

ENTERPRISE FINANCIAL SERVICES CORP



FIRST QUARTER 2016 INVESTOR PRESENTATION





FORWARD-LOOKING STATEMENT

Some of the information in this report contains “forward-looking statements” within the meaning of and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements typically are identified with use of terms such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “could,” “continue” and the negative of these terms and similar words, although some forward-looking statements are expressed differently. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. You should be aware that our actual results could differ materially from those contained in the forward-looking statements due to a number of factors, including, but not limited to: credit risk; changes in the appraised valuation of real estate securing impaired loans; outcomes of litigation and other contingencies; exposure to general and local economic conditions; risks associated with rapid increases or decreases in prevailing interest rates; consolidation within the banking industry; competition from banks and other financial institutions; our ability to attract and retain relationship officers and other key personnel; burdens imposed by federal and state regulation; changes in regulatory requirements; changes in accounting regulation or standards applicable to banks; and other risks discussed under the caption “Risk Factors” of our most recently filed Form 10-K and in Part II, 1A of our most recently filed Form 10-Q, all of which could cause the Company’s actual results to differ from those set forth in the forward-looking statements.

Readers are cautioned not to place undue reliance on our forward-looking statements, which reflect management’s analysis and expectations only as of the date of such statements. Forward-looking statements speak only as of the date they are made, and the Company does not intend, and undertakes no obligation, to publicly revise or update forward-looking statements after the date of this report, whether as a result of new information, future events or otherwise, except as required by federal securities law. You should understand that it is not possible to predict or identify all risk factors. Readers should carefully review all disclosures we file from time to time with the Securities and Exchange Commission which are available on our website at www.enterprisebank.com.

COMPANY SNAPSHOT

ENTERPRISE BANK
\$3.7 Billion
IN TOTAL ASSETS

ENTERPRISE TRUST
\$1.5 Billion
IN ASSETS UNDER ADMINISTRATION



FOCUSED BUSINESS MODEL:

CONCENTRATED ON PRIVATE BUSINESSES AND OWNER FAMILIES

RELATIONSHIP DRIVEN

ATTRACT TOP TALENT IN MARKETS

PRODUCT BREADTH

- BANKING
- TRUST & WEALTH MANAGEMENT
- TREASURY MANAGEMENT

PROVEN ABILITY TO GROW COMMERCIAL AND INDUSTRIAL "C&I" LOANS

STRONG BALANCE SHEET WITH ATTRACTIVE RISK PROFILE



DIFFERENTIATED BUSINESS MODEL: BUILT FOR QUALITY EARNINGS GROWTH

- ▶ FOCUSED AND WELL-DEFINED STRATEGY AIMED AT BUSINESS OWNERS, EXECUTIVES AND PROFESSIONALS
- ▶ TARGETED ARRAY OF BANKING AND WEALTH MANAGEMENT SERVICES TO MEET OUR CLIENTS' NEEDS
- ▶ EXPERIENCED BANKERS AND ADVISORS

Enterprise Bank

Enterprise University
Treasury Management
Personal & Private Banking
Commercial & Business Banking
Mortgage Banking



PRIVATE
BUSINESSES
& OWNER
FAMILIES

Enterprise Trust

Financial & Estate Planning
Tax Credit Brokerage
Business & Succession Planning
Trust Administration
Investment Management

ENTERPRISE UNIVERSITY: A KEY BRAND DIFFERENTIATOR

EU is a Continuing Series of More than 30 High-Impact Workshops for Business Owners

- ▶ DESIGNED TO HELP MANAGEMENT TEAMS GROW THEIR BUSINESSES
- ▶ EU IS OFFERED SEMI-ANNUALLY TO ENTERPRISE CLIENTS AND PROSPECTS ALIKE

EU is Unique and Highly Valued; A Clear Differentiator

- ▶ MORE THAN 15,000 PARTICIPANTS TO DATE
- ▶ BUILT TO ENHANCE THE SALES PROCESS, SET THE BANK APART FROM COMPETITORS
- ▶ CREATES "RAVING FANS" FOR ENTERPRISE





STRONG TRACK RECORD OF SUCCESS IN ST. LOUIS

6th RANKED IN
DEPOSIT SHARE¹,
LARGEST PUBLICLY
HELD BANK BASED IN
ST. LOUIS²

\$1.4³
BILLION IN
LOANS

\$1.5
BILLION IN
DEPOSITS

\$1.5
BILLION WEALTH
MANAGEMENT
BUSINESS

ATTRACTING
**Top
Level**
BANKERS

CONSISTENT ABILITY
TO PRODUCE
LOAN GROWTH –
6% CAGR³
in C&I
Loans OVER
PAST FIVE YEARS

¹ 6/30/15 FDIC data

² Excludes Bank Unit of Stifel Nicolaus

³ Excludes specialized lending products

ADDITIONAL GROWTH OPPORTUNITIES

Phoenix

ESTABLISHED PRESENCE IN **2009**
\$188 Million IN LOANS
\$100 Million IN DEPOSITS

REBOUNDED ECONOMY WITH **Strong Growth** POTENTIAL. **Twelfth Largest Metro** AREA IN THE NATION

HIGHLY CONCENTRATED BANKING MARKET **Favorable for EFSC's Business Focused**, HIGH SERVICE MODEL

Phoenix-Mesa-Scottsdale, AZ

Institution (ST)	2015 Number of Branches	2015 Total Deposits in Market (\$000)	2015 Total Market Share (%)
JPMorgan Chase & Co. (NY)	186	21,240,263	27.11
Wells Fargo & Co. (CA)	174	19,909,586	25.41
Bank of America Corp. (NC)	106	15,932,016	20.34
Western Alliance Bancorp (AZ)	7	2,924,037	3.73
BBVA	50	2,676,363	3.42
Bank of Montreal	41	2,138,579	2.73
Zions Bancorp. (UT)	24	1,619,477	2.07
U.S. Bancorp (MN)	65	1,442,391	1.84
Midland Financial Co. (OK)	26	1,262,768	1.61
New York Community Bancorp (NY)	14	970,523	1.24
Enterprise Financial Services (MO)	1*	86,979	0.11
Total For Institutions In Market	877	78,343,619	

