*Chief Financial Officer*

*City National Bank and*  
*City National Corporation*

Rodney F. Banks  
*Executive Vice President*  
*Commercial Banking*

John Beale  
*Executive Vice President and*  
*Chief Information Officer*

Robert Brant  
*Executive Vice President and*  
*Regional Executive*  
*Northern California*

Michael B. Cahill  
*Executive Vice President,*  
*General Counsel and Secretary*  
*City National Bank and*  
*City National Corporation*

James R. Daley  
*Executive Vice President*  
*Treasury Services*

Kevin P. Dunigan  
*Executive Vice President*  
*Core Banking*

*Regional Executive*  
*Orange County*

Brian Fitzmaurice  
*Executive Vice President and*  
*Chief Credit Officer*

Mark J. Forbes  
*Executive Vice President*  
*Real Estate*

Richard Gershen  
*Executive Vice President*  
*Wealth Management*

Martha Henderson  
*Executive Vice President*  
*Entertainment*

*Regional Executive*  
*New York*

Robert M. Iritani  
*Executive Vice President*  
*Specialty Banking*

Marianne Lamutt  
*Executive Vice President*  
*Human Resources*

Gwen Miller  
*Executive Vice President*  
*Private Client Services –*  
*Los Angeles*

*Regional Executive*  
*Los Angeles*

Thomas R. Miller  
*Executive Vice President*  
*Marketing and Product*  
*Strategies*

Michael Pagano  
*Executive Vice President*  
*Private Client Services*

John Pedersen  
*Executive Vice President*  
*and Senior Risk*  
*Management Officer*

*City National Bank and*  
*City National Corporation*

T. Richard Shier  
*Executive Vice President*  
*Banking and*  
*Investment Services*



## Industry Specialties and Services

### ENTERTAINMENT

Martha Henderson, EVP  
Manager  
(310) 888-6200

#### ***Beverly Hills***

Pat Wheeler, SVP  
Team Manager  
(310) 888-6200

Mary Yoel, SVP  
Team Manager  
(310) 888-6200

Dan Zbojniewicz, SVP  
Team Manager  
(310) 888-6200

#### ***New York***

Richard V. McCune, SVP  
Team Manager  
(917) 322-5200

#### ***Nashville***

Holly Bell, SVP  
Team Manager  
(615) 782-5620

#### ***Atlanta***

David Innes, SVP  
(404) 364-6541

### REAL ESTATE

Mark J. Forbes, EVP  
Manager  
(213) 673-8222

John Finnigan, SVP  
Los Angeles  
(213) 673-8888

Michael Kazemzadeh, SVP  
Orange County  
(949) 724-4180

Paige Serden, SVP  
Los Angeles  
(213) 673-8220

### SPECIALTY BANKING

Robert Iritani, EVP  
Manager  
(213) 673-9010

**Capital Finance**  
Martin S. Chin, SVP  
(213) 673-8662

**Corporate Banking**  
Aaron Cohen, SVP  
(213) 673-9015

**Franchise Finance and  
Municipal Finance**  
David Sandoval, SVP  
(213) 673-9026

**International –  
Foreign Exchange**  
David Atkinson, SVP  
(213) 673-8681

**International –  
Interest Rate Derivatives**  
Bernard Tsui, SVP  
(213) 673-8677

**International Banking  
and Trade Finance**  
Steve Bash, SVP  
(213) 673-8807

### TREASURY SERVICES

James R. Daley, EVP  
Manager  
(213) 673-9494

**Specialty Deposits**  
Julie Hayre, SVP  
(213) 673-9391

**Treasury Management**  
Ted Miller, SVP  
(213) 673-9421

**Treasury Management –  
Entertainment**  
Barbara Allen-Watkins,  
SVP  
(310) 888-6011

### SPECIALIZED SERVICES

**Asset Based Lending**  
Belinda Gisbert, SVP  
(213) 673-8904

**Community Reinvestment**  
Sal Mendoza, SVP  
(213) 673-9613

**Small Business  
Administration (SBA)**  
David Park, VP  
(213) 673-8185

**Technology Banking**  
Kent Grubaugh, SVP  
(415) 576-2785

### WEALTH MANAGEMENT

Richard Gershen, EVP  
Manager  
(310) 888-6454

**City National  
Asset Management**  
Bruce Simon, SVP  
Chief Investment Officer  
(310) 888-6304

**City National  
Securities, Inc.**  
Member FINRA/SIPC  
Michael Nunnelee, SVP  
(800) 280-1464

**Clifford Swan Investment  
Counsel, LLC**  
Linda Davis Taylor  
Chairman and  
Chief Executive Officer  
(626) 792-2228

