



February 13, 2019

Dear Shareholder

We are pleased to announce the results for the 4Q and full year 2018. Trinity Bank earned \$1,200,000 in the 4Q and \$4,677,000 for the full year. Listed below you will see historical net income since inception. The Press Release and Financial Summary are available on our website at:

<https://www.trinitybk.com/about-us/investor-information>.

5-28-03 to 12-31-03*	\$	(939,000)	2011	2,282,000
2004		(277,000)	2012	2,581,000
2005		463,000	2013	2,862,000
2006		888,000	2014	3,266,000
2007		1,037,000	2015	3,733,000
2008		1,393,000	2016	4,009,000
2009		1,636,000	2017	3,068,000
2010		2,005,000	2018	<u>\$ 4,677,000</u>
				\$ 32,683,000

*Includes start-up expense prior to May 28th opening.

We would like to point out a couple of milestones achieved in 2018. First, in 2003, 258 original investors contributed \$11,033,070 in initial capital to allow Trinity Bank to open for business. Since opening May 28, 2003, your bank has generated \$32,683,000 in Net Profit after Taxes.

Second, we have to date returned \$11,274,000 to our shareholders in the form of cash dividends of \$7,079,000 and stock repurchases of \$4,195,000. Cash returned to shareholders is slightly more than the initial capital investment in 2003.

We want to express our heartfelt appreciation to:

1. the shareholders for believing in us and giving us the opportunity,
2. our staff for their hard work in producing exceptional results, and
3. our customers for choosing a banking relationship with Trinity Bank.

REFLECTING

In the February 2018 shareholder letter, you will find the following quote from Jeff Harp,

"I do not know if investors perceive that Trinity Bank is truly generating exceptional shareholder value, or if we are just being carried along on the rising tide with all of the other boats. Time will tell."

The stock market as a whole has had an amazing run since the great recession of 2008 - 2009. There was a significant sell-off in late 2018. Based on a Quarterly Bank Update from Samco Capital Markets, Inc. listing the performance of publicly held banks in the Southwestern U.S., the average Total Return YTD 2018 for all 45 Banks was a negative 5.15%. The Total Return YTD for Trinity was a positive 11.42%. We are proud of these comparative results, and we are committed to doing our best to perpetuate them.

SCORECARD

As you know, since 2007, Trinity Bank has used the Stern & Stewart Market Value Added (MVA) and the Economic Value Added (EVA) financial scorecard for determining if we are producing shareholder value. We continue to believe that these financial metrics are superior to the other popular ratios:

1. Growth in book value,
2. Growth in earnings per share,
3. Return on equity, and
4. Return on assets.

2018 results for Trinity Banks MVA and EVA are shown below and on the next page.

MARKET VALUE ADDED (MVA)

MVA = Market Value ÷ Total Capital (in 000's)

<u>Market Value of Trinity Bank</u>			
12-31-18			
Stock Price	X	Shares Outstanding	
\$65.50		1,100,460	= \$72,080
<u>Total Capital</u>			
Original Capital Investment			\$ 11,030
+ Earnings Since Inception			32,683
+ Capital from Exercise of Stock Options			1,612
- Capital returned to Shareholders through Dividends/Stock Repurchases			<u>(11,274)</u>
Total Capital			\$34,051
Market Value ÷ Total Capital	=		\$ 2.12

For each dollar invested and retained in Trinity, we have produced \$2.12 in value.

ECONOMIC VALUE ADDED (EVA)

EVA = revenue – operating costs – capital costs*

*The key concept is adding a charge for cost of capital to operating costs.

At Trinity Bank, in the current low interest rate environment, we are using 9.5% as the cost of capital. The results for the last three years as well as the projected results for 2019 are shown below.

<u>(in 000's)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Proj.</u> <u>2019</u>
Revenues	\$ 8,976	\$ 9,662	\$ 11,081	\$ 12,845
Operating Costs	(4,967)	(6,594)	(6,404)	(7,615)
Cost of Capital	(2,542)	(2,774)	(2,944)	(3,235)
Economic Value Added	\$ 1,467	\$ 294	\$ 1,733	\$ 1,995

EVA is positive and as long as it is positive, we are increasing shareholder value.

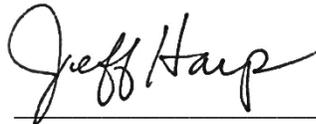
Finally, even though we focus on the MVA/EVA formulae, we do calculate the other metrics commonly used by the investment community. You will see them below.

