EAGLE BANCORP INC
Form 424B2
March 05, 2015
Table of Contents

Calculation of the Registration Fee

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price(1)	Amount of Registration Fee(1)
Common Stock, $0.01 par value per share	$ 99,999,950	$ 11,620

(1) Calculated in accordance with Rule 457(r) of the Securities Act.

Table of Contents

Filed pursuant to Rule 424(b)(2)

Registration Statement Number 333-202405

Prospectus Supplement

To the Prospectus Dated March 2, 2015

2,449,479 Shares

Common Stock

We are offering 2,449,479 shares of our common stock at a public offering price of $35.50 per share. Our common stock is traded on The Nasdaq Capital Market under the symbol EGBN. On March 4, 2015, the last reported sale price of our common stock on The Nasdaq Capital Market was $35.57 per share.

Investing in our common stock involves risks. Please carefully read the Risk Factors beginning on page S-11 of this prospectus supplement and appearing in our Annual Report on Form 10-K for the year ended December 31, 2014 for a discussion of certain factors that you should consider before making your investment decision.

	Per share		Total	
Public offering price	$	35.500	$	86,956,504
Underwriting discount(1)	$	1.775	$	4,347,825
Proceeds to us, before expenses	$	33.725	$	82,608,679

(1) See Underwriting beginning on page S-18 for disclosure regarding the underwriting discounts, expenses payable to the underwriter and proceeds to us, before expenses.

The shares of common stock are being offered through the underwriter on a firm commitment basis. We have granted the underwriter a 30-day option to purchase up to 367,421 additional shares of common stock at the same price, and on the same terms, solely to cover over-allotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement and the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

These securities are not deposits, savings accounts, or other obligations of a depository institution and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

The underwriter expects to deliver the shares of our common stock in book-entry form only, through the facilities of The Depository Trust Company, against payment on or about March 10, 2015, subject to customary closing conditions.

The date of this prospectus supplement is March 4, 2015

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

	Page
About This Prospectus Supplement	S-2
Caution About Forward Looking Statements	S-2
Prospectus Supplement Summary	S-4
The Offering	S-7
Selected Financial Data	S-8
Risk Factors	S-11
Use of Proceeds	S-13
Capitalization	S-14
Market for Our Common Stock and Dividend Policy	S-14
Description of Our Capital Stock	S-15
Underwriting	S-18
Legal Matters	S-21
Experts	S-22
Where You Can Find Additional Information	S-22
Incorporation of Certain Information by Reference	S-22

Prospectus

	Page
About this Prospectus	1
Caution About Forward Looking Statements	2
Where You Can Find Additional Information About Eagle Bancorp	3
Incorporation of Certain Information by Reference	3
Eagle Bancorp, Inc.	4
Risk Factors	4
Ratio of Earnings to Fixed Charges and Preferred Dividends	5
Use of Proceeds	5
Legal Matters	5
Experts	5

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we authorized to be delivered to you. We have not, and Sandler O Neill + Partners, L.P., or Sandler, has not, authorized any other person to provide you with additional information or information different from that contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus and any free writing prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. To the extent information in this prospectus supplement and any free writing prospectus is inconsistent with any of the documents incorporated by reference into this prospectus supplement and any free writing prospectus, you should rely on this prospectus and any free writing prospectus. We are not, and Sandler is not, making an offer to sell our securities in any jurisdiction where the offer or sale is not permitted.

You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, or any documents incorporated by reference herein, is accurate as of their respective dates. Our business, financial condition, results of operations, and prospects may have changed since those dates. This prospectus supplement supersedes the accompanying prospectus to the extent it contains information that is different from or in addition to the information in that prospectus.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering, and updates and adds to the information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which provides more general information about us, the common stock, and the other securities we may offer from time to time, some of which may not apply to this offering. You should read this prospectus supplement, the accompanying prospectus and any free writing prospectus, together with additional information described below under the headings Where You Can Find Additional Information and Incorporation of Certain Information by Reference. Generally, when we refer to this prospectus we mean this prospectus supplement together with the accompanying prospectus.

We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where such offers and sales are permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. This prospectus supplement does not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any common stock offered by this prospectus supplement by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

Unless otherwise expressly stated or the context otherwise requires, all information in this prospectus supplement assumes that (i) the underwriter will not exercise its option to purchase additional shares of our common stock to cover over-allotments, if any, and (ii) no options, warrants, stock rights or shares of common stock were issued after March 3, 2015.

