



Thank You!



The winter issue of this newsletter presents a great opportunity for me to personally say "THANK YOU" for your continued business and unending loyalty to EagleBank—not only for banking with us, but for your generous support of our community efforts. Together, with customers, vendors and our tireless employees and dedicated Board of Directors, we have proudly raised funds this past year to fight breast cancer, assist wounded war veterans

and support other community projects. We can never thank you enough.

Throughout these difficult economic times, your willingness to always seek help from us first when you have additional financial needs, your valuable referrals, and your trust have helped create our success and continued growth.

Thanks to you: Our assets grew to \$1.8 billion and our legal lending limit to \$26.4 million, which allows us to help more businesses and boost our local economy...As a result of your support, our knowledge of the market and local decision making, we have increased our average loans by 44% over 2008...We completed a very successful offering of \$55 million of common stock in September...We redeemed \$15 million of TARP funds in December. The remaining TARP funds are still being proudly used for the purpose they were intended—to fund loans...EagleBank is now included on the Russell 3000® Index...We continue to enjoy superior credit performance relative to our peers...We opened the new Park Potomac Branch along the I-270 corridor...We improved our cash management capabilities and expanded our International Banking services, and we created new Advisory Boards in MD, DC and VA.

All of the above and more enabled us to recently report record income of \$10.4 million for the year 2009. Without all of your support, this could not have been accomplished. In this time of stressful economics, natural disasters, unending wars and terrorist threats, we are thankful for people like you who volunteer, give, support, care and maintain a sense of hope for a safer, healthier, more peaceful and prosperous 2010.

Again, thank you!



Ronald D. Paul, Chairman and CEO

Eagle Bancorp, Inc. Announces Substantial Increases in Net Income for Fourth Quarter and Full Year with Continuing Decline in Problem Assets

(Excerpts from the January 28, 2010 Press Release)

BETHESDA, MD. Eagle Bancorp, Inc. (the "Company") (NASDAQ: EGBN), the parent company of EagleBank, today announced net income of \$10.4 million for the year ended December 31, 2009, a 40% increase over the \$7.4 million for the year ended December 31, 2008. Net income available to common shareholders was \$8.1 million (\$0.55 per basic and diluted common share) for the year ended December 31, 2009, compared to \$7.3 million (\$0.63 per basic common share and \$0.62 per diluted common share) for the year ended December 31, 2008, a 12% increase.

For the three months ended December 31, 2009, the Company's net income was \$3.0 million, a 78% increase

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Eagle Bancorp, Inc. Stock

Eagle Bancorp stock is available for purchase through NASDAQ. Symbol: EGBN

Area Market Makers
Koonce Securities Inc.; Sandler O'Neill;
Janey Montgomery Scott

Why Bank with EagleBank?

- Your community, the Washington Metro area, is also our community. We're local through and through.
- We lend to neighborhoods where you live, work and play to help keep our Washington Metro area vibrant and growing.
- Your character, business history and discretionary spending matter when you need a loan.
- Your small business is important to the community and to us; we understand the needs of small business owners.
- We are accessible to you – from Chairman and CEO to every experienced banker on our staff.
- You can count on us to be involved and active in community issues and affairs that affect and concern our quality of life.
- We believe in you, our neighborhoods and the need to pitch in and help the sick, the needy and the disadvantaged.
- Local businesses have our support when it comes to building a better economic environment that promotes success and prosperity.
- You can count on us to develop and provide affordable, value-added personal and business banking products and services that answer your financial needs.

Sligo Office

We will close our Sligo Avenue office in Silver Spring on April 30, 2010. It will be combined with our 8665-B Georgia Avenue office, located close by.

This consolidation will allow us operational efficiencies and provide our Sligo customers with a more spacious, newer facility that offers a larger staff and drive up convenience.

Financial Release (Continued)

over the \$1.7 million for the three months ended December 31, 2008. Net income available to common shareholders was \$2.4 million (\$0.12 per basic and diluted common share), as compared to \$1.5 million (\$0.12 per basic and diluted common share) for the same period in 2008, a 63% increase.

