



## Toast Without Jelly . . .

is like a community without the support of a successful community bank. "Successful" is where I'm going with this. Banks are damned if they do and damned if they don't make money. If they don't do well, no one wants to bank there for fear of a takeover, merger or worse. If a bank is successful, you will probably hear some media and bank-bashing... "Big Bad Banks Hoarding

All the Money." Then there's Bank of NY announcing it may charge for deposits...or other banks discussing debit card fees.

In defense of banks...and the conveniences we all want to offer...someone has to pay for handling and accepting debit payments; there's labor, processing, network connections, equipment and other costs associated with taking your new leather boots from mall purchase to checking account debit. Magic? No, retailers, banks, networks, the vendors in-between orchestrate this convenience. Ultimately, we all know, it's the consumer who pays for everything. But, keep in mind, in this case, you have choices. You can change banks...or there's always cash, checks and credit cards. They still work!

Read further about Bank of New York charging for deposits, you will learn that the fee applies to "certain accounts holding greater than \$50-million per client relationship." How many of us are affected? The point is, these national headlines (full stories unread) encourage bank-bashing and make you forget about the jelly that successful banks are able to spread on the Community's needy, dry toast. We're proud to be Jelly—a successful community bank on-the-grow but also in-the-know of where our roots are planted and where our focus has remained since birth 13+ years ago. When we make money, we have more money to put back into our community, provide more products and services, and continue to fund loans during hot and cold economic temperatures.

Success has allowed us to provide more branch convenience for you. We've opened new branches in Ballston and Rosslyn, with more on the way in Merrifield, Reston and other Virginia locations, to complement our DC and Maryland coverage. We recently added two well-respected lending experts: EVP/Chief Commercial and Industrial Lender Ginny Heine and EVP/Chief Real Estate Lender Tony Marquez. They are charged with making more loans to more businesses that can then grow, prosper and hire more employees. How can the bank-bashers argue with this?!

The most important element of our success is YOU. Without you, our customers, and our shareholders, employees and dedicated board members, there would be no success and no jelly to embellish our community's toast with sponsorships, fund-raising events, program ads and donations. The next time you hear someone bashing banks, think about EagleBank and how we are committed to sharing our success with our community. Thank you for banking with, investing in, working for and trusting in EagleBank...we are here because of you!

Sincerely,  
Thomas D. Murphy, President of Community Banking

## Eagle Bancorp, Inc. Announces 36% Increase in Earnings for the Third Quarter of 2011, the Eleventh Consecutive Quarter of Record Earnings

(Excerpts from the October 24, 2011 Press Release)

BETHESDA, MD. Eagle Bancorp, Inc. (the "Company") (NASDAQ:EGBN), the parent company of EagleBank, today announced net income of \$6.5 million for the quarter ended September 30, 2011, a 36% increase over the \$4.8 million net income for the quarter ended September 30, 2010, constituting another record quarter. Net income available to common shareholders increased 43% to \$6.3 million (\$0.32 per basic common share and \$0.31 per diluted common share), as compared to \$4.4 million (\$0.22 per basic and diluted common share) for the same three month period in 2010. The higher growth in net income available to common shareholders is due to lower aggregate dividends on preferred stock issued under the Small Business Lending Fund ("SBLF"), which has a dividend rate of 1.00% compared to a 5.00%

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## Financial Release (Continued)

rate applicable to the TARP preferred stock. The Company is eligible for the lowest dividend rate available in the SBLF program due to its growth of SBLF qualified loans during the initial and supplemental reporting periods.

For the nine months ended September 30, 2011, the Company's net income was \$17.4 million, a 50% increase over the \$11.6 million for the nine months ended September 30, 2010. Net income available to common shareholders was \$16.0 million (\$0.81 per basic common share and \$0.79 per diluted common share), as compared to \$10.6 million (\$0.54 per basic common share and \$0.53 per diluted common share) for the same nine month period in 2010, a 51% increase.

