JEFFREY M. HARP
President
jharp@TrinityBk.com

August 3, 2011

Dear Shareholder

I am writing this letter on August 1. The debt ceiling debate (debacle?) and the 30 something days of 100° heat with no rain have just about drained everyone that I know. But it will cool off and rain again some day, and the United States will be dragged kicking and screaming into fiscal responsibility.

The second quarter of 2011 was a good quarter – not great, but good (the press release is attached). We continue to earn more than the preceding quarter. The increase is not as much as we would like, but at least it is an increase. The returns – Return on Assets of 1.46% and Return on Equity of 13.11% - are very good, comparatively speaking.

<u>The 3 Legged Stool for a Successful Bank</u>

The wisest financial man I ever knew used to say, "Remember the basics and focus on them." Well, the three legs of the successful bank stool are:

Growth
Profitability
Quality

and emphasis must be placed equally on each. Overemphasis in one area will hurt the others. This is true no matter the size or geographical location of the bank. This is a difficult task, especially in this economic environment.

<u>Growth</u>

This is the area that we have struggled with the most. When I sold stock to the original shareholders, the speech went something like this.

> "We should be able to add $20 million in deposits and $15 million in loans each year. In 10 years, we should be a bank with $200 million in deposits and $150 million in loans – making $3-4 million annually after tax."

Well, we just completed our 8th full year of operations. So how are we doing? As of June 30, 2011:

	Goal	Actual
Loans	$120 million	$75 million
Deposits	$160 million	$135 million
Profit	$2.4-3.2 million	$2.137 million (last four quarters)

This is meant to be factual, not discouraging. I just think that the manager of a business that I invest in ought to be held accountable for what he told me. The above numbers are the scorecard. You will have to put your own grade on it. Looking back, I do not see anything I would have done differently in a major way. It is just that the excesses that have been built into our economy in the last 30 years are going to have to be wrung out. And it is and will be a painful process.

Let me give you one example. The U.S. built about 15 years of housing supply in 5 years. The housing market is not going to recover in a couple of years. (Politically, we have subsidized housing through the tax code instead of education, jobs, infrastructure, etc. No wonder!)

Profitability

This leg of the stool has been acceptable (in my opinion). Comparatively speaking, our profitability is exceptional – because we are comparing it to a lot of banks that let one leg of the stool get too long. Trinity Bank is efficient and proficient at generating profit from every dollar of revenue. The following numbers are indicative.

	Net Interest Income Per Employee *	Net Income Per Employee
2006	$220,000	$ 68,000
2007	$231,000	$ 69,000
2008	$266,000	$ 99,000
2009	$303,000	$116,000
2010	$349,000	$143,000

* I used Net Interest Income – Interest Income minus Interest Expense – instead of Gross Revenue because high (or low) interest rate levels can influence Gross Revenue. Net Interest Income is a bank's Gross Profit.

We have an excellent staff. They are to be commended for their effort and the results. For those shareholders that come by the bank, please pat someone on the back. Or give them a word of encouragement or thanks. Passing out praise is not one of my strong suits. I need all the help I can get.

Quality

Quality of assets, both loans and investments, has been good to date – by any measure. But we have challenges like everyone else. I have mentioned previously that our largest credit concentration is in the commercial construction market. This segment includes general contractors, subcontractors, suppliers/vendors, and service providers. With a few notable exceptions, this is what the last four years have looked like for the people in this line of business.

2008	Lots of work. Decent margins.
2009	Okay, but mainly because of work that started in 2008.
2010	Very tough year coinciding with drop in the economy in Spring '09. Not many opportunities.
2011	More work to look at (encouraging) but lots of competition and margins are slim.

This segment is struggling as are many other segments of our economy. Repeating myself from earlier letters, we will work to protect the bank while helping good people through bad times.

As far as the investment securities that the bank owns, I think we are in good shape. We own no Treasuries or bonds issued by Federal Agencies. We own about $16.5 million in corporate bonds (issued by companies that can pay) and about $35 million in tax- free bonds – 90% of which are bonds issued by Texas School Districts and guaranteed by the Permanent School Fund. These are the safest investments that I am aware of. In addition, the weighted average life of the whole securities portfolio is 3 years. So a rapid increase in interest rates will not hurt us significantly. I'm not predicting a rapid rise in rates. I just don't know. But we are as prepared as we can be if that happens. And rates can't drop much lower from where they are today.

