



January 25, 2016

Dear Fellow Shareholders,

Attached are our fourth quarter results as well as our unaudited 2015 financial results. The 4<sup>th</sup> Quarter was another solid quarter, down slightly from 3<sup>rd</sup> quarter due to the cyclical nature of the mortgage division income. We did increase loans by 2% that will help us have a good start in 2016. Our Net Interest Income was about the same as 3<sup>rd</sup> Quarter and also same as 4<sup>th</sup> Quarter of 2014, as we have not had a large enough increase in loans to offset the lower loan rates due to the competitive environment. Expenses are up from last year but have been level for last 2 quarters. The result of all of this is lower income for the quarter, but we do not see this as a trend.

Triumph had a good year overall. We showed 5.3% annual loan growth, which is acceptable but a little less than we had projected. This was a result of an increasingly competitive environment and several large loan payoffs early in the year that gave us a slow start. In 2015, Net Interest Income (revenue from loans and investments, less interest cost) rose 4.7%, a respectable increase considering the competition on rates. Increased Federal Home Loan Bank Loans in the year also helped with this margin. Our Non-Interest Income, net of the 2014 tax credit impairment, increased 70% due to continued strong growth in our Mortgage Division, combined with increased fees in our Banking and Asset Based Lending Divisions. Our Non-Interest Expense was up 13% due to the new Germantown branch as well as increased staffing in the Mortgage Division. Our 2015 Provision for Loan Loss was unusually low at \$316,000, a result of our continued focus on loan quality. Net Income after Tax was \$5,000,300 (unaudited) versus \$3,878,000 in 2014. This is an increase of almost 30%!!

We are also pleased to report to our shareholders that our Tangible Book Value per Share-Fully Diluted for Options and Warrants increased 10% to \$11.71 in 2015. This is one of the most important numbers for our shareholders as it shows how the value of our stock is increasing on our books. Earnings per Share (fully diluted for options and warrants) were up 27% to \$1.16 versus \$0.91 in 2014. In the period of October 1, 2015 through January 15, 2016, there were several stock trades at \$15. As mentioned previously, we have no established market for trading our stock. However, we do have an established policy regarding the matching of buyers and sellers of its common stock. If you are interested in buying or selling, please contact Zora Pannell at (901)333-8819 or [zpannell@triumphbank.com](mailto:zpannell@triumphbank.com). Neither Triumph Bancshares, Inc. nor the Bank makes any recommendations on whether to buy or sell and makes no recommendations on pricing.

Lastly, we had two directors retire from Triumph's Board of Directors recently: Doug Collins, one of our Founding Directors, and Joe Mirabile, who served Triumph for five years. On behalf of all shareholders and employees, we gratefully thank them for their service and wish them all the very best. Both gentlemen have helped us get to where Triumph is today. We look forward to their continued support.

Please keep us in mind when you learn of banking needs for your friends and family. As always, thank you for your continued support.

Sincerely,  
Triumph Bancshares, Inc.

A handwritten signature in black ink, appearing to read "Hilliard Crews", is written over a light blue horizontal line.

Hilliard Crews  
Chairman