



JEFFREY M. HARP
President
jharp@TrinityBK.com

April 28, 2016

Dear Shareholder,

The first quarter 2016 results are in. The Press Release and Financial Summary is attached for your review. The increase in Earning Per Share (7.7% over 1Q 2015 results) is less than we have come to expect based on past performance. I always attempt to “tell it like it is”, in contrast to many shareholder communications that accentuate the good and gloss over the bad. So I’ll just start talking (or writing).

THE STREAK

I have always bragged about our quarterly streak. Since opening in May 2003, every quarter has been better than the quarter before. Well, we finally broke the streak. As you will notice on page 4 of the Financial Summary, we made \$977,000 in the 4th quarter of 2015 and only \$952,000 in the 1st quarter of 2016. In my judgment, this is not a huge drop off. The “train is not off the tracks” but it has slowed down some. Let me address the reasons.

As I have mentioned in the last two shareholder letters, we reached a plateau in 2015. After starting in 2003 with 13 employees and no assets, we reached \$200 million in assets with 14 employees. We have to add to staff to continue to make progress – and not just one or two people, more like 5 or 6. We added some staff in 2015 and have more to come this year. In addition, we are about to start the expansion and renovation of our banking facility. We have a great plan, and I can’t wait for you to see the finished product (about this time next year).

These are some things we could have done to keep the “streak” alive, but that would involve taking short term gains at the expense of long-term value. For example, most banks have unrealized gains in their investment portfolio (from the long trend to lower interest rates). Trinity is no exception. At March 31, we had a \$2,554,000 unrealized gain in our investments. We could easily have sold some of those investments, booked a gain, and kept the streak alive. But that would mean increasing short-term profit at the expense of long-term value.

A one-time increase in earnings would involve selling about \$1,200,000 in securities (less than 2% of our total portfolio), booking a gain of \$100,000 (\$65,000 after tax), and keeping the streak alive. But those \$1,200,000 in securities, if held until maturity, will produce \$39,000 each year, tax-free, for the next eight years. So please believe me when I say that we focus on producing long-term shareholder value. It makes very little sense to trade a \$65,000 after-tax gain for over \$300,000 in tax-free income – just so we can continue the quarter over quarter increases.

COST OF FUNDS

Our cost of funds (deposits) is up 28.6% over 1Q2015. With the Federal Reserve finally increasing interest rates in December 2015, we increased our deposit rates paid to our customers. While this may sound like an absurd joke with where the artificially suppressed rate level is today, it is a real increase in our costs. Our philosophy has always been to pay as much as we can (and achieve an acceptable level of profit), not pay as little as we can get by with. To check this statement, compare our rates to any of the banks in this market.

LOAN PORTFOLIO

Trinity's total loans have dropped nearly 8% from 12-31-15 to 3-31-16 (another significant contributor to breaking the streak). We have not lost any major customer relationships. We just seem to make a lot of loans that pay off too fast. As my father used to say, "If you are making progress, life is a series of higher class problems." Making good loans that are repaid quickly is a good example of a higher class problem.

On page 5 of the Financial Summary, you will notice we have a new non-performing loan (one relationship). While this relationship is current on payments, we have chosen to place it in non-performing status (not recognizing income until we are certain we can recover our principal) because of some well-defined weakness. Please don't be overly alarmed (it is not an energy credit). We have had non-performing loans in the past and our track record is good. We have a good plan in place to work with this relationship, and you will see the results of our efforts in subsequent quarters.

Keep in mind that if one loans money for a living, at some point one will have some collection issues. Nobody is perfect, but I wouldn't trade our past performance with any bank – 4 losses in 13 years and we have collected 100% of the principal on one of those. I'm about to use a double negative so I hope my 5th grade English teacher, Mrs. Krisher, doesn't roll over in her grave. The key to loaning money is not to have no problem loans. The key is how much of your money do you get back when you have a problem loan. That is our focus.

