



The Role of the Director

Governance, Ambassador and Business Development encompass some of the various roles for which a director and or trustee of a profit or not-for-profit company is held accountable. If a board of directors is to function well as a whole, it must develop, like any other working group, a high-level relationship with both the senior management team and the individual directors.

To be effective, directors must have access to meaningful financial information of the company in order to compare actual results to budget, peer groups and prior year's performance. Management has to inform directors on financial and non-financial issues. They are the tools needed to help manage risk and insure that proper policies, procedures and controls are in place. This valuable information is necessary to assess and minimize the organization's exposure to risk and to prevent mediocre to poor financial performance, regardless of any economic environment. Information that the board reviews must be in an understandable format; it is essential that board members comprehend the organization's information if they are to use it to support and assist management in achieving a higher level of performance.

Well disseminated and understood information can lead to interesting dialogue within the board meetings which often solicits challenging questions that provide a platform for directors to present dissenting views. This encourages the obvious and valuable question: "WHY?" Directors should be encouraged to debate issues with senior management, the entire board or with various subcommittees. Effective communications with management can create a solid foundation wherein strategic initiatives can evolve to ensure that the mission, goals and, ultimately, a high standard of performance can be realized. The beneficiary will be the shareholders.

Directors as Ambassadors and Business Developers...means reaching out to potential new customers through a network of professional peers and sharing with them the success of the organization. We all know that "success breeds success." Relationships can develop and quality growth follows, allowing the company the opportunity to attain the next level in its business life cycle. Commitment and support between directors and management is always a win-win situation.

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Eagle Bancorp, Inc. Announces Record Earnings with First Quarter 2012 Net Income Up 49%

(Excerpts from the April 23, 2012 Press Release)

BETHESDA, MD. Eagle Bancorp, Inc. (the "Company") (NASDAQ:EGBN), the parent company of EagleBank, today announced record quarterly net income of \$7.6 million for the quarter ended March 31, 2012, a 49% increase over the \$5.1 million net income for the quarter ended March 31, 2011. Net income available to common shareholders increased 56% to \$7.5 million (\$0.37 per basic share and \$0.36 per diluted common share), as compared to \$4.8 million (\$0.24 per basic and diluted common share) for the same three month period in 2011.

"We are very pleased to report continuing trends of strong earnings and loan growth in the quarter ended March 31, 2012. These results reflect substantial growth in both net interest income and noninterest income, which together comprise total revenue, while maintaining low levels of problem loans and credit losses," noted Ronald D. Paul, Chairman and Chief Executive Officer of Eagle Bancorp, Inc. "Our first quarter

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Financial Release (Continued)

2012 revenue increased 41% over the same quarter in 2011 and was 7% better than the fourth quarter of 2011. The Company has now reported thirteen consecutive quarters of record net income. Higher noninterest income from the origination and sale of residential mortgage loans in the first quarter of 2012 contributed substantially to increased revenue. As compared to the fourth quarter of 2011, loans increased by 6% and deposits decreased by 1%. The net interest margin for the most recent quarter was 4.11%. While lower than the same quarter in 2011 of 4.23%, the margin remains favorable as compared to peer banking companies. Net credit losses for the quarter were 0.34% of average loans, and problem loans remain at very reasonable levels. The Company's expense management, as measured by the efficiency ratio, was a very respectable 53.83% in the first quarter of 2012, as compared to 58.57% in the same quarter of 2011," added Mr. Paul. "We believe our first quarter financial results continue to demonstrate a consistent and balanced approach to the Company's performance, although we do not manage the Company from quarter to quarter", noted Mr. Paul. "In addition, we are pleased that our number of customer relationships continues to increase as more and more businesses view EagleBank's capabilities and capacity to lend as highly attractive," noted Mr. Paul.

To read the complete press release, visit the Investor Relations section of www.eaglebankcorp.com.

