**PRESS RELEASE**
**FOR IMMEDIATE RELEASE**

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**EAGLE BANCORP, INC.**
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**EAGLE BANCORP, INC. ANNOUNCES RECORD EARNINGS WITH NET INCOME OF $40.3 MILLION FOR THE FOURTH QUARTER AND $152.3 MILLION FOR THE FULL YEAR OF 2018**

**BETHESDA, MD.** Eagle Bancorp, Inc. (the "Company") (NASDAQ:EGBN), the parent company of EagleBank, today announced quarterly net income of $40.3 million for the three months ended December 31, 2018, a 159% increase on a net income basis (34% increase on an operating basis) over the $15.6 million net income ($30.2 million on an operating basis) for the three months ended December 31, 2017.

For the year ended December 31, 2018, the Company's net income was $152.3 million, a 52% increase (33% increase on an operating basis) over the $100.2 million ($114.8 million on an operating basis) for the year ended December 31, 2017.

In 2017, for the fourth quarter and full year, operating earnings exclude one time charges of $14.6 million ($0.42 per diluted common share), required as a result of the Tax Cuts and Jobs Act of 2017 ("Tax Reform") enacted in late December 2017. Where appropriate, parenthetical references refer to operating earnings, which the Company believes are more relevant comparisons to current and historical period results of operations. Reconciliations of 2017 GAAP earnings to operating earnings are contained in the tables that follow.

Net income for the three months ended December 31, 2018 was $1.17 per basic and diluted common share as compared to $0.46 per basic common share and $0.45 per diluted common share ($0.88 per basic and diluted common share on an operating basis), for the same period in 2017, a 33% increase in diluted earnings per share (on an operating basis) for the fourth quarter of 2018 over 2017.

For the full year 2018, net income was $4.44 per basic common share and $4.42 per diluted common share as compared to $2.94 per basic common share and $2.92 per diluted common share ($3.36 per basic common share and $3.35 per diluted common share on an operating basis) for 2017, a 32% increase in diluted earnings per share (on an operating basis) for the full year of 2018 over 2017.

"We are very pleased to report a continued trend of balanced and consistently strong financial performance" noted Ronald D. Paul, Chairman and Chief Executive Officer of Eagle Bancorp, Inc. "Our net income in the fourth quarter represents ten years of quarterly increases in operating earnings dating back to the first quarter of 2009, a record of consistency rarely seen in public company financial performance. Our strong financial performance has resulted from a combination of steady average balance sheet growth, revenue growth, and very favorable operating leverage. Additionally, we have maintained solid asset quality over an extended period through disciplined risk management practices.

These factors have combined to achieve a return on average assets of 1.90% for the fourth quarter of 2018, a return on average common equity of 14.82%, and a return on average tangible common equity ratio of 16.43%, while sustaining very strong capital levels."

Mr. Paul added, "For the fourth quarter of 2018, we experienced very strong average deposit growth which was invested at lower market interest rates, resulting in above average liquidity. This liquidity, which was invested at short term market rates, contributed to a decline in the net interest margin to 3.97% for the fourth quarter from 4.14% in the third quarter of 2018. Average deposit balances increased 7.2% for the fourth quarter 2018 over the third quarter 2018. We attribute the significant average increase to seasonality, market conditions and our well developed customer relationships leading to success in gathering core deposits. Steady growth in loan balances continued, increasing 3.8% on average for the fourth quarter of 2018 over the third quarter of 2018. Period end to period end, loan balances increased 2.1%, for the fourth quarter 2018 while deposit balances increased a very strong 9.4%. The higher liquidity position in the fourth quarter resulted in an average loan to deposit ratio of 99% as compared to 102% for both the third quarter of 2018 and the fourth quarter of 2017." Mr. Paul added, "We consider average balances more indicative of our growth performance, since maintaining favorable averages translates to improved revenue. Growth in our average balance sheet combined with a continuing favorable net interest margin contributed to revenue growth increases of 3.5% in the fourth quarter 2018 over the fourth quarter of 2017 and by 1.0% over the third quarter of 2018. Also contributing to the decreased net interest margin for the fourth quarter was a 9 basis point decline in the yield on the loan portfolio to 5.60% versus 5.69% for the third quarter, as the quarter saw substantial payoffs of higher yielding loans. Fourth quarter loan payoffs were the highest of any quarter in 2018, and were due substantially to above average sales of condominium units financed by the bank. These are projects that are performing well resulting in more rapid pay-downs of construction loans. Notwithstanding the payoff of higher yielding loans, the Company's loan portfolio yield continues to benefit from both higher general market interest rates and disciplined loan pricing and we believe that the yield on our loan portfolio continues to be superior to peer bank returns. Importantly, our credit quality remained very strong in the fourth quarter as the level of nonperforming assets was just 0.21% of total assets at December 31, 2018 and the annualized level of net credit losses to average loans was 0.05%." Mr. Paul added, "The Company's operating efficiency, another key driver of our financial performance, remained favorable." For the fourth quarter in 2018, the efficiency ratio was 36.1%, as compared to 36.4% in the third quarter of 2018, and was 37.3% for the full year 2018.

For the full year 2018 over 2017, average deposit growth was 11%, average loan growth was 12%, revenue growth was 8.4% and noninterest expense growth was 6.9%. The net interest margin for 2018 was 4.10% as compared to 4.15% for the year 2017, well above peer banking companies. Period end to period end, loan growth in 2018 was 9% and deposit growth was 19%.

Comparing asset yields and cost of funds for the full year of 2018 to the full year 2017, loan yields were up 37 basis points (from 5.17% to 5.54%), yields on earning assets were up 36 basis points (from 4.73% to 5.09%) and the composite cost of funds was up 41 basis points (from 0.58% to 0.99%). Importantly, our funding costs, while up in 2018 over 2017, continue to benefit from the substantial level of average noninterest deposits as a percentage of average total deposits of 33.4% in 2018. Additionally, the significant portion of the loan portfolio being variable and adjustable rate in a rising rate environment tends to mitigate the effects of higher cost of funds. Mr. Paul added, "Given the more competitive interest rate environment in 2018 for both loan rates and funding costs, coupled with a flatter yield curve and the Federal Open Market Committee's ("FOMC") four short term rate increases, the Company believes management of the net interest margin has been disciplined and effective."

Pre-tax, pre-provision income was $56.1 million for the fourth quarter of 2018 a 2% increase over $55.1 million for the fourth quarter of 2017 and a 1% increase over the $55.3 million for the third quarter of 2018. Pre-tax, pre-provision income was $212.9 million for the full year 2018 as compared to $194.7 million for the full year 2017, a 9% increase.

