

 **EAGLE BANCORP, INC.**

2019 REPORT TO SHAREHOLDERS



Growing stronger, as planned.

Your community bank is only growing stronger—and that’s good for the whole community.

The year 2019 saw a continuation of the course we set for ourselves more than 20 years ago, and a confirmation of the long-term wisdom of that approach.

Today, our leadership team is as strong as ever, with Norman Pozez as Executive Chairman of the Board and Susan Riel as President and CEO of the Company and the Bank. The Board is leaner and better balanced, with even more skill and experience. Our local market knowledge remains unrivaled, and with a solid financial footing, the Bank continues to be well positioned for further growth and profitability.

Because our founding principles remain firmly in place, we’ll always put relationships first. We’ll always bring to the table our entrepreneurial flexibility and resourcefulness, our “blank sheet of paper.” And we’ll always be dedicated to serving not only the businesses of our local community but also its neighborhoods and people.

That is who we set out to be, who we are, and who we always will be. Whatever the year.

To Our Shareholders

Once again, we are very pleased to share with you this annual report and our 2019 financial results along with other achievements of Eagle Bancorp, Inc., and our principal subsidiary, EagleBank.

We are especially proud of our results, since 2019 was a very challenging year for financial markets generally, and for the banking industry in particular, because of the unusually dynamic interest rate environment and a flat yield curve. Despite these factors, the Company reported net income of \$142.9 million for the year. While this represented a modest 6% decrease from the record earnings of 2018, we are still highly profitable and among the most successful banks in the country as measured by Return on Average Assets and Return on Average Tangible Common Equity. We have a sound balance sheet, and our capital ratios are significantly above the levels needed to be considered Well Capitalized.

While EagleBank had healthy growth in deposits and in our earning assets of loans and marketable securities, the impact of the flat yield curve led to a decline in the Net Interest Margin, to 3.77% for the year. Other fundamentals were strong, as top-line revenue increases were driven by the growth in loans and deposits and an improvement in non-interest income due primarily to gains on the sale of residential mortgage loans. We also continued our disciplined approach to prudent growth of the core operating expenses to allow for the enhancements to personnel and technology necessary for the sustained development of the Company.

Credit quality remained strong as Net Charge-Offs were only 0.13% of average loans for the year. The Reserve for Loan Losses was 0.98% of Total Loans at year end, and the Coverage Ratio of nonperforming loans was 151% at year end.

2019 was a year of building on our tradition of strong financial performance. Our level of profitability and sound balance sheet and position allowed us to return some capital to shareholders through a quarterly cash dividend of \$0.22 per share, which commenced in the 2nd Quarter. In the 3rd Quarter, the Board authorized a Share Repurchase Program through which we acquired 1,304,500 shares by year end, thus returning about \$55 million in additional capital to our shareholders. The share repurchase activity contributes incrementally to Earnings per Share. We are also proud to note that due to the continued quality earnings, the Tangible Book Value per Share had increased to \$32.67 at year end. We have provided a CAGR of 17.5% in the Tangible Book Value per share over the last five years.

Even with the economic headwinds we encountered during the year, EagleBank retained its position as a leading community bank in our market by delivering the high level of customized service and the certainty of execution that are the key components of our Relationships F-I-R-S-T strategy. We continued to upgrade our IT systems and expanded our physical footprint with the opening of a Loan Production Office in Prince George’s County, Maryland. We sustained our commitment to the community through the work of the EagleBank Foundation, the thousands of hours of volunteer efforts our employees spent with organizations throughout the Washington, DC, metropolitan area, and expanded participation in lending and direct investment programs to finance affordable housing.

However, 2019 was also a year of transition for our Company. In March, the Board selected new leadership for the Company after the resignation of the former CEO. Additional changes were made during the year as the Board, led by an Independent Chair, focused on its commitment to maintaining the highest standards of corporate governance policies and practices. In June, the Boards of both the Company and EagleBank were restructured and streamlined to improve efficiency of operations. After a review, certain Committees of the Board and Management were also restructured. During the year, the Board elected two new Directors who have strong backgrounds in risk management and financial reporting. In addition, several very capable individuals who had previously served as Directors of EagleBank were elected to the Board of the Company. A further beneficial effect of these moves was that we were able to achieve a long-standing goal of increasing the diversity of the Board by increasing women and minority representation. And we recently enhanced our Board governance through the appointment of a Lead Independent Director.

At the management level, the leadership team was laying the foundation for the continued organic growth and development of the Bank. While the Relationships F-I-R-S-T approach to the market will remain consistent, the Bank is strengthening its commitment to its culture centered on quality, collaboration, and open communications. During the year, the Bank enhanced its training and development programs, and the Company has made Talent Management and Organizational Development critical in our Strategic Plan.

We are grateful for your support during 2019. 2020 will be another demanding year due to the volatile economy and financial markets. We are also facing the impact of an unprecedented pandemic—one the Bank has been prepared for and is facing with determination and the focused discipline of its leadership and its business continuity planning. Through all this, our Company remains financially sound and well positioned as one of the leading community banks in the Washington, DC, metropolitan area. We look forward to meeting the challenges and leveraging the even greater opportunities that lie ahead.

Sincerely,



Norman R. Pozez
Executive Chairman
of the Board



Susan G. Riel
President and
Chief Executive Officer

Financial Highlights of 2019

Net Income of
\$142.9 Million

High-Quality Earnings:
Return on Average Assets
1.61%

Return on Tangible
Common Equity
13.40%

Total Assets
\$8.99 Billion
at Year End

10.47%
Growth in Average Loans

12.21%
Growth in Average Deposits

Total Equity Capital of
\$1.2 Billion
at Year End

11.99%
Growth in Tangible
Book Value per Share



Caring for kids.