Working with You to Keep Your Information Safe

It is our job, as your bank, to ensure security and confidentiality of your banking experience. We take protecting you against any type of identity or unauthorized access very seriously, and employ these and other online banking precautions. We use customer access controls (passwords and security questions), internal bank access controls for internal computer facilities; data encryption for stored customer information; modification procedures consistent with an approved security program; dual control procedures and employee background checks; constant monitoring with set procedures to detect customer information exposure...and we follow set actions that must be taken if any unauthorized access is even slightly suspected.

But, we still need your help to complete the security loop. Hackers who electronically break into an individual's computer head straight for your bank information, which can lead to us. Block access by using strong passwords with a mix of numbers and letters that don't include easily guessed names, dates or addresses. Monitor your accounts often; sign on and off securely; make sure your anti-virus software is current and that it scans your email; never send sensitive numbers or information in an email; never give out bank information—your bank already has it. Be suspicious of everyone; call us immediately if you suspect someone is acting on our behalf to get information from you. Protect your personal information at all times and you'll be helping us protect you!

The Role of the Director (Continued)

For me, personally, I have served on over 30 boards of directors, including five public companies, several smaller non-public companies and numerous not-for-profit organizations. Although it has become more complicated to serve, due to numerous regulatory issues and accounting changes, I still consider it exhilarating when the board of directors, management and the various constituencies join together, sharing their expertise and uniting their collective, creative thoughts...for a result that is rewarding, satisfying and mutually beneficial to all.

Sincerely,



Robert P. Pincus
Vice Chairman of Eagle Bancorp, Inc.
Vice Chairman of EagleBank

Note: Mr. Pincus is a 2012 recipient of an "Outstanding Director" Award from *The Washington Business Journal*.

Now Open in Reston!

EagleBank's 4th Virginia location at 12011 Sunset Hills Road, just outside the Reston Town Center, not only boasts a full-service branch, but also the bank's Residential Lending VA Regional Office. **Louise L. Johnson** serves the banking office as Vice President and Branch Manager, while **Vincent Curcio** will reside over the Mortgage Lending Division as Vice President and Sales Manager/Virginia. Louise and Vince and their team members are eager to welcome new customers with competitive business and personal banking services and mortgage rates that are still at all-time lows!

Community Redevelopment Winner

The NAIOP (National Association of Industrial and Office Properties) held its 2012 MD/DC Capital Challenge Intercollegiate Real Estate Case Competition recently. The Georgetown University team of Cooper Carry, Inc., Cassidy Turley, Tishman Construction, Boston Properties, EagleBank and Loiederman Soltesz Associates delivered the winning solution – a creative plan to redevelop the old Greyhound bus station site. Their winning rendering was prepared by **Jamie Chapman** of LSA and the prize of a \$10,000 scholarship went to Georgetown University. EagleBank was proud to provide the financial input on this winning community redevelopment plan.

Winners...Best in Banking!

EagleBank scored high among Smart CEO readers again this year. When it came time to select their "BEST BANKER," business executives were quick to single out VP/Commercial Loan Officer II **Rob Powell**, VP/Business Development Officer **Jenny Shtipelman**, VP/Business Development Officer **Sydney Stein** and Executive VP/Chief Credit Officer **Janice Williams**. All were honored and featured in the "Best in Banking, Smart CEO Reader's Choice" section of the April 2012 edition. We salute our winners and all their hard work in building solid customer relationships!

Celebrating Ballston

The doors were open at our beautiful new Ballston office on April 25 and the community was invited to join us for an Open House. **Manager Dave Paxton** and his staff (**Graciela Jones, Gretchen Miller and Jorge Rivasplata**) greeted guests and showed off their spacious and elegant glass interior at 4420 N. Fairfax Drive.



The EagleBank 2011 Annual Report

...is now available. Read it online at our web site, eaglebankcorp.com under "About Us/ News" and "Investor Relations" tabs, pick one up at a branch or contact EagleBank's Marketing Department, 7815 Woodmont Ave., Bethesda, MD (240.497.2043 or 2074) and we'll send you one.

