



Relationships F·I·R·S·T

We've changed our tag line! You know...that small line under the logo that tells just a little bit more about who you are, how you feel, and what you're all about.

Our new tag line is Relationships F·I·R·S·T.

It's a natural. EagleBank has always had the same focus, one that is a far cry from just welcoming a new customer and opening a new account. From *Day One*, 14-plus years ago, when we opened our doors, the smart business owners and experienced bankers who founded our bank knew what success for our bank and for our clients was all about.

Building good relationships is the first step to success. That has always been the first thing on our minds when a new customer approaches us. It's part of our new employee orientation program and it is constantly reinforced with current employees. A new face or voice with a financial need is a potential new relationship—another opportunity for us to do what we do best and do what gives us the most job satisfaction: helping people with their financial needs, offering solutions, making it possible for a new business to take off, re-aligning a client's financial mix when the current mix no longer fits current needs, or designing a custom loan that allows a customer or business to grow to the next level.

It doesn't always happen quickly, of course. Good relationships are precious and they must be earned. A branch employee provides above and beyond service. A mortgage lender bends over backwards to make it easy for a family to refinance and save money every month. A business development officer introduces a more efficient money management product. A loan officer puts the pieces together to make an important purchase possible. An affiliated insurance specialist provides a new sense of security for a good client. Trust, confidence and a sense of teamwork are coming together in every instance—forming the foundation for a blooming client-bank relationship.

Is it any surprise that the words "relationships first" belong under our logo? Or that "F·I·R·S·T" stands for Flexible, Involved, Responsive, Strong and Trusted? (More on that on page two.)

Thank you for your trust, support and ongoing loyalty. May our relationship with you continue to bring us both many more successes.

Sincerely,

Thomas D. Murphy
President of Community Banking

(Wait, there's more to our new tag line...see the article inside to learn the extended importance of F·I·R·S·T.)

Eagle Bancorp, Inc. Announces Record Earnings with Second Quarter 2012 Net Income Up 35%

(Excerpts from the July 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 \$7.8 million for the quarter ended June 30, 2012, a 35% increase over the \$5.8 million net income for the quarter ended June 30, 2011. Net income available to common shareholders increased 57% to \$7.6 million (\$0.38 per basic share and \$0.37 per diluted common share), as compared to \$4.9 million (\$0.25 per basic share and \$0.24 per diluted common share) for the same three month period in 2011.

For the six months ended June 30, 2012, the Company's net income was \$15.4 million, a 42% increase over the \$10.9 million for the six months ended June 30, 2011. Net income available to common shareholders was \$15.1 million (\$0.75 per basic common share and \$0.73 per diluted common share), as compared to \$9.7 million (\$0.49 per basic common share and \$0.48 per diluted common share) for the same six month period in 2011, a 56% increase.

(Continued on second page)



Financial Release (Continued)

"We are very pleased to report a fourteenth consecutive quarter of record net income for our Company, highlighted by substantial growth in revenue from both balance sheet growth and margin expansion and by increased noninterest income," noted Ronald D. Paul, Chairman and Chief Executive Officer of Eagle Bancorp, Inc. Mr. Paul also noted "the second quarter financials reflected continued low levels of problem assets and credit losses and continued strong increases in shareholders' equity, primarily from record earnings and the \$5.6 million of net proceeds through June 30, 2012 from the sale of common stock in the Company's offering. The shares were sold at a weighted average price of \$15.94 per share. Additionally, expenses were well managed in the quarter, contributing to an even lower efficiency ratio of 52.28%. Total revenue increased 31% in the second quarter 2012 over the same quarter in 2011. Higher noninterest income from the origination and sale of residential mortgage loans in the second quarter of 2012 contributed substantially to the increased revenue in the second quarter of 2012 over 2011. Both total loans and total deposits increased by 6% at June 30, 2012, as compared to March 31, 2012. The net interest margin for the second quarter of 2012 was a very strong 4.39%, as the cost of funds has been aggressively managed lower, based on market rate changes. Net credit losses for the second quarter of 2012 were 0.40% of average loans, and nonperforming assets were 1.26% of total loans at June 30, 2012. Importantly, we believe our financial results continue to demonstrate a consistent and balanced approach to the Company's performance. We are especially pleased that our number of customer relationships continues to increase, as more and more businesses view EagleBank's capabilities and services as highly attractive."