GOING FORWARD

In the 4th quarter 2015 shareholder letter, I said that you would hear from our operations group in this letter. Richard Burt runs this part of the bank, and has done a wonderful job. I am going to delay his contribution to our efforts at communicating to shareholders until next quarter. He has added two new administrative employees to support our investment in the future and is working hard at orienting them to the Trinity way of doing business. Richard will also have an integral part of the expansion of our facility. We have to do this in three phases so we can continue to provide good customer service. That means three different projects to move people, phones, computer screens, etc. So he is a very busy man. I have written too much as it is. Don't ever give me a pencil and a blank sheet of paper. I will write forever.

Last, let me ask a favor. You should have received all of the proxy information for our annual meeting on May 24, 2016 by the time you receive this letter. Please vote, sign and return your proxy. We always struggle to get enough proxies back to have a quorum for the meeting. If you have not received a proxy, please call our Corporate Secretary, Dana Key (817-569-7224), and she will send you another one.

I have received several calls from shareholders about the request in the Proxy to increase the number of authorized common shares.

We have requested this for two reasons.

- 1) We find an acquisition opportunity. This could require Trinity stock, cash, or a combination. We don't have anything on the horizon, and we are not going to make an acquisition just to get larger. It would have to increase shareholder value.
- 2) We decide to split the stock. We still have to answer the question of whether this will enhance shareholder value.

We would like to have the ability to do either in a timely fashion.

Trinity Bank is still making good progress. Return on Assets of 1.73% and Return on Equity of 14.01% remain well above most banks. Please see next page. We are paying our ninth dividend – \$.44 per share – (a 4.8% increase) on April 29. We are pleased to share a portion of our profits with you.

Thanks for investing in Trinity Bank. We are doing our best to make you proud. If you have any questions, comments or suggested topics, please call, email, or come see me.

Sincerely,



Jeffrey M. Harp
President

Sheshunoff & Co

INVESTMENT BANKING

April 14, 2016

Jeffrey M. Harp
Trinity Bank, N.A.
3500 West Vickery Boulevard
Fort Worth, TX 76107

Jeffrey,

I was pleased to see your institution recognized by SNL as one of the industry's 100 top performing banks of 2015*! This recognition is a true testament to your leadership and the hard work of your whole team. With only 27% of banks earning even a 1.00% ROA in 2015, your accomplishment is even more noteworthy.

Sheshunoff continues to be an industry leader in community bank mergers and acquisitions, and we would welcome the opportunity to visit with you about your future opportunities. Please never hesitate to call if we can supply information regarding recent deal activity and trends or if you simply have a question about the acquisition process. My direct number is 512-703-1578.

Best regards,



Curtis Carpenter
Principal & Head of Investment Banking

*ranking included banks < \$1 billion in total assets

For Immediate Release

**TRINITY BANK REPORTS:
2016 FIRST QUARTER NET INCOME UP 7.4%
DIVIDEND INCREASES 4.8%**

FORT WORTH, Texas, April 20, 2016 - Trinity Bank N.A. (OTC Bulletin Board: TYBT) today announced operating results for the three months ending March 31, 2016.

Results of Operations

Trinity Bank, N.A. reported Net Income After Taxes of \$952,000 or \$.84 per diluted common share for the first quarter of 2016, compared to \$886,000 or \$.78 per diluted common share for the first quarter of 2015, an increase of 7.7%.

President Jeffrey M. Harp stated, “The 7.7% increase in Earnings Per Share is below our historical performance – 10 to 15% increases. In 2015, we reached a plateau. We cannot keep increasing profits without adding new staff and expanding our bank facility. We have added staff in 2016 with more to come and we are about to begin an expansion and renovation of our facility. These actions may penalize results for this year and 2017, but they are necessary to produce long-term shareholder value.”

“We continue to produce at a high level (Return on Assets of 1.73% and Return on Equity of 14.01%) in relation to all other banks. In spite of the necessary investments, we anticipate that we will maintain our streak since inception in 2003 of increasing Net Income each year over the previous year.”

“As previously announced, Trinity Bank will distribute its ninth cash dividend on April 29, \$.44 per share, an increase of 4.8% over the \$.42 per share paid in October 2015.”