} 73%

* Second location opened in November 2015

Source: 6/30/15 FDIC data, SNL Financial



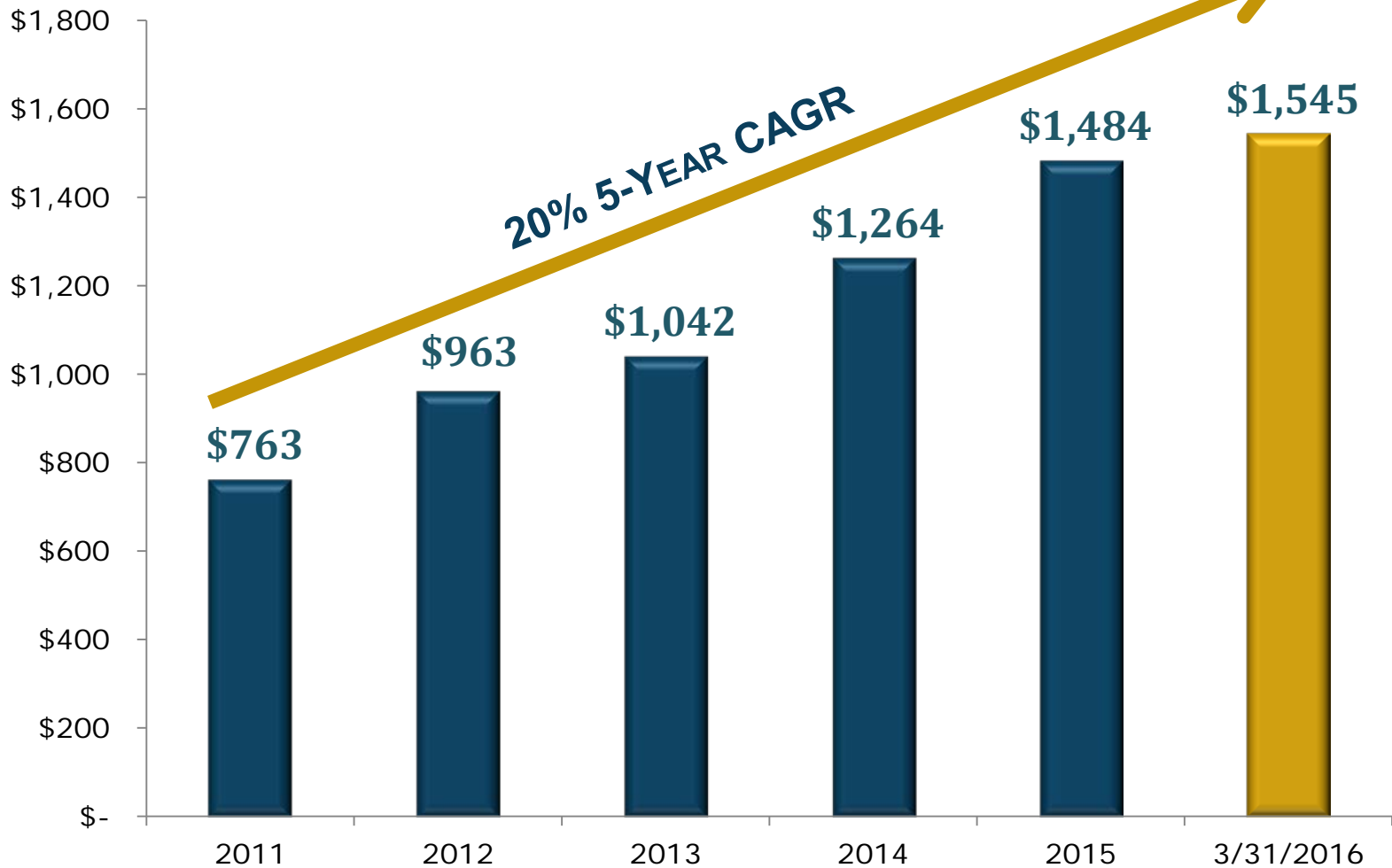


CROSS-SELLING AND BUSINESS BANKING INITIATIVES COMPLEMENT PRIMARY COMMERCIAL STRATEGY

- ▶ HIGH *Client Satisfaction* PAVES WAY FOR ADD-ON PRODUCT SALES
- ▶ TREASURY MANAGEMENT *Product Implementations Rose 30%* FROM 2014; CROSS-SELLS ACCOUNTED FOR 40% OF OVERALL IMPLEMENTATIONS IN 2015
- ▶ *Business Banking Initiative* TARGETING \$1-10 MILLION REVENUE BUSINESSES, *Produced 62% Increase* IN BUSINESS BANKING RELATIONSHIPS IN 2015; AVERAGE CROSS-SELL RATIO 4.7, 20% *Higher* THAN PRIOR YEAR
- ▶ BRANCH ORGANIZATION MOBILIZED TO *Cross-Sell Personal Banking Services* TO COMMERCIAL AND BUSINESS BANKING CLIENTS
- ▶ ESTABLISHED *Distinct Sales and Relationship Management Models* TO EFFICIENTLY PENETRATE AND SERVICE THE MARKET

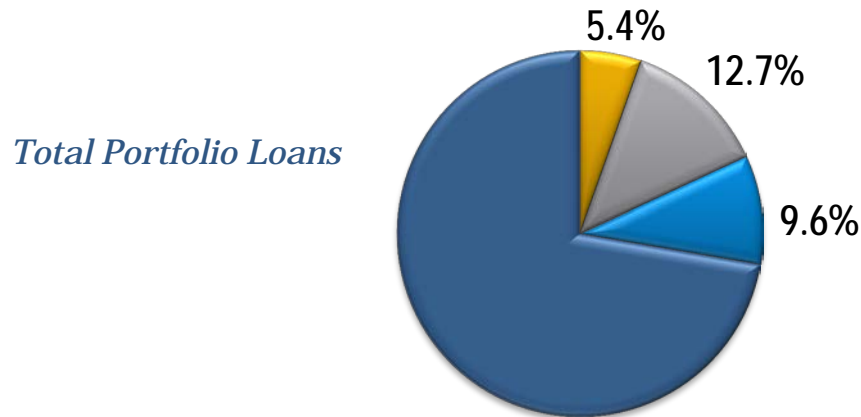
HISTORY OF STRONG C&I GROWTH

In millions



FOCUSED LOAN GROWTH STRATEGIES

SPECIALIZED MARKET SEGMENTS HAVE GROWN TO 28% OF TOTAL PORTFOLIO LOANS, OFFERING COMPETITIVE ADVANTAGES, RISK ADJUSTED PRICING AND FEE INCOME OPPORTUNITIES.



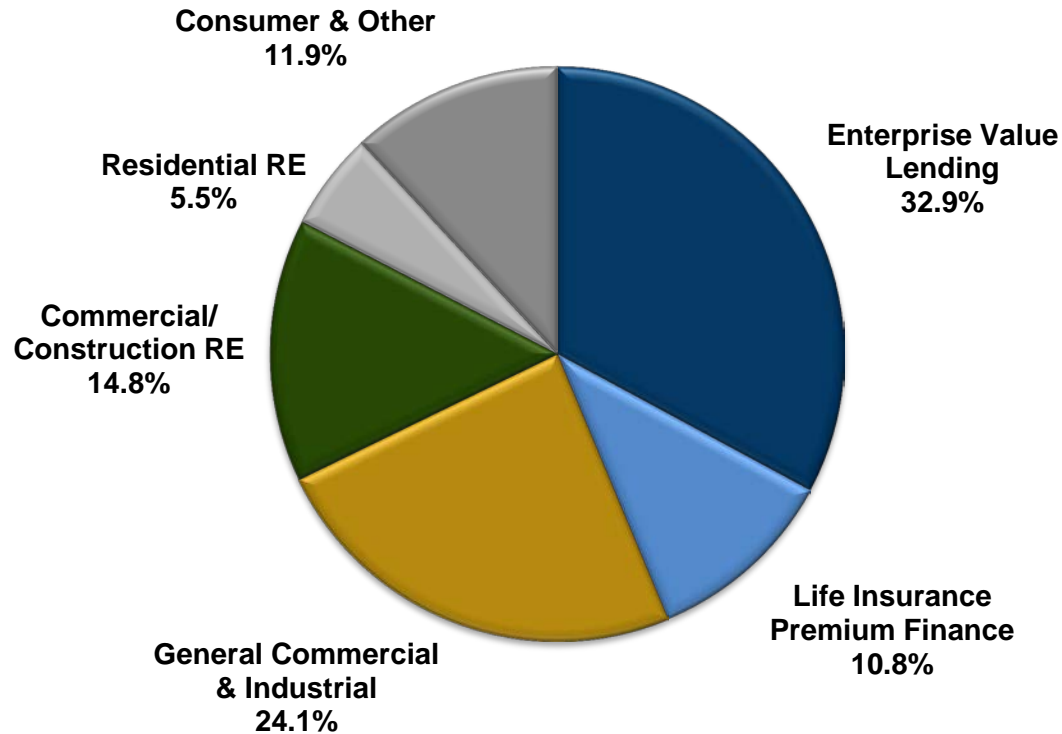
EXPECTATIONS FOR FUTURE GROWTH INCLUDE CONTINUED FOCUS IN THESE SPECIALIZED MARKET SEGMENTS.

