



JEFFREY M. HARP
President
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May 4, 2012

Dear Shareholders:

I am pleased to report Trinity Bank's results for the first quarter of 2012. There is good news on at least two fronts!

THE "STREAK"

The first quarter of 2012 results continued our streak of consecutive quarters of profit improvement – now up to 30.

FIRST DIVIDEND

By the time you read this letter, you should have received your first cash dividend from Trinity Bank. The Board and the staff are pleased that we finally are able to provide some tangible return to shareholders for their investment in the bank.

As mentioned in the dividend press release, we will evaluate the dividend situation again in the latter part of the year after we see the results for the first half of 2012 and after we (hopefully) get some clarification on what the dividend tax rate will be in 2013.

MORE ON THE "STREAK"

We are proud of the streak. I doubt if you can find another bank in the U.S. that has produced this string of consecutive increases in profit – especially in the economic environment that has existed since 2007. And we work diligently to keep the streak alive. However, let me give you a graphic example of one of the headwinds we face. From 2012 first quarter results:

(In 000's)	<u>03/31/2012</u>	<u>03/31/2011</u>	<u>%</u>
Loan Volume	\$81,136	\$71,103	14.1%
Net Interest Income	1,353	1,248	8.4%

Normally, a 14.1% increase in loan volume would translate into at least the same percentage increase in Net Interest Income (Net Interest Income is a bank's gross profit – it is what we earn on loans and investments minus what we pay for deposits). So why didn't it?

Loan Income	\$1,064	\$947	12.4%
Investment Income	450	527	-14.6%
Total Interest Income	\$1,514	\$1,474	2.7%
Less: Interest Expense	161	226	-28.8%
Net Interest Income	\$1,353	\$1,248	8.4%

As you can see, the increase in loan income was partially offset by a drop in the income from our investment portfolio. We continue to have investments mature, and we cannot replace the yields on these securities without reinvesting in securities that mature in 15-20 years. We just don't feel comfortable reinvesting that far out.

On the good side, an 8.4% increase in Net Interest Income produced a 17.4% increase in Pre Tax Income.

	<u>03/31/2012</u>	<u>03/31/2011</u>	<u>%</u>
Net Interest Income	\$1,353	\$1,248	8.4%
Fee Income	113	129	-12.4%
Less: Operating Expense	642	675	-4.9%
Less: Loan Provision	-	-	-
Pre Tax Income	\$824	\$702	17.4%

This is because your bank remains very efficient. Our operating expense is very low on a comparative basis. This quarter, all banks under \$10 billion in size saw some expense reduction from the changes in FDIC premiums which went into effect last year.

STAFFING

Our focus remains on increasing loan volume. As I mentioned in the last shareholder letter,

“The only option to grow Net Income (and Free Cash Flow) is to increase our loan portfolio. To that end, we have made plans to add to our lending staff this year, at least one by March and another before the end of the year.”

Well, we failed to add one by the end of March. We do have three good candidates. But one of the hindrances we face is that the lenders we want to hire aren't looking for a job. They are productive and happy where they are. We have to convince them that there is more opportunity for career development and wealth-building (through stock options) at Trinity Bank. It takes some time. And yes, we would hire all three at once – even if it had negative implications for the “streak”. You hire good lenders when you

can find them, not when you need them. In retrospect, I should have started down this road earlier, even though we were in an economic environment where there was no loan demand.

ACQUISITION PHILOSOPHY

Another thing that I mentioned in the last shareholder letter was that I would include a discussion about acquisitions. One of the reasons we initiated the cash dividend was that we are growing our Capital (through retaining earnings) faster than we are growing our Assets. One of the obvious options to utilize this Capital is to buy another bank.

Acquisitions are fun. They give everyone something to talk about at the country club or the coffee shop. As a Trinity Bank Shareholder, you will get to vote on any acquisition. To buy someone, we either have to borrow money by forming a Holding Company, or we have to issue stock. The shareholders will have to vote to approve the formation of a Holding Company. Unlike most banks, Trinity has no authorized but unissued stock. Therefore, shareholders will have to vote to issue stock.

