Jeffrey M. Harp
President
jharp@TrinityBk.com

November 6, 2012

Dear Shareholders:

The third quarter of 2012 is in the books – some continued good performance and our first hiccup in the loan area. All in all, Trinity Bank continues to perform at a high level compared to both local and national peer groups. The third quarter press release and the financial numbers are attached for your review.

LOAN QUALITY

As I have said many times, loan quality is the key to surviving and prospering. 95% of bank failures can be attributed to bad loans. At Trinity, we made it a little over 9 years without a loan loss – truly remarkable. In August, we charged off three loans totaling $499,000. The largest loss, $240,000, was a scam from the start. And there was a red flag that I should have paid more attention to. The other two - $45,000 and $214,000 – were loans to long-time borrowers that were poorly managed by me. We expect some recoveries, but these are still significant losses.

In the third quarter, we also had our regularly scheduled examination by the Office of the Comptroller of the Currency (national bank examiners). Management and staff, along with our on-site examiners performed a thorough review of our underwriting standards. We all concurred that our underwriting guidelines are not the problem. We just need to focus more on managing borrowers that are struggling. In spite of the loan losses, you would be very pleased with the results of our examination.

The better news is that we were able to absorb these losses without a significant impact on our net income. In addition, these charge-offs took care of all of our non-performing assets except for $72,000 – which should be gone in the next 4-6 months as we sell some repossessed assets. After the loan losses taken in the third quarter, we are down to three classified loan relationships. (Classified means there is some inherent weakness in the borrower.) And only one of those has any loss exposure that we can ascertain at this time.

In summary, we are all disappointed over the loan losses. But our track record is good and is the envy of most other banks. We have reviewed our underwriting standards and feel comfortable that we are doing things right. The rest of our loan portfolio has been reviewed by an outside loan review company (April 2012) and by the OCC (July 2012), and we received high marks. We will learn from the mistakes and move on.

DIVIDEND

I hope you have seen the October 9 Press Release announcing a $.20 per share regular dividend and a $1.00 per share special dividend. Both dividends will be paid November 15 to shareholders of record as of October 31. I want to share with you a little of our thinking on the dividends.

Con: Cash dividends are an inefficient way to provide a return on your investment. Cash dividends are paid from retained earnings after having already been taxed at the corporate level. Trinity's tax rate is about 26% (after the effect of tax-free income from our municipal securities). After being taxed once at the corporate level, cash dividends are then taxed to the individual – 15% for 2012.

Pro: Dividends will be taxed at an 18.8% rate in 2013 due to the new tax rate on investment income to support the Affordable Health Care Act (Obamacare). If the "Bush" tax cuts are allowed to expire on January 1, 2013, the top tax rate on dividends will increase to 43.4%.

We made the decision to pay dividends at a time when it is most advantageous to our shareholders from a tax standpoint.

Con: Paying a dividend means you don't have many growth opportunities. If you did see growth opportunities – i.e. internal growth, branching or acquisition opportunities, etc. – you should retain the earnings to support the growth in assets.

Pro: If we don't see profitable growth opportunities (profitable being the key word), we would just continue growing our capital and thereby reduce our return on equity. We could easily get larger. But I haven't seen any opportunities to get larger <u>and</u> make more money.

Even after the special dividend, we have plenty of capital to take advantage of growth opportunities that may become available. I just don't see any right now.

Con: The bank is earning 13% after tax return on the shareholder's investment. If you pay a cash dividend, I (the shareholder) have to give 15% of it to the tax man and then I have to find another investment that is making 13% after taxes.

Pro: I can't buy a ham sandwich with a 13% return on equity. I can buy a ham sandwich with a cash dividend.

We had a long meeting while discussing the dividend and the Board was hungry so we voted for the ham sandwich (pardon the attempt at humor). No, really, many studies over long periods of time indicate that dividends play a significant role in the total return on shareholder's investment – calculated by the increase in stock price plus cash dividends. The last study I saw indicated that as much as 40% of the total return came from cash dividends.