- Tax Credit Programs.** \$153 MILLION IN LOANS OUTSTANDING RELATED TO FEDERAL NEW MARKETS, HISTORIC AND MISSOURI AFFORDABLE HOUSING TAX CREDITS. \$183 MILLION IN FEDERAL & STATE NEW MARKETS TAX CREDITS AWARDED TO DATE.
- Enterprise Value Lending.** \$360 MILLION IN M&A RELATED LOANS OUTSTANDING, PARTNERING WITH PE AND VC FIRMS
- Life Insurance Premium Financing.** \$272 MILLION IN LOANS OUTSTANDING RELATED TO HIGH NET WORTH ESTATE PLANNING

DRIVERS OF LOAN GROWTH

Mar 31, 2015 – Mar 31, 2016

\$397 MILLION



- ENTERPRISE VALUE LENDING
- LIFE INSURANCE PREMIUM FINANCE
- GENERAL COMMERCIAL & INDUSTRIAL
- COMMERCIAL/CONSTRUCTION RE
- RESIDENTIAL RE
- CONSUMER & OTHER

PORTFOLIO LOAN TRENDS

In Millions

16% TOTAL LOAN GROWTH



ATTRACTIVE DEPOSIT MIX

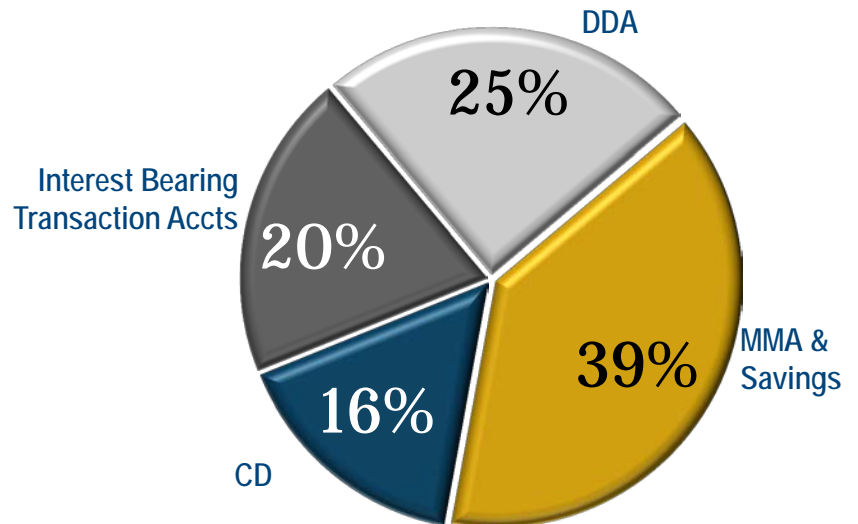
▶ *Significant* DDA COMPOSITION

▶ *Declining* COST OF DEPOSITS

▶ IMPROVING *Core Funding*

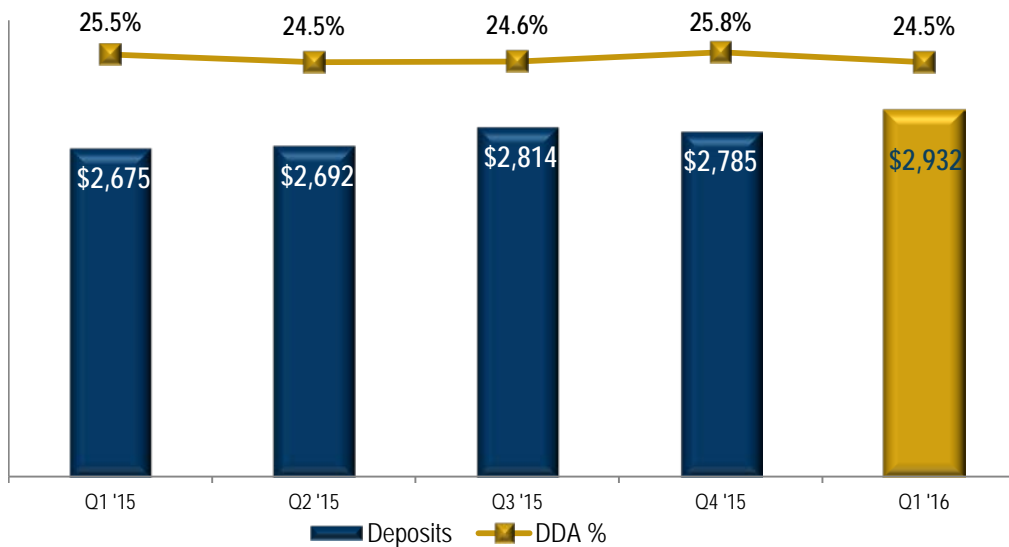
▶ 80% OF *Core Deposits* ARE COMMERCIAL CUSTOMERS

