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FOR IMMEDIATE RELEASE

Enterprise Bank NJ Announces Fiscal Year End 2017 Results of Operations

Kenilworth, New Jersey, March 8, 2018 - Enterprise Bank NJ (the "Bank") (ENBN:OTC) recorded earnings of \$1,592,000 or \$0.49 per share on a year-to-date basis ending December 31, 2017 compared to \$1,929,000, or \$0.61 per share – a decrease of \$337,000, or 17.5% year-over-year. In the fourth quarter, the Bank recognized a one-time charge to earnings of \$426,000 related to the re-valuation of the Deferred Tax Asset due to President Trump signing into law the new tax legislation. Exclusive of this one-time charge, the Bank's net income would have been \$2,018,000 – up \$89,000 year-over-year. While this charge occurred as of the end of 2017, it is anticipated that the Bank will benefit from the reduced corporate tax rate in 2018.

As of year end December 31, 2017, the Bank's Return on Average Assets (ROAA) was 0.72% and Return on Average Equity (ROAE) was 5.47% compared to prior year end where ROAA was 0.95% and ROAE was 7.32% for the twelve months ending December 31, 2016. The Banks ROAA and ROAE were also impacted by the one-time tax adjustment.

FINANCIAL CONDITION

Assets

As of December 31, 2017, total assets were \$232.9 million, as compared to \$209.9 million, at December 31, 2016 – an increase of \$23.0 million, or 11.0%.

Don Haake, President and CEO stated, "The Bank once again experienced stable growth and profitability, accentuated by a well performing loan portfolio. The solid pre-tax earnings growth of \$310,000, or 9.6%, for 2017 can be attributed to continued cultivation of the markets we serve, as well as the measurable repeat business and referrals we receive from our current customers. Loans as of December 31, 2017 totaled \$217.5 million, up \$29.1 million, or 15.4% over year-end with total deposits increasing to \$182.4 million, up \$18.4 million, or 11.2% over prior year-end."

Capital

Stockholders' equity totaled \$29.6 million at December 31, 2017, compared to \$27.5 million at December 31, 2016. All of the Bank's capital ratios remain strong and in excess of the current regulatory definition of a "well capitalized" institution. At December 31, 2017, the Bank's Tier One Leverage Capital Ratio was 12.92% and the Bank's total risk based capital ratio was 15.92%. In addition, the Common Equity Tier 1 Ratio was 14.67% as of December 31, 2017, which is in

excess of the 6.75% current minimum regulatory threshold and the fully transitioned ratio of 7.0% for the year 2019. In addition, book value reached \$9.06 per share compared to \$8.61 per share as of December 31, 2016 and market value of as of the end of 2017 at \$10.25 per share, with a market to book ratio of approximately 113%.

Net Interest Income

Net interest income as of year end December 31, 2017 was \$8,392,000, compared to \$7,678,000 for the same period in 2016 – an increase of \$714,000 or 9.3%. The Bank's net interest margin for the year ended December 31, 2017, remained strong at 3.91%, compared to 4.08% for the period ended December 31, 2016.

Non-Interest Income

Non-interest income remained consistent year-over-year – ending the year at \$409,000 compared to \$436,000 for the twelve months ended December 31, 2016.

Non-Interest Expense

For the twelve months ended December 31, 2017, total non-interest expense increased \$368,000, or 7.9%, to \$5.0 million, compared to \$4.6 million for the same period in 2016. With the Newark Branch opening in November of last year, the increase in expense is primarily related to the new branch operations and in-line with budget forecasts and targeted expense control.

Asset Quality

The bank had three non-performing loans totaling \$644,000 at December 31, 2017, as compared to \$220,000, for the same period last year. An additional loan was added to nonaccrual this quarter in the amount of \$94,000, which was subsequently paid off in full early in 2018. We are continuing to attempt to work through the loan that was added last quarter with the borrower; however, we will pursue foreclosure, if deemed necessary. Also, it should be noted that one non-performing loan paid-off in February 2017 in the amount of \$110,000. We still have one OREO property on the books for \$1.25 million, with a value of \$1.45 million based on a current appraisal, which is currently under contract of sale, which we hope to close in 2018.

THE BANK

Enterprise Bank NJ, headquartered in Kenilworth, New Jersey, is listed on the Pink Sheets under the symbol "ENBN". The Bank focuses on serving the needs of small to medium sized businesses, commercial real estate borrowers, professional practices and consumers. Its services include business and personal checking, savings, money market and certificate of deposit accounts. Additionally, the Bank offers commercial and consumer loans, lines of credit, ATM cards, debit cards, E-Banking, remote deposit capture, and free telephone and online banking.

Forward-Looking Statements

This news release may contain forward-looking statements. We caution that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Such statements are also subject to certain factors that may cause the Bank's results to vary from those expected. These factors include changing economic and financial market conditions, competition, ability to execute the Bank's business plan, items already mentioned in this press release, and other factors. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's judgment only as of this date. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect events and circumstances that arise after the date of this release.

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Enterprise Bank NJ
CONSOLIDATED BALANCE SHEETS
(unaudited)
dollars in thousands

Assets	<u>12/31/17</u>	<u>12/31/16</u>	<u>Variance</u>	<u>% Chg</u>
Cash and due from banks	\$ 10,146	\$ 14,839	\$(4,693)	-31.6%
Investment securities	4,155	4,958	(803)	-16.2%
Loans	217,489	188,389	9,100	15.4%
Allowance for loan losses	(2,571)	(2,322)	(249)	10.7%
Net loans	214,918	186,067	28,851	15.5%
Bank premises and equipment, net	551	654	(103)	-15.7%
Real estate owned	1,250	1,250	-	0.0%
Deferred income taxes	986	1,152	(166)	-14.4%
Other assets	910	988	(78)	-7.9%
Total assets	<u>\$ 232,916</u>	<u>\$209,908</u>	<u>\$ 23,008</u>	11.0%
Liabilities and Stockholders' Equity				
Non-interest bearing deposits	\$ 29,931	\$ 21,981	\$ 7,950	36.2%
Interest bearing deposits	152,480	142,004	10,476	7.4%
Total deposits	182,411	163,985	18,426	11.2%
Borrowings	20,140	17,875	2,265	12.7%
Other liabilities	752	500	252	50.4%
Total liabilities	203,303	182,360	20,943	11.5%
Total stockholders' equity	29,613	27,548	2,065	7.5%
Total liabilities and stockholders' equity	<u>\$ 232,916</u>	<u>\$209,908</u>	<u>\$ 23,008</u>	11.0%

Enterprise Bank NJ
CONSOLIDATED INCOME STATEMENTS (unaudited)

	<u>12/31/17</u>	<u>12/31/16</u>	<u>Variance</u>	<u>% Chg</u>
Interest income	\$ 10,214	\$ 9,271	\$ 943	10.2%
Interest expense	1,822	1,593	229	14.4%
Net interest income	8,392	7,678	714	9.3%
Provision for loan losses	249	240	9	3.8%
Net interest income after provision for loan losses	8,143	7,438	705	9.5%
Non-interest income	409	436	(27)	-6.2%
Non-interest expenses	5,007	4,639	368	7.9%
Income before income taxes	3,545	3,235	310	9.6%
Income taxes	1,953	1,306	647	49.5%
Net income	\$ 1,592	\$ 1,929	\$ (337)	-17.5%
Net income per common share	\$ 0.49	\$ 0.61	\$ (0.12)	
Average shares outstanding	3,259,493	3,162,838		