In summary, each leg of the Trinity Bank stool is reasonably strong, and the stool itself is pretty level. If we can ever get the economy going again, we are going to hit the ball over the fence.

To close this letter, you know I cannot go without an opinion on our political situation. For the last month, we have been hearing about the debt ceiling crisis, ad nauseum. The debt ceiling is the symptom. The debt is the problem. If we can start to solve the debt problems (and all of the plans put forth are only a small step down a long road), then we will be okay.

If we don't solve the debt problem, the rest of the world will do it for us. In the discussion about investments, I mentioned that Trinity Bank owned no Treasury Bonds or bonds issued by Federal Agencies (with the implied or explicit backing of the Treasury). The issue about our nation's AAA credit rating is really irrelevant. The bad news is that the United States, by any objective measurement, is no longer a AAA credit. The good news is that the market knows this and rates haven't gone up, yet. Today, the rest of the world has no place else to invest that's better. Tomorrow may be different.

I always want to end by being appreciative of your investment in and support of Trinity Bank. We work hard every day to produce a good return on the dollars you have entrusted to us. If you have any questions or if you have any issues you would like for me to address in future letters, please contact me. I am available in person, by phone or email.

Sincerely,

Jeff Harp

Jeffrey M. Harp
President

For Immediate Release

TRINITY BANK 2011 2nd QUARTER PROFITS UP 12.5%

2nd QUARTER EARNINGS PER SHARE UP 16.7%

27th CONSECUTIVE QUARTER OF PROFIT IMPROVEMENT

FORT WORTH, Texas, July 25, 2011 - Trinity Bank N.A. (OTC Bulletin Board: TYBT) today announced operating results for the second quarter and the six months ending June 30, 2011.

Results of Operations

For the second quarter of 2011, Trinity Bank, N.A. reported Net Income after Taxes of $558,000, an increase of 12.5% over second quarter 2010 earnings of $496,000. Earnings per diluted common share for the second quarter 2011 amounted to $.49, an increase of 16.7% over second quarter 2010 results of $.42 per diluted common share.

For the first six months of 2011, Net Income after Taxes was $1,097,000, an increase of 13.8% over the first half of 2010 results of $964,000. Earnings per diluted common share for the first half of 2011 were $.97, an increase of 18.3% over the first half of 2010 results of $.82 per diluted common share.

Jeffrey M. Harp, President, stated, "The increase in Earnings Per Share (16.7%) is greater than the increase in Net Income (12.5%) because of the share repurchase program put in place in June 2010. We continue to believe that repurchasing shares at appropriate prices produces shareholder value."

Mr. Harp also reported, "The shareholders of Trinity Bank approved a new stock repurchase program at the 2011 annual meeting. Subsequently, our primary regulator, the Office of the Comptroller of the Currency, approved our application to repurchase up to 3% of the outstanding common stock of Trinity Bank through open-market purchases during the next 12 months."

"In spite of the uncertainty in Washington and, as a result, the economy in general, Trinity Bank generated a Return on Assets of 1.46% and a Return on Equity (excluding unrealized gain on investments) of 13.11% for the second quarter of 2011. These returns compare very favorably to other banks, regionally and nationally."

Actual for Quarter Ending

(in 000's)	3 Months 6-30-11	3 Months 6-30-10	%
Diluted Weighted Average Shares	1,133	1,171	
Earnings per Share	$ 0.49	$ 0.42	16.7 %

Actual for Six Months Ending

(in 000's)	6 Months 6-30-11	6 Months 6-30-10	
Diluted Weighted Average Shares	1,131	1,171	
Earnings per Share	$ 0.97	$ 0.82	18.3 %
Return on Assets	1.46 %	1.32 %	
Return on Equity	13.11 %	12.35 %	

Trinity Bank, N.A. is a commercial bank that began operations May 28, 2003. For a full financial statement, visit Trinity Bank's website: www.trinitybk.com Regulatory reporting format is also available at www.fdic.gov.