EagleBank serves The Children's Inn at NIH as a supporter and banking partner.

For nearly three decades, The Children's Inn at NIH in Bethesda, MD, has been a haven for families with children undergoing clinical research studies at the National Institutes of Health. EagleBank has proudly supported the worthy organization for nearly two of those decades, and in 2011, The Children's Inn deepened its relationship with us by becoming a customer as well.

"To date, the Bank and Foundation have donated more than \$317,000 to The Children's Inn, which equates to more than 300 hours of one-on-one educational support, 12,000 nights of free lodging, and more than 54,000 meals served to approximately 1,500 families," says Jennie Lucca, CEO, The Children's Inn. "The Bank has also continued their dedication by supporting canned food drives, encouraging customers to donate their change in its branches, donating tickets for families to enjoy unique sporting experiences, and so much more."



"The relationship is personal. I smile every time I drive by an EagleBank sign."

Jean Buegler, Senior Director of Finance

\$317,000

DONATED TO
THE CHILDREN'S INN,
RESULTING IN:

300
HOURS OF ONE-ON-ONE
EDUCATIONAL SUPPORT

12,000
NIGHTS OF FREE LODGING

54,000
MEALS SERVED TO
APPROXIMATELY

1,500
FAMILIES

The Children's Inn turned to EagleBank in 2013 for treasury services, thus expanding the banking relationship. "On the financial business side, EagleBank began providing ICS (Insured Cash Sweep) accounts that enabled The Inn to easily manage our current operating funds so they are always automatically and appropriately invested," says Jean Buegler, Senior Director of Finance for The Children's Inn. "Like so many of EagleBank's customers, the relationship is personal. I smile every time I drive by an EagleBank sign."



Driving a business forward.

EagleBank helped K. Neal Truck and Bus Center build a new headquarters.



Across the DMV, from Prince George's and Montgomery counties in Maryland to Fairfax County in Virginia, K. Neal Truck and Bus Center serves local businesses and school districts with everything they need to operate commercial vehicles, from new and used sales to service and parts.

Recently, EagleBank partnered with the regional company to finance a new 50,000-square-foot headquarters, explains Korey Neal, President of K. Neal Truck and Bus Center. "Behind every great entrepreneur...is a great bank! This is absolutely true in my case," Neal says.

The bond is strong. Neal recalls the company extending an invitation to EagleBank's former chief executive officer when President Barack Obama visited one of the dealerships in June 2010. EagleBank representatives also joined the company, Neal says, to celebrate the opening of the new headquarters in Hyattsville, MD, in August 2019. Designed to be environmentally friendly and energy-efficient, the headquarters includes a maintenance facility and corporate office—part of a larger community development project, Neal explains. "We're excited to see the economic growth continue in this area and to expand our footprint," he says. "Through ups and downs in the last decade, EagleBank has remained a steadfast and committed partner."

As the company evolves, so will its relationship with EagleBank. "EagleBank offers a personal touch and commitment to community—and serving the customer is a top priority," Neal says. "Through more than a decade of partnership, K. Neal's business needs don't get lost or have to compete with other accounts. We remain a top priority."

"Behind every great entrepreneur...is a great bank! This is absolutely true in my case."

Korey Neal, President, K. Neal Truck and Bus Center

Building a community once again.

The team behind a special-needs school takes on a new project to serve adults with disabilities.

Over a decade ago, local student Nicolas Copeland needed a special learning environment, and his parents, Jillian and Scott Copeland, were unable to find an ideal school for his unique needs. So the couple decided to build one. The Diener School in Potomac, MD, was established in 2007, with EagleBank by the couple's side. More recently, as Nicolas approached adulthood, the local couple set their sights on building another environment designed to serve individuals with developmental disabilities in the next stage of their lives—and EagleBank was there to partner with the couple once again.

"EagleBank was one of our first calls when we decided to pursue this project," Jillian Copeland says. Main Street, a joint venture project with Jillian's nonprofit Main Street Connect and RST Development (where Scott is a principal), is a 70-unit apartment community in Rockville, MD. It sets aside 25% of the units for adults with disabilities, with the rest dedicated to affordable housing. "Our roots run deep in this community, and we felt that it was the perfect place to open our flagship building," Copeland says. Main Street is scheduled for completion in 2020.

EagleBank partnered with the team to navigate the project's unique financing and issue a construction loan. The Bank will also partner with the team once construction is completed. "EagleBank will remain our bank as Main Street Connect moves from the 'capital' side of the project to the 'operating' phase," Copeland says.

As the project name suggests, Main Street is designed to create a community, so partnering with a local bank was the logical choice. "While we have strong relationships with other banks, we do not share those same personal connections—connections that run beyond the deal at hand but speak to our shared values and commitment to community," Copeland says.



Jillian and Scott Copeland, Founders, Main Street



"EagleBank was one of our first calls, and will remain our bank as Main Street moves to the 'operating' phase."



Deb Johns, Founder and Creative Director, SCOUT Bags

The financing is in the bag.

Local bag maker SCOUT looks to EagleBank to grow its Georgetown business.

With names like “Spirit Liftah” and “Miss Manors,” SCOUT bags are definitely fun. But that fun—and the local business’s success—is rooted in function. And to accomplish both goals, the company needed a local banking partner. “EagleBank was incredibly receptive to a growing company of our size,” says Ben Johns, who co-owns SCOUT with his wife Deb.

Based in the Georgetown neighborhood of Washington, DC, the company is a rarity in the nation’s capital, a city not known for producing fashion products. “What makes EagleBank different is that they don’t look at just the numbers,” Johns says. “They make an effort to understand our unique business and the ‘why’ of certain things we’re doing. They build a personal relationship with a strong foundation that helps in both good times and bad.”

