



November 14, 2018

Dear Shareholder

Third Quarter 2018 results were very positive. The Press Release is attached and the Financial Summary is available at <https://www.trinitybk.com/about-us/investor-information>.

To summarize the Press Release – new highs in these key metrics:

Net Income	\$1,190,000
Return on Assets	1.89%
Return on Equity	14.53%

These results are indicative of a great group of employees. With the new additions to our staff in both the operations group and the lending team over the last two years, we now have an “All Pro” at every position. We still have two spots to fill in the operations area, and we have plans to add another revenue producer in the first quarter of 2019. Our existing staff plus the proposed new additions will enable your bank to grow and prosper.

Now, as promised in previous shareholder letters, I want you to hear from Barney Wiley and Matt Opitz, who along with Richard Burt are members of our management team. As I stated in the first quarter shareholder letter, I could not be more pleased with our management team and I am confident we have the right people in the right positions.

Performance Philosophy

When discussing the performance or health of a bank, there are a number of ratios and financial measures that an investor could use in their analysis. If you asked a room full of bankers about what differentiates their bank’s performance from other financial institutions, you would get a whole slew of answers. The answers could range from return on equity, return on assets, asset size, loan portfolio size, efficiency ratio, loan growth, earnings per share, or book value. The list goes on and on. There is no right answer as each bank’s philosophy is different. Realistically, the answer you are likely to hear will coincide with the strongest ratios that institution has to

offer when the question is asked. We actually see value in all the above answers, and will speak to a number of these financial measures in the coming shareholder letters.

As a management team, we are always looking for ways to analyze the numbers to ensure we are creating value for our shareholders. One important financial ratio of a bank is Return on Equity (“ROE”). ROE is a measure of financial performance calculated by dividing a bank’s net income by shareholders' equity or capital. ROE is easy to compute and pretty self-explanatory. Or so you would think. We do believe Return on Equity is a strong performance indicator, but we believe there is more to the ROE equation than a simple calculation. To truly identify an apples to apples comparison of a bank’s ROE, we believe the investor needs to also take into consideration the capital ratio of the subject. The capital ratio is the bank’s total capital amount divided by the average assets. Regarding capital ratios, there is no right answer as to what capital ratio a bank should maintain other than there are minimum levels that will be accepted by the Regulators. However, everyone would agree that more capital provides a greater cushion in case of problems and more capital provides a larger base to take advantage of positive opportunities.

What does this all mean to you, our investors? We have tried to come up with a financial tool to compare ourselves to peers and local competitors to see where we stand with regard to ROE, on a level playing field. A bank’s return on equity can be greatly skewed by their amount of retained capital and capital ratio.

As a result, we believe a fair assessment of true return on equity is to calculate a bank’s return on equity multiplied by their capital ratio. There is no defined name for this performance method, but we have internally identified this method as “Capital Optimization”. In laymen’s terms, a company with a lower capital ratio can show a return on equity that is off the charts strong, but if one were to dig deeper, there might be more inherent risk in this bank due to the low capital base. A bank with a lower capital base often times leaves a small margin of error with regards to operating results or problem loans. On the flipside, a bank may produce a decent return on equity but may be doing so with a much larger capital base, which directly affects the ROE calculation. Once again, there is no right answer and everyone can make their own assumptions.

What is our Capital Optimization score? For the twelve months ending 6/30/18, Trinity posted a return on equity of 12.79%; and a capital ratio of 12.85%; creating a Optimization score of 164. Is this good? The minimum capital ratio per the Regulators is 8%, anything less is considered undercapitalized. Trinity currently runs our capital ratio above the 12% range (50% more than required) for the unexpected. We believe it is a lot more conservative to run at a higher capital ratio for the possibility of opportunity (for expansion through organic growth and new hires, the addition of a new location, or possible acquisition) or the possibility of problem loans.

How does Trinity compare to peers and local competition?

To test our Capital Optimization, we compared Trinity to three high performing banks that we consider to be our peers. All organizations are similar to Trinity in that they are Commercial and Industrial (“C&I”) banks based in Texas or the DFW Metroplex.

We also compared ourselves to seven other Regional or Metroplex banks that we see in the market. As discussed, this calculation and the banks being compared is not an exact science, but we selected DFW banks that we have recently competed against. These banks range from an asset size similar to Trinity Bank to larger publically held banks.