With that being said, believe me, we would really like to be growing so fast that we needed to retain all of our earnings to support the growth in the bank's earning assets. But it is just not happening right now. I have to remind myself that banks don't create anything. They are dependent on customers who see a way to make a profit and need to borrow money to take advantage of that profitable opportunity. The Federal Reserve is learning this now (very slowly I might add). The Fed can flood the market with cheap money, but the Fed can't make people borrow it – especially if they don't see a way to make money with it.

This is by no means an exhaustive discussion of cash dividends. But we decided to pay the regular dividend plus the special dividend. The Board will continue to review the dividend policy semiannually.

NEXT YEAR

2013 is shaping up to be a very challenging year for Trinity Bank. We are facing the same two headwinds that have been with us for some time – lack of loan growth and securities maturing at yields that cannot be replaced in today's low rate environment. However, I would have said the same thing last year and this year's results – an increase in net income of 13-14% – are going to be acceptably better than 2011.

The real key to 2013 is whether we can redeploy about $13 million in maturing securities into good lending relationships with quality customers. If we can do that, 2013 results will be fine. If we can't, then our streak of improving earnings every year since we opened in 2003 will be in jeopardy. Any referrals that you might be able to give us would be welcome.

I know I sound like a broken record lamenting about the lack of loan demand and loan volume. But it has been true and remains true today. Our asset quality is good, and we are one of the most efficient banks of our size in the U.S. Please let me share one item with you that we reviewed in the September board meeting. One of the best measures of efficiency and productivity is the amount of pre-tax income produced by each employee. As of 3-31-12 (the last numbers available), I have listed below the pre-tax income per employee for Trinity Bank, our local peer group, and the national peer group ($100 million to $1 billion in assets in a metropolitan area).

Pre-Tax Income per Employee

Trinity Bank	Local Peer Group	National Peer Group
$235,430	$74,080	$50,700

This performance (over three times the local peer and 4½ times the national group) is remarkable. Please join me in commending the staff for a job well done.

ARE WE ADDING VALUE?

Most of you are familiar with Warren Buffett. Most of you would agree that he is one of the best, if not the best, investor of our era. One of his basic tenets is, "For every dollar retained, make sure the company (in this case Trinity Bank) has created at least one dollar of market value". Let me apply that principle to your bank's performance.

Market Price	times	Shares Outstanding	equals	Market Value
$31.50	X	1,086,000	=	$ 34,209,000
Less:	Beginning Capital			($11,000,000)
Equals:	Value Added			$ 23,209,000

Earnings since inception		$ 11,978,000
Less:	Dollars returned to shareholders through repurchases and dividends	($3,473,000)
Earnings Reinvested in Trinity Bank		$ 8,235,000

Value Added	$ 23,209,000
Earnings Reinvested	$ 8,235,000
Ratio	2.82

For every dollar of earnings reinvested in Trinity bank, we have produced $2.82 worth of value. This is good performance!

THANKSGIVING

This is the best time of each year for me. My personal blessings are too numerous to count. It is difficult for me to express my thankfulness in thought, word, and deed. But I want you to know how thankful I am for your support in helping us build a great organization.

In reading over this letter, I realize I should have talked about a turkey sandwich instead of a ham sandwich in the dividend discussion. But have a blessed Thanksgiving and remember to take the opportunity to do something for someone less fortunate or someone that can't do anything for you in return. You will be richer for it.

Thanks again for your investment in Trinity Bank. Please call, write, or email if you have any questions or suggestions for future topics.

Sincerely,

Jeff Harp

Jeffrey M. Harp

For Immediate Release

TRINITY BANK REPORTS RECORD EARNINGS AND BOTH REGULAR AND SPECIAL CASH DIVIDENDS

FORT WORTH, Texas, October 31, 2012 – Trinity Bank, N.A. (OTC Bulletin Board: TYBT) today announced operating results for the third quarter and the nine months ending September 30, 2012.