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

Serving NOVA Commercial Lending Needs

EVP and Chief Commercial RE Lending Officer **Tony Marquez** participated on the All-Star Panel at the *Northern Virginia State of the Market* event sponsored by BISNOW on July 12. This breakfast, panel discussion and networking event focused on the most prominent new commercial developments in the region, as well as critical transportation and infrastructure topics. EagleBank's NOVA team of banking and lending experts concentrate on the financial needs of this important market. The Bank's continuously expanding footprint in NOVA currently includes branches in Tysons Corner, Ballston, Rosslyn and Reston, with new locations in Merrifield and Alexandria on the horizon. EagleBank's Commercial Lending Team recently moved to larger headquarters in Reston at 11911 Freedom Drive.

Good Causes

EagleBank was a Gold Sponsor for WHITMAN-WALKER HEALTH'S "BE THE CARE" SPRING EVENT. The event recognized the Honorable Kathleen Sebelius, Secretary of the US Dept. of Health and Human Services who received the 2012 Partner for Life Award. The event also helped raise funds for the organization's quality health care services, public health efforts and education outreach programs.

Relationships F · I · R · S · T

We promised more information on page 1...so, here goes. Each of the letters in F-I-R-S-T represents an ingredient in EagleBank's recipe for creating great customer relationships. For instance, the *F* stands for *Flexible*... it's almost synonymous with our name. We've proudly earned that reputation. Customers quickly learn that when their need does not fit the products or services on our regular menu, we put our financial expertise to work and create a new solution. Saying YES when other banks say NO involves flexibility and banking know-how. EagleBank knows how!

Next, the *I* stands for *Involved*. EagleBank and its employees are very dedicated and involved in the community; that is essential to our community's well-being, a healthy business environment and our own growth and success as a community bank. Participating, sharing, caring, giving—all are important to us because we take our corporate citizenship seriously. *R* stands for *Responsive*. We strongly believe that our customers and shareholders deserve an immediate response. Whether it's a return phone call, an answer on a loan request, a suggestion on the most efficient way to handle a new money matter, information on insurance, investments or other financial issues... we have the service-oriented staff and the financial expertise to get back to them quickly with the answers they need.

S stands for *Strong*, which we have become, thanks to stronger customer relationships that result from our reputation for providing outstanding service. Superior customer service builds strong relationships and, ultimately, a strong, successful bank that can make larger loans and support more business needs as the community grows. *T* stands for *Trusted*. The bank you trust is the bank you come back to time and time again. Solid, lasting, customer relationships are built on trust.

EagleBank in the Community



Donating a Saturday in June to their local community to sell tickets at the annual Taste of Georgetown are, left to right: Georgetown Relationship Mgr. **Andrew Peters**, Area Mgr. **Trevor Brown**, McPherson Squ. Service Mgr. **Danielle Dixon**, Sr. Customer Service Rep. **Jermell Harris**, and helping, but not pictured, DuPont Relationship Mgr. **Justin Silvers**.



Pictured above, left to right, are EagleBank volunteers donating a Saturday to their community for another well-received and much-appreciated document shredding event: Area Mgr. **Myron Ballard**, Head Teller **Judy Bascope**, Branch Service Mgr. **Galina Moshkovich** and Park Potomac Relationship Mgr. **Christian Durand**.



Braving flies, mosquitoes and a crowd of nearly 500, EagleBank volunteers were out in force with their dogs to help raise funds for the ARLINGTON ANIMAL WELFARE LEAGUE in May. Pictured here, left to right (people first, then dogs): Ballston Relationship Mgr. **Dave Paxton**, friend **Erin Ebmeier**, Georgetown Relationship Mgr. **Andrew Peters**, Area Mgr. **Trevor Brown**, McPherson Square Relationship Mgr. **Sarah Daley**, Ballston Service Mgr. **Jorge Rivasplata**, Rosslyn Relationship Mgr. **Scott Miller**...and dog helpers, Molly, Toro, Paca, Amelia and Cleveland.

Awards & Recognitions

EagleBank Selected For New County Lending Program

Montgomery County, MD has selected EagleBank as a participant in its new "Small Business Plus!" Program. Under this initiative, which EagleBank helped the County develop, eligible Montgomery County banks will match their own \$10 million in funds to \$10 million from the County to provide \$20 million in new business loans and commercial real estate loans for small businesses in Montgomery County, MD. Participating banks had to meet standards for safety and soundness and be positioned to make and sustain loans to small businesses.