"We are extremely pleased to report continuing trends of strong earnings and balance sheet growth through the third quarter of 2011. These results reflect substantial revenue growth, continued growth in loans and core deposits while maintaining solid asset quality," noted Ronald D. Paul, Chairman and Chief Executive Officer of Eagle Bancorp, Inc. "Our third quarter 2011 results represent the eleventh consecutive quarter of increasing net income. The Company's financial results in

the third quarter of 2011, as compared to the same quarter in 2010, have been highlighted by balanced growth in both loans and core deposits, a favorable and improving core net interest margin, enhanced noninterest income derived substantially from higher sales of residential mortgages, and improved operating efficiency while continuing to expand our infrastructure" added Mr. Paul. "Additionally, the Company has maintained solid asset quality during the quarter. As a growth-oriented Company, our financial results reflect the organization's desire and ability to continue lending in the Washington, D.C. metropolitan area and our ability to continue building new and expanding existing client relationships. This balance sheet growth is evidenced by a \$499 million increase in portfolio loans in the past twelve months and by a \$483 million increase in deposits in the past twelve months, excluding a very substantial short-term deposit position at September 30, 2011, discussed below. Importantly, the Company continues to successfully manage credit risk in lending and investment activities," noted Mr. Paul.

To read the complete release, visit the Investor Relations section of [www.eaglebankcorp.com](http://www.eaglebankcorp.com).

## EagleBank Honored Recipient of DC Chamber Award



Pictured accepting EagleBank's Economic Impact Award is Bob Pincus (left), then L to R: Barbara B. Lang, President /CEO, DC Chamber of Commerce; Gina F. Adams, Chair, DC Chamber of Commerce; and Alex Barron, Regional General Manager, Walmart.

Vice Chairman of EagleBank and Eagle Bancorp, Inc. **Bob Pincus** was interviewed in a video presentation shown at this event, and was also on hand to graciously accept an award at the 2011 Chamber's Choice Awards Gala in October. EagleBank won the DC Chamber's *Economic Impact Award* for "making a significant impact on the economic vitality of the District" and for "demonstrating significant job growth." The bank was also cited for its 70% increase in loans originated in DC between 2009 and 2010, its ranking of 62nd among the Nation's best-performing community banks and 9th in terms of loan growth...and for being "a strong pillar of the city and an invaluable supporter of DC's economic revitalization."

## Higher Achievement – DC Metro



(Right): Pictured left to right: Quadrangle President Chris Gladstone, Vornado/Charles E. Smith President Mitchell Schear; First Potomac CEO Doug Donatelli and EagleBank Chairman and CEO Ron Paul.

EagleBank Chairman and CEO **Ron Paul** served as a co-chair for the 2011 “Going Places” Gala to honor **Mitchell Schear** of Vornado/Charles E. Smith for his involvement and commitment to improving the lives of DC youth. Higher Achievement is dedicated to enhancing the academic and life skills of middle-schoolers from at-risk communities in DC and Alexandria so that they

can move on to top high schools and then earn a 4-year college degree. This annual event was held on October 13th.

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## Ballston & Rosslyn Branches Now Open!

Please visit us at two new locations in Virginia. The Ballston Branch is located at 4420 N. Fairfax Drive, with Branch Manager **Dave Paxton** at the helm (far right in the photo below). **Jorge Rivasplata**, **Graciela Jones** and **Kateryna Tatarchenko** complete the staff of capable bankers who are ready to serve your financial needs in Ballston.

Next, stop by our new Rosslyn branch not too far away at 1919 N. Lynn Street. Greeting you until the new branch manager is announced is District Manager **Trevor Brown** and Assistant Branch Manager **Catalina Racu**, with Head Teller **Mariama Barrie**. In the heart of Rosslyn, the branch is flanked by the Palomar Hotel and the Corporate Executive Board building.

Ballston Branch Team, left to right, Jorge, Graciela, Kateryna and Dave.

## Safeguards for Online Banking

Here are some quick reminders to keep you banking safely online. Use strong passwords, a mix of letters and numbers that would be difficult for anyone to guess. Make sure you are using and updating your anti-virus protection software. Keep personal and sensitive information out of emails; a phone call to the supposed sender is a good way to validate a suspicious email asking you for information. Always log off securely after conducting online banking. Never give out information to someone who claims to represent your bank without calling the bank first; your bank already has all the information they need on you, from when you opened your account. Go online regularly to check your accounts and alert your bank quickly if something does not look right.