Trinity Bank Capital Optimization (based on 12 months ended 6/30/18)

	<u>Return on Equity</u>	-	<u>Total Capital</u>	-	<u>Optimization Score</u>
Trinity Bank	12.79		12.85		164
Mid Size Regional	14.76		10.79		159
DFW Community	8.22		13.59		112
Large Size Regional	12.67		8.33		106
 Peer Group	 10.02		 10.32		 103
 Mid Size Regional	 10.02		 9.07		 91
DFW Community	14.56		5.98		87
Mid Size Regional	11.06		7.83		87
DFW Community	7.03		10.62		75
Mid Size Regional	6.31		11.15		70
Mid Size Regional	8.22		7.91		65
DFW Community	5.43		9.49		52

The Trinity Bank approach is to optimize the relationship between the amount of capital we have and the returns we generate on that capital. Compared to the Peer Group, Trinity has more capital (the cushion) and earns a greater return on that larger amount of capital. The banks in the comparison that have a higher Return on Equity do it with a lesser amount of capital.

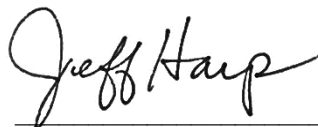
Again, this is an unconventional method but one we think is fundamentally sound. Please let us know if we can explain in more detail or compare other banks that might be of interest to you, but we are proud of where we are and wanted to share some of our insight into how we are stewarding your investment.

Thanksgiving

In our busy lives of work, social media, political frenzy, and everyday life, one can lose sight of all we should be thankful for. Thanksgiving is a wonderful time to stop and reflect on what all God has blessed us with. I would especially urge you to slow down and reach out to your friends, loved ones and family members and tell them how much they mean to you. A little love and encouragement in our fast paced lives goes a long way, especially when it is unexpected.

Thank you for your support of Trinity Bank. Please let us know if you have any topics you would like for us to address.

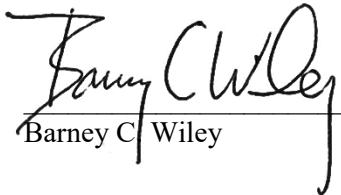
Sincerely,



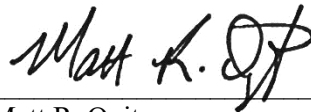
Jeffrey M. Harp



Richard A. Burt



Barney C. Wiley



Matt R. Opitz

For Immediate Release

TRINITY BANK REPORTS 2018 3RD QUARTER NET INCOME OF \$1,190,000

3RD QUARTER RETURN ON ASSETS 1.89%

3RD QUARTER RETURN ON EQUITY 14.53%

FORT WORTH, Texas, October 23, 2018 – Trinity Bank N.A. (OTC Bulletin Board: TYBT) today announced operating results for the third quarter and the nine months ending September 30, 2018.

Results of Operation

For the third quarter 2018, Trinity Bank, N.A. reported Net Income after Taxes of \$1,190,000, an increase of 13.0% over third quarter 2017 earnings of \$1,053,000. Earnings per diluted common share for the third quarter 2018 amounted to \$1.07, an increase of 13.6% over third quarter 2017 results of \$0.94 per diluted common share.

For the first nine months of 2018, Net Income after Taxes was \$3,477,000, an increase of 43.3% over the first nine months of 2017 results of \$2,426,000. Earnings per diluted common share for the first nine months of 2018 were \$3.11, an increase of 44.0% over the first nine months of 2017 results of \$2.16 per diluted common share.

President Jeffrey M. Harp stated, “Third quarter results represents all-time highs for Trinity bank in terms of Net Income, Return on Assets, and Return on Equity. Congratulations to our staff for their exceptional performance and productivity.”

Executive Vice President Barney C. Wiley stated, “These are volatile times, but Trinity is fortunate to participate in a market displaying strong economic activity. We continue to be committed to operate with:

1. strong capital – Equity to Assets Ratio of 12.77%,
2. sound liquidity – \$98 million in overnight funds and investments,
3. high efficiency – Efficiency Ratio of 41.5% vs Peer 62.6%, and
4. emphasis on growth – 10.5% increase in Loan Volume.”

“In addition, Trinity Bank will distribute its 14th semi-annual dividend of \$.57 per share on October 31, 2018. We have been fortunate to be able to increase the dividend semi-annually since the initial dividend in 2012. Trinity has now returned \$6.39 of the original investors \$10.00 cost in the form of cash dividends.”

