



Contacts: Donald J. Haake, President & CEO
don.haake@enterprisebank.net

David J. Onderko, CFO/COO
david.onderko@enterprisebank.net

Website: www.enterprisebank.net

FOR IMMEDIATE RELEASE

Enterprise Bank NJ Announces a 49% increase in Net Income

Kenilworth, New Jersey, November 7, 2018 - Enterprise Bank NJ (the "Bank") (ENBN:OTC) recorded earnings of \$812,000, or \$0.24 per share, for the quarter ended September 30, 2018, compared to \$543,000, or \$0.17 per share – a increase of \$269,000, or 49.5% for the same period in the prior year. The increase in net income was primarily due to growth in the interest income of \$890,000 or 34.4%, which was primarily due to the growth in the loan portfolio (\$16.0 million or 6.4%) for the quarter ended September 30, 2018. As we discussed in our year-end press release, the impact of the tax benefit is also contributing to the net income growth, reducing tax expense by \$151,000 for the quarter.

Net income for the nine months ended September 30, 2018 was \$2.2 million compared to \$1.6 million for the nine months ended September 30, 2017 – a \$620,000 or 38.6% increase. Interest income year over year increased \$2.0 million or 26.2% primarily due to \$47.9 million or 22% increase in loan volume since year end.

As of the end of the third quarter September 30, 2018, the Bank's annualized Return on Average Assets (ROAA) was 1.17% and Return on Average Equity (ROAE) was 9.57%, compared to prior year-end where ROAA was 0.72% and ROAE was 5.47% for the year ended December 31, 2017. The Banks ROAA and ROAE were impacted by the one-time tax adjustment at year end of \$426,000, but are benefiting from the implementation of the new tax legislation in 2018, which thus far amounted to approximately \$414,000 through the nine months ended September 30, 2018.

FINANCIAL CONDITION

Assets

As of September 30, 2018, total assets were \$276.9 million, as compared to \$232.9 million at December 31, 2017 – an increase of \$44.0 million, or 18.9%.

Don Haake, President and CEO stated, "We remain extremely pleased with the Bank's performance through the first three quarters of 2018, particularly our sustained growth and profitability. Pre-tax earnings growth of \$335,000, or 12.2%, for the nine months ended September 30, 2018 was also admirable, compared to the same period the prior year, but it should be noted that exclusive of merger related expenses of \$229,000, the Bank's pre-tax income increased \$564,000 or 20.6%. The growth in earnings is the result of our continued customer

driven approach to our business and the recognition that relationships matter. Loans as of September 30, 2018 totaled \$265.4 million, up \$47.9 million, or 22.0%, as compared to December 31, 2017. Total deposits also increased \$9.8 million, or 5.4%, ending September 30, 2018 at \$192.2 million. The Bank also showed an increase in borrowings of \$30.6 million, or 152.0%, to help supplement the funding of the loan growth in the first nine months of the year due to increased competition for deposits.”

Capital

Stockholders' equity totaled \$32.6 million at September 30, 2018, compared to \$29.6 million at December 31, 2017. All of the Bank's capital ratios remain strong and in excess of the current regulatory definition of a “well capitalized” institution. At September 30, 2018, the Bank's Tier One Leverage Capital Ratio was 11.94% and the Bank's total risk based capital ratio was 14.86%. In addition, the Common Equity Tier 1 Ratio was 13.61% as of September 30, 2018, which is in excess of the 6.75% current minimum regulatory threshold. In addition, book value reached \$9.47 per share, compared to \$9.06 per share as of December 31, 2017, and market value as of the end of the third quarter 2018 was \$11.40 per share, with a market to book ratio of approximately 120%. Approximately 172,750 options were exercised in the second and third quarters increasing our outstanding shares and impacting book value per share.

Net Interest Income

Net interest income as of the nine months ended September 30, 2018 was \$7.4 million, compared to \$6.2 million for the same period in 2017 – an increase of \$1.2, or 19.6%. The Bank's net interest margin for the nine months ended September 30, 2018, remained strong at 3.92%, compared to 3.91% for the period ended December 31, 2017.

Non-Interest Income

Non-interest income decreased year over year by \$168,000 or 48.8%. Last year, for the nine months ended September 30, 2017, the Bank received prepayment penalties that did not recur in 2018. The Bank's major contribution to earnings comes from the Net Interest Income line item, so while a prepayment penalty gives the Bank the one time earnings boost, the net interest income suffers when there are prepayment penalties.