So for us to do an acquisition, you will get to see management's analysis of the increase in Shareholder Value. And you will have the opportunity to hold management responsible for the projected results. As I mentioned, acquisitions are fun. But do they add to the Shareholder Value? Most economic studies indicate that about 70% of acquisitions do not increase Shareholder Value.

This is all good information (I think), but let's get down to specifics. Late last year, an investment banking firm came by with five acquisition targets in Trinity Bank's target market. These banks are not officially "for sale", but an investment banker is always trying to put together someone who might sell with someone who might buy. Three of these five banks were small in size with asset quality issues. Buying a "turnaround" is pretty "iffy" even in a good environment. Combine that with the fact that we do not have "excess" personnel on staff to send to a turnaround situation, and we were able to dismiss those three fairly quickly.

The other two were more attractive in regard to size (around \$100 million in assets), location (good), and asset quality (reasonably good). In doing some due diligence, we determined that we would have to pay a significant premium over book value to interest the potential seller. This premium would be in the \$5 - 10 million range.

Now let me try to explain where the problem came up. Listed below are the breakdowns of the loan portfolios of Trinity and the two potential targets.

	<u>Trinity</u>	<u>Bank A</u>	<u>Bank B</u>
Commercial & Industrial	46.8%	5.5%	19.1%
Consumer	2.2%	4.0%	8.8%
Construction Development	13.0%	3.9%	17.9%
1-4 Family	17.4%	44.6%	24.4%
Commercial Real Estate	16.8%	41.6%	28.8%

Trinity Bank's loan portfolio is basically half commercial and half real estate. And 85% of our real estate loans are owner-occupied, not speculative real estate loans. Bank A and B are both heavily oriented to real estate lending – Bank A is 90% real estate and B is 70%. We would have to do further due diligence to determine the percentage of owner-occupied versus non-owner occupied, but I would bet the percentages are no where close to Trinity's.

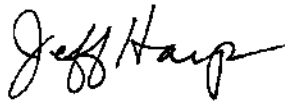
So what does this mean? In my mind (which can be pretty narrow), why would I pay a \$5 -10 million premium for a bunch of real estate loans? I would be better off hiring two or three real estate lending officers, giving them a roadmap and a rate book, and telling them to make \$40 - \$50 million in real estate loans (and save the \$5 – 10 million premium). The real estate concentration issue came up before we even got to the, "Does it increase Shareholder Value?" analysis.

I hope these comments make sense. I want you to know that the Board and the Staff do think about these things, even if our thinking is not necessarily conventional. And we sometimes are criticized by investors and/or investment bankers for not being more aggressive. One well-known investment banker, after visiting with me, told a colleague that, "Jeff Harp was driving a nice car (Trinity Bank) down a super highway (the Texas economy compared to the rest of the country) in second gear. He doesn't want to buy anybody. He doesn't want to add any branches".

That comment may be true. But I would like to think that the Board and the Staff of Trinity Bank "spend the shareholder's money like it was their own". We very much want to grow and make more money. But we will not do something that makes us bigger unless it increases our profitability proportionately. If we find an acquisition that makes sense, we will do it.

Pardon the length of this letter. I have been known to be a little wordy. But these are important issues and I want to share our thinking with you, the owners. Thanks for your interest and support of Trinity Bank. Please let me know if you have any questions or topics that you would like for me to address. I am available by phone, email or in person.

Sincerely,



Jeffrey M. Harp
President

For Immediate Release

**TRINITY BANK REPORTS:
2012 FIRST QUARTER NET INCOME UP 15.2%
SHAREHOLDERS RECEIVE FIRST CASH DIVIDEND**

FORT WORTH, Texas, May 1, 2012 - Trinity Bank N.A. (OTC Bulletin Board: TYBT) today announced operating results for the three months ending March 31, 2012.

Results of Operations

Trinity Bank, N.A. reported Net Income After Taxes of \$621,000, or \$.55 per diluted common share for the first quarter of 2012, compared to \$539,000 or \$.48 per diluted common share for the first quarter of 2011, an increase of 14.6%.

