BUSINESS BANCSHARES, INC.

FOR IMMEDIATE RELEASE

BUSINESS BANCSHARES, INC. AND THE BUSINESS BANK OF ST. LOUIS ANNOUNCE 2012 PROFIT INCREASE OF 33 PERCENT AND 17 PERCENT, RESPECTIVELY;
Net Income Available to Common Shareholders Increased 60 Percent

St. Louis, MO., March 6, 2013 – Business Bancshares, Inc., parent holding company for The Business Bank of St. Louis, and The Business Bank of St. Louis today announced full year and fourth quarter 2012 financial results.

Business Bancshares, Inc. reported net income of $3.25 million during 2012 compared to net income of $2.45 million in 2011, a 33% increase. Net income available to common shareholders increased 60% to $2.6 million from $1.6 million for 2011. Earnings per common share increased to $1.22 per share from $0.77 for 2011. Fourth quarter earnings were $898 thousand compared to $1.02 million in the fourth quarter of 2011.

The Company reported total assets as of December 31, 2012 of $516 million, a decrease of $2 million when compared to December 31, 2011. Net loans increased $7 million during the same period. Total shareholders' equity is $49.2 million, a decrease of $3.1 million from a year earlier as the Company repaid $6 million of the U.S. Treasury's investment in the organization on May 23, 2012. Common Shareholders' Equity increased to $39.4 million, a $2.9 million increase from a year earlier. Capital ratios are significantly above the "well-capitalized" thresholds. Nonperforming assets as a percentage of total assets declined to 2.24%, compared to 3.27%, twelve months earlier.

"During the fourth quarter we began building on the strong foundation established over the last several years," said Larry Kirby, Chief Executive Officer and President of Business Bancshares Inc. and The Business Bank of St. Louis. "Our focus on business development resulted in loan growth of over $21 million during the quarter. In addition, we continued our systematic payback of the outstanding U. S. Treasury investment with an additional $2.5 million payment on January 9, 2013, leaving $7.25 million remaining to be repaid."

The Business Bank of St. Louis, the primary subsidiary of Business Bancshares, Inc., reported net income for 2012 of $4.0 million, compared to $3.4 million during 2011, a 17% increase. Fourth quarter earnings were $1.1 million compared to $1.2 million during the fourth quarter of 2011. Nonperforming assets as a percentage of total assets declined to 2.04% at December 31, 2012 from 2.76% at December 31, 2011.

"We are energized and excited about our 2012 performance, which is the result of our continued focus on improved asset quality and stronger earnings," said Charles Thal, Chairman of The Business Bank of St. Louis. "We have significant positive momentum heading into 2013."

Business Bancshares, Inc. is a single bank holding company and parent of The Business Bank of St. Louis. The Business Bank was founded in 2002 and operates a full service banking facility from its single location at 8000 Maryland Avenue in Clayton, Missouri.

(More)

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Financial Highlights - Business Bancshares, Inc.
(In Thousands of Dollars, Except Per Share Data)

	As Of		Change	
	12/31/2012	12/31/2011	$	%
Balance Sheet Data				
Total Assets	$515,548	$517,696	($2,148)	-0.41%
Net Loans	380,423	373,187	7,236	1.94%
Total Deposits	441,704	427,183	14,521	3.40%
Total Shareholders' Equity	49,192	52,315	(3,123)	-5.97%
Common Shareholders' Equity	39,442	36,565	2,877	7.87%
Book Value Per Common Share	$18.22	$17.21	$1.01	5.87%
Common Shares Outstanding	2,164,664	2,124,664		
Capital Ratios				
Tier 1 Risk-based Capital	14.06%	14.72%		
Total Risk-based Capital	15.32%	15.99%		
Leverage Ratio	12.32%	12.66%		
Asset Quality				
Nonperforming Loans to Total Loans	1.24%	2.96%		
Nonperforming Assets to Total Assets	2.24%	3.27%		

	Quarter-To-Date		Change		Year-To-Date		Change	
	12/31/2012	12/31/2011	$	%	12/31/2012	12/31/2011	$	%
Net Income	$898	$1,024	($126)	-12.30%	$3,252	$2,450	$802	32.73%
Net Income Available to Common Shareholders	768	819	(51)	-6.23%	2,615	1,632	983	60.23%
Diluted Earnings Per Common Share (EPS)	$0.36	$0.39	($0.03)	-7.69%	$1.22	$0.77	$0.45	58.44%
Performance Ratios								
Return on Average Assets	0.74%	0.82%			0.67%	0.48%		
Return on Average Common Equity	7.75%	8.90%			6.80%	4.54%		
Net Interest Margin	3.36%	3.73%			3.49%	3.63%		
Efficiency Ratio	86.97%	60.19%			69.79%	60.96%		

Financial Highlights - The Business Bank of St. Louis
(In Thousands of Dollars)

	As Of		Change	
	12/31/2012	12/31/2011	$	%
Balance Sheet Data				
Total Assets	$513,115	$513,957	($842)	-0.16%
Net Loans	380,052	371,874	8,178	2.20%
Total Deposits	443,337	429,148	14,189	3.31%
Total Shareholders' Equity	56,037	58,227	(2,190)	-3.76%
Capital Ratios				
Tier 1 Risk-based Capital	13.13%	13.60%		
Total Risk-based Capital	14.39%	14.86%		
Leverage Ratio	11.53%	11.73%		
Asset Quality				
Nonperforming Loans to Total Loans	1.19%	2.63%		
Nonperforming Assets to Total Assets	2.04%	2.76%		

	Quarter-To-Date		Change		Year-To-Date		Change	
	12/31/2012	12/31/2011	$	%	12/31/2012	12/31/2011	$	%
Net Income	$1,146	$1,180	($34)	-2.88%	$4,017	$3,438	$579	16.84%
Performance Ratios								
Return on Average Assets	0.95%	0.95%			0.83%	0.68%		
Return on Average Equity	8.19%	8.07%			7.07%	6.06%		
Net Interest Margin	3.54%	3.92%			3.67%	3.82%		
Efficiency Ratio	75.75%	55.90%			64.34%	56.27%		

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