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TRINITY BANK N.A.
(Unaudited)
(Dollars in thousands, except per share data)

EARNINGS SUMMARY	Quarter Ended June 30 2011	2010	% Change	Six Months Ended June 30 2011	2010	% Change
Interest income	1,426	1,536	-7.2%	2,900	3,023	-4.1%
Interest expense	217	302	-28.1%	443	613	-27.7%
Net Interest Income	**1,209**	**1,234**	**-2.0%**	**2,457**	**2,410**	**2.0%**
Provision for Loan Losses	**0**	**45**	**N/A**	**0**	**90**	**N/A**
Service charges on deposits	29	37	-21.6%	66	74	-10.8%
Net gain on securities available for sale	28	7	300.0%	57	20	185.0%
Other income	78	59	32.2%	140	123	13.8%
Total Non Interest Income	**135**	**103**	**31.1%**	**263**	**217**	**21.2%**
Salaries and benefits expense	312	315	-1.0%	652	628	3.8%
Occupancy and equipment expense	79	79	0.0%	154	158	-2.5%
Other expense	218	231	-5.6%	478	461	3.7%
Total Non Interest Expense	**609**	**625**	**-2.6%**	**1,284**	**1,247**	**3.0%**
Earnings before income taxes	735	667	10.2%	1,436	1,290	11.3%
Provision for income taxes	177	171	3.5%	339	326	4.0%
Net Earnings	**558**	**496**	**12.5%**	**1,097**	**964**	**13.8%**
Basic earnings per share	0.52	0.44	18.2%	1.03	0.86	19.8%
Basic weighted average shares outstanding	1,072	1,116		1,070	1,116	
Diluted earnings per share	0.49	0.42	16.7%	0.97	0.82	18.3%
Diluted weighted average shares outstanding	1,133	1,171		1,131	1,171	

BALANCE SHEET SUMMARY	Average for Quarter Ending June 30 2011	2010	% Change	Average for Six Months Ending June 30 2011	2010	% Change
Total loans	$71,676	$74,671	-4.0%	$71,391	$72,584	-1.6%
Total short term investments	21,929	19,397	13.1%	19,025	20,075	-5.2%
Total investment securities	50,714	48,896	3.7%	53,681	49,328	8.8%
Earning assets	**144,319**	**142,964**	**0.9%**	**144,097**	**141,987**	**1.5%**
Total assets	**152,633**	**150,282**	**1.6%**	**152,020**	**149,535**	**1.7%**
Noninterest bearing deposits	25,176	22,134	13.7%	24,644	22,420	9.9%
Interest bearing deposits	108,696	108,886	-0.2%	108,932	107,984	0.9%
Total deposits	**133,872**	**131,020**	**2.2%**	**133,576**	**130,404**	**2.4%**
Fed Funds Purchased and Repurchase Agreements	**438**	**924**	**-52.6%**	**609**	**957**	**-36.4%**
Shareholders' equity	**17,687**	**17,340**	**2.0%**	**17,331**	**17,153**	**1.0%**

TRINITY BANK N.A.
(Unaudited)
(Dollars in thousands, except per share data)

BALANCE SHEET SUMMARY	Average for Quarter Ending June 30, 2011	March 31, 2011	Dec 31, 2010	Sept. 30, 2010	June 30, 2010
Total loans	$71,676	$71,103	$72,047	$73,921	$74,671
Total short term investments	21,929	17,742	23,496	25,261	19,397
Total investment securities	50,714	56,684	53,988	50,517	49,896
Earning assets	**144,319**	**145,529**	**149,531**	**149,699**	**142,964**
Total assets	**152,633**	**151,401**	**155,868**	**156,779**	**150,282**
Noninterest bearing deposits	25,176	24,123	24,267	23,717	22,134
Interest bearing deposits	108,696	109,154	112,540	113,954	108,886
Total deposits	**133,872**	**133,277**	**136,807**	**137,671**	**131,020**
Fed Funds Purchased and Repurchase Agreements	**438**	**582**	**733**	**874**	**924**
Shareholders' equity	**17,687**	**16,972**	**17,382**	**17,209**	**17,340**