Each season, SCOUT creates a unique collection of bright, graphic patterns for their practical bag collection, which includes totes, backpacks, lunch boxes, coolers, storage bins, and more. EagleBank partnered with SCOUT as the business grew. “When we requested a doubling of our line of credit, EagleBank supported us,” Johns says. “And that doubling enabled us to optimize how we run our business—in our universe, that means being able to buy the right amount of inventory at the right time of year—which allowed us to grow quicker.”

The family-owned, local business mirrors EagleBank’s own values. “We live and work here in DC, so it was only logical to partner with a strong—if not the strongest—community bank that truly understood the needs of local communities and companies,” Johns says.

“What makes EagleBank different is that they don’t look at just the numbers.”



Rapid growth through local expertise.

Homegrown government contracting firm Intrepid Solutions blooms with EagleBank’s help.



Ryan Hebert, CPA, Chief Executive Officer, Intrepid Solutions and Services, LLC

“EagleBank has been and will continue to be a critical partner as we continue our growth.”

Like many towns in the Washington, DC, metropolitan area, Herndon, Virginia, is a place where government contractors thrive. Among them is Intrepid Solutions, established by Northern Virginia native Ryan Hebert. Currently the firm’s CEO, Hebert cites the area’s “white-hot economy, growth opportunities, and business/industry diversity” as reasons for putting down roots in local soil.

To take advantage of those growth opportunities, finding a strong banking partner with local expertise seemed like a logical solution. Enter EagleBank. “From our initial meeting with EagleBank, their industry expertise and experience with key GovCon companies stood out,” says Hebert.

And EagleBank has the capabilities to fully support Intrepid’s ambitious growth plans, according to Hebert. “In 2016, we doubled in size, and in 2017, we doubled in size again,” he says. “And we continued to increase our business significantly through 2019.” EagleBank

also recently enabled the company’s first buy-side transaction, which Hebert credits with “further increasing our customers, capabilities, and contracts.”

He voices particular praise for Toby Haggerty, his EagleBank relationship manager. “Toby has really stood out, compared to other bankers we have met with over the years,” Hebert says. “He has been with us since before much of our growth occurred, and now he has covered all facets of the growth lifecycle with us—a fantastic partner.”

Hebert’s local pride is evident in his assessment of Northern Virginia as uniquely fertile ground for both home-grown businesses like his and major transplants from other cities. “That really fuels explosive growth,” he says, and with EagleBank’s intimate knowledge of the local market and deep understanding of the government contracting field, “EagleBank has been and will continue to be a critical partner as we continue our growth.”

History meets tech at the renewed Carnegie Library.

The Historical Society of Washington, DC, opened the new DC History Center with help from EagleBank.

The Historical Society of Washington, DC, has been housed in the Carnegie Library on Mount Vernon Square for two decades, but 2019 marked a major milestone for the nonprofit. Coinciding with the opening of a new Apple flagship store in the building, the Historical Society unveiled the DC History Center, featuring exhibition space, a research library, and a store.

“Apple was very generous and thoughtful in its restoration of the Carnegie Library. Nevertheless, the Historical Society has had to raise substantial ongoing funding for additional staffing, exhibitions, and downtime during the two-year construction period,” says Julie Koczela, the nonprofit’s Board of Trustees Chair. “EagleBank was very important in helping the Historical Society get up and running quickly by providing a line of credit during this time of transition.”

The center debuted with three exhibitions in May, and in just the first eight months over 50,000 visitors explored the space, according to Koczela. A few months later, the renewed Kiplinger Research Library opened its doors to the DC community as well, providing by-appointment access to its collection of resources. In the coming years, the Historical Society plans to expand its services to local schools and grow its digital outreach, Koczela explains.

And as the local history organization evolves, the local bank will remain a loyal resource. “We believe EagleBank will be a strong and dependable partner going forward,” Koczela says. “As a community-focused bank, they understand that preserving and interpreting the city’s history helps instill pride and participation in neighborhoods and attract local businesses.”



Anne McDonough, Library & Collections Director, Historical Society of Washington, DC

“We believe EagleBank will be a strong and dependable partner.”



Enhancing the community.

EagleBank funds a worthy partnership between Whitman-Walker Health and Fivesquares Development.

“Time has shown how successful EagleBank has been.”



In virtually every neighborhood in our capital city, the streetscape is changing. New buildings are popping up like mushrooms after a spring shower.

Rising at the corner of 14th and R, Northwest, is Liz, one of the most significant of these new developments from EagleBank’s perspective, because it grew out of a partnership between two respected local organizations and longtime friends of the Bank: Whitman-Walker Health System and Fivesquares Development.

Established in 1978, internationally recognized Whitman-Walker Health is a nonprofit without an endowment. They sought to diversify the funding model by redeveloping their headquarters into a mixed-use project, including upscale residential, office, cultural/artistic, and retail space.

“We can’t really build anything unless we have the community in the center of what we do. If we aren’t doing that, we aren’t supporting our values and our mission,” says Don Blanchon, CEO, Whitman-Walker Health System. “If there is a secret sauce to the success of this and the tremendous positive response we have had to this project, it’s the partnership model.”

The selected developer was Fivesquares Development, based in Washington (at Liz, in fact). Their business is focused on working with nonprofit, academic, cultural, and government organizations to further their missions by optimizing their real estate, say co-founders Ron Kaplan and Andy Altman, so it was a natural fit.

“As soon as we won the bid, we went straight to EagleBank for the financing,” Kaplan says. As a local developer, he had known about EagleBank since its inception. “I wish I’d invested with them way back then,” he says with a laugh. “Time has shown how successful EagleBank has been.”