Jeffrey M. Harp, President, stated, "Net Income was up 15.2% over the first quarter of 2011. This performance represents Trinity's 30th consecutive quarter of profit improvement. We are finally seeing a little pickup in loan demand, albeit from a very low level last year. The activity enabled us to produce a Return on Assets of 1.52% and a Return on Equity (excluding unrealized gain on investments) of 13.56%. Both ratios compare very favorably to local, regional, and national peer groups."

"Trinity Bank's first cash dividend was distributed to shareholders yesterday (04-30-12). We are pleased to be able to provide some tangible return on our shareholder's investment."

<i>Average for Quarter Ending</i> (in 000's)	<u>03/31/2012</u>	<u>03/31/2011</u>	<u>%</u>
Loans	\$81,136	\$71,103	14.1%
Deposits	\$143,067	\$133,277	7.3%
<i>Average for Quarter Ending</i> (in 000's)	<u>03/31/2012</u>	<u>03/31/2011</u>	<u>%</u>
Net Interest Income	\$1,353	\$1,248	8.4%
Non-Interest Income	\$113	\$129	-12.4%
Non-Interest Expense	\$642	\$675	-4.9%
Loan Loss Provision	\$0	\$0	NA

Page 2 – Trinity Bank first quarter 2012 earnings

Pre Tax Income	\$824	\$702	17.4%
Income Tax	\$203	\$163	24.5%
Net Income	\$621	\$539	15.2%

<i>Average for Quarter Ending</i> (in 000's)	<u>03/31/2012</u>	<u>03/31/2011</u>	<u>%</u>
Net Income	\$621	\$539	15.2%
Diluted Weighted Average Shares	1,119	1,126	-0.6%
Earnings per Share	\$0.55	\$0.48	14.6%
Return on Assets	1.52%	1.42%	
Return on Equity	13.56%	12.90%	

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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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.

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

EARNINGS SUMMARY	Quarter Ended March 31		%
	2012	2011	
Interest income	1,514	1,474	2.7%
Interest expense	181	226	-26.8%
Net Interest Income	1,353	1,248	8.4%
Provision for Loan Losses	0	0	N/A
Service charges on deposits	37	37	0.0%
Net gain on securities available for sale	17	29	-41.4%
Other income	59	63	-6.3%
Total Non Interest Income	113	129	-12.4%
Salaries and benefits expense	331	340	-2.6%
Occupancy and equipment expense	74	75	-1.3%
Other expense	237	260	-8.8%
Total Non Interest Expense	642	675	-4.9%
Earnings before income taxes	824	702	17.4%
Provision for income taxes	203	163	24.5%
Net Earnings	621	539	15.2%
Basic earnings per share	0.59	0.51	15.7%
Basic weighted average shares outstanding	1,056	1,067	
Diluted earnings per share	0.55	0.48	14.6%
Diluted weighted average shares outstanding	1,119	1,126	

BALANCE SHEET SUMMARY	Average for Quarter Ending March 31		%
	2012	2011	
Total loans	\$81,136	\$71,103	14.1%
Total short term investments	18,495	17,742	4.2%
Total investment securities	57,451	56,684	1.4%
Earning assets	167,082	145,529	7.9%
Total assets	163,755	151,401	8.2%
Noninterest bearing deposits	29,804	24,123	23.6%
Interest bearing deposits	113,263	109,154	3.8%
Total deposits	143,067	133,277	7.3%
Fed Funds Purchased and Repurchase Agreements	450	582	-22.7%
Shareholders' equity	19,416	16,972	14.4%

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

BALANCE SHEET SUMMARY	March 31, 2012	Average for Quarter Ending			March 31, 2011
		Dec 31, 2011	Sept. 30, 2011	June 30, 2011	
Total loans	\$81,136	\$76,426	\$74,941	\$71,676	\$71,103
Total short term investments	18,495	26,760	21,204	21,929	17,742
Total investment securities	57,451	56,751	51,908	50,714	56,684
Earning assets	157,082	159,937	148,053	144,319	145,529
Total assets	163,755	166,392	154,363	152,633	151,401
Noninterest bearing deposits	29,804	32,552	27,706	25,176	24,123
Interest bearing deposits	113,263	113,758	107,061	108,696	109,154
Total deposits	143,067	146,310	134,767	133,872	133,277
Fed Funds Purchased and Repurchase Agreements	450	584	411	438	582
Shareholders' equity	19,416	18,690	18,401	17,687	16,972

