

CITY HOLDING CO
Form S-4/A
November 19, 2012
Table of Contents

As filed with the Securities and Exchange Commission on November 19, 2012.

Registration No. 333-184452

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

Pre-effective Amendment No. 1

to

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CITY HOLDING COMPANY

(Exact Name of Registrant as Specified in Its Charter)

Edgar Filing: CITY HOLDING CO - Form S-4/A

(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number) 25 Gateway Road	(I. R. S. Employer Identification Number)
---	--	--

Cross Lanes, West Virginia 25313

(304) 769-1100

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Charles R. Hageboeck

City Holding Company

25 Gateway Road

Cross Lanes, West Virginia 25313

(304) 769-1100

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

with copies to:

Charles D. Dunbar, Esq.
Elizabeth Osenton Lord, Esq.
Jackson Kelly PLLC
1600 Laidley Tower
P. O. Box 553
Charleston, West Virginia 25322
(304) 340-1000

James S. Fleischer
Silver, Freedman & Taff, L.L.P.
3299 K Street, N.W.
Suite 100
Washington, DC 20007
(202) 295-4507

Approximate date of commencement of proposed sale to the public: as soon as practicable after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

Edgar Filing: CITY HOLDING CO - Form S-4/A

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by a check mark whether the registrant is a large accelerated filer, an accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer
 Non-Accelerated Filer Smaller Reporting Company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Amount to Be Registered (1)	Proposed Maximum Offering Price Per Unit Not applicable	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee (3)
Common Stock, par value \$2.50 per share	764,599 shares	Not applicable	\$4,495,843	\$613.23

- (1) The maximum number of shares of City Holding Company, or City Holding, common stock estimated to be issuable upon the completion of the City Holding/Community Financial Corporation merger described herein.
- (2) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act and computed pursuant to Rules 457(f)(1) of the Securities Act, based on a rate of \$136.40 per \$1,000,000 of the proposed maximum aggregate offering price. The proposed maximum aggregate offering price of the registrant's common stock was calculated based upon the average of the high and low prices reported on The Nasdaq Stock Market, Inc. for Community Financial on October 12, 2012, the latest practicable date before the filing of this registration statement in accordance with Rule 457(f)(1) under the Securities Act outstanding as of October 12, 2012.
- (3) Previously paid.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

Table of Contents

COMMUNITY FINANCIAL CORPORATION

MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

Dear Fellow Shareholders:

You are cordially invited to attend a special meeting of shareholders of Community Financial Corporation to be held on Tuesday, January 8, 2013, at 6:30 p.m., at our executive offices located at 38 North Central Avenue, Staunton, Virginia. At the special meeting, you will be asked to approve the merger agreement authorizing the merger of Community Financial with and into City Holding Company.

If the merger is approved and completed, each share of Community Financial common stock that you own will be converted into the right to receive 0.1753 shares of the common stock, par value \$2.50 per share, of City Holding Company, for each share of Community Financial common stock that you own, plus cash in lieu of fractional shares as more fully described in the attached proxy statement/prospectus.

The above exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. City Holding's common stock currently trades on The Nasdaq Global Select Market under the symbol CHCO. On November 21, 2012, the closing sale price of a share of City Holding common stock was \$. The market price of City Holding common stock will fluctuate before the merger. You should obtain current stock price quotations for City Holding common stock.

Based on the merger agreement, we expect the merger to be tax-free with respect to the shares of City Holding common stock that you receive. If you receive cash for fractional shares in the merger, you may have to recognize income or gain for tax purposes.

The merger cannot be completed unless the holders of a majority of the outstanding shares of Community Financial common stock vote in favor of approval of the merger agreement at the special meeting.

At the special meeting, in addition to being asked to approve the merger agreement, you will also be asked to approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the approval of the merger agreement. You will also be asked to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to Community Financial's named executive officers in connection with the merger.

Your vote is important. Whether or not you plan to attend the special meeting, please complete, sign and date the enclosed proxy card and return it promptly in the enclosed envelope. If you do not vote, the effect will be the same as a vote against the merger.

The accompanying proxy statement/prospectus provides you with additional information about the special meeting, the merger agreement and the merger. We encourage you to read this entire document carefully, including the Risk Factors section beginning on page 13. A copy of the merger agreement is attached as Annex A to the accompanying proxy statement/prospectus. We encourage you to read the entire proxy statement/prospectus and its annexes, including the merger agreement, carefully before making your voting and investment decision.

After careful consideration, Community Financial's board of directors unanimously adopted and approved the merger agreement and the merger. **Accordingly, our board of directors recommends that you vote FOR approval of the merger agreement and the merger.**

James R. Cooke, Jr.

Chairman of the Board

An investment in City Holding common stock in connection with the merger involves certain risks and uncertainties. See Risk Factors beginning on page 13 of this proxy statement/prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of City Holding common stock to be issued in the merger and pursuant to this proxy statement/prospectus or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

Edgar Filing: CITY HOLDING CO - Form S-4/A

The securities to be issued in the merger are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of either City Holding or Community Financial, and they are not insured by the Federal Deposit Insurance Corporation or any other federal or state governmental agency.

This proxy statement/prospectus is dated November 21, 2012, and it is first being mailed to Community Financial shareholders on or about November 27, 2012.

Table of Contents

COMMUNITY FINANCIAL CORPORATION

38 North Central Avenue

Staunton, Virginia 24401

(540) 886-0796

NOTICE OF SPECIAL MEETING OF COMMUNITY FINANCIAL CORPORATION

SHAREHOLDERS TO BE HELD ON JANUARY 8, 2013

A special meeting of shareholders of Community Financial Corporation (Community Financial) will be held on January 8, 2013, at Community Financial s executive offices located at 38 North Central Avenue, Staunton, Virginia, at 6:30 p.m., local time, for the following purposes:

1. To consider and vote on a proposal to approve and adopt the Agreement and Plan of Merger dated as of August 2, 2012, by and among Community Financial, Community Bank, City Holding Company (City Holding) and City National Bank of West Virginia, the related plan of merger of City Holding and Community Financial attached as an exhibit thereto (together, the merger agreement), and the transactions contemplated thereby. The merger agreement provides that Community Financial will merge with and into City Holding upon the terms and subject to the conditions set forth in the merger agreement, as more fully described in the accompanying proxy statement/prospectus. A copy of the merger agreement is attached as Annex A to the proxy statement/prospectus (See Proposal One: Approval of the Merger).
2. To consider and vote on a proposal to adjourn or postpone the meeting to a later date or dates, if necessary, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to approve the merger agreement. (See Proposal Two: Adjournment of the Meeting).
3. To consider and vote on a proposal, on an advisory (non-binding) basis, to approve the compensation that may be paid or become payable to Community Financial s named executive officers in connection with the merger. (See Proposal Three: Advisory (Non-Binding) Vote on the Compensation Proposal).
4. To transact such other business as may properly come before the special meeting.

Our board of directors has determined that the terms of the merger are fair to and in the best interests of Community Financial and our shareholders, has approved and adopted the merger agreement, and recommends that our shareholders vote **FOR** the approval and adoption of the merger agreement and the transactions contemplated thereby, **FOR** the approval of the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of such approval and **FOR** the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Community Financial s named executive officers in connection with the merger.

Only holders of record of Community Financial common stock at the close of business on November 19, 2012, are entitled to notice of and to vote at the special meeting and any adjournments or postponements thereof. The special meeting may be adjourned or postponed from time to time upon approval of our shareholders without any notice other than by announcement at the special meeting of the adjournment or postponement thereof, and any and all business for which notice is hereby given may be transacted at such adjourned or postponed special meeting.

Approval and adoption of the merger agreement by Community Financial shareholders requires the affirmative vote of a majority of all votes entitled to be cast by the holders of Community Financial common stock.

Your vote is very important. Please vote, sign, date and return the enclosed proxy card in the enclosed, self-addressed envelope as promptly as possible, even if you plan to attend the special meeting. If you attend the special meeting, you may vote your shares in person, even though you have previously signed and returned your proxy. You may revoke your proxy before it is voted at the special meeting. Failure to return a properly executed proxy card, or to vote at the special meeting, will have the same effect as a vote against the merger agreement and the merger.

By Order of the Board of Directors

Ramona W. Savidge

Corporate Secretary

Staunton, Virginia

November 21, 2012

Table of Contents

TABLE OF CONTENTS

<u>ADDITIONAL INFORMATION</u>	1
<u>QUESTIONS AND ANSWERS ABOUT THE SHAREHOLDER MEETING AND THE MERGER</u>	2
<u>SUMMARY</u>	6
<u>The Merger</u>	6
<u>Our Reasons for the Merger</u>	6
<u>Our Recommendation</u>	6
<u>Opinion of Community Financial's Financial Advisor</u>	6
<u>Accounting Treatment</u>	7
<u>Certain Federal Income Tax Consequences</u>	7
<u>The Companies</u>	7
<u>The Shareholder Meeting</u>	8
<u>Conditions to Completion of the Merger</u>	8
<u>Regulatory Approvals</u>	9
<u>Termination of the Merger Agreement</u>	9
<u>Effect of Termination; Termination Fee</u>	10
<u>No Solicitation</u>	10
<u>Waiver and Amendment</u>	10
<u>Community Financial's Officers and Directors Have Financial Interests in the Merger Different from Your Interests</u>	11
<u>Indemnification and Insurance</u>	11
<u>Comparison of the Rights of Shareholders</u>	11
<u>Community Financial Will Hold its Special Meeting on January 8, 2013</u>	12
<u>RISK FACTORS</u>	13
<u>Risks Associated with the Merger</u>	13
<u>Risks Associated with City Holding's Business</u>	16
<u>Risks Associated with City Holding's Common Stock</u>	20
<u>SUMMARY SELECTED FINANCIAL DATA</u>	22
<u>PRICE RANGE OF COMMON STOCK AND DIVIDENDS</u>	27
<u>City Holding</u>	27
<u>Community Financial</u>	28
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	29
<u>COMPARATIVE HISTORICAL AND PRO FORMA UNAUDITED PER SHARE DATA</u>	36
<u>THE SPECIAL MEETING</u>	37
<u>Time and Place of the Special Meeting</u>	37
<u>Matters to be Considered</u>	37
<u>Recommendation of the Community Financial Board of Directors</u>	37
<u>Record Date and Voting Rights; Quorum</u>	37
<u>Vote Required</u>	38
<u>Voting at the Community Financial Special Meeting</u>	38
<u>Shares Held by Directors and Officers</u>	39
<u>Stock Ownership of Community Financial Directors and Executive Officers</u>	39
<u>Proxies and Revocation</u>	41
<u>Solicitation of Proxies</u>	42
<u>Attending the Meeting</u>	42
<u>Adjournments and Postponements</u>	42
<u>Anticipated Date of Completion of the Merger</u>	42
<u>Questions and Additional Information</u>	42

Table of Contents

<u>PROPOSAL ONE: APPROVAL OF THE MERGER</u>	43
<u>Merger</u>	43
<u>Merger Consideration</u>	43
<u>Background of the Merger</u>	43
<u>Reasons for the Merger; Recommendation of Community Financial's Board of Directors</u>	46
<u>City Holding's Reasons for the Merger</u>	48
<u>Opinion of Community Financial's Financial Advisor</u>	48
<u>Summary of Analyses by Scott & Stringfellow</u>	50
<u>Transaction Overview</u>	51
<u>Transaction Pricing Multiples</u>	51
<u>Market Validation</u>	51
<u>Selected Peer Group Analysis</u>	51
<u>Selected Transaction Analysis</u>	54
<u>Discounted Dividend Stream and Terminal Value Analysis of Community Financial</u>	55
<u>Contribution Analysis</u>	56
<u>Financial Impact Analysis</u>	56
<u>Other Analyses</u>	56
<u>Conditions to Completion of the Merger</u>	57
<u>Representations and Warranties</u>	58
<u>Termination of the Merger Agreement</u>	59
<u>Effect of Termination; Termination Fee</u>	60
<u>Waiver and Amendment</u>	60
<u>No Solicitation of Other Acquisition Proposals</u>	60
<u>Closing Date; Effective Time</u>	60
<u>Regulatory Approvals</u>	61
<u>Conduct of Business Pending the Merger</u>	62
<u>Surrender of Stock Certificates</u>	64
<u>No Fractional Shares</u>	64
<u>Accounting Treatment</u>	64
<u>Interests of Community Financial's Directors and Executive Officers in the Merger</u>	65
<u>Employment Agreement and Change-In-Control Agreement with Norman C. Smiley, III, President and Chief Executive Officer;</u>	
<u>Change-In-Control Agreement with Lyle A. Moffett, Senior Vice President of Lending</u>	65
<u>Change-in-Control Agreements with and/or Payments to R. Jerry Giles, Chief Financial Officer, Benny W. Werner, Senior Vice</u>	
<u>President-Operations and John J. Howerton, Senior Vice President-Retail</u>	65
<u>Change-in-Control Agreements with and/or Payments to Jane Orem, Commercial Loan Officer, and Kathy Bryan, Operations Manager.</u>	66
<u>Severance Payments to All Other Employees of Community Bank</u>	66
<u>Voting Agreement</u>	66
<u>Resales of City Holding Common Stock</u>	66
<u>CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER</u>	67
<u>General</u>	67
<u>The Merger</u>	67
<u>Consequences to Shareholders</u>	67
<u>Exchange of Community Financial Common Stock for City Holding Common Stock</u>	67
<u>Cash in Lieu of Fractional Shares</u>	67
<u>Possible Treatment of Cash as a Dividend</u>	68
<u>Constructive Ownership</u>	69
<u>Taxation of Capital Gain</u>	69
<u>Unearned Income Tax</u>	69
<u>Basis and Holding Period of City Holding Common Stock</u>	69
<u>Backup Withholding and Reporting Requirements</u>	69

Table of Contents

<u>INFORMATION ABOUT CITY HOLDING</u>	70
<u>INFORMATION ABOUT COMMUNITY FINANCIAL</u>	72
<u>Director of Community Financial and Community Bank Who Will Become a Director of City Holding and City National [Director Information to Come]</u>	72
<u>Loans and Related Transactions with Executive Officers and Directors</u>	72
<u>COMPENSATION OF EXECUTIVE OFFICERS</u>	73
<u>Summary Compensation Table</u>	73
<u>Employment Agreements</u>	73
<u>Change of Control Agreements</u>	74
<u>Outstanding Equity Awards at Fiscal Year-End</u>	74
<u>Retirement Benefits</u>	75
<u>Tax-Qualified Pension Plan</u>	75
<u>Salary Continuation Agreements</u>	75
<u>Post-Termination Payments and Benefits</u>	76
<u>Executive Compensation Restrictions and Limitations Resulting from Participation in Treasury's Capital Purchase Program</u>	77
<u>DESCRIPTION OF CITY HOLDING CAPITAL STOCK</u>	78
<u>General</u>	78
<u>Common Stock</u>	78
<u>Voting Rights</u>	78
<u>Dividend Rights</u>	78
<u>Liquidation Rights</u>	78
<u>Assessment and Redemption</u>	79
<u>Transfer Agent and Registrar</u>	79
<u>Preferred Stock</u>	79
<u>Preemptive Rights</u>	79
<u>Certain Provisions of the Bylaws</u>	79
<u>Indemnification and Limitations on Liability of Officers and Directors</u>	79
<u>Shares Eligible for Future Sale</u>	80
<u>COMPARISON OF THE RIGHTS OF SHAREHOLDERS</u>	81
<u>Authorized Capital</u>	81
<u>City Holding</u>	81
<u>Community Financial</u>	81
<u>Voting Rights and Cumulative Voting</u>	81
<u>City Holding</u>	81
<u>Community Financial</u>	81
<u>Dividends</u>	81
<u>Liquidation</u>	82
<u>Preemptive Rights</u>	82
<u>Preferred Stock</u>	82
<u>Issuance of Additional Shares</u>	82
<u>City Holding</u>	82
<u>Community Financial</u>	82
<u>Number and Restrictions upon Directors</u>	83
<u>City Holding</u>	83
<u>Community Financial</u>	83
<u>Removal from Board</u>	83
<u>City Holding</u>	83
<u>Community Financial</u>	83

Table of Contents

<u>Special Meetings of the Board</u>	83
<u>City Holding</u>	83
<u>Community Financial</u>	83
<u>Classified Board of Directors</u>	83
<u>Indemnification</u>	83
<u>City Holding</u>	83
<u>Community Financial</u>	84
<u>Special Meetings of Shareholders</u>	84
<u>City Holding</u>	84
<u>Community Financial</u>	84
<u>Shareholder Nominations</u>	84
<u>City Holding</u>	84
<u>Community Financial</u>	85
<u>Notice of Shareholder Proposals</u>	85
<u>City Holding</u>	85
<u>Community Financial</u>	85
<u>Amendment of Articles of Incorporation and Bylaws</u>	85
<u>City Holding</u>	85
<u>Community Financial</u>	85
<u>Factors in Board Decision-Making</u>	85
<u>City Holding</u>	85
<u>Community Financial</u>	85
<u>Business Combinations with Interested Parties</u>	85
<u>City Holding</u>	85
<u>Community Financial</u>	86
<u>PROPOSAL TWO: ADJOURNMENT OF THE SPECIAL MEETING</u>	86
<u>PROPOSAL THREE: ADVISORY (NON-BINDING) VOTE ON THE COMPENSATION PROPOSAL</u>	87
<u>LEGAL MATTERS</u>	88
<u>EXPERTS</u>	88
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	89
<u>OTHER MATTERS</u>	90
<u>AGREEMENT AND PLAN OF MERGER</u>	Annex A
<u>FAIRNESS OPINION OF SCOTT & STRINGFELLOW, LLC</u>	Annex B
<u>ANNUAL REPORT ON FORM 10-K OF COMMUNITY FINANCIAL FOR THE FISCAL YEAR ENDED MARCH 31, 2012</u>	Annex C
<u>QUARTERLY REPORT ON FORM 10-Q OF COMMUNITY FINANCIAL FOR THE QUARTER ENDED SEPTEMBER 30, 2012</u>	Annex D

Table of Contents

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates certain important information about City Holding from other documents filed with the Securities and Exchange Commission, or the SEC, that are not included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon written or telephone request from City Holding at the following address:

City Holding Company

25 Gatewater Road

Cross Lanes, West Virginia 25313

Attention: Vikki Evans-Faw

Telephone: (304) 769-1100

If you would like to request any documents, please do so by December 21, 2012 in order to receive them before the special meeting.

This document, which forms part of a registration statement on Form S-4 filed with the SEC by City Holding (File No. 333-184452), constitutes a prospectus of City Holding under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the shares of City Holding common stock to be issued to holders of Community Financial common stock as required by the merger agreement. This document also constitutes a proxy statement with respect to the special meeting of shareholders of Community Financial at which shareholders of Community Financial common stock will be asked to vote on a proposal to approve and adopt the merger agreement.

You should rely on the information contained or incorporated by reference into this proxy statement/prospectus with respect to the merger agreement. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. This proxy statement/prospectus is dated November 21, 2012. You should not assume that the information contained, or incorporated by reference into, this proxy statement/prospectus is accurate as of any date other than that date. Neither our mailing of this proxy statement/prospectus to Community Financial shareholders nor the issuance by City Holding of common stock in connection with the merger will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Except where the context otherwise indicates, information contained in this document regarding Community Financial has been provided by Community Financial and information contained in this document regarding City Holding has been provided by City Holding.