HISTORICAL EARNINGS SUMMARY	Quarter Ended June 30, 2011	March 31, 2011	Dec 31, 2010	Sept. 30, 2010	June 30, 2010
Interest income	1,426	1,474	1,516	1,542	1,536
Interest expense	217	226	270	307	302
Net Interest Income	**1,209**	**1,248**	**1,246**	**1,235**	**1,234**
Provision for Loan Losses	**0**	**0**	**150**	**45**	**45**
Service charges on deposits	29	37	34	37	37
Net gain on securities available for sale	28	29	153	25	7
Other income	78	63	55	64	59
Total Non Interest Income	**135**	**129**	**242**	**126**	**103**
Salaries and benefits expense	312	340	437	319	315
Occupancy and equipment expense	79	75	75	75	79
FDIC expense	45	45	45	45	45
Other expense	173	215	91	189	186
Total Non Interest Expense	**609**	**675**	**648**	**628**	**625**
Earnings before income taxes	735	702	690	688	667
Provision for income taxes	177	163	165	173	171
Net Earnings	**558**	**539**	**525**	**515**	**496**

TRINITY BANK N.A.
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HISTORICAL BALANCE SHEET	Ending Balance				
	June 30, 2011	March 31, 2011	Dec 31, 2010	Sept. 30, 2010	June 30, 2010
Total loans	$74,822	$71,287	$72,460	$73,003	$74,007
Total short term investments	17,404	25,369	17,886	27,750	20,612
Total investment securities	51,982	53,497	58,583	51,376	50,436
Total earning assets	**144,208**	**150,153**	**148,929**	**152,129**	**145,055**
Allowance for loan losses	1,371	1,371	1,371	1,221	1,176
Premises and equipment	1,404	1,440	1,442	1,479	1,513
Other Assets	5,850	6,024	4,949	6,757	6,967
Total assets	**150,091**	**156,246**	**153,949**	**159,144**	**152,359**
Noninterest bearing deposits	24,208	27,747	26,844	25,304	21,057
Interest bearing deposits	106,761	110,161	109,100	114,683	112,270
Total deposits	**130,969**	**137,908**	**135,944**	**139,987**	**133,327**
Fed Funds Purchased and Repurchase Agreements	292	534	538	702	511
Other Liabilities	690	559	646	1,050	965
Total liabilities	**131,951**	**139,001**	**137,128**	**141,739**	**134,803**
Shareholders' Equity Actual	**17,306**	**16,715**	**16,176**	**16,081**	**16,316**
Unrealized Gain - AFS	**834**	**530**	**645**	**1,324**	**1,240**
Total Equity	**18,140**	**17,245**	**16,821**	**17,405**	**17,556**

NONPERFORMING ASSETS	Quarter Ending				
	June 30, 2011	March 31, 2011	Dec 31, 2010	Sept. 30, 2010	June 30, 2010
Nonaccrual loans	$850	$488	$831	$1,785	$0
Restructured loans	$0	$0	$0	$0	$0
Other real estate & foreclosed assets	$0	$0	$0	$0	$0
Accruing loans past due 90 days or more	$0	$0	$0	$0	$0
Total nonperforming assets	**$850**	**$488**	**$831**	**$1,785**	**$0**
Accruing loans past due 30-89 days	$0	$0	$0	$0	$0
Total nonperforming assets as a percentage of loans and foreclosed assets	1.14%	0.68%	1.15%	2.45%	0.00%

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ALLOWANCE FOR LOAN LOSSES	Quarter Ending June 30, 2011	March 31, 2011	Dec 31, 2010	Sept. 30, 2010	June 30, 2010
Balance at beginning of period	**$1,371**	**$1,371**	**$1,221**	**$1,176**	**$1,131**
Loans charged off	0	0	0	0	0
Loan recoveries	0	0	0	0	0
Net (charge-offs) recoveries	0	0	0	0	0
Provision for loan losses	0	0	150	45	45
Balance at end of period	**$1,371**	**$1,371**	**$1,371**	**$1,221**	**$1,176**
Allowance for loan losses as a percentage of total loans	1.83%	1.92%	1.89%	1.67%	1.59%
Allowance for loan losses as a percentage of nonperforming loans	161.29%	280.94%	164.98%	68.40%	N/A
Net charge-offs (recoveries) as a percentage of average loans	N/A	N/A	N/A	N/A	N/A
Provision for loan losses as a percentage of average loans	N/A	N/A	0.21%	0.06%	0.06%

