Jeffrey M. Harp
President
jharp@TrinityBk.com

Dear Shareholder:

I apologize for this letter being a little later than usual. The press release (copy attached) went out the first week of November. In it, you will see good earnings and the announcement of our first non-performing loan since we opened the bank in May 2003. I am disappointed as I imagine you are as well, because operating efficiency and the lack of problem loan expense have been two of our major strengths. I want to spend some time in this letter talking about the issue of loan quality at Trinity Bank.

First, allow me to talk about the downside. The non-performing loan is big – $1,785,000. The bank's largest loans ought to be to its strongest borrowers. How did we mess up? I have often said (and I strongly believe) that 90% of bad loans are bad the day they are made. They are poorly conceived, poorly structured, or the risk/reward ratio is out of balance. However, many bankers will tell you, "It was a good loan when I made it and it turned bad later". If I'm right, was our loan bad when it was made?

Trying to be objective (which is often difficult for me), the borrower made a couple of bad decisions by tying up some working capital in an investment and some capital equipment. Then, two things happened that they had no control over – the major one being an abrupt shortage in their key raw material. The material shortage began in the first quarter of 2010 and was supposed to be over by the third quarter. The shortage continued and now it appears that the shortage could continue through most of 2011.

The upside is that these are good people who have been in this business a long time. They have about $14,000,000 in backlog. The loan has been reduced by about $700,000 since September 30. And we have a plan to go forward. As I have said before, Trinity Bank is committed to working with good people through bad times. This is one of the things that separates us from the competition, and it builds long-lasting relationships.

All that being said, I would rather not have any non-performing loans – especially a big one. But, if you loan money, at some point you will have problems loans. The key is not avoiding problem loans. The key is how much of your money do you get back when you have one. We (and you) will see how we do.

I am not concerned at this point that this one non-performing loan is a harbinger of weakness in the whole loan portfolio. We still have no past due loans (the regulatory definition of past due is 30 days past due at month-end) which is usually the first sign. In addition, we are currently undergoing our annual loan review by an outside loan review company. And we will be examined by our primary regulator, the Office of the Comptroller of the Currency (national bank examiners) in the first quarter of 2011. So we will soon have two independent opinions on the quality of our loan portfolio, and I will report the results to you when they are available.

Now, back to the third quarter results. Your bank performed well. Net Income was up 25% over the third quarter of 2009. Our Return on Assets and Return on Equity are about double the average returns for all Texas banks and about four times the national average. While the current Returns are good on a comparative basis, they are still less than our goal. However, I think we are in a period of time where we must be satisfied with what the market will give us and not try to "push the envelope". One of these days (if I live long enough and economic activity increases), we are going to hit the ball over the fence.

Loan volume was up some (10.5%) over the third quarter of 2009, but growing loans is still our most pressing challenge. Any referrals or suggestions would be very helpful. Deposit growth for the third quarter was anemic (3.9%). The strange thing is that this is by design. For the first time in my 39 year career, we are not actively soliciting deposits <u>unless</u> it is with people that we can develop a full relationship with.

Our goal at Trinity is to pay as much as we possibly can for deposits – rather than pay as little as we can get by with. For example, Frost Bank is a major competitor in the market niche that we focus on. The average cost of interest-bearing funds for both banks for the third quarter is shown below.

Frost Bank	.31%
Trinity Bank	1.11%

The difference is .80% which may not sound like much (and in today's low rate environment, one can't generate much income off either), but if we were to pay what Frost is paying, our revenue would increase about $75,000 per month. Why don't we just lower our rates to be competitive with Frost? Because of the philosophy stated earlier. We want to pay as much as we can, not as little as we can get by with. And I think this will pay off in the long run. Therefore, if someone (basically a "rate shopper") wants to buy a CD or open a money market account (because of our higher rates) and nothing else, we quote a lower rate than we give to our relationship-based customers. With low loan demand and low rates on securities investments, adding high-rate deposits from rate shoppers just costs us money. Again, I've never had to do this before. These are strange times indeed.