This prospectus supplement includes market size, market share and industry data that we have obtained from internal company surveys, market research, publicly available information and various industry publications. The third-party sources from which we have obtained information generally state that the information contained therein has been obtained from sources believed to be reliable, but we cannot assure you that this information is accurate or complete. We have not independently verified any of the data from third-party sources nor have we verified the underlying economic assumptions relied upon by those third parties. Similarly, internal company surveys, industry forecasts and market research, which we believe to be reliable based upon management s knowledge of the industry, have not been verified by any independent sources. Our internal company surveys are based on data we have collected over the past several years.

In this prospectus supplement, unless otherwise expressly stated or the context otherwise requires, the terms we, us, the Company, Eagle, and our refer to Eagle Bancorp, Inc. and our subsidiaries on a combined basis, except that in the description of the securities offered, these terms refer solely to Eagle Bancorp, Inc. and not to any of our subsidiaries. References to EagleBank or Bank refer to EagleBank, Bethesda, Maryland, which is our principal subsidiary.

CAUTION ABOUT FORWARD LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain or incorporate by reference forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These forward looking statements represent plans, estimates, objectives, goals, guidelines, expectations, intentions, projections and statements of our beliefs concerning future events, business plans, objectives, expected operating results and the assumptions upon which those statements are based. Forward looking statements include without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and are typically identified with words such as may, could, should, will, would, believe, anticipate, estimate, expect, intend, plan, or words or phases of similar meaning. We caution that the forward lookin are based largely on our expectations and are subject to a number of known and unknown risks and uncertainties that are subject to change based on factors which are, in many instances, beyond our control. Actual results, performance or achievements could differ materially from those contemplated, expressed, or implied by the forward looking statements.

Table of Contents

The following factors, among others, could cause our financial performance to differ materially from that expressed in such forward looking statements:

- The strength of the United States economy in general and the strength of the local economies in which we conduct operations;
- Geopolitical conditions, including acts or threats of terrorism, or actions taken by the United States or other governments in response to acts or threats of terrorism and/or military conflicts, which could impact business and economic conditions in the United States and abroad;
- The effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System, or the Federal Reserve Board, inflation, interest rate, market and monetary fluctuations;
- The timely development of competitive new products and services and the acceptance of these products and services by new and existing customers;
- Results of examinations of us by our regulators, including the possibility that our regulators may, among other things, require us to increase our allowance for credit losses or to write-down assets;
- Changing bank regulatory conditions, policies or programs, whether arising as new legislation or regulatory initiatives, that could lead to restrictions on activities of banks generally, or our subsidiary bank in particular, more restrictive regulatory capital requirements, increased costs, including deposit insurance premiums, regulation or prohibition of certain income producing activities or changes in the secondary market for loans and other products;
- The willingness of users to substitute competitors products and services for our products and services;
- The impact of changes in financial services policies, laws and regulations, including laws, regulations and policies concerning taxes, banking, securities and insurance, and the application thereof by regulatory bodies;
- The effect of changes in accounting policies and practices, as may be adopted from time-to-time by bank regulatory agencies, the SEC, the Public Company Accounting Oversight Board, the Financial Accounting Standards Board or other accounting standards setting bodies;
- Technological and social media changes;
- The effect of acquisitions we may make, including, without limitation, the failure to achieve the expected revenue growth and/or expense savings from such acquisitions;
- The growth and profitability of non-interest or fee income being less than expected;
- Changes in the level of our non-performing assets and charge-offs;
- Changes in consumer spending and savings habits;
- Unanticipated regulatory or judicial proceedings; and
- Other risk factors included under the heading Risk Factors beginning on page S-11 and appearing in our Annual Report on Form 10-K for the year ended December 31, 2014.

If one or more of the factors affecting our forward looking information and statements proves incorrect, then our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward looking information and statements contained in this prospectus supplement and the accompanying prospectus, and in the information incorporated by reference herein and therein. Therefore, we caution you not to place undue reliance on our forward looking information and statements. We will not update the forward looking statements to reflect actual results or changes in the factors affecting the forward looking statements.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus and may not contain all the information that you need to consider in making your investment decision. To understand this offering fully, you should read this prospectus supplement and the accompanying prospectus carefully. You should carefully read the sections titled Risk Factors in this prospectus supplement and in the accompanying prospectus and the documents identified in the section Incorporation of Certain Information by Reference.