In this proxy statement/prospectus, Community Financial Corporation is referred to as Community Financial; Community Bank, the wholly-owned bank subsidiary of Community Financial, is referred to as Community Bank; City Holding Company is referred to as City Holding; and City National Bank of West Virginia, the wholly-owned bank subsidiary of City Holding, is referred to as City National. The Agreement and Plan of Merger dated as of August 2, 2012, by and among Community Financial, Community Bank, City Holding and City National, by and among the parties, and the related plan of merger of City Holding and Community Financial attached as an exhibit thereto, is referred to collectively as the merger agreement. The special meeting of shareholders of Community Financial is referred to as the special meeting.

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE SHAREHOLDER MEETING AND THE MERGER

Q: What am I being asked to vote on at the special meeting?

A: Community Financial's shareholders will be voting on the following three matters:

A proposal to approve and adopt the merger agreement between Community Financial and City Holding and the transactions contemplated thereby.

A proposal to adjourn or postpone the meeting to a later date or dates, if necessary, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to approve the merger agreement.

A proposal to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to Community Financial's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable. We refer to this as the compensation proposal.

Community Financial shareholders will also transact such other business that may properly come before the special meeting. As of the date of this proxy statement/prospectus, the Community Financial board of directors is not aware of any matters, other than those stated above, that may be brought before the special meeting.

Q: Why is Community Financial proposing the merger?

A: We believe the proposed merger is fair to and in the best interests of Community Financial and its shareholders. Our board of directors believes that combining with City Holding provides significant value to our shareholders and provides our shareholders with opportunities for growth offered by the combined company.

Q: When and where is the special meeting?

A: The special meeting is scheduled to take place on January 8, 2013, at 6:30 p.m., local time, at the executive office of Community Financial, 38 North Central Avenue, Staunton, Virginia.

Q: What does the Community Financial board of directors recommend?

A: The Community Financial board of directors has approved the merger agreement. The Community Financial board recommends that shareholders vote **FOR** the proposal to approve and adopt the merger agreement and the transactions contemplated thereby, **FOR** the approval of the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of such approval and **FOR** the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Community Financial's named executive officers in connection with the merger.

Edgar Filing: CITY HOLDING CO - Form S-4/A

Q: What will I receive for my Community Financial common stock?

A: In the merger, each share of Community Financial common stock, par value \$0.01 per share (Community Financial common stock), that you own will be exchanged for 0.1753 shares of the common stock, par value \$2.50 per share, of City Holding (City Holding common stock).

Q: What are the tax consequences of the merger to me?

A: The merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), and holders of Community Financial common stock are not expected to recognize any gain or loss for U.S. federal income tax purposes on the

Table of Contents

exchange of shares of Community Financial common stock for shares of City Holding common stock in the merger, except with respect to cash received in lieu of a fractional share interest in Community Financial common stock. For greater detail, see Certain Federal Income Tax Consequences of the Merger, beginning on page .

Q: What should I do now?

A: After you have read this document carefully, indicate on your proxy card how you want your shares to be voted. Then complete, sign, date and return your proxy card in the enclosed return envelope as soon as possible so that your shares may be represented at the special meeting. It is important that the proxy card be received as soon as possible and in any event before the special meeting.

Q: If my shares of common stock are held in street name by my bank or broker, will my bank or broker automatically vote my shares for me?

A: No. Your bank or broker cannot vote your shares without instructions from you. You should instruct your bank or broker how to vote your shares in accordance with the instructions provided to you. Please check the voting form used by your bank or broker. However, if you mark **ABSTAIN** on your proxy with respect to the adjournment proposal or the compensation proposal, or if you fail to vote or fail to instruct your bank or broker how to vote with respect to the adjournment proposal or the compensation proposal, it will have no effect on the adjournment proposal or the compensation proposal. If you do not provide your broker with instructions on how to vote your shares held in street name, your broker will not be permitted to vote your shares on the proposal to approve and adopt the merger agreement.

Q: Can I change my vote after I mail my proxy card?

A: Yes. You can change your vote at any time before your proxy is voted at the shareholder meeting. You can do this in one of three ways:

First, you can send a written notice to the Corporate Secretary of Community Financial stating that you would like to revoke your proxy.

Second, you can complete and submit a new proxy card. Your latest vote actually received by Community Financial before the special meeting will be counted, and any earlier votes will be revoked.

Third, you can attend the shareholder meeting and vote in person. Any earlier proxy will thereby be revoked. However, simply attending the special meeting will not revoke your earlier proxy.

If you choose either of the first or second methods, you must submit your notice of revocation or your new proxy card to Community Financial prior to the special meeting. Your submissions must be mailed to the Corporate Secretary of Community Financial at the address listed on the Notice of Special Meeting.

Q: What if I do not vote or I abstain from voting?

A: If you fail to vote, mark **ABSTAIN** on your proxy or fail to instruct your bank or broker how to vote with respect to the proposal to approve the merger agreement, it will have the same effect as a vote **AGAINST** the merger proposal. However, if you mark **ABSTAIN** on your proxy with respect to the adjournment proposal or the compensation proposal, or if you fail to vote or fail to instruct your bank or

Edgar Filing: CITY HOLDING CO - Form S-4/A

broker how to vote with respect to the adjournment proposal or the compensation proposal, it will have no effect on the adjournment proposal or the compensation proposal.

Table of Contents

Q: What is the vote required to approve each proposal at the special meeting?

A: The presence, in person or by proxy, of the holders of a majority of the aggregate number of outstanding shares of Community Financial common stock entitled to vote at the special meeting is necessary to constitute a quorum for the special meeting. If a quorum exists at the special meeting, approval and adoption of the merger agreement requires the affirmative vote of a majority of all votes entitled to be cast by the holders of Community Financial common stock voting together as a single class. The merger agreement contemplates that the Community Financial Fixed Rate Perpetual Preferred Stock, Series A, and the related warrant to purchase 351,194 shares of Community Financial common stock will be redeemed or purchased by City Holding and the shares of preferred stock will be cancelled prior to the closing of the merger. If the redemption or purchase and cancellation do not occur, then the affirmative vote of the holders of at least $66\frac{2}{3}\%$ of the Community Financial Fixed Rate Perpetual Preferred Stock, Series A, would be required to approve the merger. The adjournment proposal and the compensation proposal will be approved if the number of shares, represented in person or by proxy at the special meeting and entitled to vote thereon, voted in favor of each such proposal exceeds the number of shares voted against such proposal.

In determining whether the proposal to approve and adopt the merger agreement has received the requisite number of affirmative votes at the special meeting, a failure to vote, an abstention or broker non-vote will be treated the same as a **NO** vote. Failures to vote, abstentions or broker non-votes will not count as votes cast and will have no effect for purposes of determining whether the proposal to adjourn or postpone the special meeting or the compensation proposal has been approved.

Q: What will happen if Community Financial's shareholders do not approve, on an advisory (non-binding) basis, the compensation payable to Community Financial's named executive officers in connection with the merger?

A: The vote on the compensation proposal is a vote separate and apart from the vote to approve the merger agreement. You may vote for the compensation proposal and against the proposal to approve the merger agreement, and vice versa. Because the vote on the compensation proposal is advisory only, it will not be binding on either Community Financial or City Holding. Accordingly, because City Holding is contractually obligated to pay the compensation, if the merger is completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the advisory (non-binding) vote.

Q: Will I be able to sell the shares of City Holding common stock that I receive in the merger?

A: Yes. The shares of City Holding common stock to be issued in the merger will be registered under the Securities Act of 1933 and listed on The Nasdaq Global Select Market.

Q: How will I receive my shares of City Holding common stock?

A: If the merger agreement is approved, the exchange agent will mail transmittal forms to each Community Financial shareholder. You should complete the transmittal form and return it to the exchange agent as soon as possible. Once the exchange agent has received the proper documentation, it will forward to you the City Holding common stock to which you are entitled.

Shareholders will not receive any fractional shares of City Holding common stock. Instead, they will receive cash, without interest, for any fractional share of City Holding common stock that they might otherwise have been entitled to receive based on the average of the per share closing price of City Holding common stock as reported on The Nasdaq Global Select Market during the 10 trading days immediately preceding the 10th calendar day immediately preceding the effective date of the merger.

Q: How do I exchange my Community Financial common stock certificates?

Edgar Filing: CITY HOLDING CO - Form S-4/A

- A:** You must return your Community Financial common stock certificates or an appropriate guarantee of delivery with your letter of transmittal, which will be mailed to you within five calendar days after the effective date of the merger. You will receive instructions on where to surrender your Community Financial common stock certificates from the exchange agent after the merger is completed. **In any event, you should not forward your Community Financial certificates with your proxy card. Your certificates should be sent along with the letter of transmittal which will be mailed after the effective date of the merger.**

Table of Contents

Q: What should I do if I hold my shares of Community Financial common stock through my stock broker in book-entry form?

A: You are not required to take any specific actions if your shares of Community Financial common stock are held in book-entry form. After the completion of the merger, shares of Community Financial common stock held in book-entry form automatically will be exchanged for the merger consideration, including shares of City Holding common stock in book-entry form and any cash to be paid in exchange for fractional shares in the merger.

Q: When will we complete the merger?

A: We expect to complete the merger in the first quarter of 2013. However, we cannot assure you when or if the merger will occur. We must first obtain the approval of Community Financial shareholders and the necessary regulatory approvals. Other conditions to the closing provided in the merger agreement also need to be satisfied or waived.

Q: What should I do now?

A: Mail your signed proxy card in the enclosed return envelope as soon as possible so that your shares may be represented at the special meeting. It is important that the proxy card be received as soon as possible and in any event before the special meeting.

Q: Do I have appraisal rights in connection with the merger?

A: No. Under Virginia law, holders of Community Financial common stock are not entitled to appraisal rights in connection with the merger because the Community Financial common stock is traded on The Nasdaq Stock Market, Inc.

Q: Who should shareholders call with questions?

A: If you have more questions about the merger or the special meeting you should contact:
Community Financial Corporation

38 North Central Avenue

Staunton, Virginia 24401

Attention: Ramona W. Savidge

Telephone: (540) 886-0796

Table of Contents

SUMMARY

*This summary highlights selected information from this proxy statement/prospectus. It does not contain all of the information that may be important to you. We urge you to carefully read this entire proxy statement/prospectus and the other documents to which this proxy statement/prospectus refers to fully understand the merger agreement and the merger. See *Where You Can Find More Information* on page 89 to obtain the information incorporated by reference into this proxy statement/prospectus without charge. Each item in this summary includes a page reference directing you to a more complete description of that item.*

The Merger (page 43)

We have attached the merger agreement to this proxy statement/prospectus as Annex A. We encourage you to read the merger agreement. It is the legal document that governs the merger.

In the merger, City Holding will acquire Community Financial by means of the merger of Community Financial with and into City Holding. City Holding will be the surviving entity in the merger.

Each share of Community Financial common stock, par value \$0.01 per share, that you own will be exchanged for 0.1753 shares of the common stock, par value \$2.50 per share, of City Holding.

Shareholders will not receive any fractional shares of City Holding common stock. Instead, they will receive cash, without interest, for any fractional share of City Holding common stock that they might otherwise have been entitled to receive based on the average of the per share closing price of City Holding common stock as reported on The Nasdaq Global Select Market during the 10 trading days immediately preceding the 10th calendar day immediately preceding the effective date of the merger.

Upon completion of the merger, we expect that City Holding shareholders will own approximately 95.1% of the combined company and former holders of Community Financial common stock will own approximately 4.9% of the combined company.

The market price of City Holding common stock will fluctuate prior to the merger. You should obtain current stock price quotations for City Holding common stock.

Our Reasons for the Merger (page 46)

For the factors considered by Community Financial's board of directors in deciding to seek a merger partner and the factors considered by the board of directors in reaching its decision to approve the merger agreement, see the section entitled *Proposal One: Approval of the Merger* Reasons for the Merger.

Our Recommendation (page 46)

Community Financial's board of directors believes that the merger is fair to and in the best interests of Community Financial's shareholders. Community Financial's board of directors recommends that shareholders vote **FOR** the proposal to approve and adopt the merger agreement and the transactions contemplated thereby. See the section entitled *Proposal One: Approval of the Merger* Recommendation of Community Financial's Board of Directors.

Opinion of Community Financial's Financial Advisor (page 48 and Annex B)

On August 2, 2012, Scott & Stringfellow, LLC, Community Financial's financial advisor in connection with the merger, rendered its oral opinion to Community Financial's board of directors, subsequently confirmed in writing, that as of such date and based upon and subject to the assumptions, procedures, considerations, qualifications, and limitations set forth in the written opinion, the merger consideration was fair, from a financial point of view, to the holders of shares of Community Financial's common stock.

Table of Contents

The full text of Scott & Stringfellow's opinion, dated August 2, 2012, is attached as Annex B to this proxy statement/prospectus. You should read the opinion in its entirety for a discussion of the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Scott & Stringfellow in rendering its opinion.

For further information, see *The Merger Opinion of Scott & Stringfellow, LLC*.

Scott & Stringfellow's opinion as to the fairness, from a financial point of view, of the merger consideration to Community Financial and its shareholders was provided to the Community Financial board of directors in connection with its evaluation of the merger consideration from a financial point of view, and does not address any other aspect of the merger and does not constitute a recommendation to any Community Financial shareholder as to how to vote or act with respect to the merger.

Accounting Treatment (page 64)

City Holding will account for the merger as a business combination as that term is used under U.S. generally accepted accounting principles.

Certain Federal Income Tax Consequences (page 67)

The merger is intended to qualify as a tax-free reorganization for federal income tax purposes, and assuming the merger will so qualify, you will not recognize any gain or loss for U.S. federal income tax purposes as a result of your exchange of shares of Community Financial common stock solely for shares of City Holding common stock. Community Financial shareholders may, however, have to recognize income or gain in connection with the receipt of any cash received in the merger in lieu of a fractional share interest in Community Financial common stock.

Because this tax treatment may not apply to all of Community Financial's shareholders, you should consult your own tax advisor for a full understanding of the merger's tax consequences that are particular to you. It is a condition to our obligation to complete the merger that we receive a legal opinion that the merger will be treated for federal income tax purposes as a reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended. This opinion, however, will not bind the Internal Revenue Service, which could take a different view.

Shareholders will also be required to file certain information with their federal income tax returns and to retain certain records with regard to the merger.

The discussion of U.S. federal income tax consequences set forth above is for general information only and does not purport to be a complete analysis or listing of all potential tax effects that may apply to a holder of Community Financial common stock. Shareholders of Community Financial are strongly urged to consult their tax advisors to determine the particular tax consequences to them of the merger, including the application and effect of federal, state, local, foreign and other tax laws.

The Companies (page 70)

City Holding Company

25 Gatewater Road

Cross Lanes, West Virginia 25313

(304) 769-1100

Table of Contents

City Holding is a \$2.9 billion diversified financial holding company with its headquarters in Charleston, West Virginia. City National Bank of West Virginia (the principal banking subsidiary of City Holding) operates 73 branch locations serving communities across West Virginia, Ohio, Kentucky and Virginia. Based upon its strong profitability, strong asset quality, and strong capital position, City was named by Bank Director Magazine as the third best performing bank in the U.S. in 2011. City Holding is located on the web at www.bankatcity.com.

As of September 30, 2012, City Holding had total assets of \$2.9 billion, total deposits of \$2.4 billion, and shareholders' equity of \$328 million.

Community Financial Corporation

38 North Central Avenue

Staunton, Virginia 24401

Telephone: (540) 886-0796

Community Financial is headquartered in Staunton, Virginia. Originally organized in 1928, Community Bank, the wholly owned subsidiary of Community Financial, serves the Shenandoah Valley and Hampton Roads areas of Virginia through 11 branch offices. At September 30, 2012, Community Financial had total assets of \$486 million, total deposits of \$375 million and stockholders' equity of \$52 million.

The Shareholder Meeting (page 37)

The special meeting will be held on January 8, 2013 at 6:30 p.m. at the executive offices located at 38 North Central Avenue, Staunton, Virginia. At the special meeting, you will be asked:

to approve and adopt the merger agreement and the transactions contemplated thereby (See Proposal One: Approval of the Merger);

to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies in the event that there are not sufficient votes at the time of the meeting to approve the merger agreement (See Proposal Two: Adjournment of the Meeting);

to consider and vote upon a proposal to approve, on an advisory basis, the compensation that may be paid or become payable to Community Financial's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable. (See Proposal Three: Advisory (Non-Binding) Vote on the Compensation Proposal).

Conditions to Completion of the Merger (page 57)

The obligations of City Holding and Community Financial to complete the merger depend on a number of conditions being satisfied or waived. These conditions include:

Community Financial's shareholders' approval of the merger agreement;

approval of the merger by the necessary federal and state regulatory authorities;

the effectiveness of the registration statement on Form S-4 filed by City Holding with the SEC, of which this proxy statement/prospectus is a part, and that no stop order suspending the effectiveness thereof shall have been issued and no proceedings

Edgar Filing: CITY HOLDING CO - Form S-4/A

for that purpose shall have been initiated or threatened by the Securities and Exchange Commission;

authorization for the listing on The Nasdaq Global Select Market of the shares of City Holding common stock to be issued in the merger;

absence of any law or court order prohibiting the merger;

Table of Contents

receipt of an opinion from Jackson Kelly PLLC, outside counsel to City Holding, that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code;

the accuracy of the other party's representations and warranties, subject to the material adverse effect standard in the merger agreement;

the performance in all material respects of all obligations contained in the merger agreement; and

the execution of an agreement by City Holding for the purchase from the United States Treasury of the Community Financial Fixed Rate Perpetual Preferred Stock, Series A and related warrant to purchase 351,194 shares of Community Financial common stock on terms set forth in the merger agreement and acceptable to City Holding.

We cannot be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

Regulatory Approvals (page 61)

The merger and the other transactions contemplated by the merger agreement require the approval of the Board of Governors of the Federal Reserve System (the Federal Reserve) and the Virginia Bureau of Financial Institutions. As a bank holding company, City Holding is subject to regulation under the Bank Holding Company Act of 1956, as amended. City National is a national banking association and is subject to the laws of the United States. City Holding has filed all required applications seeking approval of the merger with the Federal Reserve and the Virginia Bureau of Financial Institutions. City National and Community Bank have also applied with the Office of the Comptroller of the Currency for approval of the merger of Community Bank into City National.

As of the date of this proxy statement/prospectus, no regulatory approvals have been received. While City Holding and Community Financial do not know of any reason why necessary regulatory approvals would not be obtained in a timely manner, we cannot be certain when or if we will receive them, or if obtained, whether they will contain terms, conditions or restrictions not currently contemplated that will be detrimental to City Holding after completion of the merger.

Termination of the Merger Agreement (page 59)

Community Financial and City Holding may mutually agree to terminate the merger agreement at any time.