Trinity Bank remains very efficient. Our Net Interest Income (the difference between what we earn and what money costs us) was up 16.2% for the first nine months of 2010, while our Operating Expenses were actually down 0.3% over the same time period. This is remarkable, and it is a reflection of the way we have structured the bank and the efforts of an exceptional staff.

Finally, I looked at my letter to you from the third quarter of last year. In it I had on my economist hat. I weighed in on the inflation/deflation debate. I finished a section entitled **What to look For** with the following:

> "So keep your eye on whether the Fed maintains its independence and on whether the Fed extends or increases its plan to buy debt issued by the U.S. Treasury…:"

Well, as you probably know, the Fed just announced that they are going to buy an additional $600 billion in Treasury debt. In effect, they are creating money out of the thin air and using it to buy Treasury debt so our nation can continue to spend more than it takes in. I cannot see how this will end well. But there may be a third option to inflation or deflation. It is stagflation, which is a term I vaguely remember from the 1970's. In stagflation, you have slow economic growth (some growth but slow) and inflation in all of the things you have to buy – food, energy, etc. – and deflation in the things you don't have to buy. It is the worst of both worlds.

I wish I knew what to do. Obviously, I don't or I would be selling advice instead of trying to run a bank. All I can say is, make sure more is coming in than going out and be thankful that we live in a country where we still have input as to the direction our nation needs to go.

You will not receive this letter until after the Thanksgiving holiday, so please accept belated Thanksgiving wishes from Trinity Bank and yours truly. In spite of the headwinds we face, we have a great deal to be thankful for both individually and at the bank. And please keep in mind those Americans who stand in harm's way so that we may enjoy the blessings of living in the United States.

If you have any questions, comments or suggestions, please call, email or come by. We appreciate your investment in and support of Trinity Bank.

Sincerely,

Jeff Harp

Jeffrey M. Harp
President

For Immediate Release

24th CONSECUTIVE QUARTER OF PROFIT IMPROVEMENT

TRINITY BANK THIRD QUARTER PROFITS UP 25.0%

FORT WORTH, Texas, October 3, 2010 - Trinity Bank N.A. (OTC Bulletin Board: TYBT) today announced operating results for the third quarter and the nine months ending September 30, 2010.

Results of Operations

For the third quarter of 2010, Trinity Bank, N.A. reported Net Income after Taxes of $515,000 or $.45 per diluted common share, compared to third quarter 2009 profit of $418,000 or $.36 per diluted common share, an increase of 25%.

For the first nine months of 2010, Net Income after Taxes amounted to $1,480,000 or $1.27 per diluted common share versus $1,194,000 or $1.02 per diluted common share for the first nine months of 2009 – an increase of 24.9%.

Jeffrey M. Harp, President, stated, "Our strengths have been centered in acceptable growth, low operating costs, and no problem loan expense. However, in mid-September, we placed one of our large relationships in non-performing status – our first non-performing asset since we opened the bank in May 2003. This borrower is facing an abrupt shortage of a key product. We are working to protect the bank's interest while trying to help good people through bad times."

"Trinity Bank continues to perform at a high level. Through nine months, Trinity produced a Return on Assets of 1.31% and a Return on Equity of 12.95%. For comparative purposes, all 605 Texas banks generated an average Return on Assets of .61% and an average Return on Equity of 5.74% for the first half of 2010 (third quarter numbers not available at this time)."

See next page for summary numbers

Average for Quarter Ending

(in 000's)	9-30-10	9-30-09	%
Loans	$ 73,921	$ 66,920	10.5 %
Deposits	$137,671	$132,496	3.9 %

Actual for Quarter Ending

(in 000's)	9-30-10	9-30-09	%
Net Interest Income	$ 1,235	$ 1,096	12.7 %
Non-Interest Income	$ 126	$ 172	(26.7 %)
Non-Interest Expense	$ 628	$ 683	(8.1 %)
Loan Loss Provision	$ 45	$ 45	0.0 %
Pre Tax Income	$ 688	$ 540	27.4 %
Income Tax	$ 173	$ 122	41.8 %
Net Income	$ 515	$ 418	23.2 %
Diluted Earnings per share	$ .45	$ .36	25.0%