Fivesquares Development began a working relationship with EagleBank several years ago. Kaplan appreciates the alignment of his firm’s local focus and the genuine involvement of EagleBank in the community. “Knowing a community helps you really understand how to enhance that community,” he says.

Altman admires EagleBank’s deep real estate expertise, including the understanding that development projects can take many years to come to fruition. “Taking the long view, believing in our vision for a new community,” Altman says, is something that sets EagleBank apart.

SIX-YEAR SUMMARY OF SELECTED FINANCIAL DATA

YEARS ENDED DECEMBER 31

	'19	'18	'17	'16	'15	'14	Five-Year Compound Growth Rate
BALANCE SHEET - PERIOD END (dollars in thousands)							
Securities	\$ 843,363	\$ 784,139	\$ 589,268	\$ 538,108	\$ 504,772	\$ 404,903	16%
Loans held for sale	56,707	19,254	25,096	51,629	47,492	44,317	5%
Loans	7,545,748	6,991,447	6,411,528	5,677,893	4,998,368	4,312,399	12%
Allowance for credit losses	73,658	69,944	64,758	59,074	52,687	46,075	10%
Intangible assets, net	104,739	105,766	107,212	107,419	108,542	109,908	-1%
Total assets	8,988,719	8,389,137	7,479,029	6,890,096	6,075,577	5,246,684	11%
Deposits	7,224,391	6,974,285	5,853,984	5,716,114	5,158,444	4,310,768	11%
Borrowings	498,667	247,709	618,466	285,390	141,284	279,224	12%
Total liabilities	7,798,038	7,280,196	6,528,591	6,047,297	5,336,976	4,625,925	11%
Preferred shareholders' equity	-	-	-	-	-	71,900	-100%
Common shareholders' equity	1,190,681	1,108,941	950,438	842,799	738,601	548,859	17%
Total shareholders' equity	1,190,681	1,108,941	950,438	842,799	738,601	620,759	14%
Tangible common equity ¹	1,085,942	1,003,175	843,226	735,380	630,059	438,951	20%
STATEMENT OF OPERATIONS (dollars in thousands)							
Interest income	\$ 429,630	\$ 393,286	\$ 324,034	\$ 285,805	\$ 253,180	\$ 191,573	18%
Interest expense	105,585	76,293	40,147	27,640	19,238	13,095	52%
Provision for credit losses	13,091	8,660	8,971	11,331	14,638	10,879	4%
Noninterest income	25,699	22,586	29,372	27,284	26,628	18,345	7%
Noninterest expense	139,862	126,711	118,552	115,016	110,716	99,728	7%
Income before taxes	196,791	204,208	185,736	159,102	135,216	86,216	18%
Income tax expense	53,848	51,932	85,504	61,395	51,049	31,958	11%
Net income	142,943	152,276	100,232	97,707	84,167	54,258	21%
Preferred dividends	-	-	-	-	601	614	-100%
Cash dividends declared	22,332	-	-	-	-	-	-
Net income available to common shareholders	142,943	152,276	100,232	97,707	83,566	53,644	22%
Total Revenue ²	349,744	339,579	313,259	285,449	260,570	196,823	12%
PER COMMON SHARE DATA							
Net income, basic	\$ 4.18	\$ 4.44	\$ 2.94	\$ 2.91	\$ 2.54	\$ 2.01	16%
Net income, diluted	4.18	4.42	2.92	2.86	2.50	1.95	16%
Dividends declared	0.66	-	-	-	-	-	-
Book value	35.82	32.25	27.80	24.77	22.07	18.21	14%
Tangible book value ³	32.67	29.17	24.67	21.61	18.83	14.56	18%
Common shares outstanding	33,241,496	34,387,919	34,185,163	34,023,850	33,467,893	30,139,396	2%
Weighted average common shares outstanding, basic	34,178,804	34,306,336	34,138,536	33,587,254	32,836,449	26,683,759	5%
Weighted average common shares outstanding, diluted	34,210,646	34,443,040	34,320,639	34,181,616	33,479,592	27,550,978	4%
RATIOS							
Net interest margin	3.77%	4.10%	4.15%	4.16%	4.33%	4.44%	
Efficiency ratio ⁴	39.99%	37.31%	37.84%	40.29%	42.49%	50.67%	
Return on average assets	1.61%	1.91%	1.41%	1.52%	1.49%	1.31%	
Return on average common equity	12.20%	14.89%	11.06%	12.27%	12.32%	13.50%	
Return on average tangible common equity	13.40%	16.63%	12.54%	14.19%	14.69%	14.27%	
CET1 capital (to risk weighted assets) ⁵	12.87%	12.49%	11.23%	10.80%	10.68%	-	
Total capital (to risk weighted assets)	16.20%	16.08%	15.02%	14.89%	12.75%	12.97%	
Tier 1 capital (to risk weighted assets)	12.87%	12.49%	11.23%	10.80%	10.68%	10.39%	
Tier 1 capital (to average assets)	11.62%	12.10%	11.45%	10.72%	10.90%	10.69%	
Tangible common equity ratio	12.22%	12.11%	11.44%	10.84%	10.56%	8.54%	
Dividend payout ratio	15.79%	-	-	-	-	-	
ASSET QUALITY (dollars in thousands)							
Nonperforming assets and loans 90+ past due	\$ 50,216	\$ 17,671	\$ 14,632	\$ 20,569	\$ 19,091	\$ 35,667	
Nonperforming assets and loans 90+ past due to total assets	0.56%	0.21%	0.20%	0.30%	0.31%	0.68%	
Nonperforming loans to total loans	0.65%	0.23%	0.21%	0.31%	0.26%	0.52%	
Allowance for credit losses to loans	0.98%	1.00%	1.01%	1.04%	1.05%	1.07%	
Allowance for credit losses to nonperforming loans	151.16%	429.72%	489.20%	330.49%	397.95%	205.30%	
Net charge-offs	\$ 9,377	\$ 3,475	\$ 3,286	\$ 4,945	\$ 8,026	\$ 5,724	
Net charge-offs to average loans	0.13%	0.05%	0.06%	0.09%	0.17%	0.17%	