Either Community Financial or City Holding may terminate the merger agreement if any of the following occurs:

the merger is not complete by January 31, 2013, unless the failure of the merger to be consummated arises out of or results from the action or inaction of the party seeking to terminate; or

the approval of any governmental entity required for consummation of the merger is denied or the shareholders of Community Financial do not approve the merger agreement within 60 days of the date of this proxy statement/prospectus.

City Holding may terminate the merger agreement if any of the following occurs:

Community Financial materially breaches any of its representations or obligations under the merger agreement and does not cure the breach within 30 days of written notice of the breach; or

Edgar Filing: CITY HOLDING CO - Form S-4/A

Community Financial's board fails to recommend approval of the merger agreement to the Community Financial shareholders, withdraws its recommendation or modifies its recommendation in a manner adverse to City Holding.

Table of Contents

Community Financial may terminate the merger agreement under any of the following circumstances:

City Holding materially breaches any of its representations or obligations under the merger agreement and does not cure the breach within 30 days of written notice of the breach;

The price of City Holding common stock declines by more than 20% over a designated measurement period and the stock prices of the banks and bank holding companies included on the Nasdaq Bank Index have not collectively experienced a similar decline during the same period, unless City Holding elects to increase the consideration to be paid to Community Financial shareholders (which it is not obligated to do); or

Community Financial enters into an agreement with respect to an unsolicited acquisition proposal that if consummated would result in a transaction more favorable to Community Financial's shareholders from a financial point of view than the merger, provided that Community Financial pays the termination fee described below.

Effect of Termination; Termination Fee (page 60)

Community Financial must pay City Holding a termination fee of \$1,200,000 if the merger agreement is terminated under the following circumstances:

by City Holding if the Community Financial board of directors fails to recommend approval of the merger agreement or withdraws, modifies or changes its recommendation of approval of the merger agreement in a manner adverse to the interests of City Holding;

by Community Financial if it enters into an agreement with respect to an unsolicited acquisition proposal that would result in a transaction more favorable to Community Financial's shareholders from a financial point of view than the merger; or

by Community Financial or City Holding due to the failure of Community Financial to receive shareholder approval of the merger agreement, and if an acquisition proposal is publicly announced prior to the special meeting and within 12 months after the announcement of the acquisition proposal a change in control of Community Financial is consummated.

No Solicitation (page 60)

Community Financial has agreed that it will not directly or indirectly:

solicit or encourage inquiries or proposals with respect to any acquisition proposal other than the merger; or

engage in any negotiations or discussions concerning, or provide any confidential information relating to, an acquisition proposal other than the merger.

The merger agreement does not, however, prohibit Community Financial from considering an acquisition proposal from a third party if certain specified conditions are met.

Waiver and Amendment (page 60)

Community Financial and City Holding may jointly amend the merger agreement, and each party may waive its right to require the other party to adhere to the terms and conditions of the merger agreement. However, the parties may not amend the merger agreement after Community

Edgar Filing: CITY HOLDING CO - Form S-4/A

Financial s shareholders approve the merger agreement if the amendment or waiver would violate applicable law.

Table of Contents

Community Financial's Officers and Directors Have Financial Interests in the Merger Different from Your Interests (page 65)

Some of the officers of Community Bank have interests in the merger that differ from, or are in addition to, their interests as shareholders of Community Financial. These interests exist because of, among other things, employment or severance agreements that the officers entered into with Community Bank, including employment and change-in-control agreements providing certain officers with severance benefits if their employment is terminated in connection with the merger. Because of these agreements, several officers are to receive either new contracts from City National and/or potential payments by City National. Additionally, one director of Community Financial will become a director of City Holding and City National. That person is Charles W Fairchilds.

Each of Norman C. Smiley, III, President and Chief Executive Officer, and Lyle A. Moffett, Senior Vice President of Lending, have change-in-control agreements and Mr. Smiley has an employment agreement with Community Bank, and neither will receive payments from Community Financial, Community Bank or City National under those agreements. None of these agreements contain a non-compete or non-solicitation clause. As a condition to City Holding effectuating the merger, both of these individuals must enter into agreements with City National, as more fully described on page 65 hereof.

Additionally, certain other executive officers have change-in-control agreements with Community Bank, and some of these officers will enter into change-of-control agreements with City National which will result in the change-of-control agreements with Community Bank being terminated. For further discussion, see page under Community Financial's Officers and Directors Have Financial Interests in the Merger Different from Your Interests. The members of Community Financial's board of directors knew about these additional interests and considered them when they approved the merger agreement and the merger. Likewise, Scott & Stringfellow, LLC, Community Financial's financial advisor, when rendering its fairness opinion to Community Financial's board of directors in connection with the merger, also knew about and considered these interests as well.

Indemnification and Insurance. City Holding has agreed to indemnify the officers and directors of Community Financial against certain liabilities arising before the merger for a period of six years after the merger. City Holding has also agreed to use its reasonable best efforts to cause the directors and officers of Community Financial to be covered by a directors' and officers' liability policy maintained by City Holding for three years after the merger, subject to a cap on the annual premium payments equal to 150% of Community Financial's current annual premium.

Comparison of the Rights of Shareholders (page 81)

The rights of City Holding shareholders are governed by West Virginia law and by City Holding's articles of incorporation and bylaws. The rights of Community Financial shareholders are governed by Virginia law and by Community Financial's articles of incorporation and bylaws. Upon completion of the merger, the rights of City Holding shareholders, including former shareholders of Community Financial who become shareholders of City Holding, will be governed by West Virginia law and the articles of incorporation and bylaws of City Holding.

This proxy statement/prospectus contains a comparison of shareholder rights under each of the City Holding and Community Financial governing documents.

Table of Contents

Community Financial Will Hold its Special Meeting on Tuesday, January 8, 2013 (page 37)

The special meeting of Community Financial's shareholders will be held on January 8, 2013, at 6:30 p.m. local time, at 38 North Central Avenue, Staunton, Virginia. At the special meeting, Community Financial's shareholders will be asked to:

approve and adopt the merger agreement and the transactions it contemplates;

approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the approval of the merger agreement; and

approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to Community Financial's named executive officers in connection with the merger.

Only holders of record at the close of business on November 19, 2012 will be entitled to vote at the special meeting. Each share of Community Financial common stock is entitled to one vote on each proposal to be considered at the Community Financial special meeting. As of the record date, there were 4,361,658 shares of Community Financial common stock entitled to vote at the special meeting. Each of the directors of Community Financial has entered into a voting agreement with City Holding, pursuant to which they have agreed, solely in their capacity as Community Financial shareholders, to vote all of their shares of Community Financial common stock in favor of the proposals to be presented at the special meeting. As of the record date, Community Financial directors who are parties to the voting agreements, owned and were entitled to vote an aggregate of approximately 356,812 shares of Community Financial common stock, which represents approximately 8.2% of the shares of Community Financial common stock outstanding on that date. As of the record date, the directors and executive officers of Community Financial and their affiliates beneficially owned and were entitled to vote approximately 439,690 shares of Community Financial common stock representing approximately 10.1% of the shares of Community Financial common stock outstanding on that date, and held options to purchase 177,500 shares of Community Financial common stock. As of the record date, City Holding and its subsidiaries held no shares of Community Financial common stock (other than shares held as fiduciary, custodian or agent), and its directors and executive officers or their affiliates held no shares of Community Financial common stock.

To approve and adopt the merger agreement, a majority of the outstanding shares of Community Financial common stock entitled to vote at the special meeting must be voted in favor of approving and adopting the merger agreement. Because approval is based on the affirmative vote of a majority of the shares outstanding, your failure to vote, failure to instruct your bank or broker how to vote, or abstention with respect to the proposal to approve and adopt the merger agreement will have the same effect as a vote against approval and adoption of the merger agreement. The merger agreement contemplates that the Community Financial Fixed Rate Perpetual Preferred Stock, Series A, and the related warrant to purchase 351,194 shares of Community Financial common stock will be redeemed or purchased by City Holding and the shares of preferred stock will be cancelled prior to the closing of the merger. If the redemption or purchase and cancellation do not occur, then the affirmative vote of the holders of at least $66\frac{2}{3}\%$ of the Community Financial Fixed Rate Perpetual Preferred Stock, Series A, would be required to approve the merger.

Table of Contents

RISK FACTORS

*In addition to general investment risks and the other information contained in or incorporated by reference into this proxy statement/prospectus, including the matters addressed under the heading **Forward-Looking Statements** and the matters described under the caption **Risk Factors** in the Annual Report on Form 10-K filed by City Holding for the year ended December 31, 2011, you should carefully read and consider the following risk factors concerning the merger before you decide whether to vote to approve and adopt the merger agreement.*

Risks Associated with the Merger

Fluctuations in the trading price of City Holding common stock will change the value of the shares of City Holding common stock you receive in the merger.

The exchange ratio is set at 0.1753 shares of City Holding common stock for each share of Community Financial common stock. Because the exchange ratio is fixed, the value of the shares of City Holding common stock that will be issued to you in the merger will depend on the market price of City Holding common stock at the time the shares are issued. After the merger, the market value of City Holding common stock may decrease and be lower than the market value of City Holding common stock that was used in calculating the exchange ratios in the merger. Except as described in this proxy statement/prospectus and the merger agreement, there will be no adjustment to the fixed number of shares of City Holding common stock that will be issued to you based upon changes in the market price of City Holding common stock prior to the closing.

The market price of City Holding common stock at the time the merger is completed may vary from the price of City Holding common stock on the date the merger agreement was executed, on the date of this proxy statement/prospectus and on the date of the special meeting as a result of various factors that are beyond the control of City Holding and Community Financial, including but not limited to general market and economic conditions, changes in our respective businesses, operations and prospects, and regulatory considerations. In addition to the approval of the merger agreement by Community Financial shareholders, completion of the merger is subject to receipt of required regulatory approvals and satisfaction of other conditions that may not occur until after the special meeting. Therefore, at the time of the special meeting you will not know the precise value of the consideration you will receive at the effective time of the merger. You should obtain current market quotations for shares of City Holding common stock.

The market price of City Holding common stock after the merger may be affected by factors different from those affecting the shares of Community Financial or City Holding currently.

Upon completion of the merger, certain holders of shares of Community Financial common stock will become holders of City Holding common stock. City Holding's business differs from that of Community Financial, and, accordingly, the results of operations of the combined company and the market price of the combined company's shares of common stock may be affected by factors different from those currently affecting the independent results of operations of each of City Holding and Community Financial and their respective securities. For a discussion of the business of City Holding and of certain factors to consider in connection with that business, see the documents incorporated by reference or described elsewhere in this proxy statement/prospectus.

The merger agreement limits Community Financial's ability to pursue alternatives to the merger.

The merger agreement contains no-shop provisions that, subject to limited exceptions, limit Community Financial's ability to discuss, facilitate or commit to competing third-party proposals to acquire all or a significant part of Community Financial. In addition, Community Financial must pay City Holding a termination fee of \$1,200,000 if the merger agreement is terminated and Community Financial, subject to certain restrictions,

Table of Contents

consummates another similar transaction. These provisions might discourage a potential competing acquiror that might have an interest in acquiring all or a significant part of Community Financial from considering or proposing the acquisition even if it were prepared to pay consideration with a greater value than that proposed in the merger.

The integration of the operations of City Holding and Community Financial may be more difficult than anticipated.

The success of the merger will depend on a number of factors, including (but not limited to) City Holding's ability to:

timely and successfully integrate the operations of City Holding and Community Financial;

retain key employees of City Holding and Community Financial;

maintain existing relationships with depositors in Community Financial to minimize withdrawals of deposits prior to and subsequent to the merger;

maintain and enhance existing relationships with borrowers to limit unanticipated losses from loans of Community Financial;

retain and attract qualified personnel at City Holding and Community Financial; and

compete effectively in the communities served by City Holding and Community Financial and in nearby communities.

City Holding may not be able to manage effectively its growth resulting from the merger.

Regulatory approvals may not be received, may take longer than expected or impose conditions that are not presently anticipated.

Before the merger may be completed, we must obtain various approvals or consents from various bank regulatory and other authorities. These regulators may impose conditions on the completion of the merger or require changes to the terms of the merger. Although City Holding and Community Financial do not currently expect that any such conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs on or limiting the revenues of City Holding following the merger. There can be no assurance as to whether the regulatory approvals will be received, the timing of those approvals, or whether any conditions will be imposed. See "Proposal One: Approval of the Merger - Regulatory Approvals" on page 10.

Combining the two companies may be more difficult, costly or time-consuming than expected.

City Holding and Community Financial have operated and, until the completion of the merger, will continue to operate, independently. The success of the merger will depend on City Holding's ability to successfully combine the businesses of City Holding and Community Financial. To realize these anticipated benefits after the completion of the merger, City Holding expects to integrate Community Financial's business into its own. It is possible that the integration process could result in the loss of key employees, the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the combined company's ability to maintain relationships with clients, customers, depositors and employees or to achieve the anticipated benefits of the merger. The loss of key employees could adversely affect City Holding's ability to successfully conduct its business in the markets in which Community Financial now operates, which could have an adverse effect on City Holding's financial results and the value of its common stock. If City Holding experiences difficulties with the integration process, the anticipated benefits of the merger may not be realized fully or at all, or may take longer to realize than expected. As with any merger of financial institutions, there also may be business disruptions that cause Community Financial to lose customers or cause customers to

Table of Contents

remove their accounts from Community Financial and move their business to competing financial institutions. Integration efforts between the two companies will also divert management attention and resources. These integration matters could have an adverse effect on each of Community Financial and City Holding during this transition period and for an undetermined period after consummation of the merger.

Community Financial's shareholders will have less influence as shareholders of City Holding than as shareholders of Community Financial.

Community Financial's shareholders currently have the right to vote in the election of the board of directors of Community Financial and on other matters affecting Community Financial. Following the merger, the shareholders of Community Financial as a group will own approximately 4.9% of City Holding. When the merger occurs, each shareholder that receives shares of City Holding common stock will become a shareholder of City Holding with a percentage ownership of the combined organization much smaller than such shareholder's percentage ownership of Community Financial. Because of this, Community Financial's shareholders will have less influence on the management and policies of City Holding than they now have on the management and policies of Community Financial.

The fairness opinion obtained by Community Financial from its financial advisor will not reflect changes in circumstances between signing the merger agreement and the completion of the merger.

Community Financial has not obtained an updated fairness opinion as of the date of this proxy statement/prospectus from Scott & Stringfellow, LLC, Community Financial's financial advisor. Changes in the operations and prospects of Community Financial or City Holding, general market and economic conditions and other factors that may be beyond the control of Community Financial and City Holding, and on which the fairness opinion was based, may alter the value of Community Financial or City Holding or the prices of shares of Community Financial common stock or City Holding common stock by the time the merger is completed. The opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion. Because Community Financial does not anticipate asking its financial advisor to update its opinion, the August 2, 2012 opinion does not address the fairness of the merger consideration, from a financial point of view, at the time the merger is completed. The opinion is included as Annex B to this proxy statement/prospectus. For a description of the opinion that Community Financial received from its financial advisor, please refer to Proposal One: Approval of the Merger Opinion of Community Financial's Financial Advisor on page . For a description of the other factors considered by Community Financial's board of directors in determining to approve the merger, please refer to Proposal One: Approval of the Merger Reasons for the Merger; Recommendation of Community Financial's Board of Directors on page .

The merger will not be completed unless important conditions are satisfied.

Specified conditions set forth in the merger agreement must be satisfied or waived to complete the merger. If the conditions are not satisfied or waived, the merger will not occur or will be delayed and each of City Holding and Community Financial may lose some or all of the intended benefits of the merger. The following conditions, in addition to other closing conditions, must be satisfied or waived, if permissible, before City Holding and Community Financial are obligated to complete the merger:

the merger agreement must be approved by the requisite vote of the shareholders of Community Financial;

all required regulatory approvals must be obtained;

there must be an absence of any law or order by a court or regulatory authority that prohibits, restricts or makes illegal the merger;

City Holding's registration statement on Form S-4 shall become effective under the Securities Act and no stop order shall have been issued or threatened by the SEC; and

Table of Contents

the shares of City Holding common stock to be issued in the merger must be approved for listing on The Nasdaq Global Select Market.

Termination of the merger agreement could negatively impact Community Financial.

If the merger agreement is terminated, there may be various consequences. For example, Community Financial's business may have been impacted adversely by the failure to pursue other beneficial opportunities due to the focus of management on the merger, without realizing any of the anticipated benefits of completing the merger. If the merger agreement is terminated and Community Financial's board of directors seeks another merger or business combination, Community Financial shareholders cannot be certain that Community Financial will be able to find a party willing to pay the equivalent or greater consideration than that which City Holding has agreed to pay in the merger. In addition, if the merger agreement is terminated under certain circumstances, including circumstances involving a change in recommendation by Community Financial's board of directors, Community Financial may be required to pay City Holding a termination fee of \$1,200,000.

Risks Associated with City Holding's Business

City Holding's business may be adversely affected by conditions in the financial markets and economic conditions generally.

The business environment that City Holding operates in the United States and worldwide could deteriorate, which could affect the credit quality of City Holding's loans, results of operations, and financial condition. From December 2007 through June 2009, the United States was in a recession. Business activity across a wide range of industries and regions was greatly reduced and local governments and many businesses continue to be in serious difficulty due to the lack of consumer spending and the lack of liquidity in the credit markets. Unemployment increased significantly during this time period.

As a result of the recession, the financial services industry and the securities markets have been materially and adversely affected by significant declines in the values of nearly all asset classes and by a serious lack of liquidity. This was initially triggered by declines in home prices and the values of subprime mortgages but spread to all mortgage and real estate asset classes, to leverage bank loans and to nearly all asset classes, including equities. The global markets have been characterized by substantially increased volatility and short-selling and an overall loss of investor confidence, initially in financial institutions but more recently in companies in a number of other industries and in the broader markets.

Market conditions have also led to the failure or merger of a number of prominent financial institutions. Financial institution failures or near-failures have resulted in further losses as a consequence of defaults on securities issued by them and defaults under contracts entered into with such entities as counterparties. As a result of these events and the projection of future failures, the capitalization level of the deposit insurance fund has been significantly weakened and the FDIC has increased the deposit insurance premiums paid by financial institutions. Furthermore, declining asset values, defaults on mortgages and consumer loans, and the lack of market and investor confidence, as well as other factors, have all combined to increase credit default swap spreads, to cause rating agencies to lower credit ratings, and to otherwise increase the cost and decrease the availability of liquidity, despite very significant declines in Federal Reserve borrowing rates and other government actions. Some banks and other lenders have suffered significant losses and have become reluctant to lend, even on a secured basis, due to the increased risk of default and the impact of declining asset values on the value of collateral. The foregoing has significantly weakened the strength and liquidity of some financial institutions worldwide.

City Holding's financial performance generally, and in particular the ability of borrowers to pay interest on and repay principal of outstanding loans and the value of collateral securing those loans, is highly dependent upon on the business environment in the markets where City Holding operates, in the States of West Virginia, Kentucky, Ohio, and Virginia, and in the United States as a whole. A favorable business environment is generally

Table of Contents

characterized by, among other factors, economic growth, efficient capital markets, low inflation, high business and investor confidence, and strong business earnings. Unfavorable or uncertain economic and market conditions can be caused by: declines in economic growth, business activity or investor or business confidence; limitations on the availability or increases in the cost of credit and capital; increases in inflation or interest rates; natural disasters; or a combination of these or other factors.