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## Another Successful Golf Tournament for Breast Cancer

The Seventh Annual EagleBank Fight Against Breast Cancer Golf Classic was played at the Trump National Golf Club in Potomac Falls, VA on October 10th. The event sold out early, in both players and sponsorships. Over \$300,000, was raised for local distribution to organizations that treat, fight, educate and research this devastating disease. As in past years, a tremendous amount of work, energy and time was expended by many friends and associates of EagleBank, our employees, customers and the community. They, along with our players and sponsors helped us chalk-up another successful tournament for a great cause!

## Joe Clarke, Maryland Banking School Graduate



**Joe Clarke** has successfully completed the three-year Maryland Banking Association School Program, graduating with honors in the Class of 2011. The curriculum focused on the core fundamentals of banking, including topics on Human Resources, Financial Literacy, Marketing, Asset & Liability Management and Bank Operations. Joe also won the senior year bank simulation competition; he was CEO of the winning bank with the highest stock price at the end of 7 quarters.

Joe Clarke (left), holding his diploma, poses with his boss, EagleBank President of Community Banking Tom Murphy at the MBA Commencement Exercises on August 5, 2011 at University of Maryland, College Park.

## Behind The Scenes—Producing Radio Spots



Some people say “Marketing has all the fun!” Well, sometimes. Here’s a look behind the scenes at WTOP recording studios in DC where **Tom Murphy** (in foreground, left) kindly served as our “voice talent” on two 60-sec. radio spots that ran on WTOP during October. It only took two full reads of the two 60-second scripts with **Mercedes Alvarez** and **Janette Shaw** from the Marketing Dept. coaching and listening nearby. George Moshos, WTOP’s wizard at the control board pulled it all together and made it happen. Tom did a great job...but, he’s done this before; he’s a pro. (Note: those are baseball caps on the ceiling of George’s office...we have since sent him an EagleBank cap.

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## EagleBank Employees in the Community

**Lions & Eagles Scoring Litter in Reston...** EagleBank and the Reston Lions Club joined together to form a road cleaning crew to pick up litter along a 2.5 mile stretch of Sunset Hills Road in Reston, VA. It was a great way to



demonstrate community pride... with many nearby residents driving by shouting and waving their appreciation. **Tom Murphy**, while not dressed for the occasion, stopped by to offer a little moral support to this group of *Eagle Helping Hands* volunteers. "Litter Eliminators" included: **Youssef Diallo**/Tysons Branch Manager; **Anne Ryan, Katherine Hein** and **Brandon Whitacre** of the Tysons Lending Center; **Sara Urbina**/Georgetown Branch; **Dave Paxton**/Ballston Branch Manager; and **Matt Ray** from the Tyson's branch. Our teammates from the Lions Club included: **Steve Reber, Ed Geiger, Larry Dilworth, and Ron Costolla**.



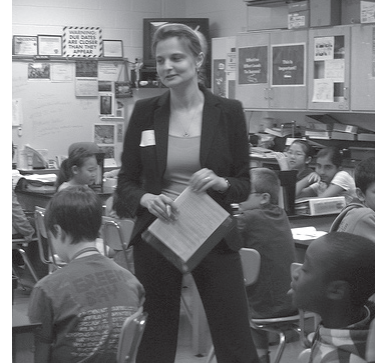
### Raising Funds – Kidney Walk

A blinding mass (33+) of EagleBankers clad in bright orange shirts walked in the October 15th Ronald D. Paul Kidney Walk to raise funds for the local kidney foundation. The EagleBank team placed first in raising the most funds and was honored to help Ron Paul cut the ribbon to start the race.



EagleBank's winning team helps Ron Paul cut the ribbon. Left to right: Trevor Brown, Joe Clarke, Andrew Peters, Nkosi Wendt, Mercedes Alvarez, Ron Paul, The GRIZZ from 30 Rock, and (far right) Alicia King.

### Teaching Middle Schoolers...



Chevy Chase Branch Manager Agnes Singh (a new Mom herself) teaches a class at Takoma Park Middle School for a Junior Achievement project.

In conjunction with his leadership involvement in Junior Achievement, Branch Administration Manager **Joe Clarke** gathered some eager volunteers and spent two mornings teaching classes on financial literacy to 10 classes of 6th graders at Takoma Park Middle School in late September. Assisting Joe were Tysons Branch Manager **Youssef Diallo**; Georgetown Branch Manager **Andrew Peters**; K Street Branch Manager **Timothy Foster**; Ballston Branch Manager **Dave Paxton**; Chevy Chase Branch Manager **Agnes Singh**; Rollins Avenue Branch Manager **Claudia Oliver**; Rockville Branch Manager **Jason Hamel**; Bethesda Branch Manager **Yulissa Guerra** and Park Potomac Branch Manager **Christian Durand**.

