



FOR IMMEDIATE RELEASE
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City National Bancshares Corp. completes \$20 million recapitalization of City National Bank

NEWARK, N.J. – City National Bancshares Corporation (CNBC) today announced that it has completed its \$20 million recapitalization of City National Bank of New Jersey (CNB). This recapitalization is a crucial step in the turnaround of the bank, which experienced difficulties during the economic downturn of 2008, which was especially devastating for African American communities and the banks that serve them. Skopos Impact Fund and The Prudential Insurance Company of America, a subsidiary of Prudential Financial, Inc. (NYSE:PRU) are key investors in the recapitalization. Other significant investors in the transaction include: New United Corporation; East Coast Capital Holdings, Ltd., a Specialized Small Business Investment Company; and Industrial Bank, a subsidiary of IBW Financial Corporation (OTCQB: IBWC).

In addition to the financial investors, CNB acknowledges the significant support that it has received from Sullivan & Cromwell LLP; J.P. Morgan; and Goldman Sachs Urban Investment Group. Along with technical assistance provided by the Office of the Comptroller of the Currency; the Federal Reserve Bank; the Federal Deposit Insurance Corporation; and the Department of the Treasury, this recapitalization will enable CNB to continue its role as the only regulated community development financial institution (CDFI) headquartered in New Jersey.

“Founded in Newark in 1973, the Bank has been a crucial source of capital and banking services for families, local small businesses, faith-based institutions and nonprofit organizations in our neighborhoods,” said, Hon. Ras J. Baraka, Mayor, City of Newark. “Given the current climate in our country, the Bank is needed more than ever to provide financial services and drive redevelopment,” added Mayor Baraka.

“Prudential is proud to support this leading institution and trusted Newark partner,” said Mark Grier, vice chairman for Prudential Financial. “Our investment will enable City National Bank to build upon its legacy by providing a suite of innovative financial services to address changing community needs. Like our investment in Harlem’s Carver Bank, this funding helps ensure that minority focused banks continue to play a vital role in community economic development.”

"We believe in a comprehensive approach to neighborhood revitalization including housing, schools, businesses, and not-for-profits, all important assets which CNB finances and sustains across Newark's communities," said Margaret Anadu, Managing Director in the Goldman Sachs Urban Investment Group. "By continuing to serve individuals and institutions with mission-driven capital, CNB will grow and thrive along with Newark."

Dr. Clyde Pemberton, President and CEO of New United Corporation said, "As a long standing customer of City National Bank, I have firsthand knowledge of the progress being made. We made this investment, as did other customers, to validate the significance of the Bank's mission and demonstrate our confidence in the growing capabilities and bright future emerging under the leadership of Preston D. Pinkett III, Chairman and CEO of CNB."

"For more than four decades, City National Bank has worked to revitalize urban areas. We are excited that a number of top-tier impact investors, have deemed our efforts worthy of support," said Mr. Pinkett.

"Global investors are seeking investment opportunities to help address social issues in developed and emerging markets," says Lisa Hall, Managing Director of Impact Investing at Anthos Asset Management, which is based in Amsterdam and manages Skopos Impact Fund. "Skopos Impact Fund seeks to promote human dignity and justice through impact investing. Access to capital and affordable financial services are required to empower individuals and uplift communities around the world. Some of the most pressing social problems of our era will be solved by institutions like City National Bank that provide critical services in places that are underserved by mainstream financial institutions," said Ms. Hall.

City National Bank began in 1973 when community leaders came together in the wake of the Newark riots to establish a financial institution to address the major economic voids in Newark. The Bank is currently among the ten largest African-American banks in the country. It is headquartered in Newark and currently has branches in NY (Harlem and Brooklyn) and NJ (Newark and Paterson). Through its new and sophisticated Internet banking program, it's services are now available nationwide.

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