HISTORICAL EARNINGS SUMMARY	March 31, 2012	Quarter Ended			March 31, 2011
		Dec 31, 2011	Sept. 30, 2011	June 30, 2011	
Interest income	1,514	1,509	1,471	1,426	1,474
Interest expense	161	199	203	217	226
Net Interest Income	1,353	1,310	1,268	1,209	1,248
Provision for Loan Losses	0	0	0	0	0
Service charges on deposits	37	37	35	29	37
Net gain on securities available for sale	17	18	40	28	29
Other income	59	55	92	78	63
Total Non Interest Income	113	110	167	135	129
Salaries and benefits expense	331	450	317	312	340
Occupancy and equipment expense	74	81	82	79	75
FDIC expense	14	45	45	45	45
Other expense	223	45	226	173	215
Total Non Interest Expense	642	621	670	609	675
Earnings before income taxes	824	799	765	735	702
Provision for income taxes	203	194	185	177	163
Net Earnings	621	605	580	558	539

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

HISTORICAL BALANCE SHEET	Ending Balance				
	March 31, 2012	Dec 31, 2011	Sept. 30, 2011	June 30, 2011	March 31, 2011
Total loans	\$84,808	\$81,272	\$76,180	\$74,822	\$71,287
Total short term investments	18,681	19,279	27,716	17,404	25,369
Total investment securities	56,640	58,540	53,370	51,982	53,497
Total earning assets	160,129	159,091	157,266	144,208	150,153
Allowance for loan losses	(1,371)	(1,371)	(1,371)	(1,371)	(1,371)
Premises and equipment	1,368	1,378	1,413	1,404	1,440
Other Assets	6,706	7,843	6,209	5,850	6,024
Total assets	166,832	166,941	163,517	150,091	156,246
Noninterest bearing deposits	32,239	34,203	33,733	24,208	27,747
Interest bearing deposits	114,268	112,163	109,722	106,761	110,161
Total deposits	146,507	146,366	143,455	130,969	137,908
Fed Funds Purchased and Repurchase Agreements	203	713	398	292	534
Other Liabilities	898	792	896	690	559
Total liabilities	147,608	147,871	144,749	131,951	139,001
Shareholders' Equity Actual	18,368	18,025	17,667	17,306	16,715
Unrealized Gain - AFS	856	1,045	1,100	834	530
Total Equity	19,224	19,070	18,767	18,140	17,245
	Quarter Ending				
NONPERFORMING ASSETS	March 31, 2012	Dec 31, 2011	Sept. 30, 2011	June 30, 2011	March 31, 2011
Nonaccrual loans	\$221	\$653	\$735	\$850	\$488
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	\$221	\$653	\$735	\$850	\$488
Accruing loans past due 30-89 days	\$0	\$0	\$0	\$0	\$0
Total nonperforming assets as a percentage of loans and foreclosed assets	0.26%	0.80%	0.96%	1.12%	0.68%

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

ALLOWANCE FOR LOAN LOSSES	Quarter Ending				
	March 31, 2012	Dec 31, 2011	Sept. 30, 2011	June 30, 2011	March 31, 2011
Balance at beginning of period	\$1,371	\$1,371	\$1,371	\$1,371	\$1,371
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	0	0	0
Balance at end of period	\$1,371	\$1,371	\$1,371	\$1,371	\$1,371
Allowance for loan losses as a percentage of total loans	1.62%	1.69%	1.80%	1.80%	1.92%
Allowance for loan losses as a percentage of nonperforming loans	620.36%	209.95%	186.53%	186.53%	280.94%
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	N/A	N/A	N/A