SELECTED RATIOS	Quarter Ending June 30, 2011	March 31, 2011	Dec 31, 2010	Sept. 30, 2010	June 30, 2010
Return on average assets (annualized)	1.46%	1.42%	1.35%	1.31%	1.32%
Return on average equity (annualized)	12.62%	12.70%	12.08%	11.97%	11.44%
Return on average equity (excluding unrealized gain on investments)	13.11%	12.90%	12.91%	12.95%	12.35%
Average shareholders' equity to average assets	11.59%	11.21%	11.15%	10.98%	11.54%
Yield on earning assets (tax equivalent)	4.24%	4.27%	4.32%	4.34%	4.52%
Cost of interest bearing funds	0.80%	0.82%	0.96%	1.07%	1.10%
Net interest margin (tax equivalent)	3.64%	3.65%	3.49%	3.52%	3.67%
Efficiency ratio (tax equivalent)	42.29	45.45	45.18	44.13	44.04
End of period book value per common share	16.87	16.16	15.76	16.04	15.73
End of period book value (excluding unrealized gain on investments)	16.10	15.67	15.16	14.82	14.62
End of period common shares outstanding	1,075	1,067	1,067	1,085	1,116

TRINITY BANK N.A.
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	3 Months Ending							
	June 20, 2011				June 20, 2010			
YIELD ANALYSIS	Average Balance	Interest	Yield	Tax Equivalent Yield	Average Balance	Interest	Yield	Tax Equivalent Yield
Interest Earning Assets:								
Short term investment	21,929	33	0.60%	0.60%	19,398	60	1.24%	1.24%
Investment securities	17,680	202	4.57%	4.57%	26,876	291	4.33%	4.33%
Tax Free securities	33,034	238	2.88%	4.15%	22,020	181	3.29%	4.74%
Loans	71,676	953	5.32%	5.32%	74,671	1,004	5.38%	5.38%
Total Interest Earning Assets	**144,319**	**1,426**	**3.95%**	**4.24%**	**142,965**	**1,536**	**4.30%**	**4.52%**
Noninterest Earning Assets:								
Cash and due from banks	5,590				3,295			
Other assets	4,095				5,181			
Allowance for loan losses	(1,371)				(1,159)			
Total Noninterest Earning Assets	**8,314**				**7,317**			
Total Assets	**$152,633**				**$150,282**			
Interest Bearing Liabilities:								
Transaction and Money Market accounts	79,397	144	0.73%	0.73%	76,687	186	0.97%	0.97%
Certificates and other time deposits	29,300	73	0.99%	0.99%	32,199	114	1.42%	1.42%
Other borrowings	438	1	0.46%	0.46%	924	2	0.87%	0.87%
Total Interest Bearing Liabilities	**109,135**	**217**	**0.80%**	**0.80%**	**109,810**	**302**	**1.10%**	**1.10%**
Noninterest Bearing Liabilities								
Demand deposits	25,176				22,134			
Other liabilities	635				998			
Shareholders' Equity	17,687				17,340			
Total Liabilities and Shareholders Equity	**$152,633**				**$150,282**			
Net Interest Income and Spread		**1,209**	**3.16%**	**3.45%**		**1,234**	**3.20%**	**3.42%**
Net Interest Margin			**3.35%**	**3.64%**			**3.45%**	**3.67%**

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LOAN PORTFOLIO	June 30 2011	%	June 30 2010	%
Commercial and industrial	35,199	47.04%	35,194	47.55%
Real estate:				
Commercial	13,243	17.70%	16,010	21.63%
Residential	14,634	19.56%	10,363	14.00%
Construction and development	10,148	13.56%	10,577	14.29%
Consumer	1,598	2.14%	1,863	2.52%
Total loans (gross)	**74,822**	**100.00%**	**74,007**	**100.00%**
Unearned discounts	0	0.00%	0	0.00%
Total loans (net)	**74,822**	**100.00%**	**74,007**	**100.00%**

	June 30 2011	June 30 2010
REGULATORY CAPITAL DATA		
Tier 1 Capital	$17,306	$16,316
Total Capital (Tier 1 + Tier 2)	$18,524	$17,492
Total Risk-Adjusted Assets	$97,307	$107,438
Tier 1 Ratio	17.78%	15.19%
Total Capital Ratio	19.04%	16.28%
Tier 1 Leverage Ratio	11.37%	10.87%
OTHER DATA		
Full Time Equivalent Employees (FTE's)	14	14
Stock Price Range (For the Three Months Ended):		
High	$26.00	$25.00
Low	$25.50	$21.00
Close	$26.00	$23.00