



## Safety and Soundness



In these days of challenging economic conditions, safety and soundness remain a focal point for EagleBank management, shareholders, and customers alike. As a leading community bank in the Washington Metropolitan area, EagleBank was built on a strong credit culture, and a desire to serve our market area by providing a full range of loan and deposit products with superior customer service. Through relationships built over many years,

and solid underwriting criteria, EagleBank has grown and prospered while maintaining sound asset quality. EagleBank is well capitalized by all regulatory standards, is profitable, and continues to grow both loans and deposits, while other banking institutions may be struggling. Nevertheless, we are well aware that only through continued, proactive attention and monitoring of our assets during today's demanding economic climate—and an ongoing focus on serving our customers better than any other bank—will we continue to flourish.

EagleBank's Credit Administration Department has a strong team of seasoned credit analysts who bring a wealth of expertise and experience to the underwriting process. Our underwriting standards include thorough and thoughtful independent analysis of loan proposals, with an underlying responsibility to provide timely and accurate assessments of customer loan proposals. As a community bank, we understand our market and are able to deliver superior customer service with local decision making authority. This allows us to respond to each customer's needs without unnecessary delay. Credit Administration also includes a group of specialists continually monitoring our loan portfolio, and proactively working with customers to resolve issues in a mutually beneficial manner. We understand that relationships, through good times and bad, are the cornerstone of our success.

Maintaining solid credit quality has kept EagleBank strong and able to weather business cycles profitably. Now, and as the economy stabilizes and improves, we are well positioned to continue providing superior banking services for our customers and whole-hearted support of the communities we serve.

Janice L. Williams  
Executive Vice President/Chief Credit Officer

## Ron Paul Wins a 2009 Greater Washington Ernst & Young Entrepreneur of the Year Award in Business Services

From nomination to finalist's list was excitement enough... but, our Chairman and CEO Ronald D. Paul actually won! He was named Entrepreneur of the Year in the business services category at the Ernst & Young black tie event on June 18th, 2009, at the Tysons Corner Ritz Carlton. With cheers of joy and respect from family, co-workers and admirers, Ron gave a very warm, touching and humble acceptance speech. In the words of Ernst & Young... "Winners of this prestigious award are exceptional leaders whose businesses have influenced the way we live, the products and services we depend on..." We are extremely proud of our leader, Ron Paul, and wish him well as he goes forward to compete against entrepreneurs from all over the country.

### 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

## Debit Card Safety

The convenience of carrying a single card when you shop or go out is a big plus. But, please put safety first when using it. Never store your pin number with your card and make sure you use it in complete privacy. Hover close when inserting your pin, blocking the view from all directions. Be cautious when making mall, restaurant, grocery and other purchases. Do not be in a hurry; it only takes a few extra seconds to put safety first.

## Celebrating the New Bethesda Walk-Up and Drive-Thru



Tom Murphy, President-Maryland, and Bethesda Teller Mary Manuel draw the \$500 grand prize winner in celebration of the new Drive-Thru and Walk-Up Windows on Woodmont Avenue. Congratulations to customer Diane Freeman! The windows are adjacent to the Bethesda branch at 7815 Woodmont Avenue. Customers can now bank at the walk-up on a sunny day; use the drive-thru on a rainy or rushed day...or continue to visit the friendly staff in the lobby. All three are open Monday through Thursday, 8:30 AM until 4 PM and 8:30 AM until 5 PM on Fridays. Other convenient EagleBank drive-thru windows are located at 8665-B Georgia Avenue, Silver Spring; 9600 Blackwell Road/Shady Grove; and at 8601 Westwood Center Drive, Tysons Corner/Vienna.

## Eagle Bancorp, Inc. Announces 11% Increase in Earnings for the Second Quarter of 2009 and Lower Levels of Nonperforming Assets

BETHESDA, MD. Eagle Bancorp, Inc. (the "Company") (NASDAQ: EGBN), the parent company of EagleBank, today announced net income of \$2.7 million for the quarter ended June 30, 2009. Net income available to common shareholders was \$2.1 million (\$0.16 per basic and diluted common share) for the three months ended June 30, 2009, compared to \$1.9 million (\$0.17 per basic and diluted common share) for the three months ended June 30, 2008, an increase of 11%.

