



## “The Power of You!”



Stretch...it's spring, and time to exercise and naturally raise our serotonin and endorphin levels. As you know, they promote happiness and a sense of well being. So, how does that relate to you, or EagleBank, or banking in general?

We recently invited our employees to an after-hours, all-employee meeting, with the intention of announcing a new sales and service effort

to s-t-r-e-t-c-h our abilities and capabilities to better serve our customers. It was to be your basic sales and service rally and social function to introduce a customer service training initiative. Fortunately, some valuable truths surfaced as we planned this presentation and searched for a theme.

You do your best when you are happy. Your job is easier when you like what you do. Nothing makes you feel better about yourself and your organization than helping others.

Perfect. As bankers, we enjoy feeling good, every day, because we have the expertise and power to help people **every day**. We listen first, assess needs second, then apply our ability and product knowledge to offer financial solutions. Financial solutions for starting a business, growing a business or just running it more efficiently through better cash management or online services. Solutions for helping individuals and families find the best options for financing their dream house. Solutions that help people bank, pay bills or access their financial information quicker, safer and more efficiently online. Our business is positive, upbeat and smile-inducing. We have the power to help people where it really counts—in their pocketbooks or in their Accounting Departments.

For this employee initiative, which we named “The Power of You,” we presented a video of upbeat music and smiling employee faces throughout the bank’s front and back offices. Employees were reminded of how good they are at what they do and how they make it possible for us to grow customer relationships, grow our bank, and be able to report excellent earnings in a difficult financial environment. But most of all, we reminded them of how good it feels, personally, doing what we do best, helping people and businesses with their finances.

It is spring, and we’re doing our stretching exercises...stretching to give you more and better solutions and service. And if it takes a little dark chocolate, sunlight and B vitamins to help raise endorphin and serotonin levels, we’ll add that to the mix. Thanks for making us feel good by allowing us to serve your banking needs.

Sincerely,

Thomas D. Murphy, President of Retail Banking

## Eagle Bancorp, Inc. Announces Record Profitability and Continuing Declines in Problem Assets for the First Quarter of 2010

(Excerpts from the April 20, 2010 Press Release)

BETHESDA, MD. Eagle Bancorp, Inc. (the “Company”) (NASDAQ: EGBN), the parent company of EagleBank, today announced net income of \$3.4 million for the three months ended March 31, 2010, a 63% increase over the \$2.1 million for the three months ended March 31, 2009 and the highest level of quarterly net income in the Company’s twelve year history. Net income available to common shareholders was \$3.1 million (\$0.16 per basic common share and \$0.15 per diluted common share) for the three months ended March 31, 2010, compared to \$1.5 million (\$0.12 per basic and diluted common share) for the same period in 2009, a 106% increase, also a record level of earnings.

“In spite of continued general economic weakness nationally, we are extremely pleased to

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## Ron Paul One of "25 CEOs You Need to Know"

CEO/Chairman Ron Paul was named by the Gazette of Politics and Business newspaper as one of "25 CEOs You Need To Know." A team of business experts at the Gazette selected this group of outstanding leaders. Ron and the other 24 CEOs were honored at a luncheon on May 13 and featured in the newspaper's May 27th edition. Instead of a regular head shot, our CEO was photographed (below) with the newest addition to our corporate headquarters. A giant bronze eagle sculpture now guards the walk-up and drive-up windows at 7815 Woodmont Avenue (Corporate Headquarters) in Bethesda, Maryland.



Ron Paul poses beside the new bronze eagle that presides over, protects and greets customers at our home office on Woodmont Avenue in Bethesda, MD.

## Financial Release (Continued)

report record financial results for the first quarter of 2010," noted Ronald D. Paul, Chairman and Chief Executive Officer of Eagle Bancorp, Inc. "Our financial results reflect the Company's ability and desire to continue lending in its marketplace, as evidenced by a 13% increase in loans over the past twelve months; our ability to continue building new and existing client relationships, as evidenced by a 29% increase in deposits in the past twelve months; and favorable asset quality measures with the first quarter of 2010 being the fourth successive quarter of declining non-performing assets to 1.36% of total assets." Mr. Paul further noted "the Company's profitability in the first quarter of 2010 resulted in improved returns on average assets and average common equity while also maintaining a very strong total risk based capital ratio of 13.50% at March 31, 2010, well above regulatory well capitalized measures."