The annualized return on average assets ("ROAA") was 1.90% for the fourth quarter of 2018 as compared to 0.82% (1.60% on an operating basis) for the fourth quarter of 2017 and was 1.91% for the year 2018 as compared to 1.41% (1.62% on an operating basis) for the twelve months ended December 31, 2017. The annualized return on average tangible common equity ("ROATCE") was 16.43% for the fourth quarter of 2018 as compared to 7.31% (14.17% on an operating basis) for the fourth quarter of 2017 and was 16.63% for the full year 2018 as compared to 12.54% (14.37% on an operating basis) for the year ended December 31, 2017.

Asset quality measures remained solid in the fourth quarter of 2018. At December 31, 2018, the Company's nonperforming loans amounted to $16.3 million (0.23% of total loans) as compared to $15.1 million (0.22% of total loans) at September 30, 2018 and $13.2 million (0.21% of total loans) at December 31, 2017. Nonperforming assets amounted to $17.7 million (0.21% of total assets) at December 31, 2018 compared to $16.5 million (0.20% of total assets) at September 30, 2018 and $14.6 million (0.20% of total assets) at December 31, 2017. For the year of 2018, the Company recorded net charge-offs of $3.5 million (0.05% of average loans), as compared to net charge-offs of $3.3 million (0.06% of average loans) for the year of 2017.

Management continues to remain attentive to any signs of deterioration in borrowers' financial conditions and is proactive in taking the appropriate steps to mitigate risk. Furthermore, the Company is diligent in placing loans on nonaccrual status and believes, based on its loan portfolio risk analysis, that its December 31, 2018 allowance for credit losses, at 1.00% of total loans (excluding loans held for sale), is adequate to absorb potential credit losses within the loan portfolio as of the end of the year. The allowance for credit losses was 1.00% of total loans at December 31, 2018 and 1.01% at December 31, 2017. The allowance for credit losses represented 430% of nonperforming loans at December 31, 2018.

Total assets at December 31, 2018 were $8.39 billion, a 4% increase as compared to $8.06 billion at September 30, 2018, and a 12% increase as compared to $7.48 billion at December 31, 2017. Total loans (excluding loans held for sale) were $6.99 billion at December 31, 2018, a 2% increase as compared to $6.84 billion at September 30, 2018, and a 9% increase as compared to $6.41 billion at December 31, 2017. Loans held for sale amounted to $19.3 million at December 31, 2018 as compared to $18.7 million at September 30, 2018, a 3% increase, and $25.1 million at December 31, 2017, a 23% decrease. The investment portfolio totaled $784.1 million at December 31, 2018, a 9% increase from $722.7 million at September 30, 2018. As compared to December 31, 2017, the investment portfolio at December 31, 2018 increased by $194.9 million or 33%.

Total deposits at December 31, 2018 were $6.97 billion, compared to deposits of $6.37 billion at September 30, 2018, a 9% increase, and deposits of $5.85 billion at December 31, 2017, a 19% increase. Total borrowed funds (excluding customer repurchase agreements) were $217.3 million at December 31, 2018, $542.2 million at September 30, 2018 and $541.9 million at December 31, 2017, a $324.9 million decrease in the fourth quarter and a $324.6 million decrease during 2018.

Total shareholders' equity at December 31, 2018 increased 4%, to $1.11 billion, compared to $1.06 billion at September 30, 2018, and increased 17%, from $950.4 million at December 31, 2017. Growth in retained earnings has enhanced the Company's capital position well in excess of regulatory requirements for well capitalized status. The total risk based capital ratio was 16.07% at December 31, 2018, as compared to 15.74% at September 30, 2018, and 15.02% at December 31, 2017. In addition, the tangible common equity ratio was 12.11% at December 31, 2018, compared to 12.01% at September 30, 2018 and 11.44% at December 31, 2017.

While the Company's earnings beginning in 2018 benefitted from the lower corporate federal income tax statutory rates resulting from Tax Reform, companies were required to revalue their deferred tax positions as of December 31, 2017 at these lower federal income tax rates. Since the new law was enacted on December 22, 2017, this revaluation was accounted for in the fourth quarter of 2017 through adjustments to income tax expense on the Consolidated Statements of Income. This adjustment increased income tax expense for the fourth quarter of 2017 and full year 2017 by $14.6 million ($0.43 per basic and $0.42 per diluted share). As a result of reduced rates, the Company incurred substantially reduced income tax expense in 2018.

**Analysis of the three months ended December 31, 2018 compared to December 31, 2017**

Net interest income increased 8% for the three months ended December 31, 2018 over the same period in 2017 ($81.7 million versus $75.4 million), resulting from growth in average earning assets of 13% partially offset by a 16 basis point reduction of the net interest margin. The net interest margin was 3.97% for the three months ended December 31, 2018, as compared to 4.13% for the three months ended December 31, 2017. The Company believes its net interest margin remains favorable compared to peer banking companies and that its disciplined approach to managing the loan portfolio to a 5.60% yield for the fourth quarter of 2018 has been a significant factor in its overall profitability.

The provision for credit losses was $2.6 million for the three months ended December 31, 2018 as compared to $4.1 million for the three months ended December 31, 2017. The lower provisioning in the fourth quarter of 2018, as compared to the fourth quarter of 2017, is primarily due to lower loan growth ($146.8 million vs. $327.3 million) due to higher loan payoffs and lower net charge-offs. Net charge-offs of $844 thousand in the fourth quarter of 2018 represented an annualized 0.05% of average loans, excluding loans held for sale, as compared to net charge-offs of $2.3 million, or an annualized 0.15% of average loans, excluding loans held for sale, in the fourth quarter of 2017. Net charge-offs in the fourth quarter of 2018 were attributable primarily to commercial loans ($801 thousand).

Noninterest income for the three months ended December 31, 2018 decreased to $6.1 million from $9.5 million for the three months ended December 31, 2017, due substantially to a $1.2 million nonrecurring adjustment to a tax credit investment recorded in the fourth quarter of 2017 and a $354 thousand prepayment penalty associated with a single credit that was recorded during the fourth quarter of 2017. The FHA business unit generated income of $507 thousand on the origination, securitization, servicing and sale of FHA Multifamily-Backed GNMA securities in the fourth quarter of 2018 compared to $948 thousand for the same period in 2017. The residential mortgage unit had lower sales and resulting gains on the sale of these loans in the fourth quarter of 2018 (gains of $1.2 million for the fourth quarter of 2018 versus $1.6 million for the same period in 2017). Residential mortgage loans closed were $91 million for the fourth quarter in 2018 versus $136 million for the fourth quarter of 2017. The SBA business unit generated $167 thousand in revenue during the fourth quarter of 2018 from sales of the guaranteed portion on SBA loans compared to $893 thousand for the same period in 2017.