MAR 31, 2016
\$2,932MM



Cost of Deposits 0.34%

10% DEPOSIT GROWTH
Q1 2015 – Q1 2016



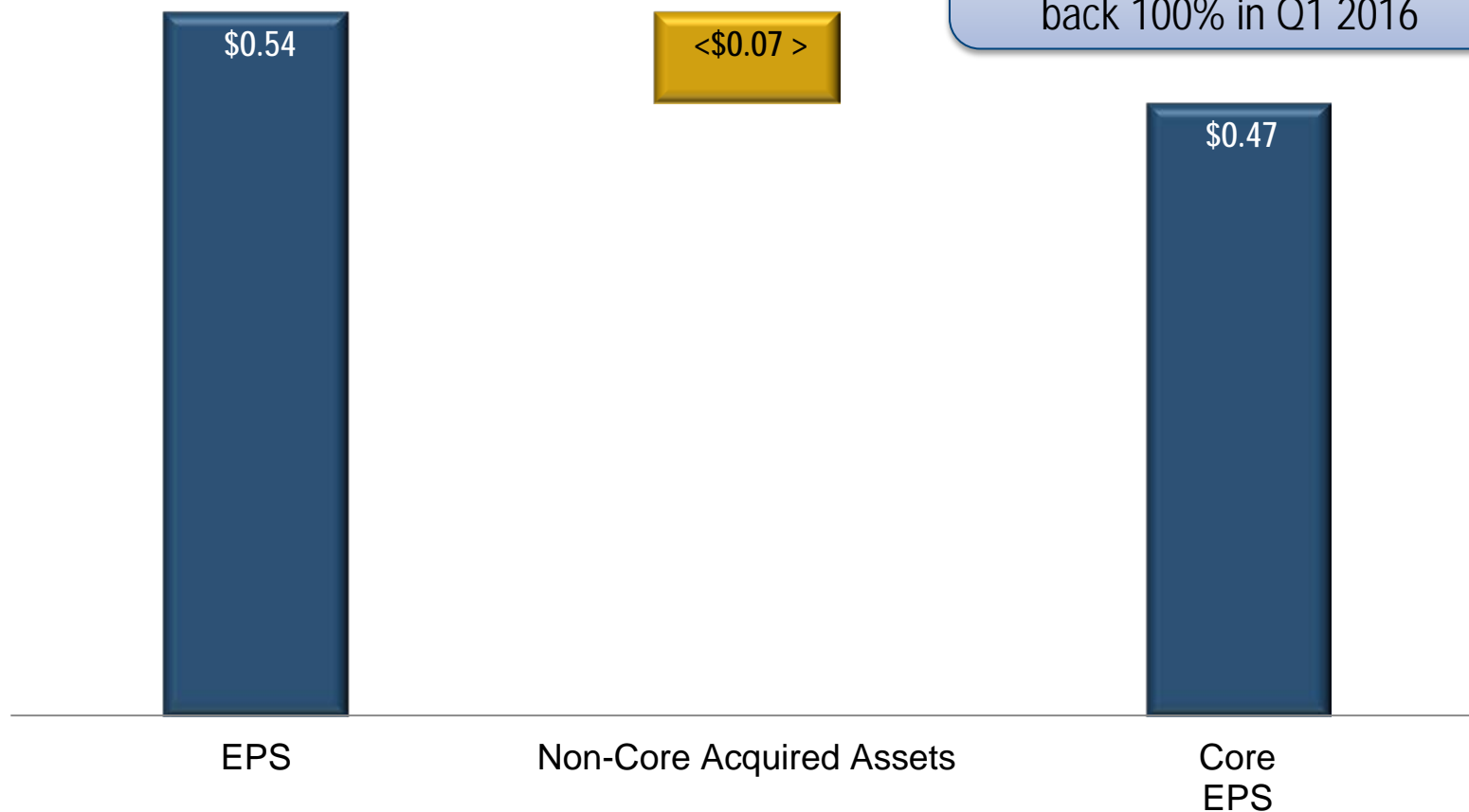
EARNINGS PER SHARE

REPORTED VS. CORE EPS*

In Millions

Q1 2016

Loss share extinguishment charge from Q4 2015 earned back 100% in Q1 2016



* A Non GAAP Measure, Refer to Appendix for Reconciliation

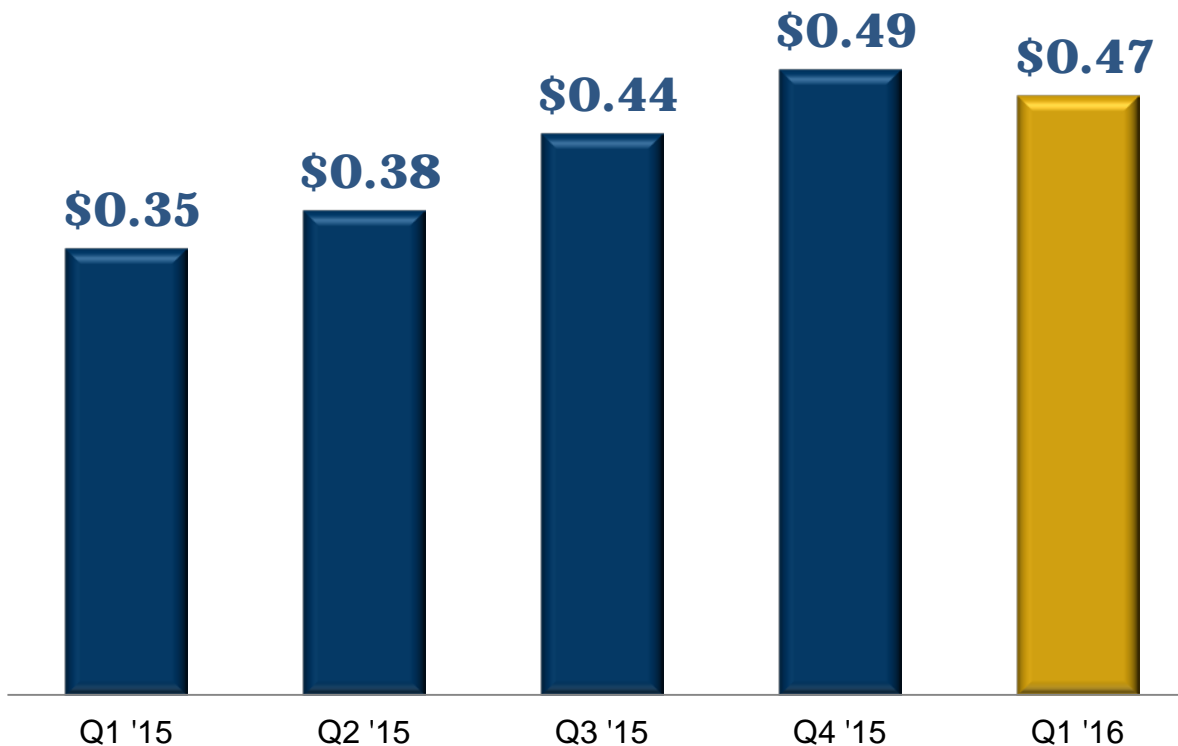
FINANCIAL SCORECARD

Q1 2016 Compared to Q1 2015

- ▶ CONTINUED GROWTH IN CORE EPS  34%
- ❖ DRIVE NET INTEREST INCOME GROWTH IN DOLLARS WITH FAVORABLE LOAN GROWTH TRENDS  16%
- ❖ DEFEND NET INTEREST MARGIN  8 bps
- ❖ MAINTAIN HIGH QUALITY CREDIT PROFILE  28 bps NPLs/Loans
- ▶ ACHIEVE FURTHER IMPROVEMENT IN OPERATING LEVERAGE  3%
- ▶ ENHANCE DEPOSIT LEVELS TO SUPPORT GROWTH  10%