31-Dec	Net Capital	Shares Outstanding	Earnings Per Share	Book Value	Stock Price
2004	\$ 9,816,000.00	1,103,307	(0.25)	\$ 8.90	\$ 13.75
2005	\$ 10,335,000.00	1,105,341	0.42	\$ 9.35	\$ 14.50
2006	\$ 11,223,000.00	1,108,807	0.80	\$ 10.12	\$ 22.00
2007	\$ 12,260,000.00	1,108,807	0.94	\$ 11.06	\$ 20.00
2008	\$ 13,658,000.00	1,109,113	1.26	\$ 12.31	\$ 20.00
2009	\$ 15,354,000.00	1,111,246	1.48	\$ 13.82	\$ 24.25
2010	\$ 16,176,000.00	1,098,534	1.82	\$ 14.73	\$ 25.00
2011	\$ 18,025,000.00	1,067,298	2.07	\$ 16.89	\$ 25.50
2012	\$ 19,546,000.00	1,084,034	2.34	\$ 18.03	\$ 33.00
2013	\$ 21,845,000.00	1,131,138	2.59	\$ 19.31	\$ 35.01
2014	\$ 24,027,000.00	1,124,619	2.96	\$ 21.36	\$ 42.40
2015	\$ 26,756,000.00	1,121,512	3.38	\$ 23.86	\$ 49.00
2016	\$ 29,201,000.00	1,108,302	3.63	\$ 26.35	\$ 53.50
2017	\$ 30,993,000.00	1,105,702	2.78	\$ 28.03	\$ 59.83
2018	\$ 34,051,000.00	1,100,460	4.24	\$ 30.94	\$ 65.50
	Compound growth rate since inception		16.67%	9.31%	11.80%

We are excited about the prospects for 2019 in spite of all the uncertainty in the economy. We plan on adding another lender in the 1Q. Our local market conditions are good. We have the best staff we have ever had at every position.

Thank you for your investment in and support of Trinity Bank.

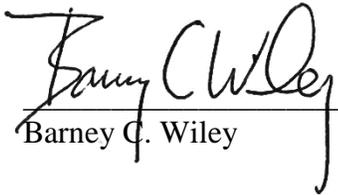
Sincerely,



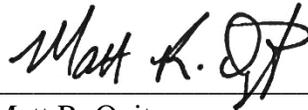
Jeffrey M. Harp



Richard A. Burt



Barney C. Wiley



Matt R. Opitz

For Immediate Release

Correction: Trinity Bank Reports 4Q and FYE 2018 Results

(This press release replaces the press release disseminated January 22, 2019 at 3:35PM ET. The press release contained an incorrect September 2018 Diluted earnings per share and had been corrected in the attached version below.)

	<u>4Q</u>	<u>2018</u>
• Net Income (in 000's)	\$1,200	\$4,677
• Return on Average Assets	1.88%	1.84%
• Return on Average Equity	15.02%	14.77%

FORT WORTH, Texas, January 22, 2019 – Trinity Bank N.A. (OTC Bulletin Board: TYBT) today announced financial and operating results for the fourth quarter and for the twelve months ended December 31, 2018.

Trinity Bank, N.A. reported Net Income after Taxes for the fourth quarter of 2018 of \$1,200,000 or \$1.08 per diluted common share, compared to \$642,000 or \$.57 per diluted common share for the fourth quarter of 2017, an increase of 87.9%.

For the year 2018, Net Income After Taxes amounted to \$4,677,000, or \$4.19 per diluted common share, compared to \$3,068,000, or \$2.74 per diluted common share for 2017, an increase of 53.0%.

Jeffrey M. Harp, President, stated, “2018 results reflect Trinity Bank’s return to its historical level of performance (see below). Superior results are indicative of an outstanding staff providing exceptional customer service.”

	Trinity Bank					
	<u>2018</u>	<u>Peer Group</u> <u>(9-30-18)</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Return on Assets	1.84%	1.24%	1.23%	1.79%	1.79%	1.68%
Return on Equity	14.77%	11.66%	10.22%	14.32%	14.69%	14.29%

Executive Vice-President Matt Opitz remarked, “Over the last two years, Trinity has made a substantial investment in our physical facility and in additional staff. These investments are already generating a positive return to shareholders. In 2019, we plan on adding staff, both revenue producers and support staff, in order to achieve our goal for continual organic growth. While focusing on internal growth, we continue to be open to expanding geographically in the North Texas market or acquiring another institution if the right opportunity presents itself.”