The efficiency ratio, which measures the ratio of noninterest expense to total revenue, was 36.09% for the fourth quarter of 2018, as compared to 35.12% for the fourth quarter of 2017. Noninterest expenses totaled $31.7 million for the three months ended December 31, 2018, as compared to $29.8 million for the three months ended December 31, 2017. Salaries and employee benefits expenses decreased $771 thousand in the fourth quarter of 2018 as compared to the fourth quarter of 2017 due to lower incentive and stock based compensation accruals, partially offset by higher salaries. Legal, accounting, and professional fees increased by $946 thousand due substantially to advisory services associated with enhancing our risk management systems including corporate governance as we approach $10 billion in assets. Other expenses increased $965 thousand due primarily to higher broker fees and franchise taxes.

The effective income tax rate was substantially lower (24.7%) for the fourth quarter 2018 as compared to 69.5% for the same period in 2017 due primarily to the lower corporate federal tax rate of 21% in 2018 versus 35% in 2017 and a $14.6 million deferred tax asset adjustment to income tax expense during the fourth quarter of 2017 both as a result of Tax Reform.

**Analysis of the year ended December 31, 2018 compared to December 31, 2017**

Net interest income increased 12% for the year ended December 31, 2018 over the same period in 2017 ($317.0 million versus $283.9 million), resulting from growth in average earning assets of 13%. The net interest margin was 4.10% for the year ended December 31, 2018 as compared to 4.15% for the same period in 2017. The Company believes its net interest margin remains favorable compared to peer banking companies and that its disciplined approach to managing the loan portfolio yield to 5.54% for the full year of 2018 has been a significant factor in its overall profitability. Additionally, the percentage of average noninterest bearing deposits to total deposits was 33.4% for the full year of 2018 versus 32.5% for the same period in 2017.

The provision for credit losses was $8.7 million for the year ended December 31, 2018 as compared to $9.0 million for the year ended December 31, 2017. The lower provisioning during 2018, as compared to 2017, is due to lower loan growth ($579.9 million versus $733.6 million) due to higher loan payoffs. Net charge-offs of $3.5 million during 2018 represented an annualized 0.05% of average loans, excluding loans held for sale, as compared to $3.3 million or an annualized 0.06% of average loans, excluding loans held for sale, in 2017. Net charge-offs during 2018 were attributable primarily to commercial loans ($3.2 million).

Noninterest income for the year ended December 31, 2018 was $22.6 million as compared to $29.4 million for the year ended December 31, 2017, a 23% decrease. This decrease was primarily due to $2.1 million lower revenue on the origination, securitization, servicing, and sale of FHA Multifamily-Backed GNMA securities, a $1.2 million nonrecurring adjustment to a tax credit investment recorded in the fourth quarter of 2017, a $354 thousand prepayment penalty associated with a single credit that was recorded during the fourth quarter of 2017, $269 thousand of premium and servicing income recorded during 2017 resulting from the portfolio sale of $44.3 million in residential mortgages and HELOC's out of the loan portfolio, $3.3 million lower gains on sale of loans, and $445 thousand lower gain on sale of investment securities. The FHA business unit generated income of $357 thousand on the origination, securitization, servicing and sale of FHA Multifamily-Backed GNMA securities for the full year 2018 compared to $2.5 million for the same period in 2017. The residential mortgage unit had $5.4 million of gains on the sale of loans for the full year of 2018 versus $7.8 million for the same period in 2017 resulting from fewer loan originations and subsequent loan sales. Residential mortgage loans closed were $424 million for the full year 2018 versus $608 million for the full year 2017. The SBA business unit generated $540 thousand in revenue from sales of the guaranteed portion on SBA loans for the full year 2018 compared to $1.5 million for the same period in 2017.

Noninterest expenses totaled $126.7 million for the year ended December 31, 2018, as compared to $118.6 million for the year ended December 31, 2017, a 7% increase. Data processing increased by $1.5 million due primarily to the costs of software and infrastructure investments. Legal, accounting and professional fees increased by $4.7 million due primarily to due diligence costs from independent consultants associated with the internet event late in 2017 as well as costs to enhance risk management systems, including corporate governance as we approach $10 billion in assets. For 2018, the efficiency ratio was 37.31% as compared to 37.84% for the same period in 2017.

The financial information which follows provides more detail on the Company's financial performance for the three and twelve months ended December 31, 2018 as compared to the three and twelve months ended December 31, 2017 as well as providing eight quarters of trend data. Persons wishing additional information should refer to the Company's Form 10-K for the year ended December 31, 2017 and other reports filed with the Securities and Exchange Commission (the "SEC").

**About Eagle Bancorp:** The Company is the holding company for EagleBank, which commenced operations in 1998. The Bank is headquartered in Bethesda, Maryland, and operates through twenty branch offices, located in Suburban Maryland, Washington, D.C. and Northern Virginia. The Company focuses on building relationships with businesses, professionals and individuals in its marketplace.

**Conference Call:** Eagle Bancorp will host a conference call to discuss its fourth quarter and year end 2018 financial results on Thursday, January 17, 2019 at 10:00 a.m. eastern time. The public is invited to listen to this conference call by dialing 1.877.303.6220, conference ID Code is 1481537, or by accessing the call on the Company's website, www.EagleBankCorp.com. A replay of the conference call will be available on the Company's website through January 31, 2019.

**Forward-looking Statements:** This press release contains forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended, including statements of goals, intentions, and expectations as to future trends, plans, events or results of Company operations and policies and regarding general economic conditions. In some cases, forward-looking statements can be identified by use of words such as "may," "will," "anticipates," "believes," "expects," "plans," "estimates," "potential," "continue," "should," and similar words or phrases. These statements are based upon current and anticipated economic conditions, nationally and in the Company's market, interest rates and interest rate policy, competitive factors, and other conditions which by their nature, are not susceptible to accurate forecast and are subject to significant uncertainty. Because of these uncertainties and the assumptions on which this discussion and the forward-looking statements are based, actual future operations and results in the future may differ materially from those indicated herein. For details on factors that could affect these expectations, see the risk factors and other cautionary language included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017 and in other periodic and current reports filed with the SEC. Readers are cautioned against placing undue reliance on any such forward-looking statements. The Company's past results are not necessarily indicative of future performance.