POSITIVE MOMENTUM IN CORE* EARNINGS PER SHARE

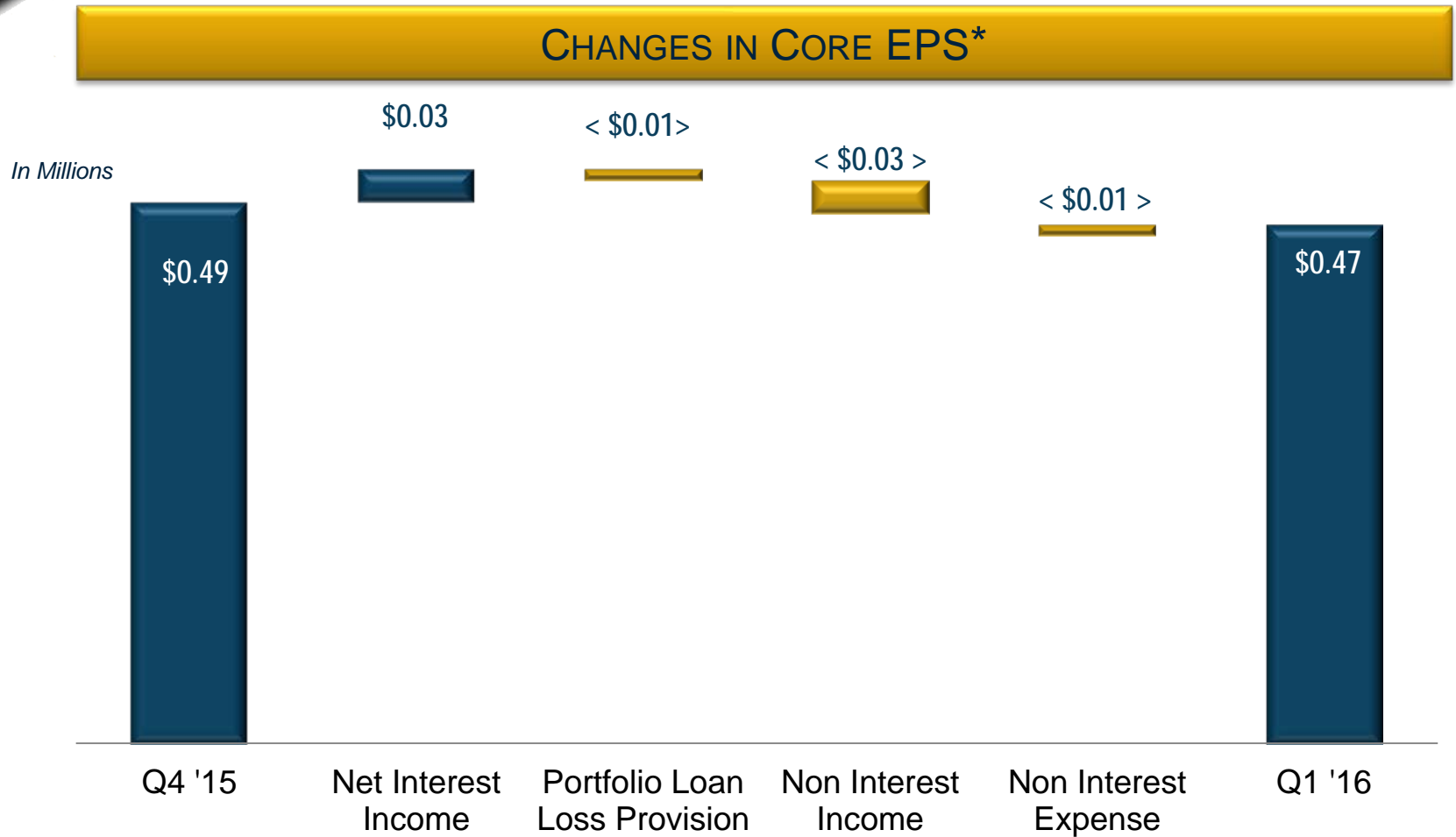
Two-year CAGR – 30%



34% Core EPS Growth from Q1 2015 to Q1 2016

Note: * A Non-GAAP Measure, Refer to Appendix for Reconciliation

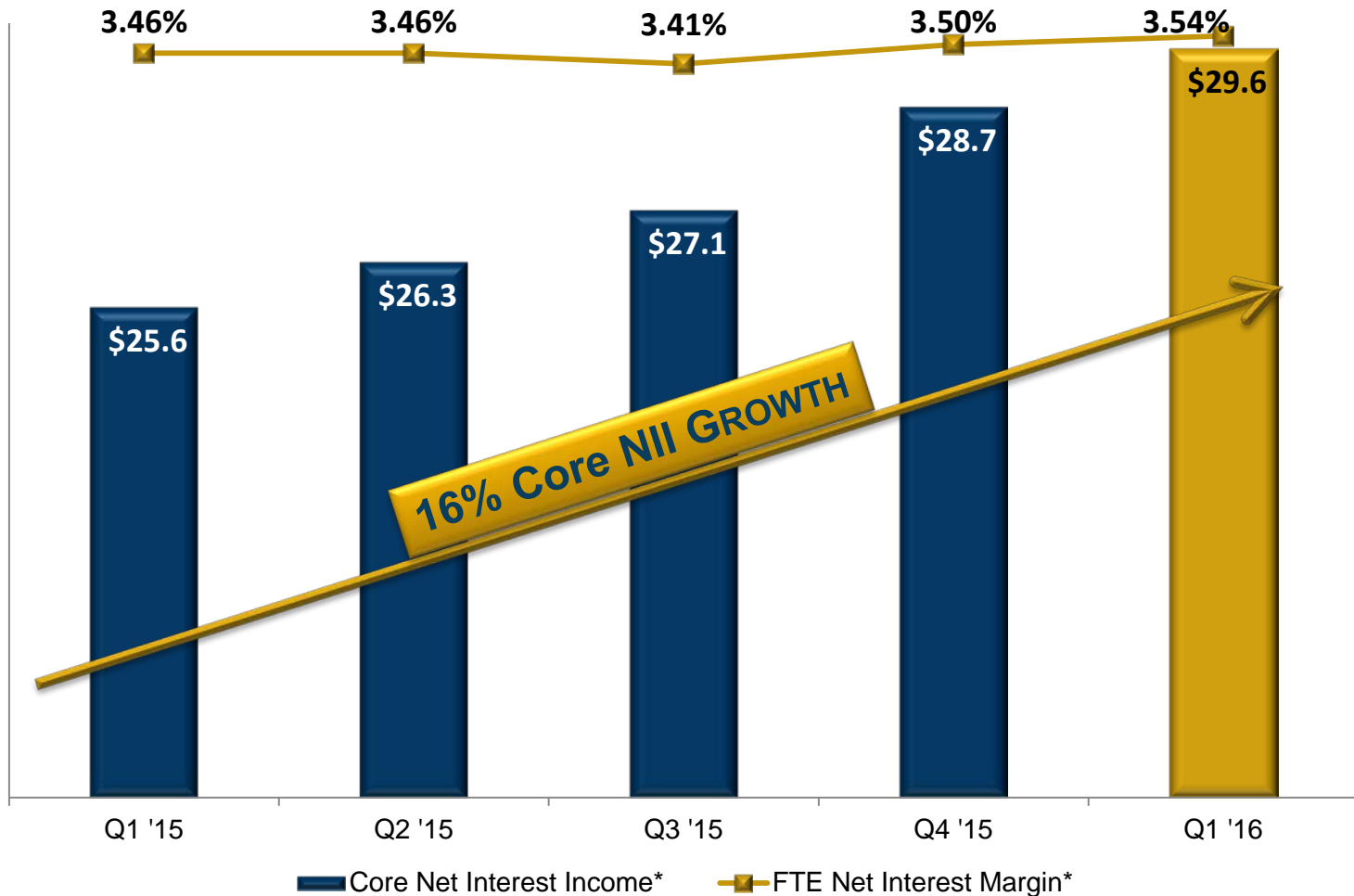
EARNINGS PER SHARE TREND



Note: * A Non GAAP Measure, Refer to Appendix for Reconciliation

NET INTEREST INCOME DRIVING CORE REVENUE GROWTH*

In Millions

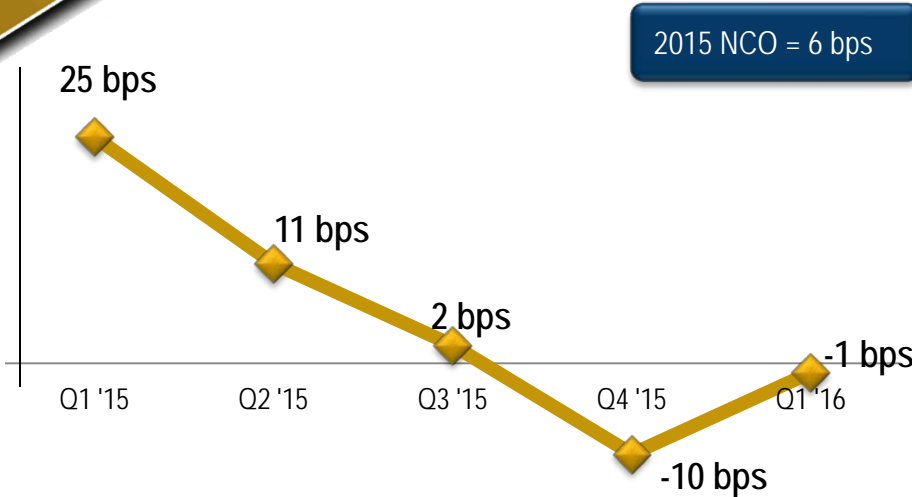


Note: * A Non-GAAP Measure, Refer to Appendix for Reconciliation