An active member of the D.C. Chamber of Commerce, EagleBank was proud to be the Presenting Sponsor of the Chamber's Premier Small Business Awards Event at the Renaissance Hotel in May. Pictured, left to right: EagleBank's Branch Administration Mgr. **Joe Clarke**; "Small Business Champion of the Year" winner **Thomas Sanchez** of Social Driver; "Young Entrepreneur of the Year" winner **Zach Axelrod** of Skyline Innovations; "Small Businessperson of the Year" **Christopher Hertz** of New Signature, and EagleBank Vice Chairman **Bob Pincus**.



Mary Manuel has been serving customers at EagleBank for over 10 years! Here, Mary is being congratulated by Community Banking President **Tom Murphy** with flowers and a commemorative crystal vase with walnut base and engraved name plate at the Bethesda branch lobby where she serves as teller and friend to many customers. For them and all of us who enjoy working with her, congratulations, Mary!



Pictured left to right: **Dean Leighton-Armah**, **Nana Ackah** and Owner/President **Musie Betre** of Bankers Business Management Services presenting a gift to EagleBank's Community Banking President **Tom Murphy**, Branch Service Manager **Barbara Millard** and Loan Officer **Randy McVey** in appreciation for our business, as they celebrate their 30th anniversary. Bankers is a customer as well as a vendor. They provide mail delivery and courier services for EagleBank...and always with a smile!

Tom Murphy was recently selected to serve on The Community Foundation for Montgomery County's Affiliate Board of Directors. CFMC's work is focused on seeking and encouraging people to become more philanthropic and, especially, to give where they live.

Congratulations, Jim Langmead!

While Jim did not walk away with the top prize, we are very proud to report that our Executive Vice President & Chief Financial Officer **James H. Langmead, CPA**, was among the top finalists in the Washington Business Journal's recent *2012 CFO of the Year Awards*. The event was held July 19th at the Omni Shoreham Hotel and Jim was recognized along with the other honored CFOs in his category for... "their financial savvy, leadership and contributions to their communities—clearly leaders that chief executives can count on." Jim, surely is that!



Jim Langmead and Ron Paul at Washington Business Journal's CFO of the Year Awards event on July 19, 2012.

CONNECTpreneur Summer Forum

EagleBank was a Gold Sponsor of this "gathering of A List business leaders and entrepreneurs" at the Tower Club in Vienna, VA on June 6, 2012. The program included panel discussions and valuable networking, as well as access to the region's top businesses and some emerging companies.



Tunnel Vision

EagleBank is proud to be one of the generous local sponsors of "TUNNEL VISION," A NEW ART GALLERY. You'll find it in the Bethesda Metro tunnel—the one that takes you from the Bethesda Metro to the east side of Wisconsin Avenue. Now, as you pass through, the exciting works of 12 regional artists are displayed for commuters' enjoyment. Our thanks goes to Bethesda Urban Partnership, the Bethesda Arts & Entertainment District, and the sponsors and volunteers who made it happen. What a difference the lights, décor and huge images make to a once bland part of our metro journey.

Safe Banking Reminder

Always completely log off after every online banking session. Be sure to use the LOG OFF button or tab provided by the service. Don't just close the window. In fact, play it even safer by disconnecting from the Internet after your online banking session is complete.

Branches

Bethesda, 7815 Woodmont Ave. 240.497.2044	MD
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 202.408.8411	DC
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. 571.319.4800	VA
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 Bensignor, 240.497.1788	
Eagle Insurance Services Ken Van Valkenburgh, 240.497.2061	
Investment Advisory Services Larry Bensignor, 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 Chairman & CEO	301.986.1800
Bob Pincus Vice Chairman	240.497.4077
Susan Riel Sr. EVP & Chief Operating Officer	240.497.1667
Tom Murphy President of Community Banking	240.497.2042
Tony Marquez EVP, Chief Real Estate Lending Officer	240.497.1799
Ginny Heine EVP, Chief C&I Lending Officer	240.497.2951
Jane Cornett Corporate Secretary	240.497.2041
Andy Bridge SVP & Business Dev. Sales Mgr.	240.497.2090
Brian Blonder VP, Residential Mortgage Manager, Anne Arundel County Office	240.406.1146
Vince Curcio VP, Residential Mortgage Manager/VA	571.319.4837
Mark Deitz VP, Residential Mortgage Manager/MD	240.406.1152
Alexis Santin VP, Treasury Management Director	202.292.1610
Susan Schumacher SVP & Commercial Deposit Services Manager	202.292.1631
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