



FOR IMMEDIATE RELEASE

Enterprise National Bank N.J. Announces Record Earnings in Fiscal Year 2013

Kenilworth, New Jersey, February 25, 2014 – Enterprise National Bank N.J. (OTCBB:ENBN) reported a record net profit of \$781,000, or \$0.28 per share, for the fiscal period ending December 31, 2013, compared to earnings of \$698,000, or \$0.25 per share, for the comparable period in 2012.

Income before taxes, which increased 7.1% from the prior year level, was \$1.4 million for the fiscal period ending December 31, 2013, compared to \$1.3 million for the comparable period in 2012. The increase for the fiscal 2013 period resulted primarily from an increase in net interest income, partly offset by a higher provision for loan losses and lower non-interest income.

In a joint statement, N. Larry Paragano, Chairman, and Donald J. Haake, President and Chief Executive Officer, said "We are extremely pleased to report this year's record performance, which was fueled by exceptional loan growth, continued expense control and sound asset quality. As we stated in last year's fourth quarter release '*we believe that our strong commitment to the communities we serve will present new lending opportunities for us to continue to assist our customers and prospects in achieving their goals for the future*'. Clearly, our customer's success is our success and our team worked very hard to fulfil our commitment to them and we will continue do so in 2014. We look forward with a great deal of enthusiasm toward our communities and businesses and the future of our company."

FINANCIAL CONDITION

As of December 31, 2013, total assets were \$139.0 million, as compared to \$133.8 million at December 31, 2012, or an increase of 3.9 percent. The bank experienced a net increase in loans in 2013 of \$21.8 million or 21.5 percent, a decrease in cash and due from banks of \$13.5 million (82.1 percent) and a decrease in investment securities of \$3.0 million (24.2 percent).

Net Interest Income

Net interest income was \$5.4 million for fiscal 2013, as compared to \$5.1 million for 2012. The increase in net interest income for the current year is primarily due to a 10.8% increase in the average balance of the loan portfolio compared to 2012, and a 15.6% decrease in interest expense. While the current rate environment continues to remain near record low levels, the bank's net interest margin for the year ended December 31, 2013 remained strong at 4.21 percent, as compared to 4.03 percent for the year ended December 31, 2012.

Provision for Loan Losses

The bank had a provision of \$271,000 for the year ended December 31, 2013, compared to a provision of \$121,000 for the year ended December 31, 2012. The allowance for possible loan losses as a percentage of total loans was 1.19 percent as of December 31, 2013, as compared to 1.24 percent at December 31, 2012. The provision reflects management's view of the impact that the current economic environment has, and will continue to place on our borrowers, but in no way suggests an increased risk of loss potential.

Non-Interest Income

Non-interest income totaled \$166,000 in 2013, as compared to \$244,000 for 2012. The decrease primarily relates to lower prepayment penalty revenue in the current fiscal year.

Non-Interest Expense

Total non-interest expense for each of the years ended December 31, 2013 and December 31, 2012 was \$4.0 million, as management has held strong in controlling these costs. Salaries and employee benefit expenses were \$2.2 million for each of the years ended December 31, 2013 and December 31, 2012, and other operating costs in the current year were also held in line with the prior year amounts.

ASSET QUALITY

The bank had non-performing loans of \$200,000 as of December 31, 2013, as compared to \$1.1 million at December 31, 2012, and charged-off loans totaled \$141,000 in 2013, as compared to \$417,000 in 2012. It is important to note that the 2013 total represents one loan that is a performing troubled debt restructuring. The bank also has one income producing REO property valued at \$1.4 million, for which the bank is currently negotiating a contract of sale for a full price offer. Lastly, although the bank's portfolio continues to perform soundly and remains well collateralized, management diligently monitors the portfolio and is prepared to take whatever steps are necessary to ensure against future potential deterioration.

CAPITAL

Stockholders' equity grew to \$19.8 million at December 31, 2013, compared to \$18.9 million at December 31, 2012. All the bank's capital ratios remain well in excess of the current regulatory definition of a "well capitalized" institution. The bank's tier one leverage capital ratio at December 31, 2013, was 14.28 percent and the bank's total risk-based capital ratio at December 31, 2013 was 16.69 percent.

THE BANK

Enterprise National Bank N.J., headquartered in Kenilworth, New Jersey, is listed on the OTC Bulletin Board 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, home equity loans, 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 National Bank N.J.

CONSOLIDATED INCOME STATEMENTS (unaudited)

	<i>Fiscal Years Ended</i>	
	<u>12/31/13</u>	<u>12/31/12</u>
Total interest income	\$ 6,413,790	\$ 6,252,276
Total interest expense	979,754	1,160,448
Net interest income	5,434,036	5,091,828
Provision for possible loan losses	271,374	121,080
<i>Net interest income after provision</i>	5,162,662	4,970,748
Service fees and charges	163,833	239,496
Gain on sale of Securities	0	1,551
Other	1,904	2,868
<i>Total non-interest income</i>	165,737	243,915
Personnel expenses	2,203,920	2,172,703
Occupancy expense	305,133	294,691
Equipment	544,547	543,207
Advertising	6,885	6,252
Other expense	915,059	934,686
<i>Total non-interest expense</i>	3,975,544	3,951,539
Income before taxes	1,352,855	1,263,124
Income tax expense	571,612	564,796
Net income	\$ 781,243	\$ 698,328
Average shares outstanding	2,824,519	2,794,022
Net income per Common Share – Basic	\$ 0.28	\$ 0.25

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CONSOLIDATED BALANCE SHEETS (unaudited)

	<u>12/31/13</u>	<u>12/31/12</u>
Assets		
Cash and due from banks	\$ 2,938,982	\$ 16,411,090
Investment securities	9,355,102	12,334,583
Loans	124,898,856	102,847,415
Allowance for loan losses	(1,488,756)	(1,273,310)
Net loans	<u>123,410,100</u>	<u>101,574,105</u>
Bank premises and equipment, net	369,848	435,873
Real estate owned	1,416,000	1,416,000
Deferred income taxes	846,439	760,131
Other assets	616,520	844,035
Total Assets	<u><u>\$ 138,952,991</u></u>	<u><u>\$ 133,775,817</u></u>
Liabilities and stockholders' equity		
Non-interest bearing deposits	\$ 12,443,192	\$ 17,211,351
Interest bearing deposits	96,322,659	93,361,737
Total deposits	<u>108,765,851</u>	<u>110,573,088</u>
Borrowings	10,000,000	4,000,000
Other liabilities	376,871	308,043
Total liabilities	<u>119,142,722</u>	<u>114,881,131</u>
Total stockholders' equity	19,810,269	18,894,686
Total Liabilities and stockholders' equity	<u><u>\$ 138,952,991</u></u>	<u><u>\$ 133,775,817</u></u>

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