Overall, during 2012, the business environment has continued to be adverse for many households and businesses in the United States and worldwide. While the business environments in West Virginia, Kentucky, Ohio, and Virginia the United States and worldwide have shown improvement since the recession, there can be no assurance that these conditions will continue to improve. Such conditions could adversely affect the credit quality of City Holding's loans, results of operations and financial condition.

An economic slowdown in West Virginia, Kentucky, Ohio and Virginia could hurt our business.

Because City Holding focuses its business in West Virginia, Kentucky, Ohio and Virginia, an economic slowdown in these states could hurt our business. An economic slowdown could have the following consequences:

loan delinquencies may increase;

problem assets and foreclosures may increase;

demand for the products and services of City National may decline; and

collateral (including real estate) for loans made by City National may decline in value, in turn reducing customers' borrowing power, and making existing loans less secure.

City Holding and City National are extensively regulated.

Policies adopted or required by governmental authorities can adversely affect City Holding's business operations and the availability, growth and distribution of City Holding's investments, borrowings and deposits. The operations of City Holding and City National are subject to extensive regulation by federal, state and local governmental authorities and are subject to various laws and judicial and administrative decisions imposing requirements and restrictions on them. In addition, the Office of the Comptroller of the Currency periodically conducts examinations of City Holding and City National and may impose various requirements or sanctions.

Proposals to change the laws governing financial institutions are frequently raised in Congress and before bank regulatory authorities. Changes in applicable laws or policies could materially affect City Holding's business, and the likelihood of any major changes in the future and their effects are impossible to determine. Moreover, it is impossible to predict the ultimate form any proposed legislation might take or how it might affect City Holding.

City Holding is subject to interest rate risk.

Changes in monetary policy, including changes in interest rates, could influence not only the interest City Holding receives on loans and securities and the amount of interest it pays on deposits and borrowings, but such changes could also affect (i) City Holding's ability to originate loans and obtain deposits, (ii) the fair value of City Holding's financial assets and liabilities, and (iii) the average duration of City Holding's mortgage-backed securities portfolio. City Holding's earnings and cash flows are largely dependent upon its net interest income. Net interest income is the difference between interest income earned on interest-earning assets such as loans and securities and interest expense paid on interest-bearing liabilities such as deposits and borrowed funds. Interest rates are highly sensitive to many factors that are beyond City Holding's control, including general economic conditions and policies of various governmental and regulatory agencies and, in particular, the Board of

Table of Contents

Governors of the Federal Reserve System. If the interest rates paid on deposits and other borrowings increase at a faster rate than the interest rates received on loans and other investments, City Holding's net interest income, and therefore earnings, could be adversely affected. Earnings could also be adversely affected if the interest rates received on loans and other investments fall more quickly than the interest rates paid on deposits and other borrowings.

Although management believes it has implemented effective asset and liability management strategies, including the use of derivatives as hedging instruments, to reduce the potential effects of changes in interest rates on City Holding's results of operations, any substantial, unexpected, prolonged change in market interest rates could have a material adverse effect on City Holding's financial condition and results of operations.

City Holding's allowance for loan losses may not be sufficient.

City Holding maintains an allowance for loan losses, which is a reserve established through a provision for loan losses charged to expense that represents management's best estimate of probable losses in the existing portfolio of loans. The allowance, in the judgment of management, is necessary to provide for estimated loan losses and risks inherent in the loan portfolio. The level of the allowance reflects management's continuing evaluation of industry concentrations; specific credit risks; loan loss experience; current loan portfolio quality; present economic, political and regulatory conditions and unidentified losses inherent in the current loan portfolio. The determination of the appropriate level of the allowance for loan losses inherently involves a high degree of subjectivity and requires City Holding to make significant estimates of current credit risks and future trends, all of which may undergo material changes. Changes in economic conditions affecting borrowers, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside of City Holding's control, may require an increase in the allowance for loan losses. In addition, bank regulatory agencies periodically review City Holding's allowance for loan losses and may require an increase in the provision for loan losses or the recognition of further loan charge-offs, based on judgments different than those of management. In addition, if charge-offs in future periods exceed the allowance for loan losses, City Holding will need additional provisions to increase the allowance for loan losses. Any increases in the allowance for loan losses will result in a decrease in net income and, possibly, capital, and may have a material adverse effect on City Holding's financial condition and results of operations.

Management evaluates the adequacy of the allowance for loan losses at least quarterly, which includes testing certain individual loans as well as collective pools of loans for impairment. This evaluation includes an assessment of actual loss experience within each category of the portfolio, individual commercial and commercial real estate loans that exhibit credit weakness; current economic events, including employment statistics, trends in bankruptcy filings, and other pertinent factors; industry or geographic concentrations, and regulatory guidance.

Customers may default on the repayment of loans.

City National's customers may default on the repayment of loans, which may negatively impact City Holding's earnings due to loss of principal and interest income. Increased operating expenses may result from the allocation of management time and resources to the collection and work-out of the loan. Collection efforts may or may not be successful causing City Holding to write off the loan or repossess the collateral securing the loan, which may or may not exceed the balance of the loan.

Due to increased competition, City Holding may not be able to attract and retain banking customers at current levels.

City Holding faces competition from the following:

local, regional and national banks;

savings and loans;

Table of Contents

internet banks;

credit unions;

finance companies; and

brokerage firms serving City Holding's market areas.

In particular, City National's competitors include several major national financial and banking companies whose greater resources may afford them a marketplace advantage by enabling them to maintain numerous banking locations and mount extensive promotional and advertising campaigns. Additionally, banks and other financial institutions may have products and services not offered by City Holding, which may cause current and potential customers to choose those institutions. Areas of competition include interest rates for loans and deposits, efforts to obtain deposits and range and quality of services provided. If City Holding is unable to attract new and retain current customers, loan and deposit growth could decrease causing City Holding's results of operations and financial condition to be negatively impacted.

City Holding may be required to write down goodwill and other intangible assets, causing its financial condition and results to be negatively affected.

When City Holding acquires a business, a portion of the purchase price of the acquisition is allocated to goodwill and other identifiable intangible assets. The excess of the purchase price over the fair value of the net identifiable tangible and intangible assets acquired determines the amount of the purchase price that is allocated to goodwill acquired. At September 30, 2012, City Holding's goodwill and other identifiable intangible assets were approximately \$65.1 million. Under current accounting standards, if City Holding determines goodwill or intangible assets are impaired, it would be required to write down the value of these assets. City Holding conducts an annual review to determine whether goodwill and other identifiable intangible assets are impaired. City Holding recently completed such an impairment analysis and concluded that no impairment charge was necessary for the year ended December 31, 2011. City Holding cannot provide assurance whether it will be required to take an impairment charge in the future. Any impairment charge would have a negative effect on its shareholders' equity and financial results and may cause a decline in our stock price.

Acquisition opportunities may present challenges.

City Holding expects that other banking and financial companies, many of which have significantly greater resources, will compete with it to acquire compatible businesses. City Holding continually evaluates opportunities to acquire other businesses. However, City Holding may not have the opportunity to make suitable acquisitions on favorable terms in the future, which could negatively impact the growth of its business. This competition could increase prices for acquisitions that City Holding would likely pursue, and its competitors may have greater resources than it does. Also, acquisitions of regulated businesses such as banks are subject to various regulatory approvals. If City Holding fails to receive the appropriate regulatory approvals, it will not be able to consummate an acquisition that it believes is in its best interests.

Any future acquisitions may result in unforeseen difficulties, which could require significant time and attention from our management that would otherwise be directed at developing our existing business. In addition, we could discover undisclosed liabilities resulting from any acquisitions for which we may become responsible. Further, the benefits that we anticipate from these acquisitions may not develop.

City Holding's controls and procedures may fail or be circumvented.

Any failure or circumvention of City Holding's controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on City Holding's business, results of operations and financial condition. Management regularly reviews and updates City Holding's internal

Table of Contents

controls, disclosure controls and procedures, and corporate governance policies and procedures. Any system of controls, no matter how well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met.

Significant legal actions could result in substantial liabilities.

From time to time, City Holding is subject to claims related to our operations. These claims and legal actions, including supervisory actions by our regulators, could involve large monetary claims and cause City Holding to incur significant defense claims. As a result, City Holding may be exposed to substantial liabilities, which could negatively effect on its shareholders' equity and financial results.

City Holding may not be able to attract and retain skilled people.

The unexpected loss of services of one or more of City Holding's key personnel could have a material adverse impact on City Holding's business because of their skills, knowledge of City Holding's market, years of industry experience and the difficulty of promptly finding qualified replacement personnel. City Holding's success depends, in large part, on its ability to attract and retain key people. Competition for the best people in most activities engaged in by City Holding can be intense and City Holding may not be able to hire people or to retain them.

Risks Associated with City Holding's Common Stock

Future issuances of common stock by City Holding in connection with acquisitions or otherwise could dilute your ownership of City Holding.

City Holding may use its common stock to acquire other companies or to make investments in banks and other complementary businesses in the future. It may also issue common stock, or securities convertible into common stock, through public or private offerings, in order to raise additional capital in connection with future acquisitions, to satisfy regulatory capital requirements or for general corporate purposes. Any such stock issuances would dilute your ownership interest in City Holding and may dilute the per share value of the common stock.

City Holding is not obligated to pay cash dividends on its common stock.

City Holding is a holding company and, currently, its primary source of funds for paying dividends to its shareholders is dividends it receives from City National. While City Holding currently pays quarterly cash dividends to holders of its common stock, it is not obligated to pay dividends in any particular amounts or at any particular times. Its decision to pay dividends in the future will depend on a number of factors, including its capital and the availability of funds from which dividends may be paid. See "Price Range of Common Stock and Dividends" on page 10 and "Description of City Holding Capital Stock" on page 11.

The value of City Holding common stock may fluctuate.

The market for City Holding common stock may experience significant price and volume fluctuations in response to a number of factors including actual or anticipated quarterly variations in operating results, changes in expectations of future financial performance, changes in estimates by securities analysts, governmental regulatory action, banking industry reform measures, customer relationship developments and other factors, many of which will be beyond City Holding's control.

Furthermore, the stock market in general, and the market for financial institutions in particular, have experienced extreme volatility that often has been unrelated to the operating performance of particular companies. These broad market and industry fluctuations may adversely affect the trading price of City Holding common stock, regardless of actual operating performance.

Table of Contents

The trading volume in City Holding common stock is less than that of other larger financial services companies.

Although City Holding common stock is listed for trading on The Nasdaq Global Select Market, the trading volume in its common stock is less than that of other larger financial services companies. A public trading market having the desired characteristics of depth, liquidity and orderliness depends on the presence in the marketplace of willing buyers and sellers of City Holding common stock at any given time. This presence depends on the individual decisions of investors and general economic and market conditions over which City Holding has no control. Given the lower trading volume of City Holding common stock, significant sales of City Holding common stock, or the expectation of these sales, could cause City Holding's stock price to fall.

Future sales of shares of City Holding common stock could negatively affect its market price.

Future sales of substantial amounts of City Holding common stock, or the perception that such sales could occur, could adversely affect the market price of City Holding common stock in the open market. We make no prediction as to the effect, if any, that future sales of shares, or the availability of shares for future sale, will have on the market price of City Holding common stock.

Shares of City Holding common stock are not FDIC insured.

Neither the Federal Deposit Insurance Corporation nor any other governmental agency insures the shares of City Holding common stock. Therefore, the value of your shares in City Holding will be based on their market value and may decline.

Table of Contents

SUMMARY SELECTED FINANCIAL DATA

The historical consolidated financial information of City Holding at or for each of the years in the five year period ended December 31, 2011 is derived from City Holding's audited consolidated financial statements, which are incorporated by reference into this proxy statement/prospectus. The historical consolidated financial information of City Holding for the nine months ended September 30, 2012 and 2011 is derived from City Holding's unaudited financial statements contained in its quarterly report on Form 10-Q for the quarter ended September 30, 2012, which is incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information" on page 41 for instructions on how to obtain the information incorporated by reference.

The historical consolidated financial information of Community Financial at or for each of the years in the five year period ended March 31, 2012 is derived from Community Financial's audited consolidated financial statements. The historical consolidated financial information of Community Financial is contained in its quarterly report on Form 10-Q for the quarter ended September 30, 2012. Community Financial's audited consolidated financial statements for the years ended March 31, 2012 and 2011 are included in Annex C of this proxy statement/prospectus. Community Financial's quarterly report on Form 10-Q for the six months ended September 30, 2012 is included in Annex D of this proxy statement/prospectus.

Table of Contents**CITY HOLDING COMPANY****Summary Consolidated Financial Data**

	At or for the Nine Months Ended September 30,			At or for the Years Ended December 31,			
	2012	2011	2011	2010	2009	2008	2007
(Dollars in thousands, except per share data)							
Summary of Operations:							
Total interest income	\$ 83,327	\$ 85,448	\$ 112,888	\$ 121,916	\$ 132,036	\$ 147,673	\$ 157,315
Total interest expense	11,091	16,542	20,758	27,628	36,603	45,918	60,276
Net interest income	72,236	68,906	92,130	94,288	95,433	101,755	97,039
Provision for loan losses	4,600	2,372	4,600	7,093	6,994	10,515	5,327
Other income	40,989	42,733	54,860	48,939	51,983	21,936	56,136
Other expense	66,126	62,459	81,141	78,721	77,244	75,580	71,036
Income tax expense	14,450	15,784	20,571	18,453	20,533	9,487	25,786
Net income	28,049	31,024	40,678	38,960	42,645	28,109	51,026
Cash dividends	15,517	15,591	20,630	21,350	21,675	21,483	20,601
Per Common Share:							
Net income:							
Basic	\$ 1.89	\$ 2.03	\$ 2.68	\$ 2.48	\$ 2.69	\$ 1.74	\$ 3.02
Diluted	1.88	2.02	2.67	2.47	2.68	1.74	3.01
Cash dividends paid	1.05	1.02	1.37	1.36	1.36	1.36	1.24
Book value per share	22.14	20.86	21.05	20.31	19.45	17.90	18.21
Selected Ratios:							
Return on average assets	1.33%	1.53%	1.51%	1.47%	1.63%	1.12%	2.03%
Return on average shareholders equity	11.62%	13.07%	12.87%	12.33%	14.48%	9.27%	16.92%
Average total loans to average deposits	87.11%	84.71%	85.50%	83.12%	84.10%	86.54%	86.06%
Average stockholders equity to average total assets	11.45%	11.72%	11.70%	11.91%	11.29%	12.12%	12.01%
Risk-based capital ratio (Tier 1)	12.89%	13.21%	13.12%	13.88%	13.46%	12.27%	14.12%
Dividend payout ratio	55.56%	50.25%	51.12%	54.84%	50.56%	78.16%	41.06%
Selected Balance Sheet Data:							
Average assets	\$ 2,811,170	\$ 2,701,500	\$ 2,701,720	\$ 2,654,497	\$ 2,608,750	\$ 2,502,411	\$ 2,511,992
Investment securities	414,589	417,020	396,175	453,585	513,931	459,657	417,016
Total loans	2,085,232	1,925,798	1,973,103	1,865,000	1,792,434	1,812,344	1,767,021
Total assets	2,899,197	2,685,246	2,777,109	2,637,295	2,622,620	2,586,403	2,482,949
Total deposits	2,381,496	2,194,321	2,221,268	2,171,375	2,163,722	2,041,130	1,990,081
Long-term borrowings	16,495	16,495	16,495	16,495	16,959	19,047	4,973
Total liabilities	2,570,782	2,375,354	2,465,975	2,322,434	2,313,718	2,302,017	2,188,773
Stockholders equity	328,415	309,892	311,134	314,861	308,902	285,463	295,161

Table of Contents**COMMUNITY FINANCIAL CORPORATION****Summary Consolidated Financial Data**

	September 30, 2012	2012	2011	At March 31, 2010	2009	2008
(Dollars in thousands)						
Selected Financial Condition Data:						
Total assets	\$ 486,143	\$ 503,907	\$ 530,080	\$ 547,180	\$ 512,724	\$ 491,246
Loans receivable, net	428,518	445,098	478,293	502,126	476,950	437,174
Investment securities and other earning assets	20,610	19,500	11,917	11,780	7,658	30,475
Real estate owned, net	5,048	9,259	10,264	3,182	1,400	593
Deposits	374,510	372,418	379,045	398,420	365,508	350,731
Advances and other borrowed money	57,000	78,000	98,445	97,096	96,476	98,834
Stockholders equity	51,646	50,403	49,760	49,012	46,337	38,705

	Six Months Ended		Year Ended March 31				
	September 30, 2012	September 30, 2011	2012	2011	2010	2009	2008
Selected Operations Data:							
Total interest income	\$ 12,003	\$ 13,532	\$ 26,353	\$ 27,585	\$ 28,198	\$ 28,692	\$ 32,244
Total interest expense	1,330	1,900	3,445	5,612	8,081	12,460	16,978
Net interest income	10,673	11,632	22,908	21,973	20,117	16,232	15,266
Provision for loan losses	1,988	1,829	4,908	6,469	3,326	4,285	625
Net interest income after provision for loan losses	8,685	9,803	18,000	15,504	16,791	11,946	14,641
Service charges and fees	1,633	1,744	3,412	3,712	3,300	3,037	3,007
Securities impairment						(11,536)	
Other noninterest income	192	261	375	345	511	386	336
Noninterest expenses	7,997	9,847	18,993	17,196	15,661	13,449	12,293
Income (loss) before income taxes	2,513	1,961	2,794	2,365	4,941	(9,616)	5,691
Income taxes	954	704	976	843	1,349	(3,793)	1,855
Net income (loss)	1,559	1,257	1,818	1,522	3,592	(5,823)	3,836
Effective dividend on preferred stock	376	376	753	753	753	211	
Net income available to common stockholders	1,183	881	1,065	769	2,839	(6,034)	3,836

Table of Contents

	At or For the Quarter Ended		At or For Year Ended March 31,				
	September 30, 2012	September 30, 2011	2012	2011	2010	2009	2008
Other Data:							
Average interest-earning assets to average interest bearing liabilities	105.95%	103.10%	103.15%	103.41%	104.24%	105.39%	105.21%
Average interest rate spread during year	4.56	4.77	4.79	4.34	3.92	3.31	3.14
Non-performing assets to total assets	5.28	4.51	4.29	3.13	3.24	1.75	0.33
Return on assets (ratio of net income to average total assets)	0.28	0.55	0.35	0.28	0.67	(1.17)	0.80
Return on equity (ratio of net income to average total equity)	2.64	5.63	3.56	3.04	7.45	(14.57)	9.77
Equity-to-assets ratio (ratio of average equity to average assets)	10.52	9.81	9.97	9.36	9.02	8.03	8.18
Allowance for loan losses to total loans	2.33	1.62	1.96	1.61	1.58	1.25	.73
Allowance for loan losses to non-performing loans	49.6	62.0	73.0	127.1	55.5	78.7	313.3
Allowance for loan losses to nonperforming assets	39.8	32.6	41.2	47.4	45.5	66.4	49.8
Risk-based capital ratio	14.05	12.78	13.08	12.29	11.25	11.17	9.98
Per Share Data							
Net income (loss) diluted	\$ 0.03	\$ 0.12	\$ 0.24	\$ 0.18	\$ 0.65	\$ (1.39)	\$ 0.87
Book value	8.94	8.73	8.66	8.55	8.34	7.72	8.93
Dividends (common)	0.00	0.00	0.00	0.00	0.00	0.13	0.26
Dividend payout ratio	%	%	%	%	%	%	29.22%
Number of full-service offices	11	11	11	11	11	11	10

Table of Contents

RETROSPECTIVELY REVISED FINANCIAL INFORMATION FOR
ADOPTION OF A NEW ACCOUNTING STANDARD

Effective for the quarter ended March 31, 2012, City Holding and Community Financial adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2011-05, Comprehensive Income (Topic 220): *Presentation of Comprehensive Income*, as amended by ASU 2011-12, Comprehensive Income (Topic 220): *Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05*. These updates revise the manner in which entities present comprehensive income in their financial statements.