At March 31, 2010, total assets were \$1.83 billion compared to \$1.50 billion at March 31, 2009, a 23% increase. Total deposits increased 29% during the first quarter of 2010, to \$1.48 billion as compared to \$1.15 billion at March 31, 2009, while total loans increased 13% to \$1.43 billion at March 31, 2010, from \$1.27 billion at March 31, 2009. Total borrowed funds, which include customer repurchase agreements, decreased to \$157.1 million at March 31, 2010 from \$193.1 million at March 31, 2009, a 19% decrease, as substantial growth in lower cost core deposits was used to reduce alternative funding sources.

Average loans increased \$55 million and average deposits increased \$91 million during the three months ended March 31, 2010, as compared to the three months ended December 31, 2009. In addition, at March 31, 2010, the Company had a high level of loan commitments which carried over the end of the quarter. Of these commitments, \$45 million were funded in the first week of April 2010. The increase in average loans in the first quarter of 2010 as compared to the fourth quarter of 2009 is primarily attributable to growth in commercial real estate income producing and commercial and industrial loans. Increases in average deposits in the first quarter of 2010 as compared to the fourth quarter of 2009 are primarily attributable to non interest bearing and money market deposits.

For the complete press release, please visit [www.eaglebankcorp.com](http://www.eaglebankcorp.com)

## With Security in Mind: How Secure are Your Passwords?

To make your passwords as secure as possible, here are some tips. Start by making them as difficult to guess and as long as possible. Use a combination of words and letters, and where allowed, some symbols (like ?!:@\$#\*+&). You can also use a mix of upper and lower case letters. If possible, use at least eight characters. The more creative you get, the more difficult it will be for hackers to figure it out. Good luck...and get creative!

## Miscellaneous Bank News

**RESIDENTIAL LENDING...** We have expanded our ability to serve residential lending customers and have added some new mortgage lenders. They will be located in Suite 220 at Park Potomac Place, in the same building as our ground-floor Park Potomac branch office. This location is on the west side of I-270 and just north of the Montrose Road exit. Eventually, our whole Residential Lending team will move from our Chevy Chase branch location to Park Potomac.

**WELCOME Brad Cohen, Jeff Fink, Paul Harsanyi and Harris Rosenblatt** from Embrace Home Loans (formerly, Mason Dixon Funding). They all grew up and reside with their families in the Washington DC area. Their outstanding reputations for matching loan products to customer needs and providing superior individual customer attention will enhance and improve our quality of service and our loan production capabilities.

**DOUGLAS L. VIGEN JOINS OUR NORTHERN VIRGINIA TEAM...** With the addition of Douglas L. Vigen as Senior Vice President of Commercial Real Estate Lending in Northern Virginia, we expect to strengthen our banking team and grow EagleBank's service to that important marketplace. Doug brings 24+ years of commercial and real estate lending experience to serve the real estate developers and investors in Northern Virginia from our Tysons area office at 8601 Westwood Center Drive.

**MORE TALENT TO GROW THE BANK...** **Laurence E. Bensignor, Esq.** joins EagleBank in another effort to enhance EagleBank and grow our opportunities to serve customers. As Senior VP of EagleBank and of Eagle Bancorp, Inc., Mr. Bensignor brings a wealth of legal, business, real estate and financial experience to the bank. He will focus his efforts on growing non-interest income businesses and strategic partnerships.

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## Serving You with a Smile

What you see here is a sampling of the smiling faces that greet you in branches, over the phone, on the street or when you email or contact us otherwise. We like what we do as "EagleBankers" and promise to raise the bar on customer service every chance we get! (See cover letter.)