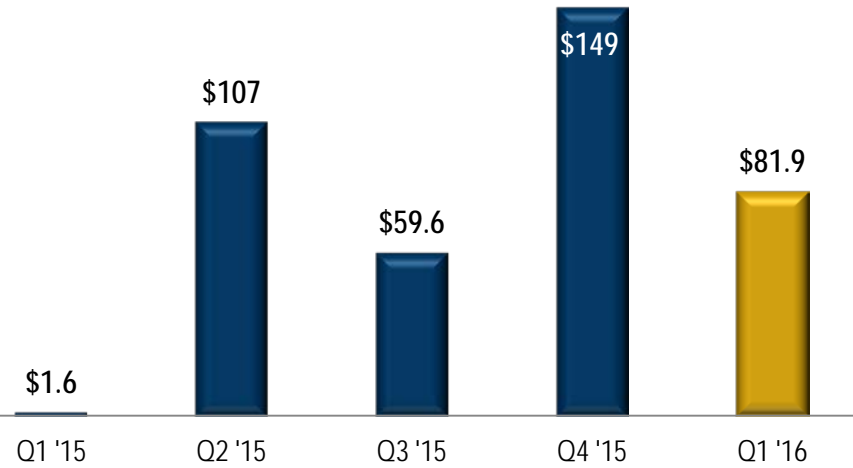
CREDIT TRENDS FOR PORTFOLIO LOANS

In Millions

Net Charge-offs (1)

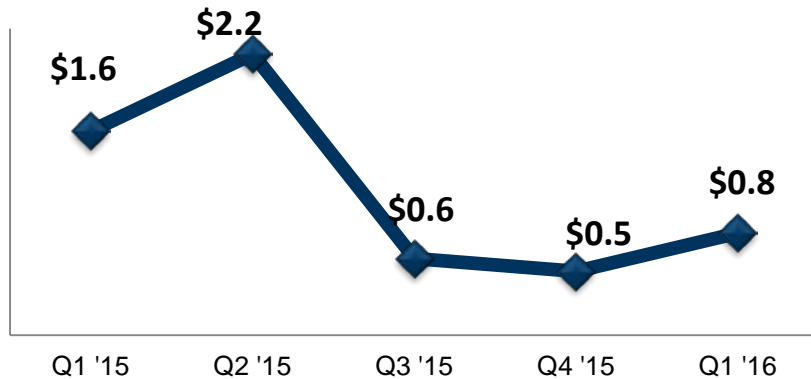


Portfolio Loan Growth



In Millions

Provision for Portfolio Loans



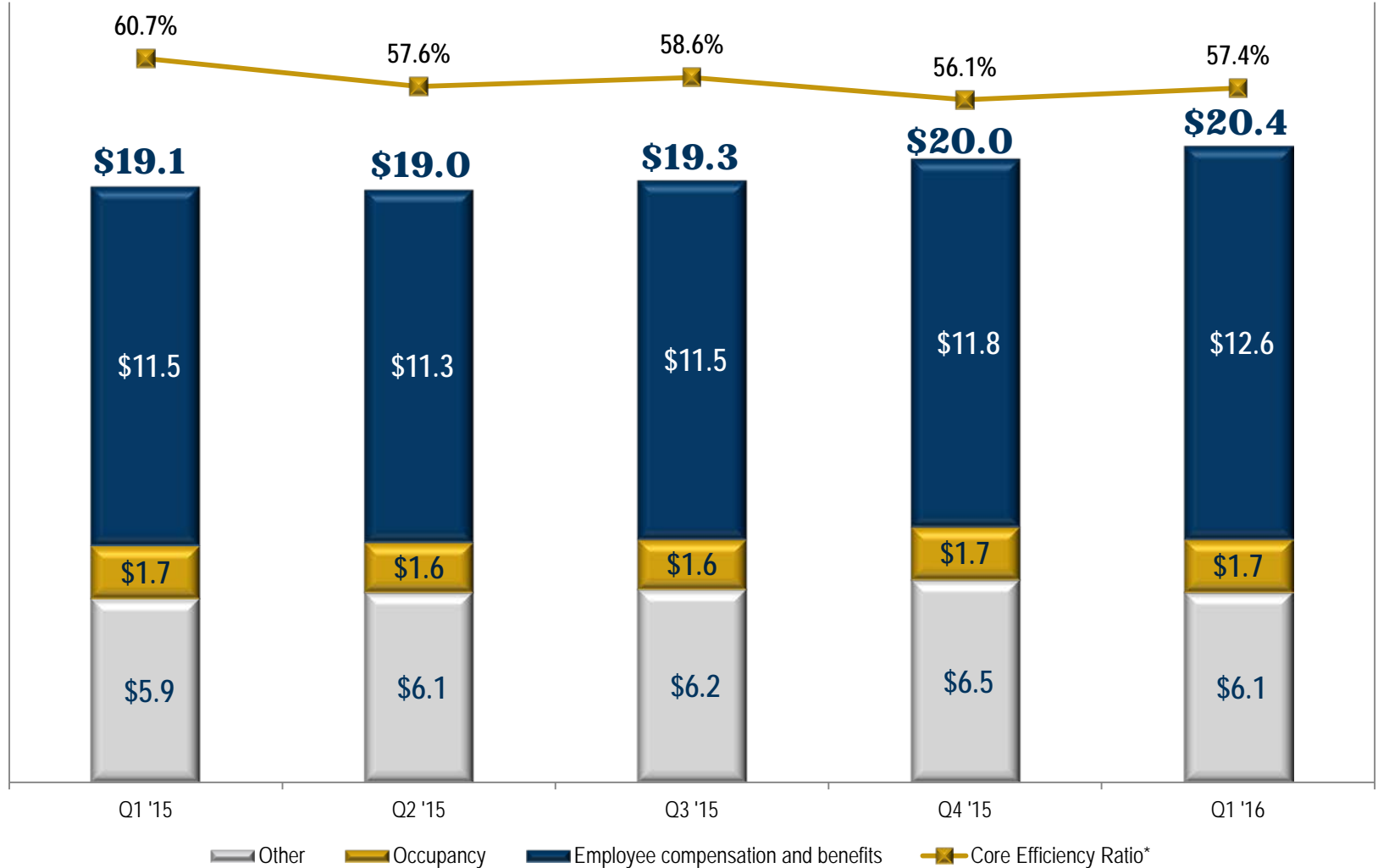
Q1 2016	EFSC	PEER ⁽²⁾
NPA'S/ASSETS =	0.52%	0.64%
NPL'S/LOANS =	0.34%	0.62%
ALLL/NPL'S =	361%	175%
ALLL/LOANS =	1.21%	1.10%

⁽¹⁾ Portfolio loans only, excludes PCI (Purchased Credit Impaired) loans

⁽²⁾ Peer data as of 12/31/2015 (source: SNL Financial)