SELECTED RATIOS	Quarter Ending				
	March 31, 2012	Dec 31, 2011	Sept. 30, 2011	June 30, 2011	March 31, 2011
Return on average assets (annualized)	1.52%	1.45%	1.50%	1.46%	1.42%
Return on average equity (annualized)	12.79%	12.95%	12.61%	12.62%	12.70%
Return on average equity (excluding unrealized gain on investments)	13.56%	13.62%	13.26%	13.11%	12.90%
Average shareholders' equity to average assets	11.86%	11.23%	11.92%	11.59%	11.21%
Yield on earning assets (tax equivalent)	4.14%	4.05%	4.26%	4.24%	4.27%
Cost of interest bearing funds	0.57%	0.70%	0.76%	0.80%	0.82%
Net interest margin (tax equivalent)	3.73%	3.56%	3.72%	3.64%	3.65%
Efficiency ratio (tax equivalent)	40.71	40.55	43.42	42.29	45.45
End of period book value per common share	18.20	18.05	17.60	17.51	16.16
End of period book value (excluding unrealized gain on investments)	17.39	17.07	16.57	16.48	15.67
End of period common shares outstanding	1,056	1,056	1,066	1,072	1,067

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

YIELD ANALYSIS	March 31, 2012			3 Months Ending			March 31, 2011		
	Average Balance	Interest	Yield	Tax Equivalent Yield	Average Balance	Interest	Yield	Tax Equivalent Yield	
Interest Earning Assets:									
Short term investment	18,495	23	0.50%	0.50%	17,742	36	0.81%	0.81%	
Investment securities	16,116	175	4.34%	4.34%	22,938	246	4.29%	4.29%	
Tax Free securities	41,335	252	2.44%	3.51%	33,746	245	2.90%	4.18%	
Loans	81,136	1,064	5.25%	5.25%	71,103	947	5.33%	5.33%	
Total Interest Earning Assets	157,082	1,514	3.86%	4.14%	145,529	1,474	4.05%	4.27%	
Noninterest Earning Assets:									
Cash and due from banks	3,439				3,260				
Other assets	4,805				3,983				
Allowance for loan losses	(1,371)				(1,371)				
Total Noninterest Earning Assets	6,673				5,872				
Total Assets	\$163,755				\$151,401				
Interest Bearing Liabilities:									
Transaction and Money Market accounts	84,343	108	0.51%	0.51%	78,422	142	0.72%	0.72%	
Certificates and other time deposits	28,920	52	0.72%	0.72%	30,732	83	1.08%	1.08%	
Other borrowings	450	1	0.89%	0.89%	582	1	0.69%	0.69%	
Total Interest Bearing Liabilities	113,713	161	0.57%	0.57%	109,736	226	0.82%	0.82%	
Noninterest Bearing Liabilities									
Demand deposits	29,804				24,123				
Other liabilities	822				570				
Shareholders' Equity	19,416				16,972				
Total Liabilities and Shareholders Equity	\$163,755				\$151,401				
Net Interest Income and Spread		1,353	3.28%	3.57%		1,248	3.23%	3.45%	
Net Interest Margin			3.44%	3.73%			3.43%	3.65%	

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

	March 31 2012	%	March 31 2011	%
LOAN PORTFOLIO				
Commercial and industrial	42,633	50.27%	32,364	45.40%
Real estate:				
Commercial	15,786	18.61%	13,547	19.00%
Residential	16,584	19.55%	13,328	18.70%
Construction and development	7,712	9.09%	10,431	14.63%
Consumer	2,093	2.47%	1,617	2.27%
Total loans (gross)	84,808	100.00%	71,287	100.00%
Unearned discounts	0	0.00%	0	0.00%
Total loans (net)	84,808	100.00%	71,287	100.00%

	March 31 2012	March 31 2011
REGULATORY CAPITAL DATA		
Tier 1 Capital	\$18,369	\$16,716
Total Capital (Tier 1 + Tier 2)	\$19,722	\$17,953
Total Risk-Adjusted Assets	\$108,247	\$98,788
Tier 1 Ratio	16.97%	16.92%
Total Capital Ratio	18.22%	18.17%
Tier 1 Leverage Ratio	11.24%	11.06%

OTHER DATA

Full Time Equivalent Employees (FTE's)	14	14
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Stock Price Range

(For the Three Months Ended):

High	\$27.25	\$25.50
Low	\$25.50	\$24.10
Close	\$27.25	\$25.50