<u>Profitability</u>	<u>3/31/2016</u>	<u>3/31/2015</u>
Return on Assets	1.73%	1.71%
Return on Equity	14.01%	14.47%

<u>Average for Quarter Ending</u>			<u>%</u>
(in 000's)			
Loans	\$122,069	\$111,088	9.9
Deposits	\$190,020	\$181,162	4.9

<u>Actual for Quarter Ending</u> (in 000's)	<u>3/31/2016</u>	<u>3/31/2015</u>	<u>%</u>
Net Interest Income	\$1,917	\$1,764	8.7
Non-Interest Income	143	130	10.0
Non-Interest Expense	(885)	(813)	8.9
Pretax Preprovision Income	\$1,175	\$1,081	8.7
Gain on Sale of Securities and Assets	\$ 49	\$ 70	(30.0)
Loan Loss Provision	0	0	N/M
Pre Tax Income	1,224	1,151	6.3
Income Tax	(272)	(265)	2.6
Net Income	\$ 952	\$ 886	7.4
Diluted Weighted Average Shares	1,131	1,132	
Earnings per Share	\$0.84	\$0.78	7.7

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
 817-763-9966

This Press Release may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding future financial conditions, results of operations and the Bank's business operations. Such forward-looking statements involve risks, uncertainties and assumptions, including, but not limited to, monetary policy and general economic conditions in Texas and the greater Dallas-Fort Worth metropolitan area, the risks of changes in interest rates on the level and composition of deposits, loan demand and the values of loan collateral, securities and interest rate protection agreements, the actions of competitors and customers, the success of the Bank in implementing its strategic plan, the failure of the assumptions underlying the reserves for loan losses and the estimations of values of collateral and various financial assets and liabilities, that the costs of technological changes are more difficult or expensive than anticipated, the effects of regulatory restrictions imposed on banks generally, any changes in fiscal, monetary or regulatory policies and other uncertainties as discussed in the Bank's Registration Statement on Form SB-1 filed with the Office of the Comptroller of the Currency. Should one or more of these risks or uncertainties materialize, or should these underlying assumptions prove incorrect, actual outcomes may vary materially from outcomes expected or anticipated by the Bank. A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. The Bank believes it has chosen these assumptions or bases in good faith and that they are reasonable. However, the Bank cautions you that assumptions or bases almost always vary from actual results, and the differences between assumptions or bases and actual results can be material. The Bank undertakes no obligation to publicly update or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless the securities laws require the Bank to do so.

FINANCIAL SUMMARY

TRINITY BANK N.A.

(Unaudited)

(Dollars in thousands, except per share data)

EARNINGS SUMMARY	Quarter Ended		%
	March 31		
	2016	2015	Change
Interest income	\$2,043	\$1,862	9.7%
Interest expense	126	98	28.6%
Net Interest Income	1,917	1,764	8.7%
Service charges on deposits	39	42	-7.1%
Other income	104	88	18.2%
Total Non Interest Income	143	130	10.0%
Salaries and benefits expense	509	429	18.6%
Occupancy and equipment expense	78	61	27.9%
Other expense	298	323	-7.7%
Total Non Interest Expense	885	813	8.9%
Pretax pre-provision income	1,175	1,081	8.7%
Gain on sale of securities	27	0	N/M
Gain on sale of foreclosed assets	0	70	N/M
Gain on sale of assets	22	0	N/M
Provision for Loan Losses	0	0	N/M
Earnings before income taxes	1,224	1,151	6.3%
Provision for income taxes	272	265	2.6%
Net Earnings	\$952	\$886	7.4%
Basic earnings per share	0.85	0.79	7.6%
Basic weighted average shares outstanding	1,120	1,121	
Diluted earnings per share	0.84	0.78	7.7%
Diluted weighted average shares outstanding	1,131	1,132	
BALANCE SHEET SUMMARY			
	Average for Quarter		%
	March 31		
	2016	2015	Change
Total loans	\$122,069	\$111,088	9.9%
Total short term investments	16,414	20,885	-21.4%
Total investment securities	76,418	70,779	8.0%
Earning assets	214,901	202,752	6.0%
Total assets	220,262	207,502	6.1%
Noninterest bearing deposits	63,433	58,296	8.8%
Interest bearing deposits	126,587	122,866	3.0%
Total deposits	190,020	181,162	4.9%
Fed Funds Purchased and Repurchase Agreements	355	429	-17.2%
Shareholders' equity	\$28,758	\$25,203	14.1%