"Following a year that involved significant stress in all financial and business sectors, we are extremely pleased to report our financial results for the fourth quarter and full year of 2009," noted Ronald D. Paul, Chairman, President and Chief Executive Officer of Eagle Bancorp, Inc. Our results reflect the organization's ability and desire to continue lending in its marketplace, as evidenced by a \$134 million, or 11% increase in loans in 2009; our ability to continue building new and existing client relationships, as evidenced by a 29% increase in deposits in 2009; and our ability to successfully manage credit default matters with the fourth quarter of 2009 being the third successive quarter of declining non-performing assets. Mr. Paul further noted that the Company had completed a successful integration of the acquisition of Fidelity & Trust Bank "Fidelity", which has resulted in improved efficiency ratios throughout 2009. Many of Eagle Bancorp's restructuring plans have been implemented which we are now seeing the benefits of reflected in our efficiency ratio.

At December 31, 2009, total assets were \$1.81 billion compared to \$1.50 billion at December 31, 2008, a 21% increase. Total deposits amounted to \$1.46 billion, at December 31, 2009, a 29% increase over deposits of \$1.13 billion at December 31, 2008, while total loans increased to \$1.38 billion at December 31, 2009, from \$1.25 billion at December 31, 2008, an 11% increase. Total borrowed funds, which include customer repurchase agreements, decreased to \$150.1 million at December 31, 2009 from \$216.0 million at December 31, 2008, a 30% decrease, as substantial growth in lower cost core deposits was used to pay down alternative funding sources.

For a complete press release, please visit www.eaglebankcorp.com.

Banking Convenience in Potomac, MD

The friendly staff at our recently opened Park Potomac office (12505 Park Potomac Avenue, Potomac, MD) has met and made a lot of new friends among the healthy mix of residential and business neighbors of Park Potomac Place. A new Harris Teeter opens soon and will bring even more people to our door – which, by the way, faces I-270 with lots of free parking all around the building. You can spot our bright blue and yellow-gold logo sign as you travel south on the Interstate and approach the Montrose Road exit. Despite weather delays on construction of the Drive-Thru Window, customers are enjoying extended Friday hours (until 5 PM) and the 9 AM to Noon Saturday hours, as well as the convenience of banking close to home for this Potomac neighborhood. You need to visit this new EagleBank office soon. Be sure to see the beautiful eagle mural on the ceiling.

Avoiding Phishing Attacks and ID Theft

Methods used to commit identity theft or Internet fraud can vary from a simple email sent to thousands or millions of email addresses requesting personal information, to sophisticated software (malware) loaded onto your PC without your knowledge through email attachments/links, or by clicking on a link from an infected website you visit. Criminals are moving to social networking sites (Facebook, Twitter, etc.) now as well.

You can help to avoid becoming a victim by following these steps:

1. Make sure your PC and Internet browsers are updated whenever you are notified of patches. Regularly scan your PC with a current and well known antivirus software program.
2. Ensure that any website you visit is legitimate and trusted before clicking on any links.
3. Do not trust any email that urgently requests personal information of any kind. EagleBank and other reputable financial institutions/businesses/organizations do not send these types of email.
4. Never click on links in emails claiming to be from EagleBank, or a legitimate business or organization, until you have confirmed the email is authentic. Many phishing attacks download Trojan horse viruses and other malware onto your computer when a link in the email is clicked on.
5. Never enter your username and password until you are sure you are at a legitimate website. EagleBank or legitimate businesses will never ask you to verify a username, password, debit/ATM card number or PIN via email.
6. Do not call any number or use any link in a suspect email. Always verify the phone number through a reputable source before calling. All valid EagleBank contact numbers can be found on our website.
7. Suspect every impersonal email or those containing spelling or grammatical errors. Phishing attacks are mailed out to millions of people from foreign countries. For this reason, they are general in nature and often contain misspelled words and grammatical errors.
8. Phishing attacks often ask for personal financial information. Never fill out personal information of any kind through a form on the Internet that you have accessed via an email link. A request of this kind should be a big warning. EagleBank will never ask for this information via email.
9. Do not open email attachments unless you are expecting to receive one. Even if the sender is known to you, be careful of attachments that are forwarded to you with a generic or impersonal message. In particular, email attachments with ".exe" file extensions are potentially malicious.
10. Always report suspicious activity to the business or organization being spoofed. Contact the supposed sender via a number or email address you already use to confirm the legitimacy prior to opening any attachments or clicking on any links.
11. Monitor and reconcile your account(s) daily.
12. Do not send sensitive information via email. If you must, then send it as a password protected attachment.