Results of Operations

For the third quarter of 2012, Trinity Bank, N.A. reported Net Income after Taxes of $651,000, an increase of 12.2% over third quarter 2011 earnings of $580,000. Earnings per diluted common share for the third quarter 2012 amounted to $.57, an increase of 11.8% over third quarter 2011 results of $.51 per diluted common share.

For the first nine months of 2012, Net Income after Taxes was $1,915,000, an increase of 14.2% over the nine month 2011 results of $1,677,000. Earnings per diluted common share for the first nine months of 2012 were $1.69, an increase of 14.2% over 2011 nine months results of $1.48 per diluted common share.

Jeffrey M. Harp, President, stated, "Third quarter results were good. Return on Assets and Return on Equity both remain well above national and local peer group results. During the third quarter of 2012, Trinity incurred its first loan losses – 3 loans charged off totaling $495,000. We do not feel that this is the beginning of a trend or an indication that our credit underwriting standards need to be strengthened. It is highly unusual for any bank to go more than 9 years without a single loss. On a positive note, we had accumulated enough reserves to take the losses without significantly affecting current income."

Also from a positive perspective, on October 9th, Trinity Bank declared a $.20 regular dividend and a $1.00 special dividend payable November 15, 2012 to shareholders of record on October 31, 2012.

Harp reported, "We are pleased to provide a tangible return to our shareholders at a time when tax rates are probably at an all-time low. After the dividend, our Capital ratio remains strong, and we are in a position to take advantage of any opportunities that become available to increase shareholder value."

Actual for Quarter Ending
(in 000's except for Earnings per Share)

	3 Months 9-30-12	3 Months 9-30-11	%
Net Income	$ 651	$ 580	12.2%
Diluted Weighted Average Shares	1,137	1,131	
Earnings per Share	$ 0.57	$ 0.51	11.8%
Return on Assets	1.47%	1.50%	
Return on Equity	13.35%	13.26%	

Actual for Nine Months Ending

	9 Months 9-30-12	9 Months 9-30-11	
Net Income	$ 1,915	$ 1,677	14.2%
Diluted Weighted Average Shares	1,132	1,131	
Earnings per Share	$ 1.69	$ 1.48	14.2%

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 September 30 2012	2011	% Change	Nine Months Ended September 30 2012	2011	% Change
Interest income	1,526	1,471	3.7%	4,595	4,371	5.1%
Interest expense	134	203	-34.0%	446	646	-31.0%
Net Interest Income	**1,392**	**1,268**	**9.8%**	**4,149**	**3,725**	**11.4%**
Provision for Loan Losses	**150**	**0**	**N/A**	**150**	**0**	**N/A**
Service charges on deposits	37	35	5.7%	112	101	10.9%
Net gain on securities available for sale	153	40	282.5%	170	97	75.3%
Other income	56	92	-39.1%	177	232	-23.7%
Total Non Interest Income	**246**	**167**	**47.3%**	**459**	**430**	**6.7%**
Salaries and benefits expense	342	317	7.9%	982	969	1.3%
Occupancy and equipment expense	74	82	-9.8%	223	236	-5.5%
Other expense	190	271	-29.9%	682	749	-8.9%
Total Non Interest Expense	**606**	**670**	**-9.6%**	**1,887**	**1,954**	**-3.4%**
Earnings before income taxes	882	765	15.3%	2,571	2,201	16.8%
Provision for income taxes	231	185	24.9%	656	524	25.2%
Net Earnings	**651**	**580**	**12.2%**	**1,915**	**1,677**	**14.2%**
Basic earnings per share	0.60	0.54	**11.1%**	1.79	1.57	**14.0%**
Basic weighted average shares outstanding	1,079	1,070		1,071	1,070	
Diluted earnings per share	0.57	0.51	**11.8%**	1.69	1.48	**14.2%**
Diluted weighted average shares outstanding	1,137	1,131		1,132	1,131	