The following tables disclose the impact of the adoption of these new accounting pronouncements on the historical financial statements of City Holding and Community Financial. The tables present selected components of the Consolidated Statements of Comprehensive Income for City Holding and Community Financial and should be read in conjunction with the information in City Holding's 2011 Annual Report on Form 10-K and the Community Financial's 2011 Annual Report on Form 10-K (included in Annex C of this proxy statement/prospectus). This information was previously disclosed in the Notes to Consolidated Financial Statements for each company.

City Holding Company and Subsidiaries

Consolidated Statements of Comprehensive Income (unaudited)

<i>(Dollars in Thousands)</i>	For the fiscal years ended December 31,		
	2011	2010	2009
Net income	\$ 40,678	\$ 38,960	\$ 42,645
Other comprehensive income (loss):			
Unrealized security gains arising during the period	2,169	44	12,411
Reclassification adjustments for (gains) losses	(2,483)	4,667	6,164
	(314)	4,711	18,575
Unrealized loss on interest rate floors	(473)	(4,494)	(10,104)
Change in unfunded pension liability	(1,473)	(125)	846
Total other comprehensive income (loss) before income taxes	(2,260)	92	9,317
Tax effect	850	(35)	(3,578)
Total other comprehensive income (loss)	(1,410)	57	5,739
Total comprehensive income	\$ 39,268	\$ 39,017	\$ 48,384

Community Financial Corporation and Subsidiary

Consolidated Statements of Comprehensive Income (unaudited)

<i>(Dollars in Thousands)</i>	For the fiscal years ended March 31,	
	2012	2011
Net income	\$ 1,818	\$ 1,522
Other comprehensive (loss):		
Change in unfunded pension liability	(877)	(262)
Tax effect	333	100
Total other comprehensive (loss)	(544)	(162)
Total comprehensive income	\$ 1,274	\$ 1,360

Table of Contents**PRICE RANGE OF COMMON STOCK AND DIVIDENDS**

City Holding common stock is traded on The Nasdaq Global Select Market under the symbol CHCO. The closing sale price reported for City Holding common stock on August 1, 2012, the last trading date preceding the public announcement of the merger, was \$32.66. Community Financial's common stock is traded on The Nasdaq Capital Market under the symbol CFFC. The closing sale price reported for Community Financial's common stock on August 1, 2012, the last trading date preceding the public announcement of the merger, was \$3.90.

As of November 21, 2012, the last date prior to printing this proxy statement/prospectus for which it was practicable to obtain this information, there were approximately 2,848 registered holders of City Holding common stock and approximately 375 registered holders of Community Financial common stock.

City Holding

The following table sets forth for the periods indicated the high and low sale prices per share of City Holding common stock as reported on The Nasdaq Global Select Market, along with the quarterly cash dividends per share declared. The per share prices do not include adjustments for markups, markdowns or commissions.

Time Period	Dividends	Sales Price	
		High	Low
2012			
Fourth Quarter (through November 21, 2012)	\$ 0.35	\$	\$
Third Quarter	\$ 0.35	\$ 36.43	\$ 32.37
Second Quarter	\$ 0.35	\$ 35.62	\$ 30.96
First Quarter	\$ 0.35	\$ 37.16	\$ 32.59
2011			
Fourth Quarter	\$ 0.35	\$ 35.10	\$ 26.06
Third Quarter	\$ 0.34	\$ 33.96	\$ 26.82
Second Quarter	\$ 0.34	\$ 36.37	\$ 30.55
First Quarter	\$ 0.34	\$ 37.22	\$ 33.79
2010			
Fourth Quarter	\$ 0.34	\$ 38.03	\$ 30.37
Third Quarter	\$ 0.34	\$ 31.15	\$ 26.87
Second Quarter	\$ 0.34	\$ 37.28	\$ 27.88
First Quarter	\$ 0.34	\$ 34.92	\$ 30.37

Table of Contents**Community Financial**

The following tables present the high, low and closing sales prices of Community Financial's common stock as reported by The Nasdaq Capital Market during the last two fiscal years and the common dividends declared by Community Financial for the stated periods.

Fiscal 2013	High	Low	Close	Common Dividend Declared
Third Quarter (through November 21, 2012)				
September 2012	\$ 6.07	\$ 5.60	\$ 5.99	\$.
June 2012	3.88	3.50	3.68	.
Fiscal 2012	High	Low	Close	Common Dividend Declared
March 2012	\$ 3.50	\$ 2.58	\$ 3.23	\$.
December 2011	3.50	2.39	3.28	.
September 2011	3.94	2.26	2.90	.
June 2011	4.10	2.75	4.10	.
Fiscal 2011	High	Low	Close	Common Dividend Declared
March 2011	\$ 3.65	\$ 2.95	\$ 3.14	\$.
December 2010	4.28	2.72	3.48	.
September 2010	4.54	3.58	4.07	.
June 2010	5.29	3.69	4.36	.

The board of directors of Community Financial makes dividend payment decisions after consideration of a variety of factors, including earnings, financial condition, market considerations and regulatory restrictions. Our ability to pay dividends is limited by restrictions imposed by the Virginia Stock Corporation Act, the Federal Reserve, contractually pursuant to our participation in the U.S. Treasury's TARP preferred stock and indirectly by the Office of the Comptroller of the Currency. Restrictions on dividend payments from Community Bank to Community Financial (Community Financial's primary source of funds for the payment of dividends to its stockholders) are described in Note 10 of the Notes to Consolidated Financial Statements beginning on Page F-1 of this proxy statement/prospectus.

The following table sets forth historical per share market values for City Holding common stock (i) on August 1, 2012, the last trading day prior to public announcement of the merger and (ii) on November 21, 2012 the most recent practicable date before the printing and mailing of this proxy statement/prospectus. The table also shows the equivalent pro forma market value of Community Financial common stock on those dates.

The equivalent pro forma market value of Community Financial common stock is obtained by multiplying the historical market price of City Holding common stock by the applicable exchange ratio of 0.1753.

Historical Market Price

	City Holding	Community Financial	Community Financial Equivalent Pro Forma Market Value
August 1, 2012	\$ 32.66	\$ 3.90	\$ 5.73
November 21, 2012	\$	\$	\$

The market prices of City Holding common stock will fluctuate prior to the merger. Community Financial shareholders should obtain current stock price quotations for City Holding common stock.

Table of Contents

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information is based on the historical financial statements of City Holding and Community Financial, and has been prepared to illustrate the financial effect of City Holding's merger with Community Financial. The following unaudited pro forma condensed combined financial information combines the historical consolidated financial position and results of operations of City Holding and its subsidiaries and of Community Financial and its subsidiary, as an acquisition by City Holding of Community Financial using the acquisition method of accounting and giving effect to the related pro forma adjustments described in the accompanying notes. Under the acquisition method of accounting, the assets and liabilities of Community Financial will be recorded by City Holding at their respective fair values as of the date the merger is completed. The pro forma financial information should be read in conjunction with City Holding's Quarterly Report on Form 10-Q for the period ending September 30, 2012 and Annual Report on Form 10-K for the fiscal year ended December 31, 2011 which are incorporated by reference herein and Community Financial's audited financial statements for the fiscal year ended March 31, 2012 and the interim financial statements for the period ended September 30, 2012 which are included in this document in Annex C and Annex D.

The unaudited pro forma condensed combined financial information set forth below assumes that the merger with Community Financial was consummated on January 1, 2011 for purposes of the unaudited pro forma condensed combined statement of income and September 30, 2012 for purposes of the unaudited pro forma condensed combined balance sheet and gives effect to the merger, for purposes of the unaudited pro forma condensed combined statement of income, as if it had been effective during the entire period presented.

These unaudited pro forma condensed combined financial statements reflect the Community Financial merger based upon estimated preliminary acquisition accounting adjustments. Actual adjustments will be made as of the effective date of the merger and, therefore, may differ from those reflected in the unaudited pro forma condensed combined financial information.

Subject to the receipt of requisite regulatory approvals, City Holding intends to purchase, or fund Community Financial's redemption of, the Community Financial TARP Preferred Stock held by the U.S. Treasury and the outstanding Community Financial TARP Warrant to purchase Community Financial common stock, also held by the U.S. Treasury, prior to or concurrently with the completion of the merger. The Community Financial TARP Preferred Stock is expected to be extinguished upon consummation of the merger. The repurchase of the Community Financial TARP Preferred Stock and the Community Financial TARP Warrant are reflected in the pro forma financial information. Additionally, the impact from a potential sale of certain Community Financial non-accrual or underperforming loans, which cannot currently be estimated, is excluded from this pro forma analysis.

The unaudited pro forma condensed combined financial statements included herein are presented for informational purposes only and do not necessarily reflect the financial results of the combined company had the companies actually been combined at the beginning of each period presented. The adjustments included in these unaudited pro forma condensed financial statements are preliminary and may be revised. This information also does not reflect the benefits of the expected cost savings and expense efficiencies, opportunities to earn additional revenue, potential impacts of current market conditions on revenues, or asset dispositions, among other factors, and includes various preliminary estimates and may not necessarily be indicative of the financial position or results of operations that would have occurred if the merger had been consummated on the date or at the beginning of the period indicated or which may be attained in the future. The unaudited pro forma condensed combined financial statements and accompanying notes should be read in conjunction with and are qualified in their entirety by reference to the historical consolidated financial statements and related notes thereto of City Holding and its subsidiaries and of Community Financial and its subsidiary. Such information and notes thereto are incorporated by reference herein.

Table of Contents**City Holding Company and Subsidiaries****Unaudited Pro Forma Condensed Combined Balance Sheet**

As of September 30, 2012

	City Holding	Community Financial	Pro Forma Adjustments	Pro Forma Combined City Holding
	(In thousands, except per share amounts)			
<u>Assets</u>				
Cash and cash equivalents	\$ 112,872	\$ 4,336	\$ (12,812)	\$ 104,396
Investment securities	414,589	24,616		439,205
Net loans	2,066,246	428,547	(50,879)	2,443,884
Goodwill and other intangibles	65,103		21,654	86,757
Other assets	240,387	28,674	17,220	286,281
Total Assets	\$ 2,899,197	\$ 486,143	\$ (24,817)	\$ 3,360,523
<u>Liabilities and Shareholders Equity</u>				
Deposits	\$ 2,381,496	\$ 374,510	\$ 2,002	\$ 2,758,008
Short-term borrowings	131,947	57,000		188,947
Junior subordinated debt	16,495			16,495
Other liabilities	40,844	2,987		43,831
Total Liabilities	2,570,782	434,497	2,002	3,007,282
Shareholders Equity	328,415	51,646	(26,819)	353,242
Total Liabilities and Shareholders Equity	\$ 2,899,197	\$ 486,143	\$ (24,817)	\$ 3,360,523
Book value per common share	\$ 22.14	\$ 8.94		\$ 22.65
Shares outstanding	14,833	4,362		15,598

See notes to the unaudited pro forma condensed combined financial information

Table of Contents**City Holding Company and Subsidiaries****Unaudited Pro Forma Condensed Combined Statement of Income****For the nine months ended September 30, 2012**

	City Holding	Community Financial	Pro Forma Adjustments	Pro Forma Combined City Holding
	(In thousands, except per share amounts)			
Interest Income				
Loans, including fees	\$ 70,843	\$ 18,026	\$ 1,156	\$ 90,025
Securities and other	12,484	320		12,804
Total Interest Income	83,327	18,346	1,156	102,829
Interest Expense				
Deposits	10,363	1,945	(501)	11,807
Other borrowings	728	128		856
Total Interest Expense	11,091	2,073	(501)	12,663
Net Interest Income	72,236	16,273	1,657	90,166
Provision for loan losses	4,600	2,020		6,620
Net Interest Income After Provision for Loan Losses	67,636	14,253	1,657	83,546
Other Income	40,989	2,735		43,724
Other Expense	66,126	12,767	261	79,154
Income before Income taxes	42,499	4,221	1,396	48,116
Income tax expense	14,450	1,580	488	16,518
Preferred dividends and amortization		564	(564)	
Net Income Available to Common Shareholders	\$ 28,049	\$ 2,077	\$ 1,472	\$ 31,598
Earnings Per Share				
Basic	\$ 1.89	\$ 0.48		\$ 2.03
Diluted	\$ 1.88	\$ 0.47		\$ 2.02
Average Shares Outstanding				
Basic	14,700	4,362		15,465
Diluted	14,783	4,444		15,547
See notes to the unaudited pro forma condensed combined financial information				

Table of Contents**City Holding Company and Subsidiaries****Unaudited Pro Forma Condensed Combined Statement of Income**

For the year ended December 31, 2011, combining the fiscal years ended

	City Holding	Community Financial	Pro Forma Adjustments	Pro Forma Combined City Holding
(In thousands, except per share amounts)				
Interest Income				
Loans, including fees	\$ 93,414	\$ 26,024	\$ 1,572	\$ 121,010
Securities and other	19,474	329		19,803
Total Interest Income	112,888	26,353	1,572	140,813
Interest Expense				
Deposits	19,794	3,283	(635)	22,442
Other borrowings	964	162		1,126
Total Interest Expense	20,758	3,445	(635)	23,568
Net Interest Income	92,130	22,908	2,207	117,245
Provision for loan losses	4,600	4,908		9,508
Net Interest Income After Provision for Loan Losses	87,530	18,000	2,207	107,737
Other Income	54,860	3,787		58,647
Other Expense	81,141	18,993	355	100,489
Income before Income taxes	61,249	2,794	1,852	65,895
Income tax expense	20,571	976	648	22,195
Preferred dividends and amortization		753	(753)	
Net Income Available to Common Shareholders	\$ 40,678	\$ 1,065	\$ 1,957	\$ 43,700
Earnings Per Share				
Basic	\$ 2.68	\$ 0.24		\$ 2.73
Diluted	\$ 2.67	\$ 0.24		\$ 2.73
Average Shares Outstanding				
Basic	15,055	4,362		15,820
Diluted	15,130	4,399		15,894

See notes to the unaudited pro forma condensed combined financial information

Table of Contents**Notes to the Unaudited Pro Forma Condensed Combined Financial Information****Note A Basis of Pro Forma Presentation**

On August 2, 2012, City Holding entered into the Agreement and Plan of Merger with Community Financial. Under the terms of the merger agreement, City Holding will exchange 0.1753 shares of its common stock for each share of Community Financial common stock. The receipt by Community Financial shareholders of shares of City Holding common stock in exchange for their shares of Community Financial common stock is anticipated to qualify as a tax-free exchange. The transaction, approved by the directors of both companies, currently is valued at \$24.9 million. This value is based on City Holding's closing stock price on November 13, 2012 of \$32.47. Considering the range of City Holding's stock prices since the announcement of the merger, the value of the transaction at close is not anticipated to be materially different from the transaction value included in these pro formas.

The unaudited pro forma condensed combined financial information of City Holding's financial condition and results of operations, including per share data, are presented after giving effect to the merger. The pro forma financial information assumes that the merger with Community Financial was consummated on January 1, 2011 for purposes of the unaudited pro forma condensed combined statement of income and on September 30, 2012 for purposes of the pro forma balance sheet and gives effect to the merger, for purposes of the unaudited pro forma condensed combined statement of income, as if it had been effective during the entire period presented.

The merger will be accounted for using the acquisition method of accounting; accordingly, the difference between the purchase price over the estimated fair value of the assets acquired (including identifiable intangible assets) and liabilities assumed will be recorded as goodwill.

The pro forma financial information includes estimated adjustments to record the assets and liabilities of Community Financial at their respective fair values and represents management's estimates based on available information. The pro forma adjustments included herein may be revised as additional information becomes available and as additional analysis is performed. The final allocation of the purchase price will be determined after the merger is completed and after completion of a final analysis to determine the fair values of Community Financial's tangible, and identifiable intangible, assets and liabilities as of the closing date.

Funding for the merger transaction is included in the pro forma adjustments as follows (*in thousands*):

Issuance of common stock	\$ 24,827
Cash on hand	66
Total purchase price	\$ 24,893

Note B Repurchase of TARP Preferred Stock and Warrant

City Holding intends to repurchase, or fund Community Financial's repurchase of, the Community Financial TARP Preferred Stock held by the U.S. Treasury prior to or concurrently with the completion of the merger, in which case the Community Financial TARP Preferred Stock will be extinguished upon consummation of the merger. This transaction will result in the payment of \$12.6 million to repurchase the preferred stock and approximately \$0.1 million to repurchase the related warrant resulting in a pre-acquisition charge to retained earnings of \$0.1 million relating to the unamortized discount on the Community Financial TARP Preferred Stock and a \$0.1 million charge to capital surplus for the repurchase of the warrant (estimated by multiplying 351,194 shares subject to the warrant by the sum of \$5.69 less the \$5.40 strike price for the warrant). The transaction is assumed to be funded with available cash.

Note C Purchase Accounting Adjustments

The pro forma adjustments include the purchase accounting entries to record the merger transaction. The excess of the purchase price over the fair value of the net assets acquired, net of deferred taxes, is allocated to goodwill. Estimated fair value adjustments included in the pro forma financial statements are based upon

Table of Contents

available information, and certain assumptions considered reasonable, and may be revised as additional information becomes available. For purposes of this pro forma analysis, fair value adjustments, other than goodwill, are amortized/accreted on a straight-line basis over their estimated average remaining lives. Estimated accretion and amortization on borrowings are based on estimated maturity by type of borrowing. When the actual amortization/accretion is recorded for periods following the merger closing, the effective yield method will be used where appropriate. Tax expense related to the net fair value adjustments is calculated at the statutory 35% tax rate.

Included in the pro forma adjustments are core deposit intangibles of \$3.5 million. The core deposit intangibles are separate from goodwill and amortized on a straight-line basis over its estimated average remaining life. When the actual amortization is recorded for periods following the merger closing, the sum-of-the-years digits method will be used. Goodwill totaling \$18.2 million is included in the pro forma adjustments, and is not subject to amortization.