MANAGED OPERATING EXPENSES* IMPROVING EFFICIENCY

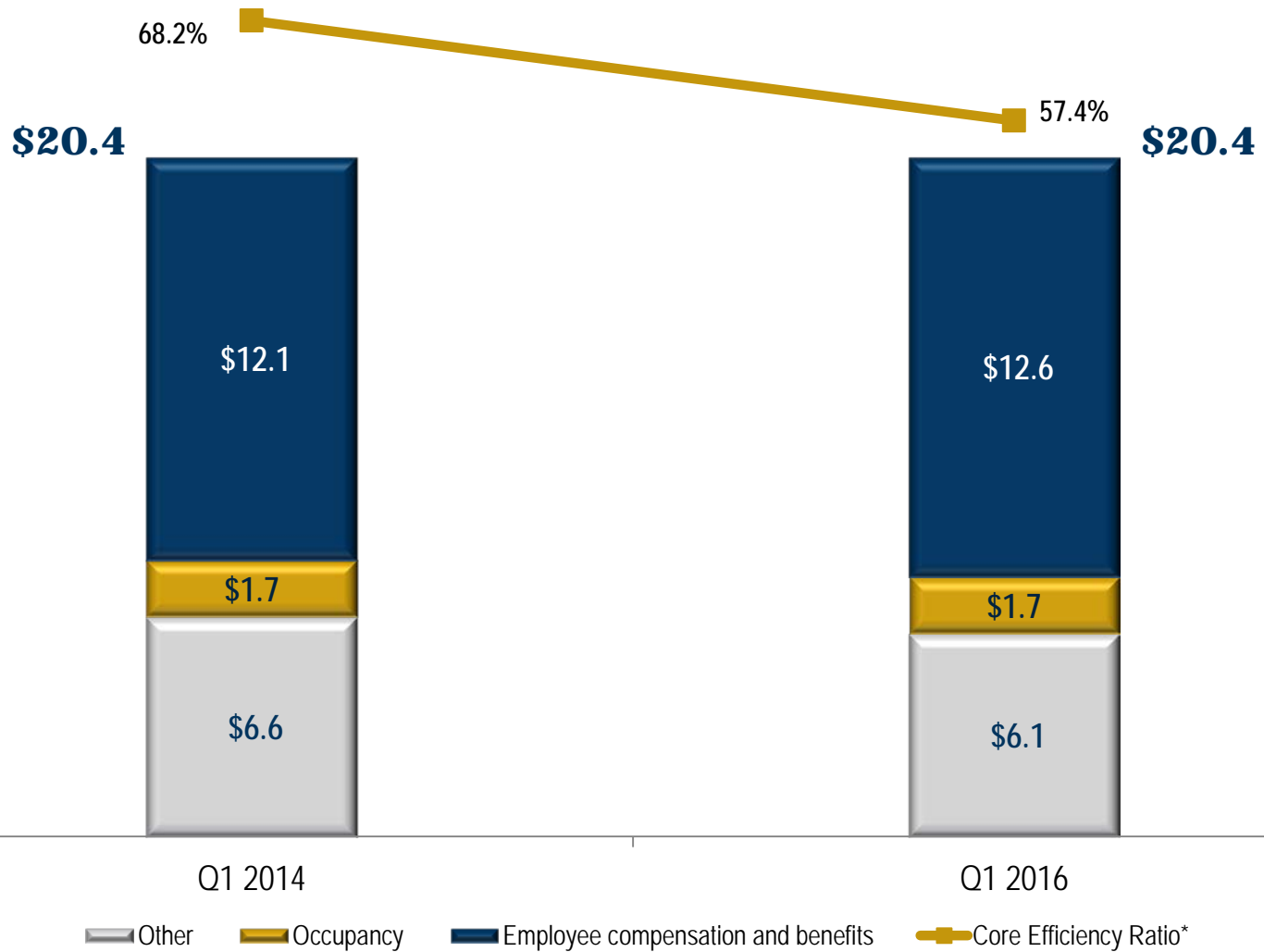
In Millions



Note: * A Non-GAAP Measure, Refer to Appendix for Reconciliation

OPERATING EXPENSE* LOOK-BACK

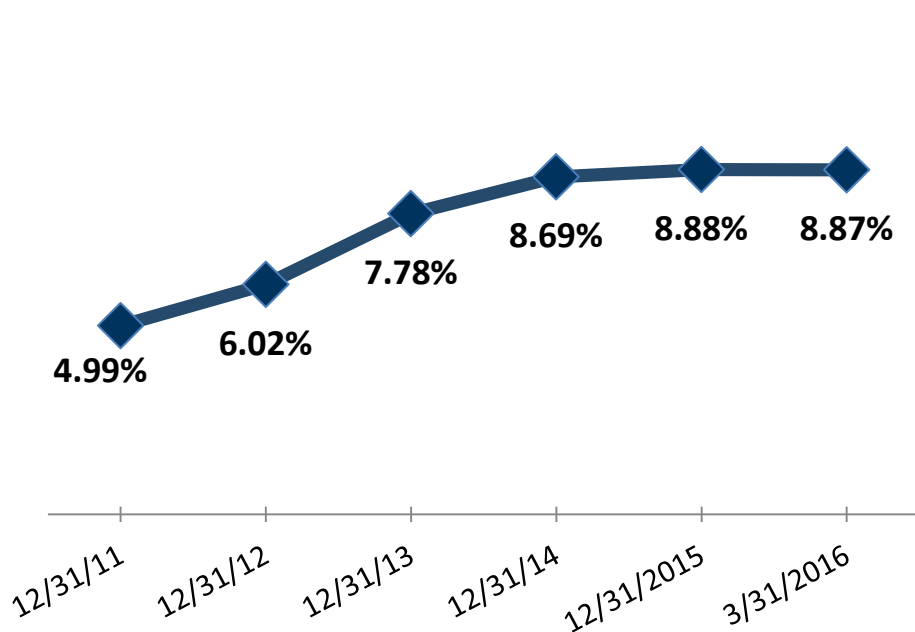
In Millions



Note: * A Non-GAAP Measure, Refer to Appendix for Reconciliation

STRONG CAPITAL LEVELS FACILITATE GROWTH AND RETURNS

TANGIBLE COMMON EQUITY/TANGIBLE ASSETS

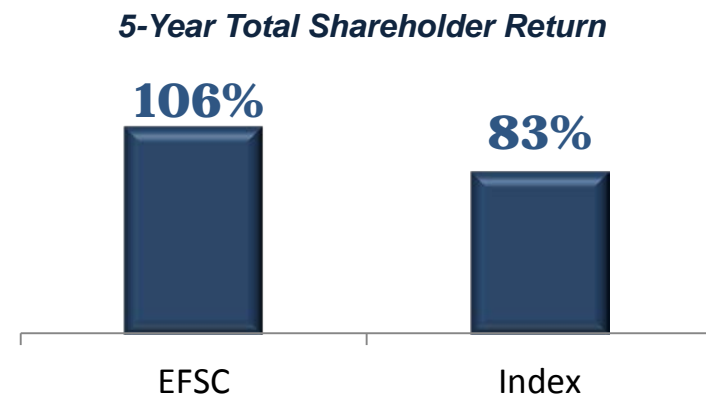


- ▶ SECOND QUARTER 2016 DIVIDEND INCREASED 11% TO \$0.10 PER COMMON SHARE
 - ❖ 5TH CONSECUTIVE INCREASE
- ▶ 2,000,000 SHARE COMMON STOCK REPURCHASE PLAN INSTITUTED
 - ❖ ~ 10% OF EFSC OUTSTANDING SHARES
 - ❖ NO SPECIFIED END DATE
 - ❖ DISCIPLINED, PATIENT APPROACH BASED ON MARKET CONDITIONS
- ▶ SUFFICIENT CAPITAL TO SUPPORT GROWTH PLANS