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

EARNINGS SUMMARY	Quarter Ended September 30 2010	2009	% Change	Nine Months Ended September 30 2010	2009	% Change
Interest income	1,542	1,494	3.2%	4,566	4,368	4.5%
Interest expense	307	398	-22.9%	920	1,229	-25.1%
Net Interest Income	**1,235**	**1,096**	**12.7%**	**3,646**	**3,139**	**16.2%**
Provision for Loan Losses	**45**	**45**	**0.0%**	**135**	**135**	**0.0%**
Service charges on deposits	37	36	2.8%	111	90	23.3%
Net gain on securities available for sale	25	78	-67.9%	45	87	-48.3%
Other income	64	58	10.3%	187	221	-15.4%
Total Non Interest Income	**126**	**172**	**-26.7%**	**343**	**398**	**-13.8%**
Salaries and benefits expense	319	292	9.2%	947	868	9.1%
Occupancy and equipment expense	75	89	-15.7%	233	261	-10.7%
Other expense	234	302	-22.5%	695	752	-7.6%
Total Non Interest Expense	**628**	**683**	**-8.1%**	**1,875**	**1,881**	**-0.3%**
Earnings before income taxes	688	540	27.4%	1,979	1,521	30.1%
Provision for income taxes	173	122	41.8%	499	327	52.6%
Net Earnings	**515**	**418**	**23.2%**	**1,480**	**1,194**	**24.0%**
Basic earnings per share	0.47	0.38	**24.5%**	1.34	1.08	**23.8%**
Basic weighted average shares outstanding	1,089	1,110		1,107	1,110	
Diluted earnings per share	0.45	0.36	**25.0%**	1.27	1.02	**24.9%**
Diluted weighted average shares outstanding	1,144	1,166		1,162	1,166	

BALANCE SHEET SUMMARY	Average for Quarter Ending September 30 2010	2009	% Change	Average for Nine Months Ending September 30 2010	2009	% Change
Total loans	$73,921	$66,920	10.5%	$73,035	$63,996	14.1%
Total short term investments	25,261	23,611	7.0%	21,823	21,761	0.3%
Total investment securities	50,517	52,448	-3.7%	49,729	50,996	-2.5%
Earning assets	**149,699**	**142,979**	**4.7%**	**144,587**	**136,753**	**5.7%**
Total assets	**156,779**	**149,782**	**4.7%**	**151,976**	**143,218**	**6.1%**
Noninterest bearing deposits	23,717	23,606	0.5%	22,858	23,345	-2.1%
Interest bearing deposits	113,954	108,890	4.7%	109,995	101,738	8.1%
Total deposits	**137,671**	**132,496**	**3.9%**	**132,853**	**125,083**	**6.2%**
Fed Funds Purchased and Repurchase Agreements	**874**	**743**	**17.6%**	**930**	**2,425**	**-61.6%**
Shareholders' equity	**17,209**	**15,725**	**9.4%**	**17,172**	**15,048**	**14.1%**

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

	Average for Quarter Ending				
BALANCE SHEET SUMMARY	**Sept. 30, 2010**	**June 30, 2010**	**March 31, 2010**	**Dec 31, 2009**	**Sept. 30, 2009**
Total loans	$73,921	$74,671	$70,473	$66,816	$66,920
Total short term investments	25,261	19,397	20,760	29,268	23,611
Total investment securities	50,517	48,896	49,764	51,363	52,448
Earning assets	**149,699**	**142,964**	**140,997**	**147,447**	**142,979**
Total assets	**156,779**	**150,282**	**148,608**	**154,425**	**149,782**
Noninterest bearing deposits	23,717	22,134	22,713	22,985	23,603
Interest bearing deposits	113,954	108,886	107,068	113,378	108,893
Total deposits	**137,671**	**131,020**	**129,781**	**136,363**	**132,496**
Fed Funds Purchased and Repurchase Agreements	**874**	**924**	**991**	**630**	**743**
Shareholders' equity	**17,209**	**17,340**	**16,964**	**16,453**	**15,725**