The allocation of the purchase price is as follows (*in thousands*):

<u>Purchase Price:</u>	
Fair value of City Holding shares to be issued	\$ 24,827
Cash consideration for outstanding Community Financial stock options	66
Total purchase price	24,893
<u>Net assets acquired (equity capital less fair value adjustments):</u>	
Community Financial's shareholders' equity	51,646
Effect of repurchase of TARP preferred stock and warrant	(12,746)
Reduction of loans, net of elimination of Community Financial allowance for loan losses	(50,879)
Estimated core deposit intangible	3,486
Increase in certificates of deposit	(2,002)
Decrease in OREO	(1,600)
Deferred taxes related to fair value adjustments	18,820
Net assets (Equity capital less fair value adjustments)	6,724
Goodwill resulting from the merger	18,169

Note D Projected amortization/accretion of purchase accounting adjustments

The following table sets forth an estimate of the expected effects of the projected aggregate purchase accounting adjustments reflected in the pro forma combined financial statements on the future pre-tax net income of City Holding after the merger with Community Financial:

<i>(Unaudited, dollars in thousands)</i>	Discount Accretion (Premium Amortization) for				
	the Years Ended December 31,				
	2013	2014	2015	2016	2017
Loans	\$ 1,541	\$ 1,541	\$ 1,541	\$ 1,541	\$ 1,541
Customer/deposit base	(349)	(349)	(349)	(349)	(349)
Time deposits	667	667	667		
Increase (decrease) in pre-tax net income	\$ 1,860	\$ 1,860	\$ 1,860	\$ 1,193	\$ 1,193

The actual effect of purchase accounting adjustments on the future pre-tax income of City Holding will differ from these estimates based on the closing date estimates of fair values and the use of different amortization methods than assumed above.

Table of Contents

Note E Cost Savings and Merger-Related Costs

Estimated cost savings, expected to approximate 30% of Community Financial's annualized pre-tax operating expenses, are excluded from this pro forma analysis. Cost savings are estimated to be realized at 75% in the first year after the acquisition and 100% in subsequent years. In addition, estimated merger-related costs are not included in the pro forma combined statements of income since they will be recorded in the combined results of income as they are incurred prior to or after completion of the merger and are not indicative of what the historical results of the combined company would have been had the companies been actually combined during the periods presented. Merger-related costs are estimated to be \$8.4 million.

Table of Contents**COMPARATIVE HISTORICAL AND PRO FORMA UNAUDITED PER SHARE DATA**

We have summarized below historical, unaudited per share information for City Holding and Community Financial and additional information as if the companies had been combined for the periods shown, which we refer to as pro forma information. The pro forma information is based upon the total number of shares of Community Financial common stock outstanding as of November 21, 2012 (4,361,658 shares), and City Holding average closing price of \$, with an exchange ratio of 0.1753 shares of City Holding common stock for each share of Community Financial common stock. Per share data for Community Financial was calculated by taking into account the currently outstanding shares of common stock of Community Financial.

The Community Financial pro forma equivalent per share amounts are calculated by multiplying the City Holding pro forma combined book value per share and net income per share by the exchange ratio of 0.1753 so that the per share amounts equate to the respective values for one share of Community Financial common stock.

We expect that both City Holding and Community Financial will incur merger and integration charges as a result of the merger. We also anticipate that the merger will provide the combined company with financial benefits that may include reduced operating expenses. The information set forth below, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, may not reflect all of these anticipated financial expenses and does not reflect any of these anticipated financial benefits or consider any potential impacts of current market conditions or the merger or revenues, expense efficiencies, asset dispositions and share repurchases, among other factors, and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had our companies been combined during the periods presented.

In addition, the information set forth below has been prepared based on preliminary estimates of merger consideration and fair values attributable to the merger, and the actual amounts recorded for the merger may differ from the information presented. The estimation and allocations of merger consideration are subject to change pending further review of the fair value of the assets acquired and liabilities assumed and actual transaction costs. A final determination of fair values will be based on the actual net tangible and intangible assets and liabilities of Community Financial that will exist on the date of completion of the merger.

	Historical		Pro	Pro
	City	Community	Forma	Forma
	Holding	Financial	Combined	Equivalent
				Community
				Financial
				Share
Basic Earnings per Common Share				
For the year ended December 31, 2011 (5)	\$ 2.68	\$ 0.24	\$ 2.74(1)	\$ 0.48(2)
For the nine months ended September 30, 2012	\$ 1.89	\$ 0.48	\$ 2.03	\$ 0.36
Diluted Earnings per Common Share				
For the year ended December 31, 2011 (5)	\$ 2.67	\$ 0.24	\$ 2.73(1)	\$ 0.48(2)
For the nine months ended September 30, 2012	\$ 1.88	\$ 0.47	\$ 2.02	\$ 0.35
Cash Dividends per Common Share				
For the year ended December 31, 2011 (5)	\$ 1.37	\$	\$ 1.37(3)	\$ 0.24(2)
For the nine months ended September 30, 2012	\$ 1.05	\$	\$ 1.05	\$ 0.18
Book Value per Common Share				
For the year ended December 31, 2011 (5)	\$ 21.05	\$ 8.66	\$ 21.30(4)	\$ 3.73(2)
For the nine months ended September 30, 2012	\$ 22.14	\$ 8.94	\$ 22.65	\$ 3.97

- (1) Pro forma earnings per share are based on pro forma combined net income and pro forma combined shares outstanding at the end of the period.
- (2) Calculated based on pro forma combined multiplied by the applicable exchange ratio of 0.1753.
- (3) Pro forma dividends per share represent City Holding's historical dividends per share.
- (4) Calculated based on pro forma combined equity and pro forma combined common shares outstanding at the end of period.
- (5) Combined fiscal years December 31, 2011 for City Holding and March 31, 2012 for Community Financial.

Table of Contents

THE SPECIAL MEETING

This section contains information for Community Financial shareholders about the special meeting that Community Financial has called to allow its shareholders to consider the approval and adoption of the merger agreement and the merger. We are mailing this proxy statement/prospectus to you, as a Community Financial shareholder, on or about November 27, 2012. Together with this proxy statement/prospectus, we are also sending to you a notice of the special meeting of Community Financial shareholders and a form of proxy that Community Financial's board of directors is soliciting for use at the special meeting and at any adjournments or postponements of the special meeting. This proxy statement/prospectus is also being furnished by City Holding to Community Financial shareholders as a prospectus in connection with the issuance of shares of City Holding common stock upon completion of the merger.

Time and Place of the Special Meeting

This proxy statement/prospectus is being furnished to our shareholders as part of the solicitation of proxies by the Community Financial board of directors for use at the special meeting to be held on January 8, 2013, starting at 6:30 p.m., at Community Financial's executive offices located at 38 North Central Avenue, Staunton, Virginia, or at any postponement or adjournment thereof.

Matters to be Considered

At the special meeting, shareholders will be asked to consider and vote on the following proposals: (i) to approve and adopt the merger agreement and the transactions contemplated thereby; (ii) to consider and vote on a proposal to adjourn or postpone the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies if there are insufficient votes at the time of the special meeting to approve the proposal to approve and adopt the merger agreement and the transactions contemplated thereby; and (iii) to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to Community Financial's named executive officers in connection with the merger.

Community Financial shareholders must approve the proposal to approve and adopt the merger agreement and the transactions contemplated thereby in order for the merger to occur. If our shareholders fail to approve the proposal to approve and adopt the merger agreement and the transactions contemplated thereby, the merger will not occur. A copy of the merger agreement is attached as Annex A to this proxy statement/prospectus, which we encourage you to read carefully in its entirety.

Recommendation of the Community Financial Board of Directors

Community Financial's board of directors determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Community Financial and its shareholders and has approved the merger and the merger agreement. Community Financial's board of directors recommends that Community Financial shareholders vote **FOR** approval and adoption of the merger agreement, **FOR** the adjournment/postponement proposal and **FOR** the compensation proposal. See Proposal One: Approval of the Merger Reasons for the Merger ; Recommendation of Community Financial's Board of Directors on page 65 for a more detailed discussion of the Community Financial board of directors' recommendation.

Record Date and Voting Rights; Quorum

We have fixed the close of business on November 19, 2012, as the record date for the special meeting, and only holders of record of shares of Community Financial common stock on the record date are entitled to vote at the special meeting. You are entitled to receive notice of, and to vote at, the special meeting if you owned shares of Community Financial common stock at the close of business on the record date. On the record date, there were approximately 4,361,658 shares of Community Financial common stock outstanding and entitled to vote. Each share of Community Financial common stock entitles its holder to one vote on all matters properly coming before the special meeting.

Table of Contents

The presence, in person or by proxy, of the holders of a majority of the aggregate number of outstanding shares of Community Financial common stock entitled to vote is necessary to constitute a quorum for the special meeting. Shares of Community Financial common stock represented at the special meeting but not voted, including shares of common stock for which a shareholder directs an abstention from voting, will be counted for purposes of establishing a quorum. Broker non-votes will also be counted for determining whether a quorum is present. A quorum is necessary to transact business at the special meeting. Once a share of Community Financial common stock is represented at the special meeting, it will be counted for the purpose of determining a quorum at the special meeting and any adjournment/postponement of the special meeting.

Vote Required

If a quorum exists at the special meeting, approval of the proposal to approve and adopt the merger agreement and the transactions contemplated thereby requires the affirmative vote of a majority of all votes entitled to be cast by the holders of Community Financial common stock. For the proposal to approve and adopt the merger agreement and the transactions contemplated thereby, you may vote **FOR**, **AGAINST** or **ABSTAIN**. Abstentions have the effect of a **NO** vote on the proposal to approve and adopt the merger agreement but will count for the purpose of determining whether a quorum is present. Failure to vote also will have the effect of a **NO** vote on the proposal to approve and adopt the merger agreement. The merger agreement contemplates that the Community Financial Fixed Rate Perpetual Preferred Stock, Series A, and the related warrant to purchase 351,194 shares of Community Financial common stock will be redeemed or purchased by City Holding and the shares of preferred stock will be cancelled prior to the closing of the merger. If the redemption or purchase and cancellation do not occur, then the affirmative vote of the holders of at least 66²/₃% of the Community Financial Fixed Rate Perpetual Preferred Stock, Series A, would be required to approve the merger.

The adjournment proposal and the compensation proposal will be approved if the number of shares, represented in person or by proxy at the special meeting and entitled to vote thereon, voted in favor of each such proposal exceeds the number of shares voted against such proposal. Therefore, if you mark **ABSTAIN** on your proxy with respect to the adjournment proposal or the compensation proposal, or if you fail to vote or fail to instruct your bank or broker how to vote with respect to the adjournment proposal or the compensation proposal, it will have no effect on the adjournment proposal or the compensation proposal.

If your shares of Community Financial common stock are held through a bank, brokerage firm or other nominee, you are considered the beneficial owner of shares of Community Financial common stock held in street name. In that case, this proxy statement/prospectus has been forwarded to you by your bank, brokerage firm or other nominee who is considered, with respect to those shares of Community Financial common stock, the shareholder of record. As the beneficial owner, you have the right to direct your bank, brokerage firm or other nominee how to vote your shares by following their instructions for voting.

Banks, brokerage firms or other nominees who hold shares in street name for customers have the authority to vote on routine proposals when they have not received instructions from beneficial owners. However, banks, brokerage firms or other nominees are precluded from exercising their voting discretion with respect to approving non-routine matters, such as the proposal to approve and adopt the merger agreement and, as a result, absent specific instructions from the beneficial owner of such shares of Community Financial common stock, banks, brokerage firms or other nominees are not empowered to vote those shares on non-routine matters, which we refer to generally as broker non-votes. These broker non-votes will be counted for purposes of determining a quorum, but will have the effect of a **NO** vote to approve and adopt the merger agreement and the transactions contemplated thereby.

Voting at the Community Financial Special Meeting

If you are a shareholder of record of Community Financial common stock, your shares of Community Financial common stock can be voted on the matters presented at the special meeting in either of the following ways:

Ballot. You can attend the special meeting and vote in person. A ballot will be provided for your use at the meeting.

Table of Contents

Return Your Proxy Card by Mail. You may vote by completing, signing and returning the proxy card in the postage-paid envelope provided with this proxy statement/prospectus. The proxy holders will vote your shares of Community Financial common stock according to your directions. If you sign and return your proxy card without specifying choices, your shares of Community Financial common stock will be voted by the persons named in the proxy in accordance with the recommendations of the board as set forth in this proxy statement/prospectus.

If you are a beneficial owner, you will receive instructions from your bank, brokerage firm or other nominee that you must follow in order to have your shares of Community Financial common stock voted. Please note that if you are a beneficial owner and wish to vote in person at the special meeting, you must provide a legal proxy from your bank, brokerage firm or other nominee.

Shares Held by Directors and Officers

As of November 19, 2012, the record date for the special meeting, the directors and executive officers of Community Financial beneficially owned and were entitled to vote, in the aggregate, 439,690 shares of Community Financial common stock, representing 10.1% of the outstanding shares of Community Financial common stock entitled to vote at the special meeting. The directors and executive officers have informed Community Financial that they currently intend to vote all of their shares of Community Financial common stock **FOR** the proposal to approve and adopt the merger agreement and the transactions contemplated thereby, **FOR** the proposal to adjourn or postpone the special meeting, if necessary or appropriate, to solicit additional proxies and **FOR** the compensation proposal. Each director of Community Financial has entered into an agreement with City Holding pursuant to which he has agreed to vote all of his shares in favor of the merger agreement, except that certain shares they hold in a fiduciary capacity are not covered by the agreement.

Stock Ownership of Community Financial Directors and Executive Officers

The persons named in this table have sole voting power for all shares of common stock shown as beneficially owned by them, subject to community property laws where applicable and except as indicated in the footnotes to this table. The address of each beneficial owner named in the table, except where otherwise indicated, is the same address as Community Financial. An asterisk (*) in the table indicates that an individual beneficially owns less than one percent of the outstanding common stock of Community Financial.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission (the "SEC"). In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock subject to outstanding options held by that person that are currently exercisable or exercisable within 60 days after November 19, 2012 are deemed outstanding. These shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person. As of November 19, 2012, there were 4,361,658 shares of Community Financial common stock outstanding.

Table of Contents

Name of Beneficial Owner	Amount and Nature of Common Stock Beneficially Owned	
	Number of Shares Beneficially Owned	Percent of Class
Beneficial Owners of More Than 5%		
Gardner Lewis Management LP (1) 285 Wilmington West Chester Pike Chadds Ford, PA 19317	476,720	10.4%
Sagus Financial Fund, LP, Sagus Partners, LLC, Bankers Capital Group, LLC and David C Brown (2) 3399 Peachtree Road, Suite 2040 Atlanta, Georgia 30326	401,179	8.7%
United States Department of the Treasury (the Treasury) (3) 1500 Pennsylvania Avenue, NW Washington, D.C. 20220	351,194	7.6%
Community Financial Employee Stock Ownership and 401(k) Profit Sharing Plan	220,019	4.8%
Directors and Executive Officers (4)(5)(6)		
James R. Cooke, Jr., D.D.S. Chairman of the Board	74,722	1.6%
P. Douglas Richard Vice Chairman of the Board	69,496	1.5%
Charles F. Andersen, M.D. Director/Director Nominee	92,680	2.0%
Charles W. Fairchilds (7) Director/Director Nominee	26,820	*
Paul M. Mott Director	1,500	*
Dale C. Smith (8) Director	107,400	2.3%
Morgan N. Trimyer, Jr. Director	24,900	*
Norman C. Smiley, III Director/President and Chief Executive Officer	61,294	1.3%
R. Jerry Giles Senior Vice President and Chief Financial Officer	74,161	1.6%

Edgar Filing: CITY HOLDING CO - Form S-4/A

John J. Howerton Senior Vice President Director of Retail Banking	10,384	*
All directors and executive officers of Community Financial as a group (15 persons)	617,190	13.4%

- (1) As reported by Gardner Lewis Asset Management, an investment advisor, in a Schedule 13G dated September 6, 2012. The Reporting Person reported sole voting and investment power over all of its reported shares.
- (2) As reported by Sagus Financial Fund, LP, a Delaware limited partnership (SFF), Sagus Partners, LLC, a Georgia limited liability company and managing partner of SFF (SP), Bankers Capital Group, LLC, a Georgia limited liability company and 50% owner of SP (BCG), and David C. Brown, a resident of

Table of Contents

- Georgia who is the 50% owner and manager of SP (Mr. Brown, with SFF, SP and BCG, the Reporting Persons) in a Schedule 13G/A dated February 14, 2012. The Reporting Persons reported sole voting and investment power over all of its reported shares.
- (3) Represents the warrant for 351,194 shares of common stock of City Holding acquired by the Treasury in connection with its purchase of shares of preferred stock of City Holding in the TARP program. As of January 1, 2010, the Treasury may exercise the warrant and may sell the warrant or the underlying warrant shares. Treasury has agreed not to vote the warrant shares but that agreement would not apply to any subsequent holder.
 - (4) Includes shares of Community Financial common stock held directly, as well as shares held jointly with family members, shares held in retirement accounts, held in a fiduciary capacity, held by certain of the group members families, or held by trusts of which the group member is a trustee or substantial beneficiary, with respect to which shares of common stock the group member may be deemed to have sole or shared voting and/or investment powers.
 - (5) Includes shares of Community Financial common stock as to which the named individual has the right to acquire beneficial ownership, currently or within 60 days after November 21, 2012, pursuant to the exercise of stock options, as follows: Dr. Cooke, 4,000 shares; Mr. Richard, 25,000 shares; Dr. Andersen, 8,000 shares; Mr. Fairchilds, 8,000 shares; Mr. Smith, 8,000 shares; Mr. Trimyer, 18,000 shares; Mr. Smiley, 29,500 shares; Mr. Giles, 24,000 shares; Mr. Howerton, 9,000 shares; and all directors and executive officers as a group, 177,500 shares.
 - (6) Includes shares of common stock held by the KSOP that have been allocated to accounts of the following individuals: Mr. Smiley, 18,894 shares; Mr. Giles, 12,066 shares; Mr. Howerton, 984 shares; and all directors and executive officers as a group, 50,045 shares. Pursuant to the terms of the KSOP, each individual has the right to direct the voting of the shares of common stock allocated to his account.
 - (7) Includes 17,400 shares of common stock held in a trust over which shares Mr. Fairchilds has shared voting and dispositive power with his spouse.
 - (8) Includes 87,148 shares of common stock held in a trust over which shares Mr. Smith has shared voting and dispositive power with his spouse and 5,754 shares pledged for an obligation.

Proxies and Revocation

If you choose to vote by mailing a proxy card, your proxy card must be received by our Secretary by the time the special meeting begins. Please do not send in your stock certificates with your proxy card. When the merger is completed, a separate letter of transmittal will be mailed to you that will enable you to receive the per share merger consideration in exchange for your stock certificates.

If you vote by proxy, the individuals named on the enclosed proxy card, and each of them, with full power of substitution, will vote your shares of stock in the way that you indicate. When completing the proxy card, you may specify whether your shares of Community Financial common stock should be voted for or against or to abstain from voting on all, some or none of the specific items of business to come before the special meeting.

All shares represented by valid proxies that we receive through this solicitation, and that are not revoked, will be voted on in accordance with your instructions on the proxy card. If you properly sign your proxy card but do not mark the boxes showing how your shares of stock should be voted on a matter, the shares of stock represented by your properly signed proxy will be voted **FOR** the proposal to approve and adopt the merger agreement and the transactions contemplated thereby, **FOR** the proposal to adjourn or postpone the special meeting, if necessary or appropriate, to solicit additional proxies and **FOR** the compensation proposal.