**Convergent Wealth  
Advisors, LLC**  
Steve Lockshin  
Chairman and  
Chief Executive Officer  
(301) 770-6300

**Institutional Retirement  
Plan Services**  
Randy Reed, SVP  
(619) 645-6122

**Lee Munder Capital  
Group, LLC**  
Kenneth L. Swan  
Chief Executive Officer  
(617) 380-5600

## Regional and Commercial Banking Centers

### California

#### CENTURY CITY REGIONAL CENTER

2029 Century Park East  
Los Angeles, 90067  
(310) 282-7808 ♦

#### CITY NATIONAL CENTER BEVERLY HILLS

400 N. Roxbury Dr.  
Beverly Hills, 90210  
(310) 888-6150 ♦

#### CITY NATIONAL PLAZA\* LOS ANGELES

555 S. Flower St.  
Los Angeles, 90071  
(213) 673-8761 ♦  
(213) 673-8740 †

#### EAST BAY REGIONAL CENTER

2001 N. Main St.,  
Suite 200  
Walnut Creek, 94596  
(925) 274-2775 ♦  
(925) 274-5133 †

#### INLAND EMPIRE REGIONAL CENTER

3484 Central Ave.  
Riverside, 92506  
(951) 276-8865 ♦ †

#### LONG BEACH REGIONAL CENTER

11 Golden Shore,  
6th Floor  
Long Beach, 90802  
(562) 624-8664 ♦ †

#### ONTARIO COMMERCIAL BANKING CENTER

3633 Inland Empire Blvd.,  
Suite 105  
Ontario, 91764  
(909) 476-7980 †

#### ORANGE COUNTY REGIONAL CENTER

18111 Von Karman Ave.,  
Suite 110  
Irvine, 92612  
(949) 223-4064 ♦  
(949) 223-4060 †

#### PALO ALTO REGIONAL CENTER

1 Palo Alto Square,  
Suite 100  
3000 El Camino Real  
Palo Alto, 94306  
(650) 812-8345 ♦  
(650) 812-8302 †

#### SAN DIEGO REGIONAL CENTER

4275 Executive Square,  
Suite 750  
La Jolla, 92037  
(858) 642-4924 ♦  
(858) 642-4950 †

#### SAN FERNANDO VALLEY REGIONAL CENTER

15260 Ventura Blvd.,  
16th Floor  
Sherman Oaks, 91403  
(818) 382-1516 ♦ †

#### SAN FRANCISCO REGIONAL CENTER

150 California St.  
San Francisco, 94111  
(415) 576-3897 ♦  
(415) 576-2521 †

#### SAN JOSE REGIONAL CENTER

1 Almaden Blvd.  
Suite 100  
San Jose, 95113  
(408) 392-2103 ♦ †

#### VENTURA COUNTY REGIONAL CENTER

500 Esplanade Dr.,  
1st Floor  
Oxnard, 93036  
(805) 981-2780 †

### Nevada

#### LAS VEGAS REGIONAL CENTER

10801 W. Charleston Blvd.  
Las Vegas, 89135  
(702) 952-5966 ♦  
(702) 952-4446 †

#### NORTHERN NEVADA REGIONAL CENTER

5470 Kietzke Ln.  
Reno, 89511  
(775) 828-8126 ♦  
(775) 828-8110 †

### New York

#### NEW YORK REGIONAL CENTER

400 Park Ave.,  
7th Floor  
New York, 10022  
(917) 322-5200 ♦ †

## Branch Locations

### California

#### ALAMEDA COUNTY

**Fremont**  
2201 Walnut Ave.,  
Suite 100  
Fremont, 94538  
(510) 574-1900

#### Oakland

2101 Webster St.  
Oakland, 94612  
(510) 287-3140

#### San Leandro

1100 San Leandro Blvd.,  
Suite 100  
San Leandro, 94577  
(510) 347-3410

#### CONTRA COSTA COUNTY

**Walnut Creek**  
2001 N. Main St.,  
Suite 120  
Walnut Creek, 94596  
(925) 274-2740

#### LOS ANGELES COUNTY

**Beverly Hills Main**  
City National Center  
400 N. Roxbury Dr.  
Beverly Hills, 90210  
(310) 888-6000

#### Beverly Hills / Wilshire

8641 Wilshire Blvd.  
Beverly Hills, CA 90211  
(310) 855-7940

#### Brentwood

11675 San Vicente Blvd.  
Los Angeles, 90049  
(310) 855-7960

#### Burbank

3500 W. Olive Ave.,  
Suite 100  
Burbank, 91505  
(818) 238-2400

#### Century City

1800 Century Park East  
Los Angeles, 90067  
(310) 888-6850

#### Century City

2029 Century Park East  
Los Angeles, 90067  
(310) 282-7800

#### Chatsworth

9400 Topanga Canyon Blvd.  
Chatsworth, 91311  
(818) 773-4440

#### City of Commerce

5601 E. Slauson Ave.  