# Eagle Bancorp, Inc.

**Consolidated Financial Highlights (Unaudited)**

(dollars in thousands, except per share data)

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | **2018** | **2017** | **2018** | **2017** |
| **Income Statements:** | | | | |
| Total interest income | $ 105,581 | $ 86,526 | $ 393,286 | $ 324,034 |
| Total interest expense | 23,869 | 11,167 | 76,293 | 40,147 |
| Net interest income | 81,712 | 75,359 | 316,993 | 283,887 |
| Provision for credit losses | 2,600 | 4,087 | 8,660 | 8,971 |
| Net interest income after provision for credit losses | 79,112 | 71,272 | 308,333 | 274,916 |
| Noninterest income (before investment gains) | 6,060 | 9,496 | 22,489 | 28,830 |
| Gain on sale of investment securities | 29 | - | 97 | 542 |
| Total noninterest income | 6,089 | 9,496 | 22,586 | 29,372 |
| Total noninterest expense | 31,687 | 29,803 | 126,711 | 118,552 |
| Income before income tax expense | 53,514 | 50,965 | 204,208 | 185,736 |
| Income tax expense | 13,197 | 35,396 | 51,932 | 85,504 |
| Net income | $ 40,317 | $ 15,569 | $ 152,276 | $ 100,232 |
| **Per Share Data:** | | | | |
| Earnings per weighted average common share, basic | $ 1.17 | $ 0.46 | $ 4.44 | $ 2.94 |
| Earnings per weighted average common share, diluted | $ 1.17 | $ 0.45 | $ 4.42 | $ 2.92 |
| Weighted average common shares outstanding, basic | 34,349,089 | 34,179,793 | 34,306,336 | 34,138,536 |
| Weighted average common shares outstanding, diluted | 34,460,985 | 34,334,873 | 34,443,040 | 34,320,639 |
| Actual shares outstanding at period end | 34,387,919 | 34,185,163 | 34,387,919 | 34,185,163 |
| Book value per common share at period end | $ 32.25 | $ 27.80 | $ 32.25 | $ 27.80 |
| Tangible book value per common share at period end **(1)** | $ 29.17 | $ 24.67 | $ 29.17 | $ 24.67 |
| **Performance Ratios (annualized):** | | | | |
| Return on average assets | 1.90% | 0.82% | 1.91% | 1.41% |
| Return on average common equity | 14.82% | 6.49% | 14.89% | 11.06% |
| Return on average tangible common equity | 16.43% | 7.31% | 16.63% | 12.54% |
| Net interest margin | 3.97% | 4.13% | 4.10% | 4.15% |
| Efficiency ratio **(2)** | 36.09% | 35.12% | 37.31% | 37.84% |
| **Other Ratios:** | | | | |
| Allowance for credit losses to total loans **(3)** | 1.00% | 1.01% | 1.00% | 1.01% |
| Allowance for credit losses to total nonperforming loans | 429.72% | 489.20% | 429.72% | 489.20% |
| Nonperforming loans to total loans **(3)** | 0.23% | 0.21% | 0.23% | 0.21% |
| Nonperforming assets to total assets | 0.21% | 0.20% | 0.21% | 0.20% |
| Net charge-offs (annualized) to average loans **(3)** | 0.05% | 0.15% | 0.05% | 0.06% |
| Common equity to total assets | 13.22% | 12.71% | 13.22% | 12.71% |
| Tier 1 capital (to average assets) | 12.08% | 11.45% | 12.08% | 11.45% |
| Total capital (to risk weighted assets) | 16.07% | 15.02% | 16.07% | 15.02% |
| Common equity tier 1 capital (to risk weighted assets) | 12.47% | 11.23% | 12.47% | 11.23% |
| Tangible common equity ratio **(1)** | 12.11% | 11.44% | 12.11% | 11.44% |
| **Loan Balances - Period End (in thousands):** | | | | |
| Commercial and Industrial | $ 1,553,111 | $ 1,375,939 | $ 1,553,111 | $ 1,375,939 |
| Commercial real estate - owner occupied | $ 887,814 | $ 755,444 | $ 887,814 | $ 755,444 |
| Commercial real estate - income producing | $ 3,256,899 | $ 3,047,094 | $ 3,256,899 | $ 3,047,094 |
| 1-4 Family mortgage | $ 106,418 | $ 104,357 | $ 106,418 | $ 104,357 |
| Construction - commercial and residential | $ 1,039,815 | $ 973,141 | $ 1,039,815 | $ 973,141 |
| Construction - C&I (owner occupied) | $ 57,797 | $ 58,691 | $ 57,797 | $ 58,691 |
| Home equity | $ 86,603 | $ 93,264 | $ 86,603 | $ 93,264 |
| Other consumer | $ 2,988 | $ 3,598 | $ 2,988 | $ 3,598 |
| **Average Balances (in thousands):** | | | | |
| Total assets | $ 8,415,480 | $ 7,487,624 | $ 7,958,941 | $ 7,089,211 |
| Total earning assets | $ 8,171,010 | $ 7,242,994 | $ 7,726,401 | $ 6,853,815 |
| Total loans | $ 6,897,434 | $ 6,207,505 | $ 6,638,136 | $ 5,939,985 |
| Total deposits | $ 6,950,714 | $ 6,101,727 | $ 6,444,551 | $ 5,787,665 |
| Total borrowings | $ 342,637 | $ 382,687 | $ 453,581 | $ 355,377 |
| Total shareholders' equity | $ 1,079,622 | $ 951,727 | $ 1,022,642 | $ 906,169 |

(1) Tangible common equity to tangible assets (the "tangible common equity ratio") and tangible book value per common share are non-GAAP financial measures derived from GAAP based amounts. The Company calculates the tangible common equity ratio by excluding the balance of intangible assets from common shareholders' equity and dividing by tangible assets. The Company calculates tangible book value per common share by dividing tangible common equity by common shares outstanding, as compared to book value per common share, which the Company calculates by dividing common shareholders' equity by common shares outstanding. The Company considers this information important to shareholders as tangible equity is a measure that is consistent with the calculation of capital for bank regulatory purposes, which excludes intangible assets from the calculation of risk based ratios and as such is useful for investors, regulators, management and others to evaluate capital adequacy and to compare against other financial institutions. The table below provides a reconciliation of these non-GAAP financial measures with financial measures defined by GAAP.