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.

###

For information contact:

Richard Burt

Executive Vice President

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.

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

EARNINGS SUMMARY	Quarter Ended			Twelve Months Ending		
	December 31 2018	2017	% Change	December 31 2018	2017	% Change
Interest income	\$2,785	\$2,407	15.7%	\$10,520	\$9,141	15.1%
Interest expense	358	192	86.5%	1,118	656	70.4%
Net Interest Income	2,427	2,215	9.6%	9,402	8,485	10.8%
Service charges on deposits	31	35	-11.4%	148	149	-0.7%
Other income	101	91	11.0%	399	366	9.0%
Total Non Interest Income	132	126	4.8%	547	515	6.2%
Salaries and benefits expense	757	575	31.7%	2,823	2,102	34.3%
Occupancy and equipment expense	120	112	7.1%	466	432	7.9%
Other expense	289	290	-0.3%	1,245	1,116	11.6%
Total Non Interest Expense	1,166	977	19.3%	4,534	3,650	24.2%
Pretax pre-provision income	1,393	1,364	2.1%	5,415	5,350	1.2%
Gain on sale of securities	3	2	N/M	14	4	N/M
Gain on sale of assets	0	0	N/M	0	0	N/M
Provision for Loan Losses	30	507	N/M	90	1,627	N/M
Earnings before income taxes	1,366	859	59.0%	5,339	3,727	43.3%
Provision for income taxes	166	217	-23.5%	662	659	0.5%
Net Earnings	\$1,200	\$642	86.9%	\$4,677	\$3,068	52.4%
Basic earnings per share	1.09	0.58	87.9%	4.24	2.77	53.0%
Basic weighted average shares outstanding	1,100	1,106		1,102	1,106	
Diluted earnings per share	1.08	0.57	87.9%	4.19	2.74	53.0%
Diluted weighted average shares outstanding	1,115	1,121		1,117	1,121	
BALANCE SHEET SUMMARY	Average for Quarter			Average for Twelve Months		
	December 31 2018	2017	% Change	December 31 2018	2017	% Change
Total loans	\$144,801	\$130,708	10.8%	\$143,869	\$131,126	9.7%
Total short term investments	23,175	33,929	-31.7%	18,854	24,136	-21.9%
Total investment securities	79,700	92,935	-14.2%	84,427	87,396	-3.4%
Earning assets	247,676	257,572	-3.8%	247,150	242,658	1.9%
Total assets	255,113	264,668	-3.6%	254,343	249,390	2.0%
Noninterest bearing deposits	81,187	81,387	-0.2%	81,783	75,434	8.4%
Interest bearing deposits	141,081	150,771	-6.4%	139,807	142,423	-1.8%
Total deposits	222,268	232,158	-4.3%	221,590	217,857	1.7%
Fed Funds Purchased and Repurchase Agreements	0	0	0.0%	390	79	393.7%
Shareholders' equity	\$31,948	\$31,546	1.3%	\$31,664	\$30,682	3.2%