EAGLE BANCORP, INC (NON-GAAP RECONCILIATION)

YEARS ENDED DECEMBER 31

	'19	'18	'17	'16	'15	'14
BALANCE SHEET - PERIOD END (dollars in thousands except per share data)						
Common shareholders' equity	\$ 1,190,681	\$ 1,108,941	\$ 950,438	\$ 842,799	\$ 738,601	\$ 548,859
Less: Intangible assets, net	104,739	105,766	107,212	107,419	108,542	109,908
Tangible common equity ¹	\$ 1,085,942	\$ 1,003,175	\$ 843,226	\$ 735,380	\$ 630,059	\$ 438,951
Book value ³	\$ 35.82	\$ 32.25	\$ 27.80	\$ 24.77	\$ 22.07	\$ 18.21
Less: Intangible book value per common share	3.15	3.08	3.13	3.16	3.24	3.65
Tangible book value ^{3,4}	\$ 32.67	\$ 29.17	\$ 24.67	\$ 21.61	\$ 18.83	\$ 14.56
Total assets	\$ 8,988,719	\$ 8,389,137	\$ 7,479,029	\$ 6,890,096	\$ 6,075,577	\$ 5,246,684
Less: Intangible assets, net	104,739	105,766	107,212	107,419	108,542	109,908
Tangible assets	\$ 8,883,980	\$ 8,283,371	\$ 7,371,817	\$ 6,782,677	\$ 5,967,035	\$ 5,136,776
Tangible common equity ¹	\$ 1,085,942	\$ 1,003,175	\$ 843,226	\$ 735,380	\$ 630,059	\$ 438,951
Tangible assets	8,883,980	8,283,371	7,371,817	6,782,677	5,967,035	5,136,776
Tangible common equity ratio	12.22%	12.11%	11.44%	10.84%	10.56%	8.54%
Average common shareholders' equity	\$ 1,172,051	\$ 1,022,642	\$ 906,169	\$ 796,400	\$ 678,387	\$ 397,425
Less: Average intangible assets	105,167	106,806	107,117	107,959	109,477	21,460
Average tangible common equity	\$ 1,066,884	\$ 915,836	\$ 799,052	\$ 688,441	\$ 568,910	\$ 375,965
Net income ^{2,3}	\$ 142,943	\$ 152,276	\$ 100,232	\$ 97,707	\$ 84,167	\$ 54,258
Less: Preferred dividends	-	-	-	-	601	614
Average tangible common equity	1,066,884	915,836	799,052	688,441	568,910	375,965
Return on average tangible common equity ^{2,3}	13.40%	16.63%	12.54%	14.19%	14.69%	14.27%
Interest income	\$ 429,630	\$ 393,286	\$ 324,034	\$ 285,805	\$ 253,180	\$ 191,573
Interest expense	105,585	76,293	40,147	27,640	19,238	13,095
Net interest income	324,045	316,993	283,887	258,165	233,942	178,478
Noninterest income	25,699	22,586	29,372	27,284	26,628	18,345
Total revenue	\$ 349,744	\$ 339,579	\$ 313,259	\$ 285,449	\$ 260,570	\$ 196,823

¹ Tangible common equity, a non-GAAP financial measure, is defined as total common shareholders' equity reduced by goodwill and other intangible assets.

² The reported figure includes the effect of \$4.7 million and \$3.2 million of merger related expenses (\$3.5 million and \$2.2 million net of tax) for the twelve and three months ended December 31, 2014. As the magnitude of the merger expenses distorts the operational results of the Company, we present in the GAAP reconciliation and in the accompanying text certain performance ratios excluding the effect of the merger expenses during the twelve and three months periods ended December 31, 2014. We believe this information is important to enable shareholders and other interested parties to assess the core operational performance of the Company.

³ Presented giving retroactive effect to the 10% stock dividend paid on the common stock on June 14, 2013.

⁴ Tangible book value per common share, a non-GAAP financial measure, is defined as tangible common shareholders' equity divided by total common shares outstanding.

¹ Tangible common equity, a non-GAAP financial measure, is defined as total common shareholders' equity reduced by goodwill and other intangible assets.

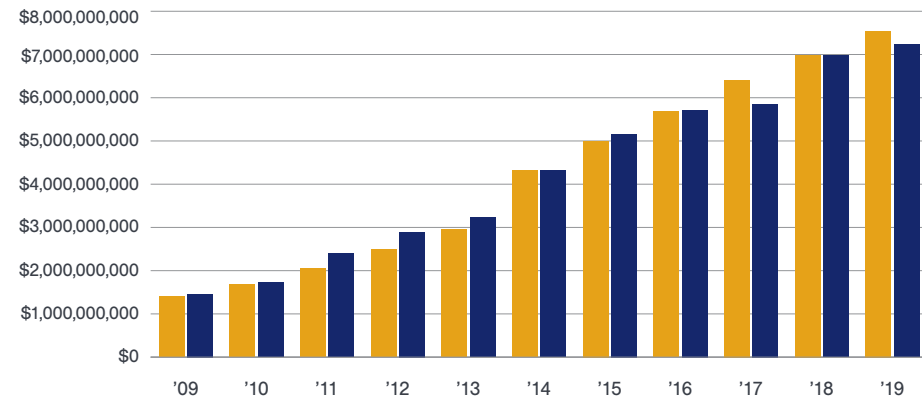
² Total revenue calculated as net interest income plus noninterest income.