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

BALANCE SHEET SUMMARY	March 31,	Average for Quarter Ending			March 31,
	2016	Dec 31, 2015	Sept. 30, 2015	June 30, 2015	2015
Total loans	\$122,069	\$124,316	\$119,107	\$116,614	\$111,088
Total short term investments	16,414	16,894	13,055	11,618	20,885
Total investment securities	76,418	71,663	70,557	72,378	70,779
Earning assets	214,901	212,873	202,719	200,610	202,752
Total assets	220,262	217,961	207,560	205,394	207,502
Noninterest bearing deposits	63,433	67,719	60,995	57,617	58,296
Interest bearing deposits	126,587	120,853	118,640	120,879	122,866
Total deposits	190,020	188,572	179,635	178,496	181,162
Fed Funds Purchased and Repurchase Agreements	355	361	429	429	429
Shareholders' equity	\$28,758	\$27,733	\$26,653	\$25,638	\$25,203
HISTORICAL EARNINGS SUMMARY					
	March 31, 2016	Dec 31, 2015	Sept. 30, 2015	June 30, 2015	March 31, 2015
Interest income	\$2,043	\$2,070	\$2,007	\$1,953	\$1,862
Interest expense	126	107	97	96	98
Net Interest Income	1,917	1,963	1,910	1,857	1,764
Service charges on deposits	39	50	48	46	42
Other income	104	87	82	83	88
Total Non Interest Income	143	137	130	129	130
Salaries and benefits expense	509	627	514	454	429
Occupancy and equipment expense	78	68	69	65	61
Other expense	298	149	256	286	323
Total Non Interest Expense	885	844	839	805	813
Pretax pre-provision income	1,175	1,256	1,201	1,181	1,081
Gain on sale of securities	27	18	31	12	0
Gain on sale of foreclosed assets	0	0	0	0	70
Gain on sale of other assets	22	21	0	0	0
Provision for Loan Losses	0	76	0	0	0
Earnings before income taxes	1,224	1,219	1,232	1,193	1,151
Provision for income taxes	272	242	283	271	265
Net Earnings	\$952	\$977	\$949	\$922	\$886
Diluted earnings per share	\$ 0.84	\$ 0.86	\$ 0.84	\$ 0.81	\$ 0.78

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

ALLOWANCE FOR LOAN LOSSES	Quarter Ending				
	March 31, 2015	Dec 31, 2015	Sept. 30, 2015	June 30, 2015	March 31, 2015
Balance at beginning of period	\$1,613	\$1,528	\$1,518	\$1,477	\$1,475
Loans charged off	0	0	0	0	0
Loan recoveries	11	9	10	41	2
Net (charge-offs) recoveries	11	9	10	41	2
Provision for loan losses	0	76	0	0	0
Balance at end of period	\$1,624	\$1,613	\$1,528	\$1,518	\$1,477
Allowance for loan losses as a percentage of total loans	1.35%	1.26%	1.29%	1.26%	1.31%
Allowance for loan losses as a percentage of nonperforming assets	117.43%	N/A	N/A	N/A	N/A
Net charge-offs (recoveries) as a percentage of average loans	-0.01%	-0.01%	-0.01%	-0.04%	N/A
Provision for loan losses as a percentage of average loans	N/A	N/A	N/A	N/A	N/A