You may call EagleBank at 301-986-1800, contact your local branch, or email us at onlinebanking@eaglebankcorp.com with any questions.

Ron Paul Honored at Kidney Ball

EagleBank Chairman and CEO Ronald D. Paul was the recipient of the "2009 Outstanding Achievement Award" from the National Kidney Foundation of the National Capital Area. The award, which was presented at the 29th Annual Kidney Ball on November 21, 2009, recognized his long-standing support, contributions and volunteer efforts to raise awareness and funds for the fight against kidney disease.

And, if Ron was writing this, he would want to thank all of the employees and friends who volunteered for The Ronald D. Paul Companies Kidney Walk, which is held every fall. For more information on the 2010 walk, visit walk.kidney.org.



Pictured with Ron Paul (left above) is EagleBank CFO Jim Langmead at the 11/21/09 Kidney Ball.

International Banking is Not Foreign to EagleBank

If you need help with foreign currency exchange, foreign travelers checks, foreign check collection, foreign wires or personalized international service, we can help. Visit any branch office or contact **Jacqui Ames**, head of our International Banking Department at 202.331.2975 or by e-mail: james@eaglebankcorp.com. Her office is located in our 2001 K Street branch.

EagleBank Bowl

Another successful EagleBank Bowl is behind us and we are proud to be involved with this fundraising effort to recognize and honor the dedication and sacrifices of the men and women of the United States Armed Forces. This year's Bowl helped raise public awareness of the Wounded Warrior Project—whose mission is to honor and empower wounded warriors—and, especially the Warriors to Work Program. Congratulations to UCLA who beat Temple University on that cold, but pleasant December evening. We would also like to thank the many volunteers, community groups and organizations who participated in this worthwhile event that provided a fun evening of football excitement at RFK stadium, as well as an economic boost for our city, our charities and many local businesses.



EagleBank's Chairman and CEO Ron Paul, Ross Perot and DC Mayor Fenty welcome the crowd to the Second Annual EagleBank Bowl on December 29, 2009.

In Print and in the Community

President of Retail Banking **Tom Murphy** represented EagleBank in the special "I Montgomery" section of the *Gazette of Politics & Business* in January 2010. EagleBank as part of the Montgomery County community and business environment, along with other well known organizations, provides some interesting reading. It is a great success story about our bank and our contributions and partnership with Montgomery County economics and growth.

EVP and Chief Lending Officer **Martha Foulon-Tonat** was featured among "Women Business Leaders of Maryland" in a special New Year supplement of the *Gazette of Politics and Business*. A recap of her extensive banking and lending career

and the values she holds dear for employees and customers is a must read.

A nice article introducing VP and Relationship Manager **Linda Dawkins** appeared with her photo in a recent edition of the *Park Potomac Place News*. As manager of our newest office, in this upscale condo community just off Interstate 270 and Montrose Road, the article described her professional background, community service and mentioned many good things about our Bank. With all that banking expertise, plus warm personal insights—such as mother of twins and grandmother of twins—why would anyone want to bank with anyone other than Linda?

To read the full articles, visit www.eaglebankcorp.com – select "About Us/NEWS."

Congratulations to **Rokas Beresniovas**, Vice President and Business Development Officer in our Georgetown office, who was elected to serve as Vice President of the Georgetown Business Association for the 2010 term.

Hot Numbers

Email us at info@eaglebankcorp.com

Ronald D. Paul Chairman & CEO	202.497.2098
Robert P. Pincus Vice Chairman	240.497.4077
Susan G. Riel Sr. EVP & Chief Operating Officer	240.497.1667
Thomas D. Murphy President of Retail Banking	240.497.2042
Martha Foulon-Tonat EVP & Chief Lending Officer	240.497.2046
Susan Schumacher SVP & Commercial Deposit Services Manager	202.292.1631
Jane Cornett Corporate Secretary	240.497.2041
Jacqui Ames VP & Business Development Officer/International Banking	202.331.2975
Steve Greene VP & Res. Mortgage Lending	240.497.1691
Debbie Shumaker VP & Business Dev. Sales Mgr.	240.497.2051
Branches/Switchboard	301.986.1800
Online Banking	301.628.4708

2009 Annual Cancer Survivorship Symposium

The EagleBank Foundation partnered with the GW Cancer Institute to host the 2009 Annual Cancer Survivorship Symposium, which benefited area patients and families and helped promote the general goals of improving cancer care for all Americans. Held at the George Washington University on October 15, 2009, the symposium addressed the needs of cancer survivors and how to improve their quality of life. The panel included some of the very best researchers in the cancer survivorship field. (Please see the insert piece authored by Donald Rogers on this important community partnership.)