	Quarter Ended				
HISTORICAL EARNINGS SUMMARY	**Sept. 30, 2010**	**June 30, 2010**	**March 31, 2010**	**Dec 31, 2009**	**Sept. 30, 2009**
Interest income	1,542	1,536	1,488	1,488	1,494
Interest expense	307	302	311	381	398
Net Interest Income	**1,235**	**1,234**	**1,177**	**1,107**	**1,096**
Provision for Loan Losses	**45**	**45**	**45**	**45**	**45**
Service charges on deposits	37	37	37	34	36
Net gain on securities available for sale	25	7	13	88	78
Other income	64	59	64	55	58
Total Non Interest Income	**126**	**103**	**114**	**177**	**172**
Salaries and benefits expense	319	315	313	403	292
Occupancy and equipment expense	75	79	79	108	89
FDIC expense	45	45	39	44	44
Other expense	189	186	191	105	258
Total Non Interest Expense	**628**	**625**	**622**	**660**	**683**
Earnings before income taxes	688	667	624	579	540
Provision for income taxes	173	171	155	137	122
Net Earnings	**515**	**496**	**469**	**442**	**418**

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

HISTORICAL BALANCE SHEET			Ending Balance		
	Sept. 30, 2010	**June 30, 2010**	**March 31, 2010**	**Dec 31, 2009**	**Sept. 30, 2009**
Total loans	$73,003	$74,007	$73,432	$71,949	$67,661
Total short term investments	27,750	20,612	17,634	19,006	20,968
Total investment securities	51,376	50,436	50,944	55,082	56,209
Total earning assets	**152,129**	**145,055**	**142,010**	**146,037**	**144,838**
Allowance for loan losses	1,221	1,176	1,131	1,086	1,041
Premises and equipment	1,479	1,513	1,544	1,543	1,610
Other Assets	6,757	6,967	5,972	4,733	6,589
Total assets	**159,144**	**152,359**	**148,395**	**151,227**	**151,996**
Noninterest bearing deposits	25,304	21,057	22,404	25,568	22,235
Interest bearing deposits	114,683	112,270	107,393	107,565	111,965
Total deposits	**139,987**	**133,327**	**129,797**	**133,133**	**134,200**
Fed Funds Purchased and Repurchase Agreements	702	511	590	454	535
Other Liabilities	1,050	965	875	876	1,023
Total liabilities	**141,739**	**134,803**	**131,262**	**134,463**	**135,758**
Shareholders' Equity Actual	**16,081**	**16,316**	**15,835**	**15,354**	**14,862**
Unrealized Gain - AFS	**1,324**	**1,240**	**1,299**	**1,410**	**1,376**
Total Equity	**17,405**	**17,556**	**17,134**	**16,764**	**16,238**

NONPERFORMING ASSETS			Quarter Ending		
	Sept. 30, 2010	**June 30, 2010**	**March 31, 2010**	**Dec 31, 2009**	**Sept. 30, 2009**
Nonaccrual loans	$1,785	$0	$0	$0	$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	**$1,785**	**$0**	**$0**	**$0**	**$0**
Accruing loans past due 30-89 days	$0	$0	$0	$0	$0
Total nonperforming assets as a percentage of loans and foreclosed assets	2.45%	0.00%	0.00%	0.00%	0.00%

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

ALLOWANCE FOR LOAN LOSSES	Quarter Ending Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec 31, 2009	Sept. 30, 2009
Balance at beginning of period	**$1,176**	**$1,131**	**$1,086**	**$1,041**	**$996**
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	45	45	45	45	45
Balance at end of period	**$1,221**	**$1,176**	**$1,131**	**$1,086**	**$1,041**
Allowance for loan losses as a percentage of total loans	1.67%	1.59%	1.54%	1.51%	1.54%
Allowance for loan losses as a percentage of nonperforming loans	68.40%	N/A	N/A	N/A	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	0.06%	0.06%	0.06%	0.06%	0.07%