SELECTED RATIOS	Quarter Ending				
	March 31, 2016	Dec 31, 2015	Sept. 30, 2015	June 30, 2015	March 31, 2015
Return on average assets (annualized)	1.73%	1.79%	1.83%	1.80%	1.71%
Return on average equity (annualized)	13.19%	14.09%	14.24%	14.38%	14.06%
Return on average equity (excluding unrealized gain on investments)	14.01%	14.84%	14.68%	14.77%	14.47%
Average shareholders' equity to average assets	13.06%	12.72%	12.84%	12.48%	12.15%
Yield on earning assets (tax equivalent)	4.32%	4.23%	4.34%	4.28%	4.04%
Effective Cost of Funds	0.24%	0.20%	0.19%	0.19%	0.20%
Net interest margin (tax equivalent)	4.08%	4.03%	4.15%	4.09%	3.84%
Efficiency ratio (tax equivalent)	38.4%	36.2%	37.0%	36.8%	39.1%
End of period book value per common share	\$25.77	\$25.07	\$24.18	\$23.07	\$22.34
End of period book value (excluding unrealized gain on investments)	\$24.27	\$23.89	\$23.01	\$22.67	\$21.84
End of period common shares outstanding (in 000's)	1,120	1,120	1,122	1,121	1,121

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

	March 31, 2016				3 Months Ending			March 31, 2015	
	Average Balance	Interest	Yield	Tax Equivalent Yield	Average Balance	Interest	Yield	Tax Equivalent Yield	
YIELD ANALYSIS									
Interest Earning Assets:									
Short term investment	\$ 16,414	28	0.70%	0.70%	\$ 20,885	34	0.65%	0.65%	
FRB Stock	370	7	7.57%	7.57%	369	6	5.92%	5.92%	
Taxable securities	308	0	0.00%	0.00%	555	0	0.00%	0.00%	
Tax Free securities	75,740	475	2.59%	3.92%	69,855	416	2.38%	3.43%	
Loans	122,069	1,533	5.05%	5.05%	111,088	1,406	5.06%	5.06%	
Total Interest Earning Assets	214,901	2,043	3.80%	4.32%	202,752	1,862	3.93%	4.04%	
Noninterest Earning Assets:									
Cash and due from banks	4,201				3,501				
Other assets	2,778				2,725				
Allowance for loan losses	(1,618)				(1,476)				
Total Noninterest Earning Assets	5,361				4,750				
Total Assets	\$220,262				\$207,502				
Interest Bearing Liabilities:									
Transaction and Money Market accounts	102,850	80	0.31%	0.31%	100,720	70	0.28%	0.28%	
Certificates and other time deposits	23,737	46	0.79%	0.79%	22,147	28	0.51%	0.51%	
Other borrowings	355	0	0.30%	0.30%	429	0	0.25%	0.25%	
Total Interest Bearing Liabilities	126,942	126	0.40%	0.40%	123,296	98	0.32%	0.32%	
Noninterest Bearing Liabilities									
Demand deposits	63,433				58,296				
Other liabilities	1,129				707				
Shareholders' Equity	28,758				25,203				
Total Liabilities and Shareholders Equity	\$220,262				\$207,502				
Net Interest Income and Spread		1,917	3.41%	3.92%		1,764	3.61%	3.72%	
Net Interest Margin			3.60%	4.08%			3.48%	3.84%	

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

	March 31 2016	%	March 31 2015	%
LOAN PORTFOLIO				
Commercial and industrial	\$65,545	54.52%	\$59,432	52.74%
Real estate:				
Commercial	22,584	18.79%	22,708	20.15%
Residential	19,607	16.31%	18,857	16.73%
Construction and development	10,867	9.04%	10,464	9.29%
Consumer	1,611	1.34%	1,228	1.09%
Total loans (gross)	120,214	100.00%	112,689	100.00%
Unearned discounts	0	0.00%	0	0.00%
Total loans (net)	\$120,214	100.00%	\$112,689	100.00%
	March 31 2016		March 31 2015	
REGULATORY CAPITAL DATA				
Tier 1 Capital	\$27,180		\$23,929	
Total Capital (Tier 1 + Tier 2)	\$28,804		\$25,406	
Total Risk-Adjusted Assets	\$136,828		\$126,155	
Tier 1 Risk-Based Capital Ratio	19.86%		18.97%	
Total Risk-Based Capital Ratio	21.05%		20.14%	
Tier 1 Leverage Ratio	12.34%		11.53%	
OTHER DATA				
Full Time Equivalent Employees (FTE's)	16		15	
Stock Price Range (For the Three Months Ended):				
High	\$49.00		\$47.00	
Low	\$46.75		\$42.40	
Close	\$47.00		\$47.00	