³ Tangible book value per common share, a non-GAAP financial measure, is defined as tangible common shareholders' equity divided by total common shares outstanding.

⁴ Efficiency ratio, a non-GAAP financial measure, is computed by dividing noninterest expense by the sum of net interest income and noninterest income.

⁵ Not applicable to fiscal years prior to 2015.

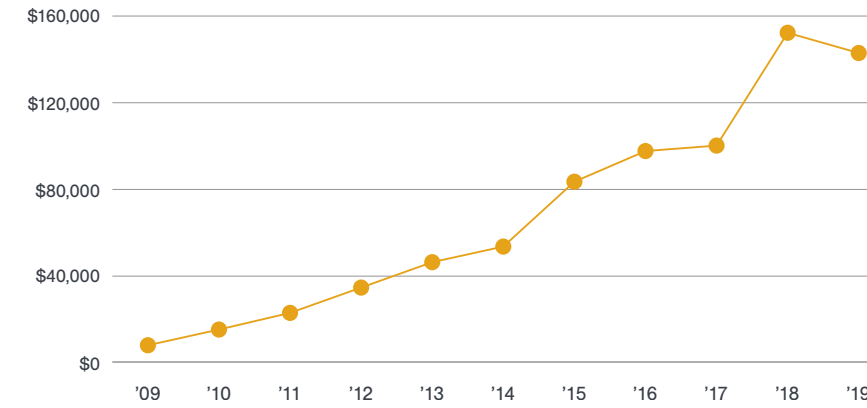
BALANCED LOAN AND DEPOSIT GROWTH



Compound Annual Growth Rate*
Total Loans:
18%

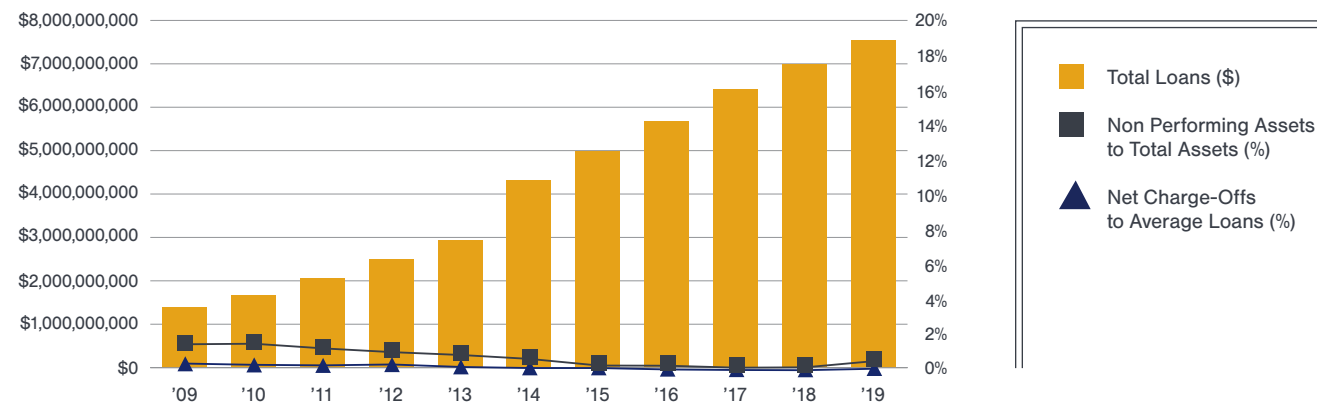
Compound Annual Growth Rate*
Total Deposits:
17%

NET INCOME AVAILABLE TO COMMON SHAREHOLDERS



Compound Annual Growth Rate*
33%

ASSET QUALITY

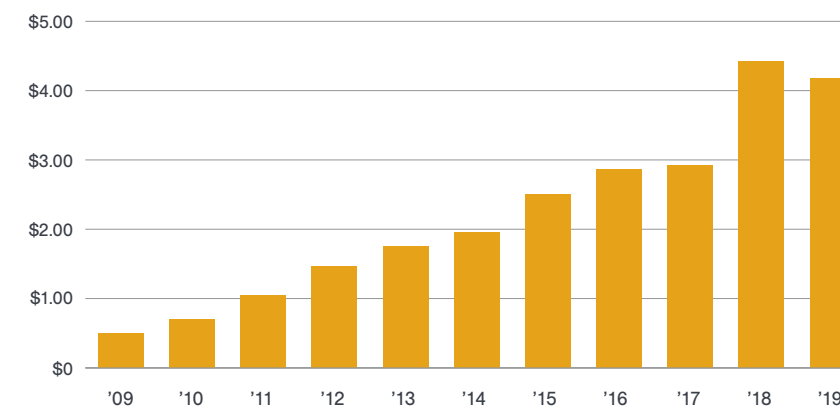


■ Total Loans (\$)

■ Non Performing Assets to Total Assets (%)