The Company

We are the registered bank holding company for EagleBank, Bethesda, Maryland, a Maryland chartered commercial bank which is a member of the Federal Reserve System. We were organized in October 1997 to be the holding company for EagleBank, which commenced operations in July 1998.

We are a growth-oriented company providing a high level of service to further enhance our deep relationships with our customers. The Company offers a broad range of commercial banking services to its business and professional clients as well as full service consumer banking services to individuals living and/or working primarily in our service area. EagleBank was organized as an alternative to the super-regional financial institutions which dominate our market area. Eagle Bank s relationship banking philosophy is service driven in order to become familiar with and address the customer s needs in a proactive personalized fashion.

Our common stock is listed for trading on The Nasdaq Capital Market under the symbol EGBN. As of March 4, 2015 there were 30,486,059 shares of our common stock outstanding.

At December 31, 2014, we had total assets of approximately $5.2 billion, total loans of approximately $4.31 billion, total deposits of approximately $4.31 billion, total shareholders equity of approximately $620.8 million and tangible common equity of approximately $439.0 million. At December 31, 2014, our nonperforming assets (consisting of nonaccrual loans, loans past due 90 or more days and other real estate owned) were approximately $35.7 million, or 0.68% of total assets. For the year ended December 31, 2014, we reported earnings of $1.95 per diluted common share, including $4.7 million of merger related expenses associated with the merger with Virginia Heritage Bank, or Virginia Heritage, completed on October 31, 2014. If merger related expenses are excluded, then our earnings would have been $2.08 per diluted common share. We currently operate from 22 branch offices in Northern Virginia (10 branches), Montgomery County, Maryland (7 branches) and the District of Columbia (5 branches).

As noted above, the Company completed its acquisition of Virginia Heritage, a $955 million asset community bank with six offices in Northern Virginia, during the fourth quarter of 2014. The merger, a strategic transaction which significantly expanded EagleBank s presence in Northern Virginia, added approximately $800 million in loans, $645 million in deposits, $95 million of borrowings, and approximately $106.9 million of goodwill and other intangibles to our balance sheet. Since the closing of the acquisition, we have sold one Virginia Heritage branch located outside of our market area, with approximately $66 million of deposits, largely time deposits. We also have consolidated an existing EagleBank branch with a Virginia Heritage branch. We plan to consolidate one additional Virginia Heritage branch.

Our principal executive offices are located at 7830 Old Georgetown Road, Bethesda, Maryland 20814 and our telephone number is 301.986.1800. Our internet website is http://www.eaglebankcorp.com. The reference to our website does not constitute incorporation by reference of the information contained on the internet website, which should not be considered part of this prospectus supplement or the accompanying prospectus.

Our Strategy

Our goal is to continue to grow our Company, while maintaining sound operations and risk management, in order to provide attractive returns to our shareholders. EagleBank, the largest community bank headquartered in Maryland, and in 2014, the most profitable, has become a leading community bank in the

Table of Contents

Washington, D.C. metropolitan area as a result of our relationship banking approach.

We intend to continue to expand our operations, primarily through organic growth, and to a lesser extent, de novo branching and opportunistic acquisitions, while continuing to emphasize asset quality and profitability. Our strategy has been successful to date, and we believe that we can continue to drive returns to shareholders by focusing on a few key elements as follows:

- **Focused on Profitability.** Our management team and board of directors, who currently own approximately 10.69% of the outstanding shares of the Company, are dedicated to producing consistent profits and total returns for our shareholders. The Company has historically achieved a strong net interest margin, which is a key driver of our profitability. We are also continuing to focus on expense control, paying particular attention to our efficiency ratio and the ratio of noninterest expenses to average assets. By striving to constantly improve our net interest margin and efficiency ratio we aim to achieve high performance and to continually drive our return on average assets and return on average equity. For the twelve months ended December, 31, 2014, our return on average assets was 1.31% and our return on average common equity was 13.50%. Excluding $4.7 million of merger related expenses incurred in connection with our acquisition of Virginia Heritage, our return on average assets would have been 1.40% and our return on average equity would have been 14.38%. Through December, 31, 2014, the Company has recorded 24 consecutive quarters of increasing net income and net income available to common shareholders.