Follow-up via parent responses passed on to us pretty much sums up the value of this community service adventure: One of the teachers called to share that she's had parents approach her gushing about how huge an impact EagleBank made by teaching personal finance to the students. One parent said her son came home and asked to see the family budget and to check if it was calculated right. Well done! (Group photo on next page.)

## EagleBank Employees in the Community (Continued)

### Sorting Clothing for the Needy

A ringleader in the Eagle Helping Hands volunteer group, Asst. Corporate Secretary Marlyn Newton directed an employee clothing drive recently. Amazed by the generosity of fellow employees, she and Administrative Asst. Laura Morales spent a lot of time and energy sorting a room full of men's, women's and children's clothing that will gladly be distributed through Bethesda Cares, National Center for Children and Families (NCCF) and the Lions Club coat drive in MD, DC and VA. Thanks, everyone!



(Left) **Marlyn Newton** stands among the bags of clothing donated by EagleBank employees; with the help of Bethesda Branch Administrative Assistant **Laura Morales**, these bags and more were sorted and boxed for local charity pick up.



(Right) EagleBank's team of teachers for the Junior Achievement project at Takoma Park Middle School.

**Selling Tickets...** despite the rain, wind and cold temperature, EagleBank employees showed up to handle ticket sales and money counting for the 2011 "Taste of Bethesda" on Saturday, Oct. 1st. Shivering under the tent and somewhat protected from wind by a big EagleBank banner were **Tom Murphy**; **Fred Marsden**, Consumer Lending; **Galena Moshkovich**, Bethesda Branch; **Joe Clarke**, Branch Administration Manager; **Jose Giron**, Bethesda CSR; **Jodee Lichtenstein** and **Lucas Flynn** from the Lending Center and **Everett Korman** (friend of EagleBank). Inside keeping tabs on money totals were **Susan Lewis**, Project Manager; **Glenn Johnson**, Electronic Applications Manager; **Claudia Oliver**, Rollins Ave. Branch Manager; **Laura Morales**, Bethesda Admin. Asst.; **Jenny Aguilar**, Park Potomac Asst. Branch Manager and **Jeniffer Mejia**, Accounting. Helping both inside and outside were Silver Spring Branch Manager **Barbara Millard** and Executive Assistant **Marlyn Newton**. Thanks to all who braved the unexpected early-October weather change and donated their Saturday personal time.

### Branches

Bethesda, 7815 Woodmont Ave.  
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

Tysons Corner, 8601 Westwood Center Dr., 703.485.8011

Dupont Circle, 1228 Connecticut Ave.  
202.466.3161

Gallery Place, 700 7th St, NW  
202.628.7300

Georgetown, 1044 Wisconsin Ave.  
202.481.7025

K Street, 2001, 202.296.6886

McPherson Square, 1425 K St.  
202.408.8411

Ballston, 4420 N. Fairfax Dr.  
571.319.4800

Rosslyn, 1919 N. Lynn St.  
571.319.4855

Merrifield & Reston  
(opening soon)

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Eagle Commercial Ventures  
Larry Bensingor, 240.497.1788

Investment Advisory Services  
Larry Bensingor, 240.497.1788

Operations Center, Tech Rd., Silver Spring  
301.986.1800

Lending Center, Bethesda, 240.497.2049

Residential Mortgage Lending  
301.738.7200

Eagle Insurance Services  
Ken Van Valkenburgh, 240.497.2061

### Hot Numbers

Email us at [info@eaglebankcorp.com](mailto: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 Lender	240.497.1799
Ginny Heine EVP, C&I Chief Lending Officer	240.497.2951
Susan Schumacher SVP & Commercial Deposit Services Manager	202.292.1631
Jane Cornett Corporate Secretary	240.497.2041
Ken Sonner VP, Residential Mortgage/DC & MD	240.406.1140
Vince Curcio VP, Residential Mortgage/VA	571.319.4837
Debbie Shumaker SVP & Business Dev. Sales Mgr.	240.497.2051
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