**GAAP Reconciliation (Unaudited)**
(dollars in thousands except per share data)

| | Year Ended December 31, 2018 | | Year Ended December 31, 2017 | |
|---|---|---|---|---|
| Common shareholders' equity | $ | 1,108,941 | $ | 950,438 |
| Less: Intangible assets | | (105,766) | | (107,212) |
| **Tangible common equity** | $ | 1,003,175 | $ | 843,226 |
| | | | | |
| Book value per common share | $ | 32.25 | $ | 27.80 |
| Less: Intangible book value per common share | | (3.08) | | (3.13) |
| **Tangible book value per common share** | $ | 29.17 | $ | 24.67 |
| | | | | |
| Total assets | $ | 8,389,137 | $ | 7,479,029 |
| Less: Intangible assets | | (105,766) | | (107,212) |
| **Tangible assets** | $ | 8,283,371 | $ | 7,371,817 |
| **Tangible common equity ratio** | | 12.11% | | 11.44% |
| | | | | |
| Average common shareholders' equity | $ | 1,022,642 | $ | 906,169 |
| Less: Average intangible assets | | (106,806) | | (107,117) |
| **Average tangible common equity** | $ | 915,836 | $ | 799,052 |
| | | | | |
| Net Income Available to Common Shareholders | $ | 152,276 | $ | 100,232 |
| Average tangible common equity | $ | 915,836 | $ | 799,052 |
| **Annualized Return on Average Tangible Common Equity (1)** | | 16.63% | | 12.54% |

(2) Computed by dividing noninterest expense by the sum of net interest income and noninterest income.

(3) Excludes loans held for sale.

| | Three Months Ended December 31, | | | | Three Months Ended September 30, | | Years Ended December 31, | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2018 | | 2017 | | 2018 | | 2018 | | 2017 | |
| Net income | $ | 40,317 | $ | 15,569 | $ | 38,948 | $ | 152,276 | $ | 100,232 |
| Income Tax Expense | | 13,197 | | 35,396 | | 13,928 | | 51,932 | | 85,504 |
| Provision for Credit Losses | | 2,600 | | 4,087 | | 2,441 | | 8,660 | | 8,971 |
| **Pre-Tax, Pre-Provision Income** | $ | 56,114 | $ | 55,052 | $ | 55,317 | $ | 212,868 | $ | 194,707 |

# Eagle Bancorp, Inc.

**GAAP Reconciliation (Unaudited)**

(dollars in thousands except per share data)

| | Three Months Ended December 31, 2017 | | | Year Ended December 31, 2017 | | |
|---|---|---|---|---|---|---|
| | **GAAP** | **Change** | **Non-GAAP** | **GAAP** | **Change** | **Non-GAAP** |
| **Income Statements:** | | | | | | |
| Income tax expense | 35,395 | (14,588) | 20,807 | 85,504 | (14,588) | 70,916 |
| Net income | $ 15,569 | 14,588 | $ 30,157 | $ 100,232 | 14,588 | $ 114,820 |
| **Earnings Per Common Share** | | | | | | |
| Earnings per weighted average common share, basic | $ 0.46 | $ 0.43 | $ 0.88 | $ 2.94 | $ 0.43 | $ 3.36 |
| Earnings per weighted average common share, diluted | $ 0.45 | $ 0.42 | $ 0.88 | $ 2.92 | $ 0.42 | $ 3.35 |
| **Performance Ratios (annualized):** | | | | | | |
| Return on average assets | 0.82% | | 1.60% | 1.41% | | 1.62% |
| Return on average common equity | 6.49% | | 12.57% | 11.06% | | 12.67% |
| Return on average tangible common equity | 7.31% | | 14.17% | 12.54% | | 14.37% |

| | As of December 31, 2017 | | |
|---|---|---|---|
| **Assets** | **GAAP** | **Change** | **Non-GAAP** |
| Deferred income taxes | 28,770 | 14,588 | 43,358 |
| **Total Assets** | $ 7,479,029 | $ 14,588 | $ 7,493,617 |
| **Shareholders' Equity** | | | |
| Retained earnings | 431,544 | 14,588 | 446,132 |
| **Total Shareholders' Equity** | 950,438 | 14,588 | 965,026 |
| **Total Liabilities and Shareholders' Equity** | $ 7,479,029 | 14,588 | $ 7,493,617 |

# Eagle Bancorp, Inc.

**Consolidated Balance Sheets (Unaudited)**

(dollars in thousands, except per share data)

| **Assets** | December 31, 2018 | September 30, 2018 | December 31, 2017 |
|---|---|---|---|
| Cash and due from banks | $ 6,773 | $ 4,459 | $ 7,445 |
| Federal funds sold | 11,934 | 17,284 | 15,767 |
| Interest bearing deposits with banks and other short-term investments | 303,157 | 162,734 | 167,261 |
| Investment securities available for sale, at fair value | 784,139 | 722,674 | 589,268 |
| Federal Reserve and Federal Home Loan Bank stock | 23,506 | 37,257 | 36,324 |
| Loans held for sale | 19,254 | 18,728 | 25,096 |
| Loans | 6,991,447 | 6,844,672 | 6,411,528 |
| Less allowance for credit losses | (69,944) | (68,189) | (64,758) |
| Loans, net | 6,921,503 | 6,776,483 | 6,346,770 |
| Premises and equipment, net | 16,851 | 17,457 | 20,991 |
| Deferred income taxes | 33,027 | 35,196 | 28,770 |
| Bank owned life insurance | 73,441 | 73,007 | 60,947 |
| Intangible assets, net | 105,766 | 106,481 | 107,212 |
| Other real estate owned | 1,394 | 1,394 | 1,394 |
| Other assets | 88,392 | 84,701 | 71,784 |
| **Total Assets** | $ 8,389,137 | $ 8,057,855 | $ 7,479,029 |
| | | | |
| **Liabilities and Shareholders' Equity** | | | |
| Deposits: | | | |
| Noninterest bearing demand | $ 2,104,220 | $ 2,057,886 | $ 1,982,912 |
| Interest bearing transaction | 593,107 | 459,455 | 420,417 |
| Savings and money market | 2,949,559 | 2,573,258 | 2,621,146 |
| Time, $100,000 or more | 801,957 | 758,152 | 515,682 |
| Other time | 525,442 | 523,554 | 313,827 |
| Total deposits | 6,974,285 | 6,372,305 | 5,853,984 |
| Customer repurchase agreements | 30,413 | 36,446 | 76,561 |
| Other short-term borrowings | - | 325,000 | 325,000 |
| Long-term borrowings | 217,296 | 217,198 | 216,905 |
| Other liabilities | 58,202 | 45,255 | 56,141 |
| **Total liabilities** | 7,280,196 | 6,996,204 | 6,528,591 |
| | | | |
| **Shareholders' Equity** | | | |
| Common stock, par value $.01 per share; shares authorized 100,000,000, shares issued and outstanding 34,387,919, 34,308,473, and 34,185,163, respectively | 342 | 341 | 340 |
| Additional paid in capital | 528,380 | 526,423 | 520,304 |
| Retained earnings | 584,494 | 544,177 | 431,544 |
| Accumulated other comprehensive loss | (4,275) | (9,290) | (1,750) |
| **Total Shareholders' Equity** | 1,108,941 | 1,061,651 | 950,438 |
| **Total Liabilities and Shareholders' Equity** | $ 8,389,137 | $ 8,057,855 | $ 7,479,029 |