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

BALANCE SHEET SUMMARY	Average for Quarter Ending				Dec 31, 2017
	Dec 31, 2018	Sept. 30, 2018	June 30, 2018	March 31, 2018	
Total loans	\$144,801	\$145,280	\$147,227	\$137,942	\$130,708
Total short term investments	23,175	18,368	10,843	23,035	33,929
Total investment securities	79,700	80,509	84,981	92,926	92,935
Earning assets	247,676	244,157	243,051	253,903	257,572
Total assets	255,113	251,839	250,070	260,399	264,668
Noninterest bearing deposits	81,187	83,151	80,637	82,622	81,387
Interest bearing deposits	141,081	135,815	135,940	146,206	150,771
Total deposits	222,268	218,966	216,577	228,828	232,158
Fed Funds Purchased and Repurchase Agreements	0	0	1,566	0	0
Shareholders' equity	\$31,948	\$32,151	\$31,236	\$31,308	\$31,546
HISTORICAL EARNINGS SUMMARY	Quarter Ended				Dec 31, 2017
	Dec 31, 2018	Sept. 30, 2018	June 30, 2018	March 31, 2018	
Interest income	\$2,785	\$2,658	\$2,591	\$2,486	\$2,407
Interest expense	358	309	241	209	192
Net Interest Income	2,427	2,349	2,350	2,277	2,215
Service charges on deposits	31	38	37	42	35
Other income	101	111	100	87	91
Total Non Interest Income	132	149	137	129	126
Salaries and benefits expense	757	707	731	628	575
Occupancy and equipment expense	120	119	106	121	112
Other expense	289	272	302	382	290
Total Non Interest Expense	1,166	1,098	1,139	1,131	977
Pretax pre-provision income	1,393	1,400	1,348	1,275	1,364
Gain on sale of securities	3	4	7	0	2
Gain on sale of other assets	0	0	0	0	0
Provision for Loan Losses	30	30	30	0	507
Earnings before income taxes	1,366	1,374	1,325	1,275	859
Provision for income taxes	166	184	166	146	217
Net Earnings	\$1,200	\$1,190	\$1,159	\$1,129	\$642
Diluted earnings per share	\$ 1.08	\$ 1.07	\$ 1.03	\$ 1.00	\$ 0.57

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

HISTORICAL BALANCE SHEET	Ending Balance				
	Dec 31, 2018	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017
Total loans	\$154,184	\$143,846	\$150,833	\$142,848	\$139,818
Total short term investments	13,127	23,080	7,454	20,766	19,027
Total investment securities	81,896	79,234	78,840	93,034	93,518
Total earning assets	249,207	246,160	237,127	256,648	252,363
Allowance for loan losses	(1,671)	(1,664)	(1,634)	(1,604)	(1,600)
Premises and equipment	2,627	2,652	2,729	2,725	2,731
Other Assets	7,018	5,892	7,582	5,046	5,817
Total assets	257,181	253,040	245,804	262,815	259,311
Noninterest bearing deposits	85,668	81,856	79,678	86,903	84,445
Interest bearing deposits	137,979	137,926	133,922	143,929	143,638
Total deposits	223,647	219,782	213,600	230,832	228,083
Fed Funds Purchased and Repurchase Agreements	0	0	0	0	0
Other Liabilities	701	1,311	610	1,143	352
Total liabilities	224,348	221,093	214,210	231,975	228,435
Shareholders' Equity Actual	34,051	32,772	32,244	31,497	30,993
Unrealized Gain - AFS	(1,218)	(825)	(650)	(657)	(117)
Total Equity	\$32,833	\$31,947	\$31,594	\$30,840	\$30,876
	Quarter Ending				
NONPERFORMING ASSETS	Dec 31, 2018	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017
Nonaccrual loans	\$60	\$137	\$179	\$224	\$394
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	\$60	\$137	\$179	\$224	\$394
Accruing loans past due 30-89 days	\$0	\$456	\$458	\$0	\$0
Total nonperforming assets as a percentage of loans and foreclosed assets	0.04%	0.10%	0.12%	0.16%	0.28%

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

ALLOWANCE FOR LOAN LOSSES	Quarter Ending				Dec 31, 2017
	Dec 31, 2018	Sept. 30, 2018	June 30, 2018	March 31, 2018	
Balance at beginning of period	\$1,664	\$1,634	\$1,604	\$1,600	\$1,493
Loans charged off	23	0	0	0	400
Loan recoveries	0	0	0	4	0
Net (charge-offs) recoveries	(23)	0	0	4	(400)
Provision for loan losses	30	30	30	0	507
Balance at end of period	\$1,671	\$1,664	\$1,634	\$1,604	\$1,600
Allowance for loan losses as a percentage of total loans	1.08%	1.10%	1.08%	1.12%	1.14%
Allowance for loan losses as a percentage of nonperforming assets	2785%	930%	913%	716%	406%
Net charge-offs (recoveries) as a percentage of average loans	0.02%	0.00%	0.00%	-0.01%	0.31%
Provision for loan losses as a percentage of average loans	0.02%	0.02%	0.02%	0.00%	0.39%