BALANCE SHEET SUMMARY	Average for Quarter Ending September 30 2012	2011	% Change	Average for Nine Months Ending September 30 2012	2011	% Change
Total loans	$83,792	$74,941	11.8%	$82,691	$72,588	13.9%
Total short term investments	27,327	21,204	28.9%	20,949	19,727	6.2%
Total investment securities	58,929	51,908	13.5%	58,140	53,076	9.5%
Earning assets	**170,048**	**148,053**	**14.9%**	**161,780**	**145,391**	**11.3%**
Total assets	**176,847**	**154,363**	**14.6%**	**168,541**	**152,810**	**10.3%**
Noninterest bearing deposits	35,755	27,706	29.1%	32,695	26,076	25.4%
Interest bearing deposits	119,186	107,061	11.3%	114,627	107,902	6.2%
Total deposits	**154,941**	**134,767**	**15.0%**	**147,322**	**133,978**	**10.0%**
Fed Funds Purchased and Repurchase Agreements	**395**	**411**	**-3.9%**	**366**	**476**	**-23.1%**
Shareholders' equity	**20,621**	**18,401**	**12.1%**	**20,002**	**17,692**	**13.1%**

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

	Average for Quarter Ending				
BALANCE SHEET SUMMARY	**Sept. 30, 2012**	**June 30, 2012**	**March 31, 2012**	**Dec 31, 2011**	**Sept. 30, 2011**
Total loans	$83,792	$83,133	$81,136	$76,426	$74,941
Total short term investments	27,327	16,955	18,495	26,760	21,204
Total investment securities	58,929	58,031	57,451	56,751	51,908
Earning assets	**170,048**	**158,119**	**157,082**	**159,937**	**148,053**
Total assets	**176,847**	**164,933**	**163,755**	**166,392**	**154,363**
Noninterest bearing deposits	35,755	31,337	29,804	32,552	27,706
Interest bearing deposits	119,186	112,538	113,263	113,758	107,061
Total deposits	**154,941**	**143,875**	**143,067**	**146,310**	**134,767**
Fed Funds Purchased and Repurchase Agreements	**395**	**251**	**450**	**584**	**411**
Shareholders' equity	**20,621**	**19,962**	**19,416**	**18,690**	**18,401**

	Quarter Ended				
HISTORICAL EARNINGS SUMMARY	**Sept. 30, 2012**	**June 30, 2012**	**March 31, 2012**	**Dec 31, 2011**	**Sept. 30, 2011**
Interest income	1,526	1,554	1,514	1,509	1,471
Interest expense	134	151	161	199	203
Net Interest Income	**1,392**	**1,403**	**1,353**	**1,310**	**1,268**
Provision for Loan Losses	**150**	**0**	**0**	**0**	**0**
Service charges on deposits	37	28	37	37	35
Net gain on securities available for sale	153	0	17	18	40
Other income	56	72	59	55	92
Total Non Interest Income	**246**	**100**	**113**	**110**	**167**
Salaries and benefits expense	342	309	331	450	317
Occupancy and equipment expense	74	76	74	81	82
FDIC expense	(59)	14	14	45	45
Other expense	249	238	223	45	226
Total Non Interest Expense	**606**	**637**	**642**	**621**	**670**
Earnings before income taxes	882	866	824	799	765
Provision for income taxes	231	222	203	194	185
Net Earnings	**651**	**644**	**621**	**605**	**580**

