

ENTERPRISE BANCORP INC /MA/
Form 10-Q
May 10, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2012

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-33912
Enterprise Bancorp, Inc.
(Exact name of registrant as specified in its charter)

Massachusetts 04-3308902
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

222 Merrimack Street, Lowell, Massachusetts 01852
(Address of principal executive offices) (Zip code)
(978) 459-9000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files) Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition for "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: May 1, 2012 Common Stock - Par Value \$0.01: 9,581,286 shares outstanding.

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PART I-FINANCIAL INFORMATION

ENTERPRISE BANCORP, INC.
Consolidated Balance Sheets

(Dollars in thousands)	March 31, 2012 (unaudited)	December 31, 2011
Assets		
Cash and cash equivalents:		
Cash and due from banks	\$28,316	\$30,231
Interest-earning deposits	50,277	6,785
Fed funds sold	17,567	2,115
Total cash and cash equivalents	96,160	39,131
Investment securities at fair value	154,085	140,405
Federal Home Loan Bank Stock	4,260	4,740
Loans, less allowance for loan losses of \$22,607 at March 31, 2012 and \$23,160 at December 31, 2011 respectively	1,228,774	1,227,329
Premises and equipment	27,026	27,310
Accrued interest receivable	5,698	5,821
Deferred income taxes, net	12,258	12,411
Bank-owned life insurance	15,071	14,937
Prepaid income taxes	807	287
Prepaid expenses and other assets	10,275	11,136
Goodwill	5,656	5,656
Total assets	\$1,560,070	\$1,489,163
Liabilities and Stockholders' Equity		
Liabilities		
Deposits	\$1,405,007	\$1,333,158
Borrowed funds	2,869	4,494
Junior subordinated debentures	10,825	10,825
Accrued expenses and other liabilities	10,346	12,487
Accrued interest payable	340	751
Total liabilities	\$1,429,387	\$1,361,715
Commitments and Contingencies		
Stockholders' Equity		
Preferred stock, \$0.01 par value per share; 1,000,000 shares authorized; no shares issued	—	—
Common stock \$0.01 par value per share; 20,000,000 shares authorized; 9,580,911, and 9,472,748 shares issued and outstanding at March 31, 2012 and December 31, 2011, respectively	96	95
Additional paid-in-capital	45,960	45,158
Retained earnings	81,128	78,999
Accumulated other comprehensive income	3,499	3,196
Total stockholders' equity	\$130,683	\$127,448
Total liabilities and stockholders' equity	\$1,560,070	\$1,489,163

See the accompanying notes to the unaudited consolidated financial statements.

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ENTERPRISE BANCORP, INC.
 Consolidated Statements of Income
 (unaudited)

(Dollars in thousands, except per share data)	Three months ended March 31,	
	2012	2011
Interest and dividend income:		
Loans	\$15,958	\$15,270
Investment securities	799	954
Other interest-earning assets	19	16
Total interest and dividend income	16,776	16,240
Interest expense:		
Deposits	1,537	1,915
Borrowed funds	16	22
Junior subordinated debentures	294	294
Total interest expense	1,847	2,231
Net interest income	14,929	14,009
Provision for loan losses	300	922
Net interest income after provision for loan losses	14,629	13,087
Non-interest income:		
Investment advisory fees	1,021	