# Eagle Bancorp, Inc.

**Consolidated Statements of Income (Unaudited)**

(dollars in thousands, except per share data)

| | Three Months Ended December 31, | | Years Ended December 31, | |
|---|---|---|---|---|
| **Interest Income** | **2018** | **2017** | **2018** | **2017** |
| Interest and fees on loans | $ 97,682 | $ 81,967 | $ 368,606 | $ 308,510 |
| Interest and dividends on investment securities | 5,382 | 3,360 | 17,907 | 12,214 |
| Interest on balances with other banks and short-term investments | 2,464 | 1,174 | 6,616 | 3,258 |
| Interest on federal funds sold | 53 | 25 | 157 | 52 |
| Total interest income | 105,581 | 86,526 | 393,286 | 324,034 |
| **Interest Expense** | | | | |
| Interest on deposits | 20,314 | 7,820 | 60,210 | 27,286 |
| Interest on customer repurchase agreements | 59 | 61 | 225 | 197 |
| Interest on other short-term borrowings | 517 | 307 | 3,942 | 748 |
| Interest on long-term borrowings | 2,979 | 2,979 | 11,916 | 11,916 |
| Total interest expense | 23,869 | 11,167 | 76,293 | 40,147 |
| **Net Interest Income** | 81,712 | 75,359 | 316,993 | 283,887 |
| **Provision for Credit Losses** | 2,600 | 4,087 | 8,660 | 8,971 |
| **Net Interest Income After Provision For Credit Losses** | 79,112 | 71,272 | 308,333 | 274,916 |
| | | | | |
| **Noninterest Income** | | | | |
| Service charges on deposits | 1,826 | 1,723 | 7,014 | 6,364 |
| Gain on sale of loans | 1,331 | 2,536 | 5,963 | 9,275 |
| Gain on sale of investment securities | 29 | - | 97 | 542 |
| Increase in the cash surrender value of bank owned life insurance | 434 | 603 | 1,507 | 1,711 |
| Other income | 2,469 | 4,634 | 8,005 | 11,480 |
| Total noninterest income | 6,089 | 9,496 | 22,586 | 29,372 |
| **Noninterest Expense** | | | | |
| Salaries and employee benefits | 15,907 | 16,678 | 67,734 | 67,129 |
| Premises and equipment expenses | 3,969 | 4,019 | 15,660 | 15,632 |
| Marketing and advertising | 1,147 | 1,222 | 4,566 | 4,095 |
| Data processing | 2,570 | 2,163 | 9,714 | 8,220 |
| Legal, accounting and professional fees | 2,460 | 1,514 | 9,742 | 5,053 |
| FDIC insurance | 953 | 491 | 3,512 | 2,554 |
| Other expenses | 4,681 | 3,716 | 15,783 | 15,869 |
| Total noninterest expense | 31,687 | 29,803 | 126,711 | 118,552 |
| **Income Before Income Tax Expense** | 53,514 | 50,965 | 204,208 | 185,736 |
| **Income Tax Expense** | 13,197 | 35,396 | 51,932 | 85,504 |
| **Net Income** | $ 40,317 | $ 15,569 | $ 152,276 | $ 100,232 |
| | | | | |
| **Earnings Per Common Share** | | | | |
| Basic | $ 1.17 | $ 0.46 | $ 4.44 | $ 2.94 |
| Diluted | $ 1.17 | $ 0.45 | $ 4.42 | $ 2.92 |

# Eagle Bancorp, Inc.

**Consolidated Average Balances, Interest Yields And Rates (Unaudited)**

(dollars in thousands)

| | Three Months Ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2018 | | | 2017 | | |
| | Average Balance | Interest | Average Yield/Rate | Average Balance | Interest | Average Yield/Rate |
| **ASSETS** | | | | | | |
| Interest earning assets: | | | | | | |
| Interest bearing deposits with other banks and other short-term investments | $ 459,139 | $ 2,464 | 2.13% | $ 381,339 | $ 1,175 | 1.22% |
| Loans held for sale **(1)** | 21,457 | 256 | 4.77% | 38,449 | 379 | 3.94% |
| Loans **(1) (2)** | 6,897,434 | 97,426 | 5.60% | 6,207,505 | 81,588 | 5.21% |
| Investment securities available for sale **(2)** | 775,706 | 5,382 | 2.75% | 603,550 | 3,360 | 2.21% |
| Federal funds sold | 17,274 | 53 | 1.22% | 12,151 | 25 | 0.82% |
| Total interest earning assets | 8,171,010 | 105,581 | 5.13% | 7,242,994 | 86,527 | 4.74% |
| | | | | | | |
| Total noninterest earning assets | 313,614 | | | 308,022 | | |
| Less: allowance for credit losses | 69,144 | | | 63,392 | | |
| Total noninterest earning assets | 244,470 | | | 244,630 | | |
| **TOTAL ASSETS** | $ 8,415,480 | | | $ 7,487,624 | | |
| | | | | | | |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | | | | | |
| Interest bearing liabilities: | | | | | | |
| Interest bearing transaction | $ 539,764 | $ 1,096 | 0.81% | $ 380,137 | $ 456 | 0.48% |
| Savings and money market | 2,754,480 | 11,688 | 1.68% | 2,923,750 | 5,113 | 0.69% |
| Time deposits | 1,329,294 | 7,530 | 2.25% | 811,484 | 2,251 | 1.10% |
| Total interest bearing deposits | 4,623,538 | 20,314 | 1.74% | 4,115,371 | 7,820 | 0.75% |
| Customer repurchase agreements | 40,859 | 59 | 0.57% | 80,758 | 61 | 0.30% |
| Other short-term borrowings | 84,515 | 517 | 2.39% | 85,057 | 307 | 1.41% |
| Long-term borrowings | 217,263 | 2,979 | 5.37% | 216,872 | 2,979 | 5.38% |
| Total interest bearing liabilities | 4,966,175 | 23,869 | 1.91% | 4,498,058 | 11,167 | 0.98% |
| | | | | | | |
| Noninterest bearing liabilities: | | | | | | |
| Noninterest bearing demand | 2,327,176 | | | 1,986,356 | | |
| Other liabilities | 42,507 | | | 51,483 | | |
| Total noninterest bearing liabilities | 2,369,683 | | | 2,037,839 | | |
| | | | | | | |
| Shareholders' Equity | 1,079,622 | | | 951,727 | | |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | $ 8,415,480 | | | $ 7,487,624 | | |
| | | | | | | |
| Net interest income | | $ 81,712 | | | $ 75,360 | |
| Net interest spread | | | 3.22% | | | 3.76% |
| Net interest margin | | | 3.97% | | | 4.13% |
| Cost of funds | | | 1.16% | | | 0.61% |

(1) Loans placed on nonaccrual status are included in average balances. Net loan fees and late charges included in interest income on loans totaled $4.7 million and $5.2 million for the three months ended December 31, 2018 and 2017, respectively.