Congratulations Top Mortgage Producers!

The following EagleBank mortgage lenders were ranked by Scotsman Guide (a publication and resource for mortgage originators) as "2011 Top Originators," based on dollar volume produced for the year. **Brian Blonder** ranked #15 nationally, while **Paul Harsanyi** ranked #55 and **Jeff Fink** ranked #195 out of 800 mortgage professionals across the country. Fourteen Top Originators work in Metro Washington, and of these top 14, three are with EagleBank. Congratulations, Brian, Paul and Jeff!

Kudos to Graystone Consulting

EagleBank's Investment Advisory Services, working with Graystone Consulting, a business of Morgan Stanley Smith Barney, provides enhanced financial services to our institutional customers and high net worth individuals. We are proud to announce that Graystone has received some outstanding recognition recently. They were listed as one of the Top 100 Advisor Teams in the country by PLANSPONSOR Magazine for 2011, and, as published in the Washington Business Journal, the National Association of Board Certified Advisory Practices picked Graystone as one of the Top Advisor Teams in the Washington, DC area for 2011. Additionally, Managing Director and Senior Partner Robert S. Scherer was ranked as the #1 Investment Advisor in Washington, DC by Barron's (Dow Jones) for 2011. Put this excellence to work for your high net worth or institutional investment portfolio and contact Executive Vice President **Larry Bensignor** (240.497.1788 or lbensignor@eaglebankcorp.com).

Morgan Stanley advisory accounts are not insured by the FDIC, and are not deposits or other obligations of, or guaranteed by EagleBank. Any investment product involves investment risk that might result in loss of value.

Hire Heroes – a Great Way to Give Back!

EagleBank has joined the efforts of "Hire Heroes" which gives us the opportunity to post job listings on a featured job board for veterans, and to attend local job fairs hosted for military job seekers. Hire Heroes is a non-profit organization that has partnered with the USO, US Chamber of Commerce and other organizations to provide employment services for military personnel and their families. Their website is www.hireheroesUSA.org.



www.eaglebankcorp.com



EagleBankers at work for the Lyons Club at the Eyeglass Recycling Center in late March. Volunteers included **Youssouf Diallo**, **Marlyn Newton**, **Christian Durand**, **Anne Ryan**, **Fahed Arekat** and **Andrew Peters**



(L to R) Earth Day winner **Shawn Matthews**, EB Assistant Branch Manager **Danielle Dixon**, **Kelliann Whitley** of Blake RE, and Branch Administration Manager **Joe Clarke**.



Reston Branch Ribbon Cutting

The Greater Reston Chamber of Commerce celebrated EagleBank's official launch into the Reston community on April 11th. The actual ribbon cutting ceremony took place at noon. Present at the ceremony (L to R), from EagleBank: **Joe Clarke**, **Myron Ballard**, **Louise Johnson**, **Tom Murphy** and **Mark Ingrao** of the Chamber.

Shawn Matthews – Another Earth Day Award!

Shawn Matthews of our McPherson Square branch took first place in Blake Real Estate's Annual Earth Day Talent Contest for his very entertaining and creative "Earth Day Rap" performance. Blake Real Estate manages 1425 K Street, NW, one of DC's tallest commercial buildings and the first to have an all-green rooftop. EagleBank's McPherson Square office is on the ground floor of this building. Congratulations to Shawn for his talent and enthusiasm – it's no wonder he's won it before!



Another Jr. Achievement (JA) Project

This time...teaching sixth graders about life skills focused on finances, living within a budget, using credit wisely and how the unexpected world of life can impact finances if you are not well prepared. EagleBank, in partnership with Payroll Network, spent April 16th at Newport Mill Middle School in Kensington, MD. Pictured left to right, EagleBank employees: **Sarah Daley**, **Justin Silver**, **Andrew Peters**, **Jason Hamel**, **Debra Burgess** (of Payroll Network) and **Scott Miller**.