Non-Interest Expense

For the nine months ended September 30, 2018, total non-interest expense increased \$330,000, or 9.1%, to \$3,973,000 compared to the same period last year. The primary reason for the increase was due to one-time charges of \$229,000 related to the merger with SB One Bank, which is expected to close in the fourth quarter.

Asset Quality

The Bank had three non-performing loans totaling \$1,333,000 at September 30, 2018, as compared to \$550,000 for the same period last year. It should be noted that the Bank settled with one of the borrowers for the full amount due of \$796,000 plus interest and fees early in October and will complete the sheriff's sale on another non-performing loan of \$453,000 as of the end of October. Also, it should be noted that one non-performing loan was paid-off in February 2018 in the amount of \$94,000. 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 under contract of sale and anticipated to close prior to year end.

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	9/30/2018	12/31/2017	Variance	% Chg
Cash and due from banks	\$ 5,507	\$ 10,146	\$(4,639)	-45.7%
Investment securities	4,955	4,155	800	19.3%
Loans	265,437	217,489	47,948	22.0%
Allowance for loan losses	(3,051)	(2,571)	(480)	18.7%
Net loans	262,386	214,918	47,468	22.1%
Bank premises and equipment, net	451	551	(100)	-18.1%
Real estate owned	1,250	1,250	-	0.0%
Deferred income taxes	995	986	9	0.9%
Other assets	1,314	910	404	44.4%
Total Assets	<u>\$ 276,858</u>	<u>\$232,916</u>	<u>\$43,942</u>	18.9%
Liabilities and stockholders' equity				
Non-interest bearing deposits	\$ 31,624	\$ 29,931	\$ 1,693	5.7%
Interest bearing deposits	160,599	152,480	8,119	5.3%
Total deposits	192,223	182,411	9,812	5.4%
Borrowings	50,755	20,140	30,615	152.0%
Other liabilities	1,298	752	546	72.6%
Total liabilities	244,276	203,303	40,973	20.2%
Total stockholders' equity	32,582	29,613	2,969	10.0%
Total Liabilities and stockholders' equity	<u>\$276,858</u>	<u>\$232,916</u>	<u>\$43,942</u>	18.9%

Enterprise Bank NJ
CONSOLIDATED INCOME STATEMENTS (unaudited)
(dollars in thousands)

<u>For the Quarter Ended:</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>Variance</u>	<u>% Chg</u>
Interest Income	\$ 3,480	\$ 2,590	\$ 890	34.4%
Interest Expense	873	465	408	87.7%
Net Interest Income	2,607	2,125	482	22.7%
Provision for Loan Losses	181	10	171	N/M
Net Interest Income after				
Provision for Loan Losses	2,426	2,115	311	14.7%
Non-Interest Income	55	80	(25)	-31.3%
Non-Interest Expenses	1,361	1,237	124	10.0%
Income Before Income Taxes	1,120	958	162	16.9%
Income Taxes	308	415	(107)	-25.8%
Net Income	\$ 812	\$ 543	\$ 269	49.5%
Net Income per Common Share	\$ 0.24	\$ 0.17	\$ 0.07	
Average shares outstanding	3,401,279	3,262,661		

Enterprise Bank NJ
CONSOLIDATED INCOME STATEMENTS (unaudited)

<u>YTD for the Quarter Ended:</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>Variance</u>	<u>% Chg</u>
Interest Income	\$ 9,435	\$ 7,477	\$ 1,958	26.2%
Interest Expense	2,085	1,332	753	56.5%
Net Interest Income	7,350	6,145	1,205	19.6%
Provision for Loan Losses	480	108	372	344.4%
Net Interest Income after				
Provision for Loan Losses	6,870	6,037	833	13.8%
Non-Interest Income	176	344	(168)	-48.8%
Non-Interest Expenses	3,973	3,643	330	9.1%
Income Before Income Taxes	3,073	2,738	335	12.2%
Income Taxes	846	1,131	(285)	-25.2%
Net Income	\$ 2,227	\$ 1,607	\$ 620	38.6%
Net Income per Common Share	\$ 0.67	\$ 0.49	\$ 0.18	
Average shares outstanding	3,316,887	3,258,122		