ENTERPRISE FINANCIAL

- ▶ HIGHLY FOCUSED, *Proven* BUSINESS MODEL
- ▶ STRONG TRACK RECORD OF *Commercial Loan Growth*
- ▶ DIFFERENTIATED COMPETITIVE *Lending Expertise*
- ▶ *Replicating* ST. LOUIS MODEL IN *Kansas City* AND *Phoenix*
- ▶ DEMONSTRATED PROGRESS TOWARD INCREASED RETURNS AND *Enhancing Shareholder Value*



Note: Index = SNL U.S. Bank \$1B - \$5B, as of 03/31/2016
Source: SNL



1Q 2016 INVESTOR PRESENTATION

APPENDIX





BALANCE SHEET POSITIONED FOR GROWTH

- ▶ ***Modest Asset Sensitivity*** (200 BPS RATE SHOCK INCREASES NII BY 3.4%)
- ▶ ***62%*** FLOATING RATE LOANS, WITH THREE-YEAR AVERAGE DURATION
- ▶ ***High-quality, Cash-flowing*** SECURITIES PORTFOLIO WITH FOUR YEAR AVERAGE DURATION
- ▶ ***25% DDA*** TO TOTAL DEPOSITS
- ▶ ***8.9% Tangible Common Equity/Tangible*** ASSETS



SUCCESSFUL FDIC-ASSISTED ACQUISITION STRATEGY

COMPLETED **4 FDIC-Assisted** TRANSACTIONS
SINCE DECEMBER 2009

CONTRIBUTED **\$57 Million** IN **Net Earnings** SINCE
ACQUISITION

\$102 Million OF
CONTRACTUAL CASH FLOWS WITH
\$54 Million CARRYING
VALUE

SIGNIFICANT EARNINGS CONTRIBUTION (PRE-TAX)

<u>2014</u>	<u>2015</u>	<u>2016 YTD</u>
\$4,856	\$7,529	\$2,580

Dollars in Thousands

Significant CONTRIBUTION TO FUTURE EARNINGS
WITH ESTIMATED FUTURE ACCRETABLE YIELD
OF **\$21 Million**

SUCCESSFULLY ENTERED INTO AGREEMENT TO TERMINATE ALL
EXISTING LOSS SHARE AGREEMENTS WITH THE FDIC IN
DECEMBER 2015

EARLY TERMINATION CHARGE FROM Q4 2015 EARNED BACK
100% IN Q1 2016



USE OF NON-GAAP FINANCIAL MEASURES

The Company's accounting and reporting policies conform to generally accepted accounting principles in the United States ("GAAP") and the prevailing practices in the banking industry. However, the Company provides other financial measures, such as Core net interest margin and other Core performance measures, in this presentation that are considered "non-GAAP financial measures." Generally, a non-GAAP financial measure is a numerical measure of a company's financial performance, financial position or cash flows that exclude (or include) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP.

The Company considers its Core performance measures presented in presentation as important measures of financial performance, even though they are non-GAAP measures, as they provide supplemental information by which to evaluate the impact of PCI loans and related income and expenses, the impact of nonrecurring items, and the Company's operating performance on an ongoing basis. Core performance measures include contractual interest on PCI loans but exclude incremental accretion on these loans. Core performance measures also exclude the Change in FDIC receivable, Gain or loss of other real estate from PCI loans and expenses directly related to the PCI loans and other assets formerly covered under FDIC loss share agreements. Core performance measures also exclude certain other income and expense items the Company believes to be not indicative of or useful to measure the Company's operating performance on an ongoing basis. The attached tables contain a reconciliation of these Core performance measures to the GAAP measures.

The Company believes these non-GAAP measures and ratios, when taken together with the corresponding GAAP measures and ratios, provide meaningful supplemental information regarding the Company's performance and capital strength. The Company's management uses, and believes that investors benefit from referring to, these non-GAAP measures and ratios in assessing the Company's operating results and related trends and when forecasting future periods. However, these non-GAAP measures and ratios should be considered in addition to, and not as a substitute for or preferable to, ratios prepared in accordance with GAAP. In the tables below, the Company has provided a reconciliation of, where applicable, the most comparable GAAP financial measures and ratios to the non-GAAP financial measures and ratios, or a reconciliation of the non-GAAP calculation of the financial measure for the periods indicated.

Peer group data consists of publicly traded banks with total assets from \$1-\$10 billion with commercial loans greater than 20% and consumer loans less than 20%.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

<i>(in thousands)</i>	For the Quarter ended				
	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015
CORE PERFORMANCE MEASURES					
Net interest income	\$ 32,428	\$ 32,079	\$ 30,006	\$ 29,280	\$ 29,045
Less: Incremental accretion income	2,834	3,412	2,919	3,003	3,458
Core net interest income	29,594	28,667	27,087	26,277	25,587
Total noninterest income	6,005	6,557	4,729	5,806	3,583
Less: Change in FDIC loss share receivable	-	(580)	(1,241)	(945)	(2,264)
Less (Plus): Gain (loss) on sale of other real estate from PCI loans	-	81	31	10	(15)
Less: Gain on sale of investment securities	-	-	-	-	23
Core noninterest income	6,005	7,056	5,939	6,741	5,839
Total core revenue	35,599	35,723	33,026	33,018	31,426
Provision for portfolio loans	833	543	599	2,150	1,580
Total noninterest expense	20,762	22,886	19,932	19,458	19,950
Less: FDIC clawback	-	-	298	50	412
Less: FDIC loss share termination	-	2,436	-	-	-
Less: Other loss share expenses	327	423	287	378	470
Core noninterest expense	20,435	20,027	19,347	19,030	19,068
Core income before income tax expense	14,331	15,153	13,080	11,838	10,778
Core income tax expense	4,897	5,073	4,204	4,134	3,647
Core net income	\$ 9,434	\$ 10,080	\$ 8,876	\$ 7,704	\$ 7,131
Core diluted earnings per share	\$ 0.47	\$ 0.49	\$ 0.44	\$ 0.38	\$ 0.35
Core return on average assets	1.04%	1.13%	1.03%	0.93%	0.88%
Core return on average common equity	10.66%	11.46%	10.41%	9.34%	8.99%
Core return on average tangible common equity	11.76%	12.68%	11.56%	10.41%	10.06%
Core efficiency ratio	57.40%	56.06%	58.58%	57.64%	60.67%
NET INTEREST MARGIN TO CORE NET INTEREST MARGIN					
Net interest income (fully tax equivalent)	\$ 32,887	\$ 32,546	\$ 30,437	\$ 29,691	\$ 29,467
Less: Incremental accretion income	2,834	3,412	2,919	3,003	3,458
Core net interest income (fully tax equivalent)	\$ 30,053	\$ 29,134	\$ 27,518	\$ 26,688	\$ 26,009
Average earning assets	\$ 3,413,792	\$ 3,304,827	\$ 3,201,181	\$ 3,096,294	\$ 3,047,815
Reported net interest margin (fully tax equivalent)	3.87%	3.91%	3.77%	3.85%	3.92%
Core net interest margin (fully tax equivalent)	3.54%	3.50%	3.41%	3.46%	3.46%



1Q 2016 INVESTOR PRESENTATION

Q&A