City of Commerce, 90040  
(323) 838-4000

#### City of Industry

13191 Crossroads Pkwy. North  
City of Industry, 91746  
(562) 463-2000

#### Encino

16133 Ventura Blvd.  
Encino, 91436  
(818) 905-4100

#### Glendale

550 N. Brand Blvd.,  
Suite 100  
Glendale, 91203  
(818) 265-5620

#### Long Beach

6265 E. Second St.  
Long Beach, 90803  
(562) 936-5800

#### Long Beach Main

11 Golden Shore  
Long Beach, 90802  
(562) 624-8600

#### Los Angeles Airport

6033 W. Century Blvd.  
Los Angeles, 90045  
(310) 342-4500

#### Los Angeles - Bunker Hill

355 S. Grand Ave.,  
Suite 150  
Los Angeles, 90071  
(213) 253-4360

#### Los Angeles - Fairfax

6100 Wilshire Blvd.  
Los Angeles, 90048  
(323) 634-7200

#### Los Angeles Main

525 S. Flower St.  
Los Angeles, 90071  
(213) 673-9900

#### Los Angeles - Pershing Square

606 S. Olive St.  
Los Angeles, 90014  
(213) 347-2200

#### Manhattan Beach

2231 Rosscrans Ave.,  
Suite A  
El Segundo, CA 90245  
(310) 536-4820

#### Pacific Palisades

1012 Swarthmore Ave.  
Pacific Palisades, 90272  
(310) 873-5300

#### Pasadena

89 S. Lake Ave.  
Pasadena, 91101  
(626) 432-7100

#### Santa Monica

1620 26th St.  
Santa Monica, 90404  
(310) 264-2900

#### Sherman Oaks

15260 Ventura Blvd.  
Sherman Oaks, 91403  
(818) 382-1400

#### Studio City

12001 Ventura Pl.  
Studio City, 91604  
(818) 487-7500

#### Studio City

12515 Ventura Blvd.  
Studio City, 91604  
(818) 487-7500

#### Sun Valley

8012 Vineland Ave.  
Sun Valley, 91352  
(818) 252-3020

#### Torrance

3424 Carson St.  
Torrance, 90503  
(310) 793-5700

#### Universal City

4605 Lankershim Blvd.  
North Hollywood, 91602  
(818) 487-1040

#### Valencia

24200 Magic Mountain Pkwy.,  
Suite 140  
Valencia, 91355  
(661) 291-3160

#### West Hollywood

9229 Sunset Blvd.  
West Hollywood, 90069  
(310) 888-6800

#### West Los Angeles

11500 W. Olympic Blvd.  
Los Angeles, 90064  
(310) 445-3640

#### Westwood

10889 Wilshire Blvd.  
Los Angeles, 90024  
(310) 888-6950

#### Woodland Hills

21800 Oxnard St.  
Woodland Hills, 91367  
(818) 227-4300

#### ORANGE COUNTY

##### Anaheim

2401 E. Katella Ave.,  
Suite 150  
Anaheim, 92806  
(714) 704-4940

##### Costa Mesa

611 Anton Blvd.  
Costa Mesa, 92626  
(714) 966-3700

##### Irvine

9 Executive Circle  
Irvine, 92614  
(949) 862-7000

##### Irvine - Orange County Airport

18111 Von Karman Ave.,  
Suite 100  
Irvine, 92612  
(949) 223-4000

**Irvine - South Orange County**

20 Pacifica, Suite 100  
Irvine, 92618  
(949) 754-1500

**La Palma**

1 Centerpointe Dr.  
La Palma, 90623  
(714) 228-7700

**Los Alamitos**

5252 Katella Ave.  
Los Alamitos, 90720  
(562) 936-5840

**Newport Center**

500 Newport Center Dr.,  
Suite 150  
Newport Beach, 92660  
(949) 718-4460

**RIVERSIDE COUNTY****Riverside**

3484 Central Ave.  
Riverside, 92506  
(951) 276-8800

**SAN BERNARDINO COUNTY****Ontario**

3633 Inland Empire Blvd.,  
Suite 105  
Ontario, 91764  
(909) 481-2460

**SAN DIEGO COUNTY****Carlsbad**

2011 Palomar Airport Rd.,  
Suite 100  
Carlsbad, 92011  
(760) 918-2140

**El Cajon**

343 East Main Street  
El Cajon, 92020  
(619) 873-1920

**Inland North County**

13520 Evening Creek Drive N.,  
Suite 100  
San Diego, 92128  
(858) 875-2030

**La Jolla Village<sup>1</sup>**

7817 Ivanhoe Avenue,  
Suite 100  
La Jolla, 92037  
(858) 332-1000