IT IS IMPORTANT THAT YOU VOTE YOUR SHARES OF STOCK PROMPTLY. WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN, AS PROMPTLY AS POSSIBLE, THE ENCLOSED PROXY CARD IN THE ACCOMPANYING PREPAID REPLY ENVELOPE. SHAREHOLDERS WHO ATTEND THE SPECIAL MEETING MAY REVOKE THEIR PROXIES BY VOTING IN PERSON.

Table of Contents

If you are a shareholder of record, you have the right to revoke a proxy at any time before it is voted at the special meeting by:

Signing another proxy card with a later date and returning it to us prior to the special meeting; or

Attending the special meeting and voting in person.

Solicitation of Proxies

Community Financial will bear the entire cost of soliciting proxies from you. In addition to solicitation of proxies by mail, Community Financial will request that banks, brokers and other record holders send proxies and proxy material to the beneficial owners of Community Financial common stock and secure their voting instructions. Community Financial will reimburse the record holders for their reasonable expenses in taking those actions. If necessary, Community Financial may use several of its regular employees, who will not be specially compensated, to solicit proxies from the Community Financial shareholders, either personally or by telephone, facsimile, letter or other electronic means.

Attending the Meeting

All holders of Community Financial common stock, including shareholders of record and shareholders who hold their shares through banks, brokers, nominees or any other holder of record, are invited to attend the special meeting. Shareholders of record can vote in person at the special meeting. If you are not a shareholder of record, you must obtain a proxy executed in your favor from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership. We reserve the right to refuse admittance to anyone without proper proof of share ownership. The use of cameras, sound recording equipment, communications devices or any similar equipment during the special meeting is prohibited without Community Financial's express written consent.

Adjournments and Postponements

Although it is not currently expected, the special meeting may be adjourned or postponed, including for the purpose of soliciting additional proxies (if sufficient votes on the adjournment proposal are received), if there are insufficient votes at the time of the special meeting to approve the proposal to approve and adopt the merger agreement and the transactions contemplated thereby or if a quorum is not present at the special meeting. Other than an announcement to be made at the special meeting of the time, date and place of an adjourned or postponed meeting, an adjournment or postponement generally may be made without notice. Any adjournment or postponement of the special meeting for the purpose of soliciting additional proxies will allow the shareholders who have already sent in their proxies to revoke them at any time prior to their use at the special meeting as adjourned or postponed.

Anticipated Date of Completion of the Merger

We are working towards completing the merger as soon as possible. If the merger is approved at the shareholders' meeting, then, assuming timely satisfaction of the other necessary closing conditions, we anticipate that the merger will be completed in the first quarter of 2013.

Questions and Additional Information

If you have more questions about the merger or how to submit your proxy or vote, or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card or voting instructions, please call Ramona Savidge, Corporate Secretary of Community Financial Corporation, at (540) 886-0796.

Table of Contents

PROPOSAL ONE: APPROVAL OF THE MERGER

This summary of the material terms and provisions of the merger agreement is qualified in its entirety by reference to the merger agreement. The merger agreement is attached as Annex A to this proxy statement/prospectus. We incorporate this document into this summary by reference. We urge you to read carefully this entire proxy statement/prospectus, including the merger agreement attached as Annex A, for a more complete understanding of the merger.

Merger

Subject to satisfaction or waiver of all conditions in the merger agreement, Community Financial will merge with and into City Holding. Upon completion of the merger, Community Financial's corporate existence will terminate and City Holding will continue as the surviving corporation. In addition, upon completion of the merger, Community Financial's wholly-owned subsidiary, Community Bank, will merge with and into City National with City National continuing as the surviving bank.

Community Financial and City Holding expect to complete the merger in the first quarter of 2013, subject to receiving the required shareholder and regulatory approvals and the satisfaction or waiver of other conditions contained in the merger agreement.

Merger Consideration

Each share of Community Financial common stock, par value \$0.01 per share, that you own will be exchanged for 0.1753 shares of the common stock, par value \$2.50 per share, of City Holding.

Shareholders will not receive any fractional shares of City Holding common stock. Instead, they will receive cash, without interest, for any fractional share of City Holding common stock that they might otherwise have been entitled to receive based on the average of the per share closing price of City Holding common stock as reported on The Nasdaq Global Select Market during the 10 trading days immediately preceding the 10th calendar day immediately preceding the effective date of the merger.

Upon completion of the merger, we expect that City Holding shareholders will own approximately 95.1% of the combined company and former Community Financial shareholders will own approximately 4.9% of the combined company.

Background of the Merger

Beginning in late 2011, the Board of Directors of Community Financial held several meetings to discuss the financial condition, earnings and future prospects of Community Financial and its alternatives to increase stockholder value and repay its TARP preferred stock issued under the Capital Purchase Program as part of the Troubled Assets Relief Program established by the Emergency Economic Stabilization Act of 2008 (TARP CPP). The Board had concerns that, despite Community Financial's profitability, Community Financial's stock price continued to trade at a substantial discount to tangible book value.

On February 22, 2012, the Board of Directors asked for and received from Scott & Stringfellow, Community Financial's investment bankers, an analysis of the impact on Community Financial of the sale of the Hampton Roads branches. The Board of directors also requested that Scott & Stringfellow prepare an analysis of a potential common stock offering and the value of Community Financial to a merger partner.

On March 7, 2012, Scott & Stringfellow met with the Board of Directors of Community Financial, as well as the senior management team, to discuss its analysis of the sale of the Hampton Roads branches, a potential common stock offering and the sale of the entire Company. The Board of Directors and management team discussed the options, noting that the sale of the Hampton Roads branches would significantly reduce future

Table of Contents

earnings, would not provide enough excess capital to redeem Community Financial's TARP preferred stock and would likely leave Community Financial with higher ratios of non-performing assets to total assets. The Board of Directors noted that the current market environment for community bank stocks would make it difficult to issue common stock and if Community Financial were able to issue common stock, the low offering price would significantly dilute the ownership, tangible book value per share and earnings per share of Community Financial. The Board of Directors determined that these were not viable strategies to pursue. The Board of Directors and management discussed the Scott & Stringfellow presentation analyzing the sale of the entire Company, noting that Scott & Stringfellow estimated a buyer could likely pay approximately \$5.00 to \$7.00 per share for Community Financial. The Board of Directors then dismissed both Scott & Stringfellow and the management team and continued to discuss the merits of seeking a merger partner at this time. No further action was taken at this meeting.

On March 12, 2012, the Board of Directors met to further discuss the alternatives available to Community Financial to increase stockholder value. At that meeting the Board of Directors determined to engage Scott & Stringfellow to conduct an auction process to explore the possibility of merging with another banking organization. Community Financial signed an engagement letter with Scott & Stringfellow on April 3, 2012 to pursue a possible merger.

In late March, 2012, Scott & Stringfellow began soliciting indications of interest in a merger with or acquisition of Community Financial. On April 25, 2012, Scott & Stringfellow met with the Board of Directors to update them on the progress of the auction process. Scott & Stringfellow informed the Board of Directors that it had contacted 37 potential merger partners, listed those parties and noted which of them had been interested in signing confidentiality agreements and receiving further non-public information about Community Financial. 22 institutions signed confidentiality agreements and received additional information.

In early May, 2012, Scott & Stringfellow received three preliminary indications of interest. Each of these indications of interest were subject to further on-site due diligence.

Bidder one (City Holding) proposed an all stock transaction with a fixed exchange ratio that, based on bidder one's stock price as of the date of its indication of interest, would have a value of \$7.00 to \$8.00 per share. Bidder one indicated a willingness to pay a portion of the consideration in cash if desired by Community Financial. Bidder one proposed to re-purchase Community Financial's outstanding TARP CPP preferred stock and warrants in conjunction with the transaction.

Bidder two proposed an all stock transaction with a fixed exchange ratio that, based on bidder two's stock price as of the date of its indication of interest, would have a value of \$6.94 per share. Bidder two proposed to re-purchase Community's outstanding TARP CPP preferred stock and warrants in conjunction with the transaction. Bidder two's proposal also indicated a willingness to consider the possibility of contingent consideration based on the performance of specific Community Bank assets if Community Financial was so inclined.

Bidder three proposed an all stock transaction with a floating exchange ratio that would have a value of \$5.50 to \$7.00 per share. The exchange ratio would be determined based upon bidder three's stock price prior to closing, and would have customary collars to provide price protection for both parties. Bidder three proposed to re-purchase Community Financial's outstanding TARP CPP preferred stock and warrants in conjunction with the transaction.

At a Board of Directors meeting on May 9, 2012 to discuss these three preliminary indications of interest, Scott & Stringfellow and Community Financial's counsel advised the Board of Directors with regard to the financial condition, results of operations, market valuations and stock price performance of each bidder, the tax considerations of stock consideration versus cash consideration, as well as the tax implications of contingent consideration, and the likelihood of each bidder receiving regulatory approval to complete the transaction. Each of these preliminary indications of interest was within or above the estimated range of value Scott & Stringfellow

Table of Contents

had presented to the Board of Directors as a range of prices that could be expected. As a result, the Board of Directors authorized Scott & Stringfellow to invite all three bidders to conduct on-site due diligence and submit revised indications of interest by June 21, 2012.

Following on-site due diligence by bidders one and two, Scott & Stringfellow received revised indications of interest from bidders one and two. Bidder three declined to conduct on-site due diligence and did not submit a revised bid. Shortly after the due date for the receipt of revised bids, bidder three announced that it had signed an agreement to acquire another financial institution.

The revised indication of interest from bidder one offered all stock with a fixed exchange ratio, having a then current value of \$5.00 per share, plus an earn-out (contingent consideration) based on the performance of a to-be-determined pool of loans of Community Bank. The maximum value of the contingent consideration would be \$2.50 per share, would be paid in cash over a three year period and would be based on the value of this pool of loans exceeding certain to be agreed upon parameters, with Community Financial's stockholders receiving 75% of any excess and bidder one receiving 25% of any excess, up to a total of \$2.50 per share. Scott & Stringfellow requested an indication of interest from bidder one that did not include contingent consideration and was advised by bidder one that such an indication of interest would be all stock, with a fixed exchange ratio, having a then current value of \$5.00 per share. This revised indication of interest also provided for one board seat for a representative of Community Financial and reiterated bidder one's intention to re-purchase Community Financial's outstanding TARP CPP preferred stock and warrants in conjunction with the transaction.

The revised indication of interest from bidder two offered \$5.25 per share, all cash. Bidder two indicated that it would consider offering all or a portion of the merger consideration in stock rather than cash if this was preferred by the Board of Directors. This revised indication of interest also provided for one board seat for a representative of Community Financial on bidder two's bank board of directors and reiterated bidder two's intention to re-purchase Community Financial's outstanding TARP CPP preferred stock and warrants in conjunction with the transaction.

On June 27, 2012, Community Financial's Board of Directors met with counsel and Scott & Stringfellow to discuss both revised indications of interest. The Board of Directors considered the amount and the form of consideration in both proposals, the tax implications of cash versus stock consideration to stockholders of Community Financial and the likelihood of each bidder receiving regulatory approval for the proposed transaction. The Board of Directors also considered the size, financial condition and results of operations of each bidder, the market valuations and stock price performance of each bidder and experience of each bidder in completing acquisitions. The Board of Directors also asked numerous questions of counsel and Scott & Stringfellow regarding the contingent consideration proposed by bidder one, including the number and timing of any payouts, the oversight of each payout determination, the loans to be included in the pool of assets upon which the payout would be based and the likelihood of any payout being made to stockholders. The Board of Directors also considered the risks of remaining independent, including the current and expected levels of non-performing assets, limitations on growth imposed by Community Bank's regulators, proposed regulatory orders and restrictions sought by the regulators, TARP CPP refinancing and pay-off considerations, Community Financial's inability to pay cash dividends to stockholders and Community Financial's ability to provide a reasonable return to stockholders. At the conclusion of the meeting, the Board of Directors authorized management, counsel and Scott & Stringfellow to attempt to negotiate a binding merger agreement with bidder one, including the contingent consideration.

On July 25, 2012, the Board of Directors met and received a summary from counsel of the terms of the merger agreement being negotiated with bidder one. The Board of Directors had received a draft of this agreement and all exhibits on July 24, 2012. Counsel explained the agreement and related documents in detail. The Board of Directors asked numerous questions regarding various provisions of the agreement and exhibits. The Board of Directors then asked Scott & Stringfellow to discuss whether the merger consideration to be received by stockholders was fair, from a financial point of view. Scott & Stringfellow presented its analysis, orally and in writing, to the Board of Directors and concluded that the merger consideration to be paid to stockholders by bidder one was fair, from a financial point of view.

Table of Contents

Counsel pointed out to the Board of Directors that the contingent consideration provision had not been finalized, but that the parties had discussed the issue extensively and there seemed to be agreement on the issues and this agreement would be incorporated into the final version of the merger agreement. Counsel explained to the Board of Directors the current understanding of the parties as to how the contingent consideration would be structured. The Board of Directors authorized management to execute a binding agreement with bidder one once the contingent consideration provision was finalized consistent with the parties' current understanding of how this provision would be structured.

On Friday, July 27, 2012, Scott & Stringfellow spoke with bidder one regarding the contingent consideration. While the language in the merger agreement was acceptable to both parties, the parties were unable to agree on the number and value of the loans that would be included in the pool of loans for purposes of calculating the contingent consideration. As a result, Scott & Stringfellow encouraged bidder one to revise its offer to exclude contingent consideration. Late on July 27, 2012, bidder one revised its indication of interest and increased its fixed exchange ratio to have a value of \$5.75 per share based on bidder one's closing stock price on that date. The contingent consideration was dropped from the proposal.

Scott & Stringfellow contacted Mr. Smiley, the President of Community Financial, and the negotiating committee of the Board of Directors, consisting of directors Cooke and Richard, and advised them of the revised proposal. They contacted counsel and by conference call discussed the revised proposal and whether to re-open the auction process and invite bidder two to submit another proposal. No decision was made.

On Monday, July 30, 2012, President Smiley, directors Cooke and Richard, counsel and Scott & Stringfellow again met by conference call to discuss bidder one's revised proposal. The directors asked Scott & Stringfellow its opinion as to the advisability of asking bidder two to submit another proposal, and the likelihood that they would submit a proposal higher than that of bidder one. Scott & Stringfellow stated that, based on their knowledge of bidder two, it was unlikely that bidder two would significantly increase its proposal. Scott & Stringfellow also stated its concern that re-opening the bidding process could cause bidder one to withdraw its current proposal. Scott & Stringfellow suggested that bidder one might further increase its proposal based on Community Financial's view of the value in the contingent consideration that they are giving up. After discussion, the negotiating committee of the Board of Directors authorized Scott & Stringfellow to contact bidder one to attempt to negotiate a higher offer.

Scott & Stringfellow contacted bidder one later that day, encouraging them to increase their offer for Community Financial. Late on July 30, 2012, bidder one offered to increase its fixed exchange ratio so the value to Community Financial's stockholders of the bidder one stock to be received in the proposed transaction would be \$6.00 per share, based on the closing stock price of bidder one as of July 27, 2012.

On August 2, 2012, the Board of Directors again met with counsel and Scott & Stringfellow. Counsel stated that the only significant changes to the merger agreement from the draft presented at the July 26, 2012 meeting was the increase in the fixed exchange ratio and the elimination of the contingent consideration. Scott & Stringfellow again summarized the terms of bidder one's proposal and updated the Board of Directors on the market performance of bidder one's stock. Scott & Stringfellow, upon the request of the Board of Directors, rendered an oral opinion that the transaction was fair to the stockholders of Community Financial from a financial point of view. Scott & Stringfellow agreed to provide its written fairness opinion shortly following the meeting. The Board of Directors then voted unanimously to authorize management to execute the merger agreement with bidder one.

Reasons for the Merger; Recommendation of Community Financial's Board of Directors

In reaching its decision to approve the merger agreement and recommend that Community Financial's stockholders approve the merger, Community Financial's Board of Directors consulted with Community Financial's management, as well as its financial and legal advisors, and considered a number of factors, including:

the expected results from continuing to operate as an independent institution and the likely benefits to stockholders, compared with the stock merger consideration offered by City Holding;

Table of Contents

the current recessionary environment and its impact on Community Financial's borrowers, evidenced by the level of non-performing assets at Community Financial;

the fact that the estimated per share value of the merger consideration (\$5.73 as of August 1, 2012) represented a premium over the recent trading prices for Community Financial's common stock prior to the public announcement of the merger agreement (with the last such closing price being \$3.90 on August 1, 2012);

the annual cash dividends paid by City Holding, amounting to approximately \$0.245 per share of Community stock, compared to no cash dividends paid by Community for over three years;

the opinion rendered by Scott & Stringfellow to Community Financial's Board of Directors that the merger consideration is fair, from a financial point of view, to Community Financial's stockholders;

the Board's assessment of the likelihood that City Holding will receive the regulatory approvals it needs to complete the merger;

information regarding Community Financial's and City Holding's financial condition, results of operations, capital position, asset quality and prospects;

the difficulty faced by Community Financial in repurchasing or refinancing its TARP CPP preferred stock and warrants and the scheduled increase in the dividend on the preferred stock to 9% at the end of 2013;

the current and prospective competitive and regulatory environments facing Community Financial and the financial services industry generally, including the individual minimum capital requirement imposed on Community Bank by the OCC and the written agreement between the OCC and Community Bank designating Community Bank as being in troubled condition and imposing certain requirements and restrictions on Community Bank;

the absence of a liquid and active trading market for Community Financial's common stock, which makes it more difficult for investors to purchase or sell shares;

the fact that the merger generally will be a non-taxable transaction for Community Financial's stockholders;

the fact that most employees of Community Financial are expected to be retained following the merger;

the Board's belief that the merger will not negatively impact Community Bank's customers and the communities served by Community Bank;

the restrictions under the merger agreement on the conduct of Community Financial's business pending completion of the merger;

the rights of City Holding and Community Financial to terminate the merger agreement under specified circumstances, and the possibility that Community Financial may be required to pay a fiduciary out fee to City Holding depending on the termination

scenario; and

the fact that Community Financial's directors or executive officers may have interests in the merger that are in addition to or different from the interests of stockholders generally, as described under Interests of Certain Persons in the Merger. The foregoing discussion of the factors considered by Community Financial's Board of Directors is not intended to be exhaustive, but rather includes the material factors considered by the Board of Directors. In reaching its decision to approve the merger agreement and recommend the merger, the Board of Directors did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. The Board of Directors considered all these factors as a whole, including discussions with, and questioning of, Community Financial's management and Community Financial's financial and legal advisors, and overall considered the factors to be favorable to, and to support, its determination. The

Table of Contents

Board of Directors also relied on the experience of Scott & Stringfellow, as its financial advisor, for analyses of the financial terms of the merger and for its opinion as to the fairness, from a financial point of view, of the per share merger consideration to be received by Community Financial's stockholders.

For the reasons set forth above, Community Financial's Board of Directors determined that the merger is advisable and in the best interests of Community Financial and its stockholders, and unanimously approved the merger agreement. Community Financial's Board of Directors recommends that stockholders vote FOR approval of the merger.