Howard Theatre's Encore

DC's famous 100-year-old Howard Theatre reopened on April 9th, after extensive renovations. EagleBank is proud to have struck a chord in the massive orchestration of financing that was involved with this local project. Together, as a community, great things can happen...and massive amounts of funding can be generated when people work together for a common goal. An EagleBank loan was one of many that creatively made it all happen, thanks to Commercial RE Loan Officer **Matt Leydig**. Rejuvenating and reopening this icon of entertainment history is a great boost for DC...we're proud to be part of it.

Ron Paul, a Hall of Fame Laureate

The 2012 Washington Business Hall of Fame Laureates have been announced. The five business leaders who will be inducted into the Hall of Fame at the Washington Hilton on Tuesday, December 4, 2012 are:

1. **Thomas Hale Boggs, Jr.**, Chairman, Patton Boggs LLP
2. **Giuseppe Cecchi**, President, The IDI Group Companies
3. **John R. Darvish**, Founder and President, DARCARS
4. **M. Charito Kruvant**, President and CEO, Creative Associates International, Inc.
5. **Ronald D. Paul**, Chairman and Chief Executive Officer, EagleBank

The Washington Business Hall of Fame is an annual induction ceremony honoring outstanding business leaders and entrepreneurs who, through their work, have made a significant contribution to the quality of life in the National Capital Area. Laureate induction into the Washington Business Hall of Fame is a lifetime achievement award... these individuals have consistently demonstrated the following qualities throughout their professional lives: business excellence, visionary, innovative leadership and community involvement. Through these accomplishments, Laureates serve as role models for the next generation of business leaders. We congratulate them all, but, of course, are rooting for our leader!

Banking Products for Medical Offices

EagleBank is proud to be on the Montgomery County Medical Society's Advisory Board and is privileged to participate in the organization's expos and other events. Clients in the medical field attest to our good service and our focus on the products they need to spend less time on financial matters and more time on patients. Maybe we can help you. Contact your local EagleBanker or call **Agnes Singh** at 301.280.6800 to discuss a line of credit for updating your equipment or facilities, medical malpractice financing, health care lock box solutions, merchant services and more.

Rammy Finalist

EagleBank is, again this year, a RAMMY Finalist for the "Associate Member of the Year" Award. The 2012 RAMMYS will be held on Sunday, June 24, 2012 at the Marriott Wardman Park Hotel, Washington, DC. RAMMY's are awarded by the Restaurant Association Metropolitan Washington. EagleBank serves the financial needs of some very impressive eateries in the DC Metro marketplace and is honored to be considered at the Rammy event.

Online Banking and Bill Pay Extras

The next time you visit EagleBank's online banking service, check out all the options you have at your fingertips for even greater money management and tracking. You can set up alerts for deposits, beginning balances, balance minimum, failed and processed transfers. You can even add your mobile phone number to get these alerts by text message.

In the bill payment function, you can request automatic payment notices, e-bill reminders, added or changed payee information, and failed or overdrawn account notices. In short, you can be in-the-know quickly on just about anything that affects your money, balances and payment activities.

An EagleBank Scholarship is Born

EagleBank has established a very unique scholarship fund in conjunction with the Montgomery College Foundation and The Universities at Shady Grove (USG). A qualifying honors student must progress from Montgomery College's Gordon and Marilyn Macklin Business Institute (MBI) to the Smith School of Business at the Universities at Shady Grove, maintaining honors status throughout. EagleBank's gift is part of the MBI Foundation's \$750,000 challenge grant supporting the MBI program. The student's potential scholarship award will total \$15,000 over three years. EagleBank's President of Community Banking **Tom Murphy**, active member of USG's Board, worked with both organizations to develop the scholarship (a \$30,000 gift over a six-year period). "It is a great way for EagleBank to give back to the community, help two great local institutions and provide funds for a deserving business student in need of financial assistance," commented Tom.

Celebrate the Small Businesses that Drive the DC Economy!