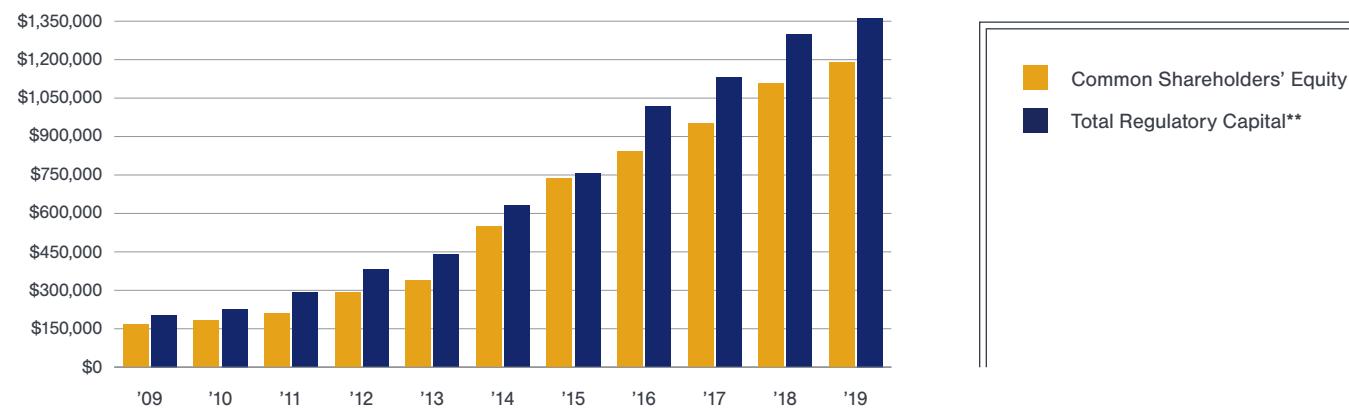
▲ Net Charge-Offs to Average Loans (%)

EARNINGS PER DILUTED SHARE



Compound Annual Growth Rate*
24%

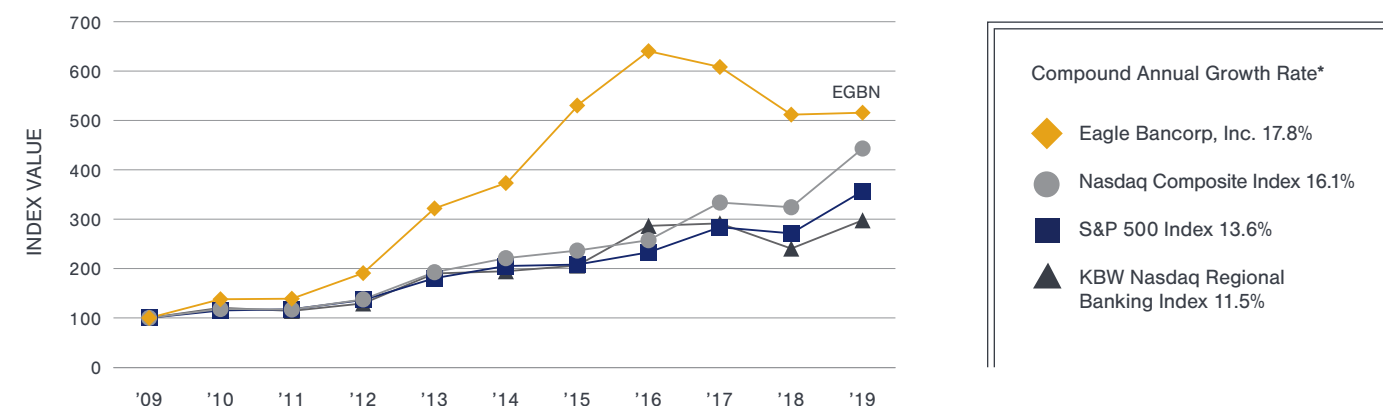
CAPITAL LEVELS



■ Common Shareholders' Equity

■ Total Regulatory Capital**

TOTAL SHAREHOLDER RETURN PERFORMANCE



Compound Annual Growth Rate*

- ◆ Eagle Bancorp, Inc. 17.8%
- Nasdaq Composite Index 16.1%
- S&P 500 Index 13.6%
- ▲ KBW Nasdaq Regional Banking Index 11.5%

NOTES

** Regulatory Capital consists of Shareholders' Equity plus Allowance for Loan Losses plus Qualifying Debt (i.e. Subordinated Notes) less Intangibles.
 2012 - Raised \$45 million of Common Stock at an average price of \$15.74 per share, as adjusted for a 10% stock dividend paid on the common stock on June 14, 2013.
 2014 - Raised \$70 million of Subordinated Notes due 2024 at 5.75%.
 2015 - Raised \$100 million of Common Stock at \$35.50 per share.
 2016 - Raised \$150 million of Subordinated Notes due 2026 at 5.00%.
 2019 - Repurchased \$55 million of Common Stock at an average price of \$42.06 per share. Declared Cash Dividends of \$22 million.

Source: S&P Global Market Intelligence

* CAGR excludes years with negative or zero values.





2019 EagleBank Holiday Party

Our strong team is who we are.

A salute to our employees, the community within our greater DC community.

All year long, day in and day out, it's our diverse team of people that makes EagleBank what it is. They are the face of the bank in branches all across the DC area. They are the voice of the bank on the phone. They are the ears that listen to each customer's unique needs and goals, and the eyes that look for ways to help. They are the fingers on the pulse of the local market, and the hands that pitch in to support local charities and community events. And they are the heart of a work culture in which all are respected and encouraged to prosper.

OUR VALUES: RELATIONSHIPS **F-I-R-S-T**

Flexible

We begin our relationships based on our time-tested tradition of listening to each customer, collaborating with colleagues, and designing a comprehensive, creative solution that brings value to and appreciation from our customers. We enhance the relationship with empowered, "Yes, We Can" service and live up to our strong belief that formulas don't make good banking sense, relationships do. Being entrepreneurial—it is our differentiator.

Involved

We build our relationships by developing a rapport that is based on partnership, mutual respect, and a desire to delight. We are unwavering in our commitment to

the goals and growth of our customers, colleagues, and community through volunteerism. We believe that doing the little extras and staying involved with our customers demonstrates our difference.