For the six months ended June 30, 2009, the Company's net income was \$4.7 million. Net income available to common shareholders was \$3.6 million (\$0.28 per basic and diluted common share), as compared to \$3.5 million (\$0.33 per basic common share and \$0.32 per diluted common share) for 2008.

"At a time of substantial stress in our financial markets and instability in many banks, we are very pleased to report improved net income, continued deposit and loan growth and improvement in the level of nonperforming assets for Eagle Bancorp, Inc. for the second quarter of 2009. Additionally, Eagle Bancorp and EagleBank remain well capitalized," noted Ronald D. Paul, Chairman, President and Chief Executive Officer of Eagle Bancorp, Inc. Mr. Paul further noted that "EagleBank has remained diligent in meeting the credit needs of its clients throughout its market area which is reflected in the \$172 million or 15.1% loan growth over the past 10 months since the acquisition of Fidelity & Trust Financial Corporation ("Fidelity") on August 31, 2008. Over the same time period, total deposits increased \$120 million or 10.6%. The continued growth in loans and deposits is a clear sign that the integration of Eagle Bancorp and Fidelity has been successful and we have been able to maintain the high standard of banking that our new and existing customers deserve."

The continued growth in loans, average deposits, and other funding sources were the major drivers of the increase in net interest income for the three months ended June 30, 2009, as compared to the three month period ended June 30, 2008. Both lending and deposit activities showed growth for the three and six months ended June 30, 2009 as compared to the same periods in 2008. Average loans increased 69% and 72% for the three and six months ended June 30, 2009, respectively. Average deposits increased 72% and 74% for the three and six months ended June 30, 2009, respectively. Both periods gains were due in part to the acquisition of Fidelity.

At June 30, 2009, total assets were \$1.6 billion compared to \$915.8 million at June 30, 2008, a 74% increase. Total deposits amounted to \$1.2 billion, at June 30, 2009, a 79% increase over deposits of \$698.4 million at June 30, 2008, while total loans increased to \$1.3 billion at June 30, 2009, from \$795.1 million at June 30, 2008, a 65% increase. Total borrowed funds, which include customer repurchase agreements,

(continued on last page)

## Tom Murphy is Recipient of the 2009-2010 B-CC Chamber's William Prescott Allen Award

On Tuesday, June 16, 2009 at the 83rd Annual Installation & Awards Dinner, Tom Murphy was honored by the Greater Bethesda-Chevy Chase ("B-CC") Chamber of Commerce for his ongoing commitment and contributions to the B-CC community. Tom received the *William Prescott Allen Award* in a ceremony held at the Hyatt Regency in Bethesda. This award is the "Mount Everest" of Community Service and honors selfless dedication to making our community a better place for all. It is easy to see why Tom Murphy won with his years of ongoing volunteer and leadership efforts touching so many worthwhile events and organizations in the Bethesda-Chevy Chase community. Tom, congratulations from all of us – and like Ron Paul and so many others here, you make us all look good as you continue giving so much back to our community.

## Latest from the FDIC on Your Insured Deposits

As of May 20, 2009, deposits at FDIC-insured institutions are now insured up to at least \$250,000 per depositor through December 31, 2013. On January 1, 2014, the standard insurance amount will return to \$100,000 per depositor for all account categories except for IRAs and other certain retirement accounts which will remain at \$250,000 per depositor. (This supersedes the October 3, 2008 changes.)

For more information visit this link: <http://www.fdic.gov/news/news/financial/2009/fil09022.html>

## Are You Saving the Date?



On Monday, October 12, 2009, the EagleBank Foundation Fight Breast Cancer Golf Classic will again be held at Woodmont Country Club in Rockville, MD. This fifth annual fund raiser and day of pure fun provides a great opportunity to sponsor, play or volunteer. Player spots fill up fast, so visit [www.eaglebankfoundation.com](http://www.eaglebankfoundation.com) to register online as soon as you have your foursome together. Or, sign up as a single and we'll team you with some new friends. Sponsorships are also available and donations are welcome! Join the committed group of EagleBank employees, hospital volunteers, customers, vendors and friends to help raise funds for our local area hospitals' breast cancer units again this year.