EagleBank is delighted to serve as this year's Presenting Sponsor of the DC Chamber of Commerce Small Business Awards and Expo, the "Chamber's Champions." This event, on May 16, 2012, at the Renaissance Washington Hotel, recognizes the major contributions small businesses make to the strength of the American economy. Every year, Small Businesses in America employ more than half the country's private workforce, create three out of every four jobs, drive American innovation, and increase U.S. competitiveness. The Small Businesses of Washington, DC are no exception. They have led our local economic recovery and are propelling our city's growth. It is, therefore, most fitting that the DC Chamber, in partnership with EagleBank, celebrates these businesses. Over 400 business owners and executives attend this major event...one of the Chamber's largest fundraising efforts—its success is essential to keeping the Chamber strong for our business community.

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240.497.2061

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Community Banking President **Tom Murphy** poses with **Bessie Jeffas** of EagleBank's Shady Grove Office to celebrate—with gift and flowers—Bessie's 10th anniversary with EagleBank. A happy and proud occasion for both Bessie and the bank!



Vice President and Branch Manager **Louise Johnson** greets business neighbors at a local expo event held in the "One Reston Overlook" building at 12011 Sunset Hills Road. Louise resides over EagleBank's newest banking location in Virginia, a stone's throw from the Reston Town Center.

Branches

Bethesda, 7815 Woodmont Ave. **MD**
240.497.2044

Chevy Chase, 15 Wisconsin Cir.
301.280.6800

Park Potomac, 12505 Park Potomac Ave.
301.444.4520

Rollins Ave./Rockville, 130 Rollins Ave.
301.287.8500

Rockville, 110 N. Washington St.
301.738.9600

Shady Grove/Rockville, 9600 Blackwell Rd.
301.762.3076

Silver Spring, 8665-B Georgia Ave.
301.588.6700

McPherson Square, 1425 K St., NW **DC**
202.408.8411

Dupont Circle, 1228 Connecticut Ave.
202.466.3161

Gallery Place, 700 7th St., NW
202.628.7300

Georgetown, 1044 Wisconsin Ave.
202.481.7025

2001 K Street, 202.296.6886

Ballston, 4420 N. Fairfax Dr. **VA**
571.319.4800

Rosslyn, 1919 N. Lynn St.
571.319.4855

Reston, 12011 Sunset Hills Rd.
571.319.4848

Tysons Corner, 8601 Westwood Center Dr., 703.485.8011

Merrifield (opening soon)

Eagle Commercial Ventures
Larry Bensingor, 240.497.1788

Eagle Insurance Services
Ken Van Valkenburgh, 240.497.2061

Investment Advisory Services
Larry Bensingor, 240.497.1788

Lending Center, Bethesda, 240.497.2049

Operations Center, Tech Rd., Silver Spring
301.986.1800

Residential Mortgage Lending
301.738.7200

Hot Numbers

Email us at info@eaglebankcorp.com

Ron Paul 301.986.1800
Chairman & CEO

Bob Pincus 240.497.4077
Vice Chairman

Susan Riel 240.497.1667
Sr. EVP & Chief Operating Officer

Tom Murphy 240.497.2042
President of Community Banking

Tony Marquez 240.497.1799
EVP, Chief Real Estate Lending Officer

Ginny Heine 240.497.2951
EVP, Chief C&I Lending Officer

Jane Cornett 240.497.2041
Corporate Secretary

Andy Bridge 240.497.2090
SVP & Business Dev. Sales Mgr.

Brian Blonder 240.406.1146
VP, Residential Mortgage Manager,
Anne Arundel County Office

Vince Curcio 571.319.4837
VP, Residential Mortgage Manager/VA

Mark Deitz 240.406.1152
VP, Residential Mortgage Manager/MD

Debbie Shumaker 240.497.2051
SVP, Treasury Management

Susan Schumacher 202.292.1631
SVP & Commercial Deposit Services Manager

Branches/Switchboard 301.986.1800

Online Banking 301.628.4708

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