- **Strong Net interest Margin.** For the year ended December 31, 2014, our net interest margin was 4.44%, which is the highest our net interest margin has been since 2007, and 14 basis points higher than our net interest margin of 4.30% for the year ended December 31, 2013. We have a veteran management team and a dedicated board of directors that have been able to develop deep relationships with customers, as well as develop new relationships, with an emphasis on core deposit growth. This focus on building deep relationships with our customers has positively impacted our deposit costs and loan yields, resulting in our strong net interest margin.

- **Strong Asset Quality.** Credit quality remains our most important focus. At December 31, 2014, our nonperforming assets (nonaccrual loans, loans 90 days or more past due and OREO) as a percentage of total assets was 0.68%. Approximately 70% of our total loan portfolio consists of commercial real estate loans, including approximately 18% of loans collateralized by residential and commercial acquisition, development and construction loans. Our low level of nonperforming assets is a result of (i) the extensive real estate expertise among our lending and credit administration staff, executive officers and board of directors, and (ii) our strict, quality oriented underwriting and credit monitoring processes. We have realized a decrease in the percentage of nonperforming assets and loans 90 or more days past due to total assets over each of the last five years ended December 31, 2014. We are vigilant in rapidly responding to adverse economic conditions and to specific problem credits, as well as working to minimize losses. With the increased lending opportunities that are available in our market area as a result of retrenching by larger banks during and after the recession, we have been increasingly able to fund only the projects we deem high quality, and to adequately price and reserve for risk.

- **Low Charge-Off History.** As a result of our focus on credit quality, for the year ended December 31, 2014 our ratio of net charge-offs to average loans was 0.17%, which is down from 0.23% for the year ended December 31, 2013. For the five years ended December 31, 2014, our ratio of average net charge-offs to average loans was 0.29%.

- **Driven by Deep, Long-Term, Customer Relationships.** Our banking model is relationship based, and seeks to provide customers with multiple products, based upon our loan and relationship officer s extensive knowledge of the customer s business. We provide our customers with ready access to our team of locally-based decision-makers. While this model often requires a higher degree of direct customer contact than business models based on service centers, 800 numbers and internet websites, we believe it enables us to both create more ties with our customers and to cross-sell our varied product offerings to generate higher revenues. Over the last several years, we have been presented with, and have been able to capitalize on, increased opportunities to provide loan

Table of Contents

and deposit services to customers of national and super-regional banks who have had their relationships restricted, terminated or otherwise disrupted. We believe these displaced customers have come to understand the value and benefits of EagleBank s local relationship-based banking model, and will remain with us, even as the national and super-regional banks continue their sales efforts in our markets and focus on our target customer.

- **Demonstrated Organic Growth.** Our historic growth in assets, loans, deposits and earnings has been consistently strong. We believe that we can continue to attract new customers through relationship banking without having to rely solely on an expansive branch network to compete with the national and super-regional banks. We believe that our existing network of 22 branches has significant potential to grow loan and deposits balances. While we intend to continue to explore opportunities for establishing additional branches, we have no current plans to add any additional branches, and intend to be highly selective in additional branching decisions.

- **Strategic Geographic Market Positioning.** EagleBank opened its doors in 1998 with three branches in Montgomery County, Maryland. Since then, EagleBank has established, by de novo expansion and acquisition, 19 additional branch offices, net of consolidations, for a total of 22 branches. EagleBank purposefully focused on those sub-markets of the Washington, D.C. metropolitan area where its officers and directors had existing relationships, and where they were most familiar with the local economy. Supported by the presence of the federal government, many government facilities, government contractors, law and lobbying firms and nonprofit groups, a highly educated workforce, and a per capita income among the highest in the country, the Washington, D.C. metropolitan area has weathered the recent financial turmoil better than many areas of the country. Montgomery County, Washington, D.C. and the Northern Virginia market represent stable and densely populated sub-markets.

- **Proven Ability to Evaluate and Execute Acquisitions.** We have pursued a number of acquisitions during our 16 year history; however we have pursued only two whole bank transactions to completion the acquisition of Fidelity & Trust Financial Corporation, or Fidelity, in 2008, and the acquisition of Virginia Heritage in 2014. We believe that each of these transactions provided us with meaningful balance sheet growth, significant business development and market expansion opportunities, and substantial cost saving opportunities. Our current strategic plan considers acquisitions on an opportunistic basis only, and not as the focus of our growth efforts. We anticipate that consolidation in the industry will continue due to increased regulatory pressures and continuing slow growth and margin pressure. When consolidation occurs among banks operating in our market, we will be opportunistic and seek to capitalize on the resulting dislocation of customer relationships and employees to acquire new customers and add additional loan, deposit and business development officers.