City Holding's Reasons for the Merger

The merger is consistent with City Holding's plan to have operations, offices and distinct capabilities in every market of its choice within its region. The merger will afford City Holding the opportunity to further expand the Virginia market in the Staunton area. City Holding believes that, in addition to expanding City Holding's presence in very attractive markets, the merger provides an opportunity to enhance City Holding's shareholder value with the prospects of positive long-term performance of City Holding's common stock.

Opinion of Community Financial's Financial Advisor

Scott & Stringfellow, LLC is acting as financial advisor to Community Financial in connection with the merger. Scott & Stringfellow is a leading full-service, middle market investment banking firm with substantial experience in transactions similar to the merger and is familiar with Community Financial and its business. As part of its investment banking business, Scott & Stringfellow is continually engaged in the valuation of community banks and their securities in connection with mergers and acquisitions.

On July 25, 2012, Community Financial's board of directors held a special meeting to review the merger agreement. At that special meeting, Scott & Stringfellow rendered an oral opinion, that as of that date and based upon and subject to the factors and assumptions set forth in its fairness opinion presentation and letter, the consideration to be paid to Community Financial in connection with the merger is fair to Community Financial shareholders from a financial point of view. Following the conclusion of the special meeting, City Holding offered to increase its fixed exchange ratio so the value to Community Financial's stockholders of City Holding stock to be received would be \$6.00 per share, based on the closing stock price of City Holding as of July 27, 2012. Scott & Stringfellow, upon the request of the Board of Directors, subsequently rendered a second oral opinion that the new consideration was fair to the stockholders of Community Financial from a financial point of view. The opinion has been reviewed and approved by Scott & Stringfellow's Investment Banking Valuation Committee.

The full text of Scott & Stringfellow's written opinion is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference. The opinion outlines matters considered and qualifications and limitations on the review undertaken by Scott & Stringfellow in rendering its opinion. The description of the opinion set forth below is qualified in its entirety by reference to the full text of the opinion. Shareholders of Community Financial are urged to read the entire opinion carefully in connection with their consideration of the proposed merger.

No limitations were imposed by Community Financial on the scope of Scott & Stringfellow's investigation or the procedures to be followed by Scott & Stringfellow in rendering its opinion. In arriving at its opinion, Scott & Stringfellow did not ascribe a specific range of values to Community Financial. Scott & Stringfellow's opinion is based on the financial and comparative analyses described below. Scott & Stringfellow's opinion is solely for the information of, and directed to, Community Financial's board of directors for its information and assistance in connection with the board of directors' consideration of the financial terms of the merger and is not to be relied upon by any shareholder of Community Financial or City Holding or any other person or entity. Scott & Stringfellow's opinion was not intended to be and does not constitute a recommendation to Community Financial's board of directors as to how the board of directors should vote on the merger or to any shareholder of

Table of Contents

Community Financial as to how any such shareholder should vote at the special meeting at which the merger is considered, or whether or not any shareholder of Community Financial should enter into a voting, shareholders' or affiliates' agreement with respect to the merger, or exercise any appraisal rights that may be available to such shareholder. In addition, Scott & Stringfellow's opinion does not compare the relative merits of the merger with any other alternative transaction or business strategy which may have been available to Community Financial and does not address the underlying business decision of Community Financial's board of directors or Community Financial to proceed with or effect the merger.

In rendering its opinion, Scott & Stringfellow reviewed, analyzed, and relied upon, among other things:

the merger agreement and special meetings and discussions with members of senior management of Community Financial regarding the material terms of the merger agreement;

certain publicly available financial statements and other historical financial information of City Holding that we deemed relevant and special meetings and discussions regarding the same with members of senior management of City Holding;

certain publicly available and non-publicly available financial statements and other historical financial information of Community Financial that we deemed relevant and special meetings and discussions regarding the same with members of senior management of Community Financial;

internal financial forecasts for Community Financial related to the business, earnings, cash flows, assets and prospects of Community Financial for the calendar years ending December 31, 2011 through 2016 prepared by Scott & Stringfellow and reviewed with senior management of Community Financial (the "Forecasts");

the estimated pro forma financial impact of the Community Financial merger on City Holding, based on assumptions relating to, without limitation, transaction expenses, purchase accounting adjustments, cost savings, and certain synergies determined by and reviewed with the senior management of Community Financial and discussed summarily with the senior management of City Holding;

the historical market prices and trading activity for City Holding common stock and a comparison of certain financial and stock market information for City Holding and Community Financial with similar publicly-traded companies which we deemed to be relevant;

the proposed financial terms of the Community Financial merger and a comparison of such terms with the financial terms, to the extent publicly available, of certain recent business combinations in the banking industry which we deemed to be relevant;

the relative contribution of Community Financial and City Holding with regard to certain assets, liabilities, earnings, and capital;

the current market environment generally and the banking environment in particular;

a discounted dividend scenario of Community Financial based upon the Forecasts and an illustrative dividend payout; and

Edgar Filing: CITY HOLDING CO - Form S-4/A

such other information, financial studies, analyses and investigations, and financial, economic, and market criteria as we deemed appropriate.

In conducting its review and arriving at its opinion, Scott & Stringfellow relied upon and assumed the accuracy and completeness of all of the financial and other information provided to or otherwise made available to Scott & Stringfellow or that was discussed with, or reviewed by or for Scott & Stringfellow, or that was publicly available. Scott & Stringfellow did not assume any responsibility to verify such information independently. Scott & Stringfellow assumed that the financial and operating forecasts for City Holding and Community Financial provided by the management of each respective institution were reasonably prepared and reflect the best currently available estimates and judgments of senior management of each respective institution as to the future financial and

Table of Contents

operating performance of City Holding and Community Financial. Scott & Stringfellow assumed, without independent verification, that the aggregate allowances for loan and lease losses for City Holding and Community Financial are adequate to cover those losses. Scott & Stringfellow did not make or obtain any evaluations or appraisals of any assets or liabilities of City Holding or Community Financial, and Scott & Stringfellow did not examine any books and records or review individual credit files.

For purposes of rendering its opinion, Scott & Stringfellow assumed that, in all respects material to its analyses:

the merger will be completed substantially in accordance with the terms set forth in the merger agreement;

the representations and warranties of each party in the merger agreement and in all related documents and instruments referred to in the merger agreement are true and correct;

each party to the merger agreement and all related documents will perform all of the covenants and agreements required to be performed by such party under such documents;

all conditions to the completion of the merger will be satisfied without any waivers; and

in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the merger, no restrictions, including any divestiture requirements or amendments or modifications will be imposed that may have a material adverse effect on the future results of operations or financial condition of City Holding, Community Financial, or the combined entity, as the case may be, or the contemplated benefits of the merger.

Scott & Stringfellow further assumed that the merger will be accounted for as a purchase under generally accepted accounting principles. Scott & Stringfellow's opinion is not an expression of an opinion as to the prices at which shares of City Holding common stock will trade following the announcement of the merger or the actual value of City Holding common stock when issued pursuant to the merger, or the prices at which City Holding common stock will trade following the completion of the merger.

In performing its analyses, Scott & Stringfellow made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions, and other matters, many of which are beyond the control of Scott & Stringfellow, City Holding, and Community Financial. Any estimates contained in the analyses performed by Scott & Stringfellow are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals nor to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, the Scott & Stringfellow opinion was among several factors taken into consideration by the Community Financial board of directors in making its determination to approve the merger agreement and the merger. Consequently, the analyses described below should not be viewed as solely determinative of the decision of the Community Financial board or management of Community Financial with respect to the fairness of the merger consideration.

Summary of Analyses by Scott & Stringfellow

The following is a summary of the material analyses presented by Scott & Stringfellow to the Community Financial board of directors and in connection with its revised written opinion dated August 2, 2012. The summary is not a complete description of the analyses underlying the Scott & Stringfellow opinion or the presentation made by Scott & Stringfellow to the Community Financial board, but summarizes the material analyses performed and presented in connection with such opinion. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Scott & Stringfellow did not attribute any particular weight to any analysis or factor that it considered, but rather

Table of Contents

made qualitative judgments as to the significance and relevance of each analysis and factor. The financial analyses summarized below include information presented in tabular format. Accordingly, Scott & Stringfellow believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion. The tables alone are not a complete description of the financial analyses.

Transaction Overview. Scott & Stringfellow reviewed the financial terms of the merger agreement, including the consideration to be received by Community Financial shareholders. For every share of Community Financial stock held, such shareholders will receive 0.1753 shares of City Holding common stock in connection with the merger. Based on the closing price of City Holding's common stock on July 31, 2012 of \$33.05, Scott & Stringfellow calculated an aggregate value (Effective Aggregate Value) of approximately \$25.3 million, or \$5.79 per share (Price as used in the Transaction Multiples table below) for Community Financial common stock. Additionally, City Holding has agreed to repay all \$12.4 million of Community Financial TARP preferred stock in connection with the merger; this amount is not included in the Effective Aggregate Value presented herein. Completion of the transaction is subject to Community Financial shareholder approval, required regulatory approvals, and other conditions set forth in the merger agreement.

Transaction Pricing Multiples. Scott & Stringfellow calculated the following transaction multiples:

Transaction Multiples (Community Financial financial data as of 3/31/2012)		
Price / Last Twelve Months	Reported Earnings per Share (\$0.24)	24.1x
Price / Book Value per Share (\$8.70)		66.6%
Price / Tangible Book Value per Share (\$8.70)		66.6%
Price / Total Assets per Share (\$115.53)		5.0%
Price / Total Deposits per Share (\$85.38)		6.8%
Tangible Book Premium / Core Deposits (1)		(4.3%)
Premium to CFFC Stock Price 1-Day Prior to Announcement		42.4%

(1) Core Deposits defined as total deposits less jumbo CDs (CDs with balances greater than \$100,000)

Market Validation. Scott & Stringfellow led an extensive process to contact financial institutions (potential acquirors) that Scott & Stringfellow and Community Financial determined may be interested in acquiring Community Financial and that had a high certainty of closing such a transaction with Community Financial. Over a period of approximately two months, Scott & Stringfellow contacted 37 potential acquirers, distributed 22 confidential informational memoranda on the business and financial condition of Community Financial and its subsidiary, Community Bank, and held discussions with multiple potential acquirers. Three of the potential acquirers, including City Holding, submitted non-binding indications of interest. Scott & Stringfellow met with Community Financial's board of directors to review the indications of interest. The board directed Scott & Stringfellow to move forward and allow the three potential acquirers to conduct on-site due diligence and loan portfolio review. Ultimately, only City Holding and one other potential acquirer conducted thorough onsite due diligence on Community Financial, including loan portfolio reviews and discussions with Community Financial's senior management. The third potential acquirer dropped from the process before conducting additional due diligence as a result of resource and time constraints relating to another acquisition. City Holding's final, non-binding indication of interest submitted following due diligence was deemed superior to that of the second remaining final bidder, and as such, Community Financial's board decided to move forward exclusively with City Holding on an expedited basis to negotiate the merger agreement.

Selected Peer Group Analysis. Scott & Stringfellow reviewed and compared publicly available financial data (as of March 31, 2012), market information, and trading multiples for Community Financial with other selected publicly traded companies that Scott & Stringfellow deemed relevant to Community Financial. The peer

Table of Contents

group consisted of certain select publicly traded banks and thrifts headquartered in Virginia with assets as of the most recent quarter reported less than \$1 billion (14 companies). The peer group excluded institutions identified as the target of a publicly announced merger as of July 31, 2012.

Name (Ticker)	Name (Ticker)
Bank of the James Financial Group, Inc. (BOTJ)	First Capital Bancorp, Inc. (FCVA)
Benchmark Bankshares, Inc. (BMBN)	Fauquier Bankshares, Inc. (FBSS)
Botetourt Bankshares, Inc. (BORT)	HomeTown Bankshares Corporation (HMTA)
C&F Financial Corporation (CFFI)	MainStreet BankShares, Inc. (MREE)
Citizens Bancorp of Virginia, Inc. (CZBT)	Pinnacle Bankshares Corporation (PPBN)
Eagle Financial Services, Inc. (EFSI)	Southern National Bancorp of Virginia, Inc. (SONA)
F & M Bank Corp. (FMBM)	Valley Financial Corporation (VYFC)

For the selected publicly traded companies, Scott & Stringfellow analyzed, among other things, stock price as a multiple of last twelve months earnings, book value per share, and tangible book value per share. All multiples were based on closing stock prices as of July 31, 2012 and financial data as of March 31, 2012. The following table sets forth the minimum, median, and maximum operating metrics, valuation multiples, and market capitalization provided by the market analysis of selected publicly traded companies. Multiples for Community Financial have been excluded as a means of comparison to a relevant peer set. However, this analysis resulted in a range of imputed stock price values for Community Financial of between \$1.98 and \$14.41 per share based on the median multiples for the peer group.

Operating Metrics (\$ in thousands)	Community Financial Peer Group			
	Community Financial	Minimum	Median	Maximum
Total Assets	\$ 503,907	\$ 198,892	\$ 481,713	\$ 945,471
Loans / Deposits	121.91%	70.88%	87.59%	108.51%
NPAs + 90 DDQ / Assets (1)	4.88%	0.94%	2.95%	5.42%
Tangible Common Equity / Tangible Assets	7.53%	5.79%	8.18%	14.98%
LTM ROAA	0.35%	(1.84%)	0.81%	1.37%
LTM ROAE	3.56%	(23.09%)	8.40%	13.91%
LTM Efficiency Ratio	55.22%	47.83%	65.65%	97.85%
Price to:				
Book value per share	46.8%	22.8%	83.2%	145.8%
Tangible book value per share	46.8%	22.8%	83.2%	165.5%
LTM earnings per share	17.0x	NM	10.4x	24.2x
Market capitalization (July 31, 2012)	\$ 17,752	\$ 7,796	\$ 36,915	\$ 131,583
Dividend Yield	0.00%	0.00%	2.54%	4.47%

- (1) NPAs defined as nonaccrual loans, loans past due 90 days or more and still accruing, and other real estate owned as a percent of total assets

Table of Contents

Scott & Stringfellow also reviewed and compared publicly available financial data, market information, and trading multiples for City Holding with other selected publicly traded companies that Scott & Stringfellow deemed relevant to City Holding. The peer group consisted of certain select publicly traded commercial banks headquartered in the Mid-Atlantic United States with assets as of the most recent quarter reported between \$1 and \$10 billion (15 companies). The peer group excluded commercial banks identified as the target of a publicly announced merger as of July 31, 2012.

Name (Ticker)	Name (Ticker)
Cardinal Financial Corporation (CFNL)	S&T Bancorp, Inc. (STBA)
Community Bank System, Inc. (CBU)	Sandy Spring Bancorp, Inc. (SASR)
Community Trust Bancorp, Inc. (CTBI)	StellarOne Corporation (STEL)
Eagle Bancorp, Inc. (EGBN)	Union First Market Bankshares Corporation (UBSH)
First Community Bancshares, Inc. (FCBC)	United Bankshares, Inc. (UBSI)
First Financial Bancorp. (FFBC)	Virginia Commerce Bancorp, Inc. (VCBI)
National Bankshares, Inc. (NKSH)	WesBanco, Inc. (WSBC)
Peoples Bancorp Inc. (PEBO)	

For the selected publicly traded companies, Scott & Stringfellow analyzed, among other things, stock price as a multiple of last twelve months earnings per share, estimated 2012 and 2013 earnings per share, book value per share, and tangible book value per share. All multiples were based on closing stock prices as of July 31, 2012 and financial data as of March 31, 2012. Projected earnings per share for the comparable companies were based on FactSet consensus estimates. FactSet is an information provider that publishes, among other things, a compilation of estimates of projected financial performance for publicly traded commercial banks produced by equity research analysts at leading investment banking firms. The following table sets forth the minimum, median, and maximum operating metrics, valuation multiples, and market capitalization provided by the market analysis of selected publicly traded companies. This analysis resulted in a range of imputed values for City Holding of between \$15.71 and \$44.01 per share based on the median multiples for the peer group.

Operating Metrics (\$ in thousands)	City Holding Peer Group			
	City Holding	Minimum	Median	Maximum
Total Assets	\$ 2,780,803	\$ 1,083,842	\$ 3,668,273	\$ 8,529,469
Loans / Deposits	85.65%	62.74%	86.25%	95.84%
NPAs + 90 DDQ / Assets (1)	1.05%	0.53%	1.41%	2.54%
Tangible Common Equity / Tangible Assets	9.54%	6.76%	8.55%	12.54%
LTM Core ROAA	1.52%	0.68%	1.03%	1.78%
LTM Core ROAE	13.16%	4.72%	8.60%	13.18%
LTM Efficiency Ratio	52.27%	39.68%	56.35%	70.59%
Price to:				
Book value per share	154.0%	73.2%	112.1%	163.6%
Tangible book value per share	187.3%	102.5%	153.3%	225.5%
LTM earnings per share	11.8x	11.1x	12.0x	15.8x
2012E earnings per share	12.1x	10.8x	12.0x	15.4x
2013E earnings per share	11.6x	10.4x	11.7x	13.4x
Market capitalization (July 31, 2012)	\$ 489,822	\$ 211,114	\$ 396,288	\$ 1,171,428
Dividend Yield	4.24%	0.00%	3.16%	7.52%

(1) NPAs defined as nonaccrual loans, loans past due 90 days or more and still accruing, and other real estate owned as a percent of total assets

No company used in the analyses described above is identical to Community Financial, City Holding, or the pro forma combined company. Accordingly, an analysis of the results of the foregoing necessarily involves

Table of Contents

complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the merger, public trading, or other values of the companies to which they are being compared. In addition, mathematical analyses, such as determining the median, are not in and of themselves meaningful methods of using comparable company data.

Selected Transaction Analysis. Scott & Stringfellow reviewed and analyzed certain financial data related to 21 completed and pending bank and thrift mergers and acquisitions announced between July 1, 2010 and July 31, 2012. These transactions involved sellers based in the United States with the following characteristics:

Total assets for the most recent quarter of less than \$1 billion;

Ratio of nonperforming assets (1) to total assets for the most recent quarter between 2.0% and 7.0%; and

Target company headquartered in the Southeast / Mid-Atlantic U.S.

(1) Defined as nonaccrual loans and leases, renegotiated loans and leases, and other real estate owned
Those transactions (listed by closing date in order from pending to oldest) were as follows:

Acquiror

WashingtonFirst Bankshares, Inc.
City Holding Company
First Community Bancshares, Inc.
Sandy Spring Bancorp, Inc.
SCBT Financial Corporation
First Volunteer Corporation
1st United Bancorp, Inc.
Trustmark Corporation
Piedmont Community Bank Holdings, Inc.
Park Sterling Corporation
BCB Bancorp, Inc.
Customers Bancorp Inc

Target

Alliance Bankshares Corporation
Virginia Savings Bancorp, Inc.
Peoples Bank of Virginia
CommerceFirst Bancorp, Inc.
Peoples Bancorporation, Inc.*
Gateway Bancshares, Inc.*
Anderen Financial, Inc.
Bay Bank & Trust Co.
Crescent Financial Corporation*
Community Capital Corporation
Allegiance Community Bank