## Meet Our Business Development Officers

These are the eager financial problem-solvers who represent EagleBank in the community, meeting new people, calling on businesses, and spreading the great word about EagleBank. It all starts with listening and learning more about each individual business or organization's financial needs. Led by BDO Vice President and Sales Manager Debbie Shumaker, these banking professionals take it from there and match EagleBank products and services to their needs. When a custom solution is required for a particular loan or money management need, they are quick to find answers and make it work. The result: A great new banking relationship is established and the business owner now has more time for running his/her business.



EagleBank Business Development Officers: seated (L to R): Alexis Santin, Debbie Shumaker and Jenny Shtipelman. Standing (L to R): Andy Bridge, Roumen Boudin, Kai Hills, Rokas Beresniovas, Malcolm Karl, Bernard Worrell, Larry Bolton and Shan Mohamed. (Missing from group shot: Linda Dawkins – see inset.)

## B-CC Chamber's "Face-2-Face" Business Expo

We always enjoy getting out into the community and meeting new people. On Wednesday, June 3, 2009, EagleBank Business Development Officers, Lenders and Branch Managers helped greet visitors from all walks of business at this annual chamber expo. It was held at the Hyatt Regency in Bethesda, MD, and many clients, friends and potential new customers visited our booth.



Commercial Loan Officer Brendon Shea (left), Bethesda Assistant Branch Manager Nkosi Wendt (center), and Business Development Officer/Georgetown Rokas Beresniovas took a turn at welcoming visitors to the EagleBank booth on June 3, 2009, at the B-CC Chamber's annual Business Expo. EagleBank is an active supporter of and participant in B-CC Chamber functions.

## Advisory Boards Provide Valuable Liaisons with the DC Area Business Community

We are proud to announce Advisory Board Members who will share their business expertise with our bank and provide the input and insight we need to continue serving our customers and potential customers better.

The Maryland Advisory Board includes Anthony A. Cantalupo, Jr., Cantalupo Law Firm; Jay A. Eichberg, Eichberg Construction Company; Maureen West McCarthy, Snyder, Cohn, Collyer, Hamilton & Associates, P.C.; Larry E. Walker, The Walker Group; Jeffrey Weintraub, Goodman & Company; Marc Wertheimer, Wertheimer & Ciazza.

Serving on our Northern Virginia Advisory Board are: Douglas C. Boggs, Patton Boggs; Enrico Cecchi, IDI Group Companies; Richard C. Thomas, Clark's Litho.

The Washington DC Advisory Board consists of Rollin M. Bell, III, PCM Construction; Donald Blanchon, Whitman-Walker Clinic; Gregory J. Casten, OceanPro Industries, LTD; Barry N. Dickstein, Blackstreet Capital Management, LLC; Brian K. Johnson, Montgomery College; Zeid Masri, SilverHaze Partners, LLC; Stefan C. Nicholas, Jackson and Campbell, P.C.; Earl Segal, Newark Knight Frank.

## Financial Release

(continued)

increased to \$174.3 million at June 30, 2009 from \$127.7 million at June 30, 2008, a 37% increase.

Mr. Paul added "In spite of uncertainty in the financial markets and a difficult interest rate environment, wherein the Federal Reserve continues to inject liquidity into financial markets to keep interest rates at very low levels, the Company maintained a strong net interest margin for the second quarter of 2009 of 3.91%, which was considerably higher than the net interest margin in the first quarter of 2009 of 3.76%."

Read the entire press release at [www.eaglebankcorp.com](http://www.eaglebankcorp.com) under the "Investor Relations" tab.

## 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	202.367.3024
Thomas D. Murphy President—Maryland	240.497.2042
Barry C. Watkins President—Wash., DC & VA	202.292.1620
Martha Foulon-Tonat EVP & Chief Lending Officer	240.497.2046
Susan Riel EVP & Chief Operating Officer	240.497.1667
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