We would like to share with you these warm and important thoughts concerning our recent partnership with the GW Cancer Institute...written by one of our dedicated, community-minded Board Members, Donald R. Rogers.

October 5, 2009

DC Symposium on Cancer Survivorship - Searching for Better Outcomes

There are 13 million cancer survivors in the United States and that number continues to grow year after year. That's the good news. The bad news is that there will be 1.4 million new cancer diagnoses in the U.S. this year, 2,600 will be Washingtonians. We are all very aware of the need for cancer research to find a cure, better treatment, earlier diagnosis and prevention. We have not, however, given enough attention to the issues faced by cancer survivors. As one prominent doctor told me "the two worst days in a cancer patients' lives are the day they receive their cancer diagnosis and the day they complete treatment and are told 'good luck' by their supervising physician". That "good luck" spells out the uncertainty that lies ahead for many cancer survivors - and forecasts their coming struggle with physical and psychosocial issues - as well as more practical economic concerns. Will their insurance cover their future costs - will their employers keep jobs open and be understanding with regard to any workplace compromises survivors may have to make to assure recovery? These and many other topics - including outcome disparities in the Washington area - will be the subject of a unique day-long Cancer Survivorship Symposium sponsored by George Washington University's Cancer Institute and the EagleBank Foundation on October 15, 2009.

Washington is more than the capital of this great nation. It is also, unfortunately, home to some of the most disappointing cancer mortality statistics in the United States. And, disparities in access to health care here are leading to devastating outcomes for those in the poorest and most medically underserved wards in the city. In fact, in Washington, D.C., the cancer mortality rate is more than 7% higher than the national average (according to DC's Department of Health 2005 Epidemiology Report). Many of us - both from the cancer research and advocacy worlds believe we can and must do more here in Washington and elsewhere to improve not only the numbers on mortality and incidents of occurrence, but also to understand the concerns and challenges of cancer survivors.

Cancer research has shown that prevention, early diagnosis and consistent follow-up care are crucial to saving lives. With a disproportionate number of cancer deaths in Washington occurring in Wards 4, 5 and 7, the George Washington Cancer Institute and other local hospitals and medical centers have launched initiatives to reach citizens in these neighborhoods. GW's efforts have centered on free digital-rectal screening tests in Safeways and on mobile mammography vans. These programs bring medical professionals where they are needed - and also educate families on the importance of getting tested.



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But, as enterprising as these efforts are, they are not sufficient on their own. The upcoming cancer symposium, which is open to all local cancer survivors, will gather together leading cancer researchers, clinicians and cancer advocates to discuss issues - including disparities in outcome - that affect cancer survivors here. Indeed, in hopes of broadening our understanding of what can be done to improve cancer care access locally, two of Lance Armstrong's Livestrong Survivorship Centers of Excellence have agreed to participate and discuss strides they have made in addressing the needs of minority and underserved cancer survivors.

Cancer strikes all Americans, regardless of race, gender, or economic background. Cancer does not discriminate. My involvement with the war on cancer came as a result of my work with the EagleBank Foundation. In helping raise research money to fight cancer, I saw, firsthand, how cancer survivorship is frequently as difficult to manage as is finding the best cancer treatment. And, those who care for cancer survivors are only now beginning to fully appreciate the many concerns - and support-system requirements- that can make a significant, positive difference for survivors and for their families.

For this reason, findings from the symposium will be made available to medical centers across the country. And we plan to make this symposium an annual event. It is only with renewed focus, determination and commitment that we can lower the cancer mortality statistics and truly improve the quality of life for cancer survivors. Working together, this is a goal that we can accomplish - the gift of a good and productive life for so many of our citizens.

Donald R. Rogers

Chairman of EagleBank Foundation

Director of Eagle Bancorp, Inc. and EagleBank

Founding Partner of Shulman Rogers

Thank you, Don!