Responsive

We shape our relationships by taking ownership for being ever-responsive, from beginning to end, day in and day out. We understand that reliable, accurate, and time-sensitive communication is fundamental to preserving reputation and relationships, internally and externally.

Strong

We strengthen our relationships each time we are called upon for our expertise

and know-how. We are committed to enhancing our professional knowledge in order to remain credible, current, and strong partners with our customers, colleagues, and community. Our history of sustaining a well-capitalized and profitable position emphasizes our strength and reinforces our relationships.

Trusted

We uphold our relationships with honesty, openness, and reliability. We can be counted on to do "the right thing." We understand that underlying a sound, long-lasting relationship is the essential element of trust. Trust can be lost in a moment, so we are vigilant in our actions and words.

Our Mission

We have a mission to be the most respected and profitable community bank. To do this, we put relationships first, to the delight of our customers, employees, and shareholders, and relentlessly deliver the most compelling service and value.



BOARD OF DIRECTORS

Norman R. Pozez *

Executive Chairman of Eagle Bancorp, Inc.
Executive Chairman of EagleBank
Chairman and Chief Executive Officer of Uniwest Companies

Matthew D. Brockwell *

(Retired) Audit Partner at PricewaterhouseCoopers LLP (PwC)

Theresa G. LaPlaca * **

(Retired) Executive Vice President at Wells Fargo

Leslie Ludwig *

Co-Founder of L&L Advisors

Kathy A. Raffa, CPA *

Office Managing Partner of Marcum LLP's
Washington, DC Region

Susan G. Riel *

President and Chief Executive Officer of Eagle Bancorp, Inc.
President and Chief Executive Officer of EagleBank

James A. Soltesz, P.E. *

President and Chief Executive Officer of Soltesz, Inc.

Benjamin M. Soto, Esquire *

President and Chief Executive Officer of
Premium Title & Escrow, LLC

EXECUTIVE OFFICERS

Susan G. Riel

President and Chief Executive Officer of Eagle Bancorp, Inc.,
and EagleBank

Charles D. Levingston, CPA

Executive Vice President and Chief Financial Officer
of Eagle Bancorp, Inc., and EagleBank

Antonio F. Marquez

Executive Vice President of Eagle Bancorp, Inc.
Senior Executive Vice President and President
of Commercial Banking of EagleBank

Lindsey S. Rheame

Executive Vice President of Eagle Bancorp, Inc.
Executive Vice President and Chief Commercial
& Industrial Lending Officer of EagleBank

Paul Saltzman, Esquire

Executive Vice President and Chief Legal Officer
of Eagle Bancorp, Inc., and EagleBank

Janice L. Williams, Esquire

Executive Vice President of Eagle Bancorp, Inc.
Senior Executive Vice President and Chief Credit Officer
of EagleBank

* Director of Eagle Bancorp, Inc. and EagleBank

** Lead Independent Director

VIRTUAL ANNUAL MEETING

Thursday, May 21, 2020, at 10:00 a.m.
See Proxy Statement for details on virtual meeting.

FORM 10-K

The Company's Form 10-K may be obtained, free of charge,
by contacting:

Jane E. Cornett

Vice President & Corporate Secretary
Eagle Bancorp, Inc.
7830 Old Georgetown Road, Third Floor
Bethesda, MD 20814
240.497.2041
jcornett@EagleBankCorp.com

For more 2019 financial information about Eagle Bancorp, Inc.,
visit our Investor Relations page at www.EagleBankCorp.com.

STOCK EXCHANGE LISTING

Common shares of Eagle Bancorp are traded on the
Nasdaq Capital Market under the symbol EGBN.

Transfer Agent and Registrar

Computershare Trust Company, NA
P.O. Box 30170
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1.877.282.1168
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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Dixon Hughes Goodman LLP

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Charlotte, NC 28209

EagleBank: Member Federal Deposit Insurance Corporation, Equal Housing Lender,
Member Federal Reserve System, Member Federal Home Loan Bank of Atlanta,
Affirmative Action/Equal Opportunity Employer ©2020 Eagle Bancorp, Inc.

Leaders who know the way.

**EagleBank's senior leadership team combines long
experience with deep expertise.**



Susan G. Riel
President & Chief Executive Officer



Charles D. Levingston, CPA
Chief Financial Officer



Antonio F. Marquez
President of Commercial Banking



Lindsey S. Rheame
Chief Commercial & Industrial
Lending Officer



Paul Saltzman, Esquire
Chief Legal Officer



Janice L. Williams, Esquire
Chief Credit Officer

As EagleBank continues to grow, it is more important than ever to have senior leadership seasoned by decades in the business. We do. Susan Riel, for example, named EagleBank President and Chief Executive Officer in 2019, has been an executive with the Bank since its inception in 1998. Other members of the team have years of experience with major financial institutions, including The Federal Reserve Bank,

HSBC, JPMorgan Chase, and others. Even more significant than their length of service, however, is the depth of knowledge and insight these leaders bring to the Bank. Having served as senior decision-makers through all market cycles, they are steady hands who can guide EagleBank through the years ahead.

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703.378.0010
- 4 Dulles Town Center**
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Suite 150
Sterling, VA 20166
703.230.1515
- 5 Fairfax**
11166 Fairfax Boulevard
Fairfax, VA 22030
703.359.4100
- 6 Merrifield**
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- 7 Reston**
12011 Sunset Hills Road
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- 8 Rosslyn**
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Arlington, VA 22209
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301.588.6700
- 15 Twinbrook**
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- 18 Georgetown**
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- Investment Advisory Services**
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240.497.2075





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