## Mark Your Calendar

**Saturday, October 2, 2010:  
9th Annual Ronald D. Paul  
Companies Kidney Walk**

The DC Kidney Walk raises both awareness and critical resources for the fight against kidney disease. Proceeds from the Walk will support free public screenings, public awareness campaigns, research, and direct assistance to patients and their families – all right here in our community! Registration: 8 AM; Walk: 9 AM, Georgetown, DC. For more information, please visit [walk.kidney.org](http://walk.kidney.org)

**Monday, October 11, 2010: Sixth  
Annual EagleBank Fight Against  
Breast Cancer Golf Classic.**

Save this date and join the EagleBank Foundation's fight against this disease. The event has sold out each of the past five years and has raised over \$650,000. It will again be held at the Woodmont Country Club, 1201 Rockville Pike, Rockville, MD 20852. Registration and continental breakfast at 9 AM; shotgun start at 11:15 AM; cocktail reception, awards presentation and Mega Raffle at 5:00 PM. Visit [www.eaglebankfoundation.com](http://www.eaglebankfoundation.com) for more information.

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## 2009 EagleBank Annual Report Available

Visit our website, [www.eaglebankcorp.com](http://www.eaglebankcorp.com), under Investor Relations/SEC Filings/Financial Documents to view our recently released 2009 Annual Report. The Annual Meeting for Shareholders will be held on May 20, 2010 at the Hyatt Regency Bethesda.

## McPherson Square Celebrates Earth Day

Our talented McPherson Square staff won 2nd place in the 2nd Annual Poems and Tunes Contest sponsored by Blake Real Estate to celebrate Earth Day. The contest was open to all tenants of 1425 K Street, the address of our branch. Resident contestants had to wear green or a creative Earth Day costume. EagleBank's winning poem was written by Shawn Murphy and Antoine Goho. Congratulations!



Shawn Murphy of the McPherson Square office recites the award-winning poem the branch submitted at the Earth Day Celebration at their K Street office location.

*Earth gives us fire,  
Earth gives us air,  
A beauty we admire,  
So full and so fair.  
Earth gives us sand,  
Soil, gravel and grass,  
Home to Man, talented and true,  
Nourishment in our future, present  
and past.  
Earth gives us water,  
Earth gives us rain,  
If we're not careful, Earth won't remain.*

*Please don't pollute the Earth.  
Please recycle all of your trash.  
This will be the only chance,  
That the Earth will have to last.*

*Happy Earth Day from EagleBank's  
McPherson Square Office*

## Latest FDIC News

On April 13, 2010, the FDIC approved a six-month extension of the Transaction Account Guarantee (TAG) program. This is the program that provides unlimited deposit insurance on non-interest bearing accounts. Extension is to December 31, 2010. The FDIC board can decide (by October 29, 2010) to extend the program until December 31, 2011, without issuing a new rule. EagleBank continues to participate in the TAG program. For more information, please visit <http://www.fdic.gov/news/news/press/2010/pr10075.html>.

## Welcome Sligo Customers

Sligo branch customers are quickly discovering the close-by convenience, added staff and space, free parking and handy drive-up window at our 8665-B Georgia Avenue location. The old Sligo office

closed on April 30. We welcome those who have never visited the Georgia Avenue branch before, and know that they will enjoy the efficient and friendly banking service provided by Manager Barbara Millard and her knowledgeable staff.



Serving you with a smile at the Georgia Avenue, Silver Spring office are: Above: Assistant Branch Manager Olga Jean-Claude and Commercial Loan Officer Randy McVey Above Right: Customer Service Rep. Debra Williams, Head Teller Monica Henson, Business Development Officer Bernard Worrell, Teller Aliyah Hayward, Branch Manager Barbara Millard and Teller Judith McLean.

### 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

## Hot Numbers

Email us at [info@eaglebankcorp.com](mailto:info@eaglebankcorp.com)

Ronald D. Paul Chairman & CEO	301.986.1800
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 SVP & Business Dev. Sales Mgr.	240.497.2051
Branches/Switchboard	301.986.1800
Online Banking	301.628.4708