SELECTED RATIOS	Quarter Ending				Dec 31, 2017
	Dec 31, 2018	Sept. 30, 2018	June 30, 2018	March 31, 2018	
Return on average assets (annualized)	1.88%	1.89%	1.85%	1.73%	0.97%
Return on average equity (annualized)	15.02%	14.81%	14.84%	14.42%	8.14%
Return on average equity (excluding unrealized gain on investments)	15.57%	14.53%	14.51%	14.34%	8.44%
Average shareholders' equity to average assets	12.52%	12.77%	12.49%	12.02%	11.92%
Yield on earning assets (tax equivalent)	4.75%	4.59%	4.53%	4.19%	4.17%
Effective Cost of Funds	0.58%	0.51%	0.40%	0.33%	0.29%
Net interest margin (tax equivalent)	4.17%	4.08%	4.13%	3.86%	3.88%
Efficiency ratio (tax equivalent)	37.9%	41.5%	43.0%	43.9%	37.2%
End of period book value per common share	\$29.85	\$29.07	\$28.13	\$27.88	\$27.92
End of period book value (excluding unrealized gain on investments)	\$30.96	\$29.82	\$29.31	\$28.48	\$28.02
End of period common shares outstanding (in 000's)	1,100	1,099	1,100	1,106	1,106

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

	Twelve Months Ending							
	December 31, 2018				December 31, 2017			
YIELD ANALYSIS	Average Balance	Interest	Yield	Tax Equivalent Yield	Average Balance	Interest	Yield	Tax Equivalent Yield
Interest Earning Assets:								
Short term investment	\$ 18,478	378	2.05%	2.05%	\$ 23,763	311	1.31%	1.31%
FRB Stock	367	23	6.00%	6.00%	373	23	6.00%	6.00%
Tax Free securities	84,427	2,387	2.83%	3.58%	87,396	2,361	2.70%	3.89%
Loans	143,869	7,732	5.37%	5.37%	131,126	6,446	4.92%	4.92%
Total Interest Earning Assets	247,141	10,520	4.26%	4.51%	242,658	9,141	3.77%	4.19%
Noninterest Earning Assets:								
Cash and due from banks	4,411				4,404			
Other assets	4,427				4,539			
Allowance for loan losses	(1,636)				(2,211)			
Total Noninterest Earning Assets	7,202				6,732			
Total Assets	\$254,343				\$249,390			
Interest Bearing Liabilities:								
Transaction and Money Market accounts	115,271	797	0.69%	0.69%	114,315	396	0.35%	0.35%
Certificates and other time deposits	24,536	311	1.27%	1.27%	28,108	259	0.92%	0.92%
Other borrowings	390	10	2.56%	2.56%	79	1	0.25%	0.25%
Total Interest Bearing Liabilities	140,197	1,118	0.80%	0.80%	142,502	656	0.46%	0.46%
Noninterest Bearing Liabilities:								
Demand deposits	81,783				75,434			
Other liabilities	699				772			
Shareholders' Equity	31,664				30,682			
Total Liabilities and Shareholders Equity	\$254,343				\$249,390			
Net Interest Income and Spread		9,402	3.46%	3.71%		8,485	3.31%	3.73%
Net Interest Margin			3.50%	4.06%			3.50%	3.93%

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

	December 31 2018	%	December 31 2017	%
LOAN PORTFOLIO				
Commercial and industrial	\$87,537	56.77%	\$80,226	57.38%
Real estate:				
Commercial	24,413	15.83%	18,672	13.35%
Residential	19,147	12.42%	24,335	17.40%
Construction and development	22,034	14.29%	15,885	11.36%
Consumer	1,054	0.68%	700	0.50%
Total loans (gross)	154,185	100.00%	139,818	100.00%
Unearned discounts	0	0.00%	0	0.00%
Total loans (net)	\$154,185	100.00%	\$139,818	100.00%
	December 31 2018	%	December 31 2017	%
REGULATORY CAPITAL DATA				
Tier 1 Capital	\$34,051		\$30,993	
Total Capital (Tier 1 + Tier 2)	\$35,722		\$32,593	
Total Risk-Adjusted Assets	\$171,326		\$158,248	
Tier 1 Risk-Based Capital Ratio	19.88%		19.59%	
Total Risk-Based Capital Ratio	20.85%		20.60%	
Tier 1 Leverage Ratio	13.35%		11.71%	
OTHER DATA				
Full Time Equivalent Employees (FTE's)	20		17	
Stock Price Range (For the Three Months Ended):				
High	\$67.00		\$60.30	
Low	\$59.05		\$57.25	
Close	\$65.50		\$59.83	