Actual for Quarter

	3 Months	3 Months	
(in 000's)			
	<u>09/30/2018</u>	<u>09/30/2017</u>	<u>%</u>
Net Interest Income	\$ 2,349	\$ 2,170	8.2%
Non-Interest Income	149	129	15.5%
Non-Interest Expense	(1098)	(906)	21.2%
Pretax Preprovision Income	1,400	1,393	.5%
Gains on Sale of Securities and Other Assets	4	0	N/M
Loan Loss Provision	(30)	(60)	N/M
Pretax Income	1,374	1,333	3.1%
Income Tax	(184)	(280)	(34.3%)
Net Income	\$ 1,190	\$ 1,053	13.0%
Diluted Weighted Average Shares	1,115	1,121	
Earnings Per Share	1.07	.94	13.6%

Actual for 9 months

(in 000's)	9 Months	9 Months	
	<u>09/30/2018</u>	<u>09/30/2017</u>	<u>%</u>
Net Interest Income	\$ 6,976	\$ 6,270	11.3%
Non-Interest Income	415	388	7.0%
Non-Interest Expense	(3,369)	(2,673)	26.0%
Pretax Preprovision Income	4,022	3,985	.9%
Gains on Sale of Securities and Other Assets	11	3	N/M
Loan Loss Provision	(60)	(1,120)	N/M
Pretax Income	3,973	2,868	38.5%
Income Tax	(496)	(442)	12.2%
Net Income	\$ 3,477	\$ 2,426	43.3%
Diluted Weighted Average Shares	1,118	1,122	
Earnings Per Share	\$ 3.11	\$ 2.16	44.0%

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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For information contact:

Richard Burt

Executive Vice President

Trinity Bank

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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			Nine Months Ending		
	September 30 2018	September 30 2017	% Change	September 30 2018	September 30 2017	% Change
Interest income	\$2,658	\$2,345	13.3%	\$7,735	\$6,734	14.9%
Interest expense	309	175	76.6%	759	464	63.6%
Net Interest Income	2,349	2,170	8.2%	6,976	6,270	11.3%
Service charges on deposits	38	35	8.6%	111	115	-3.5%
Other income	111	94	18.1%	304	273	11.4%
Total Non Interest Income	149	129	15.5%	415	388	7.0%
Salaries and benefits expense	707	520	36.0%	2,067	1,527	35.4%
Occupancy and equipment expense	119	110	8.2%	346	320	8.1%
Other expense	272	276	-1.4%	956	826	15.7%
Total Non Interest Expense	1,098	906	21.2%	3,369	2,673	26.0%
Pretax pre-provision income	1,400	1,393	0.5%	4,022	3,985	0.9%
Gain on sale of securities	4	0	N/M	11	3	N/M
Provision for Loan Losses	30	60	N/M	60	1,120	N/M
Earnings before income taxes	1,374	1,333	3.1%	3,973	2,868	38.5%
Provision for income taxes	184	280	-34.3%	496	442	12.2%
Net Earnings	\$1,190	\$1,053	13.0%	\$3,477	\$2,426	43.3%
Basic earnings per share	1.08	0.95	13.6%	3.15	2.19	43.9%
Basic weighted average shares outstanding	1,100	1,106		1,103	1,107	
Diluted earnings per share	1.07	0.94	13.6%	3.11	2.16	44.0%
Diluted weighted average shares outstanding	1,115	1,121		1,118	1,122	

BALANCE SHEET SUMMARY	Average for Quarter			Average for Nine Months		
	September 30 2018	September 30 2017	% Change	September 30 2018	September 30 2017	% Change
Total loans	\$145,280	\$131,507	10.5%	\$143,555	\$131,268	9.4%
Total short term investments	18,368	26,349	-30.3%	17,398	20,834	-16.5%
Total investment securities	80,509	89,922	-10.5%	86,020	85,529	0.6%
Earning assets	244,157	247,778	-1.5%	246,973	237,631	3.9%
Total assets	251,839	254,291	-1.0%	254,084	244,241	4.0%
Noninterest bearing deposits	83,151	75,572	10.0%	82,008	73,427	11.7%
Interest bearing deposits	135,815	146,331	-7.2%	139,353	139,610	-0.2%
Total deposits	218,966	221,903	-1.3%	221,361	213,037	3.9%
Fed Funds Purchased and Repurchase Agreements	0	0	0.0%	522	106	N/M
Shareholders' equity	\$32,151	\$31,428	2.3%	\$31,568	\$30,391	3.9%