**Mission Valley**

8889 Rio San Diego Drive,  
Suite 101  
San Diego, 92108  
(858) 875-2080

**San Diego**

501 W. Broadway,  
Suite 100  
San Diego, 92101  
(619) 238-7460

**Solana Beach**

937 Lomas Santa Fe Drive  
Solana Beach, 92075  
(858) 509-2700

**UTC - La Jolla**

4275 Executive Square,  
Suite 101  
La Jolla, 92037  
(858) 642-4900

**SAN FRANCISCO COUNTY****San Francisco Main**

150 California St.,  
Suite 100  
San Francisco, 94111  
(415) 576-2700

**San Francisco -  
Montgomery St.**

100 Montgomery St.,  
Suite 100  
San Francisco, 94104  
(415) 576-2400

**San Francisco -  
580 California**

580 California St.  
San Francisco, 94104  
(415) 273-2260

**SAN MATEO COUNTY****Burlingame**

350 Primrose Rd.  
Burlingame, 94010  
(650) 696-6400

**SANTA CLARA COUNTY****Palo Alto**

1 Palo Alto Square,  
Suite 100  
3000 El Camino Real  
Palo Alto, 94306  
(650) 812-8300

**San Jose Airport**

224 Airport Parkway  
San Jose, 95110  
(408) 392-2100

**San Jose Main**

1 Almaden Blvd.  
San Jose, 95113  
(408) 392-2150

**VENTURA COUNTY****Camarillo<sup>2</sup>**

502 N. Las Posas Rd.  
Camarillo, 93010  
(805) 384-2100

**Oxnard**

500 Esplanade Dr.  
Oxnard, 93036  
(805) 981-2700

**Ventura**

1220 S. Victoria Ave.  
Ventura, 93003  
(805) 677-4200

**Westlake Village**

2655 Townsgate Rd.  
Westlake Village, 91361  
(805) 777-8740

**Georgia****Atlanta**

3333 Piedmont Road,  
Suite 755  
Atlanta, 30305  
(404) 364-6540

**Nevada****CARSON COUNTY****Carson City**

1811 E. College Pkwy.  
Carson City, 89706  
(775) 885-1220

**CLARK COUNTY****Cheyenne**

4310 W. Cheyenne Ave.  
North Las Vegas, 89032  
(702) 968-3040

**Green Valley**

8475 South Eastern Ave.  
Las Vegas, 89123  
(702) 921-2100

**North Summerlin**

8531 W. Lake Mead Blvd.  
Las Vegas, 89128  
(702) 228-0531

**Summerlin Centre**

10801 W. Charleston Blvd.  
Las Vegas, 89135  
(702) 952-5900

**Tropicana**

2320 E. Tropicana Ave.  
Las Vegas, 89119  
(702) 968-2350

**Twain**

6085 W. Twain Ave.  
Las Vegas, 89103  
(702) 948-1960

**DOUGLAS COUNTY****Minden**

1647 Highway 395  
Minden, 89423  
(775) 783-7000

**WASHOE COUNTY****Reno**

5470 Kietzke Ln.,  
Suite 100  
Reno, 89511  
(775) 828-8090

**New York****New York**

400 Park Ave.,  
20th Floor  
New York, 10022  
(917) 322-5200

**Times Square**

120 West 45th Street,  
16th Floor  
New York, 10036  
(212) 597-0100

**Tennessee****Nashville**

54 Music Square East,  
Suite 100  
Nashville, 37203  
(615) 782-5600

<sup>1</sup> New location, effective August 3, 2012: 800 Silverado Street, La Jolla, 92037.

<sup>2</sup> New location, effective June 22, 2012: 1100 Flynn Road, Suite 100, Camarillo 93012. .

City National Corporation  
City National Plaza  
555 South Flower Street  
Los Angeles, California 90071

**On the cover:** City National's new San Jose Regional Center in the heart of downtown San Jose – America's 10th largest city. City National has grown steadily in the Bay Area since opening its first office in San Francisco in 2000. Today, the company circles the Bay with 11 offices – three in San Francisco, two in San Jose and one each in Burlingame, Palo Alto, Fremont, San Leandro, Oakland and Walnut Creek. Three more offices will be opening there in 2012.



Member FDIC

[cnb.com](http://cnb.com)

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