TRINITY BANK N.A.
(Unaudited)
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	Ending Balance				
HISTORICAL BALANCE SHEET	**Sept. 30, 2012**	**June 30, 2012**	**March 31, 2012**	**Dec 31, 2011**	**Sept. 30, 2011**
Total loans	$84,625	$83,510	$84,808	$81,272	$76,180
Total short term investments	30,196	16,923	18,681	19,279	27,716
Total investment securities	58,166	61,625	56,640	58,540	53,370
Total earning assets	**172,987**	**162,058**	**160,129**	**159,091**	**157,266**
Allowance for loan losses	(1,026)	(1,371)	(1,371)	(1,371)	(1,371)
Premises and equipment	1,322	1,340	1,368	1,378	1,413
Other Assets	6,040	6,469	6,706	7,843	6,209
Total assets	**179,323**	**168,496**	**166,832**	**166,941**	**163,517**
Noninterest bearing deposits	36,826	33,721	32,239	34,203	33,733
Interest bearing deposits	120,298	113,377	114,268	112,163	109,722
Total deposits	**157,124**	**147,098**	**146,507**	**146,366**	**143,455**
Fed Funds Purchased and Repurchase Agreements	409	294	203	713	398
Other Liabilities	910	809	898	792	896
Total liabilities	**158,443**	**148,201**	**147,608**	**147,871**	**144,749**
Shareholders' Equity Actual	**19,775**	**19,244**	**18,368**	**18,025**	**17,667**
Unrealized Gain - AFS	**1,105**	**1,051**	**856**	**1,045**	**1,100**
Total Equity	**20,880**	**20,295**	**19,224**	**19,070**	**18,767**

	Quarter Ending				
NONPERFORMING ASSETS	**Sept. 30, 2012**	**June 30, 2012**	**March 31, 2012**	**Dec 31, 2011**	**Sept. 30, 2011**
Nonaccrual loans	$0	$528	$221	$653	$735
Restructured loans	$0	$0	$0	$0	$0
Other real estate & foreclosed assets	$72	$0	$0	$0	$0
Accruing loans past due 90 days or more	$0	$0	$0	$0	$0
Total nonperforming assets	**$72**	**$528**	**$221**	**$653**	**$735**
Accruing loans past due 30-89 days	$0	$0	$0	$0	$0
Total nonperforming assets as a percentage of loans and foreclosed assets	0.09%	0.63%	0.26%	0.80%	0.96%

TRINITY BANK N.A.
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ALLOWANCE FOR LOAN LOSSES	Quarter Ending Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec 31, 2011	Sept. 30, 2011
Balance at beginning of period	**$1,371**	**$1,371**	**$1,371**	**$1,371**	**$1,371**
Loans charged off	(499)	0	0	0	0
Loan recoveries	4	0	0	0	0
Net (charge-offs) recoveries	(495)	0	0	0	0
Provision for loan losses	150	0	0	0	0
Balance at end of period	**$1,026**	**$1,371**	**$1,371**	**$1,371**	**$1,371**
Allowance for loan losses as a percentage of total loans	1.21%	1.64%	1.62%	1.69%	1.80%
Allowance for loan losses as a percentage of nonperforming loans	1425.00%	259.66%	620.36%	209.95%	186.53%
Net charge-offs (recoveries) as a percentage of average loans	0.59%	N/A	N/A	N/A	N/A
Provision for loan losses as a percentage of average loans	0.18%	N/A	N/A	N/A	N/A

SELECTED RATIOS	Quarter Ending Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec 31, 2011	Sept. 30, 2011
Return on average assets (annualized)	1.47%	1.56%	1.52%	1.45%	1.50%
Return on average equity (annualized)	12.63%	12.90%	12.79%	12.95%	12.61%
Return on average equity (excluding unrealized gain on investments)	13.35%	13.61%	13.56%	13.62%	13.26%
Average shareholders' equity to average assets	11.66%	12.10%	11.86%	11.23%	11.92%
Yield on earning assets (tax equivalent)	3.82%	4.19%	4.14%	4.05%	4.26%
Cost of interest bearing funds	0.45%	0.54%	0.57%	0.70%	0.76%
Net interest margin (tax equivalent)	3.50%	3.81%	3.73%	3.56%	3.72%
Efficiency ratio (tax equivalent)	38.20	39.59	40.71	40.55	43.42
End of period book value per common share	19.23	18.79	18.20	18.05	17.60
End of period book value (excluding unrealized gain on investments)	18.21	17.82	17.39	17.07	16.57
End of period common shares outstanding	1,086	1,080	1,056	1,056	1,066