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

BALANCE SHEET SUMMARY	Average for Quarter Ending				
	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017	Sept. 30, 2017
Total loans	\$145,280	\$147,227	\$137,942	\$130,708	\$131,507
Total short term investments	18,368	10,843	23,035	33,929	26,349
Total investment securities	80,509	84,981	92,926	92,935	89,922
Earning assets	244,157	243,051	253,903	257,572	247,778
Total assets	251,839	250,070	260,399	264,668	254,291
Noninterest bearing deposits	83,151	80,637	82,622	81,387	75,572
Interest bearing deposits	135,815	135,940	146,206	150,771	146,331
Total deposits	218,966	216,577	228,828	232,158	221,903
Fed Funds Purchased and Repurchase Agreements	0	1,566	0	0	0
Shareholders' equity	\$32,151	\$31,236	\$31,308	\$31,546	\$31,428
HISTORICAL EARNINGS SUMMARY	Quarter Ended				
	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017	Sept. 30, 2017
Interest income	\$2,658	\$2,591	\$2,486	\$2,407	\$2,345
Interest expense	309	241	209	192	175
Net Interest Income	2,349	2,350	2,277	2,215	2,170
Service charges on deposits	38	37	42	35	35
Other income	111	100	87	91	94
Total Non Interest Income	149	137	129	126	129
Salaries and benefits expense	707	731	628	575	520
Occupancy and equipment expense	119	106	121	112	110
Other expense	272	302	382	290	276
Total Non Interest Expense	1,098	1,139	1,131	977	906
Pretax pre-provision income	1,400	1,348	1,275	1,364	1,393
Gain on sale of securities	4	7	0	2	0
Gain on sale of foreclosed assets	0	0	0	0	0
Gain on sale of other assets	0	0	0	0	0
Provision for Loan Losses	30	30	0	507	60
Earnings before income taxes	1,374	1,325	1,275	859	1,333
Provision for income taxes	184	166	146	217	280
Net Earnings	\$1,190	\$1,159	\$1,129	\$642	\$1,053
Diluted earnings per share	\$ 1.07	\$ 1.03	\$ 1.00	\$ 0.57	\$ 0.94

TRINITY BANK N.A.
(Unaudited)
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HISTORICAL BALANCE SHEET	Ending Balance				
	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017	Sept. 30, 2017
Total loans	\$143,846	\$150,833	\$142,848	\$139,818	\$129,762
Total short term investments	23,080	7,454	20,766	19,027	39,662
Total investment securities	79,234	78,840	93,034	93,518	91,467
Total earning assets	246,160	237,127	256,648	252,363	260,891
Allowance for loan losses	(1,664)	(1,634)	(1,604)	(1,600)	(1,493)
Premises and equipment	2,652	2,729	2,725	2,731	2,747
Other Assets	5,892	7,582	5,046	5,817	6,050
Total assets	253,040	245,804	262,815	259,311	268,195
Noninterest bearing deposits	81,856	79,678	86,903	84,445	79,366
Interest bearing deposits	137,926	133,922	143,929	143,638	155,790
Total deposits	219,782	213,600	230,832	228,083	235,156
Fed Funds Purchased and Repurchase Agreements	0	0	0	0	0
Other Liabilities	1,311	610	1,143	352	1,548
Total liabilities	221,093	214,210	231,975	228,435	236,704
Shareholders' Equity Actual	32,772	32,244	31,497	30,993	30,310
Unrealized Gain - AFS	(825)	(650)	(657)	(117)	1,181
Total Equity	\$31,947	\$31,594	\$30,840	\$30,876	\$31,491
	Quarter Ending				
NONPERFORMING ASSETS	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017	Sept. 30, 2017
Nonaccrual loans	\$137	\$179	\$224	\$394	\$921
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	\$137	\$179	\$224	\$394	\$921
Accruing loans past due 30-89 days	\$456	\$458	\$0	\$0	\$0
Total nonperforming assets as a percentage of loans and foreclosed assets	0.10%	0.12%	0.16%	0.28%	0.66%

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

ALLOWANCE FOR LOAN LOSSES	Quarter Ending				
	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017	Sept. 30, 2017
Balance at beginning of period	\$1,634	\$1,604	\$1,600	\$1,493	\$2,731
Loans charged off	0	0	0	400	1,300
Loan recoveries	0	0	4	0	2
Net (charge-offs) recoveries	0	0	4	(400)	(1,298)
Provision for loan losses	30	30	0	507	60
Balance at end of period	\$1,664	\$1,634	\$1,604	\$1,600	\$1,493
Allowance for loan losses as a percentage of total loans	1.16%	1.08%	1.12%	1.14%	1.15%
Allowance for loan losses as a percentage of nonperforming assets	1215%	913%	716%	406%	162%
Net charge-offs (recoveries) as a percentage of average loans	0.00%	0.00%	-0.01%	0.31%	0.99%
Provision for loan losses as a percentage of average loans	0.02%	0.02%	0.00%	0.39%	0.05%