SELECTED RATIOS	Quarter Ending Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec 31, 2009	Sept. 30, 2009
Return on average assets (annualized)	1.31%	1.32%	1.26%	1.15%	1.12%
Return on average equity (annualized)	11.97%	11.44%	11.06%	10.75%	10.63%
Return on average equity (excluding unrealized gain on investments)	12.95%	12.35%	12.05%	11.71%	11.44%
Average shareholders' equity to average assets	10.98%	11.56%	11.42%	10.65%	10.50%
Yield on earning assets (tax equivalent)	4.34%	4.52%	4.45%	4.27%	4.43%
Cost of interest bearing funds	1.07%	1.10%	1.15%	1.34%	1.45%
Net interest margin (tax equivalent)	3.52%	3.67%	3.57%	3.23%	3.32%
Efficiency ratio (tax equivalent)	43.37	44.04	45.34	51.52	50.37
End of period book value per common share	16.04	15.73	15.35	15.03	14.63
End of period book value (excluding unrealized gain on investments)	14.82	14.62	14.19	13.77	13.39
End of period common shares outstanding	1,085	1,116	1,116	1,115	1,110

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

	3 Months Ending							
	September 30, 2010				September 30, 2009			
YIELD ANALYSIS	Average Balance	Interest	Yield	Tax Equivalent Yield	Average Balance	Interest	Yield	Tax Equivalent Yield
Interest Earning Assets:								
Short term investment	25,261	70	1.11%	1.11%	23,611	87	1.47%	1.47%
Investment securities	25,538	281	4.40%	4.40%	27,288	296	4.34%	4.34%
Tax Free securities	24,979	197	3.15%	4.55%	25,160	200	3.18%	4.58%
Loans	73,921	994	5.38%	5.38%	66,920	911	5.45%	5.45%
Total Interest Earning Assets	**149,699**	**1,542**	**4.12%**	**4.34%**	**142,979**	**1,494**	**4.18%**	**4.43%**
Noninterest Earning Assets:								
Cash and due from banks	2,925				3,442			
Other assets	5,354				4,378			
Allowance for loan losses	(1,199)				(1,017)			
Total Noninterest Earning Assets	**7,080**				**6,803**			
Total Assets	**$156,779**				**$149,782**			
Interest Bearing Liabilities:								
Transaction and Money Market accounts	80,902	195	0.96%	0.96%	76,571	231	1.21%	1.21%
Certificates and other time deposits	33,052	111	1.34%	1.34%	32,318	166	2.05%	2.05%
Other borrowings	874	1	0.46%	0.46%	743	1	0.54%	0.54%
Total Interest Bearing Liabilities	**114,828**	**307**	**1.07%**	**1.07%**	**109,632**	**398**	**1.45%**	**1.45%**
Noninterest Bearing Liabilities								
Demand deposits	23,717				23,606			
Other liabilities	1,025				819			
Shareholders' Equity	17,209				15,725			
Total Liabilities and Shareholders Equity	**$156,779**				**$149,782**			
Net Interest Income and Spread		**1,235**	**3.05%**	**3.27%**		**1,096**	**2.73%**	**2.98%**
Net Interest Margin			**3.30%**	**3.52%**			**3.07%**	**3.32%**

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

LOAN PORTFOLIO	**September 30 2010**	**%**	**September 30 2009**	**%**
Commercial and industrial	34,367	47.08%	30,988	45.80%
Real estate:				
Commercial	15,946	21.84%	12,334	18.23%
Residential	12,981	17.78%	10,709	15.83%
Construction and development	7,881	10.80%	10,499	15.52%
Consumer	1,828	2.50%	3,131	4.63%
Total loans (gross)	**73,003**	**100.00%**	**67,661**	**100.00%**
Unearned discounts	0	0.00%	0	0.00%
Total loans (net)	**73,003**	**100.00%**	**67,661**	**100.00%**

REGULATORY CAPITAL DATA	**September 30 2010**	**September 30 2009**
Tier 1 Capital	$16,081	$14,861
Total Capital (Tier 1 + Tier 2)	$17,302	$15,902
Total Risk-Adjusted Assets	$105,896	$87,210
Tier 1 Ratio	15.19%	14.57%
Total Capital Ratio	16.34%	15.59%
Tier 1 Leverage Ratio	10.28%	9.92%
OTHER DATA		
Full Time Equivalent Employees (FTE's)	14	14
Stock Price Range (For the Three Months Ended):		
High	$25.50	$29.75
Low	$23.00	$20.00
Close	$25.50	$29.50