(2) Interest and fees on loans and investments exclude tax equivalent adjustments.

# Eagle Bancorp, Inc.

**Consolidated Average Balances, Interest Yields and Rates (Unaudited)**

(dollars in thousands)

| | Year Ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2018 | | | 2017 | | |
| | Average Balance | Interest | Average Yield/Rate | Average Balance | Interest | Average Yield/Rate |
| **ASSETS** | | | | | | |
| Interest earning assets: | | | | | | |
| Interest bearing deposits with other banks and other short-term investments | $ 356,017 | $ 6,616 | 1.86% | $ 313,296 | $ 3,258 | 1.04% |
| Loans held for sale **(1)** | 23,877 | 1,095 | 4.59% | 35,813 | 1,400 | 3.91% |
| Loans **(1) (2)** | 6,638,136 | 367,511 | 5.54% | 5,939,985 | 307,110 | 5.17% |
| Investment securities available for sale **(1)** | 692,753 | 17,907 | 2.58% | 557,049 | 12,214 | 2.19% |
| Federal funds sold | 15,618 | 157 | 1.01% | 7,672 | 52 | 0.68% |
| Total interest earning assets | 7,726,401 | 393,286 | 5.09% | 6,853,815 | 324,034 | 4.73% |
| Total noninterest earning assets | 299,653 | | | 296,562 | | |
| Less: allowance for credit losses | 67,113 | | | 61,166 | | |
| Total noninterest earning assets | 232,540 | | | 235,396 | | |
| **TOTAL ASSETS** | $ 7,958,941 | | | $ 7,089,211 | | |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | | | | | |
| Interest bearing liabilities: | | | | | | |
| Interest bearing transaction | $ 460,599 | $ 3,348 | 0.73% | $ 369,953 | $ 1,537 | 0.42% |
| Savings and money market | 2,691,726 | 35,534 | 1.32% | 2,739,776 | 17,284 | 0.63% |
| Time deposits | 1,141,795 | 21,328 | 1.87% | 799,816 | 8,465 | 1.06% |
| Total interest bearing deposits | 4,294,120 | 60,210 | 1.40% | 3,909,545 | 27,286 | 0.70% |
| Customer repurchase agreements | 44,333 | 225 | 0.51% | 73,237 | 197 | 0.27% |
| Other short-term borrowings | 192,131 | 3,942 | 2.02% | 65,416 | 748 | 1.13% |
| Long-term borrowings | 217,117 | 11,916 | 5.41% | 216,724 | 11,916 | 5.42% |
| Total interest bearing liabilities | 4,747,701 | 76,293 | 1.61% | 4,264,922 | 40,147 | 0.94% |
| Noninterest bearing liabilities: | | | | | | |
| Noninterest bearing demand | 2,150,431 | | | 1,878,120 | | |
| Other liabilities | 38,167 | | | 40,000 | | |
| Total noninterest bearing liabilities | 2,188,598 | | | 1,918,120 | | |
| Shareholders' equity | 1,022,642 | | | 906,169 | | |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | $ 7,958,941 | | | $ 7,089,211 | | |
| Net interest income | | $ 316,993 | | | $ 283,887 | |
| Net interest spread | | | 3.48% | | | 3.79% |
| Net interest margin | | | 4.10% | | | 4.15% |
| Cost of funds | | | 0.99% | | | 0.58% |

(1) Loans placed on nonaccrual status are included in average balances. Net loan fees and late charges included in interest income on loans totaled $19.6 million and $18.1 million for the years ended December 31, 2018 and 2017, respectively.

(2) Interest and fees on loans and investments exclude tax equivalent adjustments.

# Eagle Bancorp, Inc.

**Statements of Income and Highlights Quarterly Trends (Unaudited)**

(dollars in thousands, except per share data)