SELECTED RATIOS	Quarter Ending				
	Sept. 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017	Sept. 30, 2017
Return on average assets (annualized)	1.89%	1.85%	1.73%	0.97%	1.66%
Return on average equity (annualized)	14.81%	14.84%	14.42%	8.14%	13.40%
Return on average equity (excluding unrealized gain on investments)	14.53%	14.51%	14.34%	8.44%	13.90%
Average shareholders' equity to average assets	12.77%	12.49%	12.02%	11.92%	12.36%
Yield on earning assets (tax equivalent)	4.59%	4.53%	4.19%	4.17%	4.22%
Effective Cost of Funds	0.51%	0.40%	0.33%	0.29%	0.28%
Net interest margin (tax equivalent)	4.08%	4.13%	3.86%	3.88%	3.94%
Efficiency ratio (tax equivalent)	41.5%	43.0%	43.9%	37.2%	35.3%
End of period book value per common share	\$29.07	\$28.13	\$27.88	\$27.92	\$28.47
End of period book value (excluding unrealized gain on investments)	\$29.82	\$29.31	\$28.48	\$28.02	\$27.41
End of period common shares outstanding (in 000's)	1,099	1,100	1,106	1,106	1,106

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

	Quarter Ending							
	September 30, 2018				September 30, 2017			
YIELD ANALYSIS	Average Balance	Interest	Yield	Tax Equivalent Yield	Average Balance	Interest	Yield	Tax Equivalent Yield
Interest Earning Assets:								
Short term investment	\$ 17,991	93	2.07%	2.07%	\$ 25,975	91	1.40%	1.40%
FRB Stock	377	6	6.00%	6.00%	374	6	6.00%	6.00%
Taxable securities	1,217	6	1.97%	1.97%	76	0	0.00%	0.00%
Tax Free securities	80,065	563	2.81%	3.56%	89,846	608	2.71%	3.90%
Loans	145,280	1,990	5.48%	5.48%	131,507	1,640	4.99%	4.99%
Total Interest Earning Assets	244,930	2,658	4.34%	4.59%	247,778	2,345	3.78%	4.22%
Noninterest Earning Assets:								
Cash and due from banks	4,308				4,450			
Other assets	4,265				4,796			
Allowance for loan losses	(1,664)				(2,733)			
Total Noninterest Earning Assets	6,909				6,513			
Total Assets	\$251,839				\$254,291			
Interest Bearing Liabilities:								
Transaction and Money Market accounts	111,298	226	0.81%	0.81%	116,647	107	0.37%	0.37%
Certificates and other time deposits	24,517	83	1.35%	1.35%	29,684	68	0.92%	0.92%
Other borrowings	0	0	0.00%	0.00%	0	0	0.00%	0.00%
Total Interest Bearing Liabilities	135,815	309	0.91%	0.91%	146,331	175	0.48%	0.48%
Noninterest Bearing Liabilities:								
Demand deposits	83,151				75,572			
Other liabilities	722				960			
Shareholders' Equity	32,151				31,428			
Total Liabilities and Shareholders Equity	\$251,839				\$254,291			
Net Interest Income and Spread		2,349	3.43%	3.68%		2,170	3.31%	3.74%
Net Interest Margin			3.84%	4.08%			3.50%	3.94%

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

	September 30 2018	%	September 30 2017	%
LOAN PORTFOLIO				
Commercial and industrial	\$85,673	59.56%	\$74,002	57.03%
Real estate:				
Commercial	20,977	14.58%	17,670	13.62%
Residential	19,407	13.49%	21,875	16.86%
Construction and development	16,706	11.61%	15,461	11.91%
Consumer	1,083	0.75%	754	0.58%
Total loans (gross)	143,846	100.00%	129,762	100.00%
Unearned discounts	0	0.00%	0	0.00%
Total loans (net)	\$143,846	100.00%	\$129,762	100.00%

	September 30 2018	%	September 30 2017
REGULATORY CAPITAL DATA			
Tier 1 Capital	\$32,773		\$30,310
Total Capital (Tier 1 + Tier 2)	\$34,437		\$31,803
Total Risk-Adjusted Assets	\$160,141		\$151,089
Tier 1 Risk-Based Capital Ratio	20.47%		20.06%
Total Risk-Based Capital Ratio	21.50%		21.05%
Tier 1 Leverage Ratio	13.01%		11.92%

OTHER DATA			
Full Time Equivalent Employees (FTE's)	20		17
Stock Price Range			
(For the Three Months Ended):			
High	\$67.00		\$61.00
Low	\$60.00		\$60.30
Close	\$65.00		\$60.30