- **Focus on Hiring and Retention.** While we believe that each of the acquisitions we have completed has provided, and will continue to provide, significant benefits and opportunities, our focus remains on organic growth. This focus requires that we emphasize recruiting and retaining experienced bankers and relationship officers with significant customer relationships and deep knowledge of our market. We believe current market conditions in the industry are highly conducive to hiring experienced and capable bankers.

- **Board and Management Team Focused on Vision.** Our Company has a management team and a board of directors with significant banking experience in the Washington, D.C. metropolitan area. Not only are these individuals dedicated to building deep customer relationships for the benefit of the Company, the Company s directors and executive officers also maintain significant ownership of our common stock, currently owning approximately 10.69% of the outstanding shares of common stock.

Table of Contents

The Offering

Issuer	Eagle Bancorp, Inc.
Shares offered	Up to 2,449,479 shares of common stock, $0.01 par value. (1)
Offering price	$35.50 per share
Over-allotment option	We have granted the underwriter an option to purchase up to an additional 367,421 shares of common stock within 30 days of the date of this prospectus supplement in order to cover over-allotments, if any.
Shares outstanding after completion of offering	32,935,538 (2)
Use of proceeds	We intend to use the proceeds of the offering for general corporate purposes, including but not limited to: • the payment of the redemption price (including accrued but unpaid dividends to the date of redemption) of (i) the $56.6 million of the Company s Senior Perpetual Non-Cumulative Preferred Stock, Series B, or Series B Preferred Stock, issued to the U.S. Secretary of the Treasury, or Treasury, pursuant to the Small Business Lending Fund, or SBLF, and (ii) the $15.3 million liquidation amount of the Company s Senior Perpetual Non-Cumulative Preferred Stock, Series C, or Series C Preferred Stock, issued to Treasury in connection with the merger with Virginia Heritage; • contribution of capital to our subsidiaries, including the Bank, to support organic growth, de novo branching and opportunistic acquisitions, should appropriate acquisition opportunities arise. Currently, we do not have any agreements, arrangements or understandings regarding any possible acquisitions. For additional details, see Use of Proceeds at page S 13. We expect that the redemption of the Series B Preferred Stock and Series C Preferred Stock, or the SBLF Preferred Stock, would occur prior to the increase in the dividend rate from 1% to 9% in January 2016.
Nasdaq Capital Market symbol	EGBN
Dividends and distributions	We do not currently pay a dividend on our common stock, based on our board of directors determination that it is in the best interests of the Company and its shareholders to reinvest earnings in the Company s operations. In addition, the terms of our Series B Preferred Stock and Series C Preferred Stock issued under the SBLF program, or our SBLF Preferred Stock, place certain restrictions on the payment of dividends or other distributions on our common stock.
Risk factors	Investing in our common stock involves risks. You should carefully consider the information under Risk Factors beginning on page S 11 and the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus before investing in our common stock.

(1) The number of shares offered assumes that the underwriter s over-allotment option is not exercised. If the over-allotment option is exercised in full, we will issue and sell 2,816,900 shares.

(2) The number of shares outstanding after the offering is based on 30,486,059 shares of common stock outstanding as of March 4, 2015, and excludes 367,421 shares issuable pursuant to the exercise of the underwriter s over-allotment option. It also excludes an aggregate of 757,183 shares reserved as of December 31, 2014 for issuance under our equity compensation plans subject to outstanding awards and 423,977 shares reserved for issuance upon the exercise of outstanding warrants.

Table of Contents

SELECTED FINANCIAL DATA

The following table sets forth selected historical consolidated financial data for the Company as of and for each of the five years ended December 31, 2014 (which has been derived from our audited consolidated financial statement). You should read this table together with the historical consolidated financial information contained in our consolidated financial statements and related notes, as well as our Management s Discussion and Analysis of Financial Condition and Results of Operation included in our Annual Report on Form 10-K for the year ended December 31, 2014, which has been filed with the SEC and is incorporated by reference in this prospectus supplement. We have presented certain information in the table below on a non-GAAP basis, as defined below. We believe that these non-GAAP ratios, when taken together with the corresponding ratios calculated in accordance with GAAP, provide meaningful supplemental information regarding our performance for the periods presented. Reconciliations for the non-GAAP measures included in the table are provided below. The results included here and elsewhere in this prospectus supplement are not necessarily indicative of future performance.