TRINITY BANK N.A.
(Unaudited)
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	3 Months Ending							
	September 30, 2012				September 30, 2011			
YIELD ANALYSIS	Average Balance	Interest	Yield	Tax Equivalent Yield	Average Balance	Interest	Yield	Tax Equivalent Yield
Interest Earning Assets:								
Short term investment	27,327	29	0.42%	0.42%	21,204	29	0.55%	0.55%
Investment securities	20,433	185	3.62%	3.62%	16,973	184	4.34%	4.34%
Tax Free securities	38,496	224	2.33%	3.35%	34,935	245	2.81%	4.04%
Loans	83,792	1,088	5.19%	5.19%	74,941	1,013	5.41%	5.41%
Total Interest Earning Assets	**170,048**	**1,526**	**3.59%**	**3.82%**	**148,053**	**1,471**	**3.97%**	**4.26%**
Noninterest Earning Assets:								
Cash and due from banks	3,460				3,332			
Other assets	4,585				4,349			
Allowance for loan losses	(1,246)				(1,371)			
Total Noninterest Earning Assets	**6,799**				**6,310**			
Total Assets	**$176,847**				**$154,363**			
Interest Bearing Liabilities:								
Transaction and Money Market accounts	91,440	85	0.37%	0.37%	78,162	135	0.69%	0.69%
Certificates and other time deposits	27,746	49	0.71%	0.71%	28,899	68	0.94%	0.94%
Other borrowings	395	0	N/A	N/A	411	1	0.49%	0.49%
Total Interest Bearing Liabilities	**119,581**	**134**	**0.45%**	**0.45%**	**107,472**	**204**	**0.76%**	**0.76%**
Noninterest Bearing Liabilities								
Demand deposits	35,755				27,706			
Other liabilities	890				784			
Shareholders' Equity	20,621				18,401			
Total Liabilities and Shareholders Equity	**$176,847**				**$154,363**			
Net Interest Income and Spread		**1,392**	**3.14%**	**3.37%**		**1,268**	**3.22%**	**3.50%**
Net Interest Margin			**3.27%**	**3.50%**			**3.43%**	**3.72%**

TRINITY BANK N.A.
(Unaudited)
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LOAN PORTFOLIO	September 30 2012	%	September 30 2011	%
Commercial and industrial	42,236	49.91%	35,539	46.65%
Real estate:				
Commercial	16,227	19.18%	12,729	16.71%
Residential	17,697	20.91%	16,231	21.31%
Construction and development	6,127	7.24%	9,858	12.94%
Consumer	2,338	2.76%	1,823	2.39%
Total loans (gross)	**84,625**	**100.00%**	**76,180**	**100.00%**
Unearned discounts	0	0.00%	0	0.00%
Total loans (net)	**84,625**	**100.00%**	**76,180**	**100.00%**

REGULATORY CAPITAL DATA	September 30 2012	September 30 2011
Tier 1 Capital	$19,775	$17,667
Total Assets	$176,847	$154,021
Tier 1 Capital Ratio	11.18%	11.47%
Total Capital	$20,801	$18,921
Total Risk-Weighted Assets	$111,236	$100,262
Total Risk-Based Capital Ratio	18.70%	18.87%
OTHER DATA		
Full Time Equivalent Employees (FTE's)	14	14
Stock Price Range (For the Three Months Ended):		
High	$30.50	$27.00
Low	$30.00	$25.00
Close	$30.50	$26.05