| | Three Months Ended | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Income Statements:** | **December 31, 2018** | **September 30, 2018** | **June 30, 2018** | **March 31, 2018** | **December 31, 2017** | **September 30, 2017** | **June 30, 2017** | **March 31, 2017** |
| Total interest income | $ 105,581 | $ 102,360 | $ 96,296 | $ 89,049 | $ 86,526 | $ 82,370 | $ 79,344 | $ 75,794 |
| Total interest expense | 23,869 | 21,069 | 18,086 | 13,269 | 11,167 | 10,434 | 9,646 | 8,900 |
| Net interest income | 81,712 | 81,291 | 78,210 | 75,780 | 75,359 | 71,936 | 69,698 | 66,894 |
| Provision for credit losses | 2,600 | 2,441 | 1,650 | 1,969 | 4,087 | 1,921 | 1,566 | 1,397 |
| Net interest income after provision for credit losses | 79,112 | 78,850 | 76,560 | 73,811 | 71,272 | 70,015 | 68,132 | 65,497 |
| Noninterest income (before investment gains) | 6,060 | 5,640 | 5,527 | 5,262 | 9,496 | 6,773 | 6,997 | 5,565 |
| Gain on sale of investment securities | 29 | - | 26 | 42 | - | 11 | 26 | 505 |
| Total noninterest income | 6,089 | 5,640 | 5,553 | 5,304 | 9,496 | 6,784 | 7,023 | 6,070 |
| Salaries and employee benefits | 15,907 | 17,157 | 17,812 | 16,858 | 16,678 | 16,905 | 16,869 | 16,677 |
| Premises and equipment | 3,969 | 3,889 | 3,873 | 3,929 | 4,019 | 3,846 | 3,920 | 3,847 |
| Marketing and advertising | 1,147 | 1,191 | 1,291 | 937 | 1,222 | 732 | 1,247 | 894 |
| Other expenses | 10,664 | 9,377 | 9,313 | 9,397 | 7,884 | 8,033 | 7,965 | 7,814 |
| Total noninterest expense | 31,687 | 31,614 | 32,289 | 31,121 | 29,803 | 29,516 | 30,001 | 29,232 |
| Income before income tax expense | 53,514 | 52,876 | 49,824 | 47,994 | 50,965 | 47,283 | 45,154 | 42,335 |
| Income tax expense | 13,197 | 13,928 | 12,528 | 12,279 | 35,396 | 17,409 | 17,382 | 15,318 |
| Net income | 40,317 | 38,948 | 37,296 | 35,715 | 15,569 | 29,874 | 27,772 | 27,017 |
| **Per Share Data:** | | | | | | | | |
| Earnings per weighted average common share, basic | $ 1.17 | $ 1.14 | $ 1.09 | $ 1.04 | $ 0.46 | $ 0.87 | $ 0.81 | $ 0.79 |
| Earnings per weighted average common share, diluted | $ 1.17 | $ 1.13 | $ 1.08 | $ 1.04 | $ 0.45 | $ 0.87 | $ 0.81 | $ 0.79 |
| Weighted average common shares outstanding, basic | 34,349,089 | 34,308,684 | 34,305,693 | 34,260,882 | 34,179,793 | 34,173,893 | 34,128,598 | 34,069,528 |
| Weighted average common shares outstanding, diluted | 34,460,985 | 34,460,794 | 34,448,354 | 34,406,310 | 34,334,873 | 34,338,442 | 34,324,120 | 34,284,316 |
| Actual shares outstanding at period end | 34,387,919 | 34,308,473 | 34,305,071 | 34,303,056 | 34,185,163 | 34,174,009 | 34,169,924 | 34,110,056 |
| Book value per common share at period end | $ 32.25 | $ 30.94 | $ 29.82 | $ 28.72 | $ 27.80 | $ 27.33 | $ 26.42 | $ 25.59 |
| Tangible book value per common share at period end **(1)** | $ 29.17 | $ 27.84 | $ 26.71 | $ 25.60 | $ 24.67 | $ 24.19 | $ 23.28 | $ 22.45 |
| **Performance Ratios (annualized):** | | | | | | | | |
| Return on average assets | 1.90% | 1.93% | 1.92% | 1.91% | 0.82% | 1.66% | 1.60% | 1.62% |
| Return on average common equity | 14.82% | 14.85% | 14.93% | 14.99% | 6.49% | 12.86% | 12.51% | 12.74% |
| Return on average tangible common equity | 16.43% | 16.54% | 16.71% | 16.86% | 7.31% | 14.55% | 14.22% | 14.56% |
| Net interest margin | 3.97% | 4.14% | 4.15% | 4.17% | 4.13% | 4.14% | 4.16% | 4.14% |
| Efficiency ratio **(2)** | 36.09% | 36.37% | 38.55% | 38.38% | 35.12% | 37.49% | 39.10% | 40.06% |
| **Other Ratios:** | | | | | | | | |
| Allowance for credit losses to total loans **(3)** | 1.00% | 1.00% | 1.00% | 1.00% | 1.01% | 1.03% | 1.02% | 1.03% |
| Allowance for credit losses to total nonperforming loans | 429.72% | 452.28% | 612.42% | 491.56% | 489.20% | 379.11% | 356.00% | 416.91% |
| Nonperforming loans to total loans **(3)** | 0.23% | 0.22% | 0.16% | 0.20% | 0.21% | 0.27% | 0.29% | 0.25% |
| Nonperforming assets to total assets | 0.21% | 0.20% | 0.16% | 0.19% | 0.20% | 0.24% | 0.26% | 0.22% |
| Net charge-offs (annualized) to average loans **(3)** | 0.05% | 0.05% | 0.05% | 0.06% | 0.15% | 0.00% | 0.02% | 0.04% |
| Tier 1 capital (to average assets) | 12.08% | 12.13% | 11.97% | 11.76% | 11.45% | 11.78% | 11.61% | 11.51% |
| Total capital (to risk weighted assets) | 16.07% | 15.74% | 15.59% | 15.32% | 15.02% | 15.30% | 15.13% | 14.97% |
| Common equity tier 1 capital (to risk weighted assets) | 12.47% | 12.11% | 11.89% | 11.57% | 11.23% | 11.40% | 11.18% | 10.97% |
| Tangible common equity ratio **(1)** | 12.11% | 12.01% | 11.79% | 11.57% | 11.44% | 11.35% | 11.15% | 10.97% |
| **Average Balances (in thousands):** | | | | | | | | |
| Total assets | $ 8,415,480 | $ 8,023,535 | $ 7,789,564 | $ 7,597,485 | $ 7,487,624 | $ 7,128,769 | $ 6,959,994 | $ 6,772,164 |
| Total earning assets | $ 8,171,010 | $ 7,793,422 | $ 7,558,138 | $ 7,373,535 | $ 7,242,994 | $ 6,897,613 | $ 6,728,055 | $ 6,538,377 |
| Total loans | $ 6,897,434 | $ 6,646,264 | $ 6,569,931 | $ 6,433,730 | $ 6,207,505 | $ 5,946,411 | $ 5,895,174 | $ 5,705,261 |
| Total deposits | $ 6,950,714 | $ 6,485,144 | $ 6,269,126 | $ 6,063,017 | $ 6,101,727 | $ 5,827,953 | $ 5,660,119 | $ 5,554,402 |
| Total borrowings | $ 342,637 | $ 464,460 | $ 485,729 | $ 523,369 | $ 382,687 | $ 344,959 | $ 375,124 | $ 318,143 |
| Total shareholders’ equity | $ 1,079,622 | $ 1,040,826 | $ 1,002,091 | $ 966,585 | $ 951,727 | $ 921,493 | $ 890,498 | $ 859,779 |

(1) Tangible common equity to tangible assets (the "tangible common equity ratio") and tangible book value per common share are non-GAAP financial measures derived from GAAP based amounts. The Company calculates the tangible common equity ratio by excluding the balance of intangible assets from common shareholders' equity and dividing by tangible assets. The Company calculates tangible book value per common share by dividing tangible common equity by common shares outstanding, as compared to book value per common share, which the Company calculates by dividing common shareholders' equity by common shares outstanding. The Company considers this information important to shareholders as tangible equity is a measure that is consistent with the calculation of capital for bank regulatory purposes, which excludes intangible assets from the calculation of risk based ratios and as such is useful for investors, regulators, management and others to evaluate capital adequacy and to compare against other financial institutions.

(2) Computed by dividing noninterest expense by the sum of net interest income and noninterest income.

(3) Excludes loans held for sale.