	At or for the year ended December 31,				
(dollars in thousands except per share data)	**2014**	**2013**	**2012**	**2011**	**2010**
Balance Sheets Period End					
Securities	$ 404,903	$ 389,405	$ 310,514	$ 324,053	$ 237,576
Loans held for sale	44,317	42,030	226,923	176,826	80,571
Loans	4,312,399	2,945,158	2,493,095	2,056,256	1,675,500
Allowance for credit losses	46,075	40,921	37,492	29,653	24,754
Intangible assets, net	109,908	3,510	3,785	4,145	4,188
Total assets	5,247,880	3,771,503	3,409,441	2,831,255	2,089,370
Deposits	4,310,768	3,225,414	2,897,222	2,392,095	1,726,798
Borrowings	280,420	119,771	140,638	152,662	146,884
Total liabilities	4,627,121	3,377,640	3,059,465	2,564,544	1,884,654
Preferred shareholders equity	71,900	56,600	56,600	56,600	22,582
Common shareholders equity	548,859	337,263	293,376	210,111	182,134
Total shareholders equity	620,759	393,863	349,976	266,711	204,716
Tangible common equity(1)(2)	438,951	333,753	289,591	205,966	177,946
Statements of Operations					
Interest income	$ 191,573	$ 157,294	$ 141,943	$ 119,124	$ 96,658
Interest expense	13,095	12,504	14,414	20,077	19,832
Provision for credit losses	10,879	9,602	16,190	10,983	9,308
Noninterest income	18,345	24,716	21,364	13,501	9,242
Noninterest expense (3)	99,728	84,579	76,531	63,276	51,005
Income before taxes	86,216	75,325	56,172	38,289	25,755
Income tax expense	31,958	28,318	20,883	13,731	9,098
Net income (3)	54,258	47,007	35,289	24,558	16,657
Preferred dividends	614	566	566	1,511	1,299
Net income available to common shareholders (3)	53,644	46,441	34,723	23,047	15,358
Per Common Share Data(4)					
Net income, basic (3)	$ 2.01	$ 1.81	$ 1.50	$ 1.05	$ 0.71
Net income, diluted (3)	1.95	1.76	1.46	1.04	0.70
Book value	18.21	13.03	11.62	9.57	8.41
Tangible book value (1)(2)	14.56	12.89	11.47	9.38	8.21
Common shares outstanding	30,139,396	25,885,863	25,250,378	21,948,128	21,670,426

Table of Contents

(dollars in thousands except per share data)	At or for the year ended December 31, 2014	2013	2012	2011	2010
Weighted average common shares outstanding, basic	26,683,759	25,726,062	23,135,886	21,819,087	21,613,450
Weighted average common shares outstanding, diluted	27,550,978	26,358,611	23,743,815	22,316,593	22,046,554
Ratios					
Net interest margin	4.44%	4.30%	4.32%	3.99%	4.09%
Efficiency ratio (3)(5)	50.67%	49.90%	51.40%	56.22%	59.26%
Return on average assets (3)	1.31%	1.37%	1.18%	0.97%	0.86%
Return on average common equity (3)	13.50%	14.60%	14.14%	11.71%	8.74%
Total capital (to risk weighted assets)	12.97%	13.01%	12.20%	11.84%	11.64%
Tier 1 capital (to risk weighted assets)	10.39%	11.53%	10.80%	10.33%	9.91%
Tier 1 capital (to average assets)	10.69%	10.93%	10.44%	8.21%	9.32%
Tangible common equity (1)(2)	8.54%	8.86%	8.50%	7.29%	8.53%
Asset Quality					
Nonperforming assets and loans 90+ past due	$ 35,667	$ 33,927	$ 35,983	$ 36,019	$ 31,988
Nonperforming assets and loans 90+ past due to total assets	0.68%	0.90%	1.06%	1.27%	1.53%
Nonperforming loans to total loans	0.52%	0.84%	1.23%	1.59%	1.51%
Allowance for credit losses to loans	1.07%	1.39%	1.50%	1.44%	1.48%
Allowance for credit losses to nonperforming loans	205.30%	165.66%			